CURTILENIAL

Form 3160-3 (July 1992)

UNITED STATES DEPARTMENT OF THE INTERIOR

SUBMIT IN TRIPLICATE

FORM APPROVED

(Other instructions on reverse side)

OMB NO. 1004-0136 Expires February 28, 1995

5. LEASE DESIGNATION AND SERIAL NO BUREAU OF LAND MANAGEMENT APPLICATION FOR PERMIT TO DRILL OR DEEPEN JIC460 6. IF INDIAN, ALLOTTEE OR TRIBE NAME Uicartiia Apache 1a. TYPE OF WORK 98 APR 21 Deepen Drill 7. UNIT AGREEMENT NAME b. TYPE OF WELL X Oil Well Gas Well Othe 8. FARM OR LEASE NAME, WELL NO 2. NAME OF OPERATOR Jicarilla 460-21 No. 2 Mallon Oil Company 3. ADDRESS AND TELEPHONE NO. 9. API WELL NO 30-039 P.O. Box 3256 (505) 885-4596 Carlsbad, NM 88220 FIELD AND POOL, OR WILDCAT E. Blanco, Pictured Cliffs 2 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*) 11. SEC., T., R., M., OR BLK. 1450' FNL and 824' FEL (SE/NE) Unit H At surface AND SURVEY OR AREA 1450'FNL and 824' FEL (SE/NE) Unit H At proposed prodizone Sec. 21, T30N-R03W 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE * 12. COUNTY OR PARISH 13. STATE Rio Arriba 54 miles east of Bloomfield, New Mexico 17. NO. OF ACRES ASSIGNED 16 NO. OF ACRES IN LEASE 15. DISTANCE FROM PROPOSED * 1920 TO THIS WELL LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 19. PROPOSED DEPTH 20 ROTARY OR CABLE TOOLS 18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED. 4500' Rotary OR APPLIED FOR, ON THIS LEASE, FT May 20, 1998 7260' GL 22. APPROX.DATE WORK WILL START 21. ELEVATIONS (SHOW WHETHER DF, RT, GR, Etc.) PROPOSED CASING AND CEMENTING PROGRAM 23. QUANTITY OF CEMENT SIZE OF HOLE GRADE SIZE OF CASING WEIGHT PER FOOT SETTING DEPTH 8-5/8" 24# 500 Circ. to surface 12-1/4" 15.5# 4500 570 sks 7-8/8" 5-1/2" Mallon Oil Company proposes to drill to a depth sufficient to test the Pictured Cliffs formation. If productive casing will be cemented at TD. If non-productive, the well will be plugged and aband consistent with Federal regulations. Specific programs as per on-shore Oil and Gas Order No. in the following attachments: **Drilling Program** Blow Out Preventor Equipment/Plan Exhibit D: **Drilling Site Layout** Exhibit 1: Location and Elevation Plat Exhibit E: **Production Facilities** Exhibit A: Existing Roads/Planned Access Roads Exhibit F: H2S Contingency Plan Exhibit B: DIST, 3 One Mile Radius Map Exhibit G: **Environmental Assessment** Exhibit C: IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any Operations Superintendent April 13, 1998 SIGNED ✓ Lindeman (This space for Federal or State office use) APPROVAL DATE Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct CONDITIONS OF APPROVAL, IF ANY (Original Signed) HECTOR A. VILLALOBOS

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



APPROVED BY

CONFIDENTIAL

TITLE

STRICT I O. Box 1980, Hobbs, N.M. 88241-1980

ISTRICT II .O. Drawer DD, Artesia, N.M. 88211-0719

State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised Febuary 21, 1994 Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copie: Fee Lease - 3 Copie.

ISTRICT III 300 Rio Brazos Rd., Aztec, N.M. 87410

ISTRICT IV O Box 2088, Santa Fe, NM 87504-2088

OIL CONSERVATION DIVISION P.O. Box 2088 Santa Fe, NM 87504-2088

☐ AMENDED REPOR'

WELL LOCATION AND ACREAGE DEDICATION PLAT 72400 30-039-25 867 East Blanco Pictured Cliff Property Code Well Number Jicarilla 460-21 Operator Name Elevation 13925 Mallon Oil Co. 7260' 10 Surface Location UL or lot, no. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West line RC2 Waty 21 30 N 3 W 1450 North 824 East Arriba 11 Bottom Hole Location If Different From Surface UL or lot no. Section Township Lot Idn Feet from the North/South line | Feet from the Kast/West line County Dedicated, Acres, Joint or Infill "Consolidation Code | 15 Order No. NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION 5304.0' S89-57-00 E 1917 B.C. 17 OPERATOR CERTIFICATION hereby certify that the information contained herein is we and complete to the best of my knowledge and belief 44.91ac 450 2 824' Christy Serrano MAY 1 9 1998 Production Secretary 46.13ac OIL COM. DIV. DIST. 3 18 SURVEYOR CERTIFICATION vas plotted from field notes of actual surveys made by " 46.29ac or under my supervision, and that the same is true and correct to the best of my belief. 2-17 Date of Survey 48.08ac 47.78ac 47.47 54.90ac FOFESSIONAL LAND

