



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

February 4, 1999

Mallon Oil Company  
P. O. Box 2797  
Durango, Colorado 81302  
Attention: Christy Serrano

Telefax No. (970) 382-7650

*Administrative Order NSL-4201*

Dear Ms. Serrano:

Reference is made to the following: (i) your application dated January 18, 1999; and (ii) the records of the New Mexico Oil Conservation Division in Santa Fe ("Division"): all concerning Mallon Oil Company's request for a non-standard gas well location within the San Jose formation for the existing Jicarilla 460-16 "SJ" Well No. 1 (API No. 30-039-25942), which was drilled in September, 1998 at a point 1940 feet from the North line and 734 feet from the West line (Unit E) of Section 16, Township 30 North, Range 3 West, NMPM, Rio Arriba County, New Mexico. The NW/4 of Section 16 is to be dedicated to the well in order to form a standard 160-acre gas spacing and proration unit.

The application has been duly filed under the provisions of Division Rule 104.F.

By the authority granted me under the provisions of Division General Rule 104.F(2), the above-described unorthodox gas well location is hereby approved.

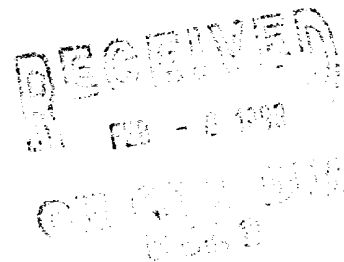
Sincerely,

A handwritten signature in cursive script, reading "Lori Wrotenbery" followed by the initials "LW/MES".

Lori Wrotenbery  
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec  
U. S. Bureau of Land Management - Albuquerque



# Mallon Oil Company

Denver/Colorado ♦ Durango/Colorado ♦ Carlsbad/New Mexico

*a Mallon Resources Subsidiary*

January 18, 1999

State of New Mexico  
Oil Conservation Division  
2040 South Pacheco  
Santa Fe, NM 87505

Attn: Mr. Mike Stogner

Re: Jicarilla 460-16 SJ No. 1  
1940' FNL and 734' FWL (SW NW) Unit E  
Sec. 16, T30N-R03W

Dear Mr. Stogner:

On March 23, 1998, Mallon Oil Company received a Non-Standard Location approval (NSL 3981) for the East Blanco; Pictured Cliffs formation. Also, on August 12, 1998 Mallon Oil Company received a Non-Standard Location (NSL-3981-A) for the Cabresto Canyon; Ojo Alamo Ext. Formation. These approvals were issued under the Jicarilla 460-16 No. 1 (1850' FNL and 690' FEL, SW NW, Unit E, Sec. 16, T30N-R03W).

Mallon Oil Company would like to apply for a Non-Standard Location approval for Jicarilla 460-16 SJ No. 1 (1940' FNL and 734' FWL, SW NW, Unit E, Sec. 16, T30N-R03W), Cabresto Canyon, San Jose Ext. Formation. The well bore for this well is located on the same well pad as the Jicarilla 460-16 No. 1 (1850' FNL and 690' FEL, SW NW, Unit E, Sec. 16, T30N-R03W). Mallon Oil Company is the sole operator within a half mile radius. Please find enclosed a copy of Mallon Oil Company's C-102 along with a Site Facility Diagram.

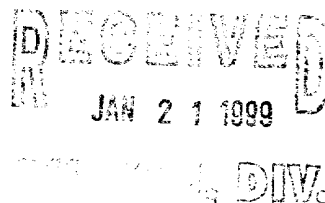
Should you need any further information, please contact the undersigned at 970-382-9100.

Sincerely,

Mallon Oil Company

*Christy Serrano*

Christy Serrano  
Production Secretary



DISTRICT II  
P.O. Drawer 20, Artesia, N.M. 88211-0710

DISTRICT III  
1080 Rio Grande Rd., Aztec, N.M. 87410

DISTRICT IV  
PO Box 2000, Santa Fe, NM 87504-2000

Energy, Minerals & Natural Resources Department

# OIL CONSERVATION DIVISION

P.O. Box 2088  
Santa Fe, NM 87504-2088

Revised February 21, 1994  
Instructions on back  
submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 8 Copies

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

|                            |                                     |                                             |
|----------------------------|-------------------------------------|---------------------------------------------|
| API Number<br>30-039-25942 | Foot Code<br>96822                  | Foot Name<br>Cabresto Canyon; San Jose Ext. |
| Property Code<br>23626     | Property Name<br>Jicarilla 460-16SJ | Well Number<br>1                            |
| Owner No.<br>013925        | Operator Name<br>MALLON OIL CO.     | Elevation<br>7187'                          |

### 10 Surface Location

| UL or Lot No. | Section | Township | Range | Lot No. | Feet from the | North/South line | Feet from the | East/West line | County     |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|------------|
| E             | 16      | 30-N     | 3-W   |         | 1940          | NORTH            | 734           | WEST           | RIO ARriba |

### 11 Bottom Hole Location if Different From Surface

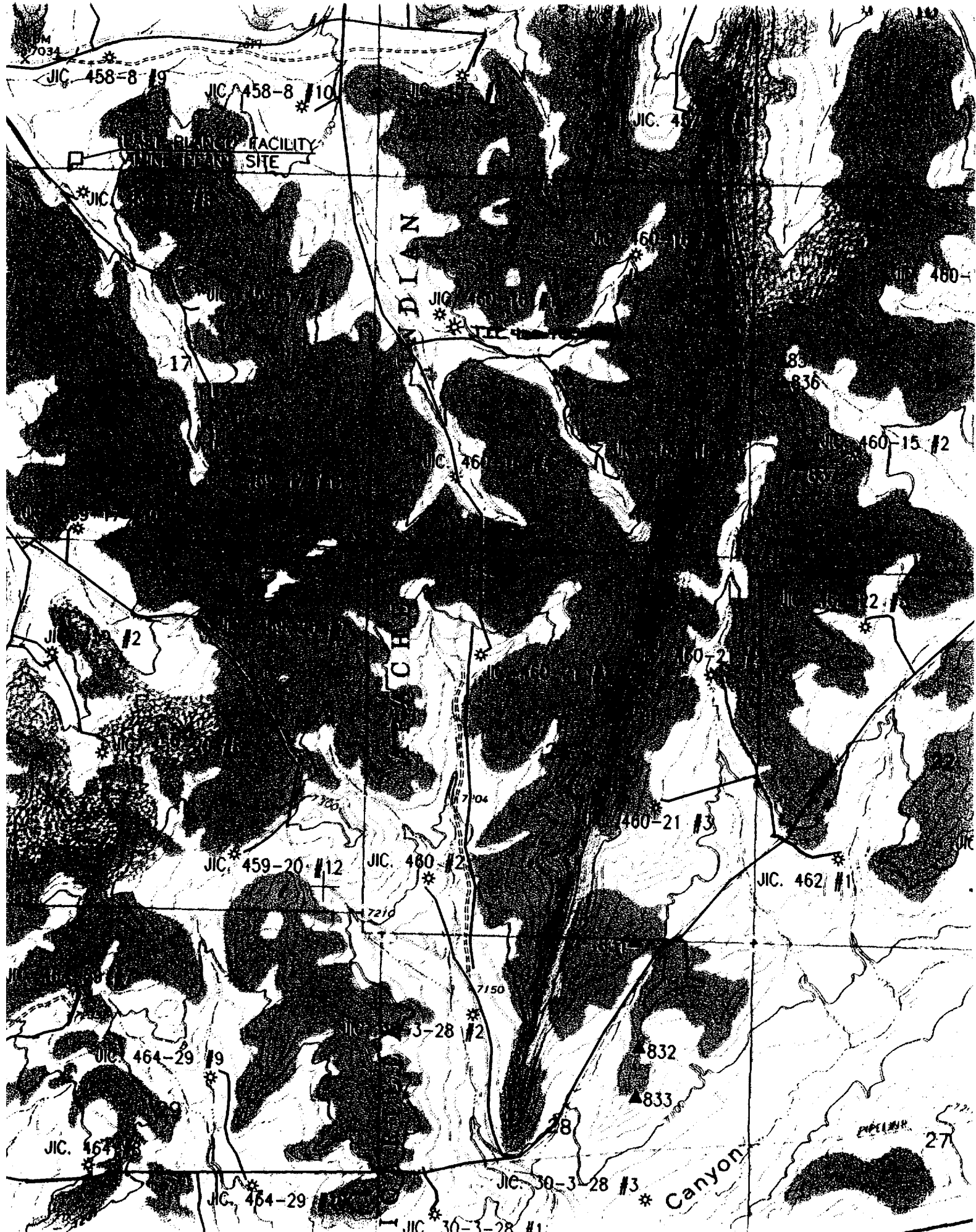
| UL or Lot No. | Section | Township | Range | Lot No. | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
|               |         |          |       |         |               |                  |               |                |        |

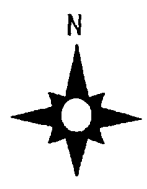
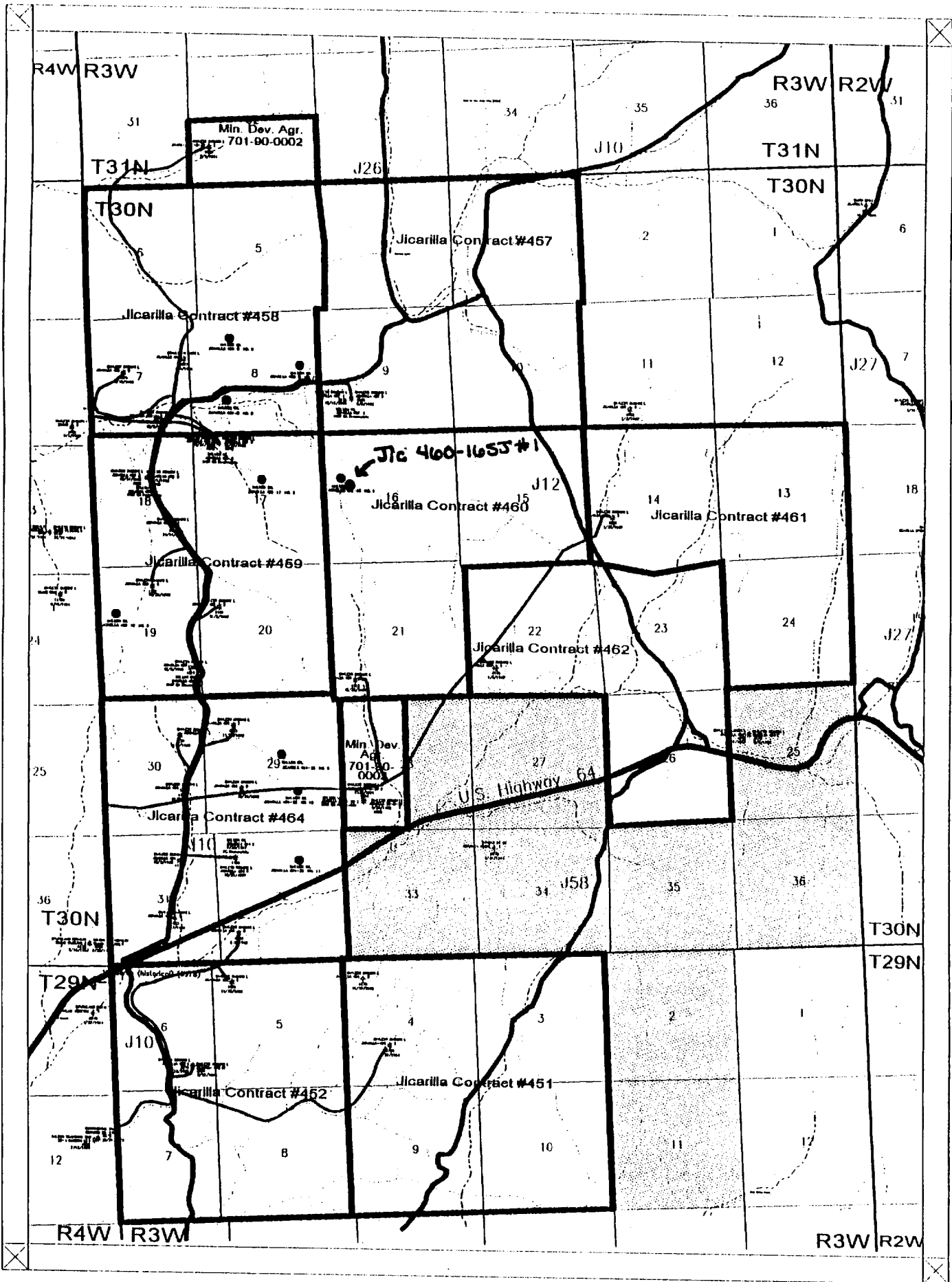
|              |                 |                    |           |
|--------------|-----------------|--------------------|-----------|
| Acres<br>160 | Joint or Infill | Consolidation Code | Order No. |
|--------------|-----------------|--------------------|-----------|

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  
S 00-03-28 E 8284.9'

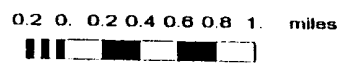
|                         |  |  |  |                         |                                                                                                                                                                                                                                                                                                                                                                                    |
|-------------------------|--|--|--|-------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| U.S.G.L.O.<br>PLAT 1917 |  |  |  | U.S.G.L.O.<br>PLAT 1917 | 17 OPERATOR CERTIFICATION<br>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.<br><br>Signature<br>Christy Serrano<br>Printed Name<br>Christy Serrano<br>Title<br>Production Secretary<br>Date<br>January 7, 1999                                                                                                |
| U.S.G.L.O.<br>PLAT 1917 |  |  |  |                         | 18 SURVEYOR CERTIFICATION<br>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.<br><br>Date of Survey<br>7-3-99<br>Name of Surveyor<br>ROY A. RUSH<br>Professional Surveyor<br>8894<br>Certificate Number |

RECEIVED  
JAN 21 1999  
OIL CON. DIV  
DIST. 2





Scale 1:63360.



**LEGEND**

- Yellow = Development Contracts
- Green = Proposed Acreage
- Purple Lines = Approximate Pipeline Locations
- Permitted Well Locations

**MALLON OIL COMPANY**

East Blanco Field  
San Juan Basin  
Rio Arriba County, New Mexico

10/17/97