

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

OIL CONSERVATION DIVISION
2040 Pacheco St.
Santa Fe, NM 87505

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO.
30-025-34300

5. Indicate Type of Lease
STATE FEE

6. State Oil & Gas Lease No.
NM04452

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT"
(FORM C-101) FOR SUCH PROPOSALS.)

7. Lease Name or Unit Agreement Name
Mallon 27 Federal

1. Type of Well:
OIL WELL GAS WELL OTHER

8. Well No.
3

2. Name of Operator
Mallon Oil Company

9. Pool name or Wildcat
Delaware

3. Address of Operator
P.O. Bos 3256 Carlsbad, NM 88220

4. Well Location
Unit Letter E : 1980 Feet From The North Line and 660 Feet From The West Line

Section 27 Township 19S Range 34E NMPM Lea County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: _____ <input type="checkbox"/>		OTHER: <u>API Corrections</u> <input checked="" type="checkbox"/>	

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

In reviewing our files Mallon Oil company found that the Mallon 27 Federal No. 3 is listed with 2 different API numbers.

The correct API number for this well is 30-025-34300. However, the other listed API number is 30-025-32654 which is incorrect according to our files. Please Review Attatchement.

Number was cancelled 9/19/97

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Diana Marrujo TITLE Administrative Secretary DATE 2-12-99

TYPE OR PRINT NAME Diana Marrujo TELEPHONE NO. (505) 885459

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

5

OPEN OCCID NO. 13925
 PROPERTY NO. 15552
 POOL CODE 37584
 EFF. DATE 2/16/98
 API NO. 30-025-34300

FORM APPROVED
 OMB NO. 1004-0136
 Expires February 28, 1995

UNITED STATES
 DEPARTMENT OF THE INTERIOR
 BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT

1a. TYPE OF WORK
 Drill Other
 b. TYPE OF WELL
 Oil Well Gas Well Other
 Single Zone Multiple Zone

5. LEASE DESIGNATION AND SERIAL NO
NM04452
 6. IF INDIAN, ALLOTTEE OR TRIBE NAME
N/A
 7. UNIT AGREEMENT NAME
N/A
 8. FARM OR LEASE NAME, WELL NO.
Mallon 27 Federal No. 3
 9. API WELL NO.
30-025-32654-34300
 10. FIELD AND POOL, OR WILDCAT
Delaware
 11. SEC., T., R., M., OR BLK.
 AND SURVEY OR AREA
Sec. 27, T19S-R34E

2. NAME OF OPERATOR
Mallon Oil Company
 3. ADDRESS AND TELEPHONE NO.
P.O. Box 3256
Carlsbad, NM 88220 (505) 885-4596

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
 At surface 1980' FNL, 660' FWL (SW NW) Unit E
 At proposed prod. zone 1980' FNL, 660' FWL (SW NW) Unit E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE *
36 miles southwest of Hobbs, New Mexico

12. COUNTY OR PARISH
Lea County
 13. STATE
NM

15. DISTANCE FROM PROPOSED * LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.
660'
 (Also to nearest drlg. unit line, if any)

17. NO. OF ACRES ASSIGNED TO THIS WELL
40

18. DISTANCE FROM PROPOSED LOCATION * TO NEAREST WELL DRILLING COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
1450'

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (SHOW WHETHER DF, RT, GR, Etc.)
3722' GR

22. APPROX. DATE WORK WILL START

PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
25"	20"	0.3 wall	40'	Redi-mix to surface
13-3/4"	9-5/8"	36#	1500'	7500 sks Class C
8-3/4"	5-1/2"	17# & 15.5#	TD	580 sks Lite, 800 sks Class C

CAPITAN CONTROLLED WATER BASIN

Mallon Oil Company proposes to drill to a depth sufficient to test the Delaware/Bone Springs formation for oil. If productive, 5-1/2" casing will be cemented. If non-productive, the well will be plugged and abandoned in a manner consistent with Federal regulations. Specific programs as per on-shore Oil and Gas Order No. 1 are outlined in the following attachments:

- Drilling Program
- Exhibit 1: Blow Out Preventor Equipment/Plan
 - Exhibit A: Location and Elevation Plat
 - Exhibit B: Existing Roads
 - Exhibit C: Planned Access Roads
 - Exhibit D: One Mile Radius Map
 - Exhibit E: Well Site Layout
 - Exhibit F: Production Facilities
 - Exhibit G: Central Battery
 - Exhibit H: Choke Manifold

BUREAU OF LAND MANAGEMENT
 ROSWELL, NM
 1991 SE
 RECEIVED
 APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED
 DATE 09/05/97

24. IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program.

SIGNED Duane C. Winkler TITLE: Operations Manager DATE 09/05/97

(This space for Federal or State office use)
 PERMIT NO. _____ 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 operations thereon.
 CONDITIONS OF APPROVAL, IF ANY:
 (ORIG. SGD.) ARMANDO A. LOPEZ
 APPROVED BY _____ TITLE Acting ADM. MINERALS DATE 2-11-98

*See Instructions On Reverse Side