

# Mallon Oil Company

Denver/Colorado ♦ Carlsbad/New Mexico

*a Mallon Resources subsidiary*

March 19, 1998

Mr. Mike Stogner  
Oil Conservation Division  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505

Dear Mr. Stogner:

Mallon Oil Company is requesting an unorthodox location for the Jicarilla 459-17 Well No. 9 (1850' FNL 2510' FEL, Unit G) Sec. 17, T30N, R3W, Rio Arriba County, New Mexico. Mallon Oil Company is the offset operator to the acreage shown. The reason for this request is due to the topography in the unit. The only part of the 160 acres suitable for drilling by topographical standards other than the location applied for would be in the NE  $\frac{1}{4}$  NE  $\frac{1}{4}$ . However, this area is used for grazing cattle and hay production. The surface leaseholder would not negotiate for surface damages. The relief in the remaining quarter quarter section was too prohibitive.

Please feel free to contact me at (505) 885-4596 should you have additional questions.

Sincerely,



Terry Lindeman  
Operations Superintendent

DISTRICT I  
P.O. Box 1980, Hobbs, N.M. 88241-1980

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

DISTRICT III  
1000 Rio Brasos Rd., Artesia, N.M. 87410

DISTRICT IV  
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

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

Form C-102  
Revised February 21, 1994

Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-039-25763		*Pool Code 72400	*Pool Name East Blanco Pictured Cliff
*Property Code	*Property Name JICARILLA 459-17		*Well Number 9
*OGRID No.	*Operator Name MALLON OIL CO.		*Elevation 7165

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
	17	30-N	3-W		1850	NORTH	2510	EAST	RIO ARriba

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

<sup>12</sup> Dedicated Acres 160	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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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

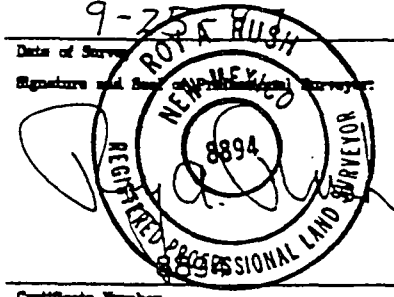
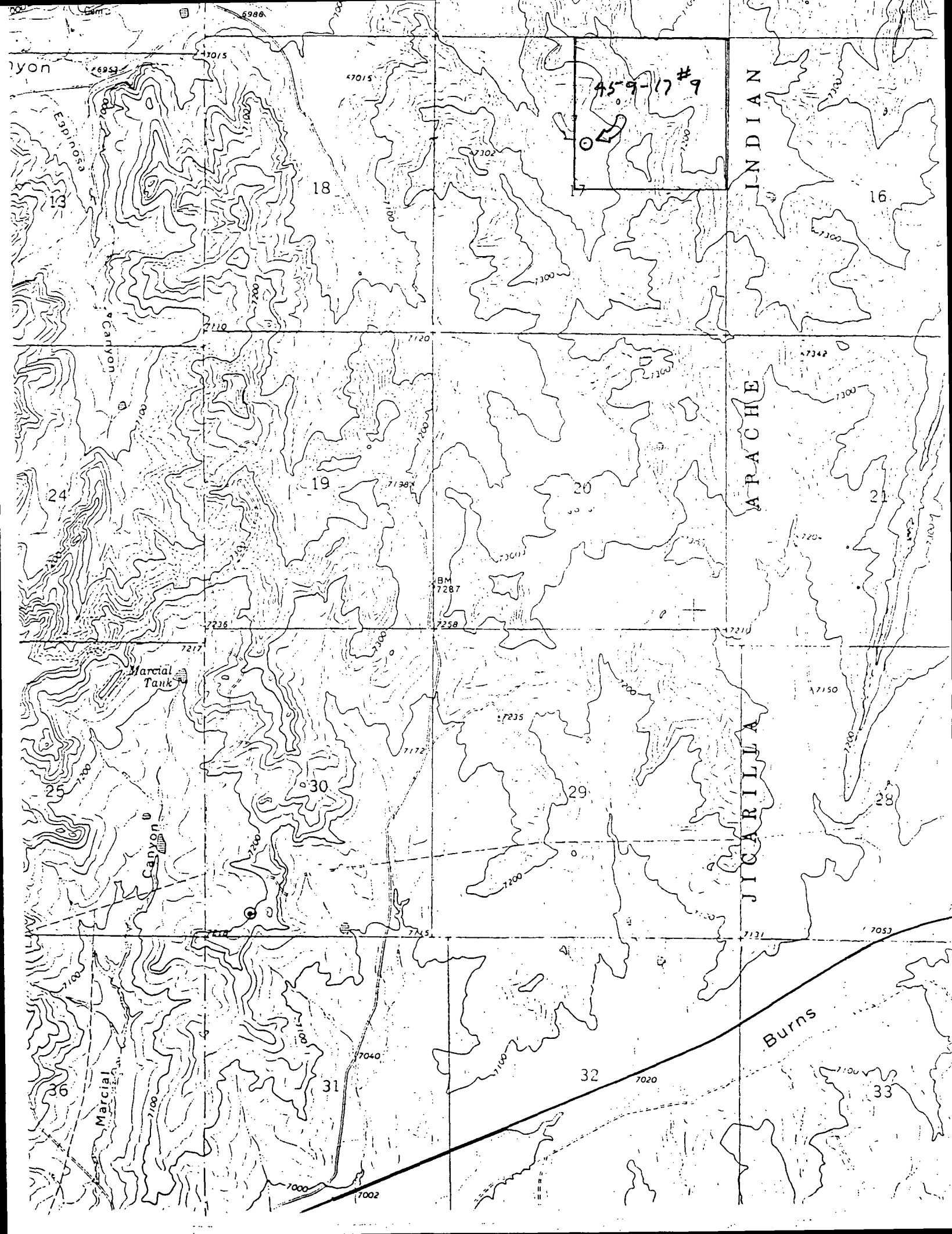
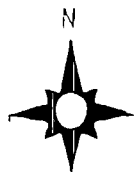
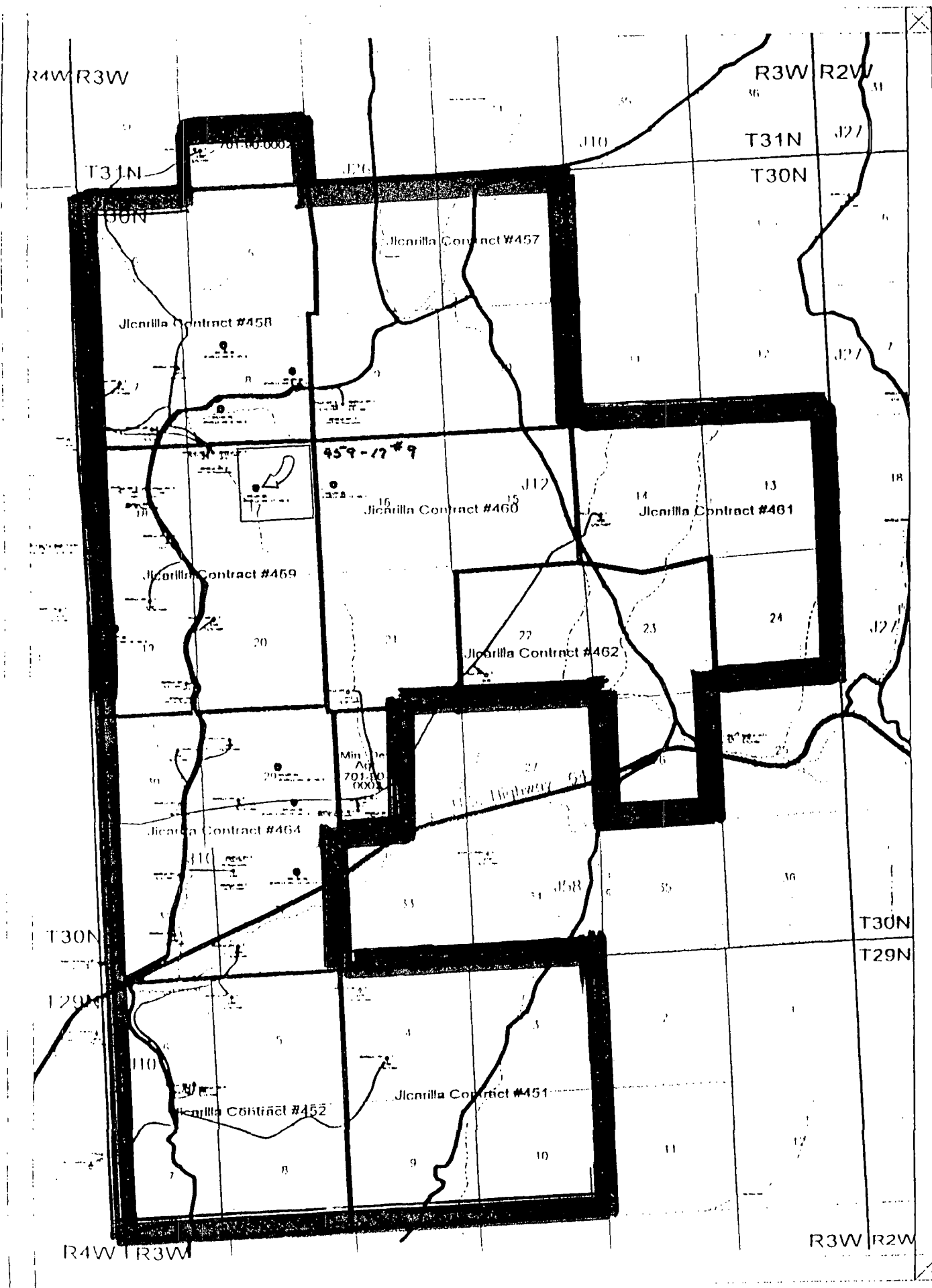
<sup>16</sup>					<sup>17</sup> OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature <u>Terry Lindeman</u> Printed Name <u>Terry Lindeman</u> Title <u>Production Superintendent</u> Date <u>10/9/97</u>
					<sup>18</sup> SURVEYOR CERTIFICATION 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 belief.  Date of Survey <u>9-25</u> Signature and Seal of Professional Surveyor  Certificate Number

Exhibit A





Scale 1:63360.

0 2 0 0 2 0 4 0 0 0 0 1 miles

MALLON OIL COMPANY

East Blanco Field - San Juan Basin  
Townships 29-30 North  
Rio Arriba County, New Mexico

10/21/1911

3/23/98 - 4/13/98 - MS - MV - NSL

ABOVE THIS LINE FOR DIVISION USE ONLY

# NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

## ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

### Application Acronyms:

[NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]  
 [DD-Directional Drilling] [SD-Simultaneous Dedication]  
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]  
 [PC-Pool Commingling] [OLS-Off-Lease Storage] [OLM-Off-Lease Measurement]  
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]  
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]  
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

### [1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Directional Drilling

☒ NSL ☐ NSP ☐ DD ☐ SD

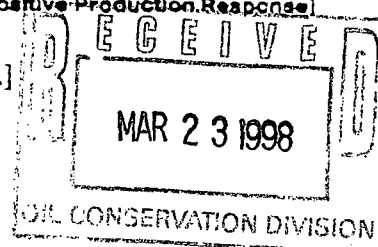
Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement

☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR



### [2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply

[A] ☒ Working, Royalty or Overriding Royalty Interest Owners

[B] ☒ Offset Operators, Leaseholders or Surface Owner

[C] ☒ Application is One Which Requires Published Legal Notice

[D] ☒ Notification and/or Concurrent Approval by BLM or SLO

U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☒ Waivers are Attached

### [3] INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I further verify that all applicable API Numbers are included. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

Terry Linderan  
Print or Type Name

Signature

Operations Superintendent  
Title

3-19-98  
Date

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE  
(Other instructions on  
reverse side)

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

APPLICATION FOR PERMIT TO DRILL OR DEEPEN				5. LEASE DESIGNATION AND SERIAL NO
1a. TYPE OF WORK Drill <input checked="" type="checkbox"/> Deepen <input type="checkbox"/>				JIC459
b. TYPE OF WELL Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone <input type="checkbox"/>				6. IF INDIAN, ALLOTTEE OR TRIBE NAME Jicarilla Apache
2. NAME OF OPERATOR Mallon Oil Company 13925				7. UNIT AGREEMENT NAME N/A
3. ADDRESS AND TELEPHONE NO. P.O. Box 3256 Carlsbad, NM 88220 (505) 885-4596				8. FARM OR LEASE NAME, WELL NO. Jicarilla 459-17 No. 9 22211
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 1850' FNL and 2510' FEL (SW NE) Unit G At proposed prod. zone 1850' FNL and 2510' FEL (SW NE) Unit G				9. API WELL NO. 30-039-25763
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE * 50 miles east of Bloomfield, New Mexico				10. FIELD AND POOL, OR WILDCAT E. Blanco, Pictured Cliffs 72400
15. DISTANCE FROM PROPOSED * LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1850'		16. NO. OF ACRES IN LEASE 2267.2	17. NO. OF ACRES ASSIGNED TO THIS WELL 160	11. SEC., T., R., M., OR BLK AND SURVEY OR AREA Sec. 17, T30N-R03W
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 2400'		19. PROPOSED DEPTH 4500'	20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, Etc.) 7165'		22. APPROX. DATE WORK WILL START October 20, 1997		
23. PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
8-3/4"	7"	17# 20 lb	500'	Circ. to surface
6-1/4"	4-1/2"	11.6#	4500'	365 sks Surface

Mallon Oil Company proposes to drill to a depth sufficient to test the Pictured Cliffs formation. If productive, 5-1/2" casing will be cemented at TD. 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: Roads and Pipelines  
Exhibit C: One Mile Radius Map

Exhibit D: Drilling Site Layout  
Exhibit E: Production Facilities  
Exhibit F: H2S Contingency Plan  
Exhibit G: Environmental Assessment

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.

24. SIGNED: Terry Lindeman TITLE: Production Superintendent DATE: 10/16/97

(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:

(Original Signed) HECTOR A. VILLALOBOS

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE DEC 8 1997

\*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.

HOLD C-114 FOR USLE

RECEIVED  
DEC 12 1997

OIL CON. DIV.  
DOW

DISTRICT I  
P.O. Box 1980, Hobbs, N.M. 88241-1980

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

DISTRICT III  
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OIL CONSERVATION DIVISION

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-039-25763		2 Pool Code 72400		3 Pool Name E BLANCO; PC	
4 Property Code 22211		5 Property Name JICARILLA 459-17			6 Well Number 9
7 OGRID No. 13925		8 Operator Name MALLON OIL CO.			9 Elevation 7165

10 Surface Location

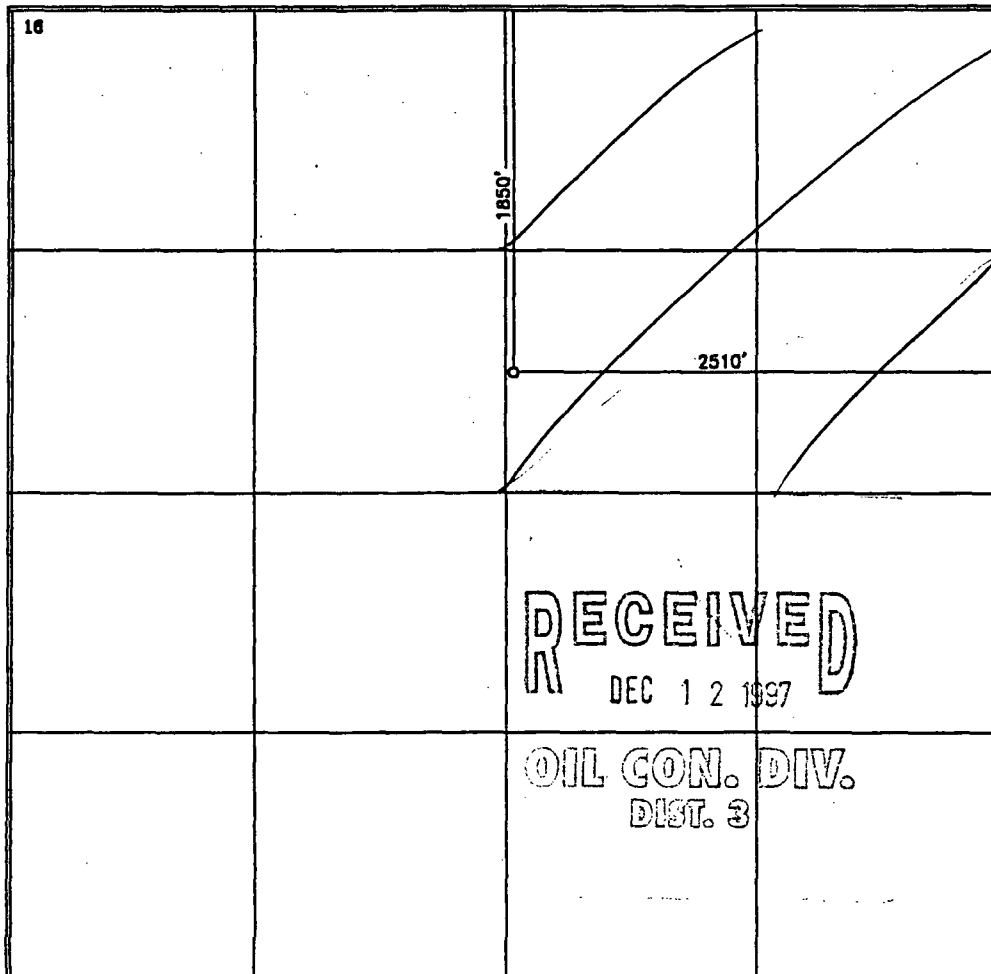
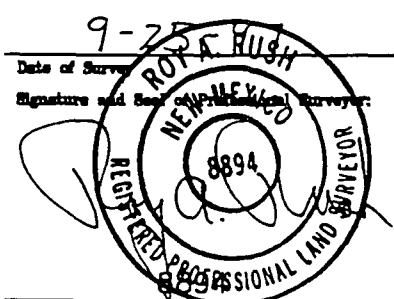
UL or lot no. G	Section 17	Township 30-N	Range 3-W	Lot Idn	Feet from the 1850	North/South line NORTH	Feet from the 2510	East/West line EAST	County RIO ARRIBA
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11 Bottom Hole Location If Different From Surface

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12 Dedicated Acres 140	13 Joint or Infill	14 Consolidation Code	15 Order No.
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OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<div>16</div> 					<div>17 OPERATOR CERTIFICATION</div> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> <p><u>Terry Lindeman</u> Signature Terry Lindeman Printed Name Production Superintendent Title 10/9/97 Date</p>				
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RECEIVED  
DEC 12 1997  
OIL CON. DIV.  
DIST. 3

RESERVATI

INDIAN

APACHE

MALLON OIL COMPANY  
Jicarilla 459-17 No. 9  
1850' FNL, 2510' FEL (SW NE)  
Sec. 17, T30N-R03W  
Rio Arriba County, NM

===== EXISTING ROADS  
----- PLANNED ROADS

Exhibit B

canyon



## NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

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☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply[A] ☒ Working, Royalty or Overriding Royalty Interest Owners[B] ☒ Offset Operators, Leaseholders or Surface Owner[C] ☒ Application is One Which Requires Published Legal Notice[D] ☒ Notification and/or Concurrent Approval by BLM or SLO

U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

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 Print or Type Name

  
 Signature

Operations Superintendent  
 Title

3-19-98  
 Date

# Mallon Oil Company

Denver/Colorado ♦ Carlsbad/New Mexico

*a Mallon Resources subsidiary*

March 19, 1998

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Oil Conservation Division  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505

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Please feel free to contact me at (505) 885-4596 should you have additional questions.

Sincerely,



Terry Lindeman  
Operations Superintendent

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P.O. Drawer DD, Artesia, N.M. 88211-0719

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DISTRICT III  
1000 Elm Branch Rd. Artes, N.M. 87410

## OIL CONSERVATION DIVISION

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

☐ AMENDED REPORT

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

## WELL LOCATION AND ACREAGE DEDICATION PLAT

'API Number	'Pool Code	'Pool Name
30-039-25763	72400	East Blanco Pictured Cliff
'Property Code	'Property Name	'Well Number
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'OGRND No.	'Operator Name	'Elevation
	MALLON OIL CO.	7165

<sup>10</sup> Surface Location

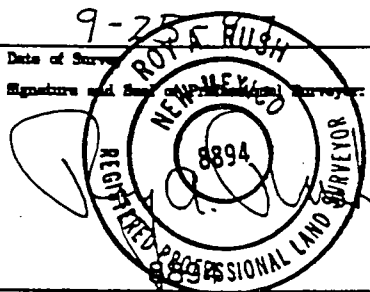
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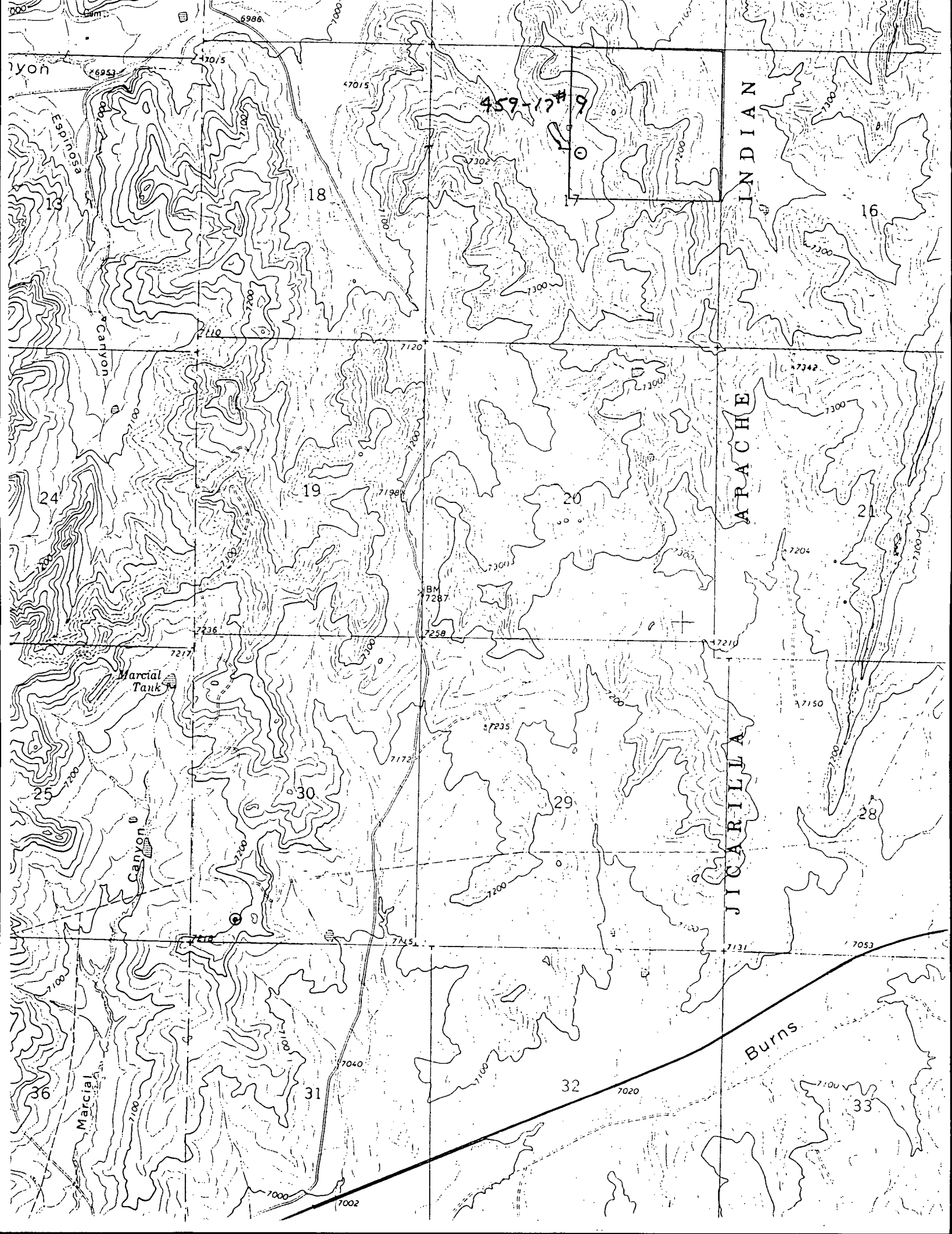
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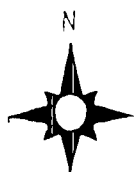
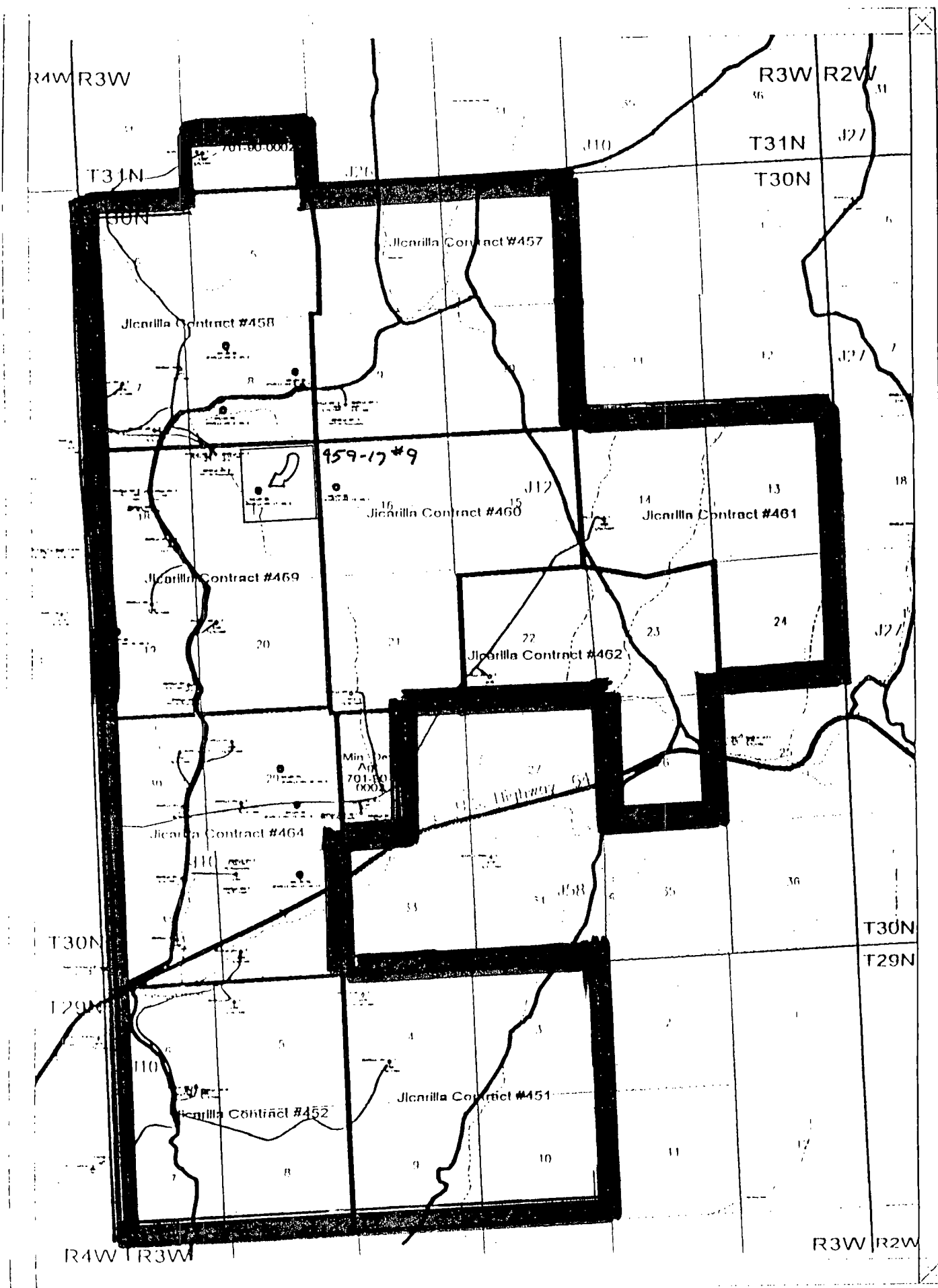
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<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
160			

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

16					<b>17 OPERATOR CERTIFICATION</b> <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i>
		1850'			<u>Terry Lindeman</u> Signature
			2510'		<u>Terry Lindeman</u> Printed Name
					<u>Production Superintendent</u> Title
					<u>10/9/97</u> Date
					<b>18 SURVEYOR CERTIFICATION</b> <i>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 belief.</i>
					<u>9-25-97</u> Date of Survey
					<u>ROY A. RUSH</u> Signature and Seal of Professional Surveyor
					
					<u>                    </u> Certificate Number





Scale 1:63360.

0 2 0 0 2 0 4 0 0 0 0 1 miles  
 III ■ ■ ■ I

MALLON OIL COMPANY

East Blanco Field - San Juan Basin  
 Townships 29-30 North  
 Rio Arriba County, New Mexico

10/20/1971