

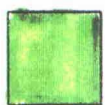
Mallon Oil Company

1099-18th Street, Suite #2750
Denver, Colorado 80202

POOL BOUNDARIES AND PRESSURE REGIMES

Rio Arriba County, New Mexico

*Exhibits 1 through 6
Complete Set*



BLANCO MESAVERDE



**GAVILAN MESAVERDE
(PROPOSED)**



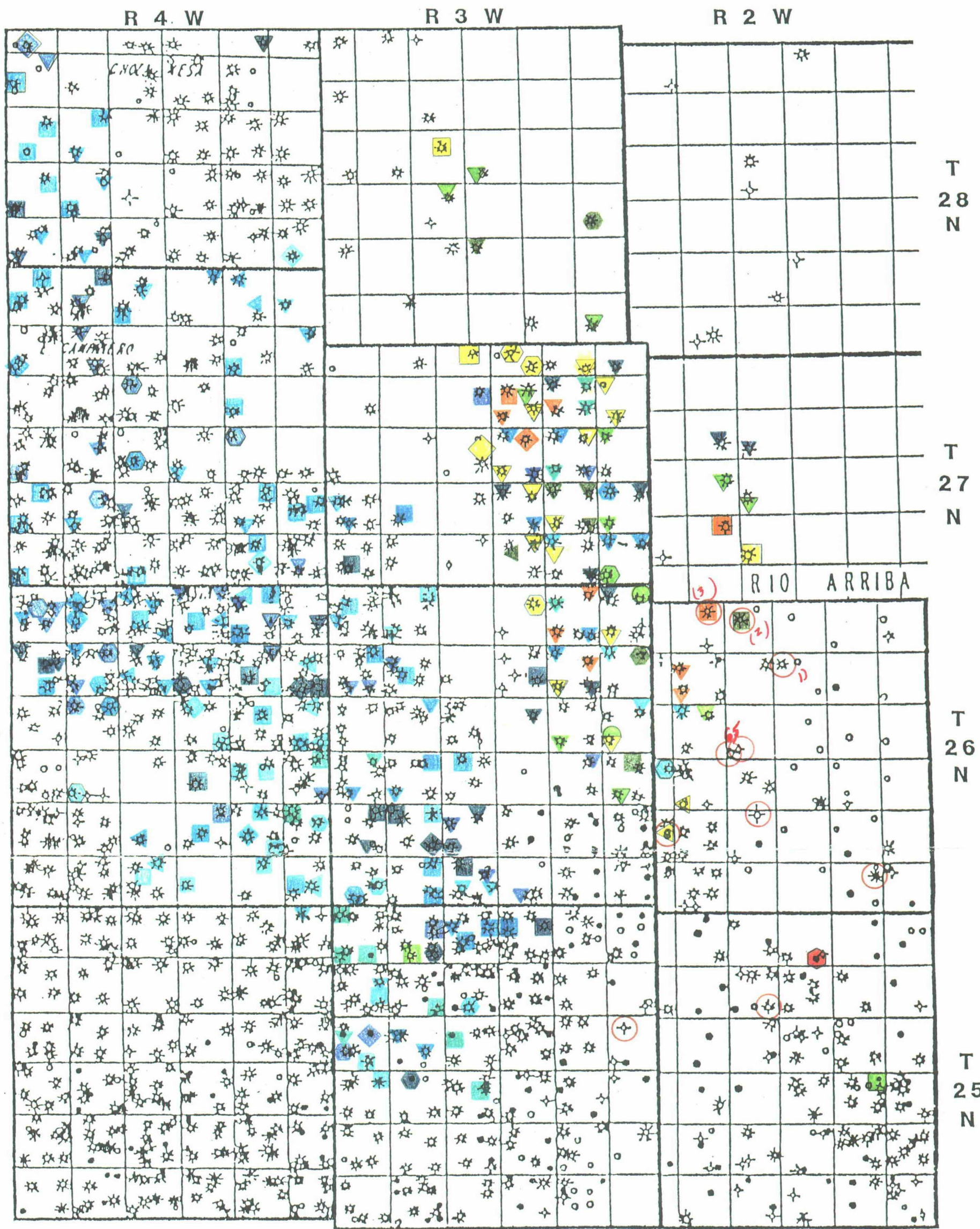
DRY AND SUB-ECONOMIC MESAVERDE TESTS

BEFORE EXAMINER STOGNER

Oil Conservation Division

 Exhibit No. 3

Case No. 9790



PRESSURE, PSI

- <1000
- 1000-1099
- 1100-1199
- 1200-1299
- 1300-1399
- 1400-1499
- 1500-1599
- 1600-1699
- 1700-1799
- 1800+

Mallon Oil Company

1099-18th Street, Suite #2750
Denver, Colorado 80202

MESAVERDE COMPLETIONS

INITIAL SHUT-IN SURFACE PRESSURES

Rio Arriba County, New Mexico

COMPLETED ZONES

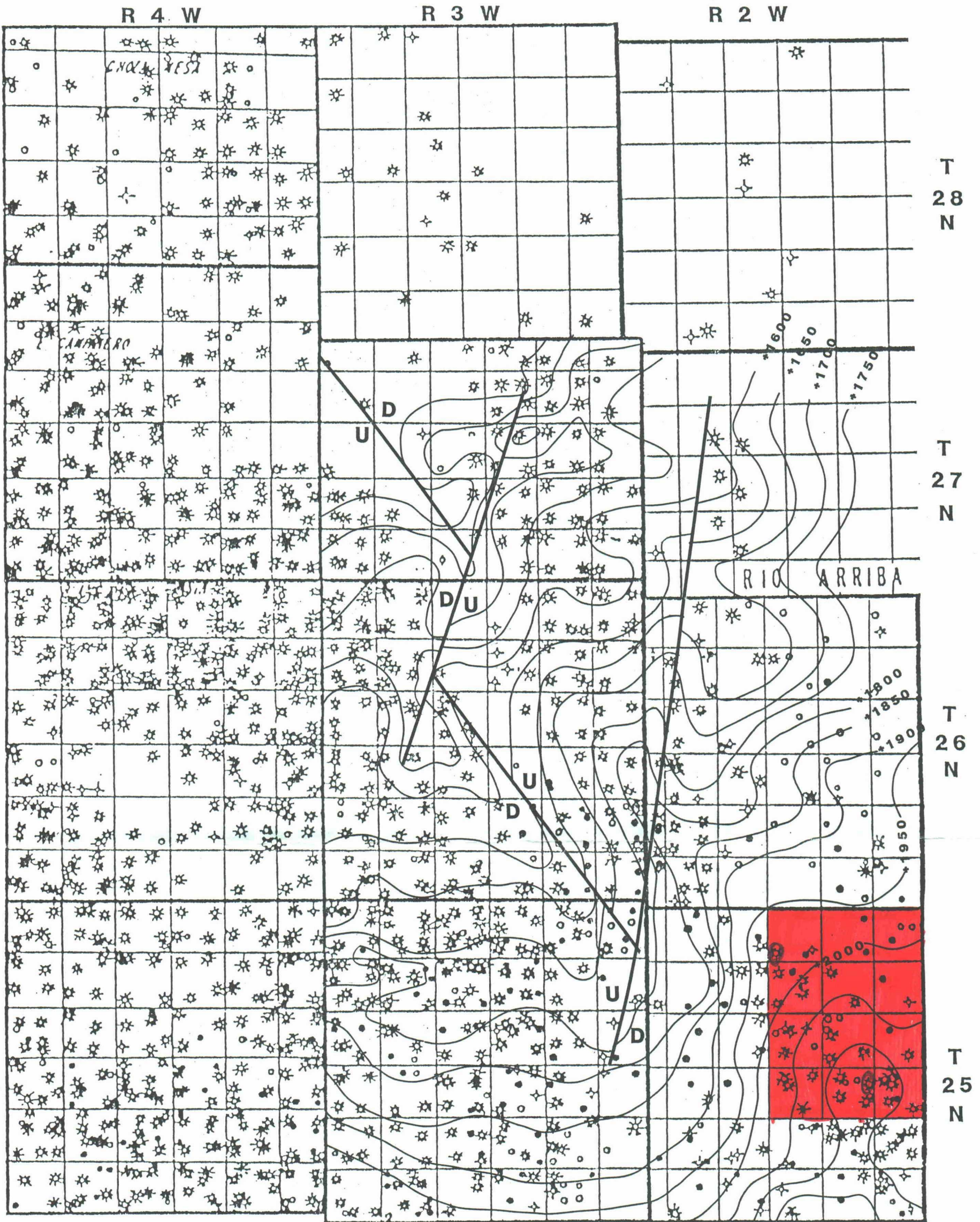
- CLIFF HOUSE
- MENELEE
- POINT LOOKOUT
- ALL ZONES
- CH+PL
- MEN+PL
- CH+MEN
- DRY HOLE OR SUB-ECONOMIC

BEFORE EXAMINER STOGNER

Oil Conservation Division

Exhibit No. 2

Case No. 9790



Mallon Oil Company

1099-18th Street, Suite #2750
 Denver, Colorado 80202

STRUCTURE

TOP MENEFFEE FORMATION

Rio Arriba County, New Mexico

C.I. 50'

*little amount of
 time to
 prepare*

3 weeks

BEFORE EXAMINER STOGNER

Oil Conservation Division

Exhibit No. 3

Case No. 9790

October 16, 1989

Dry and Sub-Economic Mesaverde Tests Between
Blanco-Mesaverde and Proposed Gavilan - Mesaverde Pools
(Case 9790, New Mexico Oil Conservation Division)

- 1) #3 Davis (W.M. Galloway) 10-26N-2W (NW NW)
COMP. DATE: 8-7-79
ZONES: Point Lookout
IPF: NR
STIM: 46,000 gal, 45,000 #sd
CUM-1988 7,745 MCFG, 0 BO, 0 BW
- 2) #1 Davis (Omimex Petrol) 4-26N-2W (SE NW)
COMP. DATE: 7-28-79
ZONES: Point Lookout
IPF: 4538 MCFGPD, 48/64" ck
STIM: 100,000 #sd (Liq NR)
CUM-1988 80,805 MCFG, 421 BO, 102 BW
- 3) #1 Trix (W.M. Galloway) 5-26N-2W (NW NE)
COMP. DATE: 11-10-80
ZONES: Point Lookout
IPF: NR
STIM: 56,000 gal 50,000 #sd
CUM-1988 33,601 MCFG, 1,803 BO, 0 BW
- 4) #1 Tapacitos (Southland) 16-26N-2W (NE NE)
COMP. DATE: 11-11-72
ZONES: Point Lookout
IPF: 710 MCFGPD
STIM: 46,200 gal, 40,000 #sd
CUM-1988 218,785 MCFG, 4577 BO, 124 BW
- 5) #1 Ojito (Lynco Oil Corp.) 16-26N-2W (SW SW)
COMP. DATE: 5-24-71
ZONES: All three Mesaverde Members
IPF: NR
STIM: Sand-Water Frac
CUM-1988 No production
- 6) #1 Humble Federal "B" (Cabot Carbon) 16-26N-2W (SW SW)
COMP. DATE: 9-16-60
ZONES: Menefee, Point Lookout, PC
IPF: NR
STIM: Sd-Water frac, Point Lookout, sd-wtr frac,
Menefee & PC
CUM-1988 No production
- 7) Evans #28-31 (Kenai O & G) 28-26N-2W (NW NE)
COMP. DATE: 1-23-81
ZONES: Cliff House, Point Lookout
IPF: NR
STIM: CH frac 50,000 gal, 60,000 #sd, PLO frac 43,000 gal
70,000 #sd
CUM-1988 No production (D&A)

BEFORE EXAMINER STOGNER

Oil Conservation Division

Exhibit No. 4

Case No. 9790

October 16, 1989

Page Two:

- 8) #1 Hill (Merrion & Bayless) 30-26N-2W (NE NE)
COMP DATE: 1-25-79
ZONES: Cliff House, Menefee, Point Lookout
IPF: 1500 MCFGPD, 7 BCPD, 24 BWPD, 48/64" ck
STIM: Cliff House - 11,500 gal pad, 22,000 gal,
22,000 #sd Menefee & Point Lookout-25,600
gal pad, 33,500 gal, 22,000 #sd
CUM-1988: 15,346 MCFG, 190 BO, 0 BW
- 9) #1 Divide (Amoco Prod.) 35 26N-2W (SE NE)
COMP. DATE: 5-22-83
ZONES: Cliff House, Point Lookout, Mancos
IPF: 822 MCFGPD, 25 BOPD, 5 BWPD, 48/64" ck (Cummingled)
STIM: Frac Mesaverde 99,498 gal, 89,200 #sd
CUM-1988: (Mesaverde) 354 MCFG, 16 BO, 0 BW
- 10) #1 Stevenson-Boring (Dugan Production) 9-25N-2W (SW SE)
COMP. DATE: 1-18-52
ZONES: All 3 KMV (Open hole Test)
IPF: 600 MCFGPD
STIM: NR
CUM-1988: No production (PB to Pictured Cliffs)
- 11) #1 W. F. Hurt (Skelly) 13-25N-2W (NE NW)
COMP. DATE: 4-28-58
ZONES: Menefee, Point Lookout, Cliff House
IPF: No production report after 2 months testing
STIM: Point Lookout (None-Perfed, tested, sqzd)
Cliff House & Menefee, Frac 50,000 gal,
50,000 #sand
CUM-1988: No production (D&A)
- 12) #2 Schalk 43 (Schalk Dev.) 34 25N-3W (NE NE)
COMP. DATE: 12-15-79
ZONES: All three Mesaverde members
IPF: NR
STIM: Frac 75,000 gal, 75,000 #sd
CUM-1988: No production, PB to Chacra on orig. Comp.
("insufficient gas, & excessive water")
- 13) #1 Myers (W.M. Galloway) 35-25N-3W (NW NW)
COMP. DATE: 5-24-78
ZONES: Point Lookout
IPF: NR
STIM: 60,200 gal, 60,000 #sd
CUM-1988: 3013 MCFG, 0 BO, 0BW
- 14) H.L. Butts Gas Comm - B (Amoco) 25-24N-1W (NW SE)
COMP. DATE: 11-26-85
ZONES: Cliff House, Point Lookout (Perfed & Swabbed)
IPF: PLO Swab NSO or Gas, CH Swab SG, NSO Gas TSTM
CUM-1988: (D&A)



INDUCTION
GUARD LOGS BEFORE EXAMINER STOGNER

Oil Conservator Division
Exhibit No. 5
Case No. 9790

COMPANY _____
WELL _____
FIELD _____
County _____ State _____

COMPANY MALLON OIL COMPANY
WELL DAVIS FED COM. 3-15
FIELD GAVILAN MANCOS GALLUP
COUNTY RIO ARRIBA
API No. _____
Location 795' FSL & 2145' FEL

Permanent Datum GL _____
Log Measured From KB _____
Drilling Measured From KB _____

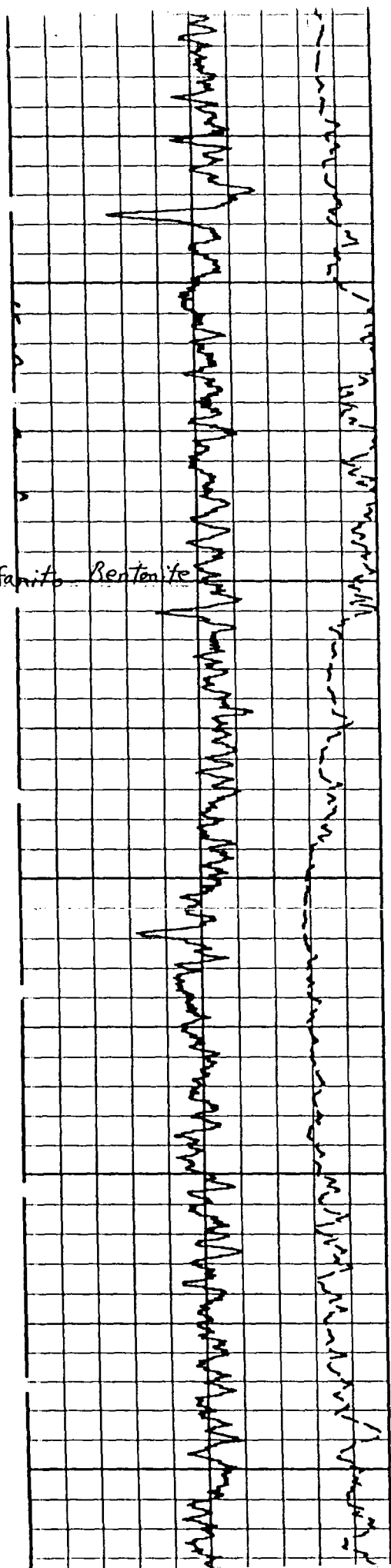
Sec. 03 Tup 25N Rge 02M
Elev. 7458
Elev.: K.B. 7470
D.F. 7469
G.L. 7458
STATE NM
Other Services
SDL-DSN
DIPMETER
CAVL

Date	08/27/86		
Run no.	ONE		
Depth-Driller	8277		
Depth-Wellex	8253		
Btm. Log Inter.	8250		
Top Log Inter.	272		
Casing-Driller	9 5/8 8271		
Casing-Wellex	272		
Bit Size	8 3/4		
Type Fluid in Hole	LSND		
Dens. : Visc	8.9 : 63		
pH : Fluid Loss	9.0 : 6.3		
Source of Sample	MUD TANK		
Rm @ Meas. Temp.	2.5 @ 74		
Rmf @ Meas. Temp.	3.1 @ 67		
Rmc @ Meas. Temp.	2.8 @ 65		
Source Rmf : Rmc	MERS. : MERS.		
Rm @ BHT	1.13 @ 172		
Time Since Circ.	4 HRS		
Time On Bottom	8:30		
Max. Rec. Temp.	172 @ TD		
Equip. : Location	50632 : FARM		
Recorded by	S.A. HSH	G.S. YARBRO	
Witnessed by	K. McCORD		

Fold Here

Service Ticket No.: 012632		API Serial No.:		PGM Version: 6027/6136			
Change in Mud Type or Additional Samples				RESISTIVITY SCALE CHANGES			
Date/Sample No.	/ / :	/ / :	Type Log	Depth	Scale Up Hole	Scale Down Hole	
Depth-Driller							
Type Fluid							
In Hole							
Dens. : Visc.	:	:					
pH. : Fluid Loss	:	:					
Source of Sample			RESISTIVITY EQUIPMENT DATA				
Rm @ Meas. Temp.	@	@	Run No	Tool Type & No	Pad Type	Tool Pos.	Other
Rmf @ Meas. Temp.	@	@	ONE	DILT 109415		CENT	
Rmc @ Meas. Temp.	@	@		DSGT 108807			
Source: Rmf:Rmc	:	:					
Rm @ BHT	1.13 @ 172	@					
Rmf @ BHT	1.28 @ 172	@					
Rmc @ BHT	1.12 @ 172	@					
EQUIPMENT DATA							
GAMMA		ACOUSTIC		DENSITY		NEUTRON	
Run No.	ONE	Run No.	ONE	Run No.	ONE	Run No.	ONE

Huefapito Bentonite
4101'



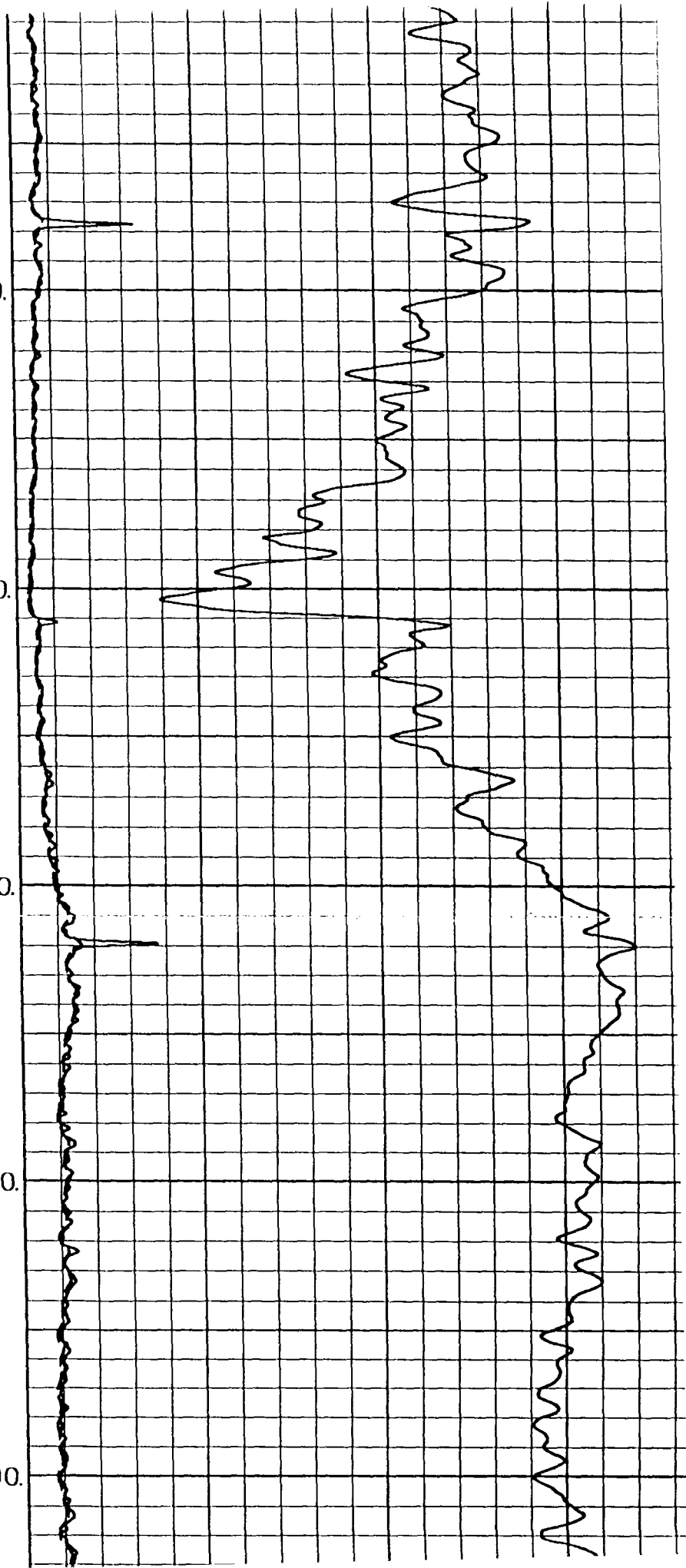
4000.

4100.

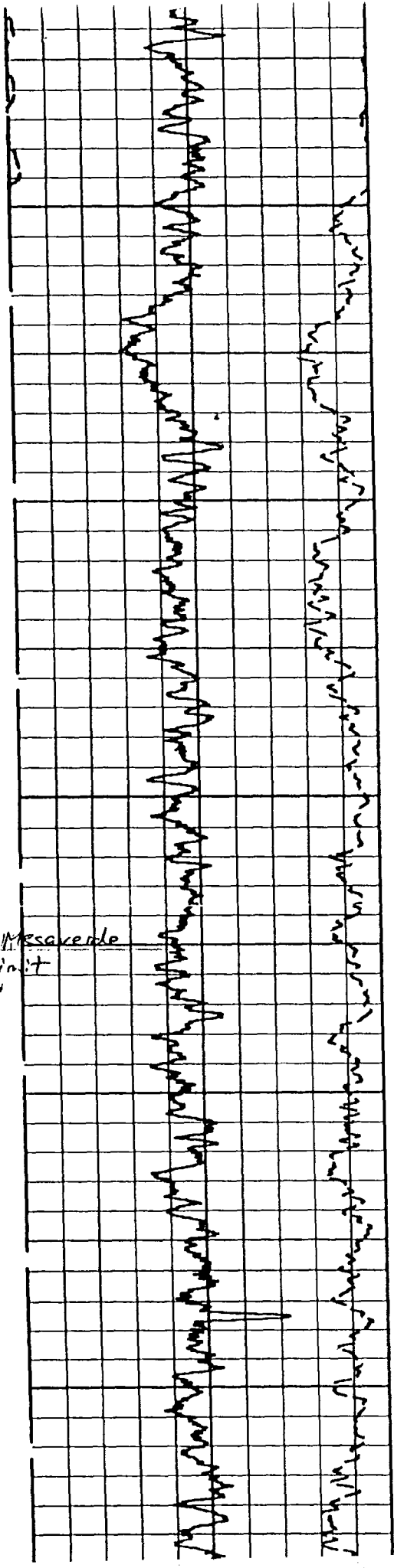
4200.

4300.

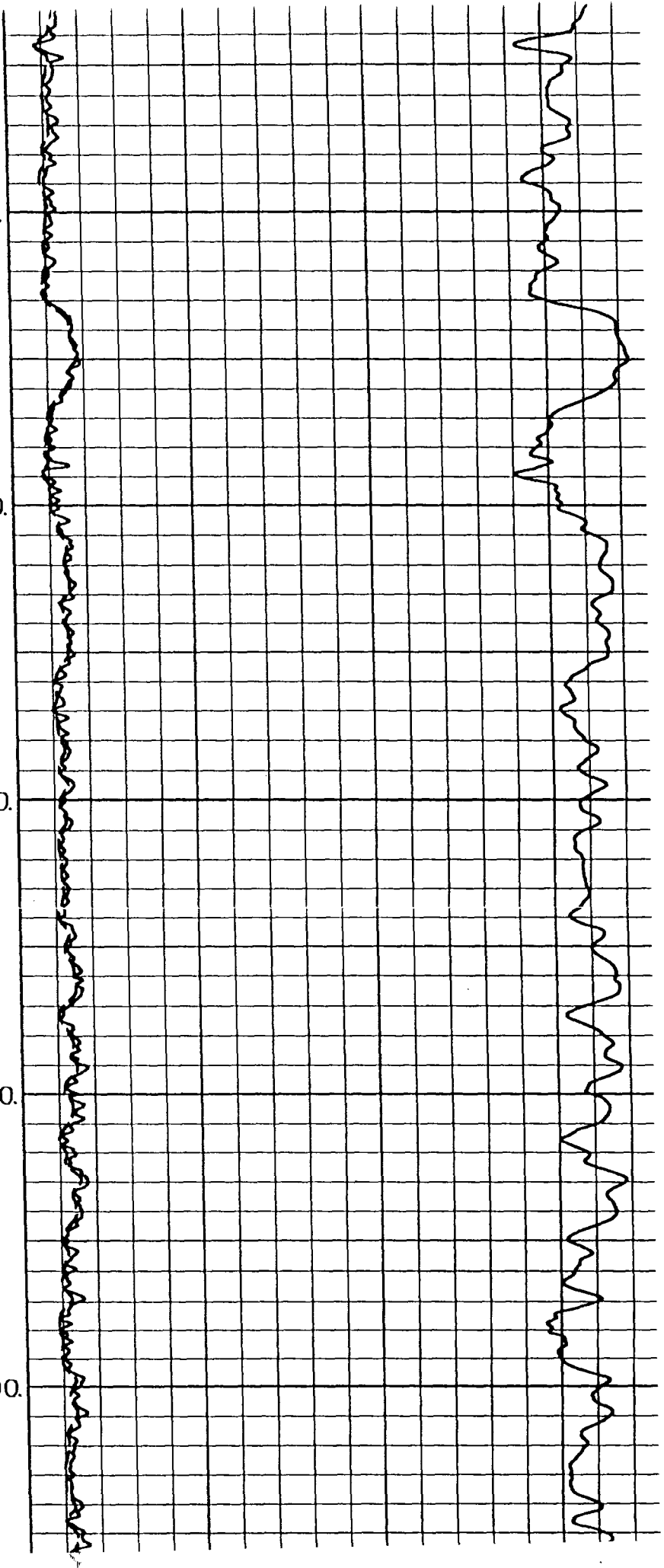
4400.



Blanco Mesavento
Upper Limit
4851'

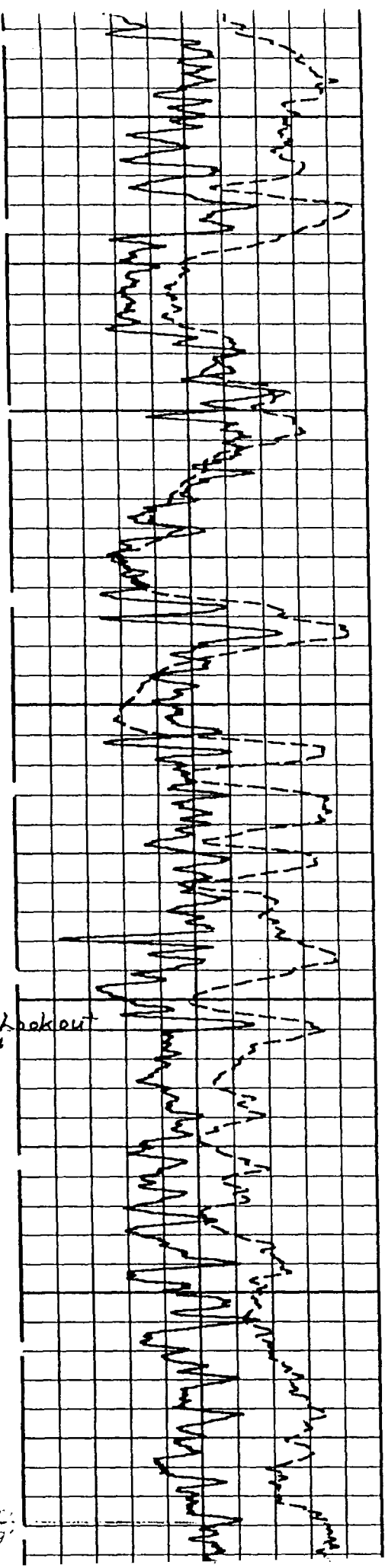


4600.
4700.
4800.
4900.
5000.



Point lookout
5810'

Line
119'



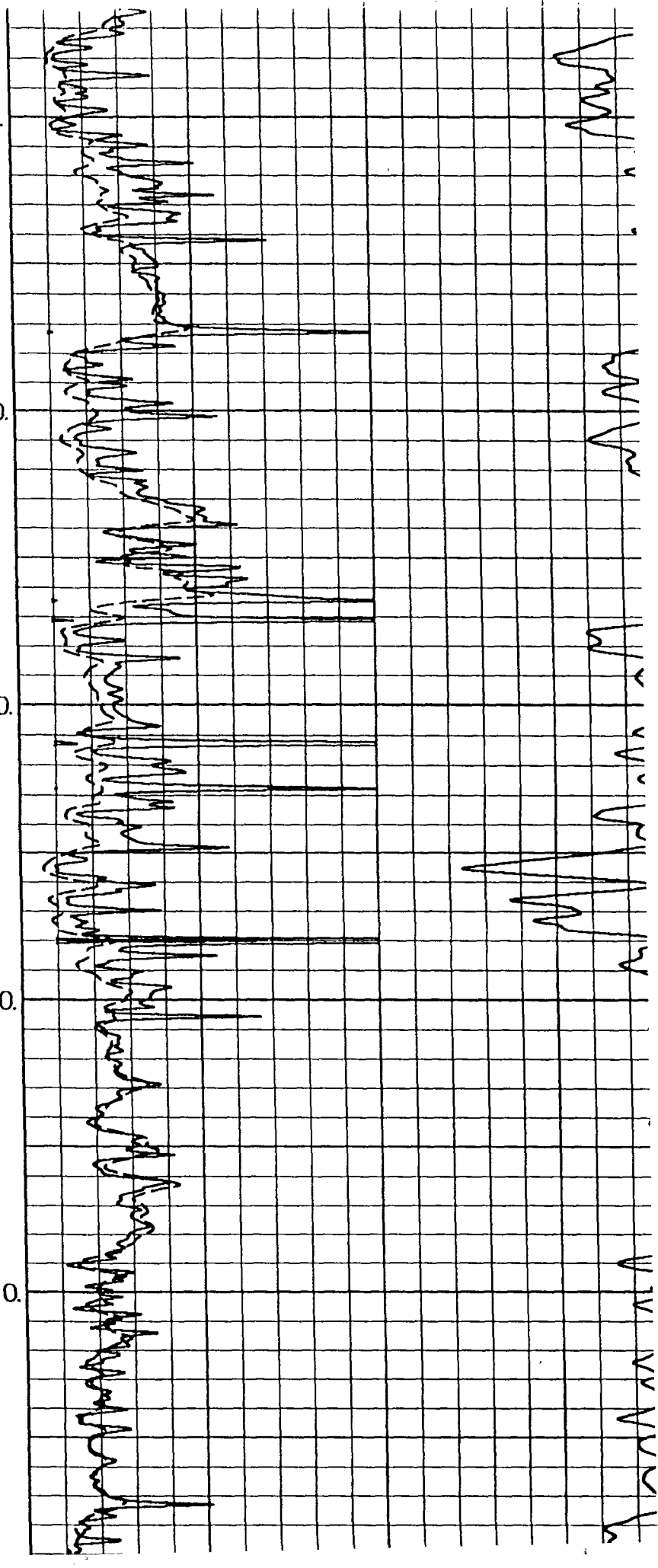
5500.

5600.

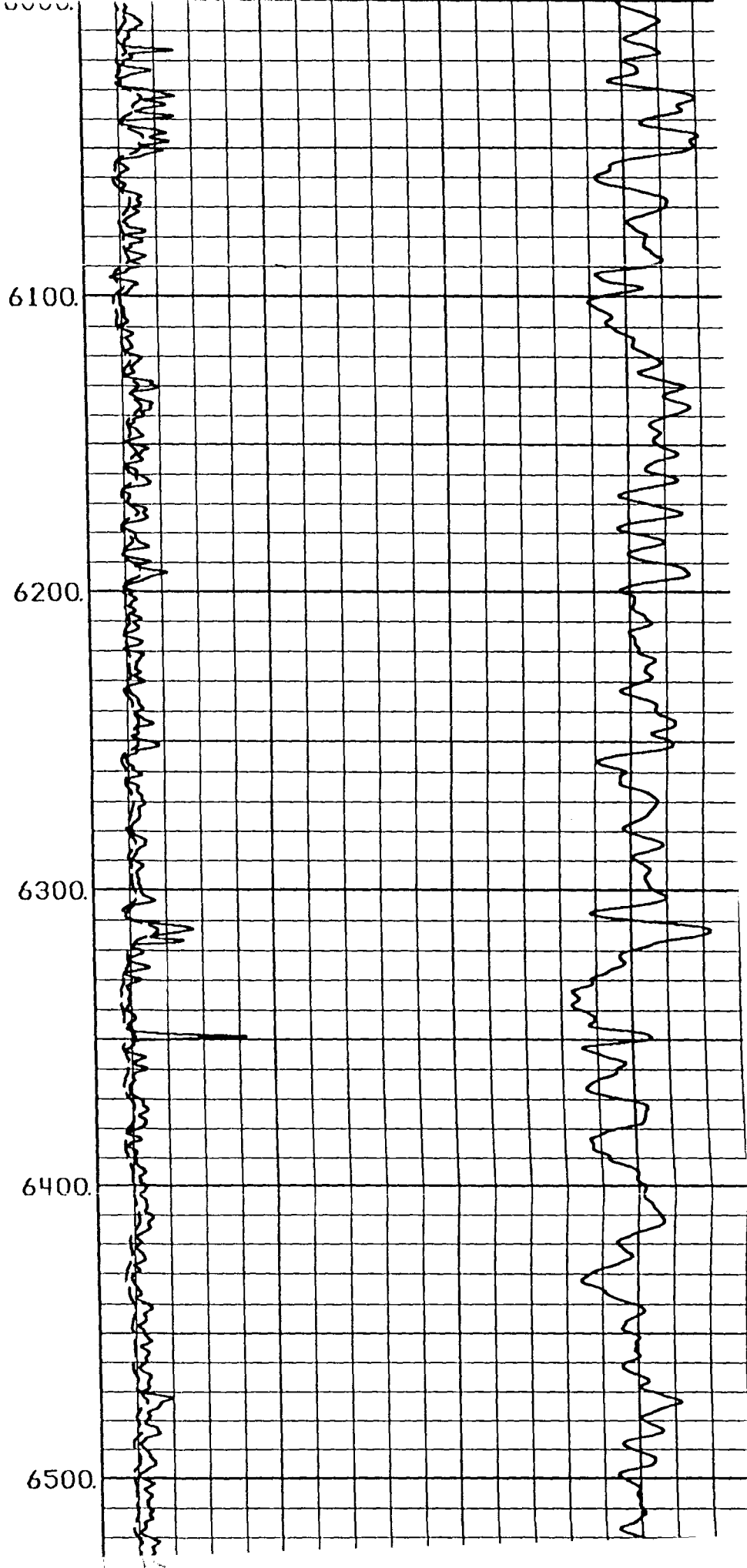
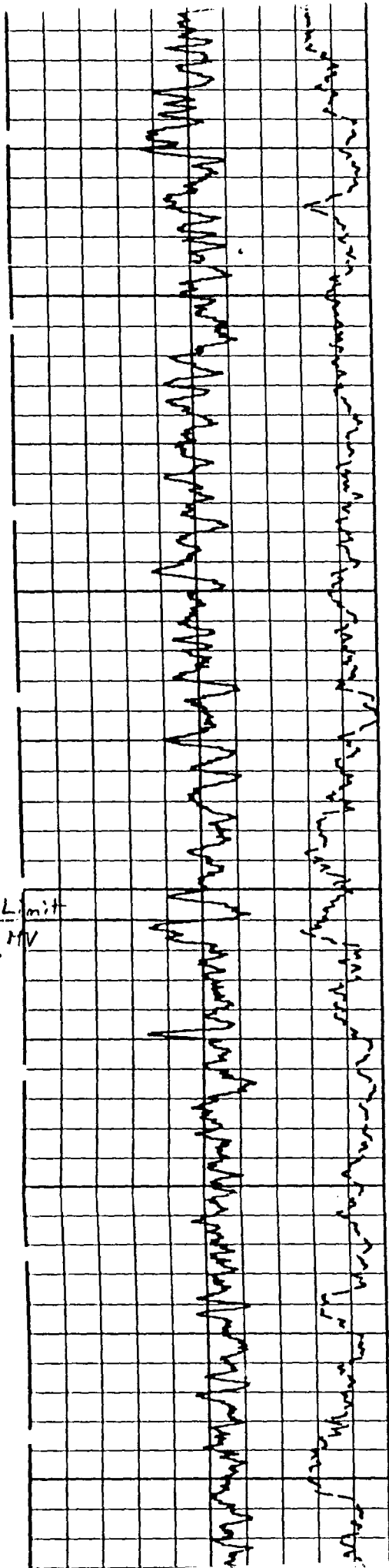
5700.

5800.

5900.



Lower Limit
Blanco MV
6310'



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dugan production corp.

October 13, 1989

COPY

Mr. Bill LeMay, Director
New Mexico Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87504

**Re: Application of Mallon Oil Company
Creation of Gavilan Mesaverde and Special Pool Rules
Case #9790 Set for October 18, 1989
Rio Arriba County, New Mexico**

Dear Mr. LeMay:

I am writing to set forth Dugan Production's position with respect to the captioned application wherein Mallon Oil Company is seeking to create a new pool for the production of gas from the Mesaverde formation with the initial area being 12 sections in the northeast portion of Township 25 North, Range 2 West.

Dugan Production has reviewed Mallon Oil's proposal and has no objection. As you may recall, Dugan Production, in a letter dated February 15, 1989 (copy attached), requested that the NMOCD consider adopting 320 acre spacing for Mesaverde development in this general area and at that time it was our thought that the Blanco Mesaverde should pool be extended to include this area since this area was within 3 to 4 miles of the existing eastern boundary of the Blanco Mesaverde pool. Since our February letter, it is our understanding that Mallon Oil has developed information that supports the formation of a new pool for Mesaverde development.

Although we have not reviewed Mallon's data, we have studied this area sufficiently and do support 320 acre development in the Mesaverde. Dugan Production does have leasehold interest within this area and does anticipate future Mesaverde development to include our acreage.

At the current time, we do not anticipate appearing at the hearing and, therefore, request that you make this letter a part of the record in Case #9790.

Should you have any questions regarding Dugan's position with respect to this matter, please feel free to contact me.

Sincerely,

John D. Roe

John D. Roe
Petroleum Engineer

BEFORE EXAMINER STOCKER
Oil Conservation Division
Exhibit No. <u>6</u>
Case No. <u>9790</u>

JDR/cg

MERIDIAN OIL

October 11, 1989

New Mexico Oil Conservation Division
Attention: Mr. William J. LeMay
P.O. Box 2088
Santa Fe, New Mexico 87502

Re: NMOCB Examiner Hearing
Proposed Gavilan Mesaverde Pool
Sections 1, 2, 3, 10, 11, 12, 13, 14,
15, 22, 23 and 24, T25N, R2W
Rio Arriba County, New Mexico

Gentlemen:

This is to advise that Meridian Oil has no objection and supports the referenced application, by Mallon Oil Company.

Yours very truly,



Linda Donohue
Landman

LD:jf

Doc. 18+

Mallon Oil Corres. File

cc: David Wantuck
Mallon Oil (Federal Express)
Attention: Mr. Joe Cox
1099 18th Street, Suite 2750
Denver, Colorado 80202



Oryx Energy Company
24 Smith Road
PO Box 1861
Midland TX 79702-1861
915 688 0300

October 10, 1989

RECEIVED OCT 13 1989

Southwestern
Production Region

Mr. Joe H. Cox, Jr.
Mallon Oil Company
1099 18th Street, Suite 2750
Denver, CO 80202

RE: Proposed Gavilan-Mesaverde Pool

Dear Mr. Cox,

Concerning the proposed Mesaverde Pool in T25N, R2W, Rio Arriba County, please be advised that Oryx Energy Company supports your application.

Formation of a new pool is appropriate based on the available data. The pressure variation in the reservoir between the Blanco Pool and the Gavilan area indicates separate sources of supply. Also, the suggested 320 acre spacing, which is consistent with the well density of the underlying Gavilan-Mancos Pool, would prevent unnecessary expenditures during the development of the Field.

Oryx appreciates your efforts on this proposal and is expectant of your success with the application.

Yours truly,

Richard G. Dillon
Reservoir Engineer

RGD/ddm



Amoco Production Company

Denver Region
1670 Broadway
P.O. Box 800
Denver, Colorado 80201
303-830-4040

October 16, 1989

RECEIVED OCT 17 1989

Joe H. Cox, Jr.
Production Manager
Mallon Oil Company
1099 18th Street, Suite 2750
Denver, CO 80202

File: NWA-709-986.511

Dear Mr. Cox:

Case 9790 - Proposed Gavilan Mesaverde Pool

Amoco Production Company supports Mallon Oil Company's request to create a new pool with special pool rules covering Sections 1-3, 10-15, and 22-24, T25N, R2W, Rio Arriba County, New Mexico. Amoco's support is based upon Mallon's pressure data that shows significantly higher initial pressures in the Mesaverde formation in the new pool area. It is Amoco's understanding that Case 9790 seeks 320 acre spacing with well locations no closer than 790', which is consistent with the Blanco-Mesaverde pool.

Please contact Larry Emmons at 830-4159 if you have any questions.

Sincerely,

LNE/ae

cc: C.A. Wood
L. Fandriana
P.M. Mueller

Mobil Exploration & Producing U.S. Inc.

RECEIVED OCT 12 1989

P.O. BOX 5444
DENVER, COLORADO 80217-5444

October 5, 1989

Oil Conservation Commission
P. O. Box 2088
Santa Fe, NM 87504

Attention: Mr. William J. Lemay

GAVILAN-MESAVERDE POOL
SECTIONS 1-3, 10-15, 22-24
T25N-R2W
RIO ARRIBA COUNTY, NEW MEXICO

Gentlemen:

From the data currently available, Mobil Oil Corporation supports Mallon Oil Company's application to form the Gavilan-Mesaverde Pool to include Sections 1-3, 10-15, and 22-24 T25N-R2W, Rio Arriba County, New Mexico.

Very truly yours,



B. R. Maynard
Regulatory Compliance Manager

CNE8924
LSB:CNE/jag

cc: Mallon Oil Company
1099 18th Street, Suite 2750
Denver, CO 80202
Attention: Mr. Joe H. Cox, Jr.

NM & O Operating Company

1301 PHILTOWER BUILDING
TULSA, OK 74103
(918) 584-3802

October 12, 1989

Mr. Joe H. Cox
Production Manager
Mallon Oil Company
1099 18th Street
Suite 2750
Denver, CO 80202

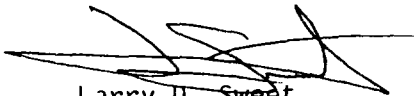
UPS - Next Day Delivery

RE: CASE 9790 - Application for Mesaverde
Formation Pool Rules
Gavilan Area
Rio Arriba County, New Mexico

Dear Mr. Cox:

Please be advised that NM & O Operating Company will support Mallon Oil Company's application for pool creation and special pool rules, Rio Arriba County, New Mexico, Case 9790. We understand that the subject case will be heard at an examiner hearing scheduled for October 18, 1989.

Very truly yours,



Larry D. Sweet
President

LDS/sm