

N. M. Oil Cons. Division
811 S. 1ST ST.
ARTESIA, NM 83210-2634

c/3F

Form 3160-3
(July 1992)

SUBMIT IN TRIPLICATE
(Other instructions on
reverse side)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1. a. TYPE OF WORK Drill <input checked="" type="checkbox"/> Deepen <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO NM 0475051	
b. TYPE OF WELL Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A	
2. NAME OF OPERATOR Mallon Oil Company <i>13925</i>		7. UNIT AGREEMENT NAME N/A <i>21071</i>	
3. ADDRESS AND TELEPHONE NO. P.O. Box 3256 Carlsbad, NM 88220 (505) 885-4596		8. FARM OR LEASE NAME, WELL NO Wadi 9 Federal <i>#2</i>	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements *) At surface 1980' FSL, 1980' FWL (NE SW) Unit K		9. API WELL NO. <i>30-015-29818</i>	
At proposed prod. zone 1980' FSL, 1980' FWL (NE SW) Unit K		10. FIELD AND POOL, OR WILDCAT Black River, Delaware <i>6270</i>	
11. SEC., T., R., M., OR BLK AND SURVEY OR AREA Sec. 9, T24S-R26E		12. COUNTY OR PARISH Eddy County	
13. STATE NM		14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE * 22 miles South of Carlsbad, NM	
15. DISTANCE FROM PROPOSED * LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1980'		16. NO. OF ACRES IN LEASE 640	
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. 1320'	
19. PROPOSED DEPTH 5,500'		20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, Etc.) 3403 GR		22. APPROX. DATE WORK WILL START August 25, 1997	
23. PROPOSED CASING AND CEMENTING PROGRAM			
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH
20"	16"	.25' wall	40'
12-1/4"	9-5/8"	36#	500'
7-7/8"	5-1/2"	15.5#17#	5500'
QUANTITY OF CEMENT		WITNESS	
Ready to mix surface		925 skscmt	

CARLSBAD CONTROLLED WATER BASIN

Mallon Oil Company proposes to drill to a depth sufficient to test the Delaware formation for oil. 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: Existing Roads/Planned Access Roads
Exhibit C: One Mile Radius Map

Exhibit D: Drilling Site Layout
Exhibit E: Production Facilities
Exhibit F: Archaeological Survey

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:

Duane C. Winkler
Duane C. Winkler

TITLE: Operation Manager

DATE 07/01/97

(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:

APPROVED BY

TITLE

DATE

*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.

**APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED**