

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. Division  
811 S. 1st St. et  
Artesia, NM 88210-2834

FORM APPROVED

Budget Bureau No. 1004-0135

Expires March 31, 1993

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT --" for such proposals.

SUBMIT IN TRIPLICATE

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other:

2. Name of Operator

Mallon Oil Company

3. Address and Telephone No.

P.O. Box 3256, Carlsbad, NM 88220

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1650' FNL and 330' FEL (SE NE) Unit H

Sec. 28, T26S, R29E

5. Lease Designation and Serial No.  
NM-38636

6. If Indian, Allote or Tribe Name  
N/A

7. If Unit or CA, Agreement Designation

N/A

8. Well Name and No.

Mallon Pecos River 28 Fed No. 1

9. Well API No.

30-015-29371

10. Field and Pool, or Exploratory Area

Brushy Draw, Delaware

11. County or Parish, State

Eddy County, NM

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Abandonment

☐ Recompletion

☐ Plugging Back

☐ Casing Repair

☐ Altering Casing

☒ Other:

Surface Commingling

☐ Change of Plans

☐ New Construction

☐ Non-Routine Fracturing

☐ Water Shut-Off

☐ Conversion to Injection

☐ Dispose Water

(Note: Report results of multiple completion on Well  
Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this zone.)

Note: It has come to Mallon Oil Company's attention that a Surface Commingling Approval is required for this well.

The Pecos River 28, Federal No. 1 is surface commingled with the Amoco Red Bluff Federal wells #1 and #3 as shown on the attached application. All three of these wells are located on lease # NM 38636 and should have been communitized with lease # NMNM 71599. These wells are all producing from the Brushy Draw Delaware Pool.

The Amoco Red Bluff Federal #1 is covered under Pooling Order #R-8773-A and Communitization Agreement #NMNM 82039. The Amoco Red Bluff #3 is covered under Pooling Order #R-9326 and Communitization Agreement # NMNM 82112. The Pecos River 28, Federal No. 1 is covered under Pooling Order #R-10768 and there was not a Communitization Agreement filed on this well due to an oversight by Mallon Oil Company. This problem was not caught by the BLM due to incorrect maps in their district office. Mallon Oil Company is currently in the process of filing for a Comm. Number.

**See Attachments:** Surface Commingling Application. Exhibit #1 - Map showing location of wells. Exhibit #2 - Map showing lease #NM 38636 overlap with lease # NMNM 71599 (Which is in the Pecos River ROW). Exhibits #3, 4 & 5 - Acreage Dedication Plats showing lease No.s and acreage to each lease. Exhibit #6 - Site Facility Diagram. Exhibit #7 - Copy of approved flowline ROW.

14. I hereby certify that the foregoing is true and correct

Signed

Mike Braswell

Title

Production Superintendent

Date

5/10/99

(THIS SPACE FOR FEDERAL OR STATE OFFICE USE)

(ORIG. SGD.) DAVID R. GLASS

Approved By

Title

PETROLEUM ENGINEER

Date

MAY 25 1999

Conditions of approval, if any:

**SEE ATTACHED FOR  
CONDITIONS OF APPROVAL**

Title 18 U. S. C. Section 1001, makes it a crime for any person knowingly and willfully to make any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*See Instruction on Reverse Side

CRA BLM FORMAT

APPLICATION FOR SURFACE COMMINGLING,  
OFF LEASE STORAGE AND MEASUREMENT APPROVAL

This Format Should Be Attached To A Sundry Notice

To: Bureau of Land Management  
P. O. Box 1778  
Carlsbad, New Mexico 88221-1778

Mallon Oil Company (Operator's Name) is requesting approval for surface commingling and off-lease storage and measurement of hydrocarbon production from the following formation(s) and well(s) on Federal Lease No. NM38636 and ; Lease Name: Pecos River 28  
NMNM 71599

<u>Well</u> <u>No.</u>	<u>Loc.</u>	<u>Sec.</u>	<u>Twp.</u>	<u>Rng.</u>	<u>Formation</u>	
<u>1</u>	<u>1650FNL</u>	<u>330FEL</u>	<u>28</u>	<u>26S</u>	<u>29E</u>	<u>Brushy Draw, Delaware</u>
<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>
<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>
<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>

with hydrocarbon production from the following formation(s) and well(s) on Federal lease No. NM 38636 and ; Lease Name: Amoco Red Bluff  
NMNM 71599

<u>Well</u> <u>No.</u>	<u>Loc.</u>	<u>Sec.</u>	<u>Twp.</u>	<u>Rng.</u>	<u>Formation</u>	
<u>1</u>	<u>130FNL</u>	<u>1805FEL</u>	<u>28</u>	<u>26S</u>	<u>29E</u>	<u>Brushy Draw, Delaware</u>
<u>3</u>	<u>2281FSL</u>	<u>990FWL</u>	<u>27</u>	<u>26S</u>	<u>29E</u>	<u>Brushy Draw, Delaware</u>
<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>

Production from the wells involved is as follows:

<u>Well Name and No.</u>	<u>BOPD</u>	<u>Oil Gravity</u>	<u>MCFPD</u>
<u>Pecos River 28 #1</u>	<u>11</u>	<u>36.2</u>	<u>5</u>
<u>Amoco Red Bluff Fed 1</u>	<u>4</u>	<u>36.2</u>	<u>3</u>
<u>Amoco Red Bluff Fed 3</u>	<u>4</u>	<u>36.2</u>	<u>4</u>
<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>
<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>
<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>

Continued ...

Continued:

The proposed operation is described in detail on the attached diagrams.

A map is enclosed showing the lease numbers and location of all leases and wells that will contribute production to the proposed commingling/common storage facility. All unitized/communitized areas, producing zones/pools are also clearly illustrated.

A schematic diagram is also attached which clearly identifies all equipment that will be utilized.

The storage and measuring facility is located at NW/SE-1/4, Sec. 27, T26 S, R29 E, on lease No. NM 38636, Eddy County, New Mexico. BLM will be notified if there is any future change in the facility location.

Details of the proposed method for allocating production to contributing sources is as follows:

Production allocation is based on periodic well test of the three wells going to this battery.

---

The working interest owners have been notified of the proposal.

The proposed commingling of production is in the interest of conservation and will not result in reduced royalty or improper measurement of production.

The proposed commingling is necessary for continued operation of the above referenced Federal leases.

We understand that the requested approval will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument. And, we will submit within 30 days an application for right-of-way approval to the BLM's Realty Section in your office if we have not already done so.

Additional wells require additional commingling approvals.

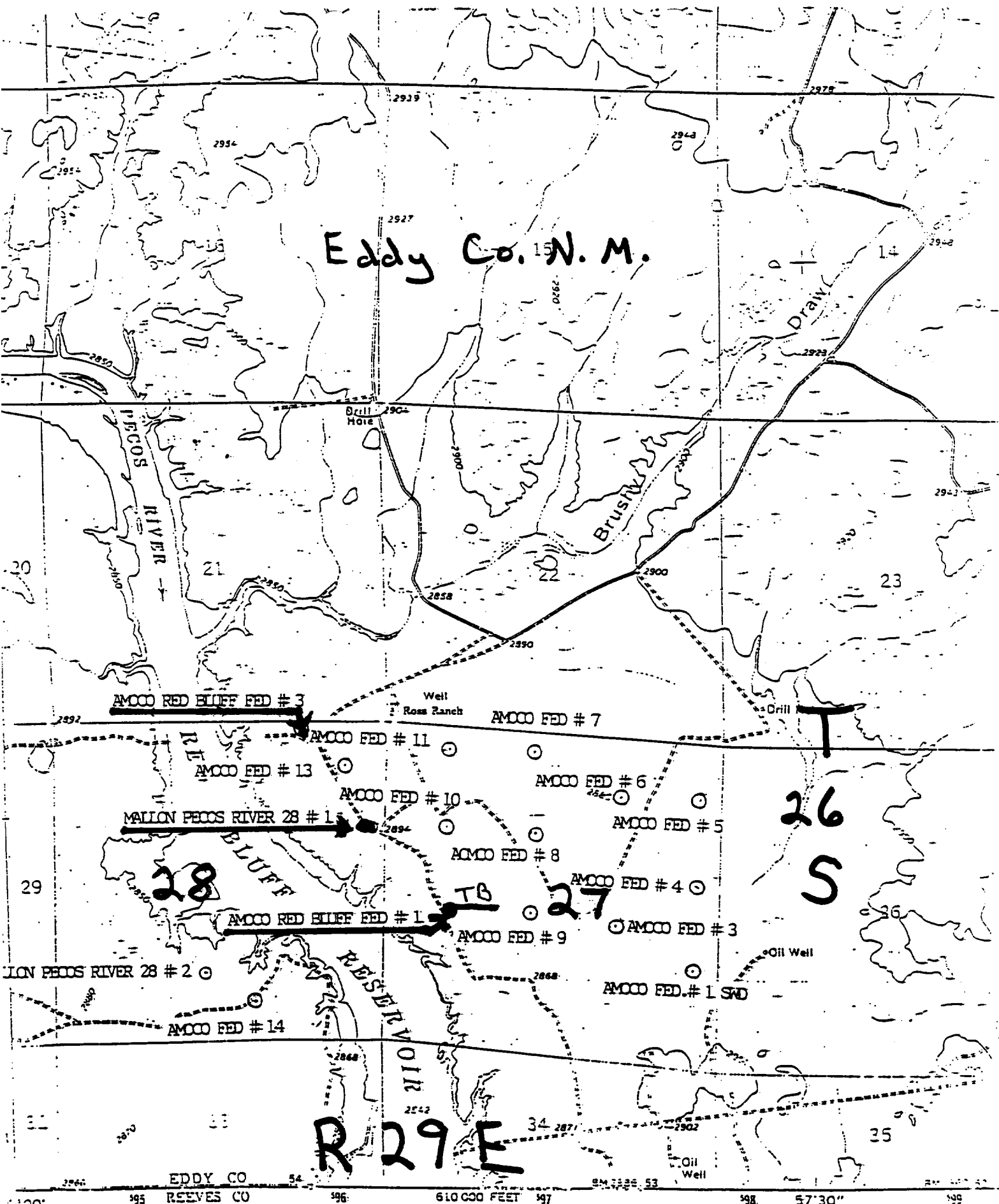
The applicant understands that the approval of this application does not relieve the lessee or operator from any legal obligations he/she may have regarding consent from other interest holders or State regulatory agencies.

Signature: Mike Braswell

Name: Mike Braswell

Title: Production Superintendent

Date: 05-10-99



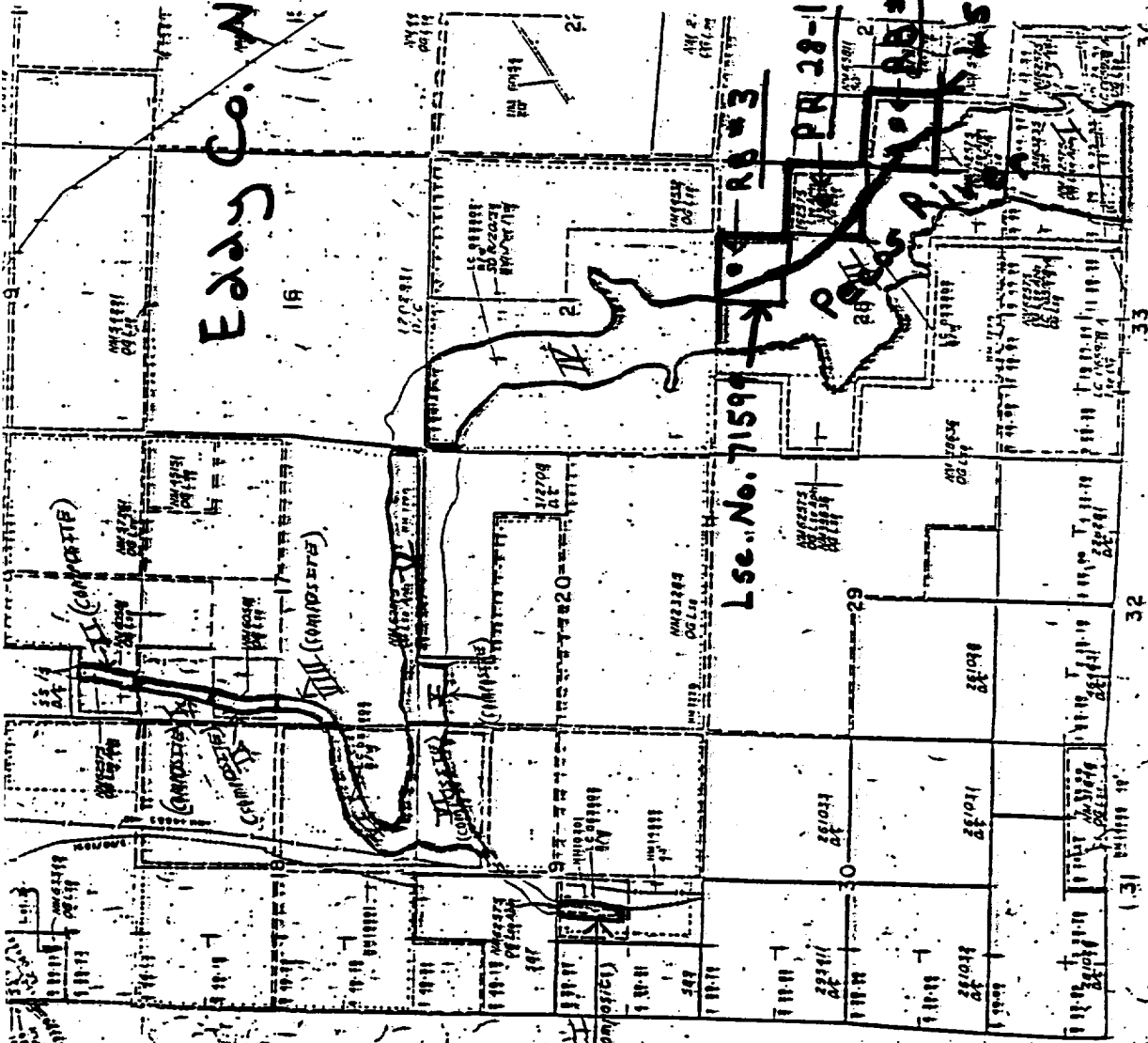
Mapped, edited, and published by the Geological Survey

Control by USGS and USC&GS.

Topography by photogrammetric methods from aerial photographs taken 1967. Field checked 1968

Polyconic projection. 1927 North American datum

**Exhibit 1**



Eddy Co. N.M.

T 26 S

Lse. No. 7159

RB 3

PR 28-1

Lse. No. 38636

R 29 E

Exhibit #2

MEXICO OIL CONSERVATION COMMISSION  
LOCATION AND ACREAGE DEDICATION PLAT

Form C-102  
Supersedes C-128  
Effective 1-1-65

All distances must be from the outer boundaries of the Section

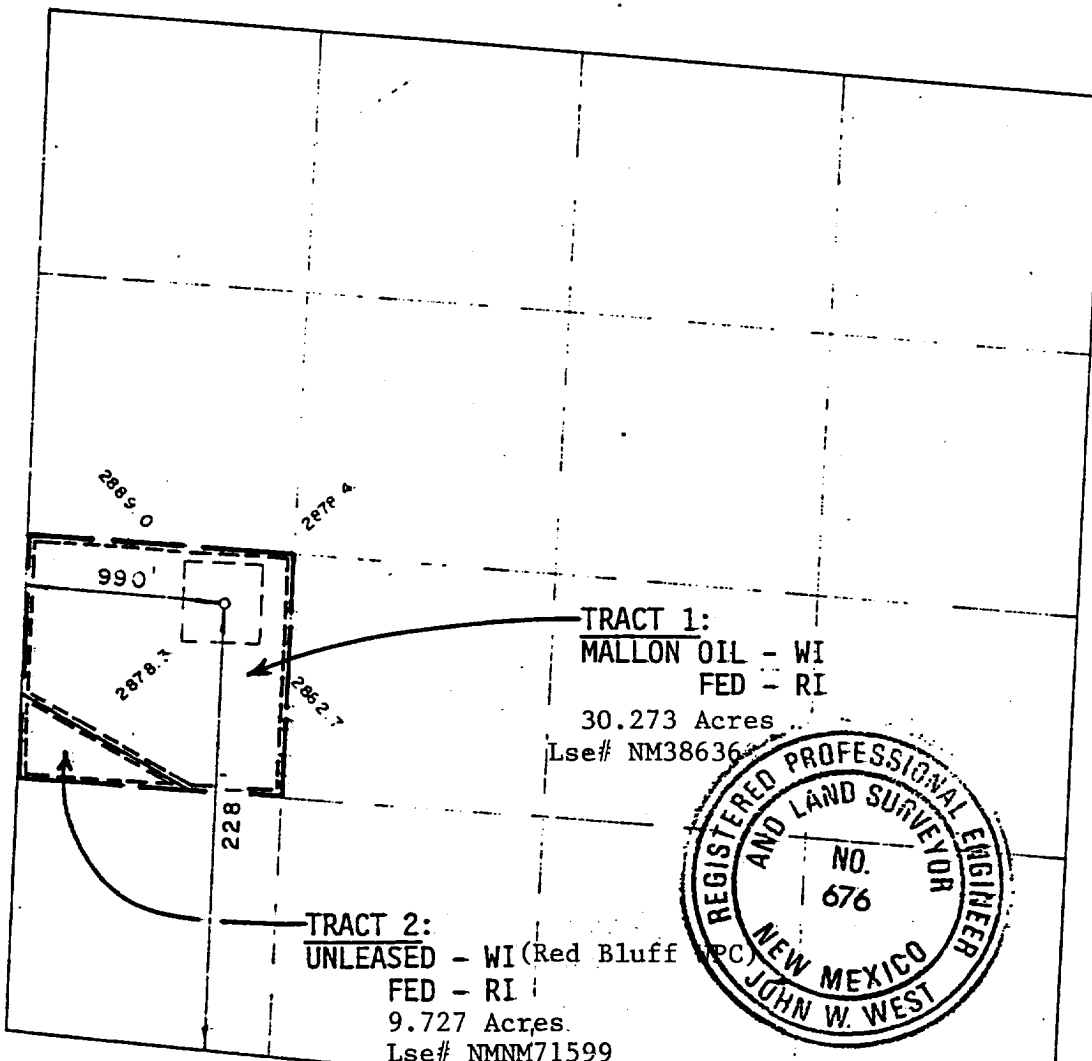
Operator Mallon Oil Company			Lease Amoco Federal		Well No. #1
Unit Letter L	Section 27	Township 26 South	Range 29 East	County Eddy	
Actual Footage Location of Well: 2281 feet from the South line and 990 feet from the West line					
Ground Level Elev. 2881.4	Producing Formation DELAWARE	Pool UNDES. BRUSHY DRAW DELAWARE	Dedicated Acreage: 40 Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☒ No If answer is "yes," type of consolidation TO BE COMMUNITIZED

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION:

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

Name Arthur R. Brown  
Position Agent  
Company MALLON OIL COMPANY  
Date JULY 31, 1987

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.

Date Surveyed July 27, 1987  
Registered Professional Engineer and/or Land Surveyor

John W. West  
Certificate No. JOHN W. WEST 676

Ronald J. Eidson 3239

Exhibit # 3

Submit to Appropriate  
District Office  
State Lease- 4 copies  
Fee Lease- 3 copies

State of New Mexico  
Minerals and Natural Resources Department

Form C-102  
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

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

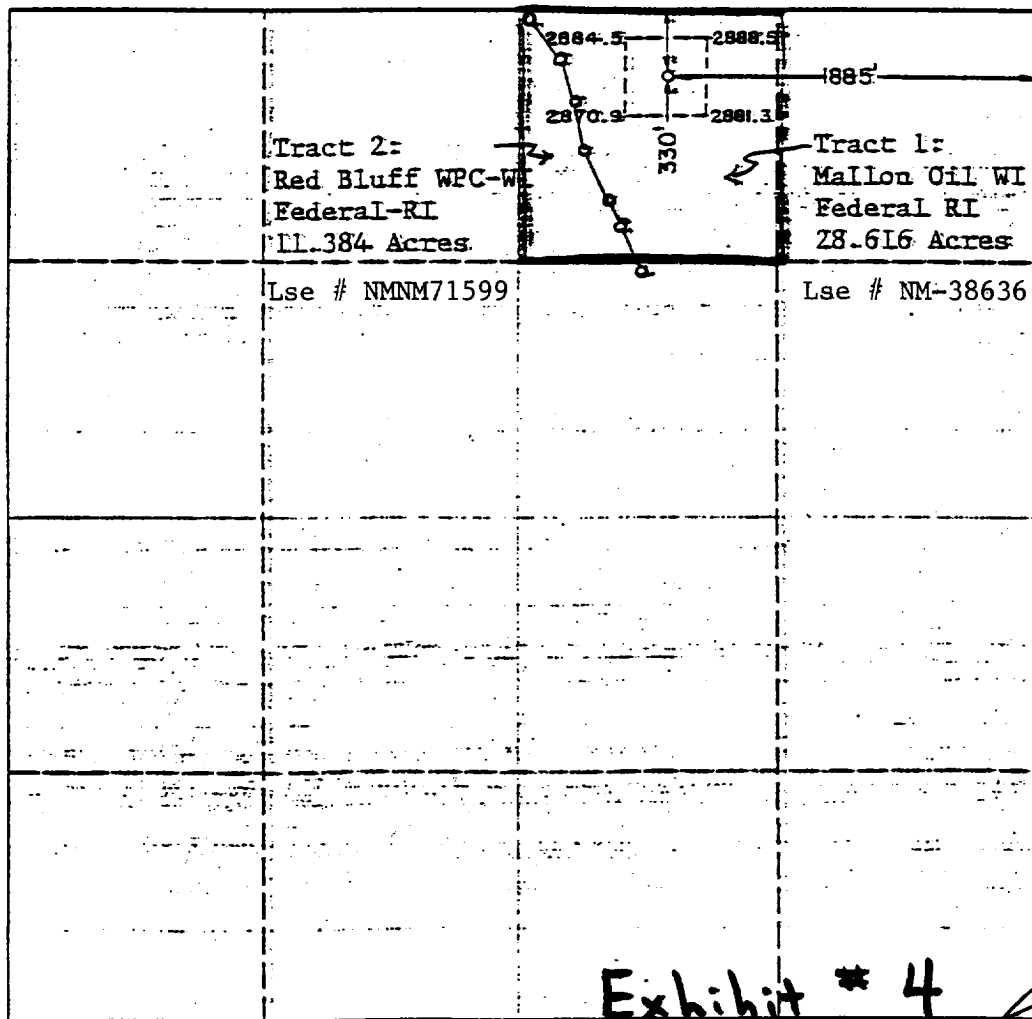
DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Mallon Oil Company		Lease Amoco Red Bluff Fed.		Well No. 3
Unit Letter E	Section 28	Township 26 South	Range 29 East	County NMPM Eddy
Actual Footage Location of Well: 330' feet from the North line and 1885' feet from the East line				
Ground level Elev. 2886.7	Producing Formation Delaware	Pool Brushy Draw - Delaware	Dedicated Acreage 40 Acres	
<p>1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below</p> <p>2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).</p> <p>3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?</p> <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If answer is "yes" type of consolidation: (to be pooled)</p> <p>If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary. Tract 1: that portion of the Mallon Oil Co. operated Amoco-Federal</p> <p>No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.</p>				



OPERATOR CERTIFICATION

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

Signature

Printed Name

Joe H. Cox, Jr.

Position

Production Manager

Company

Mallon Oil Company

Date

July 06, 1989

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 knowledge and belief.

Date Surveyed

May 24, 1989

Signature & Seal  
Professional

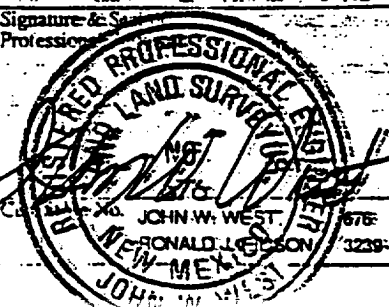


Exhibit # 4

0 330 660 990 1320 1650 1980 2310 2640 2000 1000 1500 500 0

D. Born 1902; Hobbs, N.Y. 61242-1000

**Energy, Minerals and Natural Resources Department.**

Revised: February 10, 1994

**Submit to Appropriate District Office:**

**State: Lease - 4 Copies.**

**For Lease: — 3 Copies**

P. Drawer DE Artesia, NM 88211-0712

100 Rio Brazos Rd., Aztec, NM 87410

O. BOX 2088; SANTA FE, N.M. 87504-2088.

P.O. Box 2088

**Santa Fe, New Mexico 87504-2088**

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
Property Code	Property Name MALLON. PECOS RIVER 28 FEDERAL	Well Number 1
OGRID No.	Operator Name MALLON. OIL COMPANY	Elevation 2899'

### Surface Location

UL or lot No.	Section	Township	Range	Lot Idn.	Feet from the	North/South line	Feet from the	East/West line	County
H	28	26 S	29 E		1650	NORTH	330	EAST	EDDY

## Bottom Hole Location If Different From Surface

[illegible]

Dedicated Acres	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.

Tract 2:  
Red Bluff WPC - WI  
Federal RI  
5.656 Acres  
Lse# NMNM71599

Tract 1:  
Mallon Oil - WI  
Federal RI  
34.454 Acres  
Lse# NM38636

1650'

2894.9'

2894.3'

330'

2887.9'

2888.8'

OPERATOR CERTIFICATION

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

*Duane C. Winkler*  
Signature

Duane C. Winkler  
Printed Name

Production Superintendent  
Title

12/05/96  
Date

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.

DECEMBER 2, 1996

Date Surveyed

*D. C. Winkler*  
Signature

D. C. Winkler  
Professional Surveyor

NEW MEXICO  
#123456789  
12-3-96  
46-1-156

JOHN O. WEST  
EDSON  
EDSON

676  
3239  
1254



# MALLON OIL COMPAN.

## ENGINEERING CHART

SHEET NO.

OF

FILE

APPN

DATE 5-10-99

BY mjb

SUBJECT Amoco Red Bluff #1 Site Facility Diagram

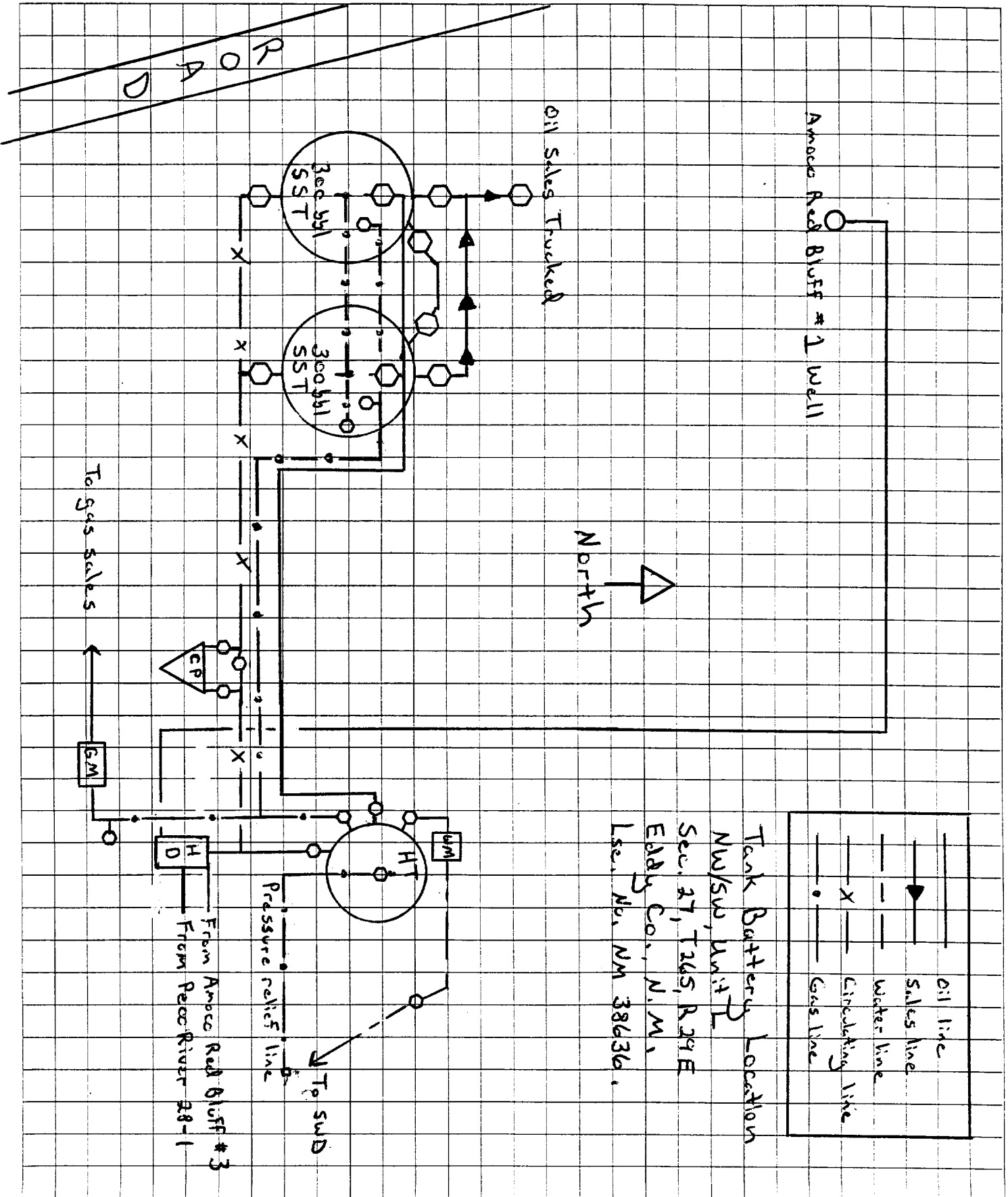


Exhibit # 6

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

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Use "APPLICATION FOR PERMIT --" for such proposals.

FORM APPROVED  
Bureau Bulletin 1004-0135  
Expires March 31, 1993

5. Lease Designation and Serial No.  
NM38636

6. If Indian, Abolite or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

N/A

8. Well Name and No.

Mallon Pecos River 28 Fed. No. 1

9. Well API No.

30-015-29371

10. Field and Pool, or Exploratory Area

Brushy Draw, Delaware

11. County or Parish, State

Eddy County, New Mexico

SUBMIT IN TRIPLICATE

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other:

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 (Footage, Sec., T., R., M., or Survey Description)

1650' FNL and 330' FEL (SE NE) Unit H  
Sec. 28, T26S-R29E

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒ Notice of Intent  
☐ Subsequent Report  
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment ☐ Change of Plans  
☐ Recompletion ☐ New Construction  
☐ Plugging Back ☐ Non-Routine Fracturing  
☐ Casing Repair ☐ Water Shut-Off  
☐ Altering Casing ☐ Conversion to Injection  
☒ Other: Pipeline ☐ Dispose Water

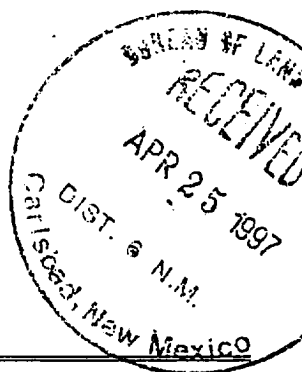
(Note: Report results of multiple completion on well  
Completion or Recompletion Report and Log Form)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this zone.)

Mallon Oil Company proposes to install a new 2" SDR11 polyethylene pipeline with a pressure rating of 150 psi, maximum working pressure of 30 psi. The pipeline will be laid on the surface starting at the Mallon Pecos River 28 Federal No. 1 and will run southeast to the Amoco Red Bluff No. 1 tank battery (1900' of pipe will be laid). A 25' easement will be required for maintenance purposes.

The pipeline will be in service for the duration of field production on a year-round basis.

Construction is estimated to begin May 8, 1997.



14. I hereby certify that the foregoing is true and correct

Signed

Theresa A. McAndrews  
Theresa A. McAndrews

Title

Office Manager

Date

4-24-97

(THIS SPACE FOR FEDERAL OR STATE OFFICE USE)

Approved By

Samuel J. Burke

Title

Area Mgr.

Date

5/29/97

Conditions of approval, if any:

Title 18 U. S. C. Section 1001, makes it a crime for any person knowingly and willfully to make any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*See Instruction on Reverse Side

F-16:hit #7