

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL  
WELL ☐

GAR  
WELL ☐

OTHER

SINGLE  
ZONE ☐

MULTIPLE  
ZONE ☐

2. NAME OF OPERATOR

MALLON OIL COMPANY

3. ADDRESS OF OPERATOR

1099 18th Street Ste. 2750, Denver, CO

80202 O. C. D.

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

660' FSL & 2105' FWL of Sec. 28

At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

16 Air Miles South-Southeast of Malaga, NEW MEXICO

16. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drig. unit line, if any)

660'

18. NO. OF ACRES IN LEASE

1318.02

18. DISTANCE FROM PROPOSED LOCATION\*

TO NEAREST WELL, DRILLING, COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT.

1145'

19. PROPOSED DEPTH

5000'

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

40

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

2874' GL

22. APPROX. DATE WORK WILL START\*

Upon Arrival

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24#	400'	Sufficient to Circulate
7 7/8"	5 1/2"	14#	5000'	(tie back)

After setting production casing, pay zone will be perforated and stimulated as necessary.

See Attached for: Supplemental Drilling Data  
BOP Sketch  
Surface Use and Operations Plan

Well was previously permitted and has expired. (Same Well # & Location).

APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS AND  
SPECIAL STIPULATIONS  
ATTACHED

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, 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

TITLE

DATE

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

\*See Instructions On Reverse Side

RECEIVED

Dec 6 10 50 AM '90

Post ID-1  
1-11-91

Re-install Exp. Int.

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

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

RECEIVED

All distances must be from the outer boundaries of the Section

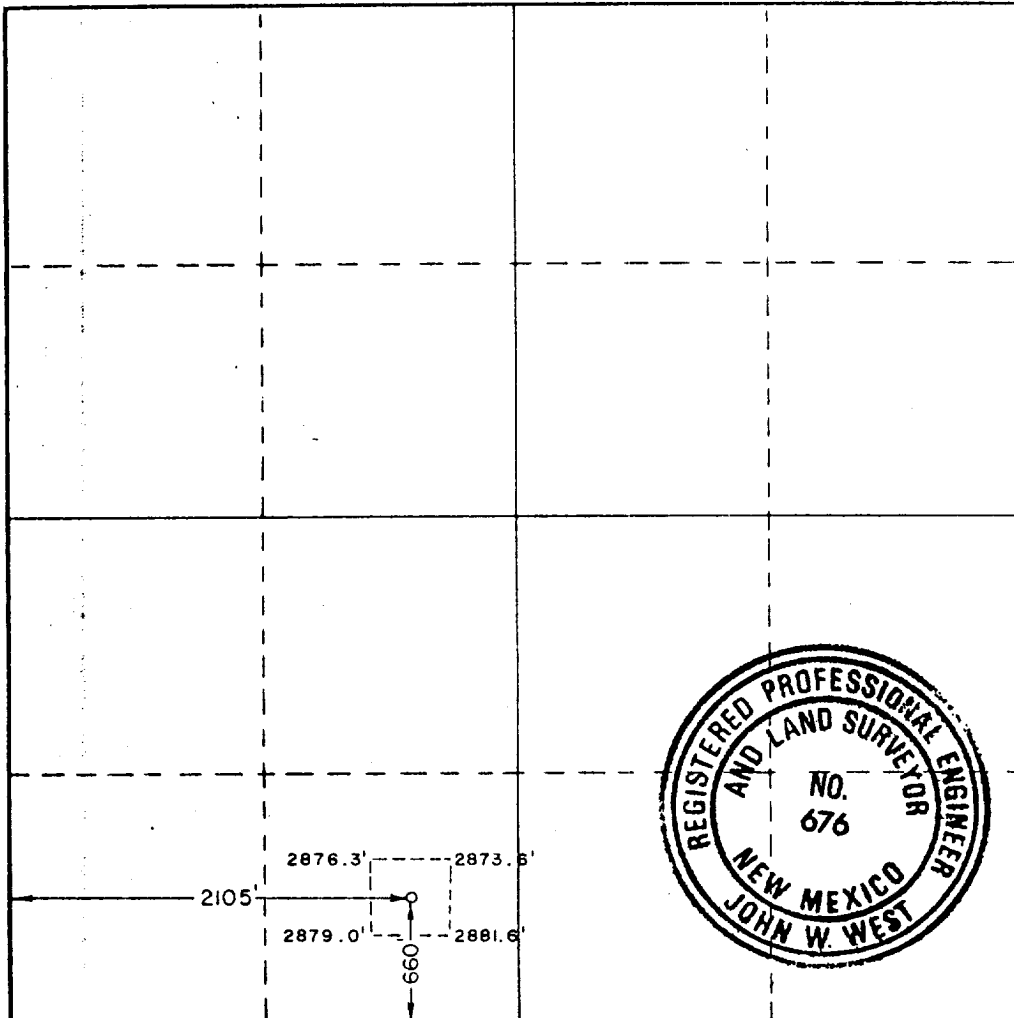
Operator <b>MALLON OIL CO.</b>			Lease <b>AMOCO FEDERAL</b>		Dec 10	Well No. <b>8 53 AM '90</b>
Unit Letter <b>N</b>	Section <b>28</b>	Township <b>26 SOUTH</b>	Range <b>29 EAST</b>	County	CARLISLE EDWARDS	CHARGE MERS
Actual Footage Location of Well: <b>660</b> feet from the <b>SOUTH</b> line and <b>2105</b> feet from the <b>WEST</b> line						
Ground Level Elev. <b>2874.0</b>	Producing Formation <b>Delaware</b>		Pool <b>Brushy Draw - Delaware</b>		Dedicated Acreage: <b>40</b> Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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 \_\_\_\_\_

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 **Joe H. Cox, Jr.**

Position  
**Production Manager**

Company  
**Mallon Oil Company**

Date  
**12/06/90**

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  
**December 8, 1987**

Registered Professional Engineer and/or Land Surveyor

Certificate No. **JOHN W. WEST, 676**  
**RONALD J. EIDSON, 3239**

## SUPPLEMENTAL DRILLING DATA

MALLON OIL COMPANY  
WELL NO.15 AMOCO FEDERAL

1. SURFACE FORMATION: Quaternary.

2. ESTIMATED TOPS OF GEOLOGIC MARKERS:

Rustler Anhydrite	300'
Delaware	2870'
Bell Canyon	2900'
Cherry Canyon	3700'
Brushy Canyon	5150'

3. ANTICIPATED POSSIBLE HYDROCARBON BEARING ZONES:

Cherry Canyon      Oil

4. PROPOSED CASING AND CEMENTING PROGRAM:

<u>CASING SIZE</u>	<u>SETTING DEPTH</u>		<u>WEIGHT</u>	<u>GRADE</u>	<u>JOINT</u>
	<u>FROM</u>	<u>TO</u>			
8-5/8"	0	400'	24#	K-55	STC
5-1/2"	0	5200'	14#	K-55	STC

8-5/8" casing will be cemented with approximately 250 sacks of Class "C" cement. Cement to circulate.

5-1/2" casing will be cemented with approximately 300 sacks of cement.

Equivalent or adequate grades and weights of casing may be substituted at time casing is run, depending on availability.

5. PRESSURE CONTROL EQUIPMENT:

A 3000 psi working pressure, double ram type preventer will be in use while drilling below the surface casing.

A BOP sketch is attached.

6. CIRCULATING MEDIUM:

Surface to 400 feet: Fresh water with gel or lime as needed for viscosity control.

400 feet to Total Depth: Cut brine conditioned as necessary for control of viscosity, pH, and water-loss. Weighted as necessary for well control.

7. AUXILIARY EQUIPMENT:

Drill string safety valves will be maintained on the rig floor while drilling operations are in progress.

8. TESTING, LOGGING, AND CORING PROGRAMS:

Drill stem tests will be made when samples, drilling time, and other data indicate a test is warranted.

It is planned that electric logs will include GR-CNL logs.

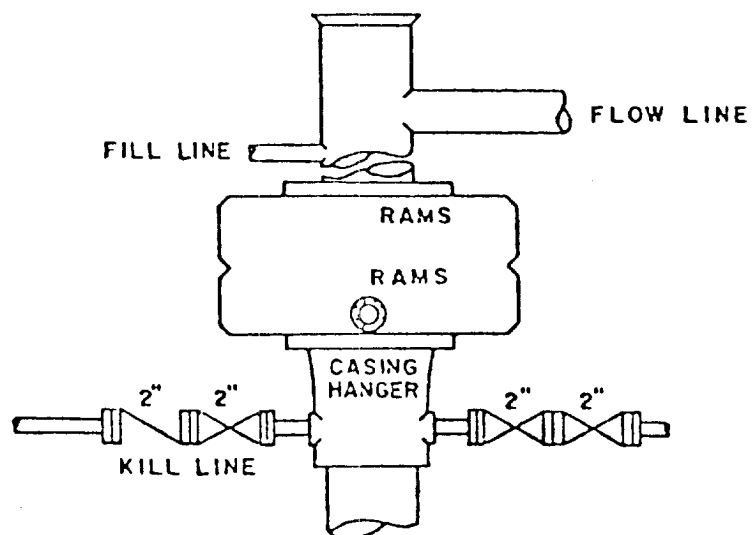
No coring is planned.

9. ABNORMAL PRESSURES, TEMPERATURES, OR HYDROGEN SULFIDE GAS:

No abnormal pressures or temperatures are anticipated.

10. ANTICIPATED STARTING DATE:

It is planned that work will commence upon approval of this application, with drilling and completion operations lasting about 30 days.



BOP STACK

3000 PSI WORKING PRESSURE

BOP ARRANGEMENT

SURFACE USE AND OPERATIONS PLAN

FOR

MALLON OIL COMPANY  
WELL NO.15 AMOCO FEDERAL  
660'FSL & 2105'FWL SEC.28, T.26 S., R.29 E.  
EDDY COUNTY, NEW MEXICO

LOCATED: 16 air miles south-southeast of Malaga, New Mexico.

FEDERAL LEASE NUMBER: NM-38636.

LEASE ISSUED: February 1, 1980, for 10 years.

RECORD LESSEE: Amoco.

ACRES IN LEASE: 1318.02.

SURFACE OWNERSHIP: Federal.

POOL: Brushy Draw Delaware Undesignated.

POOL RULES: Statewide. 40 acre spacing for oil.

EXHIBITS: A. Road Map  
B. Plat Showing Existing Wells and Existing Roads  
C. Drilling Rig Layout  
D. Topo Plat

### 1. EXISTING ROADS:

A. Exhibit "A" is a portion of a road map showing the location of the proposed well as staked. Point "A" on the plat is on US 285 at a point near the Texas-New Mexico state line where a county maintained caliche road (Eddy County 726) goes east. To go to the proposed well site from this point, exit US 285 onto Eddy County 726 and go east 1.7 miles to where a caliche road goes north. Also see Exhibits "B" and "D". Turn north and go a short 0.5 mile to where a road goes east. Turn east and go 0.6 mile. The proposed well site is about 150 feet north of this point.

B. Exhibit "B" is a plat showing existing pertinent roads in the vicinity of the proposed well site. Existing roads are color coded.

### 2. PLANNED ACCESS ROAD:

A. Length and Width: The new road will be 12 feet wide and about 200 feet long and all will lie within the 400'x 400' work area archaeologically cleared. The proposed new road is shown labeled and color coded red on Exhibit "B". The centerline of the proposed new road is staked and flagged.

B. Surfacing Material: Plans are to grade the access road and use on-site material for the road surface. If additional surfacing is needed, caliche will be used.

C. Maximum Grade: Less than one percent.

D. Turnouts: None needed.

E. Drainage Design: The new road will be crowned with drainage to the sides.

F. Culverts: None necessary.

G. Cuts and Fills: None necessary.

H. Gates and Cattle Guards: None necessary. No fences involved.

### 3. LOCATION OF EXISTING WELLS:

A. Existing wells in the immediate area are shown on Exhibit "B".

#### 4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:

A. This well will produce into a lease tank battery to be constructed on the well pad at proposed well No.14 as shown on Exhibit "B". The flow line serving this proposed well No.15 will extend from well No.15 in an easterly direction alongside the existing road to the tank battery at well No.14 as shown on Exhibit "B".

#### 5. LOCATION AND TYPE OF WATER SUPPLY:

A. It is not contemplated that a water well will be drilled. Water necessary for drilling operations will be purchased and trucked to the well site, or will be moved to the well site by temporary pipeline laid on the ground alongside existing roads.

#### 6. SOURCE OF CONSTRUCTION MATERIALS:

A. Construction material, other than that available on-site, should not be needed. However, if additional material is needed, it will be taken from an existing caliche pit located south of the Texas-New Mexico state line in Texas.

#### 7. METHODS OF HANDLING WASTE MATERIAL:

A. Drill cuttings will be disposed of in the drilling pits.

B. Drilling fluids will be allowed to evaporate in the drilling pits until the pits are dry.

C. Water produced during tests will be disposed of in the drilling pits

D. Oil produced during tests will be stored in test tanks until sold.

E. Trash, waste paper, garbage and junk will be buried in a separate trash pit and covered with a minimum of 24 inches of dirt. All waste material will be contained to prevent scattering by the wind. Location of the trash pit is shown on Exhibit "C".

F. All trash and debris will be buried or removed from the well site within thirty days after finishing drilling and/or completion operations.

8. ANCILLARY FACILITIES:

A. None required.

9. WELL SITE LAYOUT:

A. Exhibit "C" shows the relative location and dimensions of the well pad, mud pits, reserve pit, and trash pit, and the location of major drilling rig components.

B. The ground surface is relatively level except for a gentle slope to the northwest.

C. The pad and pit area is staked and flagged.

10. PLANS FOR RESTORATION OF THE SURFACE:

A. After completion of drilling and/or completion operations, all equipment and other material not needed for operations will be removed. Pits will be filled and the location will be cleaned of all trash and junk to leave the well site in an as aesthetically pleasing condition as possible.

B. Any unguarded pits containing fluids will be fenced until the pits are dry.

C. After abandonment, all equipment, trash and junk will be removed and the well site will be cleaned. Any special rehabilitation and/or special revegetation requirements of the surface management agency will be complied with and will be accomplished as rapidly as possible.

11. OTHER INFORMATION

A. Topography: The land surface in the area is gently undulating. In the immediate area of the well site, the ground surface slopes gently to the northwest. Regionally drainage is to the east to the Pecos River.

B. Soil: Top soil in the area is a gravelly loam.

C. Flora and Fauna: The vegetative cover is moderate and includes mesquite, creosote bush, catclaw, javelina bush, yucca, weeds, and range grasses. Wildlife in the area is that typical of semi-arid desert land and includes coyotes, rabbits, rodents, reptiles, dove and quail.

D. Ponds and Streams: The Pecos River is about 1/2 mile to the east. There are no other nearby ponds and streams.

E. Residences and Other Structures: There are no occupied dwellings within a mile of the proposed well site.

F. Archaeological, Historical, and Cultural Sites: None observed in the area. However, an archaeological reconnaissance will be made.

G. Land Use: Oil and gas production, grazing, and wildlife habitat.

H. Surface Ownership: Federal.

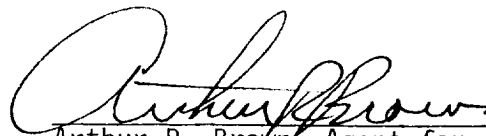
12. OPERATOR'S REPRESENTATIVE:

Joe Cox  
Mallon Oil Company  
1099 18th Street, Suite 2750  
Denver, Colorado 80202  
Office Phone: 303-293-2333

13. CERTIFICATION:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Mallon Oil Company and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

December 15, 1987  
Date:

  
Arthur R. Brown, Agent for  
MALLON OIL COMPANY

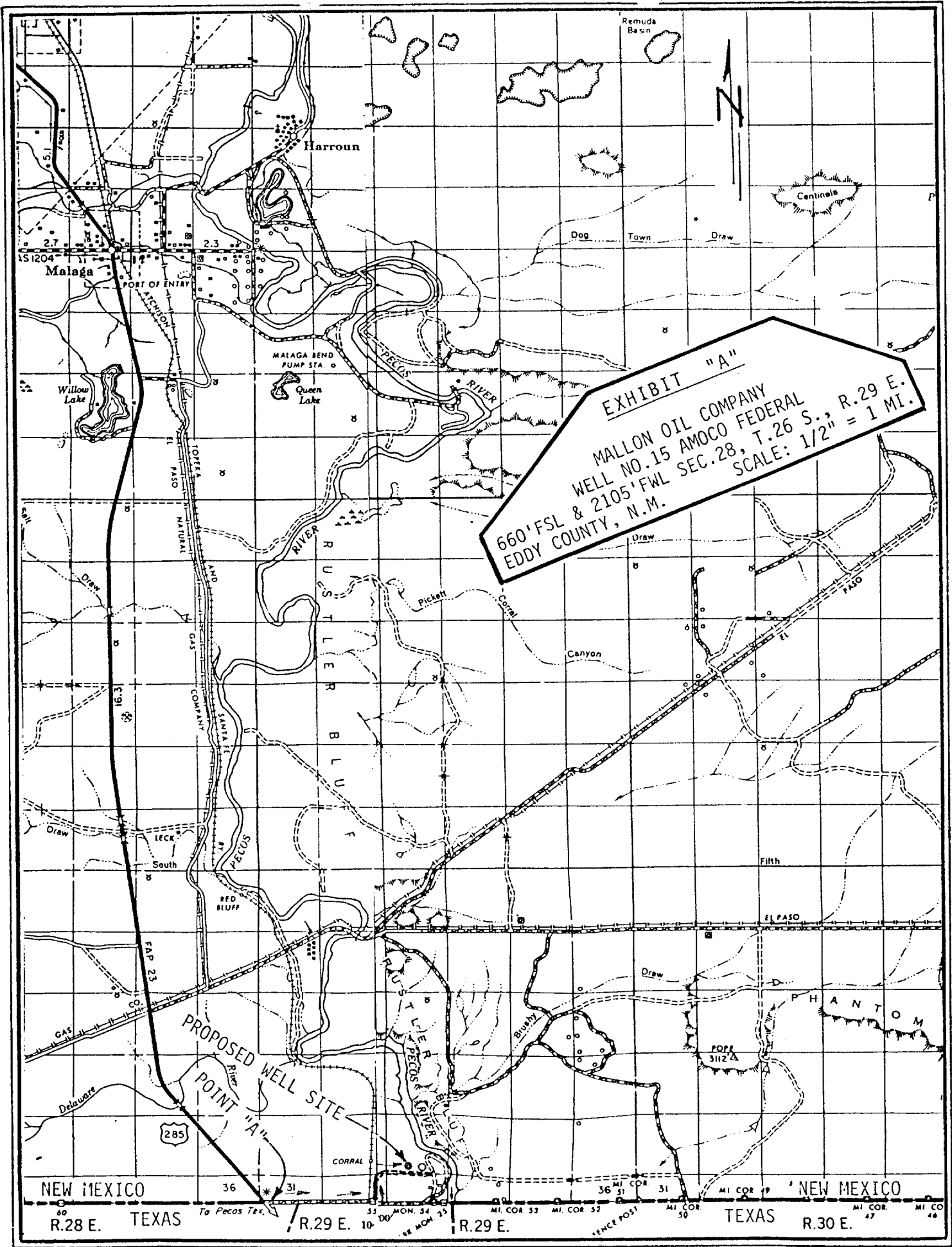
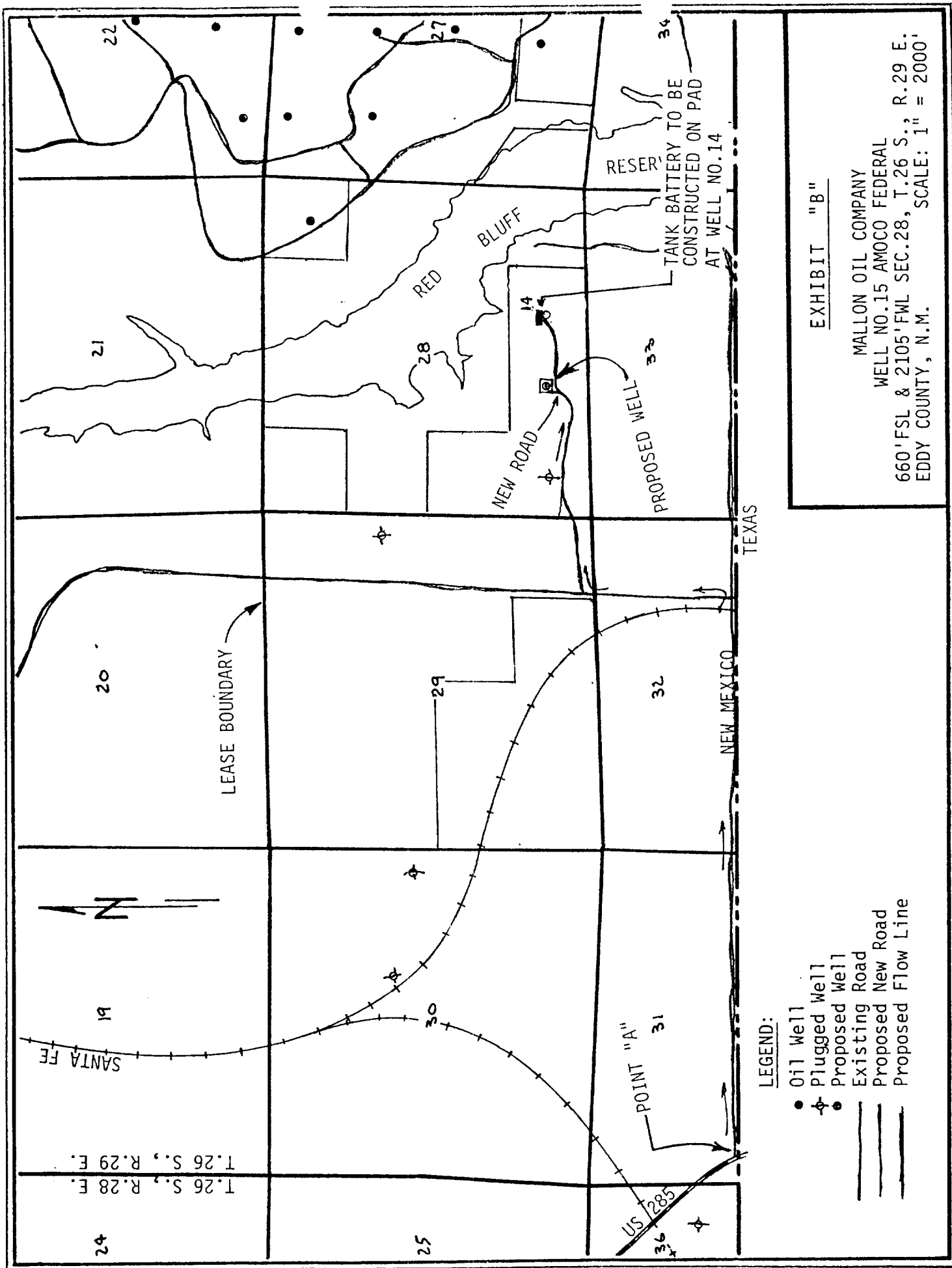


EXHIBIT "A"  
MALLON OIL COMPANY  
WELL NO. 15 AMOCO FEDERAL  
660' FSL & 2105' FWL SEC. 28, T. 26 S., R. 29 E.  
EDDY COUNTY, N.M.  
SCALE: 1/2" = 1 MI.

NEW MEXICO  
R. 28 E. TEXAS  
To Pecos Tex.  
R. 29 E. 10  
R. 29 E.  
R. 29 E.  
TEXAS  
R. 30 E.  
NEW MEXICO

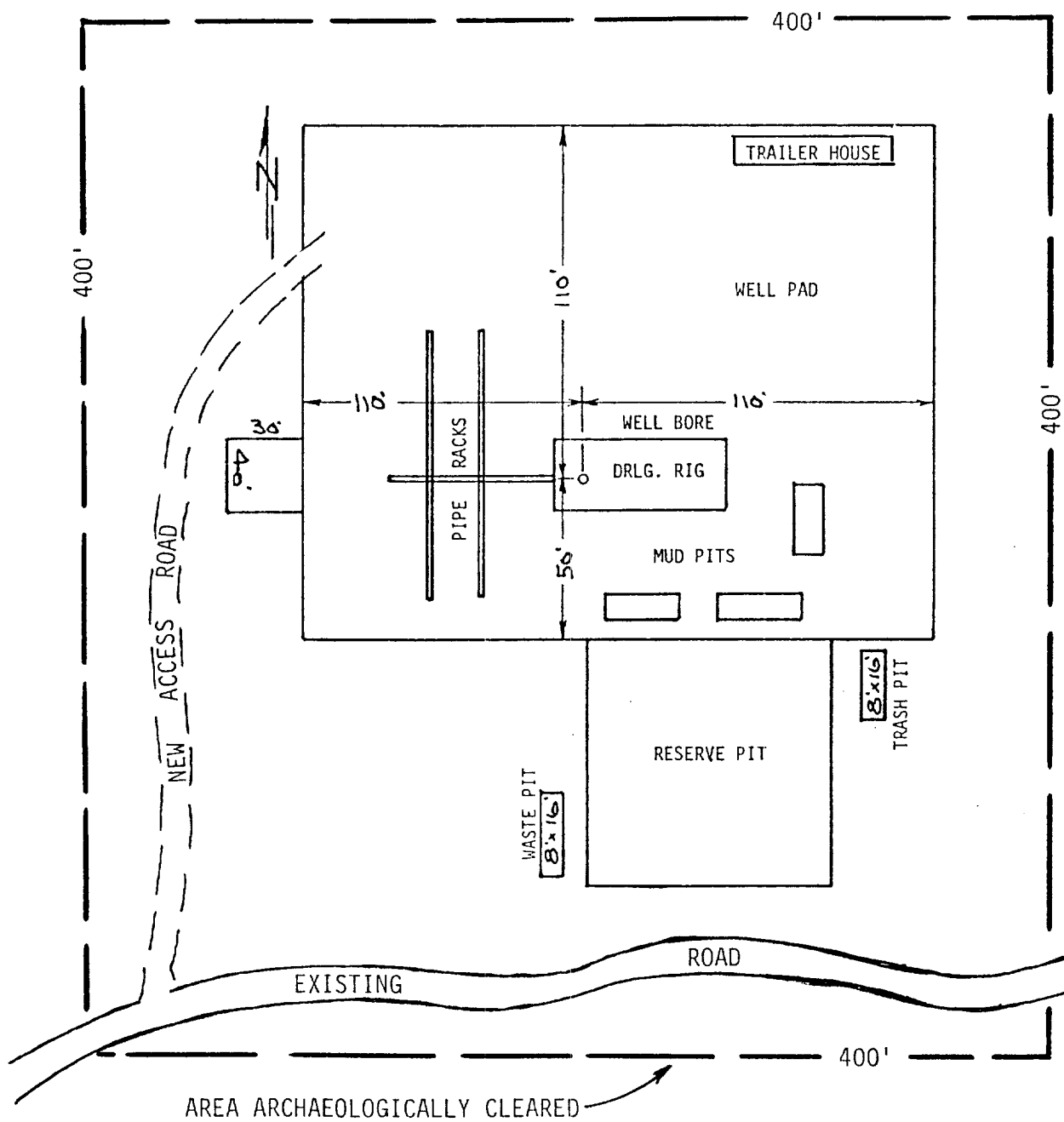


**LEGEND:**

- Oil Well
- ⊕ Plugged Well
- ⊙ Proposed Well
- Existing Road
- - - Proposed New Road
- x - Proposed Flow Line

**EXHIBIT "B"**

MALLON OIL COMPANY  
 WELL NO. 15 AMOCO FEDERAL  
 660' FSL & 2105' FWL SEC. 28, T. 26 S., R. 29 E.,  
 EDDY COUNTY, N.M. SCALE: 1" = 2000'



### EXHIBIT "C"

MALLON OIL COMPANY  
WELL NO.15 AMOCO FEDERAL  
DRILLING RIG LAYOUT  
SCALE: None

