

N. M. Oil Cons. Div
811 S. 1ST ST.
ARTESIA, NM 88210-2834

c/sf

Form 3100-3
(July 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
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

1a. TYPE OF WORK Drill <input checked="" type="checkbox"/> Deepen <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. L0064200	
b. TYPE OF WELL Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		6. IF INDIAN ALLOTTEE OR TRIBE NAME N/A	
2. NAME OF OPERATOR Mallon Oil Company		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. Mallon 10 Federal No. 2	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements *) At surface 1780' FSL and 1780' FWL (NE SW) Unit K DIST. 2		9. API WELL NO. 31-715-29760	
At proposed prod. zone 1780' FSL and 1780' FWL (NE SW) Unit K		10. ROAD AND POOL OR WILDCAT Delaware	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE *		11. SEC., T., R., M. OR BLK. AND SURVEY OR AREA Sec. 10, T24S-R26E	
15. DISTANCE FROM PROPOSED * LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1780'		12. COUNTY OR PARISH Eddy County	
16. NO. OF ACRES IN LEASE 1040		13. STATE NM	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1700'		17. NO. OF ACRES ASSIGNED TO THIS WELL 40	
19. PROPOSED DEPTH 5500'		20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, Etc.) 3344' GR		22. APPROX. DATE WORK WILL START	
23. PROPOSED CASING AND CEMENT CARLSBAD CONTROLLED WATER BASIN			
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'
8-3/4"	5-1/2"	15.5#/17#	5500'
			QUANTITY OF CEMENT 1085 sks cmt

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
Exhibit D: Drilling Site
Exhibit E: Production Facilities

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

Posted to 1)
NLCADT
8-1-97

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 TITLE: Operations Manager DATE: 4/08/97

(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: ADM, MINERALS DATE: 7/25/97

*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.