

N. M. Oil Cons. Division

811 S. 3rd St.

ARTESIA, NM 88203

Form 3160-3

(July 1992)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK
Drill ☒ Deepen ☐
b. TYPE OF WELL
Oil Well ☒ Gas Well ☐ Other ☐
Single Zone ☐ Multiple Zone ☐

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 (Report location clearly and in accordance with any State requirements)
At surface 1980' FNL and 660' FEL (SE NE) Unit H
At proposed prod. zone 1980' FNL and 660' FEL (SE NE) Unit H

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE
23 miles south of Carlsbad, New Mexico

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.
660'
(Also to nearest drig. unit line, if any)

16. NO. OF ACRES IN LEASE
1080

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
5500'

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (SHOW WHETHER DF, RT, GR, Etc.)
3378' GR

22. APPROX DATE WORK WILL START
October 31, 1997

23. PROPOSED CASING AND CEMENT				
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
20"	16"	.25" wall	40'	
12-1/4"	8-5/8"	28#/32#	500'	
7-7/8"	5-1/2"	15.5#/17#	5500'	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 Radius
Exhibit D: Drilling Site Layout
Exhibit E: Production Facilities
Exhibit F: Archaeological Clearance

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

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 preventor program, if any.

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SIGNED Duane C. Winkler TITLE: Operations Manager DATE 09/17/97

(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 (ORIG. SGD) TONY L. FERGUSON TITLE ADM, MINERALS DATE 10-14-97

*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.

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

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

DISTRICT IV
P.O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-29895	Pool Code 96684	Pool Name W Black River Polanco
Property Code	Property Name WADI "9" FEDERAL	Well Number 4
OGRID No.	Operator Name MALLON OIL COMPANY	Elevation 3378

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	9	24 S	26 E		1980	NORTH	660	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 48	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

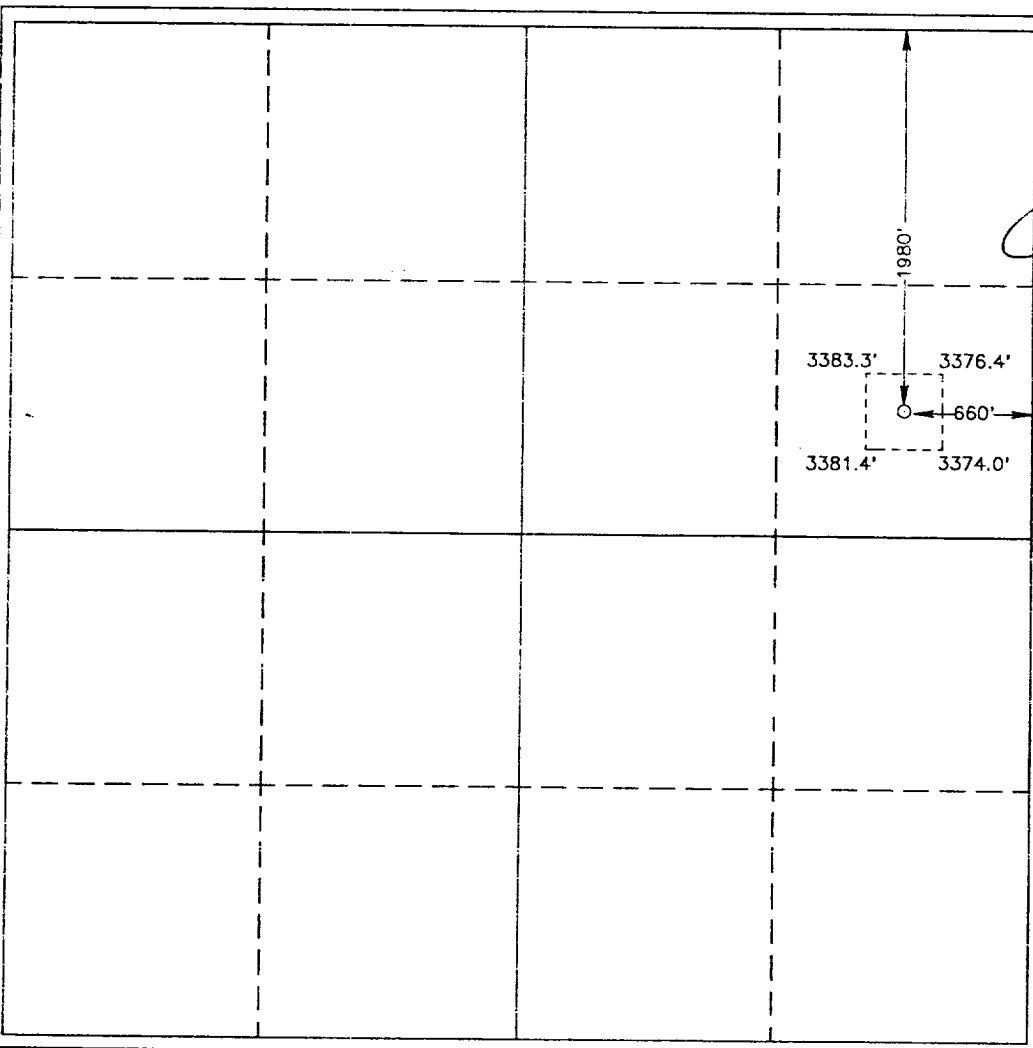
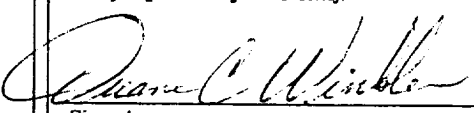
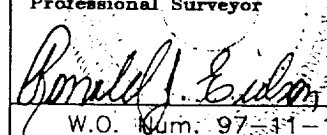
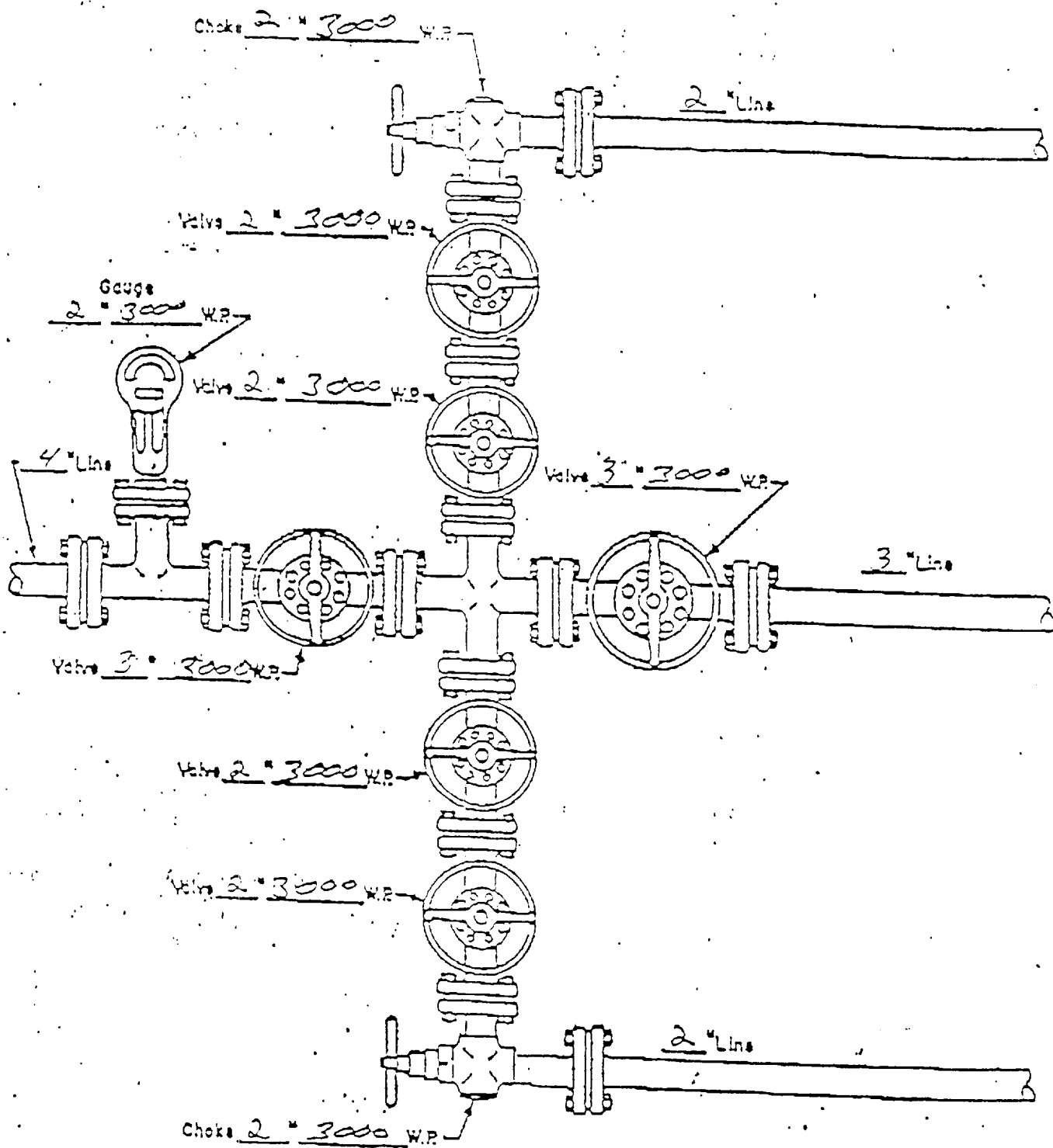
	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.  Signature Duane C. Winkler Printed Name Operations Manager Title 9/17/97 Date
	SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was 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. SEPTEMBER 5, 1997 Date Surveyed Signature & Seal of Professional Surveyor  W.O. Num: 97-11-1449
	Certificate No. JOHN W. WEST, 676 RONALD J. EIDSON, 3239 GARY G. EIDSON, 12641

Exhibit A

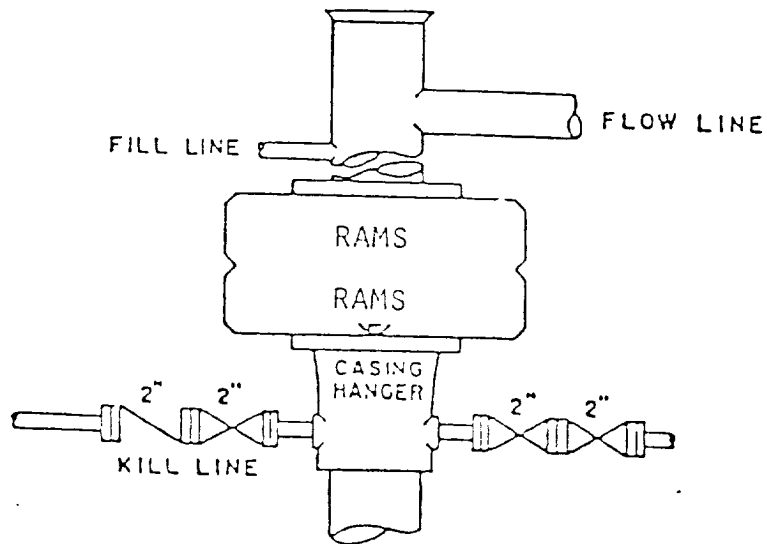
Choke Manifold



MANIFOLD
3000 W.P.

☒ Manual
☐ Hydraulic

Exhibit 1



BOP STACK

3000 PSI WORKING PRESSURE

BOP ARRANGEMENT

Exhibit 1

Attachment to Exhibit #1
NOTES REGARDING THE BLOWOUT PREVENTERS

1. Drilling nipple to be so constructed that it can be removed without use of a welder through rotary table opening, with minimum ID equal to preventer bore.
2. Wear ring to be properly installed in head.
3. Blow out preventer and all fittings must be in good condition, 3000 psi WP minimum.
4. All fittings to be flanged.
5. Safety valve must be available on rig floor at all times with proper connections, valve to be full bore 3000 psi WP minimum.
6. All choke and fill lines to be securely anchored, especially ends of choke stem.
7. Equipment through which bit must pass shall be at least as large as the diameter of the casing being drilled through.
8. Kelly cock on kelly.
9. Extension wrenches and hand wheels to be properly installed.
10. Blow out preventer control to be located as close to driller's position as feasible.
11. Blow out preventer closing equipment to include minimum 40 gallon accumulator, two independent sources of pump power on each closing unit installation, and meet all API specifications.