MALLON OIL COMPANY

2850 Security Life Building, Denver, Colorado 80202 (303) 572-1511

November 21, 1985

1-25N-2W

State of New Mexico Oil Conservation Division P.O. Box 2088 Santa Fe, New Mexico 87501

> Re: Howard Federal #1-11 well Johnson Federal #12-5 well Rio Arriba County, NM

Ladies/Gentlemen:

Enclosed please find NMOCC copies of Sundry Notices and Well Completion logs on the captioned wells.

Please note that the papers on the Howard Federal #1-11 well are marked confidential. Mallon Oil Company would like to request that the NMOCC would keep the information confidential.

If you should have any questions, please advise.

Sincerely,

MALLON OIL COMPANY

Roxane I. Seney Land/Production Assistant

Continue ME DIVI

Form 3160-5	UN	ITED STATES	SUBMIT IN TRIPLICATE		u No. 1004-0135 st 31, 1985
(November 1983) (Formerly 9-331)	DEPARTME	NT OF THE INTER	(Other instructions on re	5. LEASE DESIGNATIO	N AND BURLAL NO.
(1. O.m. 1	BUREAU (OF LAND MANAGEME	NT	NM 40644	
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MELL XX MELL	OTHER		CED 1 R 1985	8. FARM OR LEASE N	AME
2. NAME OF OPERATOR			01.7 I 0 1000	Howard Fed	
Mallon Oil Co	mpany	'n	TINDASTO ALGARA CHA LLUCCA LLA TOLLI	9. WELL NO.	
	r Life Build		FINANCE AND MANAGEMENT FINANCE AND	#1-11	
4 LOCATION OF WELL (Re	port location clear	ly and in accordance with a	ny State requirements.*	10. PIELD AND POOL,	OR WILDCAT
See also space 17 belov At surface	₩.)			Undesignate	ed Gallup
	1850' FSL 8	1675' FWL		11. SEC., T., R., M., O. SURVEY OR AR	r blk. and Ma
				Sec. 1, T2	5N, R2W
14. PERMIT NO.		15. ELEVATIONS (Show whether	DF, RT, GR, etc.)	12. COUNTY OR PARI	SH 13. STATE
		7544' G.L.		Rio Arriba	NM
16.	Check Appro	opriate Box To Indicate	Nature of Notice, Report, or	Other Data	
v	OTICE OF INTENTIO			QUENT REPORT OF:	
				REPAIRING	
TEST WATER SHUT-OF	· ——	L OR ALTER CASING	WATER SHUT-OFF FRACTURE TREATMENT	ALTERING	<u> </u>
FRACTURE TREAT		TIPLE COMPLETE	SHOOTING OR ACIDIZING	ABANDONS	
SHOUT OR ACIDIZE	i	NDON*	(Other) Spud & S	set surface cas	
REPAIR WELL (Other)			(Norm: Report result	ts of multiple completion Report and Log	on on Well form.)
	COMPLETED OPERAT	tions (Clearly state all perti-	nent details, and give pertinent date ocations and measured and true verti	e including estimated	iste of starting any
				EGETV SEP 1 9 198 OIL CON. I	5
18. i hereby vertify that SIGNED (This space for Rede	MI	Suprim-	Agent	DIST. 3	9-16-85
APPROVED BY		TITLE		DATE	
CONDITIONS OF AF	PROVAL, IF ANY	ſ:		eng vertice Note	1,985
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Title 18 U.S.C. Section 1001, makes it a crime for any person knowing 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.

UNITED STATES

SUBMIT IN TRIPLICATE.

Form approved.	
Budget Bureau No.	1004-0135
Expires August 31,	1985

		TMENT OF THE INTER	RIOR (Other ynstructions on re-	5. LEASE DESIGNATION AND SERIAL NO. NM 40644	
-	SUNDRY NO		PARAGLE IVE D g back to a different reservoir. a proposals.)	8. IF INDIAN, ALLOTTEE OR TRIBE NAME	
i.	OIL GAS GAS OTHER		SEP 2 3 1985	7. UNIT AGREEMENT NAME	
2.	Mallon Oil Company		BUREAU OF LAND MANAGEMENT FARMINGTON RESOURCE AREA	8. FARM OR LEASE NAME Howard Fed	
3.	ADDRESS OF OPERATOR 2750 Security Life I	Building, Denver, CO	80202	9. WELL NO. #1-11	
t. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface				10. FIELD AND POOL, OR WILDCAT Undesignated Gallup	
	1850' FSL	& 1675' FWL		11. SBC., T., E., M., OR BLK. AND SURVEY OF ARMA Sec. 1. T25N. R2W	
14.	PERMIT NO.	15. ELEVATIONS (Show whether	DF, RT, GR, etc.)	12. COUNTY OR PARISH 13. STATE	
		7544' G.L.		Rio Arriba NM	
16.	Check	Appropriate Box To Indicate	Nature of Notice, Report, or C	Other Data	
	NOTICE OF IN	TENTION TO:	PESSUS	UNIT REPORT OF:	
	TEST WATER SHUT-OFF	PULL OR ALTER CASING	WATER SHUT-OFF	REPAIRING WELL ALTERING CASING	
	FRACTURE TREAT	MULTIPLE COMPLETE	FRACTURE TREATMENT SHOOTING OR ACIDIZING	ABANDONMENT®	
	SHOOT OR ACIDIZE	ABANDON* CHANGE PLANS	(Other) Spud & set	<i>-</i>	
	(Other)	Change Loans	(Norm: Report results	of multiple completion on Well letion Report and Log form.)	

17. 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 work.)

See attached sheet



SIGNED M Con	rect TITLE	Agent	DATE 9-20-85
(This space for Federal or State office use)			13 1.13
APPROVED BY	_ TITLE		DATE
CONDITIONS OF APPROVAL, IF ANY:			,985

*See Instructions on Reverse Side NMOCC





KM PRODUCTION COMPANY P.O. Box 2406 Farmington, NM 87401 (505) 325-6900

> MALLON OIL COMPANY Howard Fed #1-11 Sec. 1, T25N, R2W Rio Arriba County

Daily Report

- 9-16-85 Spud well @ 4:00 p.m. 9/15/85. Drilled 261 feet of 12½" surface hole Ran 246 feet of 9-5/8" 36#/ft J-55 new surface casing and set at 258' RKB. Cemented surface casing with 165 ft³ (140 sx) Class B cement containing 2% CaCl₂. Good circulation throughout job. Circulated cement to the surface. Plug down @ 11:45 p.m. 9/15/85. WOC 12 hours.
- 9/17/85 Drilling @ 1444'. Mud wt. 8.6, Visc. 30, W.L. 6.0. 1° @ 820', 4° @ 1344', 4° @ 1437'.
- 9/18/85 Drilling @ 2571'. Mud wt. 8.6, Visc. 28. 4½° @ 1529', 4½° @ 1619', 3-3/4° @ 1741', 2-3/4° @ 1894', 3½° @ 2109', 2-3/4° @ 2568.
- 9/19/85 Drilling @ 3395'. Mud wt. 9.1, Visc. 32, W.L. 6.0. 2½° @ 2571', 2° @ 2722', 1° @ 2874', 1° @ 3356'.
- 9/20/85 Drilling @ 3979'. Mud wt. 8.9, Visc. 43, W.L. 6.2. 1-3/4° @ 3610', 1½° @ 3857'.

Form 3160-5 (November 1983) (Formerly 9-331)	UNITED STA DEPARTMENT OF TH BUREAU OF LAND MA	E INTERIOR verse alde)	5. LEASE DESIGNATION AND SERIAL NO. NM 40644
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2. NAME OF OPERATOR			8. FARM OR LEASE NAME
Mallon Oil			Howard Fed 9. WBLL NO.
2750 Secur	ity Life Building. Den	ver, Co 80202	#1-11 10. FIELD AND POOL, OR WILDCAT
4. LOCATION OF WELL (See also space 17 be At surface	Report location clearly and in according.) 1850' FSL & 1675' FWL	RECEIVED	
14. PERMIT NO.	15. ELEVATIONS (S	Show whether DF, RT, GR, etc.) BUREAU OF LAND MANAGEMENT	12. COUNTY OR PARISH 13. STATE
	CL LA . D. T	FARMINGTON RESOURCE AREA	1 RIO ALIIDA NII
16.	Check Appropriate Box I	o Indicate Nature of Notice, Report, or	QUENT REPORT OF:
FRACTURE TREAT SHOOT OR ACIDIZE REPAIR WELL (Other) 17. DESCRIBE PROPOSED proposed work, nent to this work. See Attach	MULTIPLE COMPLETS ABANDON® CHANGE PLANS OR COMPLETED OPERATIONS (Clearly st if well is directionally drilled, give	FRACTURE TREATMENT SHOOTING OR ACIDIZING (Other) T.D. Well (Note: Report resul Completion or Recom ate all pertinent details, and give pertinent date subsurface locations and measured and true vert	CONFIDENTAL
18. I hereby certify the	tt the foregoing is the safe correct	TITLE Agent	DATE 10/14/85
(This space for Fe	deral or State office use)		e e e
APPROVED BY CONDITIONS OF .	APPROVAL, IF ANY:	TITLE	DATE
		Negoon	, 0m j 1985
	* Se	NMOCE se Instructions on Reverse Side	FARIMITATION RESUMBLE AREA

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KM PRODUCTION COMPANY P.O. Box 2406 Farmington, NM 87401 (505) 325-6900

MALLON OIL COMPANY

Howard #1-11 Sec. 1, T25N, R2W 1850' FSL & 1675' FWL Rio Arriba County, NM

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- 9/17/85 Drilling @ 1444'. Mud Wt 8.6, Visc. 30, W.L. 6.0. 1° @ 820', 4° @ 1344', 4° @ 1437'.
- 9/18/85 Running wireline survey. Depth = 2571'. Mud wt 8.6, Visc. 28, $4\frac{1}{4}$ ° @ 1529', $4\frac{1}{4}$ ° @ 1619, 3-3/4° @ 1741', 2-3/4 @ 1894', $3\frac{1}{4}$ ° @ 2109', 2-3/4° @ 2568'.
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- 9/20/85 Drilling @ 3979'. Mud wt 8.9, Visc. 43, W.L. 6.2. 1-3/4° @ 3610', 1½° @ 3857'.
- 9/21/85 Drilling @ 4409'. Mud wt 9.1, Visc. 44, W.L. 6.4. ½° @ 4133', 1° @ 4409'.
- 9/22/85 Drilling @ 4945'. Mud wt 9.1, Visc. 37, W.L. 7.2. 1° @ 4931'.
- 9/23/85 Drilling @ 5365'. Mud wt 9.2, Visc. 44, W.L. 6.0.
- 9/24/85 Drilling @ 5793. Loss circulation @ 5793' Mesaverde interval.
 Pull 5 stands. Mix 100 bbls of 20% LCM pill. Mud wt. 9.2, Visc.
 35, W.L. 7.2. 1° @ 5424'.
- 9/25/85 Drilling @ 6006'. Lost 160 bbls @ 5793'. Mix 2nd LCM pill @ 25% (150 bbls). Regained full returns. Mud wt 8.9, Visc. 38, W.L. 8.6. 1° @ 5945'.

- 9/26/85 Drilling @ 6364'. Mud wt 9.1, Visc. 43, W.L. 8.0.
- 9/27/85 Drilling @ 6777'. Mud wt 9.0, Visc. 41, W.L. 7.2. 1° @ 6529'.
- 9/28/85 Drilling @ 7199'. Mud wt 8.9, Visc. 40, W.L. 8.0.
- 9/29/85 Coring @ 7322. Mud wt 8.9, Visc. 41, W.L. 6.8.
- 9/30/85 Drilling @ 7482'. Mud wt 9.0, Visc. 40, W.L. 7.2.
- 10/1/85 Drilling @ 7868'. Mud wt 8.9, Visc. 46, W.L. 7.2. 1° @ 7817'.
- 10/2/85 Drilling @ 8077'. Mud wt 8.8, Visc. 47, W.L. 7.2. 2° @ 8032'.
- 10/3/85 Drilling @ 8238. Mud wt 8.9, Visc. 46, W.L. 7.2.
- Washing and reaming to bottom. Got stuck @ 8240' while reaming @ 50 RPM @ 3:00 p.m. Have fuel returns. Worked pipe for 8 hours. Rigged up Petro Log, tried to run freepoint tool. Tool would not go past saver sub below kelly. Manually backed off from drillpipe Had old float wedged in saver sub. Replaced kelly with drillpipe. Ran free point tool. Could not get past 4496'. Pumped mud for 20 minutes. Pump pressured up. Junk hitting nozzles in bit. Ran free point tool. Collars 100% free @ 7695' (5 collars out, 19 collars left in hole). Backoff @ 7695'. Mud wt 8.9, Visc. 84, W.L. 6.0.
- Attempted backoff @ 7695'. Apparently backed off in 2 places @ 8058' and 1 jt from surface. Screwed surface joint into string.

 Worked torque into pipe and pipe came free @ 8058'. Circulated mud (could not get sufficient pump pressure to indicate circulation through bit). Tripped out of hole. Recovered drillpipe and 18 collars. Left 6 collars, crossover sub, and bit in the hole. Wait on Xover sub. Trip in hole with screw-in sub, bumper sub, jars, and accelerator. Screw into fish. Could not circulate. Jar on fish and work fish for 3½ hours. Fish moved up and down the hole approximately 1 to 2 feet but would not rotate. Jars became ineffective after 3½ hours of jarring (going off too early). Rig up Petro-Log. Ran sinker bar through drillpipe and collars. Sinker bar went to the bit. Running freepoint. Mud wt 8.9, Visc. 46, W.L. 6.2.
- Ran freepoint. Could not get freepoint tool to work. Ran backoff shot at top of 1st collar (8208'). Collar locator did not work after shot. String pulled tight. Weight appeared to be right (to recover all but 1 collar, bit sub, and bit). Worked to free up pipe. Pipe came free but didn't weigh correctly. Ran collar locator log. Appeared to have entire fish. TOH. Recovered all fishing tools but screw in sub. Fish remaining in hole. Screw in sub, 6 collars, bit sub, and bit. Lay down old fishing tools. Pickup new fishing tools. Trip in hole with bumper sub, jars, and accelerator. Screw into fish. Established circulation through fish @ 1200 psi (appears some jets are out of bit). Jar on fish for 15 minutes and it came free. Work pipe and condition hole. Trip out of hole with fish. Mud wt 9.0, Visc. 52, W.L. 7.6.

- Trip out of hole with fish. Recovered all of fish. Bit was 1-1½" out of gauge. Trip in the hole with drilling jars and new bit. Ream 120' to 8240'. Had trouble reaming @ 8241 to 8242'. Worked on this spot for 5 hours. Could not make any hole. Suspect new bit is out of gauge. Circulate and condition hole 2 hours for logs. Trip out of hole for logs. Loggers got stuck on side of road in mud on their way to location. Trip to bottom and circulate. Wait on loggers. Mud wt 9.0, Visc. 65, W.L. 6.8.
- 10/8/85 Wait on loggers. Trip out of hole for logs. Rigged up Gearhart. Log stopped @ 6900' (top of Gallup). Trip in hole with mill tooth bit. Tagged bridge @ 6989'. Ream hole from 6989 to 7172' (583 feet). Mud wt 8.8, Visc. 55, W.L. 6.4.
- Trip in hole from 7172 to 8093'. (151 feet off bottom). Ream from 8093 to 8140'. Bit was reaming very slow. Circulate and condition mud (raise viscosity to 68). Trip out of hole. Pulled through tight bridge @ 7050'. Reamed from 7050' to 8140'. Circulate and condition mud (raise viscosity to 80). Short trip 25 stands from 8140 for logs. Mud wt 9.0, Visc. 56, W.L. 6.0.
- 10/10/85 Short trip 25 stands from 8140 to above Gallup formation. Short trip was smooth, no tight spots or bridges. Trip out of hole for logs. Rigged up Gearhart. Induction log went to 8102' (142' above T.D.). Ran IEL log. Ran Density-Neutron from TD to 6967. Tool got stuck @ 6944 to 6967'. Worked to free tool. Tool pulled loose at rope socket. Wait on fishing tools. Trip in the hole with 5-3/4" overshot guide, 3½" overshot, bumper sub and jars. Tag fish @ 6964'. Pump pressure rose 200 psi to 750 psi. String took weight. Pulled up and worked fish. Ran 30' drillpipe and kelly in hole. Chained out of hole. String pulling wet. Trip out of hole with fish. Mud wt 9.0, Visc. 82, W.L. 6.4.
- 10/11/85 Trip out of hole with fish. Did not have fish. Trip back in hole with fishing tools. Tag fish @ 8087'. Pump pressure increased to 2000 psi when grabbed fish. String pulled wet. Trip out of hole. Recovered all of fish. Trip in hole with 6-3/4" bit. Start drilling. Mud wt 8.9+, Visc. 60, W.L. 4.8. Depth @ 8252'.
- 10/12/85 T.D. well @ 8276' at 7:30 p.m. 10/11/85. Circulate for 2 hours. Lay down drill pipe and collars. Mud wt 9.0, Visc. 64, W.L. 4.6.
- 10/13/85 Lay down drill pipe and collars. Rig up casing crew. Run $5\frac{1}{2}$ " casing as follows:

DESCRIPTION	LENGTH	DEPTH
KB to landing point	11.00	0-11
1 cutoff jt 5½" 17#/ft new csg (30.12 feet in)	30.12	11-41
92 jts 5½" 17#/ft new casing 1 upper D.V. tool	3848.46 2.53	41-3890 3890-3892
55 jts 5½" 17#/ft new casing	2294.83 2.53	3892-6187 6187-6189
1 lower D.V. tool 48 jts 5½" 17#/ft new casing	2014.18	6189-8204

Mallon Oil Company Howard 1-11 Morning Report, Page 4

10/13/85	1 Differential fill float collar	2.21	8204-8206
(cont.)	1 jt 5½" 17#/ft new casing	42.15	8206-8248
	1 5½" guide shoe	95	8248-8249
		8248.96	

D.F.F.C. @ 8204. Centralizers @ 7741, 7616, 7490, 7363, 7237, 7111, 6985, 6859, 6145, 6229, 3848, 3934. Lower D.V. @ 6187', Upper D.V. @ 3890'.

Casing was landed 27' off bottom. Casin shoe stuck when hooking up final joint of casing. Rigged up Dowell. Pumped 10 bbls of water ahead of cement. Cemented 1st stage with 441 ft3 (350 sx) 50-50 pozmix with 2% gel, 10% salt and $\frak{1}{4}$ flocele/sx. Good circulation throughout job. Bumped plug to 1750 psi. Held OK. Plug down @ 4:45 p.m. 10/12/85. Dropped bomp to open D.V. tool. Tool opened @ 1000 psi. Circulated 3 hours between stages. Pumped 10 bbls of water ahead of 2nd stage cement. Cemented 2nd stage with 206 ft3 (100 sx) Class B cement with 2% D-79 and 1/4 flocele/sx tailed 50-50 pozmix with 2% gel, 10% salt and ¼# flocele/sx. Good circulation throughout job. Bumped plug to 1500 psi. Held OK. Plug down @ 8:45 p.m. 10/12/85. Dropped bomb to open D.V. tool. Tool opened @ 1000 psi. Circulated 3 hours between stages. Pumped 10 bbls of water aread of 3rd stage cement. Cemented 3rd stage with 515 ft3 (250 sx) of Class B cement with 2% D-79 and 4# flocele/sx tailed by 158 ft (125 sx) 50-50 pozmix with 2% gel, 10% salt and 4# flocele/sx. Good circulation throughout job. Bumped plug to 2000 psi. Held OK. Plug down @ 1:00 a.m. 10/13/85. Nipple down BOP, set slips and cutoff casing. Released rig @ 3:00 a.m. 10/13/85.