

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*
(Other instructions on re-
verse side)

Budget Bureau No. 1004-0155
Expires August 31, 1985

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. NM-04077	
2. NAME OF OPERATOR Mallon Oil Company		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
3. ADDRESS OF OPERATOR 1099 18th Street, Suite 2750 Denver, CO 80202		7. UNIT ASSIGNMENT NAME	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 795' FSL & 2145' FEL		8. FARM OR LEASE NAME Davis Fed Com 3	
14. PERMIT NO.		9. WELL NO. 15	
15. ELEVATIONS (Show whether DF, ST, CR, etc.) 7458' GL		10. FIELD AND POOL, OR WILDCAT Gavilan-Dakota	
		11. SEC., T., R., M., OR S.W. AND SURVEY OR AREA Sec. 3, T25N, R2W	
		12. COUNTY OR PARISH Rio Arriba	
		13. STATE NM	

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF	<input type="checkbox"/>	WATER SHUT-OFF	<input type="checkbox"/>
FRACTURE TREAT	<input type="checkbox"/>	REPAIRING WELL	<input type="checkbox"/>
SHOOT OR ACIDIZE	<input type="checkbox"/>	FRACTURE TREATMENT	<input type="checkbox"/>
REPAIR WELL	<input type="checkbox"/>	SHOOTING OR ACIDIZING	<input type="checkbox"/>
(Other)	<input type="checkbox"/>	(Other) see below	<input checked="" type="checkbox"/>
PULL OR ALTER CASING	<input type="checkbox"/>	(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)	
MULTIPLE COMPLETE	<input type="checkbox"/>		
ABANDON*	<input type="checkbox"/>		
CHANGE PLANS	<input type="checkbox"/>		

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 daily reports.

RECEIVED
BLM MAIL ROOM
88 APR 15 AM 11:49
FARMINGTON RESOURCE AREA
FARMINGTON, NEW MEXICO

RECEIVED
APR 20 1988
OIL CON. DIV.
DIST. 3

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

SIGNED [Signature] TITLE Production Assistant DATE 04-11-88

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____
CONDITIONS OF APPROVAL, IF ANY:

DATE
ACCEPTED FOR RECORD

APR 18 1988

FARMINGTON RESOURCE AREA

*See Instructions on Reverse Side

NMOCO

MALLON OIL COMPANY
DAVIS FED COM 3 #15
795' FSL & 2145' FEL
Sec. 3-T25N-R2W

10/19/87 Move in and rig up Bayless Rig #6 - Pull rods and pump out of hole - Nipple down wellhead - Nipple up BOP - Add 866 feet of 2 7/8" tubing - Tag fill at 8125 feet (75 feet of fill on top of bridge plug at 8200 feet - fill is only 11 feet below proposed Dakota perfs) - SDFN

Costs: Rig \$1638.00 Trucking \$529.00
Engineering \$189.00

Total Daily Costs: \$2,356.00
Total Cumulative Costs: \$2,356.00

10/20/87 Trip out of hole with 2 7/8" tubing (with pumping assembly) - Trip in hole with Baker hydrostatic bailer - Clean out 75 feet of fill to bridge plug at 8200 feet RKB - Trip tubing and bailer out of hole - Trip in hole with Baker retrievomatic packer on 2 7/8" tubing - Leave packer hanging at 7500 feet - SDFN

Costs: Rig \$1,638.00 Engineering \$142.00

Total Daily Costs: \$1,780.00
Total Cumulative Costs: \$4,136.00

10/21/87 Shut down for the day.

10/22/87 Rig up Western Company - Set packer at 7532 feet RKB - Pressure test tubing and bottom of casing to 3500 PSI - Lose 800 PSI in 5 minutes - Move packer to 8114 feet RKB - Pressure test to 3500 PSI - Lose 700 PSI in 5 minutes - Move packer to 8166 feet (tag fill at + or - 8180 feet) - Pressure test to 3500 PSI - Lose 900 PSI in 5 minutes - Move tubing to 8114 feet - Spot 250 gallons of 7 1/2% DI HCL acid across perforation interval - Trip tubing out of hole - Rig up Petro Wireline - Perforate Dakota interval with 4" casing guns and 1 JSPF as follows:

7976 - 7980	4'	4 holes
7986 - 7990	4'	4 holes
8040 - 8055	15'	15 holes
8066 - 8081	15'	15 holes
8087 - 8114	<u>27'</u>	27 holes

Total 65' 65 holes (.50" diam.)

(Tag fill on top of bridge plug at 8187' RKB) - Trip Baker retrievematic packer and tubing halfway in hole - SDFN

Costs: Rig \$1,365.00 Engineering \$368.00
Pump \$761.00 Wireline \$1,518.00
Packer \$931.00

Total Daily Costs: \$4,943.00
Total Cumulative Costs: \$9,079.00

10/23/87 Trip remainder of tubing in hole - Set packer at 7500 feet RKB - Rig up Western Company - Break down Dakota perforations immediately - Establish injection rate down tubing into Dakota zone of 6.0 BPM at 2300 PSI - ISIP 800 PSI - Frac grad .53 - Acidize Dakota interval with 500 gallons of 7 1/2% DI HCL weighted acid containing 98 1.1 s.g. - RCN ball sealers - 5.4 BPM @ 2000 PSI - See 600 PSI increase as balls hit the formation then break back - Cannot get a balloff - Final injection rate 4.4 BPM @ 2300 PSI, ISIP 1400 PSI - Move packer below perforations to knock off ball sealers - Reset packer at 7500 feet - Establish injection rate of 6.0 BPM @ 2000 PSI into Dakota formation down tubing, ISIP 700 PSI (.52 frac grad.) - Lay down 2 7/8" tubing and packer - Pick up Baker retrievematic packer and 170 joints of 3 1/2" N-80 IJ tubing - SDFN

Costs: Rig \$1,638.00 Western Pump \$1,455.00
Engineering \$368.00

Total Daily Costs: \$3,461.00
Total Cumulative Costs: \$12,540.00

10/24/87 Pick up remainder of 3 1/2" frac string - Set packer at 7455 feet RKB - Rig up Western Company - Fracture stimulate the Dakota interval down 3 1/2" tubing with 73,000 gallons of 30# crosslinked gelled fluid containing 105,000 lbs. of 20/40 sand and 53 MC of radioactive beads as follows:

18,000 gallons of 30 lb. crosslinked gel pad 30 BPM @ 3850 PSI
20,000 gallons of 30 lb. crosslinked gel containing 1 PPG 20/40 sand 30 BPM @ 3800 - 3900 PSI
20,000 gallons of 30 lb. crosslinked gel containing 2 PPG 20/40 sand 30 BPM @ 3750 PSI
15,000 gallons of 30 lb. crosslinked gel containing 3 PPG 20/40 sand 30 BPM @ 3800 - 4000 PSI
3,234 gallons of uncrosslinked gel flush 30 BPM @ 3900 - 4200 PSI

ISIP = 1900 PSI, 5 min = 1700 PSI, 10 min = 1600 PSI,
15 min = 1550 PSI

Average rate 30 BPM - Average pressure 3800 PSI - Maximum pressure 4200 PSI - Minimum pressure 3600 PSI - Total load fluid to recover 1812 bbls - All fluid contained 1% KCL, 1/2 gallon/1000 clay stablization agent, and 1 gallon/1000 surfactant - Shut in well overnight to allow gel to break - SDFN

Costs:	Rig \$956.00	Western \$29,197.00
	RA Material \$ 1,149.00	Engineering \$368.00
	Baker \$2,355.00	

Total Daily Costs: \$34,025.00
Total Cumulative Costs: \$46,565.00

10/25/87 Shut down - Sunday

10/26/87 Release packer - Lay down 10 joints of 3 1/2" tubing - Packer stuck in hole at 7142 feet RKB - Work on pipe - Try to pump on annulus - Pump 19 bbls of water - Annulus pressured to 1000 PSI and then bled to 600 PSI slowly - Fill tubing with 17 bbls. of water - Pump into formation at 3 BPM @ 900 PSI - ISIP = 0 PSI - Pump 50 bbls into formation - Free point tubing stretch calculation was 24 inches for 20,000 lbs of pull - Calculate stuck point at packer - Work pipe - SDFN

Costs: Rig \$1,092.00 Engineering \$250.00

Total Daily Costs: \$1,342.00
Total Cumulative Costs: \$47,907.00

10/27/87 Rig up HOMCO freepoint truck - Find freepoint at 6815 feet - Pipe stuck at 6825 feet (top of Gallup perforations) - Make 3 chemical cuts in 3 1/2" tubing at 7091 feet (just above packer), at 6970 feet (half of fish), and at 6817 feet (at freepoint) - Work on pipe to attempt cutoff - Cannot get pipe to part - Prepare to cut pipe again at 6817 feet - SDFN

Costs: Rig \$1,365.00 Engineering \$250.00

Total Daily Costs: \$1,615.00
Total Cumulative Costs: \$49,522.00

10/28/87 Rigged up Homco. Attempted to cut pipe at 6817 ft. Chemical cutter went off but did not cut - Run another chemical cutter - Wait on new tool - Run larger chemical cutter - This tool hung up in middle cut, indicating that middle cut is good - Try to cut tubing at 6817 feet, tool misfired and ruined chemical cutter - Work pipe.

Costs: Rig \$ 1,365.00 Engineering \$250.00

Total Daily Costs: \$1,615.00

Total Cumulative Costs: \$51,137.00

10/29/87 Rig up Homco - Run jet cutter in hole and set off charge at 6817 feet - Work tubing - Tubing will not come free - Run jet cutter in hole again and set off charge at 6757 feet - Work tubing - Tubing came free - Lay down 220 joints of 3 1/2" frac string (230 total joints out, 11 joints and packer in hole) - Pick up spear, bumper sub, oil jars, 6 - 3 1/2" drill collars, accelerator, and one joint of 2 7/8" tubing - SDFN.

Costs: Rig \$1,638.00 Engineering \$250.00

Total Daily Costs: \$1,888.00

Total Cumulative Costs: \$53,025.00

10/30/87 Pick up 2 7/8" tubing - Tag fish at 6787 feet RKB (Note: Add 30 foot connections to wireline depths) - Jar on fish - Fish came free - Trip out of hole with 2 joints of 3 1/2" tubing - 9 joints and packer left in hole - Trip in hole with spear fishing assembly - Leave hanging in hole - SDFN.

Costs: Rig \$1,365.00 Engineering \$500.00

Total Daily Costs: \$1,865.00

Total Cumulative Costs: \$54,890.00

10/31/87 Pickup remaining 2 7/8" tubing - Tag and spear into fish at 6853 feet RKB - Work and jar on fish - Fish came free - Trip out of hole - Grapple on spear had broken - SDFN.

Costs: Rig \$956.00 Engineering \$500.00

Total Daily Costs: \$1,456.00

Total Cumulative Costs: \$56,346.00

11/01/87 Shut down - Sunday.

11/02/87 Trip in hole with spear on 2 7/8" tubing - Work spear into fish (Junk on top of fish) - Jar on fish - Load annulus with 28 bbls of water - Partial returns through tubing - Put valve on tubing - Pump into formation down annulus at 2 1/2 BPM @ 900 - 950 PSI - Start jarring on fish - Lose string weight - Screw back into tubing - Make sure we have fish - Release from fish - Trip out of hole to check collars - Grapple on spear was broken, had all of grapple - SDFN.

Costs: Rig \$1,229.00 Engineering \$250.00

Total Daily Costs: \$1,479.00
Total Cumulative Costs: \$57,825.00

11/03/87 Change out tubing line - Trip in the hole with spear on 2 7/8" tubing - Latch into fish - Jar on fish - Load hole with 30 bbls of water - Pump into formation while jarring - Pump rate 1 - 1.5 BPM at 300 PSI increasing to 550 PSI, ISIP = 400 psi - Release spear - Trip out of hole with spear - Trip in hole with sinker bars and sandline to find depth of opening in tubing - Sinker bars set down at 7065 feet (2nd collar above packer) - Sinker bars hung up in tubing cut at 7003 feet and pulled loose - Pull loose from sinker bars just above the rope socket - Leave sinker bars in hole at 7065 feet - SDFN.

Costs: Rig \$1,638.00 Engineering \$250.00

Total Daily Costs: \$1,888.00
Total Cumulative Costs: \$59,713.00

11/04/87 Rig up Homco Wireline - Set off jet cutting charge at 6883 feet (tubing depth) - Four (4) feet above next collar down from top of fish - Trip in hole with spear on tubing - Jar on fish for 4 hours - Fish came free - TOH with fishing tools - Recover 1 joint of 3 1/2" tubing (8 joints remaining in hole) - SDFN.

Costs: Rig \$1,911.00 Engineering \$500.00

Total Daily Costs: \$2,411.00
Total Cumulative Costs: \$62,124.00

11/05/87 Rig up Homco Wireline - Trip in hole with jet cutting charge - Cannot get into top of fish - Trip in hole with spear on 2 7/8" tubing - Work spear into fish - Jar on fish - Move fish 12" in 15 minutes - Jar on fish for 2 hours - Move fish a total of 21" - Release spear from fish - Trip 20 stands out of hole - SDFN.

Costs: Rig \$1,638.00 Engineering \$250.00

Total Daily Costs: \$1,888.00
Total Cumulative Costs: \$64,012.00

11/06/87 Trip tubing and spear out of hole - Rig up Homco Wireline
- Set off jet cutting charge at 6912 feet (tubing depth)
- Four (4) feet above next collar down from top of fish -
Jar approximately 15 times, fish came free - Trip out of
hole with fish - Recover one (1) joint of 3 1/2" tubing
(7 joints remaining in hole) - Trip halfway in hole with
spear - SDFN.

Costs: Rig \$1,502.00 Engineering \$250.00

Total Daily Costs: \$1,752.00

Total Cumulative Costs: \$65,764.00

11/07/87 Shut down for week-end.

11/08/87 Shut down for week-end.

11/09/87 Trip in hole with remainder of tubing - Spear into fish -
Jar 15 - 20 minutes - Fish came free - Trip out of hole
with fish - Recover three (3) joints of 3 1/2" tubing (
four (4) joints remaining in hole) - Tubing has good
clean chemical cut - Trip in hole with overshot on 2 7/8"
tubing - Tag fish, fish fell to bottom of hole - Trip in
hole - Tag fish at 7923' (packer resting at 8057', in
middle of Dakota perforations) - Work on fish - Trip out
of hole - Recover portion of broken spear lost earlier
(wedged in overshot) - SDFN.

Costs: Rig \$1,638.00 Engineering \$250.00

Total Daily Costs: \$1,888.00

Total Cumulative Costs: \$67,652.00

11/10/87 Trip in hole with overshot on 2 7/8" tubing - Clean out
30 feet of sand on top of fish (slight circulation and
returns) - Work overshot on top of fish - Work fish out
of hole - Recover four (4) joints of 3 1/2" tubing - Only
packer, sinker bars, and parts of broken spear remain in
hole - Trip halfway in hole with overshot on 2 7/8"
tubing - SDFN.

Costs: Rig \$1,638.00 Engineering \$250.00

Total Daily Costs: \$1,888.00

Total Cumulative Costs: \$69,540.00

MALLON OIL COMPANY

1099 18th Street, Suite 2750, Denver, Colorado 80202
(303) 293-2333

MALLON OIL COMPANY
DAVIS FED COM 3 #15
795' FSL & 2145' FEL
Sec. 3-T25N-R2W

12/01/87 Trip in hole with seating nipple on tubing. Land 2 7/8" tubing to swab at 8104'. Rigged to swab. Swabbed well as follows: (see Swab Report). Made a total of 11 swab runs in 5 hours. Recovered 55 bbls. of frac water and oil. Oil cut went from 100% oil at start of swabbing to 100% frac water at end of swabbing. Fluid entry rate was 11 bbl/hr or 264 bbl/day. Well was gassing at end of day and making lots of sand. Fluid level was staying constant at 4000'. Shut down for night.

Costs: Rig \$1502 Engineering \$250

Total Daily Cost: \$ 1,752

Total Cumulative Cost: \$137,669

12/02/87 Overnight casing pressure 275 psi. Rigged to swab. Swabbed well as follows: (see Swab Report). Made a total of 18 swab runs in 8 hours. Recovered 88 bbls. of frac water and trace of oil. Oil cut went from 100% initially to a trace of oil in 45 minutes and remained a trace of oil for remainder of day. Well was gassing hard and making some sand later on in the day. Fluid entry rate was 11 bbls/hr or 264 bbls/day. Fluid level dropped from 4000 ft. to 4600 ft. Shut down overnight.

Costs: Rig \$1,502 Engineering \$250

Total Daily Cost: \$ 1,752

Total Cumulative Cost: \$139,421

12/03/87 Overnight casing pressure 625 psi. Rigged to swab. Swabbed well as follows: (see Swab Report). Made a total of 18 swab runs in 7 1/2 hours. Well kicked off and flowed for 1/2 hour before it died. Made a total of 66.7 bbls. in 8 hours; 8.3 bbls/hr; 200 bbls/day. Oil cut varied while swabbing, making 50% oil cut before well flowed a 10% oil cut. Fluid level dropped from an initial 3900 ft. to 5500 ft. Shut well in overnight.

Costs: Rig \$1,502 Engineering \$250

Total Daily Cost: \$ 1,752

Total Cumulative Cost: \$141,173

12/04/87 Overnight annulus pressure was 675 psi, tubing was dead. Rigged to swab. Swabbed well as follows: (see Swab Report). Initial fluid level at 4500 ft. Swabbed and flowed well for 7 1/2 hours. Well made a total of 80 bbls; 10.7 bbls/hr; 256 bbls/day. Well was making a 50% oil cut at end of day. Well not flowing very hard at end of day. Shut in well for the weekend.

Costs: Rig \$1,297 Engineering \$250

Total Daily Cost: \$ 1,547

Total Cumulative Cost: \$142,720

12/05/87 Shut down for weekend.

12/06/87 Shut down for weekend.

12/07/87 Overnight annulus pressure was 825 psi, tubing was 275 psi. Blow well down. Tag sand fill at 8177' RKB. Trip tubing out of hole. Rig up Petro Wireline. Ran Gamma Ray Frac Finder log from 8145 - 6700'. It appears RA sand is in almost all perfs. Gallup & Dakota. Trip 1/2 way in hole with Hydrastatic Bailer. SDFN.

Costs: Rig \$1,502 Engineering \$500

Total Daily Cost: \$ 3,160

Total Cumulative Cost: \$145,880

12/08/87 Trip Hydrastatic Bailer remainder of way in hole. Clean out 23" of sand with Bailer to 8200' PSTD. Trip out of hole with tubing and Bailer. Trip in hole and land 2 7/8" tubing as follows:
KB - landing point 9.00 0-9'
211 joints of 2 7/8" 6.5 #/ft N80 EUE tubing
6703.09 9 - 6712'

1 tubing anchor 2.70 6712 - 6714'

44 joints 2 7/8" 6.5 #/ft N80 EUE tubing

1,395.48 6714 - 8110'

1 seating nipple 1.00 8110 - 8111'

1 perf. sub 3.10 8111 - 8114'

1 joint 2 7/8" mud anchor 31.56 8114 - 8145'

1 bull plug .50 8145 - 8146'

Total of 8146.43

HD BOP NU wellhead. SDFN.

Costs: Rig \$1,365 Engineering \$200
HOMCO fishing tools \$6,519

Total Daily Cost: \$ 8,084

Total Cumulative Cost: \$153,964

12/09/87

Land pump and rods as follows:

KB - landing point 6.00 0 - 6'

1 1/4" x 22' polished rod w/ 1 1/2" x 12' liner (3' out)

22.00 6 - 28'

Rod stretch 22.00 28 - 50'

2 7/8" pony rods 20.00 50 - 70'

121 7/8" scraper rods Class 'D' 3025.00 70 - 3095'

200 3/4" plain rods Class 'D' 5000.00 3095 - 8095'

1 2 1/2 x 1 3/4 x 12 x 15 x 18 (RHBC-EQ) Bottom hold down pump 18' depth 8095 - 8113', 8113.00. Total hung off rods and released rig.

Costs: Rig \$1,365

Engineering \$250

Total Daily Cost: \$ 1,615

Total Cumulative Cost: \$155,579