

Submit 3 Copies To Appropriate District Office

District I

1625 N. French Dr., Hobbs, NM 87240

District II

811 South First, Artesia, NM 87210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-103
Revised March 25, 1999

WELL API NO.
30-039-26731

5. Indicate Type of Lease

STATE ☐ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name:

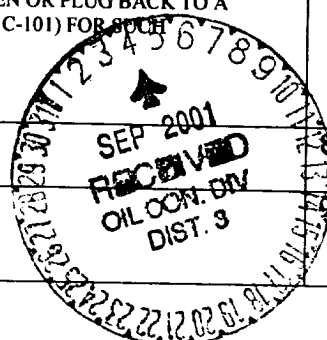
IMDA 701-98-0013

Well No.

Jicarilla 29-03-11 No. 2

Pool name or Wildcat

East Blanco Pictured Cliffs & La Jara Canyon Tertiary



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" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:

Oil Well ☐ Gas Well ☒ Other

2. Name of Operator

Mallon Oil Company

3. Address of Operator

P. O. Box 2797 Durango, CO, 81302

4. Well Location

Unit Letter H : 2050' feet from the North line and 630' feet from the East line

Section 11 Township 29N Range 03W NMPM Rio Arriba County

10. Elevation (Show whether DR, RKB, RT, GR, etc.)
7208 GL 7220 KB

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐

OTHER: Downhole Commingle

☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: ☐

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Mallon Oil Company intends on completing the above referenced well and down hole Commingling of the Tertiary and Pictured Cliffs Formation.

Division Order Number - Order No. R-¹¹³⁶³11445

Names of Pools to be Commingled - La Jara Canyon Tertiary and East Blanco Pictured Cliffs

Perforated Intervals: Pictured Cliffs Formation: 3718 - 28 and 3730 - 32 2 JSPF

Tertiary Formation: 2952-60, 2944-46, 2939-42, 2270-76, 1515-21, 1328-30, 1295-1301, 1260-64, 2 JSPF

DH C 526 A Z

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE [Signature] TITLE District Manager DATE 8/31/01

Type or print name Robert Blaylock

Telephone No. 970-382-9100

(This space for State use)

APPROVED BY Original Signed by STEVEN N. HAYDEN

DEPUTY OIL & GAS INSPECTOR, DIST. #5

SEP - 4 2001

Conditions of approval, if any: _____

DATE _____

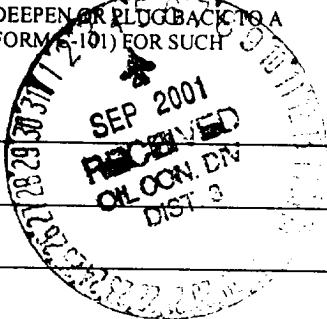
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Energy, Minerals and Natural Resources

Form C-103
Revised March 25, 1999

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

WELL API NO. 30-039-36659
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.

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" (FORM S-101) FOR SUCH PROPOSALS.)		7. Lease Name or Unit Agreement Name: IMDA 701-98-0013
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		8. Well No. Jicarilla 29-02-04 No. 1
2. Name of Operator MALLON OIL COMPANY		9. Pool name or Wildcat E. Blanco Pictured Cliffs and Tertiary
3. Address of Operator P. O. Box 2797 DURANGO, CO 81302		
4. Well Location Unit Letter <u>L</u> : <u>2180</u> feet from the <u>South</u> line and <u>1180</u> feet from the <u>West</u> line Section <u>4</u> Township <u>29N</u> Range <u>02W</u> NMPM Rio Arriba County		
10. Elevation (Show whether DR, RKB, RT, GR, etc.) 7528 GL 7540 KB		

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

- PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

- REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
OTHER: Downhole Commingle formations ☒

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

Mallon Oil has completed the subject well and downhole commingled the Tertiary and Pictured Cliffs formations under Division Order R-11445. All gas production is to be allocated based on initial production tests as 26.568 percent to the Pictured Cliffs formation and 73.432 percent to Tertiary formation. See the attached Supplemental Data Sheet for the individual formation fracture pressures and flow tests.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Robert Blaylock TITLE District Manager DATE 8/31/01

Type or print name Robert Blaylock

Telephone No. 970-382-9100

(This space for State use)

APPROVED BY _____ TITLE _____ DATE _____

Conditions of approval, if any:

C103 Supplemental Information

Jicarilla 29-03-04 No. 1
Production and Pressure Data
Pictured Cliffs and Tertiary Formations

The Pictured Cliffs formation was perforated at intervals 3792 – 96 and 3800 – 13 with 4 JSPF. Based upon the pressure data obtained from the breakdown and fracture stimulation treatment the fracturing pressure of the Pictured Cliffs formation at mid-perforation is 2350 psi with a fracture gradient of 60 psi/ft. After fracture stimulation and clean up the Pictured Cliffs formation was flow tested for twenty-four hours. FTP 75 psig, 305 MCFPD, and 48 BWPD.

The Tertiary formation was perforated at intervals 1313-17, 1331 – 35, 1337 – 40, 1358 – 61, 1366 – 69, 1375 – 80, 1382 – 99, 1423 – 26, 1428 – 31, 1450 – 54, 1480 – 84, 1526 – 33 with 4 JSPF. Based upon the pressure data obtained from the fracture stimulation treatment of the formation the fracturing pressure of the Tertiary formation is 1323 psi at the mid-perforation of 1423' with a fracture gradient of 0.93 psi/ft. After fracture stimulation of the Tertiary formation a stabilized flow test was conducted for twenty-four hours FTP 120 psig, 843 MCFPD, and 12 BWPD.

The allocation method that has been agreed upon between Mallon Oil Company and the Jicarilla Apache Nation is to use a percentage based on the initial test for allocation of the produced volumes from the downhole commingled formations. In summary the following calculations reflect the allocation percentages for the subject well.

Formation Name	Gas Flow Rate (MCFPD)	Water Rate (BWPD)	Allocation Factor	
Pictured Cliffs	305	48	26.568%	
Tertiary	843	12	73.432%	
Total	1,148	60	100.000%	