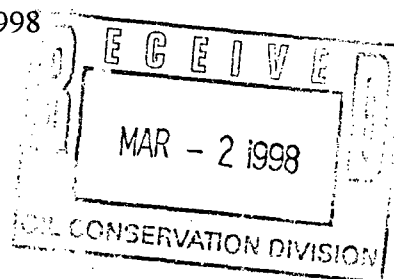


# Mallon Oil Company

Denver/Colorado ♦ Carlsbad/New Mexico

NSL 3/23/98  
a Mallon Resources subsidiary

February 27, 1998



Mr. Mike Stagner  
Oil Conservation Division  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505

Dear Mr. Stagner:

Enclosed, you will find, the East Blanco Field map for Mallon Oil Company, eleven (11) C-102 survey plats with attached topographic maps for the respective wells.

Mallon Oil Company is requesting an exemption to rule 104 due to topographic conditions for the following wells:

- |                           |                           |
|---------------------------|---------------------------|
| 1. Jicarilla 457-4 No. 2  | 5. Jicarilla 459-20 No. 8 |
| 2. Jicarilla 457-10 No. 8 | 6. Jicarilla 459-20 No. 7 |
| 3. Jicarilla 458-8 No. 7  | 7. Jicarilla 460-16 No. 1 |
| 4. Jicarilla 459-17 No. 9 | 8. Jicarilla 464-29 No. 9 |

Note: Jicarilla 460-16 No. 1 has two plats attached showing the well was moved 100 feet west to avoid an archaeological site.

OK  
dedicated  
acreage  
??

In addition to topographical conditions, due to irregular sections in Sec. 19-30N-3W and Sec. 30-30N-3W we are requesting non standard pro-ration units, for the following wells:

1. Jicarilla 459-19 No. 9
2. Jicarilla 464-30 No. 9
3. Jicarilla 464-30 No. 10

The only offset operator to the west is Robert L. Bayless and we have notified them of our request.

If any additional information is needed please contact me at (505) 885-4596

Mallon Oil Company  
Sincerely,

Terry Lindeman  
Exploration/Production Superintendent

DISTRICT I  
P.O. Box 1280, Hobbs, N.M. 88241-1280

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

DISTRICT III  
1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV  
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C-102

Revised February 21, 1994

Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, NM 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number		*Pool Code	*Pool Name
*Property Code	*Property Name JICARILLA 460-15		*Well Number 1
*GRID No.	*Operator Name MALLON OIL CO.		*Elevation 7168'

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
	16	30-N	3-W		1850	NORTH	690	WEST	RIO ARRIBA

<sup>11</sup> 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	*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

	<p><sup>17</sup> OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p>Signature <u>Terry Lindeman</u></p> <p>Printed Name <u>Terry Lindeman</u></p> <p>Title <u>Production Superintendent</u></p> <p>Date <u>10/15/97</u></p>
	<p><sup>18</sup> SURVEYOR CERTIFICATION</p> <p>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.</p> <p>Date of Survey <u>10-15-97</u></p> <p>Signature and Seal <u>[Signature]</u></p> <p>Professional Surveyor 8894</p> <p>Certificate Number <u>8894</u></p>

Exhibit A

DISTRICT I  
P.O. Box 1980, Hobbs, N.M. 88241-1980

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

DISTRICT III  
1000 Rio Grande Rd., Artesia, N.M. 87410

DISTRICT IV  
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

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

Form C-102  
Revised February 21, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name	
4 Property Code		5 Property Name JICARILLA 460-16			6 Well Number 1
7 OCHD No.		8 Operator Name MALLON OIL CO.			9 Elevation 7171.3'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
	16	30-N	3-W		1850	NORTH	790	WEST	RIO ARRIEA

11 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

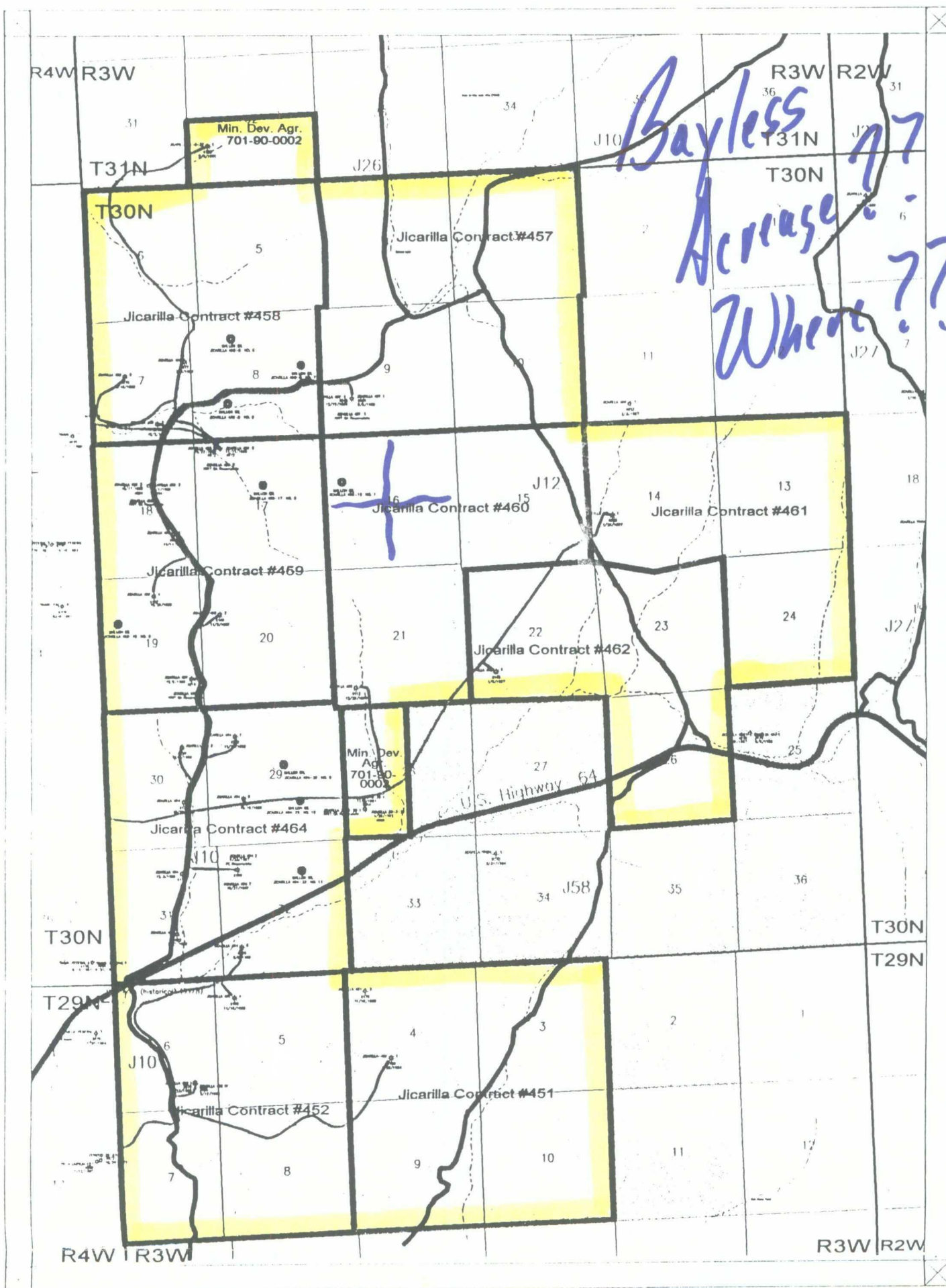
12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.

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

<p>1850'</p> <p>790'</p>					<b>17 OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.				
					Signature _____ Printed Name _____ Title _____ Date _____				
					<b>18 SURVEYOR CERTIFICATION</b> 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.				
					Date of Survey _____ Signature and Seal of Professional Surveyor: Certificate Number 8894				







Scale 1:63360.

0 2 0 0 2 0 4 0 6 0 8 1. miles



MALLON OIL COMPANY		
East Blanco Field - San Juan Basin		
Townships 29-30 North		
Rio Arriba County, New Mexico		
		10/22/1997

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE  
(Other instructions on  
reverse side)

FORM APPROVED  
OMB NO. 1004-0136  
Expires February 28, 1995

<b>APPLICATION FOR PERMIT TO DRILL OR DEEPEN</b>				5. LEASE DESIGNATION AND SERIAL NO JIC460	
1a. TYPE OF WORK Drill <input checked="" type="checkbox"/> Deepen <input type="checkbox"/>				6. IF INDIAN, ALLOTTEE OR TRIBE NAME Jicarilla Apache	
b. TYPE OF WELL Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone <input type="checkbox"/>				7. UNIT AGREEMENT NAME N/A	
2. NAME OF OPERATOR Mallon Oil Company				8. FARM OR LEASE NAME, WELL NO. Jicarilla 460-16 No. 1	
3. ADDRESS AND TELEPHONE NO. P.O. Box 3256 Carlsbad, NM 88220 (505) 885-4596				9. API WELL NO. 30-C-39-2574-6	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 1850' FNL and 690' FWL (SW NW) Unit E				10. FIELD AND POOL, OR WILDCAT E. Blanco, Pictured Cliffs	
At proposed prod. zone 1850' FNL and 690' FWL (SW NW) Unit E				11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA E Sec. 16, T30N-R03W	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE * 50 miles east of Bloomfield, New Mexico				12. COUNTY OR PARISH Rio Arriba	
				13. STATE NM	
15. DISTANCE FROM PROPOSED * LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 690'		16. NO. OF ACRES IN LEASE 1999.99		17. NO. OF ACRES ASSIGNED TO THIS WELL 160	
18. DISTANCE FROM PROPOSED LOCATION * TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 3550'		19. PROPOSED DEPTH 4500'		20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, Etc.) 7168'		22. APPROX. DATE WORK WILL START October 20, 1997			
23. PROPOSED CASING AND CEMENTING PROGRAM					
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT	
8-3/4"	7"	17# 20#	500'	Circ. to surface	
6-1/4"	4-1/2"	11.6#	4500'	365 sks Surface	

Mallon Oil Company proposes to drill to a depth sufficient to test the Pictured Cliffs formation. 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: Roads and Pipelines  
Exhibit C: One Mile Radius Map

Exhibit D: Drilling Site Layout  
Exhibit E: Production Facilities  
Exhibit F: H2S Contingency Plan  
Exhibit G: Environmental Assessment

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: Terry Lindeman TITLE: Production Superintendent DATE: 10/16/97

(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: (Original Signed) HECTOR A. VILLALOBOS

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

\*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.

HOLD C-104 FOR NSL@

DISTRICT I  
P.O. Box 1980, Hobbs, N.M. 88241-1980

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

DISTRICT III  
000 Rio Brazos Rd., Aztec, N.M. 87410

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

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C-102  
Revised February 21, 1994

Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-039-2576-0		*Pool Code 72400		*Pool Name E BLANCO, PC	
*Property Code 22183		*Property Name JICARILLA 460-16			*Well Number 1
*OGRD No. 13425		*Operator Name MALLON OIL CO.			*Elevation 7168'

<sup>10</sup> Surface Location

UL or lot no. E	Section 16	Township 30-N	Range 3-W	Lot Idn	Feet from the 1850	North/South line NORTH	Feet from the 690	East/West line WEST	County RIO ARRIBA
--------------------	---------------	------------------	--------------	---------	-----------------------	---------------------------	----------------------	------------------------	----------------------

<sup>11</sup> 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
---------------	---------	----------	-------	---------	---------------	------------------	---------------	----------------	--------

<sup>12</sup> Dedicated Acres 160	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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

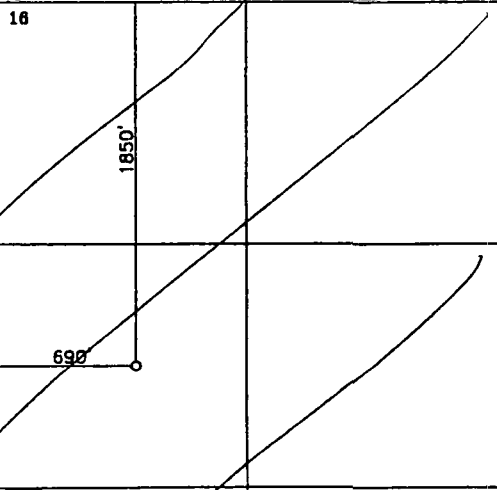
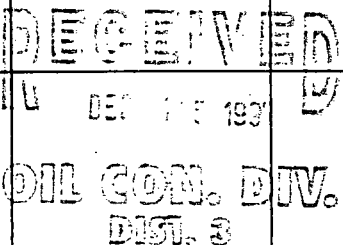
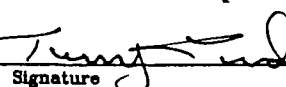
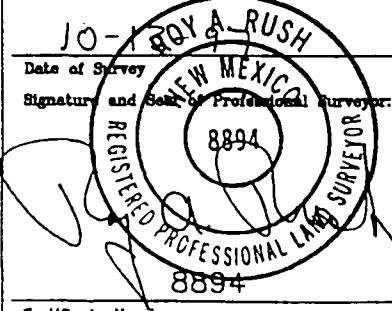
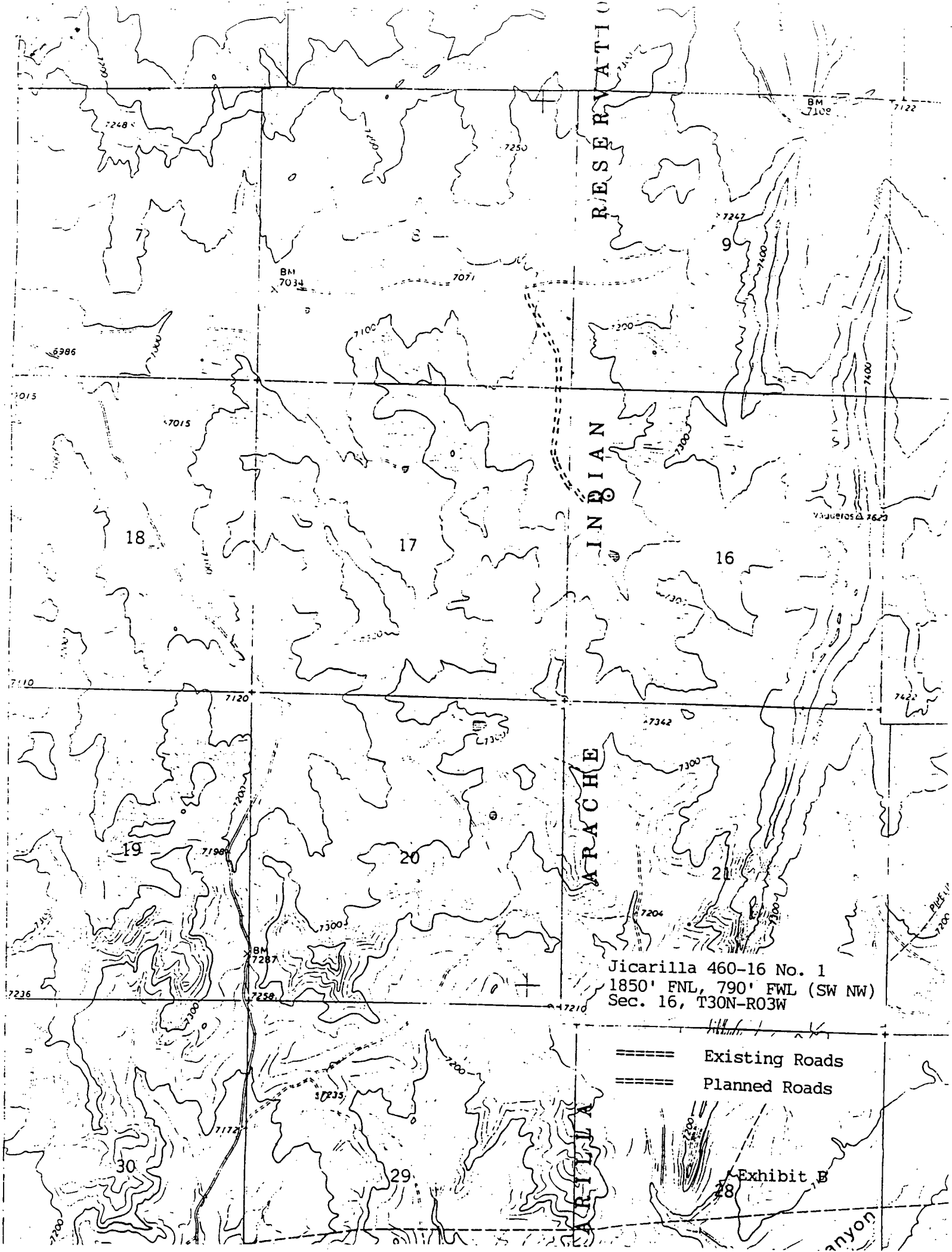
		<sup>17</sup> OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature:  Printed Name: Terry Lindeman Title: Production Superintendent Date: 10/15/97
		<sup>18</sup> SURVEYOR CERTIFICATION I hereby certify that 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.  Date of Survey: 10-15-97 Signature and Seal of Professional Surveyor:  Certificate Number: 8894

Exhibit A





County RIO ARriba

Pool EAST BLANCO-PICTURED CLIFFS

TOWNSHIP 30 N South, RANGE 3 W East; NEW MEXICO PRINCIPAL MERIDIAN

6	5	4	3	2	1
7	8	9	10	11	12
13	17	16	15	14	13
19	20	21	22	23	24
26	29	28	27	26	25
31	32	33	34	35	36

EXT. ALL SECS 7-32 (R-8713, 8/12/88) EXT. 1/2 Sec. 5 (R-10178, 8-30-94)