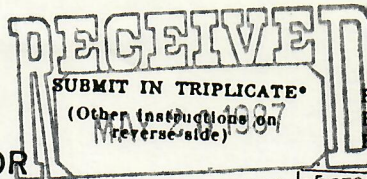


UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT



Form approved.
Budget Bureau No. 1004-0136
Expires August 31, 1985

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1A. TYPE OF WORK
DRILL ☒ DEEPEN ☐ PLUG BACK ☐

B. TYPE OF WELL
OIL WELL ☒ GAS WELL ☐ OTHER ☐ SINGLE ZONE ☒ MULTIPLE ZONE ☐

2. NAME OF OPERATOR
Mallon Oil Company

3. ADDRESS OF OPERATOR
1099 18th Street, Suite 2750, Denver, CO 80202

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface 1695' FNL & 1814' FWL (SE $\frac{1}{4}$ NW $\frac{1}{4}$)
At proposed prod. zone Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
Location is 3.5 miles northwest of Milner, Colorado

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.
(Also to nearest drig. unit line, if any) 1695'

16. NO. OF ACRES IN LEASE
412.21

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.

19. PROPOSED DEPTH
4000'

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
6897'

22. APPROX. DATE WORK WILL START*
January 31, 1987

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	9-5/8"	36 #J-55, S++C	300'	150 SX Class G + 2% CaC/2
8-3/4"	5-1/2"	17 #J-55, S++C	4000'	150 SX Class G + 2% CaC/2

1. Drill 12-1/4" hole and set 9-5/8" surface casing to 300' with good returns.
2. Log B.O.P. checks in daily drill reports and drill 8-3/4" hole to 4000'.
3. Run tests if warranted and run 5-1/2" casing if productive.
4. Run logs, as needed, and perforate and stimulate as needed.

EXHIBITS ATTACHED:

- "A" Location and Elevation Plat
"B" Drilling Program to Accompany A.P.D.
"C" The Blowout Preventer Diagram
"D" Surface Use Program to Accompany A.P.D.
"E" & "E-1" Access Road Maps to Location
"F" Radius Map of Field
"G" & "G-1" Drill Pad Layout, Production Facilities & Cut-Fill Cross-Section
"H" Drill Rig Layout

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, 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 [Signature] TITLE Engineer DATE 1-14-87

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY [Signature] TITLE Acting District Manager DATE MAY 14 1987

CONDITIONS OF APPROVAL, IF ANY:



*See Instructions On Reverse Side