

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
Oil Cons.
N.M. DIV-Dist. 2
1301 W. Grand Avenue
Albuquerque, NM 88210

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NM-8431
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator McClellan Oil Corporation		7. If Unit or CA Agreement, Name and No. 13380
3a. Address P.O. Box 730 Roswell, NM 88202		8. Lease Name and Well No. Ross Federal, Well No. 2
3b. Phone No. (include area code) (505) 622-3200		9. API Well No. 30-005-63546
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 1340' FNL & 990' FWL At proposed prod. zone same		10. Field and Pool, or Exploratory Exploratory
14. Distance in miles and direction from nearest town or post office* 15.5 road miles northeast of Roswell, NM		11. Sec., T., R., M., or Blk. and Survey or Area Sec. 6-T10S-R26E
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 990'	16. No. of Acres in lease 1514.68	12. County or Parish Chaves
17. Spacing Unit dedicated to this well 320 (160)	13. State NM	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 2195.8'	19. Proposed Depth 5600'	
20. BLM/BIA Bond No. on file NM-2301		
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3710' GL	22. Approximate date work will start* February 18, 2003	23. Estimated duration 3 - 4 weeks

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

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| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification. |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature <i>George R. Smith</i>	Name (Printed/Typed) George R. Smith	Date 01/29/03
Title Agent for McClellan Oil Corp.		
Approved by (Signature) <i>SHANNY D. BRAY</i>	Name (Printed/Typed) SHANNY D. BRAY	Date FEB 20 2003
Title Assistant Field Manager, ROSWELL FIELD OFFICE		

Application approval does not warrant of title. 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, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

*(Instructions on reverse)

APPROVED FOR 1 YEAR

Lease Responsibility Statement: McClellan Oil Corporation accepts all applicable terms, conditions, stipulations and restrictions concerning operations conducted on the leased land or portion thereof.

George R. Smith
George R. Smith, agent

District I
PO Box 1900, Hobbs, NM 88241-1900
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 10, 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 APT Number		1 Pool Code		1 Pool Name Wildcat	
1 Property Code		1 Property Name Ross Federal			1 Well Number 2
1 OGRID No.		1 Operator Name McClellan Oil Corporation			1 Elevation 3710

10 Surface Location

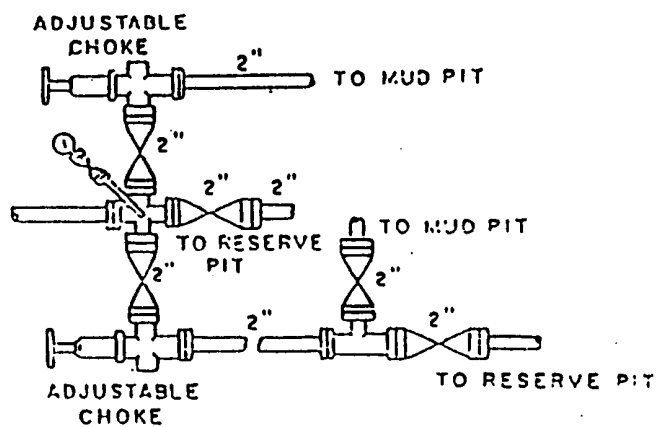
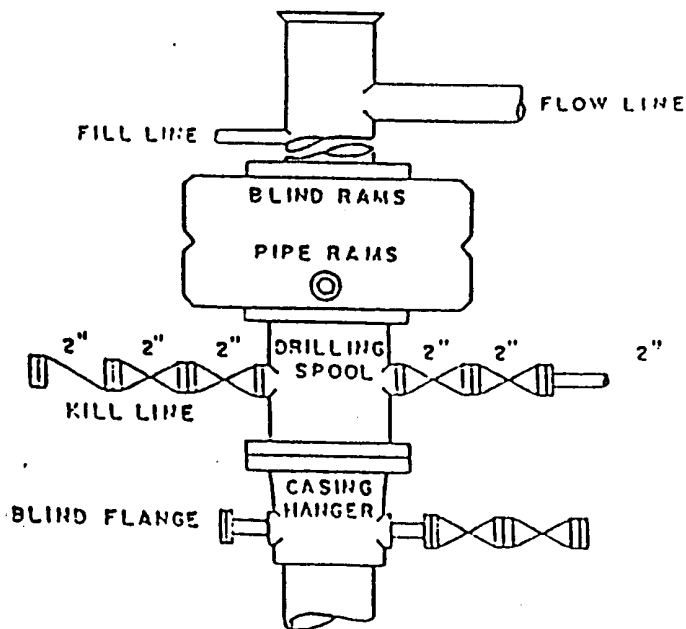
1/1. or lot no. E	Section 6	Township 10S	Range 26E	Lot Idn	Feet from the 1340	North/South line North	Feet from the 990	East/West line W	County Chaves
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11 Bottom Hole Location If Different From Surface

1/1. or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
11 Dedicate 3 Acres 320 (160)		11 Joint or Infill		11 Consolidation Code		11 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>16</p> <p>1340</p> <p>990</p> <p>NN-8431</p>				<p>17 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><i>George R. Smith</i> Signature George R. Smith, agent for: Printed Name McClellan Oil Corp. Title January 29, 2003 Date</p>	
<p>18 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 Signature and Seal of Professional Surveyer: Certificate Number 6290</p>				<p>6290</p>	



BOP DIAGRAM

3000# Working Pressure
Rams Operated Daily
To be used as a 2M system.

EXHIBIT "E"
MCCLELLAN OIL CORPORATION
Ross Federal, Well No. 2
BOP Specifications