

Artesia, NM 88210

(Other instructions on  
reverse side)UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

30-005-62479

5. LEASE DESIGNATION AND SERIAL NO.

NM-25862

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Toles Federal

9. WELL NO.

3

10. FIELD AND POOL, OR WILDCAT

W Pecos Slope Abo

11. SEC., T., R., M., OR BLK.  
AND SURVEY OR AREA

Sec. 15-T8S-R23E

12. COUNTY OR PARISH 13. STATE

Chaves

N.M.

## 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

2. NAME OF OPERATOR

McClellan Oil Corporation

3. ADDRESS OF OPERATOR

P. O. Dr. 730, Roswell, NM 88202

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements\*)

At surface

1268' FNL & 2016' FWL  
1322' 2248'

At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

16 miles northwest of Roswell, NM

15. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, FT.  
(Also to nearest drlg. unit line, if any)

1268'

18. DISTANCE FROM PROPOSED LOCATION\*

TO NEAREST WELL, DRILLING, COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT.

3750'

16. NO. OF ACRES IN LEASE

2560

19. PROPOSED DEPTH

3500'

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

160

20. ROTARY OR CABLE TOOLS

Rotary

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

3917' GL

22. APPROX. DATE WORK WILL START\*

May 1, 1987

23.

## PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT            |
|--------------|----------------|-----------------|---------------|-------------------------------|
| 12 1/4"      | 8 5/8"         | 23 #            | 800'          | 500 Sx Circulated (Class "C") |
| 7 7/8"       | 4 1/2"         | 10.5#           | 3500'         | 350 Sx " "                    |

## Mud Program:

0' - 2800' Drill with native mud.

2800' - 3500' Mud up with salt base gel, 45 visc., 9.5 bl/gal wt., 15 cc water loss.

## BOP Specification:

Will install a 3000 psi Schaeffer type E 10" series 900 hydraulic BOP and will  
test daily

Gas not dedicated.

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

*George P. Smith*

TITLE

Agent for:

McClellan Oil Corp.

DATE

March 23, 1987

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

S/Levi Deike, Acting

TITLE

Area Manager

DATE

APR 21 1987

CONDITIONS OF APPROVAL, IF ANY:

APPROVAL OF THIS APPLICATION 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.

All distances must be from the outer boundaries of the Section.

|                                                                                                                                |                                   |                               |                                 |                         |       |
|--------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-------------------------------|---------------------------------|-------------------------|-------|
| Operator<br><b>McClellan Oil Corp.</b>                                                                                         |                                   | Lease<br><b>Toles Federal</b> |                                 | Well No.<br><b>#3</b>   |       |
| Init Letter<br><b>F</b>                                                                                                        | Section<br><b>15</b>              | Township<br><b>8 South</b>    | Range<br><b>23 East</b>         | County<br><b>Chaves</b> |       |
| Actual Footage Location of Wells<br><b>1326</b> feet from the <b>North</b> line and <b>2248</b> feet from the <b>West</b> line |                                   |                               |                                 |                         |       |
| Ground Level Elev.<br><b>3917</b>                                                                                              | Producing Formation<br><b>Abo</b> |                               | Dedicated Acreage<br><b>160</b> |                         | Acres |

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

RECEIVED BY

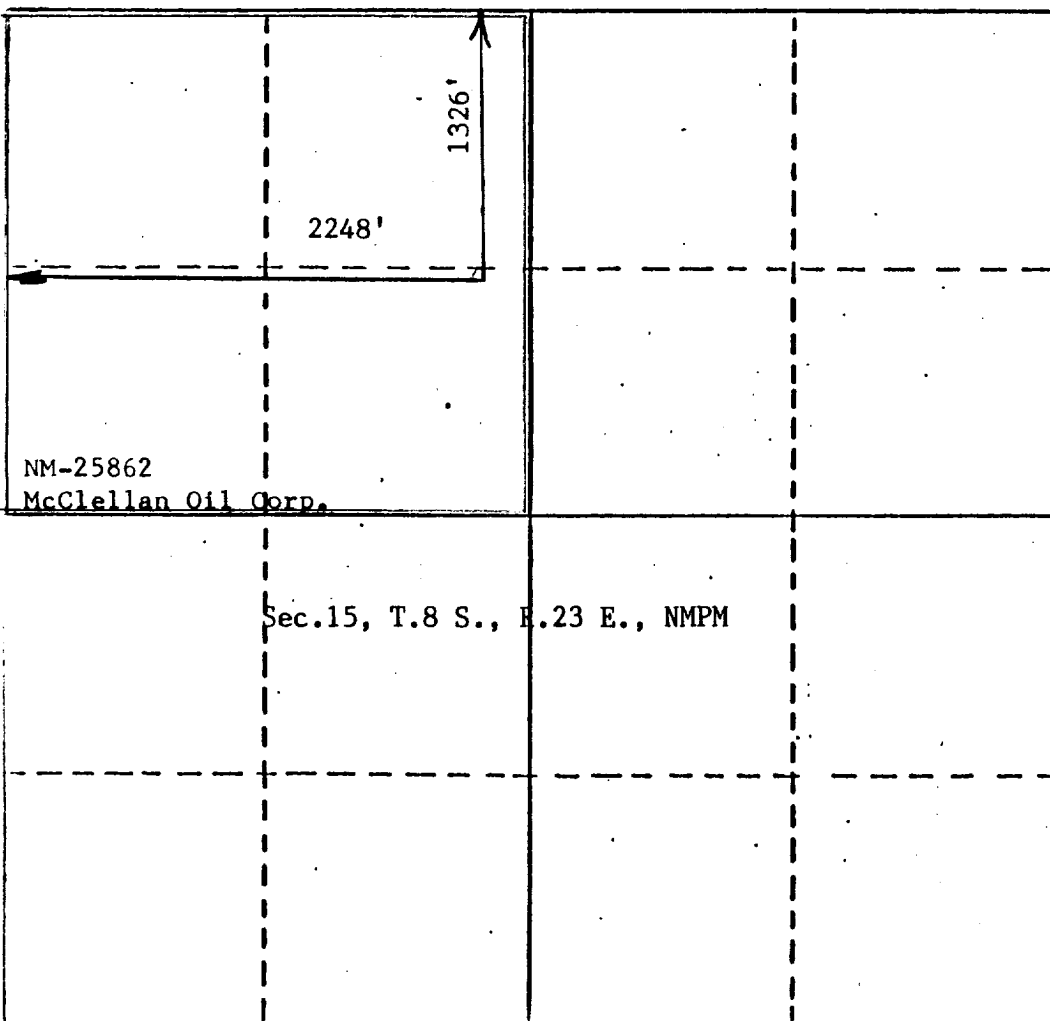
MAY -8 1987

ARTESIA, OFFICE

☐ Yes ☐ No If answer is "yes," type of consolidation \_\_\_\_\_

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) \_\_\_\_\_

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division.



#### CERTIFICATION

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

Name

George R. Smith

Position

Agent for:

Company

McClellan Oil Corporation

Date

April 16, 1987

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 knowledge and belief.

Date Surveyed

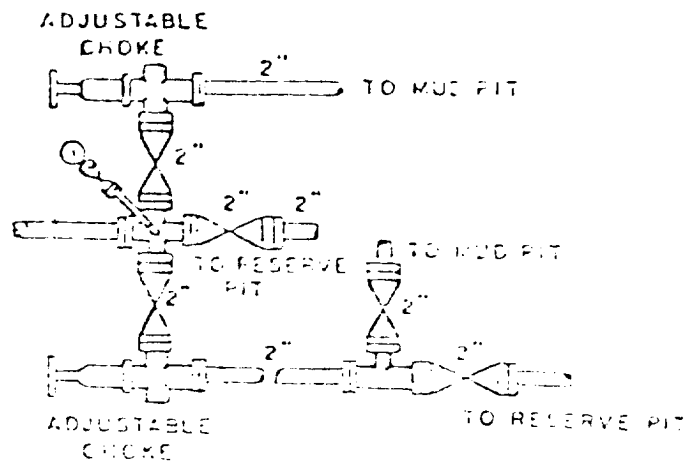
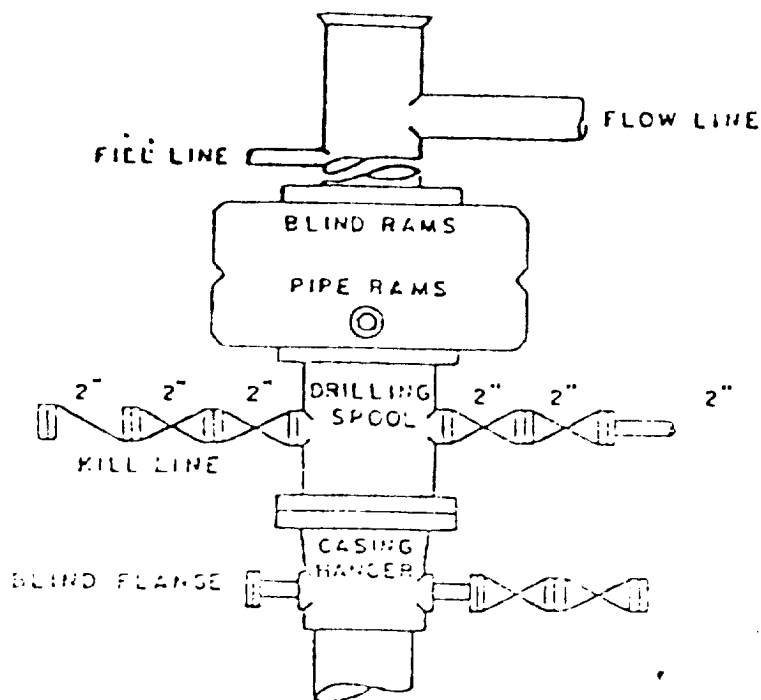
April 13, 1987

Registered Professional Engineer and/or Land Surveyor

John D. Jaquess, P.E. & L.S.

Certificate No.

6290



BOP DIAGRAM

3000# Working Pressure  
Rams Operated Daily

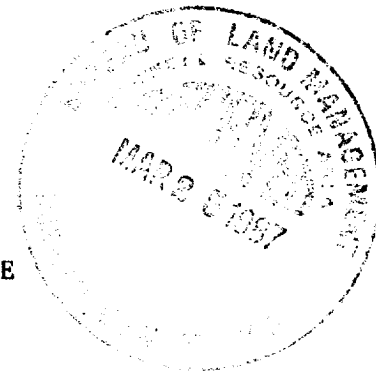
EXHIBIT D

GRANDE DRILLING CORP.  
ROSWELL, N. M.

EXHIBIT "E"  
McCLELLAN OIL CORPORATION  
Toles Federal, Well No. 3  
BOP Specifications

APPLICATION FOR DRILLING

1326  
1258 McCLELLAN OIL CORPORATION  
Toles Federal, Well No. 3  
FNL & 2015' FWL, Sec. 15-T8S-R23E  
Chaves County, New Mexico  
Lease No.: NM-25862  
(Development Well)



In conjunction with Form 9-331C, Application for Permit to Drill subject well, McClellan Oil Corporation submits the following items of pertinent information in accordance with BLM requirements:

1. The geologic surface formation is recent Permian with quaternary alluvium and other surficial deposits.
2. The estimated tops of geologic markers are as follows:

|          |       |       |       |
|----------|-------|-------|-------|
| Glorieta | 851'  | Abo   | 2907' |
| Yeso     | 1000' | T. D. | 3500' |

3. The estimated depth at which anticipated water, oil or gas formations are expected to be encountered:

Water: Random fresh water sands from surface to 300'+/-.

Gas: Possible in Abo below 2907 feet.

Oil: None expected.

4. Proposed Casing Program: See Form 9-331C.
5. Pressure Control Equipment: See Form 9331-C and Exhibit "E".
6. Mud Program: See Form 9-331C.
7. Auxiliary Equipment: Blowout Preventer, gas detector, kelly cock, pit level monitor, flow sensors and stabbing valve.
8. Testing, Logging and Coring Program:

|                  |                                      |
|------------------|--------------------------------------|
| Logging: CNL-LDT | From surface casing at 800' to T. D. |
| DLL gamma ray    | From surface casing at 800' to T. D. |

Drill Stem Tests: none.

Coring: None.

9. No abnormal pressures or temperatures are anticipated.
10. Anticipated starting date: May 1, 1987.  
Anticipated completion of drilling operations: Approximately 30 days.

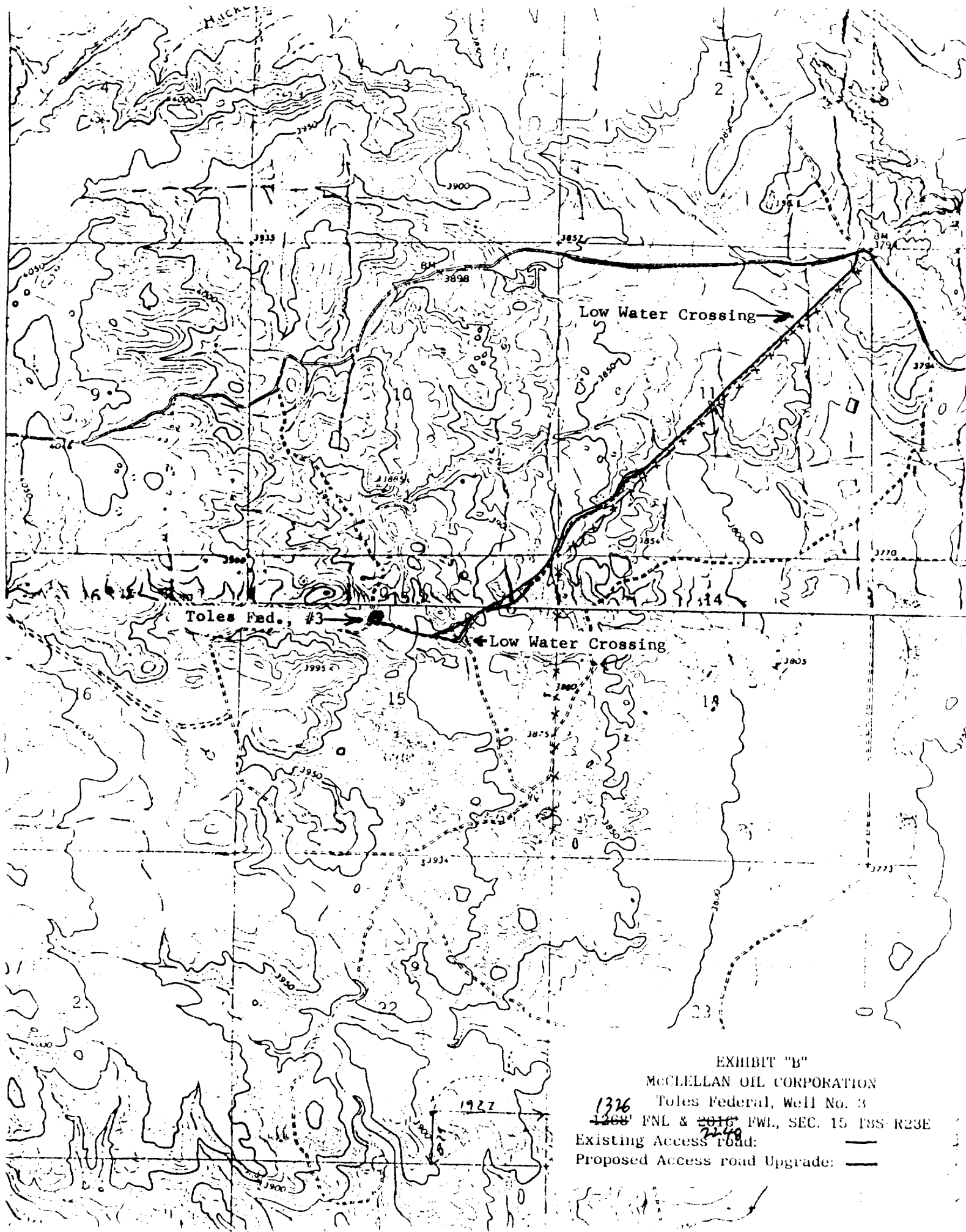


EXHIBIT "B"

McCLELLAN OIL CORPORATION

Toles Federal, Well No. 3

1326 1268' FNL & 2016' FWL, SEC. 15 T8S R23E

Existing Access Road:

Proposed Access road Upgrade:

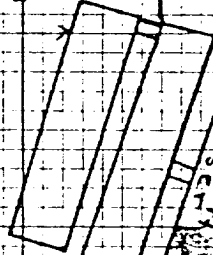
HORIZON RIG # 2 LOCATION

B-8-84

Reserve Pit  
75'

Burn Pit

4' above ground  
3' below ground  
1' from Reserve Pit  
ground 15'



RIG

48'

36'

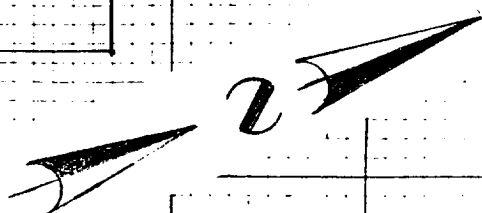
100'

100'

100'

140'

ACCESS  
ROAD



GRANDE DRILLING CORP.  
ROSWELL, N.M.

EXHIBIT "D"  
McCLELLAN OIL CORPORATION  
Toles Federal, Well No. 3  
Rig Layout