

Artesia, NM 88210
UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

30-005-62561

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>			5. LEASE DESIGNATION AND SERIAL NO. NM-8431		
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"/>			6. IF INDIAN, ALLOTTEE OR TRIBE NAME		
2. NAME OF OPERATOR McClellan Oil Corporation			7. UNIT AGREEMENT NAME 30548		
3. ADDRESS OF OPERATOR P. O. Dr. 730 Roswell, NM 88202			8. FARM OR LEASE NAME Penjack Federal		
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 990' FNL & 1980' FEL At proposed prod. zone Same			9. WELL NO. 5		
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 15 miles northeast of Roswell, NM			10. FIELD AND POOL, OR WILDCAT Pecos Slope Abo & S		
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 990'			11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 6-T10S-R26E		
16. NO. OF ACRES IN LEASE 1514.68			12. COUNTY OR PARISH Chaves		
17. NO. OF ACRES ASSIGNED TO THIS WELL 160			13. STATE New Mexico		
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 2640'			20. ROTARY OR CABLE TOOLS Rotary		
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3749 GL			22. APPROX. DATE WORK WILL START* November 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#	900' or 950'	450 sx Class "C" circulated
7 7/8"	4 1/2"	10.5#	4770'	350 sx Class "C"

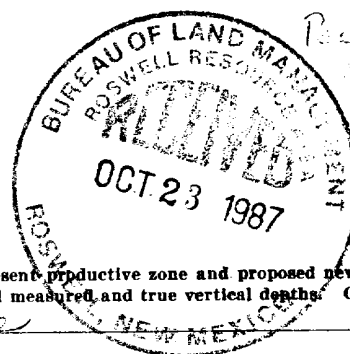
Mud Program:

Drill to top of Abo with fresh water. Will mud up 100' above Abo with 9.5 lb/gal. wt., 40 viscosity mud and 15 cc water loss.

BOP Specification:

Will install and test daily a 3000# wp Shaffer Type E double hydraulic BOP, with 4" pipe and blind rams with koomeg closing unit.

Gas is 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 Smith TITLE Agent for: McClellan Oil Corp. DATE October 19, 1987
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
APPROVED BY S/Phil Kirk TITLE Area Manager DATE NOV 5 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.

PLEASE BE ADVISED THAT THERE WILL BE NO EXCAVATION OF FEDERALLY OWNED MINERAL MATERIAL FOR CONSTRUCTION OF THE ACCESS ROAD OR PAD WITHOUT PAYMENT IN ADVANCE.

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

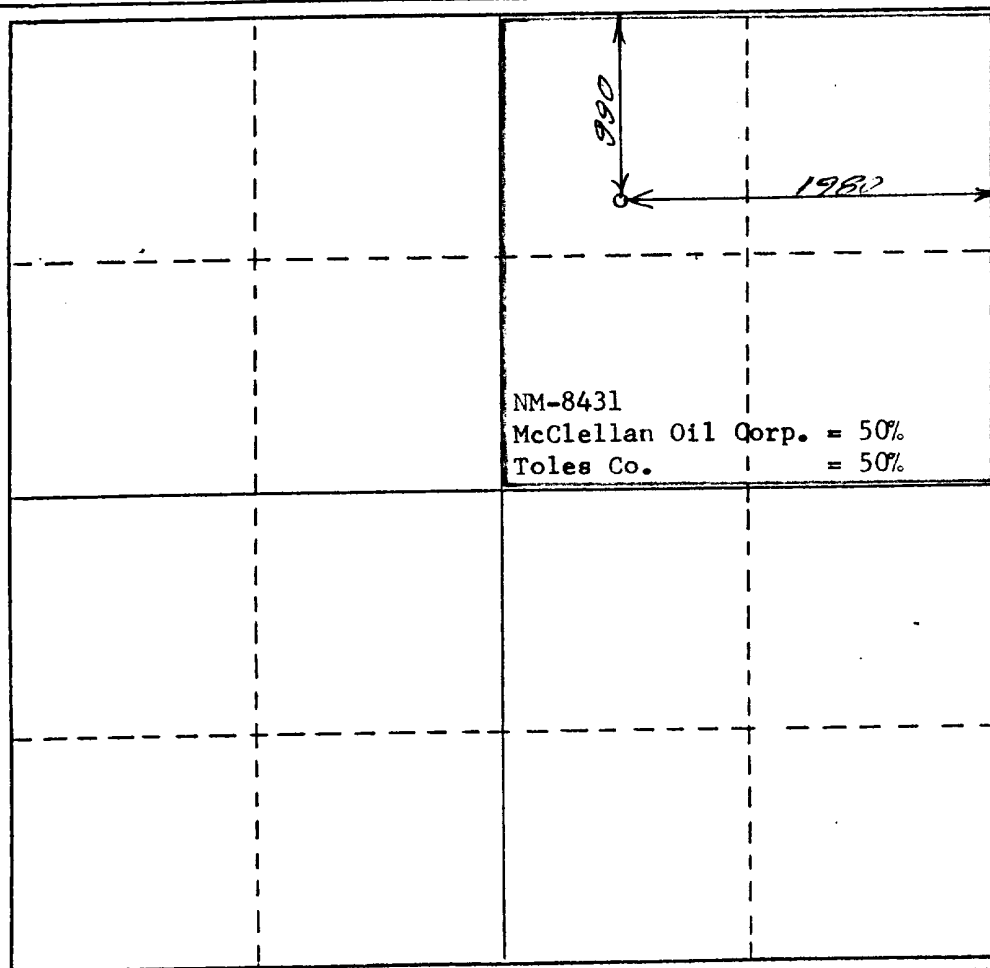
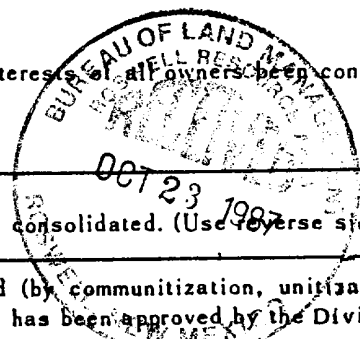
Operator McClellan Oil Corporation			Lease Penjack Federal		Well No. 5
Unit Letter B	Section 6	Township 10 South	Range 26 East	County Chaves	
Actual Postage Location of Well: 990 feet from the North line and 1980 feet from the East line					
Ground Level Elev. 3749	Producing Formation Abo		Pool <i>und.</i> S. Pecos Slope Abo GAS		Dedicated Acreage: 160 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?

☐ 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.



NM-8431
McClellan Oil Corp. = 50%
Toles Co. = 50%

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 Corp.

Date
October 19, 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.

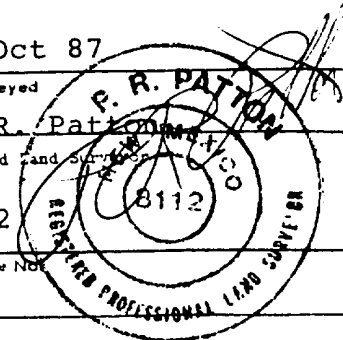
13 Oct 87

Date Surveyed
P. R. Patton

Registered Land Surveyor

8112

Certificate No.

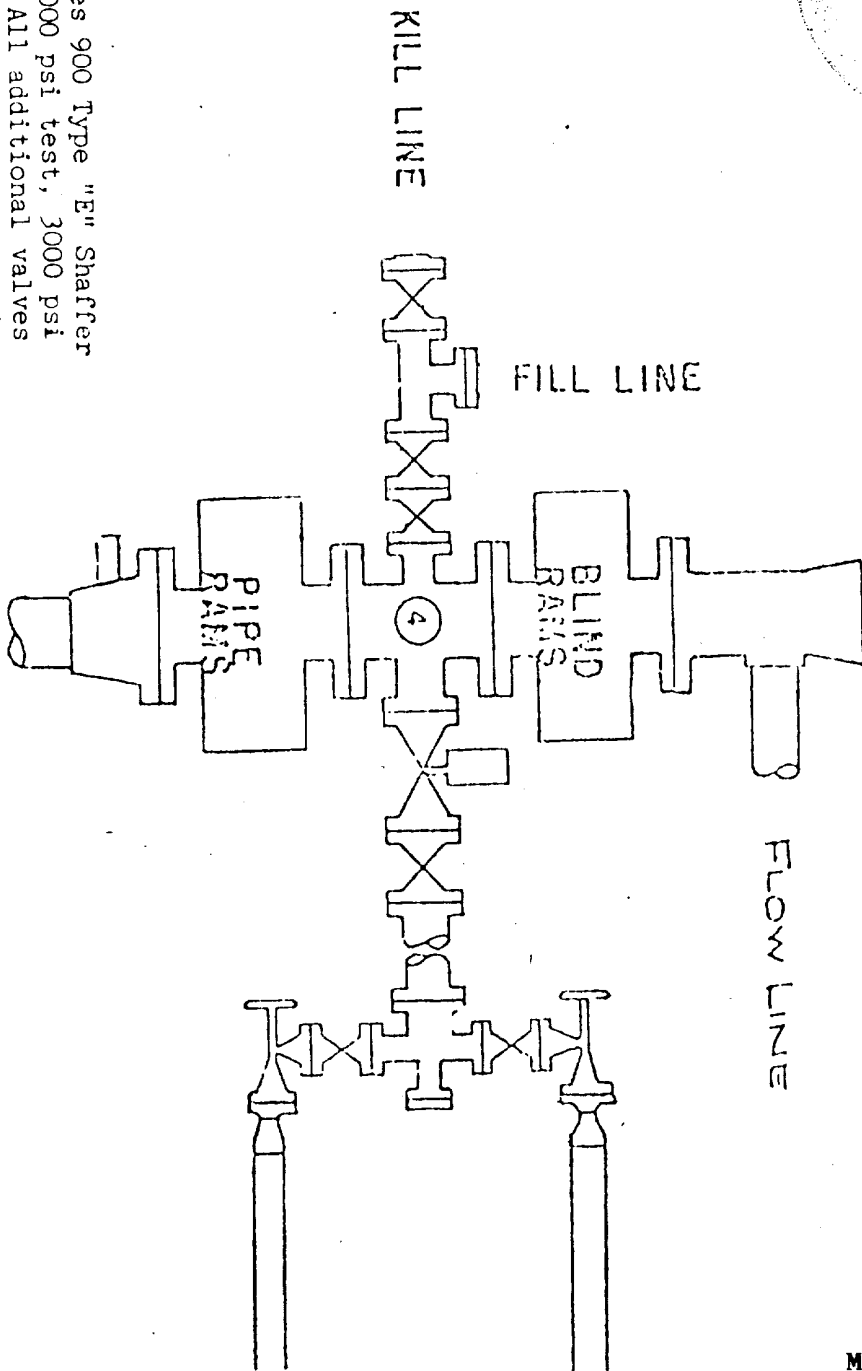


0 330 660 990 1320 1650 1980 2310 2640 2970 3300 3630 0



BLOWOUT PREVENTER SPECIFICATION

WEK DRILLING CO., INC. - Rtg 1 & 3



BOP's are 10" Series 900 Type "E" Shaffer Double Hydraulic 6000 psi test, 3000 psi working pressure. All additional valves & connections are the same test & working pressures.

EXHIBIT "E"
McCLELLAN OIL CORPORATION
Penjack Federal, Well No. 5
BOP Specifications

APPLICATION FOR DRILLING

McCLELLAN OIL CORPORATION
Penjack Federal, Well No. 5
990' FNL & 1980' FEL, Sec. 6-T10S-R26E
Chaves County, New Mexico
Lease No.: NM-8431
(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:

San Andres	810'	Abo	4170'
Glorieta	1945'	T.D.	4770'
Tubb	3420'		

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

Water: Surface water between 100' to 300'.

Oil: None expected.

Gas: In the Abo below 4170'.

4. Proposed Casing Program: See Form 9-331C.
5. Pressure Control Equipment: See Form 9-331C 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:

Drill Stem Tests: None planned.

Logging: From surface Casing to T.D.: G/R, CNL-LDT, DLL,

Coring: None planned.
9. No abnormal pressures or temperatures are anticipated. In the event abnormal pressures are encountered the proposed mud program will be modified.
10. Anticipated starting date: November 1, 1987.
Anticipated completion of drilling operations: Approximately 35 days.

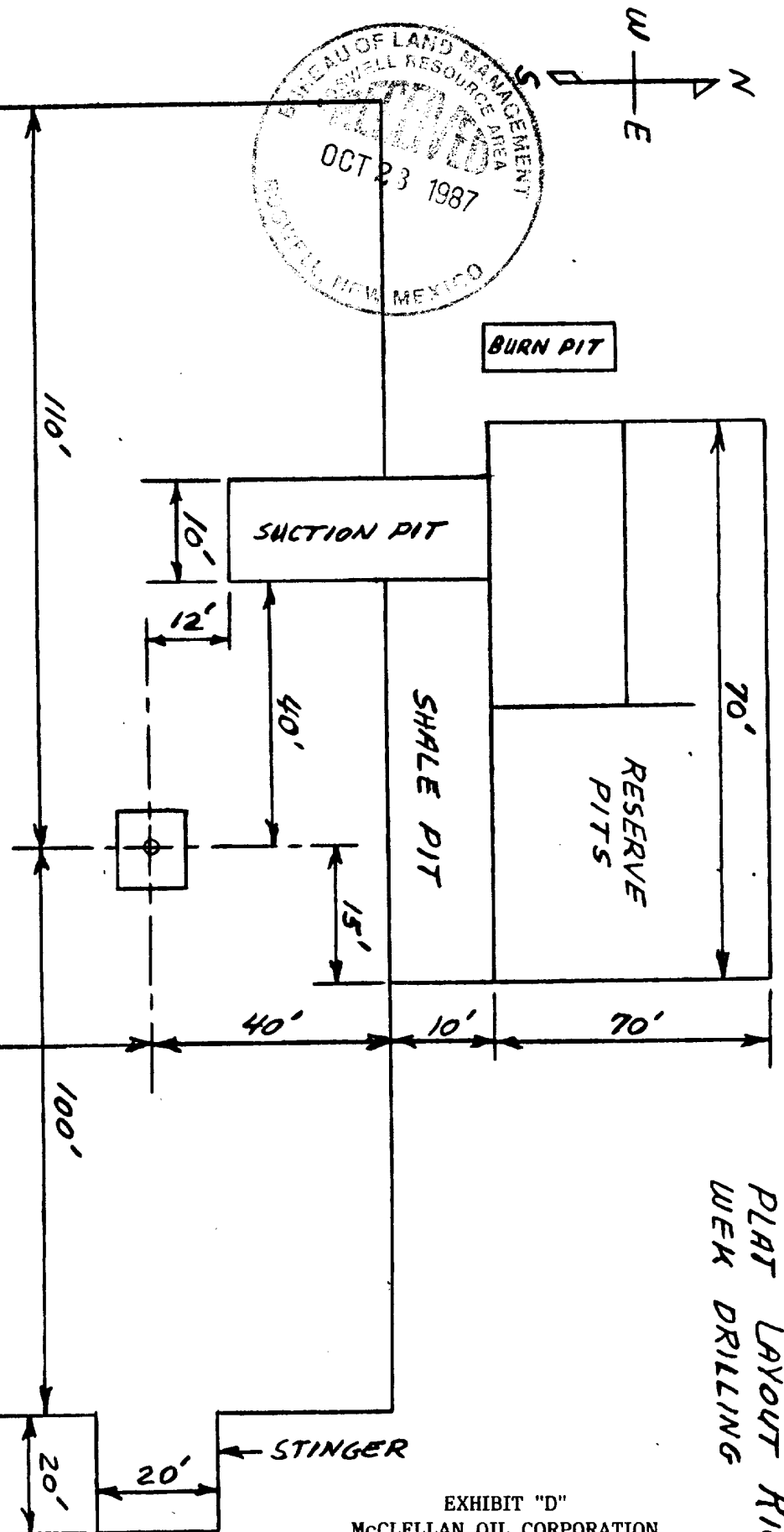
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ACCESS ROAD

1-18-83

CELLAR TO BE 5'x5'x5'
IF REQUIRED



PLAT LAYOUT RIG 1
WELL DRILLING

EXHIBIT "D"
McCLELLAN OIL CORPORATION
Penjack Federal, Well No. 5
Rig Layout

