

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

McClellan Oil Corporation ✓

3a. Area Code & Phone No.
(505) 622-3200

3. ADDRESS OF OPERATOR

P. O. Drawer 730 Roswell, NM 88202

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

At surface

990' FNL & 1650' FEL

At proposed prod. zone

same

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

15 miles north of Loco Hills, NM

ARTESIA, OFFICE

15. DISTANCE FROM PROPOSED*

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

660'

16. NO. OF ACRES IN LEASE

922.1

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.

2988'

19. PROPOSED DEPTH

2100'

20. ROTARY OR CABLE TOOLS

Rotary & cable tool

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

3930' GL

22. APPROX. DATE WORK WILL START*

Dec. 1, 1990

PROPOSED CASING AND CEMENTING PROGRAM

HOLE SIZE	CASING SIZE	WEIGHT/FOOT	GRADE	THREAD TYPE	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	23#	X-42	STC	410'	150 sx circ.
7 7/8"	4 1/2"	10.5#	J-55	LTC	2100'	150 sx to isolate all oil, gas & water zones.

Mud Program: None planned since well is to be drilled with a rotary rig using air and mist to a depth of 1950' and will use a cable tool rig from 1950 to T.D. Will mud up if excessive water or gas pressures are encountered.

BOP Program: Rotary rig: A 10" rotating head with an 8" manual double ram BOP with a 2,000 psi wp will be installed on casing and tested.

Cable tool rig: A Henderliter mechanical single control gate will be used and will have a minimum of 2,000 psi wp.

Note: This location was previously approved on June 12, 1987. The APD was submitted on May 20, 1987.

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 Agent for:
McClellan Oil Corp. DATE Oct. 23, 1990

(This space for Federal or State office use)

PERMIT NO. APPROVAL DATE

APPROVED BY /s/ Sandra L. Porenta TITLE Area Manager DATE NOV 26 1990

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Aztec, NM 88210

DISTRICT III
1000 Rio Bruces Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator McClellan Oil Corporation			Lease Lisa Federal		Well No. #2
Unit Letter B	Section 13	Township 15s.	Range 29e.	County Chaves	
Actual Footage Location of Well: 990 feet from the North line and 1650 feet from the East line					
Ground level Elev. 3930	Producing Formation Queen		Pool Sulimar Queen	Dedicated Acreage: 40 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 interest 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 allowance 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 interest, has been approved by the Division.

NM-31257 McClellan Oil Corp.	
990'	1650'
Section 13, T. 15S., R. 29E., N.M.P.M.	

OPERATOR CERTIFICATION

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

Signature

Mark McClellan

Printed Name

Mark McClellan

Position

Geologist

Company

McClellan Oil Corp.

Date

November 13, 1990

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 knowledge and belief.

Date Surveyed

11/12/90

Signature of State of Professional Surveyor

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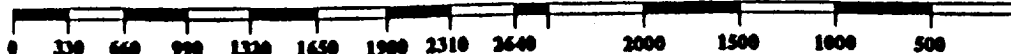
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SUPPLEMENTAL DRILLING DATA
McClellan Oil Corporation
Lisa Federal No. 2
660' FNL & 1980' FEL
Sec. 13, T15S, R29E
Chaves County, N.M.

NM - 31257

1. Geologic Name of Surface Formation: Recent

2. Estimated Geological Marker Tops:

Rustler	394'	7 Rivers	1782'
Salt	426'	Queen	1980'
Yates	1252'		

3. Estimated Depths to Oil, Gas or Water:

Oil possible from 2000' to 2100'.

4. Proposed Casing and Cement Programs:

0 - 410' - Set approximately 410' of 8 5/8", 20.0#, J-55, ST&C casing, and cement to surface with 150SX Class 'C' cement.

0 - 2100' - Set to total depth 4 1/2", 10.5#, J-55 ST&C Casing, and cement to isolate all oil, gas and water zones.

5. Proposed Mud Program:

0 - 410' - Native
410 - 2100' - Drill with air mist to T.D.

6. Testing, Logging and Coring Programs:

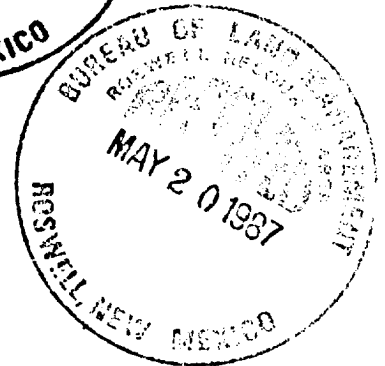
Testing: None
Logging: CNL-LDT, gamma ray, DLL
Coring: None

7. Auxiliary Equipment:

A kelly cock will be installed on the rig floor while drilling operations are in progress.

8. Pressure Control Equipment:

Standard rotating head and B.O.P. for drilling with air.



9. Abnormal Pressures or Temperature Zones:

None anticipated.

10. Anticipated Starting Date:

Commence drilling operations December 1, 1990.





SURFACE USE & OPERATION PLAN
McClellan Oil Corporation
Lisa Federal No. 2
660' FNL & 1980' FEL
Sec. 13, T15S, R29E
Chaves County, N.M.



The following is in accordance with "Onshore Oil and Gas Order" No. 1:

1. Existing Roads:

- A. Exhibit 'A' is a portion of a road map showing the proposed well site as staked. Proposed well is located 18 miles North of Loco Hills.

2. Planned Access Roads:

- A. Exhibit 'B' displays the existing roads in the immediate area. The new access road will measure 14' wide by approximately 1580' in length. Exhibit 'B' displays the new access road.
- B. Maximum grade: Less than 1%.
- C. Cut and Fill: Less than 4' on location.
- D. Drainage Design: Proposed access road will be crowned and ditched to insure adequate drainage.

3. Location of Existing Wells:

- A. Exhibit 'C' displays the existing wells in the immediate area.

4. Location of Existing and/or Production Facilities:

- A. All production facilities will be located on the well pad.

5. Location and Type of Water Supply:

- A. Water will be trucked to the well site from a nearby commercial source.

6. Source of Construction Materials:

- A. Construction materials for the access road and location will be purchased from a Federal pit located in the SE/4, SE/4, Sec. 13, T15S, R29E.

7. Methods for Handling Waste Disposal:

- A. Drill cuttings will be disposed of in the reserve pits.
- B. Drilling fluids will be allowed to evaporate in the reserve pits until dry.

- C. Water produced during tests will be disposed of in the reserve pit.
- D. All trash will be buried in a separate pit and covered with a minimum of 24 inches of dirt.
- E. The location will be cleared of all debris as soon as drilling operations are completed.
- 8. Ancillary Facilities:
 - A. None anticipated.
- 9. Well Site Layout:
 - A. See Exhibit 'D'.
- 10. Plans for Reclamation:
 - A. The new access road and location will be reclaimed as per BLM requirements if well proves non-commercial.
- 11. Surface Ownership:
 - A. Access road and location are on Federal lands.
- 12. Other Information:
 - A. Topography: Landform on the well pad slopes to the east.
 - B. Soil: Faskin-Roswell soils.
 - C. Yucca, mesquite, native grasses.
 - D. Archaeology: No cultural sites were observed by ASC-Roswell, New Mexico.
- 13. Lessee's or Operator's Representative and Certification:

Mark McClellan, Geologist
McClellan Oil Corporation
Telephone: 622-3200

I certify that I, or persons under my direct supervision have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work

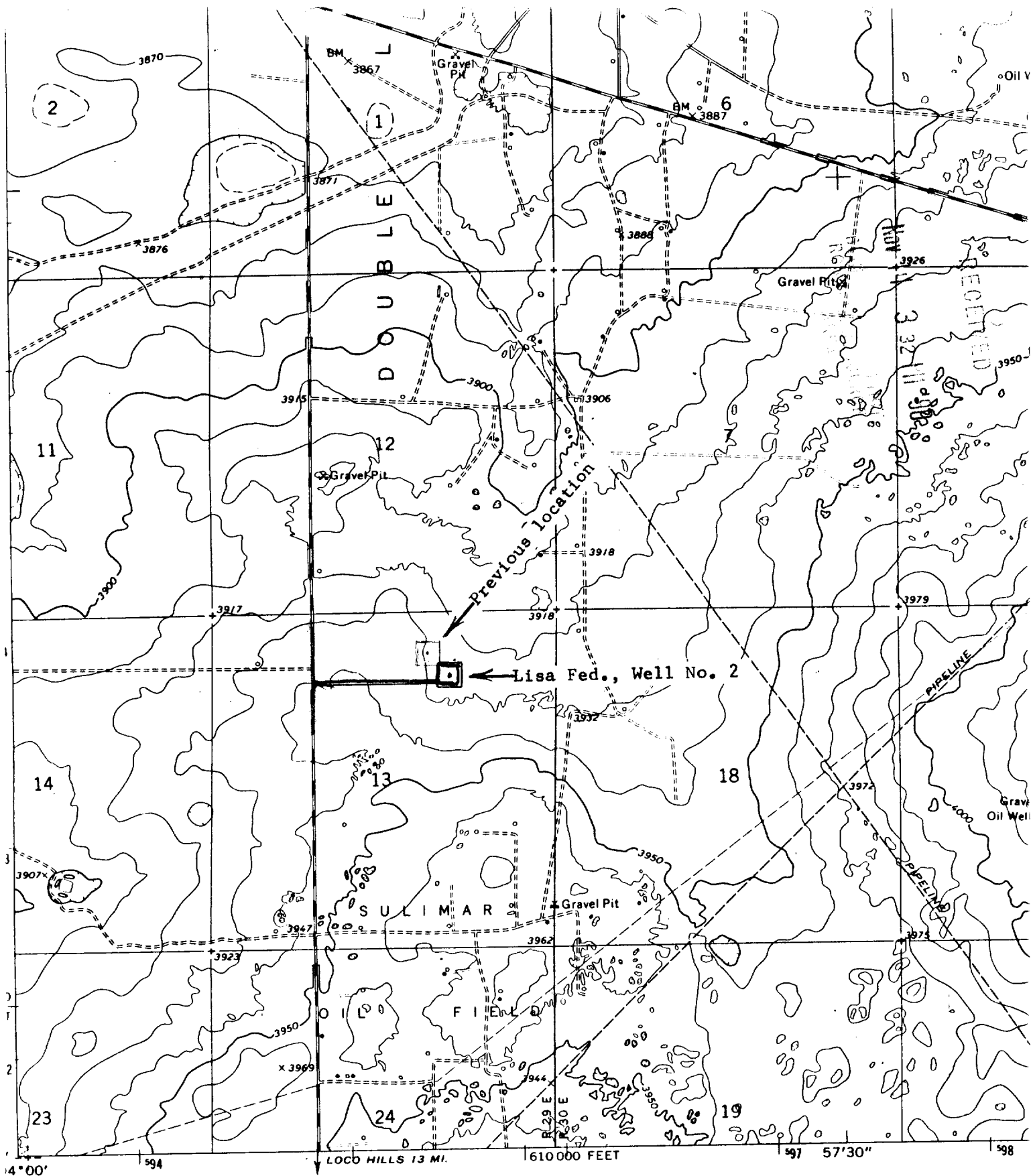
associated with the operations proposed herein will be performed by McClellan Oil Corporation, and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

5/17/87

Date

Terry W. Franklin

Terry W. Franklin
Agent



Mapped, edited, and published by the Geological Survey

Control by USGS and NOS/NOAA

Topography by photogrammetric methods from aerial photographs taken 1972. Field checked 1973

Projection and 10,000-foot grid ticks: New Mexico coordinate system, east zone (transverse Mercator)
1000-meter Universal Transverse Mercator grid ticks, zone 13, shown in blue
1927 North American Datum

1983 North American Datum

EXHIBIT "A"

McCLELLAN OIL CORPORATION

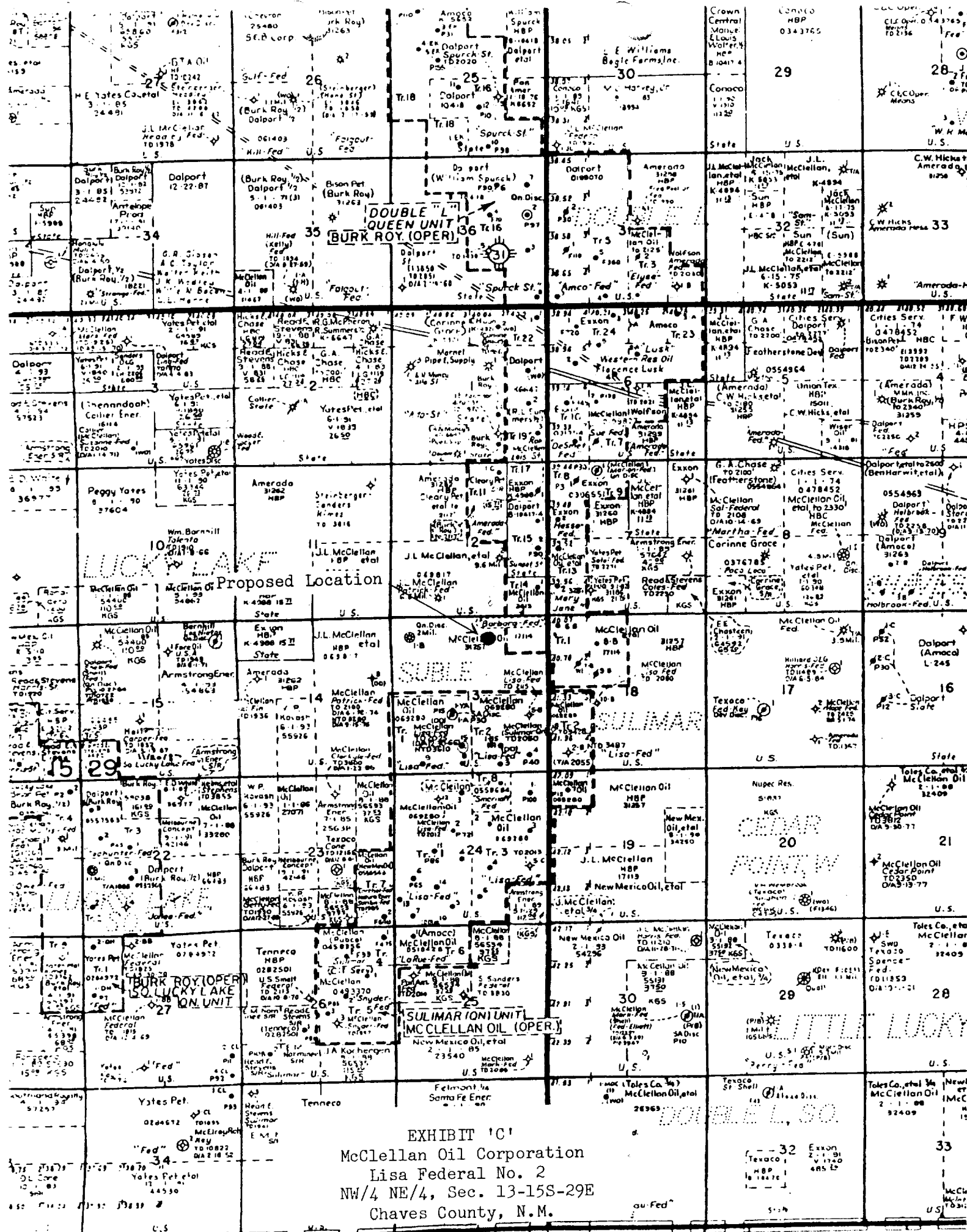
Lisa Federal, Well No. 2

990' FNL & 1650' FEL, Sec. 13-T15S-R30E

Existing County Road: ———

Proposed Access Road: ———

GRID AND TRUE MAGNETIC NORTH



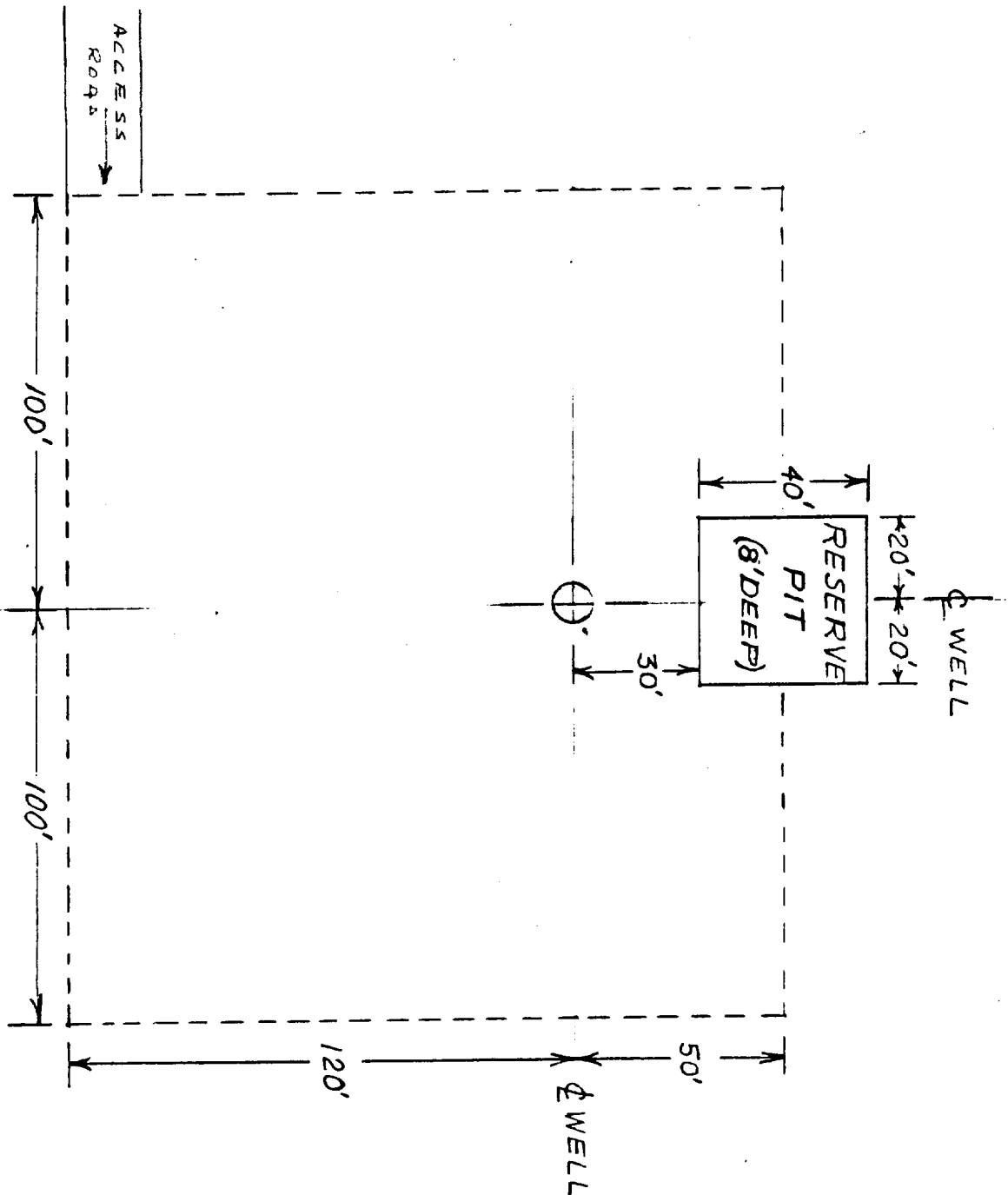


EXHIBIT "D"
McCLELLAN OIL CORPORATION
Lisa Federal, Well No. 2
Pad & Pit Layout

UNITED DRILLING, INC.
LOCATION PLAT
RIGS 1 & 4
AIR DRILLING

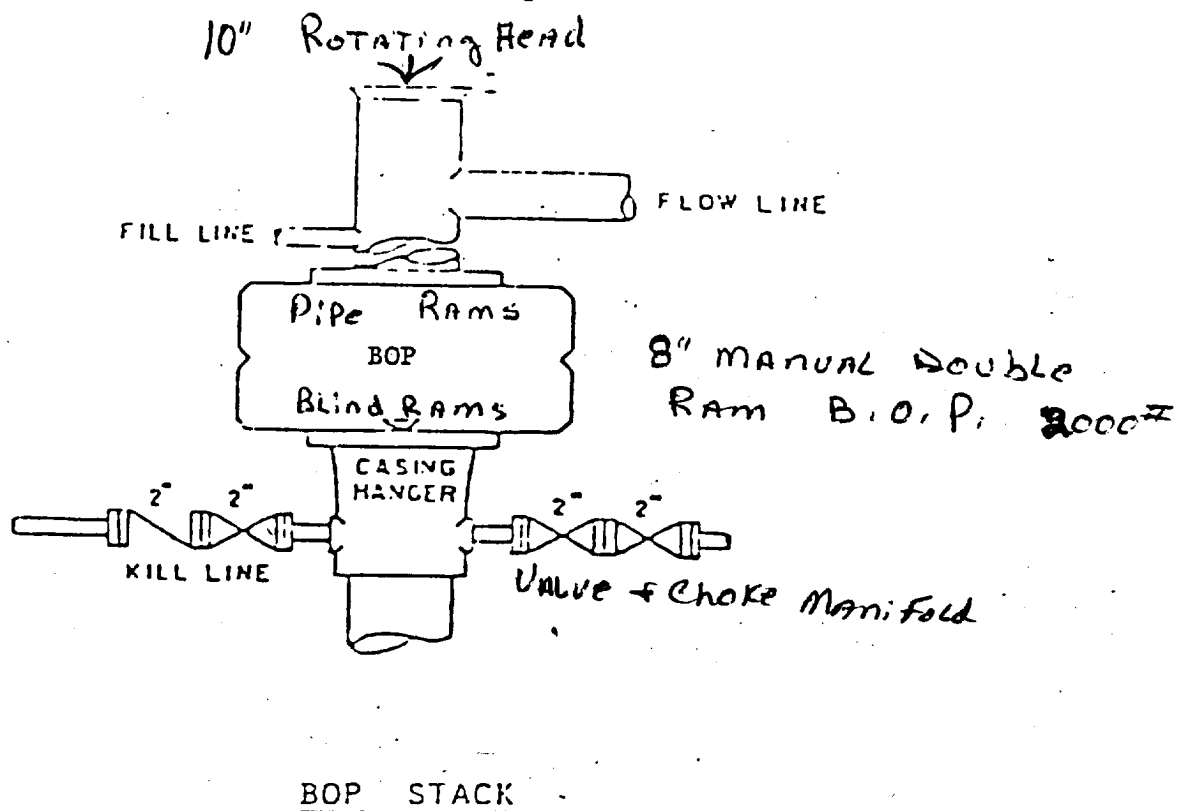


EXHIBIT "E"
 McCLELLAN OIL CORPORATION
 Lisa Federal, Well No. 2
 BOP Specifications