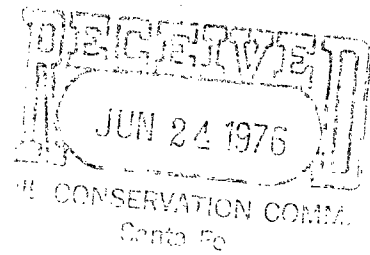




McClellan Oil Corporation



June 23, 1976

State of New Mexico
Oil Conservation Commission
Post Office Box 2088
Santa Fe, New Mexico 87501

Re: Sulimar Queen Unit
Chaves County, New Mexico
TRACT I-12 well

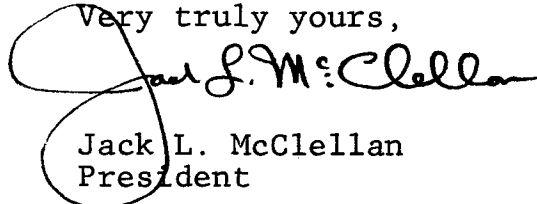
Gentlemen:

We propose to drill the captioned test well 810' FNL and 1490' FWL of Section 24, Township 15 South, Range 29 East. This well will be drilled to a depth sufficient to test the Queen Sand at an approximate depth of 2025'. If production is not encountered, we plan to utilize this test as a water injection well.

This letter is to request permission for this unorthodox location. Administrative Approval to expand operations has been obtained by Order No. R-4290.

Enclosed is the information required under Rule 701. In the event we need to use this test as a water injection well you will be forwarded additional information as required, such as a log and schematic sketch of proposed injection well.

Very truly yours,



Jack L. McClellan
President

JLMc/lr

cc: Oil Conservation Commission - Artesia
with copy of all enclosures

Enclosures: Plat showing location of well.
Plat showing no offset operators.
Copy of USGS approval of application.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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

OIL CONSERVATION

3. ADDRESS OF OPERATOR

P O Box 848, Roswell, New Mexico 88201

Santa Fe

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

At surface

At proposed prod. zone 810' FNL & 1490' FWL

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

18 miles North of Loco Hills

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

810'

16. NO. OF ACRES IN LEASE

800

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.

820'

19. PROPOSED DEPTH

2025'

20. ROTARY OR CABLE TOOLS

Cable Tools

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

22. APPROX. DATE WORK WILL START*

June 15, 1976

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/2"	8-5/8"	20 lb.	390'	100 sx (Circ)
8"	4 1/2"	9 1/2 lb.	2025'	100 sx

Propose to test the Queen sand, for use as an oil well in the Sulimar Queen Unit, or as an injection well. To be determined after the well is drilled. If production is indicated, will set pipe and attempt completion. Cortez Drilling Company, Inc. of Roswell will be the contractor.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present production 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 prevention program, if any.

24.

SIGNED

Jack L. McClellan

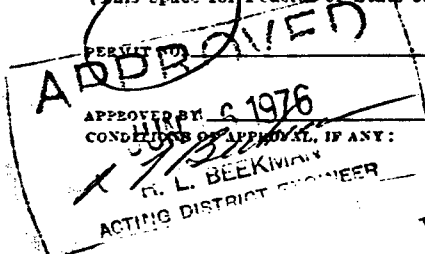
TITLE

Operator

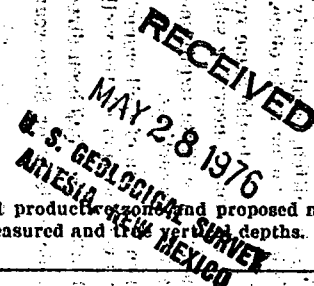
DATE

5/25/76

(This space for Federal or State office use)



APPROVAL DATE _____
DATE _____
THIS APPROVAL IS REINDEED IF OPERATIONS
ARE NOT COMMENCED WITHIN 3 MONTHS.
EXPIRES SEP 16 1976
See Instructions On Reverse Side



**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section

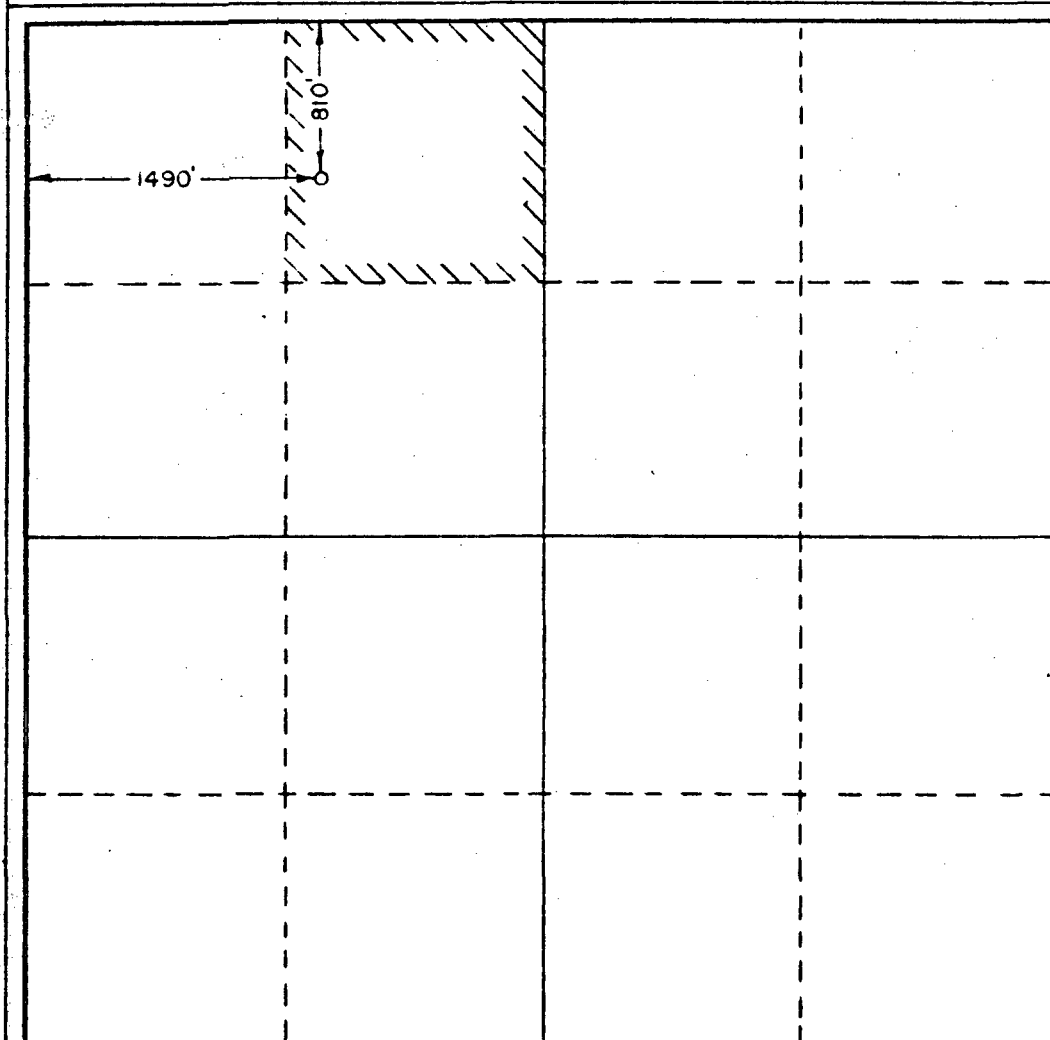
Operator McClellan Oil Corporation			Lease Sulimar Queen Unit Tract 1		Well No. 12
Unit Letter C	Section 24	Township 15 South	Range 29 East	County Chaves	
Actual Footage Location of Well: 810 feet from the North line and 1490 feet from the West line					
Ground Level Elev.	Producing Formation Queen Sand	Pool Sulimar Queen Unit	Dedicated Acreage: NE 1/4 NW 1/4 40 Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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 Commission.



CERTIFICATION

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

Name

Position

Agent

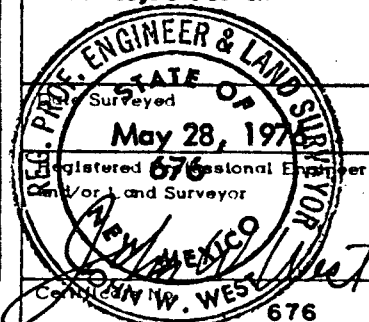
Company

McClellan Oil Corp.

Date

May 28, 1976

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.



0 330 660 990 1320 1650 1980 2310 2640 2970 3300 3630 3960 4290 4620 4950 5280 5610 5940 6270 6600