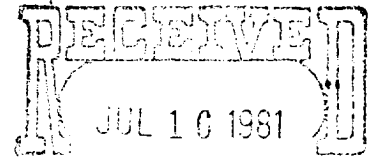


McCLELLAN OIL CORPORATION  
"PZ" Federal Well No. 1  
1250' FSL & 1650' FEL, Sec. 7-T9S-R26E  
Chaves County, New Mexico  
Lease No.: NM-14294  
(Exploratory Well)



OIL & GAS  
U.S. GEOLOGICAL SURVEY  
ROSWELL, NEW MEXICO

This plan is submitted with the Application for Permit to Drill the above captioned well. The purpose of the plan is to describe the location of the proposed well, the proposed construction activities and operations plan, to be followed in rehabilitating the surface after completion of the operation so that a complete appraisal can be made of the environmental effects associated with the operations.

1. EXISTING ROADS:

- A. Exhibit "A" is a portion of a BLM Color Quad map showing the well as staked. Exhibit "B" is a USGS topo map section showing the well as staked. The well is approximately 19 miles northeast of the U. S. Highway 285/70 "Y" north of Roswell, New Mexico. There will be approximately 14 miles of U. S. Highway 70, 5 miles of existing ranch/oilfield road and approximately .5 mile of new access road.
- B. Directions: Travel approximately 14 miles northeast of the U. S. 285/70 "Y" on U. S. Highway 70 passing the old rock Frazier schoolhouse on the left. Turn right (south) onto a dirt road crossing railroad tracks .4 mile south of the highway. 1.8 mile in you will pass the Kitchen's old ranch house and cross a cattle-guard with a pipe gate. Three miles in take the east fork and continue south crossing a cattleguard on the north side of Lloyd's Canyon. On the south side of Lloyd's Canyon is another cattleguard with a trail road turning right (west) as you approach the cattleguard. Turn right on the trail road for .3 mile. The new access road will start at this point and continue north for approximately 1100' to the southwest corner of the location.

2. PLANNED ACCESS ROAD:

- A. Length and Width: The new access road will be 12 feet wide (20' ROW) and approximately 2,600 feet long, from the trail road turnoff at the cattleguard to the southwest corner of the proposed drilling pad. The new access road is labeled and color coded in red on Exhibit "A" and "B" and has been flagged on the 1100 feet portion from the trail road to the drillsite. The trail road will also be upgraded.
- B. Construction: The new road will be constructed by grading and topping with compacted caliche, where needed. Existing surface material will be used as much as possible. The surface will be properly drained.
- C. Turnouts: There will be at least two to three turnouts, which will increase the road width to 20 feet for passing.
- D. Culverts: None will be required.
- E. Cuts and Fills: None should be required since the surface is flat.