Drawer DD

Artesia, NM 88210

ATE\* SUBMIT IN TRIL (Other instructions on reverse side)

Form approved. Budget Bureau No. 1004-0136

Expires August 31, 1985 . LEASE DESIGNATION AND

Form 3160-3 (November 1983) (formerly 9-331C)

## UNITED STATES DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT	NM-16069 6. IF INDIAN, ALLOTTEE OR TRIBE NAME
APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BA	7. UNIT AGREEMENT NAME
DRILL A DEEPEN PLUG BACK	
b. TYPE OF WELL  OIL  WELL  OTHER  OTHER  SINGLE  ZONE  MULTIPLE ZONE	8. FARM OR LEASE NAME Coyote Federal
2. NAME OF OPERATOR  McClellan Oil Corporation  RECEIVED B	
3. ADDRESS OF OPERATOR	10. FIELD AND POOL, OR WILDCAT Pecos Slope-Abo
P.O. Drawer 730, ROSWELL, New 1.00 attents. 198	11. SEC., T., B., M., OR BLK. AND SURVEY OR AREA

1528' FSL & 660' FEL, NE/4 SE/4, Uni letter At surface Sec. 12, T8S, R24E ARTESIA, OFFICE At proposed prod. zone 12. COUNTY OR PARISH | 13. STATE Same 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE N.M. Chaves

20 miles Northeast of Roswell, N.M.

10. DISTANCE FROM PROPOSED\*
PROPERTY OR LEASE LINE, FT.
(Also to nearest drig. unit line, if any)
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

N/A NO. OF ACRES ASSIGNED TO THIS WELL 16. NO. OF ACRES IN LEASE 160 1.280 20. ROTARY OR CABLE TOOLS 19. PROPOSED DEPTH Rotary 40001 22. APPROX. DATE WORK WILL START\* ASAP

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3598' GR PROPOSED CASING AND CEMENTING PROGRAM 93

23.	PROPOSED CASING AND CEMENTING PROGRAM			QUANTITY OF CEMENT
12 1/4" 7 7/8"	8 5/8" 4 1/2"	weight per foot 24.0# 10.5#	950¹ 4000¹	Circulate to Surface Sufficient to isolate all oil, gas and water zones.

Propose to drill to the Abo formation to test for possible commercial producti of gas.

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 Many. preventer program, 5/24/87 SIGNED

(This space for Federal or State office use)

APPROVAL DATE 1987 DATE JUN 2 PERMIT NO. S/Homer Mayer, Acting Area Manager

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 WOLL On Reverse Side

ENTITLE THE APPLICANT TO CONDUCT OPERATIONS THEREONISIS and willfully to make to any department or agency of the Title 18 U.S.C. Section 1001, makes it a crime for any person movingly and willfully to make to any department or agency of the fraudulent statements or representations as to any matter within its jurisdiction.

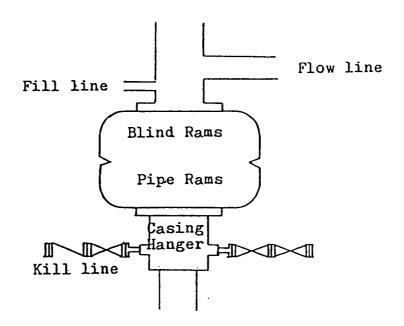
## P. O. BOX 2088

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT

## SANTA FE, NEW MEXICO 87501

Form C-102 Revised 10-1-78

All distances must be from the outer bounderles of the Section. Well No. ()perotor Coyote Federal McClellan Oil Corp. County Section Unit Letter Chaves 24 East 8 South Actual Fastuge Location of Well; East 660 line fret from the South line and Dedicated Acreage: Poul Producing Fermation Ground Level Clev. Acres Pecos Slope-Abo 3598 1. Outline the acreage dedicated to the subject well by colored pepcil or inchere maks 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). interest and royalty). 3. If more than one lease of different ownership is dedicated to the well, have the inte in lowners been consolidated by communitization, unitization, force-pooling. etc? If answer is "yes." type of consolidation If answer is "no," list the owners and tract descriptions which have actually been consomiated. 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 contoined herein is true and complete to the Sec.12, T.8 S., R.24 E., N.M.PIM. Terry W. Franklin Position Agent Company McClellan Oil Corporation 5/24/87 I hereby certify that the well location shown on this plut was platted from field notes of octual surveys made by nie or under my supervision, and that the some 6601 is true and correct to the best of my 6290 €00 1000



Blowout Preventer 3000 psi working pressure SUPPLEMENTAL DRILLING DATA
McClellan Oil Corporation
Coyote Federal No. 5
1750' FSL & 660' FEL
Sec. 12, T8S, R24E
Chaves County, N.M.
NM-16069

- 1. Geologic Name of Surface Formation: Permian Artesian Group.
- 2. Estimated Geological Marker Tops:

 San Andres
 200'
 Tubb
 2620'

 Glorietta
 1150'
 Abo
 3320'

- 3. Estimated Depths to Oil, Water or Gas: Gas possible from 3320-4000'.
- 4. Proposed Casing and Cement Programs:
  - 0-950' Set approximately 950' of 8 5/8, 23.0#, J-55, ST&C casing, and cement to surface with 600 sx Class 'C' cement.
  - O-T.D. 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:

0-950' - Native mud 950-T/Abo - Native mud T/Abo - T.D. - mud up with salt gel mud, 40 viscosity, 15cc water loss, 10.0# gal.(T/Abo approximately 3320')

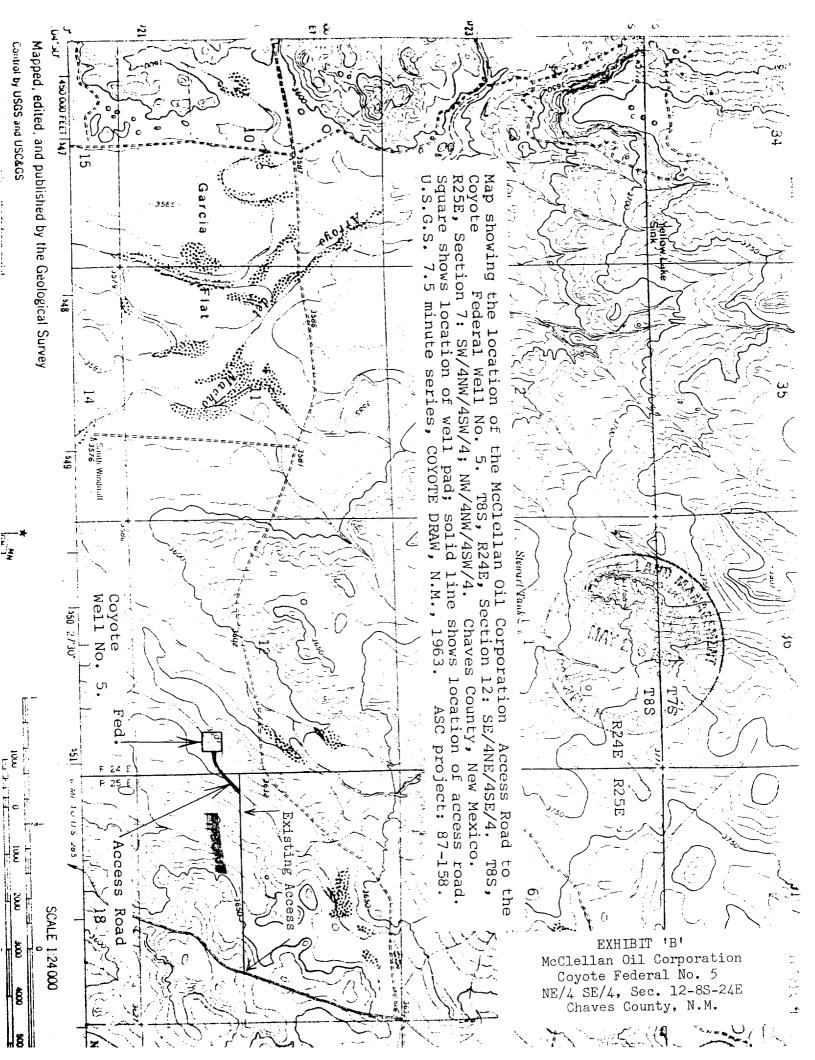
6. Testing, Logging, and Coring Programs:

Testing: None

Logging: CNL-FDC, gamma ray, DLL-MSFL

Coring: None

- 7. Blowout Preventers: 10", 3000 psi Schaeffer Double Ram.
- 8. Abnormal Pressures or Temperature Zones: None.
- 9. Anticipated Starting Date: Commence drilling operations May 16, 1987.



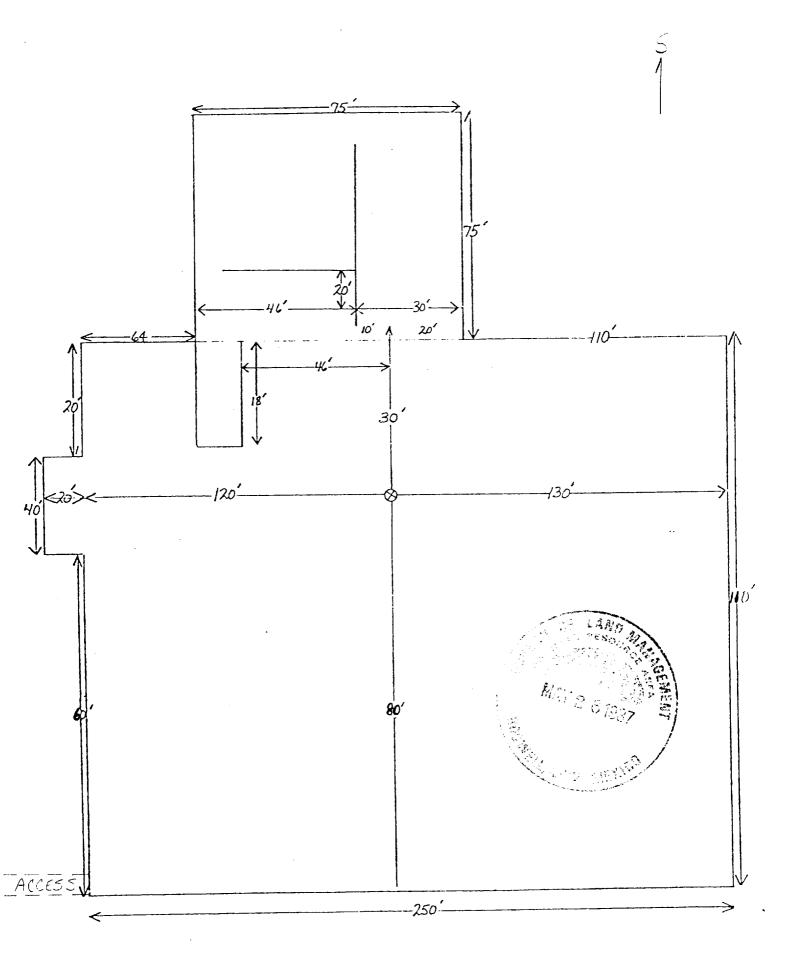


EXHIBIT 'D'
McClellan Oil Corporation
Coyote Federal No. 5
NE/4 SE/4, Sec. 12-8S-24E
Chaves County, N.M.