

APPLICATION FOR DRILLING

McCLELLAN OIL CORPORATION
JJ Federal Com., Well No. 2
1855' FSL & 1650' FWL, Sec. 1-T10S-R25E
Chaves County, New Mexico
Lease No.: NM-12687
(Development Well)

In conjunction with Form 3160-3, 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	680'	Abo	4025'
Glorieta	1800'	T.D.	4625'
Tubh	3280'		

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 4025'.

4. Proposed Casing Program: See Form 3160-3.
5. Pressure Control Equipment: See Form 3160-3 and Exhibit "E".
6. Mud Program: See Form 3160-3.
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: February 25, 1989.
Anticipated completion of drilling operations: Approximately 35 days.

