

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N. M. Oil Cons. Division

811 S. 1ST ST.

FORM APPROVED
OMB No. 1004-0135
Expires July 31, 1996

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other Instructions on reverse

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
THORNTON OPERATING CORPORATION

3a. Address
P. O. Box 833, Midland TX 79702

3b. Phone No. (include area code)
(817) 926-3324

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Surf. Loc: 182 FNL, 507 FWL, Sec. 26, T13S, R29E, MPM (NM-50415)
BH Loc.: 114' FSL, 238' FWL, Sec. 23, T13S, R 29E, MPM (NM-62195)

5. Lease Serial No.
NM-50415 / NM-62195

6. If Indian, Allottee or Tribe Name
N/A

7. If Unit or CA/Agreement, Name and/or No.
Com Agreement to be filed if successful

8. Well Name and No.
McClellan Federal No. 1-A

9. API Well No.
30-005-

10. Field and Pool, or Exploratory Area
W King Camp- Devonian Pool

11. County or Parish, State
Chaves Co., NM

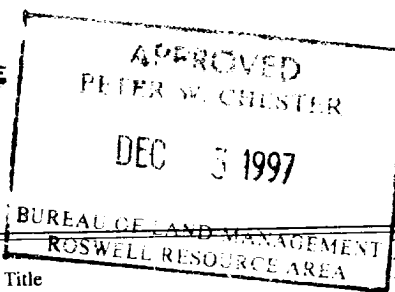
2. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|--|---|---|--|--|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other Sidetrack & Drill Directional |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| | <input type="checkbox"/> Convert to Injection | <input checked="" type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

We plan to pull the production tubing & packer, set a whipstock @ 9540' MD, & drill a directional well approximately 400' to the Northwest to the Devonian Formation. See attached sheets for drilling plans and procedures. Estimated formation tops are Mississippian Fm. 9160' (in Miss at drill-out), Woodford Formation @ 9,790' TVD, and Devonian Formation @ 99828' TVD. We plan to drill well approximately December 8, 1997. under NM Statewide Bond NM2284. Well will be drilled from surface location on U S Lease NM-50415 to a bottomhole location on lease NM-62195 per N M OCD spacing rule.

SUBJECT TO LIKE
APPROVAL BY STATE
NMOC



14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Robert L. Thornton

Signature

Title

President

Date

December 1, 1997

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



**Thornton Operating Corporation
McClellan Federal No. 1
Directional Workover Procedure**

Field: W. King Camp

Location: 182' FNL & 507' FWL of Sec. 26, T13S, R29E, Chaves Co., New Mexico

API: 30-005-63076

Well Data:

Elevation- 3807' GL, 3823' KB

TD: 9862' MD

PBTD: OH 9847-9862' MD

Formation: Devonian

Casing:

| Size (in.) | Wt. (ppf) | Grd. | Top (ft.) | Btm. (ft.) | Cmt. (sx) | TOC (ft.) | Clps. (psi) | Brst. (psi) |
|---------------|--------------|------|--------------|---------------|--------------|--------------|----------------|----------------|
| 13 3/8" | 48 | ? | 0 | 304 | 310 | Surf. | | |
| 8 5/8" | 24 | ? | 0 | 2328 | 1250 | ? | | |
| 5 1/2" | 17 | ? | 0 | 9847 | 300 | ? | | |

Current Completion Assembly: Well is currently SI. 2 7/8" tubing and packer set at 9809' open hole 9847' - 9862'

PROCEDURE

1. Make pre rig up inspection of location.
2. MIRU rig. Dig working pit and line same. Bled off any pressure to working pit.
3. Pull rods and pump. Load tubing and ND tubinghead. NU 7 1/16" 5000 psi WP hydraulic BOP with 2 7/8" pipe rams and blind rams on bottom. Release packer and POH. LD tubing and move to edge of location. Dig out cellar and dig trench to working earthen pit. Line trench and working pit. Continue to mobilize pumps, pits, power swivel, frac tank, generators, pipe racks and rig up same.
4. Move in 600' of 2 7/8" 10.5 ppf S-135 AOH DP, 9500' of 2 7/8" 10.5 ppf E-75 AOH DP and handling tools.

5. PU 4 3/4" bit, casing scraper and TIH to 9600'. POH. RU wireline truck and run CCL/CIBP. Correlate with cased hole perforating log. Set CIBP (note: If permanent whipstock is utilized, a CIBP is not necessary) to allow whipstock depth (between casing collars and eliminate milling a collar). Approximate window interval 9517' to 9530' tvd. PU retrievable whipstock, starting mill, orientation sub and DP. TIH. RU and run surface readout gyro to survey wellbore and orient whipstock face to a 317.8 deg. azimuth. Survey wellbore every 200' on trip in hole with gyro. Orient whipstock. Lower whipstock on CIBP and set same.
6. Pull to confirm whipstock is set. Shear off of lug. Start milling off lug and obtain cut out of casing. Bring fluid viscosity up to carry metal and install ditch magnets. After cut out, POH for window mill and string mills. Continue milling window until all mills have passed through the window (this should allow 5-10' of rathole in the formation). The rathole depth will be the KOP. Circulate hole clean and displace milling mud with the drilling fluid.
7. PU 4 3/4" premium tri-cone bit, 3 1/8" MIX motor w/ 4 5/8" UBHS, 2- 3 3/4" x 2 7/8" x 15' CSNDP (MWD probe inside CSNMDP), 3 7/8" flow sub, lock sub, UBHO sub and 2 7/8" DP. Install MWD probe and obtain offset. Surface test motor and MWD. TIH to KOP and fill pipe as necessary.
8. RU and run SRG to orient motor. PU swivel and establish circulation (150-160 gpm). Time drill to ensure away from the casing. Drill build section in slide mode at 30 deg./100' MD BUR to a planned inclination of 67.7 deg. and azimuth of 317.8 deg. Take survey every 10'. Add viscosifier and fluid loss additive as required.
9. At end of build, circulate hole clean and POH.
10. PU 4 3/4" bit, 3 1/8" M1XL w/4 5/8" UBHS motor, 4 1/2" Nortrak stabilizer, 2- 3 3/4" x 2 7/8" x 15' CSNDP (MWD probe inside CSNMDP), 3 7/8" flow sub, lock sub and 2 7/8" DP. Ream build section as necessary.
11. Drill the tangent section with the angle hold motor in the oriented and rotary mode as necessary. Drill at 67.7 degree of inclination, 317.8 degree azimuth for a total of 400' of vertical section (est. 10070' MD). Take surveys every 30'.
12. Circulate hole clean. POH and LD tools.
13. Treat, test and run completion assembly.

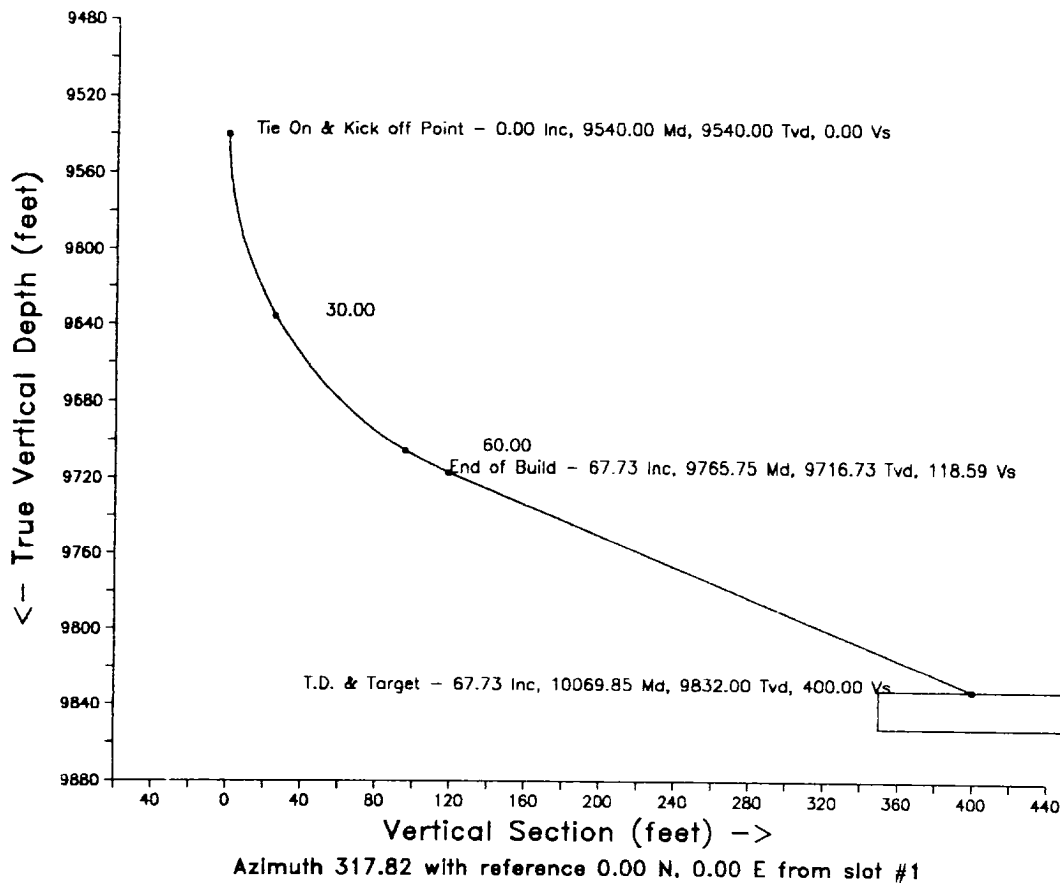
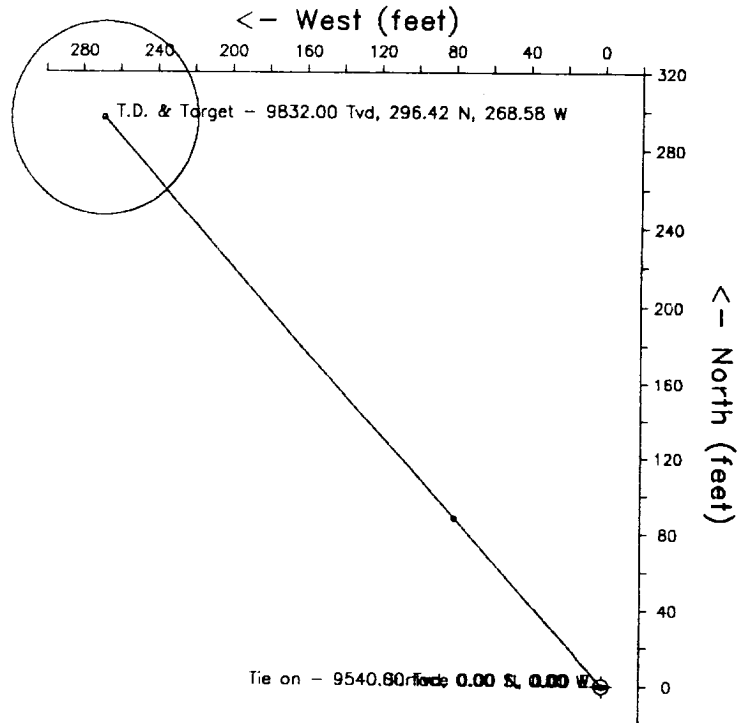
THORNTON OPERATING CO.

Structure : McCLELLAN FEDERAL NO. 1

Slot : slot #1

Field : non designated

Location : CHAVES COUNTY, NEW MEXICO



United States Department of the Interior

**BUREAU OF LAND MANAGEMENT
Roswell Resource Area
P.O. Drawer 1857
Roswell, New Mexico 88202-1857**

Statement Accepting Responsibility for Operations

Operator name: Thornton Operating Corporation
Street or box: P. O. Box 833
City, State : Midland, TX 79702
Zip code, : 79702

The undersigned accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on the leased land or portion thereof, as described below:

Lease No.: NM-50415 (Surface Location)

Legal Description of land: Township 13 South, Range 29 East, MPM
Section 26: N $\frac{1}{2}$ NW $\frac{1}{4}$

Formation(s) (if applicable): Devonian Fm.

Bond Coverage:(State if individually bonded or another's bond)
New Mexico Statewide Bond - Thornton Operating Corporation bond

BLM Bond File No.: NM-2284

Authorized Signature:


Robert L. Thornton

Title: President

Date: December 1, 1997

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Roswell Resource Area
P.O. Drawer 1857
Roswell, New Mexico 88202-1857

Statement Accepting Responsibility for Operations

Operator name: Thornton Operating Corporation
Street or box: P. O. Box 833
City, State : Midland, TX 79702
Zip code, : 79702

The undersigned accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on the leased land or portion thereof, as described below:

Lease No.: NM-62195 (Sub-surface target on this lease)

Legal Description of land: Township 13 South, Range 29 East, MMPM
Section 23: S₂SW₄

Formation(s) (if applicable): Devonian Fm.

Bond Coverage: (State if individually bonded or another's bond)
New Mexico Statewide Bond - Thornton Operating Corporation bond

BLM Bond File No.: NM-2284

Authorized Signature:


Robert L. Thornton

Title: President

Date: December 1, 1997