

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

b. TYPE OF WELL

OIL WELL ☒

GAS WELL ☐

OTHER

SINGLE ZONE ☐

MULTIPLE ZONE ☐

2. NAME OF OPERATOR

McClellan Oil Corporation

505/622-3200

3. ADDRESS AND TELEPHONE NO.

P. O. Drawer 730

Roswell, NM 88202

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

At surface

1548' FNL & 843' FWL

At proposed prod. zone

Same

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

46 miles E. of Roswell, NM

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.

(Also to nearest drig. unit line, if any)

845'

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

971'

16. NO. OF ACRES IN LEASE

1223.87

19. PROPOSED DEPTH

10.600'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

20. ROTARY OR CABLE TOOLS

Rotary

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

4087' GL

22. APPROX. DATE WORK WILL START*

June 1, 1994

23.

PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | GRADE SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|----------------------|-----------------|---------------|------------------------|
| 17 1/2" | 13 3/8" J-55 | 54# | 350' | Circulate 400 sx "C" |
| 12 1/4" | 8 5/8" J-55 | 24 or 28# | 3,000' | Circ. 1050 sx HL + "C" |
| 7 7/8" | 5 1/2" N-80 | 17# | 10.600' | 600 sx "H" |

Mud Program:

0' - 350': Fresh water & native mud:
350' - 3000': Fresh water & native mud:
3000' - 6450': Cut Brine mud:
6450' - 10,600': Salt gel w/diesel & starch:

Mud Wt.

9.5 ppg
9.5 ppg
9.5 ppg
9.5-9.8 ppg

Vis.

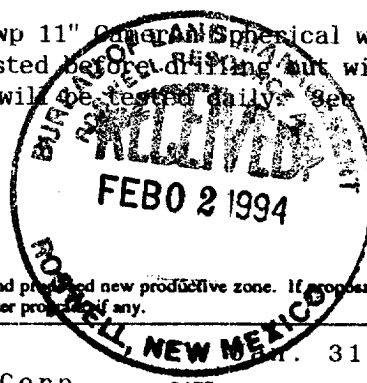
30
30
30
35-38

W/L Control

No W/L cont.
No W/L cont.
No W/L cont.
W/L cont 10-15 cc

ROP Program:

5000 psi wp 11" Schaffer Type LWS BOP, with a 5000 psi wp 11" Schaffer Spherical will be installed on the 13 3/8" casing. Casing and BOP will be tested before drilling out with the 12 3/4" bit. BOP will be used as a 3000 psi wp system and will be tested daily. See exhibit "E".



IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, 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 preventer program, if any.

34.

Agent for:

SIGNED

Georgina Smith

TITLE

McClellan Oil Corp.

DATE

31, 1994

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

Application approval 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.
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

Amelia L. Allen

TITLE

Area Manager

DATE

4-4-94

*See Instructions On Reverse Side

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

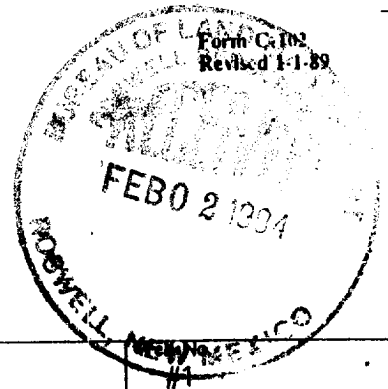
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section



| | | | |
|---|--|--------------------------------|---------------------------------------|
| Operator MCCLELLAN OIL CORPORATION | | Lease BRANEX FEDERAL | |
| Unit Letter E | Section 6 | Township 11S. | Range 31E. |
| | | County CHAVES | NMPM |
| Actual Footage Location of Well: 1548 feet from the NORTH line and 845 feet from the WEST line | | | |
| Ground level Elev. 4087 | Producing Formation DEVONIAN | Pool WILDCAT | Dedicated Acreage: 40 Acres |

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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 interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?

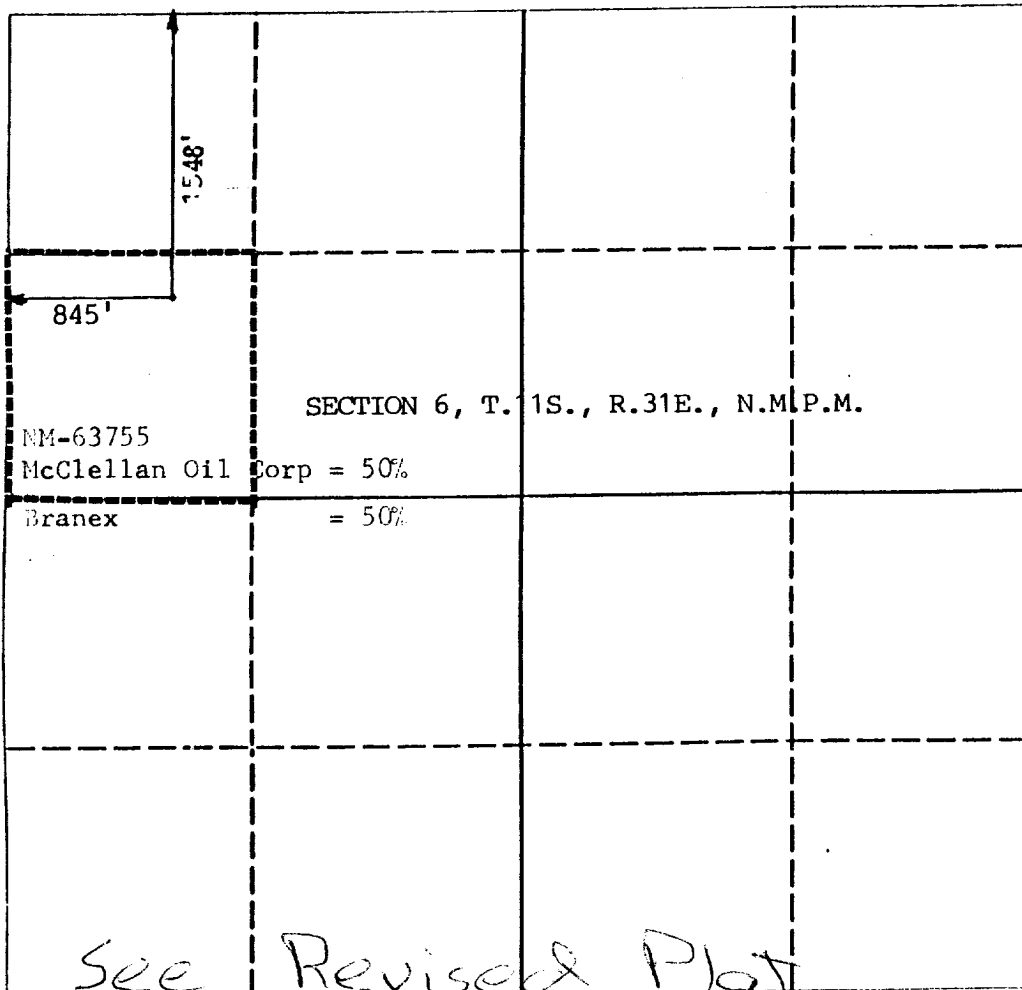
☐ Yes

☐ 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 interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

Signature

Mark McClellan

Printed Name

Mark McClellan

Position

President

Company

MCCLELLAN OIL CORPORATION

Date

1/21/94

SURVEYOR CERTIFICATION

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.

Date Surveyed

1/18/94

Signature & Seal of
Professional Surveyor

[Signature]

Certificate No.

6290

BRANEX2

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

APPLICATION FOR DRILLING

McCLELLAN OIL CORPORATION
Branex Federal. Well No. 1
1548' FNL & 845' FWL. Sec. 6-T11S-R31E
Chaves County, New Mexico
Lease No.: NM-63755
(Exploratory 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:

| | | | |
|------------|-------|-------------|--------|
| Rustler | 978' | Abo | 6586' |
| Yates | 1656' | Wolfcamp | 7740' |
| 7-Rivers | 2174' | Strawn | 8861' |
| Queen | 2344' | Atoka | 9281' |
| Penrose | 2461' | Mississippi | 9860' |
| San Andres | 2911' | Devonian | 10540' |
| Glorieta | 4276' | T.D. | 10600' |
| Tubb | 5776' | | |

3. The estimated depths at which water, oil or gas formations are anticipated to be encountered:

Water: Random fresh water sands from surface to - 200'+/-.

Oil: Possible in the San Andres below 2911', Abo below 6586', Wolfcamp below 7740', Bough "C" below 8000', and the Devonian below 10,540'.

Gas: Possible in the Atoka between 9281' - 9860'

4. Proposed Casing Program: See Form 3160-3.
5. Proposed 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.
8. Testing, Logging, and Coring Program:

Drill Stem Tests: Possible in the Abo @ 7500', Wolfcamp @ 7750', Bough "C" @ 8200', and the Devonian @ 10,540'.

Logging: T.D. to surface: GR-CNL-LDT. .

T.D. to intermediate casing: DLL-MSFL.

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 to increase the mud weight. Estimated BHP = 4200 psi (evac.) with temperature = 170°.
10. H₂S: None expected.
11. Anticipated starting date: June 1, 1994.
Anticipated completion of drilling operations: Approximately 45 days.



KEN REYNOLDS—PRESIDENT
ARNIE NEWKIRK—VICE-PRESIDENT

DRILLING CO., INC. — OIL WELL DRILLING CONTRACTORS

P. O. BOX 1498 ROSWELL, NEW MEXICO 88202-1498
505/623-5070 505/746-2719
ROSWELL, NM ARTERIA, NM

RIG #2

BLOWOUT PREVENTOR ARRANGEMENT

11" SHAFFER TYPE LWS, 5000 psi WP
11" CAMERON SPHERICAL, 5000 psi WP
120 GALLON, 5 STATION KOOMEY ACCUMULATOR
5000 psi WP CHOKE MANIFOLD

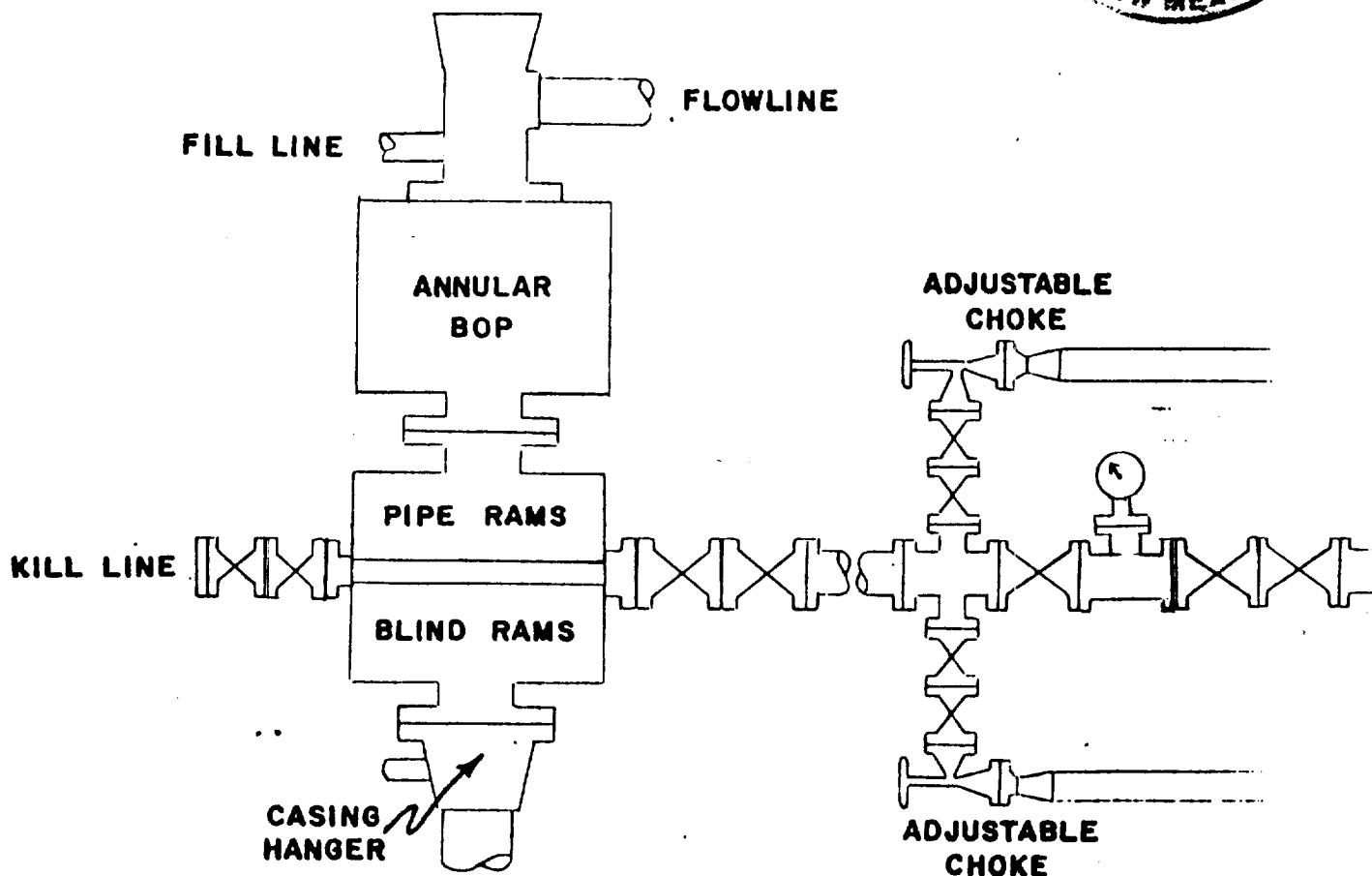
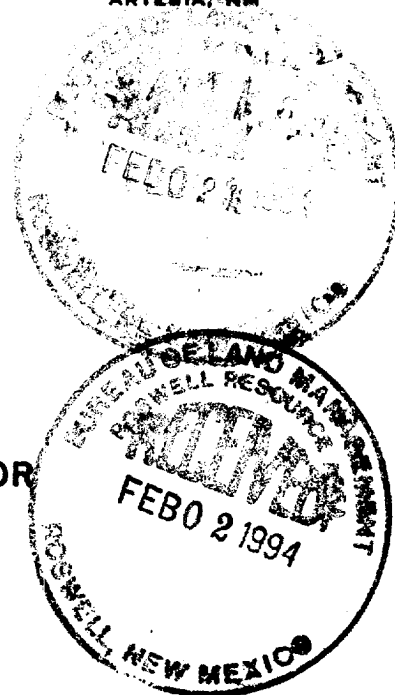


EXHIBIT "E"
MCCLELLAN OIL CORPORATION
Branex Federal, Well No. 1
BOP Specifications



McClellan Oil Corporation

April 7, 1994

New Mexico Oil Conservation Division
P O Box 1980
Hobbs, New Mexico 88240

Attn: Jerry Sexton

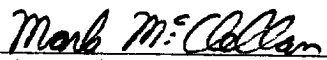
Re: Non-Standard Location
Branex Federal No. 1
Chaves County, New Mexico

Gentlemen:

As per my telephone conversation with Paul Kautz, I am enclosing a surveyor's plat and BLM Sundry Notice reflecting the new location for the Branex Federal No. 1. The initial location of 1548' FNL & 845' FWL was non-standard and has subsequently been moved 3 feet west making the new location of 1548' FNL & 842' FWL a standard location under NMOCD Rule 104B.

If you need anything further, please contact me at (505) 622-3200.
Thank you for your cooperation and assistance in this matter.

Sincerely,


Mark McClellan, President

MMc/lis

Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

5. Lease Designation and Serial No.

NM-63755

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Branex Fed. No. 1

9. API Well No.

10. Field and Pool, or Exploratory Area

Wildcat

11. County or Parish, State

Chaves, New Mexico

SUBMIT IN TRIPLICATE

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

McCLELLAN OIL CORPORATION

3. Address and Telephone No.

P O Drawer 730, Roswell, NM 88202-0730 (505) 622-3200

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1548' FNL & 842' FWL Section 6-T11S-R31E, N.M.P.M.

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

TYPE OF SUBMISSION

☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other Change Location
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

In order to comply with NMOCD Rule 104B for oil well location requirements, the Branex Federal No. 1 location has been moved 3 feet west and is currently located 1548' FNL & 842' FWL of Section 6. The enclosed surveyors plat shows that the proposed location is not located closer than 330' to any boundary of the proposed drilling tract located in Lot 5.

Your approval of this change of location will be appreciated.

14. I hereby certify that the foregoing is true and correct

Signed Mark McClellan

Title President

Date 4/7/94

(This space for Federal or State office use)

Approved by _____
Conditions of approval, if any:

Title _____

APPROVED
PETER W. CHESTER
APR 12 1994

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.

*See Instruction on Reverse Side

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
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DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

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| | | | | | |
|---|---------------------------------|------------------|-------------------------|-----------------------------------|----------------|
| Operator MCCLELLAN OIL | | | Lease BRANEX FEDERAL | | Well No. #1 |
| Unit Letter E | Section 6 | Township 11S. | Range 31E. | County CHAVES | NMPM |
| Actual Footage Location of Well: 1548 feet from the NORTH line and 842 feet from the WEST line | | | | | |
| Ground level Elev. 4087 | Producing Formation DEVONIAN | | Pool WILDCAT | Dedicated Acreage: 35.55 Acres | |

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.

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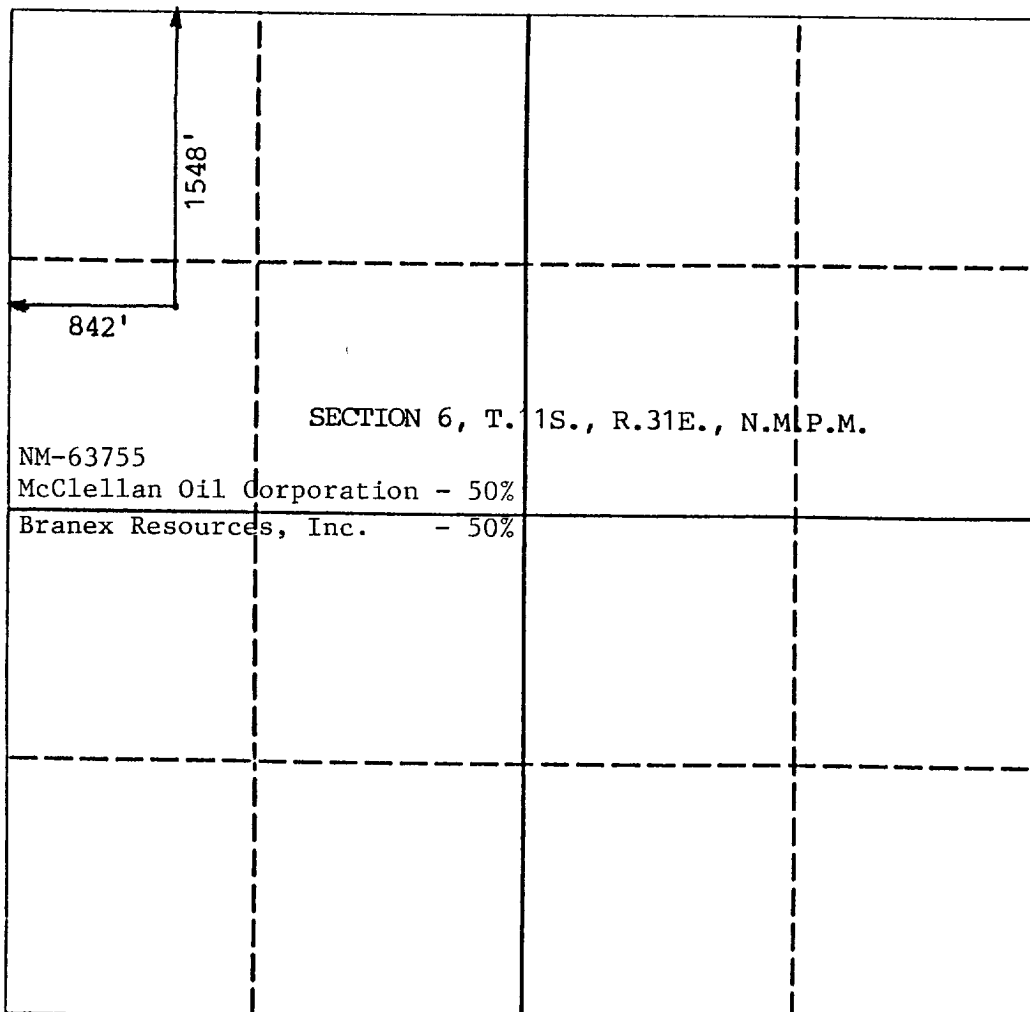
☐ Yes

☐ No

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OPERATOR CERTIFICATION

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

Signature

Mark McClellan

Printed Name

Mark McClellan

Position

President

Company

MCCLELLAN OIL CORPORATION

Date

4-7-94

SURVEYOR CERTIFICATION

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.

Date Surveyed

1/18/94

Signature & Seal of
Professional Surveyor

Certificate No.

6290

BRANEX 1

8/18/54