

CITY OF MCALLEN
REQUEST FOR OIL OR GAS DRILLING PERMIT
DATE: March 8, 2001

1. Company submitting Request: TotalFinaElf E&P USA, Inc.
2. Address: 800 Gessner, Suite 700
3. City/State: Houston, Texas 77024
4. Legal and Geographic Description of Drilling Site: McAllen Fieldwide Unit #77 Well
Surface Location: 102.0 feet from the east line, 355.0 feet from the north line of Lot 7 (of Lot 16), in the SE/4 of Block 8, of the Hidalgo Canal Company Subdivision, Drilling Block #81, City of McAllen, Hidalgo County, Texas.
Bottomhole Location: approximately 1,700 feet northwest of the surface location, being 500' from the west line and 200 feet from the south line of Lot 4 (of Lot 10), also in the SE/4 of Block 8, Hidalgo Canal Company Subdivision, Drilling Block #5, City of McAllen, Hidalgo County, Texas.
5. The following requirements have been satisfied:
 - A. Drilling Permit Fee submitted to City Secretary in the amount of \$2,500.00.
 - B. Performance Bond, (clean-up, repairs & replacement) in amount of \$25,000.00.
 - C. Insurance as per Drilling Ordinance:

| | |
|-----------------------------------|-------------|
| Public Liability - Occurrence | \$1,000,000 |
| Combined Single Limit (B.I./P.D.) | |
6. See Exhibit "A" for other requirements.
7. Approval of the following City Officials is required before issuance of permit:

A) City Secretary: *Letecia M. Vaco*

B) City Attorney: *John A. [Signature]*

C) Director of Planning: *J.R. Rankin (NA)*
(Special Use Permit)

D) City Engineer: *J. Kelly*

E) City Commission Approval: September 24, 2001