

CITY OF MCALLEN

REQUEST FOR OIL OR GAS DRILLING PERMIT

DATE: October 26, 1999

1. Company submitting Request: Fina Oil and Chemical Company
2. Address: P.O. Box 62102
3. City/State: Houston, Texas 77205-2102
4. Legal and Geographic Description of Drilling Site: Bales Gas Unit #6 Well
Surface Location: 640 feet from the west line, 806 feet from the north line of Lot 7, Block 6, of the Hidalgo Canal Company Subdivision, Drilling Block #135, City of McAllen, Hidalgo County, Texas.
Bottomhole Location: 1,750 feet southeast of the surface location, being approximately 175' from the south line, and 575' from the east line of Lot 8, Block 6, Hidalgo Canal Company Subdivision, Drilling Block #136, 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: Leticia M. Vico
 - B) City Attorney: [Signature]
 - C) Director of Planning: MA J R Ramirez
(Special Use Permit)
 - D) City Engineer: [Signature]
 - E) City Commission Approval: November 8, 1999