

**CITY OF MCALLEN
REQUEST FOR OIL OR GAS DRILLING PERMIT**

DATE: November 14, 2007

1. Company submitting Request: SWEPI, LP, dba SHELL WESTERN E&P
2. Address: 200 North Dairy Ashford
3. City/State: Houston, Texas 77079-1101
4. Legal and Geographic Description of Drilling Site: McAllen Fieldwide Unit #103 Well

Surface Location: 467 feet from the south line, 462 feet from the east line of Lot 2, Block 16, Steele & Pershing Subdivision, Drilling Block #236, City of McAllen, Hidalgo County, Texas.

Bottomhole Location: approximately 1,456 feet northwest of the surface location, being 315 feet from the north line and 495 feet from the east line of Lot 3, Block 16, Steele & Pershing Subdivision, Drilling Block #286, 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: *Arnette Villanueva*
- B) City Attorney: *[Signature]*
- C) Director of Planning: *J.R. Rankin*
(Special Use Permit)
- D) City Engineer: *[Signature]*
- E) City Commission Approval: January 28, 2008