

CITY OF MCALLEN
REQUEST FOR OIL OR GAS DRILLING PERMIT

DATE: November 12, 2002

EXTENSION APPROVED: JULY 14, 2003

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 #86 Well
Surface Location: 694.7 feet from the north line, 717.0 feet from the east line of Lot 8 (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 4,428.42 feet northwest of the surface location, being 1,134.0 feet from the east line and 483.0 feet from the north line of Lot 6, in the NW/4 of Block 8, Hidalgo Canal Company Subdivision, Drilling Block #17, 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. Vacek*
 - B) City Attorney: *H. J. Tom D.C.A.*
 - C) Director of Planning: *AA J.R. Runkin*
(Special Use Permit)
 - D) City Engineer: *[Signature]*
 - E) City Commission Approval: *Jose Galates*