

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED

NOV 20 2012

FORM APPROVED  
OMB No. 1004-0137  
Expires: October 31, 2014

**SUNDRY NOTICES AND REPORTS ON WELLS**  
**Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (ARD) for such proposals.**

5. Lease Serial No.  
NMSF -078212

6. If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE** - Other instructions on page 2.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator  
McElvain Energy, Inc.

3a. Address  
1050 17th St., Suite 2500, Denver, CO 80265

3b. Phone No. (include area code)  
303-893-0933

7. If Unit of CA/Agreement, Name and/or No.

8. Well Name and No.  
Farnsworth B #1E

9. API Well No.  
30-045-26872

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
NENE Sec 8 T30N R13W 1040' FNL & 980' FEL

10. Field and Pool or Exploratory Area  
Dakota

11. County or Parish, State  
San Juan County, New Mexico

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input checked="" type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

McElvain Energy, Inc. proposes to permanently abandon the wellbore below base of the Pictured Cliffs formation and recomplete in the Fruitland Coal as per the attached procedure.

The work will commence once approval from interest owners and governmental agencies is received.

Gallup plug 5124'-5024' (12525)

\* Extend Mancos plug down to 4300 (step 6)

\* Add Chama plug 2170 - 2270

RCVD NOV 26 '12

OIL CONS. DIV.

DIST. 3

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)  
Deborah Powell

Title Eng. Tech. Manager

Signature

Date 11/15/2012

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Original Signed: Stephen Mason

Title

Date

NOV 20 2012

Conditions of approval, if any, are attached. Approval of this notice 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.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

(Instructions on page 2)

NMOC

# RECEIVED

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
District II  
811 S. First St., Artesian, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505  
Farmington Field Office  
Bureau of Land Management  
Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate District Office  
☐ AMENDED REPORT

OIL CONS. DIV DIST. 3  
DEC 10 2012

## WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-045-26872	<sup>2</sup> Pool Code 71629	<sup>3</sup> Pool Name Fruitland Coal
<sup>4</sup> Property Code 27792	<sup>5</sup> Property Name Farnsworth Gas Unit B	
<sup>7</sup> OGRID No. 22044	<sup>8</sup> Operator Name McElvain Energy, Inc.	<sup>6</sup> Well Number I-E <sup>9</sup> Elevation 5462' GL

### <sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	8	30 N	13W		1040	North	980	East	San Juan

### <sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

<sup>12</sup> Dedicated Acres 320 $\frac{1}{2}$	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<sup>16</sup> 	<sup>17</sup> <b>OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Signature: <i>Deborah K Powell</i> Date: 12/3/2012 Printed Name: Deborah K Powell E-mail Address: Debby@McElvain.com	
	<sup>18</sup> <b>SURVEYOR CERTIFICATION</b> 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 belief. Reissued 12-11-1987 Date of Survey: Signature and Seal of Professional Surveyor: William E. Mahnke II	
	8466 Certificate Number	

**McELVAIN ENERGY, INC.**  
**Farnsworth B #1E**  
**Fruitland Coal Recompletion Procedure**

LOCATION: NE NE Sec 8 T30N R13W  
San Juan Co. NM

API 30-045-26872

TD: 6250'

PBTD: 6120'

KB: 11'

GL: 5462'

**PURPOSE of WORK:** Permanently Abandon below the PC Recomplete Fruitland Coal

**CASING:**

8 5/8" 24# K-55 at 309' 12 1/4 hole.

Cemented 215 sx class G cement w/2% CC, 1/4# flake.

Cement circulated to surface.

4 1/2" 10.5# K-55 & N-80 at 6250' 7 7/8 hole.

DV tool at 3900'. Cemented in 2 stages.

Stage 1: 225 sx lite and 100 sx Class B neat.

Stage 2: 845 sx lite and 85 sx class B neat.

Bond log TOC. 1<sup>st</sup> stage 4872. 2<sup>nd</sup> stage 680'.

**TUBING:**

2 3/8" set at 5978'

Model R compression set packer at 4934'

Seating nipple 5978'

184 joints total.

**PERFORATIONS:**

5942-44, 5956-63, 6001-03, 6009-11, 6030-40

CIBP at 6120

6134-44

CIBP set at 6165

6172-82

**FORMATION TOPS:**

PC 1368

MV 2950

Point Lookout 3748

Mancos 4100

Gallup 5540 5574

Dakota 5940

**Workover 8/2010:**

Found casing leak at 4060 to 4090. Injection rate 3 BPM at 500 psi.

## PROCEDURE:

1. Rig up service unit. Rig up BOP.
2. Pull tubing and packer ( Model R compression set.) laying down tubing. Send tubing in for inspection.
3. Run new or yellow band 2 3/8 tubing and tension packer to 1500 +/- and pressure test casing to 3000 psi. Release packer and pull out of the hole. If casing test fails turn over well to A-Plus for P&A and begin permitting for a redrill.. If casing test is positive proceed.
4. If casing will hold fluid column run Blue Jet Gas Spectrum Log and CBL, otherwise run logs after plugging in step 8. Perforations may be adjusted as per Gas Spectrum log.
5. Run tubing and cast iron bridge plug to 5892 and set. Cap with 37 sx cement to cover Dakota interval. Cement top should be at 5460.  
→ Call plug 5124'-5024'
6. Perforate 3 squeeze holes 4150. Run cement retainer to 4100 and set. Sting out of retainer and circulate hole clean. Sting back into retainer and mix 57 sx cement, pump 40 sx out retainer to squeeze off casing leaks and cover Mancos top. Sting out of retainer and spot 17 sx on top of plug. Pull up the hole and WOC. Tag plug at 4050.
7. Pressure test casing to 800 psi. If casing does not hold additional plugs may be necessary.
8. Spot 12 sx Class B cement from 3000-2900 to cover Mesaverde top. Pull tubing to 1600 and circulate clean with 2% KCL.
9. Run Blue Jet Gas Spectrum log from plug back to surface. Perforations may be adjusted as per Gas Spectrum log.
10. Run cast-iron bridge plug and set at 1500. Pressure test to 3000 psi.
11. Rig up perforator and perforate coal with 4 - 0.43" diameter 90 degree phasing shots per foot from 1354 to 1366.
12. Run in hole with tubing and tension packer and set at 1300+/-.
13. Acidize perforations with 500 gallons 15% HCl and 60 ball sealers.
14. Release packer and run through perfs to knock balls off. Reset packer at 1500 and run pump in test and record pressures and ISIP.
15. Trip out of the hole with the packer. Remove BOP and install frac valve.
16. Foam frac well down 4 1/2" casing as per BJ recommendation.
17. Flow back frac as time permits.
18. Rig up wireline unit and run retrievable bridge plug (lubricate plug in if necessary). Set plug at 1340 and cap with sand and pressure test to 3000 psi.
19. Rig up perforator and perforate coal with 4 - 0.43" diameter 90 degree phasing shots per foot from 1302 to 1308.
20. Run in hole with tubing and tension packer and set at 1250+/-.
21. Acidize perforations with 500 gallons 15% HCl and 36 ball sealers.
22. Release packer and run through perfs to knock balls off. Reset packer at 1250 and run pump in test and record pressures and ISIP.
23. Trip out of the hole with the packer. Remove BOP and install frac valve.
24. Foam frac well down 4 1/2" casing as per BJ recommendation.
25. Flow back frac as time permits.

26. Rig up wireline unit and run retrievable bridge plug (lubricate plug in if necessary). Set plug at 1290 and cap with sand and pressure test to 3000 psi.
  27. Rig up perforator and perforate coal with 4 - 0.43" diameter 90 degree phasing shots per foot from 1259-1264.
  28. Run in hole with tubing and tension packer and set at 1200+/-.
  29. Acidize perforations with 500 gallons 15% HCl and 30 ball sealers.
  30. Release packer and run through perfs to knock balls off. Reset packer at 1200 and run pump in test and record pressures and ISIP.
  31. Trip out of the hole with the packer. Remove BOP and install frac valve.
  32. Foam frac well down 4 ½" casing as per BJ recommendation.
  33. Flow back frac as time permits.
  34. Rig up wireline unit and run retrievable bridge plug (lubricate plug in if necessary). Set plug at 1250 and cap with sand and pressure test to 3000 psi.
  35. Rig up perforator and perforate coal with 4 - 0.43" diameter 90 degree phasing shots per foot from 1214-26.
  36. Run in hole with tubing and tension packer and set at 1150+/-.
  37. Acidize perforations with 500 gallons 15% HCl and 60 ball sealers.
  38. Release packer and run through perfs to knock balls off. Reset packer at 1200 and run pump in test and record pressures and ISIP.
  39. Trip out of the hole with the packer. Remove BOP and install frac valve.
  40. Foam frac well down 4 ½" casing as per BJ recommendation.
  41. If frac schedule permits retrieve bridge plugs between frac jobs. Plan to do at least two jobs per day.
  42. Retrieve all bridge plugs and clean well out with sand line bailer to PBTD.
  43. Run 2 3/8 production tubing with poor boy gas anchor and seating nipple on bottom. Set seating nipple at +/- 1400.
  44. Swab tubing until fluid is clean.
  45. Run 2 x 1 ½' x 12' pump with Farr plunger, guide rod, 10 ¾ guided rods and ¾ plain rods to surface.
  46. Rig down service unit.
  47. Set pumping unit and place well on production.
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