

Submit 3 Copies To Appropriate District  
Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
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1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM  
87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
June 19, 2008

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-039-24228
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator McElvain Energy, Inc.		6. State Oil & Gas Lease No. E-6833
3. Address of Operator 1050 17 <sup>th</sup> Street, Suite 1800, Denver, CO 80265-1807		7. Lease Name or Unit Agreement Name Park
4. Well Location Unit Letter <u>K</u> : <u>1755</u> feet from the <u>South</u> line and <u>1750</u> feet from the <u>West</u> line Section <u>36</u> Township <u>24N</u> Range <u>7W</u> NMP County <u>Rio Arriba</u>		8. Well Number #1
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6785' KB, 6773' GI		9. OGRID Number 22044
		10. Pool name or Wildcat Lybrook Gallup Ext.

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☒  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐  
DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☐

OTHER: ☐

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

McElvain Energy Inc. proposes to plug and abandon the above referenced well per the attached P&A procedure.

\* Extend plug #5 from 1215'-1980'

RCVD JAN 24 '13

\* move plug #3 to 2780'-2680'

OIL CONS. DIV.  
DIST. 3

\* Run current CBL of entire wellbore and submit it to the OCD  
prior to cementing plug #2

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE [Signature] TITLE District Engineer DATE 1/22/2013

Type or print name William A. Merrick E-mail address: artm@mcelvain.com PHONE: 505-325-2679 ex2

For State Use Only

APPROVED BY: [Signature] TITLE Deputy Oil & Gas Inspector, DATE 2-7-13  
District #3

Conditions of Approval (if any):

A

## PLUG AND ABANDONMENT PROCEDURE

July 13, 2012

### Park #1

Lybrook Gallup Extension  
1755' FSL and 1750' FWL, Section 36, T24N, R7W  
Rio Arriba County, New Mexico / API 30-039-24228  
Lat: N 36.2659\_\_\_ / Lat: W \_\_\_107.53085\_\_\_

Note: All cement volumes use 100% excess outside pipe and 50' excess inside. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures. All cement will be Class B, mixed at 15.6 ppg with a 1.18 cf/sx yield.

1. This project requires a NMOCD C-144 CLEZ Closed-Loop System Permit for the use of an A-Plus steel tank to handle waste fluids circulated from the well and cement wash up.

Install and test location rig anchors. Comply with all NMOCD, BLM, and Operator safety regulations. MOL and RU daylight pulling unit. Conduct safety meeting for all personnel on location.

2. Rods: Yes\_\_\_, No X, Unknown\_\_\_\_.  
Tubing: Yes X, No\_\_\_, Unknown\_\_\_, Size 2.375", Length 4808' with 12' KB.  
Packer: Yes\_\_\_, No\_\_\_, Unknown\_\_\_, Type\_\_\_\_\_.  
If this well has rods or a packer, then modify the work sequence in step #2 as appropriate.

3. **Plug #1 (Gallup perforations and top, 4887' – 4787')**: RIH and TAG existing RBP at 4887'. Pressure test tubing to 1000 PSI. Pressure test casing to 800 PSI. If casing does not test then spot or tag subsequent plugs as appropriate. Mix 12 sxs Class B cement to isolate the Gallup interval. TOH with tubing.
4. **Plug #2 (Mancos top, 4525' – 4425')**: Perforate 3 HSC squeeze holes at 4525'. Set 4.5" cement retainer at 4475'. Load casing with water and circulate well clean. Mix 51 sxs Class B cement, squeeze 39 sxs outside the casing and leave 12 sxs inside the casing to cover the Mancos top. PUH.
5. **Plug #3 (Mesaverde top, 3514' – 3414')**: Perforate 3 HSC squeeze holes at 3514'. Set 4.5" cement retainer at 3464'. Load casing with water and circulate well clean. Mix 51 sxs Class B cement, squeeze 39 sxs outside the casing and leave 12 sxs inside the casing to cover the Mesaverde top. PUH.
6. **Plug #4 (Chacra top, 2402' – 2302')**: Perforate 3 HSC squeeze holes at 2402'. Set 4.5" cement retainer at 2352'. Load casing with water and circulate well clean. Mix 51 sxs Class B cement, squeeze 39 sxs outside the casing and leave 12 sxs inside the casing to cover the Chacra top. PUH.

7. **Plug #5 (Pictured Cliffs, Fruitland, Kirtland and Ojo Alamo tops, 1935' – 1317'):** Mix and pump 55 sxs Class B cement and spot a balanced plug inside casing to cover through the Ojo Alamo top. TOH and LD tubing.
8. **Plug #6 (Nacimiento top and 8.625" casing shoe, 318' – 0'):** Perforate 3 HSC squeeze holes at 318'. Establish circulation out bradenhead valve. Mix and pump approximately 110 sxs cement down the 8-5/8" casing from 318' to surface, circulate good cement out bradenhead valve. Shut in well and WOC.
9. ND BOP and cut off wellhead below surface casing flange. Install P&A marker with cement to comply with regulations. RD, MOL and cut off anchors. Restore location per BLM stipulations.

Today's Date 7/27/12

## Park #1 Current

Lybrook Gallup

1755 FSL 1750 FWL

"K" SW NE SW Sec. 36, T34N R7W

Lat/Long 36.265854707405 -105.530778614223

Spud: 6/17/88  
Comp: 8/18/88  
Elevation: 6773 GL  
6785 KB

12.25" Hole

8.625" 24# J-55 Casing set @ 268'  
225 sxs cement, circ to surface

TOC @ 852' (CBL 1988)

Ojo Alamo @ 1317'

Kirtland @ 1420'

Pictured Cliffs @ 1935'

DV tool @ 2055'  
Cement with 173 sxs (313 cf)

Isolated casing leaks from 2892 –  
3254 10/2010

Cliff House @ 3464'

TOC @ 4784' (CBL 1988)

Menefee @ 3544

2.375" Tubing set at 4808' with retrieving  
head

Point Lookout @ 4200

Bridgeplug at 4887

Mancos @ 4475

Fish 4940 – 5104 3 jts tubing, TAC, 2 jts tubing

Gallup @ 5049'

Gallup Perforations:  
5379–5477 and 4925–5282

7.875" Hole

4.5" 10.5#, J-55 Casing @ 5587'  
Cemented with 243 sxs (440 cf) 65/35 poz  
followed by 173 sx (242 cf) 5/5/poz 6/25/88

TD 5600'  
PBD 5543'

# Park #1 Proposed P&A

Lybrook Gallup Extension

1755' FSL, 1750' FWL, Section 36, T-24-N, R-7-W

Rio Arriba County, NM, API #30-039-24228

Today's Date: 7/13/12

Spud: 6/17/88

Completed: 8/18/88

Elevation: 6773' GI  
6785' KB

Nacimiento @ 317' \*est

Ojo Alamo @ 1317'

Kirtland @ 1420'

Fruitland @ 1685' \*est

Pictured Cliffs @ 1935'

Chacra @ 2352'

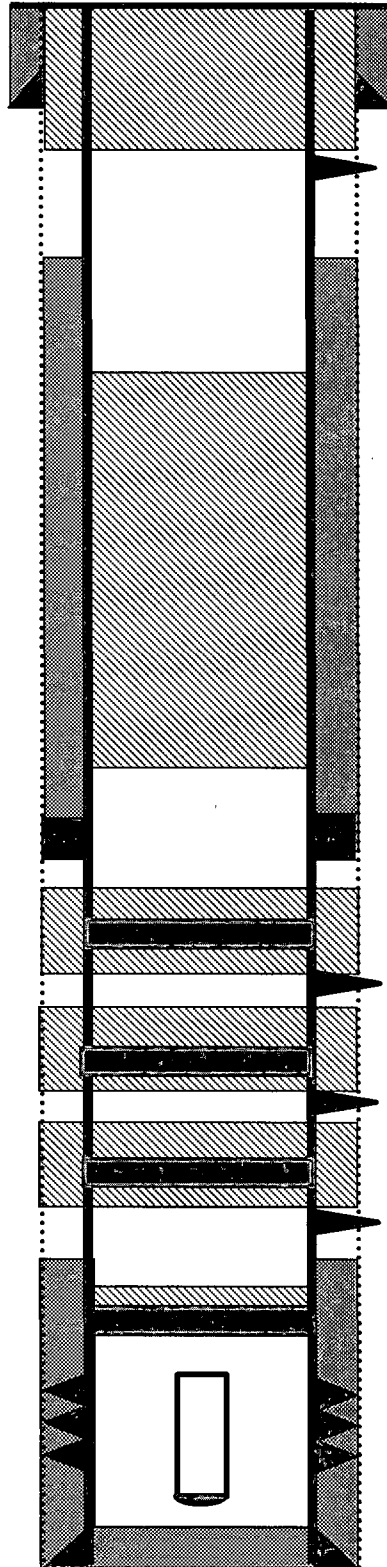
Mesaverde @ 3464'

Mancos @ 4475'

Gallup @ 5049'

12.25" hole

7.875" hole



8.625" 24#,K-55 Casing set @ 268'  
Cement with 225 sxs, circulated

Perforate @ 318'

Plug #6: 318' - 0'  
Class B cement, 110 sxs

TOC @ 775' (CBL)

Plug #5: 1935' - 1267'  
Class B cement, 55 sxs

DV Tool @ 2055'  
2<sup>nd</sup> Stage: Cement with 173 sxs (313 cf)

Set CR @ 2352'

Plug #4: 2402' - 2302'  
Class B cement, 51 sxs;  
12 inside and 39 outside

Perforate @ 2402'

Set CR @ 3464'

Plug #3: 3514' - 3414'  
Class B cement, 51 sxs;  
12 inside and 39 outside

Perforate @ 3514'

Set CR @ 4475'

Plug #2: 4525' - 4425'  
Class B cement, 51 sxs;  
12 inside and 39 outside

Perforate @ 4525'

TOC @ 4775' (CBL)

Plug #1: 4887' - 4787'  
Class B cement, 12 sxs

RBP @ 4887' (October 2010)

Fish in hole at 4940' to 5104'  
Gallup Perforations:  
4925' - 5282'  
5477' - 5587'

4.5" ,10.5#, J-55 Casing set @ 5587'  
1<sup>st</sup> Stage: Cement with 416 sxs (682 cf)

TD 5600'  
PBD 5543'