

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED

MAY 03 2013

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 (APD) for such proposals.

5. Lease Serial No.

SF 080136

6. 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 Street, 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.  
Salazar #10

9. API Well No.  
30-039-23768

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
1830 FSL & 1820 FWL, Sec 22, 125N R6W, Rio Arriba Co. NM

10. Field and Pool or Exploratory Area  
Otero Chacra, South Blanco PC

11. County or Parish, State  
Rio Arriba, 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 checked="" type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input 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 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.)

Chacra perfs 3412-3529, PC perfs 2577-2680. Commingle order has been approved..

During well bore commingle operations a casing leak between 1867 and 1897 was encountered. Tubing and packer was run with the packer at 1958 and tubing set at 3476.

McElvain Energy plans to pull the tubing and packer. Run a retrievable bridge plug at 1958. Set cement retainer at 1800. Squeeze casing leak with 50 sx class II cement to 1500 psi. Drill out cement squeeze and pressure test casing. Retrieve bridge plug. Run tubing open ended to 3476. Swab well in and return to production as a commingled PC/Chacra producer.

\* A CBL is required after the Squeeze  
\* A Groundwater investigation well may also be required.

RCVD MAY 7 '13  
OIL CONS. DIV.  
DIST. 3

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)  
William A. Merrick

Title District Engineer

Signature

Date 05/02/2013

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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)

NMOCDA