

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary-Designate

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey, Division Director
Oil Conservation Division



February 6, 2014

McElvain Energy, Inc.
Attn: Deb Powell
1050 17th Street
Suite 2500
Denver, CO 80265

RE: APD CANCELLATION
Well: Pepper #1 S32 Twn31N R13W API #30-045-35331
Bentley #2S S15 Twn31N R13W API# 30-045-35332

The Application for Permit to Drill for the above mentioned well's has expired. If your company plans on drilling this well in the future you will need to submit a New Application For Permit To Drill to our office for review and approval prior to drilling.

Thank you,

Amy H. Vermersch
Data Compliance Manager

Cc: Well File