

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires January 31, 2004

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.
SF065557

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
PRI #2 S

9. API Well No.
30-045-33013

10. Field and Pool, or Exploratory Area
BasinFruitland Coal

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
McElvain Oil & Gas Properties, Inc.

3a. Address
1050 17th Street #1800 Denver, CO 80265

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

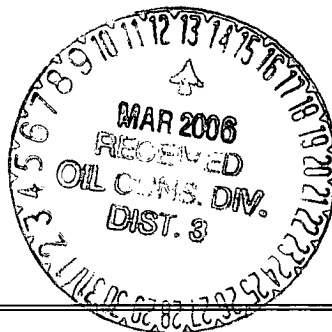
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1455' FSL & 1805' FEL Sec.12 T29N R12W NMPM

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

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|--|---|---|--|---|
| <input type="radio"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="radio"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="radio"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other <u>SPUD</u> |
| | <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 zone. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall 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 shall be filed on testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Spud 8 3/4" hole on 9/26/2005 @ 1030 hrs. Drill to 231'. TIH w/5 jts. new 7" 20 # J-55 casing, set @ 226' Cmted w/60sx Class B, 2% CaCl, 15.6 #/gal, 1.15 yield. Circulated 8 Bbls cmt to surface. Pressure test BOP, blind & pipe rams, choke manifold, Csg and wellhead valves: @ 600Psi for 15 minutes.



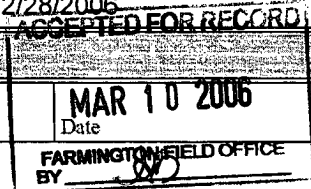
RECEIVED
 FARMINGTON NM
 2006 MAR 9 PM 12 46

14. I hereby certify that the foregoing is true and correct
 Name (Printed/Typed) **John D. Steuble** Title **Vice President Engineering**

Signature *John D. Steuble* Date **Jan. 07, 2006 re-sent 2/28/2006**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____ Title _____
 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.