

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  
District III  
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  
Revised May 08, 2003

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

WELL API NO. <b>30-039-24068</b>
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name <b>Seifert Gas Com A</b>
8. Well Number <b>1</b>
9. OGRID Number <b>22044</b>
10. Pool name or Wildcat <b>Gavilan Pictured Cliffs</b>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) <b>7570' GL</b>

**SUNDRY NOTICES AND REPORTS ON WELLS**  
(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.)

1. Type of Well:  
Oil Well ☐ Gas Well ☒ Other

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

3. Address of Operator  
**1050 17th Street #1800 Denver, CO 80265**

4. Well Location  
Unit Letter **P** : **940** feet from the **South** line and **990** feet from the **East** line  
Section **22** Township **26N** Range **2W** NMPM County **Rio Arriba**

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input checked="" type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

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 Oil & Gas Properties, Inc. proposes to P&A this well as per the attached procedure.

The land owner has requested to take over the well for use as a water well. McElvain intends to comply with this request. The necessary documents are attached.

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

SIGNATURE John A. Steuble TITLE Engineering Manager DATE 10/22/2003

Type or print name John D. Steuble Telephone No. 303-893-0933

(This space for State use)

APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 00 DATE OCT 27 2003

Conditions of approval, if any:

# SEIFERT GAS COM A #1

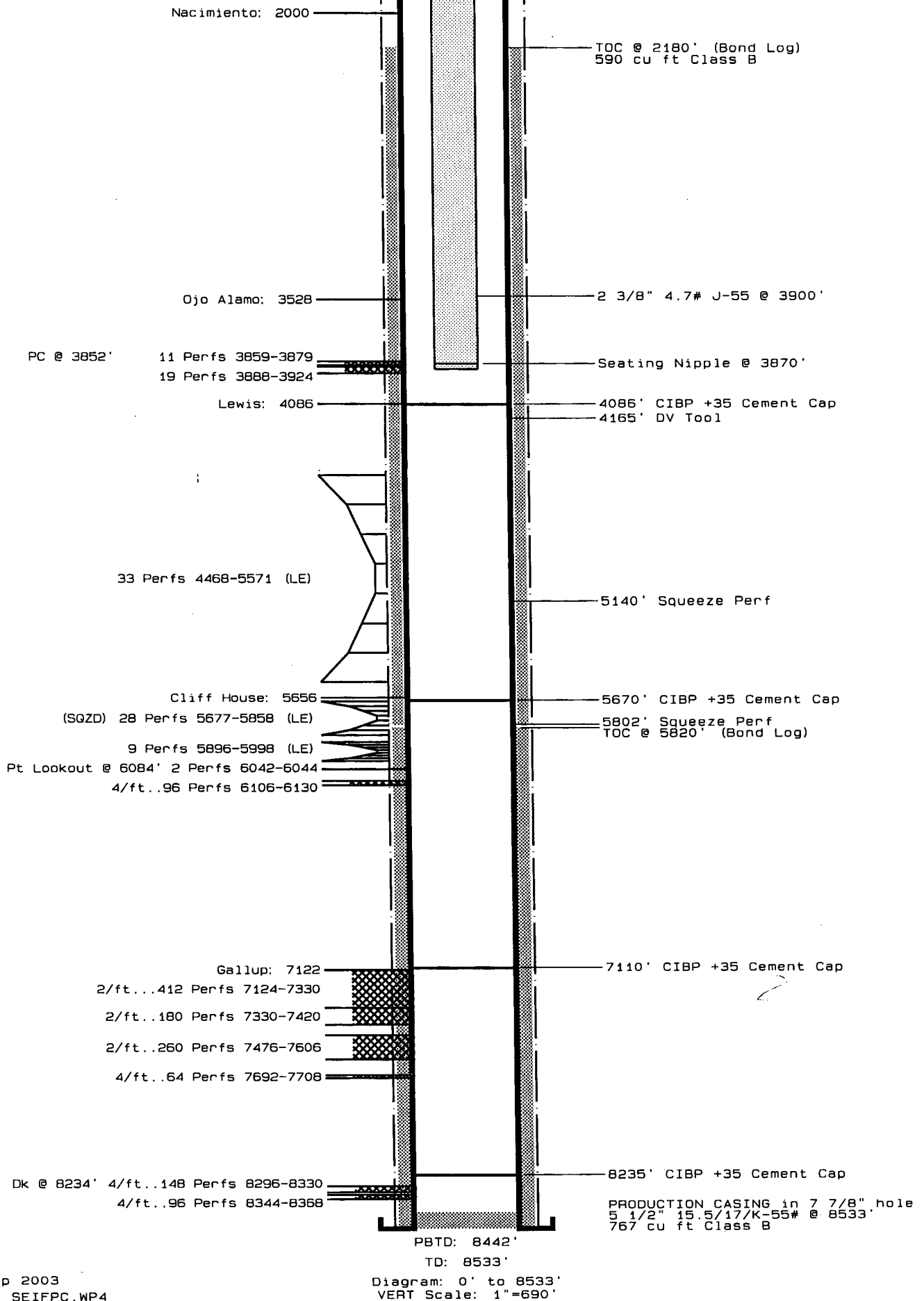
940'FSL & 990'FEL

Section 22 T26N R2W

Rio Arriba County New Mexico

Existing Configuration

SURFACE CASING in 12 1/4" hole  
9 5/8" 35# K-55 @ 303'  
177 cu ft Class B..CIRCULATED



# SEIFERT GAS COM A #1

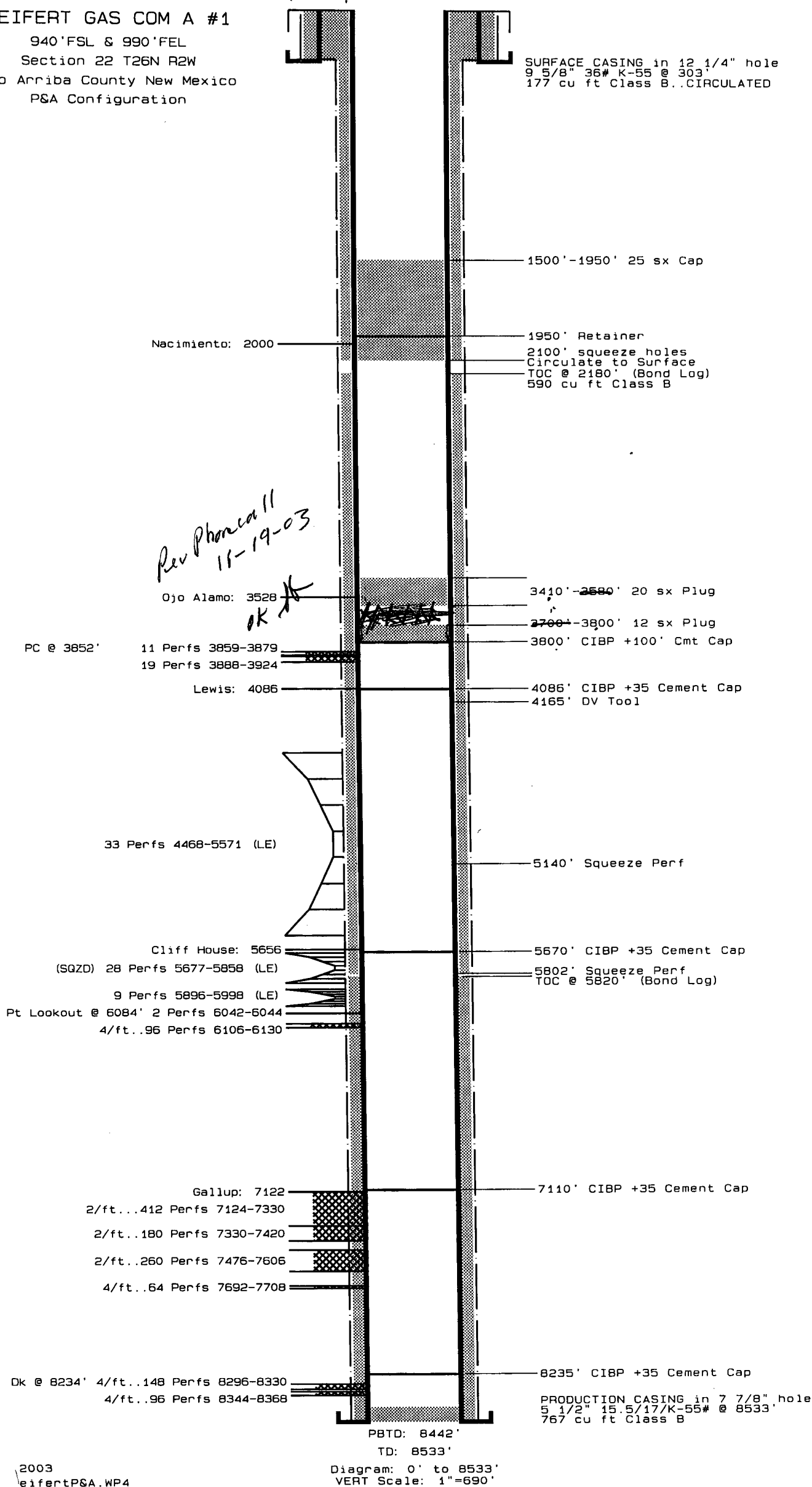
940'FSL & 990'FEL

Section 22 T26N R2W

Rio Arriba County New Mexico

PSA Configuration

SURFACE CASING in 12 1/4" hole  
9 5/8" 36# K-55 @ 303'  
177 cu ft Class B..CIRCULATED



John S

William S. Seifert  
P.O. Box 1364  
Farmington, NM 87499  
(505) 334-3826

RECEIVED  
JUL 19 2002  
McELVAIN OIL & GAS  
PROPERTIES INC.

Joe Elledge  
ATTN: Mcelvain Oil & Gas  
P.O. Box 111  
Farmington, NM 87499

July 13, 2002

To whom it may concern:

This is in regards to Seifert Gas Com A#1 well, E/2  
Section 22-26N-2W in Rio Arriba County, New Mexico.  
I want to keep said well as a private water well  
and want it plug at 1500 ft. from surface. I also  
want to be notified when this will take place as  
I want to be present and have access to the well log.

Sincerely,

*William S. Seifert*  
William S. Seifert

## **Assignment and Release**

**Seifert Gas Com #1**

**(API #30-039-24068)**

**Conversion to Water Well**

**SE/4SE/4 Section 22, T26N-R2W**

**Rio Arriba County, New Mexico**

This Assignment and Release is entered into this 4<sup>th</sup> day of September, 2003 by and between McElvain Oil & Gas Properties, Inc., whose address is 1050 17<sup>th</sup> Street, Suite 1800, Denver, CO 80265 ("McElvain") and William S. Seifert and Sheila F. Seifert, his wife, whose address is P. O. Box 1364, Farmington, NM 87499 ("Seifert").

### **Recitals.**

- A. McElvain is the current operator of the Seifert Gas Com #1 wellbore located in the SE/4SE/4 of Section 22, Township 26 North, Range 2 West, Rio Arriba County, New Mexico (the "Well"). Seifert has requested and McElvain has agreed to transfer ownership and responsibility for the Well to Seifert for the purpose of converting it to a water-well.
- B. In exchange for the Well, Seifert agrees to assume all obligations for the Well and to fully release and indemnify McElvain from any and all claims, present and future, subject to obtaining all required approvals and to acceptance and agreement of the parties to the following terms and conditions: For purposes of this release and indemnification, the term "McElvain" shall include any affiliates or related entities of McElvain and all non-operators in the Well.

### **Assignment.**

McElvain hereby transfers of all its rights in the Well to Seifert. This transfer is made without warranty either express or implied. Seifert accepts the Well and the surrounding area **AS IS WHERE IS AND WITHOUT ANY WARRANTY OR REPRESENTATION, WHETHER EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE RELATING TO THE CONDITION, QUANTITY, QUALITY, FITNESS OR MERCHANTABILITY OF THE WELL FOR A PARTICULAR PURPOSE.**

### **Release and Indemnification.**

Seifert hereby releases "McElvain" from any and all obligations and liabilities to Seifert. Further, Seifert indemnifies and holds "McElvain" harmless against any and all costs, expenses, claims, demands and causes of action of whatsoever kind or character, including court costs and attorneys' fees, arising out of any operations conducted, commitment made or any action taken or omitted by Seifert with respect to the Well and surface use.

### **Effective Date**

This Assignment and Release shall become effective ("Effective Date") immediately after McElvain removes its personal property, tanks and equipment from the surface at the location of the Well and Seifert executes the Statement of Compliance under Paragraph 5 of the Affidavit of Responsibility Conversion to Water-Well form filed with the New Mexico Oil Conservation Commission that McElvain has complied with the provisions of Paragraph 4 thereunder.

Recording of this Assignment and Release in the real property records of Rio Arriba County, New Mexico shall be conclusive evidence that the Effective Date and delivery of this instrument occurred.

This Assignment and Release is binding upon, and shall inure to the benefit of, the parties hereto and their respective successors and assigns.

Executed as of the date first above written, but effective as of the Effective Date.

**McElvain Oil & Gas Properties, Inc.**

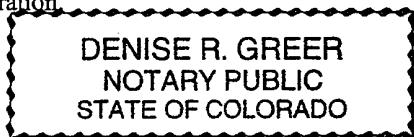
BY: *L. O. Van Ryan*  
L. O. Van Ryan, Senior Vice-President

*William S. Seifert*  
William S. Seifert

*Sheila F. Seifert*  
Sheila F. Seifert

STATE OF COLORADO )  
COUNTY OF DENVER )

The foregoing instrument was acknowledged before me this 4<sup>th</sup> day of September, 2003, by L. O. Van Ryan, as Senior Vice President of McElvain Oil & Gas Properties, Inc., a New Mexico corporation, in behalf of such corporation.



My Commission Expires 05/08/2007

*Denise R Greer*  
Notary Public

STATE OF New Mexico )  
COUNTY OF San Juan ) ss

The foregoing instrument was acknowledged before me this 16 day of September, 2003, by William S. Seifert and *Sheila F Seifert*

*Shana Guinn*  
Notary Public

My commission expires

June 4, 2005

NEW MEXICO OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO

AFFIDAVIT OF RESPONSIBILITY  
CONVERSION TO WATER-WELL

STATE OF Colorado ) ss.  
County of Denver )

John Steuble, being first duly sworn according to law, upon his oath deposes and says:

1. That he is Operations Manager of McElvain Oil & Gas Properties, Inc.  
(Title) (Operator)  
whose address is 1050 17<sup>th</sup> Street, Suite 1800, Denver, Colorado 80265.

2. That McElvain Oil & Gas Properties, Inc. is the operator of a well drilled on land be- longing to William S. & Sheila F. Seifert, whose address is P. O. Box 1364, Farmington, NM 87499  
(Landowner)

McElvain Oil & Gas Properties, Inc., said well being drilled to test for hydrocarbons and/or carbon dioxide gas and described as the Seifert Gas Com No. 1, being located 940 feet from the north line and 990 feet from the east line of Section 22, Township 26 North, Range 2 West, NMPM, Rio Arriba County, New Mexico.

3. That said well was drilled to a total depth of 8,533 feet, and that casing has been set and cemented as follows:

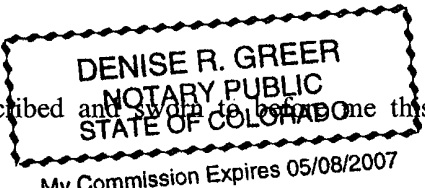
SEE ATTACHED

4. That operator and landowner have made an agreement whereby operator (is) (is not) to back fill pits, level location, and clear it of all junk. The agreement further provides that operator is to plug said well back to a plugged-back total depth of 1,500 feet and transfer well to landowner for his use as a water-well. Operator will leave casing in the well as follows:

SEE ATTACHED

5. That when operator has complied with the provisions of Paragraph 4. above it will so notify the Oil Conservation Commission of the State of New Mexico on Commission form C-103, together with a signed statement from the landowner that the provisions of Paragraph 4 above have been complied with to his satisfaction.

McElvain Oil & Gas Properties, Inc.  
(Operator)  
By John Steuble  
day of September A. D. 20 03  
Denise R Greer  
Notary Public in and for the County of Denver

  
Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_ A. D. 2003

STATE OF New Mexico ) ss.  
County of San Juan )  
William S. & Sheila F. Seifert, being first duly sworn according to law, upon his oath deposes and says that when the provisions of paragraphs 4 and 5 have been complied with, he will accept the above described well for his use as a water-well, and that he will assume all responsibility for the well, the location and the conversion of the well to a water-well.

Subscribed and sworn to before me this 11<sup>th</sup> day of September A. D. 20 03  
Sharon E. Greer  
Notary Public in and for the County of San Juan

APPLICATION TO APPROPRIATE UNDERGROUND WATERS  
IN ACCORDANCE WITH SECTION 72-12-1 NEW MEXICO STATUTES

1. Name and mailing address of applicant:

File No. SJ-3425

Sheila Seifert

P.O. Box 1364

Farmington, NM 87499

DRILLER'S  
COPY

2. Describe well location under one of the following subheadings:

a. SE 1/4 NW 1/4 SE 1/4 of Sec. 22 Twp. 26N Rge. 2W NMPM,  
in Rio Arriba County.

b. X = \_\_\_\_\_ feet, Y = \_\_\_\_\_ feet, New Mexico Coordinate System  
Zone in the \_\_\_\_\_ Grant.

3. Approximate depth (if known) \_\_\_\_\_ feet; outside diameter of casing \_\_\_\_\_ inches.

Name of driller (if known) \_\_\_\_\_

4. Use of water (check use applied for):

☒ One household, non-commercial trees, lawn and garden not to exceed one acre.

☐ Livestock watering.

☐ More than one household, non-commercial trees, lawns and gardens not to exceed a total of one acre.

☐ Drill and test a well intended to be used for domestic, drinking and sanitary or stock water purposes in conjunction with the building or dwelling unit.

☐ Drinking and sanitary purposes and the irrigation of non-commercial trees, shrubs and \_\_\_\_\_ in conjunction with a commercial operation.

☐ Prospecting, mining or drilling operations to discover or develop natural resources.

☐ Construction of public works, highways and roads.

If any of the last three items were marked, give name and nature of business under Remarks (Item 5).

5. Remarks: This is a former natural gas and oil well.

I, Sheila Seifert, affirm that the foregoing statements are true to the best of my knowledge and belief and that development shall not commence until approval of the permit has been obtained.

Sheila Seifert, Applicant

By: \_\_\_\_\_

Date: October 8, 2003

ACTION OF STATE ENGINEER

This application is approved for the use indicated, subject to all general conditions and to specific conditions numbered 1a & 4 on the reverse side hereof. This permit will automatically expire unless this well is drilled or driven and the well record filed on or before October 8, 2004.

JOHN R. D'ANTONIO, JR., P.E., STATE ENGINEER

By: J. Hubbard

Date: October 8, 2003

File No. SJ-3425

03 OCT 08 PM 4 24  
STATE ENGINEER OFFICE  
AZTEC, NEW MEXICO



GENERAL CONDITIONS OF APPROVAL

- A. The maximum amount of water that may be appropriated under this permit is 3 acre-feet in any year.
- B. The well shall be drilled by a driller licensed in the State of New Mexico in accordance with Section 72-12-12 New Mexico Statutes Annotated. A licensed driller shall not be required for the construction of a driven well; provided, that the casing shall not exceed two and three-eighths (2 3/8) inches outside diameter (Section 72-12-12).
- C. Driller's well record must be filed with the State Engineer within 10 days after the well is drilled or driven. Failure to file the well record within that time shall result in automatic cancellation of the permit. Well record forms will be provided by the State Engineer upon request.
- D. The casing shall not exceed 7 inches outside diameter except under specific conditions in which reasons satisfactory to the State Engineer are shown.
- E. If the well under this permit is used at any time to serve more than one household or livestock in a commercial feed lot operation, or for drinking and sanitation purposes in conjunction with a commercial operation, the permittee shall comply with Specific Conditions of Approval number 5(b).
- F. In the event this well is combined with other wells permitted under Section 72-12-1 New Mexico Statutes Annotated, the total outdoor use shall not exceed the irrigation of one acre of non-commercial trees, lawn, and garden, or the equivalent outside consumptive use, and the total appropriation for household and outdoor use from the entire water distribution system shall not exceed 3 acre-feet in any year.
- G. If artesian water is encountered, all rules and regulations pertaining to the drilling and casing of artesian wells shall be complied with.
- H. & I See side margins.

SPECIFIC CONDITIONS OF APPROVAL

(Applicable only when so indicated on the other side of this form.)

1. Depth of the well shall not exceed the thickness of the (a) valley fill or (b) Ogallala formation.
2. The well shall be constructed to artesian well specifications and the State Engineer shall be notified before casing is landed or cemented.
3. Appropriation and use of water under this permit shall not exceed a period of one year from the date of approval.
4. Use shall be limited to household, non-commercial trees, lawn and garden not to exceed one acre and/or stock use.
5. A totalizing meter shall be installed before the first branch of the discharge line from the well and the installation shall be acceptable to the State Engineer; the Engineer shall be advised of the make, model, serial number, date of installation, and initial reading of the meter prior to appropriation of water; pumping records shall be submitted to the District Supervisor: (a) for each calendar month, on or before the 10th day of the following month (b) on or before the 10th of January, April, July and October of each year for the three preceding calendar months (c) for each calendar year on or before the 10th day of January of the following year.
6. The well shall be plugged upon completion of the permitted use, and a plugging report shall be filed with the State Engineer within 10 days.
7. Final approval for the use of the well shall be dependent upon a leakage test made by the State Engineer.
8. Use shall be limited strictly to household, drinking and sanitary purposes; water shall be conveyed from the well to the place of use in closed conduit and the effluent returned to the underground so that it will not appear on the surface. No irrigation of lawns, gardens, trees or use in any type of pool or pond is authorized under this permit.
9. No water shall be used from this well unless and until a permit has been issued to an applicant who intends to use the water for any of the purposes described in § 72-12-1.

INSTRUCTIONS

The application shall be made in the name of the actual user of the well for the purpose specified in the application.

The application shall be filed in triplicate and forwarded with a \$5.00 filing fee to the State Engineer.

A separate application must be filed for each well to be drilled or used.

If well to be used is an existing well, an explanation (and the file number, if possible) should be given under Remarks (Item 5).

Applications for appropriation, well records and requests for information in the following basins should be addressed to the State Engineer at the location indicated.

Bluewater, Estancia, Rio Grande, Sandia, Gallup and ~~XXXXXX~~ Basins  
District No. 1, ~~XX~~

Office of the State Engineer  
121 Tijeras, NE., Suite 2000  
Albuquerque, NM 87102-3400

Capitan, Carlsbad, Curry County, Fort Sumner, Hondo, Jal, Lea County, Penasco, Portales, Roswell, Tucumcari and Upper Pecos Basins District No. 2, 1900 West Second Street, Roswell, NM 88201

Animas, Gila-San Francisco, Lordsburg, Mimbres, Mutt-Hockett, Playas, San Simon and Virden Valley Basins  
District No. 3, P.O. Box 844, Deming, NM 88031

Lower Rio Grande, Tularosa, Hueco, Las Animas Creek and Hot Springs Basins  
District No. 4, 133 Wyatt Drive, Suite 3, Las Cruces, NM 88005

Canadian River Basin  
State Engineer Office, P.O. Box 25102, Santa Fe, NM 87504-5102

San Juan Basin  
State Engineer Office  
100 S. Oliver  
Aztec, NM 87410

SUPPLEMENTAL INSTRUCTION

If the well under this permit is to be used for livestock watering on state or federal land, proof of the following must be provided as part of this application: (1) applicant is legally entitled to place his livestock on the land where the water is to be used; (2) applicant has been granted access to the drilling site and has permission to occupy the portion of the land as is necessary to drill and operate the well.

I. The permittee shall utilize the highest and best technology available to ensure conservation of water to the maximum extent practical.

H. The amount and uses of water permitted under this Application are subject to such limitations as may be imposed by the courts or by lawful municipal and county ordinances which are more restrictive than applicable State Engineer Regulations and the conditions of this permit.