

District I
PO Box 1980, Hobbs, NM 88241-1980

District II
PO Drawer DD, Artesia, NM 88211-0719

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-101

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Submit to Appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address
McElvain Oil & Gas Properties Inc.
1050 17th Street, Suite 710
Denver, Colorado 80265

² OGRID Number

22044

³ API Number

30-039-26415

⁴ Property Code

23816

⁵ Property Name

Cougar Com 33

⁷ Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|------------|
| C | 33 | 26N | 2W | | 790 | North | | West | Rio Arriba |

⁸ Proposed Bottom Hole Location If Different From Surface

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|

⁹ Proposed Pool 1

Basin Dakota

¹⁰ Proposed Pool 2

¹¹ Work Type Code

N

¹² Well Type Code

G

¹³ Cable/Rotary

R

¹⁴ Lease Type Code

P

¹⁵ Ground Level Elevation

7484 '

¹⁶ Multiple

N

¹⁷ Proposed Depth

8440

¹⁸ Formation

Dakota

¹⁹ Contractor

Not selected

²⁰ Spud Date

04/15/00

²¹ Proposed Casing and Cement Program

| Hole Size | Casing Size | Casing weight/foot | Setting Depth | Sacks of Cement | Estimated TOC |
|-----------|-------------|--------------------|---------------|-----------------|---------------|
| 12.250 " | 9.625 " | 36 | 500 ' | 300 | surface |
| 8.750 " | 5.500 " | 15.5 | 6140 ' | | |
| 7.875 " | 5.500 " | 15.5 & 17.0 | 8440 ' | 1650 - 3 stg | surface |

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.
McElvain Oil & Gas Properties Inc. proposes to spud this well in the San Jose formation. Drill surface hole to 500 ' with a fresh water base mud. Run and cement surface casing with sufficient volume to circulate to surface using 100 % excess. WOC 12 hours. Pressure test surface casing and BOPE to 600 psi for 15 minutes. Drill an 8 3/4 " hole approximately 43 feet into Upper Mancos formation. Reduce hole size to 7 7/8 " and drill to TD using a low solids mud system mixed with Mesa Verde and / or Dakota produced water. Run Induction and Compensated density / Epithermal neutron logs from TD to surface casing shoe. Run and cement production casing to surface using 50 % excess in all cement volume calculations. Move out rotary rig. Move in completion rig. Run cased hole correlation logs. Test production casing to 3500 psig for 15 minutes. Perforate select Dakota intervals and stimulate using a 2 % KCl water based gel fluid. If logs indicate the Dakota is non - productive a completion attempt will be made in either the Gallup or Mesa Verde formation.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.
Signature: *R. E. Fielder*

Printed Name: R. E. Fielder

Title: Agent

Date: 03/27/00

Phone: (505) 325 - 5220

OIL CONSERVATION DIVISION

Approved by:

Charles T. Lerner

Title:

DEPUTY OIL & GAS INSPECTOR, DIST. #3

Approval Date:

MAR 28 2000

Expiration Date:

MAR 28 2001

Conditions of Approval:

Attached ☐

District I
PO Box 1980, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102

Revised February 21, 1994

District II
PO Drawer 00, Artesia, NM 88211-0719

Instructions on back
Submit to Appropriate District Office

District III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

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Fee Lease - 3 Copies

District IV
PO Box 2088, Santa Fe, NM 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | |
|-----------------------------|---|---------------------|----------------------------|
| *API Number 30-039-26415 | | *Pool Code 71599 | *Pool Name Basin Dakota |
| *Property Code 23816 | *Property Name COUGAR COM 33 | | *Well Number 2 |
| *GRID No. 22044 | *Operator Name McELVAIN OIL & GAS PROPERTIES | | *Elevation 7484' |

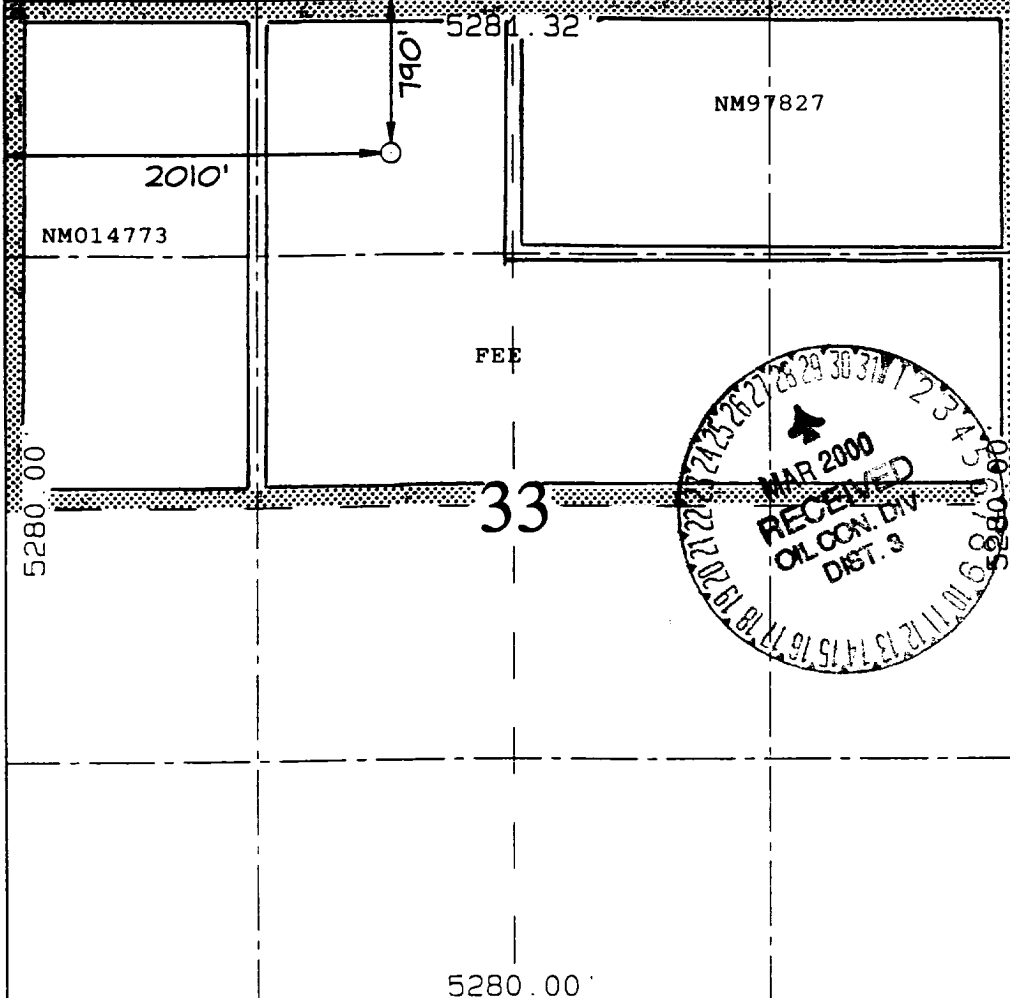
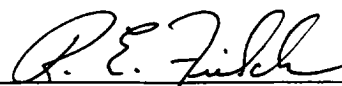
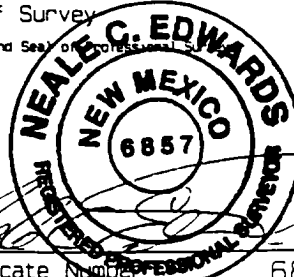
10 Surface Location

| | | | | | | | | | |
|--------------------|---------------|-----------------|-------------|---------|----------------------|---------------------------|-----------------------|------------------------|----------------------|
| UL or lot no. C | Section 33 | Township 26N | Range 2W | Lot Idn | Feet from the 790 | North/South line NORTH | Feet from the 2010 | East/West line WEST | County RIO ARriba |
|--------------------|---------------|-----------------|-------------|---------|----------------------|---------------------------|-----------------------|------------------------|----------------------|

11 Bottom Hole Location If Different From Surface

| | | | | | | | | | |
|---------------------------|---------|-------------------------|-------|----------------------------|---------------|------------------|---------------|----------------|--------|
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| 12 Dedicated Acres 320 | | 13 Joint or Infill Y | | 14 Consolidation Code C | | 15 Order No. | | | |

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

| | |
|---|---|
|  | 17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature R. E. Fielder Printed Name Agent Title March 27, 2000 Date |
| | 18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes or actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. FEBRUARY 28, 2000 Date of Survey Signature and Seal of Professional Surveyor  Certificate Number 6857 |



BEARCAT DRILLING

P. O. Box 717

Farmington, New Mexico 87499

Office: (505) 327-5218 ■ FAX: (505) 564-9185

CONFIDENTIAL

November 30, 2000

McElvain Oil & Gas Properties, Inc.
1050 17th Street, Suite 710
Denver, CO 80265

Re: Deviation Surveys
Cougar Com 33 #2
Section 33-T26N-R2W
Rio Arriba County, NM

Gentlemen:

The following deviation surveys were conducted by our Rig #1 crews on your above referenced well.

| | | | | | |
|-------|--------|-------|--------|-------|--------|
| Depth | Survey | Depth | Survey | Depth | Survey |
| 152' | 3/4 | 498' | m/r | 508' | 3/4 |
| 956' | 1-3/4 | 1423' | 1 | 1913' | 1 |
| 2376' | 1 | 2884' | 1 | 3372' | 2 |
| 3867' | 1 | 4306' | 2 | 4667' | 2 |
| 4520' | 2 | 5020' | 2 | 5501' | 2 |
| 5927' | 3/4 | 6398' | 1 | 6925' | 1 |
| 7424' | 1-1/4 | 7949' | 1-1/4 | 8353' | 1-1/4 |

Sincerely,

Bonifacio Vallejos

Bowen Vallejos
Drilling Superintendent

Subscribed and sworn by me on this the 30th day of November, 2000.

G. R. Mahan

G. R. Mahan
My Commission expires October 20, 2003.