

McElvain Oil & Gas Properties, Inc.

INDEPENDENCE PLAZA
1050 17TH STREET, SUITE 1800
DENVER, COLORADO 80265

OK - DUC

JOHN D. STEUBLE
ENGINEERING MANAGER
E.mail johns@mcelvain.com

TELEPHONE 303-893-0933 EXT.302
FAX 303-893-0914

March 4, 2003

New Mexico Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

Attn: Mr. David Catanach

RE: Wildfire SWD #1
SE/SW Sec.26 T26N R2W

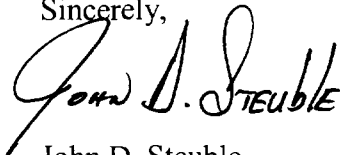
Dear Sir:

Enclosed please find the following items relating to the Wildfire SWD #1:

- 2-BLM Sundry Notices
- BLM Completion Report
- Water Analysis from Morrison Formation
- Open hole log

It is our intentions to commence injection operations during March, 2003.

Sincerely,

The image shows a handwritten signature in black ink that reads "John D. Steuble". The signature is written in a cursive, flowing style.

John D. Steuble
Engineering Manager

Encls.

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.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	
2. Name of Operator McElvain Oil and Gas Properties, Inc.	
3a. Address 1050 17th Street Suite 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) 900' FSL & 1650' FWL Sec. 26 T26N R2W NMPM	


5. Lease Serial No. NM103556
6. If Indian, Allottee or Tribe Name
7. If Unit or CA/Agreement, Name and/or No.
8. Well Name and No. Wildfire SWD #1
9. API Well No. 30-039-24073
10. Field and Pool, or Exploratory Area SWD, Morrison, Entrada
11. County or Parish, State Rio Arriba, NM

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 checked="" 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 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 recompleat 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 shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once 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.)

10/22/01-11/04/01: The cement plugs from the surface thru the open perfs were drilled out. The open perfs 7348'-7656' were squeezed with 80 sacks of Class H cement thru a retainer. The retainer was drilled out and the casing from 8543' to surface was tested to 500 psi for 30 minutes. The well was deepened with a 4 3/4" hole from the end of the casing at 8600' to a total depth of 9100'. No additional casing was run.

14. I hereby certify that the foregoing is true and correct	
Name (Printed/Typed) John D. Steuble	Title Engineering Manager
Signature 	Date 2/20/2003

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.

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NM103556

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
Wildfire SWD #1

9. API Well No.
30-039-24073

10. Field and Pool or Exploratory Area
SWD, Morrison, Entrada

11. County or Parish, State
Rio Arriba, NM

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

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7/30/02: Ran 2 7/8" tubing and packer. Circulated corrosion inhibitor in annulus. Set packer. Pressure tested annulus to 500 psi for 30 minutes.

8/01/02: RU pump truck and pressure recorders. Pressure tested annulus to 360 psig for 30 minutes. Test witnessed by NMOC representative Bruce Martin. Test report attached.

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

John D. Steuble

Title Engineering Manager

Signature

John D. Steuble

Date 2/20/2003

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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Title

Date

Office

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(Instructions on reverse)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

17. Elevations (DF, RKB, RT, GL)*
7715 GL

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Fwlg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	

3b. Production - Interval C

Rate First reduced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Shoke size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	

3c. Production - Interval D

Rate First reduced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Shoke size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	

1. Disposition of Gas (Sold, used for fuel, vented, etc.)

1. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top Meas. Depth
				Morrison	8580

2. Additional remarks (include plugging procedure):

Well Deepened for SWD

3. Circle enclosed attachments:

1. Electrical/Mechanical Logs (1 full set req'd.)
2. Geologic Report
3. DST Report
4. Directional Survey
5. Sundry Notice for plugging and cement verification
6. Core Analysis
7. Other:

4. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) John D. Steuble Title Engineering Manager

Signature John D. Steuble Date 2/20/03

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5 BLM, Fmn 1 DE 1 Dugan 1 File 1 Andes/Lang
SUBMIT IN DUPLICATE*
(See other instructions on reverse side)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Form approved.
Budget Bureau No. 1004-0137
Expires August 31, 1985

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1. TYPE OF WELL: OIL WELL ☒ GAS WELL ☐ DRY ☐ Other ☐

2. TYPE OF COMPLETION: NEW WELL ☒ WORK OVER ☐ DEEP-EN ☐ PLUG BACK ☐ DIFF. REVR. ☐ Other ☐

3. NAME OF OPERATOR

JEROME P. McHUGH

4. ADDRESS OF OPERATOR

P O Box 809, Farmington, NM 87499

5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*

At surface 900' FSL - 1650' FWL

At top prod. interval reported below

At total depth

14. PERMIT NO.

DATE ISSUED

10/9/86

12. COUNTY OR PARISH

Rio Arriba

13. STATE

NM

15. DATE SPUDDED

10/18/86

16. DATE T.D. REACHED

11/22/86

17. DATE COMPL. (Ready to prod.)

4/10/87

18. ELEVATIONS (DF, RKB, RT, GR, ETC.)*

7715' GL; 7727' KB

19. ELEV. CASINGHEAD

7715' GL

20. TOTAL DEPTH, MD & TVD

8605'

21. PLUG, BACK T.D., MD & TVD

8496'

22. IF MULTIPLE COMPL., HOW MANY*

NA

23. INTERVALS DRILLED BY

ROTARY TOOLS

TD

CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*

7348-7656', Mancos

25. WAS DIRECTIONAL SURVEY MADE

No

26. TYPE ELECTRIC AND OTHER LOGS RUN

Dual Induction Guard, Spectral Density Dual

Spaced Neutron, GR-CCL, Cement Bond

27. WAS WELL CORED

No

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
9-5/8"	36	264' KB	12-1/4"	177 cf Class B W/ 2% CaCl	---
5-1/2"	17	8600' KB	7-7/8"	See reverse	---

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	BACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
None					2-7/8"	7668' KB	---

31. PERFORATION RECORD (Interval, size and number)

7348, 50, 52, 64, 76, 78, 80, 91;
7412, 14, 30, 32, 42, 47, 58, 71, 90, 98;
7534, 36, 51, 54, 57, 67, 73, 83, 93, 97;
7604, 18, 26, 38, 40, 46 & 56.

Total of 35 holes

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
7348-7656'	750 gal. 7-1/2% HCL
	82,000 gal 30# cross-link gel
	90,000 20/40 sand

33. PRODUCTION

DATE FIRST PRODUCTION		PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)					WELL STATUS (Producing or shut-in)	
1/5/87*		Flowing					SI	
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO	
4/10/87	3	---	→	10.2	15	20**	1471	
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)		
180 psi	575 psi	→	81.6	120	160**	38.6°		

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

Vented during test; to be sold.

WITNESSED BY

M. Brasuel

35. LIST OF ATTACHMENTS

*1st new oil swabbed to tank during completion operation

**Frac water

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED

James S. Hazen

TITLE

Field Supt.

DATE

4/10/87

*(See Instructions and Spaces for Additional Data on Reverse Side)

OFF: (505) 325-5667
FAX: (505) 327-1496



LAB: (505) 325-1556
FAX: (505) 327-1496

ANALYTICAL REPORT

Date: 21-Nov-01

Client:	Property Management & Consulting	Client Sample Info:	Wildfire SWD - 8600-9100ft.
Work Order:	0111008	Client Sample ID:	Morrison Formation Water
Lab ID:	0111008-01A	Matrix:	AQUEOUS
Project:	Wildfire SWD-Morrison Formation Water	Collection Date:	11/12 2001 4:30:00 PM
		COC Record:	11654

Parameter	Result	PQL	Qual	Units	DF	Date Analyzed
ANIONS BY ION CHROMATOGRAPHY						
	E300					Analyst: DC
Chloride	3150	121		mg/L	2013	11/21/2001
Sulfate	6820	161		mg/L	2013	11/21/2001
ICP METALS, DISSOLVED						
	SW6010B					Analyst: DC
Calcium 317.933	173	0.65		mg/L	65	11/16/2001
Iron 259.939	1.6	1.6		mg/L	65	11/16/2001
Magnesium 285.213	15.7	0.46		mg/L	65	11/16/2001
Potassium 766.490	67.3	4		mg/L	65	11/16/2001
Sodium 589.592	5480	3.8		mg/L	200	11/16/2001
ALKALINITY, TOTAL						
	M2320 B					Analyst: DM
Alkalinity, Bicarbonate (As CaCO ₃)	470	5		mg/L CaCO ₃	1	11/14/2001
Alkalinity, Carbonate (As CaCO ₃)	ND	5		mg/L CaCO ₃	1	11/14/2001
Alkalinity, Hydroxide	ND	5		mg/L CaCO ₃	1	11/14/2001
Alkalinity, Total (As CaCO ₃)	470	5		mg/L CaCO ₃	1	11/14/2001
HARDNESS, TOTAL						
	M2340 B					Analyst: DC
Hardness (As CaCO ₃)	497	1		mg/L	1	11/21/2001
PH						
	E150.1					Analyst: DM
pH	7.29	2		pH units	1	11/14/2001
Temperature	16			deg. C	1	11/14/2001
RESISTIVITY (@ 25 DEG. C)						
	M2510 C					Analyst: DM
Resistivity	0.459	0.001		ohm-m	1	11/14/2001
SPECIFIC GRAVITY						
	M2710 F					Analyst: DM
Specific Gravity	1.015	0.001		Units	1	11/14/2001
TOTAL DISSOLVED SOLIDS						
	E160.1					Analyst: DM
Total Dissolved Solids (Residue, Filterable)	16800	40		mg/L	1	11/14/2001
TOTAL DISSOLVED SOLIDS						
	CALC					Analyst: DC
Total Dissolved Solids (Calculated)	16000	5		mg/L	1	11/21/2001

Qualifiers:	PQL - Practical Quantitation Limit	S - Spike Recovery outside accepted recovery limits
	ND - Not Detected at Practical Quantitation Limit	R - RPD outside accepted recovery limits
	J - Analyte detected below Practical Quantitation Limit	E - Value above quantitation range
	B - Analyte detected in the associated Method Blank	Sum - Surrogate

1 of 1

PO. BOX 2606 • FARMINGTON, NM 87499

EMAIL: ONSITE@ONSITELTD.COM

TECHNOLOGY BLDG. 2001 J. STREET, FARMINGTON, NM 87401

COMPANY: McELVAIN OIL & GAS PROPER. INC.

WELL: WILDFIRE SWD

FIELD: BASON FINT RADA

COUNTY: RIO ARRIBA STATE: NEW MEXICO

Schlumberger

HOSTILE LITHO DENSITY
GAMMA RAY / CALIPER

COUNTY: RIO ARRIBA
Field: BASON FINT RADA
Location: 900' FSL X 1650' FWL
Well: WILDFIRE SWD
Company: McELVAIN OIL & GAS PROPER

LOCATION

900' FSL X 1650' FWL

Elev.: K.B. 7727 ft
G.L. 7715 ft
D.F. 7726 ft

Permanent Datum: GROUND LEVEL

Elev.: 7715 ft

Log Measured From: KELLY BUSHING

12.0 ft above Perm. Datum

Drilling Measured From: KELLY BUSHING

API Serial No.
30-039-24073

SECTION
26

TOWNSHIP
26N

RANGE
2W

Logging Date			2-Nov-2001					
Run Number			ONE					
Depth Driller			9100 ft					
Schlumberger Depth			9098 ft					
Bottom Log Interval			9108 ft					
Top Log Interval			8600 ft					
Casing Driller Size @ Depth			5.500 in	@	8600 ft	@		
Casing Schlumberger			8604 ft					
Bit Size			4.750 in					
Type Fluid In Hole			GEL CHEM					
MUD	Density	Viscosity	8.6 lbm/gal	36 s				
	Fluid Loss	PH	8 cm3	9.5				
	Source Of Sample		MUD TANK					
RM @ Measured Temperature			3.560 ohm.m	@	73 degF	@		
RMF @ Measured Temperature			2.670 ohm.m	@	73 degF	@		
RMC @ Measured Temperature			5.340 ohm.m	@	73 degF	@		
Source RMF		RMC	CALCULATED	CALCULATED				
RM @ MRT		RMF @ MRT	1.258 @ 219	0.943 @ 219	@	@		
Maximum Recorded Temperatures			219 degF					
Circulation Stopped		Time	2-Nov-2001	6:00				
Logger On Bottom		Time	2-Nov-2001	13:21				
Unit Number		Location	3038	FARMINGTON				
Recorded By			MR. J. TARDAGUILA					
Witnessed By			MR. A. MERRICK					