

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

David Catanach
Division Director
Oil Conservation Division



January 8, 2015

McElvain Energy Inc
ATT: Regulatory
1050 17th Street, Suite 2500
Denver, CO 80265

RE: Little Lake 16 State #001-F, 16-18s-32e, API # 30-025-40869

Dear Operator:

The following inspection(s) of the well files indicate that the well(s) have been drilled, but the operational status of the well(s) failed to meet standards of the New Mexico Oil Conservation Division as described in the detail attachments. To comply with standards imposed by Rules and Regulations of the Division, corrective action must be taken immediately and the situations brought into compliance.

Rule 19.15.16 states that completion forms must be filed within 20 days after completion of the well. Per each attachment is a list of what is required for each well.

Please Note: Delay in processing of regulatory forms may result in operator receiving production and dispositions error messages generated by C-115 reporting.

In the event that a satisfactory response is not received to this letter of direction by the "Corrective Action Due" by January 30, 2015, further enforcement will occur. Such enforcement may include this office applying to the Division for an order summoning you to a hearing before a Division Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon these wells.

Sincerely,

Donna Mull

Line Manager
Hobbs OCD District Office

API # <u>30-025-40869</u>	OPERATOR MCELVAIN ENERGY INC	WELL NAME <u>LITTLE LAKE 16</u> <u>STATE</u>	WELL # <u>001</u>

We have received your completion paperwork on the well listed above. However, before we can approve it, we need the following submitted: (Marked by XXXXX)

	Need C-103 or BLM 3160-5 Subsequent Report on all strings of Casing & Cement
XXXXXX	Need C-103 or BLM 3160-5 Subsequent Report on how well was completed
XXXXXX	Need Deviation Survey
	Need Directional Drill Survey
	Need C-102 with correct Bottomhole Location (Directional or Horizontal wells only)
XXXXXX	Need to submit logs run on well
XXXXXX	Need C-104
XXXXXX	Need C-105 or BLM 3160-4

	Missing info on C-103
	Missing info on C-104
	Missing info on C-105
	Need logs run on well

	OTHERS

With the exception of logs, these can be submitted by e-mail. Please notify me by email when sending information requested

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