

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Hobbs

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**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.
NMNM116166

6. If Indian, Allottee or Tribe Name

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

SEP 08 2015

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No.

EK 29 BS2 FEDERAL COM 3H

2. Name of Operator

MCELVAIN OIL & GAS PROP INC

Contact: TONY G COOPER

E-Mail: TONY.COOPER@MCELVAIN.COM

9. API Well No.

30-025-42699-00-X1

3a. Address

1050 17TH STREET SUITE 1800
DENVER, CO 80265-1801

3b. Phone No. (include area code)

Ph: 303-893-0933 Ext: 331
Fx: 303-893-091410. Field and Pool, or Exploratory
E K

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 29 T18S R34E SESW 305FSL 2155FWL

11. County or Parish, and State

LEA COUNTY, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Change to Original A
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	PD

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.)

EK 29 BS2 FEDERAL COM #3H ? API#: 30-025-42699 ? Current Intermediate casing depth: 3,800 ft
Request 4,900 ft

?Per McElvain Energy, Inc.'s conversation with Mr. Ed Fernandez on Aug. 13th, 2015, McElvain submits this sundry requesting permission to pump a single stage primary cement job on the EK 29 BS2 Federal Com #3H - 5 ?? production casing string. McElvain would like to maintain the option to utilize a DV tool if well conditions require a two-stage cement job. If a DV tool is utilized, McElvain will adhere to the original COA's and place the DV tool within the following depth range: Anywhere from 50' below the previous casing string to 100' above KOP. Placement of the DV tool will be dictated by well conditions. McElvain will then adjust cement volumes proportionally based on the depth of the DV tool.?

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #313683 verified by the BLM Well Information System
For MCELVAIN OIL & GAS PROP INC, sent to the Hobbs
Committed to AFMSS for processing by LINDA JIMENEZ on 08/27/2015 (15LJ1847SE)

Name (Printed/Typed) TONY G COOPER

Title SR EHS SPECIALIST

Signature (Electronic Submission)

Date 08/24/2015

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

APPROVED
PETROLEUM ENGINEER
SEP - 2 2015
Kenneth Rennick
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD 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.

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

SEP 14 2015

CONDITIONS OF APPROVAL

OPERATOR'S NAME:	MCELVAIN ENERGY, INC.
LEASE NO.:	NM245247
WELL NAME & NO.:	EK 29 BS2 Federal Com 3H
SURFACE HOLE FOOTAGE:	305' FSL & 2155' FWL
BOTTOM HOLE FOOTAGE	510' FNL & 1980' FWL
LOCATION:	Section 29, T.18S., R34E., NMPM
COUNTY:	Lea County, New Mexico

Original COA still applies except for fill of cement requirement for the 5 1/2 inch production casing in the Casing Section of the approved Drilling Program. That portion has been replaced with the following condition:

1. The minimum required fill of cement behind the **5-1/2** inch production casing is:

Option 1 (Primary Program):

- ☒ Cement should tie-back **at least 500 feet** into previous casing string. Operator shall provide method of verification. **Cement volumes shall be adjusted accordingly as stated by operator.**

Option 2 (Well Conditions Warranted):

- a. First stage to DV tool:

- ☒ Cement to circulate. If cement does not circulate, contact the appropriate BLM office before proceeding with second stage cement job. Operator should have plans as to how they will achieve approved top of cement.

Operator has proposed DV tool at depth of 7500 feet, but will adjust cement proportionately if moved. DV tool shall be set a minimum of 50 feet below previous shoe and a minimum of 200 feet above current shoe. Operator shall submit sundry if DV tool depth cannot be set in this range.

- b. Second stage above DV tool:

- ☒ Cement should tie-back **at least 500 feet** into previous casing string. Operator shall provide method of verification. **Cement volumes shall be adjusted accordingly as stated by operator.**