

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018**SUNDRY NOTICES AND REPORTS ON CARLSBAD FIELD OFFICE**
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.
OCD Hobbs**SUBMIT IN TRIPLICATE - Other instructions on page 2****HOBBS OCD**5. Lease Serial No.
15247

6. If Indian, Allottee or Tribe Name

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

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

JUL 19 2018

8. Well Name and No.

EK 30 BS2 FEDERAL COM 3H

2. Name of Operator

MCELVAIN ENERGY INC.

Contact: TONY G COOPER

E-Mail: tony.cooper@mcelvain.com

9. API Well No.

30-025-43150

3a. Address

1050 17TH ST STE. 2500
DENVER, CO 80265

3b. Phone No. (include area code)

Ph: 303-962-6489

10. Field and Pool or Exploratory Area

EK BONE SPRING

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

Sec 30 T18S R34E Mer NMP SESE 100FSL 1050FWL

11. County or Parish, State

LEA COUNTY COUNTY, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<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 must 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

McElvain is requesting permission to use oil based mud from 4936' to TD during drilling operations on this well. Please see attachment for detailed mud specs.

HOBBS OCD

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RECEIVED

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

Electronic Submission #425886 verified by the BLM Well Information System
For MCELVAIN ENERGY INC., sent to the Hobbs
Committed to AFMSS for processing by MUSTAFA HAQUE on 06/29/2018 ()

Name (Printed/Typed) CAPLIS CHRIS

Title VP DRILLING

Signature (Electronic Submission)

Date 06/29/2018

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By MUSTAFA HAQUETitle **Petroleum Engineer**
Carlsbad Field OfficeDate 6/29/2018

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.

(Instructions on page 2)

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

Recommended Drilling Fluids Program

McElvain Oil & Gas Properties, Inc. * EK 30 BS2 Federal Com 3 H * Sec. 30, T-18-S, R-34-E,
Lea County, NM

Projected Mud Properties

INTERVAL: 0 - 1,820'		17.5" hole		1,820' TVD		13.375" csg		1 drill bits		3 days	
Depth	Mud Type	M W - ppg	Vis	Fil	pH	Cl - ppm	Sol %				
0-1,000'	FR/NA	8.4-9.2	32-34	N/C	10.0	3-10K	3-8				
1,000-1,820'	FR/NA/ST	9.0-9.6	32-36	30-10cc	10.0	3-10K	5-9				
INTERVAL: 1,820 - 4,936'		12.25" hole		4,936' TVD		9.625" csg		1 drill bits		5 days	
Depth	Mud Type	M W - ppg	Vis	Fil	pH	Cl - ppm	Sol %				
1,820-4,936'	BRINE	10.0	28	N/C	10.0	186K	.5-.75				
INTERVAL: 4,936 - 9,330'		8.75" hole		9,330' TVD				1 drill bits		5 days	
Depth	Mud Type	M W - ppg	Vis	Fil	pH	Cl - ppm	Sol %				
4,936-9,330'	Oil Based Mud	8.8-9.2	28-30	N/C	10.0	40-120K	.75-1.5				
INTERVAL: 9,330 - 17,500'		8.75" hole		9,900' TVD		5.5" csg		2 drill bits		14 days	
Depth	Mud Type	M W - ppg	Vis	HHP	OWR	Cl - ppm	Sol %	E.S.			
9,330-17,500'	Oil Based Mud	8.6-9.0	50-70	15cc	75/25	250K	.5-1.5	600			