

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.***SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM116166
2. Name of Operator MCELVAIN ENERGY INC		6. If Indian, Allottee or Tribe Name
3a. Address 1050 17TH STREET SUITE 2500 DENVER, CO 80265		7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) Ph: 303-893-0933 Ext: 331 Fx: 303-893-0914		8. Well Name and No. EK 30 BS2 FEDERAL COM 1H
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 30 T18S R34E Mer 6PM 175FSL 860FEL		9. API Well No. 30-025-42701
		10. Field and Pool, or Exploratory EK- BONE SPRINGS
		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 APD
	<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 reclamations, have been completed, and the operator has determined that the site is ready for final inspection.)

EK 30 BS2 FEDERAL COM #1H ? API#: 30-025-42701 ? Current Intermediate casing depth 3,750 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 30 BS2 FEDERAL COM #1H - 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.?

14. I hereby certify that the foregoing is true and correct. Electronic Submission #313747 verified by the BLM Well Information System For MCELVAIN ENERGY INC, sent to the Hobbs Committed to AFMSS for processing by LINDA JIMENEZ on 08/27/2015 ()	
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
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 a false statement or representation to any matter within its jurisdiction.	

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

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

SEP 14 2015

CONDITIONS OF APPROVAL

OPERATOR'S NAME:	MCELVAIN ENERGY, INC.
LEASE NO.:	NM123938
WELL NAME & NO.:	EK 30 BS2 Federal Com 1H
SURFACE HOLE FOOTAGE:	175' FSL & 860' FEL
BOTTOM HOLE FOOTAGE:	510' FNL & 660' FEL
LOCATION:	Section 30, 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.**