

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Carlsbad Field Office
OCD Hobbs

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018

SUNDRY NOTICES AND REPORTS ON WELL
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

Lease Serial No.
Multiple--See Attached

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
Multiple--See Attached

8. Well Name and No.
Multiple--See Attached

9. API Well No.
Multiple--See Attached

10. Field and Pool or Exploratory Area
EK
EK-BONE SPRING

11. County or Parish, State
LEA COUNTY, NM

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
MCELVAIN ENERGY INC

Contact: TONY G COOPER
E-Mail: tony.cooper@mcelvain.com

3a. Address
1050 17TH STREET SUITE 2500
DENVER, CO 80265

3b. Phone No. (include area code)
Ph: 303-893-0933 Ext: 331

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

12. CHECK THE 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"/> 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 Surface Commingling
	<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 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 Energy, Inc. is submitting this sundry for approval of a surface commingled facility and off-lease measurement of gas in 18S 34E Lea County NM. Please see that attached CAA packet for greater detail.

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

Electronic Submission #382708 verified by the BLM Well Information System
For MCELVAIN ENERGY INC, sent to the Hobbs
Committed to AFMSS for processing by PRISCILLA PEREZ on 09/26/2017 (17PP0636SE)

Name (Printed/Typed) CHRIS CAPLIS

Title VP DRILLING

Signature (Electronic Submission)

Date 07/26/2017

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.

(Instructions on page 2)

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

Additional data for EC transaction #382708 that would not fit on the form

5. Lease Serial No., continued

NMNM0245247
NMNM116166

Wells/Facilities, continued

Agreement	Lease	Well/Fac Name, Number	API Number	Location
NMNM0245247	NMNM0245247	EK 30 BS2 FEDERAL COM 2H	30-025-43883-00-X1	Sec 30 T18S R34E SESE 150FSL 876FEL 32.711872 N Lat, 103.593895 W Lon
NMNM116166	NMNM116166	EK 30 BS2 FEDERAL COM 1H	30-025-42701-00-X1	Sec 30 T18S R34E SESE 175FSL 860FEL
NMNM0245247	NMNM0245247	EK 31 BS2 FEDERAL COM 1H	30-025-43884-00-X1	Sec 30 T18S R34E SESE 124FSL 892FEL 32.711803 N Lat, 103.593948 W Lon

APPLICATION FOR LEASE COMMINGLE, ALLOCATION, & OFF-LEASE MEASUREMENT

McElvain Energy, Inc. is requesting approval of a lease commingle, allocation, and off-lease measurement for the following wells:

- CA Pending

Federal Lease: NMNM0245247 & NMNM-116166				Oil			
Well Name	Location	API #	Pool 21650	BOPD	Gravities	MCFD	BTU
EK 30 BS2 Fed Com 1H	SESE Sec.30 T18SR34E	30-025-42701	EK; Bone Spring	600*	38*	600*	1350*

- CA Pending

Federal Lease: NMNM0245247 & NMNM116166				Oil			
Well Name	Location	API #	Pool 21650	BOPD	Gravities	MCFD	BTU
EK 30 BS2 Fed Com 2H	SESE Sec.30 T18SR34E	30-025-43883	EK; Bone Spring	600*	38*	600*	1350*

- CA Pending

Federal Lease: NMNM0245247 & NMNM092780 & NMNM107396				Oil			
Well Name	Location	API #	Pool 21650	BOPD	Gravities	MCFD	BTU
EK 31 BS2 Fed Com 1H	SESE Sec.30 T18SR34E	30-025-43884	EK; Bone Spring	600*	38*	600*	1350*

- The production volumes listed above are estimated production rates for these wells. Once the wells are drilled, the production information may be amended. BOPD & MCFD for the wells may be adjusted.
- The attached map displays the Federal leases associated with the well surface and bottom hole locations and the proposed off-lease measurement station located at the Targa Central Delivery Point (CDP) in section SESE 30 18S 34E.
- The Federal interests in all three wells are equal (12.5%).

Oil & Gas Allocation Methodology:

The central tank battery is located on the shared well pad for the EK 30 BS2 Fed Com 1H & 2H and EK 31 BS2 Fed Com 1H wells located in SESE Sec. 30-T18S-R34E. The production from each well will flow through an inlet three phase metering separator utilizing Coriolis measurement to meter the oil, mag meter measurement to meter the water, and electronic gas orifice meter measurement for the gas. Gas sales generated from the VRU will be allocated back to each well on a monthly basis, utilizing a ratio calculated from each individual wells monthly oil production.

The EK 30 BS2 Fed Com 1H & 2H and EK 31 BS2 Fed Com 1H will have six 1000 bbl. oil tanks for oil storage and sales. The wells will have a common Targa CDP, for custody transfer gas sales. This Targa CDP will be installed on the EK 29 BS2 Fed Com 4H well pad in the SESE Sec. 30-T18S-R34E. Oil and gas production from all three wells will be metered at each individual well's three phase inlet separator.

Individual Wells:

EK 30 BS2 Fed Com 1H...SHL NMNM-245247...BHL NMNM-245247 & NMNM-116166
 EK 30 BS2 Fed Com 2H...SHL NMNM-245247...BHL NMNM-245247 & NMNM-116166
 EK 31 BS2 Fed Com 1H...SHL NMNM-245247...BHL NMNM-245247 & NMNM-092780 & NMNM-107396

Production from each well flows to each individual well's inlet three phase metering inlet separator (3 total). After initial separation, the gas is routed to an electronic gas orifice meter station onsite, and then transported offsite via a proposed McElvain Energy Inc. gas gathering pipeline (pending ROW#136851) to the Targa CDP. The oil is metered onsite with a Coriolis meter and commingled with the other well's oil into common heater treaters. The oil is then routed into a common production line flowing to the 1000 bbl. oil tanks. The water is metered onsite using a mag flow meter, then routed to a common produced water line flowing to one of the 1000 bbl. produced water tanks. Once the water tanks reach a pre-determined level, the produced water is routed via pipeline to the Seely Recycle Containment (ROW #136336) for storage and future use for hydraulic fracturing operations. Oil sales volumes are determined onsite by manually gauging the specific oil tank that is isolated for sales. The oil is then transported off site via oil transport trucks.

- Serial numbers of all measurement devices will be provided to the BLM via sundry upon receipt from the vendor.
- Strapping tables for each individual oil tank will be provided to the BLM via sundry upon receipt from the oil purchaser.

Oil production will be allocated daily based on the volumes derived by each well's individual Coriolis meter. This meter will be proven, as per API, NMOCD, and BLM specifications. The meter will be proven once per month for the first 3 months (to establish a consistent repeatability factor), then quarterly thereafter. The factor obtained during this period will then be used to accurately allocate the oil

production volumes back to each individual well. Gas production will be allocated on a daily basis based on the volumes derived from each individual well's electronic gas orifice meter. The gas sales from the VRU will be allocated back to each well utilizing a ratio calculated from each well's monthly oil production. The allocation meters for each individual well onsite will be calibrated periodically as per API, NMOCD and BLM specifications. The gas sales from the VRU and the well's individual allocation meters will commingle and flow via the McElvain Energy Inc. gas gathering system to the Targa CDP. The BLM & OCD will be notified via sundry of any future changes in the facility.

Process and Flow Descriptions:

Please see the proposed facility diagram for the EK 30 BS2 Fed Com 1H & 2H and EK 31 BS2 Fed Com 1H commingled facility and the EK 29 BS2 Fed Com 4H off-lease custody transfer point (Targa CDP). McElvain Energy Inc. believes this proposed CAA to be in compliance based on the BLM's guidance set forth in IM 2013-02 and the recently revised Onshore Order 3. This proposed CAA will maximize the ultimate recovery of oil and/or gas from the federal leases and will reduce environmental impacts by minimizing surface disturbance and reducing air emissions (methane, VOC's, dust, particulates). The proposed CAA will have no adverse effect on federal royalty income, production accountability, or the distribution of royalty, and is in the overall best interest of the general public.

McElvain Energy Inc. fully understands that the approval of this CAA will not constitute the granting of the pending gas gathering system ROW#136851 or construction rights not granted by the lease instrument.

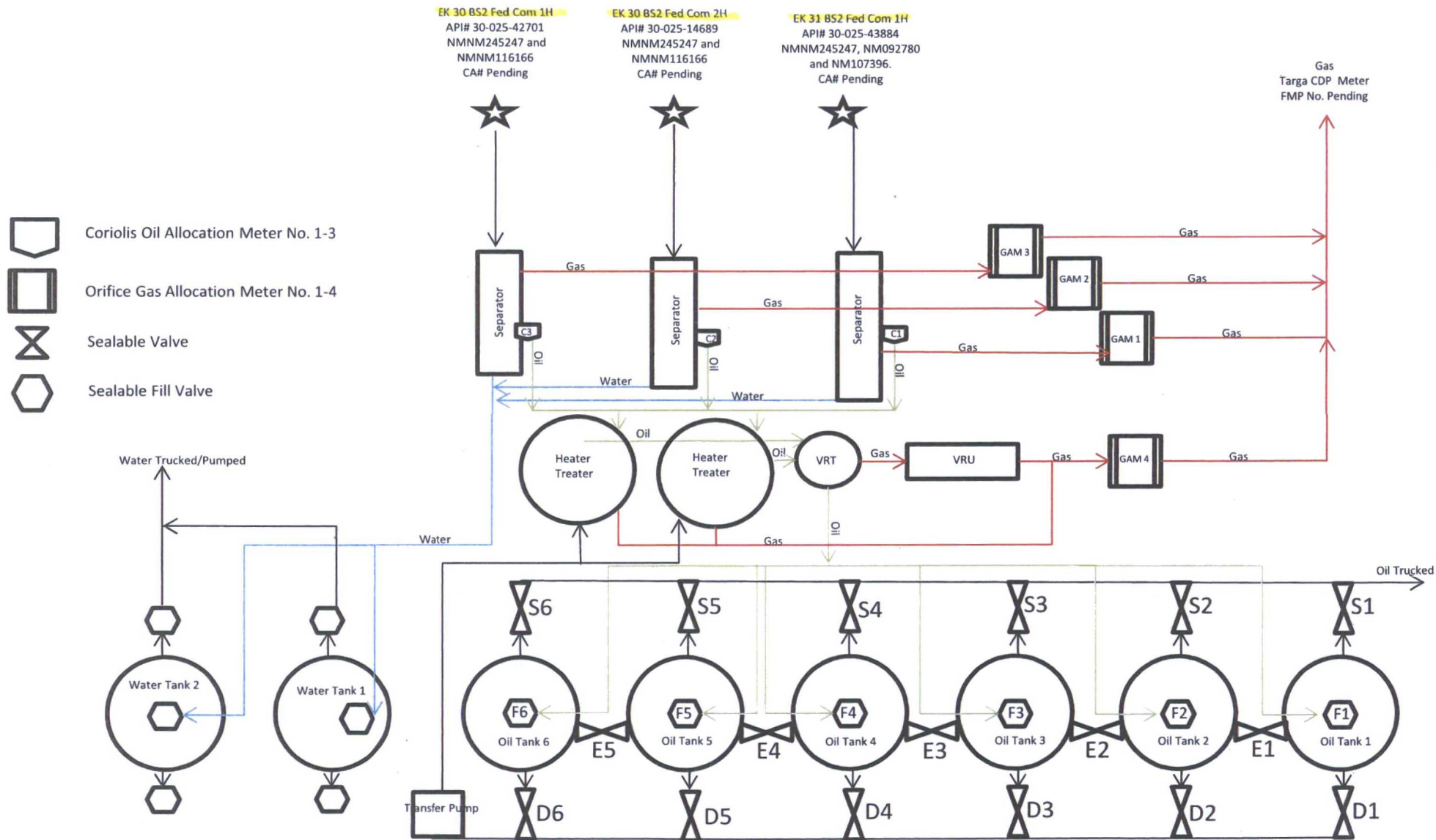
Working, royalty, and overriding interest owners have been notified of this proposal via certified mail (see attached).

Signed: Tony Cooper 7-7-17
Printed Name: Tony Cooper
Title: Regulatory Compliance Mgr.
Date:

Facility Operator: McElvain Energy Inc.
Land Description:

I-C

Federal/Indian Lease, Unit PA, or CA Number: NMNM245247, NM092780, NMNM116166 and NM107396



See attachment for Valve Position during Production, Sales and Draining Phases.

Facility Operator: McElvain Energy Inc.
Land Description:

Federal/Indian Lease, Unit PA, or CA Number: NMNM245247,
NM092780, NMNM116166 and NM1070396

Diagram #I-C

F1-F4 are the Fill Valves
S1-S4 are the Sales Valves
D1-D4 are the Drain Valves
E1-E3 are the Equalizing Valves

Valve Positioning in the Production Phase

Production into Oil Tank 1
S1 is Sealed Closed.
F1 is Open; F2-F6 are Closed.
D1 is Sealed Closed.
E1-E5 are Open.

Production into Oil Tank 2
S2 is Sealed Closed.
F2 is Open; F1, and F3-F6 are Closed.
D2 is Sealed Closed.
E1-E5 are Open.

Production into Oil Tank 3
S3 is Sealed Closed.
F3 is Open; F1, F2 and F4-F6 are Closed.
D3 is Sealed Closed.
E1-E5 are Open.

Production into Oil Tank 4
S4 is Sealed Closed.
F4 is Open; F1, F2-F3 and F5-F6 are Closed.
D4 is Sealed Closed.
E1-E5 are Open.

Production into Oil Tank 5
S5 is Sealed Closed.
F5 is Open; F1-F4 and F6 are Closed.
D5 is Sealed Closed.
E1-E5 are Open.

Production into Oil Tank 6
S6 is Sealed Closed.
F6 is Open; F1-F5 are Closed.
D6 is Sealed Closed.
E1-E5 are Open.

Valve Positioning in the Sales Phase

Sales from Oil Tank 1
S1 is Open.
F1 is Closed; either F2-F6 are Open.
D1 is Sealed Closed.
E1 is Closed; E2-E5 are Open.

Sales from Oil Tank 2
S2 is Open.
F2 is Closed; either F1 or F3-F6 are Open.
D2 is Sealed Closed.
E1 and E2 are Closed; E3-E5 are Opened.

Sales from Oil Tank 3
S3 is Open.
F3 is Closed; either F1, F2 or F4-F6 are Open.
D3 is Sealed Closed.
E2 and E3 are Closed; E1 and E4-E5 are Opened.

Sales from Oil Tank 4
S4 is Open.
F4 is Closed; either F1-F3 or F5-F6 are Open.
D4 is Sealed Closed.
E3 and E4 are Closed; E1-E2 and E5 are Opened.

Sales from Oil Tank 5
S5 is Open.
F5 is Closed; either F1-F4 or F6 is Open.
D5 is Sealed Closed.
E4 and E5 are Closed; E1-E3 are Opened.

Sales from Oil Tank 6
S6 is Open.
F6 is Closed; either F1-F5 are open.
D6 is Sealed Closed.
E5 is Closed; E1-E4 are Opened.

Valve Positioning in the Drain Phase

Draining from Oil Tank 1
S1 is Sealed Closed.
F1 is Closed; either F2-F6 are open.
D1 is Open.
E1 is Closed; E2-E5 are Open.

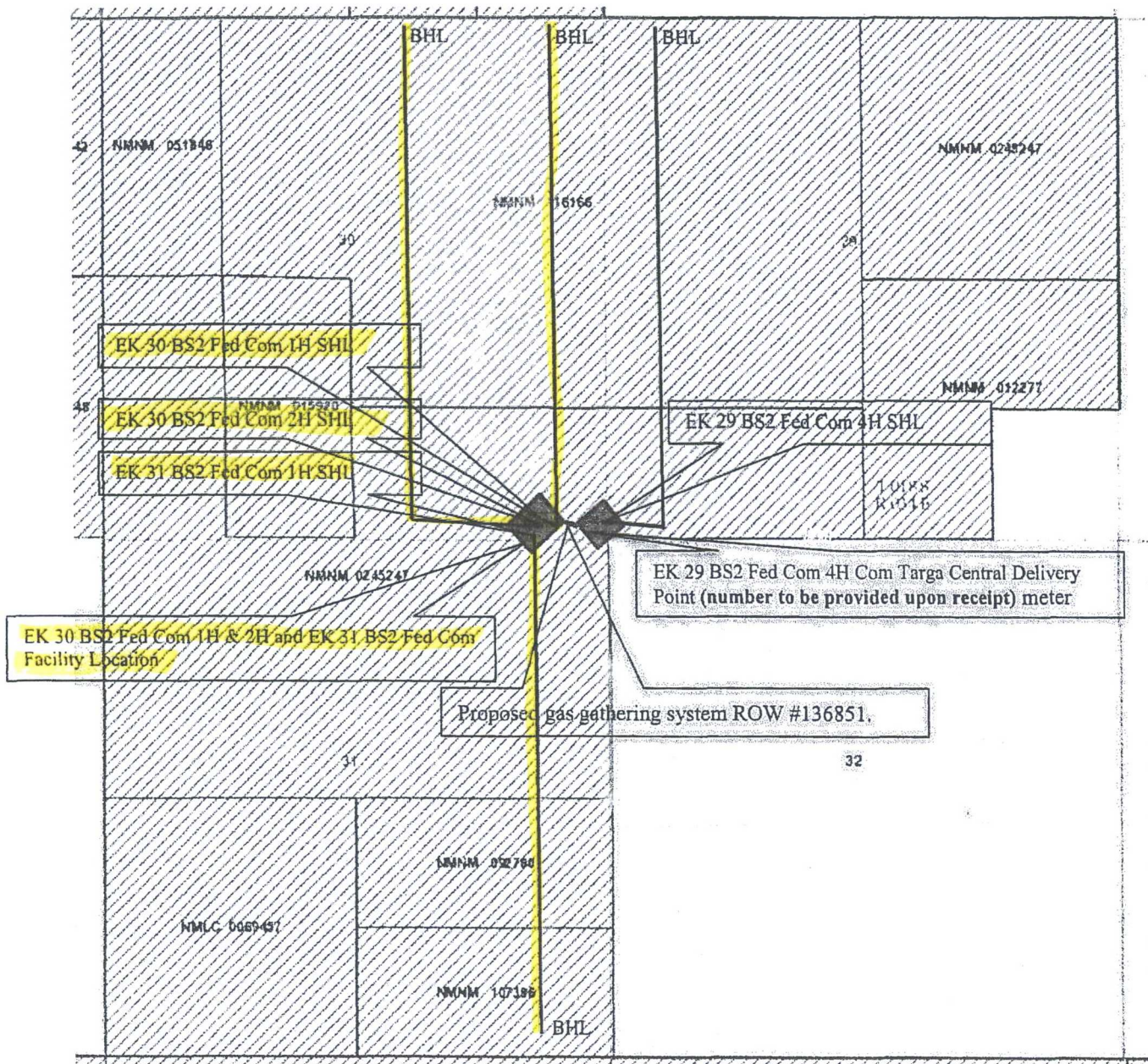
Draining from Oil Tank 2
S2 is Sealed Closed.
F2 is Closed; either F1 or F3-F6 are open.
D2 is Open.
E1 and E2 are Closed; E3-E5 is Opened.

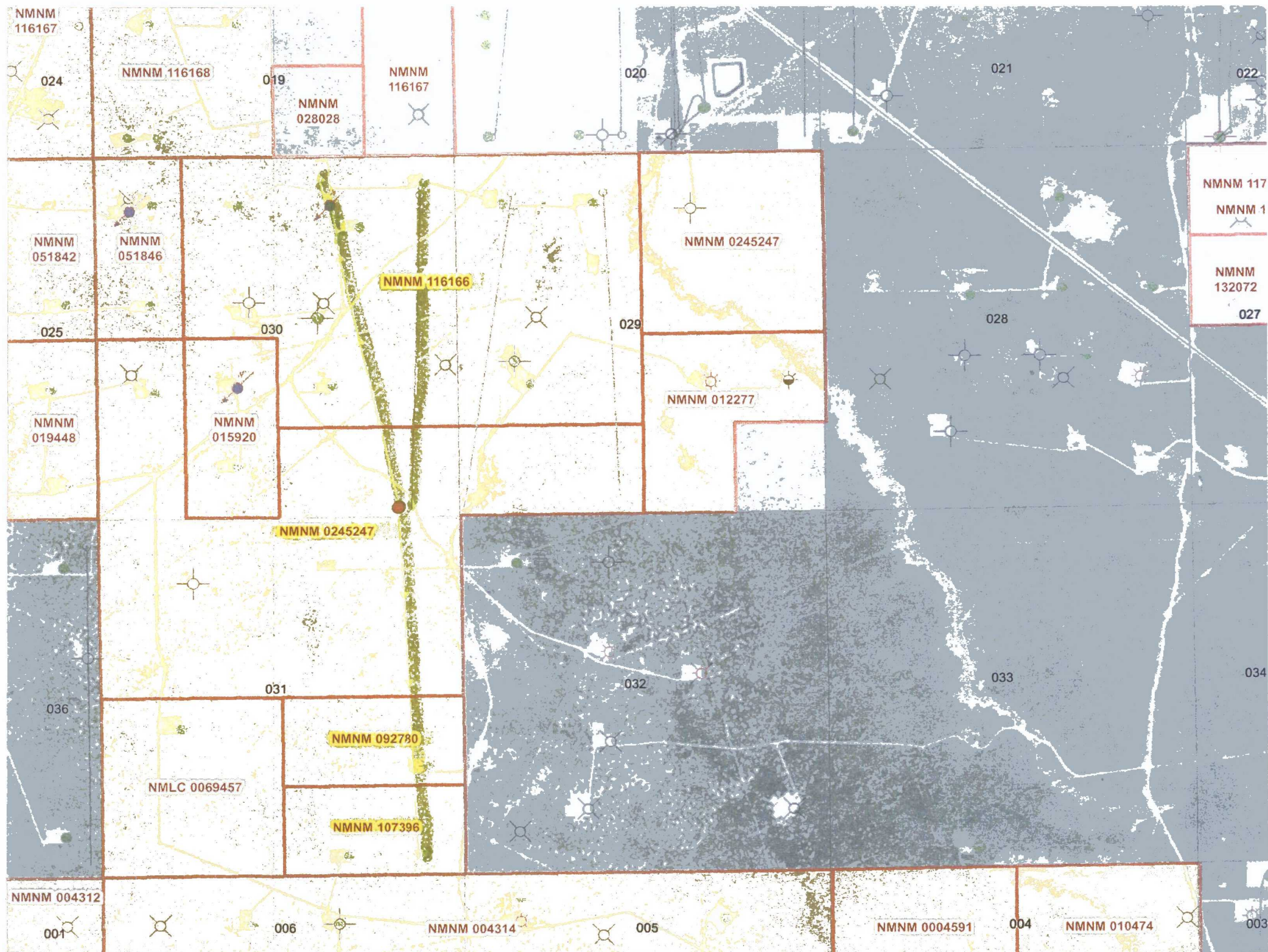
Draining from Oil Tank 3
S3 is Sealed Closed.
F3 is Closed; either F1-F2 or F4-F6 are open.
D3 is Open.
E2 and E3 are Closed; E1 and E3-E4 are Opened.

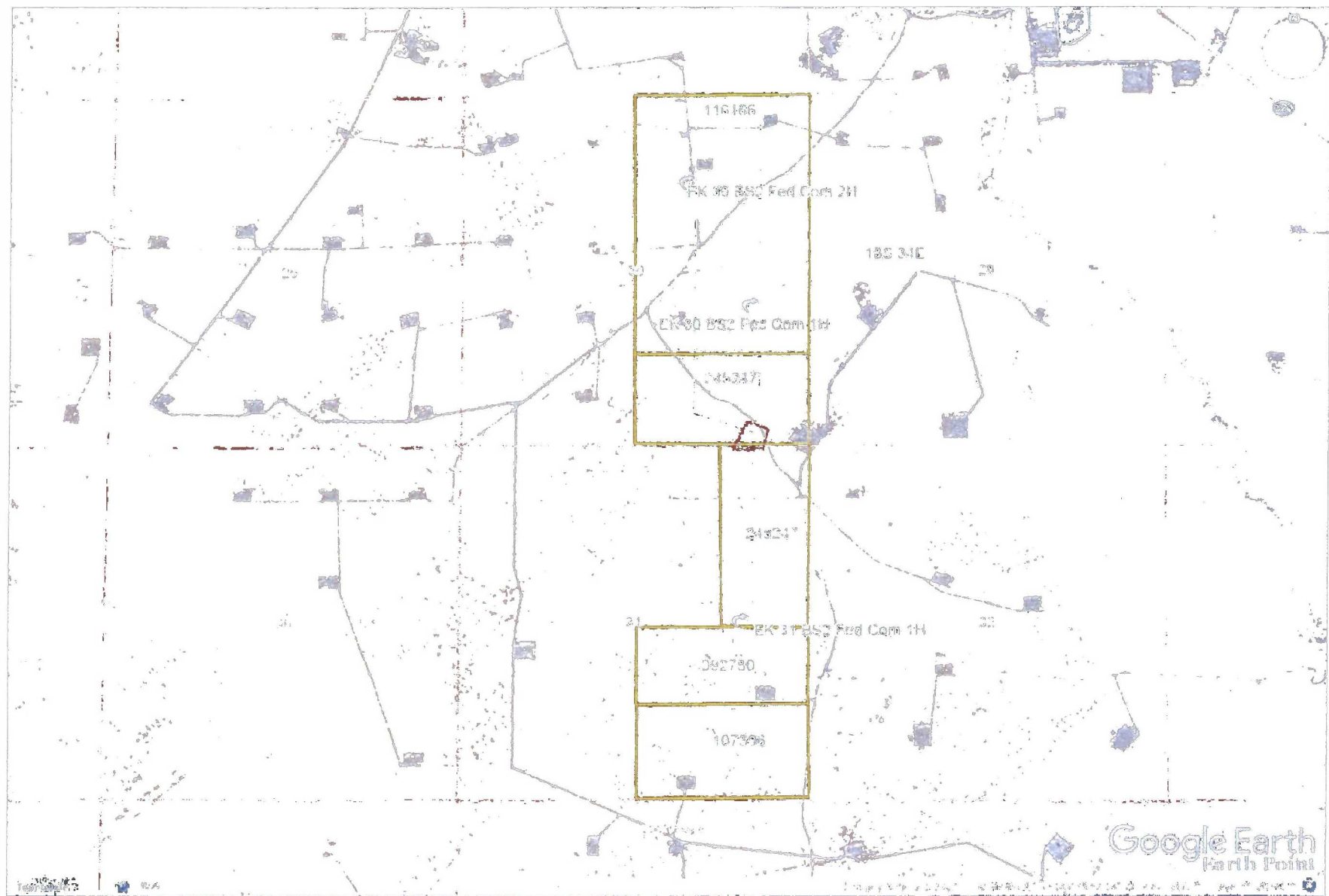
Draining from Oil Tank 4
S4 is Sealed Closed.
F4 is Closed; either F1-F3 or F5-F6 are open.
D4 is Open.
E3 and E4 are Closed; E1-E2 and E5 are Opened

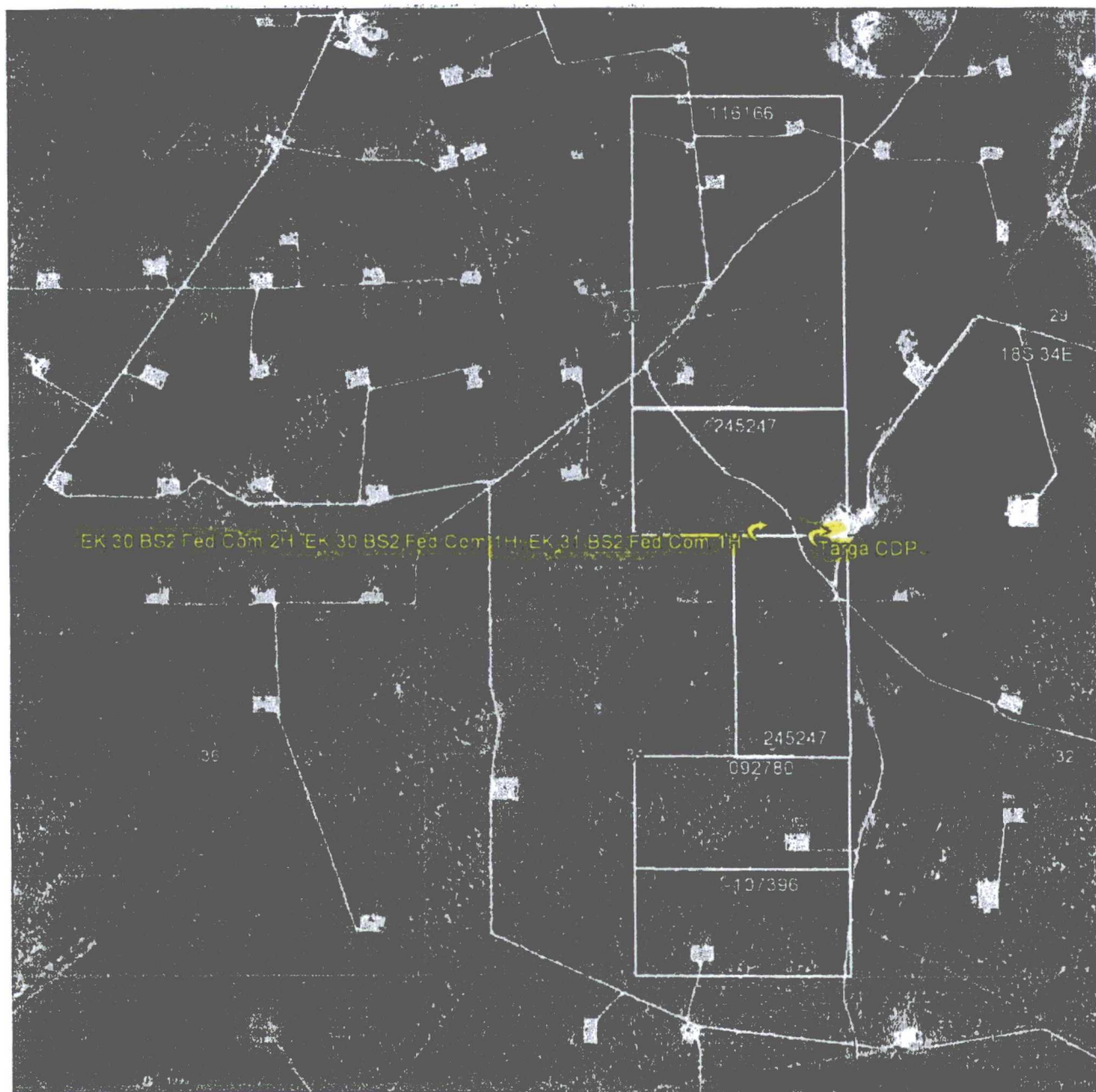
Draining from Oil Tank 5
S5 is Sealed Closed.
F5 is Closed; either F1-F4 or F6 is Open.
D5 is Open.
E4 and E5 are Closed; E1-E3 are Opened.

Draining from Oil Tank 6
S6 is Sealed Closed.
F6 is Closed; either F1-F5 are open.
D46 is Open.
E5 is Closed; E1-E4 are Opened.

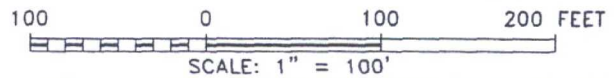
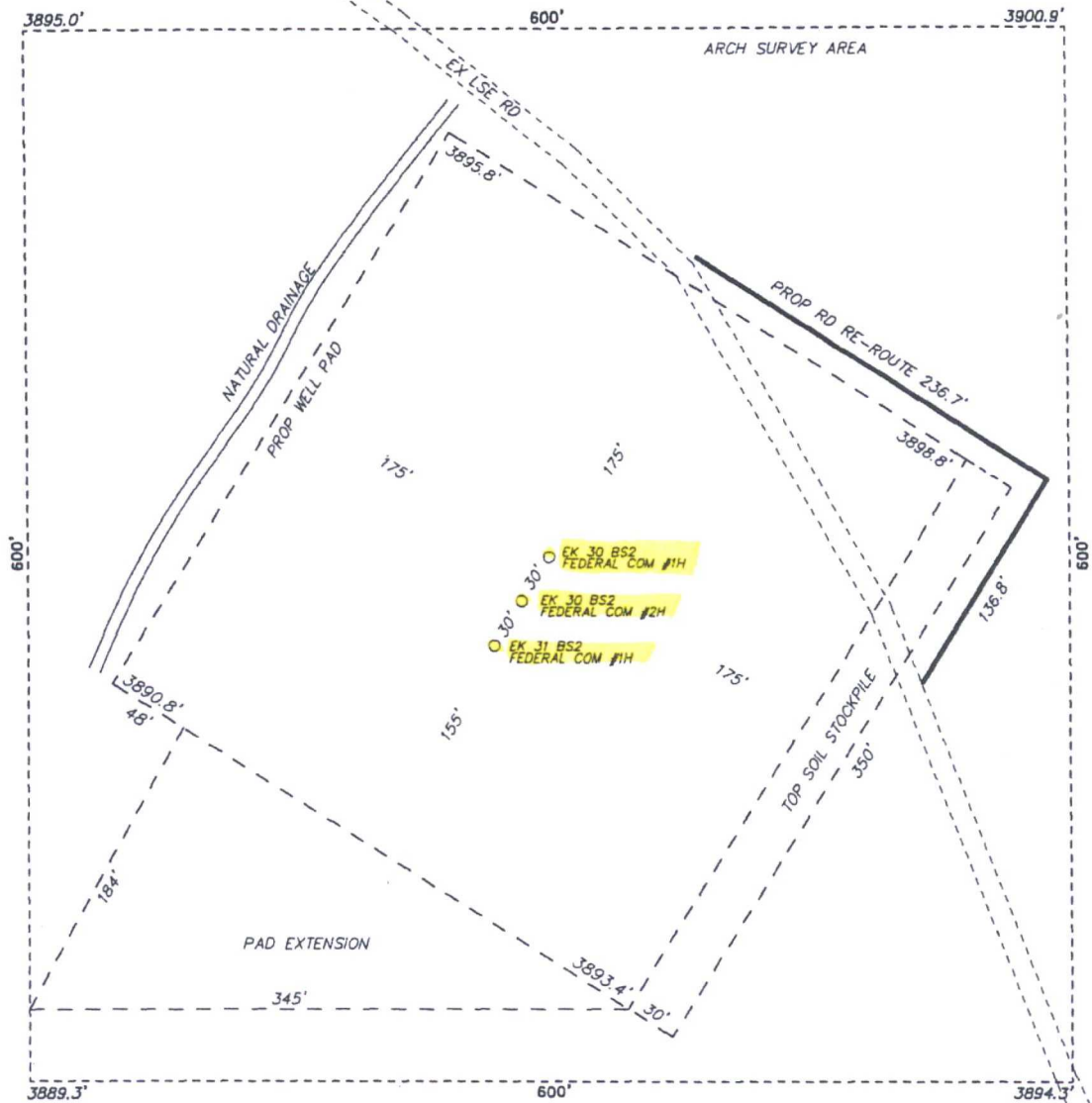








SECTION 30, TOWNSHIP 18 SOUTH, RANGE 34 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.



McELVAIN ENERGY, INC

REF: EK 31 BS2 FEDERAL COM 1H / WELL PAD TOPO

THE EK 31 BS2 FEDERAL COM 1H LOCATED 124' FROM
THE SOUTH LINE AND 892' FROM THE EAST LINE OF
SECTION 30, TOWNSHIP 18 SOUTH, RANGE 34 EAST.

N.M.P.M., LEA COUNTY, NEW MEXICO.

batson
surveys

W.O. Number: 32344 | Drawn By: J GOAD | Date: 6-15-2016 | Survey Date: 6-10-2016 | Sheet 1 of 1 Sheets

Shell Trading (US) Company
1000 Main Street, Level 12 Houston, TX 77002
Crude Domestic LEASE Facsimile: (713) 246 8682

Please note that all contractual correspondence for this deal and all future deals between our companies must be directed to the above address. Shell Trading (US) Company ("STUSCO") will not be held responsible for delays resulting from correspondence sent to any other place.

As agreed between the respective traders at the time of negotiation, STUSCO is the documenting party and this Contract is the governing document and any contract or contract confirmation generated by MCELVAIN ENERGY, INC. is therefore rejected and not accepted as part of the negotiated terms of this Contract.

This Contract amends, restates and supersedes in its entirety that certain Contract entered into between STUSCO and MCELVAIN ENERGY, INC. dated February 1, 2014, as subsequently modified and amended.

STUSCO CONTRACT REF. NO. CL83LP0003 – AMENDED AND RESTATED EFFECTIVE JANUARY 1, 2017

MCELVAIN ENERGY, INC.: Please advise your contract ref:

SELLERS

MCELVAIN ENERGY, INC.
1050 17TH ST STE 2500
DENVER
Colorado
United States 80265-2080

BUYERS

Shell Trading (US) Company
1000 MAIN ST LEVEL 12
HOUSTON
Texas
United States 77002-6336

TERM

This Contract shall commence on 1 January 2017 and continue through 31 January 2017 ("Initial Term"), after which it will continue on a one (1) month(s) evergreen basis until either party terminates this Contract in accordance with this paragraph. By giving the other Party 30 day(s) prior written notice, either Party may terminate this Contract effective as of the end of the Initial Term or any subsequent month thereafter.

GRADE AND QUALITY

WTI type Crude Oil.

QUANTITY

Equal to 100% of the owned and or controlled production from the lease(s) as shown on Attachment 1.

Seller warrants that it has the right to commit the full volume for the leases identified in this Contract for the full duration of the term of this Contract.

TERMS OF DELIVERY

From lease tankage into Buyer's designated trucks.

PRICE

LEASE PRICE CODE - BBA

The price per barrel shall be the average of the daily settlement price for "Light Sweet Crude Oil" Prompt Month future contracts reported by the New York Mercantile Exchange (NYMEX) from the first day of the delivery month through and including the last day of the delivery month, including weekends and holidays observed by NYMEX.

T. H. McELVAIN OIL & GAS LLLP
McELVAIN OIL & GAS PROPERTIES, INC., GENERAL PARTNER
1050 17TH STREET, SUITE 2500
DENVER, COLORADO 80265-2080

DAVID W. SIPLE
VICE PRESIDENT, LAND

TELEPHONE 303-893-0933 EXT. 306
FAX 303-893-0914
E-MAIL: DSIPLE@McELVAIN.COM

July 19, 2017

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Interest Owners

RE: Request for a Central Tank Battery, Commingle and Off Lease Measurement
EK 30 BS2 Federal Com #1H, EK 30 BS2 Federal Com #2H &
EK 31 BS2 Federal Com #1H
Sec. 30 & 31-T18S-R34E
API # 30-025-42701, 30-025-43883 & 30-025-43884
2nd Bone Spring Formation
Lea County, New Mexico

Dear Interest Owner:

This is to advise you that McElvain Energy, Inc., as general partner and operator for T. H. McElvain Oil & Gas LLLP ("McElvain"), is filing an application with the New Mexico Oil Conservation Division ("NMOCD") seeking approval for a Central Tank Battery, Commingling and Off-Lease Gas Measurement, Sales, and Storage for the referenced wells.

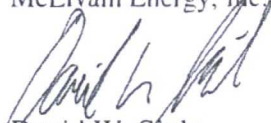
A copy of McElvain's application submitted to the NMOCD is attached.

Any objections or requests that a hearing should be held regarding this application must be submitted to the NMOCD Santa Fe office within 20 days from the date of this letter.

Please contact the undersigned should you have any questions or need anything further.

Sincerely,

McElvain Energy, Inc.


David W. Siple
Vice President, Land

Enclosures

**Wells: EK 30 BS2 Federal Com #1H, EK 30 BS2 Federal Com #2H and
EK 31 BS2 Federal Com #1H**

Federal Leases(s): NMNM0245247, NMNM116166, NMNM092780 & NMNM107396

Name/Address	Certified Mailing Number
WORKING INTEREST OWNERS	
MAC RESOURCES LLC 1050 17TH STREET, SUITE 2500 DENVER CO 80265	
McELVAIN ENERGY FUND 2011 LLC 1050 17TH STREET, SUITE 2500 DENVER CO 80265	
PRIMA EXPLORATION INC 100 FILLMORE ST SUITE 450 DENVER CO 80206	7017 1070 0000 5853 4385
MCELVAIN OIL COMPANY, L.P. C/O DAVID P MCELVAIN P O BOX 801888 DALLAS TX 75380-1888	7017 1070 0000 5853 4392
CHISHOLM ENERGY OPERATING, LLC 801 CHERRY STREET SUITE 1200, UNIT 20 FORT WORTH TX 76102	7017 1070 0000 5853 4408
JACQUELIN M WITHERS TR UAD 12/10/92 WILLIAM P WITHERS TRUSTEE 3429 DEVONSHIRE WAY PALM BEACH GARDENS FL 33418	7017 1070 0000 5853 4415
MEWBOURNE OIL COMPANY PO BO 7698 TYLER TX 75711	7017 1070 0000 5853 4422
BURNETT OIL CO., INC 801 CHERRY STREET - UNIT 9 FORT WORTH TX 76102	7017 1070 0000 5853 4439
OZARK EXPLORATION INC 3838 OAK LAWN AVE., SUITE1525 DALLAS TX 75219	7017 1070 0000 5853 4446
J CLEO THOMPSON & JAMES CLEO THOMPSON 325 N ST PAUL SUITE 4300 DALLAS TX 75201	7017 1070 0000 5853 4453
HOG PARTNERSHIP LP 5950 CEDAR SPRINGS ROAD DALLAS TX 75235	7017 1070 0000 5853 4460
SLATE RIVER OIL & GAS LLC PO BOX 627 LITTLETON CO 80160	7017 1070 0000 5853 4477
MIKA PETROLEUM LLC PO BOX 600490 DALLAS TX 75360	7017 1070 0000 5853 4484

Name/Address	Certified Mailing Number
MEXCO ENERGY CORPORATION 214 W TEXAS AVE STE 1101 MIDLAND TX 79701	7017 1070 0000 5853 4491
KUDO PETROLEUM LLC PO BOX 600490 DALLAS TX 75360	7017 1070 0000 5853 4507
GROSS FAMILY LTD PARTNERSHIP PO BOX 358 ROSWELL NM 88201	7017 1070 0000 5853 4514
KAISER-FRANCIS OIL COMPANY PO BOX 21468 TULSA OK 74121	7017 1070 0000 5853 4521
ADELAIDE Y THOMSEN, TRUSTEE 11117 BLUE SKY DRIVE HASLET TX 76052	7017 1070 0000 5853 4583

ROYALTY OWNERS

U.S. DEPARTMENT OF THE INTERIOR OFFICE OF NATURAL RESOURCES REV PO BOX 25627 DENVER CO 80225-0627	7017 1070 0000 5853 4538
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OVERRIDING ROYALTY OWNERS

SABINE ROYALTY TRUST SOUTHWEST BANK ESCROW AGENT & TTEE PO BOX 678600 DALLAS TX 75267-8600	7017 1070 0000 5853 4545
BRAILLE INSTITUTE OF AMERICA BANK OF AMERICA, N.A., AGENT PO BOX 840738 DALLAS TX 75284-0738	7017 1070 0000 5853 4552
JENNIFER STUMHOFFER PINCHAL 40 TIEL WAY HOUSTON TX 77019	7017 1070 0000 5853 4569
SELMA E ANDREWS TRUST F/B/O PEGGY BARRETT BANK OF AMERICA NA SOLE TRUSTEE PO BOX 840738 DALLAS TX 75284-0738	7017 1070 0000 5853 4576
MCELVAIN OIL COMPANY, L.P. C/O DAVID P MCELVAIN P O BOX 801888 DALLAS TX 75380-1888	7017 1070 0000 5853 4392
SELMA E ANDREWS PERPETUAL CHARITABLE TRUST BANK OF AMERICA NA SOLE TRUSTEE PO BOX 840738 DALLAS TX 75284-0738	7017 1070 0000 5853 4576
THOMASTON, LLC 1050 17TH STREET SUITE 2500 DENVER CO 80265-2080	

Name/Address	Certified Mailing Number
HTI RESOURCES INC PO BOX 10690 SAVANNAH GA 31412	7017 1070 0000 5853 4590
MARY ANNE BERLINER FNDTN TRUST FIRST NATIONAL BANK TRUSTEE PO BOX AA ARTESIA NM 88211-7526	7017 1070 0000 5853 4606
SHARBRO ENERGY LLC PO BOX 840 ARTESIA NM 88211-0840	7017 1070 0000 5853 4613
MCGARY LIVING TRUST - SPH BRIAN MCGARY TRUSTEE BANK OF AMERICA NA AGENT 901 MAIN STREET 17TH FLOOR, TX1-492-17-01 DALLAS TX 75202-3738	7017 1070 0000 5853 4620
MCGARY FAMILY TRUST - KELLY SP KELLY MCGARY TRUSTEE BANK OF AMERICA NA AGENT 901 MAIN STREET 17TH FLOOR, TX1-492-17-01 DALLAS TX 75202-3738	7017 1070 0000 5853 4637
PEGGY P MCELVAIN TRUST PO BOX 17892 HOLLADAY UT 84117	7017 1070 0000 5853 4644
JACQUELIN M WITHERS TR UAD 12/10/92 WILLIAM P WITHERS TRUSTEE 3429 DEVONSHIRE WAY PALM BEACH GARDENS FL 33418	7017 1070 0000 5853 4415
MCINNES RESOURCES COMPANY PO BOX 527 ARTESIA NM 88211	7017 1070 0000 5853 4651
T H MCELVAIN OIL & GAS LLLP 1050 17TH STREET, SUITE 2500 DENVER CO 80265	
EOG RESOURCES ASSETS LLC 1111 BAGBY SKY LOBBY 2 HOUSTON TX 77002	7017 1070 0000 5853 4668
MARY JANE MCGARY TRUST MARY JANE MCGARY TRUSTEE BANK OF AMERICA NA AGENT 901 MAIN STREET 17TH FLOOR, TX1-492-17-01 DALLAS TX 75202-3738	7017 1070 0000 5853 4675
ASA G ASHWORTH ESTATE C/O JOHN P ASHWORTH 1577 YANKEE LANE HORNELL NY 14843-9101	7017 1070 0000 5853 4682
NEARBURG PRODUCING COMPANY EMPLOYEE FUND 3300 NORTH "A" STREET BLDG 2, SUITE 120	7017 1070 0000 5853 4699
PRIMA EXPLORATION INC 100 FILLMORE ST SUITE 450 DENVER CO 80206	7017 1070 0000 5853 4385

District I
1625 N. French Drive, Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr. Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised August 1, 2011

OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original
application to the Santa Fe
office with one copy to the
appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: McElvain Energy Inc
OPERATOR ADDRESS: 1050 17th Street, Suite 2500, Denver, CO 80265
APPLICATION TYPE:

☐ Pool Commingling ☐ Lease Commingling ☒ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: ☐ Fee ☐ State ☒ Federal

Is this an Amendment to existing Order? ☐ Yes ☒ No If "Yes", please include the appropriate Order No. _____
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling
☒ Yes ☐ No

(A) POOL COMMINGLING
Please attach sheets with the following information

(1) Pool Names and Codes	Gravities BTU of Non-Commingled Production	Calculated Gravities BTU of Commingled Production		Calculated Value of Commingled Production	Volumes
Pool 21650, EK Bone Springs EK 30 BS2 Fed Com 1H	38 1350	38 1350		\$45 BO \$3 MCF	600BOPD 600MCFD
Pool 21650, EK Bone Springs EK 30 BS2 Fed Com 2H	38 1350				600BOPD 600MCFD
Pool 21650, EK Bone Springs EK 31 BS2 Fed Com 2H	38 1350				600BOPD 600MCFD

- (2) Are any wells producing at top allowables? ☐ Yes ☒ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No
(4) Measurement type: ☒ Metering ☐ Other (Specify) _____
(5) Will commingling decrease the value of production? ☐ Yes ☒ No If "yes", describe why commingling should be approved _____

(B) LEASE COMMINGLING
Please attach sheets with the following information

- (1) Pool Name and Code _____
(2) Is all production from same source of supply? ☒ Yes ☐ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No
(4) Measurement type: ☒ Metering ☐ Other (Specify) _____

(C) POOL and LEASE COMMINGLING
Please attach sheets with the following information

- (1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT
Please attached sheets with the following information

- (1) Is all production from same source of supply? ☒ Yes ☐ No
(2) Include proof of notice to all interest owners. ☒

(E) ADDITIONAL INFORMATION (for all application types)
Please attach sheets with the following information

- (1) A schematic diagram of facility, including legal location.
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.
(3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: Tony Cooper TITLE: Regulatory Compliance Mgr. DATE: 7-6-17
TYPE OR PRINT NAME: Tony Cooper TELEPHONE NO.: 303-962-6489
E-MAIL ADDRESS: Tony.Cooper@McElvain.com

**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page**

Run Time: 09:40 AM

Page 1 of 15

Run Date: 07/17/2017

01 02-25-1920;041STAT0437;30USC226

Total Acres

Serial Number

Case Type 311111: O&G LSE NONCOMP PUB LAND

1,111.440

NMNM-- 0 245247

Commodity 459: OIL & GAS

Case Disposition: AUTHORIZED

Serial Number: NMNM-- 0 245247

Name & Address		Int Rel		% Interest
BELLAMY SIDNEY E	PO BOX 29193	DALLAS TX 752290193	OPERATING RIGHTS	0.000000000
BOSWELL INTERESTS LTD	1320 LAKE ST	FORT WORTH TX 76102	OPERATING RIGHTS	0.000000000
BRADFORD CARYL M	4005 EUCLID AVE	DALLAS TX 75205	LESSEE	4.166600000
BUCKEYE ENERGY INC	PO BOX 3788	MIDLAND TX 79702	OPERATING RIGHTS	0.000000000
BURNETT OIL CO	801 CHERRY ST #1500 UNIT #9	FORT WORTH TX 761026881	OPERATING RIGHTS	0.000000000
CEB OIL CO	1320 LAKE ST	FORT WORTH TX 76102	OPERATING RIGHTS	0.000000000
CHEVRON USA INC	6301 DEAUVILLE	MIDLAND TX 797062964	OPERATING RIGHTS	0.000000000
COG OPERATING LLC	600 W ILLINOIS AVE	MIDLAND TX 797014882	OPERATING RIGHTS	0.000000000
DAHLIN MERLYN W	3220 N FWY	FORT WORTH TX 76102	OPERATING RIGHTS	0.000000000
DAHLIN RUTH G	3220 N FREEWAY	FORT WORTH TX 76111	OPERATING RIGHTS	0.000000000
DURAN PROPERTIES LLC	PO BOX 1854	ROSWELL NM 88202	OPERATING RIGHTS	0.000000000
EAB OIL CO	1320 LAKE ST	FORT WORTH TX 76102	OPERATING RIGHTS	0.000000000
EOG RESOURCES ASSETS LLC	105 S 4TH ST	ARTESIA NM 882102177	OPERATING RIGHTS	0.000000000
EXPRESS AIR DRILLING	3833 OAK LAWN AVE	DALLAS TX 752194516	OPERATING RIGHTS	0.000000000
FLETCHER LOY C	PO BOX 852	ARTESIA NM 88210	OPERATING RIGHTS	0.000000000
FRAM GEORGE	PO BOX 563	ROSWELL NM 882020563	OPERATING RIGHTS	0.000000000
HAVEL KATHLEEN A	7607 CHALKSTONE	DALLAS TX 752194516	OPERATING RIGHTS	0.000000000
HAVEL MICHAEL J	7607 CHALKSTONE	DALLAS TX 752194516	OPERATING RIGHTS	0.000000000
HENDERSON DAVID L	815 W 10TH ST	FORT WORTH TX 76102	OPERATING RIGHTS	0.000000000
HENDERSON DAWN	815 W 10TH ST	FORT WORTH TX 76102	OPERATING RIGHTS	0.000000000
HICKS LIVING TRST	6212 OSUNA NE	ALBUQUERQUE NM 871092561	OPERATING RIGHTS	0.000000000
HISSOM TRUST EL AL	5666 CHEVY CHASE DR	HOUSTON TX 770564005	OPERATING RIGHTS	0.000000000
HOUSTON & EMMA HILL TRUST EST	500 THROCKMORTON #2803	FORT WORTH TX 761023865	OPERATING RIGHTS	0.000000000
JACQUELIN M WITHERS TRUSTEE	3429 DEVONSHIRE WAY	PALM BEACH GARDENS FL 334186881	LESSEE	12.500000000
JAMES CLEO THOMPSON JR LP	325 N ST PAUL #4300	DALLAS TX 75201	OPERATING RIGHTS	0.000000000
JOHN P OIL COMPANY	1320 LAKE STREET	FORT WORTH TX 76102	OPERATING RIGHTS	0.000000000
KAISER FRANCIS OIL	PO BOX 21463	TULSA OK 741211468	OPERATING RIGHTS	0.000000000
KERR-MCGEE OG ONSHORE LP	1999 BROADWAY #3700	DENVER CO 80202	OPERATING RIGHTS	0.000000000
LOS SIETE EXPL INC	215 W THIRD ST	ROSWELL NM 88201	OPERATING RIGHTS	0.000000000
MAGNUM HUNTER PRODUCTION INC	202 S CHEYENNE AVE STE 1000	TULSA OK 741033001	OPERATING RIGHTS	0.000000000
MARY JANE MCGARY TRUST	PO BOX 830308	DALLAS TX 752830308	LESSEE	8.333400000
MARY JANE MCGARY TRUST	PO BOX 830308	DALLAS TX 752830308	OPERATING RIGHTS	0.000000000
MATCO 850 LTD	3300 N A ST BLDG 4 #102	MIDLAND TX 79705	OPERATING RIGHTS	0.000000000
MCELVAIN DAVID P	PO BOX 2148	SANTA FE NM 875042148	LESSEE	4.166700000
MCELVAIN ENERGY FUND 2011 LLC	1050 17TH ST STE 2500	DENVER CO 802652080	OPERATING RIGHTS	0.000000000
MCELVAIN JAMES E	PO BOX 2148	SANTA FE NM 875042148	LESSEE	4.166700000
MCELVAIN OIL & GAS PROP INC	1050 17TH ST STE 2500	DENVER CO 802652080	OPERATING RIGHTS	0.000000000
MCELVAIN OIL CO	PO BOX 801888	DALLAS TX 75380	OPERATING RIGHTS	0.000000000
MCELVAIN RALPH C JR	PO BOX 9502	SALT LAKE CITY UT 84109	LESSEE	12.500000000
MCELVAIN RALPH C JR	PO BOX 17892	HOLLADAY UT 841170892	OPERATING RIGHTS	0.000000000
MCELVAIN RUTH P	PO BOX 2148	SANTA FE NM 875042148	LESSEE	12.500000000
MCGARY BRIAN SPH TRUSTEE	PO BOX 830308	DALLAS TX 752830308	LESSEE	8.333300000
MCGARY BRIAN SPH TRUSTEE	PO BOX 830308	DALLAS TX 752830308	OPERATING RIGHTS	0.000000000
MCGARY KELLY TRUSTEE	PO BOX 830308	DALLAS TX 752830308	OPERATING RIGHTS	0.000000000
MCGARY KELLY TRUSTEE	PO BOX 830308	DALLAS TX 752830308	LESSEE	8.333300000
MCKAY PETROLEUM CORP	PO BOX 2014	ROSWELL NM 88202	OPERATING RIGHTS	0.000000000
MEXCO ENERGY CORP	PO BOX 10502	MIDLAND TX 79702	OPERATING RIGHTS	0.000000000
MITCHELL ROYALTY LTD	RR 2 BOX 10 A	HASKELL OK 74436	OPERATING RIGHTS	0.000000000
MOORE R KEITH	2972 VALLEY VIEW LN	FARMERS BRANCH TX 75234	OPERATING RIGHTS	0.000000000

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**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page**

Run Time: 09:40 AM

Page 2 of 15

Run Date: 07/17/2017

MOREXCO INC	PO BOX 481	ARTESIA NM 882110481	OPERATING RIGHTS	0.000000000
NEARBURG EXPL CO LLC	3300 N A ST #120	MIDLAND TX 79705	OPERATING RIGHTS	0.000000000
P J GUY FAMILY TRUST	PO BOX 100	ARTESIA NM 882110100	OPERATING RIGHTS	0.000000000
PALACE ECPL CO	5 E 59TH FL	NEW YORK NY 100221027	OPERATING RIGHTS	0.000000000
PATRICIA DEAN BOSWELL TRUSTEE	1320 LAKE ST	FORT WORTH TX 76120	OPERATING RIGHTS	0.000000000
POLO OIL & GAS CO	PO BOX 699	ROSWELL NM 882020699	OPERATING RIGHTS	0.000000000
PVB OIL CO	1320 LAKE ST	FORT WORTH TX 76102	OPERATING RIGHTS	0.000000000
RHOMBUS ENERGY CO	200 N LORAIN #1270	MIDLAND TX 79701	OPERATING RIGHTS	0.000000000
SAPPINGTON JACK L	3105 STANOLIND	MIDLAND TX 79705	OPERATING RIGHTS	0.000000000
SCOTT WARREN	215 W THIRD ST	ROSWELL NM 88201	OPERATING RIGHTS	0.000000000
SEELY C W	815 W 10TH STREET	FORT WORTH TX 76102	OPERATING RIGHTS	0.000000000
SEELY INA B	815 WEST 10TH STREET	FORT WORTH TX 76102	OPERATING RIGHTS	0.000000000
SEELY OIL CO	815 W 10TH ST	FORT WORTH TX 76102	OPERATING RIGHTS	0.000000000
SEELY OIL CO	311 W QUAY	ARTESIA NM 88211	OPERATING RIGHTS	0.000000000
SLATE RIVER OIL & GAS LLC	PO BOX 627	LITTLETON CO 801600627	OPERATING RIGHTS	0.000000000
SMITH TERRY	#20 SMOKEY TRL	ARTESIA NM 88210	OPERATING RIGHTS	0.000000000
SOBECK NANCY	1800 CEDAR RIDGE DR	AUSTIN TX 78741	OPERATING RIGHTS	0.000000000
SSV&H ASSOCIATES	815 W 10TH ST	FORT WORTH TX 76102	OPERATING RIGHTS	0.000000000
T H MCELVAIN OIL & GAS LLLP	1050 17TH ST STE 2500	DENVER CO 802652080	OPERATING RIGHTS	0.000000000
TH MCELVAIN OG LLLP	1050 17TH ST STE 2500	DENVER CO 802652080	LESSEE	25.000000000
TH MCELVAIN OG LLLP	1050 17TH ST STE 2500	DENVER CO 802652080	OPERATING RIGHTS	0.000000000
THE PEGGY P MCELVAIN TRUST	PO BOX 17892	SALT LAKE CITY UT 841170892	OPERATING RIGHTS	0.000000000
THOMPSON CLEO J	325 N SAINT PAUL ST STE 4300	DALLAS TX 752013993	OPERATING RIGHTS	0.000000000
TRAINER C W	PO BOX 3788	MIDLAND TX 797023788	OPERATING RIGHTS	0.000000000
TRAINER JACKIE	PO BOX 754	MIDLAND TX 79702	OPERATING RIGHTS	0.000000000
TROBAUGH PROPERTIES	3300 N A ST BLDG 4 #102	MIDLAND TX 79705	OPERATING RIGHTS	0.000000000
WES-TEX DRILLING CO LP	PO BOX 3739	ABILENE TX 79604	OPERATING RIGHTS	0.000000000

Serial Number: NMNM-- 0 245247

Mer Twp	Rng	Sec	STyp	SNr Suff	Subdivision	District/Field Office	County	Mgmt Agency
23	01805	0330E	025	ALIQ	W2,W2SE;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	01805	0340E	029	ALIQ	NE,S2SW;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	01805	0340E	030	ALIQ	S2SE;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	01805	0340E	030	LOTS	3-4;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	01805	0340E	031	ALIQ	NE,E2NW;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	01805	0340E	031	LOTS	1,2,	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT

Relinquished/Withdrawn Lands

Serial Number: NMNM-- 0 245247

23	01805	0330E	725	FF	W2NE SEGR,	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	01805	0340E	730	FF	NE,E2NW,N2SE SEGR,	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	01805	0340E	729	FF	NW,N2SW SEGR,	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT

Serial Number: NMNM-- 0 245247

Act Date	Code	Action	Action Remark	Pending Office
09/01/1949	387	CASE ESTABLISHED		
09/01/1949	496	FUND CODE	05;145003	
09/01/1949	530	RLTY RATE - 12 1-24		
09/01/1949	868	EFFECTIVE DATE		
12/01/1961	209	CASE CREATED BY SEGR	OUT OF NMLC069457;	
02/26/1962	648	EXT BY PROD ON ASSOC LSE	NMLC069457;	
06/19/1962	650	HELD BY PROD - ACTUAL	1;	
06/19/1962	658	MEMO OF 1ST PROD-ACTUAL	/1 MCELVAIN#2;	
12/06/1963	932	TRF OPER RGTS FILED	MCELVAIN/HUMBLE OIL	
01/21/1964	103	ADDTL INFO RECD	MCELVAIN/HUMBLE OIL	
02/12/1964	932	TRF OPER RGTS FILED	IBEX CO/INC	

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**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION**

Run Time: 09:40 AM
Page 15 of 15

Run Date: 07/17/2017

(MASS) Serial Register Page

06/27/2017	932	TRF OPER RGTS FILED	DIVERSE E-FNRC DEI;1	FLUIDS TEAM
06/27/2017	932	TRF OPER RGTS FILED	DIVERSE G DIVERSE E;1	FLUIDS TEAM
06/27/2017	932	TRF OPER RGTS FILED	FNRC DEI FORTUNE N;1	FLUIDS TEAM
06/27/2017	932	TRF OPER RGTS FILED	FORTUNE N BLACK MOU;1	FLUIDS TEAM
06/27/2017	932	TRF OPER RGTS FILED	PAINWERBE DIVERSE G;1	FLUIDS TEAM
07/11/2017	933	TRF OPER RGTS APPROVED	EFF 06 01 17;1	
07/11/2017	933	TRF OPER RGTS APPROVED	EFF 06 01 17;2	
07/11/2017	933	TRF OPER RGTS APPROVED	EFF 06 01 17;3	
07/11/2017	974	AUTOMATED RECORD VERIF	EMR	

Serial Number: NMNM-- 0 245247

Line Nr	Remarks
0002	BONDED OPERATORS/LESSEES/TRANSFEREES:
0003	01/28/2008 - EDITH MCELVAIN - NM0684/IND
0004	04/28/2008 - MCELVAIN O&G PROP INC - COB000009 - NW;
0005	06/24/2009 - BONDED LESSEE - PER ABSS
0006	06/24/2009 - R M REAGAN TRUST - NM0685 - IND
0007	12/16/2010 - OPERATOR BONDED
0009	02/23/2011 - RUTH P MCELVAIN - NM0684 - IND
0010	- MCELVAIN - NM0684 - IND 10K;
0011	07/31/2013 - MCINNES DOES NOT HAVE OPERATING INT
0012	03/05/2014 - MCELVAIN NM0684 - IND \$10,000
0013	02/28/2014 - C W TRAINER LEAD FILE IS NMNM 19448.
0014	01/18/2017 - EOG RESOURCES NM2308 NW
0015	02/15/2017 - RUTH P MCELVAIN NM0684 IND
0016	03/08/17 - BONDED OPERATOR TH MCELVAIN COB000018 NW
0017	03/10/17 RANSFEREE BONDED MCELVAIN NM0684
0018	07/11/2017 - THE MCELVAIN O&G LLLP - COB000010 - N/W

**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page**

Run Time: 09 51 AM

Page 1 of 8

Run Date: 07/17/2017

01 02-25-1920;041STAT0437;30USC226

Total Acres

Serial Number

Case Type 311111: O&G LSE NONCOMP PUB LAND

640.000

NMNM-- - 116166

Commodity 459: OIL & GAS

Case Disposition: AUTHORIZED

Serial Number: NMNM-- - 116166

Name & Address			Int Rel	% Interest
BOSWELL INTERESTS LTD	1320 LAKE ST	FORT WOTH TX 76102	OPERATING RIGHTS	0.00000000
BRADFORD CARYL M	4005 EUCLID AVE	DALLAS TX 75205	LESSEE	4.16660000
BUCKEYE ENERGY INC	PO BOX 3788	MIDLAND TX 79702	OPERATING RIGHTS	0.00000000
BURNETT OIL CO	801 CHERRY ST #1500 UNIT #9	FORT WORTH TX 761026881	OPERATING RIGHTS	0.00000000
CEB OIL CO	1320 LAKE ST	FORT WORTH TX 76102	OPERATING RIGHTS	0.00000000
CHEVRON USA INC	6301 DEAUVILLE	MIDLAND TX 797062964	OPERATING RIGHTS	0.00000000
DAHLIN MERLYN W	3220 N FWY	FORT WORTH TX 76102	OPERATING RIGHTS	0.00000000
DAHLIN RUTH G	3220 N FREEWAY	FORT WORTH TX 76111	OPERATING RIGHTS	0.00000000
DURAN PROPERTIES LLC	PO BOX 1854	ROSWELL NM 88202	OPERATING RIGHTS	0.00000000
EAB OIL CO	1320 LAKE ST	FORT WORTH TX 76102	OPERATING RIGHTS	0.00000000
EOG RESOURCES ASSETS LLC	105 S 4TH ST	ARTESIA NM 882102177	OPERATING RIGHTS	0.00000000
GROSS FAMILY LTD	PO BOX 358	ROSWELL NM 88202	OPERATING RIGHTS	0.00000000
HAVEL KATHLEEN A	7607 CHALKSTONE	DALLAS TX 752194516	OPERATING RIGHTS	0.00000000
HAVEL MICHAEL J	7607 CHALKSTONE	DALLAS TX 752194516	OPERATING RIGHTS	0.00000000
HENDERSON DAVID L	815 W 10TH ST	FORT WORTH TX 76102	OPERATING RIGHTS	0.00000000
HENDERSON DAWN	815 W 10TH ST	FORT WORTH TX 76102	OPERATING RIGHTS	0.00000000
HICKS LIVING TRST	6212 OSUNA NE	ALBUQUERQUE NM 871092561	OPERATING RIGHTS	0.00000000
HISSOM TRUST EL AL	5666 CHEVY CHASE DR	HOUSTON TX 770564005	OPERATING RIGHTS	0.00000000
HOUSTON & EMMA HILL TRUST EST	500 THROCKMORTON #2803	FORT WORTH TX 761023865	OPERATING RIGHTS	0.00000000
JACQUELIN M WITHERS TRUSTEE	3429 DEVONSHIRE WAY	PALM BEACH GARDENS FL 334186881	LESSEE	12.50000000
JOHN P OIL COMPANY	1320 LAKE STREET	FORT WORTH TX 76102	OPERATING RIGHTS	0.00000000
LOS SIETE EXPL INC	215 W THIRD ST	ROSWELL NM 88201	OPERATING RIGHTS	0.00000000
MAGNUM HUNTER PRODUCTION INC	202 S CHEYENNE AVE STE 1000	TULSA OK 741033001	OPERATING RIGHTS	0.00000000
MARY JANE MCGARY TRUST	PO BOX 830308	DALLAS TX 752830308	OPERATING RIGHTS	0.00000000
MARY JANE MCGARY TRUST	PO BOX 830308	DALLAS TX 752830308	LESSEE	8.33340000
MCELVAIN DAVID P	PO BOX 2148	SANTA FE NM 875042148	LESSEE	4.16670000
MCELVAIN ENERGY FUND 2011 LLC	1050 17TH ST STE 2500	DENVER CO 802652080	OPERATING RIGHTS	0.00000000
MCELVAIN JAMES E	PO BOX 2148	SANTA FE NM 875042148	LESSEE	4.16670000
MCELVAIN RALPH C JR	PO BOX 9502	SALT LAKE CITY UT 84109	LESSEE	12.50000000
MCELVAIN RUTH P	PO BOX 2148	SANTA FE NM 875042148	LESSEE	12.50000000
MCGARY BRIAN SPH TRUSTEE	PO BOX 830308	DALLAS TX 752830308	OPERATING RIGHTS	0.00000000
MCGARY BRIAN SPH TRUSTEE	PO BOX 830308	DALLAS TX 752830308	LESSEE	8.33330000
MCGARY KELLY TRUSTEE	PO BOX 830308	DALLAS TX 752830308	LESSEE	8.33330000
MCGARY KELLY TRUSTEE	PO BOX 830308	DALLAS TX 752830308	OPERATING RIGHTS	0.00000000
MELBA Y TROBAUGH ESTATE	3300 N A ST BLDG 3 # 102	MIDLAND TX 797055421	OPERATING RIGHTS	0.00000000
MITCHELL ROYALTY LTD	RR 2 BOX 10 A	HASKELL OK 74436	OPERATING RIGHTS	0.00000000
P J GUY FAMILY TRUST	1902 W BRISCOE AVE	ARTESIA NM 882102226	OPERATING RIGHTS	0.00000000
PALACE EXPL CO	502 PARK AVE 28TH FL	NEW YORK NY 10022	OPERATING RIGHTS	0.00000000
PVB OIL CO	1320 LAKE ST	FORT WORTH TX 76102	OPERATING RIGHTS	0.00000000
R M REAGAN TRUST	PO BOX 270	MIDLAND TX 79702	OPERATING RIGHTS	0.00000000
SCOTT WARREN	215 W THIRD ST	ROSWELL NM 88201	OPERATING RIGHTS	0.00000000
SEELY C W	815 W 10TH STREET	FORT WORTH TX 76102	OPERATING RIGHTS	0.00000000
SEELY INA B	815 W 10TH ST	FORT WORTH TX 76102	OPERATING RIGHTS	0.00000000
SEELY OIL CO	815 W 10TH ST	FORT WORTH TX 76102	OPERATING RIGHTS	0.00000000
SMITH TERRY	#20 SMOKEY TRL	ARTESIA NM 88210	OPERATING RIGHTS	0.00000000
SSV&H ASSOCIATES	815 W 10TH ST	FORT WORTH TX 76102	OPERATING RIGHTS	0.00000000
T H MCELVAIN OIL & GAS LLLP	1050 17TH ST STE 2500	DENVER CO 802652080	OPERATING RIGHTS	0.00000000
TH MCELVAIN OG LLLP	1050 17TH ST STE 2500	DENVER CO 802652080	LESSEE	25.00000000
THE PEGGY P MCELVAIN TRUST	PO BOX 17892	SALT LAKE CITY UT 841170892	OPERATING RIGHTS	0.00000000

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**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page**

Run Time: 09:51 AM

Page 2 of 8

Run Date: 07/17/2017

THOMPSON J CLEO	212 AMER HOME BLDG	ARTESIA NM 88210	OPERATING RIGHTS	0 000000000
TROBAUGH PROPERTIES	3300 N A ST BLDG 4 #102	MIDLAND TX 79705	OPERATING RIGHTS	0 000000000
WES-TEX DRILLING CO LP	PO BOX 3739	ABILENE TX 79604	OPERATING RIGHTS	0 000000000

Serial Number: NMNM-- - 116166

Mer Twp	Rng	Sec	STyp	SNr Suff	Subdivision	District/Field Office	County	Mgmt Agency
23	0180S	0330E	025	ALIQ	W2NE,	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0180S	0340E	029	ALIQ	NW,N2SW,	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0180S	0340E	030	ALIQ	NE,E2NW,N2SE;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 116166

Act Date	Code	Action	Action Remark	Pending Office
09/01/1949	387	CASE ESTABLISHED		
09/01/1949	496	FUND CODE	05;145003	
09/01/1949	530	RLTY RATE - 12 1/2%		
09/01/1949	868	EFFECTIVE DATE		
07/13/1967	393	DEC ISSUED	GRARIDGE OPER RTS	
05/17/1974	103	ADDTL INFO RECD	AMER PETROFINA RLS	
05/17/1974	932	TRF OPER RGTS FILED	GRARIDGE/AMER PETROFI	
06/21/1976	932	TRF OPER RGTS FILED	TRAINER/AMER PETROFIN	
10/26/1976	396	TRF OF INTEREST FILED	C MCELVAIN EST/BRADPO	
10/26/1976	396	TRF OF INTEREST FILED	T MCELVAIN EST/C MCEL	
11/08/1976	933	TRF OPER RGTS APPROVED	EFF 06/01/1974;	
11/08/1976	933	TRF OPER RGTS APPROVED	EFF 07/01/1976;	
02/26/1979	932	TRF OPER RGTS FILED	HILLIARD OIL/UNION	
12/08/1981	140	ASGN FILED	R REGAN/ TRUST	
04/19/1983	139	ASGN APPROVED	EFF 02/01/1982;	
05/29/1984	393	DEC ISSUED	OPER RIGHTS	
09/18/1984	140	ASGN FILED	C MCELVAIN/C HARVEY	
09/24/1984	932	TRF OPER RGTS FILED	C TRAINER D TRAINER	
09/24/1984	932	TRF OPER RGTS FILED	C TRAINER/HILL ET AL	
09/24/1984	932	TRF OPER RGTS FILED	E MCELVAIN/C TRAINER	
09/24/1984	932	TRF OPER RGTS FILED	REGAN TRST/C TRAINER	
09/24/1984	932	TRF OPER RGTS FILED	TRAINER, M GROSS	
03/18/1985	932	TRF OPER RGTS FILED	ABBOT ABBOTT BROS	
04/30/1985	139	ASGN APPROVED	EFF 10/01/1984;	
09/06/1985	940	NAME CHANGE RECOGNIZED	AMER PETROFINA, FINA O	
02/11/1986	899	TRF OF ORR FILED	C TRAINER, R TRAINER	
02/11/1986	932	TRF OPER RGTS FILED	C HARVEY/C TRAINER	
02/11/1986	932	TRF OPER RGTS FILED	C TRAINER, ABBOTT BROS	
02/11/1986	932	TRF OPER RGTS FILED	D MCELVAIN, C TRAINER	
02/11/1986	932	TRF OPER RGTS FILED	E MCELVAIN, C TRAINER	
02/11/1986	932	TRF OPER RGTS FILED	E MCELVAIN, C TRAINER	
02/11/1986	932	TRF OPER RGTS FILED	J TRAINER, J ADAMS	
02/11/1986	932	TRF OPER RGTS FILED	J WITHERS, C TRAINER	
02/11/1986	932	TRF OPER RGTS FILED	R MCELVAIN, C TRAINER	
02/11/1986	932	TRF OPER RGTS FILED	R MCELVAIN, TRAINER	
02/11/1986	932	TRF OPER RGTS FILED	REPUBLICBANK, TRAINER	
02/11/1986	932	TRF OPER RGTS FILED	WITHERS/C TRAINER	
04/10/1986	899	TRF OF ORR FILED	SABINE CORP. INTERIST	
05/29/1986	932	TRF OPER RGTS FILED	HILLIARD OIL, KAISER-F	
07/17/1986	933	TRF OPER RGTS APPROVED	01EFF 10/01/19814;	

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**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page**

Run Time: 09:51 AM

Page 8 of 8

Run Date: 07/17/2017

11/22/2013	140	ASGN FILED	BANK OF A BANK OF A;1
11/22/2013	899	TRF OF ORR FILED	1
11/22/2013	932	TRF OPER RGTS FILED	BANK OF A BANK OF A;1
03/05/2014	933	TRF OPER RGTS APPROVED	EFF 12 01/13;1
03/05/2014	933	TRF OPER RGTS APPROVED	EFF 12 01/13;2
03/05/2014	974	AUTOMATED RECORD VERIF	MJD
07/06/2015	932	TRF OPER RGTS FILED	ESTATE OF RALPH C M;1
07/13/2015	932	TRF OPER RGTS FILED	PEGGY P M/MCELVAIN;1
07/13/2015	932	TRF OPER RGTS FILED	RALPH C M/PEGGY P M;1
09/15/2015	933	TRF OPER RGTS APPROVED	EFF 08 01/15;1
09/15/2015	933	TRF OPER RGTS APPROVED	EFF 08 01/15;2
09/15/2015	933	TRF OPER RGTS APPROVED	EFF 08 01/15;3
09/15/2015	974	AUTOMATED RECORD VERIF	MJD
12/15/2015	066	BANKRUPTCY FILED	MAGNUM HUNTER PROD
08/08/2016	140	ASGN FILED	HARVEY CA/T H MCELV;1
08/08/2016	140	ASGN FILED	MCELVAIN, T H MCELV;1
08/08/2016	932	TRF OPER RGTS FILED	HARVEY CA/T H MCELV;1
08/08/2016	932	TRF OPER RGTS FILED	MCELVAIN, T H MCELV;1
09/16/2016	139	ASGN APPROVED	EFF 09/01/16;1
09/16/2016	139	ASGN APPROVED	EFF 09/01/16;2
09/16/2016	933	TRF OPER RGTS APPROVED	EFF 09 01/16;1
09/16/2016	933	TRF OPER RGTS APPROVED	EFF 09/01/16;2
10/01/2016	246	LEASE COMMITTED TO CA	NMNM136644;
10/01/2016	246	LEASE COMMITTED TO CA	NMNM136645;
10/03/2016	140	ASGN FILED	MCGARY MA/MARY JANE;1
10/03/2016	899	TRF OF ORR FILED	1
10/03/2016	932	TRF OPER RGTS FILED	MCGARY MA/MARY JANE;1
10/20/2016	932	TRF OPER RGTS FILED	YATES IND, EOG RESOU;1
11/01/2016	658	MEMO OF 1ST PROD-ACTUAL	/1 NMNM136644;
11/05/2016	658	MEMO OF 1ST PROD-ACTUAL	/2 NMNM136645;
11/15/2016	139	ASGN APPROVED	EFF 11 01/16;
11/15/2016	933	TRF OPER RGTS APPROVED	EFF 11 01 16;1
11/15/2016	933	TRF OPER RGTS APPROVED	EFF 11/01 16;2
11/15/2016	974	AUTOMATED RECORD VERIF	LBO
01/17/2017	643	PRODUCTION DETERMINATION	/1/
01/17/2017	643	PRODUCTION DETERMINATION	2.

Serial Number: NMNM-- - 116166

Line Nr	Remarks
0002	BONDED OPERATORS/LESSEES TRANSFEREES:
0003	09/29/2006 - CHESAPEAKE OPERATING IND - NM2634 N.W;
0005	01/26/2007 - CHESAPEAKE OPERATING INC. NM2634 N/W;
0007	08/21/2007 - SEELY OIL CO - NM1816 - S.W;
0009	04/28/2008 - MCELVAIN O&G PROF INC - COB000009 - NW;
0011	09/05/2008 - SEELY OIL CO - NM1816 - S/W;
0013	09/14/2009 - SEELY OIL CO - NM1816 - S.W;
0014	OPERATOR BONDED - 12 16 2010
0015	07/31/2013 MCINNES DOES NOT HAVE OPERATING INTEREST
0016	3/5/14 - SEELY OIL & GAS BONDED NM1816 - S/W
0017	08/01/15 - MCELVAIN LEAD FILE IS NMNM0245247

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**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page**

Run Time: 09:43 AM

Page 1 of 1

Run Date: 07/17/2017

01 12-22-1987;101STAT1330;30USC181 ET SE
Case Type 312021: O&G LSE COMP PD -1987
Commodity 459: OIL & GAS
Case Disposition: AUTHORIZED

Total Acres 80.000
Serial Number NMNM-- - 092780

Name & Address	Serial Number: NMNM-- - 092780	Int Rel	% Interest
MEWBOURNE OIL CO PO BOX 7698 TYLER TX 757117698		LESSEE	100.000000000

Mer Twp Rng Sec	STyp	SNr Suff	Subdivision	District/Field Office	County	Mgmt Agency
23 01805 0340E 031	ALIQ		N2SE.	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT

Act Date	Code	Action	Action Remark	Pending Office
01/18/1994	387	CASE ESTABLISHED	9401092	
01/19/1994	191	SALE HELD		
01/19/1994	267	BID RECEIVED	\$12400.00;	
01/19/1994	392	MONIES RECEIVED	\$12400.00;	
02/04/1994	237	LEASE ISSUED		
02/04/1994	974	AUTOMATED RECORD VERIF	AR MV	
02/24/1994	111	RENTAL RECEIVED	\$120.00;21/MULTIPLE	
02/25/1994	600	RECORDS NOTED		
03/01/1994	496	FUND CODE	05;145003	
03/01/1994	530	RLTY RATE - 12 1/2%		
03/01/1994	868	EFFECTIVE DATE		
03/07/1994	963	CASE MICROFILMED/SCANNED		
01/31/1995	084	RENTAL RECEIVED BY ONRR	\$120.00;21/0000000032	
02/02/1996	084	RENTAL RECEIVED BY ONRR	\$120.00;21/0000000034	
02/03/1997	084	RENTAL RECEIVED BY ONRR	\$120.00;21/0000000035	
02/02/1998	084	RENTAL RECEIVED BY ONRR	\$120.00;21/0000000039	
02/04/1999	084	RENTAL RECEIVED BY ONRR	\$160.00;21/0000000041	
01/28/2000	084	RENTAL RECEIVED BY ONRR	\$160.00;21/48	
02/07/2001	084	RENTAL RECEIVED BY ONRR	\$160.00;21/49	
03/01/2002	246	LEASE COMMITTED TO CA	NMNM107681;	
03/24/2003	650	HELD BY PROD - ACTUAL		
02/28/2004	522	CA TERMINATED	NMNM107681;	

Line Nr	Remarks	Serial Number: NMNM-- - 092780
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**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page**

Run Time: 09 50 AM

Page 1 of 2

Run Date: 07/17/2017

01 12-22-1987;101STAT1330;30USC181 ET SE

Total Acres

Serial Number

Case Type 312021: O&G LSE COMP PD -1987

80.000

NMNM-- - 107396

Commodity 459: OIL & GAS

Case Disposition: AUTHORIZED

Serial Number: NMNM-- - 107396

Name & Address			Int Rel	% Interest
CHISHOLM ENERGY OPERATING LLC	801 CHERRY ST STE 1200	FORT WORTH TX 761026825	OPERATING RIGHTS	0 000000000
EAU ROUGE LLC	PO BOX 823085	DALLAS TX 753823085	LESSEE	100 000000000
EAU ROUGE LLC	PO BOX 823085	DALLAS TX 753823085	OPERATING RIGHTS	0 000000000

Serial Number: NMNM-- - 107396

Mer Twp Rng Sec	STyp	SNr Suff	Subdivision	District/Field Office	County	Mgmt Agency
23 01805 0340E 031	ALIQ		S2SE;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 107396

Act Date	Code	Action	Action Remark	Pending Office
10/16/2001	387	CASE ESTABLISHED	200110103	
10/17/2001	191	SALE HELD		
10/17/2001	267	BID RECEIVED	\$120000.00;	
10/17/2001	392	MONIES RECEIVED	\$120000.00;	
11/14/2001	237	LEASE ISSUED		
11/14/2001	974	AUTOMATED RECORD VERIF	GSE	
12/01/2001	496	FUND CODE	05;145003	
12/01/2001	530	RLTY RATE - 12 1/2%		
12/01/2001	868	EFFECTIVE DATE		
01/18/2002	963	CASE MICROFILMED; SCANNED		
02/08/2002	140	ASGN FILED	KHL INC;1	
03/01/2002	246	LEASE COMMITTED TO CA	NMNM107681;	
03/01/2002	660	MEMO OF 1ST PROD-ALLOC	/1/NMNM107681;	
04/12/2002	139	ASGN APPROVED	EFF 03/01/02;	
04/12/2002	974	AUTOMATED RECORD VERIF	JLV	
03/28/2003	643	PRODUCTION DETERMINATION	1 NMNM107681	
02/28/2004	522	CA TERMINATED	NMNM107681;	
09/03/2004	974	AUTOMATED RECORD VERIF	ANN	
03/14/2006	650	HELD BY PROD - ACTUAL	/2	
06/07/2006	643	PRODUCTION DETERMINATION	2/	
06/07/2006	658	MEMO OF 1ST PROD-ACTUAL	/2 #2 WAPITI 31 FED;	
08/19/2016	140	ASGN FILED	NEARBURG EAU ROUGE;1	
08/19/2016	932	TRF OPER RGTS FILED	NEARBURG;EAU ROUGE;1	
09/27/2016	139	ASGN APPROVED	EFF 09/01/16;	
09/27/2016	933	TRF OPER RGTS APPROVED	EFF 09 01 16;	
09/27/2016	974	AUTOMATED RECORD VERIF	EMR	
01/12/2017	899	TRF OF ORR FILED	1	
01/12/2017	932	TRF OPER RGTS FILED	NEARBURG;AAR LP ET;1	
02/22/2017	933	TRF OPER RGTS APPROVED	EFF 02/01/17;	
02/22/2017	974	AUTOMATED RECORD VERIF	RCC	
06/29/2017	932	TRF OPER RGTS FILED	AAR LIMIT-CHISHOLM;1	
07/11/2017	933	TRF OPER RGTS APPROVED	EFF 07 01/17;	
07/11/2017	974	AUTOMATED RECORD VERIF	LBO	

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DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page

Run Time 09:50 AM

Page 2 of 2

Run Date: 07/17/2017

Line Nr	Remarks	Serial Number: NMNM-- - 107396
0001	-	
0002	BONDED OPERATORS/LESSEES/TRANSFEREES:	
0003	09/27/2016 - NEARBURG PRODUCING CO -NMB000153-SW NM;	
0004	02/22/17 - NEARBURG NEW BOND	
0005	07/11/17 - CHISHOLM ENE OP LLC NM-	

NO WARRANTY IS MADE BY BLM FOR USE OF THE DATA FOR PURPOSES NOT INTENDED BY BLM

DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	A/P NO
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
 [A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD
 Check One Only for [B] or [C]
 [B] Commingling - Storage - Measurement
☐ DHC ☒ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM
 [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR
 [D] Other: Specify _____
- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply
 [A] ☒ Working, Royalty or Overriding Royalty Interest Owners
 [B] ☐ Offset Operators, Leaseholders or Surface Owner
 [C] ☐ Application is One Which Requires Published Legal Notice
 [D] ☒ Notification and/or Concurrent Approval by BLM or SLO
U S Bureau of Land Management - Commissioner of Public Lands, State Land Office
 [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
 [F] ☐ Waivers are attached
- [3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**
- [4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Tony Cooper
 Print or Type Name

T. Cooper
 Signature

Regulatory Mgr
 Title

7-6-17
 Date

Tony Cooper @ MCFHain.com
 e-mail Address

**Bureau of Land Management
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972**

EK 30 BS2 Fed Com 1H – 3002542701, EK 30 BS2 Fed Com 2H - 3002543883, EK 31 BS2 Fed Com 1H - 3002543884

McElvain Energy Inc.

December 8, 2017

**Condition of Approval
Surface Commingling**

1. This approval is subject to like approval by the New Mexico Oil Conservation Division.
2. This agency shall be notified of any spill or discharge as required by NTL-3A.
3. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments or product accountability.
4. This approval does not constitute right-of-way approval for any off-lease activities. Within 30 days, an application for right-of-way approval must be submitted to the Realty Section if not already done.
5. Approval for combining production from various sources is a privilege which is granted to lessees for the purpose of aiding conservation and extending the economic life of leases. Applicants should be cognizant that failure to operate in accordance with the provisions outlined in the Authorized Officer's conditions of approval and/or subsequent stipulations or modifications will subject such approval to revocation.
6. All gas and oil subject to royalty shall be measured as per federal regulations and shall be reported to ONRR as required. All gas which is vented, flared or used on lease shall be reported as per 43 CFR 3178 & 3179 to ONRR. All gas which is vented or flared shall be subject to royalty, unless prior approval was given by the authorized officer.
7. This agency shall be notified of any change in sales method or location of sales point.
8. Additional wells and/or leases require additional commingling approvals.
9. Submit gas and oil meter numbers upon installation of meters and also provide updated facility diagram with meters numbers.
10. Notify this office 24 Hrs. prior to any meter calibration/proving to allow time for an inspector to witness.