

McElvain Oil & Gas Properties, Inc.

INDEPENDENCE PLAZA
1050 17TH STREET, SUITE 1800
DENVER, COLORADO 80265

Oil - DMC

JOHN D. STEUBLE
ENGINEERING MANAGER
E.mail johns@mcelvain.com

TELEPHONE 303-893-0933 EXT.302
FAX 303-893-0914

March 4, 2003

New Mexico Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

Attn: Mr. David Catanach

RE: Wildfire SWD #1
SE/SW Sec.26 T26N R2W

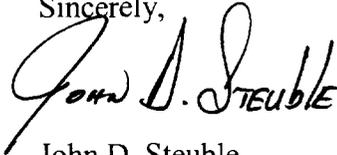
Dear Sir:

Enclosed please find the following items relating to the Wildfire SWD #1:

- 2-BLM Sundry Notices
- BLM Completion Report
- Water Analysis from Morrison Formation
- Open hole log

It is our intentions to commence injection operations during March, 2003.

Sincerely,


JOHN D. STEUBLE

John D. Steuble
Engineering Manager

Encls.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires January 31, 2004

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.
NM103556

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
Wildfire SWD #1

9. API Well No.
30-039-24073

10. Field and Pool, or Exploratory Area
SWD, Morrison, Entrada

11. County or Parish, State
Rio Arriba, NM

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
McElvain Oil and Gas Properties, Inc.

3a. Address
1050 17th Street Suite 1800 Denver, CO 80265

3b. Phone No. (include area code)
303-893-0933

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
900' FSL & 1650' FWL Sec. 26 T26N R2W NMPM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="radio"/> Notice of Intent	<input type="checkbox"/> Acidize	<input checked="" type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="radio"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="radio"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____
	<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 recomplete 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 recompletion 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.)

10/22/01-11/04/01: The cement plugs from the surface thru the open perfs were drilled out. The open perfs 7348'-7656' were squeezed with 80 sacks of Class H cement thru a retainer. The retainer was drilled out and the casing from 8543' to surface was tested to 500 psi for 30 minutes. The well was deepened with a 4 3/4" hole from the end of the casing at 8600' to a total depth of 9100'. No additional casing was run.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

John D. Steuble

Title Engineering Manager

Signature



Date 2/20/2003

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 reverse)

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DEPARTMENT OF THE INTERIOR
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7/30/02: Ran 2 7/8" tubing and packer. Circulated corrosion inhibitor in annulus. Set packer. Pressure tested annulus to 500 psi for 30 minutes.

8/01/02: RU pump truck and pressure recorders. Pressure tested annulus to 360 psig for 30 minutes. Test witnessed by NMOCD representative Bruce Martin. Test report attached.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

John D. Steuble

Title Engineering Manager

Signature

John D. Steuble

Date 2/20/2003

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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(Instructions on reverse)

3b. Production - Interval C

Rate First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Wohle Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	
			→						

3c. Production - Interval D

Rate First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Wohle Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	
			→						

1. Disposition of Gas (Sold, used for fuel, vented, etc.)

1. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
				Morrison	8580

2. Additional remarks (include plugging procedure):

Well Deepened for SWD

3. Circle enclosed attachments:

- 1. Electrical/Mechanical Logs (1 full set req'd.)
- 2. Geologic Report
- 3. DST Report
- 4. Directional Survey
- 5. Sundry Notice for plugging and cement verification
- 6. Core Analysis
- 7. Other:

4. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) John D. Steuble Title Engineering Manager

Signature John D. Steuble Date 2/20/03

Under 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.

5 BLM, Fmn 1 DE 1 Dugan 1 File 1 Andes/Lang
UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Form approved.
Budget Bureau No. 1004-0137
Expires August 31, 1985

(See other In-
structions on
reverse side)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1. TYPE OF WELL: OIL WELL GAS WELL DRY Other _____

2. TYPE OF COMPLETION: NEW WELL WORK OVER DEEP-EN PLUG BACK DIFF. RESERV. Other _____

3. NAME OF OPERATOR: JEROME P. McHUGH

4. ADDRESS OF OPERATOR: P O Box 809, Farmington, NM 87499

5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements):
At surface 900' FSL - 1650' FWL

At top prod. interval reported below

At total depth

14. PERMIT NO. _____ DATE ISSUED 10/9/86

5. LEASE DESIGNATION AND SERIAL NO.
NM 28811

6. IF INDIAN, ALLOTTEE OR TRIBE NAME _____

7. UNIT AGREEMENT NAME _____

8. FARM OR LEASE NAME
Wildfire

9. WELL NO. 1

10. FIELD AND POOL, OR WILDCAT
Gavilan Mancos

11. SEC. T., R., M., OR BLOCK AND SURVEY OR AREA
Sec. 26, T26N, R2W, NMPM

12. COUNTY OR PARISH
Rio Arriba

13. STATE
NM

15. DATE SPUNDED 10/18/86 16. DATE T.D. REACHED 11/22/86 17. DATE COMPL. (Ready to prod.) 4/10/87 18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* 7715' GL; 7727' KB 19. ELEV. CASINGHEAD 7715' GL

20. TOTAL DEPTH, MD & TVD 8605' 21. PLUG, BACK T.D., MD & TVD 8496' 22. IF MULTIPLE COMPL., HOW MANY* NA 23. INTERVALS DRILLED BY TD 24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* 7348-7656', Mancos

25. WAS DIRECTIONAL SURVEY MADE
No

26. TYPE ELECTRIC AND OTHER LOGS RUN Dual Induction Guard, Spectral Density Dual Spaced Neutron, GR-CCL, Cement Bond 27. WAS WELL CORED
No

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
9-5/8"	36	264' KB	12-1/4"	177 cf Class B W/ 2% CaCl	---
5-1/2"	17	8600' KB	7-7/8"	See reverse	---

29. LINER RECORD 30. TUBING RECORD

SIZE	TOP (MD)	BOTTOM (MD)	BACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
None					2-7/8"	7668' KB	---

31. PERFORATION RECORD (Interval, size and number)
7348, 50, 52, 64, 76, 78, 80, 91;
7412, 14, 30, 32, 42, 47, 58, 71, 90, 98;
7534, 36, 51, 54, 57, 67, 73, 83, 93, 97;
7604, 18, 26, 38, 40, 46 & 56.
Total of 35 holes

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
7348-7656'	750 gal. 7-1/2% HCL
	82,000 gal 30# cross-link gel
	90,000 20/40 sand

33. PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)	WELL STATUS (Producing or shut-in)					
1/5/87*	Flowing	SI					
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
4/10/87	3	---	→	10.2	15	20**	1471
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)	
180 psi	575 psi	→	81.6	120	160**	38.6°	

34. DISPOSITION OF GAS (Bold, used for fuel, vented, etc.)
Vented during test; to be sold. M. Brasuel

35. LIST OF ATTACHMENTS *1st new oil swabbed to tank during completion operation **Frac water

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED James S. Hazen TITLE Field Supt. DATE 4/10/87

*(See Instructions and Spaces for Additional Data on Reverse Side)

OFF: (505) 325-5667
 FAX: (505) 327-1496



LAB: (505) 325-1556
 FAX: (505) 327-1496

ANALYTICAL REPORT

Date: 21-Nov-01

Client: Property Management & Consulting	Client Sample Info: Wildfire SWD - 8600-9100ft.
Work Order: 0111008	Client Sample ID: Morrison Formation Water
Lab ID: 0111008-01A Matrix: AQUEOUS	Collection Date: 11/12 2001 4:30:00 PM
Project: Wildfire SWD-Morrison Formation Water	COC Record: 11654

Parameter	Result	PQL	Qual	Units	DF	Date Analyzed
ANIONS BY ION CHROMATOGRAPHY						
		E300				Analyst: DC
Chloride	3150	121		mg/L	2013	11/21/2001
Sulfate	6820	161		mg/L	2013	11/21/2001
ICP METALS, DISSOLVED						
		SW6010B				Analyst: DC
Calcium 317.933	173	0.65		mg/L	65	11/16/2001
Iron 259.939	1.6	1.6		mg/L	65	11/16/2001
Magnesium 285.213	15.7	0.46		mg/L	65	11/16/2001
Potassium 766.490	67.3	4		mg/L	65	11/16/2001
Sodium 589.592	5480	3.8		mg/L	200	11/16/2001
ALKALINITY, TOTAL						
		M2320 B				Analyst: DM
Alkalinity, Bicarbonate (As CaCO3)	470	5		mg/L CaCO3	1	11/14/2001
Alkalinity, Carbonate (As CaCO3)	ND	5		mg/L CaCO3	1	11/14/2001
Alkalinity, Hydroxide	ND	5		mg/L CaCO3	1	11/14/2001
Alkalinity, Total (As CaCO3)	470	5		mg/L CaCO3	1	11/14/2001
HARDNESS, TOTAL						
		M2340 B				Analyst: DC
Hardness (As CaCO3)	497	1		mg/L	1	11/21/2001
PH						
		E150.1				Analyst: DM
pH	7.29	2		pH units	1	11/14/2001
Temperature	16			deg. C	1	11/14/2001
RESISTIVITY (@ 25 DEG. C)						
		M2510 C				Analyst: DM
Resistivity	0.459	0.001		ohm-m	1	11/14/2001
SPECIFIC GRAVITY						
		M2710 F				Analyst: DM
Specific Gravity	1.015	0.001		Units	1	11/14/2001
TOTAL DISSOLVED SOLIDS						
		E160.1				Analyst: DM
Total Dissolved Solids (Residue, Filterable)	16800	40		mg/L	1	11/14/2001
TOTAL DISSOLVED SOLIDS						
		CALC				Analyst: DC
Total Dissolved Solids (Calculated)	16000	5		mg/L	1	11/21/2001

Qualifiers: PQL - Practical Quantitation Limit S - Spike Recovery outside accepted recovery limits
 ND - Not Detected at Practical Quantitation Limit R - RPD outside accepted recovery limits
 J - Analyte detected below Practical Quantitation Limit E - Value above quantitation range
 B - Analyte detected in the associated Method Blank Sum - Surrogate

COMPANY: McELVAIN OIL & GAS PROPER. INC.

WELL: WILDFIRE SWD

FIELD: BASON FIN T RADA

COUNTY: RIO ARRIBA STATE: NEW MEXICO

Schlumberger

HOSTILE LITHO DENSITY
GAMMA RAY / CALIPER

COUNTY: RIO ARRIBA
Field: BASON FIN T RADA
Location: 900' FSL X 1650' FWL
Well: WILDFIRE SWD
Company: McELVAIN OIL & GAS PROPER

LOCATION	900' FSL X 1650' FWL	Elev.: K.B. 7727 ft G.L. 7715 ft D.F. 7726 ft		
	Permanent Datum: <u>GROUND LEVEL</u>	Elev.: <u>7715 ft</u>		
	Log Measured From: <u>KELLY BUSHING</u>	12.0 ft above Perm. Datum		
	Drilling Measured From: <u>KELLY BUSHING</u>			
	API Serial No. 30-039-24073	SECTION 26	TOWNSHIP 26N	RANGE 2W

Logging Date	2-Nov-2001			
Run Number	ONE			
Depth Driller	9100 ft			
Schlumberger Depth	9098 ft			
Bottom Log Interval	9108 ft			
Top Log Interval	8600 ft			
Casing Driller Size @ Depth	5.500 in	@ 8600 ft		@
Casing Schlumberger	8604 ft			
Bit Size	4.750 in			
Type Fluid In Hole	GEL CHEM			
MUD	Density	Viscosity	8.6 lbrn/gal	36 s
	Fluid Loss	PH	8 cm3	9.5
	Source Of Sample	MUD TANK		
	RM @ Measured Temperature	3.560 ohm.m	@ 73 degF	@
	RMF @ Measured Temperature	2.670 ohm.m	@ 73 degF	@
	RMC @ Measured Temperature	5.340 ohm.m	@ 73 degF	@
	Source RMF	RMC	CALCULATED	CALCULATED
	RM @ MRT	RMF @ MRT	1.258 @ 219	0.943 @ 219 @ @
	Maximum Recorded Temperatures	219 degF		
	Circulation Stopped	Time	2-Nov-2001	6:00
	Logger On Bottom	Time	2-Nov-2001	13:21
	Unit Number	Location	3038	FARMINGTON
	Recorded By	MR. J. TARDAGUILA		
	Witnessed By	MR. A. MERRICK		