

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED

JUN 08 2015

FORM APPROVED  
OM B 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.*

Farmington Field Office  
Bureau of Land Management

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

1. Type of Well  
☐ Oil Well ☐ ☒ Gas Well ☐ Other

2. Name of Operator  
McElvain Energy Inc.

3a. Address  
1050 17th Street Suite 2500, Denver CO, 80265

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

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

SWNE Sec 5 25N 67W 1820' FNL 1840' FEL

5. Lease Serial No.

NMNM-011639

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Salazar #2

9. API Well No.

30-039-22789

10. Field and Pool, or Exploratory Area

Pictured Cliffs

11. County or Parish, State

Rio Arriba, 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 type="checkbox"/> Other	
	<input type="checkbox"/> Change Plans	<input checked="" 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 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.)

McElvain Energy Inc. is requesting approval to plug and abandon the Salazar #2 gas well. The proposed plugging procedure has been included for you review.

BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS

OIL CONS. DIV DIST. 3

SEE ATTACHED FOR  
CONDITIONS OF APPROVAL

JUL 08 2015

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

Tony Cooper

Title

Sr EHS Specialist

Signature

Tony Cooper

Date

6-5-2015

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Troy Salyers

Title

PE

Date

7/1/2015

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

FFO

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)

NMOCD

# MCELVAIN ENERGY, INC.

## SALAZAR #2 PLUG AND ABANDONMENT PROCEEDURE Well Data Sheet

Well Name:	Salazar #2	Lease Type:	Federal
Type:	Gas	Lease #:	NM-011639
		API#:	30-039-22789
		Code:	NM0760-02.01

Pool:	Ballard-Pictured Cliffs (71439)	Elevation:	6,931'
Spacing:	160 acres		

Location:	1,820' FNL & 1,840' FEL SWNE, 'G', Sec. 5, T25N-R7W	NRI:	0.2016626
County:	Rio Arriba, NM	WI:	0.2482
		NLI:	0.8125004

Spud:	09/18/1981	TD:	2,900'
TD:	09/25/1981	PBTD:	2,881'
Completed:	10/09/1981		

### Hole Casing

<u>Size</u>	<u>Size</u>	<u>Joints</u>	<u>Weight</u>	<u>Grade</u>	<u>Thread</u>	<u>Depth</u>	<u>Sacks</u>	<u>Type</u>	<u>TOC</u>
9-7/8"	7"	3	23#	LS	STC	129'	60	A	Surface
5-1/4"	2-7/8"	113	6.4#	J-55	10 rd	2,894'	250	50/50 poz	Surface
							50	"B" Neat	

**Note: 3 bbls of cement was circulated to surface on 06/25/1981. No temp. survey was run.**

Tubing: 88 jts 2,794.26' 1-1/4" 2.3# J-55 IJ Nom: 1.660", ID: 1.380", Drift: 1.286"  
 EOT: 2,796.26' 05/09/1983 **Note: Not sure of 1-1/4" is in hole or not.**

### Formation Tops:

Ojo Alamo: 2,028'	Kirtland: 2,226'	Fruitland: 2,662'
Pictured Cliffs: 2,752'	Lewis: 2,853'	TD: 2,900'

Logging: IEL; CDL/GR;

Perforations: 2,777' to 2,850' OA 27' 1 spf 27 shots

Stimulation (09/30/1981): 70K# 10/20 sand in 18.9K gals water/487.6 mcf N2; ATR: 5 bpm; ATP: 2,700 psi; Flushed with 252 gals Water/N2; 0.5 ppg - 2.0 ppg 10/20; ISIP: 1,800 psi

Production: 88,558 mcf 6,386 producing days Last Production: 88 mcf; Jul-2013

Gatherer: Enterprise

Capacities:	1-11/16", 2.3#, J-55	ID: 1.380"	Drift: 1.286"	0.00185 bbl/ft	0.0.039 ft3/ft
	2-7/8", 6.4#, J-55	ID: 2.441"	Drift: 2.347"	0.00579 bbl/ft	0.0325 ft3/ft
	1-11/16" x 2-7/8:	ID: 1.380"	Drift: 1.286"	0.00311 bbls/ft	0.0175 ft3/ft
	2-7/8" x 5-1/4"			0.0187 bbl/ft	0.1052 ft3/ft

## **MCELVAIN ENERGY, INC.**

### **SALAZAR #2**

### **PLUG AND ABANDONMENT PROCEEDURE**

Ballard Pictured Cliffs

"G" SWNE, Sec. 5, T25N-R7W

Rio Arriba County, NM

Note: Cement plugs are designed to fill casing have sufficient volume to fill a minimum of 100' of casing, plus excess volume sufficient to cover 50' of fill above the plug. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressure.

1. **Well may or may not have 1-1/4" tubing installed.** Dig out cellar. MI and spot a steel pit for fluid containment. Comply with all NMOCD, BLM, and McElvain safety regulations.
  - a. If 1-1/4" tubing has been run in the wellbore then install and test location rig anchors. MIRU daylight pulling unit. Record all well head pressures. Conduct safety meeting with all personnel on location. NU relief line and blow well down; kill with water if necessary. ND well head, NU BOPE, stripping head and lines. Test BOP. TOH, LD and 1-1/4" tubing.
  - b. If well does not have a 1-1/4" tubing string then MIRU cementers. Conduct safety meeting with all personnel on location. NU cementing valve. Open bradenhead valve. Establish rate down 2-7/8" casing with 16 bbls of water.
2. **Plug #1 2,850' – Surface (2,850', Long Plug, 30% Excess)**  
(Pictured Cliffs perforated interval: 2,777' – 2,850'; Top Pictured Cliffs: 2,752'; Top Fruitland: 2,662'; Top Kirtland: 2,226'; Top Ojo Alamo: 2,028'; 7" Casing Shoe: 129'. Establish pump rate into pictured Cliffs perforations. M&P 100 sx Class "B" cement (30% Excess, Long Plug) at 15.6 ppg, Y = 1.18 ft<sup>3</sup>/sk, Water: 5.2 gals/sk. Slurry volume: 21.4 bbls or 120.2 ft<sup>3</sup> down 2-7/8" casing to 2,850'. Double valve and shut in well. WOC.
3. Dig out wellhead and cut off. If cement levels inside 2-7/8" and 2-7/8" x 7" annulus have fallen then fill with Class "B" cement.
4. Install P&A marker with cement to comply with regulations.
5. RD, move off location, cut off anchors and restore location.

#### **Cement Calculations:**

Capacity of 2-7/8" casing from 2,850' to surface: 2,850 ft X 0.0325 ft<sup>3</sup>/ft = 92.6 ft<sup>3</sup> X 1.3 = 120.4 ft<sup>3</sup>

Slurry Density: 15.5 lb/gal; Slurry Yield: 1.18 ft<sup>3</sup>/sk

Sacks of Class "B" cement: 120.4 ft<sup>3</sup> / 1.18 ft<sup>3</sup>/sk = 102 sacks of cement

Water required: 102 sx X 5.2 gals/sk = 530 gals = 12.6 bbls

Volume of slurry: 21.3 bbls



MCELVAIN ENERGY, INC.

SALAZAR #2 Wellbore Schematics

Ballard Pictured Cliffs

"G" SWNE, Sec. 5, T25N-R7W

Rio Arriba County, NM

Current

Spud: 09/18/1981

1<sup>st</sup> Sales: 03/27/1982

May or may not have 1-1/4" Tubing

Proposed P&A

9-7/8" Hole to 139'  
7", 23#, LS, STC @129'  
M&P 60 sx to Surface

Ojo Alamo: 2,028'

Kirtland: 2,226'

Fruitland: 2,662'

Est. Top Tail: 2,472'

Pictured Cliffs: 2,752'

PBTD: 2,881'

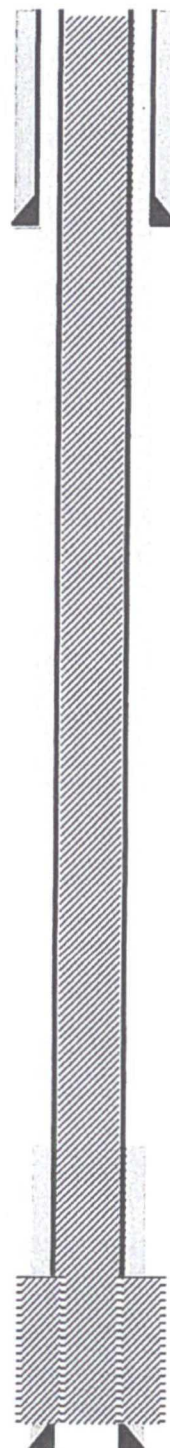
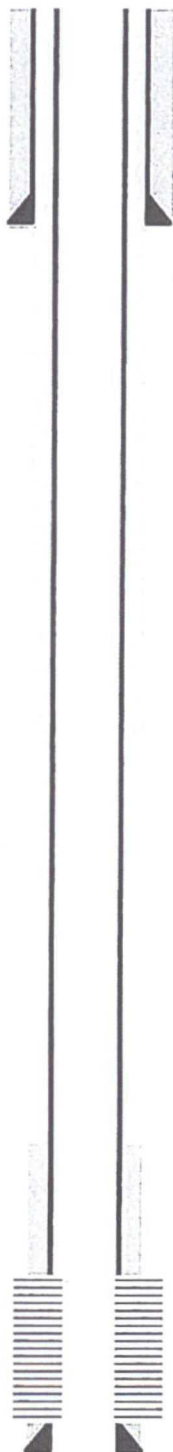
5-1/4" Hole to 2,900'

113 jts, 2-7/8", 6.4#, J55

10rd @2,894'

Pictured Cliffs Perfs"  
2,777' - 2,850'  
27', 27 shots

Lead: 250 sx 50/50 poz, 6% gel  
@13.2 ppg,  $y = 1.55 \text{ ft}^3/\text{sk}$ , 69 bbls  
Tail: 50 sx "B" Neat  
@15.6 ppg,  $Y = 1.18 \text{ ft}^3/\text{sk}$ , 10.5 bbls



# McELVAIN ENERGY INC.

1050 17TH STREET, SUITE 2500  
DENVER, COLORADO 80265-1801

TELEPHONE 303-893-0933 EXT.331  
FAX 303-893-0914  
E-MAIL:TONYC@McELVAIN.COM

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February 4, 2014

Robert Switzer  
Farmington Field Office  
Bureau of Land Management  
6251 College Blvd. Suite A  
Farmington, NM 87402

RE: Bare Soil Reclamation Plan for the Salazar #2 (API # 30-039-22789)  
Rio Arriba County, NM. SWNE Sec. 5 25N 7W

## **Purpose**

The primary objective of this plan is to set forth the guidelines by which final reclamation activities will be conducted, to ensure the establishment of the pre-disturbance natural topography and vegetation community at the Salazar #2 gas well site, which is planned to be plugged and abandoned by McElvain Energy Inc. (MEI). A Sundry (3160-5) requesting approval of the P&A activity has been sent to Troy Salyers in the FFO.

On June 19, 2015, an onsite inspection was conducted by representatives of the BLM FFO and MEI.

## **Well Pad and Operational Area Reclamation**

- All aboveground surface production equipment has been removed with the exception of the pipeline drip that will be removed and properly disposed of.
- The site will be recontoured to the original topography. Non-native gravel is not present on the site.
- The well pad and operational area will be recontoured, decompacted, and a weed free seed mixture representative of the Pinion-Juniper vegetation community, will be disk drilled into the soil.

## **Access Road Reclamation**

- The access road into the site (approximately 0.5 miles) will be recontoured, decompacted (ripped), and disk drilled with a seed mixture representative of the Pinion-Juniper vegetation community.
- The access road will be blocked by a dirt berm barricade that will eventually be

removed upon achievement of the required vegetation percent cover and approval of the final reclamation of the access road by the BLM FFO.

- Appropriate stormwater BMP's (ex. water bars) will be installed to prevent erosion and sedimentation discharge along the access road and adjoining areas.
- Signage (Seeded Area - Do Not Enter) will be placed at the entrance to the access road to discourage any future unauthorized entry into the area.

### **Monitoring and Inspection**

On June 19, 2015, an onsite inspection was conducted by representatives of the BLM FFO and MEI. Photo point and line point intercept transect monitoring will be assessed, documented, and submitted to the BLM FFO annually beginning in the second year after initial reseeding, and will continue annually thereafter, until the required vegetation percent cover standard is achieved, and final reclamation is approved by the BLM FFO.

Once the required vegetation percent cover standards have been achieved on the well pad, operational area, and the access road, a Final Abandonment Notice (FAN) will be submitted in the form of a Sundry to the BLM/FFO for concurrence and final approval.

### **Site Revegetation and Weed Control**

- The seed mixture will consist of the native plants specified on the P & A Field Inspection Sheet for the Pinion-Juniper vegetation community.
- The area is free from any noxious weeds at this time

Respectfully Submitted,

Tony G. Cooper  
Sr. EHS Specialist  
McElvain Energy Inc.  
303-893-0933 x331

# P&A Field Inspection Sheet

Date 6-19-15

Specialist Switzer

Operator McElvain Energy Inc

Well Name & Number Salazar # 2

API Number 30-039-22789

Lease Number NMNM-011639

Section 5 Township 25N Range 7W

Footage 1820" FNL & 1840" FEL

Surface: ☒ BLM ☐ BOR ☐ State

County Rio Arriba State NM

Twinned: ☐ Yes ☒ No

## Well pad

Topography Mesas and Canyons

Stockpile Topsoil ☐ Yes ☒ No

Soil Type Shallow Sand & Clay

Vegetation Community Pinyon-Juniper

1 Bitterbrush

2 Bottlebrush

3 Needleandthread

4 Indian Rice Grass

5 Blue Gramma

6 Mutton Grass

7 Scarlet Globmallow

Vegetation Cages: ☐ Yes ☒ No

Line drip

Facilities on Location: ☐ Tanks, ☒ Meter Runs, ☐ Separators, ☐ Compressor, ☐ Day tanks, Pipeline Riser ☒ Yes ☐ No

Gravel Present: ☐ Yes ☒ No Bury ☐ Yes ☐ No Main Road

Steel Pits: Above Grade/ Below Grade: Where on Location NA

Cathodic Groundbed on Location: ☐ Yes ☒ No In Service ☐ Yes ☐ No Abandoned ☐ Yes ☐ No Plugged ☐ Yes ☐ No

Remove Wire ☐ Remove Rectifier ☐

Trash on Location ☐ Yes ☒ No Power Poles Present ☐ Yes ☒ No Remove Power Poles ☐ Yes ☐ No

Construct Diversion Ditch ☐ Above ☐ Below ☐ Around

side draining

Contaminated Soil Present: ☐ Yes ☒ No

side draining

Remove: ☐ Yes Where on Location

Construct Silt Trap (s) NO

Re-contour Disturbed Areas to Natural Terrain: ☒ Yes ☐ No

Special Features

Location & Access Barricade ☒ Yes ☐ No How Construct a dirt berm barricade across road access.

Construction Comments/Concerns Signage ( Seeded Area-DO NOT ENTER) placed at road access entrance

## Access Road

Access Length .5 Miles Remediation Methods: ☒ RIP ☒ Disk ☒ Water Bars ☒ Re-establish Drainages, Other

Access Condition ☒ Below grade ☐ Above grade ☐ Other

Culverts: ☐ Yes ☒ No Cattle Guard: ☐ Yes ☒ No Reconstruct Fence: ☐ Yes ☒ No Surfacing Material: ☐ Yes ☒ No

What to do w/ Material

Road Comments/ Concerns



**Pipeline**

Pipeline Company: Enterprise, Williams, Other Enterprise

Location P/L: Where Location

Relocate Riser ☐ Yes ☒ No Where

Pipeline Length 1/2 Mile Remediation Methods

.99 or > Acres of disturbance- Need SUPO: ☐ Yes

Comments/ Concerns

**Grazing**

Grazing Permittee

Type of Grazing (cattle/sheep)

Season of Use

Operator's Representative

Pipeline Rep



UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
FARMINGTON DISTRICT OFFICE  
6251 COLLEGE BLVD.  
FARMINGTON, NEW MEXICO 87402

Attachment to notice of  
Intention to Abandon:

Re: Permanent Abandonment  
Well: Salazar #2

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."
2. Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 564-7750.

You are also required to place cement excesses per 4.2 and 4.4 of the attached General Requirements.

Office Hours: 7:45 a.m. to 4:30 p.m.