

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

**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  
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator **McElvain Oil & Gas Properties, Inc.**

3a. Address  
**1050 17th Street, Suite 1800, Denver, CO 80265-1801**

3b. Phone No. (include area code)  
**303.893.0933**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**970' FNL - 1155' FWL, Section 13, T29N, R12W, NMPM**

5. Lease Serial No.  
**SF065557**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**PRI No. 4**

9. API Well No.  
**30-045-33014**

10. Field and Pool, or Exploratory Area  
**Fulcher Kutz Pictured Cliffs**

11. County or Parish, State  
**San Juan, New Mexico**

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

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent  
☐ Subsequent Report  
☐ Final Abandonment Notice

☐ Acidize  
☐ Alter Casing  
☐ Casing Repair  
☒ Change Plans  
☐ Convert to Injection

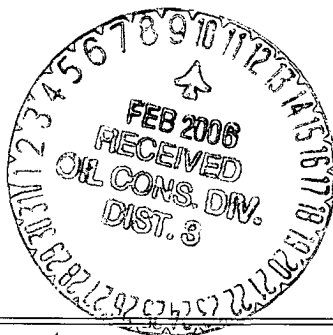
☐ Deepen  
☐ Fracture Treat  
☐ New Construction  
☐ Plug and Abandon  
☐ Plug Back

☐ Production (Start/Resume)  
☐ Reclamation  
☐ Recomplete  
☐ Temporarily Abandon  
☐ Water Disposal

☐ Water Shut-Off  
☐ Well Integrity  
☐ Other

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 Oil & Gas Properties, Inc., due to wellhead availability issues, proposes to change the casing and cementing program for this well as outlined in the amended drilling program attached. No changes have been made to the surface location.**



2006 FEB 7 AM 10 33  
RECEIVED  
070 FARMINGTON NM

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

**Robert E. Fielder**

Title Agent

Signature

*Robert E. Fielder*

Date

**02/06/2006**

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By

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.

Title

*Pet. Eng*

Date

*2/8/06*

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)

McElvain Oil & Gas Properties, Inc.

PRI No. 4

970' FNL & 1155' FWL

Section 13, T29N, R12W, NMPM

San Juan County, New Mexico

TEN POINT DRILLING PROGRAM

1. Surface Formation: Nacimientto

2. Surface Elevation: 5822' GL.

3. Estimated Formation Tops:

<u>Formation</u>	<u>Top - feet</u>	<u>Expected Production</u>
Nacimientto	surface	
Ojo Alamo	598	
Kirtland	698	
Farmington	1428	
Fruitland	1668	
Pictured Cliffs	1918	GAS
Lewis	2118	
TOTAL DEPTH	2268	

4. Surface Hole Program:

**Bit:** Drill an 12 $\frac{1}{4}$ " hole to 200' using a retip mill tooth, IADC Class 115 or 116, bit. WOB: all. RPM: 70 - 100.

**Mud:** Use a fresh water base spud mud with the following properties:

<u>Interval (ft)</u>	<u>Weight (ppg)</u>	<u>Ph</u>	<u>Vis(sec/qt)</u>	<u>Water Loss</u>
0 - 200	8.6 or less	9.0-9.5	40 - 50	No Control

**Casing and Cementing:** A string of 8 $\frac{5}{8}$ " 24 ppf J-55 or K-55 ST&C casing will be set and cemented to the surface in a single stage with 140 sacks (165.2 cf) of Class "B" cement (yield = 1.18 cf/sk) containing 3% CaCl<sub>2</sub> and 1/4 lb/sack celloflake. Slurry volume assumes 100% excess over calculated hole volume. If cement does not circulate to surface, cement will be topped off using 1" pipe down the 8 $\frac{5}{8}$ " by 7" annulus. Minimum clearance between couplings and hole is 1.3125". Prior to drilling out the shoe, casing and BOPE will be tested to a minimum of 600 psig. Safety factors utilized in the design of this casing string were: burst = 1.1; collapse = 1.125; and tension = 1.8 or 100,000 lb overpull, whichever is greater.

WOC 12 HOURS. Nipple up 11" 2000# BOPE. Pressure test stack and choke manifold to working pressure using test plug. Pressure test surface casing and BOPE to 600 psi for 15 minutes prior to drilling surface casing shoe.

**Centralizers:** Run two (2) 8 $\frac{5}{8}$ " X 12 $\frac{1}{4}$ " regular bowspring centralizers. Install first one on stop ring in middle of shoe joint.

**Float Equipment:** Cement nose guide shoe thread locked. Also thread lock connection between first and second joint run.

**Drilling Program**  
**McElvain Oil & Gas Properties, Inc.**  
**PRI No. 4**  
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**5. Production Hole Program:**

**Bit:** Drill a 7 $\frac{7}{8}$ " hole to 2268' using a TCI, IADC Class 447 bit. WOB: 30-35K. RPM: 60 - 75. Reduce RPM to 55 - 65 through Ojo Alamo.

**Mud:** Use a fresh water base polymer and water system to drill this section. If hole conditions dictate, mud up with a fresh water base LSND mud with the following properties:

<u>Interval (ft)</u>	<u>Weight (ppg)</u>	<u>Ph</u>	<u>Vis(sec/qt)</u>	<u>Water Loss</u>
200 - 2268	8.6 - 8.8	9.0-9.5	28 - 35	10 - 12

Fresh water will be used for dilution and building volume. Sufficient materials will be on location at all times to maintain mud properties and to control any lost circulation problem or unforeseen abnormal pressures. The mud volume in the surface pit will be visually monitored and recorded on a routine basis.

Note: If mud up is required, raise **viscosity** to 55 - 60 for logging. Thin to 40 - 45 viscosity to run casing.

**pH** is to be maintained with lime or caustic soda at the recommended levels to assure drill pipe corrosion protection.

Drispac will be used for control of fluid loss.

Lost Circulation can occur in the Fruitland Coal and Pictured Cliffs formation. Mud weights should be controlled as low as possible with solids control equipment then as low as practical with water dilution.

**Pressure Control:** A 2M psi BOP well control system will be utilized. BOP's and choke manifold will be installed and pressure tested to working pressure after nipple up. Surface casing will be tested to a minimum of 600 psig prior to drilling out from under surface casing. Mechanical operation of pipe rams will be checked daily and blind rams will be checked on each trip out of hole. 5 $\frac{1}{2}$ " rams will be installed before running production casing. A full opening internal blowout preventor or drill pipe safety valve will be on the drill floor at all times and will be capable of fitting all connections.

**Logging Program:** Dual Induction and Compensated Neutron/Formation Density logs will be run from TD to the surface casing shoe.

**Casing and Cementing Program:** Run 5 $\frac{1}{2}$ " 15.5 ppg J-55 production casing from surface to TD and cement in a single stage with 170 sacks (433.5 cf) of Class B containing 3% sodium metasilicate extender, 5 pps Gilsonite and 1/4 pps celloflake. Lead slurry mixed at 11.8 PPG to yield 2.55 cf/sk. Tail in with 130 sacks (154.7 cf) of Class B with 0.25 pps celloflake, 0.3% FLA and 5 pps gilsonite mixed at 15.6 PPG to yield 1.19 cf/sk.

**Drilling Program**  
**McElvain Oil & Gas Properties, Inc.**  
**PRI No. 4**  
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**5. Production Hole Program: -continued**

Slurry volumes assume a 50% excess over gauge hole volume to circulate to surface. Minimum clearance between couplings and hole is 0.9125". Safety factors utilized in the design of this casing string were: burst = 1.1; collapse = 1.125; and tension = 1.8.

**Centralizers:** 5 - 5½" X 7⅞" bowspring centralizers will be run across all prospective pays and 2 - 5½" X 7⅞" turbolizers will be spaced such that one (1) is just below the base of the Ojo Alamo and one (1) in the Ojo Alamo.

**Float Equipment:** Cement nose guide shoe, 1 joint 5½" casing, and float collar.

**6. Auxiliary Equipment:**

An upper kelly cock will be utilized. The handle will be available on rig floor at all times

**7. Logging Program:**

Dual Induction and Compensated Neutron / Formation Density will be run from TD to surface casing shoe. Bulk density will be presented on a 5 " scale through the coals. Deep induction curve will be merged onto the porosity log.

**Coring and Testing Program:**

No cores or drill stem tests are planned.

**8. Abnormal Pressure:**

Although not expected, abnormal pressures are possible in the Fruitland formation.

**Estimated Bottom Hole Pressure:**

250 - 300 psig.

**9. Anticipated Starting Date:**

February 15, 2006

**Duration of Operations:** It is estimated a total of 6 days will be required for drilling operations and 5 days for the completion operation.