

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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.
NMNM09867

6. If Indian, Allottee or Tribe Name

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

SUBMIT IN TRIPLICATE - Other instructions on page 2

8. Well Name and No.
BIG GULP SWD 1

9. API Well No.
30-045-35043-00-S1

10. Field and Pool or Exploratory Area
BLANCO MESAVERDE

11. County or Parish, State
SAN JUAN COUNTY, NM

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 STE 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)
Sec 20 T30N R13W NWSW 1807FSL 1117FWL
36.796494 N Lat, 108.233633 W Lon

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 checked="" 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 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 must 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 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 is requesting permission to perform a 5 year MIT on the this SWD well. I have attached the procedure for your review and approval.

OIL CONS. DIV DIST. 3
AUG 25 2017

14. I hereby certify that the foregoing is true and correct.	
Electronic Submission #385034 verified by the BLM Well Information System For MCELVAIN ENERGY, INC, sent to the Farmington Committed to AFMSS for processing by WILLIAM TAMBEKOU on 08/17/2017 (17WMT0602SE)	
Name (Printed/Typed) JOE KELLOFF	Title VP PROD & BUSINESS DEVELOPMENT
Signature (Electronic Submission)	Date 08/17/2017

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By WILLIAM TAMBEKOU	Title PETROLEUM ENGINEER	Date 08/17/2017
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 Farmington

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. 3

(Instructions on page 2)

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

NMOCD *AV*

McELVAIN OIL & GAS PROPERTIES, INC.
Big Gulp SWD #1
Mechanical Integrity Test Procedure
August 2017

LOCATION: Unit L NWSW 20, T30N-R13W
San Juan County

API: 05-045-35043

TD: 4,278' PBDT: 4,233'(est)

KB: 5,538.5' GL : 5,525'

CASING:

Surface 9 5/8", 36#, K-55 @710' in 12 1/4" hole.
Cemented with 385 sxs (82.8 bbls) Prem "G" + 2% CaCl₂ + 0.25% Flo-Cele
Water: 5.0 gps; Yeild: 1.17 ft³/sk; Weight: 15.8 ppg
Circulated 44 bbls cement to surface.
Cementer: Halliburton

Production 7", 20#, J-55 @4,272' in 8 3/4" hole. DV tool @1,603'.

1st Stage

Lead: 240 sxs (82 bbls) Prem Light + 5 pps gilsonite + 1/4 pps flakes
Water: 9.73 gps; Yield: 1.92 ft³/sk; Weight: 12.3 ppg
Tail: 250 sxs (56.1 bbls) Type V + 5 pps gilsonite +1/4 pps flakes
Water: 5.25 gps; Yield: 1.26 ft³/sk; Weight: 15.2 ppg
Circulated 15 bbls of cement to surface. Didn't Bump plug.
Displaced 151.5/171 bbls leaving 483' inside 7".

2nd Stage

Lead: 180 sxs (61.5 bbls) Prem Light + 5 pps gilsonite + 1/4 pps flakes
Water: 9.73 gps; Yield: 1.92 ft³/sk; Weight: 12.3 ppg
Tail: 50 sxs (11.2 bbls) Type V + 5 pps +1/4 pps flakes
Water: 5.25 gps; Yield: 1.26 ft³/sk; Weight: 15.2 ppg
Circulated 16 bbls of cement to surface. Bumped plug.
Cementer: Halliburton

CAPACITIES and DISPLACEMENTS:

2-7/8", 6.5#, J-55: ID: 2.441"; Drift: 2.347"; Burst: 5,280 psi; 0.00579 bbl/ft
7" 20#; J-55: ID: 6.456"; Drift: 6.331"; Burst: 3,740 psi; 0.0404 bbl/ft
7" x 2-7/8" Annulus: 0.0325 bbl/ft

PURPOSE of WORK: Casing Mechanical Integrity Test

FORMATION TOPS:

<u>Formation</u>	<u>Depth</u>	<u>Subsea</u>
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Kirtland	710'	4,828.5'
Fruitland	1,108'	4,430.5'
Pictured Cliffs	1,337'	4,201.5'
Lewis	1,486'	4,052.5'
Cliff House	2,900'	2,638.5'
Menefee	3,056'	2,482.5'
Point Lookout	3,776'	1,762.5'
Mancos	4,137'	1,401.5'
TD	4,278'	1,260.5'

PROCEDURE:

Notify OCD 24 hours before beginning test. Schedule a field inspector to witness MIT.

MI& RU Wilson Services.

Pressure casing to 500 PSI.

Hold the pressure for a minimum of 30 minutes and record with a chart recorder.

Bleed off pressure, RD Wilson Services move off location.