

District I  
PO Box 1980, Hobbs, NM 88241-1980

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C-101

District II  
PO Drawer DD, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION  
PO Box 2088  
Santa Fe, NM 87504-2088

**CONFIDENTIAL**  
Office  
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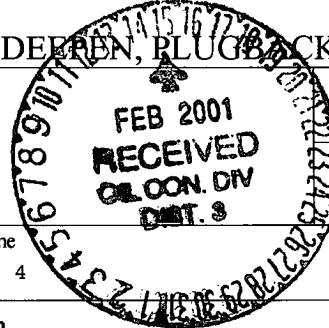
District III  
1000 Rio Brazos Rd., Aztec, NM 87410

District IV  
PO Box 2088, Santa Fe, NM 87504-2088

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUG BACK, OR ADD A ZONE

<sup>1</sup> Operator Name and Address McElvain Oil & Gas Properties Inc. 1050 17th Street, Suite 1800 Denver, CO 80265		<sup>2</sup> OGRID Number 22044
<sup>4</sup> Property Code 24760	<sup>5</sup> Property Name Cougar Com 4	<sup>3</sup> API Number 30039-26668
		<sup>6</sup> Well No. 2M



<sup>7</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	4	25N	2W		935	South	835	West	Rio Arriba

<sup>8</sup> Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<sup>9</sup> Proposed Pool 1 Basin Dakota					<sup>10</sup> Proposed Pool 2 Blanco Mesa Verde				
<sup>11</sup> Work Type Code N		<sup>12</sup> Well Type Code G		<sup>13</sup> Cable/Rotary R		<sup>14</sup> Lease Type Code P		<sup>15</sup> Ground Level Elevation 7513'	
<sup>16</sup> Multiple N		<sup>17</sup> Proposed Depth 8435'		<sup>18</sup> Formation Dakota		<sup>19</sup> Contractor Not selected		<sup>20</sup> Spud Date 03/15/01	

<sup>21</sup> Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12.250"	9.625"	36	600'	320	surface
8.750"	5.500"	15.5	6205'		
7.875"	5.500"	15.5&17.0	8435'	2100-3 stage	surface

<sup>22</sup> Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.  
McElvain Oil & Gas Properties Inc. proposes to spud this well in the San Jose formation. Drill the 12 1/4" surface hole to 600' with a fresh water mud. Run and cement surface casing with sufficient volume to circulate to surface using 100 % excess. WOC 12 hours. Nipple up 11" 3000# BOPE. Pressure test surface casing and BOPE to 600 psi for 15 minutes. Drill an 8 3/4" hole approximately 40' into Mancos formation. Reduce hole size to 7 7/8" and drill to TD using a low solids mud system mixed with Mesa Verde and / or Dakota produced water. Run Induction and Compensated density / Epithermal neutron logs from TD to surface casing shoe. Run and cement production casing in three stages using 50 % excess over gauge hole volume to circulate to surface. Move out rotary rig. Move in completion unit. Run cased hole correlation logs. Test production casing to 3500 psi for 15 minutes. Perforate select Dakota or Mesa Verde intervals and stimulate using a 2 % KCl water based fluid. If both zones appear productive, both will be completed as soon as a DHC application is approved.  
Tops: Nacimiento-1950'; Ojo Alamo-3515'; Fruitland-3715'; Pictured Cliffs-3815'; Lewis-4055'; Cliff House-5565'; Menefee-5625'; Pt. Lookout-5940'; Mancos-6165'; Gallup-7000'; Dakota-8020'.

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature:

Printed Name: R. E. Fielder

Title: Agent

Date: February 12, 2001

Phone: (505) 325-5220

OIL CONSERVATION DIVISION

Approved by:

Title: DEPUTY OIL & GAS INSPECTOR, DIST. 9

Approval Date:

FEB 15 2001

Expiration Date:

FEB 15 2002

Conditions of Approval:

Attached ☐

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Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
PO Box 2088  
Santa Fe, NM 87504-2088

Form C-102  
Revised February 21, 1994

Instructions on back  
Submit to Appropriate District Office

State Lease - 4 Copies  
Fee Lease - 3 Copies

**CONFIDENTIAL**  
AMENDED REPORT

### WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number <b>30039-26668</b>		*Pool Code <b>72319 / 71599</b>	*Pool Name <b>Blanco Mesa Verde / Basin Dakota</b>
*Property Code <b>24760</b>	*Property Name <b>COUGAR COM 4</b>		*Well Number <b>2M</b>
*OGRID No. <b>22044</b>	*Operator Name <b>McELVAIN OIL &amp; GAS PROPERTIES</b>		*Elevation <b>7513.1</b>

#### 10 Surface Location

UL or lot no. <b>M</b>	Section <b>4</b>	Township <b>25N</b>	Range <b>2W</b>	Lot Idn	Feet from the <b>935</b>	North/South line <b>SOUTH</b>	Feet from the <b>835</b>	East/West line <b>WEST</b>	County <b>RIO ARriba</b>
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#### 11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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12 Dedicated Acres <b>320.43 W/2</b>	13 Joint or Infill <b>Y</b>	14 Consolidation Code <b>C</b>	15 Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<b>17 OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.   Signature <b>R. E. Fielder</b> Printed Name Agent Title <b>February 7, 2001</b> Date	
	<b>18 SURVEYOR CERTIFICATION</b> I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.  <b>DECEMBER 21, 2000</b> Date of Survey Signature and Seal of Professional Surveyor  Certificate <b>6857</b>	