

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

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

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

680' FSL & 1800' FEL Sec 34 T26N R2W NMPM

5. Lease Serial No.

NMNM-01397

6. If Indian, Allottee or Tribe Name

29 COR 29 AN 10: 52

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

8. Well Name and No.

Elk Com 34 #2

9. API Well No.

30-039-29746

10. Field and Pool, or Exploratory Area

Blanco Mesaverde

11. County or Parish, State

Rio Arriba, New Mexico

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" 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 checked="" type="checkbox"/> Other Re: Letter DTD
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	3/07/2007
	<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 Oil and Gas Properties, Inc. has not completed this well due to lack of a pipeline connection. The potential damage from completion fluids setting on the formation for long periods of time dictates that McElvain typically does not complete new wells until a pipeline connection is available.

The well was drilled and casing cemented as described in previous sundries.

A portion of the proposed line crosses private land and the pipeline company has been trying for numerous months to negotiate a settlement with the land owners. The land owners live in Albuquerque, NM and will not respond to the repeated attempts for discussions. McElvain is hopeful this issue will be resolved in the near future but does not have a firm date given the lack of response from the landowners. McElvain requests that the well be allowed to be in a shut in status until this issue is resolved. We are hopeful to have this completed and on line in 2007.

Williams has informed us that they will allow connection to their system at our risk and expense. The terms and conditions of any transportation thru the pipeline are not clear to any of the parties. As a result of this situations McElvain has contacted another pipeline company in the area for possible connection. As of this time no firm response has been given.

McElvain is hopeful this issue will be resolved in the near future but does not have a firm date given the lack of response the pipeline companies.

McElvain requests that the well be allowed to be in a shut in status until this issue is resolved. We are hopeful to have this completed and on line in 2007.

RCVD APR 2 2007

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

John D. Steuble

Title **Vice President Engineering**

OIL CONS. DIV.

Signature

Date

03/28/2007

DIST. 3

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Original Signed: Stephen Mason

Title

Date

MAR 30 2007

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 page 2)

NMOC