

Submit 5 Copies to Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-045-34318
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator McElvain Oil & Gas Properties, Inc.		6. State Oil & Gas Lease No.
3. Address of Operator 1050 17 th St, Suite 1800, Denver, CO 80265		7. Lease Name or Unit Agreement Name Wildwood
4. Well Location Unit Letter <u>F</u> : <u>1495</u> feet from the <u>North</u> line and <u>1455</u> feet from the <u>West</u> line Section <u>5</u> Township <u>29N</u> Range <u>13W</u> NMPM County <u>San Juan</u>		8. Well Number 3
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5325 GR		9. OGRID Number 22044
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____		
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____		

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: Downhole Commingle <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

McElvain Oil and Gas Properties, Inc. proposes to down hole commingle as detailed on the attached exhibits.

RCVD FEB 20 '08
OIL CONS. DIV.
DIST. 3

DNC 2808 AZ

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE John D Steuble TITLE Vice President Engineering DATE 2-7-08

Type or print name John D Steuble E-mail address: JohnS@McElvain.com Telephone No. 303-893-0933

For State Use Only

APPROVED BY: [Signature] TITLE Deputy Oil & Gas Inspector, District #3 DATE FEB 21 2008

Conditions of Approval (if any):

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ATTACHMENT TO APPLICATION TO DOWNHOLE COMMINGLE

McElvain Oil and Gas Properties, Inc. is providing the supporting data for application to down hole commingle production from the following well:

Well: Wildwood #3
API: 30-045-34318
Location: UL F, Sec.5, T29N, R13W
San Juan County, NM

1. Case #12346, Order #R-11363 establishes the two subject pools as pre-approved for commingling.
2. The pools to be commingled are the Basin Fruitland Coal (71629) and the Fulcher Kutz Pictured Cliffs (77200).
3. The well is presently completed in both pools and is presently awaiting a pipeline connection.
4. Completed intervals are as follows:
 - Pictured Cliffs: 1103'-1117' (15' net pay)
 - Basin Fruitland Coal: 1061'-1067' (8' net pay)
 - 1002'-1006' & 987'-997' (14' net pay)
5. McElvain intends to allocate production based on net pay footage.
 - Pictured Cliffs: 41%
 - Fruitland Coal: 59%
6. Commingling will not reduce the total value of the total remaining production from this well.
7. A C-102 for each pool is included.
8. Notice has been sent to all interest owners in the spacing unit by certified mail (return receipt) of McElvain's intent to down hole commingle production. A copy of this notice and a list of all interest owners are attached.
9. A copy of this notice of intent to down hole commingle has been sent to the Bureau of Land Management.