

Submit 1 Copy 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
October 13, 2009

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

WELL API NO. 30-045-35209
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. 38390
7. Lease Name or Unit Agreement Name Pepper
8. Well Number 1 S
9. OGRID Number 22044
10. Pool name or Wildcat Basin Fruitland Coal

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.)	
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	
2. Name of Operator McElvain Oil & Gas Properties, Inc.	
3. Address of Operator 1050 17 th St., Suite 2500, Denver, CO 80265	
4. Well Location Unit Letter E _____: _____ 1980 _____ feet from the _____ North _____ line and _____ 684 _____ feet from the _____ West _____ line Section 32 Township 31 N Range 13 W NMPM County San Juan	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5702	

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"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
DOWNHOLE COMMINGLE <input type="checkbox"/>	P AND A <input type="checkbox"/>
	CASING/CEMENT JOB <input checked="" type="checkbox"/>
OTHER: <input 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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

2/8-10/2011 Continue drilling to 1771' TD.
2/13/2011 Ran 44 Jts 5 1/2" 15.5# J-55 csg - Landed @ 1761'.
Cemented as follows:
Lead: 80 sx Tyoe III, 11.5 ppg, 2.55 y.
Tail: 130 sx Type III, 14.3 ppg, 1.45 y.
Circulated 16 bbl cmt to surface.
Release Rig 2/13/2011 @ 2: pm

RCVD FEB 17 '11
OIL CONS. DIV.
DIST. 3

Pressure test to be reported on next sundry.

Spud Date: 1/31/2011	Rig Release Date: 2/13/2011
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I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Debby Powell TITLE Eng Tech Manager DATE 2/15/2011

Type or print name Deborah Powell E-mail address: DebbyP@McElvain.com PHONE: 303-893-0933

For State Use Only

APPROVED BY: Fally G. Rodriguez TITLE Deputy Oil & Gas Inspector, District #3 DATE FEB 21 2011
Conditions of Approval (if any):