

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-01
1999
State Lease - 6 Copies
Fee Lease - 5 Copies

☐ AMENDED REPORT

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

¹ Operator Name and Address McElvain Oil & Gas Properties Inc. 1050 17 th Street, Suite 1800 Denver, Colorado 80265		² OGRID Number 22044
³ Property Code 28462	⁵ Property Name Badger 11	⁴ API Number 30 - 39 - 26774
		⁶ Well No. 1

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	11	25N	2W		1540	South	1975	W	Rio Arriba

⁸ 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
⁹ Proposed Pool 1 Basin Dakota					¹⁰ Proposed Pool 2 Blanco Mesa Verde				

¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 7331
¹⁶ Multiple N	¹⁷ Proposed Depth 8108'	¹⁸ Formation Dakota	¹⁹ Contractor Not Selected	²⁰ Spud Date 8/5/01

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12.25	9.625	36	600'	320	surface -
8.75	5.5	15.5	5768'		
7.875	5.5	15.5 & 17.0	8108' -	2925 - 3 stages	surface -

22. Describe the proposed program.

McElvain Oil & Gas Properties Inc. proposes to spud this well in the Jan 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 a 8 3/4" hole approximately 40' into the 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 30% excess over caliper 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 base fluid. If both zones appear to be commercial, both will be completed as soon as the DHC application is approved.
Tops: Nacimiento - 1503', Ajo Alamo - 3068', Fruitland - 3348'; Pictured Cliffs - 3448', Cliff House - 5158', Menefee - 5238', Pt. Lookout - 5553', Upper Mancos - 5728', Gallup - 6578', Dakota - 7858'.

²³ 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:

Phone:

(505) 325-5220

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

Conditions of Approval:

Attached ☐

Expiration Date:

11/10/1933

District I
PO Box 15, Hobbs, NM 88241-1980

District II
PO Drawer 00, Artesia, NM 88211-0719

District III
1000 Rio Brazos Rd., Aztec, NM 87410

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

State of New Mexico
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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-039-26774		*Pool Code 72319 / 71599	*Pool Name BLANCO MESAVERDE / BASIN DAKOTA
*Property Code 28462	*Property Name BADGER 11		*Well Number 1
*OSRID No. 22044	*Operator Name McELVAIN OIL & GAS PROPERTIES		*Elevation 7331'

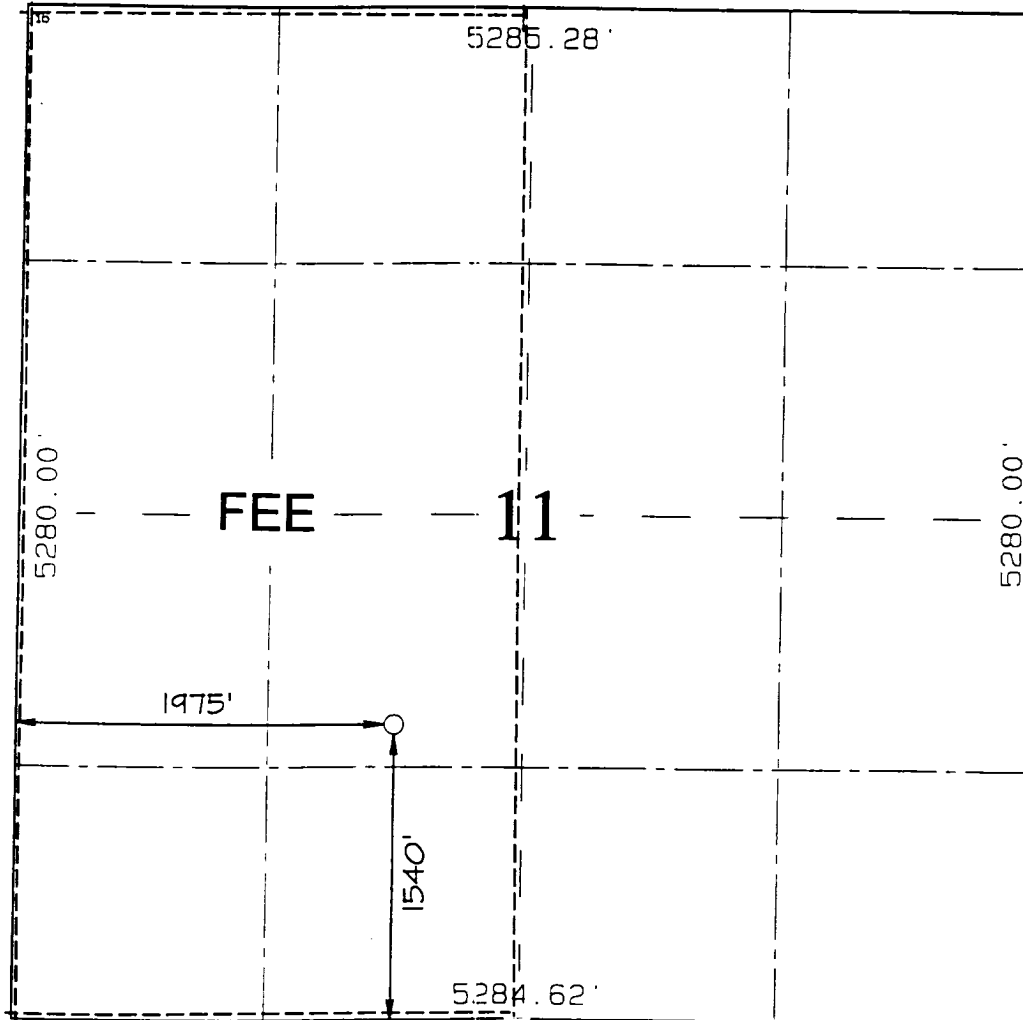
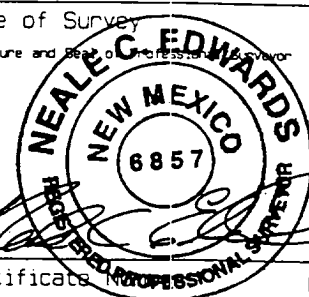
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	11	25N	2W		1540	SOUTH	1975	WEST	RIO ARriba

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
¹² Dedicated Acres 320 W/2		¹³ Joint or Infill Y		¹⁴ Consolidation Code		¹⁵ Order No.			

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

	<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Charles Neeley</i> Signature Charles Neeley Printed Name Agent Title July 16, 2001 Date</p>
	<p>¹⁸ SURVEYOR CERTIFICATION</p> <p>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.</p> <p>JULY 10, 2001 Date of Survey Signature and Seal of Professional Surveyor  Certificate No. 6857</p>