

Submit 1 Copy to Appropriate District Office  
District I - (575) 393-6161  
1625 N. French Dr., Hobbs, NM 88240  
District II - (575) 748-1283  
811 S. First St., Artesia, NM 88210  
District III - (505) 334-6178  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV - (505) 476-3460  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
Revised July 18, 2013

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

WELL API NO. 30-025-40869
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VB15820000
7. Lease Name or Unit Agreement Name Little Lake 16 State
8. Well Number 1
9. OGRID Number 22044
10. Pool name or Wildcat Young North - Delaware (65355)

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 checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	
2. Name of Operator McElvain Energy, Inc.	
3. Address of Operator 1050 - 17 <sup>th</sup> Street, Suite 2500 Denver, Colorado 80265	
4. Well Location Unit Letter <u>F</u> <u>1900</u> feet from the <u>North</u> line and <u>2100</u> feet from the <u>West</u> line Section <u>16</u> Township <u>18S</u> Range <u>32E</u> NMPM Lea County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3787' (GLE) & 3805' (KBE)	

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 checked="" type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input checked="" type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: Build Location, Spud, Set & Cmt Surf Csg <input checked="" 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.

8/29/14 Build Location (Sweatt Construction)  
9/10/14 Set and cement 40 feet of 14" conductor (Ready Drill) **SPUD DATE**  
9/15/14 Move in Silver Oak Drilling LLC's Rig #5 & start rig-up with closed loop system  
9/16/14 **SPUD @ 17:00 hrs. 12-1/4" hole**  
9/17/14 TD surface hole @ 1135' approx 22' into anhydrite. Run new 8.625", 32 #/ft, J55, ST&C casing w/shoe, Float collar & 6 centralizers. Set @ 1132'. Cement w/Baker. LEAD 420 sacks Type 'C', 2% CaCl<sub>2</sub>, 4% Bentonite, 3# LCM. Mixed @ 13.5 ppg, 1.75 Yield (735 ft3). TAIL 165 sacks Type 'C', 2% CaCl<sub>2</sub>. Mixed @ 14.8 ppg, 1.34 Yield (221 ft3). Total Pumped: 585 sx = 956 ft3 = 170 bbls with Full Returns. Circulated approx. 86 bbls (473 ft3) to half tank. Plug bumped @ 1754 hrs on 9/17/14. Float held.  
9/18/14 NU Class III BOPE. Test to 250 psi low & 2000 psi high (annular to 1500 psi) w/3<sup>rd</sup> party (Mann). DOC w/7.875" bit @ 1800 hrs on 9/18/14. Drilling 7.875" hole towards estimated TD of 5,950'

Spud Date:

9/16/2014

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE E. Reed Fischer TITLE Operations Manager DATE September 20, 2014

Type or print name E. Reed Fischer E-mail address: Reed.Fischer@meelvain.com PHONE: (303) 893-0933

For State Use Only

APPROVED BY: [Signature] TITLE Petroleum Engineer DATE 09/23/14  
Conditions of Approval (if any):

SEP 23 2014 MB