

UNITED STATES **OCD-HOBBS**  
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 (ARD) for such proposals.*

5. Lease Serial No.  
NM-0245247

6. If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE - Other instructions on page 2.**

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

1. Type of Well  
 Oil Well     Gas Well     Other

8. Well Name and No.  
McElvain # 8

2. Name of Operator  
McElvain Oil & Gas Properties, Inc.

9. API Well No.  
30-025-38012

3a. Address  
1050 - 17th Street, Suite 1800 Denver, Colorado 80265

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

10. Field and Pool or Exploratory Area  
EK Delaware

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
660' FWL & 1905' FSL (NWSW) Section 30, T18S-R34E

11. Country or Parish, State  
Lea County, New Mexico

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" 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 type="checkbox"/> Subsequent Report	<input checked="" 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 <u>Amend Well Depth, Casing &amp; Cementing Design</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<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 recomplete 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must 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 & Gas Properties, Inc. received an approved permit to drill the McElvain # 8 well on July 13, 2006. The original permit was approved as a 10,500 foot Bone Spring test. McElvain would now like to amend this permit to drill only to 6,000 feet and test the Delaware formation. The proposed access road and the wellpad dimensions have not changed.

The amended casing and cement design are as follows:

*Mud 0-1700 FW/epud mud 9.0 ppg  
1700-3700 Brine 10.1 ppg  
3700-6000 Cut brine 9.3 ppg*

Preset 80 feet of 14" conductor and cement to surface

MIRU Drilling Rig (rig company to be determined)

Drill an 11" hole 25-50 feet into the Rustler anhydrite formation prior to setting surface casing

Run fluid caliper for hole volume

Run & Set approximately 1700' of 8.625", 32#, J55 surface casing and cement to surface with an estimated 550 sacks Class 'C' cement

NU & test BOP equipment

Drill 7.875" hole to TD

Log open hole (including hole volume log)

Run & Set approximately 6,000' of 5.5", 17#, J55 casing and cement with an estimated 850 sacks of POZIC' to approximately 1200' (TOC)

RDMO Drilling Rig

Run cement bond log prior to start of completion operations

*5TC Lead 230 sx 1.43 y/d 14.8 Tail 200 sx 1.34 y/d 14.8  
430  
LTC Lead 375 sx 35/65 Poz C 1.89 y/d 12.8  
750 Tail 375 sx 50/50 Poz C 1.23 y/d 14.4*

14. I hereby certify that the foregoing is true and correct.

Name (Printed/Typed)

E. Reed Fischer

Title Senior Operations Engineer

Signature

Date 05/22/2007

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Title

Office

**APPROVED**  
MAY 30 2007  
Date  
*Wesley W. Ingram*  
WESLEY W. INGRAM  
PETROLEUM ENGINEER

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.

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)

**SEE ATTACHED FOR  
CONDITIONS OF APPROVAL**