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WELL COMPLETION OR RECOMPLETION REPORT AND LOG

UNITED STATES

DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

OCD-HOBBS

FORM APPROVED
OMB NO 1004-0137
Expires: July 31, 2010

CONFIDENTIAL

1a. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other		5. Lease Serial No. NM-0245247							
b. Type of Completion: <input type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input checked="" type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resvr., Other: _____		6. If Indian, Allottee or Tribe Name na							
2. Name of Operator McElvain Oil & Gas Properties, Inc.		7. Unit or CA Agreement Name and No. na							
3. Address 1050 - 17th Street, Suite 1800 Denver, Colorado 80265		8. Lease Name and Well No. McElvain # 4							
3a. Phone No. (include area code) (303) 893-0933		9. AFI Well No. 30-025-28997							
4. Location of Well (Report location clearly and in accordance with Federal requirements)* 660' FSL & 1980' FEL (SWSE - Unit 'O') Section 25, T18S-R33E At surface same At top prod. interval reported below At total depth same		10. Field and Pool or Exploratory EK Delaware 21655							
11. Sec, T, R, M, on Block and Survey or Area Section 25, T18S-R33E		12. County or Parish Lea							
13. State NM		14. Date Spudded 10/31/1984							
15. Date T.D. Reached 11/22/1984		16. Date Completed 12/01/1984 <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod							
17. Elevations (DF, RKB, RT, GL)* 3883' KB		18. Total Depth: MD 10,000 TVD 10,000							
19. Plug Back T.D.: MD 9,410 TOC-Dmpbail TVD 9,410 TOC-Dmpbail		20. Depth Bridge Plug Set: MD 9,450 TVD 9,450							
21. Type Electric & Other Mechanical Logs Run (Submit copy of each) Den/Neu/GR/CAL - Previously supplied. CBL - Run prior to re-complete (submitted)		22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit report) Directional Survey? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit copy)							
23. Casing and Liner Record (Report all strings set in well)									
Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
17.5"	13.375"/J55	54.5	Surface	350	na	350 sx Type 'C'	Unknown	Surface	na
12.25"	8.625"/J55	24 & 32	Surface	3,700	na	1,350 sx Type C	Unknown	Surface	na
7.875"	5.5"/N80	20	Surface	10,000	na	1,470 sx H & C	Unknown	Surface	na
24. Tubing Record									
Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	
2.875	5,684'	na							
25. Producing Intervals									
Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status			
A) Bone Spring	7,600'	10,000' +	9,480 to 9,516' (Dec. 1984)	0.48"	55	P&A - CIBP & Cmt @ 9410-50'			
B) Bone Spring	7,600'	10,000' +	9,684 to 9,775' (Aug. 1991)	0.40"	56	P&A - CIBP & Cmt @ 9410-50'			
C) Delaware	5,388'	7,600'	5,442 to 5,478' (Jan. 2009)	0.36"	72	Producing via rod pump			
D)									
27. Acid, Fracture, Treatment, Cement Squeeze, etc.									
Depth Interval	Amount and Type of Material								
9,480 - 9,516'	2,000 gals 7.5% NeFe Acid + 70,000 gals H2O & 145 tons CO2 w/150,000 lbs 20/40 sand in November 1984								
9,684 - 9,775'	2,000 gals 7.5% SRA HCL Acid + 60,000 gals H2O & 97 tons CO2 w/157,000 lbs 20/40 sand in September 1991								
5,442 - 5,476'	1,800 gals 15% NeFe Acid w/RCN Balls + 112,182 gals & 115,400 lbs 16/30 & 14/40 sand in January 2009								
28. Production - Interval A									
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
12/1/84	12/2/84	24	→	305	320	none	40	?	Flowing
Choke Size	Tbg. Press Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
32/64	SI 78	?	→	305	320	0	1049	P&A'd. Produced as single zone Dec '84 until add of Interval B in Aug '91 then commingled & Produced until P&A in Jan '09	
28a. Production - Interval B									
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
9/16/91	9/17/91	24	→	70	91	2	39	?	Pumping - Commingled w/Interval A above
Choke Size	Tbg. Press Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
?	?	?	→	70	91	2	1300	P&A'd. Completed & Commingled with Production from Interval A starting in Sept '91 until P&A in Jan '09	

*(See instructions and spaces for additional data on page 2)

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28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
2/18/09	2/27/09	24	→	8	8	166	38	0.62	Pumping
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
na	na	46	→	8	8	166	1,000	Producing	

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						

29. Disposition of Gas (Solid, used for fuel, vented, etc.)

Sold to Frontier Field Services

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
2nd Bone Spring Sand	9480	9516	Oil, Gas, Water - Initial Producing Zone	Rustler	1623
3rd Bone Spring Sand	9684	9775	Oil, Gas, Water - Subsequently Added Producing Zone	Base of Salt	3226
1st Delaware Sand	5542	5534	Oil, Gas, Water - Current Producing Zone	Yates	3493
				Queen	4410
				Penrose	4675
				Delaware	5388
				Bone Spring	7600

32. Additional remarks (include plugging procedure).

PLEASE HOLD ALL INFORMATION CONFIDENTIAL FOR THE MAXIMUM ALLOWABLE PERIOD OF TIME.

The McElvain # 4 well was originally drilled, completed & produced as a Bone Spring producer by C.W. Trainer. McElvain Oil & Gas Properties, Inc. (MOG) acquired the well from Trainer effective 9/1/06 and recompleted the well as a Delaware producer as follows: On 1/16/09 MOG set a CIBP at 9450' over the existing Bone Springs perfs from 9480-9775. The hole was loaded w/KCL water & a bond log run to the top of cement, at surface. 4.5 sx of Class 'H' cmt was then dumptailed on the CIBP in 2 runs (new PBTD=9410'). The 1st Delaware was perforated from 5442-78' w/2 spf on 1/17/09. A RBP was set @ 5411 & the casing above the RBP was tested to 3,000 psi. The RBP was moved to 5660 & the new perfs swab tested before being acidized w/1,800 gals 15% NeFe HCL acid & 75 RCN balls on 1/20/09. The packer was pulled & the Delaware was fracture stimulated on 1/23/09 utilizing BJ's Medallion 3000 system & 115,400 lbs of 16/30 and 14/40 sand in 112,182 gals of KCL water. Following the frac the well was swab tested before retrieving the RBP & placing the well on rod pump on 1/31/09. New battery equipment was installed and the well was turned through the upgraded battery equipment on 2/18/09. After a few line out problems and with the well producing problem free, a 24 hour test rate was determined from 2/26/09 to 2/27/09. The well now produces solely only from the Delaware perfs @ 5442 to 5478. The original Bone Spring perfs have been permanently abandoned via a CIBP capped w/40' of cement

33. Indicate which items have been attached by placing a check in the appropriate boxes:

- ☐ Electrical/Mechanical Logs (1 full set req'd.)
 ☐ Geologic Report
 ☐ DST Report
 ☐ Directional Survey
☐ Sundry Notice for plugging and cement verification
 ☐ Core Analysis
☒ Other: Cement Bond Log run 1/16/09

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) E. Reed Fischer
 Signature 

Title Senior Operations Engineer
 Date 02/27/2009

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

(Continued on page 3)

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