



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**  
Cabinet Secretary

November 11, 2003

**Lori Wrotenbery**

Director

**Oil Conservation Division**

**McElvain Oil and Gas Properties, Inc.**  
c/o **Properties Management & Consulting, Inc.**  
**P. O. Box 2596**  
**Farmington, New Mexico 87499-2596**

**Attention: R. E. (Bob) Fielder**

**Re:** *Administrative application on behalf McElvain Oil & Gas Properties, Inc. ("McElvain") dated October 10, 2003 for an unorthodox gas well location in both the Blanco-Mesaverde (72319) and Basin-Dakota (71599) Pools for its proposed Brown Well No. 2 to be drilled 2285 feet from the South line and 855 feet from the West line (Lot 8/Unit L) of Irregular Section 9, Township 32 North, Range 10 West, NMPM, San Juan County, New Mexico.*

Dear Mr. Fielder:

This letter acknowledges receipt of the above-described administrative application on October 20, 2003. It has been assigned NMOCD administrative application reference No. *pMES0-330035302*. Please refer to this number in future correspondence with the Division.

Pursuant to the well density requirements of the special rules governing the Blanco-Mesaverde Pool, no more than two wells are permitted within a either quarter section that forms a standard 320-acre, more or less, gas spacing and proration unit [see subpart I.B (1) (e), attached]. My records indicate the McElvain's Brown Federal Well No. 1-R (API No. 30-045-29641), located at a standard gas well location 790 feet from the South line and 1550 feet from the West line (Lot 10/Unit N) of Irregular Section 9, is currently producing from the Mesaverde interval. My records further show that McElvain's Brown Federal Well No. 1 (API No. 30-045-11489), located 990 feet from the South and West lines (Lot 9/Unit M) of Irregular Section 9, is still an active well in the Blanco-Mesaverde Pool, but however has not produced since August, 1999. What is the status of the Brown Federal Well No. 1 and what are McElvain's plans for this well?

Since the submitted information is insufficient to review, the application was ruled as incomplete on November 11, 2003. Please submit the above stated information by Thursday, November 20, 2003.

In accordance with the Division's Engineering Bureau's policy the Division cannot proceed with your application until the required information is submitted. Upon receipt, the Division will continue to process your application. The additional information can be faxed to (505) 476-3462, mailed to the Division in Santa Fe, or e-mailed to me at "[mstogner@state.nm.us](mailto:mstogner@state.nm.us)." If the necessary information is not submitted, your application will be returned to you. Thank you for your assistance in this matter.

Sincerely,

**Michael E. Stogner**  
Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division - Aztec

Land Surveys.

**B. Well density:**

- (1) Up to four (4) wells may be drilled on a standard GPU, as follows:
  - (a) the FIRST OPTIONAL INFILL WELL drilled on a GPU shall be located in the quarter section not containing the INITIAL Mesaverde well;
  - (b) the SECOND OPTIONAL INFILL WELL drilled on a GPU shall be located in a quarter-quarter section not containing a Mesaverde well and within a quarter section not containing more than one (1) Mesaverde well;
  - (c) the THIRD OPTIONAL INFILL WELL drilled on a GPU shall be located in a quarter-quarter section not containing a Mesaverde well and within a quarter section not containing more than one (1) Mesaverde well;
  - (d) at the discretion of the operator, the second or third optional infill well may be drilled prior to the drilling of the first optional infill well;
  - (e) no more than two wells shall be located within either quarter section in a GPU; and
  - (f) any deviation from the above-described well density requirements shall be authorized only after hearing.



McElvain. QZ  
NEW MEXICO ENERGY, MINERALS and  
NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop  
Cabinet Secretary

December 12, 2003

Lori Wrotenbery  
Director

Oil Conservation Division

McElvain Oil and Gas Properties, Inc.  
c/o Property Management & Consulting, Inc.  
P. O. Box 2596  
Farmington, New Mexico 87499-2596

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Dear Mr. Fielder:

On November 11, 2003, I sent a letter requesting additional information to support McElvain's application filed with the New Mexico Oil Conservation Division on October 20, 2003 (*administrative application reference No. pMES0-330035302*).

Approximately two years ago this bureau enacted a policy whereby any incomplete administrative filing older than 30 days is to be withdrawn and returned. This policy, as I understand, was adopted to better serve our customers and help assure a quicker turn around time by this bureau on administrative filings. To date you have not submitted the needed supplemental data necessary to complete McElvain's application; therefore, the application is deemed incomplete and in order to fully comply with our policy, is hereby **denied**. I am returning it to you at this time.

Thank you for your understanding and cooperation.

Sincerely,

Michael E. Stogner  
Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division – Aztec  
U. S. Bureau of Land Management – Farmington

## Stogner, Michael

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**From:** Stogner, Michael  
**Sent:** Tuesday, December 16, 2003 11:10 AM  
**To:** 'John Steuble'  
**Cc:** Bob Fielder(PMCI) (E-mail)  
**Subject:** RE: Brown #2 unorthodox gas well location..Letter dated November 11,2 003



McElvain.02.doc



McElvain.01.doc

The application which this e-mail references was denied on Dec. 12 and returned to Mr. Fielder as incomplete, see copies of letters attached.

-----Original Message-----

**From:** John Steuble [mailto:johns@McElvain.Com]  
**Sent:** Monday, December 15, 2003 4:15 PM  
**To:** mstogner@state.nm.us  
**Cc:** Bob Fielder(PMCI) (E-mail)  
**Subject:** Brown #2 unorthodox gas well location..Letter dated November 11,2 003

Mr. Stogner...

McElvain is in the process of submitting a recompletion sundry to the BLM for the Brown #1 (API No. 30-045-11489). Our proposal is to permanently abandon the Mesaverde and recomplete in the Pictured Cliffs formation. I am hopeful to get this to the BLM this week and if you would like I will forward you a copy of the information provided.

John D. Steuble  
Engineering Manager  
McElvain Oil & Gas Properties, Inc.  
303-893-0933 ext 302

## Stogner, Michael

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**From:** John Steuble [johns@McElvain.Com]  
**Sent:** Monday, December 15, 2003 4:15 PM  
**To:** mstogner@state.nm.us  
**Cc:** Bob Fielder(PMCI) (E-mail)  
**Subject:** Brown #2 unorthodox gas well location..Letter dated November 11,2 003

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John D. Steuble  
Engineering Manager  
McElvain Oil & Gas Properties, Inc.  
303-893-0933 ext 302

## Stogner, Michael

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**From:** Stogner, Michael  
**Sent:** Monday, January 26, 2004 11:21 AM  
**To:** 'John Steuble'  
**Cc:** 'Bob Fielder(PMCI) (E-mail)'  
**Subject:** RE: Brown #2 unorthodox gas well location..Letter dated November 11,2 003

Messrs. Steuble and Fielder

This e-mail acknowledges the receipt of your resubmitted application for an unorthodox gas well location for McElvain's proposed Brown Well No. 2 (administrative application reference No. pMES0-330035302). To complete this application please forward me a copy of McElvain's sundry notice to the BLM for the plug-back and recompletion of the Brown Fed. #1 as referenced in your December 15th e-mail to me (see below). Thank you. Should you need a fax number please send to (505) 476-3462.

-----Original Message-----

**From:** Stogner, Michael  
**Sent:** Tuesday, December 16, 2003 11:10 AM  
**To:** 'John Steuble'  
**Cc:** Bob Fielder(PMCI) (E-mail)  
**Subject:** RE: Brown #2 unorthodox gas well location..Letter dated November 11,2 003

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**Subject:** Brown #2 unorthodox gas well location..Letter dated November 11,2 003

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John D. Steuble  
Engineering Manager  
McElvain Oil & Gas Properties, Inc.  
303-893-0933 ext 302

CMD :  
OG6IWCM

ONGARD  
INQUIRE WELL COMPLETIONS

01/25/04 11:19:09  
OGOMES -TPEZ

API Well No : 30 45 11489 Eff Date : 07-01-1997 WC Status : A  
Pool Idn : 72319 BLANCO-MESAVERDE (PRORATED GAS)  
OGRID Idn : 22044 MCELVAIN OIL AND GAS PROPERTIES INC  
Prop Idn : 20969 BROWN FEDERAL

Well No : 001  
GL Elevation: 6768

	U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/A)
B.H. Locn	: 9	9	32N	10W	FTG 990 F S	FTG 990 F W	P
Lot Identifier:							
Dedicated Acre:	334.06						
Lease Type	: F						
Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :							

M0025: Enter PF keys to scroll

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07	PF08	PF09	PF10 NEXT-WC	PF11 HISTORY	PF12 NXTREC

*1-26-2004  
looked at well file  
nothing there*

*1/25 pull well file  
- check to see if MCELVAIN  
submitted P/A/renewal letter  
before in Dec/Jan.*

# McElvain Oil & Gas Properties, Inc.

## Facsimile Transmittal Sheet

TO: Michael Stoguer FROM: John Steubke  
COMPANY: \_\_\_\_\_ DATE: 1-26-04  
FAX NUMBER: 505-476-3462 TOTAL PAGES INCLUDING COVER: 5  
PHONE NUMBER: \_\_\_\_\_ SENDERS REFERENCE NUMBER: \_\_\_\_\_  
RE: \_\_\_\_\_ YOUR REFERENCE NUMBER: \_\_\_\_\_

☐ URGENT ☐ FOR REVIEW ☐ PLEASE COMMENT ☐ PLEASE REPLY ☐ PLEASE RECYCLE

### NOTES/COMMENTS

Info on Brown #1.

John L.  
303-893-0933  
ext 302

1050 17TH STREET, SUITE 1800, DENVER, CO 80265  
PHONE 303-893-0933 - FAX 303-893-0914



Form 3160-5  
(September 2001)UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT**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 (APD) for such proposals.*FORM APPROVED  
OMB No. 1004-0135  
Expires January 31, 2004

3. Lease Serial No.	NM-013367
6. If Indian, Aftottee or Tribe Name	
7. If Unit or CA/Agreement, Name and/or No.	
8. Well Name and No.	Brown Fed #1
9. API Well No.	30-045-11489
10. Field and Pool, or Exploratory Area	Pictured Cliffs
11. County or Parish, State	San Juan, NM

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	
2. Name of Operator <b>McElvain Oil &amp; Gas Properties, Inc.</b>	
3a. Address 1050 17th Street, Suite 1800, Denver, Co. 80265	3b. Phone No. (include area code) 303-893-0933
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 990' FSL - 990' FWL M Sec 9 T-32N R-10W	

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="radio"/> 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="radio"/> Subsequent Report	<input type="checkbox"/> After Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="radio"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<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"/> Ring Bore	<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 recompletes 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 shall be filed within 90 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 shall be filed once testing has been completed. Final Abandonment Notices shall 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. proposes to PERMANENTLY ABANDON the Mesaverde by placing a CIBP at 5400' and capping with 50' of cement via a dump bailer. A second CIBP will be placed at 3650' and capped with 50' of cement via a dump bailer in order to reduce the amount of exposed pipe to potential frac pressures. A cement bond log will be run across the Pictured Cliffs interval. The Pictured Cliffs interval 3496'-3508' will be perforated, tested and if needed fracture stimulated.

A copy of the acreage dedication plat and well bore diagram is attached.

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

John D. Steuble

Title Engineering Manager

Signature

Date December 18, 2003

Approved by

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 enable the applicant to conduct operations thereon.

Title

Date

Office

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 or to any number within its jurisdiction.

Instructions on reverse

**District I**

1625 N. French Dr., Hobbs, NM 88240

**District II**

1301 W. Grand Avenue, 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 &amp; Natural Resources Department

## OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-102

Revised August 15, 2000

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-045-11489	<sup>2</sup> Pool Code 71439	<sup>3</sup> Pool Name Pictured Cliffs
<sup>4</sup> Property Code 20969	<sup>5</sup> Property Name Brown Federal	<sup>6</sup> Well Number 1
<sup>7</sup> OCRID No. 22044	<sup>8</sup> Operator Name McElvain Oil & Gas Properties, Inc.	<sup>9</sup> Elevation 6768'

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	9	32N	10W		990	South	990	West	San Juan

<sup>11</sup> Bottom Hole Location If Different From Surface

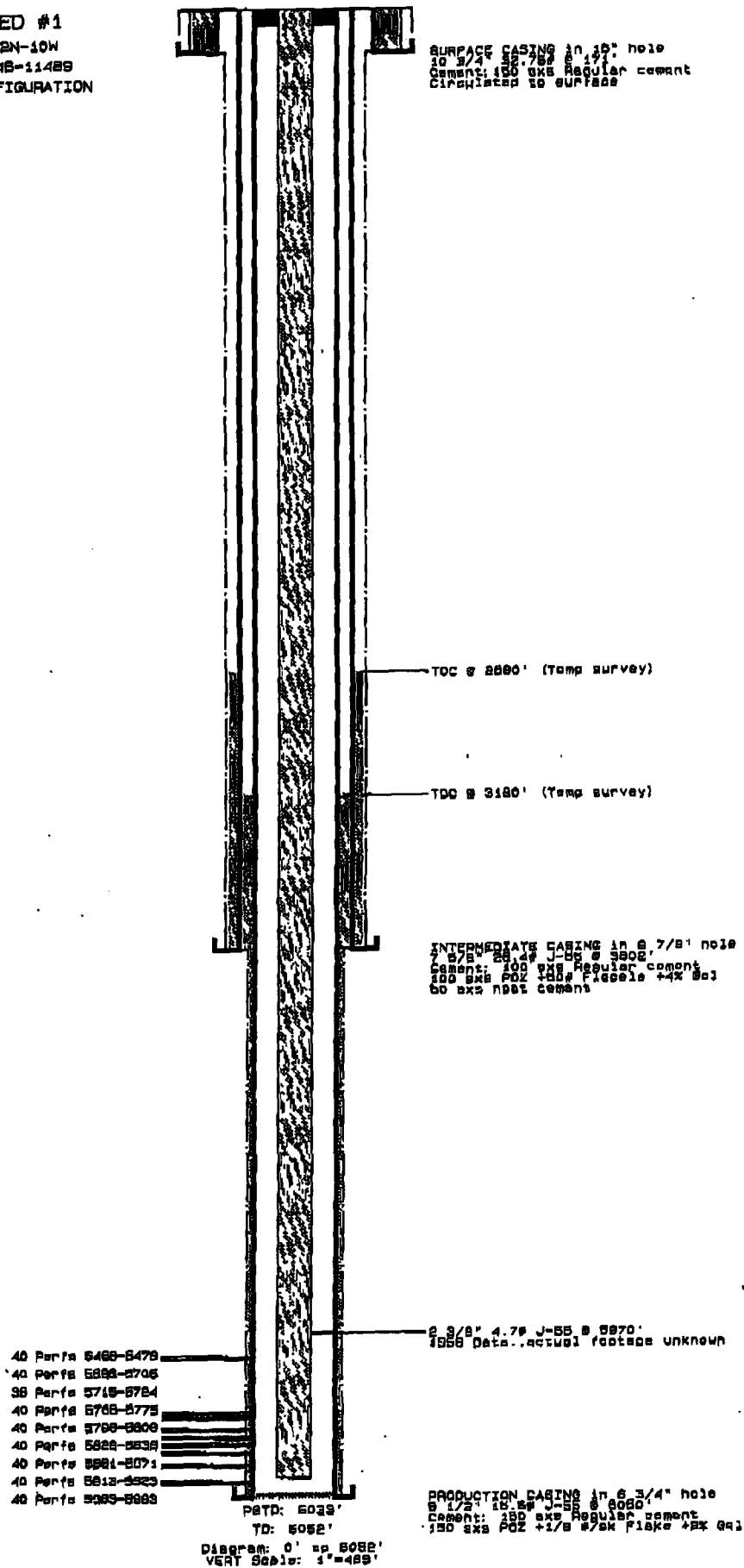
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

<sup>12</sup> Dedicated Acres 168.97	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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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

				<sup>17</sup> OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature John Steuble Printed Name Engineering Manager Title 12-23-2003 Date	
				<sup>18</sup> SURVEYOR CERTIFICATION 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. 10-03-1956 Date of Survey Signature and Seal of Professional Surveyor: This location was originally surveyed by C. O. Walker 1007 Certificate Number	
Colo State Line					
NM 015545 Section 9					
990' 1040' NM 013367					

BROWN FED #1  
 SW/SW 8-32N-10W  
 API: 30-04B-11489  
 EXISTING CONFIGURATION



**BROWN FED #1**

SW/SW 8-32N-10W  
 API: 30-048-11489  
 Pc Configuration

