United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Albuquerque Field Office 435 Montano Rd. N.E.

Albuquerque, New Mexico 87107-4935



IN REPLY REFER TO: NMNM 109056 3183 (010-amj)

30-039-26519

April 12, 2004

Memorandum

To:

State Director (921)

From:

Legal Instruments Examiner

Subject:

First Production, Communitization Agreement (CA) NMNM 109056

Date of Completion:

June 4, 2001

Date of First Production:

July 1, 2001

Pool:

Basin Dakota

Operator:

McElvain Oil and Gas Properties, Inc.

Well Number/Name:

Bear Com 28 #1

Location:

SHL - 885' FSL & 850' FWL (SW1/4SW1/4)

Sec. 28, T. 26 N., R. 2 W.

Rio Arriba County, New Mexico

Total Depth/Plug Back Depth:

8379'TVD/8325'PB

Producing Formation

Dakota

Initial Daily Production:

361 MCFPD

Well capable of Production

In Paying Quantities?:

Yes

Current Status:

PGW

Remarks:

Well is located on Federal lease NMNM 01806

Note: There are no other Federal leases involved.

/s/ Angie Medina-Jones

cc:

NMOCD

BLM Cuba Field Station

MMS, RMP, (MS-3133/Reference Data Branch), PO Box 25165, Denver, CO 80225