Form 3160-5
(September 2001)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires January 31, 2004

## 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.***

2004 SEP 30 AM 10 43

***SUBMIT IN TRIPLICATE - Other instructions on reverse side***

RECEIVED
070 FARMINGTON NM

5. Lease Serial No.: NMSF081347

6. If Indian, Allottee or Tribe Name:

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

1. Type of Well
☐ Oil Well ☑ Gas Well ☐ Other

8. Well Name and No.: Federal 17 #2

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

9. API Well No.: 30-039-22498

3a. Address
***1050 17 th Street #1800 Denver, CO 80123***

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

10. Field and Pool, or Exploratory Area: W. Lindrith Gallup Dakota

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
2310' FNL & 2300' FEL Sec. 17 T24N R3W

11. County or Parish, State: Rio Arriba, NM

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

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|---|---|---|---|---|
| ◉ Notice of Intent | ☐ Acidize | ☐ Deepen | ☐ Production (Start/Resume) | ☐ Water Shut-Off |
| ○ Subsequent Report | ☐ Alter Casing | ☐ Fracture Treat | ☐ Reclamation | ☐ Well Integrity |
| ○ Final Abandonment Notice | ☐ Casing Repair | ☐ New Construction | ☐ Recomplete | ☐ Other |
| | ☐ Change Plans | ☑ Plug and Abandon | ☐ Temporarily Abandon | |
| | ☐ Convert to Injection | ☐ Plug Back | ☐ 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 shall 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 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. intends to plug & abandon this well per the attached procedure.

NOV 2004

14. I hereby certify that the foregoing is true and correct
Name *(Printed/Typed)*: John D. Steuble — Title: Vice President, Engineering

Signature: John D. Steuble — Date: September 20, 2004

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

Approved by: **Original Signed: Stephen Mason** — Title: — Date: NOV 2 2 2004

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. — 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 as to any matter within its jurisdiction.

*(Instructions on reverse)*

NMOCD

# P&A Procedure

# Federal 17 #2

API # 30-039-22498
Location: 2310' FNL & 2300' FEL Section 17, T24N R3W Rio Arriba Co. NM.

## Current Status.

TD: 7623' PBTD: 7450'

### Casing

Surface: 12 ¼" hole
8 5/8 " 24# K-55 casing set at 386'. Cemented with 350 sx, Class B +2% CaCl +1/4 pps flakes.
Circulated to surface.

Production: 7 7/8" hole to 7623'.
4 ½" 11.6# K-55 casing set at 7583'. DV tool at 3309'.
1st Stage: Cemented 475 sx 50/50 POZ +2% Gel +6 ¼ #/sk Gilsonite +6 #/sk Salt
Squeezed 7522'-24' with 180 sx Class B neat
Cement Top @ 5860' (CBL)
2 nd Stage: 200 sx 65/35 POZ +12% Gel +6 ¼ #/sk Gilsonite
Cement Top @ 2140' (CBL)

Perforations:
Squeeze Holes: 7522'-24' 4shots
Dakota 7476'-98' 2 spf
7388'-92' 4 spf
7378'-82' 4 spf
7310'-22' 2spf
7276'-96' 2spf
Gallup 6384'-6550' 31 holes

Plug Back:
CIBP @ 7450'
RBP @ 7200' Stuck in hole 2 3/8" tubing cutoff 7200'-7068'

Formation Tops:

| | |
|---|---|
| Nacimiento | 1496 |
| Ojo Alamo | 2593 |
| Pictured Cliffs | 2970 |
| Mesa Verde | 4725 |
| Gallup | 6085 |
| Dakota | 7220 |
| Burro Canyon | 7560 |

Tubing: 2 3/8" Bull Plugged Joint
4' perf sub
Seating Nipple
31 jts 2 3/8" tubing
Tubing Anchor 14,000# tension
184 jts 2 3/8" tubing

## Proposed Procedure

1. Rig up service unit.
2. Blow down well.
3. Pump 50 bbls hot water down casing.
4. RU for rods
5. Unseat pump and lay dow 2 rods
6. Pump 80 bbls hot water down casing.
7. POOH laying down rods
8. RU for tubing
9. NU BOP
10. Unset anchor

11. Pull and tally . Visually inspect tubing for holes and corrosion.
12. RIH with open ended tubing and spot a balanced plug from 7068 to 6918 with 17 sx cement.
13. POOH with tubing
14. RIH with tubing and CIBP
15. Set CIBP at +/-6380 and circulate hole with fresh water
16. Pressure test plug to 500 psig
17. Spot a plug from 6380 to 6330 with a 6 sx cement plug
18. POOH laying down tubing to 6135
19. Spot a balanced plug from 6135 to 5985 with 17 sx cement
20. POOH with laying down tubing to 4725

21. POOH with remaining tubing
22. RU wireline
23. RIH perforate 4 squeeze holes at 4775
24. POOH with wireline
25. RIH with tubing and retainer
26. Set retainer at +/-4700
27. Establish injection into perfs
28. Squeeze cement with 55 sx cement
29. Sting out and cap retainer with 9 sx cement 4625 to 4700
30. POOH laying down tubing to 3020

Chevron Plug 3895-3995 etc

31. Spot a balanced plug from 3020 to ~~2870~~ with ~~17~~ sx cement
32. POOH laying down tubing to ~~2643~~
33. Spot a balanced plug from ~~2643~~ to 2493 with ~~17~~ sx cement
34. POOH laying down tubing to 1500
35. POOH with remaining tubing
36. RU wireline
37. RIH perforate 4 squeeze holes at ~~1550~~ 1307'
38. POOH with wireline
39. RIH with tubing and retainer
40. Set retainer at +/-~~1500~~

41. Establish injection into perfs
42. Squeeze cement with 51 sx cement 1307' 1207'
43. Sting out and cap retainer with 11 sx cement ~~1500~~ to ~~1400~~
44. POOH laying down tubing to 300
45. POOH with remaining tubing

## Proposed Procedure (continued)

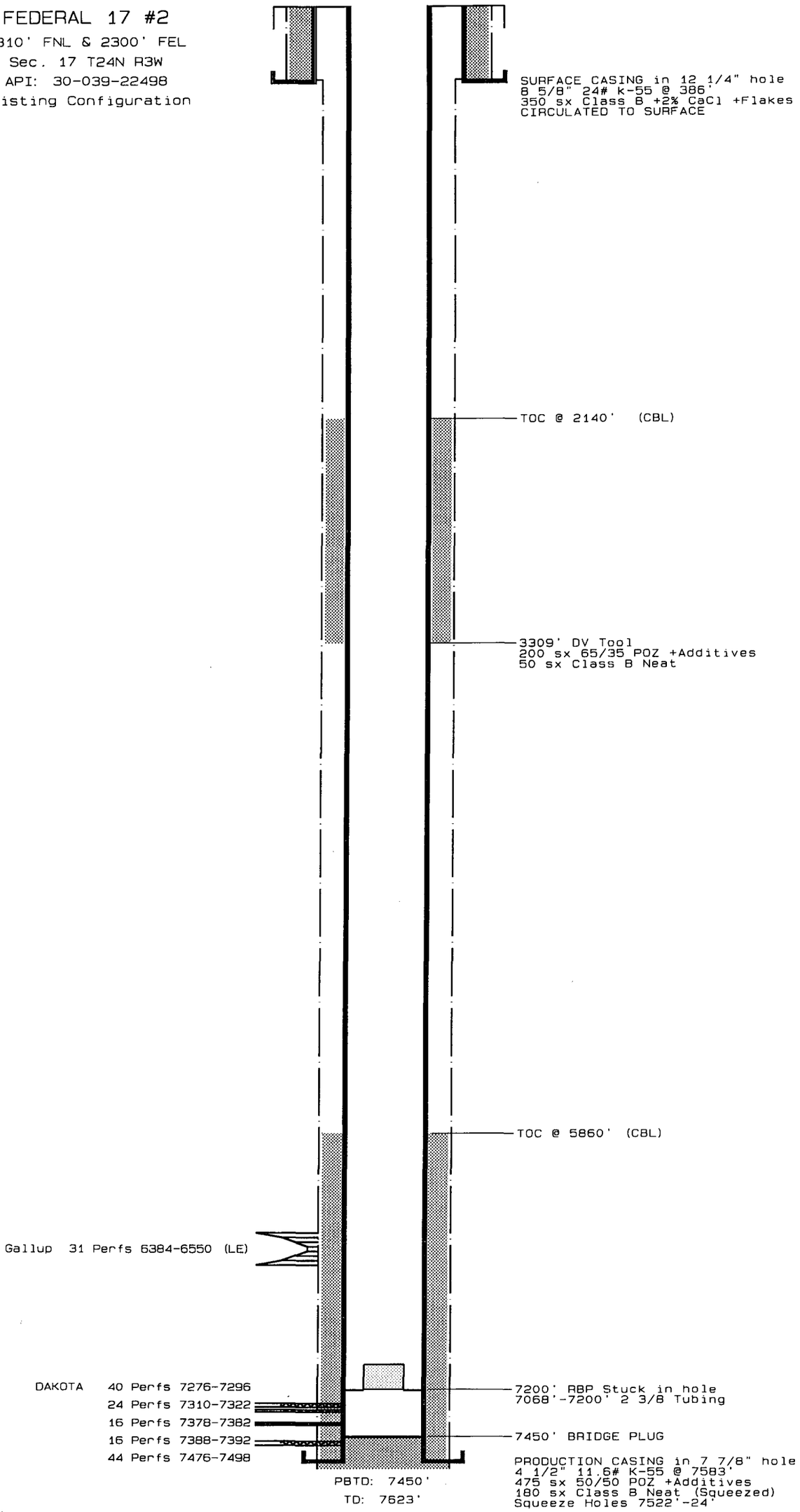
46. RU wireline
47. RIH perforate 4 squeeze holes at 450
48. POOH with wireline
49. RIH with tubing and retainer
50. Set retainer at +/-300

51. Establish injection into perfs
52. Squeeze cement with 161 sx cement or an amount necessary to circulate out the bradenhead
53. Sting out and cap retainer with 34 sx cement 300 to Surface
54. POOH laying down all tubing
55. Rig down service unit.
56. Dig out casing head. Cut off 5 ½ casing and wellhead.
57. Top off casing with cement.
58. Check that cement is at top of well fill up casing stub with sacrete if necessary. Install dry hole marker and reclaim location.

All cement volumes are using 15.5# Class B (yield 1.15) with 50% excess.

# FEDERAL 17 #2

2310' FNL & 2300' FEL
Sec. 17 T24N R3W
API: 30-039-22498
Existing Configuration




20 Sep 2004
File: Fed17#2.op.WP4

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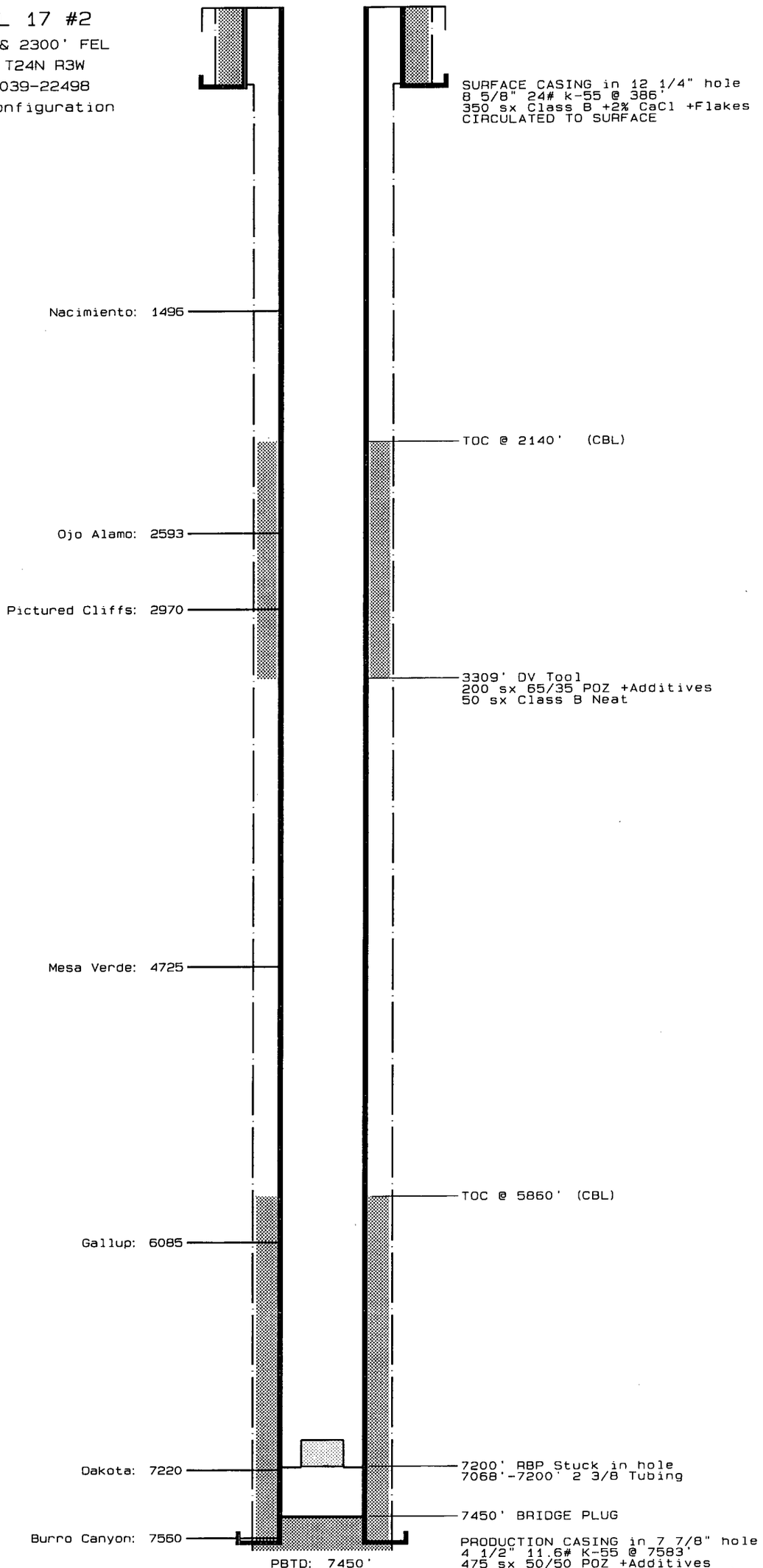


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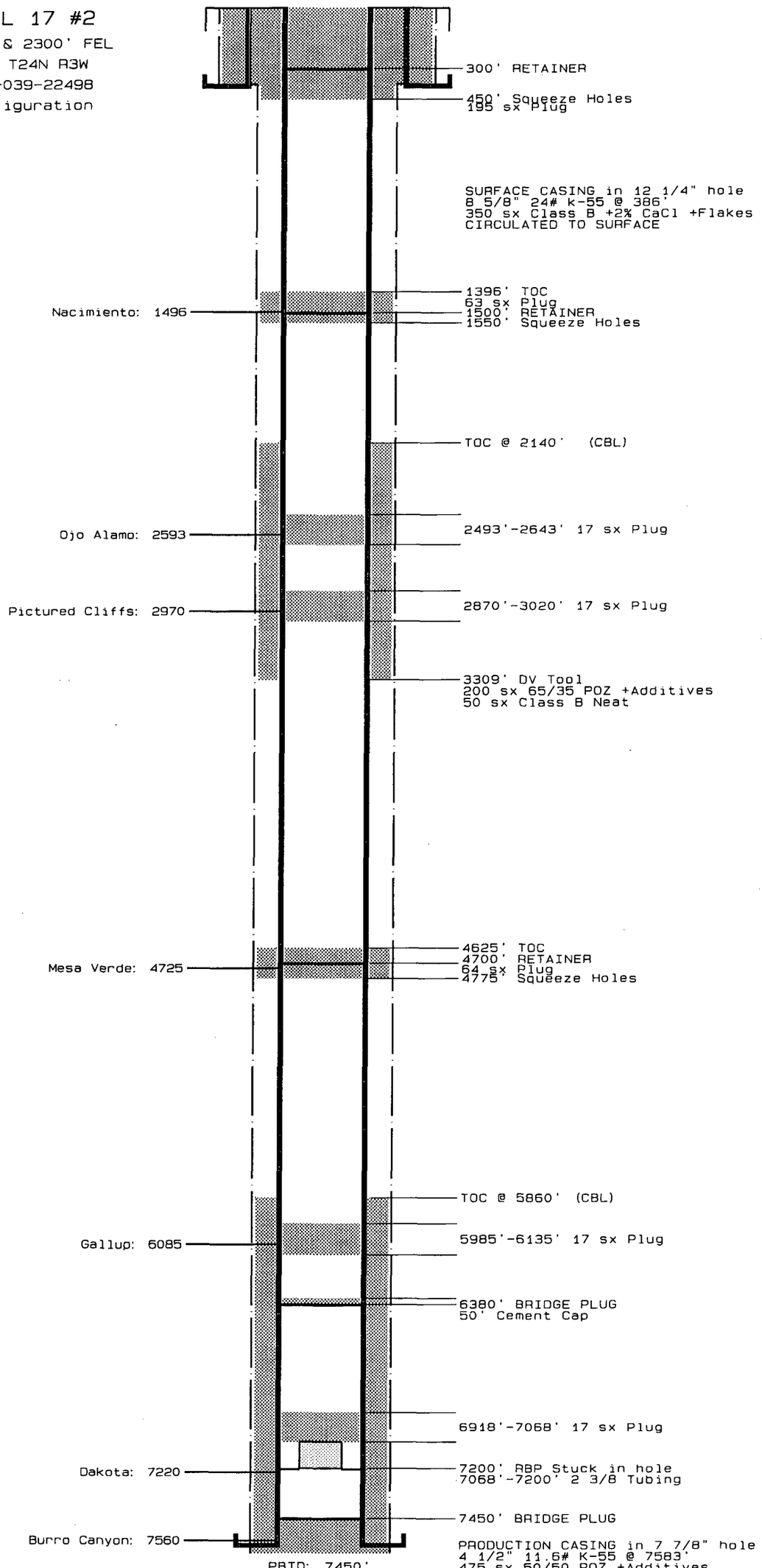


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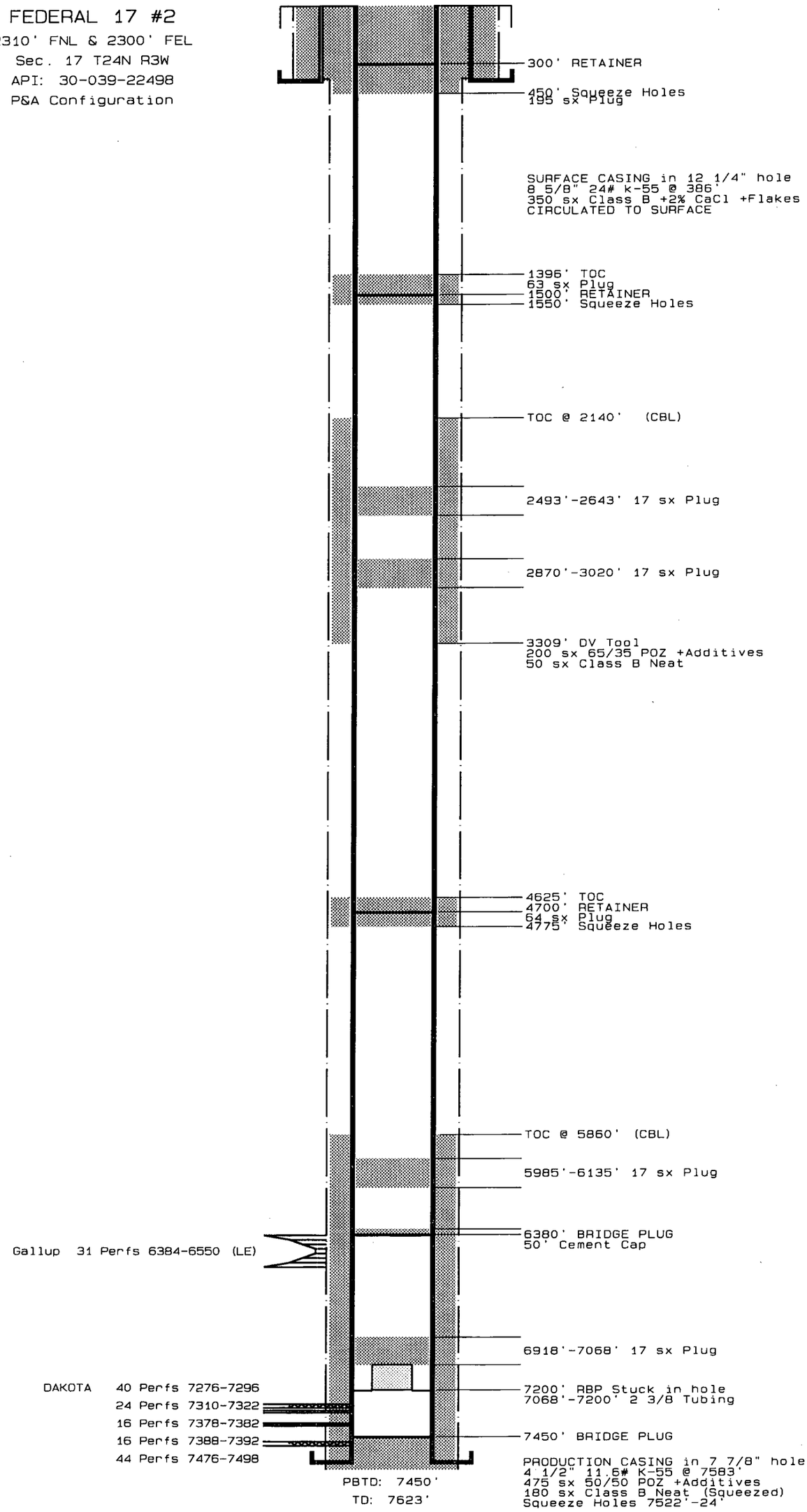


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