

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.

5. Lease Serial No.	SF081334
6. If Indian, Allottee or Tribe Name	
7. If Unit or CA/Agreement, Name and/or No.	
8. Well Name and No.	Leeson Federal #42-27
9. API Well No.	30-039-24148
10. Field and Pool, or Exploratory Area	W. Lindrith Gallup Dakota
11. County or Parish, State	Rio Arriba, NM

SUBMIT IN TRIPLICATE - Other instructions on reverse side

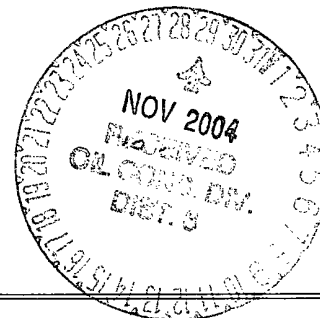
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	
2. Name of Operator McElvain Oil & Gas Properties, Inc.	
3a. Address 1050 17 th Street #1800 Denver, CO 80123	3b. Phone No. (include area code) 303-893-0933
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1650' FNL & 330' FEL Sec. 27 T25N R3W	

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"/> Alter 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 type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" 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 recompleate 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 recompleation 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.



14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) John D. Steuble		Title Vice President, Engineering
Signature <i>John D. Steuble</i>		Date October 7, 2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Original Signed: Stephen Mason	Title	Date NOV 22 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)

P&A Procedure

Leeson Federal #42-27

Lease Designation and Serial No. SF081334

Unit or CA Designation: NMNM77232

API # 30-039-24148

Field: W: Lindrith Gallup Dakota

Location: 1650 FNL, 330' FEL, Section 27, T25N R3W Rio Arriba Co. NM.

Current Status.

Hole and Casing

Surface: 12 ¼" hole surface to 817'

9 5/8 " 36# casing set at 817'. Cemented with 435 sx Class B with 2% CC and ¼# flakes. Circulated to surface.

Production: 7 7/8" hole to 8204'.

5 ½" 15.5# and 17# casing set at 8204. DV tools at 4947 and 3578. Cemented in 3 stages with 959 sx cement.

Stage 1: 480 sx Class 'B' 50/50 poz with 2% gel, 6.25 #/sx gilsonite, 6 #/sx salt. 63 sx Class 'B' neat. 765 ft3 of cement.

Calculated top (70% effective) 5113.

Stage 2: 210 sx Class 'B' 50/50 poz with 2% gel, 6.25 #/sx gilsonite, 6#/sx salt. 63 sx Class 'B' neat. 376 ft3 of cement.

Calculated top (70% effective) 3428.

Stage 3: 80 sx Class 'B' 50/50 poz with 2% gel, 6.25 #/sx gilsonite, 6#/sx salt. 63 sx Class 'B' neat. 189 ft3 of cement.

Calculated top (70% effective) 2815.

Squeeze jobs: 4 holes at 7262 and 6830. Retainer at 6930. Squeeze with 102 sx Class B. Resqueeze with 50 sx Class B.

Perforations:

Dakota 8038 to 8098 with 22 shots.

Gallup 6982 to 7112..

Plug Back:

Baker Model K cement retainer at 8180.

Formation Tops:

Nacimiento	1638
Ojo Alamo	3212
Pictured Cliffs	3670
Lewis	3718
Huerf Bent	4073
Chacra	4586
Cliff House	5329
Menefee	5440
Point Lookout	5840
Mancos	6053
Gallup	7000
Greenhorn	7826
Graneros	7894
Dakota	7932

Tubing:

2 7/8 set at 8052. Anchor at 6906. 218 jts above anchor. 254 jts overall.

Procedure

1. Rig up service unit.
2. Blow down well.
3. Pump 50 bbls fresh water down casing
4. Unseat pump and lay down 2 rods
5. Pump 80 bbls heated water down tubing
6. POOH laying down rods
7. Rig up BOP and test.
8. Release anchor
9. Pick up tubing and tag bottom. Pull and tally tubing lay down excess tubing. Visually inspect tubing for holes and corrosion.
10. Rig up wireline.
11. RIH with CIBP
12. Set CIBP @ 6960'. ~~With dump bailer cap with 35' of cement~~ *Bring cement top to 6824' + excess*
13. Run tubing to 5379' +/- and spot balanced cement plug from 5379' to 5229' with 26sx cement. (Mesaverde) *Chacra plug 4636' - 4536'*
14. Pull tubing to 3720' +/- and spot balanced cement plug from 3720' to 3576' with 28 sx cement. (Pictured Cliffs) *Combined*
15. Pull tubing to 3262' +/- and spot balanced cement plug from 3262' to 3112' with 28 sx cement. (Ojo Alamo)
16. Pull tubing and lay down excess *2858'*
17. Rig up wireline and perforate 5 1/2" at 1658'. (Nacimiento)
18. Run retainer on tubing and set at 1550'. Open bradenhead. Squeeze perforations with 57 sx cement. Sting out of retainer and leaving 50' cement on top of retainer (10 sx)
19. Pull tubing and lay down excess *106'*
20. Rig up wire line and perforate at 870'.

21. RIH with tubing and retainer.
22. Set retainer at 820'. Squeeze perforations with 54 sx cement. Sting out of retainer and leave 100' cement on top of retainer (17 sx)
23. Rig up wire line and perforate at 150'.
24. Tie onto casing and attempt to circulate out of bradenhead. Circulate cement out of bradenhead with 52 sx.
25. Rig down BOP
26. Cut off casing and well head.
27. Top off casing with cement.
28. 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 15.6# Class B (yield 1.18) with 50% excess.

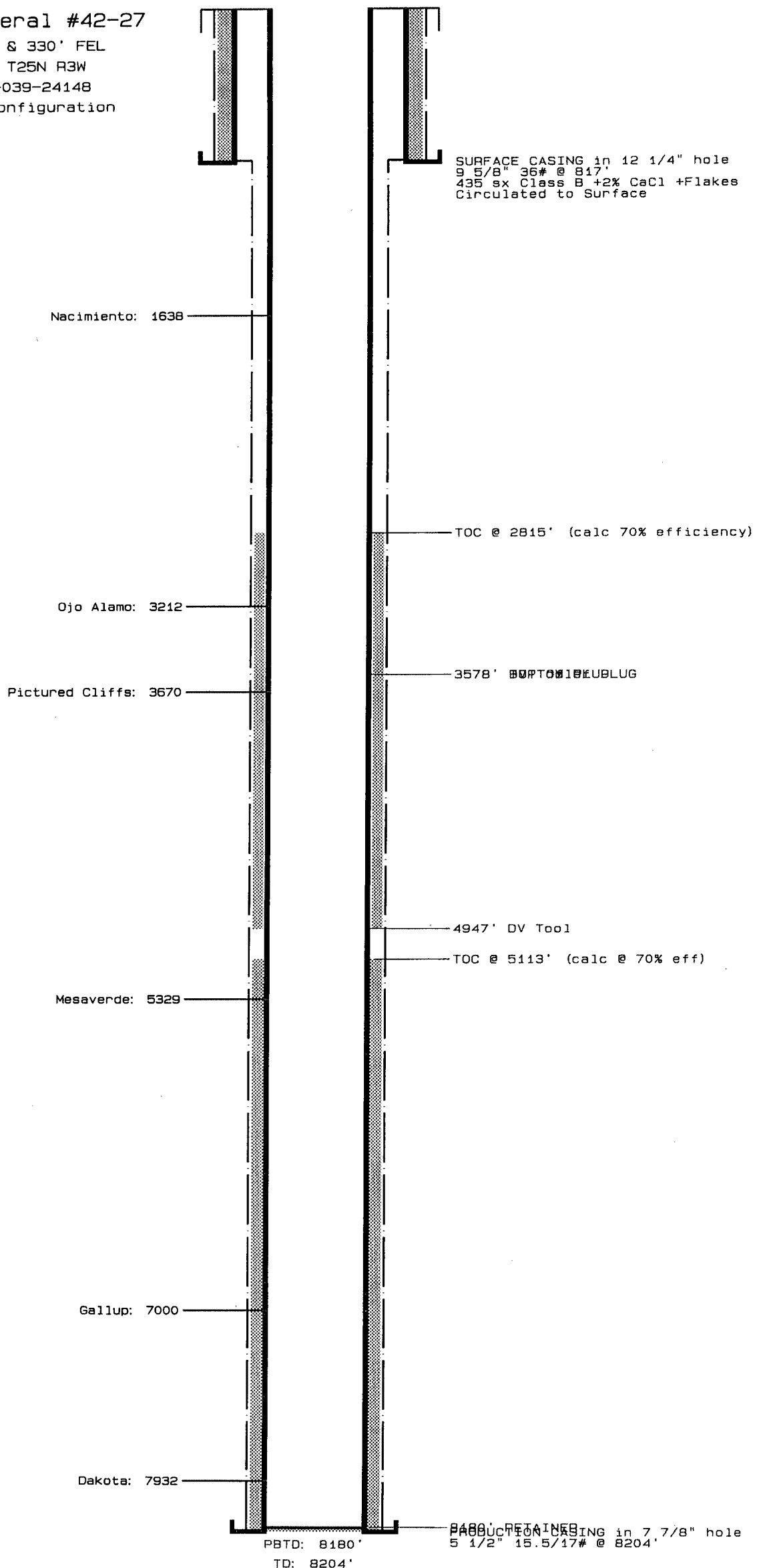
Leeson Federal #42-27

1650' FNL & 330' FEL

Sec. 27 T25N R3W

API: 30-039-24148

Existing Configuration



20 Sep 2004

File: Leeson42-27.cur.WP4

Diagram: 0' to 8204'

VERT Scale: 1"=663'

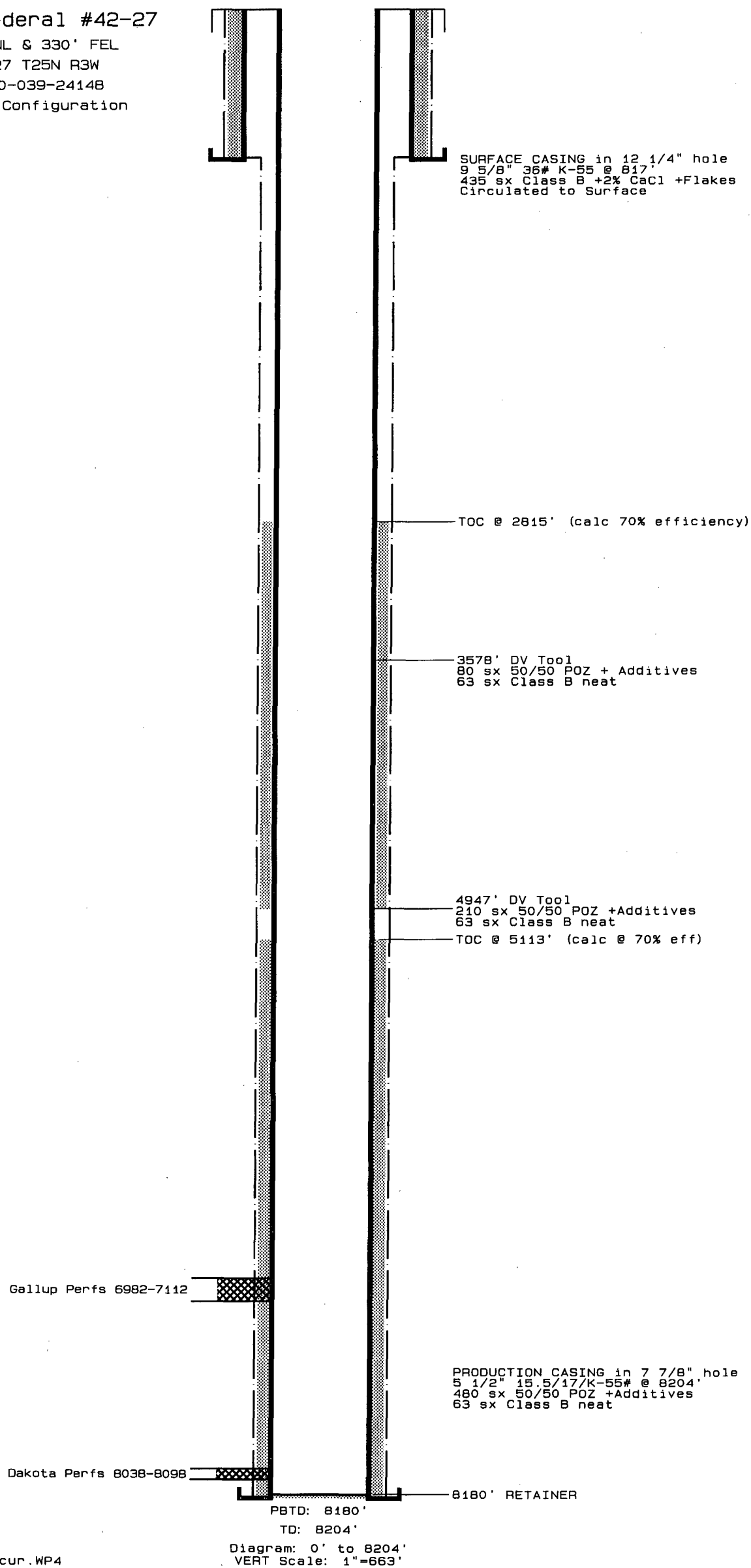
Leeson Federal #42-27

1650' FNL & 330' FEL

Sec. 27 T25N R3W

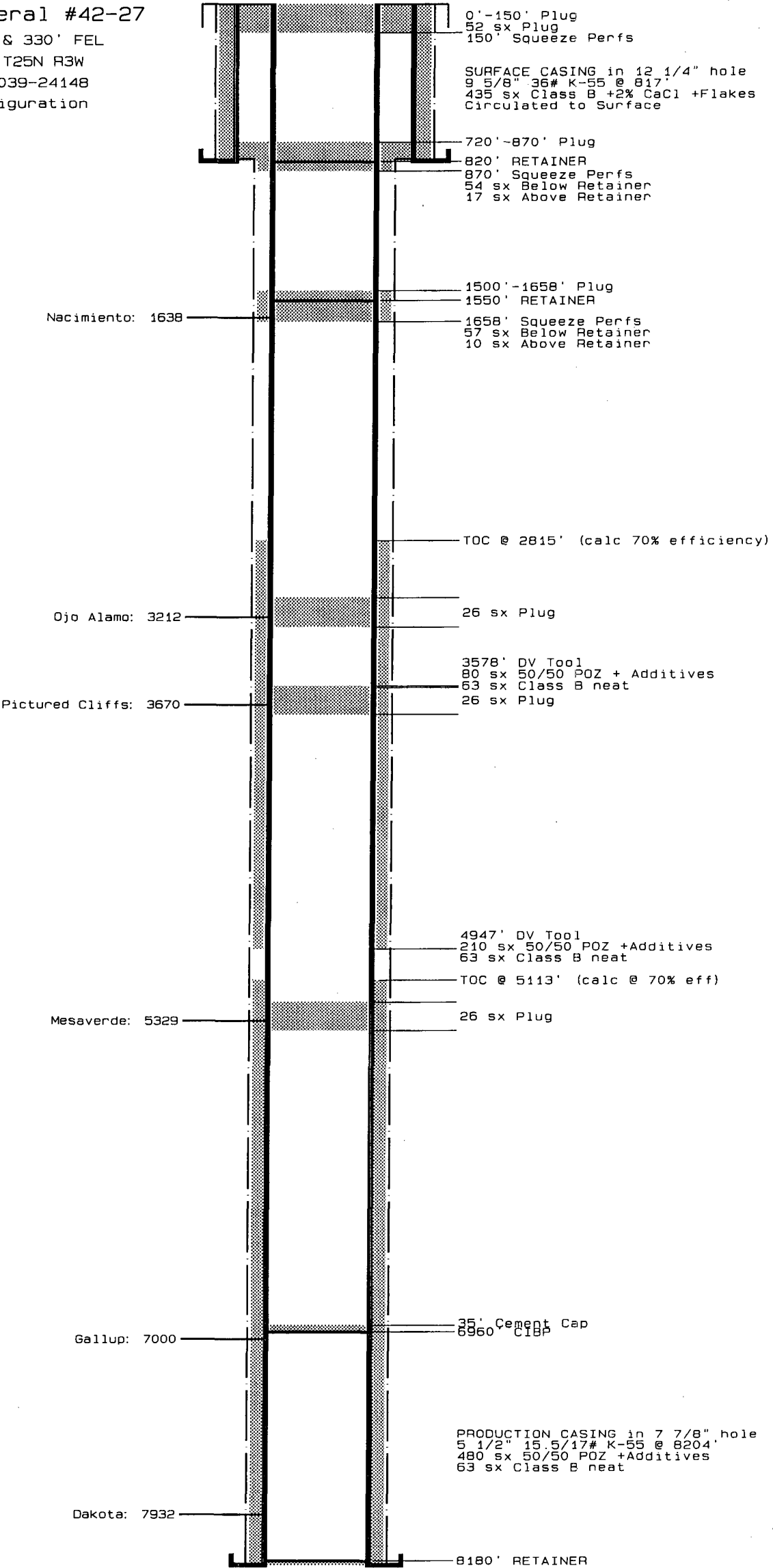
API: 30-039-24148

Existing Configuration



Leeson Federal #42-27

1650' FNL & 330' FEL
Sec. 27 T25N R3W
API: 30-039-24148
P&A Configuration



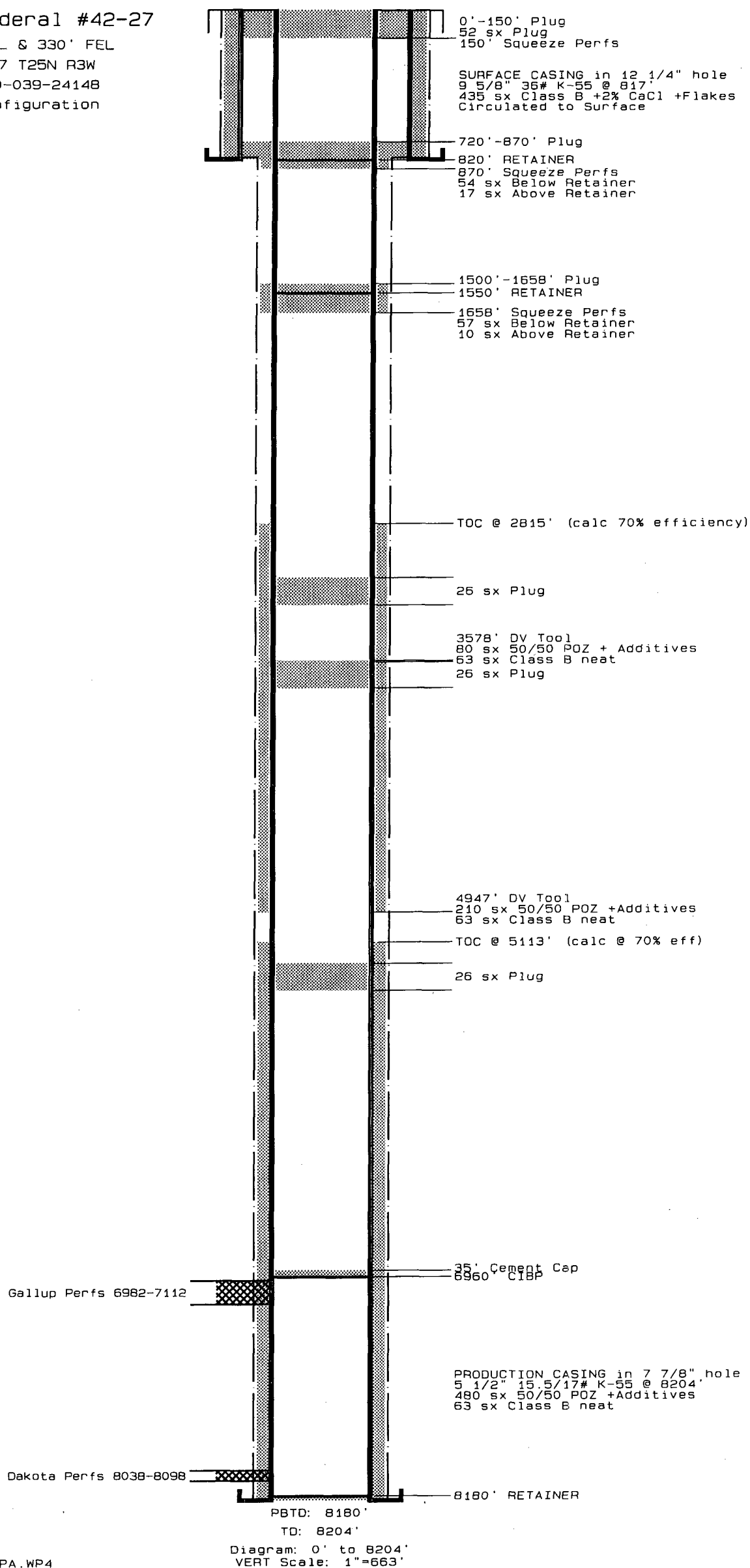
Leeson Federal #42-27

1650' FNL & 330' FEL

Sec. 27 T25N R3W

API: 30-039-24148

PSA Configuration



7 Oct 2004

File: Leeson42-27.PA.WP4