

District I
1625 N French Dr, Hobbs, NM 88240
District II
1307 W Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S St Francis Dr, Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources
Department
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

For temporary pits, closed-loop systems, and below-grade tanks, submit to the appropriate NMOCD District Office.
For permanent pits and exceptions submit to the Santa Fe Environmental Bureau office and provide a copy to the appropriate NMOCD District Office.

2437

Pit, Closed-Loop System, Below-Grade Tank, or
Proposed Alternative Method Permit or Closure Plan Application

Type of action: ☐ Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method
☒ Closure of a pit, closed-loop system, below-grade tank, or proposed alternative method

Instructions: Please submit one application (Form C-144) per individual pit, closed-loop system, below-grade tank or alternative request

Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.

Operator: McElvain Oil & Gas Properties, Inc. OGRID #: 22044
Address: 1050 17th Street, Suite 1800
Facility or well name: Reya #2 Pit extension to 12/5/2008 approved by OCD 5/23/2008
API Number: 30-045-34472 OCD Permit Number: _____
U/L or Qtr/Qtr M Section 20 Township 30N Range 13W County: San Juan
Center of Proposed Design: Latitude 36.79343 N Longitude -108.23409W NAD: ☐ 1927 ☒ 1983
Surface Owner: ☐ Federal ☒ State ☐ Private ☐ Tribal Trust or Indian Allotment

<input checked="" type="checkbox"/> Pit: Subsection F or G of 19.15.17.11 NMAC Temporary: <input checked="" type="checkbox"/> Drilling <input type="checkbox"/> Workover <input type="checkbox"/> Permanent <input type="checkbox"/> Emergency <input type="checkbox"/> Cavitation <input type="checkbox"/> Steel Pit <input checked="" type="checkbox"/> Lined <input type="checkbox"/> Unlined Liner type: Thickness <u>12</u> mil <input type="checkbox"/> LLDPE <input type="checkbox"/> HDPE <input type="checkbox"/> PVC <input checked="" type="checkbox"/> Other <u>Woven CD12WB</u> <input type="checkbox"/> String-Reinforced Seams: <input type="checkbox"/> Welded <input checked="" type="checkbox"/> Factory <input type="checkbox"/> Other _____ Volume: <u>2850</u> bbl Dimensions: L <u>80</u> x W <u>25</u> x D <u>8</u>	<input type="checkbox"/> Closed-loop System: Subsection H of 19.15.17.11 NMAC <input type="checkbox"/> Drying Pad <input type="checkbox"/> Tanks <input type="checkbox"/> Haul-off Bins <input type="checkbox"/> Other _____ <input type="checkbox"/> Lined <input type="checkbox"/> Unlined Liner type: Thickness _____ mil <input type="checkbox"/> LLDPE <input type="checkbox"/> HDPE <input type="checkbox"/> PVC <input type="checkbox"/> Other _____ Seams: <input type="checkbox"/> Welded <input type="checkbox"/> Factory <input type="checkbox"/> Other _____ Volume: _____ bbl _____ yd ³ Dimensions: Length _____ x Width _____
--	---

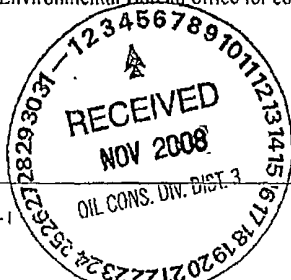
<input type="checkbox"/> Below-grade tank: Subsection I of 19.15.17.11 NMAC Volume: _____ bbl Type of fluid: _____ Tank Construction material: _____ <input type="checkbox"/> Secondary containment with leak detection <input type="checkbox"/> Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off <input type="checkbox"/> Visible sidewalls and liner <input type="checkbox"/> Visible sidewalls only <input type="checkbox"/> Other _____ Liner type: Thickness _____ mil <input type="checkbox"/> HDPE <input type="checkbox"/> PVC <input type="checkbox"/> Other _____	<input type="checkbox"/> Fencing: Subsection D of 19.15.17.11 NMAC <input type="checkbox"/> Chain link, six feet in height, two strands of barbed wire at top <input type="checkbox"/> Four foot height, four strands of barbed wire evenly spaced between one and four feet Four Feet - Hog wire- 1 Strand Barbed Wire - top <input checked="" type="checkbox"/> Netting: Subsection E of 19.15.17.11 NMAC <input type="checkbox"/> Screen <input type="checkbox"/> Netting <input type="checkbox"/> Other _____ <input type="checkbox"/> Monthly inspections Signs: Subsection C of 19.15.17.11 NMAC <input checked="" type="checkbox"/> 12"x24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers <input type="checkbox"/> Signed in compliance with 19.15.3.103 NMAC
---	---

☐ **Alternative Method:**
Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

Administrative Approvals and Exceptions:
Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17 NMAC for guidance.

Please check a box if one or more of the following is requested, if not leave blank:

☐ Administrative approval(s): Requests must be submitted to the appropriate division district or the Santa Fe Environmental Bureau office for consideration of approval.
☐ Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.



Siting Criteria (regarding permitting): 19.15.17.10 NMAC

Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to drying pads or above-grade tanks associated with a closed-loop system.

Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank.

- NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells

☐ Yes ☒ No

Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark).

- Topographic map; Visual inspection (certification) of the proposed site

☐ Yes ☒ No

Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.

(Applies to temporary, emergency, or cavitation pits and below-grade tanks)

- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image

☐ Yes ☒ No

☐ NA

Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.

(Applies to permanent pits)

- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image

☐ Yes ☒ No

☐ NA

Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application.

- NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site

☐ Yes ☒ No

Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended.

- Written confirmation or verification from the municipality; Written approval obtained from the municipality

☐ Yes ☒ No

Within 500 feet of a wetland.

- US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site

☐ Yes ☒ No

Within the area overlying a subsurface mine.

- Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division

☐ Yes ☒ No

Within an unstable area.

- Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map

☐ Yes ☒ No

Within a 100-year floodplain.

- FEMA map

☐ Yes ☒ No

Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC

Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

- ☒ Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC
- ☒ Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15.17.9 NMAC
- ☒ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC
- ☒ Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
- ☐ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
- ☒ Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC

☐ Previously Approved Design (attach copy of design) API Number: _____ or Permit Number: _____

Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC

Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

- ☐ Geologic and Hydrogeologic Data (required for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19.15.17.9 NMAC
- ☐ Siting Criteria Compliance Demonstrations (required for on-site closure) - based upon the appropriate requirements of 19.15.17.10 NMAC
- ☐ Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
- ☐ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
- ☐ Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC

NMAC

☐ Previously Approved Design (attach copy of design) API Number: _____

Permanent Pits Permit Application Checklist: Subsection B of 19.15.17.9 NMAC

Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

- ☐ Hydrogeologic Report - based upon the requirements of Paragraph (1) of Subsection B of 19.15.17.9 NMAC
☐ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC
☐ Climatological Factors Assessment
☐ Certified Engineering Design Plans - based upon the appropriate requirements of 19.15.17.11 NMAC
☐ Dike Protection and Structural Integrity Design - based upon the appropriate requirements of 19.15.17.11 NMAC
☐ Leak Detection Design - based upon the appropriate requirements of 19.15.17.11 NMAC
☐ Liner Specifications and Compatibility Assessment - based upon the appropriate requirements of 19.15.17.11 NMAC
☐ Quality Control/Quality Assurance Construction and Installation Plan
☐ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
☐ Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
☐ Nuisance or Hazardous Odors, including H₂S, Prevention Plan
☐ Emergency Response Plan
☐ Oil Field Waste Stream Characterization
☐ Monitoring and Inspection Plan
☐ Erosion Control Plan
☐ Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC

Proposed Closure: 19.15.17.13 NMAC

Type: ☒ Drilling ☐ Workover ☐ Emergency ☐ Cavitation ☐ Permanent Pit ☐ Below-grade Tank ☐ Closed-loop System ☐ Alternative

Proposed Closure Method: ☒ Waste Excavation and Removal
☐ Waste Removal (Closed-loop systems only)
☐ On-site Closure Method (Only for temporary pits and closed-loop systems)
 ☐ In-place Burial ☐ On-site Trench Burial
☐ Alternative Closure Method (Exceptions must be submitted to the Santa Fe Environmental Bureau for consideration)

Siting Criteria (regarding on-site closure methods only): 19.15.17.10 NMAC

Instructions: Each siting criteria requires a demonstration of compliance in the closure plan. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC for guidance.

Ground water is less than 50 feet below the bottom of the buried waste.

- NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells

☐ Yes ☒ No
☐ NA

Ground water is between 50 and 100 feet below the bottom of the buried waste

- NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells

☐ Yes ☒ No
☐ NA

Ground water is more than 100 feet below the bottom of the buried waste.

- NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells

☒ Yes ☐ No
☐ NA

Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark).

- Topographic map; Visual inspection (certification) of the proposed site

☐ Yes ☒ No

Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.

- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image

☐ Yes ☒ No

Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application.

- NM Office of the State Engineer - iWATERS database; Visual inspection (certification) of the proposed site

☐ Yes ☒ No

Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended.

- Written confirmation or verification from the municipality; Written approval obtained from the municipality

☐ Yes ☒ No

Within 500 feet of a wetland.

- US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site

☐ Yes ☒ No

Within the area overlying a subsurface mine.

- Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division

☐ Yes ☒ No

Within an unstable area.

- Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society, Topographic map

☐ Yes ☒ No

Within a 100-year floodplain.

- FEMA map

☐ Yes ☒ No

Key #2

RCVD JAN 11 '12

OIL CONS. DIV.

DIST. 3

Waste Excavation and Removal Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached.	
<input checked="" type="checkbox"/> Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC <input checked="" type="checkbox"/> Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC <input checked="" type="checkbox"/> Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings) <input checked="" type="checkbox"/> Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC <input checked="" type="checkbox"/> Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC <input checked="" type="checkbox"/> Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC	
Waste Removal Closure For Closed-loop Systems That Utilize Spill-off Bins Only: (19.15.17.13 NMAC) Instructions: Please identify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings.	
Disposal Facility Name: <u>JFJ Land Farm</u> Disposal Facility Permit Number: <u>NM1-10-B</u>	
On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached.	
<input checked="" type="checkbox"/> Shoring Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC <input checked="" type="checkbox"/> Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC <input checked="" type="checkbox"/> Construction and Design of Burial Trench (if applicable) based upon the appropriate requirements of 19.15.17.11 NMAC <input checked="" type="checkbox"/> Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC <input checked="" type="checkbox"/> Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC <input checked="" type="checkbox"/> Waste Material Sampling Plan - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC <input checked="" type="checkbox"/> Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings or in case on-site closure standards cannot be achieved) <input checked="" type="checkbox"/> Soil Cover Design - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC <input checked="" type="checkbox"/> Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC <input checked="" type="checkbox"/> Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC	
Operator Application Certification: I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief.	
Name (Print): <u>Deborah K Powell</u> Title: <u>Engineering Tech Supervisor</u>	
Signature: <u>[Signature]</u> Date: <u>7/15/2008</u> re- <u>10/31/2008</u>	
e-mail address: <u>DebbyP@McElvain.com</u> Telephone: <u>303-893-0933</u>	
OCD Approval: <input type="checkbox"/> Permit Application (including closure plan) <input checked="" type="checkbox"/> Closure Plan (only)	
OCD Representative Signature: <u>[Signature]</u> Approval Date: <u>11-10-08</u>	
Title: <u>Enviro/spec</u> OCD Permit Number: <u>[Signature]</u>	
Closure Report (required within 60 days of closure completion): Subsection K of 19.15.17.13 NMAC	
<input checked="" type="checkbox"/> Closure Completion Date: <u>11-25-2008</u>	
Closure Method: <input checked="" type="checkbox"/> Waste Excavation and Removal <input type="checkbox"/> On-Site Closure Method <input type="checkbox"/> Alternative Closure Method <input type="checkbox"/> If different from approved plan, please explain.	
Closure Report Attachment Checklist: Instructions: Each of the following items must be attached to the closure report. Please indicate, by a check mark in the box, that the documents are attached.	
<input checked="" type="checkbox"/> Proof of Closure Notice <input checked="" type="checkbox"/> Proof of Deed Notice (if applicable) <input checked="" type="checkbox"/> Plot Plan <input checked="" type="checkbox"/> Confirmation Sampling Analytical Results <input checked="" type="checkbox"/> Waste Material Sampling Analytical Results <input checked="" type="checkbox"/> Disposal Facility Name and Permit Number <input checked="" type="checkbox"/> Soil Backfilling and Cover Installation <input checked="" type="checkbox"/> Re-vegetation Application Rates and Seeding Technique <input checked="" type="checkbox"/> Site Reclamation (Photo Documentation)	
On-site Closure Location: Latitude <u>36.79349</u> Longitude <u>-108.23301</u> NAD: <input type="checkbox"/> 1927 <input checked="" type="checkbox"/> 1983	
Operator Closure Certification: I hereby certify that the information and attachments submitted with this closure report is true, accurate and complete to the best of my knowledge and belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.	
Name (Print): <u>Deborah Powell</u> Title: <u>Eng Tech Supervisor</u>	
Signature: <u>[Signature]</u> Date: <u>1-29-09</u>	
e-mail address: <u>DebbyP@McElvain.com</u> Telephone: <u>303-218-2329</u>	

McELVAIN OIL & GAS PROPERTIES, INC.

1050 17th Street, Suite 1800
Denver, CO 80265

October 30, 2008

VIA CERTIFIED MAIL- RETURN RECEIPT REQUESTED
7000-1670-0008-8577-2428

City of Farmington
800 Municipal Drive
Farmington, NM 87401

Attn: Community Development Dept.

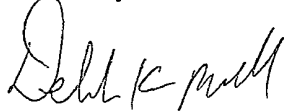
RE: Reya #2
SW/SW Sec 20 T30N R13W
San Juan County, New Mexico

Dear Landowner,

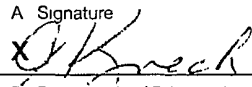
Pursuant to paragraph 1 (b) of subsection F of 19.15.17.13 NMAC, an operator shall provide the surface owner of the operator's proposal to close the temporary pit on-site in compliance with the dig and haul closure methods specified in the same subsection of the NMAC. In compliance of this requirement, please consider this notification of McElvain's intent to close the temporary pit on the above referenced location.

If you have any questions please contact Ron Millet @ 303-893-0933
ex 375.

Sincerely



Deborah Powell
Engineering Tech Supervisor

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<input type="checkbox"/> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. <input type="checkbox"/> Print your name and address on the reverse so that we can return the card to you. <input type="checkbox"/> Attach this card to the back of the mailpiece, or on the front if space permits.		A Signature  <input type="checkbox"/> Agent <input type="checkbox"/> Addressee	
1 Article Addressed to: City of Farmington 800 Municipal Drive Farmington, NM 87401-2663		B Received by (Printed Name) J. K. Veck	C Date of Delivery 11/03/08
2 Article Number (Transfer from service label) 7000-1670-0008-8577-2428		D Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
Community Development Dept.		3. Service Type <input type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C O D	
		4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	

Submit to appropriate District Office
Two Copies
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 and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-105
July 17, 2008

1. WELL API NO.

30-045-34472

2 Type of Lease

☐ STATE ☐ FEE ☒ FED/INDIAN

3 State Oil & Gas Lease No

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

4 Reason for filing

☐ COMPLETION REPORT (Fill in boxes #1 through #31 for State and Fee wells only)

☒ C-144 CLOSURE ATTACHMENT (Fill in boxes #1 through #9, #15 Date Rig Released and #32 and/or #33, attach this and the plat to the C-144 closure report in accordance with 19 15 17 13 K NMAC)

7 Type of Completion

☒ NEW WELL ☐ WORKOVER ☐ DEEPENING ☐ PLUGBACK ☐ DIFFERENT RESERVOIR ☐ OTHER

8 Name of Operator

McElvain Oil & Gas Properties, Inc

5 Lease Name or Unit Agreement Name

Reya

6 Well Number

2

10 Address of Operator

1050 17th Street, Suite 1800, Denver, Co 80265

11 Pool name or Wildcat

Basin Fruitland Coal/Harper Hill Fr Pc

12 Location

Unit Ltr

Section

Township

Range

Lot

Feet from the

N/S Line

Feet from the

E/W Line

County

Surface:

BH:

13 Date Spudded

14 Date T D Reached

15 Date Rig Released

12/05/2007

16 Date Completed (Ready to Produce)

17 Elevations (DF and Rk.B.

RT, GR, etc)

18 Total Measured Depth of Well

19 Plug Back Measured Depth

20 Was Directional Survey Made?

21 Type Electric and Other Logs Run

22 Producing Interval(s), of this completion - Top, Bottom, Name

23

CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB /FT	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED

24

LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN

25

TUBING RECORD

SIZE	DEPTH SET	PACKER SET

26 Perforation record (interval, size, and number)

27 ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC

DEPTH INTERVAL

AMOUNT AND KIND MATERIAL USED

28

PRODUCTION

Date First Production		Production Method (Flowing gas lift pumping - Size and type pump)			Well Status (Prod or Shut-in)		
Date of Test	Hours Tested	Choke Size	Prod'n For Test Period	Oil - Bbl	Gas - MCF	Water - Bbl	Gas - Oil Ratio
Flow Tubing Press	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl	Gas - MCF	Water - Bbl	Oil Gravity - API - (Corr)	

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

30 Test Witnessed By

31 List Attachments

32 If a temporary pit was used at the well, attach a plat with the location of the temporary pit Attached

33 If an on-site burial was used at the well, report the exact location of the on-site burial

Latitude

Longitude

NAD 1927 1983

I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature

Printed Name

Title

Date

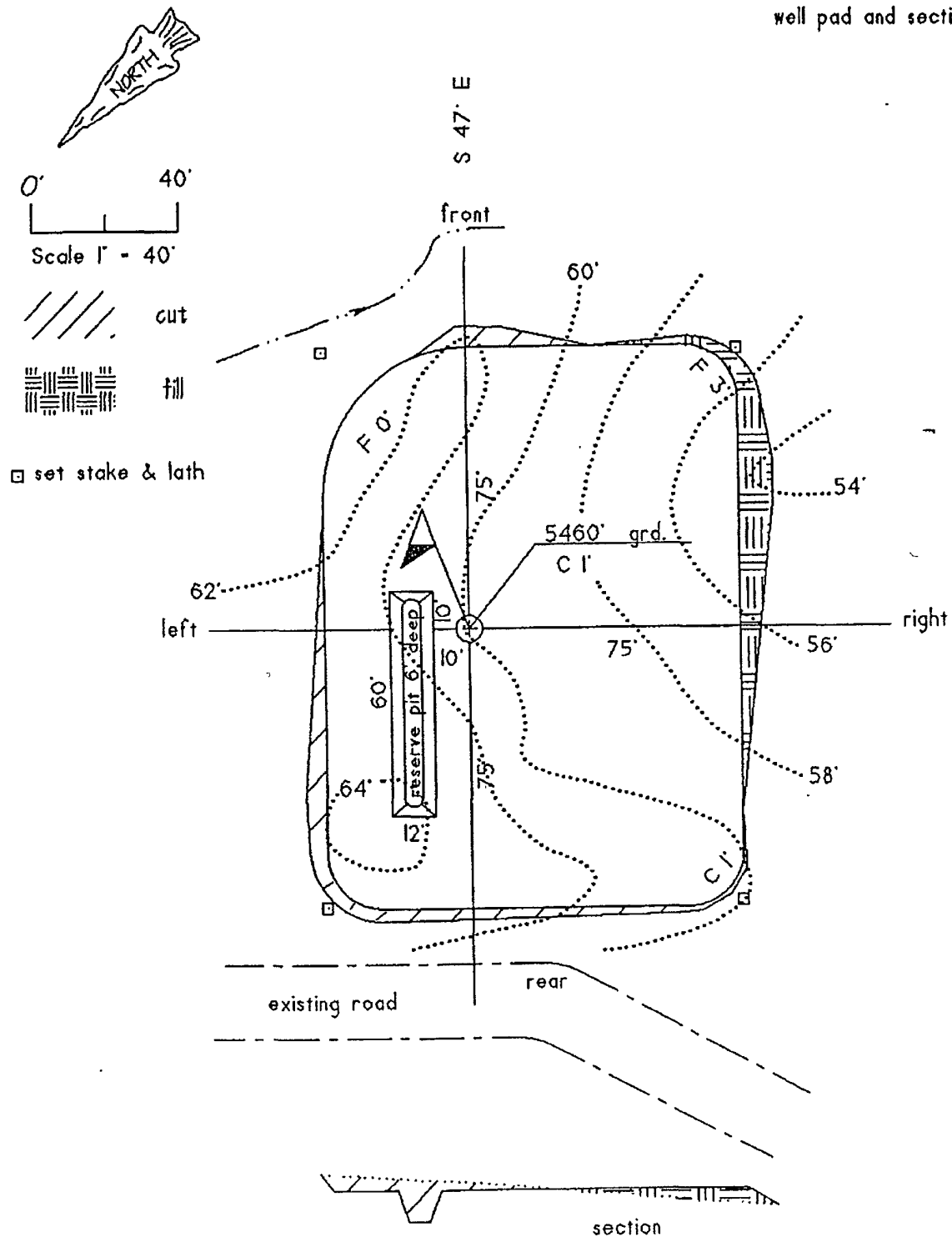
E-mail Address DebbyP@ McElvain.com

Deborah K Powell

Eng Tech Supervisor

1/28/2009

REYA #2
well pad and section



Envirotech
5796 US Hwy 64
Farmington, NM 87401
Phone: 505-632-0615
Fax: 505-632-1865



ENVIROTECH INC.

To:
McElvain Oil & Gas Prop Inc.
PO Box 5610
Farmington, NM 87499-5610

Invoice

Invoice Number: 22049
Job: 06039-0016
DATE: October 31, 2008

Reya #2 - Drill Pit Sampling

Ordered by Mr. Art Merrick

Project Manager: Kyle Kerr

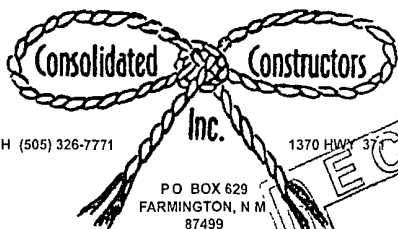
<u>Employee</u>	<u>Staff Type</u>	<u>Description</u>	<u>Units</u>	<u>Rate</u>	<u>Total</u>
09/05/2008					
Labor					
James McDaniel	Staff Engineer/Scientist	Sampling	1.25 Hrs	59.50	74.38
Labor Total:			1.25		74.38
Equipment					
(941) : Support Vehicle		J. McDaniel-Sampling	1.25 Hours	15.00	18.75
Equipment Total:			1.25		18.75
Material & Supplies					
		Bailer	1.00 day	15.00	15.00
		GPS - Global Positioning Sat	1.00 day	25.00	25.00
		Environmental Field Supplies	1.00 ea	25.00	25.00
Material & Supplies Total:			3.00		65.00
09/05/2008 Total:			5.50		158.13
09/15/2008					
Lab					
		COC 5226	1.00 ea	15.00	15.00
Total Chloride Analysis		COC 5226	1.00 ea	74.00	74.00
USEPA 418.1 TPH		COC 5226	1.00 ea	80.00	80.00
USEPA 8015 TPH		COC 5226	1.00 ea	80.00	80.00
USEPA 8021 BTEX		COC 5226	1.00 ea	80.00	80.00
Lab Total:			4.00		249.00
09/15/2008 Total:			4.00		249.00

Invoice # 22049 Job # 06039-0016

<u>Employee</u>	<u>Staff Type</u>	<u>Description</u>	<u>Units</u>		<u>Rate</u>	<u>Total</u>
09/18/2008						
Labor						
James McDaniel	Staff Engineer/Scientist	Report prep	1.00	Hrs	59.50	59.50
Labor Total:			1.00			59.50
09/18/2008 Total:			1.00			59.50
09/19/2008						
Labor						
Greg Crabtree	Project Engineer/Scientist	Review Drill Sampling Rpt	0.25	Hrs	69.00	17.25
James McDaniel	Staff Engineer/Scientist	Revise Reya #2 Report	0.25	Hrs	59.50	14.88
Labor Total:			0.50			32.13
09/19/2008 Total:			0.50			32.13
10/07/2008						
Labor						
Kyle Kerr	Sr. Engineer/Scientist	Review & approve report	0.25	Hrs	89.00	22.25
Labor Total:			0.25			22.25
10/07/2008 Total:			0.25			22.25
10/08/2008						
Labor						
Roxana Pringle	Administrator	Proof,edit,copy report	0.25	Hrs	55.00	13.75
Labor Total:			0.25			13.75
10/08/2008 Total:			0.25			13.75
Equipment Fuel Surcharge (22%)						4.13
Invoice Sub-total						538.89
Sales Tax						33.35
Amount due this Invoice						\$572.24

All invoices are due upon receipt. A late charge of 1.5% will be added to any unpaid balance after 30 days
This may not be the final bill - if charges are received after this invoice has been mailed, you will receive a separate invoice for those costs.

Order # 5715
OCT 28 2008
AL, PROTEL



invoice

JAN 28 2009

McELVAIN OIL & GAS
PROPERTIES INC.

INVOICE NO 34128
INVOICE DATE 12/31/08
Acct #: 004966
PAGE 1

SOLD TO

McELVAIN OIL & GAS PROPERTIES
INC. ATTN: ART
P.O. BOX 5610
FARMINGTON NM 87499-5610

SHIP TO

LOCATION: REYA 2 RESERVE PITS
RECLAIM PIT
CCI JOB NO. 012006-18048

P.O. #:
JOB #: 012006

Terms: NET 30

Shipped by: CCI TRUCKS

ITEM	ORDER	SHIP	DESCRIPTION	PRICE	AMOUNT
			LOCATION: REYA 2 RESERVE PITS		
	1.00	1.00	LS - MOBILIZE EQUIPMENT TO LOCATION. DIG OUT RESERVE PIT, HAULED TO LAND FARM. DISPOSE OF PIT LINER WHEN PIT PASSES TEST AND COVER PIT.	2567 0000	2567 00

Code: 5015
JAN 26 2009
Approved: WAM

* - Denotes items which are not taxed.

Subtotal 2567 00

Tax 158 83

=====

Total Due 2725 83

YOU MAY NOW PAY THIS INVOICE BY CREDIT CARD - PLEASE CALL (505) 326-7771
Term: Due Upon Receipt Interest of 1 1/2% / Month may be applied.



RECEIVED

DEC -4 2008

McELVAIN OIL & GAS
PROPERTIES INC.Invoice Number: 10432
Invoice Date: Nov 30, 2008
Page: 1PLEASE REMIT PAYMENT TO:
Industrial Ecosystems, Inc.
PO Box 1202
Flora Vista, NM 87415

Industrial Ecosystems Inc.

P.O. Box 1202

Flora Vista, NM 87415

PH: (505) 632-1782 Fax: (505) 632-1876

TAX I.D. #94-3200034

Sold To: MCELVAIN OIL AND GAS
1050 17TH ST STE 1800
DENVER, CO 80265

Location: REYA #2

Permit # NM 01-0010B

Contact	Payment Terms	Due Date	Customer PO
REYA #2	Net 30 Days	12/30/08	

Quantity	Description	Unit Price	Extension
93.00	DATE OF SERVICE: 11/25/08 IEI WO #8294 MATERIAL TRANSPORTED BY CONSOLIDATED CONSTRUCT, 01, 1 DISPOSED OF CONTAMINATED SOIL DISPOSAL PER YARD	20.00	1,860.00
Code: 4015 DEC 09 2008 Approved: [Signature]			

FOR BILLING INQUIRIES PLEASE CALL
(505) 632-1782ACCOUNTS ARE DUE NET 30 DAYS. PURCHASER AGREES TO PAY
FINANCE CHARGES OF 1.5% PER MONTH (ANNUAL PERCENTAGE RATE
OF 18%) OR A MINIMUM CHARGE OF .50 PER MONTH. ACCOUNTS THAT
HAVE BEEN PLACED FOR COLLECTION WILL BE CHARGED A \$100.00
COLLECTION FEE IN ADDITION TO REASONABLE ATTORNEY FEES AND
COLLECTION CHARGES.

Subtotal	1,860.00
Sales Tax	
Total Invoice Amount	1,860.00
TOTAL	1,860.00

12-8-29



RECEIVED

DEC - 4 2008

Invoice Number: 10433
Invoice Date: Nov 30, 2008
Page: 1

Industrial Ecosystems Inc.

P.O. Box 1202

Flora Vista, NM 87415

PH: (505) 632-1782 Fax: (505) 632-1876

TAX I.D. #94-3200034

McELVAIN OIL & GAS
PROPERTIES INC.

PLEASE REMIT PAYMENT TO:

Industrial Ecosystems, Inc.

PO Box 1202

Flora Vista, NM 87415

Sold To: McELVAIN OIL AND GAS
1050 17TH ST STE 1800
DENVER, CO 80265

Location: REYA #2

Permit # NM01-0010B

Contact	Payment Terms	Due Date	Customer PO
REYA #2	Net 30 Days	12/30/08	

Quantity	Description	Unit Price	Extension
	DATE OF SERVICE: 11/24/08		
	IEI WO #8293		
	MATERIAL TRANSPORTED BY CONSOLIDATED CONSTRUCT, 01/P3		
1.00	DISPOSED OF CONTAMINATED SOIL	15.00	15.00
126.00	CHLORIDE TEST	20.00	2,520.00
	DISPOSAL PER YARD		
Code: 4015			
DEC 09 2008			
Approved: [Signature]			

FOR BILLING INQUIRIES PLEASE CALL**(505) 632-1782**

ACCOUNTS ARE DUE NET 30 DAYS. PURCHASER AGREES TO PAY
FINANCE CHARGES OF 1.5% PER MONTH (ANNUAL PERCENTAGE RATE
OF 18%) OR A MINIMUM CHARGE OF .50 PER MONTH. ACCOUNTS THAT
HAVE BEEN PLACED FOR COLLECTION WILL BE CHARGED A \$100.00
COLLECTION FEE IN ADDITION TO REASONABLE ATTORNEY FEES AND
COLLECTION CHARGES.

Subtotal	2,535.00
Sales Tax	
Total Invoice Amount	2,535.00
TOTAL	2,535.00

12-8-28



January 21, 2009

Project No. 06039-0019

Mr. Art Merrick
McElvain Oil & Gas Properties, Inc.
P.O. Box 5610
Farmington, New Mexico 87499

Phone: (505) 327-2679

RE: REYA #2 DRILL PIT SAMPLING RESULTS

Dear Mr. Merrick,

Enclosed please find the field notes and laboratory analyses for the drill pit closure activities performed at the Reya #2 well site located in Section 20, Township 30N, Range 13W, San Juan County, New Mexico. Prior to Envirotech's arrival, the drill pit had been excavated to approximately 60' x 12' x 10' deep. A five-point composite sample was collected from the bottom of the drill pit. The five-point composite sample was analyzed in the field for total petroleum hydrocarbons (TPH) via USEPA Method 418.1 and for chlorides. Additionally, the five-point composite sample was collected into a four (4) ounce glass jar, capped headspace free, and transported on ice under chain of custody to Envirotech's laboratory to be analyzed for total chlorides via USEPA Method 4500, for benzene and BTEX via USEPA Method 8021, and GRO/DRO via USEPA Method 8015, see enclosed *Analytical Results*. The sample returned results below the New Mexico Oil Conservation Division (NMOCD) regulatory standards determined for this site at 96 ppm TPH, 195 ppm chlorides, and non-detect for benzene, BTEX, and DRO/GRO. Envirotech, Inc. recommends no further action is required.

We appreciate the opportunity to be of service. If you have any questions or require additional information, please contact our office at (505) 632-0615.

Respectfully Submitted,
ENVIROTECH, INC.

Greg Crabtree
Environmental Engineer
gcrabtree@envirotech-inc.com

Enclosure: Field Notes
Analytical Results

Cc: Client File No. 06039

PAGE NO: <u>1</u> OF <u>1</u> DATE STARTED: <u>11/25/08</u> DATE FINISHED: <u>11/25/08</u>	ENVIROTECH INC ENVIRONMENTAL SCIENTISTS & ENGINEERS 5796 U.S. HIGHWAY 64 - 3014 FARMINGTON, NEW MEXICO 87401 PHONE: (505) 632-0615	ENVIRONMENTAL SPECIALIST: <u>GWC</u> LAT: <u>36.79340</u> LONG: <u>-108.23409</u>
--	---	---

FIELD REPORT: BGT / PIT CLOSURE VERIFICATION

LOCATION:	NAME: <u>Keya</u>	WELL #: <u>2</u>	TEMP PIT: <input checked="" type="checkbox"/>	PERMANENT PIT: <input type="checkbox"/>	BGT: <input type="checkbox"/>
LEGAL ADD:	UNIT: <u>M</u>	SEC: <u>20</u>	TWP: <u>30N</u>	RNG: <u>13W</u>	PM: <u>NMPM</u>
QTR/FOOTAGE:	<u>683 FSL</u>	<u>711 FSL</u>	CNTY: <u>San Juan</u>	ST: <u>NM</u>	

EXCAVATION APPROX:	<u>60</u> FT. X <u>12</u>	FT. X <u>10</u>	FT. DEEP	CUBIC YARDAGE: <u>-</u>
DISPOSAL FACILITY:	REMEDICATION METHOD: <u>-</u>			
LAND OWNER:	<u>Federal</u>	API: <u>30-045-34472</u>	BGT / PIT VOLUME:	<u>-</u>
CONSTRUCTION MATERIAL:	DOUBLE-WALLED, WITH LEAK DETECTION: <u>-</u>			

LOCATION APPROXIMATELY:	<u>10</u> FT. <u>0°</u>	FROM WELLHEAD
DEPTH TO GROUNDWATER:	<u>< 50</u>	

- ☒ TEMPORARY PIT - GROUNDWATER 50-100 FEET DEEP
 BENZENE ≤ 0.2 mg/kg, BTEX ≤ 50 mg/kg, GRO & DRO FRACTION (8015) ≤ 500 mg/kg, TPH (418.1) ≤ 2500 mg/kg, CHLORIDES ≤ 500 mg/kg
- ☐ TEMPORARY PIT - GROUNDWATER ≥ 100 FEET DEEP
 BENZENE ≤ 0.2 mg/kg, BTEX ≤ 50 mg/kg, GRO & DRO FRACTION (8015) ≤ 500 mg/kg, TPH (418.1) ≤ 2500 mg/kg, CHLORIDES ≤ 1000 mg/kg
- ☐ PERMANENT PIT OR BGT
 BENZENE ≤ 0.2 mg/kg, BTEX ≤ 50 mg/kg, TPH (418.1) ≤ 100 mg/kg, CHLORIDES ≤ 250 mg/kg

FIELD 418.1 ANALYSIS

TIME	SAMPLE ID	LAB NO.	WEIGHT (g)	mL FREON	DILUTION	READING	CALC. (mg/kg)
1310	200 STD					<u>90</u>	
1320	Comp	1	<u>5.0</u>	<u>20</u>	<u>4</u>	<u>24</u>	<u>96</u>
		2					
		3					
		4					
		5					
		6					

PERIMETER

FIELD CHLORIDES RESULTS

PROFILE

	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th>SAMPLE ID</th><th>READING</th><th>CALC. (mg/kg)</th></tr> <tr> <td>Comp</td><td><u>2.5</u></td><td><u>84</u></td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> </table>	SAMPLE ID	READING	CALC. (mg/kg)	Comp	<u>2.5</u>	<u>84</u>																									
SAMPLE ID	READING	CALC. (mg/kg)																														
Comp	<u>2.5</u>	<u>84</u>																														
PID RESULTS																																
SAMPLE ID	RESULTS (mg/kg)																															
Composite	<u>115</u>																															

LAB SAMPLES <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th>SAMPLE ID</th><th>ANALYSIS</th><th>RESULTS</th></tr> <tr><td> </td><td>BENZENE</td><td> </td></tr> <tr><td> </td><td>BTEX</td><td> </td></tr> <tr><td> </td><td>GRO & DRO</td><td> </td></tr> <tr><td> </td><td>CHLORIDES</td><td> </td></tr> </table>	SAMPLE ID	ANALYSIS	RESULTS		BENZENE			BTEX			GRO & DRO			CHLORIDES		NOTES: <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <u>See Enclosed Lab Results</u> </div>
SAMPLE ID	ANALYSIS	RESULTS														
	BENZENE															
	BTEX															
	GRO & DRO															
	CHLORIDES															
WORKORDER # _____	WHO ORDERED _____															



EPA METHOD 418.1
TOTAL PETROLEUM
HYDROCARBONS

Client: McElvain Oil & Gas
Sample No.: 1
Sample ID: Composite
Sample Matrix: Soil
Preservative: Cool
Condition: Cool and Intact

Project #: 06039-0019
Date Reported: 12/16/2008
Date Sampled: 11/25/2008
Date Analyzed: 11/25/2008
Analysis Needed: TPH-418.1


Parameter	Concentration (mg/kg)	Det. Limit (mg/kg)
Total Petroleum Hydrocarbons	96	5.0

ND = Parameter not detected at the stated detection limit.


References: Method 418.1, Petroleum Hydrocarbons, Total Recoverable, Chemical Analysis of Water and Waste, USEPA Storet No. 4551, 1978.

Comments: **Reya #2**

Instrument calibrated to 200 ppm standard. Zeroed before each sample


Analyst

Greb Crabtree
Printed


Sherry Auckland

Sherry Auckland
Printed



CONTINUOUS CALIBRATION
EPA METHOD 418.1
TOTAL PETROLEUM
HYDROCARBONS

Cal. Date: 25-Nov-08

Parameter	Standard Concentration mg/L	Concentration Reading mg/L
TPH	100	190
	200	
	500	
	1000	

The accepted percent relative deviation (%RSD) of the calibration factor is less than 20% over the working range.


Analyst

12/16/08
Date

Greg Crabtree
Print Name


Review

12/16/08
Date

Sherry Auckland
Print Name



Field Chloride

Client:	McElvain Oil & Gas	Project #:	06039-0019
Sample No.:	1	Date Reported:	12/16/2008
Sample ID:	Composite	Date Sampled:	11/25/2008
Sample Matrix:	Soil	Date Analyzed:	11/25/2008
Preservative:	Cool	Analysis Needed:	Chloride
Condition:	Cool and Intact		

Parameter	Concentration (mg/kg)	Det. Limit (mg/kg)
Field Chloride	84	27.0

ND = Parameter not detected at the stated detection limit.

References: "Standard Methods for the Examination of Water and Wastewater", 18th ed., 1992
Hach Company Quantab Titrators for Chloride

Comments: **Reya #2**


Analyst

Greg Crabtree
Printed


Review

Sherry Auckland
Printed



EPA METHOD 8015 Modified
Nonhalogenated Volatile Organics
Total Petroleum Hydrocarbons

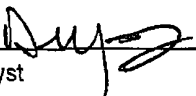
Client:	McElvain Oil & Gas	Project #:	06039-0019
Sample ID:	Composite	Date Reported:	12-03-08
Laboratory Number:	48301	Date Sampled:	11-25-08
Chain of Custody No:	5826	Date Received:	11-26-08
Sample Matrix:	Soil	Date Extracted:	12-01-08
Preservative:	Cool	Date Analyzed:	12-02-08
Condition:	Intact	Analysis Requested:	8015 TPH

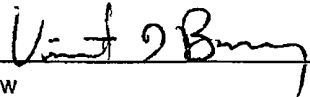
Parameter	Concentration (mg/Kg)	Det. Limit (mg/Kg)
Gasoline Range (C5 - C10)	ND	0.2
Diesel Range (C10 - C28)	ND	0.1
Total Petroleum Hydrocarbons	ND	0.2

ND - Parameter not detected at the stated detection limit.

References: Method 8015B, Nonhalogenated Volatile Organics, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Comments: **Reya #2.**


Analyst


Review



envirotech

Analytical Laboratory

EPA Method 8015 Modified
Nonhalogenated Volatile Organics
Total Petroleum Hydrocarbons

Quality Assurance Report

Client:	QA/QC	Project #:	N/A
Sample ID:	12-02-08 QA/QC	Date Reported:	12-03-08
Laboratory Number:	48274	Date Sampled:	N/A
Sample Matrix:	Methylene Chloride	Date Received:	N/A
Preservative:	N/A	Date Analyzed:	12-02-08
Condition:	N/A	Analysis Requested:	TPH

	Cal Date	Cal REF	Cal REF	% Difference	Accept Range
Gasoline Range C5 - C10	05-07-07	1.0071E+003	1.0075E+003	0.04%	0 - 15%
Diesel Range C10 - C28	05-07-07	9.9126E+002	9.9165E+002	0.04%	0 - 15%

Blank Conc (mg/L, mg/Kg)	Concentration	Detection Limit
Gasoline Range C5 - C10	ND	0.2
Diesel Range C10 - C28	ND	0.1
Total Petroleum Hydrocarbons	ND	0.2

Duplicate Conc (mg/Kg)	Sample	Duplicate	% Difference	Accept Range
Gasoline Range C5 - C10	ND	ND	0.0%	0 - 30%
Diesel Range C10 - C28	ND	ND	0.0%	0 - 30%

Spike Conc (mg/Kg)	Sample	Spike Added	Spike Result	% Recovery	Accept Range
Gasoline Range C5 - C10	ND	250	246	98.4%	75 - 125%
Diesel Range C10 - C28	ND	250	248	99.2%	75 - 125%

ND - Parameter not detected at the stated detection limit.

References: Method 8015B, Nonhalogenated Volatile Organics, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Comments: QA/QC for Samples 48274 - 48279, 48301, 48302, and 48335.

Analyst

Review



envirotech

Analytical Laboratory

EPA METHOD 8021
AROMATIC VOLATILE ORGANICS

Client	McElvain Oil & Gas	Project #:	06039-0019
Sample ID:	Composite	Date Reported:	12-03-08
Laboratory Number:	48301	Date Sampled:	11-25-08
Chain of Custody:	5826	Date Received:	11-26-08
Sample Matrix:	Soil	Date Analyzed:	12-02-08
Preservative:	Cool	Date Extracted:	12-01-08
Condition:	Intact	Analysis Requested:	BTEX

Parameter	Concentration (ug/Kg)	Def. Limit (ug/Kg)
Benzene	ND	0.9
Toluene	ND	1.0
Ethylbenzene	ND	1.0
p,m-Xylene	ND	1.2
o-Xylene	ND	0.9
Total BTEX	ND	

ND - Parameter not detected at the stated detection limit.

Surrogate Recoveries:	Parameter	Percent Recovery
	Fluorobenzene	97.0 %
	1,4-difluorobenzene	97.0 %
	Bromochlorobenzene	97.0 %

References: Method 5030B, Purge-and-Trap, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Method 8021B, Aromatic Volatile Organics, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Comments: Reya #2

Analyst

Review



envirotech

Analytical Laboratory

EPA METHOD 8021
AROMATIC VOLATILE ORGANICS

Client	N/A	Project #	N/A
Sample ID	12-02-BT QA/QC	Date Reported	12-03-08
Laboratory Number	48274	Date Sampled	N/A
Sample Matrix	Soil	Date Received	N/A
Preservative	N/A	Date Analyzed	12-02-08
Condition	N/A	Analysis	BTEX

Calibration and Detection Limits (ug/L)	Cal RE	C-Cal RE	% Diff	Blank Conc	Detect Limit
			Accept Range 0 - 15%		

Benzene	1.1154E+006	1.1177E+006	0.2%	ND	0.1
Toluene	1.0288E+006	1.0309E+006	0.2%	ND	0.1
Ethylbenzene	1.0159E+006	1.0180E+006	0.2%	ND	0.1
p,m-Xylene	2.4039E+006	2.4087E+006	0.2%	ND	0.1
o-Xylene	1.0799E+006	1.0821E+006	0.2%	ND	0.1

Duplicate Conc (ug/Kg)	Sample	Duplicate	% Diff	Accept Range	Detect Limit
------------------------	--------	-----------	--------	--------------	--------------

Benzene	ND	ND	0.0%	0 - 30%	0.9
Toluene	ND	ND	0.0%	0 - 30%	1.0
Ethylbenzene	ND	ND	0.0%	0 - 30%	1.0
p,m-Xylene	ND	ND	0.0%	0 - 30%	1.2
o-Xylene	ND	ND	0.0%	0 - 30%	0.9

Spike Conc (ug/Kg)	Sample	Amount Spiked	Spiked Sample	% Recovery	Accept Range
--------------------	--------	---------------	---------------	------------	--------------

Benzene	ND	50.0	48.0	96.0%	39 - 150
Toluene	ND	50.0	48.7	97.4%	46 - 148
Ethylbenzene	ND	50.0	48.0	96.0%	32 - 160
p,m-Xylene	ND	100	94.9	94.9%	46 - 148
o-Xylene	ND	50.0	52.0	104%	46 - 148

ND - Parameter not detected at the stated detection limit.

References Method 5030B, Purge-and-Trap, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996
 Method 8021B, Aromatic and Halogenated Volatiles by Gas Chromatography Using Photoionization and/or Electrolytic Conductivity Detectors, SW-846, USEPA December 1996

Comments: QA/QC for Samples 48274 - 48279, 48295, 48300, 48301, and 48335.

Analyst

Review



envirotech
Analytical Laboratory

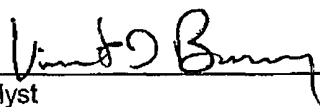
Chloride

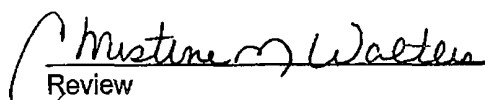
Client:	McElvain Oil & Gas	Project #:	06039-0019
Sample ID:	Composite	Date Reported:	12-04-08
Lab ID#:	48301	Date Sampled:	11-25-08
Sample Matrix:	Soil	Date Received:	11-26-08
Preservative:	Cool	Date Analyzed:	12-02-08
Condition:	Intact	Chain of Custody:	5826

Parameter	Concentration (mg/Kg)
Total Chloride	195

Reference: U.S.E.P.A., 4500B, "Methods for Chemical Analysis of Water and Wastes", 1983.
Standard Methods For The Examination of Water And Waste Water", 18th ed., 1992.


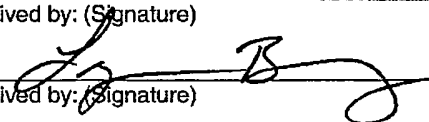
Comments: **Reya #2.**


Analyst


Review

CHAIN OF CUSTODY RECORD

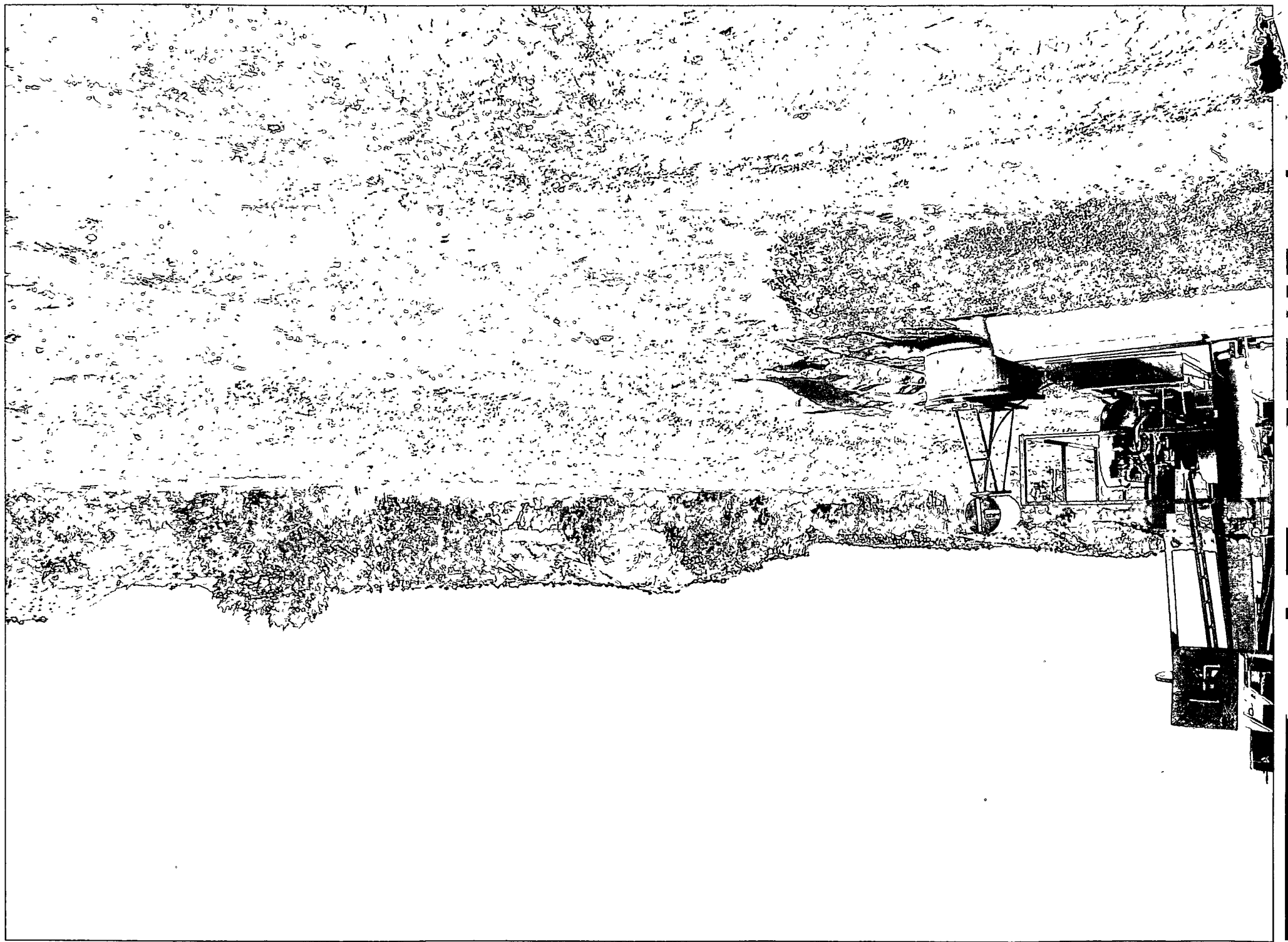
5826

Client: McElvain Oil & Gas			Project Name / Location: Reyn #2				ANALYSIS / PARAMETERS													
Client Address:			Sampler Name: G. Crabtree				TPH (Method 8015)	BTEX (Method 8021)	VOC (Method 8260)	RCRA 8 Metals	Cation / Anion	RCI	TCLP with H/P	PAH	TPH (418.1)	CHLORIDE			Sample Cool	Sample Intact
Client Phone No.:			Client No.: 06039-0019																	
Sample No./ Identification	Sample Date	Sample Time	Lab No.	Sample Matrix	No./Volume of Containers	Preservative														
						HgCl ₂	HCl													
Composite	11/25/08	1326	48301	Soil Solid	Sludge Aqueous	1-402														
				Soil Solid	Sludge Aqueous															
				Soil Solid	Sludge Aqueous															
				Soil Solid	Sludge Aqueous															
				Soil Solid	Sludge Aqueous															
				Soil Solid	Sludge Aqueous															
				Soil Solid	Sludge Aqueous															
				Soil Solid	Sludge Aqueous															
				Soil Solid	Sludge Aqueous															
				Soil Solid	Sludge Aqueous															
Relinquished by: (Signature) 						Date 11/26/08	Time 0700	Received by: (Signature) 						Date 11/26/08	Time 0700					
Relinquished by: (Signature)								Received by: (Signature)												
Relinquished by: (Signature)								Received by: (Signature)												

ENVIROTECH INC.

5796 U.S. Highway 64 • Farmington, NM 87401 • Tel 505-632-0615





McElvain Energy, Inc.
1050 – 17TH STREET, SUITE 2500
DENVER, COLORADO 80265

TELEPHONE 303-893-0933 EXT.379
FAX 303-893-0914
e-mail jimm@mcelvain.com

December 30, 2011

RCVD JAN 9 '12

OIL CONS. DIV.

Jonathon D. Kelly
Compliance Officer
Oil Conservation Division
Energy, Minerals & Natural Resources
1000 Rio Brazos, Aztec, NM 87410

DIST. 3

Re: McElvain Energy, Inc. C-144 Corrections

Jonathan, in response to your email dated November 03, 2011, Subject: C-144 Corrections, please find appropriate corrections to the following McElvain Energy, Inc. C-144 Applications.

Permit	Well Name	API	Type
1045	Ora #8	30-039-29702	P-BGT
2435	Dewy #1	30-045-34323	C-Temp Pit
2436	Reya #1S	30-045-32846	C-Temp Pit
2437	Reya #2	30-045-34472	C-Temp Pit
4527	Ora #5	30-039-24252	P-BGT

The following summarizes the corrections included in the enclosed documents:

ORA #8; Permit #: 1045; 30-039-29702; **(1)** I have signed the C-144. **(2)** Our Hydrogeological Report (included) indicates depth to groundwater at >75' based upon two water well locations: One in the NE/4 of section 22, measured depth to water at 850', ground elevation 7,400'. The second in the SE/4 of section 23, depth to water 75', ground elevation 7,220'. No water well records were located in section 15. Topography accounts for this range of depths to water. The Ora #8 location is at a ground elevation of 7,306', an elevation between that of the two water wells. **(3)** Siting Criteria has been amended to include 19.15.17.10.A.1 citations. **(4)** Lat/Lon is now in decimal format and taken from NMOCD web site. **(5)** The Benzene Test in bullet 7 of closure requirement is now included.

Dewy #1; Permit #: 2435; 30-045-34323; **(1)** I have downloaded the approved C-144 with the number 2435 written on it from the NMOCD web site. It does have a signature and **(2)** does include a C-102. I hope this suffices for items **(1)** and **(2)**. **(3)** I have included 2 pictures of the steel pit marker. **(4)** In error we notified Brandon Powell of the NMOCD verbally but now realize that written notification by email 72 hours prior to commencing closure operations is the requirement.

Reya #1S; Permit #: 2436; 30-045-32846; **(1)** I have downloaded the approved C-144 with the number 2436 written on it from the NMOCD web site. It does have a signature and **(2)** does include a C-102. I hope this is sufficient for items **(1)** and **(2)**. **(3)** I have included 2 pictures of the steel pit marker. **(4)** In error we notified Brandon Powell of the NMOCD verbally and discussed sampling requirements but now realize that written notification by email 72 hours prior to commencing closure operations is the requirement.

Reya #2; Permit #: 2437; 30-045-34472; **(1)** I have downloaded the approved C-144 with the number 2437 written on it from the NMOCD web site. It does have a signature and **(2)** does include a C-102. I hope this suffices for items **(1)** and **(2)**. **(3)** I have included 2 pictures of the steel pit marker. **(4)** In error we notified Brandon Powell of the NMOCD verbally but now realize that written notification by email 72 hours prior to commencing closure operations is the requirement.

Ora #5; Permit #: 4527; 30-039-24252; **I want to make it clear that our intention is to permit the existing BGT and not to remove it.** **(1)** I have signed the C-144. **(2)** Our Hydrogeological Report (included) indicates depth to groundwater at >100' based upon two water well locations: One in the NE/4 of section 22, measured depth to water at 850', ground elevation 7,400'. The second in the NE/4 of section 27, depth to water 650', ground elevation 7,370'. No water well records were located in section 21. Topography accounts for this range of depths to water. The Ora #5 location is at a ground elevation of 7,340', an elevation between that of the two water wells. **(3)** Siting Criteria has been amended to include 19.15.17.10.A.1 citations. **(4)** The Benzene Test in bullet 7 of closure requirement is now included. **(5) You indicated a missing C-141 (Release Notification and Corrective Action Form). We have never had a release of any type on the Ora #5 location.**

Please contact me if you require any further changes to these applications.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim McKinney", with a stylized, flowing script.

Jim McKinney
Operations Engineer
(303) 893-0933, X379
(720) 227-4550 (Mobile)
(303) 355-1989 (Home)

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 & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-		² Pool Code 71629/78160	³ Pool Name Boslin Fruitland Coal/Harper Hill Fruitland Sand PC
⁴ Property Code 36593	⁵ Property Name Reya		⁶ Well Number 2
⁷ GRID No. 22044	⁸ Operator Name McElvaine Oil & Gas Properties, Inc.		⁹ Elevation 5460' GL

¹⁰ Surface Location

UL or lot no. M	Section 20	Township 30N	Range 13W	Lot Idn	Feet from the 683	North/South line South	Feet from the 711	East/West line West	County San Juan
--------------------	---------------	-----------------	--------------	---------	----------------------	---------------------------	----------------------	------------------------	--------------------

¹¹ 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
¹² Dedicated Acres S2-320/SW4-160		¹³ Joint or Infill Y		¹⁴ Consolidation Code		¹⁵ Order No.			

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. ☐ 78160 spacing unit ☒ 71629 spacing unit

¹⁶ 2667.06' 588°17'W 2620.86' N89°11'W N0°02'W 2642.64' N0°25'E				¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest in the land, or has a right to drill this well in this location pursuant to a contract with an owner of such a mineral or working interest, or in a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. <i>Robert E. Fielder</i> 10/18/07 Signature Date Robert E. Fielder Printed Name
20 NMNM-09867 FEE FEE NMSF078977 5256.90' N89°54'W 711' 683'				
¹⁸ 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. 5/15/2003 Date of Survey Signature and Seal of Professional Surveyor: Location originally surveyed by Gerald Huddleston 6844 Certificate Number				

