

Submit 1 Copy To Appropriate District Office
District I – (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II – (575) 748-1283
811 S. First St., Artesia, NM 88210
District III – (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV – (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised August 1, 2011

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-045-35043
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/> FED <input type="checkbox"/>
6. State Oil & Gas Lease No. 38023
7. Lease Name or Unit Agreement Name Big Gulp
8. Well Number #1 SWD
9. OGRID Number 22044
10. Pool name or Wildcat Mesaverde
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5525 GL

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other SWD <input type="checkbox"/>	
2. Name of Operator McElvain Energy, Inc.	
3. Address of Operator 1050 17 th St, Suite 2500, Denver, CO 80265	
4. Well Location Unit Letter <u>L</u> : <u>1807</u> feet from the South <u>line</u> and <u>1117</u> feet from the <u>West</u> line Section <u>20</u> Township <u>30N</u> Range <u>31W</u> NMPM County <u>San Juan</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5525 GL	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input checked="" type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

The casing Annulus had pressure of 1010 psi on 5/1/2012. The casing was opened up to blow down and the casing pressure dropped to 680 psi. The well was then shut in and built back to 1010 psi in a few minutes. We anticipate a tubing leak. McElvain Energy plans to move in a workover rig on Friday 5/4/2012 and commence operations to pull tubing on 5/7/2012.

RCVD MAY 3 '12

OIL CONS. DIV.

DIST. 3

Spud Date: 4/20/2010 Rig Release Date: 4/27/2010

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE [Signature] TITLE District Engineer DATE 5/2/2012
Type or print name Art Merrick E-mail address: ArtM@McElvain.com PHONE: 505-320-8938
For State Use Only
APPROVED BY: [Signature] TITLE SUPERVISOR DISTRICT # 3 DATE MAY 14 2012
Conditions of Approval (if any): AV