Submit 1 Copy To Appropriate District State of New Mexico Form C-103 Energy, Minerals and Natural Resources Revised August 1, 2011 District I - (575) 393-6161 WELL API NO. 1625 N. French Dr., Hobbs, NM 88240 District II - (575) 748-1283 30-045-35043 OIL CONSERVATION DIVISION 811 S. First St., Artesia, NM 88210 5. Indicate Type of Lease District III - (505) 334-6178 1220 South St. Francis Dr. STATE FEE FED 1000 Rio Brazos Rd., Aztec, NM 87410 Santa Fe, NM 87505 6. State Oil & Gas Lease No. District IV - (505) 476-3460 1220 S. St. Francis Dr., Santa Fe, NM 38023 SUNDRY NOTICES AND REPORTS ON WELLS 7. Lease Name or Unit Agreement Name (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A Big Gulp DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH 8. Well Number #1 SWD 1. Type of Well: Oil Well Gas Well Other SWD 2. Name of Operator 9. OGRID Number 22044 McElvain Energy, Inc. 3. Address of Operator 10. Pool name or Wildcat 1050 17th St, Suite 2500, Denver, CO 80265 Mesaverde 4. Well Location Unit Letter L: 1807 feet from the South line and 1117 feet from the West line Township 30N Range 31W NMPM 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 □ PLUG AND ABANDON REMEDIAL WORK \boxtimes ALTERING CASING □ **CHANGE PLANS** COMMENCE DRILLING OPNS.□ P AND A TEMPORARILY ABANDON П П MULTIPLE COMPL **PULL OR ALTER CASING** CASING/CEMENT JOB П DOWNHOLE COMMINGLE \Box OTHER: OTHER: MIT 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. 5/4/2012-5/07/2012 Set blanking plug in packer & blew dwn well. Pulled 2 7/8" tbg & found hole in Jt #105. Replaced bad JT. Ran tbg back & latched onto on-off tool. Removed blanking plug. Ran MIT to 600 psi. – Held. Preformed bradenhead test, no pressure or flow. Preform pressure shut dwn test- OK. All tests witnessed by Jonathan Kelly, NMOCD rep. RCM MAY 21'12 5/8/2012 Began Disposal Operations. MIT chart attached. TIL CONS. DIV. DIST. 3 4/20/2010 4/27/2010 Spud Date: Rig Release Date: I hereby certify that the information above is true and complete to the best of my knowledge and belief. SIGNATURE TITLE District Engineer_ DATE_5/9/2012. Type or print name Art Merrick E-mail address: ArtM@McElvain.com PHONE: 505-320-8938 For State Use Only Deputy Oil & Gas Inspector,

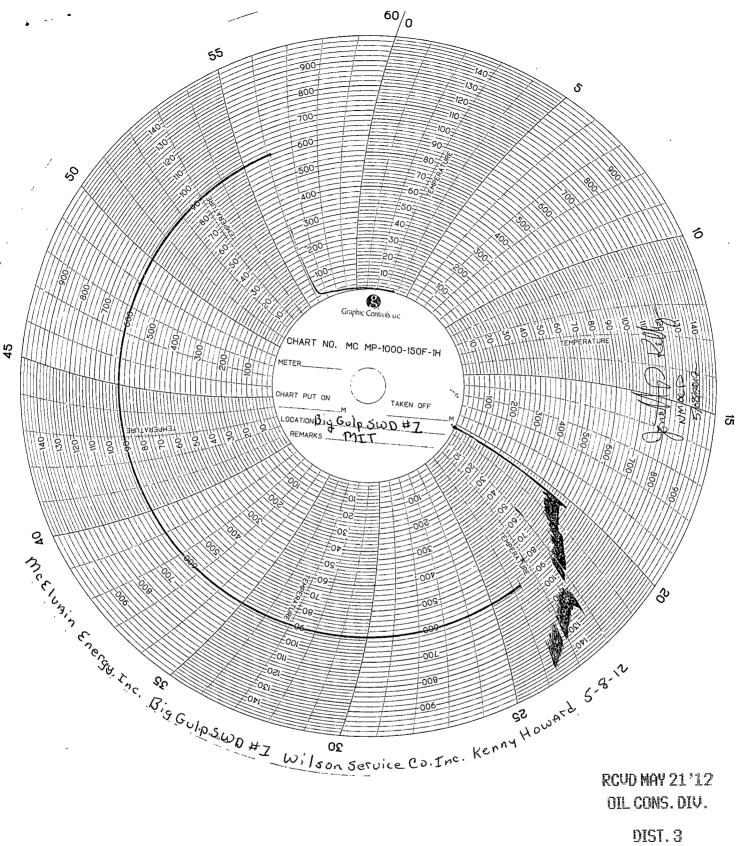
TITLE

Av

District #3

APPROVED BY:

Conditions of Approval (if any):



OIL CONS. DIV.

DIST. 3