

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.*

**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		5. Lease Serial No. <b>SF079148</b>
2. Name of Operator <b>McElvain Oil &amp; Gas Properties, Inc.</b>		6. If Indian, Allottee or Tribe Name
3a. Address <b>1050 17th Street #1800 Denver, CO 80265</b>	3b. Phone No. (include area code) <b>303-893-0933</b>	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  <b>2340' FSL &amp; 750' FWL Sec.34 T32N R9W NMPM</b>		8. Well Name and No. <b>Sandstone Com # 1B</b>
		9. API Well No. <b>30-045-32377</b>
		10. Field and Pool, or Exploratory Area <b>Blanco Mesaverde</b>
		11. County or Parish, State <b>San Juan, New Mexico</b>

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" 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 checked="" type="checkbox"/> Other Casing
	<input type="checkbox"/> Change Plans	<input 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 recompleat 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.)

Drill to 3778' Ran 85 Jts new 7" 20# J-55 . Set @ 3769'

Cemented as follows:

First stage: Lead: 140sx 65/35 Poz 6% gel/ 5# Gilsonite, 12.4 ppg, 1.87 yield.

Tail: 100sx standard cmt, 5# gilsonite, 15.2 ppg, 12.7 yield.  
5 bbls to surface

Second stage: Lead: 300 sx 65/35 Poz 6% gel/ 5# Gilsonite, 12.4 ppg, 1.87 yield.

Tail: 50sx standard cmt, 5# Gilsonite, 15.2 ppg, 1.27 yield.  
30 bbls to surface.

Test BOP, choke manifold, valves, rams 30 min. each at 250 psi low and 1500 psi high.

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

Reed Fischer

Title Operations Engineer

Signature

Date June 6, 2005

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

ACCEPTED FOR RECORD

Approved by

Title

Date

JUN 16 2005

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

FARMINGTON FIELD 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)

NMOC