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Form 3160-5
(March 2012)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

MAY 08 2013

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2014

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. NMSF- 078807A
 6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well
 Oil Well Gas Well Other

7. If Unit of CA/Agreement, Name and/or No.

2. Name of Operator
McElvain Energy, Inc.

8. Well Name and No.
Federal Com #2R

3a. Address
1050 17th St, Suite 2500, Denver, CO 80265

3b. Phone No. (include area code)
303-893-0933

9. API Well No.
30-045-23512

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1085' FSL & 285' FWL SWSW SEC 12 T28N R13W NMFP

10. Field and Pool or Exploratory Area
Basin Dakota

11. County or Parish, State
San Juan County, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> 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="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input checked="" type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____
	<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 recomplate 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 must 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 must be filed once testing has been completed. Final Abandonment Notices must 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 Energy, Inc. proposes to repair the casing leak as per the attached procedure. Work will commence once partner approval is received. *To be completed by 9/1/13*

RCUD MAY 10 '13
OIL CONS. DIV.

DIST. 3

Notify NMOCD 24 hrs
prior to beginning
operations

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)
Deborah Powell
Title Eng Tech Manager
Signature *Deborah Powell*
Date 05/07/2013

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by
Original Signed: Stephen Mason
Title
Date MAY 08 2013

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.

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 page 2)

NMOCD

McElvain Energy, Inc.

**Federal Com 2R
April, 2013
Repair Procedure**

LOCATION: Sec. 12 T28N R13W
1085 FSL, 285 FWL
San Juan, County, NM

API: 30-045-23512

TD: 6154' **PBTD:** RBP @ 4887 original 5543 **RKB:** 6785 **GL:** 6773

PURPOSE OF WORK:

Repair casing leak, fish and recover tubing anchor and return well to production as a Gallup Mancos producer.

CASING:

8 5/8", 24#, K-55, STC @ 163'. Cemented with 100 sx class B w/ 3% CC. Cement circulated.

4-1/2", 10.5#, J-55 at 6153' with DV tool at 4217 and 1589 in 7-7/8" hole
Cemented with a total of 910 sx cement.

FORMATION TOPS:

Pictured Cliffs	1398
Cliff House	2340
Mancos	4163
Gallup	5083
Greenhorn	5879
Dakota	5984

PERFORATIONS:

5988, 90, 91, 93, 94, 96, 97, 6012, 14, 15, 17, 18, 76, 78, 79, 81, 82, 84.
Possible sand bridge at 604 and solid fill at 6070
Retrievable Bridge Plug at 5967.

FRAC:

TUBING: 2-3/8", 4.7# tubing set at 5893 with retrieving head.

CASING LEAK:

2379 to 2221 has been confirmed. Could not get a packer seat between 2379 and 2221.
Pressure up to 500 psi and bleeds off to 250 in 30

PROCEDURE:

1. MI & RU workover rig.
2. Rig up service unit and BOP.
3. Tag bridge plug at 5967 and retrieve.
4. Pull tubing and plug.
5. Rig up wire line and run caliper tool to verify casing weights and grade. as per Blue Jet recommendation attached. Order casing patch.
6. Run bit and scrapper on tubing and reverse circulate fill from 6040 to PBTD. Pull tubing.
7. Pick up casing patch and run in the hole. Deploy casing patch with top of patch at 2215 and bottom of patch at 2385. *Run MIT*
8. Pull tubing and lay down setting tools.
9. Run 2 3/8 tubing with notch collar and seating nipple and land tubing at +/- 6075.
10. Swab well in. Drop bumper spring and plunger and return well to production.

NOTE:

DO NOT USE LIQUID KCl SUBSTITUTE in COMPLETION FLUIDS