

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 July 18, 2013

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

WELL API NO. 30-039-26669
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Cougar Com 33
8. Well Number 1M
9. OGRID Number 22044
10. Pool name or Wildcat Basin Dakota
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 7455 GR

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 Gas Well Other

2. Name of Operator
McElvain Energy Inc.

3. Address of Operator
1050 17th St. Suite 2500, Denver, Co.

4. Well Location
 Unit Letter M : 795 feet from the South line and 850 feet from the West line
 Section 33 Township 26N Range 2W NMPM County Rio Arriba

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input checked="" 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"/>			
CLOSED-LOOP SYSTEM <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.

McElvain Energy Inc. Requests approval to Plug and Abandon the Cougar Com 33-1M as per the attached procedure.

MOVE MANCOs play to 6375-6475
move Menverch play to 5415-5515
move Choco play to 4260-4360
move NACIMENTS play to 2083-2183

OIL CONS. DIV DIST. 3

JUL 22 2014

Notify NMOCD 24 hrs
 prior to beginning
 operations

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 07/21/2014

Type or print name William A. Merrick E-mail address: artm@mcelvain.com PHONE: 505-327-2679
For State Use Only Deputy Oil & Gas Inspector,
 District #3

APPROVED BY:  TITLE _____ DATE 7/31/14
 Conditions of Approval (if any): FV

McELVAIN OIL & GAS PROPERTIES, INC.
Cougar Com 33 #1M
API: 30-039-26669

Plug and Abandonment Procedure
April, 2014

PURPOSE of WORK: Permanently abandon the well.

LOCATION: 795' FSL & 850' FWL; NESWSW 33-T26N-R2W, Rio Arriba County, NM

TD: 8,396' PBSD: 8,329' KB: 12'

CASING:

9-5/8" 36# J-55 @ 635' in 12 1/4" hole
Cemented with 320 sx Class B, 2% CaCl, 1/4 pps flakes, 15.6 ppg, $y = 1.18 \text{ ft}^3/\text{sx}$
Circulated to surface

Shoe, 1 jt 5-1/2", 17#, N-80, FC, 39 jts 5-1/2", 17#, N-80; 162 jts 5-1/2", 15.5#, J-55 and
1 jt 5-1/2", 17#, N-80 landed @ 8,388'
8 3/4" hole to 4,101' & 7 7/8" hole to TD
DV @ 6,078' DV @ 5,366' (CBL)

Did not pump 1st stage due to high injection pressure (3 bpm @950 psi).

2nd stage 360 sx 50/50 POZ, 2% Gel, 5pps gilsonite, 1/4 pps flakes, 0.3% Halad 344, 0.3%
Versaset, 13.5 ppg, $y = 1.37 \text{ ft}^3/\text{sx}$. No returns while cementing. Pressure: 200 psi – 700 psi.
Bumped plug at 600 psi. Float held.

Stage 2 TOC @ 5,675' (CBL)

3rd stage 560 sx Standard, 3% Econolite, 1/2 pps Flocele, 10 pps Gilsonite, 11.4 ppg, $y = 2.88 \text{ ft}^3/\text{sx}$
Lead, followed by 630 sx 50/50 Poz, 2% gel, 5 pps Gilsonite, 4 pps Flocele, 0.3%
Halad 344, 0.3% Versaset, 13.5 ppg, $y = 1.37 \text{ ft}^3/\text{sx}$ Tail.
Full returns throughout lead, full to partial returns until last 73 bbls of displacement. Lost all
returns on last 73 bbls of displacement. No returns while cementing. Pressure: 150 psi – 900
psi.

Stage 3 TOC @ 1,794' (CBL)

FORMATION TOPS:

Ojo Alamo	3,398'	Gallup	6,939'
Fruitland Coal	3,641'	Greenhorn	7,926'
Pictured Cliffs	3,756'	Graneros	7,988'
Lewis	3,966'	Dakota B	8,093'
Huerfanito	4,231'	Dakota C	8,125'
Chacra	4,740'	Dakota D	8,165'
Cliff House	5,517'	Dakota E	8,215'
Menefee	5,608'	Burro Canyon	8,251'
Point Lookout	5,921'	Morrison	8,338'
Mancos	6,085'		

PERFORATIONS:

Dakota:

8,129', 8,130', 8,131', 8,136', 8,137', 8,138', 8,154', 8,174', 8,175', 8,176',
 8,177', 8,178', 8,179', 8,180', 8,183', 8,184', 8,185', 8,189', 8,190' & 8,190'
 D = 0.39", 1 spf, 20 select fire shot.

CAST IRON BRIDGE PLUG: Set at 8084' on 11/15/2012, capped with 3 sx cement on 3/26/2014 Attempted MIT 2/26/2014, pressured up to 600 psi and dropped to 400 psi in 5 min. and 340 psi in 10 min.

PROCEDURE:

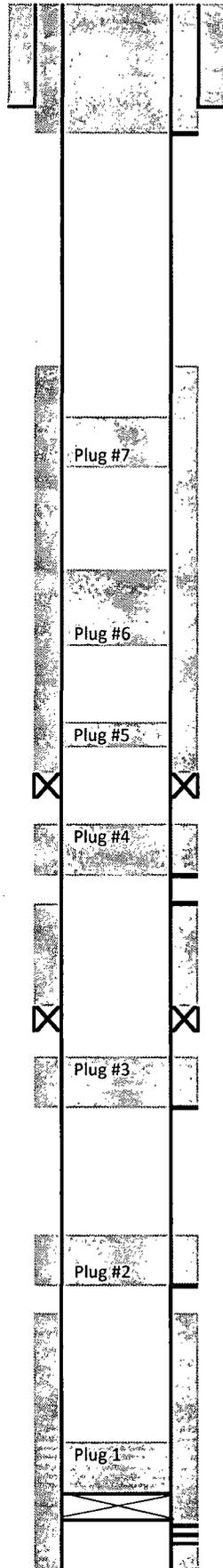
1. Set in flow back tank and hook up to well, blow tubing and casing down.
2. Rig up service unit. Pick up 2 3/8 work string and run bit and scrapper to bottom.
3. Pull tubing bit and scrapper.
4. **Plug #1:** Run in open ended to TD and spot 23 sx Class G 15.5# yield 1.15 cement plug inside 5 1/2" from PBTD 8084 to 7876 to plug Dakota, Graneros and Greenhorn.
5. Pull tubing up hole and WOC. Tag cement plug with tubing. Pull tubing.
6. **Plug #2:** Perforate 3 squeeze holes 6989 to plug Gallup top..
7. Run tubing and retainer to 6939 and set. Establish rate into squeeze holes. Squeeze with 50 sx Type G 15.5# yield 1.15 cement by pumping 29 sx outside 5 1/2 and leaving 6 sx in 5 1/2 below retainer. Sting out of retainer and leave 6 sx on top of retainer. Pull tubing up hole and circulate hole clean.
8. Pull tubing.
9. WOC and pressure test to 600 psi.
10. **Plug #3:** Perforate 3 squeeze holes at 6135 to plug Mancos top.
11. Run tubing and retainer to 6085 and set. Establish rate into squeeze holes. Squeeze with 49 sx Type G 15.5# 1.15 yield cement by pumping 37 sx outside 5 1/2 and leaving 6 sx in 5 1/2 below retainer. Sting out of retainer and leave 6 sx on top of retainer. Pull tubing up hole and circulate hole clean.
12. Pull tubing.
13. **Plug #4:** Perforate 3 squeeze holes at 5567 to plug top of Mesa Verde.
14. Run tubing and retainer to 5517 and set. Establish rate into squeeze holes. Squeeze with 41 sx Type G 15.5# yield 1.15 cement by pumping 37 sx outside 5 1/2 and leaving 6 sx in 5 1/2 below retainer. Sting out of retainer and leave 6 sx on top of retainer. Pull tubing up hole and circulate hole clean.

15. **Plug #5:** Pull up to 4790 and pump 9sx Class C 15.5# 1.15 yield cement inside plug from 4790 to 4690 to plug Chacra top.
16. **Plug #6:** Pull up to 3806 and spot 42 sx Class C 15.5# 1.15 yield cement balanced inside plug from 3806 to 3348 with 42 sx cement to plug PC, Fruitland Coal and Ojo Alamo.
17. Pull tubing to 2335.
18. **Plug #7:** Spot 9 sx Class C 15.5# yield 1.15 yield cement plug 2235 to 2335
19. **Plug #8:** Perforate 5 ½ casing at 685 to plug surface.
20. Pump into perforations and attempt to establish circulation out braden head. If braden head circulates the pump estimated 220 sx Class C 15.5# 1.15 yield cement until cement circulates to the surface. Shut well in.
21. WOC and check cement top in 5 ½ fill up as necessary.
22. Cut off well head and install dry hole marker.

NOTE:

DO NOT USE LIQUID KCl SUBSTITUTE in COMPLETION FLUIDS

Cougar Com 33-1M
API 30-039-26669
Apr-14



9 5/8 casing set at 635. Cement circulated.

Plug #8. Perforate 685. Circulate cement to surface

Cement top 1794. CBL 3/1/02

Plug #7 2335-2235

Plug #6 3806

Plug #5. 4790 to 4690

DV 5370.

Plug #4. Perf 5567. Retainer 5517. Cement top 5467.

Cement top 5760. CBL 3/1/02

DV 6078

Plug #3 Perf 6135. Retainer 6085. Top cement 6035.

Plug #2. Perf 6989. Retainer 6939. Top cement 6889

Cement top 7140 CBL 3/10/02

Plug #1 8084 to 7876

CIBP @ 8084, capped with 3 sx cement.

Dakota Perforations 8129 - 8311.

5 1/2" casing at 8388.