

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

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 type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other: COAL BED METHANE		5. Lease Serial No. NMNM029145
2. Name of Operator MCELVAIN ENERGY, INC Contact: TONY G COOPER E-Mail: tony.cooper@mcelvain.com		6. If Indian, Allottee or Tribe Name
3a. Address 1050 17TH STREET STE 2500 DENVER, CO 80265	3b. Phone No. (include area code) Ph: 303-893-0933 Ext: 331	7. If Unit or CA/Agreement, Name and/or No. RILEY FEDERAL 2
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 19 T27N R11W SWNE 1815FNL 1548FEL 36.562930 N Lat, 108.041430 W Lon		8. Well Name and No. RILEY FEDERAL 2
		9. API Well No. 30-045-35470-00-X1
		10. Field and Pool, or Exploratory BASIN FRUITLAND COAL
		11. County or Parish, and State SAN JUAN COUNTY, NM

12. CHECK 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 type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Change to Original A PD
	<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 recompleat 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.)

McElvain Energy Inc. is requesting and extension to the approved APD for the Riley Federal #2 well in San Juan County NM. Current economic conditions within the oil and gas industry (low gas pricing) make the well uneconomical to drill at this time. McElvain will continue to follow the price of natural gas to determine a realistic price point for the drilling of the well. If you have any questions please feel free to contact me.

Regards,

Tony G. Cooper
Sr. EHS Specialist
McElvain Energy Inc.

OIL CONS. DIV DIST. 3

JAN 25 2016

14. I hereby certify that the foregoing is true and correct. Electronic Submission #328981 verified by the BLM Well Information System For MCELVAIN ENERGY, INC, sent to the Farmington Committed to AFMSS for processing by ABDELGADIR ELMADANI on 01/20/2016 (16AE0202SE)	
Name (Printed/Typed) TONY G COOPER	Title SR EHS SPECIALIST
Signature (Electronic Submission)	Date 01/19/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>ABDELGADIR ELMANDANI</u>	Title <u>PETROLEUM ENGINEER</u>	Date <u>01/20/2016</u>
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 <u>Farmington</u>

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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

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