

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Tony Delfin
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



New Mexico Oil Conservation Division approval and conditions listed below are made in accordance with OCD Rule 19.15.7.11 and are in addition to the actions approved by BLM on the following 3160-4 or 3160-5 form.

Operator Signature Date: 5/2/16
Well information:

API WELL #	Well Name	Well #	Operator Name	Type	Stat	County	Surf_Owner	UL	Sec	Twp	N/S	Rng	W/E
30-039-23949-00-00	HOWARD FEDERAL 15	043	MC ELVAIN ENERGY, INC	G	A	Rio Arriba	F	I	15	25	N	2	W

Application Type:

- ☐ P&A ☐ Drilling/Casing Change ☐ Location Change
☐ Recomplete/DHC (For hydraulic fracturing operations review EPA Underground injection control Guidance #84; Submit Gas Capture Plan form prior to spudding or initiating recompletion operations)
☒ Other: T/A request

Conditions of Approval:

The current RBP set on 6/28/2000 was for testing purposes only and does not meet T/A requirements.

For the well to be placed in T/A status the bridge plug will need to be set within 100' of the Dakota perms and a MIT performed from 100' below the Mesa Verde perms to the bridge plug.

NMOCD Approved by Signature

6/8/16
Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM 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.*5. Lease Serial No.
NMNM0555076

6. If Indian, Allottee or Tribe Name

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side.1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other8. Well Name and No.
HOWARD FEDERAL 43-152. Name of Operator
MCELVAIN ENERGY INC.Contact: TONY G COOPER
E-Mail: tony.cooper@mcelvain.com9. API Well No.
30-039-239493a. Address
1050 17TH STREET STE. 2500
DENVER, CO 802653b. Phone No. (include area code)
Ph: 303-893-0933 Ext: 33110. Field and Pool, or Exploratory
BASIN DAKOTA / BLANCO MV

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 15 T25N R2W Mer NMP 1650FSL 790FEL

11. County or Parish, and State

RIO ARRIBA 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 type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input checked="" 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. (MEI) respectfully requests the approval to receive a well status change from shut in to temporarily abandoned for the Howard Federal 43-15 dual completion (2 tubing strings) well in Rio Arriba County, NM. The Dakota formation will not produce at this time, but the Mesa Verde formation is producing from the wellbore daily.

OIL CONS. DIV DIST. 3

We believe the Dakota holds future economic potential and as the Mesa Verde production declines and produce prices increase, the potential for future recompleat activity in the Dakota formation exists. For that reason we would like the NMOCD to put the Dakota formation in a TA status and keep the current CA for the Dakota formation active.

MAY 20 2016

Respectfully,

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #338170 verified by the BLM Well Information System
For MCELVAIN ENERGY INC., sent to the Farmington

Name (Printed/Typed) JOE KELLOFF

Title V.P. PRODUCTION AND BUSINESS D

Signature (Electronic Submission)

Date 05/02/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

Title

ACCEPTED FOR RECORD

Date

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.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

NMOCD