This form is not to be used for reporting packer leakage tests in Southeast New Mexico

NEW MEXICO OIL CONSERVATION DIVISION

NORTHWEST NEW MEXICO PACKER LEAKAGE TEST

Revised June 10, 2003

Operator _McElvain Energy, Inc._____ Lease Name _Turner _____ Well No. ____2_____

Location Of Well: Unit Letter ___K___ Sec _25____ Twp _26N___ Rge _7W____ API # 30-039-22988_____

	Name of Reservoir or Pool	Type of Prod. (Oil or Gas)	Method of Prod. (Flow or Art. Lift)	Prod. Medium (Tbg. Or Csg.)
Upper Completion	South Blanco PC	Gas	Flow	Csg
Lower Completion	Otero Chacra	Gas	Flow	Tbg

Pre-Flow Shut-In Pressure Data

Upper Completion	Hour, Date, Shut-In 12:30, 9-14-16	Length of Time Shut-In 5 Days	SI Press. Psig 105	Stabilized? (Yes or No) Yes
Lower Completion	Hour, Date, Shut-In 12:30, 9-14-16	Length of Time Shut-In 5 Days	SI Press. Psig 175	Stabilized? (Yes or No) Yes

Flow Test No. 1

Commenced at (hour, date)* 12:00, 9-19-16			Zone producing (Upper or Lower): Lower		
Time (Hour, Date)	Lapsed Time Since*	Pressure Upper Compl.	Pressure Lower Compl.	Prod. Zone Temp.	Remarks
12:00 9-19-16	0	105	175		OIL CONS. DIV DIST. 3 OCT 11 2016
11:00 9-23-16	4 Days	106	74		
12:30 9-26-16	7 Days	106	77		

Production rate during test

Oil: ____0_____ BOPD based on _____Bbls. In _____ Hrs. _____ Grav. _____ GOR _____

Gas: _____7_____ MCFPD; Test thru (Orifice or Meter): _____Meter_____

Mid-Test Shut-In Pressure Data

Upper Completion	Hour, Date, Shut-In 13:30, 9-14-16	Length of Time Shut-In 12 Days	SI Press. Psig 106	Stabilized? (Yes or No) Yes
Lower Completion	Hour, Date, Shut-In 12;30, 9-26-16	Length of Time Shut-In 4 Days	SI Press. Psig 177	Stabilized? (Yes or No) Yes

(Continue on reverse side)

NORTHWEST NEW MEXICO PACKER LEAKAGE TEST

Flow Test No. 2

Commenced at (hour, date)** 11:30, 9-30-16				Zone producing (Upper or Lower): Upper	
Time (Hour, Date)	Lapsed Time Since**	Pressure Upper Compl.	Pressure Lower Compl.	Prod. Zone Temp.	Remarks
11:30 9-30-16	0	106	177		
11:30 10-3-16	3 Days	78	177		
12:00 10-7-16	7 Days	80	177		

Production rate during test

Oil: 0 BOPD based on _____ Bbls. In _____ Hrs. _____ Grav. _____ GOR _____

Gas: 6 MCFPD; Test thru (Orifice or Meter): Meter

Remarks:

I hereby certify that the information herein contained is true and complete to the best of my knowledge.

Approved 20 OCT 2016
New Mexico Oil Conservation Division

By _____

Title ~~Deputy Oil & Gas Inspector,~~ District #3

Operator McElvain Energy, Inc.

By Glenn Hise

Title Lease Operator

E-mail Address ghise@mcelvain.com

Date 10-10-16

Northwest New Mexico Packer Leakage Test Instructions

1. A packer leakage test shall be commenced on each multiply completed well within seven days after actual completion of the well, and annually thereafter as prescribed by the order authorizing the multiple completion. Such tests shall also be commenced on all multiple completions within seven days following recompletion and/or chemical or fracture treatment, and whenever remedial work has been done on a well during which the packer or the tubing have been disturbed. Tests shall also be taken at any time that communication is suspected or when requested by the Division.

2. At least 72 hours prior to the commencement of any packer leakage test, the operator shall notify the Division in writing of the exact time the test is to be commenced. Offset operators shall also be so notified.

3. The packer leakage test shall commence when both zones of the dual completion are shut-in for pressure stabilization. Both zones shall remain shut-in until the well-head pressure in each has stabilized, provided however, that they need not remain shut-in more than seven days.

4. For Flow Test No. 1, one zone of the dual completion shall be produced at the normal rate of production while the other zone remains shut-in. Such test shall be continued for seven days in case of a gas well and 24 hours in the case of an oil well. Note: if, on an initial packer leakage test, a gas well is being flowed to the atmosphere due to the lack of a pipeline connection the flow period shall be three hours.

5. Following completion of Flow Test No. 1, the well shall again be shut-in, in accordance with Paragraph 3 above.

6. Flow Test No. 2 shall be conducted even though no leak was indicated during Flow Test No. 1. Procedure for Flow Test No. 2 is to be the same as for Flow Test No. 1 except that the previously produced zone shall remain shut-in while the zone which was previously shut-in is produced.

7. Pressures for gas-zone tests must be measured on each zone with a deadweight pressure gauge at time intervals as follows: 3 hour tests: immediately prior to the beginning of each flow-period, at fifteen-minute intervals during the first hour thereof, and at hourly intervals thereafter, including one pressure measurement immediately prior to the beginning of each flow period, at least one time during each flow period (at approximately the midway point) and immediately prior to the conclusion of each flow period. Other pressures may be taken as desired, or may be requested on wells which have previously shown questionable test data.

24-hour oil zone tests: all pressures, throughout the entire test, shall be continuously measured and recorded with recording pressure gauges the accuracy of which must be checked at least twice, once at the beginning and once at the end of each test, with a deadweight pressure gauge. If a well is a gas-oil or an oil-gas dual completion, the recording gauge shall be required on the oil zone only, with deadweight pressures as required above being taken on the gas zone.