

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018

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.
NMNM029145

6. If Indian, Allottee or Tribe Name

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

SUBMIT IN TRIPLICATE - Other instructions on page 2

8. Well Name and No.
RILEY FEDERAL 2

9. API Well No.
30-045-35470-00-X1

10. Field and Pool or Exploratory Area
BASIN FRUITLAND COAL

11. County or Parish, State
SAN JUAN COUNTY, NM

1. Type of Well
 Oil Well Gas Well Other: COAL BED METHANE

2. Name of Operator
MCELVAIN ENERGY, INC
Contact: TONY G COOPER
E-Mail: TONY.COOPER@MCELVAIN.COM

3a. Address
1050 17TH STREET STE 2500
DENVER, CO 80265

3b. Phone No. (include area code)
Ph: 303-893-0933 Ext: 331
Fx: 303-893-0914

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

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"/> Hydraulic Fracturing	<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
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Change to Original A
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	PD

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 recomplete 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. is requesting an extension to the previously approved APD for the Riley Federal #2 well in San Juan County NM. Current economic conditions within industry (eg. low natural gas pricing) make the well uneconomical to drill at this time. McElvain will continue to track the price of natural gas to determine a realistic price point for the drilling of the well.

OIL CONS. DIV DIST. 3

DEC 20 2016

This final approval will expire 1-22-17

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

**Electronic Submission #360314 verified by the BLM Well Information System
For MCELVAIN ENERGY, INC, sent to the Farmington
Committed to AFMSS for processing by CYNTHIA MARQUEZ on 12/09/2016 (17CXM0111SE)**

Name (Printed/Typed) CHRIS CAPLIS	Title VP DRILLING AND COMPLETION
Signature (Electronic Submission)	Date 12/08/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ACCEPTED	Title CINDY MARQUEZ LAND LAW EXAMINER	Date 12/09/2016
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

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)

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

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