

RCVD MAR 19 '08

OIL CONS. DIV.

DIST. 3

Form 3160-5  
(April 2004)UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

## 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<br><input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other |                                       | FEB 19 2008  |
| 2. Name of Operator<br>McElvain Oil & Gas Properties, Inc.   |                                       | Bureau of Land Management<br>FARMINGTON FIELD OFFICE |
| 3a. Address<br>1050 17th St, Suite 1800, Denver, CO 80265  | 3b. Phone (Area Code)<br>303-893-0933 |  |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)<br>1445 FNL & 1420 FEL Sec 5 T29N R13W NMPM               |                                       |  |

|   |
|---|
| 5. Lease Serial No.<br>Fee  |
| 6. If Indian, Allottee or Tribe Name                                    |
| 7. If Unit or CA/Agreement, Name and/or No.                             |
| 8. Well Name and No.<br>Wildwood #1                                     |
| 9. API Well No.<br>30-045-33422   |
| 10. Field and Pool, or Exploratory Area<br>Fulcher Kutz Pictured Cliffs |
| 11. County or Parish, State<br>San Juan, 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 Downhole |  |
|  | <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon       | Commingling                             |  |
|  | <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.)

Attached find the notice given to the New Mexico OCD for proposed Downhole Commingling.

ACCEPTED FOR RECORD

MAR 10 2008

FARMINGTON FIELD OFFICE

Joe Smith

DH2807AZ

|   |  |                                  |
|---|--|----------------------------------|
| 14. I hereby certify that the foregoing is true and correct<br>Name (Printed/Typed)<br>John D Steuble |  | Title Vice President Engineering |
| Signature   |  | Date 2-7-08                      |

## THIS SPACE FOR FEDERAL OR STATE OFFICE USE

|  |            |              |
|--|------------|--------------|
| Approved by _____<br>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. | Title 620  | Date 3-18-08 |
|  | Office FFD |              |

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)

NMOCD

Submit 3 Copies to Appropriate District Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
May 27, 2004

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

|   |
|---|
| WELL API NO.<br>30-045-33422  |
| 5. Indicate Type of Lease<br>STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> |
| 6. State Oil & Gas Lease No.  |
| 7. Lease Name or Unit Agreement Name<br>Wildwood  |
| 8. Well Number 1  |
| 9. OGRID Number 22044   |
| 10. Pool name or Wildcat<br>Fulcher Kutz Pictured Cliffs  |

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type \_\_\_\_\_ Depth to Groundwater \_\_\_\_\_ Distance from nearest fresh water well \_\_\_\_\_ Distance from nearest surface water \_\_\_\_\_

Pit Liner Thickness: \_\_\_\_\_ mil Below-Grade Tank: Volume \_\_\_\_\_ bbls; Construction Material \_\_\_\_\_

**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 Oil & Gas Properties, Inc.

3. Address of Operator  
1050 17<sup>th</sup> St, Suite 1800, Denver, CO 80265

4. Well Location  
Unit Letter G : 1445 feet from the North line and 1420 feet from the East line  
Section 5 Township 29N Range 13W NMPM County San Juan

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
5513 GR

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"/>                | REMEDIAL WORK <input type="checkbox"/>           |
| TEMPORARILY ABANDON <input type="checkbox"/>                  | ALTERING CASING <input type="checkbox"/>         |
| PULL OR ALTER CASING <input type="checkbox"/>                 | COMMENCE DRILLING OPNS. <input type="checkbox"/> |
| PLUG AND ABANDON <input type="checkbox"/>                     | P AND A <input type="checkbox"/>                 |
| CHANGE PLANS <input type="checkbox"/>                         | CASING/CEMENT JOB <input type="checkbox"/>       |
| MULTIPLE COMPL <input type="checkbox"/>                       |  |
| OTHER: Downhole Commingle <input checked="" 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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

McElvain Oil and Gas Properties, Inc. proposes to down hole commingle as detailed on the attached exhibits.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE John D. Steuble TITLE Vice President Engineering DATE 2-7-08

Type or print name John D Steuble

E-mail address: JohnS@McElvain.com

Telephone No. 303-893-0933

For State Use Only

APPROVED BY: \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

Conditions of Approval (if any):

## **ATTACHMENT TO APPLICATION TO DOWNHOLE COMMINGLE**

McElvain Oil and Gas Properties, Inc. is providing the supporting data for application to downhole commingle production from the following well:

Well: Wildwood #1  
API: 30-045-33422  
Location: UL G, Sec.5, T29N, R13W  
San Juan County, NM

1. Case #12346, Order #R-11363 establishes the two subject pools as pre-approved for commingling.
2. The pools to be commingled are the Basin Fruitland Coal (71629) and the Fulcher Kutz Pictured Cliffs (77200).
3. The well is presently completed in both pools and is presently awaiting a pipeline connection.
4. Completed intervals are as follows:
  - Pictured Cliffs: 1334'-1344' (12' net pay)
  - Basin Fruitland Coal: 1281'-1287' (7' net pay)
  - 1205'-1219' (15' net pay)
  - 1167'-1171' & 1159'-1163' (9' net pay)
5. McElvain intends to allocate production based on net pay footage.
  - Pictured Cliffs: 28%
  - Fruitland Coal: 72%
6. Commingling will not reduce the total value of the total remaining production from this well.
7. A C-102 for each pool is included.
8. Notice has been sent to all interest owners in the spacing unit by certified mail (return receipt) of McElvain's intent to down hole commingle production. A copy of this notice and a list of all interest owners are attached.
9. A copy of this notice of intent to down hole commingle has been sent to the Bureau of Land Management.

District I  
PO Box 1980, Hobbs, NM 88241-1980

District II  
PO Drawer DD, Artesia, NM 88211-0719

District III  
1000 Rio Brazos Rd., Aztec, NM 87410

District IV  
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
PO Box 2088  
Santa Fe, NM 87504-2088

Form C-102  
Revised February 21, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

### WELL LOCATION AND ACREAGE DEDICATION PLAT

|                             |   |                     |  |
|-----------------------------|---|---------------------|--|
| *API Number<br>30-045-33422 |   | *Pool Code<br>77200 | *Pool Name<br>FULCHER KUTZ PICTURED CLIFFS |
| *Property Code<br>35260     | *Property Name<br>WILDWOOD                      |                     | *Well Number<br>1                          |
| *OGRIID No.<br>22044        | *Operator Name<br>McELVAIN OIL & GAS PROPERTIES |                     | *Elevation<br>5513'                        |

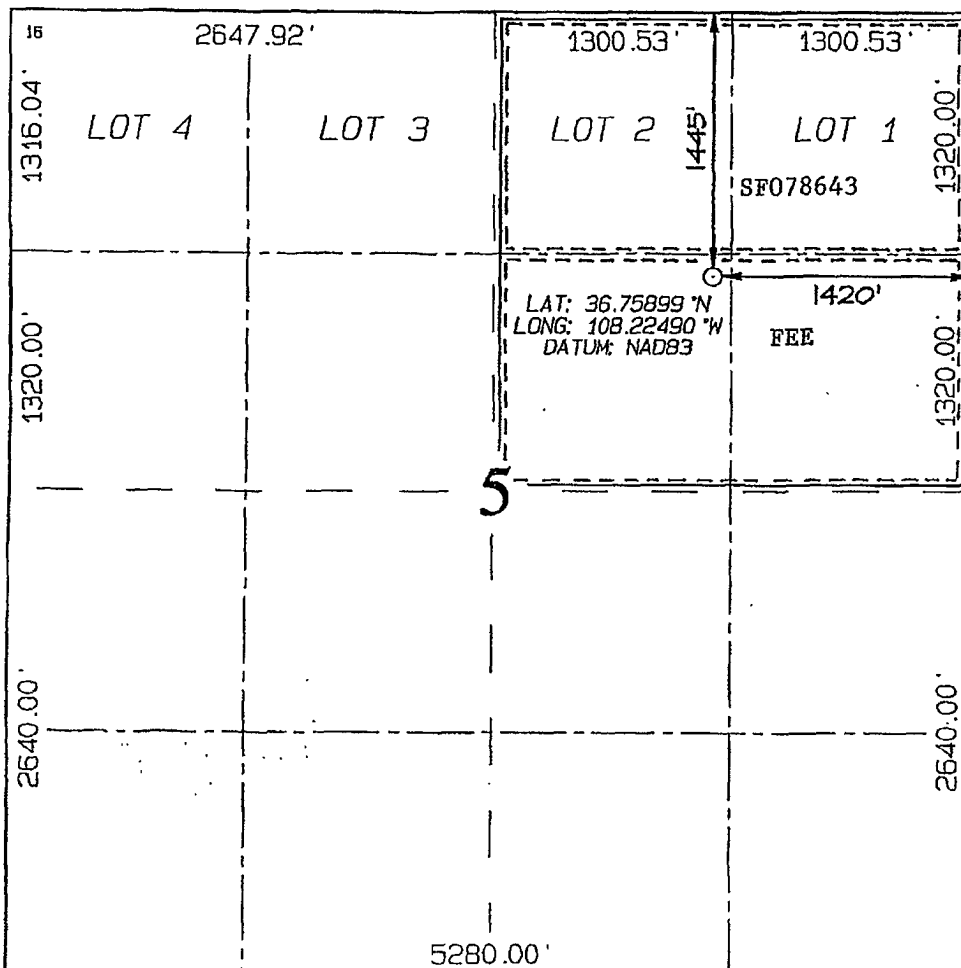
#### <sup>10</sup> Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County   |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|----------|
| G             | 5       | 29N      | 13W   |         | 1445          | NORTH            | 1420          | EAST           | SAN JUAN |

#### <sup>11</sup> Bottom Hole Location If Different From Surface

| UL or lot no.  | Section | Township | Range | Lot Idn | Feet from the                 | North/South line                 | Feet from the           | East/West line | County |
|--|---------|----------|-------|---------|-------------------------------|----------------------------------|-------------------------|----------------|--------|
|  |         |          |       |         |                               |                                  |                         |                |        |
| <sup>12</sup> Dedicated Acres<br>159.94 Acres - NE/4 |         |          |       |         | <sup>13</sup> Joint or Infill | <sup>14</sup> Consolidation Code | <sup>15</sup> Order No. |                |        |

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



#### <sup>17</sup> OPERATOR CERTIFICATION

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

*Robert E. Fielder*  
Signature

Robert E. Fielder  
Printed Name

Agent  
Title  
February 14, 2006  
Date

#### <sup>18</sup> SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief

Survey Date: JANUARY 26, 2006

Signature and Seal of Professional Surveyor



*Jason C. Edwards*  
Certificate Number 15269

District I  
PO Box 1980, Hobbs, NM 88241-1980

District II  
PO Drawer DD, Artesia, NM 88211-0719

District III  
1000 Rio Brazos Rd., Aztec, NM 87410

District IV  
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
PO Box 2088  
Santa Fe, NM 87504-2088

Form C-102  
Revised February 21, 1994

Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

|                             |   |                     |                                    |
|-----------------------------|---|---------------------|------------------------------------|
| *API Number<br>30-045-33422 |   | *Pool Code<br>71629 | *Pool Name<br>Basin Fruitland Coal |
| *Property Code<br>35260     | *Property Name<br>WILDWOOD                      |                     | *Well Number<br>1                  |
| *GRID No.<br>22044          | *Operator Name<br>McELVAIN OIL & GAS PROPERTIES |                     | *Elevation<br>5513'                |


<sup>10</sup> Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County   |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|----------|
| G             | 5       | 29N      | 13W   |         | 1445          | NORTH            | 1420          | EAST           | SAN JUAN |

<sup>11</sup> Bottom Hole Location If Different From Surface

| UL or lot no.                                       | Section | Township | Range | Lot Idn | Feet from the                 | North/South line                 | Feet from the           | East/West line | County |
|---|---------|----------|-------|---------|-------------------------------|----------------------------------|-------------------------|----------------|--------|
|   |         |          |       |         |                               |                                  |                         |                |        |
| <sup>12</sup> Dedicated Acres<br>319.76 Acres - N/2 |         |          |       |         | <sup>13</sup> Joint or Infill | <sup>14</sup> Consolidation Code | <sup>15</sup> Order No. |                |        |

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

|   |  |  |  |  |  |   |  |
|---|--|--|--|--|--|---|--|
| <sup>16</sup><br>2647.92'<br>LOT 4<br>FEE<br>1316.04'<br>1320.00'<br>2640.00'   |  |  |  | 1300.53'<br>LOT 2<br>SF078643<br>1445'<br>LAT: 36.75899 °N<br>LONG: 108.22490 °W<br>DATUM: NAD83<br>FEE<br>5<br>5280.00' |  | 1300.53'<br>LOT 1<br>1320.00'<br>1420'<br>FEE<br>2640.00' |  |
| <sup>17</sup> OPERATOR CERTIFICATION<br>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief<br>Signature<br>J. D. Steuble<br>Printed Name<br>V.P. Engineering<br>Title<br>1-31-08<br>Date  |  |  |  |  |  |   |  |
| <sup>18</sup> SURVEYOR CERTIFICATION<br>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief<br>Survey Date: JANUARY 26, 2006<br>Signature and Seal of Professional Surveyor<br><br>JASON C. EDWARDS<br>Certificate Number 15269 |  |  |  |  |  |   |  |

**T. H. McELVAIN OIL & GAS LIMITED PARTNERSHIP**

**McELVAIN OIL & GAS PROPERTIES, INC., SOLE GENERAL PARTNER**

1050 17TH STREET, SUITE 1800  
DENVER, COLORADO 80265-1801

SHERYL A. OLSON, CPL  
SENIOR LANDMAN

TELEPHONE 303-893-0933 EXT.329  
FAX 303-893-0914  
E-MAIL: SHERYLO@McELVAIN.COM

February 15, 2008

**CERTIFIED MAIL**

**RETURN RECEIPT REQUESTED**

**TO: AFFECTED INTEREST OWNERS**

Re: Notice of Intent to Apply for Downhole Commingling  
✓ Wildwood #1: SW/4NW/4 Section 5, T 29N-R13W  
Wildwood #3: SE/4NW/4 Section 5, T 29N-R13W  
San Juan County, New Mexico

Dear Ladies and Gentlemen:

In accordance with the New Mexico Oil Conservation Division Rule 303.C. governing downhole commingling, you are hereby notified that T. H. McElvain Oil & Gas Properties, Inc., as Operator of the above-captioned wells, intends to downhole commingle production from the Basin Fruitland Coal (71629) and the Fulcher Kutz Pictured Cliffs (77200) pools for said wells. These pools are pre-approved for commingling by the State of New Mexico Oil Conservation Division ("NMOCD") of the Energy, Minerals and Natural Resources Department.

The proposed allocation percentages for each pool are as follows.

McElvain intends to allocate production based on net pay footage for the Wildwood #1 well:

Pictured Cliffs: 28%

Fruitland Coal: 72%

McElvain intends to allocate production based on net pay footage for the Wildwood #3 well:

Pictured Cliffs: 41%

Fruitland Coal: 59%

The NMOCD requires all interest owners that may be affected by this proposal be notified of the intent to downhole commingle if ownership is different between zones. Should you have any objection to this application, objections must be filed in writing within twenty days (20) from the date of this letter at the Division office: 1220 So. St. Francis Drive, Santa Fe, New Mexico 87505. If no objection is received within this twenty (20) day period, this application for commingling may be approved.

Very truly yours,



Sheryl A. Olson, CPL  
Senior Landman

## **AFFECTED INTEREST OWNERS**

### **Wildwood No. #1 and #3 Downhole Commingling Notice**

T. H. McElvain Oil & Gas Limited Partnership

Elliott-Hall Company Limited Partnership

Bayless Ranches L.L.C.  
c/o Robert L Bayless Producer LLC

McElvain Oil Company

Allene Luther & Pauline Henrietta Bledsoe

Alamo Development Company

John Mein

Carl Nethercutt  
C.C. Nethercutt, Sr. & J. B. Nethercutt  
Doris LeBarre  
Viola Nethercutt

Don H. Miller and Aileene Miller

Ralph Manson and Lillian Manson

Heirs of A. L. Miller,  
Marguerite Atkinson and Evalee Miller

Jan Hilbert

Ernest Grantham and John William Grantham

Rev. Xavier S. Baranowski and  
Myren S. Baranowski

Steven Paulus and Deen Paulus

Ernest and Carolyn Herzberger

Arne S. Maki Estate,  
Verna Risku Personal Representative

Dominik Fuchs

M. F. Bailey

Heirs of Gisela & Raymond E.  
Sonnenwald, c/o Todd P. Sonnenwald

XTO Energy Inc., Attn: Christopher Spencer

Elliott Industries Limited Partnership

Elledge Oil & Gas LLC

Bureau of Land Management

Twila Goodding, Trustee of the Joseph E. and Twila  
M. Goodding Living Trust Dated July 12, 1989

Dovey Ann Ledford and Robert James Ledford

Roger Gascoin and Mathilde C. Gascoin

B. H. Dege, Jr.

Donna Beth Ramoni

Carroll N. Guin

Hazel G. Steiner and Alice R. McLain

C.E. Townsley

Frank T. Rogers

Herbert G. Hassenstein and  
Marion B. K.Hassenstein

Society for the Propagation of the Faith  
Most Rev. Bishop Fulton J. Sheen  
Claretian Fathers and Servite Fathers

Betty Proctor

Stephine Berkedal

Heirs of John Mark, c/o Andrew Mark

Joseph Kripics

Calvin E. Closson and Lula M. Closson,

Arthur L. Martinez

Jesse J. McCulloch and Laura McCulloch

Sergeant Michael J. S. Miller

Ethel G. Parisian

Heirs of Samuel H. Waalen, c/o J. H. Waalen

Gardner B. Perry and Elizabeth D. Perry

Milton R. Highley

G. A. Lee

William L. Stack

Raymond F. Schumann

William O. Stackhouse, Jr.

P. Candeliere, Jr.

Essex Eads and Geraldine Eads

Joseph G. Guagliardi, Jr., and William Corley

Anthony Derald Dyett

Cheryl Marie Dyett-Green

Jack I. Clow, c/o Elaine Trust Clow

Albert H. Becker

Leo P. Parisian

Clyde L. B. Harner and Bonnie J. Harner

Amanda Caire

Arthur Girdino

Joe M. L. Melton

Melba R. Hanley and George B. Hanley

Edward Borak Boraczek and Anna Borak Boraczek

Artie Lambert

A. Candeliere

John N. Weyerts (DBA Cresset Crude Oil & Gas)

John Henry Russell Dyett, Jr

Philippa Ann Armstrong

Marvin Bernard Dyett