

RECEIVED

Form 3160-5
(April 2004)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

AUG 20 2009

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELL
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 ☐ Oil Well ☐ ☒ Gas Well ☐ Other

2. Name of Operator **McElvain Oil & Gas Properties, Inc.**

3a. Address
1050 17th St, Suite 1800, Denver, CO 80265

3b. Phone No (include area code)
303-893-0933

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

1320' FSL & 1320' FEL, Sec 12, T29N, R12W

5. Lease Serial No

NMSF-065557

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Carroll Cornell #6

9. API Well No

30-045-08488

10. Field and Pool, or Exploratory Area

Fulcher Kutz - Pictured Cliffs

11. County or Parish, State

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
	<input type="checkbox"/> Change Plans	<input checked="" 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 proposes to P&A the referenced well per the attached P&A procedure.

RCVD AUG 24 '09

OIL CONS. DIV.

DIST. 3

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Ron Millet

Title **Sr. Operations Engineer**

Signature

Date

08/19/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Original Signed: Stephen Mason

Title

Date

AUG 24 2009

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

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

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GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations, and reports of such operations when completed, as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this

form and the number of copies to be submitted, particularly with regard to local area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from the local Federal office.

SPECIFIC INSTRUCTIONS

Item 4 - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

Item 13 - Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or

present productive zones, or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to top of any left in the hole; method of closing top of well and date well site conditioned for final inspection looking to approval of the abandonment.

NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c) and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

ROUTINE USES: Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3-4.

The Paperwork Reduction Act of 1995 requires us to inform you that:

This information is being collected to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT

Public reporting burden for this form is estimated to average 25 minutes per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer, (WO-630), Mail Stop 401 LS, 1849 C St., N.W., Washington D.C. 20240

PLUG AND ABANDONMENT PROCEDURE

August 10, 2009

Carroll Cornell #6

Fulcher Kutz PC

1320' FSL & 1320' FEL Section 12, T-29-N, R-12-W
San Juan County, NM, API #30-045-08488

Note: All cement volumes use 100% excess outside pipe and 50' excess inside. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures. All cement will be Class B, mixed at 15.8 ppg with a 1.18 cf/sx yield.

1. This project requires a NMOCD C-144 CLEZ Closed-Loop System Permit for the use of an A-Plus steel tank to handle waste fluids circulated from the well and cement wash up
2. Install and test location rig anchors. Comply with all NMOCD, BLM, and Operator safety regulations. MOL and RU daylight pulling unit. Conduct safety meeting for all personnel on location. Record casing, tubing and bradenhead pressures. NU relief line and blow down well. Kill well with water as necessary and at least pump tubing capacity of water down the tubing. ND wellhead and NU BOP. Function test BOP.
3. Rods: Yes , No X , Unknown
Tubing: Yes X , No , Unknown , Size 2 3/8" , Length 1857' .
Packer: Yes X , No , Unknown , Type Model "R" at 1730' .
If well has rods or a packer, then modify the work sequence in Step #2 as appropriate.
4. TOH with 2-3/8" EUE tubing and visually inspect; LD the packer. If necessary use a workstring. Round trip a 7" wireline gauge ring or casing scraper to 1751' if the packer was not recovered.
5. **Plug #1 (Pictured Cliffs open hole interval and Fruitland top, 1751' – ¹³⁷³~~1420~~)**: TIH and set a 7" cement retainer at 1751'. Load casing with water and circulate well clean. Pressure test casing to 800#. If casing does not test, spot or tag subsequent plugs as appropriate. Mix ~~72~~ sxs Class B cement and spot a balanced plug inside the casing to cover the PC and Ft tops. TOH with tubing.
6. **Plug #2 (Kirtland and Ojo Alamo tops, 638' – 384')**: Perforate 3 squeeze holes at 638'. Attempt to establish rate into squeeze holes if the casing tested. Set 7" cement retainer at 588'. Establish rate into squeeze holes. Mix and pump 178 sxs cement, squeeze 121 sxs outside the casing and leave 57 sxs inside casing to cover through the Ojo Alamo top. TOH and LD tubing.
9. **Plug #5 (Surface, ¹⁰⁰~~100~~' – Surface')**: Perforate 3 squeeze holes at ¹⁰⁰~~100~~'. Attempt to establish rate into squeeze holes if the casing tested. Mix approximately 100 sxs cement and pump down the 7" casing to circulate good cement out the annulus. Shut in well and WOC.
10. ND BOP and cut off casing below ground level. Install P&A marker with cement to comply with regulations. RD, move off location, cut off anchors and restore location.

Carroll Cornell #6

Current

Fulcher Kutz Pictured Cliffs

1320' FSL, 1320' FEL Section 12, T-29-N, R-12-W

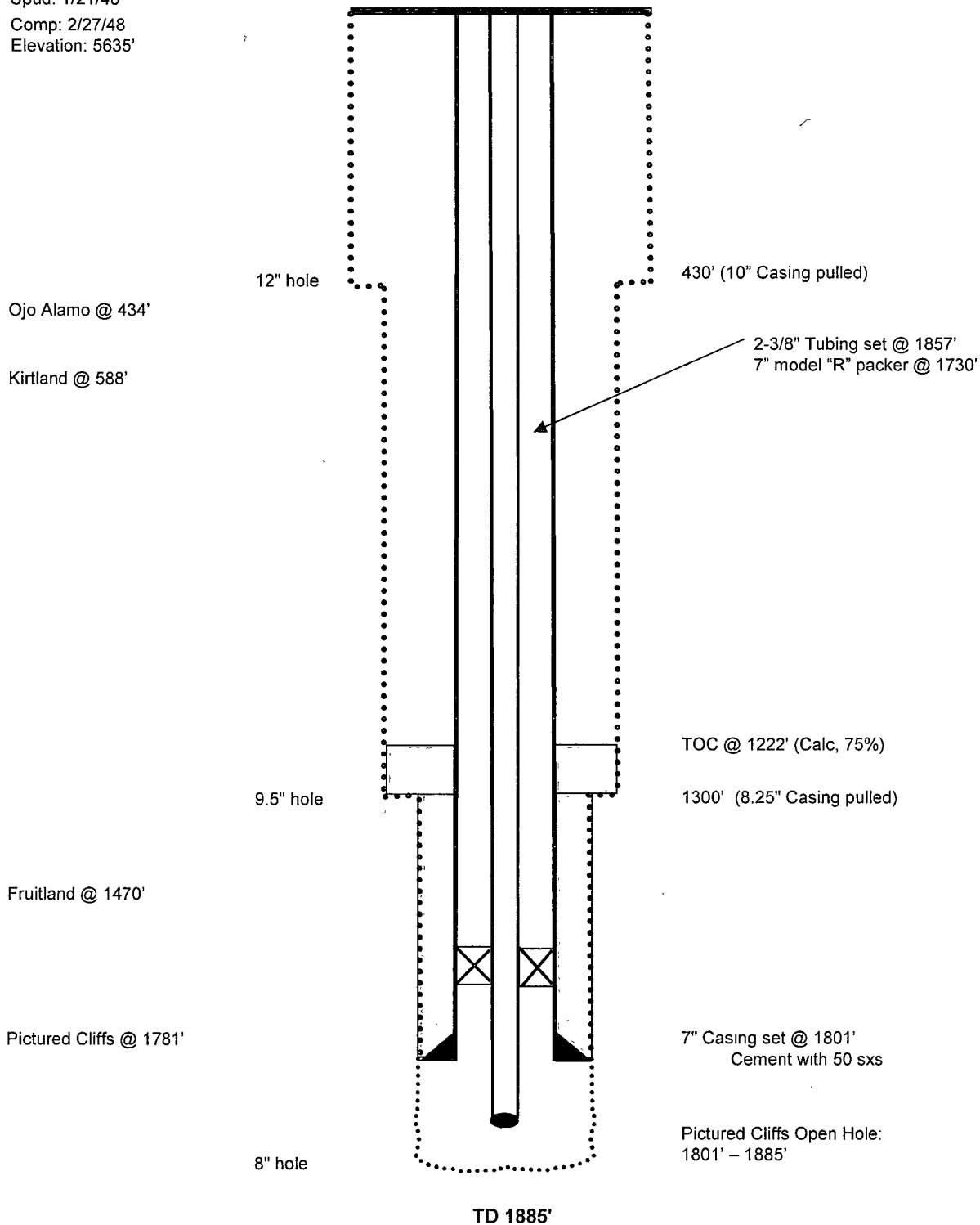
San Juan County, NM / API #30-045-08488

Today's Date: 8/7/09

Spud: 1/21/48

Comp: 2/27/48

Elevation: 5635'



Carroll Cornell #6

Proposed P&A

Fulcher Kutz Pictured Cliffs

1320' FSL, 1320' FEL Section 12, T-29-N, R-12-W

San Juan County, NM / API #30-045-08488

Today's Date: 8/7/09

Spud: 1/21/48

Comp: 2/27/48

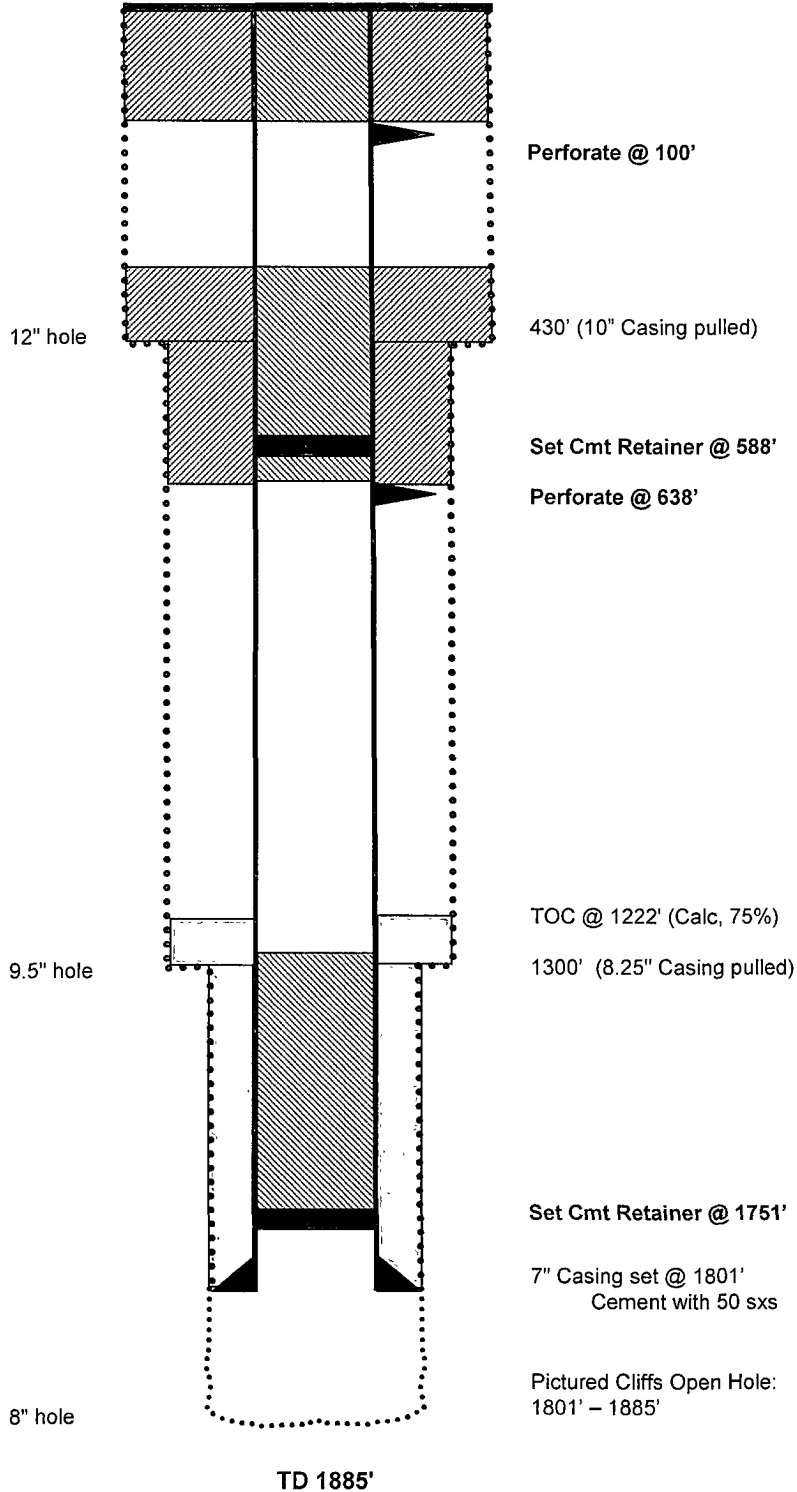
Elevation: 5635'

Ojo Alamo @ 434'

Kirtland @ 588'

Fruitland @ 1470'

Pictured Cliffs @ 1781'



Plug #3: 100' - Surface
Cement with 114 sxs

Plug #2: 638' - 384'
Cement with 178 sxs,
121 sxs outside 7"
casing and 57 sxs inside.

Plug #1: 1751' - 1420'
Class B Cement, 72 sxs

**UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FARMINGTON DISTRICT OFFICE
1235 LA PLATA HIGHWAY
FARMINGTON, NEW MEXICO 87401**

Attachment to notice of
Intention to Abandon:

Re: Permanent Abandonment
Well: 6 Carroll-Cornell

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."

2. Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 599-8907.

3. The following modifications to your plugging program are to be made:

a) Bring the top of the Pictured Cliffs/Fruitland plug to 1373'.

b) Place the Surface plug from 108' to Surface inside and outside the 7" casing.

Note: 58' of 12 ½" 54# surface casing was set. The 10" casing was cut and pulled @ 500' leaving 10" casing from 500' – 559' and the 8" was cut and pulled from 429' leaving 8" casing from 1390' – 429'.

You are also required to place cement excesses per 4.2 and 4.4 of the attached General Requirements.

Office Hours: 7:45 a.m. to 4:30 p.m.