

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**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.*

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

RECEIVED  
AUG 28 2009  
Bureau of Land Management  
Kingston Field Office

<b>SUBMIT IN TRIPLICATE- Other instructions on reverse side.</b>		5 Lease Serial No NM-09867
1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		6 If Indian, Allottee or Tribe Name
2. Name of Operator McElvain Oil & Gas Properties, Inc.		7 If Unit or CA/Agreement, Name and/or No. NMNM-99478
3a. Address 1050 17th St, Suite 1800, Denver, CO 80265	3b. Phone No. (include area code) 303-893-0933	8. Well Name and No. Miller Gas Com B #1E
4 Location of Well (Footage, Sec, T., R., M, or Survey Description) 1835' FSL & 1120' FWL, Sec 20, T30N, R13W		9 API Well No. 30-045-24718
		10 Field and Pool, or Exploratory Area Basin Dakota
		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 SEP 2 '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 <i>R. L. Millet</i>		Date 08/26/2009

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by Original Signed: Stephen Mason	Title	Date AUG 28 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 *76*

## 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 18, 2009

### Miller Gas Com "B" #1E

Basin Dakota

1835' FSL & 1120' FWL Section 20, T-30-N, R-13-W  
San Juan County, NM, API #30-045-24718

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 15.6 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 ☒, Unknown ☐  
Tubing: Yes ☒, No ☐, Unknown ☐, Size 2.375", Length 5952'.  
Packer: Yes ☒, No ☐, Unknown ☐, Type Baker lok-set.

If well has rods or a packer, then modify the work sequence in Step #2 as appropriate. Round trip 4.5" casing scraper or gauge ring to 5889'.

4. **Plug #1 (Dakota perforations and top, 5889' – 5789')**: TIH and set a 4.5" cement retainer at 5889'. Load casing with water and circulate well clean. Pressure test tubing to 1000 PSI. Pressure test casing to 800 PSI. If casing does not test, then spot or tag subsequent plugs as appropriate. Mix 12 sxs Class B cement and spot a balanced plug inside the casing above CR to 5789' to isolate the Dakota interval. PUH.
5. **Plug #2 (Gallup top, 5122' – 5022')**: Mix and pump 12 sxs cement and spot a balanced plug inside casing to cover the Gallup top. PUH.
6. **Plug #3 (Mesaverde top, 2950' – 2850')**: Mix and pump 12 sxs cement and spot a balanced plug inside casing to cover the Mesaverde top. PUH.
7. **Plug #4 (Pictured Cliffs and Fruitland tops, 1381' – 945')**: Mix and pump 37 sxs cement and spot a balanced plug inside casing to cover the Pictured Cliffs and Fruitland tops. PUH.
8. **Plug #5 (Surface, 388' – 0')**: Attempt to pressure test the bradenhead annulus to 300#. If the BH annulus holds pressure, then establish circulation out casing valve with water. Mix approximately 35 sxs Class B cement and spot a balanced plug from 388' to surface, circulate good cement out casing valve. TOH and LD tubing. Shut well in and WOC. If the BH annulus does not test, then perforate at the appropriate depth and attempt to circulate cement to surface filling the casing and the annulus.
9. 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.

# Miller Gas Com "B" #1E

Current

Basin Dakota

1835' FSL & 1120' FWL, Section 20, T-30-N, R-13-W  
San Juan County, NM / API #30-045-24718

Lat: N \_\_\_\_\_ / Long: W \_\_\_\_\_

Today's Date: 8/18/09

Spud: 2/23/81

DK Comp: 4/09/81

FtC Comp: 12/18/98

Elevation: 5540' GL  
5552' KB

Kirtland @ Surface

Fruitland @ 995'

Pictured Cliffs @ 1331'

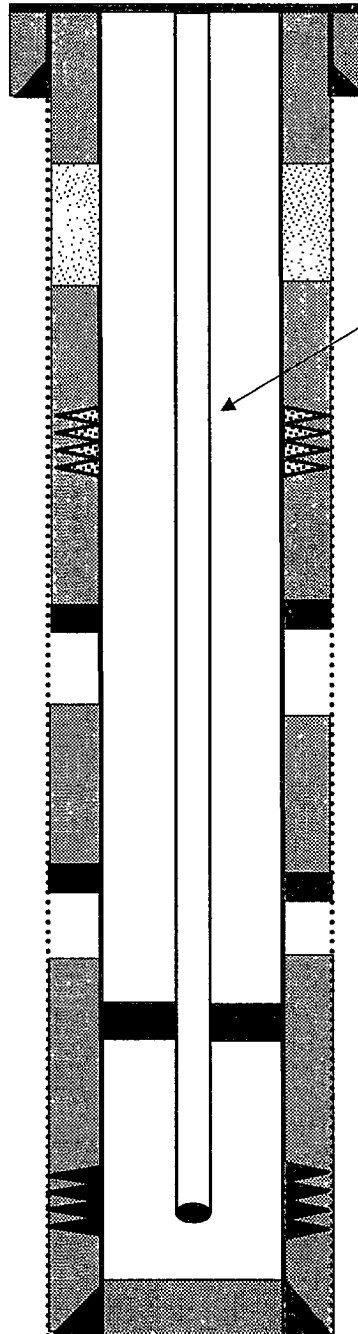
Mesaverde @ 2900'

Gallup @ 5072'

Dakota @ 5935'

12.25" Hole

7.875" Hole



TOC @ Surface (per sundry and  
Calc, 75%)

8.625" 24# K-55 Casing set @ 338'  
225 sxs cement, circ to surface

Casing leak 599' – 644'; sqz'd w/ 200 sxs cement  
(2004)

2.375" Tubing set at 5952'  
(SN @ 5952' and Baker lok-set packer @ 5011')

Fruitland Coal Perforations:  
1282' – 1326'  
Sqz'd FtC perforations with 232 sxs Type V  
cement. (2006)

DV tool @ 1662'  
Cement with 550 sxs (693 cf)

TOC @ 2229' (Calc, 75%)

DV tool @ 4205'  
Cement with 475 sxs (599 cf)

TOC @ 4630' (2006 Sundry  
per CBL)

DK  
Gallup Perforations:  
5939' – 6061'

4.5" 10 5#, K-55 Casing @ 6163'  
Cemented with 350 sxs (413 cf)

TD 6165'  
PBTB 6121'

# Miller Gas Com "B" #1E

## Proposed P&A

Basin Dakota

1835' FSL & 1120' FWL, Section 20, T-30-N, R-13-W  
San Juan County, NM / API #30-045-24718

Lat: N \_\_\_\_\_ / Long: W \_\_\_\_\_

Today's Date: 8/18/09

Spud: 2/23/81  
DK Comp: 4/09/81  
FtC Comp: 12/18/98  
Elevation: 5540' GL  
5552' KB

Kirtland @ Surface

Fruitland @ 995'

Pictured Cliffs @ 1331'

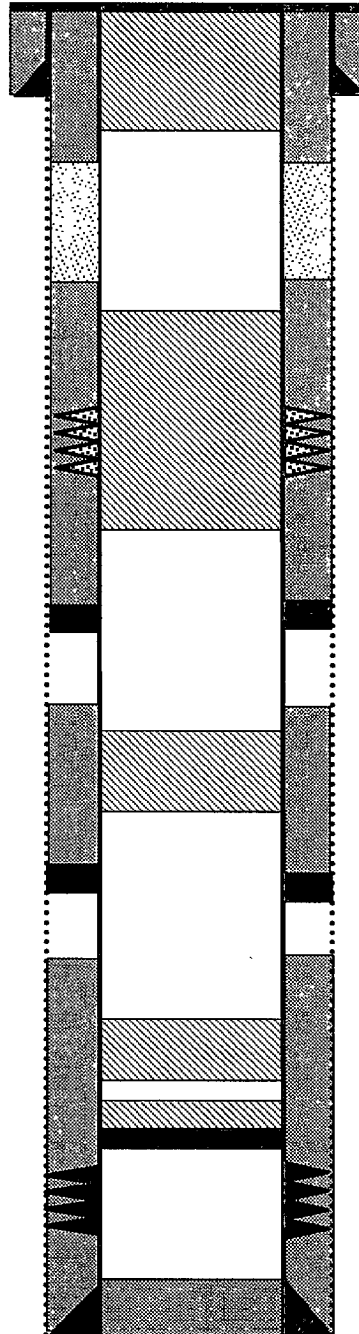
Mesaverde @ 2900'

Gallup @ 5072'

Dakota @ 5935'

12 25" Hole

7.875" Hole



TOC @ Surface (per sundry and  
Calc, 75%)

8 625" 24# K-55 Casing set @ 338'  
225 sxs cement, circ to surface

**Plug #5: 388' - 0'**  
Class B cement, 35 sxs

Casing leak 599' - 644'; sqz'd w/ 200 sxs cement  
(2004)

Fruitland Coal Perforations:  
1282' - 1326'  
Sqz'd FtC perforations with 232 sxs Type V  
cement (2006)

**Plug #4: 1381' - 945'**  
Class B cement, 37 sxs

DV tool @ 1662'  
Cement with 550 sxs (693 cf)

TOC @ 2229' (Calc, 75%)

**Plug #3: 2950' - 2850'**  
Class B cement, 12 sxs

DV tool @ 4205'  
Cement with 475 sxs (599 cf)

TOC @ 4630' (2006 Sundry  
per CBL)

**Plug #2: 5122' - 5022'**  
Class B cement, 12 sxs

Set CR @ 5889'

**Plug #1: 5889' - 5789'**  
Class B cement, 12 sxs

Gallup Perforations:  
5939' - 6061'

4.5" 10.5# K-55 Casing @ 6163'  
Cemented with 350 sxs (413 cf)

TD 6165'  
PBTD 6121'