Form 3160-5
(September 2001)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
2003 DEC 30 PM 1:26
070 Farmington NM

FORM APPROVED
OMB No. 1004-0135
Expires January 31, 2004

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

5. Lease Serial No.
NM 0207001

6. If Indian, Allottee or Tribe Name

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

1. Type of Well
☐ Oil Well ☑ Gas Well ☐ Other

8. Well Name and No.
Hagood #1

2. Name of Operator
McElvain Oil and Gas Properties, Inc.

9. API Well No.
30-045-09406

3a. Address
1050 17th Street #1800 Denver, CO 80265

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

10. Field and Pool, or Exploratory Area
Harper Hill Fruitland Sand PC ext

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
1050' FNL & 1040' FEL Sec. 24 T30N-R14W

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			
◉ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
○ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
○ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☑ Recomplete	☐ Other
	☐ Change Plans	☑ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☑ Plug Back	☐ 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 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 shall 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 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 Oil and Gas Properties, Inc. proposes to PERMANENTLY ABANDON all zones from the Lewis to the Dakota. Once the abandonment is complete the annular space from 1900' to surface will be cemented. The Harper Hill Fruitland Sand PC will then be completed and fracture stimulated as needed.

Due to the present condition of the wellbore the entire procedure is attached for review.

A new acreage dedication plat is attached.

JAN 2004
RECEIVED
OIL CONS. DIV.
DIST. 3

14. I hereby certify that the foregoing is true and correct
Name *(Printed/Typed)* John D. Steuble — Title Engineering Manager

Signature John D. Steuble — Date December 22,2003

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Original Signed: Stephen Mason — Title — Date JAN 0 8 2004

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 reverse)

NMOCD

McELVAIN OIL & GAS PROPERTIES, INC.
Hagood #1
Pictured Cliffs Recompletion Procedure
December, 2003

LOCATION: NE/NE 24-T30N-R14W API: 30-045-09406
1050' FNL & 1040' FEL
San Juan County

TD: 6389' PBTD: 6354' KB: 10' GL: 5855'

PURPOSE of WORK: Restore production and locate casing leak

CASING:

9 5/8" 32.3# H-40 @ 274' in 13 3/4" hole
Cemented with 200 sxs no cement detail available
Calculated ement top at surface

5 1/2" 14# J-55 @ 6388' in 7 7/8" hole
Cement with 300 sxs 50/50 POZ no other details available
Cement top unknown (calc top 4863' @ 70%)

FORMATION TOPS:

Pictured Cliffs	1620'	Mancos	4400'
Lewis	1940'	Gallup	5350'
Huerfanito	2330'	Greenhorn	6113'
Cliff House	3140'	Graneros	6176'
Menefee	3325'	Dakota A	6227'
Pt. Lookout	4025'	Dakota B	6316'

PERFORATIONS:

Dakota A:	6228'-6247' (4 spf)
	6251'-6266' (4 spf)
Dakota B:	6325'-6340' (4spf)

TUBING:

	Length	*KB Depth*	
1 jts 2 3/8" 8rd	31.71'	43.71'	
Sub	6.30'	50.01'	
Sub	4.11'	54.12'	
188 jts 2 3/8" 8rd	5955.96'	6010.08'	
AD-1 Tension Pkr	2.95'	6013.03'	13,000# tension
2.441" ID Extension	5.15'	6018.18'	

NOTE: AD-1 packer can move down ±3' before stacking out
Wireline tubing plug in collar @ ±6000'

Bottomhole Assembly Below AD-1

14' cutoff above Packer	
Lockset Packer	6034'
6 jts 2 3/8"	6227'
Seating nipple	6228'
1 jt 2 3/8"	6262'

PREVIOUS HISTORY:

4-59 Original Completion
5-65 Squeeze 3240'-3528' w/ 200 sxs Class C
5-74 Leak 3000'-3200'(estimated) Circulated w/ Baroid Casing Pack
5-80 Leak 3356'-3518' Squeeze w/400 sx Class B
1-86 Ran Lockset packer..Possible casing leak
9-97 Tubing leak..ran AD-1..(corrosion on tubing)
5-02 Tubing leak....

PROCEDURE:

1. MI & RUSU.
2. Blow well down
3. NU BOP's
4. Release AD-1 tension packer..Landed w/ 13,000# tension
   (Releases to the right, 40,000# shear & left hand safety joint)
5. POOH with tubing
   (Possible tight spot in casing @ ±3170')

6. RUWL
7. RIH with gauge ring to ±6000'
8. RIH and set retainer @ ±5950'
9. POOH & RDWL
10. RIH with tubing and circulate hole with 2% KCl water (±150 bbls)

11. Sting into retainer and squeeze with 120 sks neat cement
12. Pull out of retainer and cap with 100' of cement
13. Reverse out cement
14. POOH with tubing
15. RUN GR/CCL/CBL/VDL from cement top to 200' above top of cement
    Note: Possible cement above 3600' from previous squeeze procedures

16. If cement does not cover ~~4300'~~ 5300' - ~~4500'~~ 5500' perform squeeze listed below otherwise ~~set CIBP @ 4400' and cap with 50' cement via a dump bailer~~ plug 5400' - 5300' + 50' excess
    a. RIH and shoot squeeze holes at ~~4500'~~ 5400'
    b. RIH with tubing and retainer and set at ~~4400'~~ 5350'
    c. Squeeze with 85 sx neat cement
    d. Sting out of retainer and cap with 15 sx neat cement
    e. Reverse out cement

17. If cement does not cover 3040'-3240' perform squeeze listed below otherwise ~~set CIBP @ 3140' and cap with 50' cement via a dump bailer~~ - plug from 3190-3090 + 50' ex oss
    f. RIH and shoot squeeze holes at 3240'
    g. RIH with tubing and retainer and set at 3140'
    h. Squeeze with 85 sx neat cement
    i. Sting out of retainer and cap with 15 sx neat cement
    j. Reverse out cement
18. RIH and shoot squeeze holes at ±1900'
19. RIH with tubing and packer to ±1875'
20. Establish circulation out of bradenhead

21. POOH with tubing and packer
22. RIH with tubing and retainer
23. Set retainer at ±1850'
24. Circulate out of bradenhead using dye packets to calculate cement volumes
25. Squeeze cement utilizing measured volumes +20% excess
    Note: Use a light filler cement and tail in with 100 sxs Class G neat

26. Sting out of retainer and reverse out
27. POOH with tubing
28. WOC 24 hrs
29. Run bond log if necessary
30. Pressure test casing to 1000 psig

31. RIH and perforate IEL log depths.
    1526'-1540' 4 spf
    1580'-1595' 4 spf
    1620'-1642' 4 spf
32. RIH with tubing and packer
33. Set packer @ ±1450'
34. Establish injection with 2% KCl water
35. Acidize with 3000 gallons 15% HCl dropping 60 balls after 1000 gallons and 2000 gallons are pumped

36. Establish injection rate with 2% KCl after surging balls off of perfs & get ISIP and monitor fall off if not on a vacuum
37. Release packer and run across perforations
38. Reset packer at ±1500'
39. Swab well and monitor gas and fluids

40. Frac well as per separate procedure if appropriate
41. Flow back well
42. RIH with appropriate BHA
43. ND BOP & NUWH
44. Swab well if necessary

45. RDSU & MOL

NOTE:
DO NOT USE LIQUID KCl SUBSTITUTE in COMPLETION FLUIDS

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, 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 & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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2003 DEC 30 PM 1: 28
070 Farmington, NM

Form C-102
Revised August 15, 2000
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

[1] API Number	[2] Pool Code	[3] Pool Name
30-045-09406	78160	Harper Hill Fruitland Sand PC ext

[4] Property Code	[5] Property Name	[6] Well Number
29125	Hagood	1

[7] OGRID No.	[8] Operator Name	[9] Elevation
22044	McElvain Oil & Gas Properties, Inc.	5849'

[10] Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	24	30N	14W		1050	North	1040	East	San Juan

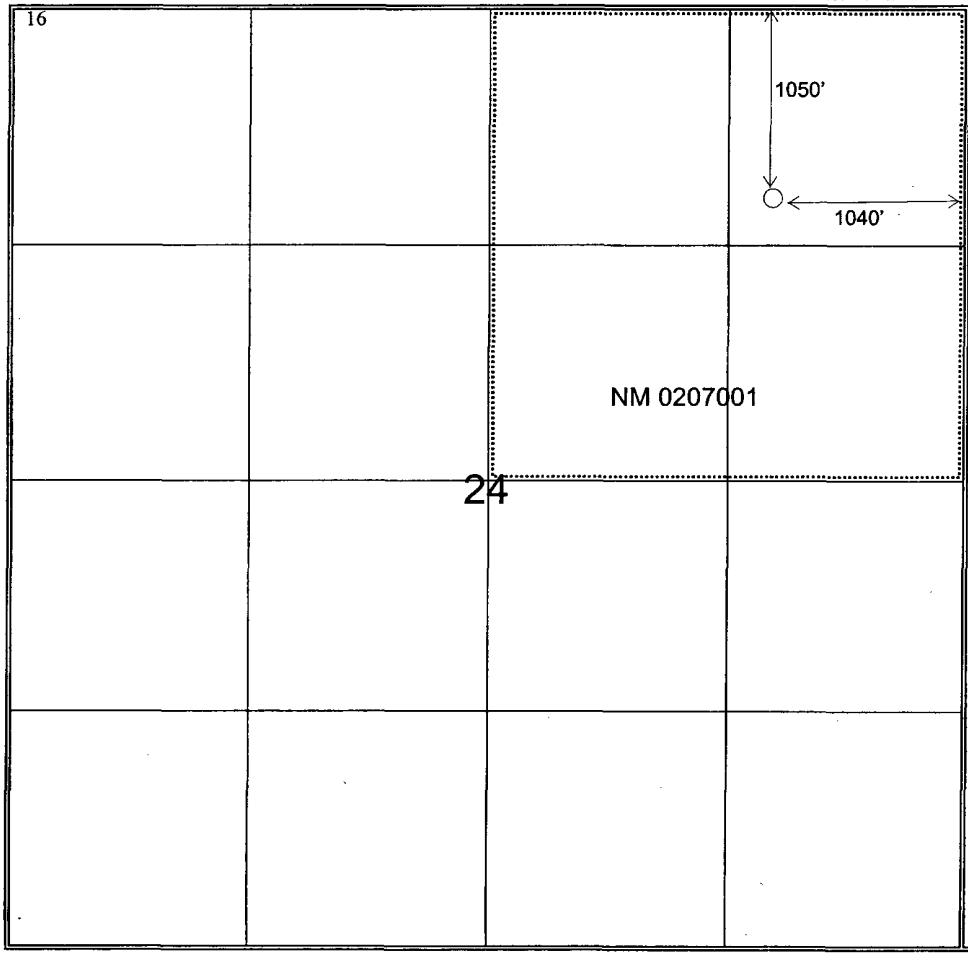
[11] Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

[12] Dedicated Acres	[13] Joint or Infill	[14] Consolidation Code	[15] Order No.
148.92			

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

16



[17] OPERATOR CERTIFICATION

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

Signature

John Steuble

Printed Name

Engineering Manager

Title

12-23-2003

Date

[18] 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.

2-27-1959

Date of Survey

Signature and Seal of Professional Surveyor:

This location was originally surveyed by Ernest v. Echohawk

1545

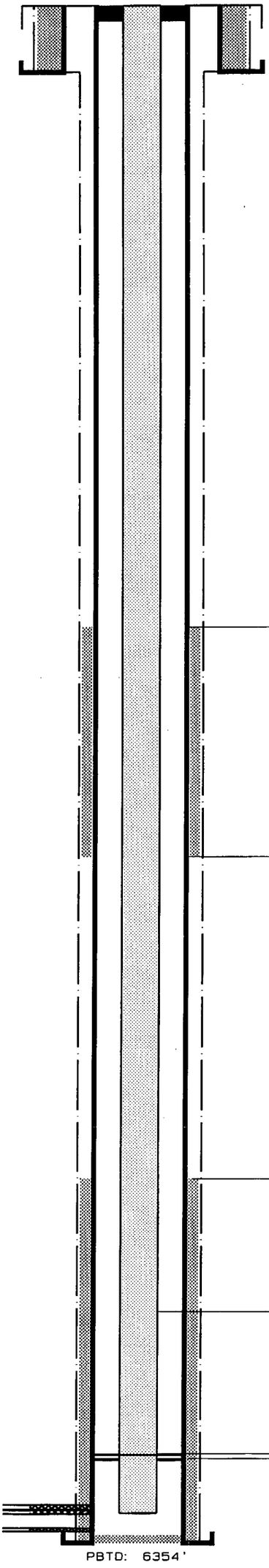
Certificate Number

HAGOOD #1 Dk

NE/NE 24-30N-14W

API: 30-045-09406

Current Configuration



SURFACE CASING in 13 3/4" hole
9 5/8" 32.3# J-55 @ 274'
Cement: 200sxs-no detail available
Calculated Cement TOP @ SURFACE

TOC @ 2575' (calc'd @ 70% Eff)
200 sx Squeeze 5/1965

Bottom of Squeeze @ 3528'

TOC @ 4863' (Calc'd 70% Eff)

2 3/8" 4.7# J-55 @ 6018'
189 Jts above packer

AD-1 Tension Pkr @ 6013'
Lockset @ 6034'
14' Above pkr 6 jts..SN
..1 jt Below EOT @ 6262'

Dakota A Perfs 6228-6247
Dakota A Perfs 6251-6266
Dakota B Perfs 6325-6340

PRODUCTION CASING in 7 7/8" hole
5 1/2" 14# J-55 @ 6388'
Cement: 300sxs 50/50 POZ-no details
Cement top unknown-Calc 4863'@ 70%

PBTD: 6354'

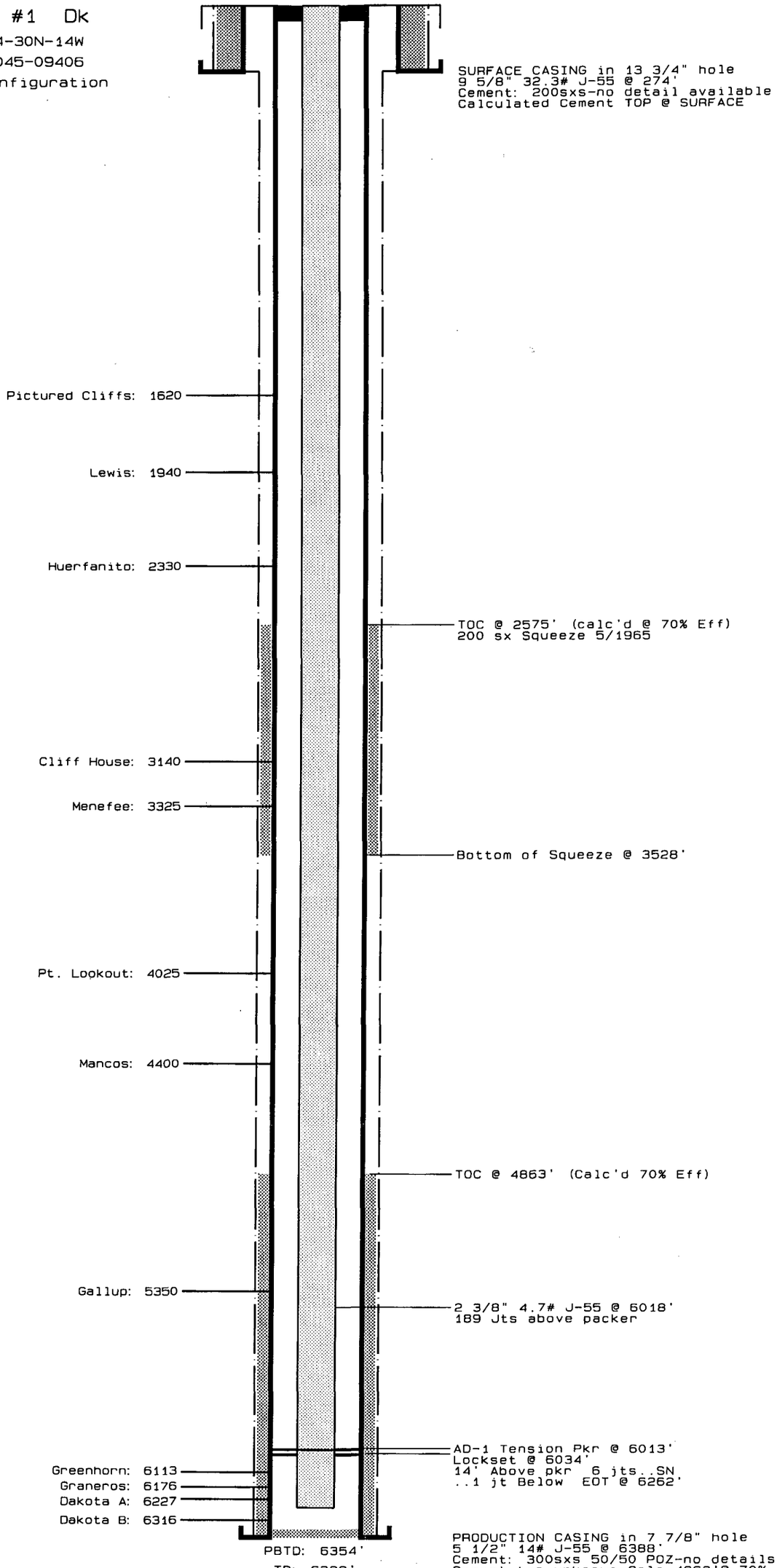
TD: 6389'

Diagram: 0' to 6389'
VERT Scale: 1"=516'

22 Dec 2003
File: Hagood#1.Dk.WP4

HAGOOD #1 Dk

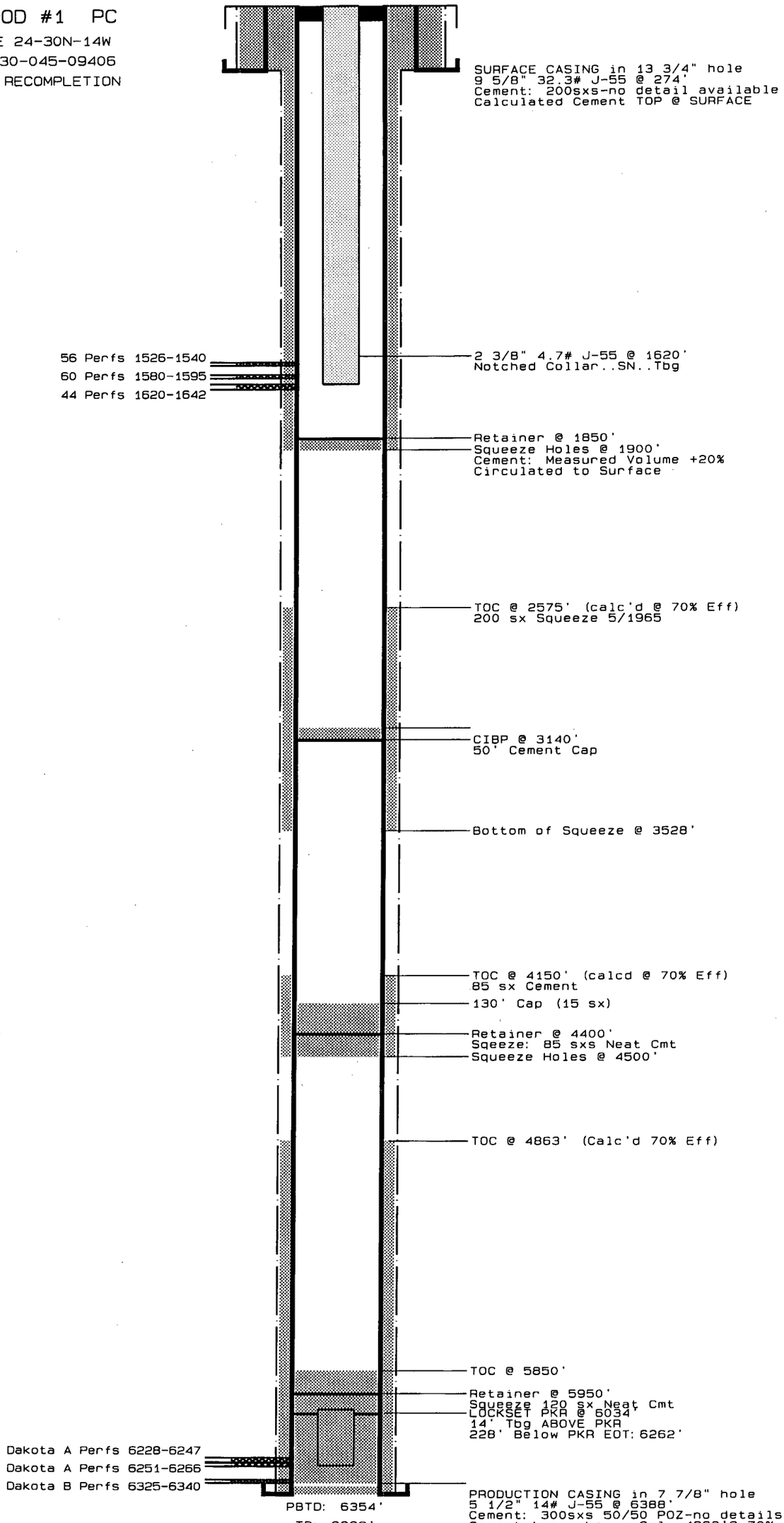
NE/NE 24-30N-14W
API: 30-045-09406
Current Configuration



22 Dec 2003
File: Hagood#1.Dk.WP4

HAGOOD #1 PC

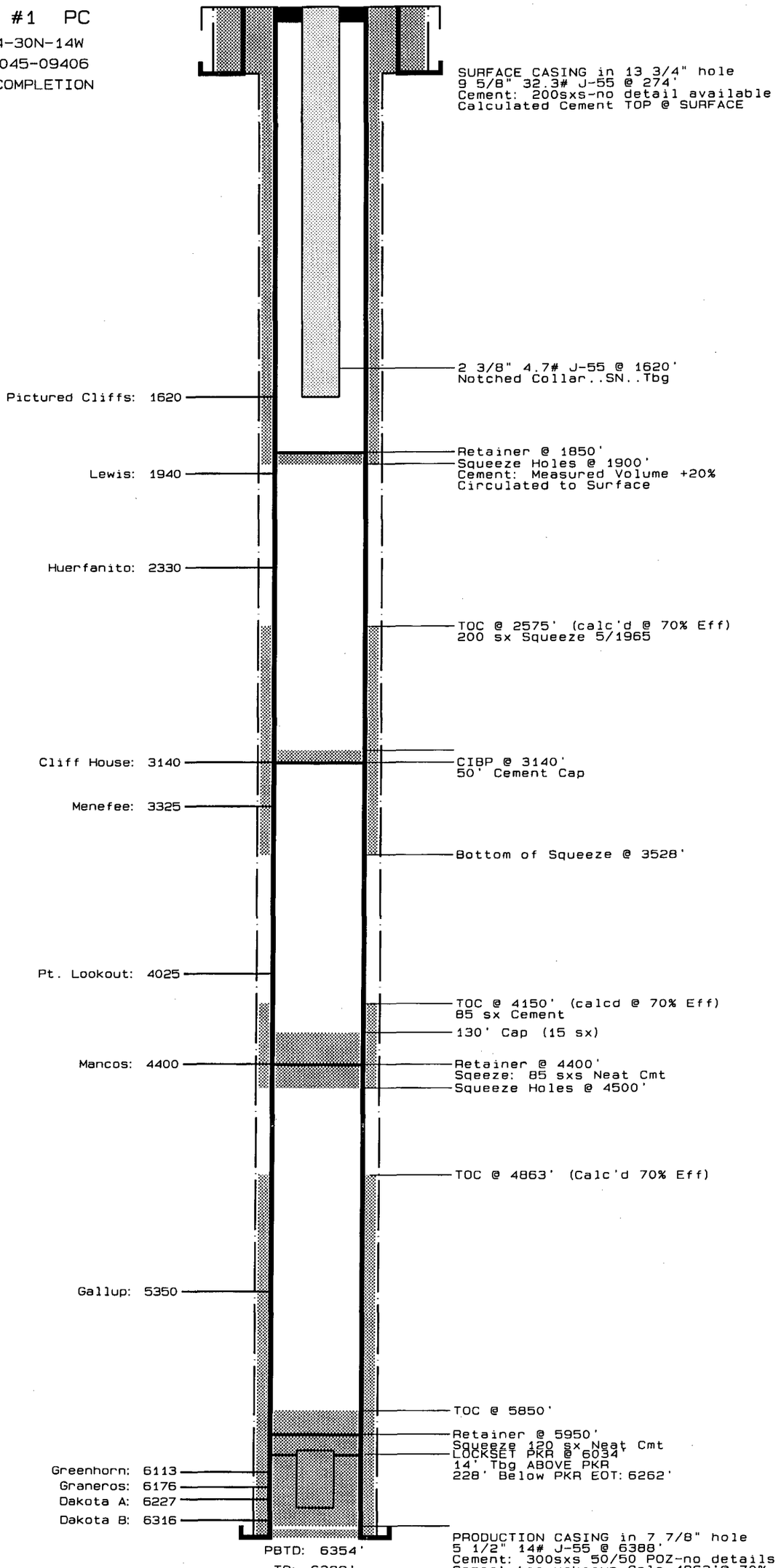
NE/NE 24-30N-14W
API: 30-045-09406
AFTER RECOMPLETION



22 Dec 2003
File: Hagood#1.Pc.WP4

HAGOOD #1 PC

NE/NE 24-30N-14W
API: 30-045-09406
AFTER RECOMPLETION



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