| Submit 1 Copy To Appropriate District Office  | State of New Mexico                     |                                 | Form C-103   |  |
|---|---|---------------------------------|--|--|
| District I<br>1625 N. French Dr., Hobbs, NM 88240   | Energy, Minerals and Natural Resources  |                                 | October 13, 2009 API NO.   |  |
| District II   | OIL CONSERVATION DIVISION               |                                 | 5-33325  |  |
| 1301 W. Grand Ave., Artesia, NM 88210<br>District III   | 1220 South St. Francis Dr.              |                                 | icate Type of Lease STATE  FEE   |  |
| 1000 Rio Brazos Rd., Aztec, NM 87410<br>District IV   | Santa Fe, NM 87505                      |                                 | te Oil & Gas Lease No.   |  |
| 1220 S. St. Francis Dr., Santa Fe, NM<br>87505  |   |                                 |  |  |
| 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.)   |   | CK TO A ARG                     | 7. Lease Name or Unit Agreement Name ARGO  |  |
| 1. Type of Well: Oil Well ☐ Gas Well ☒ Other  |   | 8. We                           | 8. Well Number 1   |  |
| Name of Operator     McElvain Oil & Gas Properties, Inc.  |   | 9. OG                           | RID Number 22044   |  |
| 3. Address of Operator  |   | 10. Pc                          | ool name or Wildcat  |  |
| 1750 17 <sup>th</sup> Ave, Suite 2500, Denver   | , Co 80265                              | Basin                           | Fruitland Coal   |  |
| 4. Well Location  |   |                                 |  |  |
| Unit Letter E : 1798 feet from the North line and 414 feet from the West line   |   |                                 |  |  |
| Section 21 Township 30N Range 13W NMPM County San Juan  11. Elevation (Show whether DR, RKB, RT, GR, etc.)  |   |                                 |  |  |
| 5417' GL  |   |                                 |  |  |
| 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data  |   |                                 |  |  |
|   |   |                                 |  |  |
| NOTICE OF INTENTION TO:  PERFORM REMEDIAL WORK PLUG AND ABANDON REMEDIAL WORK ALTERING CASING   |   |                                 |  |  |
|   |   |                                 |  |  |
| PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐ CASING/CEMENT JOB ☐   |   |                                 |  |  |
| DOWNHOLE COMMINGLE  |   |                                 |  |  |
| OTHER:  |   | HER                             |  |  |
| 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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion. |   |                                 |  |  |
| 12/14-18/2010 Continued drilling a 7 7/8" hole. TD 1457' reached 12/18/2010. Ran logs.  |   |                                 |  |  |
| 12/19/2010 Ran 34 Jts 5.5" 17# N80 Csg. Landed @ 1448'.   |   | io. Ran logs.                   | RCVD JAN 3 '11   |  |
| Cemented as follows:  |   |                                 | oz cons. DTV.  |  |
| Lead: 110 sx Type III, 11.08 ppg, 2.55 yield. Tail: 85 sx Type III, 14.3 ppg, 1.45 yield.   |   |                                 | or on one of the or one of the |  |
| Circulated 17 bbls to surface. Bumped plug @ 1490 psi. held.  |   |                                 |  |  |
| Pressure test on next report.   |   |                                 |  |  |
|   |   |                                 |  |  |
|   |   |                                 |  |  |
|   |   |                                 | <del></del> -  |  |
| Spud Date: 12/08/2010   | Rig Release Date:                       | 12/19/2010                      |  |  |
|   |   |                                 |  |  |
| I hereby certify that the information above is true and complete to the best of my knowledge and belief.  |   |                                 |  |  |
|   | and complete to the best of             | my knowledge and be             | noi.   |  |
| SIGNATURE XXIII   |   | 1.34                            | DATE 10/05/0010  |  |
| SIGNATURE (M) Con   | TITLE Eng Tec                           | h Manager                       | DATE12/27/2010   |  |
| Type or print name _Deborah Powell_<br>For State Use Only   | E-mail address: _D                      | ebbyP@McElvain.com              | n PHONE:303-893-0933   |  |
| 2 00 0  | 2 \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ |                                 | 1  |  |
| APPROVED BY: Leby Co. K<br>Conditions of Approval (if any):   | TITLE BEBUILY                           | 3   & Gas Inspec<br>District #3 | ctor, DATE   ~ \\~\\   |  |

K