

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTRECEIVED
JAN 13 2011
Bureau of Land ManagementFORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007Lease Serial No.
NMSF-078584

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
☐ Oil Well ☒ Gas Well ☐ Other2. Name of Operator
McElvain Oil & Gas Properties, Inc.3a. Address
1050 17th St, Suite 2500, Denver, CO 802653b. Phone No. (include area code)
303-893-0933

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

1460' FNL & 2285' FEL

SWNE Sec 12, T24N, R7W

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Miller B #6

9. API Well No.

30-039-21584

10. Field and Pool, or Exploratory Area

Basin Dakota

11. County or Parish, State

Rio Arriba, 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.)

The P&A Procedure to plug the Miller B #6 well is attached.

When approved this well will be plugged as per A-Plus Well Service scheduling.

Notify NMOCD 24 hrs
prior to beginning
operations

RCVD JAN 18 '11

OIL CONS. DIV.
DIST. 314. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Deborah Powell

Title Eng Tech Manager

Signature

Date

01/11/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Original Signed: Stephen Mason

Title

Date

JAN 11 2011

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

Miller "B" #6

Current

Devils Fork Gallup / Undesignated Dakota Commingled

1460' FNL, 2285' FEL, Section 12, T-24-N, R-7-W

Rio Arriba County, NM, API #30-039-21864

Today's Date: 12/20/10

Spud: 12/18/00

DK Completed: 11/10/78

GI Completed: 7/8/82

Elevation: 6806' GL

6819' KB

12.25" hole

TOC circulated to surface per
Sundry Notice

8.625" 24#, J-55 Casing set @ 313'
Cement with 250 sxs, circulated

2.375" tubing at 5608'
(179 joints w/SN)

Ojo Alamo @ 1725'

Kirtland @ 1902' *est

Fruitland @ 2157' *est

Pictured Cliffs @ 2363'

Holes in casing from
2012' to 2230'

DV Tool at 3811'
2nd Stage: Cement with 1765 sxs (2891 cf)

Mesaverde @ 3910'

Holes in casing from
4239' to 4270'

TOC @ 5580' (CBL '82)

RBP @ 5622' per operator records.

Gallup Perforations:
5712' - 5907'

Dakota Perforations:
6714' - 6888'

CIBP @ 6911' (1978)

Dakota Perforations:
6922' - 6953'

4.5" ,11.6#/10.5#, J-55 Casing set @ 6999'

1st Stage: Cement with 1278 sxs (1611 cf cf)

Gallup @ 5633'

Dakota @ 6763'

7.875" hole

TD 7000'
PBTD 6911'

PLUG AND ABANDONMENT PROCEDURE

December 20, 2010

Miller "B" #6

Devils Fork Gallup / Undesignated Dakota Commingled
1460' FNL and 2285' FEL, Section 12, T24N, R7W
Rio Arriba County, New Mexico / API 30-039-21864
Lat: N _____ / Lat: W _____

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 X, Unknown _____.
Tubing: Yes X, No _____, Unknown _____, Size 2.375", Length 5608'.
Packer: Yes _____, No X, Unknown _____, Type _____.
If this well has rods or a packer, then modify the work sequence in step #2 as appropriate.
4. **NOTE: BLM requires a CBL log to be run on all wells where the cement did not circulate to surface or where a T.S. or CBL log was not previously run. This procedure is prepared with the understanding that it may be modified based on the TOC from the CBL.**
Dakota plug ser CRQ 6664' - Plug 6664' - 6564'
5. **Plug #1 (Dakota and Gallup perforations and tops, 5622' - 5572'):** RIH and tag existing RBP at 5622'. Mix 12 sxs Class B cement to isolate the ~~Dakota and Gallup~~ intervals. PUH and WOC. TIH and tag cement at least 50' higher than top of Gallup formation. TOH with tubing.
Note: well has casing leaks.
6. **Plug #2 (Mesaverde top, 3960' - 3860'):** Perforate 3 HSC squeeze holes at 3960'. Set 4.5" cement retainer at 3910'. Pressure test tubing to 1000 PSI. Load casing with water and circulate well clean. Mix 51 sxs Class B cement, squeeze 39 sxs outside the casing and leave 12 sxs inside the casing to cover the Mesaverde top. PUH.
6. **Plug #3 (Pictured Cliffs, Fruitland, Kirtland and Ojo Alamo tops, 2413' - 1675'):** Mix and pump 65 sxs Class B cement and spot a balanced plug inside casing to cover through the Ojo Alamo top. Excess cement due to casing leaks. PUH and WOC. TIH and tag cement 50' above the Ojo Alamo top. Pressure test casing to 500 PSI.

8. **Plug #4 (8.625" casing shoe, 363' – 0')**: Connect the pump line to the bradenhead valve. Pressure test the BH annulus to 300#; note the fluid volume to load. If the BH annulus tests, then mix 35 sxs Class B cement and spot a balanced plug inside the 4.5" casing to cover the surface casing shoe, circulate cement to surface out the casing valve. TOH and LD the tubing. If the BH annulus does not test, then perforate at the appropriate depths to cover the casing shoe and fill the bradenhead annulus to surface. TOH and LD tubing. Shut in well and WOC.
9. ND BOP and cut off wellhead below surface casing flange. Install P&A marker with cement to comply with regulations. RD, MOL and cut off anchors. Restore location per BLM stipulations.

Miller "B" #6

Proposed P&A

Devils Fork Gallup / Undesignated Dakota Commingled

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Rio Arriba County, NM, API #30-039-21864

Today's Date: 12/20/10

Spud: 12/18/00

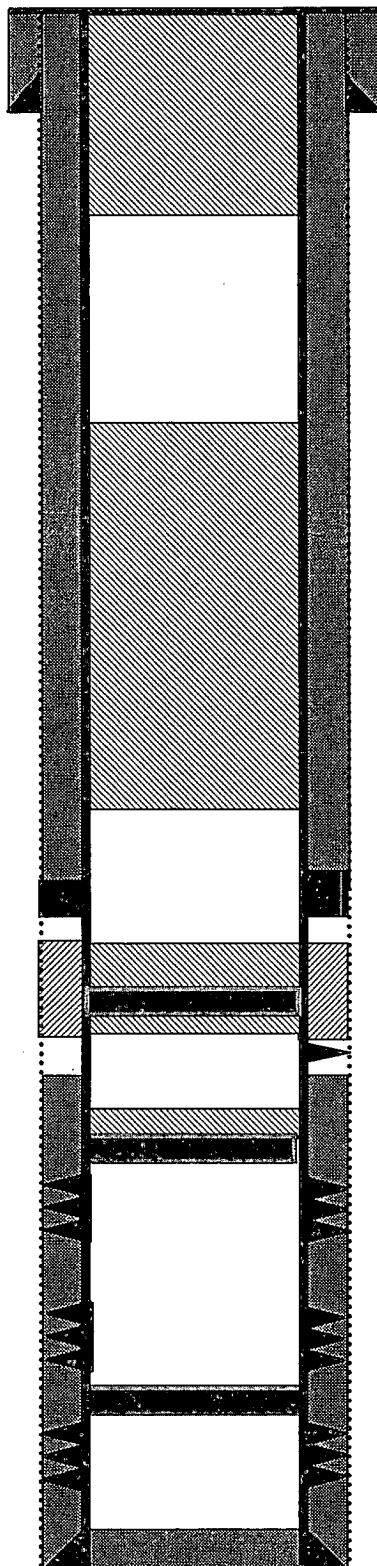
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12.25" hole



TOC circulated to surface per
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Cement with 250 sxs, circulated

Plug #4: 363' – 0'
Class B cement, 35 sxs

Ojo Alamo @ 1725'

Kirtland @ 1902' *est

Fruitland @ 2157' *est

Pictured Cliffs @ 2363'

Holes in casing from
2012' to 2230'

DV Tool at 3811'
2nd Stage: Cement with 1765 sxs (2891 cf)

Mesaverde @ 3910'

Cement Retainer @ 3910'

Perforate @ 3960'

Plug #2: 3960' – 3860'
Class B cement, 51 sxs
12 inside and 39 outside

Gallup @ 5633'

TOC @ 5580' (CBL '82)

Existing RBP @ 5622'

Gallup Perforations:
5712' – 5907'

Plug #1: 5622' – 5572'
Class B cement, 12 sxs

Dakota @ 6763'

Dakota Perforations:
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7.875" hole

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PBTD 6911'

**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 Miller B

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) Place the Dakota plug from 6664' – 6564'. (Cement Retainer set @ 6664')

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.