

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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.

5. Lease Serial No.
NMSF-078931

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
NMNM-92456 / NM 92457

8. Well Name and No.
ROPCO FEDERAL #12-2

9. API Well No.
30-045-29198

10. Field and Pool, or Exploratory/Area
Basin Fruitland Coal / PC

11. County or Parish, State
San Juan, New Mexico

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

FEB 14 2011

1. Type of Well
 Oil Well Gas Well Other
 Farmington Field Office
 Bureau of Land Management

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

3a. Address
1050 17th St., Suite 2500

3b. Phone No. (include area code)
303893-0933

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**1630' FNL & 770' FEL
SENE Sec 12 T29N R13W**

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" 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 type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input checked="" 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 recomplate 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.)

This well was first delivered on **January 1995** and produced natural gas and entrained hydrocarbons.
Notes: Complying with ONSHORE ORDER #7.

TP: 70
CP: 247
INITAL MCF: 398 mcf/d
METER #: 3101-012
GAS CO: Enterprise

RCVD FEB 17 '11
OIL CONS. DIV.
DIST. 3

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) **Deborah Powell** Title **Eng Tech Manager**

Signature *Deborah Powell* Date **02/09/2011**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____ Title _____ Date **FEB 14 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 **BY /s/ K.J. Schneider**

APPROVED

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)

NMCCD

McElvain Oil & Gas Properties, Inc.

01/07/11

1050 17th Street, Suite 2500
Denver, CO 80265

Application to dispose of water off lease into approved Water Disposal Facilities.

Lease Number: NMSF-078931

1. See attached sundry and letter for the following well within this lease.

Well Name: ROPCO FED 12 #2

Legal Location of Well: SENE Sec 12 T29N R13W

API Number: 30-045-29198

Estimated daily production (MCF/OIL) per well: 140 MCF

Name & Number of facility where water disposed: Basin Disposal Permit NM-01-005

2. Storage facility information and transportation information:

The water is stored in the tanks on the ROPCO 7 #1 location. The well operator and trucking companies have set up trucking schedules for the location. The trucking Company follows this schedule and occasionally may be called by the operator to pull a load earlier, if needed.

3. Disposal facilities are on file at the BLM.

4. Location of Disposal Facility:

Unit F Section 3 Township 29N Range 11W

In all cases when the primary disposal well is down for repairs or capacity limits, water will be trucked to either Basin Disposal or Agua Moss . Both facilities are approved commercial water disposal wells. Records are on file at the BLM.

5. According to the NMSU Agricultural center.; the average evaporation rate for the weather station by NAPI is 56.3" per year. The matching average precipitation for what weather station is 18.2" per year.

The above noted lease/ well produces water. Onshore Order #7 and Title 43 CFR 3162.5-1, requires the following information in order to process water disposal approvals.

- 1. Formations Producing water on the lease. Fruitland Coal / Pictured Cliffs
- 2. Amount of water produced from all formations in barrels per day 14 bbls
- 3. If deposed into an unlined pit, attach a current water analysis of produced water from all zones showing at least the total dissolved solids, PH and the concentrations and sulfates.
N/A - All water stored in steel tanks on location.

6. How water is stored on lease.

Water Tank:	#2122	FT/BBL Tank Size: <u>15/210</u>	BTU Burner Size: <u>N/A</u>	BOWPD <u>14</u>
PIT:	N/A	DIAMETER Feet <u> </u>	Depth Feet <u> </u>	Above/ Below <u> </u>
				Lined/ Unlined <u> </u>

7. How is water moved to disposal facility: Trucked

8. Identify the disposal facility :

Facility Operator Name: Basin Disposal
 Name of Facility: Disposal #1
 Type of facility (well, WDW, WIW) etc. WDW
 Location- See above
 Permit number for the facility R - 8524

Facility Operator Name: Agua Moss
 Name of Facility: Pretty Lady 30 11 34 #001
 Type of facility (well, WDW, WIW) etc. WDW
 Location- SE 1/4 NW 1/4 SE 1/4 S34, T30N, R11W
 Permit number for the facility SWD 1034A

Facility Operator Name: Maralex
 Name of Facility: Dara Ferguson Injection #1
 Type of facility (well, WDW, WIW) etc. WDW
 Location- SW 1/4 NW 1/4 S32, T33N, R9W
 Permit number for the facility CO-4970

Facility Operator Name: Maralex
 Name of Facility: Centerpoint SWD #1
 Type of facility (well, WDW, WIW) etc. WDW
 Location- NW 1/4 SE 1/4 SE 1/4 S24, R31N, T11W
 Permit number for the facility SWD 1005

Facility Operator Name: McElvain Oil & Gas Properties, Inc.
 Name of Facility: Big Gulp SWD #1
 Type of facility (well, WDW, WIW) etc. WDW
 Location- SE 1/4 NE 1/4 S20, T30N, 13W
 Permit number for the facility SWD 1209