

Submit 1 Copy To Appropriate District  
Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., 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 and Natural Resources

Form C-103  
October 13, 2009

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

|                                                                                                     |
|-----------------------------------------------------------------------------------------------------|
| WELL API NO.<br>30-045-33325                                                                        |
| 5. Indicate Type of Lease<br>STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> |
| 6. State Oil & Gas Lease No.<br>36831                                                               |
| 7. Lease Name or Unit Agreement Name<br>ARGO                                                        |
| 8. Well Number 1                                                                                    |
| 9. OGRID Number 22044                                                                               |
| 10. Pool name or Wildcat<br>Basin Fruitland Coal                                                    |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.)<br>5417' GL                                      |

|                                                                                                                                                                                                                            |  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| SUNDRY NOTICES AND REPORTS ON WELLS<br>(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A<br>DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH<br>PROPOSALS.)               |  |
| 1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other                                                                                                                      |  |
| 2. Name of Operator<br>McElvain Oil & Gas Properties, Inc.                                                                                                                                                                 |  |
| 3. Address of Operator<br>1750 17 <sup>th</sup> Ave, Suite 2500, Denver, Co 80265                                                                                                                                          |  |
| 4. Well Location<br>Unit Letter <u>E</u> : <u>1798</u> feet from the <u>North</u> line and <u>414</u> feet from the <u>West</u> line<br>Section <u>21</u> Township <u>30N</u> Range <u>13W</u> NMPM County <u>San Juan</u> |  |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.)<br>5417' GL                                                                                                                                                             |  |

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

| NOTICE OF INTENTION TO:                        |                                           | SUBSEQUENT REPORT OF:                             |                                          |
|------------------------------------------------|-------------------------------------------|---------------------------------------------------|------------------------------------------|
| PERFORM REMEDIAL WORK <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/> | REMEDIAL WORK <input type="checkbox"/>            | ALTERING CASING <input type="checkbox"/> |
| TEMPORARILY ABANDON <input type="checkbox"/>   | CHANGE PLANS <input type="checkbox"/>     | COMMENCE DRILLING OPNS. <input type="checkbox"/>  | P AND A <input type="checkbox"/>         |
| PULL OR ALTER CASING <input type="checkbox"/>  | MULTIPLE COMPL <input type="checkbox"/>   | CASING/CEMENT JOB <input type="checkbox"/>        |                                          |
| DOWNHOLE COMMINGLE <input type="checkbox"/>    |                                           |                                                   |                                          |
| OTHER: <input type="checkbox"/>                |                                           | OTHER Shut-in <input checked="" type="checkbox"/> |                                          |

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.

The Argo #1 has been cased and suspended. McElvain Oil & Gas Properties, Inc. is waiting on Enterprise Field Service to secure the ROW from The Fish & Game Dept.. We anticipate completion of this well starting in May 2011.

RCVD MAR 2'11

OIL CONS. DIV.

DIST. 3

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.

SIGNATURE Debby Powell TITLE Eng Tech Manager DATE 2/24/2011

Type or print name Deborah Powell E-mail address: DebbyP@McElvain.com PHONE: 303-893-0933

For State Use Only

APPROVED BY: Monica Kuhlberg TITLE Deputy Oil & Gas Inspector DATE MAR 11 2011  
Conditions of Approval (if any):