

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. SF080473A
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		6. IF INDIAN ALLOTTEE OR TRIBE NAME
2. NAME OF OPERATOR McElvain Oil & Gas Properties Inc.		7. UNIT AGREEMENT NAME
3. ADDRESS AND TELEPHONE NO. 1050 17th Street, Suite 710, Denver, CO 80265 (303) 893 - 0933		8. FARM OR LEASE NAME, WELL NO. Cougar Com 4 No. 2
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 835' FNL - 800' FWL Section 4, T25N, R2W, NMPM At proposed prod. zone Same		9. API WELL NO. 30-039-26401
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 9 miles northeast of Lindrith, NM		10. FIELD AND POOL, OR WILDCAT Blanco Mesa Verde
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drilg. unit line, if any) 490'		11. SEC., T., R., M., OR BLK AND SURVEY OR AREA Section 4, T25N, R2W, NMPM
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 200'		12. COUNTY Rio Arriba
16. NO. OF ACRES IN LEASE 80		13. STATE NM
17. NO. OF ACRES ASSIGNED TO THIS WELL 320		20. ROTARY OR CABLE TOOLS Rotary
19. PROPOSED DEPTH 6226'		21. APPROX. DATE WORK WILL START* February, 2000
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 7431'		

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12.250 "	9.625 ", J-55	36	300'	194.7 cf to circ. to surface
8.750 "	7.000 ", J-55	20	3958'	918.6 cf to circ. to surface, two stage
6.250 "	4.500 ", J-55	10.5	6226'	418.8 cf to circ. to liner top

McElvain Oil & Gas will spud in the San Jose formation. Will drill a 12 1/4 " hole to 300' using a fresh water mud system. Run and cement surface casing with adequate volume to circulate to surface. WOC 12 hours. Pressure test BOPE to 600 # / 15 mins. Drill an 8 3/4 " hole to 3952' using Mesa Verde produced water to mix a fresh water mud system. No abnormal pressures or poisonous gas is anticipated. Run and cement intermediate casing in two stages with adequate volume to circulate to surface. Pressure test BOPE to 1500 # / 15 mins. Drill a 6 1/4 " hole to TD using air or air / mist. Log well from TD to intermediate casing shoe. Pull GR to surface for correlation. Run and cement the production liner with adequate volume to circulate to the liner top. Move out drilling rig, move in completion unit. Run cased hole correlation logs. Pressure test casing to 3000 # / 30 Mins. Perforate and stimulate select Mesa Verde intervals using a 2 % KCl water based fluid. Install production facilities and gas gathering line.

Surface is Fee, Monroe.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured true vertical depths. Give blowout preventer program, if any.

24.

SIGNED



TITLE Agent

DATE January 29, 2000

(This space for Federal or State office use)

PERMIT NO.

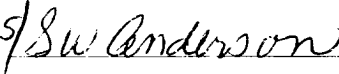
APPROVAL DATE

Application approval 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.

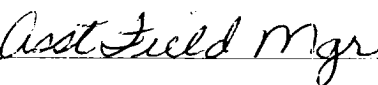
CONDITIONS OF APPROVAL, IF ANY:

Attached * CA Required

APPROVED BY



TITLE



DATE

3-14-00

District I
PO Box 1960, Hobbs, NM 88241-1960

District II
PO Drawer DD, Artesia, NM 88211-0719

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 21, 1992
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-039-26401		*Pool Code 72319	*Pool Name Blanco Mesa Verde
*Property Code 24760	*Property Name COUGAR COM 4		*Well Number 2
*OSRID No. 22044	*Operator Name McELVAIN OIL & GAS PROPERTIES		*Elevation 7431'

10 Surface Location

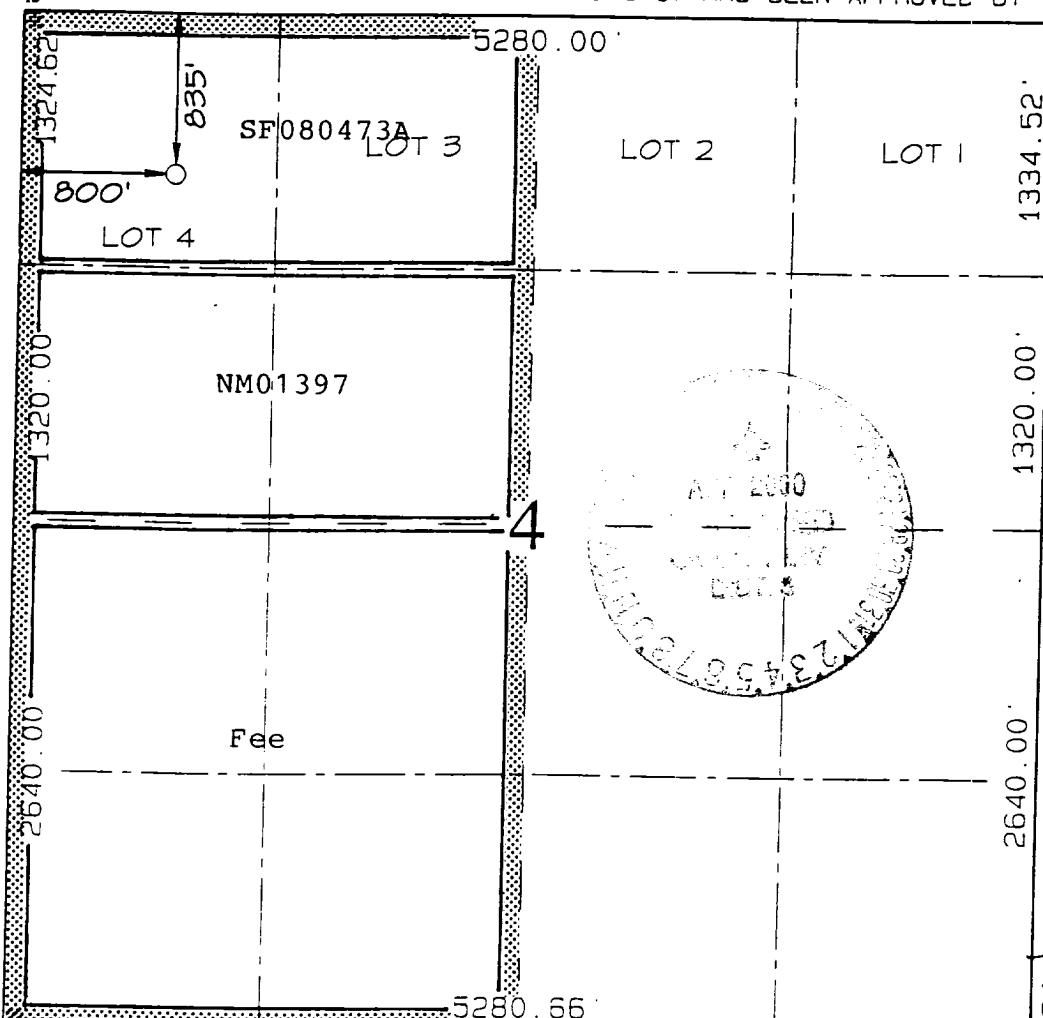
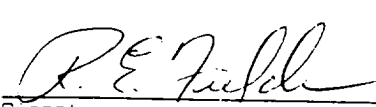

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	4	25N	2W		835	NORTH	800	WEST	RIO ARriba

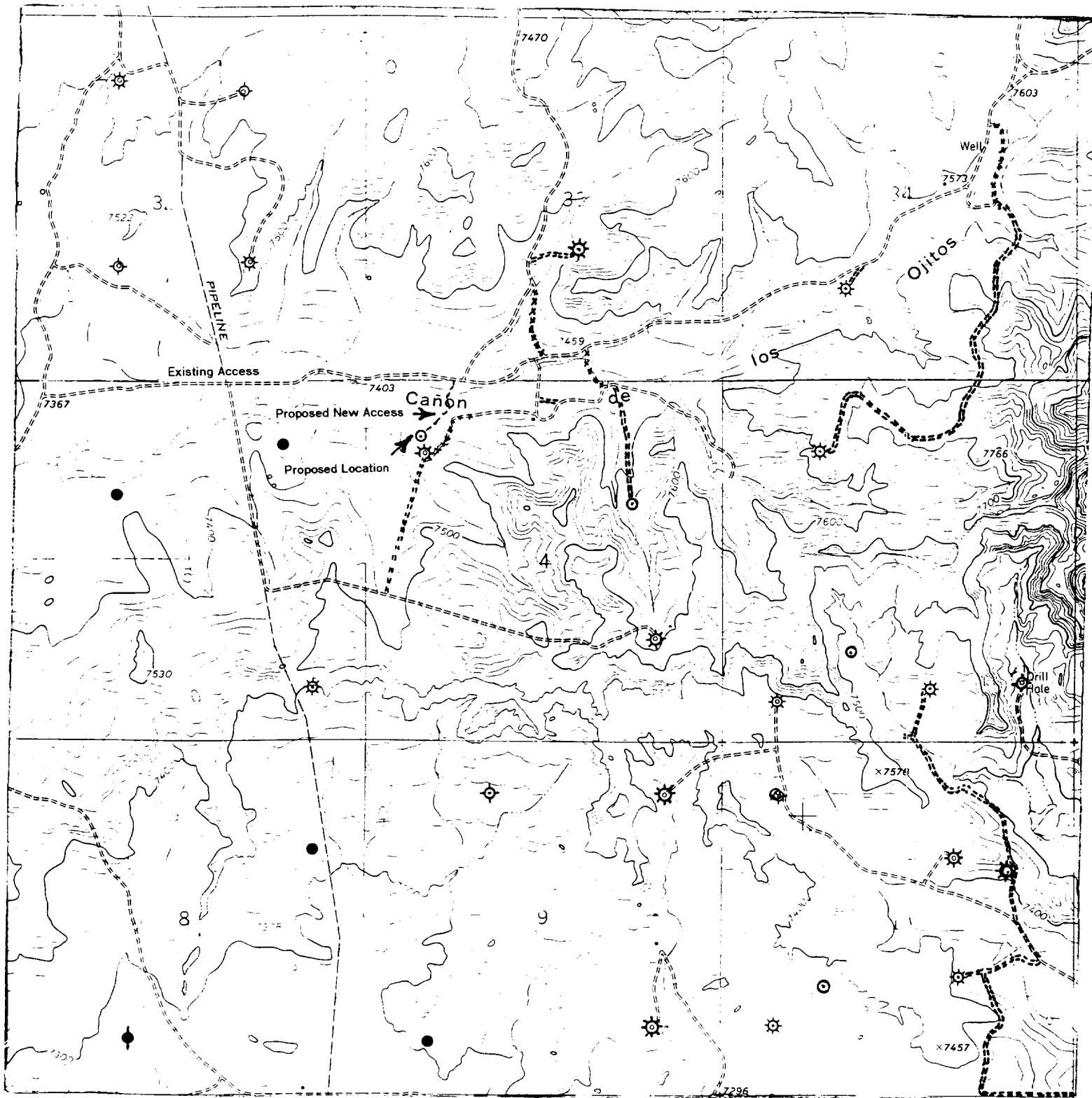
11 Bottom Hole Location If Different From Surface

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 320	13 Joint or Infill Y	14 Consolidation Code C	15 Order No.
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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

	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature R. E. Fielder Printed Name Agent Title January 29, 2000 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. OCTOBER 22, 1999 Date of Survey Signature and Seal  Certificate 6857	



Vicinity Map
 McElvain Oil & Gas Properties, Inc.
 Cougar Com 4 No. 2
 835' FNL - 800' FWL
 Section 4, T 25 N, R 2 W, NMPM
 Rio Arriba Co., New Mexico