

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT II
P.O. Drawer DD Artesia, NM 88210

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

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|---|
| WELL API NO. 30 - 039 - 26789 |
| 5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> |
| 6. State Oil & Gas Lease No. |
| 7. Lease Name or Unit Agreement Name Coyote 9 |
| 8. Well No. 2 |
| 9. Pool name or Wildcat Blanco Mesa Verde |
| 10. Elevation (Show whether DF, RKB, RT, GR, etc.) 7293' GL |

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.)

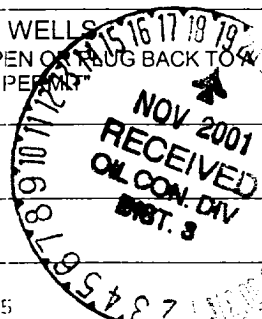
1. Type of Well:
OIL WELL ☐ GAS WELL ☒ OTHER

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

3. Address of Operator
1050 17th Street, Suite 1800, Denver, CO 80265

4. Well Location
Unit Letter P : 660 Feet From The South Line and 660 Feet From The East Line
Section 9 Township 25N Range 2W NMPM Rio Arriba County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)
7293' GL



11. 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"/> | REMEDIAL WORK <input type="checkbox"/> |
| TEMPORARILY ABANDON <input type="checkbox"/> | ALTERING CASING <input type="checkbox"/> |
| PULL OR ALTER CASING <input type="checkbox"/> | COMMENCE DRILLING OPNS. <input type="checkbox"/> |
| OTHER: <input type="checkbox"/> | PLUG AND ABANDONMENT <input type="checkbox"/> |
| | CASING TEST AND CEMENT JOB <input checked="" type="checkbox"/> |
| | OTHER: <input type="checkbox"/> |

12. Describe Proposed or Completed Operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work)

SEE RULE 1103.
August 30, 2001. Drill 8 3/4" hole to 3770'. Ran 85 joints (3761.86') of 7" 20 ppf, J-55 casing with cement nose float shoe on bottom, float collar one joint up, mechanical DV tool, two cement baskets below DV tool, 3 - 7" X 8 3/4" bowspring centralizers and 5 - 7" X 8 3/4" turbolizers. Casing set at 3767' KB. Float collar at 3721'. DV tool at 1944'. Centralizers at 3744', 1948' and 1900'. Turbolizers at 3499', 3454', 3410', 3365' and 3143'. Cement Stage One (3770 - 1944') with 175 sacks (371.0 cf) of 65/35 Class B Poz with 5 pps gilsonite and 0.25 pps celloflake. Slurry mixed at 12.1 ppg to yield 2.12 cf/sk. Tail in with 100 sacks (126.0 cf) of Class B with 2% CaCl, 5 pps gilsonite and 0.25 pps celloflake. Slurry mixed at 15.2 ppg to yield 1.26 cf/sk. Good circulation throughout. Plug down at 6:45 PM, 08/31/01. Circulate and WOC 4.25 hours. Circulated 30 bbls (76 sacks) good lead slurry off DV tool. Cement Stage Two (1944' - surface) with 215 sacks (455.8 cf) of 65/35 Class B Poz with 5 pps gilsonite and 0.25 pps celloflake. Slurry mixed at 12.1 ppg to yield 2.12 cf/sk. Tail in with 50 sacks (63 cf) Class B with 5 pps gilsonite and 0.25 pps celloflake. Slurry mixed at 15.2 ppg to yield 1.26 cf/sk. Good circulation throughout. Circulated 45 bbls (119 sacks) good lead slurry to surface. Plug down at 12:00 AM, 09/01/01. Nipple down BOPE. Set slips. Nipple up BOPE. Total WOC time - 20 hours. Test casing to 1944' and BOPE to 1600 psi for 15 minutes-OK. Run in hole. Drill DV. Test pipe rams and remainder of casing to 1550 psi for 15 minutes-OK.

CONFIDENTIAL

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE R. E. Fielder TITLE Agent DATE 11/13/01

TYPE OR PRINT NAME R. E. Fielder TELEPHONE NO. (505) 325-5220

(This space for SIGNATURE OF OFFICIAL T. PERMIT)

APPROVED BY _____ TITLE _____ DATE NOV 19 2001

CONDITIONS OF APPROVAL, IF ANY: