

District I  
PO Box 1980, Hobbs, NM 88241-1980

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

Form C-101

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

Submit to Appropriate District Office  
State Lease - 6 Copies  
Fee Lease - 5 Copies

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

<sup>1</sup> Operator Name and Address McElvain Oil & Gas Properties Inc. 1050 17th Street, Suite 1800 Denver, CO 80265		<sup>2</sup> OGRID Number 22044
<sup>4</sup> Property Code 26716	<sup>5</sup> Property Name Bear 20	<sup>3</sup> API Number 30-039-26520
		<sup>6</sup> Well No. 1

<sup>7</sup> Surface Location

UL or lot no. A	Section 20	Township 26N	Range 2W	Lot Idn	Feet from the 790	North/South line North	Feet from the 990	East/West line East	County Rio Arriba
--------------------	---------------	-----------------	-------------	---------	----------------------	---------------------------	----------------------	------------------------	----------------------

<sup>8</sup> Proposed 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
<sup>9</sup> Proposed Pool 1 Basin Dakota					<sup>10</sup> Proposed Pool 2				

<sup>11</sup> Work Type Code N	<sup>12</sup> Well Type Code G	<sup>13</sup> Cable/Rotary R	<sup>14</sup> Lease Type Code P	<sup>15</sup> Ground Level Elevation 7275'
<sup>16</sup> Multiple N	<sup>17</sup> Proposed Depth 8237'	<sup>18</sup> Formation Dakota	<sup>19</sup> Contractor Not selected	<sup>20</sup> Spud Date 10/15/00

<sup>21</sup> Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12.250"	9.625"	36	500'	300	surface
8.750"	5.500"	15.5	6072'		
7.875"	5.500"	15.5&17.0	8237'	1650-3 stage	surface

<sup>22</sup> Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.  
McElvain Oil & Gas Properties Inc. proposes to spud this well in the San Jose formation. Drill the 12 1/4" surface hole to 500' with a fresh water mud. Run and cement surface casing with sufficient volume to circulate to surface using 100 % excess. WOC 12 hours. Nipple up 11" 3000# BOPE. Pressure test surface casing and BOPE to 600 psi for 15 minutes. Drill an 8 3/4" hole approximately 40' into Mancos formation. Reduce hole size to 7 7/8" and drill to TD using a low solids mud system mixed with Mesa Verde and / or Dakota produced water. Run Induction and Compensated density / Epithermal neutron logs from TD to surface casing shoe. Run and cement production casing in three stages using 50 % excess over gauge hole volume to circulate to surface. Move out rotary rig. Move in completion unit. Run cased hole correlation logs. Test production casing to 3500 psi for 15 minutes. Perforate select Dakota intervals and stimulate using a 2 % KCl water based gel fluid. If logs indicate the Dakota is non - productive a completion will be attempted in either the Gallup or Mesa Verde formation.

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature:

Printed Name: R. E. Fielder

Title: Agent

Date: September 28, 2000

Phone: (505) 325-5220

OIL CONSERVATION DIVISION

Approved by:

Title: DEPUTY OIL & GAS INSPECTOR, DIST. III

Approval Date: OCT - 4 2000

Expiration Date: OCT - 1 2001

Conditions of Approval:

Attached ☐

District I  
PO Box 1980, Hobbs, NM 88241-1980

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, 1994  
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 30039-26520		*Pool Code 71599	*Pool Name BASIN DAKOTA
*Property Code 26716	*Property Name BEAR 20		*Well Number 1
*GRID No. 22044	*Operator Name McELVAIN OIL & GAS PROPERTIES		*Elevation 7275

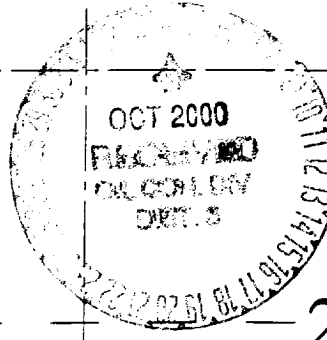
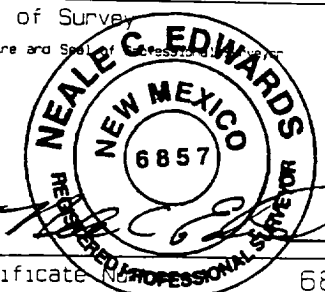
10 Surface Location

UL or lot no. A	Section 20	Township 26N	Range 2W	Lot Idn	Feet from the 790	North/South line NORTH	Feet from the 990	East/West line EAST	County 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		15 Order No.			

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

16		5275.38'	790'	990'	5280.00'	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 September 28, 2000 Date
5280.00'	20	5281.32'	790'	990'	5280.00'	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.
SEPTEMBER 19, 2000 Date of Survey						Signature and Seal of Surveyor 
Certificate No. 6857						