

OCD-HOBBS

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Form 3160-5

(April 2004)

CONFIDENTIALUNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

JUL 06 20

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.*

RECEIVED

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

McElvain Oil & Gas Properties, Inc.

3a. Address

1050 - 17th Street, Suite 1800 Denver, Colorado 80265

3b. Phone No. (include area code)

303-893-0933

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

2240' FSL & 990' FWL (NWSW) Section 31, T18S-R34E

5. Lease Serial No.

LC-069457

6. If Indian, Allottee or Tribe Name

na

7. If Unit or CA/Agreement, Name and/or No

na

8. Well Name and No.

McElvain # 10

9. API Well No.

30-025-39520

10. Field and Pool, or Exploratory Area

EK - Bone Spring

11. County or Parish, State

Lea County, New Mexico

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 checked="" 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 checked="" 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 checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Notification of
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	Completion Ops
				Acid & Frac

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 recompleat 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 recompleat 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.)

Following Release of the drilling rig on 2/11/10, the location was dressed up and rig anchors set on 2/18/10. On 2/22/10 a service rig was moved onto the well. The DV tool at 6,782' was drilled out and the wellbore cleaned out and scraped to 9,748' KB (initial PBTD). A CBL was run on 2/24/10 verifying good cement through the DV and to surface. The casing, DV & BOPE were tested to 2,500 psi before the well was swabbed down & perforated w/4 spf, 120 degree phasing from 9,549-53', 9,581-85' & 9,594-98' KB (12' & 48 holes total) on 2/26/10. Utilizing a packer, the well was acidized with 1,200 gals 10% NeFe HCL acid including 72 ball sealers on 2/27/10. 14 barrels over the 85 bbl load were swabbed back before the packer was pulled on 3/8/10. Halliburton fracture stimulated the well on 3/10/10 with their DeltaFrac System pumping a total of 130,700 lbs 20/40 PRC 6000 sand from 1.0 ppg to a maximum of 4.0 ppg in 104,847 gals of fluid. ATR=50.6 BPM, ATP=3603 psi, Max TP=4115 psi. ISIP=3303 psi, 15 min SI=3083 psi. The well was left SI overnight and flowback operations commenced on 3/11/10. As of 3/19/10 the well is being swab tested and has recovered 36% of the frac load with a current 5% oil cut.

PLEASE KEEP ALL INFORMATION CONFIDENTIAL FOR THE MAXIMUM ALLOWABLE PERIOD OF TIME.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

E. Reed Fischer

Signature

Title Senior Operations Engineer

Date

03/19/2010

ACCEPTED FOR RECORD

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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.

Title

Office

K12

Date

APR 3 2010

BUREAU OF LAND MANAGEMENT

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)

JUL 07 2011