

Submit 1 Copy to Appropriate District Office
 District I - (575) 393-6161
 1625 N. French Dr., Hobbs, NM 88240
 District II - (575) 748-1283
 811 S. First St., Artesia, NM 88210
 District III - (505) 334-6178
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV - (505) 476-3460
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised July 18, 2013

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

WELL API NO. 30-025-40869
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VB15820000
7. Lease Name or Unit Agreement Name Little Lake 16 State
8. Well Number 1
9. OGRID Number 22044
10. Pool name or Wildcat Young North - Delaware (65355)
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3787' (GLE) & 3805' (KBE)

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 Energy, Inc.

3. Address of Operator
1050 - 17th Street, Suite 2500 Denver, Colorado 80265

4. Well Location
 Unit Letter F: 1900 feet from the North line and 2100 feet from the West line
 Section 16 Township 18S Range 32E NMPM Lea County

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

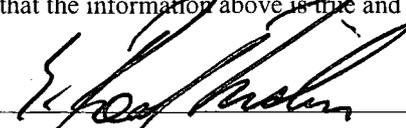
NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE 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 checked="" type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: Status Update - Wait on Completion <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.

Operations Update following October 2, 2014 Notice of the drilling rig release.
 The well was drilled to a TD of 5,950 feet and logged prior to plugging back the lower portion of the open-hole before setting and cementing production casing @ 5015. The drilling rig (Silver Oak Rig #5) was released on September 25, 2014 but remained on location until its removal back to Silver Oak's yard on January 15, 2015.
 The location is being dressed up and prepared so that the well can be production tested but actual testing and completion operations have been postponed due to the current pricing environment and the well is still "waiting on completion".

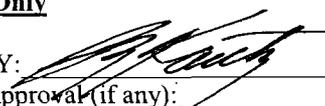
Spud Date: September 16, 2014 Rig Release Date: September 25, 2014

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

SIGNATURE  TITLE Operations Manager DATE January 21, 2015

Type or print name E. Reed Fischer E-mail address: Reed.Fischer@mcelvain.com PHONE: (303) 893-0933

For State Use Only

APPROVED BY:  TITLE Petroleum Engineer DATE 02/20/15
 Conditions of Approval (if any):

FEB 23 2015