

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-101  
May 27, 2004

Submit to appropriate District Office

☐ AMENDED REPORT

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

Operator Name and Address McElvain Oil & Gas Properties, Inc. 1050 17 <sup>th</sup> Street, Suite 1800 Denver, CO 80265-1801		OGRID Number 22044
Property Code 34986	Property Name Ruby	APL Number 30 - 045 - 33266
Proposed Pool 1 Fulcher Kutz Pictured Cliffs		Well No. 1
Proposed Pool 2		

Surface Location

UL or lot no. L	Section 3	Township 29N	Range 13W	Lot Idn	Feet from the 1755	North/South line South	Feet from the 860	East/West line West	County San Juan
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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
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Additional Well Information

Work Type Code N	Well Type Code G	Cable/Rotary R	Lease Type Code P	Ground Level Elevation 5498'
Multiple N	Proposed Depth 1664'	Formation Lewis	Contractor D&D Service	Spud Date November 1, 2005
Depth to Groundwater		Distance from nearest fresh water well		Distance from nearest surface water
Pit: Liner: Synthetic <input type="checkbox"/> _____ mils thick Clay <input type="checkbox"/>		Pit Volume: _____ bbls		Drilling Method:
Closed-Loop System <input checked="" type="checkbox"/> X		Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>		

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
8.750"	7.000"	20	200'	50	Surface
6.250"	4.500"	10.5	1664'	145	surface

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.  
Drill 8 3/4" hole to 200' using fresh water mud system. Run and cement surface casing in a single stage with cement returns to surface. WOC 12 hours. Nipple up 11" 2000 # BOPE. Pressure test surface casing and BOPE to minimum of 600 psig for 15 minutes. Drill 6 1/4" hole to TD using fresh water mud system. Log well. Run and cement production casing in a single stage with cement returns to surface. Move out drilling rig. Move in completion equipment. Run cased hole correlation logs. Pressure test casing to 3500 psig for 30 minutes. Perforate select Pictured Cliffs intervals and stimulate using a 2% KCl based system. See attached drilling program for specific details.

This well is co-located with the Fundingsland - Sunical No. 10 well adjacent to the city park and ballparks on 30<sup>th</sup> and Butler in Farmington. Equipment on this existing location will be removed prior to the drilling of this proposed well. There will be no pits or impoundments for storage of drilling or production fluids. All fluids will be retained in steel above ground tanks. Drill cuttings and mud solids will be hauled to a commercial disposal facility upon completion of the drilling operation. Drilling fluid liquid phase and produced water will be hauled to a commercial disposal facility during the life of the well.

The well location will be permitted according to City of Farmington Oil & Gas Regulations upon receipt of the permit from the State.

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines ☒ a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Printed name: Robert E. Fielder

Title: Agent

E-mail Address: pmci@acs-online.net

Date: July 28, 2005

Phone: 505.632.3869

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

Conditions of Approval Attached ☐

DEPUTY OIL & GAS INSPECTOR, DIST. #3

JUL 28 2005

Expiration Date:

JUL 28 2006

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

District II  
PO Drawer 00, 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 30-045-33246		*Pool Code 77200	*Pool Name FULCHER KUTZ PICTURED CLIFFS
*Property Code 34986	*Property Name RUBY		*Well Number 1
*OGRID No. 22044	*Operator Name McELVAIN OIL & GAS PROPERTIES		*Elevation 5498'

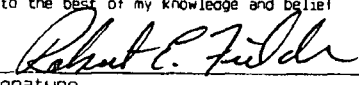
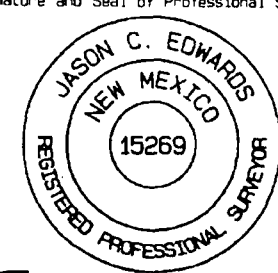
<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	3	29N	13W		1755	SOUTH	860	WEST	SAN JUAN

<sup>11</sup> 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
*Dedicated Acres 160.0 Acres - SW/4					*Joint or Infill	*Consolidation Code	*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

<sup>16</sup> 5280.00' LOT 4 LOT 3 LOT 2 LOT 1 1329.90' 1320.00' 860' 2640.00' 1755' LEASE FEE 5270.76' 1327.92' 1320.00' 2640.00'				<sup>17</sup> OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature Robert E. Fielder Printed Name Agent Title July 27, 2005 Date <sup>18</sup> 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. Date of Survey: JULY 1, 2005 Signature and Seal of Professional Surveyor  JASON C. EDWARDS Certificate Number 15269	
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**McElvain Oil & Gas Properties, Inc.**  
**Ruby No. 1**  
**1755' FSL & 860' FWL**  
**Section 3, T29N, R13W, NMPM**  
**San Juan County, New Mexico**

**TEN POINT DRILLING PROGRAM**

1. **Surface Formation:** Nacimiento
2. **Surface Elevation:** 5498' GL.
3. **Estimated Formation Tops:**

<u>Formation</u>	<u>Top - feet</u>	<u>Expected Production</u>
Nacimiento	surface	
Ojo Alamo	<100	
Kirtland	754	
Farmington	814	
Fruitland	1054	GAS
Pictured Cliffs	1354	GAS
Lewis	1514	
TOTAL DEPTH	1664	

4. **Surface Hole Program:**

**Bit:** Drill an 8 $\frac{3}{4}$ " hole to 200' using a retip mill tooth, IADC Class 115 or 116, bit. WOB: all. RPM: 70 - 100.

**Mud:** Use a fresh water base spud mud with the following properties:

<u>Interval (ft)</u>	<u>Weight (ppg)</u>	<u>Ph</u>	<u>Vis(sec/qt)</u>	<u>Water Loss</u>
0 - 200	8.6 or less	9.0-9.5	40 - 50	No Control

**Casing and Cementing:** A string of 7" 20 ppf J-55 or K-55 ST&C casing will be set and cemented to the surface in a single stage with 50 sacks (59.0 cf) of Class "B" cement (yield = 1.18 cf/sk) containing 3% CaCl<sub>2</sub> and 1/4 lb/sack celloflake. Slurry volume assumes 100% excess over calculated hole volume. If cement does not circulate to surface, cement will be topped off using 1" pipe down the 8 $\frac{3}{4}$ " by 7" annulus. Minimum clearance between couplings and hole is 0.5470". Prior to drilling out the shoe, casing and BOPE will be tested to a minimum of 600 psig. Safety factors utilized in the design of this casing string were: burst = 1.1; collapse = 1.125; and tension = 1.8.

WOC 12 HOURS. Nipple up 7 1/16" 2000# BOPE. Pressure test surface casing and BOPE to 600 psi for 15 minutes.

**Centralizers:** Run two (2) 7" X 8 $\frac{3}{4}$ " regular bowspring centralizers. Install first one on stop ring in middle of shoe joint.

**Float Equipment:** Cement nose guide shoe thread locked. Also thread lock connection between first and second joint run.

**Drilling Program**  
**McElvain Oil & Gas Properties, Inc.**  
**Ruby No. 1**  
Page Two

**5. Production Hole Program:**

**Bit:** Drill a 6 $\frac{1}{4}$ " hole to 1664' using a TCI, IADC Class 447 bit. WOB: 30-35K. RPM: 60 - 75. Reduce RPM to 55 - 65 through Ojo Alamo.

**Mud:** Use a fresh water base polymer and water system to drill this section. If hole conditions dictate, mud up with a fresh water base LSND mud with the following properties:

<u>Interval (ft)</u>	<u>Weight (ppg)</u>	<u>Ph</u>	<u>Vis(sec/qt)</u>	<u>Water Loss</u>
200 - 1664	8.6 - 8.8	9.0-9.5	28 - 35	10 - 12

Fresh water will be used for dilution and building volume. Sufficient materials will be on location at all times to maintain mud properties and to control any lost circulation problem or unforeseen abnormal pressures. The mud volume in the surface pit will be visually monitored and recorded on a routine basis.

**Note:** If mud up is required, raise **viscosity** to 55 - 60 for logging. Thin to 40 - 45 viscosity to run casing.

**pH** is to be maintained with lime or caustic soda at the recommended levels to assure drill pipe corrosion protection.

Drispac will be used for control of fluid loss.

Lost Circulation can occur in the Fruitland Coal and Pictured Cliffs formation. Mud weights should be controlled as low as possible with solids control equipment then as low as practical with water dilution.

**Pressure Control:** A 2M psi BOP well control system will be utilized. BOP's and choke manifold will be installed and pressure tested to a minimum of 600 psig before drilling out from under surface casing. Mechanical operation of pipe rams will be checked daily and blind rams will be checked on each trip out of hole. 4 $\frac{1}{2}$ " rams will be installed before running production casing. A full opening internal blowout preventor or drill pipe safety valve will be on the drill floor at all times and will be capable of fitting all connections.

**Logging Program:** Dual Induction and Compensated Neutron/Formation Density logs will be run from TD to the surface casing shoe.

**Casing and Cementing Program:** Run 4 $\frac{1}{2}$ " 10.5 ppf J-55 production casing from surface to TD and cement in a single stage with 65 sacks (165.75 cf) of Class B containing 3% sodium metasilicate extender, 5 pps Gilsonite and 1/4 pps celloflake. Lead slurry mixed at 11.8 PPG to yield 2.55 cf/sk. Tail in with 80 sacks (95.20 cf) of Class B with 0.25 pps celloflake, 0.3% FLA and 5 pps gilsonite mixed at 15.6 PPG to yield 1.19 cf/sk.

**Drilling Program**  
**McElvain Oil & Gas Properties, Inc.**  
**Ruby No. 1**  
**Page Three**

**5. Production Hole Program: -continued**

Slurry volumes assume a 50% excess over gauge hole volume to circulate to surface. Minimum clearance between couplings and hole is 0.6250". Safety factors utilized in the design of this casing string were: burst = 1.1; collapse = 1.125; and tension = 1.8.

**Centralizers:** 5 - 4½" X 6¼" bowspring centralizers will be run across all prospective pays and 2 - 4½" X 6¼" turbolizers will be spaced such that one (1) is just below the base of the Ojo Alamo and one (1) in the Ojo Alamo.

**Float Equipment:** Cement nose guide shoe, 1 joint 4½" casing, and float collar.

**6. Auxiliary Equipment:**

An upper kelly cock will be utilized. The handle will be available on rig floor at all times

**7. Logging Program:**

Dual Induction and Compensated Neutron / Formation Density will be run from TD to surface casing shoe. Bulk density will be presented on a 5 " scale through the coals. Deep induction curve will be merged onto the porosity log.

**Coring and Testing Program:**

No cores or drill stem tests are planned.

**8. Abnormal Pressure:**

Although not expected, abnormal pressures are possible in the Fruitland formation.

**Estimated Bottom Hole Pressure:**

250 - 300 psig.

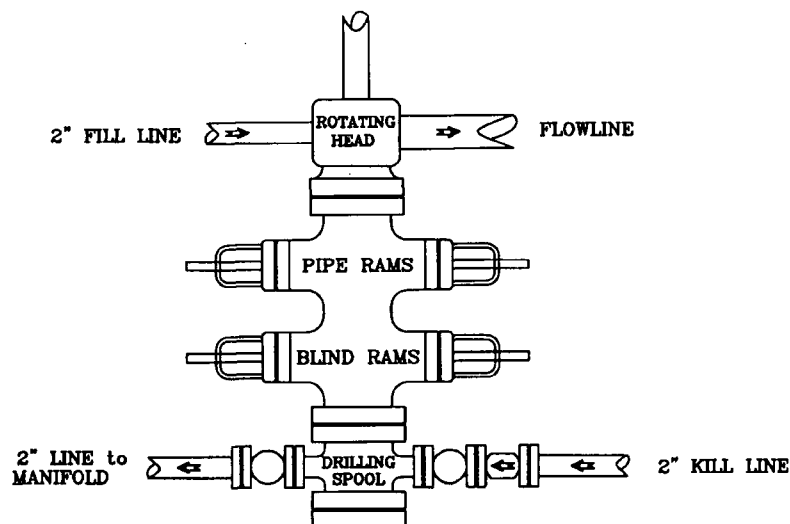
**9. Anticipated Starting Date:**

November 1, 2005

**Duration of Operations:** It is estimated a total of 6 days will be required for drilling operations and 5 days for the completion operation.

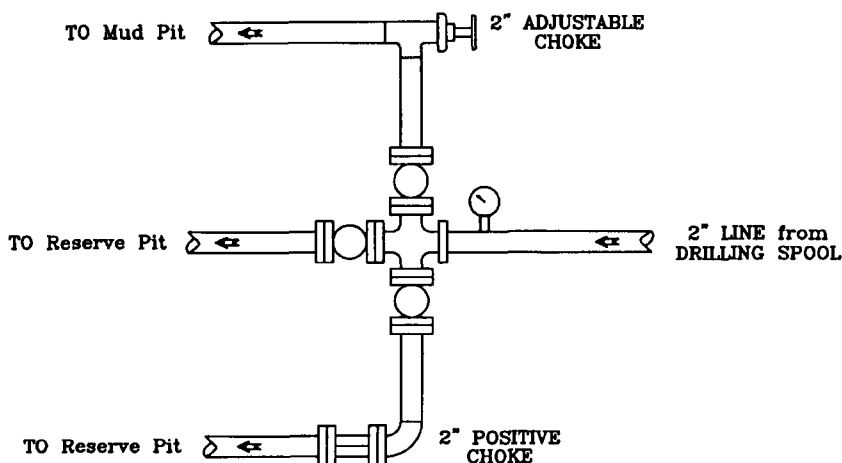
# PRESSURE CONTROL

## Wellhead Assembly



Preventer and Spools are to have a  
6" Bore or larger and a 2000 PSI  
or higher Pressure Rating

## Choke Manifold



*McElvain Oil & Gas Properties, Inc.*

Ruby No. 1

1755' FSL - 860' FWL

Section 3, T29N, R13W, NMPM

San Juan County, New Mexico

Submit 3 Copies To Appropriate District  
Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM  
87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103

May 27, 2004

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-045-33266

5. Indicate Type of Lease

STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

Ruby

Well Number 1

OGRID Number 22044

10. Pool name or Wildcat

Fulcher Kutz Pictured Cliffs

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG AND ABANDON A WELL IN 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 17<sup>th</sup> Street, Suite 1800, Denver, CO 80265

4. Well Location

Unit Letter I : 1755 feet from the South line and 860 feet from the West line  
Section 3 Township 29N Range 13W NMPM County San Juan

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
5498'

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type Depth to Groundwater Distance from nearest fresh water well Distance from nearest surface water

Pit Liner Thickness: mil Below-Grade Tank: Volume bbls; Construction Material

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: Extension  
☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☐

OTHER: ☐

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

McElvain Oil and Gas is requesting an extension of the APD for One (1) year.

This request is due to land issues within the spacing unit.

Extend to July 28, 2007

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Deborah K Powell TITLE Engineering Tech DATE 8/7/2006

Type or print name Deborah K Powell E-mail address: DebbyP@McElvain.com Telephone No. 303-893-0933

For State Use Only

APPROVED BY: [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 58 DATE AUG 10 2006  
Conditions of Approval (if any):

Submit 3 Copies To Appropriate District Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
May 27, 2004

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

WELL API NO. 30-045-33266
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 Ruby
8. Well Number 1
9. OGRID Number 22044
10. Pool name or Wildcat Fulcher Kutz Pictured Cliffs
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5498' GL
Pit or Below-grade Tank Application <input checked="" type="checkbox"/> or Closure <input type="checkbox"/>
Pit type Drilling _____ Depth to Groundwater <100 ft distance from nearest fresh water well >1000 ft _____ Distance from nearest surface water 60 ft _____
Pit Liner Thickness: 12 mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

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 17<sup>th</sup> St., Suite 1800; Denver, CO 80265-1801

4. Well Location  
Unit Letter \_\_\_\_\_ L \_\_\_\_\_ 1755 feet from the South line and 860 feet from the West line  
Section 3 Township 29N Range 13W NMPM San Juan County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
5498' GL

Pit or Below-grade Tank Application ☒ or Closure ☐

Pit type Drilling \_\_\_\_\_ Depth to Groundwater <100 ft distance from nearest fresh water well >1000 ft \_\_\_\_\_ Distance from nearest surface water 60 ft \_\_\_\_\_

Pit Liner Thickness: 12 mil Below-Grade Tank: Volume \_\_\_\_\_ bbls; Construction Material \_\_\_\_\_

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"/>	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"/>
PLUG AND ABANDON <input type="checkbox"/>	P AND A <input type="checkbox"/>
CHANGE PLANS <input checked="" type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>
MULTIPLE COMPL <input type="checkbox"/>	OTHER: <i>Pit - Hole s.s. + CGG + TD change</i> <input checked="" type="checkbox"/>
OTHER: <input 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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

McElvain Oil & Gas Properties, Inc. proposes to use a 15' W X 80' L X 8' D (1800 bbl) lined reserve pit instead of the originally proposed closed mud system due to the limited space available on the existing location. McElvain will close this pit in accordance with NMOCD guidelines upon completion of the operation.  
We also propose to change the casing and cementing program to the following:  
Surface Hole - 12 1/4", Surface casing - 8 5/8", 24 ppf, J or K55 set at 200 ft. Surface cement - 140 sacks Class "B" (yield 1.18 cf/sk) with 3% CaCl and 0.25 pps celloflake. 100% over calculated hole volume.  
Production hole - 7 7/8". Total Depth - 1520 feet. Production casing - 5 1/2" 15.5 ppf, J or K55 set at 1520 ft. Production cement - single stage - 110 sacks Class B (yield 2.55 cf/sk) with 3% sodium metasilicate extender, 5pps gilsonite and 0.25 pps celloflake. Tail in with 100 sacks Class B (yield 1.19 cf/sk) with 5 pps gilsonite, 0.25 pps celloflake and 0.3% fluid loss additive. 50% over calculated hole volume.

\* Original approved closed mud system must be used. <sup>BP</sup>  
I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☒ a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE *Robert E. Fielder* TITLE Agent DATE 09/27/06

Type or print name Robert E. Fielder E-mail address: pmci@advantas.net Telephone No. 505.632.3869

For State Use Only  
APPROVED BY: *Henry Villanueva* TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 66 DATE SEP 28 2006

Conditions of Approval (if any):  
Pit permit is denied, Brandon Powell



Submit 3 Copies To Appropriate District  
Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
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87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
May 27, 2004

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

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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.)		WELL API NO. 30-045-33266
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator McElvain Oil & Gas Properties, Inc.		6. State Oil & Gas Lease No.
3. Address of Operator 1050 17 <sup>th</sup> Street, Suite 1800, Denver, CO 80265		7. Lease Name or Unit Agreement Name Ruby
4. Well Location Unit Letter <u>I</u> : <u>1755</u> feet from the <u>South</u> line and <u>860</u> feet from the <u>West</u> line Section <u>3</u> Township <u>29N</u> Range <u>13W</u> NMPM County <u>San Juan</u>		8. Well Number <u>1</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5498'		9. OGRID Number <u>22044</u>
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____		
Pit Liner Thickness: _____ mll Below-Grade Tank: Volume _____ bbls; Construction Material _____		

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

<b>NOTICE OF INTENTION TO:</b>		<b>SUBSEQUENT REPORT OF:</b>	
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 type="checkbox"/>	
OTHER: Extension <input checked="" type="checkbox"/>		OTHER: <input 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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

McElvain Oil and Gas is requesting an extension of the APD for One (1) year.

This request is due to on going land issues within the spacing unit.

RCVD SEP 5 '07

OIL CONS. DIV.

DIST. 3

*Expires 7/28/08*

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Deborah K Powell TITLE Engineeering Tech Supervisor DATE 9/5/2007

Type or print name Deborah K. Powell E-mail address: DebbyP@McElvain.com Telephone No. 303-893-0933

For State Use Only

Deputy Oil & Gas Inspector,  
District #3

APPROVED BY: [Signature] TITLE \_\_\_\_\_ DATE SEP 05 2007

Conditions of Approval (if any):

Submit 3 Copies to Appropriate District Office  
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Energy, Minerals and Natural Resources

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Santa Fe, NM 87505

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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.)		WELL API NO. 30-045-33266
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator McElvain Oil & Gas Properties, Inc.		6. State Oil & Gas Lease No.
3. Address of Operator 1050 17 <sup>th</sup> Street, Suite 1800, Denver, CO 80265		7. Lease Name or Unit Agreement Name Ruby
4. Well Location Unit Letter <u>I</u> : <u>1755</u> feet from the <u>South</u> line and <u>860</u> feet from the <u>West</u> line Section <u>3</u> Township <u>29N</u> Range <u>13W</u> NMPM County <u>San Juan</u>		8. Well Number <u>1</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) <u>5498'</u>		9. OGRID Number <u>22044</u>
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		10. Pool name or Wildcat Fulcher Kutz Pictured Cliffs
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____		
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____		

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

<b>NOTICE OF INTENTION TO:</b>		<b>SUBSEQUENT REPORT OF:</b>	
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 checked="" 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 type="checkbox"/>	
OTHER <input type="checkbox"/>		OTHER: <input 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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

McElvain Oil and Gas is changing the depth the surface casing is set from 200' to 500'.  
The cement will also change from 50 sx to 360 sx STD.

RCVD FEB 6 '08  
OIL CONS. DIV.

DIST. 3

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Deborah K. Powell TITLE Engineering Tech Supervisor DATE 2/6/2008

Type or print name Deborah K. Powell E-mail address: DebbyP@McElvain.com Telephone No. 303-893-0933  
For State Use Only

APPROVED BY: H. Villanueva TITLE Deputy Oil & Gas Inspector DATE FEB 06 2008  
Conditions of Approval (if any): District #3

86

Submit 3 Copies to Appropriate District Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
May 27, 2004

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

WELL API NO. 30-045-33266
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 Ruby
8. Well Number 1
9. OGRID Number 22044
10. Pool name or Wildcat Fulcher Kutz Pictured Cliffs

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 17<sup>th</sup> Street, Suite 1800, Denver, CO 80265

4. Well Location  
Unit Letter I : 1755 feet from the South line and 860 feet from the West line  
Section 3 Township 29N Range 13W NMPM County San Juan

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
5498'

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type \_\_\_\_\_ Depth to Groundwater \_\_\_\_\_ Distance from nearest fresh water well \_\_\_\_\_ Distance from nearest surface water \_\_\_\_\_

Pit Liner Thickness: \_\_\_\_\_ mil Below-Grade Tank: Volume \_\_\_\_\_ bbls; Construction Material \_\_\_\_\_

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS ☐ P AND A ☐  
CASING/CEMENT JOB ☐

OTHER: Spud ☒

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

1/26/2008 Begin driving conductor 13 3/8" - 2/1/2008 Conductor @ TD 45'.  
2/5/2008 Rig up for closed loop system.  
2/7/2008 Spud 12 1/4" hole @ 8:30 am. Drilled to 325'.  
2/8/2008 Drilled to 525'. 2/9/2008 Ran 13 Jts new 8 5/8" J-55 24# STC csg - landed @ 514'.  
2/9/2008 Cemented as follows: 365 sx Std 2% CaCl, 15.6 ppg, 1.18 y. Circulated 20 bbls to surface.  
2/10/2008 Test csg 650 psi, 30 min. Test Blind rams, pipe rams, choke manifold, 2000 psi, 10 min high;  
250 psi low 5 min. All held.

RCVD FEB 25 '08

OIL CONS. DIV.

DIST. 3

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Deborah K Powell TITLE Eng Tech Supervisor DATE 2/19/2008

Type or print name Deborah K Powell

E-mail address: DebbyP@McElvain.com

Telephone No. 303-893-0933

For State Use Only

Deputy Oil & Gas Inspector,  
District #3

APPROVED BY: H. Villanueva

TITLE \_\_\_\_\_ DATE FEB 26 2008

Conditions of Approval (if any):

Submit 3 Copies to Appropriate District Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
May 27, 2004

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

WELL API NO. 30-045-33266
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 Ruby
8. Well Number 1
9. OGRID Number 22044
10. Pool name or Wildcat Fulcher Kutz Pictured Cliffs

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 PLRMT" (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 17<sup>th</sup> Street, Suite 1800, Denver, CO 80265

4. Well Location

Unit Letter I : 1755 feet from the South line and 860 feet from the West line  
Section 3 Township 29N Range 13W NMPM County San Juan

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
5498'

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type Depth to Groundwater Distance from nearest fresh water well Distance from nearest surface water

Pit Liner Thickness: mil Below-Grade Tank: Volume bbls; Construction Material

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☐

OTHER ☐

OTHER: Run Csg ☒

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

2/13/2008 Drilled a 7 7/8" hole to TD - 1710'

2/15/2008 Ran 41 Jts new 5 1/2" J-55-15.5# STC csg. Landed @ 1689'

Cemented as follows:

Lead: 150 sx 65/35 POZ, 12.4 ppg, 1.89 y.

Tail: 100 sx Type V 2% gel, 15.2 ppg, 1.25 yield.

Circulated 2 bbls to surface.

Bumped plug @ 16.33 -held.

2/17/2007 Rig moved off Loc

PT Will be reported on next sundry.

RCVD MAR 7 '08

OIL CONS. DIV.

DIST. 3

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Debbie K Powell TITLE Eng Tech Supervisor DATE 3/5/2008

Type or print name Deborah K Powell

E-mail address: DebbyP@McElvain.com

Telephone No. 303-893-0933

For State Use Only

APPROVED BY: H Villanueva

TITLE Deputy Oil & Gas Inspector,  
District #3

DATE MAR 10 2008

Conditions of Approval (if any):

B

Submit 3 Copies to Appropriate District Office  
District I  
1625 N French Dr, Hobbs, NM 88240  
District II  
1301 W Grand Ave, Artesia, NM 88210  
District III  
1000 Rio Brazos Rd, Aztec, NM 87410  
District IV  
1220 S St Francis Dr, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
May 27, 2004

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

WELL API NO.  
30-045-33266

5. Indicate Type of Lease

STATE ☐ FEE ☒ ~

6. State Oil & Gas Lease No.

RCVD MAR 17 '08

7. Lease Name or Unit Agreement Name  
Ruby OIL CONS. DIV.  
DIST. 3

8. Well Number 1

9. OGRID Number 22044

10. Pool name or Wildcat  
Fulcher Kutz Pictured Cliffs

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 17<sup>th</sup> Street, Suite 1800, Denver, CO 80265

4. Well Location

Unit Letter I : 1755 feet from the South line and 860 feet from the West line

Section 3 Township 29N Range 13W NMPM County San Juan

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
5498'

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type Depth to Groundwater Distance from nearest fresh water well Distance from nearest surface water

Pit Liner Thickness: mil Below-Grade Tank: Volume bbls: Construction Material

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS ☐ P AND A ☐  
CASING/CEMENT JOB ☐

OTHER: Completion ☒

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

2/29/2008 Ran CBL . Pressure test csg to 2200 psi. Held.

3/3/2008 Perf Pictured Cliffs @ 1380'-1400', 4spf, 0.43" dia. & 80 shots. Acidize w/ 1000gal 15% HCL

3/5/2008 Frac - ran radioactive isotope tracer during frac. 310 gal Aqua-Safe, 80 gal crosslink, 16,040 16/30 sand.

3/6/2008 Ran 42 Jts new 2 3/8" 4.7#, J-55, tbgs set @ 1400'.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Deborah K Powell TITLE Eng Tech Supervisor DATE 3/13/2008

Type or print name Deborah K Powell

E-mail address: DebbyP@McElvain.com

Telephone No. 303-893-0933

For State Use Only

APPROVED BY: H. Villanueva

TITLE Deputy Oil & Gas Inspector,

District #3

DATE MAR 19 2008

Conditions of Approval (if any):

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-104  
Revised Feb. 26, 2007

Submit to Appropriate District Office  
5 Copies

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

<sup>1</sup> Operator name and Address McElvain Oil & Gas Properties, Inc. 1050 17 <sup>th</sup> St, Suite 1800 Denver, CO 80265		<sup>2</sup> OGRID Number 22044
		<sup>3</sup> Reason for Filing Code/ Effective Date New Well / 4/25/2008
<sup>4</sup> API Number 30 - 045-33266	<sup>5</sup> Pool Name Fulcher Kutz Pictured Cliffs	<sup>6</sup> Pool Code 77200
<sup>7</sup> Property Code 34986	<sup>8</sup> Property Name Ruby	<sup>9</sup> Well Number 1

II. <sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West line	County
L	3	29N	13W		1755	South	860	West	San Juan

<sup>11</sup> Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<sup>12</sup> Lse Code	<sup>13</sup> Producing Method Code PU	<sup>14</sup> Gas Connection Date TBD	<sup>15</sup> C-129 Permit Number	<sup>16</sup> C-129 Effective Date	<sup>17</sup> C-129 Expiration Date				

III. Oil and Gas Transporters

<sup>18</sup> Transporter OGRID	<sup>19</sup> Transporter Name and Address	<sup>20</sup> O/G/W
9018	Giant	O
151618	Enterprise	G
	McElvain Oil and Gas	W

IV. Well Completion Data

<sup>21</sup> Spud Date 2/07/2008	<sup>22</sup> Ready Date 4/22/2008	<sup>23</sup> TD 1710	<sup>24</sup> PBDT 1645	<sup>25</sup> Perforations 1380'-1400'	<sup>26</sup> DHC, MC
<sup>27</sup> Hole Size	<sup>28</sup> Casing & Tubing Size	<sup>29</sup> Depth Set	<sup>30</sup> Sacks Cement		
12 1/4"	8 5/8"	514'	365		
7 7/8"	5 1/2"	1689'	250		
	2 3/8"	1566'			

V. Well Test Data

<sup>31</sup> Date New Oil	<sup>32</sup> Gas Delivery Date TBD	<sup>33</sup> Test Date 5/9/2008	<sup>34</sup> Test Length 7 hr	<sup>35</sup> Tbg. Pressure	<sup>36</sup> Csg. Pressure 2
<sup>37</sup> Choke Size 1/4"	<sup>38</sup> Oil 0	<sup>39</sup> Water 13	<sup>40</sup> Gas 1.46		<sup>41</sup> Test Method Pumping
<sup>42</sup> I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Deborah K Powell</i>			OIL CONSERVATION DIVISION Approved by: <i>[Signature]</i> Title: DEPUTY OIL & GAS INSPECTOR, DIST. 3 Approval Date: MAY 09 2008		
Printed name: Deborah K Powell					
Title: Eng Tech Supervisor					
E-mail Address: DebbyP@McElvain.com					
Date: 5/9/2008		Phone: 303-893-0933 Ex 308			

RECD MAY 9 '08  
OIL CON. DIV.  
DIST. 3

8

Submit 3 Copies To Appropriate District Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

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

AMENDED

Form C-103  
May 27, 2004

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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.)		WELL API NO. 30-045-33266
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator McElvain Oil & Gas Properties, Inc.		6. State Oil & Gas Lease No.
3. Address of Operator 1050 17 <sup>th</sup> Street, Suite 1800, Denver, CO 80265		7. Lease Name or Unit Agreement Name Ruby
4. Well Location Unit Letter I : 1755 feet from the South line and 860 feet from the West line Section 3 Township 29N Range 13W NMPM County San Juan		8. Well Number 1
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5498'		9. OGRID Number 22044
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____		
Pit Liner Thickness: _____ mll Below-Grade Tank: Volume _____ bbls; Construction Material _____		

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☐

OTHER: ☐

OTHER: AMENDED Completion ☒

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

2/29/2008 Ran CBL . Pressure test csg to 2200 psi. Held.  
3/3/2008 Perf Pictured Cliffs @ 1380'-1400', 4spf, 0.43" dia. & 80 shots. Acidize w/ 1000gal 15% HCL  
3/5/2008 Frac - ran radioactive isotope tracer during frac. 310 gal Aqua-Safe, 80 gal crosslink, 16,040 16/30 sand.  
3/17/2008 Ran 46 Jts new 2 3/8" 4.7#, J-55, tbg set @ 1566', SN @ 1533.03.  
4/22/2008 Set Pumping Unit  
4/24/2008 City of Farmington set power poles.

DIST. 3  
OIL CONS. DIV.  
RCVD MAY 9 '08

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Debby Powell TITLE Eng Tech Supervisor DATE 5/09/2008

Type or print name Deborah K Powell

E-mail address: DebbyP@McElvain.com

Telephone No. 303-893-0933

For State Use Only

APPROVED BY: H. Villanueva

TITLE Deputy Oil & Gas Inspector,  
District #3

DATE MAY 09 2008

Conditions of Approval (if any):

8

February 19, 2008  
McElvain Oil & Gas Properties  
1050 17<sup>th</sup> St Ste 1800  
Denver, CO 80265

30-045-33266

This letter is to certify that D&D Services LLC did run deviation surveys at the below listed depths on your Ruby #1 S3 T29N R13W in San Juan County, New Mexico.

500	1
1000	1 ½
1500	1 ¾
1685	1 ¾


RCVD MAY 9 '08  
OIL CONS. DIV.  
DIST. 3

To the best of my knowledge, I swear this information to be true.

Sincerely,



Glen Davis  
Drilling Manager

  
OFFICIAL SEAL  
KELLIE L. BARRETT  
NOTARY PUBLIC  
STATE OF NEW MEXICO  
My Commission Expires: July 9 2011



Submit To Appropriate District Office State Lease - 6 copies Fee Lease - 5 copies District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505	<b>State of New Mexico</b> <b>Energy, Minerals and Natural Resources</b>  <b>Oil Conservation Division</b> <b>1220 South St. Francis Dr.</b> <b>Santa Fe, NM 87505</b>	<b>Form C-105</b> Revised June 10, 2003  WELL API NO. <b>30-045-33266</b> 5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> State Oil & Gas Lease No.
<b>WELL COMPLETION OR RECOMPLETION REPORT AND LOG</b>		
1a. Type of Well: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> OTHER _____  b. Type of Completion: NEW <input checked="" type="checkbox"/> WORK <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG <input type="checkbox"/> DIFF. <input type="checkbox"/> WELL OVER BACK RESVR. <input type="checkbox"/> OTHER		7. Lease Name or Unit Agreement Name RUBY  <div style="text-align: right;">RCVD MAY 9 '08</div>
2. Name of Operator McElvain Oil & Gas Properties, Inc.		8. Well No. 1 <div style="text-align: right;">OIL CONS. DIV.</div>
3. Address of Operator 1050 17 <sup>th</sup> St, Suite 1800, Denver, CO 80265		9. Pool name or Wildcat <div style="text-align: right;">DIST. 3</div> Fulcher Kutz Pictured Cliffs
4. Well Location  Unit Letter L _____ 1755 Feet From The _____ South _____ Line and _____ 860 Feet From The _____ West _____ Line  Section 3 Township 29N Range 13W NMPM SAN JUAN County		
10. Date Spudded 2/07/2008	11. Date T.D. Reached 2/13/2008	12. Date Compl. (Ready to Prod.) 4/25/2008
13. Elevations (DF& RKB, RT, GR, etc.) 5498' GL 5506' KB		14. Elev. Casinghead
15. Total Depth 1710	16. Plug Back T.D. 1645	17. If Multiple Compl. How Many Zones?
18. Intervals Drilled By		19. Producing Interval(s), of this completion - Top, Bottom, Name 1378' - 1710' Pictured Cliffs
20. Was Directional Survey Made No		21. Type Electric and Other Logs Run CBL/CCL/GR/VDL
22. Was Well Cored		
<b>23. CASING RECORD (Report all strings set in well)</b>		
CASING SIZE	WEIGHT LB./FT.	DEPTH SET
8 5/8"	24#	514'
5 1/2"	15.5#	1689'
<b>24. LINER RECORD</b>		
SIZE	TOP	BOTTOM
25. TUBING RECORD		
SIZE	DEPTH SET	PACKER SET
2 3/8"	1566'	
26. Perforation record (interval, size, and number) 1380'-1400' 0.43 80 holes		
27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.		
DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED	
1380-1400	1000 gal 15% HCL, 310 gal Aqua Safe, 16,040# 16/30 sand	
<b>28. PRODUCTION</b>		
Date First Production TBD	Production Method (Flowing, gas lift, pumping - Size and type pump) Pumping	
Well Status (Prod. or Shut-In) Shut-In		
Date of Test 5/9/2008	Hours Tested 7	Choke Size 1/4"
Prod'n For Test Period	Oil - Bbl 0	Gas - MCF 1.46
Water - Bbl. 13	Gas - Oil Ratio	
Flow Tubing Press. 2	Casing Pressure 2	Calculated 24-Hour Rate
Oil - Bbl. 0	Gas - MCF 5	Water - Bbl. 43
Oil Gravity - API - (Corr.)		
29. Disposition of Gas (Sold, used for fuel, vented, etc.)		Test Witnessed By
30. List Attachments Deviation Report		
31. I hereby certify that the information shown on both sides of this form as true and complete to the best of my knowledge and belief		
Signature <i>Debby K Powell</i> Printed Name Deborah K Powell		Title Eng Tech Supervisor Date 5/09/2008
E-mail Address DebbyP@McElvain.com		

B

# INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico		Northwestern New Mexico	
T. Anhy	T. Canyon	T. Ojo Alamo 0	T. Penn. "B"
T. Salt	T. Strawn	T. Kirtland-Fruitland 793	T. Penn. "C"
B. Salt	T. Atoka	T. Pictured Cliffs 1378	T. Penn. "D"
T. Yates	T. Miss	T. Cliff House	T. Leadville
T. 7 Rivers	T. Devonian	T. Menefee	T. Madison
T. Queen	T. Silurian	T. Point Lookout	T. Elbert
T. Grayburg	T. Montoya	T. Mancos	T. McCracken
T. San Andres	T. Simpson	T. Gallup	T. Ignacio Otzte
T. Glorieta	T. McKee	Base Greenhorn	T. Granite
T. Paddock	T. Ellenburger	T. Dakota	T.
T. Blinbry	T. Gr. Wash	T. Morrison	T.
T. Tubb	T. Delaware Sand	T. Todilto	T.
T. Drinkard	T. Bone Springs	T. Entrada	T.
T. Abo	T.	T. Wingate	T.
T. Wolfcamp	T.	T. Chinle	T.
T. Penn	T.	T. Permian	T.
T. Cisco (Bough C)	T.	T. Penn "A"	T.

## OIL OR GAS SANDS OR ZONES

No. 1, from.....to.....

No. 2, from.....to.....

No. 3, from.....to.....

No. 4, from.....to.....

## IMPORTANT WATER SANDS

**Include data on rate of water inflow and elevation to which water rose in hole.**

No. 1, from.....to.....feet.....  
 No. 2, from.....to.....feet.....  
 No. 3, from.....to.....feet.....

## LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness In Feet	Lithology

From	To	Thickness In Feet	Lithology

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED  
OM B No. 1004-0137  
Expires: March 31, 2007

JUN 18 2008

**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.*

5. Lease Serial No. \_\_\_\_\_  
6. If Indian, Allottee or Tribe Name \_\_\_\_\_  
7. If Unit or CA/Agreement, Name and/or No. \_\_\_\_\_  
8. Well Name and No. Ruby #1  
9. API Well No. 30-045-33266  
10. Field and Pool, or Exploratory area PC  
11. County or Parish, State San Juan, NM

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 PO Box 5610 Farmington, NM 87499  
3b. Phone No. (include area code) 505-327-2679  
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 3 T29N R13W Lat. 36.75333\*N Long. 108.19861\*W

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
Notice of Intent	Acidize	Deepen	Production (Start/Resume)	Water Shut-Off
Subsequent Report	Alter Casing	Fracture Treat	Reclamation	Well Integrity
Final Abandonment Notice	Casing Repair	New Construction	Recomplete	Other <u>First delivery</u>
	Change Plans	Plug and Abandon	Temporarily Abandon	
	Convert to Injection	Plug Back	Water Disposal	

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 recomplete 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 recompletion 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.)

Date: 6-16-08  
Time: 11:15am  
Tubing: 10  
Casing: 110  
IFR: 15 mcf/d  
Meter #: 73965-01  
Transporter: Enterprise  
Orifice: .250  
Spring: 500  
Range: 150  
Tube: 4.027

RCVD JUL 2 '08

OIL CONS. DIV.

DIST. 3

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed) Randy J. Elledge Title Foreman  
Signature [Signature] Date 6-16-08

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

ACCEPTED FOR RECORD

Ar2ravc~ \_\_\_\_\_ Title \_\_\_\_\_ Date JUL 01 2008  
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. Office FARMINGTON FIELD OFFICE BY [Signature]

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)

NMOCD