

McElvain Oil & Gas Properties, Inc.

1050 17TH STREET, SUITE 1800
DENVER, COLORADO 80265

MONA L. BINION, CPL
LAND MANAGER
e-mail monab@mcelvainoilandgas.com

TELEPHONE 303-893-0933 EXT.306
FAX 303-893-0914
Cellular 303-809-2058

November 20, 2000

D. J. Simmons Co. LP
1009 Ridgeway Pl
Farmington, NM 87401

Benson-Montin-Greer Drilling Corporation
501 Airport Drive
Farmington, New Mexico 87401-2466

3TEC Energy Corp.
Two Shell Plaza, 777 Walker, Suite 2400
Houston, Texas 77002

Re: Recompletion Procedure
Re-Entry Proposal (f/k/a Wynona #1)
Naomi Com #1
Township 25 North, Range 3 West
Section 25: SW/4
Rio Arriba County, New Mexico

Gentlemen:

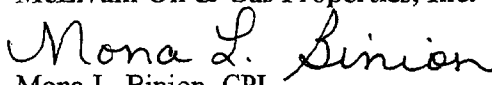
By letter dated November 10, 2000, McElvain Oil & Gas Properties, Inc., proposed the re-entry of the Wynona #1 Well located SE/4SW/4 of Section 25, Township 25 North, Range 3 West, Rio Arriba County, New Mexico, *to be named the Naomi Com #1* in order to attempt a completion of the Mesaverde formation. Submitted with that proposal was a detailed Authorization for Expenditure that represented cost estimates but did not give any specific detail regarding operational procedures for the proposal.

For your information and review to help in evaluating this proposal, and at the request of 3Tec Energy, we have enclosed herewith a Recompletion Procedure outline for the subject re-entry and re-completion.

As previously explained, this re-completion operation is scheduled for early December, therefore, your review and response at your earliest convenience would be greatly appreciated.

We thank you for your consideration to this request and ask that if you have any questions concerning the above or enclosed, please feel free to contact the undersigned.

Very truly yours,
McElvain Oil & Gas Properties, Inc.


Mona L. Binion, CPL
Land Manager

MLB/idi
Encls.

Before the Oil Conservation Commission
Santa Fe, New Mexico
Case Nos. 12635 *de novo*, 12705 Exhibit No. 3
McElvain Oil & Gas Properties, Inc.
Hearing Date: November 6, 2001

McELVAIN OIL & GAS PROPERTIES, INC.

Naomi Com #1

Recompletion Procedure

November, 2000

LOCATION: SE/SW 25-T25N-R3W
Rio Arriba County

API#: 30-039-24222

TD: 8113' PBD: 8071' KB: 13'

Purpose of Work: To recomplete in Point Lookout and Menefee sections

CASING:

9 5/8" 36# limited service @ 319' in 12 1/4" hole
Cemented with 200 sacks Class B +2% CaCl + 1/4#/sk floccel
Circulated to surface

5 1/2" 17# N-80/J-55 @ 8120' in 8 3/4" hole..DV Tool @ 5910' & 3569'
1st stage cemented with 462 sxs(660 cu ft) 50/50 POZ +2% gel +6 1/4 #/sk Gilsonite
+6#/sk NaCl
TOC @ 6642' (bond log)

2nd stage 367 sxs (777 cu ft) 65/35 POZ +6% Gel +12 1/4#/sk Gilsonite..Tailed with 50
sxs (59 cu ft) Class B neat
TOC 3924' (Calculated @ 60%)

3rd stage 525 sxs (1114 cu ft) 65/35 POZ +6% Gel +12 1/4#/sk Gilsonite..Tailed with 50
sxs (59 cu ft) Class B neat
Circulated to surface.

PERFORATIONS:

GALLUP:

Upper: 6760' - 6904' 1 shot per 2 feet
Lower: 6950' - 7056' 1 shot per 2 feet

DAKOTA:

7824' - 27'
7895' - 98'
7901' - 05'
7987.5' - 96.5'

PLUGGING INFORMATION:

| | |
|-----------------------|----------------------------------|
| Plug 1: Surface - 50' | Plug 6: 5010' - 5180' |
| Plug 2: 220' - 370' | Plug 7: 5970' - 6070' (retainer) |
| Plug 3: 1640' - 1794' | Plug 8: 6640' - 6735' (CIBP) |
| Plug 4: 2950' - 3126' | |
| Plug 5: 3280' - 3349' | |

PROCEDURE:

1. MI & RUSU
2. Remove dry hole marker and install well head
3. RU power swivel, pump and tank for drilling
4. Drill out six cement plugs down to TOC at 5970'
5. Circulate hole clean with 2% KCl water
6. Pressure test to 3000 psig for 30 minutes
7. POOH with tubing and BHA
8. RUWL
9. Log GR/CBL/CCL/VDL from PBTD at 5970' to 100' above cement top
10. RIH with perforating guns
11. Perforate with decentralized guns(minimum standoff) the following CNL depths:
5603', 5605', 5608'
5627', 5629', 5631', 5633', 5635', 5637', 5639', 5641', 5643'
5665', 5667', 5669', 5671'
5678', 5680', 5682', 5684', 5686', 5688', 5690', 5692', 5694', 5696', 5698'
5770', 5672', 5674'
5802'
(31 shots..70' net pay)
12. RIH with tubing and packer
13. Set packer at $\pm 5550'$
14. Establish injection rate with 2% KCl water
15. Break down perforations with 1500 gallons 15% HCl and 48 ball sealers
16. Release packer and run past perforations
17. POOH to $\pm 5550'$ and reset packer
18. Establish final injection rate with 2% KCl water and monitor falloff pressures
19. POOH with tubing and packer
20. Frac well as per separate procedure
21. RUWL
22. RIH and set RBP at $\pm 5540'$
23. Fill hole and pressure test to 1000 psig
24. RIH with dump bailer and cap RBP with sand
25. RIH with perforating guns
26. Perforate with decentralized guns(minimum standoff) the following CNL depths:
5325', 5328', 5331', 5334', 5337', 5340', 5343'
5403', 5406', 5409', 5412', 5415', 5418', 5421', 5424', 5427', 5430', 5433', 5436',
5439', 5442', 5445', 5448'
5462', 5465', 5468', 5471', 5474', 5477', 5480', 5483', 5486', 5489', 5492', 5495' &
5498'
(36 holes ..112' net pay)

27. RIH with tubing and packer
28. Set packer at $\pm 5275'$
29. Establish injection rate with 2% KCl water
30. Break down perforations with 2500 gallons 15% HCl and 45 ball sealers
31. Release packer and run past perforations
32. POOH and reset packer at $\pm 5275'$
33. Establish final injection rate with 2% KCl water and monitor falloff pressures
34. POOH with tubing and packer
35. Frac well as per separate procedure
36. Flow well back until well dies
37. Depending on well bore conditions either circulate sand or bail sand off of RBP
38. Retrieve RBP
39. RIH with tubing and hydrostatic bailer and bail sand to PBTD
40. RIH with notched collar, seating nipple and tubing to $\pm 5650'$
41. ND BOP & NUWH
42. Swab well in if necessary
43. RDSU & MOL

NOTE:
DO NOT USE LIQUID KCl SUBSTITUTE in COMPLETION FLUIDS