

MCELVAIN ENERGY, INC.

1050 17th Street, Suite 2500 Denver, Colorado 80265

TONY COOPER Regulatory Manager TELEPHONE: 303-962-6489 Fax: 303-893-0914 E-Mail: TONY.COOPER@MCELVAIN.COM

July 1, 2018

Olivia Yu New Mexico EMNRD Oil Conservation Division District 1 – HOBBS 1625 N. French Drive Hobbs, New Mexico 88240 **APPROVED** By Olivia Yu at 2:30 pm, Jul 05, 2018

Re: Part 34 registration Extension Request – Seely Recycle Containment (1RF-10-0)

Ms. Yu,

Due to delayed drilling activity and operational restrictions associated with the Lesser Prairie Chicken brooding season, McElvain Energy Inc.'s Seely Recycle Containment (1RF-10-0) will not achieve the required 20% throughput required by part 34.13(C) for the period from January 1, 2018 to July 1, 2018.

McElvain Energy Inc. is informing the NMOCD of this issue and respectfully requesting a 6 month extension for the registration (to begin on July 1, 2018) of the containment. McElvain Energy Inc. is scheduled to begin its 2018 drilling program in October of this year with completion operations to begin shortly thereafter. This recycle containment will be supplying the treated produced water for the completion operations.

Please contact me if you have questions or concerns regarding this request.

Respectfully,

Tony Cooper Regulatory Manager McElvain Energy Inc. 303-962-6489 tony.cooper@mcelvain.com