

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

HOBBS
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JUL 28 2011

FORM APPROVED
OMB No. 1004-0137
Expires July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.
NMNM0245247

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
McElvain Oil & Gas Properties, Inc.

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

3b. Phone No. (include area code)
(303) 893-0933 xtn 330

4. Location of Well (Footage, Sec., T, R, M., or Survey Description)
660' FSL & 810' FWL (SWSW) Section 25, T18S-R33E N M P M.

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

8. Well Name and No.
McElvain # 5

9. API Well No.
30-025-29051

10. Field and Pool or Exploratory Area
EK Delaware

11. Country or Parish, State
Lea County, New Mexico

12. CHECK THE 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 checked="" type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Blind off 2nd Dlw'r
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	& recomplete into 1st
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	Delaware

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 must 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

McElvain Oil & Gas Properties, Inc. (MOG) temporarily blinded off production from the 2nd Delaware sand and recompleted the well in the 1st Delaware sand. The well is currently pump testing the 1st Delaware prior to returning the 2nd Delaware perfs to production. The operation summary is as follows:

On 4/18/11 a service rig was moved onto location and the rods & tubing were pulled. On 4/19/11 a RBP was set @ 5,640' in order to blind off the 2nd Delaware perfs from 5,668-5,742'. A CBL was run under 1,500 psi of pressure from 5,640 to 4,500' (TOC @ 4,730'). 2 sacks of sand were dumpbailed over the RBP before testing, the casing & BOP to 3,000 psi. The 1st Delaware sand was perforated from 5,377-5,395' @ 3 spf & 120 degrees. On 4/21/11 these perfs were acidized from under a packer w/1,000 gals NeFe (HCl) acid. The well was swab tested before rig release in order to wait for the frac date. On 5/19/11 the 1st Delaware was fracture stimulated down casing with 84,040 lbs 20/40 sand in 65,730 gals of water (Max sand conc. = 4 ppg, frac gradient = 0.720 psi/ft). The well was swab tested until 5/24/11. The well was placed on pump on 5/26/11. The 1st Delaware sand will be individually pump tested before the RBP @ 5,640 is pulled and production is re-established from the 2nd Delaware sand perfs.

MOG conducted no rig or pressure pumping operations between 3:00 A.M. and 9:00 A.M in order to comply with the lesser prairie chicken stipulations.

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

Title Senior Production Engineer

Signature

Date 05/31/2011

ACCEPTED FOR RECORD

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

JUL 24 2011

Office

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 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)

PETROLEUM ENGINEER

AUG 01 2011