

Form 3160-5
(April 2004)

HOBBS OCD

SEP 06 2011

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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SEP 06 2011

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

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

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
1050 - 17th Street, Suite 2500 Denver, Colorado 80265

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

4 Location of Well (Footage, Sec., T., R., M., or Survey Description)
900 ' FNL & 1170' FWL (NWNW) Sec. 31, T18S-R34E

5 Lease Serial No
LC-0245247

6 If Indian, Allottee or Tribe Name
na

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

8 Well Name and No.
McElvain # 11

9. API Well No
30-025-40108

10 Field and Pool, or Exploratory Area
EK - Bone Spring

11 County or Parish, State
Lea County, New Mexico

12. CHECK 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 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 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 checked="" type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Set & Cement
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Surface Casing
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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 recompleat 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 recompleat 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.)

SUBSEQUENT REPORT: (Drill 17.5" Surface Hole. Set & Cement 13.75" Surface Casing.)

Following spud @ 12:30 P.M. on 7/3/11 the 17.5" surface hole was drilled to 1,764', into the Rustler Anydrite in 55.5 rotating hours between 7/3/11 and 7/6/11. The new 13.375" surface casing string was comprised of 861' of 54.5#, J55 on bottom & 903' of 48#, H40 on top. The string utilized 5 centralizers and was set @ 1,764' KB & cemented to surface on 7/7/11 with a LEAD slurry of 1,080 sx Class 'C' cement mixed @ 1.77 ft3/sk Yield and 13.50 ppg Density and a TAIL slurry of 210 sx Class 'C' mixed @ 1.34 ft3/sk Yield and 14.8 ppg Density. The surface casing cement job was pumped with full returns and recovered an estimated 226 sacks (71 bbls) of cement to the mud bins. The cement plug was bumped @ 0700 hours on 7/7/11 and there was no cement fallback after shut-down. 33 hours elapsed after plug-down and before drillout of the surface casing. Maximum deviation in the surface hole was 1.9 degrees at 1,306' KB. There were no water flows or lost circulation zones encountered while drilling the surface hole.

New formation was first drilled in the 11" intermediate hole @ 1700 hours on 7/8/11.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

E. Reed Fischer

Title Senior Operations Engineer

Signature

Date

08/01/2011

ACCEPTED FOR RECORD

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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

Office

APD 28 2011

Title 18 USC Section 1001 and Title 43 USC 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.

CARLSBAD FIELD OFFICE

(Instructions on page 2)

SEP 07 2011