

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTOCD-HOBBS
HOBBS OCD

SEP 06 2011

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

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.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1 Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	5 Lease Serial No. LC-0245247
2 Name of Operator McElvain Oil & Gas Properties, Inc.	6 If Indian, Allottee or Tribe Name na
3a Address 1050 - 17th Street, Suite 2500 Denver, Colorado 80265	7 If Unit or CA/Agreement, Name and/or No. na
3b Phone No. (include area code) 303-893-0933	8 Well Name and No. McElvain # 11
4 Location of Well (Footage, Sec, T, R, M, or Survey Description) 900' FNL & 1170' FWL (NWNW) Sec. 31, T18S-R34E	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 Operational Update
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Reach TD. Log.
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	Spot P&A Plugs. RR

- 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 to TD. Log. Spot Cement Plugs to Abandon. Release Rig.)

Following the installation of the intermediate casing at 3,466' KB on 7/11/11, a 7.875" production hole was drilled to a TD of 9,796' driller's depth (9,804' KB logger's depth). TD was reached @ 0100 hours on 7/21/11 after 156.0 aggregate rotating hours in the 6,330' of hole below the intermediate casing shoe. Maximum deviation in the well was 2.5 degrees at 9,746' KB. There were no water flows or lost circulation zones encountered while drilling any portion of this well.

The well was logged in a single run with Density/Neutron/Laterolog/GR logs on 7/21/11. The decision was made to abandoned the well and plugging orders were received on 7/22/11 from Chris Walls of the Carlsbad BLM.

Abandonment operations began at 1730 hours on 7/22/11 when the 1st of 7 cement plugs was pumped. Cementing operations were completed at 0800 hours on 7/24/11. The rig was released at 1200 hours on 7/24/11 and moved off location on 7/25/11.

A subsequent report will be filed following installation of a dry-hole plate presently scheduled for 8/2/11.

PLEASE HOLD ALL INFORMATION CONFIDENTIAL FOR THE MAXIMUM ALLOWABLE PERIOD OF TIME.

RECLAMATION

DUE 2-2-12

as to plugging of the well bore.
liability under bond is retained until
restoration is completed.

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	Date AUG 28 2011
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)		

CARLSBAD FIELD OFFICE

SEP 07 2011