

Submit 1 Copy To Appropriate District Office
District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Minerals and Natural Resources
CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505
OCT 24 2012
RECEIVED

Form C-103
Revised August 1, 2011

WELL API NO. 30-025-40746	
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>	
6. State Oil & Gas Lease No. VB13890000	
7. Lease Name or Unit Agreement Name South Ironhouse 32 State	
8. Well Number 1H	
9. OGRID Number 22044	
10. Pool name or Wildcat Scharb - Bone Spring	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,934' Ground Level	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
OTHER: Rescind Approved Drilling Permit <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

McElvain Energy, Inc. (MEI) is requesting that our previously approved drilling application (Form C-101) be rescinded as of the effective date of October 23, 2012. The application was submitted on September 10, 2012, approved on September 12, 2012 and assigned API # 30-025-40746. In addition, MEI no longer needs the assigned pit permit # P1-05158 associated with the approval of our C-144 CLEZ which was submitted in conjunction with the subject drilling application.

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE E. Reed Fischer TITLE Operations Manager DATE 10/24/2012

Type or print name E. Reed Fischer E-mail address: reedf@mcelvain.com PHONE: (303) 893-0933 xtn 330

For State Use Only

APPROVED BY: [Signature] TITLE DIST. MGR DATE 10-25-2012
Conditions of Approval (if any):

OCT 25 2012