

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
 Energy, Minerals and Natural Resources

Form C-103
 Revised July 18, 2013

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-025-40869
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VB15820000
7. Lease Name or Unit Agreement Name Little Lake 16 State
8. Well Number 1
9. OGRID Number 22044
10. Pool name or Wildcat Young North - Delaware (65355)
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3787' (GLE) & 3805' (KBE)

SUNDRY NOTICES AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well Gas Well Other **HOBBS OCD**

2. Name of Operator **McElvain Energy, Inc.** **OCT 06 2014**

3. Address of Operator **1050 - 17th Street, Suite 2500 Denver, Colorado 80265** **RECEIVED**

4. Well Location
 Unit Letter F 1900 feet from the North line and 2100 feet from the West line
 Section 16 Township 18S Range 32E NMPM Lea County

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 checked="" type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: Drill to TD, Log, Run Csg, Release Rig <input checked="" 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.

Operations Update following 9/16/14 spud & 9/17/14 Surface Casing set through end of drilling, production casing set & Rig Release.

9/19/14 After running 8.625" surface casing to 1132' (corrected log depth) & testing BOPE. Start drilling 7.875" production hole.

9/23/14 Reach driller's TD of 5,950' @ 18:45 on 9/23/14 with 7.875" bit.

9/24/14 Log well with Schlumberger's Platform Express (Den/Neu/HRLA). Call NMOCD's Maxey Brown on setting 2 bottom-hole plugs prior to running 5.5" production string off bottom. MIRU Baker and pump PLUG #1 of 35 sacks Class 'C' neat (14.8 ppg, 1.34 ft3/sk Yield) in log determined gauge hole from 5922' to 5785'.

9/25/14 LDDP to 5305 & pump PLUG #2 of 25 sacks Class 'C' neat (14.8 ppg & 1.34 Yield) from 5305 to 5206'. LDDP. Run 115 joints of new 5.5", 17#, 1-80, LT&C casing to 5015' (external wrapped casing from 3743 - 3963 was new 17#, J55 pipe) and cement in a single stage with a LEAD slurry of 470 sx 35:65:6 POZ Class 'C' mixed at 12.6 ppg & 2.0 Yield, followed by a 400 sk TAIL of 50:50:2 POZ Class 'C' mixed at 14.2 ppg & 1.31 Yield. Bumped plug. Float held. Full returns throughout job. Circulated 26 bbls (73 sx) to half-pit. No fallback. Set slips. Clean pits. RELEASED RIG (Silver Oak Rig #5) @ 24:00 hours on 9/25/14.

Waiting on completion.

Spud Date: September 16, 2014 Rig Release Date: September 25, 2014

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 October 3, 2014

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

For State Use Only

APPROVED BY: *[Signature]* TITLE Petroleum Engineer DATE 10/08/14
 Conditions of Approval (if any):

OCT 15 2014 MB *hw*