| Form 3160-5 (August 2007) | UNITED STATES DEPARTMENT OF THE INTERIOR OCD Hobbs | | | | | · OMB N | FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010 | | |
|---|--|---|------------------------------|-------------------------------|--------------------------------|---|--|-----------------|--|
| D | BUREAU OF LAND MANAGEMENT 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 | | | | | 5. Lease Serial No. NMNM116166 6. If Indian, Allottee of the second second | | | |
| | abandoned wen. Ose form \$160-3 (APD) for such proposals. HOBBS • | | | | | | d/or No. | | |
| | SUBMIT IN TRIPLICATE - Other instructions on reverse side. 7. If Unit or CA/Agreement, Name and/or 1. Type of Well 8. Well Name and No. | | | | | | | | |
| 🔀 Oil Well 🔲 G | Image: Solution of the second sec | | | | | | | | |
| | 2. Name of Operator Contact: TONY G COOPER 9. API Well No. MCELVAIN ENERGY INC E-Mail: TONY.COOPER@MCELVAIN.COM 9. API Well No. | | | | | | | | |
| | 3a. Address 3b. Phone No. (include area code) 1050 17TH STREET SUITE 2500 Ph: 303-893-0933 Ext: 331 DENVER, CO 80265 Fx: 303-893-0914 | | | | | | 10. Field and Pool, or Exploratory EK- BONE SPRINGS | | |
| | 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) | | | | | 11. County or Parish, and State | | | |
| Sec 30 T18S R3 | Sec 30 T18S R34E Mer 6PM 175FSL 100FEL | | | | | LEA COUNTY, NM | | | |
| | CHECK APPR | OPRIATE BOX(ES) TO |) INDICATE | NATURE (| OF NOTICE, | , REPORT, OR OTHE | R DATA | - <u></u> | |
| TYPE OF SUBM | IISSION | | | TYPI | E OF ACTION | N | ,. | | |
| Notice of Intent | | Acidize | 🗖 Deepen | | — | Production (Start/Resume) | | UWater Shut-Off | |
| 🗖 Subsequent Rep | oort | ☐ Alter Casing | - | ture Treat | | lamation | U Well Inte | egrity | |
| ☐ Final Abandonr | | Casing Repair Change Plans | - | Construction and Abandor | | omplete porarily Abandon | Change to | Original A | |
| 2 | | Convert to Injection | D Plug | | | er Disposal | PD | | |
| McElvain will adl Anywhere from 5 | nere to the origonation of the origonal the | ration (clearly state all pertiner lly or recomplete horizontally, k will be performed or provide operations. If the operation re- andonment Notices shall be fil- nal inspection.) 4H ? API#: 30-025-4270 conversation with Mr. Ed permission to pump a si production casing string. ns require a two-stage ca ginal COA?s and place th previous casing string to McElvain will then adjust | ne DV tool wit 100? above | hin the follow KOP. Placen | wing depth ra nent of the D | vain EK 29 ition to ange: IV tool will d on | THE ROAD ROAD | A. | |
| 14. I hereby certify that | t the foregoing is | true and correct. | 313608 verifie | d by the BI M | Well Informa | | | <u> </u> | |
| | Electronic Submission #313698 verified by the BLM Well Information System For MCELVAIN ENERGY INC, sent to the Hobbs | | | | | | | | |
| Name(Printed/Typed | Name(Printed/Typed) TONY G COOPER | | | Title SR EHS SPECIALIST | | | | | |
| Signature | Signature (Electronic Submission) | | | | 4/2015 A | | | | |
| | THIS SPACE FOR FEDERAL OR STATE OFFICE USE NUVLU | | | | | | | | |
| | <u></u> | | | T | TP | ETROLEUM ENGIN | | | |
| | 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 | | | | | | . Date | | |
| which would entitle the a | Certify that the applicant holds legal or equitable title to those rights in the subject lease office Offic | | | | | | | | |
| Title 18 U.S.C. Section I States any false, fictitio | us or fraudulent s | U.S.C. Section 1212, make it a tatements or representations as | to any matter w | ithin its jurisdic | | HUMBRE CARAUPARATITATIO | | | |
| | ** OPERAT | OR-SUBMITTED ** O | PERATOR | SUBMITTE | ED ** OPEF | RATOR-SUBMITTED |) ** | | |
| | | | | | SEr | 1 4 2015' | | m | |

CONDITIONS OF APPROVAL

| OPERATOR'S NAME: | MCELVAIN ENERGY, INC. |
|-----------------------|---------------------------------|
| LEASE NO.: | NM245247 |
| WELL NAME & NO.: | EK 29 BS2 Federal Com 4H |
| SURFACE HOLE FOOTAGE: | 175' FSL & 0100' FEL |
| BOTTOM HOLE FOOTAGE | 510' FNL & 0660' FWL |
| LOCATION: | Section 29, T.18S., R34E., NMPM |
| COUNTY: | Lea County, New Mexico |
| | |

Original COA still applies except for fill of cement requirement for the 5 1/2 inch production casing in the Casing Section of the approved Drilling Program. That portion has been replaced with the following condition:

1. The minimum required fill of cement behind the 5-1/2 inch production casing is:

Option 1 (Primary Program):

Cement should tie-back at least 500 feet into previous casing string. Operator shall provide method of verification. Cement volumes shall be adjusted accordingly as stated by operator.

Option 2 (Well Conditions Warranted):

a. First stage to DV tool:

Cement to circulate. If cement does not circulate, contact the appropriate BLM office before proceeding with second stage cement job. Operator should have plans as to how they will achieve approved top of cement.

Operator has proposed DV tool at depth of 7500 feet, but will adjust cement proportionately if moved. DV tool shall be set a minimum of 50 feet below previous shoe and a minimum of 200 feet above current shoe. Operator shall submit sundry if DV tool depth cannot be set in this range.

- b. Second stage above DV tool:
- . Cement should tie-back at least 500 feet into previous casing string. Operator shall provide method of verification. Cement volumes shall be adjusted accordingly as stated by operator.