

UNITED STATES
DEPARTMENT OF THE INTERIOR
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.

FORM APPROVED
OMB No. 1004-0135
Expires January 31, 2004

5. Lease Serial No.
NMLC 069048
6. If Indian, Allottee or Tribe Name
7. If Unit or CA/Agreement, Name and/or No.
8. Well Name and No.
Wylie Federal #2
9. API Well No.
30-025-07897
10. Field and Pool, or Exploratory Area
Littman San Andres
11. County or Parish, State
Lea County, New Mexico

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 1800 Denver, Colorado 80265
- 3b. Phone No. (include area code)
(303) 893-0933
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
990' FSL & 990' FWL Sec. 9, T21S-R38E, NMPM (Unit Letter 'M')

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

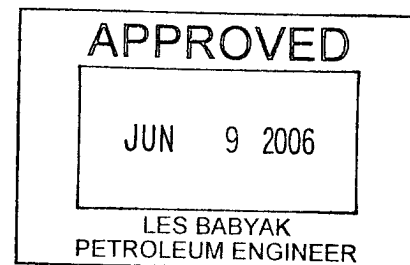
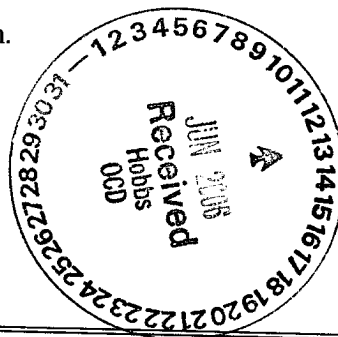
TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="radio"/> Notice of Intent	<input checked="" type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input checked="" type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="radio"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="radio"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<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 zone 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 on 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.)

McElvain Oil & Gas Properties, Inc. plans to re-establish production on the Wylie Federal #2 well following a clean-out of the open-hole section, 3000 gallon staged 15% HCL acid treatment, and replacement of the pumping unit. The work is estimated to take approximately 6 working days and will be commenced as soon as services can be scheduled. Anticipated start date is July 1st.

Please see attached Procedure & Wellbore Diagram.

APPROVED FOR 6 MONTH PERIOD
ENDING 11/16/06



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

E. Reed Fischer

Title Operations Engineer

Signature

Date May 16, 2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Chris Williams

OC DISTRICT SUPERVISOR/GENERAL MANAGER

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.

Office

JUN 14 2006

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 reverse)

McELVAIN OIL & GAS PROPERTIES, INC.

Wylie Federal #2 Well
SWSW Sec. 9, T21S-R38E
Lea County, New Mexico
API#: 30-025-07897
Federal Lease # LC-069048

March 23, 2006

PURPOSE OF WORK: Acidize Open-hole San Andres Zone & Install Pumping Unit

Drill Floor Elevation: 3,577'
Original TD: 4,363'
PBTD: 4,363'

CASING:

9-5/8", 36#, J55, set @ 1,592' in 12.25" hole drilled to 1615'. Cemented w/700 sx 8% Gel & 100 sx Neat. Approximately 100 sx circulated to surface.

5.5", 14#, J55, @ 4,325' in 7.875" hole. Cemented w/450 sx 8% Gel & 150 sx Neat. Temperature survey run on 2/28/55 indicated TOC @ 2510'.

FORMATION TOPS: *(from federal "LOG of OIL or GAS WELL" form)*

Anhydrite	1,574'
Salt	1,690'
Base of Salt	2,912'
Lime & Anhydrite	3,188'
Lime & Sand	3,475'
Lime	3,995'
San Andres	4,325'
Top San Andres Oil Zone	4,335'

PAY ZONE: *(Open-hole San Andres completion. No perforations.)*
4,325' – 4,363'

CURRENT TUBING ASSEMBLY: *(Estimated from JoMac notes)*

Unknown # jts 2.375", 4.7# tubing. Reported Depths: EOT @ 4,354', SN @ 4,321' (?), No TAC
Reported in well

CURRENT RODS & PUMP ASSEMBLY: *(From JoMac notes)*

2"x1.25"x12' pump, 171-3/4" rods (?) (4275' of rods reported in well??)

PROCEDURE:

1. Check Dead-men. RU H2S detection equipment.
2. MIRU pulling unit & flat tank.
3. Unseat pump. Hot oil rods & tubing.
4. POOH w/rods & pump.
5. ND WH and NU BOPE.
6. Tag bottom w/tubing (no TAC reported). Pull & tally tubing. (Clean well out with Bull Dog Bailer, if possible, or foam unit if tag indicates fill over pay zone).
7. MU 4.75" bit & scraper and hydrotest in hole to ± 4500 psi. Round trip to near shoe @ $\pm 4,315'$. POOH. LD bit and scraper.
8. MU packer, SN & tubing. TIH & set packer @ $\pm 4,300'$.
9. Acidize open-hole San Andres. ACID DESIGN #1 TO FOLLOW (staged and/or diverted 15% HCL acid treatment).
10. Swab test well.
11. POOH w/packer.
12. MU MA, Perf sub, SN, 4 jts tubing, TAC & tubing. TIH. Land tubing as deep as reasonable based upon fill tendencies of well.
13. ND BOPE & NU wellhead.
14. Run pump & rods.
15. RDMO pulling unit.
16. Install Pumping Unit

Miscellaneous:

- Locate suitable pumping unit and engine.
- Check integrity of flow lines and battery manifold.
- Locate propane tank if well gas appears inadequate.

HISTORY: *(Well records incomplete).*

- | | |
|---------|---|
| 2/14/55 | Spud. |
| 2/26/55 | Cored from 4314 to 4332 (recovered 14 ft), then opened up core hole to 7.875" before running 5.5" casing. |
| 2/28/55 | Run temperature survey. TOC called 2510'. |
| 3/1/55 | Displaced hole with oil. DO casing and continue to 4357' (wireline later determined TD of 4363') w/4.75" bit. RIH & set pkr in OH @ 4340' to acidize. |
| 3/2/55 | Acidize w/3000 gals Dowell XFM-38 acid. Pump 1500 gals above packer & 1500 gals below packer. Pull 1 swab run and well started flowing. |
| 3/4/55 | Pull packer and tubing. |
| 3/5/55 | Sand-oil frac w/10K# sand @ 1.5 ppg concentration. |

- 3/6/55 Run tubing & production packer. Appears to have landed tubing in cased hole \pm 4285' w/packer \pm 4245'.
- 9/11/56 Production has fallen to 8-10 BOPD. Pump 500 gallon Dowell "Cealment" squeeze treatment to shut-off "thief zone" from 4325 – 4330 after dumpbailing sand cement cap from 4330 – 4363.
- 9/13/56 Pumped 2nd Dowell "Cealment" squeeze treatment of 250 gals from 4325 – 4330 following drill-out of 1st squeeze and failed pressure test.
- 9/17/56 2nd "Cealment" squeeze drilled out and pressure tested to 3000 psi. Continued drilling out to "TD" of 4355 w/unknown bit size. Dowell pumped 25,000# 20/40 sand in 25,000 gallons of "Petro Jel" over pay zone from 4335 to 4355. Following load recovery production increased to 25 BOPD.
- 8/15/58 Note in file of pump change for a 2"x1.25"x12' pump apparently landed @ 4357' (deeper than referenced TD above).
- 5/27/64 Commission Order indicating Wylie #1 will be 1 of 4 injection wells in the Littman (San Andres) Unit. The other injectors (On the Texas side of the border) will be the Parcell #2, Wylie #3 and NuMex #2.
- 7/01/64 Unitized into the Litman (San Andres) Unit & well renamed Littman #3-2.
- 10/01/70 Termination of Littman San Andres Unit caused lease to revert back to the original working interest owner (whose successor was Elliott Oil). Well name changed back from "Littman (San Andres) Unit #3-2" to "Wylie Federal #2".
- 10/28/70 Elliott Oil received surface commingling approval for 8 former Littman (San Andres) wells on the New Mexico side of the unit, provided the Nu Mex #1 is separately metered before dumping to the common tank battery since 7 of the wells are federal the Nu Mex is a State lease. Referenced 8 wells are as follows:
#3-1 TA'd but estimated @ 5 BOPD capability (now Wylie #1)
#3-2 Producing @ 6 BOPD (now Wylie #2)
#3-3 Water Injection well (now Wylie #3 SWDW)
#2-2 Water Injection well (now Parcell #3)
#2-3 TA'd but estimated @ 3 BOPD capability (east offset of E.M. Elliott B#6)
#1-1 Producing @ 5 BOPD (now Ohio Federal #1)
#4-1 Producing @ 7 BOPD (now Nu Mex #1)
#4-2 Water Injection well (west offset of Nu Mex #1)
5 of the wells will go into a common production battery: Wylie #1 & 2, #2-3 above, Ohio Fed #1, and Nu Mex #1 which will produce thru a separate treater).
- 5/5/86 Pump Change

5/7/86	Pump Change followed by "chemical Squeeze" dump treat in 50 bbls KCL water.
7/16/86	Change Pump. Hot-oiled due to paraffin.
7/24/86	Change Pump. Dump treat with 500 gals acid & 1 bbl paraffin chemical.
10/14/86	Change Pump. Hot-oiled due to paraffin.
11/11/86	Change Pump. Hot-oiled due to paraffin.
1/10/88	Repair tubing leak 1 joint above SN. Note of ON-OFF tool in well.
7/25/89	Changed Pump, plus bad saddle bearing on pumping unit.
11/10/89	Repair tubing leak.
6/11/90	Changed Pump.
8-6-90	Change Pump. 25 gallon paraffin chemical in 50 bbl KCL dump treatment.
11-12-90	Repair tubing leak.
3-12-91	Repair tubing leak.
3-25-91	Change pump due to stuck plunger.
6-12-91	Repair tubing leak. Corrosion dump treatment in 50 bbls KCL.
11-25-91	Repair tubing leak.
8/01/01	Change of Operator from Elliott Oil to McElvain Oil & Gas

Wylie Federal #2
 SWSW Sec 9 T21S-R38E
 Lea County New Mexico
 API # 30-025-07897
 Open-Hole San Andres

