

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-HOBBS

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 page 2.		7. If Unit of CA/Agreement, Name and/or No.
1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		8. Well Name and No. Parcell Federal # 3
2. Name of Operator McElvain Oil & Gas Properties, Inc.		9. API Well No. 30-025-07893
3a. Address 1050 - 17th Street, Ste. 1800 Denver, Colorado 80265	3b. Phone No. (include area code) (303) 893-0933 x330	10. Field and Pool or Exploratory Area Littman San Andres
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1650' FSL & 330' FEL Sec. 8, T21S-R38E NMPM (Unit Letter 'I') NESE		11. Country or Parish, State Lea County, New Mexico

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" 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 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 type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" 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 zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must 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 must be filed once testing has been completed. Final Abandonment Notices must 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 plug & abandon this open-hole completed San Andres well and reclaim the location as follows:

Tubing set a CIBP @ approximately 4,290' and pump a 25 sk cement PLUG #1 from 4,290 to 4,090'

Pump 9 ppg plug mud from 4,090 to 3,050'

Mix & pump as balanced plug a 25 sk cement PLUG #2 from 3,050 (80' below base of salt) to 2,850'

Pump 9 ppg plug mud from 2,850 to 1,850'

Perforate squeeze hole @ 1,810 (50' below top of salt) & attempt to pump into squeeze holes:

If able to pump into squeeze holes mix & pump a 75 sk cement PLUG #3 & underdisplace by 250' leaving an inside casing PLUG # 3 from 1,810 to 1550'

If unable to pump into squeeze holes mix & pump a balanced plug (thru tubing) a 40 sk cement PLUG #4 from 1,860 to 1,525' (50' below squeeze holes).

WOC prior to tagging PLUG #4 with tubing. Following solid tag, pump 9 ppg plug mud from 1,525' to 150', then lay down tubing.

Perforate squeeze holes # 2 at 150' and establish circulation between 5.5" production casing and 5.5 x 8.625" production x surface casing annulus.

Mix, pump and circulate as a 40 sk cement PLUG #5 from 150' to 10'.

ND BOPs. Cut off wellhead and cut casing below ground level.

Install dry hole marker and cement into place.

Reclaim & reseed location.

PERF 5 1/2" @ APPROX 1760' (TOP/SALT) AND PUMP CMT PLUG FROM 1760' TO 1581' (THIS WILL COVER TOP SALT AND 8 5/8" CSG SHOE) - TAG IN 8 5/8" x 5 1/2" ANNULUS

14. I hereby certify that the foregoing is true and correct.

Name (Printed/Typed)

E. Reed Fischer

Title Operations Engineer

Signature

Date 04/07/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Office

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.

APPROVED

MAY 16 2007

Date

LES BABYAK
PETROLEUM ENGINEER

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.

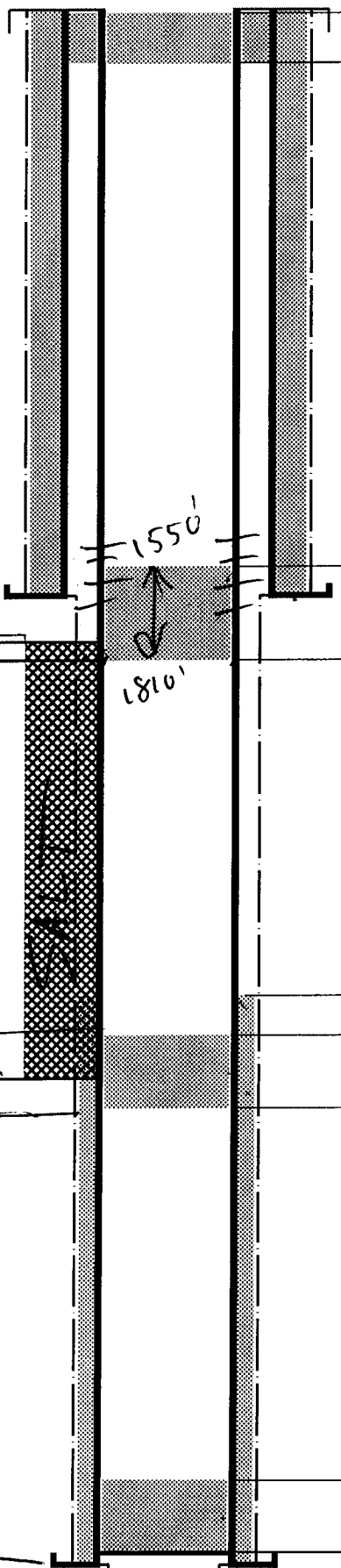
(Instructions on page 2)

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

GWW

ENTERED IN
AFMSS

Parcel 1 Federal #3
 NESE-Unit I-Sec 8 T21S-R38E
 Lea County New Mexico
 API # 30-025-07893
 San Andres Open-Hole



PLUG #4 from 10 to 150'

POST P & A WELLBORE

SURFACE CASING in 12 1/4" hole
 8 5/8" 24# J55 @ 1631'
 Cmt w/450 sx 8% Gel & 100 sx Neat
 Estimate 150 sx returned to Surf

PLUG #3 from 1550 to 1810

(SQZD) Plug #3 Sqz Perfs Perfs 1810-1811

Salt 1760 to 2968: 1760-2968

TOC from Temp Survey @ 2740'
 Cmtd w/200 sx 6% Gel & 150 sx Neat

PLUG #2 from 2850 to 3050

PRODUCTION CASING in 7 7/8" hole
 5 1/2" 14# J55 @ 4325'

PLUG #1 from 4090 to 4290

CIBP @ 4290'
 OH San Andres 4325 to 4359'
 2500 Gals Acid & 15K# Acid/Oil Frac

PBT/D: 4359'

TD: 4359'

Diagram: 0' to 4359'
 VERT Scale: 1"=465'