

McELVAIN OIL & GAS PROPERTIES, INC.

1050 17TH STREET
SUITE 1800
DENVER, COLORADO 80265

E. REED FISCHER
SENIOR OPERATIONS ENGINEER
E-MAIL: REEDF@MCELVAIN.COM

TELEPHONE 303/893-0933 EXT. 330
FAX 303/893-0914

February 21, 2008

30-025-38040

State of New Mexico – Oil Conservation Division
Attn: Mr. Chris Williams
1625 N. French Drive
Hobbs, New Mexico 88240

Re: Submittal of C104 Requesting a Retroactive Test Allowable
(250 BOPD from December 1, 2007 through February 29, 2008)

Dear Mr. Williams:

I have enclosed the original and 5 copies of the OCD's Form C-104 requesting a retroactive test allowable of 250 BOPD as an average daily rate for the 3 month test period from December 1, 2007 through February 29, 2008.

As discussed, a 90-day testing allowable will enable McElvain to gather the pressure and production information needed to establish that an increased allowable for this well will not permanently dissipate reservoir energy or cause waste of oil.

Sincerely,



E. Reed Fischer

RECEIVED

MAR 07 2008

HOBBS OCD

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources

Form C-104
Revised Feb. 26, 2007

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit to Appropriate District Office
5 Copies

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

¹ Operator name and Address McElvain Oil & Gas Properties, Inc. 1050 – 17 th Street, Suite 1800 Denver, Colorado 80265		² OGRID Number 22044
		³ Reason for Filing Code/ Effective Date RT (250 BOPD) – 12/01/2007 thru 2/29/08
⁴ API Number 30 – 025-38040	⁵ Pool Name E-K Delaware	⁶ Pool Code 21655
⁷ Property Code 302305	⁸ Property Name McElvain	⁹ Well Number 7

II. ¹⁰ Surface Location

UL or lot no. J	Section 25	Township 18S	Range 33E	Lot Idn	Feet from the 1980	North/South Line South	Feet from the 1980	East/West line East	County Lea
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¹¹ Bottom Hole Location

UL or lot no. J	Section 25	Township 18S	Range 33E	Lot Idn	Feet from the 1980	North/South line South	Feet from the 1980	East/West line East	County Lea
¹² Lse Code F	¹³ Producing Method Code P	¹⁴ Gas Connection Date 2/20/07	¹⁵ C-129 Permit Number	¹⁶ C-129 Effective Date	¹⁷ C-129 Expiration Date				

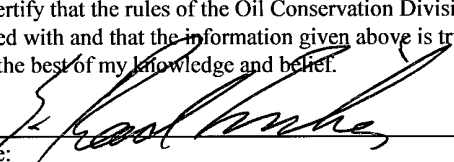

III. Oil and Gas Transporters

¹⁸ Transporter OGRID	¹⁹ Transporter Name and Address	²⁰ O/G/W
221115	Frontier Field Services 4200 East Skelly Drive, Tulsa, Oklahoma 74135	G
174238	Teppco Crude Oil, L.P. 210 Park Avenue, Suite 1600 Oklahoma City, Oklahoma 73102	O
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IV. Well Completion Data

²¹ Spud Date 10/08/2006	²² Ready Date 11/27/07	²³ TD 10,385	²⁴ PBDT 8,750	²⁵ Perforations 5400 - 5422	²⁶ DHC, MC
²⁷ Hole Size	²⁸ Casing & Tubing Size	²⁹ Depth Set	³⁰ Sacks Cement		
17.5"	13-3/8", 48#, H40 Casing	421' KB	420 sacks		
11"	8-5/8", 32#, J55 Casing	3,702' KB	1,645 sacks		
7-7/8"	5.5", 17#, I-100 Casing	10,365' KB	1,800 sacks		
	2.875", 6.5#, L80 Tubing	5,615' KB			

V. Well Test Data

³¹ Date New Oil	³² Gas Delivery Date	³³ Test Date 1/29/08	³⁴ Test Length 24 hrs	³⁵ Tbg. Pressure na	³⁶ Csg. Pressure 62
³⁷ Choke Size na	³⁸ Oil 240	³⁹ Water 4	⁴⁰ Gas 167 MCFG		⁴¹ Test Method Rod Pumping
⁴² I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief. Signature: 			OIL CONSERVATION DIVISION		
Printed name: E. Reed Fischer			Approved by: 		
Title: Senior Operations Engineer			Title: OC DISTRICT SUPERVISOR/GENERAL MANAGER		
E-mail Address: reedf@mcelvain.com			Approval Date: MAR 07 2008		
Date: 2/20/2008		Phone: (303) 893-0933 xtn 330			