# New Mexico Energy, Minerals and Natural Resources Department

#### **Bill Richardson**

Governor

Joanna Prukop Cabinet Secretary Reese Fullerton Deputy Cabinet Secretary Mark Fesmire
Division Director
Oil Conservation Division



3/26/08

Reed Fischer Senior Operations Engineer McElvain Oil & Gas Properties, Inc. 1050 17<sup>th</sup> St. Ste 1800 Denver, CO 80265

Re: McElvain #7

UL J Sec 25-T18S-R33E

Lea County, NM 30-025-38040

Dear Mr. Fischer:

McElvains request for a higher allowable for the McElvain #7 is hereby approved. The Hobbs NMOCD District office has received no objections to the allowable increase. The NMOCD has waited for the requisite 20 days before approving the allowable request. It is also noted that McElvain Oil and Gas Properties, Inc. has received no objections in their offices.

Sincerely

Chris Williams

NMOCD District 1 Supervisor

Review 3/26/08

## McELVAIN OIL & GAS PROPERTIES, INC.

1050 17<sup>th</sup> 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

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

Re: McElvain # 7

NWSE Sec. 25, T18S-R33E Lea County, New Mexico

Request for Single Well Allowable of 225 BOPD

Effective March 1, 2008

RECEIVED

MAR n 7 2008 HOBBS OCD

Dear Mr. Williams:

As discussed, I would like to request a single well increase in the current depth bracket allowable for the captioned well. I am requesting an increase in the allowable to 225 BOPD effective March 1, 2008.

Pursuant to your request I have notified the immediate offset well operators to our McElvain # 7 well of our intent to pursue this single well increase in allowable. The operators include (1) McElvain Oil & Gas Properties, (2) Chesapeake Operating, Inc., (3) BTA Oil Producers and (4) Seeley Oil Company. I have attached copies of the notification letters we have sent to the outside operators in order to notify them of our intent to seek a request for this single well allowable increase.

Sincerely,

E. Reed Fischer

 $1050-17^{\text{th}}$  Street, Suite 1800 **DENVER, COLORADO 80265** 

TELEPHONE 303-893-0933 EXT.349 FAX 303-893-0914 e-mail: linneah@mcelvain com

February 21, 2008

**BTA Oil Producers** 104 South Pecos Midland, Texas 79701 SENT CERTIFIED, RETURN RECEIPT REQUESTED

Re: Notification of NMOCD Request for Single Allowable Increase McElvain #7 Well Operated by McElvain Oil & Gas Properties, Inc.

NW/4SW/4 Section 25, T18S, R33E

Lea County, New Mexico

Ladies and Gentlemen:

McElvain Oil & Gas Properties, Inc. will soon be finishing our production testing on the captioned well. McElvain will request a single well allowable increase for this re-completed E-K Delaware producer. McElvain will request a permanent allowable, effective March 1, 2008, of 225 barrels of oil per day. This request will be submitted to the District 1 office of the Oil Conservation Division in Hobbs, New Mexico on Monday, February 25, 2008.

This letter is being sent to you for notification purposes as required by the State of New Mexico Oil Conservation Division.

Yours truly,

MCELVAIN OIL & GAS PROPERTIES, INC.

Linnea C. Hill, CPL Senior Landman

Lunea C. Helf

Article #: 71054522644901428594

Date/Time:

SEPARATE AT PERFORATION

REMOVE LABEL AND RECEIPT FROM BACKING. PLACE LABEL AT TOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS

4

Permit No. G-10

Yes

Nancy Rife McElvain Oil & Gas Properties, Inc. 1050 17th Street, Suite 1800 Denver, CO 80265

U.S. Postal Service in CERTIFIED MAIL, M. REGEIPT. (Domestic Mail, Only; No Insurance Coverage Provided) For delivery information visit our, website at www.usps.com 71054522644901428594						
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Certified Fee	2.65	Postmark Here				
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Total Postage & Fees	\$ 5.21					

ent To

**BTA Oil Producers** 104 South Pecos

reet, Apt. No.; PO Box No.

Midland, TX 79701

ty, State, Zip+4

Reorder Form LCD-811 rev. 01/07 1-800-538-4900 www.printcertifiedmail.com

71054522644901428594

1. Article Addressed to:

PS Form 3811

**BTA Oil Producers** 104 South Pecos Midland, TX 79701

A. Signature ☐ Agent X ☐ Addressee C. Date of Delivery B. Received by (Printed Name) D. Is delivery address different from item 1? ☐ Yes If YES enter delivery address below: □ No Certified 3. Service Type

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**BTA Oil Producers** 

Widland, TX 79701 104 South Pecos

4. Restricted Delivery? (Extra F

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**Domestic Return Receipt** 

**UNITED STATES POSTAL SERVICE** 



First-Class Mail Postage & Fees Paid USPS

LIFT HERE

Nancy Rife

McElvain Oil & Gas Properties, Inc. 1050 17th Street, Suite 1800

Denver, CO 80265

1050 – 17<sup>th</sup> Street, Suite 1800 Denver, COLORADO 80265

TELEPHONE 303-893-0933 EXT.349 FAX 303-893-0914 e-mail: linneah@mcelvain.com

February 21, 2008

Chesapeake Operating, Inc. 2010 West 10<sup>th</sup> Street Midland, Texas 79701

SENT CERTIFIED, RETURN RECEIPT REQUESTED

Re: Notification of NMOCD Request for Single Allowable Increase McElvain #7 Well Operated by McElvain Oil & Gas Properties, Inc.

NW/4SW/4 Section 25, T18S, R33E

Lea County, New Mexico

Ladies and Gentlemen:

McElvain Oil & Gas Properties, Inc. will soon be finishing our production testing on the captioned well. McElvain will request a single well allowable increase for this re-completed E-K Delaware producer. McElvain will request a permanent allowable, effective March 1, 2008, of 225 barrels of oil per day. This request will be submitted to the District 1 office of the Oil Conservation Division in Hobbs, New Mexico on Monday, February 25, 2008.

This letter is being sent to you for notification purposes as required by the State of New Mexico Oil Conservation Division.

Yours truly,

MCELVAIN OIL & GAS PROPERTIES, INC.

Linnea C. Hill, CPL Senior Landman

Junea C. Hell

# Postal Service in FIFIED MAIL: IN RECEIPT CMail Only; No Insurance Coverage Pro ivery information visit our website at www.us 71054522644901428587

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ent To

Chesapeake Operating, Inc. 2010 Rankin Highway

reet, Apt. No.; ·PO Box No. ty, State, Zip+4 Midland, TX 79701

Form 3800; August 2006 🐪 See Reverse for Instructions

**UNITED STATES POSTAL SERVICE** 

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LaserSubstrates, Inc.™

Chesapeake Operating, Inc. 2010 Rankin Highway Midland, TX 79701

First-Class Mail Postage & Fees Paid

USPS Permit No. G-10

2/21/2008 10:33:27AM Article #: 71054522644901428587 Date/Time:

Internal File #: Internal Code #:

SEPARATE AT PERFORATION

REMOVE LABEL AND RECEIPT FROM BACKING. PLACE LABEL ATTOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS

Reorder Form LCD-811 rev. 01/07 1-800-538-4900 www.printcertifiedmail.com

2. Article Number	COMPLETE THIS SECTION ON DELIVERY
7.0 KK   7	A. Signature  Agent  Addressee
71054522644901428587	B. Received by (Printed Name) C. Date of Delivery
1. Article Addressed to:	D. Is delivery address different from item 1?  Yes If YES enter delivery address below:  No
Chesapeake Operating, Inc. 2010 Rankin Highway	
Midland, TX 79701	3. Service Type
	4. Restricted Delivery? (Extra Fee)
PS Form 3811 Domestic Re	turn Receipt

McElvain Oil & Gas Properties, Inc. 1050 17th Street, Suite 1800 Denver, CO 80265 Nancy Rife

Nancy Rife McElvain Oil & Gas Properties, Inc. 1050 17th Street, Suite 1800 **Denver, CO 80265** 

LIFT HERE

1050 – 17<sup>TH</sup> STREET, SUITE 1800 DENVER, COLORADO 80265

TELEPHONE 303-893-0933 EXT.349 FAX 303-893-0914 e-mail: linneah@mcelvain.com

February 21, 2008

Seely Oil Company 815 West 10<sup>th</sup> Street Fort Worth, Texas 76102 SENT CERTIFIED, RETURN RECEIPT REQUESTED

Re: Notification of NMOCD Request for Single Allowable Increase

McElvain #7 Well Operated by McElvain Oil & Gas Properties, Inc.

NW/4SW/4 Section 25, T18S, R33E

Lea County, New Mexico

Ladies and Gentlemen:

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Yours truly,

MCELVAIN OIL & GAS PROPERTIES, INC.

Linnea C. Hill, CPL Senior Landman

Linnea C. Hell

CERTIFIED MAIL in RECEIPT
Domestic Mail Only, No Insurance Coverage Provided)
or delivery information visit our website atwww.usps.com;

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Seely Oil Company

815 West 10th Street

Fort Worth, TX 76102

Form 3800, August 2006 See Reverse for Instructions

Postage

Certified Fee

Return Receipt Fee indorsement Required)

Restricted Delivery Fee

Total Postage & Fees

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Postmark Here



Seely Oil Company 815 West 10th Street Fort Worth, TX 76102

Internal File #: Internal Code #:

SEPARATE AT PERFORATION

2/21/2008 10:35:27AM

Date/Time:

Article #: 71054522644901428600

Reorder Form LCD-811 rev. 01/07 1-800-538-4900 www.printcertifiedmail.com

2. Article Number	COMPLETE THIS SECTION ON	DELIVERY
	A. Signature	☐ Agent ☐ Addressee
71054522644901428600	B. Received by (Printed Name)	C. Date of Delivery
1. Article Addressed to:	D. Is delivery address different from in If YES enter delivery address belo	
Seely Oil Company 815 West 10th Street		
Fort Worth, TX 76102	3. Service Type	Certified
	4. Restricted Delivery? (Extra Fee)	Yes
PS Form 3811 Domestic Re	turn Receipt	

2 REMOVE LABEL AND RECEIPT FROM BACKING. PLACE LABEL ATTOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS

UNITED STATES POSTAL SERVICE



First-Class Mail Postage & Fees Paid USPS Permit No. G-10

> Nancy Rife McElvain Oil & Gas Properties, Inc. 1050 17th Street, Suite 1800 Denver, CO 80265

Nancy Rife McElvain Oil & Gas Properties, Inc. 1050 17th Street, Suite 1800 Denver, CO 80265

# McELVAIN OIL & GAS PROPERTIES, INC.

1050 17<sup>70</sup> 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

March 25, 2008

Faxel 3/25/08 Markel 3/25/08

State of New Mexico - Oil Conservation Division

Attn: Mr. Chris Williams 1625 N. French Drive Hobbs, New Mexico 88240

Re:

McElvain #7

NWSE Sec. 25, T18S-R33E Lea County, New Mexico

Verification of No Contest to Request for Allowable Increase

### Dear Mr. Williams:

Thank you for reviewing our request for a single well allowable increase for the captioned well. My February 21, 2007 letter requesting this increase also provided copies of our notification to the offset operators. It has now been 33 days since we mailed these notifications and to-date, we have received no contest from these operators to our request. We have received back from the Postal Service all the certified mail return receipts, copies of which are attached.

Thank you for your help in this regard and please don't hesitate to contact me if you need additional information.

Sincerely,

E. Reed Fischer

1050 - 17<sup>TH</sup> STREET, SUITE 1800 DENVER, COLORADO 80265

Telephone 303-89**3-**0933 ext.349 FAX 303-693-0914 e-mail: linneah@mcelvain.com

February 21, 2008

Chesapeake Operating, Inc. 2010 West 10th Street Midland, Texas 79701

SENT CERTIFIED, RETURN RECEIPT REQUESTED

Re: Notification of NMOCD Request for Single Allowable Increase McEivain #7 Well Operated by McEivain Oil & Gas Properties, Inc. NW/4SW/4 Section 25, T18S, R33E

Lea County, New Mexico

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Yours truly,

MCELVAIN OIL & GAS PROPERTIES, INC.

Ennea C. Hell

Linnea C. Hill, CPL Senior Landman

2: Article Number  71054522644901428587  1. Article Addressed to:  Chesapeake Operating, Inc.	A. Signature  A. Signature  A. Signature  A. Signature  Addressee  B. Received by (Primer Name)  Y. W. C. Dale of Delivery  Y. W. C. D. Is delivery address different from item 1?  If YES enter delivery address below:  D. Is delivery address below:		
2010 Rankin Highway Midland, TX 79701	3. Service Type Certified		
	4. Restricted Delivery? (Extra Fee) Yes		
PS Form 3811 Domestic Re	turo Receipt		

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Street, Apt. No.; or PO Box No. City, State, Zip+4	sapeake Operating D Rankin Highway Iand, TX 79701	, Inc.			

1050 – 17<sup>th</sup> Street, Suite 1800 Denver, COLORADO 80265

TELEPHONE 303-893-0933 ENT.349 FAX 303-893-0914 c-mail: linnesly@moelvain.com

February 21, 2008

Seeiy Oil Company 815 West 10<sup>th</sup> Street Fort Worth, Texas 76102 SENT CERTIFIED, RETURN RECEIPT REQUESTED

Da.

Notification of NMOCD Request for Single Allowable Increase McElvain #7 Well Operated by McElvain Oil & Gas Properties, Inc. NW/4SW/4 Section 25, T18S, R33E

Lea County, New Mexico

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Yours truly,

MCELVAIN OIL & GAS PROPERTIES, INC.

Junea C. Hill, CPL Senior Landman

2. Article Number  71,05452544901428600  1. Article Addressed fo:  Seely, Oil Company 815 West 10th Street	A. Signature  A. Signature  A. Signature  A. Signature  A. Agent  Addresses  B. Received by (Printed Name)  C. Date of Delivery  C. 25 - 8  D. la delivery address different from them 1?  If YES enter delivery address below:
Fort Worth, TX 76102	3. Service Type Certified
	4. Restricted Delivery? (Extra Fee) Yes

PS Form 3811

Domestic Return Receipt

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1050 - 17TH STREET, SUITE 1800 . DENYER, COLORADO 80265

Telephone 303-893-0933 ext.349 FAX 303-893-0914 e-mail linneah@mcclvain.com

February 21, 2008

**BTA Oil Producers** 104 South Pecos Midland, Texas 79701 SENT CERTIFIED, RETURN RECEIPT REQUESTED

Re: Notification of NMOCD Request for Single Allowable Increase McElvain #7 Well Operated by McElvain Oil & Gas Properties, Inc.

NW/4SW/4 Section 25, T18S, R33E

Lea County, New Mexico

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Yours truly,

MCELVAIN OIL & GAS PROPERTIES, INC.

Linnea C. Hill, CPL Senior Landman

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PS Form 3300, August 2006. See Reverse for Instructions