

RECEIVED**OCD-HOBBS**Form 3160-5
(April 2004)

JAN 20 2009

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**HOBBSOCD****LAND SURVEY 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. 1004-0137
Expires: March 31, 20075- Lease Serial No:
NM-02452476- If Indian, Allottee or Tribe Name
na7- If Unit or CA/Agreement, Name and/or No.
na8- Well Name and No.
McElvain # 49- API Well No
30-025-2899710- Field and Pool, or Exploratory Area
EK Delaware11- County or Parish, State
Lea County, New Mexico**SUBMIT IN TRIPLICATE- Other instructions on reverse side.**1- Type of Well
☒ Oil Well ☐ Gas Well ☐ Other2- Name of Operator
McElvain Oil & Gas Properties, Inc.3a- Address
1050 - 17th Street, Suite 1800 Denver, Colorado 802653b- Phone No. (include area code)
303-893-09334- Location of Well (Footage, Sec., T., R., M., or Survey Description)
660' FSL & 1980' FEL (SWSE - Unit 'O') Section 25, T18S-R33E**12. CHECK 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 checked="" 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 checked="" 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 checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input checked="" type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input checked="" 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 recompleate 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 shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once 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. (MOG) is requesting permission to temporarily abandon the existing Bone Spring perforations from 9480 - 9775' (gross interval) and to recompleate the Delaware formation from 5440 - 5533' (gross interval), as follows:

- 1) MIRU service rig. Pull rods & pump. NU BOPE. Pull tubing.
- 2) MIRU Wireline. Run gauge ring. Set CIBP @ approx. 9,450'. Load casing w/2% KCl & run CBL. Dumpbail a minimum of 35' class 'H' cement on top of CIBP. Perforate selective interval(s) in Delaware formation between 5440-5533'. RD WL.
- 3) Makeup RBP & PKR on tbg & hydrotest in hole. Set RBP below perms. Set PKR & Press Test RBP. Release, raise & set PKR above perms.
- 4) Swab test Delaware perms. If necessary, acidize perforations w/15% HCL (volume to be determined) & swab test. Pull PKR.
- 5) If necessary, prepare for frac & frac well either down a 3.5" tubing workstring w/PKR or down casing w/estimated 100k# sand in estimated 2,000 bbls water/brine. Flow & swab test new Delaware perms following treatment.
- 6) Clean out sand. Release & pull RBP. Run production tbg. ND BOPE. Run pump & rods. RDMO service unit. Production test Delaware.
- 7) If necessary, change out/upgrade battery equipment (tanks & treater).

MOG is requesting a temporary abandonment of the existing Bone Spring gross perforated interval from 9,480 to 9,775' with the understanding that these existing Bone Spring perforations may be re-activated in the future. Our intent is to temporarily abandon the existing Bone Spring perms but in a manner acceptable as a "permanent abandonment" method for all depths below the 35' of cement dumpbailed immediately above the proposed CIBP at 9,450'.

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

E. Reed Fischer

Title Senior Operations Engineer

Signature

Date

12/29/2008**SEE ATTACHED FOR
CONDITIONS OF APPROVAL****THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Title

Date

JAN 6 2009

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

**WESLEY W. INGRAM
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)

McElvain 4
30-025-28997
McElvain Oil & Gas Properties, Inc.
January 6, 2009
Conditions of Approval

- 1. Subsequent sundry required detailing operations performed with dates.**
- 2. Completion report required for new completion, complete all boxes.**

WWI 010609