

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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MAR 18 2009

FORM APPROVED  
OMB No. 1004-0137  
Expires: July 31, 2010

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.

5. Lease Serial No.  
NM-0245247

6. If Indian, Allottee or Tribe Name  
na

SUBMIT IN TRIPLICATE - Other instructions on page 2.

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 xtn 330

7. If Unit of CA/Agreement, Name and/or No.  
na

8. Well Name and No.  
McElvain # 4

9. API Well No.  
30-025-28997

10. Field and Pool or Exploratory Area  
EK Delaware 2216557

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
660° FSL & 1980° FEL (SWSE - Unit 'O') Section 25, T18S-R33E

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 type="checkbox"/> 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 checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input checked="" type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input checked="" 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 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleation 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.)

PLEASE HOLD ALL INFORMATION CONFIDENTIAL FOR THE MAXIMUM ALLOWABLE PERIOD OF TIME

On 1/16/09, McElvain Oil & Gas Properties, Inc. (MOG) began operations to recompleate the well from a Bone Spring producer to a Delaware producer, as follows: Pull rods & tubing. RU wireline, run gauge ring & then set CIBP @ 9450' over existing Bone Spring perfs from 9480 to 9775'. Load hole w/KCL water and run CBL from 9450 to surface verifying good cement bond to surface. On 1/17/09 dumpbail 4.5 sx 'H' cement in 2 runs on top of CIBP (40' cmt cap in 5.5", 20 # casing). New PBTD = 9410'. Perforate Delaware from 5442-5478 (36") @ 2 spf & RD WL on 1/17/09. On 1/19/09 MU RBP & Pkr, TIH & set RBP @ 5411'. Test casing above RBP to 3000 psi for 15 mins. Move RBP to 5660 & test 3000 psi. Move Pkr to 5350 & swab test new Delaware perfs. On 1/20/09 Acidize perfs w/1800 gals 15% NeFe HCl acid & 75 RCN balls. Swab test perfs until 1/22/09 before pulling Pkr & installing frac valve. Frac well down casing at an average rate of 36 BPM & 2226 psi on 1/23/09 utilizing BJ's Medallion 3000 system w/115,400 lbs of 16/30 & 14/40 sand in 112,182 gals of KCl water. Following the frac the well was SI overnight to allow resin coated sand to set. Flowback started on 1/24/09 and recovered 238 BW in 13 hrs before well died. Run tubing on 1/25/09 and start swabbing back frac load, recovering an additional 659 bbls of load by 1/29/09 when tubing was pulled to clean out sand prior to recovering & retrieving the RBP. Sand cleanout was complete and the RBP pulled on 1/31/09. 2.875" tubing was run on 1/31/09 and swabbing continued on 2/1/09 recovering an additional 78 bbls of frac load. A 1.25" rod pump was run in the well on 2/2/09 (EOT @ 5684, Perf Sub @ 5650' & SN @ 5648'). At this point in time 1883 Bbls of frac load had yet to be recovered. RDMO service rig. The well began pumping to temporary tanks on 2/3/09 while the existing battery was upgraded w/new coated tanks and a new heater treater. The well pumped all water until 2/13/09 when the oil cut increased from 0% to 4% w/75% load recovery. On 2/18/09 the upgraded battery facilities were completed and the well was turned through these new facilities. After a few line out problems, and with all load recovered, a 24 hour test rate of 8 BOPD, 166 BWPD & 8 MCFGD (1,000 GOR) was established from 2/26 to 2/27/09. The well now produces solely from the Delaware between 5442 thru 5478 and the original Bone Spring perfs (9480-9775) have been permanently abandoned.

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

Title Senior Operations Engineer

Date 03/02/2009

MAR 14 2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE BUREAU OF LAND MANAGEMENT  
CARLSBAD FIELD OFFICE

Approved by

PETROLEUM ENGINEER

APR 13 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

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.

2A EK Bone Spring