

RECEIVED

Form 3160-5
(April 2004)

JUN 10 2009

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

HOBBSD

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 reverse side.

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1980' FSL & 900' FWL (NWSW) Sec. 29, T18S-R34E

5. Lease Serial No.

NM-116166

6. If Indian, Allottee or Tribe Name

na

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

na

8. Well Name and No.

McElvain 'A' # 2

9. API Well No.

30-025-39250

10. Field and Pool, or Exploratory Area

EK Delaware

11. County or Parish, State

Lea County, New Mexico

12. CHECK 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 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 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 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 shall 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 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.)

The McElvain 'A' # 2 well first recovered oil during swab operations on February 16, 2009. The well was swab tested again on February 25, 2009 recovering 12 BO and 92 BW and the decision was made to place the well on pump. The well was placed on pump March 10, 2009 but remained down until installation of the battery. On April 20th, the pumping unit motor was energized & the well turned on through the permanent facilities. First oil production occurred on April 29, 2009 & first gas sales occurred May 7, 2009. The well was IP'd on May 8, 2009 at 6 BOPD, 60 BWPD & 3 MCFGD.

Date of First Production: April 29, 2009

Initial Production: 6 BOPD, 60 BWPD, 6 MCFGD

Gas gathering by and gas sales to Frontier Field Services. Oil hauled and purchased by Teppco Crude Oil, LP.

Waste water is trucked off lease to commercial disposal facilities.

McELVAIN OIL & GAS REQUESTS THAT THE BLM HOLD ALL INFORMATION CONFIDENTIAL FOR THE MAXIMUM ALLOWABLE PERIOD OF TIME.

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

E. Reed Fischer

Title Senior Operations Engineer

Signature

Date

05/11/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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

BUREAU OF LAND MANAGEMENT

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)

ACCEPTED FOR RECORD

JUN 6 2009

BUREAU OF LAND MANAGEMENT

CARLSBAD FIELD OFFICE