

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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OCD-HOBBS  
MAR 23 2011

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.  
NMNM0245247  
6. If Indian, Allottee or Tribe Name

**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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
2125' FSL & 515' FWL (NWSW) Section 25, T18S-R33E N.M.P.M.

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

8. Well Name and No.  
McElvain # 6

9. API Well No.  
30-025-37948

10. Field and Pool or Exploratory Area  
EK Delaware

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 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 checked="" type="checkbox"/> Other Commingle all<br>Delaware Formation<br>production |
|  | <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 recomplete 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 recompletion 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.)

McElvain Oil & Gas Properties, Inc. (MOG) is preparing to recomplete the McElvain # 6 well in order to add additional Delaware pay to the existing Delaware production. MOG would like to begin recomplete operations as soon as a fracture stimulation date and service rig can be secured. We anticipate service rig operations to begin in mid April 2011 and continue for up to 3 weeks.

The well is currently producing from 20' of 2nd Delaware sand perforations between 5,640' and 5,660'. MOG would like to temporarily blindoff the existing perfs via a wireline set RBP at approx. 5,540'. After pressure testing the casing, RBP & BOPE to 3,000 psi, MOG will dumpbail 2 sx sand on the RBP and perforate the 1st Delaware sand from 5316 - 5,322 (6') and from 5,338 - 5,348 (10') at 2 spf. The 16' of net new perfs would be acidized from under a packer with approx. 1,500 gals of NeFe (HCL) acid and swab tested before fracture treating down casing with approximately 65,000 gals 1% KCL based fluid and 80,000 lbs of 20/40 sand. Depending on the post frac results, the well will be pumped for several months from the new Delaware perfs only or we'll remove the RBP immediately following the post frac cleanup and production from both the 1st and 2nd Delaware sand will be commingled.

MOG is aware of the lesser prairie chicken stipulations and will conduct no rig or pressure pumping operations between 3:00 A.M. and 9:00 A.M. from March 1 and June 15.

Both the BLM and NMOCD will be notified of all operations.

PLEASE KEEP 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 Production Engineer

Signature

Date 03/10/2011

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Title

Office

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.

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)

MAR 24 2011

PETROLEUM ENGINEER

APPROVED

MAR 18 2011

/s/ Chris Walls

BUREAU OF LAND MANAGEMENT  
CARLSBAD FIELD OFFICE