| Submit 1 Copy To Appropriate District Office   |                            | State of New Mexico                    |                                       |                  |         | Form C-103   |            |               |  |
|--|----------------------------|--|---------------------------------------|------------------|---------|--|------------|---------------|--|
| District 1<br>1625 N. French Dr., Hobbs, NM 88240  |                            | Energy, Minerals and Natural Resources |                                       |                  |         | WELL API NO.   |            | October 13.   | , 2009                                       |
| <u>District II</u><br>1301 W. Grand Ave , Artesia, NM 88210  |                            | OIL CONSERVATION DIVISION              |                                       |                  |         | 30-025-36773<br>5. Indicate Type                               | of Lease   |               |  |
| <u>District III</u><br>1000 Rio Brazos Rd., Aztec, NM 87410  |                            |  | 1220 South St. Francis Dr.            |                  |         | STATE  | ⊠ FI       | EE 🔲          |  |
| District IV  | ncis Dr., Santa Fe, NM     | Santa Fe, NM 87505                     |                                       |                  |         | 6. State Oil & Ga<br>37486                                     | s Lease N  | 0.            |  |
|  |                            |  |                                       |                  |         |  | r Unit Agr | eement Na     | me   |
|  | ESERVOIR. USE "APPLICA     | TION FOR PERMIT"                       | ION FOR PERMIT" (FORM C-101) FOR SUCH |                  |         | WLHU G4S Un  |            |               |  |
| 1. Type of V   | Well: Oil Well 🛛 🛚 G       | as Well 🔲 Othe                         | Well Other RECEIVED                   |                  |         | 8. Well Number 31  |            |               |  |
| 2. Name of Operator EnerVest Operating, L.L.C.   |                            |  | APR - 9 2010                          |                  |         | 9. OGRID Number<br>143199                                      |            |               |  |
| 3. Address of Operator 1001 Fannin Street, Suite 800, Houston, TX 77002  |                            |  | NMOCD ARTESIA                         |                  |         | 10. Pool name or Wildcat Loco Hills; Queen-Grayburg-San Andres |            |               |  |
| 4. Well Loc  |                            |  |                                       |                  |         | Loco IIIIIs, Quee.   | - Gray our | 5 0411 7 1114 |  |
| ,  | t LetterO:_                | _1309feet from                         | n theSout                             | h line and       | 1       | 980feet fro  | m the      | Eastl         | line   |
| Sec  |                            |  | nip 18S                               | Range 29E        |         | NMPM   | Eddy       | County        |  |
|  |                            | 11. Elevation (Sho) $4246.5' = 0$      |                                       | RKB, RT, GR,     | , etc.) | 65 (1)   |            |               | e zad  |
| L  |                            |  |                                       |                  | -       |  |            |               |  |
|  | 12. Check Ap               | propriate Box t                        | to Indicate N                         | ature of Not     | ice, l  | Report or Other  | Data       |               |  |
|  | NOTICE OF INT              |  |                                       | l .              |         | SEQUENT RE   |            |               |  |
| PERFORM REMEDIAL WORK  PLUG AND ABANDON  REMEDIAL WORK  ALTERIN TEMPORARILY ABANDON  CHANGE PLANS  COMMENCE DRILLING OPNS. P AND A   |                            |  |                                       |                  |         |  | IG CASING  | ; ∐<br>□      |  |
| PULL OR ALTER CASING  MULTIPLE COMPL  CASING/CEMENT JOB  |                            |  |                                       |                  |         |  |            |               |  |
|  | COMMINGLE                  |  | <del></del>                           |                  |         |  |            |               |  |
| OTHER:   |                            |  | П                                     | OTHER:           | Per     | forate and Frac  |            |               | $\bowtie$                                    |
| 13. Desc   | ribe proposed or complet   |  |                                       | ertinent details | s, and  | give pertinent date  |            |               | d date                                       |
| of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.  |                            |  |                                       |                  |         |  |            |               |  |
| Enervest Operating, LLC permitted this well as a producer for the approved WLH Waterflood project.   |                            |  |                                       |                  |         |  |            |               |  |
| Well Completions   |                            |  |                                       |                  |         |  |            |               |  |
| Well Completion: 1/29/10 RU Wireline & run cased hole; CNL-CBL-CCL logs.   |                            |  |                                       |                  |         |  |            |               |  |
|  | w/3-1/8" select-fire csg g | guns and perforate                     | 2640'-2666'                           |                  |         |  |            |               |  |
| (4 SPF, total of 108 holes). 3/17/10 Acidize using 2,000 gal 15% HCL, scale inhibitor and ball sealers.  |                            |  |                                       |                  |         |  |            |               |  |
| Frac w/42500# 16/30 sand. Leave well SI overnight. RU flowback equip., install choke, open to flowback tank.   |                            |  |                                       |                  |         |  |            |               |  |
| Swab well. 4/5/10 RIH with 2-7/8" tubing, set EOT @ 2669'.   |                            |  |                                       |                  |         |  |            |               |  |
| RIH w/gas anchor, pump and rods. Load and test tbg to 500 psi – ok. Good pump action.  |                            |  |                                       |                  |         |  |            |               |  |
| Well is shut-in. Waiting on electricity hookup. Tied wellhead into flowline.   |                            |  |                                       |                  |         |  |            |               |  |
| ĺ  |                            |  |                                       | <u> </u>         |         |  |            |               |  |
| Spud Date:   | 12/27/09                   |  | Rig Release Da                        | te:              | (       | 01/02/10   |            |               |  |
| - (  |                            |  |                                       | <u></u>          |         |  | ]          |               |  |
| I hereby certif  | y that the information ab  | ove is true and cor                    | nnlete to the be                      | est of my know   | ledge   | and helief   |            |               |  |
| Thereby certif   |                            | 1, 1                                   |                                       |                  |         |  |            |               |  |
| SIGNATURE SIGNATURE TITLE Sr. Regulatory Tech. DATE 4/7/2010   |                            |  |                                       |                  |         |  |            |               |  |
| Type or print in For State Use   | nameShirley Galik_         |  |                                       |                  |         | tPHONE:  | _          |               |  |
| APPROVED   | & blow (Gye                | ion                                    | TITLE Field                           | Super            | 1156    | DADA   | TE 4-1     | 2-201C        | <u>)                                    </u> |
| APPROVED BY DOUBLE Show TITLE Field Supervisor DATE 4-12-2010 Conditions of Approval (if any): Submit the Hig; detail - Wt. & grade. Sasing Must be Press. Tosted Prior to completion operations |                            |  |                                       |                  |         |  |            |               |  |
|  |                            |  | -                                     |                  | •       | 11101 4  | to count   | KHOU (        | ARIGHDIA K                                   |