Susana Martinez Governor

David Martin Cabinet Secretary-Designate

Brett F. Woods, Ph.D. Deputy Cabinet Secretary Jami Bailey, Division Director Oil Conservation Division



New Mexico Oil Conservation Division approval and conditions listed below are made in accordance with OCD Rule 19.15.7.11 and are in addition to the actions approved by BLM on the following <u>3160-3</u> APD form.

Operator Signature Date: 2/3/14 Well information; Operator Enervest, Well Name and Number Jicarilla Contract 155 20M

API# 30-039-31215, Section 29, Township 26 \otimes S, Range 5 E/\otimes

Conditions of Approval:

(See the below checked and handwritten conditions)

Notify Aztec OCD 24hrs prior to casing & cement.

- Hold C-104 for directional survey & "As Drilled" Plat
- Hold C-104 for NSL, NSP, DHC
- Spacing rule violation. Operator must follow up with change of status notification on other well to be shut in or abandoned
- Regarding the use of a pit, closed loop system or below grade tank, the operator must comply with the following as applicable:
 - A pit requires a complete C-144 be submitted and approved prior to the construction or use of the pit, pursuant to 19.15.17.8.A
 - A closed loop system requires notification prior to use, pursuant to 19.15.17.9.A
 - A below grade tank requires a registration be filed prior to the construction or use of the below grade tank, pursuant to 19.15.17.8.C
- Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string
- Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils

NMOCD Approved by Signature

SUPERVISOR DISTRICT # 3

1220 South St. Francis Drive - Santa Fe, New Mexico 87505 Phone (505) 476-3460 - Fax (505) 476-3462 - www.emnrd.state.nm.us/ocd

، <u></u> `	Reference in the second se	E with the second					
Form 3160-3 (March 2012)			FORM APPI OMB No. 100 Expires October	OVED 4-0137 31, 2014			
UNITED STA DEPARTMENT OF T BUREAU OF LAND	ATES HE INTERIOR FEB MANAGEMENT	04 2014	5. Lease Serial No. Jicarilla Contract 155				
APPLICATION FOR PERMIT	TO DRILL OR REENTER Bureau of La	n Field Offi nd Manage	Cf6. If Indian, Allotee or Ti Ticks Jicarilla Apache Tribe	ibe Name			
la. Type of work: 🗹 DRILL.	ENTER		7. If Unit or CA Agreemen	t, Name and No.			
Ib. Type of Well: Oil Well 🖌 Gas Well Other	Single Zone	Multiple Zone	8. Lease Name and Well No. Jicarilla Contract 155 #20M				
2. Name of Operator EnerVest Operating, L.L.C.	or EnerVest Operating, L.L.C.						
3a. Address 1001 Fannin Street, Suite 800 Houston, TX 77002	Fannin Street, Suite 8003b. Phone No. (include area code)ston, TX 77002713-659-3500						
 Location of Well (Report location clearly and in accordance v At surface 1201' FSL & 762' FWL (UL M), Sec. 29⁻¹ 	vith any State requirements.*) T26N R05W		11. Sec., T. R. M. or Blk.and	Survey or Area			
At proposed prod. zone 1300' FSL & 660' FWL (UL M)), Sec. 29 T26N R05W	· · ·	Sec. 29 126N R05W				
 Distance in miles and direction from nearest town or post office 30 miles from Lindreth, NM 	e*		12. County or Parish Rio Arriba	13. State NM			
 Distance from proposed* location to nearest property or lease line, ft. 762' (Also to nearest drig, unit line, if any) 	posed* 16. No. of acres in lease 17. Spa line, ft. 762' 2477.56 MV - DK - V						
 8. Distance from proposed location* to nearest well, drilling, completed, 245' applied for, on this lease, ft. 	posed location* illing, completed, 245' is lease, ft. 7315' RLB00						
 Elevations (Show whether DF, KDB, RT, GL, etc.) 6492' GL 	w whether DF, KDB, RT, GL, etc.) 22. Approximate date work will start* 04/01/2014						
	24. Attachments						
 he following, completed in accordance with the requirements of Q Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on National Forest Sy SUPO must be filed with the appropriate Forest Service Office 	Anshore Oil and Gas Order No.1, mus 4. Bond to cc Item 20 ab 5. Operator c 6. Such othe BLM.	t be attached to the over the operatio ove). ertification r site specific info	is form: ns unless covered by an existi prmation and/or plans as may	ng bond on file (see pe required by the			
5. Signature	Name (Printed/Typed) Bart Treviño		Date 02/	03/2014			
itle Regulatory Analyst							
approved by (Signature)	Name (Printed/Typed)	·····	Date S	11/14			
CX// anlee Wa			/	· · · · · · · · · · · · · · · · · · ·			
itte AFIN	Office	-0					
itle <u>AFM</u> pplication approval does not warrant or certify that the applican onduct operations thereon. Conditions of approval, if any, are attached.	office	e rights in the sub OF THIS ESSEE AND	ject lease which would entitle	he applicant to			
itle <u>AFA</u> Application approval does not warrant or certify that the applican onduct operations thereon. Conditions of approval, if any, are attached. itle 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make tates any false, fictitious or fraudulent statements or representation DELERAL UNITY OF THE STATE OF THE S	Office tholds legal or equitable title to thos OVAL OR ACCEPTANCE OVAL OR ACCEPTANCE THE LI THE TOLENARY PERSON Knowingly Name Tole And Star Star Star Note to the tole of tole of the tole of the tole of tole	E rights in the sub OF THIS ESSEE AND And willfully on MERATING A	ject lease which would entitle take to any department or age	he applicant to			
itle Application approval does not warrant or certify that the applican onduct operations thereon. Conditions of approval, if any, are attached. itle 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make tates any false, fictitious or fraudulent statements or representation (Continued on page 2) AUTHORIZ ON FEDER.	Office At holds legal or equitable title to those OVAL OR ACCEPTANCE OVAL OR ACCEPTANCE THE LI THE LICENSE THE LI THE COMPACT OF THE LICENSE OF THE COMPACT OF THE LICENSE OF THE COMPACT OF THE COMPACT OFFICE OF THE COMPACT OF THE COMPACT OFFICE OF THE COMPACT OF THE COMPACT OF THE COMPACT OFFICE OF THE COMPACT OF THE COMPAC	E rights in the sub OF THIS ESSEE AND And willfully (9.4 MERATING 1	ject lease which would entitle gake to any department or agen *(InstPirture)	he applicant to ney of the United			

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District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brace, Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505 Erevised Submit one cop FEB 04 2014 CONSERVATION DIVISION						
	WELL LOCATION A	ND ACREAGE DEDICATION	A Trad Managemen				
'API Number	² Pool Code	³ Pool Na	me				
30-039-31315	72319/71599	BLANCO MESAVER	DE BASIN DAKOTA				
*Property Code	° Prop	erty Name	⁶ Well Number				
306758	JICARILLA	CONTRACT 155	#20M				
⁷ OGRID No.	* Oper	ator Name	⁹ Elevation				
143199	ENERVEST	OPERATING, LLC	6492'				
	¹⁰ Surfa	ce Location					
UL or lot no. Section Township R	ange Lot Idn Feet from	the North/South line Feet from the	East/West line County				
M 29 26₽	1201	SOUTH 762'	WEST RIO ARRIBA				
1 ¹ E	Bottom Hole Location	If Different From Surface					
UL or lot no. Section Township R	ange Lot Idn Feet from	the North/South line Feet from the	East/West line County				
M 29 26 N	5 W 1300	SOUTH 660	WEST RIO ARRIBA				
¹² Dedicated Acres _ 160 MV - SW/4 ; DK	720 ¹³ Joint of In W/2	14 Consolidation Code 15 Order No. NSI	0 1400 (MV)				

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.





Company: EnerVest Operating LLC Project: Rio Arriba County, NM (NAD83) Site: Jicarilla



Scientific Drilling **Planning Report** Grand Junction District Well Jicarilla 155 #20M Local Co-ordinate Reference: Database: EnerVest Operating LLC TVD Reference: Company: GL 6492' @ 6492.00ft Project: Rio Arriba County, NM (NAD83) MD Reference: GL 6492' @ 6492.00ft Site: Jicarilla North Reference: True Well: Jicarilla 155 #20M Survey Calculation Method: Minimum Curvature Wellbore OH Design: Plan #5 Project Rio Arriba County, NM (NAD83) a Arro contratiate terror patients as Mean Sea Level Map System: US State Plane 1983 System Datum: North American Datum 1983 Geo Datum: New Mexico Central Zone Map Zone: Site. Jicarilla LIANT TO ME ANTALIS DONTION Northing: -274,017,644.35 usft Site Position: Latitude: 7° 5' 24.101 S Lat/Long Easting: 372,015,898.75 usft Longitude: From: 42° 3' 21.841 E Position Uncertainty: 0.00 ft Slot Radius: 13.200 in Grid Convergence: 0.00 ° Well Jicarilla 155 #20M L'AL TIMAN NUMBER 460,434,976.25 ft Well Position +N/-S Northing: 1,986,492.78 usft Latitude: 36° 27' 14.256 N +F/-W 40,063,721.49 ft Easting: 1,305,322.96 usft Longitude: 107° 23' 22.020 W **Position Uncertainty** 0.00 ft Wellhead Elevation: 0.00 ft Ground Level: 6,492.00 ft Wellbore OH Model Name Declination **Dip Angle Field Strength** Magnetics Sample Date (?) (°) (nT) BGGM2013 11/27/2013 9.45 63.24 50.315 Design Plan #5 การกระบบการกระบบการกระบบการกระบบการกระบบการกระบบการกระบบการกระบบการกระบบการกระบบการกระบบการกระบบกา การกระบบการกระบบการกระบบการกระบบการกระบบการกระบบการกระบบการกระบบการกระบบการกระบบการกระบบการกระบบการกระบบการกระบ การกระบบการกระบบการกระบบการกระบบการกระบบการกระบบการกระบบการกระบบการกระบบการกระบบการกระบบการกระบบการกระบบการกระบ Audit Notes: Version: PLAN 0.00 Phase: Tie On Depth: Vertical Section: Depth From (TVD) +N/-S +E/-W Direction (ft) (ft): (ft) (°) 0.00 0.00 0.00 315.16 Plan Sections Dogleg Build Measured. Vertical Turn Ъ., Rate Depth E/-W Rate Rate Depth Inclination Azimuth N/-S TEO 1 (°/100ft) (°/100ft) (ft) (°/100ft) 5 (ft) (°) (°) (ft) (ft) _(°). Target 100 T 10 1 į., 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 550.00 0.00 0.00 550.00 315.16 2.63 -2.62 2.00 2.00 0.00 315.16 695.88 2.92 695.82 3,172.45 2.92 315.16 3,169.18 92.03 -91.50 0.00 0.00 0.00 0.00 0.00 94.66 -94.12 2.00 -2.00 0.00 180.00 3,318.34 0.00 3,315.00 0.00 0.00 7,315.00 94.66 -94.12 0.00 0.00 0.00 0.00 Jicarilla 155 #20 M PE 7,318.34

Planning Report



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Database:	Grand Junction District		Local Co-ordinate Reference:	Well Jicarilla 155 #20M
Company:	EnerVest Operating LLC		TVD Reference:	GL 6492' @ 6492.00ft
Project:	Rio Arriba County, NM (NAD83)	* *** * *P **	MD Reference:	GL 6492' @ 6492.00ft
Site:	Jicarilla		North Reference:	True
Well:	Jicarilla 155 #20M		Survey Calculation Method:	Minimum Curvature
Wellbore:	ОН			
Desian:	Plan #5			

Planned Survey		nin in the track dust first	2. C. S. Berlin, and	C 1	 The number of the set 	الأرائيسية الأوروب بالعيم. 	12219 21.84 (1.94 C.a.)	Analikan Bash Astron	
Measured .			Vertical			Vertical	Dogleg	Build	Turn
(ft)	Inclination	Azimuth	Ueptn (ft)	.+N/-S	+E/-W	Section 2	(°/100ft)	(°/100ft)	(°/100#)
			- 1						
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
200.00	0.00	0.00	200.00	0.00	0.00	0.00	0.00	0.00	0.00
300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00
400.00	0.00	0.00	400.00	0.00	0.00	0.00	0.00	0.00	0.00
500.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	0.00	0.00
550.00	0.00	0.00	550.00	0.00	0.00	0.00	0.00	0.00	0.00
600.00	1.00	315.16	600.00	0.31	-0.31	0.44	2.00	2.00	0.00
700.00	-2.92	315.16	699.93	2.78	-2.02	3.92	0.00	0.00	0.00
800.00	2 92	315 16	799 80	6 3 9	-6.35	9.01	0.00	0.00	0.00
900.00	2.92	315.16	899.67	10.00	-9.94	14.10	0.00	0.00	0.00
1,000.00	2.92	315.16	999.54	13.61	-13.53	19.19	0.00	0.00	0.00
1,100.00	2.92	315.16	1,099.41	17.22	-17.12	24.28	0.00	0.00	0.00
1,200.00	2.92	315.16	1,199.28	20.83	-20.71	29.37	0.00	0.00	0.00
1,300.00	2.92	315.16	1,299.15	24.44	-24.30	34.46	0.00	0.00	0.00
1,400.00	2.92	315.16	1,399.02	28.05	-27.89	39.55	0.00	0.00	0.00
1,600.00	2.92	315.16	1,498.03	35.27	-35.07	49,73	0.00	0.00	0.00
1,700.00	2.92	315.16	1,698.64	38.88	-38.65	54.82	0.00	0.00	0.00
1.800.00	2.92	315.16	1,798,51	42.49	-42.24	59.91	0.00	0.00	0.00
1,900.00	2.92	315.16	1,898.38	46.10	-45.83	65.00	0.00	0.00	0.00
2,000.00	2.92	315.16	1,998.25	49.71	-49.42	70.09	0.00	0.00	0.00
2,100.00	2.92	315.16	2,098.12	53.32	-53.01	75.18	0.00	0.00	0.00
2,200.00	2.92	315.16	2,197.99	50.93	-56.60	60.27	0.00	0.00	0.00
2,300.00	2.92	315.16	2,297.86	60.53	-60.19	85.36	0.00	0.00	0.00
2,400.00	2.92	315.16	2,397.73	67.75	-67.37	90.45	0.00	0.00	0.00
2,600.00	2.92	315.16	2,597.47	71.36	-70.95	100.63	0.00	0.00	0.00
2,700.00	2.92	315.16	2,697.34	74.97	-74.54	105.72	0.00	0.00	0.00
2,800.00	2.92	315.16	2,797.21	78.58	-78.13	110.81	0.00	0.00	0.00
2,900.00	2.92	315.16	2,897.08	82.19	-81.72	115.90	0.00	0.00	0.00
3,000.00	2.92	315.16	2,996.95	85.80	-85.31	120.99	0.00	0.00	0.00
3,100.00	2.92	315.16	3,050.02	92.03	-00.90 -91.50	129.77	0.00	0.00	0.00
3 200 00	2 37	315 16	3 196 70	92 93	-92 39	131.04	2.00	-2.00	0.00
3,300.00	0.37	315.16	3,296.66	94.62	-94.08	133.43	2.00	-2.00	0.00
3,318.34	0.00	0.00	3,315.00	94.66	-94.12	133.49	2.00	-2.00	0.00
3,400.00	0.00	0.00	3,396.66	94.66	-94.12	133.49	0.00	0.00	0.00
3,500.00	0.00	0.00	3,490.00	94.00	-94.12	133.49	0.00	0.00	0.00
3,600.00	0.00	0.00	3,596.66	94.66	-94.12	133.49	0.00	0.00	0.00
3,700.00	0.00	0.00	3,796,66	94.66	-94.12	133,49	0.00	0.00	0.00
3,900.00	0.00	0.00	3,896.66	94.66	-94.12	133.49	0.00	0.00	0.00
4,000.00	0.00	0.00	3,996.66	94.66	-94.12	133.49	0.00	0.00	0.00
4,100.00	0.00	0.00	4,096.66	94.66	-94.12	133.49	0.00	0.00	0.00
4,200.00	0.00	0.00	4,196.66	94.66	-94.12	133.49	0.00	0.00	0.00
4,300.00	0.00	0.00	4,296.66 4 396.66	94.00 94.66	-94.12 -94.12	133.49	0.00	0.00	0.00
4,500.00	0.00	0.00	4,496.66	94.66	-94.12	133.49	0.00	0.00	0.00
4 600 00	0.00	0.00	4,596,66	94.66	-94.12	133.49	0.00	0.00	0.00
4,700.00	0.00	0.00	4,696.66	94.66	-94.12	133.49	0.00	0.00	0.00
4,800.00	0.00	0.00	4,796.66	94.66	-94.12	133.49	0.00	0.00	0.00
4,900.00	0.00	0.00	4,896.66	94.66	-94.12	133.49	0.00	0.00	0.00

12/20/2013 12:33:30PM

COMPASS 5000.1 Build 70

Planning Report





Planned Survey

Planied Survey	Seren a								
Measured			Vertical	میں میں رومیں کے مطلق کر ایک رومیں ماہ میں میں ایک رومیں میں ایک		Vertical	Dogleg	Build	Tum
Depth	Inclination • (°)	'Azimuth' (°)	Depth (ft)	+N/-S (ft)	+E/-W (ft)	Section (ft)	Rate (°/100ft)	Rate (°/100ft)	Rate (%/100ft)
5,000.00	ىيە «ئىيكىتىكىكە» «يولىكە». 0.00	0.00	4,996.66	94.66	-94.12	133.49	0.00	0.00	0,00
5,100.00	0.00	0.00	5,096.66	94.66	-94.12	133.49	0.00	0.00	0.00
5,200.00	0.00	0.00	5,196.66	94.66	-94.12	133.49	0.00	0.00	0.00
5,300.00	0.00	0.00	5,296.66	94.66	-94.12	133.49	0.00	0.00	0.00
5,400.00	0.00	0.00	5,396.66	94.66	-94.12	133.49	0.00	0.00	0.00
5,500.00	0.00	0.00	5,496.66	94.66	-94.12	133.49	0.00	0.00	0.00
5,600.00	0.00	0.00	5,596.66	94,66	-94.12	133.49	0.00	0.00	0.00
5,700.00	0.00	0.00	5,696.66	94.66	-94.12	133.49	0.00	0.00	0.00
5,800.00	0.00	0.00	5,796.66	94.66	-94.12	133.49	0.00	0.00	0.00
5,900.00	0.00	0.00	5,896.66	94.66	-94.12	133.49	0.00	0.00	0.00
6,000.00	0.00	0.00	5,996.66	94.66	-94.12	133.49	0.00	0.00	0.00
6,100.00	0.00	0.00	6,096.66	94.66	-94.12	133.49	0.00	0.00	0.00
6,200.00	0.00	0.00	6,196.66	94.66	-94.12	133.49	0.00	0.00	0.00
6,300.00	0.00	0.00	6,296.66	94.66	-94.12	133.49	0.00	0.00	0.00
6,400.00	0.00	0.00	6,396.66	94.66	-94.12	133.49	0.00	0.00	0.00
6,500.00	0.00	0.00	6,496.66	94.66	-94.12	133.49	0.00	0.00	0.00
6,600.00	0.00	0.00	6,596.66	94.66	-94.12	133.49	0.00	0.00	0.00
6,700.00	0.00	0.00	6,696.66	94.66	-94.12	133.49	0.00	0.00	0.00
6,800.00	0.00	0.00	6,796.66	94.66	-94.12	133.49	0.00	0.00	0.00
6,900.00	0.00	0.00	6,896.66	94.66	-94.12	133.49	0.00	0.00	0.00
7,000.00	0.00	0.00	6,996.66	94.66	-94.12	133.49	0.00	0.00	0.00
7,100.00	0.00	0.00	7,096.66	94.66	-94.12	133.49	0.00	0.00	0.00
7,200.00	0.00	0.00	7,196.66	94.66	-94.12	133.49	0.00	0.00	0.00
7,300.00	0.00	0.00	7,296.66	94.66	-94.12	133.49	0.00	0.00	0.00
7,318.34	0.00	0.00	7,315.00	94.66	-94.12	133.49	0.00	0.00	0.00
Jicarilla 155 #	20 M PBHL								

Design Targets Target Name hit/miss target > Dip Shape	Angle D	ip Dir. (ᠻ)	TVD (ft)	+N/-S -(ft)	+E/-W (ft)	Northing (usft)	Easting (usft)	Latitude	Longitude
Jicarilla 155 #20 M PBHI - plan hits target center - Point	0.00	0.00	7,315.00	94.66	-94.12	1,986,588.55	1,305,229.97	36° 27' 15.192 N	107° 23' 23.172 W

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Drilling Plan

All Lease and /or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations, BLM Onshore orders and NMOCD rules. The operator is fully responsible for the actions of its subcontractors. A copy of the APD and Conditions of Approval will be available to the field representatives to ensure compliance.

4.1, 4.2 ESTIMATED (TVD) FORMATION TOPS (KB) and NOTABLE ZONES:

The following are estimates of formation and proposed casing depths.

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Formation Name	Depth (TVD)	Rock Type	Comments
San Jose	Surface	Sandstone	
Ojo Alamo	2081'	Sandstone	Possible Gas, Water
Kirtland	2401'	Shale	
Fruitland	2655'	Coal, Shale, Sandstone	Possible Lost Circ, Gas, Water
Pictured Cliffs	2806'	Sandstone	Possible Lost Circ, Gas, water
Lewis	2873'	Shale	Sloughing Shale
Chacra	3697'	Sandstone	Possible Gas
Mesa Verde (Cliffhouse)	4482'	Sandstone	Possible Lost Circ, Gas, Water
Mesa Verde (Menefee)	4509''	Coal, Sandstone, Shale	Possible Lost Circ, Gas, Water
Mesa Verde (Point Lookout)	5017'	Sandstone	Possible Lost Circ, Gas, Water
Mancos	5206'	Shale	Sloughing Shale
Gallup	6176'	Sandstone, Shale	Possible Lost Circ, Gas, Oil
Greenhorn	6917'	Limestone	Gas, Oil
Graneros	6973'	Shale	Gas, Oil, Water
Dakota	6999'	Sandstone	Gas, Oil, Water
Proposed Total Depth	7315'		

Fresh water zones will be adequately protected by setting and cementing the surface casing. All zones containing commercial quantities of oil or gas will be cased and cemented.

This well is to be drilled as a directionally drilled "S-shaped" well. The well is to be drilled vertically from surface to a kick off point at \pm 600°. The well will be directionally drilled at a 315 degree azimuth to a point approx 133° north and west of the surface location. At an estimated MD of \pm 3450° the well will be drilled vertically from that point to the estimated TD.

4.3 <u>PRESSURE CONTROL</u>:

Maximum expected pressure is ~ 1609 (.22 pressure gradient) psi. The drilling contract has not yet been awarded, thus the exact BOP and Choke Manifold model to be used is not yet known. A typical 11" 2000 psi model is pictured in Exhibits A & B.

A remote accumulator will be used, the pressures, capacities location of the remote and manual controls will be identified at the time of the BLM supervised BOP test.

BOP equipment, accumulator, choke manifold and all accessories will meet or exceed BLM requirements as listed in Onshore Order #2 for the 2M systems. The pressure control equipment considerations include but will not be limited to:

- 1. BOP will be a double gate ram preventer with a set of blind rams and a set of properlysized pipe rams.
- 2. Accumulator will have sufficient capacity to close the BOP rams and retain 200 psi above pre charge.
- 3. Accumulator fluid volume is to be maintained at manufacturer's recommendations.
- 4. BOP will also have manual closing handles available.
- 5. 2" minimum kill line and kill line valves (2).
- 6. Choke manifold (2" lines) with 2 adjustable chokes with valves and gauge.
- 7. Manually operated Kelly cocks available.
- 8. Safety valve and sub(s) with adequate opening for all drill strings used.
- 9. Fill line and flow line above the upper-most BOP rams.

BOPs will be pressure tested; after initial installation, before drilling out from under all set and cemented casing strings and any time a seal is broken. The BOPs will also be pressure tested a minimum of once every 21 days by a 3rd party. Additionally, the BOPs will be operationally checked every 24 hours.

All tests and pressure tests will be recorded on IADC log.

Ram type preventors, choke manifold and related pressure control equipment will be pressure tested to the rated working pressure of 2000 psi (high) and 250 psi (low).

The casing strings will be pressure tested per BLM Onshore Order #2 for 30 min as follows:

- a. Surface casing tested to 600 psi prior to drilling out the shoe.
- b. Production casing will be tested to 6000 psi at the commencement of completion operations.

4.4 PROPOSED CASING PROGRAM :

Hole/Casing Description	Hole Size	Casing OD	Weight lb/ft	Grade	Age	Connection	Тор	Bottom
Surface assistant Superson	12 ¹ / ₄ "	8 ⁵ / ₈ "	24	J-55	New	ST&C	0	500'
Rrod Csg MD FVD	7 ⁷ / ₈ "	4 ½"	11.6	N-80	New	LT&C	0 0	7318' 7315'

Surface casing is to be cemented to surface. The production casing is to be cemented in 3 stages covering all zones of production potential and the 3rd stage is intended to circulate cement to surface.

4.5 <u>CASING CEMENT</u>:

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A prototypical cementing program is listed as follows, site-specific cement designs will be produced for each well as the hole conditions warrant. The cement program will designed to meet the BLM Onshore Order #2 and NMOCD requirements.

Surface casing will be cemented to the surface.

Cement and properties; Mix and pump 297 sacks (413 cu ft) Type III cement (or equivalent) cement. Slurry density is to be 14.6 (yield = 1.39 cu ft/sx). Volume will include 100% excess. Cement is to be displaced using a top plug.

Two centralizers will be run on the shoe joint, one centralizer each on the next two joints and then one centralizer on every third joint thereafter. The surface casing will be pressure tested to 600 psi prior to drilling out the shoe.

Production casing will be cemented in 3 stages covering all zones of production potential and the 3rd stage is intended to circulate cement to surface. Volumes based on 45%-50% OH excess over gauge volume.

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Stage 1 cement; mix and pump 524 sacks (1053 cu ft) premium lite high strength cement with CaCl2, cellophane, gilsonite and fluid loss agent. Slurry density is to be 12.5 (yield = 2.01 cu ft/sx).

DV tool at +/- 4142 ft. MD

Stage 2 Lead cement; mix and pump 270 sacks (575 cu ft) premium lite slurry with CaCl2, cello flake and gilsonite. Estimated slurry density is to be 12.1 (yield = 2.13 cu ft/sx).

Stage 2 Tail cement; mix and pump 50 sacks (69 cu ft) Type III cement (or equivalent) cement. Slurry density is to be 14.6 (yield = 1.39 cu ft/sx) or equivalent cement.

DV tool at +/- 2256 ft. MD

Stage 3 Lead cement; mix and pump 307 sacks (654 cu ft) premium lite slurry with CaCl2, cello flake and gilsonite. Estimated slurry density is to be 12.1 (yield = 2.13 cu ft/sx).

Stage 3 Tail cement; mix and pump 50 sacks (69 cu ft) Type III cement (or equivalent) cement. Slurry density is to be 14.6 (yield = 1.39 cu ft/sx) or equivalent cement.

Two centralizers will be run on the shoe joint, one centralizer on every third joint into the surface casing.

The production casing will be pressure tested for 30 minutes at the commencement of completion operations as outlined above

Where cement has not been circulated to surface (or to planned depth) a CBL or temperature survey will be run to determine the TOC for that casing string. A CBL log will be run in the production casing prior to the commencement of completion operations.

Cement specifications may vary slightly due to cement type and cement contractor availability.

4.6 MUD PROGRAM

Depth	Туре	Wt / pp		Visc	Fluid Loss
0-500'	FW gel/Lime Spud N	Iud	8.4-9.0	30-40	N/C
500'-7318'	LSND/Gel sweeps, L	.CM as needed	8.7-9.0	20-32	4-6 cc

The well will be drilled utilizing a closed loop mud handling system. The closed loop system will comply with the NMOCD pit rules pertaining to the use of the system and disposal of the drill cuttings and waste. Drilling mud will be moved for re-use to drill subsequent wells whenever possible.

Viscosity, mud weight and other physical and chemical characteristics of the drilling mud will be varied as required to keep the hole clean, circulate drill cuttings, prevent caving, prevent lost circulation and maximize penetration rate.

Sufficient mud and materials will be kept on site to maintain mud properties and meet lost circulation or mud weight requirements at all times.

Mud design may change depending on well conditions, LCM, fluid loss and viscosity will be determined by the EnerVest representative and the mud engineer on site.

4.7 CORING, TESTING, & LOGGING

No cores or drill stem tests are planned. Well logs to be run are:

Surface to TD; GR/ Cement Bond Log, at the commencement of completion operations. 2300' to TD; Cased hole GR/Neutron

This well will be directionally drilled and a record of the deviation will be run while drilling. A deviation survey will be submitted at the conclusion of the well completion.



4.8 ANTICIPATED PRESSURES AND TEMPERATURES:

- Expected bottom hole pressure: < 1609 psi a.
- Anticipated abnormal pressure: b.
- Anticipated abnormal temperatures: c.

None None

None

- Anticipated hazardous gas (H2S): d.

If any of the foregoing conditions are unexpectedly encountered, suitable steps will be taken to mitigate according to accepted industry best practices.

4.9 **OTHER INFORMATION:**

The anticipated spud date is spring 2014. The spud date will be dependent on the weather conditions, road conditions and the Conditions of Approval.

The dirt work for road and well pad construction will commence upon approval of the APD and will be dependent on weather conditions.

The well will be spud after well pad construction is complete and a suitable rig becomes available. The duration of drilling operations is expected to be from two to three weeks. The drilling rig and associated equipment will be removed and preparations will be made for the completion of the well.

Completion will start about one to four weeks after the finish of the drilling operations. A completion rig will be moved in for the completion phase. The completion phase of the well is expected to +/- two weeks. The completion phase will include; perforating, acidizing, fracture stimulation and well testing.

Some events/situations may arise that could potentially change the starting date or project duration that are out of EnerVest's control. If such events/situations arise, the proper officials will be promptly notified.

EnerVest Operating, LLC Jicarilla Contract 155 #20M

SHL: 1201' FSL, 762' FWL Unit M Sec 29, T26N, R05W BHL: 1300' FSL, 660' FWL Unit M Sec 29, T26N R05W Rio Arriba, NM

Surface Use Plan

1. DIRECTIONS & EXISTING ROADS (See attached Vicinity map)

The location is approximately 33 miles NW of the intersection of US Hwy 550 and NM Hwy 537 Latitude: N 36.45396 Latitude: W 107.38977

From Intersection of US Hwy 550 and NM State Hwy 537: Turn north on Hwy 537 for 28 miles, turn left on J-6 for 8.3 mi, turn right on J-63, go 2.3 mi, turn left, go 1.6 mi to Jicarilla Contract 155 #26 CH location, go through location to new well location.

2. ROAD TO BE BUILT OR UPGRADED

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- A. Drilling of this well will require the construction of 93' of new access road from an existing access road that connects with J-63 road. After the well is completed as a commercial producer, the need for a pipeline is ascertained, it is proposed to construct 466' of pipeline to tie-in to an existing Williams pipeline which runs with the access road that connects with J-63.
- B. Width: 20 ft running surface; 40 ft total ROW with is applied for to accommodate access and drainage installation along the road.
- C. Maximum grade: 0-1%.
- D. Turnouts: No turnouts are planned for this access road.
- E. Drainage design: The drainage design for the proposed new access road will be in conformance with Jicarilla Apache Tribal and BIA standards with the agreement of the of the Jicarilla Apache Tribe. It is proposed to build a drainage holding and diversion pond near location if needed to prevent location erosion and divert drainage around the location. Any area used in this fashion will have been reviewed and given clearance for the possible archaeological and environmental impact.
- F. Location and size of culverts: None are required.
- G. Surface Materials: No gates, cattle guards or fences to be installed along the access road or the location. Road base material may be used as necessary during the drilling and completion phases of this project.

3. <u>SURFACE OWNERSHIP</u>

The surface ownership of the well site location and access roads are all on Jicarilla Apache Nation land.

4. <u>EXISTING WELLS (See the Vicinity map)</u>

This is a development location. There are thirty-one existing wells within a one-mile radius of the proposed location as shown on the Vicinity map.

EnerVest Operating, LLC Jicarilla Contract 155 #20M

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5. WELL SITE LAYOUT

The attached figure (Fig A) shows the proposed well location layout while drilling this well. The drilling contractor has not been chosen and the layout of the may vary with the particular drilling contractor's rig requirements. A construction zone will be built on the sides of the well location as per attached survey plats and will be reclaimed as per item # 11 below after the completion of this well.

6. <u>PROPOSED PRODUCTION FACILITIES</u>

The actual equipment used and the configuration will be determined after the well is completed. At a minimum, the facilities will include a meter run, a separator, a produced water storage tank and a condensate/oil storage tank. All surface equipment will be painted with a non-reflective paint color as per specifications as specified by the Conditions of Approval.

7. WATER SUPPLY

Drilling and completion water will come from sources as agreed with the Jicarilla Apache Tribe. Fresh water will be trucked from several sources; local ponds, or wells from the area. No water wells are to be drilled for this location.

8. <u>CONSTRUCTION MATERIALS & METHODS</u>

NM One Call (811), US Forest Service and BLM will be notified before construction starts. The top 6" of soil from the location will be saved and will be piled at near the location to be used for reclamation at a later date. Any road base, gravel or other fill material will be hauled from a source as agreed upon by the Jicarilla Apache Tribe or as specified in the Conditions of Approval.

9. WASTE DISPOSAL

- A. The drill cuttings will be handled with a closed loop system and stored in steel rig tanks. These will then be hauled to a properly-permitted site for disposal. The drilling fluid will be processed for reuse, any drilling fluid that cannot be re-used will be hauled to a properly-permitted facility for disposal. The closed loop system will be closed and removed as per NMOCD.
 - B. Drilling mud that cannot be re-used will be disposed of at a properly permitted facility.
 - C. Produced water will be collected and disposed of a properly permitted facility.
 - D. Any sewage will be collected by the portable toilet provider for disposal.
 - E. All garbage and general trash will be collected in a portable trash cage and will be removed from the site and disposed of in a properly permitted disposal facility. There will be no burning of trash.
 - F. Drilling crews under the supervision of the contractor or operator will control and dispose of garbage and waste materials during the drilling operations.
 - G. Roustabout or completion crews will dispose of all garbage or trash generated during the completion (or abandonment) of the well site.

EnerVest Operating, LLC Jicarilla Contract 155 #20M

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14. OPERATOR CERTIFICATION

EnerVest, Operating, LLC has the necessary consents from the proper lease owners to conduct lease operations in conjunction with this well. Bond coverage pursuant to 43 CFR 3104 for lease activities and operations is being provided RLB0007886.

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that I have full knowledge of state and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with operations proposed herein will be performed by EnerVest Operating, LLC and its contractors and subcontractors in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I or EnerVest Operating, LLC am/is responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U. S. C. 1001 for the filing of a false statement.

Executed this 3rd day of FEBRUARY 2014.

Ronnie L. Young Director - Regulatory 1001 Fannin Street, Suite 800 Houston, TX 77002 713-495-6530





