

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

JUL 24 2014

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.

SUBMIT IN TRIPLICATE - Other Instructions on page 2.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. Jicarilla Apache 102
2. Name of Operator Enervest Operating, L.L.C.		6. If Indian, Allottee or Tribe Name Jicarilla Apache
3a. Address 1001 Fennin Street, Suite 800 Houston, Texas 77002	3b. Phone No. (include area code) 713-658-3500	7. If Unit of CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) S.L.: 1387' FNL & 304' FEL (H) Section 9, Township 28 North, Range 4 West, NMPM B.H.L.: 1070' FNL & 870' FEL (A) Section 9, Township 28 North, Range 4 West, NMPM		8. Well Name and No. Jicarilla Apache 102 No. 12N
		9. API Well No. 30-039-31179
		10. Field and Pool or Exploratory Area Blanco-Mesaverde & Basin-Dakota Gas Pools
		11. Country or Parish, State Rio Arriba

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 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 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 checked="" type="checkbox"/> Other Downhole Comminglie
	<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 must 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 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.)

Enervest Operating, L.L.C. respectfully requests permission to dowhole commingle production in this well. The well will be completed in the Blanco-Mesaverde and Basin-Dakota Gas Pools.

Interest Ownership between the Mesaverde and Dakota formations is common. Attached is a copy of NMOCD Form C-103.

Based upon the average 2014 production from several offset wells (See Attached Table), Enervest Operating, L.L.C. proposes to allocation production as follows:

Blanco-Mesaverde Gas Pool: Oil: 34% Gas: 39% Water: 29%
Basin-Dakota Gas Pool: Oil: 66% Gas: 61% Water: 71%

OIL CONS. DIV DIST. 3

AUG 06 2014

DHC 3908 AB

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Keith Barton		Title Regulatory Manager
Signature <i>Keith Barton</i>		Date 07/22/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by <i>Joe Hewitt</i>	Title Geo	Date 8-4-14
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 FED

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)

NMOCD
AV

Submit 1 Copy To Appropriate District
Office

District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
Revised July 18, 2013

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-039-31179
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Enervest Operating, L.L.C.		6. State Oil & Gas Lease No.
3. Address of Operator 1001 Fannin Street, Suite 800 Houston, Texas 77002		7. Lease Name or Unit Agreement Name Jicarilla Apache 102
4. Well Location Unit Letter <u>H</u> : <u>1387</u> feet from the <u>North</u> line and <u>304</u> feet from the <u>East</u> line Section <u>9</u> Township <u>26 North</u> Range <u>4 West</u> NMPM Rio Arriba County		8. Well Number <u>12N</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) <u>6,946' GR</u>		9. OGRID Number <u>143199</u>
		10. Pool name or Wildcat Blanco-Mesaverde & Basin-Dakota

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL. <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input checked="" type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated 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, L.L.C. ("Enervest") is proposing to drill the Jicarilla Apache 102 Well No. 12N and complete the well as a downhole commingled completion in the Blanco-Mesaverde and Basin-Dakota Gas Pools.

Order No. Authorizing Pre-Approved Downhole Commingling: R-11363 dated 4/26/2000

Pools to be Downhole Commingled: Blanco-Mesaverde (Prorated Gas-72319) and Basin-Dakota (Prorated Gas-71599) Pools

Perforated Intervals (Estimated Formation Tops): Basin-Dakota: 7,841'-8,131'; Blanco-Mesaverde: 5,363'-5,940'

Allocation Method: Based upon the 2014 average production from several wells offsetting the Jicarilla Apache 102 No. 12N (See Attached Table) Enervest proposes to allocate production to the well as follows:

Blanco-Mesaverde Gas Pool: Oil: 34% Gas: 39% Water: 29%

Basin-Dakota Gas Pool: Oil: 66% Gas: 61% Water: 71%

Interest Ownership between the Mesaverde and Dakota is common. The well is dedicated to the N/2 of Section 9 in the Blanco-Mesaverde Gas Pool, and to the E/2 of Section 9 in the Basin-Dakota Gas Pool. No notification required.

The composition of the commingled fluids is such that commingling will not reduce the total remaining production's value

A Copy of this Form C-103 has been provided to the United States Bureau of Land Management.

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE

David Catanach

TITLE Agent-Enervest Operating, L.L.C.

DATE

7/23/14

Type or print name David Catanach

E-mail address: drcatanach@netscape.com

PHONE: 505-690-9453

For State Use Only

APPROVED BY:

TITLE

DATE

Conditions of Approval (if any):

DHC Application
Jicarilla Apache 102 No. 12N
Offset Well Production

Offset Well Name & Number	Well Location	2014 Avg. Mesaverde Oil Production	2014 Avg. Mesaverde Gas Production	2014 Avg. Mesaverde H2O Prod.	2014 Avg. Dakota Oil Production	2014 Avg. Dakota Gas Production	2014 Avg. Dakota H2O Prod.
Jicarilla 102 No. 12M	J-9-26N-4W	0.067 BOPD	43 MCFG/D	0.31 BWPD	0.25 BOPD	18 MCFG/D	1.2 BWPD
Jicarilla 102 No. 14F	D-9-26N-4W	0.067 BOPD	29 MCFG/D	0.14 BWPD	0.28 BOPD	95 MCFG/D	0.64 BWPD
Jicarilla 102 No. 9M	O-4-26N-4W	0.1 BOPD	32 MCFG/D	0.26 BWPD	0.46 BOPD	105 MCFG/D	1.18 BWPD
Jicarilla 102 No. 8M	L-3-26N-4W	1.7 BOPD	224 MCFG/D	4.16 BWPD	2.9 BOPD	349 MCFG/D	10.2 BWPD
Jicarilla 102 No. 8F	P-3-26N-4W	0.44 BOPD	62 MCFG/D	1.4 BWPD	0.44 BOPD	96 MCFG/D	1.4 BWPD
Jicarilla 102 No. 11	C-10-26N-4W	0.1 BOPD	60 MCFG/D	0.28 BWPD	0.12 BOPD	10 MCFG/D	0.0 BWPD
Jicarilla 102 No. 11M	L-10-26N-4W	0.14 BOPD	49 MCFG/D	0.5 BWPD	1.0 BOPD	209 MCFG/D	3.34 BWPD
Jicarilla 102 No. 13M	J-10-26N-4W	0.51 BOPD	120 MCFG/D	0.8 BWPD	0.57 BOPD	80 MCFG/D	0.91 BWPD
Well Average		0.39 BOPD	77 MCFG/D	0.98 BWPD	0.75 BOPD	120 MCFG/D	2.4 BWPD
Recommended Allocation		34%	39%	29%	66%	61%	71%