Form 3160- 5 (Marc 2012)-

UNITED STATES TO THE INTERIOR

BUREAU OF LAND MANAGEMENT

MAR 2 0 2015

FORM APPROVED OMB No. 1004-0137 Expires: October 31, 2014

5. Lease Serial No.

6. If Indian, Allottee, or Tribe Name

NMNM-0117074A

SUNDRY NOTICES AND REPORTS ON WELLS

	aband	loned well. Use Form 3	Farmingi 1160-3 (APD) for such proposa	ton Field Offica <u>/s</u> nd Manageme	ent		
SUBMIT IN TRIPLICATE - Other Instructions on page 2.					7. If Unit or CA/Agreement Name and/or No.		
1.	Type of Well Oil Well	X Gas Well		8. Well Name and No. Mills No. 001			
2. Name of Operator					9. API Well No.		
Enervest Operating, LLC					30-045-05266		
3a. Address 3b. Phone No. (include are 1001 Fannin St., Suite 800 Houston, TX 77002-6707 713-659-3500					10. Field and Pool, or Exploratory Area Basin Dakota		
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)					11. County or Parish, State		
165	50' FSL and 1650' FWL (UL K) S	San Juan County, NM					
		RIATE BOX(ES) TO II	NDICATE NATURE OF NOTICE				
	TYPE OF SUBMISSION TYPE OF ACTION						
	X Notice of Intent	Acidize	Deepen	Production	(Start/Resume)	Water Shut-Off	
		Alter Casing	Fracture Treat	Reclamation	on	Well Integrity	
	Subsequent Report	Casing Repair	New Construction	Recomplet	e	Other	
		Change Plans	X Plug and Abandon	Temporari	ly Abandon		
	Final Abandonment Notice	Convert to Injection		Water Dist			
st	Describe Proposed or Completed Operation: Clearly state all perfinent details, including estimated starting date of any proposed work and approximate duration the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths or pertinent markers and zones Attach the Bond under which the work will be performed or provide the Bond No. on file with the BLM/BIA. Required subsequent reports must be filed within 3 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 esting has been completed. Final Abandonment Notice must be filed only after all requirements, including reclamantion, have been completed, and the operator determined that the site is ready for final inspection.)						
	EnerVest Operating, LLC proposes to plug and abandon this well.						
	P&A will commence prior to June 2015. The start and completion of this work is subject to changes due to rig availability, weather and road conditions.						
Please see attached: P&A Procedure and WBDs Documentation on Pulling Below-Grade Tank Reclamation Plan.		OIL CONS. DIV DIST. MAR 3 0 2015	Notify NMOCD 24 hrs prior to beginning operations				
SEE ATTACHED FOR CONDITIONS OF APPROVAL			ACTION DOE OPERATOR F AUTHORIZAT		OVAL OR ACCEPTANCE OF THIS S NOT RELIEVE THE LESSEE AND FROM OBTAINING ANY OTHER FION REQUIRED FOR OPERATIONS AND INDIAN LANDS		
14.	I hereby certify that the foregoing		me (Printed/Typed)		Y 37 (13 - 14 - 14 - 14 - 14 - 14 - 14 - 14 -		
Michelle Doescher Title				Regulatory Consultant			
Si	gnature Michaelle	Doescher	Date		March /20	/2015	
		THIS SP	ACE FOR FEDERAL OR ST	ATE OFFICE US	SE		
	proved by Troy Salves	<u> </u>	Titl	e PE		Date 3 25 2015	
that	nditions of approval, if any are latta t the applicant holds legal or equita itle the applicant to conduct operat	ble title to those rights i	notice does not warrant or co in the subject lease which w Off	ice FFO			

fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

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 any department or agency of the Unit

PLUG AND ABANDONMENT PROCEDURE

January 15, 2015

Mills #1

Basin Dakota 1650' FWL and 1650' FSL, Section 19, T25N, R9W San Juan County, New Mexico / API 30-045-05266 Lat: N 36.3839161156656/Lat: W -107.833578225954

Note: All cement volumes use 100% excess outside pipe and 50' excess inside. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures. All cement will be Class B, mixed at 15.6 ppg with a 1.18 cf/sx yield.

- 1. This well requires the use of an A-Plus steel tank to handle waste fluids circulated from the well and cement wash up.
- Install and test location rig anchors. Comply with all NMOCD, BLM, and Operator safety
 regulations. MOL and RU daylight pulling unit. Conduct safety meeting for all personnel on
 location. Record casing, tubing and bradenhead pressures. NU relief line and blow down well.
 Kill well with water as necessary and at least pump tubing capacity of water down the tubing.
 ND wellhead and NU BOP. Function test BOP.

3.	Rods: Yes, NoX_, Unknown
	Tubing: YesX, No, Unknown, Size2.375", Length 6460'
	Packer: Yes, No, Unknown, Type
	If this well has rods or a packer, then modify the work sequence in step #2 as appropriate

- 4. NOTE: BLM requires a CBL log to be run on all wells where the cement did not circulate to surface or a CBL log was not previously run. This procedure is prepared with the understanding that it may be modified based on the TOC from the CBL.
- 5. Plug #1 (Dakota perforations and top, 6387' 6287'): Round trip gauge ring or casing scraper to 6387', or as deep as possible. RIH and set 4.5" cement retainer at 6387'. Pressure test tubing to 1000 PSI. Load casing with water and circulate well clean. Pressure test casing to 1000#. If the casings do not test, then spot or tag subsequent plugs as appropriate. Circulate well clean. Mix 12 sxs Class B cement inside casing from CIBP to isolate the Dakota interval. PUH.
- 6. Plug #2 (Gallup top, 5430' 5330'): Mix and pump 12 sxs Class B cement and spot a balanced plug inside casing to cover the Gallup top. TOH.

See COA

7. Plug #3 (Mancos top, 4367' - 4267'): Perforate squeeze holes at 4367'. Attempt to establish rate if the casing pressure tested. TIH and set CR at 4317'. Mix and pump 51 sxs Class B cement, squeeze 39 sxs outside 4.5" casing and leave 12 sxs inside casing to cover the Mancos top. TOH.

See COA

8. Plug #4 (Mesaverde top, 3468' – 3368'): Perforate squeeze holes at 3468'. Attempt to establish rate if the casing pressure tested. TIH and set CR at 3418'. Mix and pump 51 sxs

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Class B cement, squeeze 39 sxs outside 4.5" casing and leave 12 sxs inside casing to cover the Mesaverde top. TOH.

See COA

9. **Plug #5 (Chacra top, 2692' – 2592'):** Perforate squeeze holes at 2692'. Attempt to establish rate if the casing pressure tested. TIH and set CR at 2642'. Mix and pump 51 sxs Class B cement, squeeze 39 sxs outside 4.5" casing and leave 12 sxs inside casing to cover the Chacra top. TOH.

See COA

10. Plug #6 (Pictured Cliffs and Fruitland tops, 1934' – 1647'): Perforate squeeze holes at 1934'. Attempt to establish rate if the casing pressure tested. TIH and set CR at 1884'. Mix and pump 137 sxs Class B cement, squeeze 111 sxs outside 4.5" casing and leave 26 sxs inside casing to cover the Pictured Cliffs and Fruitland tops. TOH.

See COA

- 11. Plug #7 (Kirtland and Ojo Alamo tops, 1317' 1015'): Perforate squeeze holes at 1317'. Attempt to establish rate if the casing pressure tested. TIH and set CR at 1267'. Mix and pump 141 sxs Class B cement, squeeze 117 sxs outside 4.5" casing and leave 24 sxs inside casing to cover the Kirtland and Ojo Alamo tops. TOH.
- 12. Plug #8 (8-5/8" surface casing shoe, 373' Surface): Perforate 3 squeeze holes at 372'. Establish circulation out bradenhead with water and circulate the BH annulus clean. Mix approximately 125 sxs Class B cement and pump down the 4.5" casing to circulate good cement out bradenhead. Shut in well and WOC.
- 13. ND cementing valves and cut off wellhead. Fill annuli with cement as necessary. Install P&A marker to comply with regulations. Record GPS coordinate for P&A marker on tower report. Photograph P&A marker in place. RD, MOL and cut off anchors. Restore location per BLM stipulations

Mills #1

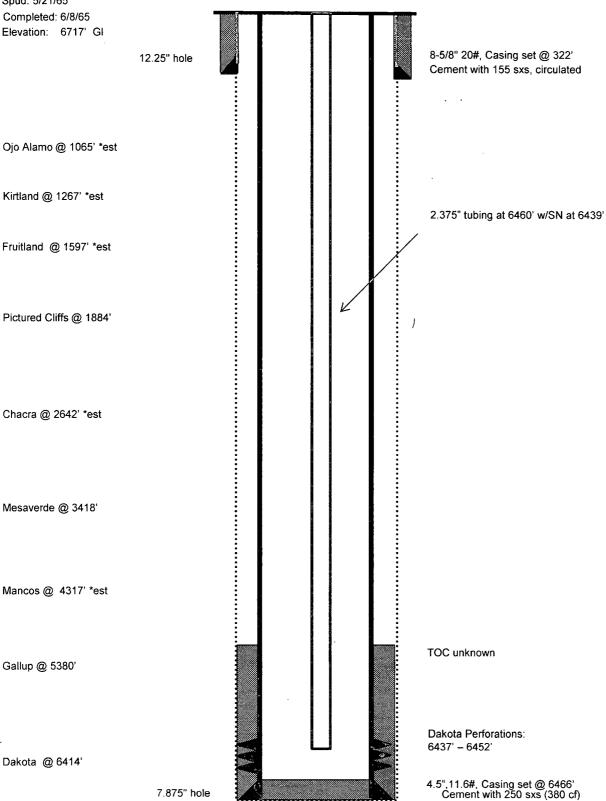
Current

Basin Dakota

Today's Date: 1/12/15

Spud: 5/21/65

1650' FWL, 1650' FSL, Section 19, T-25-N, R-9-W San Juan County, NM, API #30-045-05266



TD 6460'

7.875" hole

Mills #1

Proposed P&A

Basin Dakota

1650' FSL, 1650' FSL, Section 19, T-25-N, R-9-W San Juan County, NM, API #30-045-05266

Today's Date: 1/12/15 Spud: 5/21/65 . Completed: 6/8/65

Elevation: 6717' GI 12.25" hole Ojo Alamo @ 1065' *est Kirtland @ 1267' *est Fruitland @ 1697' *est Pictured Cliffs @ 1884' Chacra @ 2642' *est Mesaverde @ 3418' Mancos @ 4317' *est Gallup @ 5380' Dakota @ 6414'

7.875" hole

TD 6460'

8-5/8" 20#, Casing set @ 322' Cement with 155 sxs, circulated

Perforate @ 372'

Plug #8: 372' - 0' Class B cement, 125 sxs

Set CR @ 1267'

Plug #7: 1317' - 1015' Class B cement, 141 sxs: 24 inside and 117 outside

Perforate @ 1317'

Plug #6: 1934' - 1647' Class B cement, 137 sxs: 26 inside and 111 outside

Set CR @ 1884'

Perforate @ 1934'

Plug ##5: 2692' - 2592'

Set CR @ 2642'

Class B cement, 51 sxs: 12 inside and 39 outside

Perforate @ 2692'

Set CR @ 3418' Plug #4: 3468' - 3368'

Class B cement, 51 sxs:

Perforate @ 3468'

12 inside and 39 outside

Set CR @ 4317'

Plug #3: 4367' - 4267' Class B cement, 51 sxs:

12 inside and 39 outside

Perforate @ 4367'

TOC unknown

Plug #2: 5430' - 5330'

Class B cement, 12 sxs

Set CR @ 6387'

Plug #1: 6387' - 6287'

Dakota Perforations:

6437' - 6452'

Class B cement, 12 sxs

4.5",11.6#, Casing set @ 6466' Cement with 250 sxs (380 cf)

EnerVest Operating, LLC MILLS #001

API #30-045-05266

SHL: 1650' FSL, 1650' FWL, Unit K, Sec19, T25N, R09W Latitude: N36.3839161156656 Longitude: W-107.83357822595 SAN JUAN COUNTY, NM

Reclamation Plan P&A

Upon completion of the P&A, Enervest, LLC intends to return all disturbed areas as near to pre-disturbed conditions as reasonably practical. All surface production equipment, other than any utilized in common with adjacent wells, including flow lines will be removed. The well casing(s) will be cut off below surface and a permanent monument as specified in 43 CFR 3162.6(d) will be installed.

In accordance with Item J of the BLM SUPO requirements, the following actions shall be addressed:

- 1. No spoils are present on this site.
- 2. The topsoil that was removed from the well site location will be replaced and evenly redistributed over the disturbed surface.
- 3. No action is required to reshape the topography.
- 4. A low spot, as identified in the site inspection, will be backfilled.
- 5. Surface disturbances will be alleviated through even distribution of topsoil and re-vegetation.
- 6. See attached Pit Closure documents.
- 7. No action is necessary in relation to drainage systems.
- 8. Upon replacement, topsoil will be spread evenly over the area to be revegetated, and ripped to provide a seedbed.
- 9. The area will be reseeded with Sagebrush Community Seed.
- 10. No weeds requiring control were found on the site location.
- 11. Three existing roads, bordering the site location, will remain for access to other wells.

The reclamation of the disturbed area will commence within six months of the removal of the rig and associated equipment. This time estimate is subject to approval and possible change as may be required by the Bureau of Land Management and Conditions of Approval.

Anyone having questions concerning this Reclamation Plan should contact:

Shelly Doescher sdoescher@enervest.net 505-320-5682

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT FARMINGTON DISTRICT OFFICE

6251 COLLEGE BLVD. FARMINGTON, NEW MEXICO 87402

Attachment to notice of Intention to Abandon:

Re: Permanent Abandonment

Well: Mills #1

CONDITIONS OF APPROVAL

- 1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."
- 2. Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 564-7750.
- 3. The following modifications to your plugging program are to be made:
 - a) Set plug #3 (4630-4530) ft. inside/outside to cover the Mancos top. BLM picks top of Mancos at 4580 ft.
 - b) Set a plug (2749-2649) ft. inside/outside to cover the Cliff House (La Ventana Ss) top. The Cliff House (La Ventana Ss) should be used as the top of the Mesaverde formation for plugging purposes. The Chacra plug (plug #5) is not required for the plugging of this wellbore.
 - c) Bring the top of plug #6 to 1541 ft. inside/outside to cover the Pictured Cliffs and Fruitland tops. Adjust cement volume accordingly.
 - d) Bring the top of plug #7 to 949 ft. inside/outside to cover the Kirtland and Ojo Alamo tops. Adjust cement volume accordingly.

Operator will run a CBL to verify cement top. Submit the electronic copy of the log for verification to the following addresses: tsalyers@blm.gov Brandon.Powell@state.nm.us

You are also required to place cement excesses per 4.2 and 4.4 of the attached General Requirements.

Office Hours: 7:45 a.m. to 4:30 p.m.