

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

MAR 16 2015

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

5. Lease Serial No.

NMSF-078464

6. If Indian, Allottee, or Tribe Name

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.

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

1. Type of Well

☐ Oil Well

☒ Gas Well

☐ Other

8. Well Name and No.

Cain Federal #3

2. Name of Operator

EnerVest Operating, LLC

9. API Well No.

30-045-32605

3a. Address

1001 Fannin St. Suite 800, Houston, TX 77002

3b. Phone No. (include area code)

713-659-3500

Basin Dakota/Basin Fruitland Coal

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

945' FSL & 1945' FEL (UL O), Sec. 25 T31N R 13W

11. County or Parish, State

San Juan, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☐ Notice of Intent

☐ Acidize

☐ Deepen

☐ Production (Start/ Resume)

☐ Water Shut-Off

☐ Alter Casing

☐ Fracture Treat

☐ Reclamation

☐ Well Integrity

☒ Subsequent Report

☐ Casing Repair

☐ New Construction

☐ Recomplete

☒ Other Downhole

☐ Final Abandonment Notice

☐ Convert to Injection

☐ Plug Back

☐ Water Disposal

Commingled

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 recompleate 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 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleation in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notice must be filed only after all requirements, including reclamantion, have been completed, and the operator has determined that the site is ready for final inspection.)

02/18/2015 - 03/05/2015 MIRU Service Rig, pull rods and pump. Pull Fruitland Coal tubing. Pull Dakota tubing, work free from packer. Remove packer.

TIH with 2 3/8" tubing: 2 3/8" mud anchor, 2 3/8" SN, 4jts 2 3/8" tubing, 2 3/8" x4 1/2" tubing anchor catcher and 206 jts 2 3/8", 4.7#, J-55 tubing.

Tag PBTD @ 6849', pull up. Land 2 3/8" tubing w/TAC@ 6668', EOT @ 6832'.

OIL CONS. DIV DIST. 3

Run 2" x 1 1/2" x 16' RWAC-ZVD pump, run 3/4" and 7/8" rods.

MAR 23 2015

Test pump - good test.

Well ready for production as down hole commingled Fruitland Coal/ Dakota per Administrative Order DHC - 4722. (See attached)

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Michelle Doescher

Title

Regulatory Consultant

Signature

Date

March 16, 2015

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

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.

Office

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 United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

NMOCD AV

MAR 17 2015

FARMINGTON FIELD OFFICE
BY: William Tambekou

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State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey, Division Director
Oil Conservation Division



Administrative Order DHC-4722
Order Date: November 21, 2014
Application Reference Number: pMAM1430344764

Enervest Operating, LLC
1001 Fannin Street Suite 800
Houston, Texas 77002-6707

Attention: David Catanach

Cain Federal Well No. 3
API No. 30-045-32605
Unit O, Section 25, Township 31 North, Range 13 West, NMPM
San Juan County, New Mexico

Pool	BASIN FRUITLAND COAL (GAS)	Gas	71629
Names:	BASIN DAKOTA (PRORATED GAS)	Gas	71599

Reference is made to your recent application for an exception to 19.15.12.9A. NMAC of the Division Rules and Regulations to permit the above-described well to commingle production from the subject pools in the wellbore.

It appears that the subject well qualifies for approval for such exception pursuant to the provisions of 19.15.12.11A. NMAC, and since reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion or otherwise required separation of the zones is hereby placed in abeyance.

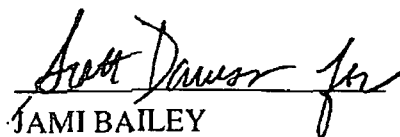
In accordance with 19.15.12.11A.(6) NMAC, the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

As per the application, the assignment of allowable and allocation of production from the well shall be based on the subtraction method. The total well production minus the average 2013 Basin Dakota Pool production shall be assigned to the Basin Fruitland Coal Pool.

REMARKS: The operator shall notify the Division's District III office upon implementation of commingling operations.

This Order is subject to like approval from the United States Bureau of Land Management.

Pursuant to 19.15.12.11B. NMAC, the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.


JAMI BAILEY
Director

JB/mam

cc: New Mexico Oil Conservation Division – Aztec
Bureau of Land Management - Farmington