

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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.*

5. Lease Serial No.
Jicarilla Apache Tribal Contract 109
6. If Indian, Allottee, or Tribe Name
Jicarilla Apache

SUBMIT IN TRIPLICATE - Other Instructions on page 2

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

FEB 04 2015

2. Name of Operator
Enervest Operating, LLC

3a. Address
1001 Fannin St., Suite 800 Houston, TX 77002-6707

3b. Phone No. (include area code)
713-659-3500

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

8. Well Name and No.

Jicarilla B No. 5M

9. API Well No.

N/A 30-039-31305

10. Field and Pool, or Exploratory Area
Blanco-Mesaverde & Basin Dakota

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
794' FNL and 2388' FWL (UL C) Sec. 21, T26N, R05W

11. County or Parish, State
Rio Arriba, NM

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 |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | Commingle |
| | <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 of the proposal is to deepen directionally or recompleat 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 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 c testing has been completed. Final Abandonment Notice must be filed only after all requirements, including reclamantion, have been completed, and the operator h determined that the site is ready for final inspection.)

Enervest Operating, LLC ("Enervest") is proposing to drill the Jicarilla A Well No. 3M and complete the well as a downhole commingled completion in the Blanco-Mesaverde and Basin-Dakota Gas Pools. See attached Form C-103.

RECEIVED

FEB 17 2015

NMCCD
DISTRICT IV

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

Michelle Doescher

Title

Regulatory Consultant

Signature

Michelle Doescher

Date

January 29, 2015

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Joe Hewitt

Title **Geo**

Date **2-12-15**

Conditions of approval, if any are attached. Approval of this notice does not warrant or ce that the applicant holds legal or equitable title to those rights in the subject lease which w entitle the applicant to conduct operations thereon.

Office **FFD**

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

(Instructions on page 2)

NMCCD

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

Form C-103
Revised July 18, 2013

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

| | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|------------------------------------------------------------------------------------------|
| 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. N/A |
| 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 B |
| 4. Well Location Unit Letter C : 794 feet from the North line and 2388 feet from the West line Section 21 Township 26 North Range 5 West NMPM Rio Arriba County | | 8. Well Number 5M |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6,629' GR | | 9. OGRID Number 143199 |
| | | 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 B Well No. 5M 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): Basin-Dakota: 7,274'-7,510'; Blanco-Mesaverde: 4,822'-5,352'

Allocation Method: Based upon the 2014 average production from seven wells offsetting the Jicarilla B No. 5M (See Attached Table), Enervest proposes to allocate production to the well as follows:

Blanco-Mesaverde Gas Pool: Oil: 56% Gas: 51% Water: 29%

Basin-Dakota Gas Pool: Oil: 44% Gas: 49% Water: 71%

Interest Ownership between the Mesaverde and Dakota is common. The well is dedicated to the W/2 of Section 21 in both the Blanco-Mesaverde and Basin-Dakota Gas Pools. 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 Michelle Doescher TITLE Regulatory Consultant DATE 02/02/2015

Type or print name Michelle Doescher E-mail address: sdoescher@enervest.net PHONE: 505-320-5682

For State Use Only

APPROVED BY: TITLE DATE

Conditions of Approval (if any):

DHC Application
Jicarilla B No. 5M
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 B No. 4M | G-21-26N-5W | 0.51 BOPD | 102 MCFG/D | 1.2 BWPD | 0.63 BOPD | 124 MCFG/D | 2.4 BWPD |
| Jicarilla B No. 5 | K-21-26N-5W | 0.34 BOPD | 50 MCFG/D | 0.36 BWPD | 0.14 BOPD | 21 MCFG/D | 0.36 BWPD |
| Jicarilla A No. 5 | G-20-26N-5W | 0.13 BOPD | 25 MCFG/D | 0.16 BWPD | 0.22 BOPD | 25 MCFG/D | 0.25 BWPD |
| Jicarilla A No. 8E | P-17-26N-5W | 0.03 BOPD | 42 MCFG/D | 0.03 BWPD | 0.06 BOPD | 15 MCFG/D | 0.26 BWPD |
| Jicarilla B No. 2 | M-16-26N-5W | 0.08 BOPD | 6 MCFG/D | 0.11 BWPD | 0.02 BOPD | 35 MCFG/D | 0.82 BWPD |
| Jicarilla B No. 2M | O-16-26N-5W | 0.0 BOPD | 17 MCFG/D | 0.14 BWPD | 0.0 BOPD | 59 MCFG/D | 1.0 BWPD |
| Jicarilla B No. 6E | C-22-26N-5W | 0.43 BOPD | 75 MCFG/D | 0.19 BWPD | 0.14 BOPD | 26 MCFG/D | 0.24 BWPD |
| Well Average | | 0.22 BOPD | 45 MCFG/D | 0.31 BWPD | 0.17 BOPD | 44 MCFG/D | 0.76 BWPD |
| Recommended Allocation | | 56% | 51% | 29% | 44% | 49% | 71% |

District I
1625 N. French Dr., Hobbs, NM 88240
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811 S. First St., Artesia, NM 88210
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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

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|--------------------------------------|-------------------------------------------------------|---------------------------------------------------------|
| ¹ API Number | ² Pool Code 72319/71599 | ³ Pool Name BLANCO MESAVERDE/BASIN DAKOTA |
| ⁴ Property Code 306753 | ⁵ Property Name JICARILLA B | ⁶ Well Number #5M |
| ⁷ OGRID No. 143199 | ⁸ Operator Name ENERVEST OPERATING, LLC | ⁹ Elevation 6629 |

¹⁰Surface Location

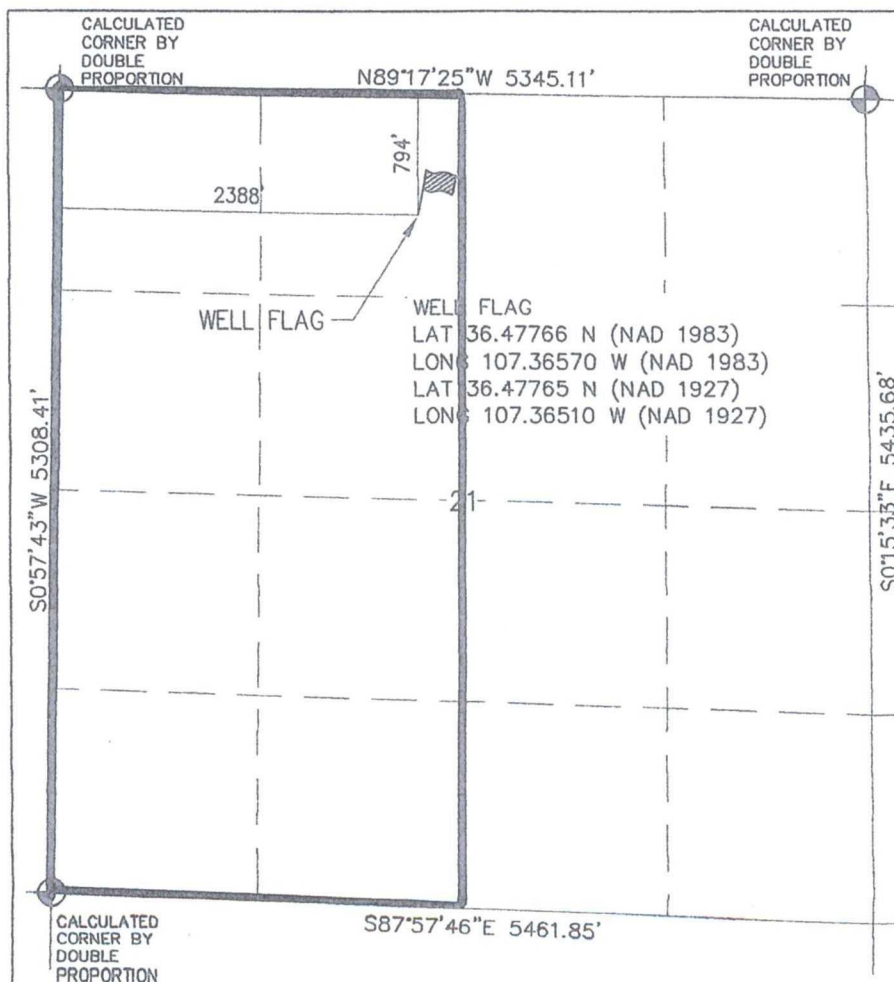
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|------------|
| C | 21 | 26N | 5W | | 794' | NORTH | 2388' | WEST | RIO ARriba |

¹¹Bottom Hole Location If Different From Surface

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| | | | | | | | | | |

| | | | |
|-------------------------------|-------------------------------|----------------------------------|-------------------------|
| ¹² Dedicated Acres | ¹³ Joint of Infill | ¹⁴ Consolidation Code | ¹⁵ Order No. |
| | | | |

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.



¹⁷OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom-hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

[Signature] 01/27/2015
Signature Date

Michelle Dreeschen
Printed Name

mdreeschen@acuritevalley.net
E-mail Address

¹⁸SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Survey Date: OCT. 31, 2014

Signature and Seal of Professional Surveyor



Certificate Number 11643