

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

WELL API NO. 30-039-22345
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Jicarilla Contract 155
8. Well Number 19E
9. OGRID Number 143199
10. Pool name or Wildcat Blanco-Mesaverde & Basin-Dakota
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6,443'

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.)

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

2. Name of Operator
Enervest Operating, LLC

3. Address of Operator
1001 Fannin Street, Suite 800 Houston, Texas 77002

4. Well Location
Unit Letter J : 1775 feet from the South line and 1840 feet from the East line
Section: 29 Township 26 North Range 5 West NMPM Rio Arriba County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
6,443'

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 type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: <u>Surface Commingling</u> <input checked="" type="checkbox"/>		OTHER: <u>PC-1271</u> <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, LLC ("Enervest") respectfully requests authority to surface commingle Blanco-Mesaverde and Basin-Dakota Gas Pool production from the Jicarilla Contract 155 No. 19E. The purpose of the surface commingling is to allow Enervest the opportunity to test and compare the productivity of a downhole commingled well completion vs. a multiple completion. This data will then be utilized to determine the best method of producing Mesaverde and Dakota resources in the San Juan Basin.

The Jicarilla Contract 155 No. 19E is currently completed in the Basin-Dakota Gas Pool. Enervest will complete the Blanco-Mesaverde Gas Pool within the well and configure the well as a multiple completion. The E/2 of Section 29 is dedicated to the Basin-Dakota Gas Pool, and the SE/4 is dedicated to the Blanco-Mesaverde Gas Pool.

Ownership of the two zones is common. (See attached landman statement)

Allocation Method: The Basin-Dakota Gas Pool will be shut-in for a 24-hour period on a monthly basis via the controller (see attached diagram). During that test period, the Blanco-Mesaverde Gas Pool will be tested and measured via the WFS sales meter. Blanco-Mesaverde and Basin-Dakota Gas Pool production will then be allocated monthly using the 24-hour test data. Any liquids produced from the zones will also be allocated using the 24-hour test data.

The United States Bureau of Land Management has been sent a copy of this application (see attached certified mail receipt). Approval of the surface commingling will not result in waste and will not violate correlative rights.

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, LLC DATE 1/28/14

Type or print name David Catanach E-mail address: drcatanach@netscape.com PHONE: (505) 690-9453

For State Use Only

APPROVED BY: [Signature] TITLE Director DATE 4/2/14

Conditions of Approval (if any):