

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOCD
Hobbs

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.*

SUBMIT IN TRIPLICATE - Other Instructions on page 2.

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	7. If Unit or CA/Agreement Name and/or No.
2. Name of Operator EnerVest Operating, LLC <i>Foundation Energy Mgmt</i>	8. Well Name and No. BLUE QUAIL FEDERAL #2
3a. Address 1001 Fannin St., Suite 800 Houston, TX 77002-6707	9. API Well No. 30-025-35047
3b. Phone No. (include area code) 713-659-3500	10. Field and Pool, or Exploratory Area Sand Dunes Bone Spring
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 660' FSL and 660' FWL Sec. 7, T23S, R32E Unit M NMPM	11. County or Parish, State LEA, 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 Change of Operator
	<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 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 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 when 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.)

EnerVest Operating L.L.C. transferred operation of the above referenced well to FOUNDATION ENERGY MANAGEMENT, LLC, effective 09/01/2015, as operator/owner. FOUNDATION ENERGY MANAGEMENT, LLC hereby certifies that it is authorized by the proper lease interest owners to conduct lease operations, and is responsible under the terms and conditions of the lease associated with this well.

- language is incorrect
- sundry needs to be submitted by "foundation"
- "foundation" does not appear to be bonded

REJECTED

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Rebecca Tidwell		Title Regulatory Analyst
Signature <i>Rebecca Tidwell</i>		Date September 1, 2015
THIS SPACE FOR FEDERAL OR STATE OFFICE USE		
Approved by <i>[Signature]</i>	Title 01/29/16	Date KZ
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.		