

State of New Mexico  
Energy, Minerals and Natural Resources Department

**Susana Martinez**  
Governor

**David Martin**  
Cabinet Secretary-Designate

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

**Jami Bailey, Division Director**  
Oil Conservation Division



New Mexico Oil Conservation Division approval and conditions listed below are made in accordance with OCD Rule 19.15.7.11 and are in addition to the actions approved by BLM on the following 3160-4 or 3160-5 form.

Operator Signature Date: March 28<sup>th</sup>, 2014

Application Type:

- P&A   
  Drilling/Casing Change   
  Recomplete/DHC  
 Location Change   
  Other:

Well information:

frmWellFilterSub													
API WELL #	Well Name	Well #	Operator Name	Type	Stat	County	Surf_Owner	UL	Sec	Twp	N/S	Rng	W/E
30-039-31172-00-00	JICARILLA A	001M	ENERVEST OPERATING L.L.C.	G	N	Rio Arriba	J	K	18	26	N	5	W

Conditions of Approval:

Notify NMOCD 24hrs prior to beginning operations

Hold C-104 for NSL

\_\_\_\_\_  
NMOCD Approved by Signature

4-1-2014  
Date

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED

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

MAR 31 2014

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an on Field Office abandoned well. Use Form 3160-3 (APD) for such proposals and Management*

5. Lease Serial No.  
**Jicarilla Contract 110**

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

2. Name of Operator  
**EnerVest Operating, L.L.C.**

3a. Address  
**1001 Fannin Street, Suite 800 Houston, TX 77002**

3b. Phone No. (include area code)  
**713-659-3500 ; 713-970-1847**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**1807' FSL & 2527' FWL (UL K), Sec. 18 T26N R5W**

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

8. Well Name and No.  
**Jicarilla A #1M**

9. API Well No.  
**30-039-31172**

10. Field and Pool, or Exploratory Area  
**Blanco Mesaverde/Basin Dakota**

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 type="checkbox"/> Other _____
	<input checked="" type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<b>DHC</b>
	<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 thereof. If the proposal is to deepen directionally or recomplate 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 recompletion 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 reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

\* DHC 3869 A2 \*

RCUD APR 2 '14  
OIL CONS. DIV.  
DIST. 3

**EnerVest Operating, L.L.C. respectfully request permission to downhole commingle production in this well. The well will be completed in the Blanco-Mesaverde and Basin-Dakota Gas Pools. This well has not been drilled yet.**

**Interest Ownership between the Mesaverde and Dakota is common. Attached is a copy of the Form C-103 filed with the NMOCD.**

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

Signature *Jeanie McMillan*

Title **Sr. Regulatory Analyst**

Date **March 28, 2014**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by *[Signature]* Title **620** Date **3-31-14**

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

(Instructions on page 2)

NMOCD

## GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations, and reports of such operations when completed, as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this

form and the number of copies to be submitted, particularly with regard to local area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from the local Federal office.

## SPECIFIC INSTRUCTIONS

*Item 4* - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

*Item 13* - Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or

present productive zones, or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to top of any left in the hole; method of closing top of well and date well site conditioned for final inspection looking to approval of the abandonment.

## NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c); and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

ROUTINE USES: Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3 - 2, 3162.3 - 3, 3162.3 - 4.

The Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.) requires us to inform you that:

This information is being collected to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

BLM would like you to know that you do not have to respond to this or any other Federal agency -sponsored information collection unless it displays a currently valid OMB control number.

## BURDEN HOURS STATEMENT

Public reporting burden for this form is estimated to average 25 minutes per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer, (WO-630), Mail Stop 401 LS, 1849 C St., N.W., Washington D.C. 20240

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. 30-039-31172
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 "A"
8. Well Number 1M
9. OGRID Number 143199
10. Pool name or Wildcat Blanco-Mesaverde & Basin-Dakota

**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, L.L.C.

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

4. Well Location  
 Unit Letter K : 1807 feet from the South line and 2527 feet from the West line  
 Section 18 Township 26 North Range 5 West NMPM Rio Arriba County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
6,616' GR

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

<b>NOTICE OF INTENTION TO:</b>		<b>SUBSEQUENT REPORT OF:</b>	
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 "A" Well No. 1M 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: 7,320'-7,615'; Blanco-Mesaverde: 3,995'-5,471'

**Allocation Method:** Based upon the 2013 average production from seven wells offsetting the Jicarilla "A" No. 1M (See Attached Table)  
 Enervest proposes to allocate production to the well as follows:

**Blanco-Mesaverde Gas Pool:** Oil: 37% Gas: 65% Water: 53%

**Basin-Dakota Gas Pool:** Oil: 63% Gas: 35% Water: 47%

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Interest Ownership between the Mesaverde and Dakota is common. The well is dedicated to the W/2 of Section 18 in both 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 David Catanach TITLE Agent-Enervest Operating, L.L.C. DATE 3/27/14

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

**For State Use Only**

APPROVED BY: \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

Conditions of Approval (if any):

**DHC Application  
Jicarilla A No. 1M  
Offset Well Production**

<b>Offset Well Name &amp; Number</b>	<b>Well Location</b>	<b>2013 Avg. Mesaverde Oil Production</b>	<b>2013 Avg. Mesaverde Gas Production</b>	<b>2013 Avg. Mesaverde H2O Prod.</b>	<b>2013 Avg. Dakota Oil Production</b>	<b>2013 Avg. Dakota Gas Production</b>	<b>2013 Avg. Dakota H2O Prod.</b>
Jicarilla A No. 7E	D-17-26N-5W	0.142 BOPD	24 MCFGD	1.5 BWPD	0.17 BOPD	29 MCFGD	1.8 BWPD
Jicarilla A No. 1	L-18-26N-5W	0.0 BOPD	3 MCFGD	0.0 BWPD	0.7 BOPD	82 MCFGD	0.8 BWPD
Jicarilla A No. 2	B-18-26N-5W	0.67 BOPD	144 MCFGD	2.14 BWPD	0.27 BOPD	60 MCFGD	0.86 BWPD
Jicarilla A No. 2F	H-18-26N-5W	3.01 BOPD	397 MCFGD	12 BWPD	3.67 BOPD	0 MCFGD	9.8 BWPD
Jicarilla A No. 2M	I-18-26N-5W	0.62 BOPD	100 MCFGD	0.71 BWPD	0.76 BOPD	122 MCFGD	0.87 BWPD
Jicarilla A No. 3	A-19-26N-5W	1.39 BOPD	136 MCFGD	0.47 BWPD	0.18 BOPD	35 MCFGD	0.19 BWPD
Jicarilla A No. 3N	C-19-26N-5W	1.9 BOPD	136 MCFGD	5.0 BWPD	7.13 BOPD	185 MCFGD	4.68 BWPD
<b>Well Average</b>		<b>1.10 BOPD</b>	<b>134 MCFGD</b>	<b>3.1 BWPD</b>	<b>1.84 BOPD</b>	<b>73 MCFGD</b>	<b>2.7 BWPD</b>
<b>Recommended Allocation</b>		<b>37%</b>	<b>65%</b>	<b>53%</b>	<b>63%</b>	<b>35%</b>	<b>47%</b>