

RECEIVED

Form 3160-5  
(August 2007)UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APR 17 2014

FORM APPROVED  
OMB No. 1004-0137  
Expires: July 31, 2010Farmington Field  
Bureau of Land Management

5. Lease Serial No.

Jicarilla A No. 1E

6. If Indian, Allottee or Tribe Name

Jicarilla Apache

**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

☐ Oil Well ☒ Gas Well ☐ Other2. Name of Operator  
Enervest Operating, LLC3a. Address  
1001 Fannin Street, Suite 800 Houston, Texas 770023b. Phone No. (include area code)  
713-970-18474. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
1720' FNL & 1850' FWL (F) Section 18, Township 26 North, Range 5 West, NMPM

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

8. Well Name and No.  
Jicarilla A No. 1E9. API Well No.  
30-039-2258010. Field and Pool or Exploratory Area  
Blanco-Mesaverde & Basin-Dakota Gas Pools11. Country or Parish, State  
Rio Arriba

## 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☐ Subsequent Report☐ Alter Casing☐ Fracture Treat☐ Reclamation☐ Well Integrity☐ Final Abandonment Notice☐ Casing Repair☐ New Construction☐ Recomplete☒ Other Surface Commingle☐ Change Plans☐ Plug and Abandon☐ Temporarily Abandon☐ Convert to Injection☐ Plug Back☐ 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 recompleate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with 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 Notices 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.)

Enervest Operating, LLC ("Enervest") proposes to surface commingle Basin-Dakota and Blanco-Mesaverde Gas Pool production from the Jicarilla A No. 1E.

OIL CONS. DIV DIST. 3

In support of this request, Enervest states that:

The W/2 of Section 18 is currently dedicated to the well in the Basin-Dakota and Blanco-Mesaverde Gas Pools; Ownership of the Mesaverde and Dakota zones is common throughout; Production will be allocated to each zone on the basis of a monthly well test.

APR 30 2014

Attached is a surface commingling application (Form C-103) filed with the NMOCD. Attached to the application are a Form C-102, a landman statement attesting that the ownership of the commingled zones is common, and a facility diagram.

Notice is being provided to the BLM as per Division rules.

NOI to recompleate in the MV approved  
4/29/14 w/ the PB of the Chavez

PC-1276

14. I hereby certify that the foregoing is true and correct.

Name (Printed/Typed)

Jeanie McMillan

Title SR. REG. Analyst

Signature

Jeanie McMillan

Date

4-9-14

## THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

[Signature]

Title

Pet. Eng.

Date

4/29/14

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

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 to 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

DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO.
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ABOVE THIS LINE FOR DIVISION USE ONLY

## NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



### ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

#### Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]  
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]  
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]  
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]  
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]  
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

#### [1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication

☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement

☐ DHC ☐ CTB ☐ PLC ☒ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify \_\_\_\_\_

#### [2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☐ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☒ Notification and/or Concurrent Approval by BLM or SLO  
 U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

#### [3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

David Catanach  
 Print or Type Name

Signature

Date

Agent-Enervest Operating, LLC  
 Title

drcatanach@netscape.com  
 E-Mail Address

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

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

WELL API NO.  
30-039-22580

5. Indicate Type of Lease  
STATE ☐ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

Jicarilla A

8. Well Number 1E

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, LLC

3. Address of Operator

1001 Fannin Street, Suite 800 Houston, Texas 77002

4. Well Location

Unit Letter F : 1720 feet from the North line and 1850 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.)

6,614' GL

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐  
DOWNHOLE COMMINGLE ☐  
CLOSED-LOOP SYSTEM ☐  
OTHER: Surface Commingling ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☐  
OTHER: ☐

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.

In order to compare the productivity of a downhole commingled well completion vs. a multiple completion, Enervest Operating, LLC ("Enervest") respectfully requests authority to surface commingle Blanco-Mesaverde and Basin-Dakota Gas Pool production originating from the Jicarilla A No. 1E.

The Jicarilla A No. 1E 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 W/2 of Section 18 is dedicated to both the Blanco-Mesaverde and Basin-Dakota Gas Pools.

Ownership of the two zones is common. See attached landman verification.

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

8/14/14

Type or print name

David Catanach

E-mail address: drcatanach@netscape.com

PHONE: (505) 690-9453

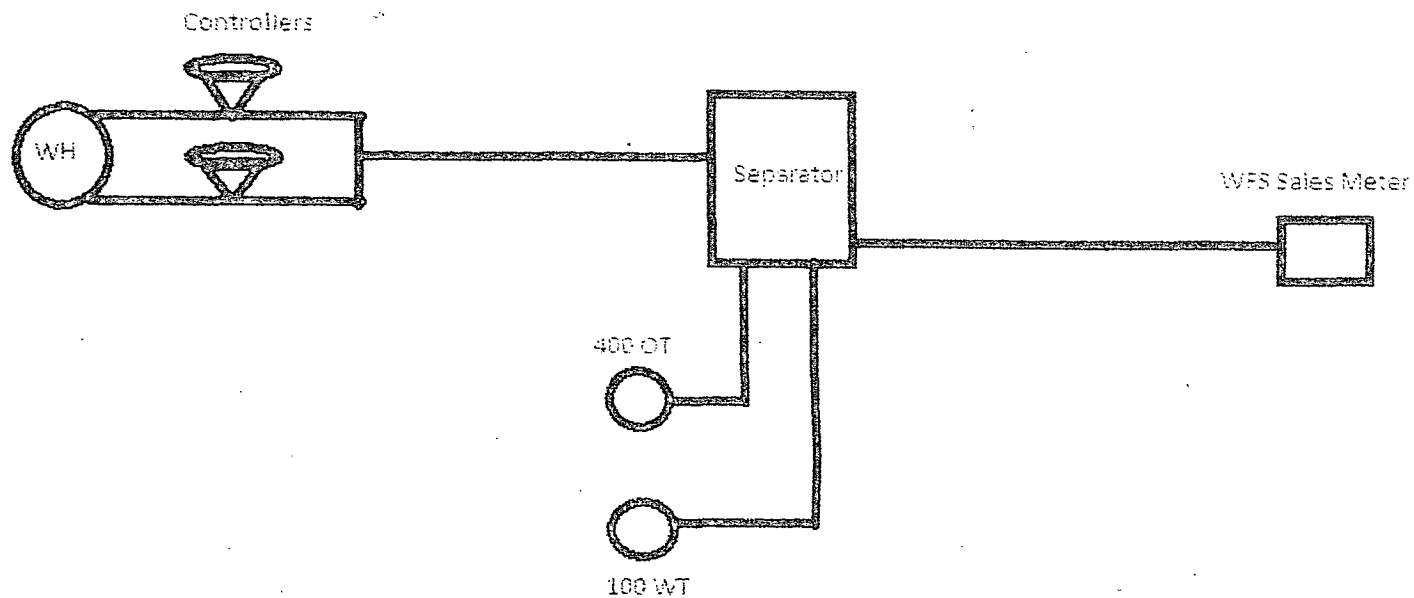
For State Use Only

APPROVED BY:

TITLE

DATE

Conditions of Approval (if any):



Testing Procedure: For testing/allocation purposes, the DK will be shut off via the controller for 24 hrs once a month to test the MV production.

**Enervest Operating, LLC**  
**Jicarilla A No. 1E**  
**Section 18-26N-5W**  
**Surface Commingling Facilities**

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
**District II**  
811 S. First Street, Artesia, NM 88210  
**District III**  
1000 Rio Brazos Rd., Aztec, NM 87410  
**District IV**  
1220 S. St. Francis Dr., Santa Fe, NM 87505

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 July 16, 2010  
Submit one copy to appropriate  
District Office  
**APR 15 2014**  
☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**  
Farmington Field Office

API Number <b>30-039-22580</b>	Pool Code <b>72319 &amp; 71599</b>	Pool Name <b>Blanco-Mesaverde &amp; Basin-Dakota Gas Pools</b>
Property Code <b>306750</b>	Property Name <b>Jicarilla A</b>	Well Number <b>1E</b>
OGRID No. <b>143199</b>	Operator Name <b>Enervest Operating, LLC</b>	Elevation <b>6614'</b>

**Surface Location**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>F</b>	<b>18</b>	<b>26 North</b>	<b>5 West</b>		<b>1720</b>	<b>North</b>	<b>1850</b>	<b>West</b>	<b>Rio Arriba</b>

**Bottom 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
Dedicated Acres <b>319.20: W/2</b>	Joint or Infill	Consolidate Code	Order No.						

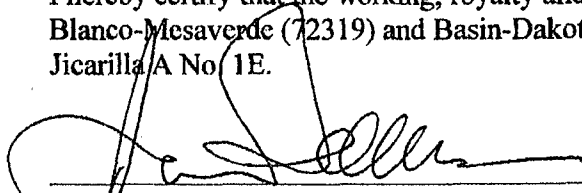
No Allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the Division

	<p align="center"><b>OPERATOR CERTIFICATION</b></p> <p><i>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 bottomhole 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 heretofor entered by the Division.</i></p> <p align="right">               Signature <span style="margin-left: 100px;">Date <b>4/14/14</b></span> </p> <p><b>David Catanach</b> Printed Name</p> <p><b>drcatanach@netscape.com</b> E-mail Address</p>
	<p align="center"><b>SURVEYOR CERTIFICATION</b></p> <p><i>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.</i></p> <p>Date of Survey _____</p> <p>Signature and Seal of Professional Surveyor: _____</p> <p align="center"><b>Originally surveyed by Fred B Kerr, Jr. on April 23, 1981.</b></p> <p align="center"><b>Certificate No. 3950</b></p> <p>Certificate Number _____</p>

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

Surface Commingling Application  
Enervest Operating, LLC  
Jicarilla A No. 1E  
API No. 30-039-22580  
1720' FNL & 1850' FWL (F) Section 18, T-26N, R-5W

I hereby certify that the working, royalty and overriding royalty interest is common between the Blanco-Mesaverde (72319) and Basin-Dakota (71599) Gas Pools within the above-described Jicarilla A No. 1E.

  
\_\_\_\_\_  
J. Peter Tower  
Director-San Juan Permian-Land