

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

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.
LC-050429B

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well

☐ Oil Well ☐ Gas Well ☒ Other Injection Well

2. Name of Operator
Enervest Operating, L.L.C.

3a. Address
1001 Fannin Street, Suite 800
Houston, Texas 77002-8707

3b. Phone No. (include area code)
(505) 690-9453

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
660' FSL & 660' FWL (Unit M)
Section 12, Township 18 South, Range 29 East, NMPM

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

WLH G4S Unit NM71068X

8. Well Name and No.
WLH G4S Unit No. 44

9. API Well No.
30-015-37027

10. Field and Pool or Exploratory Area
Loco Hills Queen-Grayburg-San Andres Pool

11. County or Parish, State
Eddy County, New Mexico

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 checked="" type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Convert from Injection to Production
	<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 thereof. If the proposal is to deepen directionally or recompleat 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 recompleat 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.)

The subject well is currently an injection well within the WLH G4S Unit Waterflood Project. On 5/16/2012, the well was tested for mechanical integrity by the NMOCD and failed the bradenhead test. It is believed that the 4 1/2" casing has holes from approximately 399 feet to 432 feet.

Enervest Operating, L.L.C. requests approval to repair the 4 1/2" casing as per the attached detailed procedure.

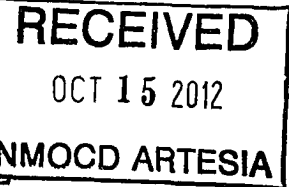
Upon completion of remedial cement operations on the 4 1/2" casing, Enervest Operating, L.L.C. further seeks approval to convert the subject well from an injection well to a producing well. It is anticipated that the existing perforations in the well from 2,678 feet to 2,692 feet will be utilized as the producing interval in the Loco Hills Queen-Grayburg-San Andres Pool.

Work will commence upon BLM approval.

BLM will be notified prior the commencement of repair and conversion operations on the subject well.

SUBJECT TO LIKE
APPROVAL BY STATE

SEE ATTACHED FOR
CONDITIONS OF APPROVAL



Accepted for record
NMOCD-RF 10/18/12

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

David Catanach

Title Agent-Enervest Operating, L.L.C.

Signature

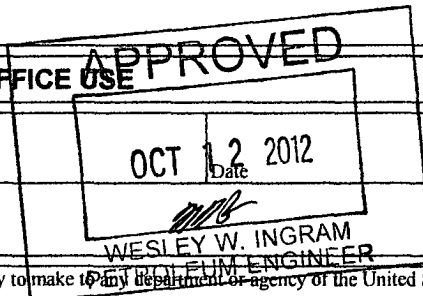
Date 07/18/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Office



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.

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)

WLHGAS #44
Loco Hills
Convert Injection Well to Producer
Eddy County, NM
6/12/2012

Well Data:

Location:	660' FSL & 660' FWL Section 12, T-18-S, R-29-E
GL:	3,498'
KB:	13'
TD:	2,825'
Surface Casing:	8-5/8" 24# J-55 @ 388' Cmt w/ 425 sx (circ)
Production Casing:	4-1/2" 10.5# J-55 @ 2,824' Cmt w/ 575 sx (circ)
Current PBTD:	2,784'
Perfs:	2,678'-2,692' (90 holes)
Casing Leak:	399'-432' (2/3/12)

Procedure:

1. Clean location; test anchors.
2. MIRU workover unit.
3. If necessary, kill well with 2% KCl...keep kill truck on location as needed.
4. NDWH, NUBOP and test.
5. Unseat packer and POOH with tubing.
6. Pick up 4-1/2" CBP and 2-3/8" x 4-1/2" packer. RIH and set CBP at 2,600'. Set packer at 500'. Test casing from 500' to 2,600'.
7. Unseat packer and POOH. LD packer.
8. PU 4-1/2" CBP. RIH and set at 500'. POOH.
9. RIH w/ 4-1/2" cement retainer. Set retainer @ 350'.
10. RU cementers. Pump squeeze job.
11. POOH w/ tubing and stinger. Shut well in and wait. RD cementers.
12. RIH w/ 3-7/8" bit and drill collars on 2-3/8" tubing. Drill out cement retainer and cement.

13. Test casing to 500psi. If it tests, proceed to step 14. If not, return to step 9 and repeat with extra cement. Repeat until casing leak tests.
14. Continue in hole to plug at 500'. Drill out CBP.
15. Continue in hole to plug at 2,600'. Drill out CBP.
16. POOH and LD workstring and BHA.
17. PU and RIH w/ BPMAJ, perf sub, and SN on production string.
18. ND BOP, NUWH.
19. RIH with gas anchor, pump and rods. Space out, hang on, load and test. Ensure good pump action. RDMO.

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, 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
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-37027		Pool Code 39520	Pool Name Loco Hills Queen-Grayburg-San Andres Pool
Property Code	Property Name WLH G4S Unit		Well Number 44
OGRID No. 143199	Operator Name Enervest Operating, L.L.C.		Elevation 3,498'


Surface Location

UL or lot no. M	Section 12	Township 18 South	Range 29 East	Lot Idn	Feet from the 660	North/South line South	Feet from the 660	East/West line West	County Eddy
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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 40		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">OPERATOR CERTIFICATION</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">  7/18/12 Signature Date </p> <p> David Catanach Printed Name </p> <p> drcatanach@netscape.com E-mail Address </p>			
	<p align="center">SURVEYOR CERTIFICATION</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 Signature and Seal of Professional Surveyor. </p> <p> Originally surveyed by Gary Eidson on October 29, 2008. Certificate No. 12641 </p> <p> Certificate Number </p>			

Conditions of Approval

Enervest Operating, L.L.C.

WLH G4S Unit 44

API 30-015-37027

T18S-R29E, Sec 12

October 11, 2012

1. Before casing or a liner is added or replaced, prior BLM approval of the design is required. Use notice of intent Form 3160-5.
2. Subject to like approval by the New Mexico Oil Conservation Division.
3. Surface disturbance beyond the originally approved disturbance shall have prior approval.
4. A closed loop system is required. The operator shall properly dispose of drilling/circulating contents at an authorized disposal site. Tanks are required for all operations, no excavated pits.
5. Functional H₂S monitoring equipment shall be on location.
6. A minimum 2000 (2M) BOPE to be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 (attachment 1, 2M diagrams of choke manifold equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.
7. All waste (i.e. trash, salts, chemicals, sewage, gray water, etc.) created as a result of work over operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.
8. **Subsequent to a successful casing repair, provide BLM with an electronic copy (Adobe Acrobat Document) of a cement bond log record from 2600' or below to top of cement. The CBL may be attached to an e-mail to pswartz@blm.gov.**
9. **Perform a BLM PET witnessed (charted) casing integrity test of 800 psig from 2600' to surface. Pressure leakoff may require remedial action before continuing with the proposed work. Include a copy of the chart in the subsequent sundry for this workover.**
10. Workover approval is good for 90 days (completion to be within 90 days of approval). A detailed justification is necessary to receive an extension of that date.

11. File a **subsequent sundry** Form 3160-5 within 30 days of completing the work.any interrupted workover procedures.
12. Submit the BLM Form 3160-4 **Completion Report** within 30 days of the date the well is converted to a producer.
13. **Operator shall submit an amendment to the unit plan of development prior to converting the well to a producer as it is not in the current unit plan of development.**
14. This work shall be summarized in the next unit plan of development.

Access information for **use of Form 3160-5** "Sundry Notices and Reports on Wells"

NM Fed Regs & Forms - http://www.blm.gov/nm/st/en/prog/energy/oil_and_gas.html

§ 43 CFR 3162.3-2 Subsequent Well Operations.

§ 43 CFR 3160.0-9 (c)(1) Information collection.

§ 3162.4-1 (c) Well records and reports.