

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO 1004-0135
Expires July 31, 2010**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 reverse side.**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No NMNM7993
2. Name of Operator ENERVEST OPERATING LLC		6. If Indian, Allottee or Tribe Name
Contact BRIDGET HELFRICH E-Mail: bhelpfrich@enervest.net		7. If Unit or CA/Agreement, Name and/or No NMNM112633
3a. Address 1001 FANNIN STE 1111 HOUSTON, TX 77002	3b. Phone No (include area code) Ph: 713-495-6537 Fx: 713-615-1429	8. Well Name and No ENERVEST FEDERAL 1
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 25 T26N R2W NWNW 1490FSL 791FWL 36.452760 N Lat, 107.002760 W Lon		9. API Well No 30-039-30992-00-X1
		10. Field and Pool, or Exploratory GAVILAN
		11. County or Parish, and State RIO ARriba COUNTY, NM

12. CHECK 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"/> Subsequent Report <input type="checkbox"/> Final Abandonment Notice BP	<input type="checkbox"/> Acidize <input type="checkbox"/> Alter Casing <input type="checkbox"/> Casing Repair <input type="checkbox"/> Change Plans <input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Deepen <input type="checkbox"/> Fracture Treat <input type="checkbox"/> New Construction <input checked="" type="checkbox"/> Plug and Abandon <input type="checkbox"/> Plug Back	<input type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Reclamation <input type="checkbox"/> Recomplete <input type="checkbox"/> Temporarily Abandon <input type="checkbox"/> Water Disposal	<input type="checkbox"/> Water Shut-Off <input type="checkbox"/> Well Integrity <input type="checkbox"/> Other

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 shall 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 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Please see attached:

1. Proposed P&A procedure (2pgs).
2. Current WBD.
3. Plugged WBD.

RCVD JAN 17 '12

OIL CONS. DIV.

DIST. 3

14. I hereby certify that the foregoing is true and correct Electronic Submission #127740 verified by the BLM Well Information System For ENERVEST OPERATING LLC, sent to the Rio Puerco Committed to AFMSS for processing by STEVE MASON on 01/12/2012 (12SXM0006SE)	
Name (Printed/Typed) BRIDGET HELFRICH	Title REGULATORY TECH.
Signature (Electronic Submission)	Date 01/10/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By STEPHEN MASON	Title PETROLEUM ENGINEER	Date 01/12/2012
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 Rio Puerco

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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

NMOCDA

PLUG AND ABANDONMENT PROCEDURE

January 5, 2012

Federal No. 1

Gavilan

Surface: 1490' FSL, 791' FWL, Section 25, T26N, R2W, Rio Arriba County, NM

Bottom Hole: 790' FSL, 1650' FEL, Section 25, T-26-N, R-2-W

API 30-039-30992 / Long: _____ / Lat: _____

Note: All cement volumes use 100% excess outside pipe and 50' excess inside. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures. All cement will be Class B, mixed at 15.6 ppg with a 1.18 cf/sx yield.

1. This project requires a NMOCD C-144 CLEZ Closed-Loop System Permit for the use of an A-Plus steel tank to handle waste fluids circulated from the well and cement wash up.
2. Install and test location rig anchors. Comply with all NMOCD, BLM, and Operator safety regulations. MOL and RU daylight pulling unit. Conduct safety meeting for all personnel on location. Record casing, tubing and bradenhead pressures. NU relief line and blow down well. Kill well with water as necessary and at least pump tubing capacity of water down the tubing. ND wellhead and NU BOP. Function test BOP.
3. Rods: Yes _____, No X, Unknown _____.
Tubing: Yes X, No _____, Unknown _____, Size 2-3/8", Length 7119'.
Packer: Yes X, No _____, Unknown _____, Type 7" Arrowset @ 7119.
If this well has rods or a packer, then modify the work sequence in step #2 as appropriate.

NOTE: this is a direction well with kickoff point at 6963'. Use a Hydro-set CR at 7100'

4. **Plug #1 (Mancos perforations, 7100' – 7000')**: TIH and set 7" Hydro-set CR at 7100'. Pressure test tubing to 1000#. Load casing with water and circulate well clean. Pressure test casing to 800#. *If the casing does not test, then spot or tag subsequent plugs as appropriate.* Mix 34 sxs Class B cement and spot a balanced plug inside the casing above the CR to isolate the Mancos perforations. PUH.
5. **Plug #2 (Mancos top, 6278' – 6178')**: Spot 34 sxs Class B cement inside casing to cover the Mancos top. PUH.
6. **Plug #3 (Mesaverde top, 5792' – 5692')**: Spot 3 4sxs Class B cement inside casing to cover the Mesaverde top. PUH.
7. **Plug #4 (9-5/8" casing shoe, Pictured Cliffs and Fruitland tops, 4250' - ~~3870'~~ 3719')**: Spot 96 sxs Class B cement inside casing to cover through the Fruitland top TOH with tubing.
8. **Plug #5 (Kirtland and Ojo Alamo tops, 3839' – 3569')**: Perforate 3 HSC squeeze holes at 3839'. Set 7" cement retainer at 3839'. Load casing with water and circulate well clean. Mix 110 sxs Class B cement, squeeze 39 sxs outside the casing and leave 71 sxs inside the casing to cover through the Ojo Alamo top. TOH with tubing.

2432' 2332'

9. **Plug #6 (Nacimiento top, 1869' – 1769')**: Perforate 3 HSC squeeze holes at 1869'. Set 7" cement retainer at 1819'. Load casing with water and circulate well clean. Mix 53 sxs Class B cement, squeeze 19 sxs outside the casing and leave 34 sxs inside the casing to cover the Nacimiento top. TOH and LD tubing.
- 10 **Plug #7 (13-3/8" casing shoe and surface, 364' – 0')**: Perforate 3 HSC squeeze holes at 364'. Establish circulation out bradenhead valve. Mix and pump approximately 130 sxs cement down the 7" casing from 364' to surface, circulate good cement out bradenhead valve. Shut in well and WOC.
11. ND BOP and cut off wellhead below surface casing flange. Install P&A marker with cement to comply with regulations. RD, MOL and cut off anchors. Restore location per BLM stipulations.

Federal No. 1

Current

Gavilan

Surface: 1490' FSL & 791' FWL, Section 25, T-26-N, R-2-W
Bottom Hole: 790' FSL & 1650' FEL, Section 25, T-26-N, R-2-W
Rio Arriba County, NM, API #30-039-30992

Today's Date: 1/5/12

Spud 11/2/10

Completed: 6/1/11

Elevation: 7725' GL

7747' KB

17 5" hole

Nacimiento @ 1819' *est

Ojo Alamo @ 3619'

Kirtland @ 3789' *est

Fruitland @ 3920'

Pictured Cliffs @ 3962'

12.25" hole

Mesaverde @ 5742' *est

Mancos @ 6228'

Mancos Perforations

7150' - 7317'

CIBP @ 7446'

4.5" casing cut off at 7,451'

8 75" Hole

7" 26#, Butress set @ 7905'
Cmt with 740 sxs (1126 cf)

13-3/8" 54.5# J-55 @ 314'

Cmt with 390 sxs, circulated to surface

DV Tool @ 2996'

Cmt with 630 sxs

2-3/8" 4.7# EUE tubing at
7199' with 1.78" SN

7" TOC @ 3900' (T.S.)

9-5/8" 48# N80 @ 4200'

Cmt with 300 sxs, circulated to surface

7" Arrowset packer at 7119'

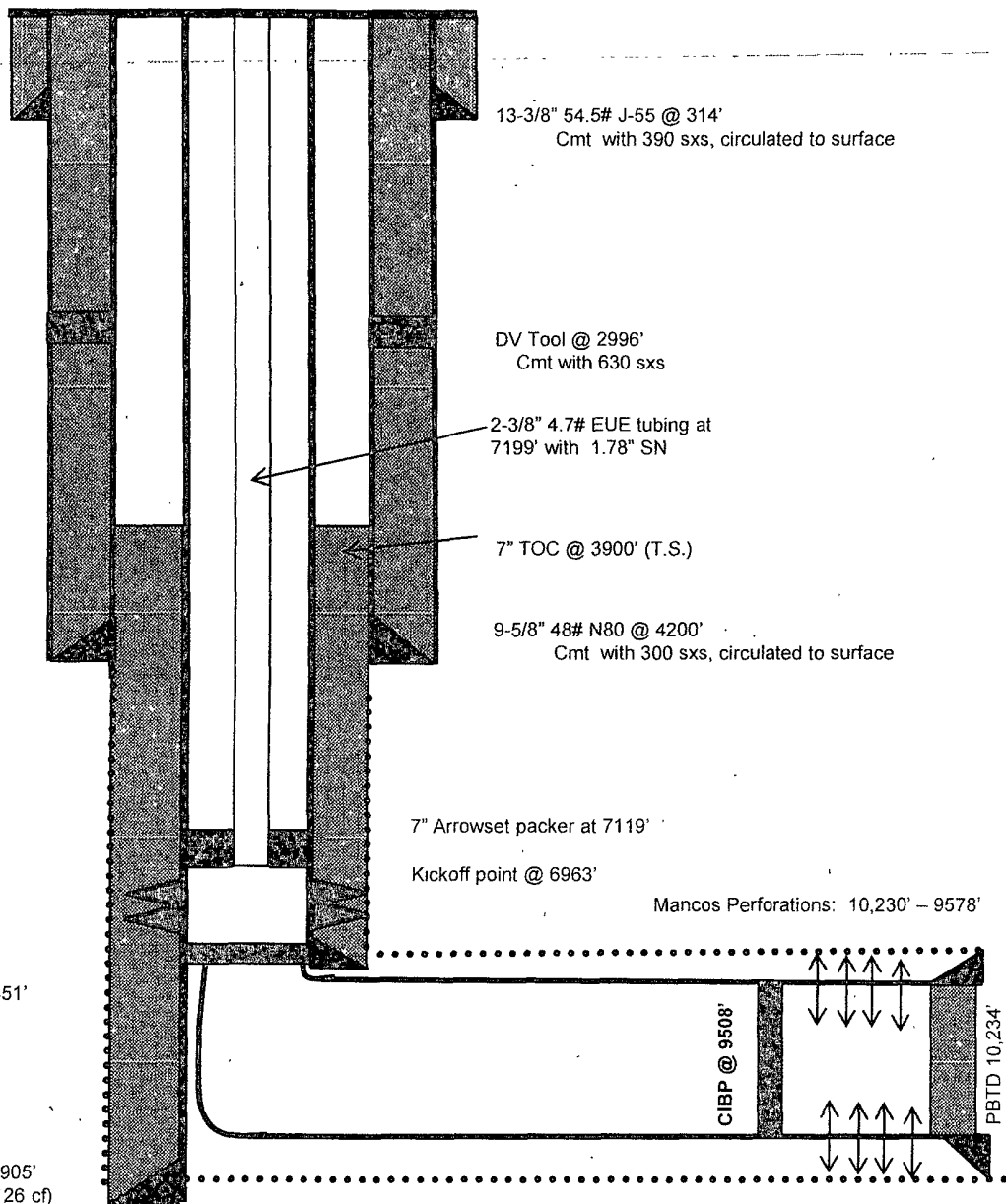
Kickoff point @ 6963'

Mancos Perforations: 10,230' - 9578'

CIBP @ 9508'

PBTD 10,234'
TVD 10,275'

4.5" 11 6#, 13 5#,
casing set at 10,257'
Cement with 315 sxs
Estimate TOC 7280'.



Federal No. 1

Proposed P&A
Gavilan

Surface: 1490' FSL & 791' FWL, Section 25, T-26-N, R-2-W
Bottom Hole: 790' FSL & 1650' FEL, Section 25, T-26-N, R-2-W
Rio Arriba County, NM, API #30-039-30992

$$364 / 4.655 (1.14) = 86 \text{ sxs}$$

$$364 / 7 (1.14) = 44 \text{ sxs}$$

$$110 \text{ sxs}$$

Today's Date: 1/5/12
Spud: 11/2/10
Completed: 6/1/11

Elevation: 7725' GL
7747' KB

17.5" hole

Nacimiento @ 1819' *est
2342

Ojo Alamo @ 3619' 21

Kirtland @ 3789' *est 2

3847
Fruitland @ 3820'

Pictured Cliffs @ 3962' 4

12.25" hole

Mesaverde @ 5742' *est 28

Mancos @ 6228'

Gallegos @ 7164'

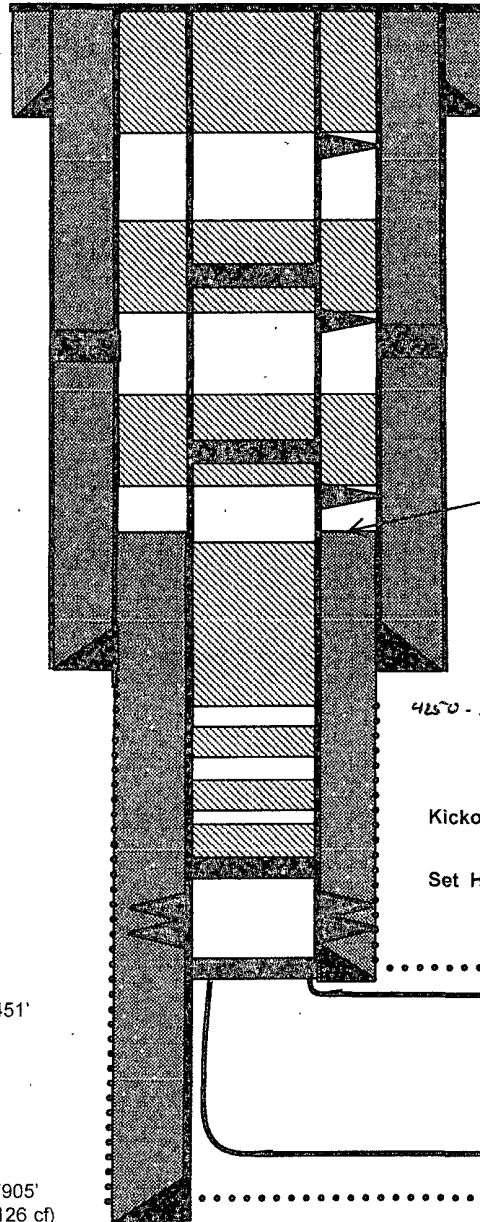
Mancos Perforations:
7150' - 7317'

CIBP @ 7446'

4 5" casing cut off at 7,451'

8.75" Hole

7" 26#, Butress set @ 7905'
Cmt with 740 sxs (1126 cf)



Plug #7: 364' - 0'
Class B cement, 130 sxs

13-3/8" 54.5# J-55 @ 314'
Cmt with 390 sxs, circulated to surface

Perforate @ 364'

Set CR @ 1819'

Perforate @ 1869'

DV Tool @ 2996'
Cmt with 630 sxs

Set CR @ 3619'

Perforate @ 3839'

7" TOC @ 3900' (T.S.)

9-5/8" 48# N80 @ 4200'
Cmt with 300 sxs, circulated to surface

4250 - 3799 4.655 (1.14) = 78 sxs
Plug #3: 5792' - 5692'
Class B cement, 34 sxs

Kickoff point @ 6963'

Set Hydro Set CR @ 7100'

Mancos Perforations. 10,230' - 9578'

CIBP @ 9508'

4.5" 11 6#, 13 5#,
casing set at 10,257'
Cement with 315 sxs
Estimate TOC 7280'.

PBTD 10,234'
TVD 10,275'

**UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FARMINGTON DISTRICT OFFICE
1235 LA PLATA HIGHWAY
FARMINGTON, NEW MEXICO 87401**

Attachment to notice of
Intention to Abandon:

Re: Permanent Abandonment
Well: 1 Enervest Federal

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."
2. Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 599-8907.
3. The following modifications to your plugging program are to be made:
 - a) Place the Mesaverde plug from 5778' – 5678'.
 - b) Bring the top of the 9 5/8" Casing Shoe/Pictured Cliffs/Fruitland plug to 3799'.
 - c) Place the Nacimiento plug from 2432' – 2332' inside and outside the 7" casing.

You are also required to place cement excesses per 4.2 and 4.4 of the attached General Requirements.

Office Hours: 7:45 a.m. to 4:30 p.m.