

Submit 1 Copy To Appropriate District Office  
District I - (575) 393-6151  
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

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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.)		WELL API NO. 30-039-31216
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Enervest Operating, L.L.C.		6. State Oil & Gas Lease No.
3. Address of Operator 1001 Fannin Street, Suite 800 Houston, Texas 77002		7. Lease Name or Unit Agreement Name Jicarilla Contract 155
4. Well Location Unit Letter <u>M</u> : <u>671</u> feet from the <u>South</u> line and <u>671</u> feet from the <u>West</u> line Section <u>32</u> Township <u>26 North</u> Range <u>5 West</u> NMPM Rio Arriba County		8. Well Number 23E
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6,508' GR		9. OGRID Number 143199
		10. Pool name or Wildcat Blanco-Mesaverde & Basin-Dakota

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
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"/>	OTHER: <input type="checkbox"/>
DOWNHOLE COMMINGLE <input checked="" type="checkbox"/>			
CLOSED-LOOP SYSTEM <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 Contract 155 Well No. 23E 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 wells offsetting the Jicarilla Contract 155 No. 23E (See Attached Table) Enervest proposes to allocate production to the well as follows:

**Blanco-Mesaverde Gas Pool:** Oil: 39% Gas: 34% Water: 40%

**Basin-Dakota Gas Pool:** Oil: 61% Gas: 66% Water: 60%

\* DHC 3880 A2

Interest Ownership between the Mesaverde and Dakota is common. The well is dedicated to the S/2 of Section 32 in the Basin-Dakota Gas Pool, and to the SW/4 of Section 32 in the Blanco-Mesaverde Gas Pool. 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

4/10/14

Type or print name David Catanach

E-mail address: drcatanach@netscape.com

PHONE: 505-690-9453

**For State Use Only**

APPROVED BY:

Walt Hmy

TITLE

Deputy Oil & Gas Inspector,  
District #3

DATE

4/23/14

Conditions of Approval (if any):

AV

**DHC Application**  
**Jicarilla Contract 155 No. 23E**  
**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 Contract 155 # 12	K-32-26N-5W	N/A	N/A	N/A	0.358 BOPD	43 MCFG/D	0.50 BWPD
Jicarilla Contract 155 # 12E	J-32-26N-5W	N/A	N/A	N/A	1.06 BOPD	91 MCFG/D	0.245 BWPD
Jicarilla Contract 155 # 23	N-32-26N-5W	0.164 BOPD	19.5 MCFG/D	0.1 BWPD	N/A	N/A	N/A
Jicarilla Contract 155 # 29	F-32-26N-5W	0.679 BOPD	51 MCFG/D	0.33 BWPD	N/A	N/A	N/A
Jicarilla Gas Com C # 1E	F-32-26N-5W	N/A	N/A	N/A	0.074 BOPD	72 MCFG/D	0.52 BWPD
Jicarilla Contract 155 # 22	I-31-26N-5W	0.0 BOPD	28 MCFG/D	0.04 BWPD	0.004 BOPD	125 MCFG/D	0.111 BWPD
AXI Apache J # 19A	B-6-25N-5W	0.279 BOPD	53 MCFG/D	0.18 BWPD	N/A	N/A	N/A
Jicarilla Contract 147 # 3	A-6-25N-5W	N/A	N/A	N/A	0.475 BOPD	73 MCFG/D	0.52 BWPD
Jicarilla Contract 147 # 4E	E-5-25N-5W	N/A	N/A	N/A	0.364 BOPD	73 MCFG/D	0.55 BWPD
AXI Apache J # 20	C-5-25N-5W	0.15 BOPD	51 MCFG/D	0.55 BWPD	N/A	N/A	N/A
AXI Apache J # 20A	A-5-25N-5W	0.197 BOPD	48 MCFG/D	0.36 BWPD	N/A	N/A	N/A
<b>Well Average</b>		<b>0.245 BOPD</b>	<b>42 MCFG/D</b>	<b>0.26 BWPD</b>	<b>0.39 BOPD</b>	<b>80 MCFG/D</b>	<b>0.40 BWPD</b>
<b>Recommended Allocation</b>		<b>39%</b>	<b>34%</b>	<b>40%</b>	<b>61%</b>	<b>66%</b>	<b>60%</b>