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Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No. 1004-0137 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.

3. Lease Serial No. Jicarilla Apache 102 6. If Indian, Allottee or Tribe Name Jicarilla Apache

SUBMIT IN TRIPLICATE - Other instructions on page 2.

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

8. Well Name and No. Jicarilla Apache 102 No. 14M.

9. API Well No. 30-039-31193

10. Field and Pool or Exploratory Area Blanco-Mesaverde & Basin-Dakota Gas Pools

11. Country or Parish, State Rio Arriba

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, Texas 77002 3b. Phone No. (include area code) 713-659-3500

4. Location of Well (Footage, Sec., T., R., M., or Survey Description) S.L.: 1310' FSL & 1482' FWL (Unit N) Section 9, Township 26 North, Range 4 West, NMPM; BHL: 606' FSL & 1958' FWL (Unit N) Section 9, Township 26 North, Range 4 West, NMPM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

Table with columns TYPE OF SUBMISSION and TYPE OF ACTION. Includes checkboxes for Notice of Intent, Subsequent Report, Final Abandonment Notice, Acidize, Deepen, Production (Start/Resume), Water Shut-Off, etc.

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 of all pertinent markers and zones.

Enervest Operating, L.L.C. respectfully requests permission to downhole commingle production in this well. The well will be completed in the Blanco-Mesaverde and Basin-Dakota Gas Pools. This well is currently drilling.

Interest ownership between the Mesaverde and Dakota formations is common. Attached is a copy of NMOCD Form C-103 which specifies the allocation percentages for each of the commingled zones.

OIL CONS. DIV DIST. 3

JUN 12 2014

DHC 3891 A2

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

Signature Jeanie McMillan Date 06/04/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Joe Hewitt Title GEO Date 6-9-14

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 FFO

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 W.

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

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

Form C-103
Revised July 18, 2013

WELL API NO. 30-039-31193
5. Indicate Type of Lease STATE [] FEE []
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Jicarilla Apache 102
8. Well Number 14M
9. OGRID Number 143199
10. Pool name or Wildcat Blanco-Mesaverde & Basin-Dakota
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 7,112' GR

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 [x]
CLOSED-LOOP SYSTEM []
OTHER: []
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.

Enervest Operating, L.L.C. ("Enervest") is proposing to drill the Jicarilla Apache 102 Well No. 14M 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 Formation Tops): Basin-Dakota: 7,988'-8,283'; Blanco-Mesaverde: 5,510'-6,087'

Allocation Method: Based upon the 2013 average production from several wells offsetting the Jicarilla Apache 102 No. 14M (See Attached Table) Enervest proposes to allocate production to the well as follows:

Blanco-Mesaverde Gas Pool: Oil: 33% Gas: 47% Water: 54%
Basin-Dakota Gas Pool: Oil: 67% Gas: 53% Water: 46%

Interest Ownership between the Mesaverde and Dakota is common. The well is dedicated to the S/2 of Section 9 in the Blanco-Mesaverde Gas Pool, and to the W/2 of Section 9 in the Basin-Dakota 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 6/4/2014

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):

DHC Application
Jicarilla Apache 102 No. 14M
Offset Well Production

Offset Well Name & Number	Well Location	2013 Avg. Mesaverde Oil Production	2013 Avg. Mesaverde Gas Production	2013 Avg. Mesaverde H2O Prod.	2013 Avg. Dakota Oil Production	2013 Avg. Dakota Gas Production	2013 Avg. Dakota H2O Prod.
20-034-29666 Jicarilla 102 No. 14F	D-9-26N-4W	Yes 0.14 BOPD	yes 31 MCFG/D	Yes 0.2 BWPD	Yes 0.61 BOPD	Yes 102 MCFG/D	Yes 0.89 BWPD
Jicarilla 102 No. 12	G-9-26N-4W	N/A	N/A	N/A	0.4 BOPD	40 MCFG/D	0.22 BWPD
Jicarilla 102 No. 29	G-9-26N-4W	0.56 BOPD	28 MCFG/D	1.39 BWPD	N/A	N/A	N/A
Jicarilla 102 No. 12E	O-9-26N-4W	N/A	N/A	N/A	0.51 BOPD	62 MCFG/D	0.57 BWPD
Jicarilla 102 No. 15	P-9-26N-4W	0.16 BOPD	17 MCFG/D	0.6 BWPD	N/A	N/A	N/A
Northwest No. 4E	I-8-26N-4W	N/A	N/A	N/A	0.87 BOPD	20 MCFG/D	0.54 BWPD
Jicarilla 103 No. 9	A-17-26N-4W	0.17 BOPD	3 MCFG/D	0.58 BWPD	N/A	N/A	N/A
Jicarilla 103 No. 12	A-17-26N-4W	N/A	N/A	N/A	0.26 BOPD	18 MCFG/D	0.33 BWPD
Jicarilla E No. 15E	C-16-26N-4W	ok 0.32 BOPD	yes Right on 101 MCFG/D	ok 0.46 BWPD	Yes 0.64 BOPD	ok 37 MCFG/D	ok 0.46 BWPD
Jicarilla E No. 9	B-16-26N-6W	0.25 BOPD	74 MCFG/D	0.29 BWPD	N/A	N/A	N/A
Well Average		0.27 BOPD	42 MCFG/D	0.59 BWPD	0.55 BOPD	47 MCFG/D	0.5 BWPD
Recommended Allocation		33%	47%	54%	67%	53%	46%