

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018

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.
JIC110

6. If Indian, Allottee or Tribe Name
JICARILLA APACHE

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

SUBMIT IN TRIPLICATE - Other instructions on page 2

8. Well Name and No.
JICARILLA A 3M

9. API Well No.
30-039-31301-00-X1

10. Field and Pool or Exploratory Area
BASIN DAKOTA
BLANCO MESAVERDE

11. County or Parish, State
RIO ARRIBA COUNTY, NM

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
ENERVEST OPERATING LLC
Contact: SHELLY DOESCHER
E-Mail: sdoescher@enervest.net

3a. Address
1001 FANININ STREET SUITE 800
HOUSTON, TX 77002

3b. Phone No. (include area code)
Ph: 505-320-5682

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 19 T26N R5W SESE 0675FSL 0670FEL

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<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 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 has chosen to rescind this APD due to a request from Jicarilla Oil and Gas that the drilling location be moved.

See attached letter.

OIL CONS. DIV DIST. 3

OCT 27 2017

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

**Electronic Submission #392391 verified by the BLM Well Information System
For ENERVEST OPERATING LLC, sent to the Rio Puerco
Committed to AFMSS for processing by CYNTHIA MARQUEZ on 10/24/2017 (18CXM0008SE)**

Name (Printed/Typed) JOSH CALDWELL	Title MANAGER-ROCKIES/PERM BASIN
Signature (Electronic Submission)	Date 10/18/2017

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ACCEPTED	CINDY MARQUEZ Title LAND LAW EXAMINER	Date 10/24/2017
-----------------------------	--	-----------------

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.

(Instructions on page 2)

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



24



ENERVEST

September 17, 2015

Jicarilla Oil & Gas Administration
Attention: Guillermo DeHerrera
#6 Dulce Rock Road
Dulce, NM 87528

RE: Proposed relocation of surface pad for Jicarilla A #3M

Dear Guillermo,

EnerVest Operating, LLC, has proposed drilling the Jicarilla A #3M as a vertical well with a surface location at 675' FSL & 670' FEL of Section 19, T26N, R5W, N.M.P.M (the "**Original Location**"). We have been advised that the Jicarilla Apache Nation requires that the well be drilled from a surface location 820' FSL & 687' FEL of said Section 19 (the "**Proposed Location**"). For the reasons discussed below, EnerVest will be unable to economically drill the Jicarilla A #3M at the Proposed Location.

The ideal bottomhole location for the Jicarilla A #3M, which is located 675' FSL & 670' FEL of Section 19, will maximize drainage of hydrocarbons from the southeast corner of Section 19. If the Jicarilla A #3M is vertically drilled from the Proposed Location, the well would compete for access to hydrocarbons which are already being effectively drained by the existing Jicarilla A #3E and would fail to access hydrocarbons reserves in the southeast corner of Section 19. Vertical drilling from the Original Location would allow effective drainage of the southeast corner of Section 19 and would result in significantly less interference with the existing Jicarilla A #3E. In summary, vertical drilling from the Proposed Location instead of the Original Location would result in lower total hydrocarbon recovery.

Although it is possible to directionally drill a well to a bottomhole location which differs from the surface location, directional drilling requires substantially greater expense than vertical drilling. Utilization of the Original Location would allow EnerVest to vertically drill the Jicarilla A #3M and reach the desired bottomhole location at 675' FSL & 670' FEL of Section 19. If the Proposed Location is used, directional drilling would be required to reach the desired bottomhole location. Because using the Proposed Location would substantially increase the cost to reach the desired bottomhole location, use of the Proposed Location is not economically feasible under the current commodity price environment.

Due to the substantial additional costs which would be incurred by directionally drilling the Jicarilla A #3M from the Proposed Location, instead of vertically drilling said wellbore from the Original Location, and due to the necessity of locating the bottomhole of said wellbore 675' FSL & 670' FEL of Section 19 to maximize hydrocarbon recovery, the drilling of the Jicarilla A #3M is not economically viable at this time. Because the Original Location is not allowable, EnerVest will not be further pursuing the drilling of the Jicarilla A #3M under the current commodity price environment. Of course, we intend to continue development of other wells on the Jicarilla Apache Nation where surface locations are available which allow effective drainage and economic drill costs.

If further clarification is needed, please contact me at 505-320-5682. We look forward to the continued mutually-prosperous development of the oil and gas resources of the Jicarilla Apache Nation.

Sincerely,

Shelly Doescher
Regulatory Agent
EnerVest Operating, L.L.C.

ENERVEST, LTD.

1001 FANNIN STREET, SUITE 800 • HOUSTON, TEXAS 77002-6707 • 713.659.3500 • FAX 713.659.3556 •
WWW.ENERVEST.NET

RECEIVED

JAN 22 2015

FORM APPROVED
OMB No. 1004-0137
Expires October 31, 2014

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
Farmington Field Office
Bureau of Land Management

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.
Jicarilla Apache Tribal Contract 110

6. If Indian, Allottee or Tribe Name
Jicarilla Apache

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

8. Lease Name and Well No.
Jicarilla A #3M

9. API Well No.
30-039-31301

1a. Type of work: DRILL REENTER

1b. Type of Well: Oil Well Gas Well Other Single Zone Multiple Zone

2. Name of Operator EnerVest Operating, LLC

3a. Address 1001 Fannin St., Suite 800
Houston, Texas 77002-6707

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

10. Field and Pool, or Exploratory
Blanco MesaVerde/Basin Dakota

4. Location of Well (Report location clearly and in accordance with any State requirements.)*
At surface 675' FSL, 670' FEL (UL P)
At proposed prod. zone

11. Sec., T. R. M. or Blk. and Survey or Area
Sec. 19, T26N, R05W

14. Distance in miles and direction from nearest town or post office*
30 miles NW of Lindrith, NM

12. County or Parish
Rio Arriba

13. State
NM

15. Distance from proposed*
location to nearest
property or lease line, ft.
(Also to nearest drig. unit line, if any)

16. No. of acres in lease
2,558.36

17. Spacing Unit dedicated to this well
MV - E1/2 DK - E1/2

18. Distance from proposed location*
to nearest well, drilling, completed,
applied for, on this lease, ft.

19. Proposed Depth
7,589'

20. BLM/BIA Bond No. on file
RLB0007886

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
6687' GL

22. Approximate date work will start*
03/01/2015

23. Estimated duration
5 weeks

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification
- Such other site specific information and/or plans as may be required by the BLM.

25. Signature  Name (Printed/Typed) Michelle Doescher Date 01/20/2015

Title Regulatory Consultant

Approved by (Signature) _____ Name (Printed/Typed) _____ Date _____

Title _____ Office _____

Application approval 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.
Conditions of approval, if any, are attached.

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'S APPROVAL OR ACCEPTANCE OF THIS

(Continued on page 2)

This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4

ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS

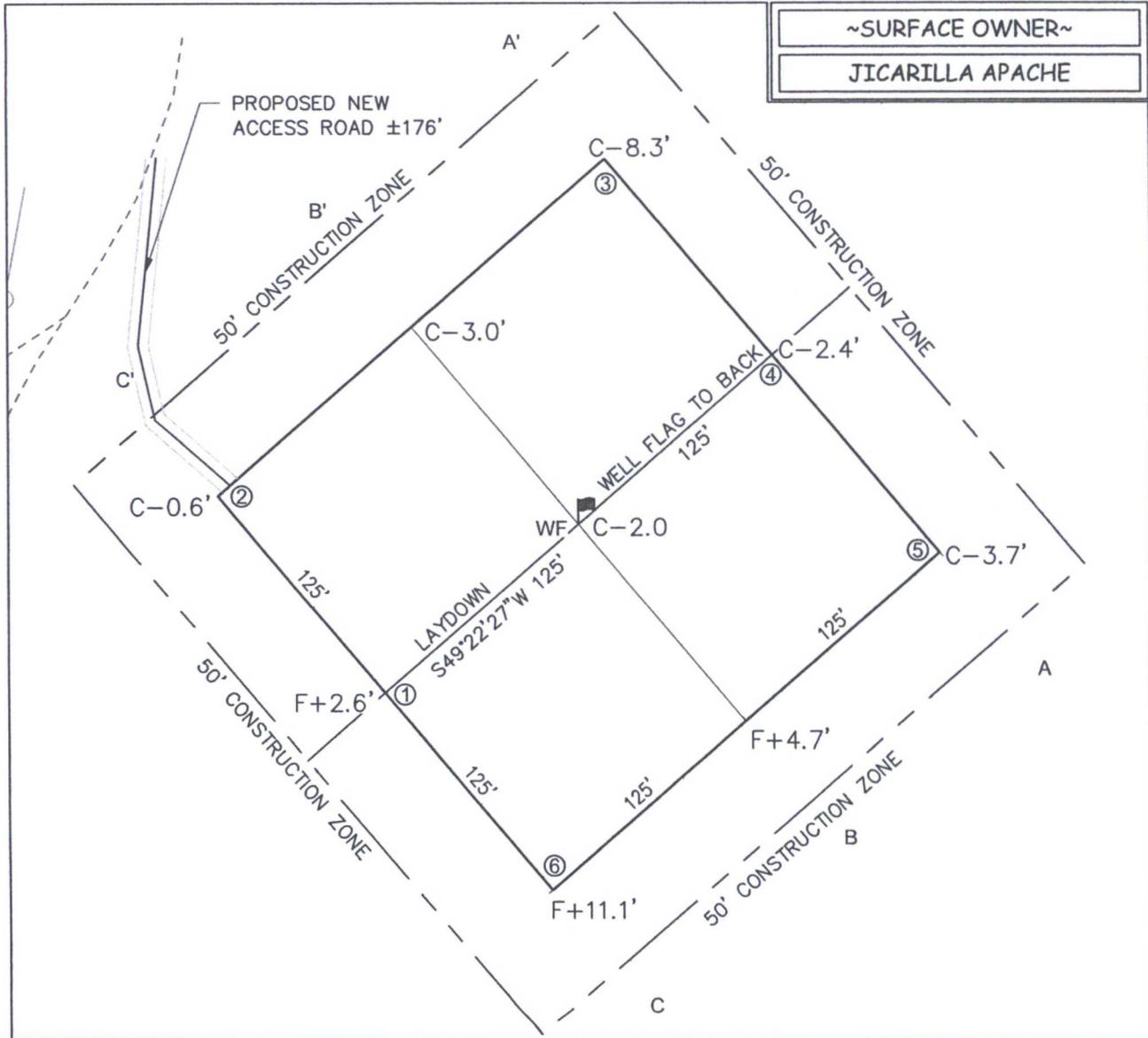
*(Instructions on page 2)

DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS"

NMOCDA

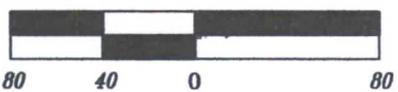
ENERVEST OPERATING, LLC. JICARILLA A #3M
675' FSL & 670' FEL, SECTION 19, T26N, R5W, N.M.P.M.
RIO ARRIBA COUNTY, NEW MEXICO ELEVATION: 6687'
LAT: 36.46708° N LONG: 107.39432° W NAD 1983
LAT: 36.46707 N LONG: 107.39372 W NAD 1927

~SURFACE OWNER~
JICARILLA APACHE



AREA OF DISTURBANCE	
WELL PAD	1.43 AC.
CONSTRUCTION ZONE	1.38 AC.
NEW ACCESS ROAD	0.16 AC.
TOTAL	2.97 AC.

- NOTES:**
- THE BEARINGS ARE BASED ON A LINE BETWEEN THE SOUTHWEST CORNER OF SECTION 31, TOWNSHIP 26 NORTH, RANGE 5 WEST, N.M.P.M., AND THE SOUTHWEST CORNER OF SECTION 7 OF THE SAME TOWNSHIP. BOTH CORNERS ARE MONUMENTED WITH 3 1/4" BRASS CAPS SET BY THE G.L.O. IN 1957. THE SHOTS WERE TAKEN USING RTK GPS OBSERVATIONS.
 - LATITUDE, LONGITUDE AND ELLIPSOIDAL HEIGHT BASED ON AN OPUS SOLUTION REPORT DATED AUGUST 21, 2013. DISTANCES SHOWN ARE GRID DISTANCES USING A TRANSVERSE MERCATOR PROJECTION FROM A WGS-84 ELLIPSOID CONVERTED TO NAD83. NAVD 88 ELEVATIONS AS PREDICTED BY GEOID12A.
 - SOUDER, MILLER AND ASSOCIATES IS NOT LIABLE FOR LOCATION OF UNDERGROUND UTILITIES DEPICTED ARE APPROXIMATE. PRIOR TO EXCAVATION UNDERGROUND UTILITIES SHOULD BE FIELD VERIFIED. ALL CONSTRUCTION ACTIVITIES SHOULD BE FIELD VERIFIED WITH NEW MEXICO ONE-CALL AUTHORITIES AT LEAST 48 HOURS PRIOR TO CONSTRUCTION.
 - CLOSED LOOP SYSTEM NO PIT.



SMA
Engineering Environmental Surveying

SOUDER, MILLER & ASSOCIATES
 401 West Broadway Avenue
 FARMINGTON, NM 87401-2247
 Phone (505) 325-7535 Toll-Free (800) 519-0098 Fax (505) 325-0045
 www.soudermiller.com
 Serving the Southwest & Rocky Mountains
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 Cortez - Grand Junction - Montrose, CO - Safford, AZ - Moab, UT

ENERVEST OPERATING, LLC
HOUSTON, TEXAS

ENERVEST OPERATING, LLC
JICARILLA A #3M PAD
SE/4SE/4 OF SECTION 19, T26N, R5W, NMPM
RIO ARRIBA COUNTY, NEW MEXICO

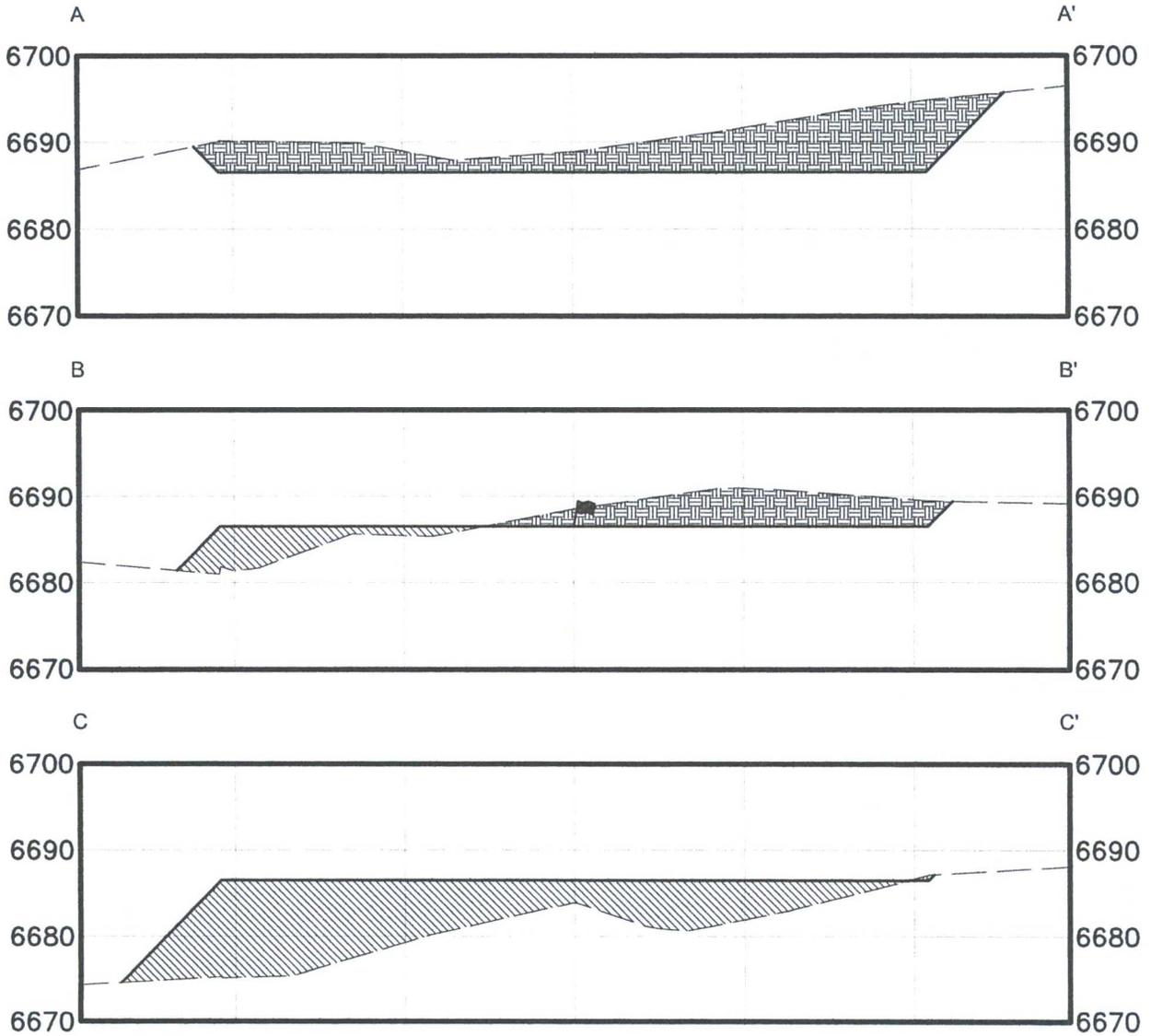
Designed KRS	Drawn DJB	Checked KRS
Date: OCTOBER, 2014		
Scale: Horiz: 1"=80'		
Vert: N/A		
Project No: 5122089		
Sheet: 2 of 5		

THIS DRAWING IS INCOMPLETE AND NOT TO BE USED FOR CONSTRUCTION UNLESS IT IS STAMPED, SIGNED AND DATED.

ENERVEST OPERATING, LLC. JICARILLA A #3M
675' FSL & 670' FEL, SECTION 19, T26N, R5W, N.M.P.M.
RIO ARRIBA COUNTY, NEW MEXICO ELEVATION: 6687'
LAT: 36.46708° N LONG: 107.39432° W NAD 1983
LAT: 36.46707 N LONG: 107.39372 W NAD 1927

HORIZONTAL SCALE: 1" = 60'

VERTICAL SCALE: 1" = 20'



WELL FLAG
 LATITUDE: 36.46708°N
 LONGITUDE: 107.39432°W
 NAD83

1. SOUDER, MILLER AND ASSOCIATES IS NOT LIABLE FOR LOCATION OF UNDERGROUND UTILITIES DEPICTED ARE APPROXIMATE. PRIOR TO EXCAVATION UNDERGROUND UTILITIES SHOULD BE FIELD VERIFIED. ALL CONSTRUCTION ACTIVITIES SHOULD BE FIELD VERIFIED WITH NEW MEXICO ONE-CALL AUTHORITIES AT LEAST 48 HOURS PRIOR TO CONSTRUCTION.



THIS DIAGRAM IS AN ESTIMATE OF DIRT BALANCE AND IS NOT INTENDED TO BE AN EXACT MEASURE OF VOLUME

2. CLOSED LOOP SYSTEM NO PIT.



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ENERVEST OPERATING, LLC

HOUSTON, TEXAS

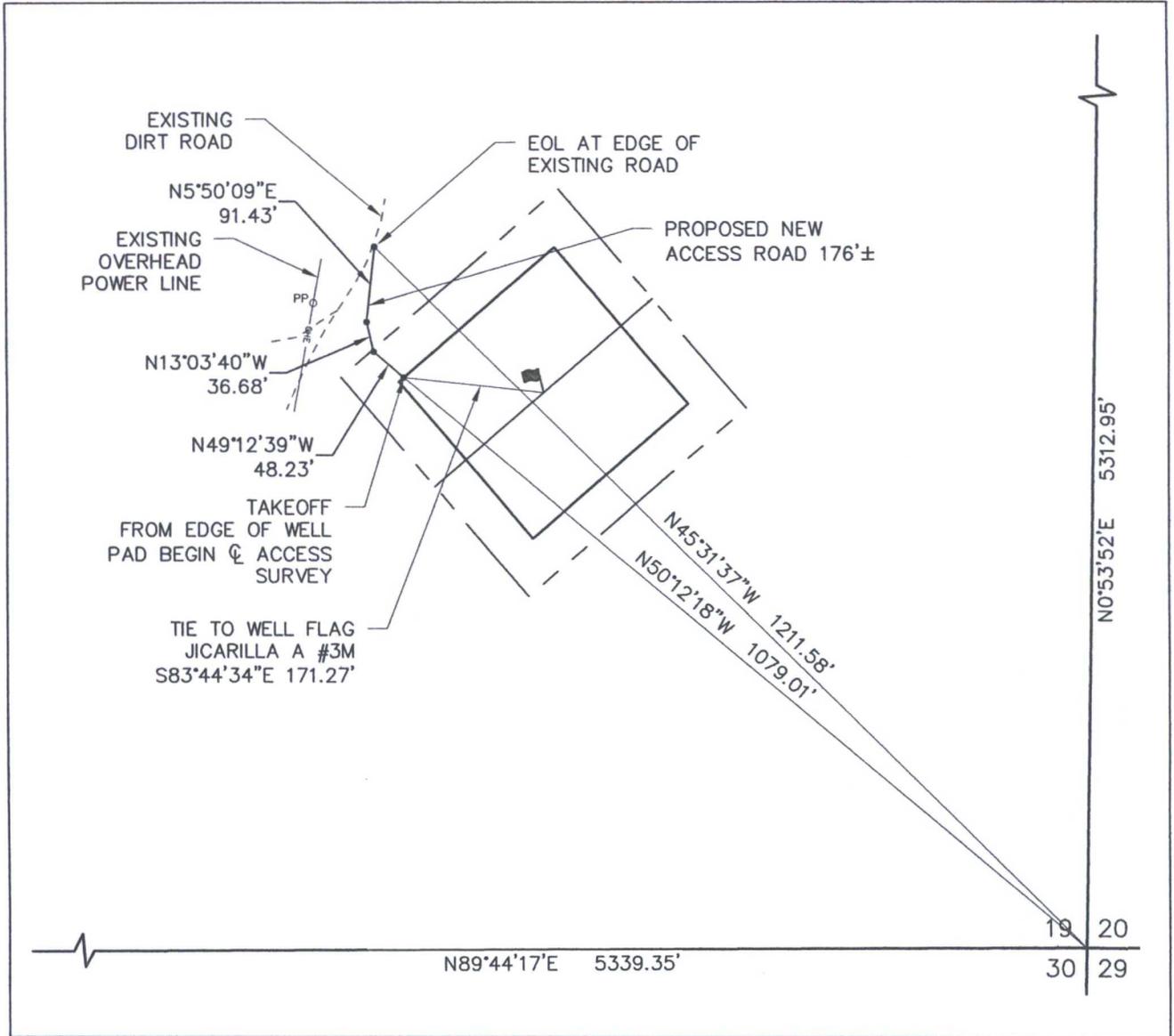
ENERVEST OPERATING, LLC
JICARILLA A #3M PAD SECTIONS
SE/4SE/4 OF SECTION 19, T26N, R5W, NMPM

RIO ARRIBACOUNTY, NEW MEXICO

THIS DRAWING IS INCOMPLETE AND NOT TO BE USED FOR CONSTRUCTION UNLESS IT IS STAMPED, SIGNED AND DATED.

Designed KRS	Drawn DJB	Checked KRS
Date: OCTOBER, 2014		
Scale: Horiz: 1"=60' Vert: 1"=20'		
Project No: 5122089		
Sheet: 3 of 5		

**PRELIMINARY SURVEY OF A 40' EASEMENT CROSSING
JICARILLA APACHE LAND FOR
ENERVEST OPERATING, LLC. JICARILLA A #3M
PROPOSED NEW ACCESS ROAD ±176'**



OWNER	TAKEOFF TO EOL	FT/RODS
JIC APACHE	0+00 TO 1+76.33	176/10.69
	TOTAL	176/10.69

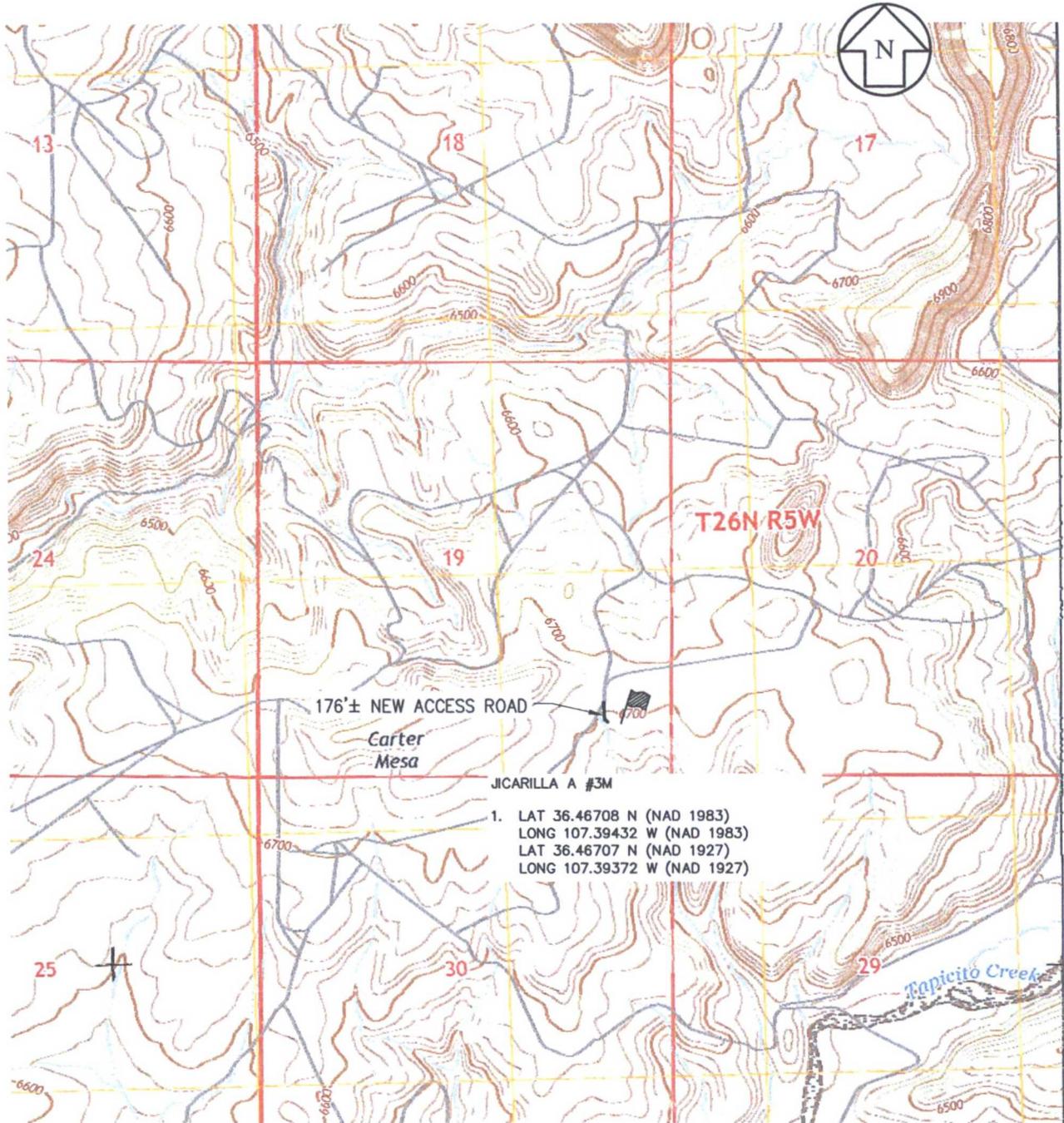


NOTES:

1. THE BEARINGS ARE BASED ON A LINE BETWEEN THE SOUTHWEST CORNER OF SECTION 31, TOWNSHIP 26 NORTH, RANGE 5 WEST, N.M.P.M., AND THE SOUTHWEST CORNER OF SECTION 7 OF THE SAME TOWNSHIP. BOTH CORNERS ARE MONUMENTED WITH 3 1/4" BRASS CAPS SET BY THE G.L.O. IN 1957. THE SHOTS WERE TAKEN USING RTK GPS OBSERVATIONS.
2. LATITUDE, LONGITUDE AND ELLIPSOIDAL HEIGHT BASED ON AN OPUS SOLUTION REPORT DATED AUGUST 21, 2013. DISTANCES SHOWN ARE GRID DISTANCES USING A TRANSVERSE MERCATOR PROJECTION FROM A WGS-84 ELLIPSOID CONVERTED TO NAD83. NAVD 88 ELEVATIONS AS PREDICTED BY GEOID12A.
3. SOUDER, MILLER AND ASSOCIATES IS NOT LIABLE FOR LOCATION OF UNDERGROUND UTILITIES DEPICTED ARE APPROXIMATE. PRIOR TO EXCAVATION UNDERGROUND UTILITIES SHOULD BE FIELD VERIFIED. ALL CONSTRUCTION ACTIVITIES SHOULD BE FIELD VERIFIED WITH NEW MEXICO ONE-CALL AUTHORITIES AT LEAST 48 HOURS PRIOR TO CONSTRUCTION.
4. CLOSED LOOP SYSTEM NO PIT.

<p>SOUDER, MILLER & ASSOCIATES 401 West Broadway Avenue FARMINGTON, NM 87401-2247 Phone (505) 325-7535 Toll-Free (800) 519-0098 Fax (505) 325-0045 www.soudermiller.com Serving the Southwest & Rocky Mountains Albuquerque, Farmington, Las Cruces, Roswell, Santa Fe, NM - El Paso, TX Cortez - Grand Junction - Montrose, CO - Stafford, AZ - Moab, UT</p>	ENERVEST OPERATING, LLC HOUSTON, TEXAS		Designed KRS	Drawn DJB	Checked KRS
	ENERVEST OPERATING, LLC JICARILLA A #3M ACCESS ROAD SE/4SE/4 OF SECTION 19, T26N, R5W, NMPM			Date: OCTOBER, 2014	
	RIO ARriba COUNTY, NEW MEXICO			Scale: Horiz: 1"=200' Vert: N/A	
	THIS DRAWING IS INCOMPLETE AND NOT TO BE USED FOR CONSTRUCTION UNLESS IT IS STAMPED, SIGNED AND DATED.			Project No: 5122089 Sheet: 4 of 5	

**ENERVEST OPERATING, LLC. JICARILLA A #3M
 675' FSL & 670' FEL, SECTION 19, T26N, R5W, N.M.P.M.
 RIO ARRIBA COUNTY, NEW MEXICO ELEVATION: 6687'
 LAT: 36.46708° N LONG: 107.39432° W NAD 1983
 NEW 176'± ACCESS ROAD**



**NOTE: THIS MAP IS FOR ESTIMATING PURPOSES, CONSTRUCTION FOOTAGES ARE APPROXIMATE
 CONTRACTOR SHOULD CONTACT ONE-CALL FOR LOCATION OF ANY MARKED OR UNMARKED UNDERGROUND UTILITIES
 OR PIPELINES ON WELL PAD AND/OR ACCESS ROAD AT LEAST TWO (2) WORKING DAYS PRIOR TO CONSTRUCTION**



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ENERVEST OPERATING, LLC

HOUSTON, TEXAS

Designed KRS	Drawn DJB	Checked KRS
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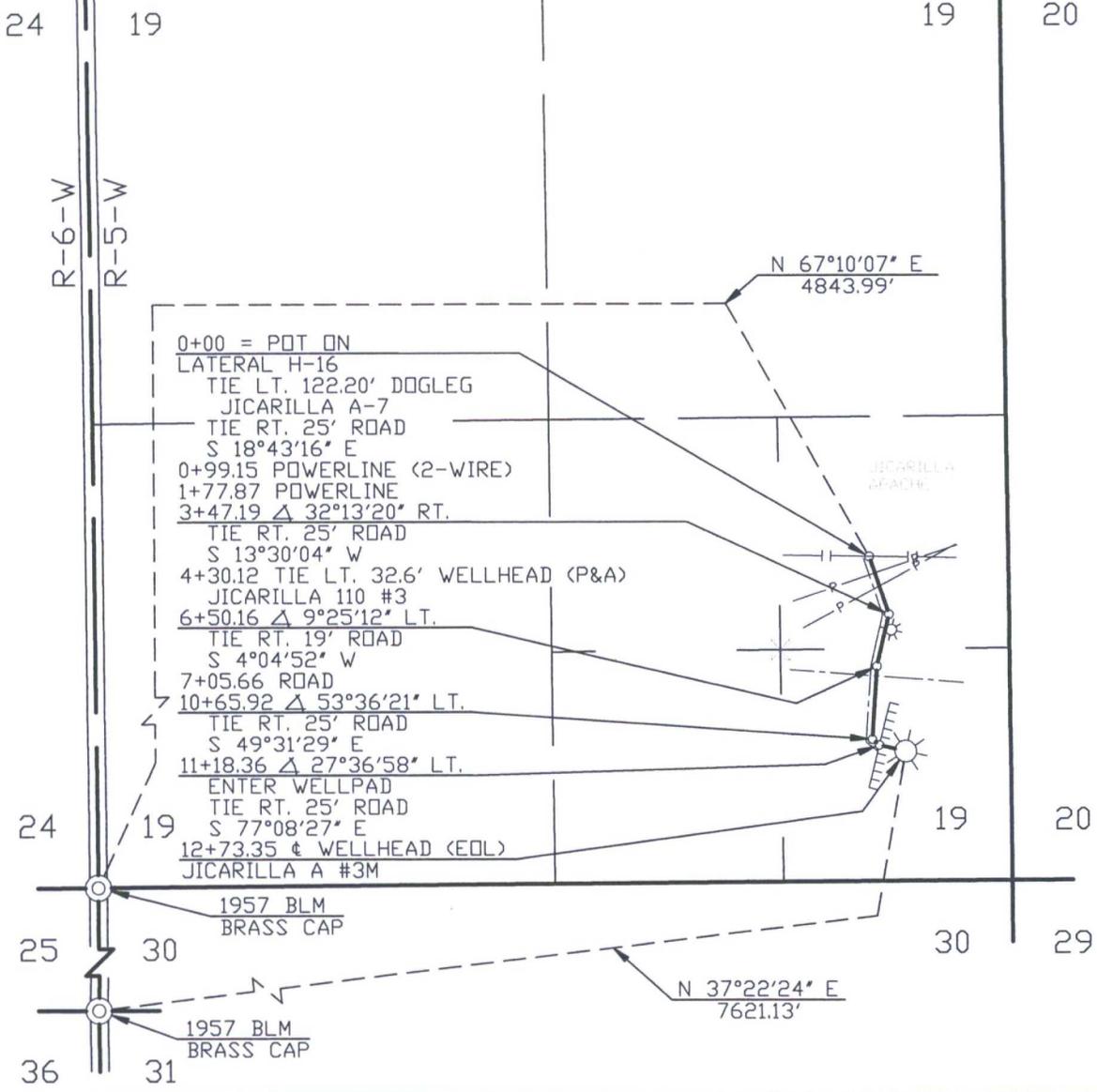
**ENERVEST OPERATING, LLC
 JICARILLA A #3M QUAD MAP
 SE/4SE/4 OF SECTION 19, T26N, R5W, NMPM**

Date:	OCTOBER, 2014
Scale:	Horiz: 1"=2000' Vert: NA
Project No:	5122089
Sheet:	5 of 5

RIO ARRIBA COUNTY, NEW MEXICO

THIS DRAWING IS INCOMPLETE AND NOT TO BE USED FOR CONSTRUCTION UNLESS IT IS STAMPED, SIGNED AND DATED

NOTE: BEARINGS ARE BASED ON THE NM COORDINATE SYSTEM, WEST ZONE, NAD 83, AS MEASURED BETWEEN THE SW COR. & THE NW COR. OF SEC. 30, T-26-N, R-5-W, NMPM BEARS: N 00°26'21" W - 5283.73'



**PRELIMINARY
DRAWING**

PIPE DATA	PRELIMINARY DRAWING														
	SUBDIVISION		OWNER		FEET		MILES		ACRES		RODS		R.O.W. WIDTH		
OWNERSHIP	0+00 TO 12+73.35		JICARILLA APACHE		1273.35		0.241		1.315		77.173		45'		
REVISION	NO.	DATE	BY	DESCRIPTION	W.O.NO.	CHK.	APP.	NO.	DATE	BY	DESCRIPTION	W.O.NO.	CHK.	APP.	
	1	01/20/15	HJ	ISSUED FOR REVIEW	WDC1170689	MW									
INFO	R/W #:	148119	DRAFTING	BY	HJ	DATE	01/20/15	STATE: NEW MEXICO COUNTY: RIO ARRIBA							
	NWC #:		CHECKED BY	MW	DATE	01/20/15	WILLIAMS FOUR CORNERS, LLC <i>Williams</i> ONE OF THE WILLIAMS COMPANIES SAN JUAN GATHERING SYSTEM ENERVEST - JICARILLA A #3M (REF DWG. 16H765.0-1) SECTION 19, T-26-N, R-5-W, NMPM 0+00 = POT ON LATERAL H-16								
	METER #:		APPROVED BY												
	SURVEYED:	12/12/14	ENGINEER	BY		DATE		SCALE:	1" = 1000'	DWG NO.	16H765.0-33-1	SHEET	1	REV	1
			DESIGNED BY				W.D. NO.	WDC1170689				OF	1		

EnerVest Operating, LLC

Jicarrilla A #3M

675' FSL, 670' FEL

Lat: 36.46707 N Long: 107.39372 W (NAD 1927) Unit P

Sec. 19, T26N R05W Rio Arriba County, NM

GL Elev: 6687'

Drilling Plan (11-21-2014)

All Lease and /or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations, BLM Onshore orders and EnerVest's approved Further Development Project Plan. The operator is fully responsible for the actions of its subcontractors. A copy of the APD and Conditions of Approval will be available to the field representatives to ensure compliance.

I. & II. ESTIMATED FORMATION TOPS (KB) and NOTABLE ZONES:

The following formation depths and proposed casing depths are estimates only and may be modified as determined by well conditions while drilling.

<u>Formation Name</u>	<u>Depth</u>	<u>Rock Type</u>	<u>Comments</u>
San Jose	Surface	Sandstone	
Ojo Alamo	2318'	Sandstone	Possible Gas, Water
Kirtland	2686'	Shale	
Fruitland	3038'	Coal, Shale, Sandstone	Possible Lost Circ, Gas, Water
Pictured Cliffs	3101'	Sandstone	Possible Lost Circ, Gas, water
Lewis	3172'	Shale	Sloughing Shale
Mesa Verde (Cliffhouse)	4764'	Sandstone	Possible Lost Circ, Gas, Water
Mesa Verde (Menefee)	4810'	Coal, Sandstone, Shale	Possible Lost Circ, Gas, Water
Mesa Verde (Point Lookout)	5321'	Sandstone	Possible Lost Circ, Gas, Water
Mancos	5459'	Shale	Sloughing Shale
Gallup	6464'	Siltstone, Shale	Gas, Oil
Greenhorn	7209'	Limestone	Gas, Oil
Graneros	7262'	Shale	Gas, Oil, Water
Dakota	7289'	Sandstone	Gas, Oil, Water
Proposed Total Depth	7589'		

Fresh water zones will be adequately protected by setting and cementing the surface casing. All zones containing commercial quantities of oil or gas will be cased and cemented.

EnerVest Operating, LLC

Jicarrilla A #3M

675' FSL, 670' FEL

Lat: 36.46707 N Long: 107.39372 W (NAD 1927) Unit P

Sec. 19, T26N R05W Rio Arriba County, NM

GL Elev: 6687'

III. PRESSURE CONTROL:

Maximum expected pressure is ~1670 (0.22 pressure gradient) psi. The drilling contract has not yet been awarded, thus the exact BOP and Choke Manifold model to be used is not yet known. A typical 11" 2000 psi model is pictured in Exhibits A & B.

A remote accumulator will be used, the pressures, capacities location of the remote and manual controls will be identified at the time of the BLM supervised BOP test.

BOP equipment, accumulator, choke manifold and all accessories will meet or exceed BLM requirements as listed in Onshore Order #2 for the 2M systems. The pressure control equipment considerations include but will not be limited to:

1. BOP will be a double gate ram preventer with a set of blind rams and a set of properly-sized pipe rams.
2. Accumulator will have sufficient capacity to close the BOP rams and retain 200 psi above pre charge.
3. Accumulator fluid volume is to be maintained at manufacturer's recommendations.
4. BOP will also have manual closing handles available.
5. 2" minimum kill line and kill line valves (2).
6. Choke manifold (2" lines) with 2 adjustable chokes with valves and gauge.
7. Manually operated Kelly cocks available.
8. Safety valve and sub(s) with adequate opening for all drill strings used.
9. Fill line and flow line above the upper-most BOP rams.

BOPs will be pressure tested; after initial installation, before drilling out from under all set and cemented casing strings and any time a seal is broken. The BOPs will also be pressure tested a minimum of once every 21 days by a 3rd party. Additionally, the BOPs will be operationally checked every 24 hours.

All tests and pressure tests will be recorded on IADC log.

Ram type preventors, choke manifold and related pressure control equipment will be pressure tested to the rated working pressure of 2000 psi (high) and 250 psi (low).

The casing strings will be pressure tested per BLM Onshore Order #2 for 30 min as follows:

- a. Surface casing tested to 600 psi prior to drilling out the shoe.
- b. Production casing will be tested to 6000 psi at the commencement of completion operations.

EnerVest Operating, LLC

Jicarrilla A #3M

675' FSL, 670' FEL

Lat: 36.46707 N Long: 107.39372 W (NAD 1927) Unit P

Sec. 19, T26N R05W Rio Arriba County, NM

GL Elev: 6687'

IV. PROPOSED CASING PROGRAM :

Casing Design

Hole/Casing Description	Hole Size	Casing OD	Weight lb/ft	Grade	Age	Connection	Top MD	Bottom MD
Surface	12 1/4"	8 5/8"	24	J-55	New	ST&C	0	500'
Prod Casing	7 7/8"	4 1/2"	11.6	N-80	New	LT&C	0	7589'

Surface casing is to be cemented to surface. The production casing is to be cemented in 3 stages covering all zones of production potential and the 3rd stage is intended to circulate cement to surface.

V. CASING CEMENT:

A prototypical cementing program is listed as follows, site-specific cement designs will be produced for each well as the hole conditions warrant. The cement program will be designed to meet the BLM Onshore Order #2 and NMOCD requirements.

Surface casing will be cemented to the surface.

Cement and properties; Mix and pump 310 sacks Type III cement (or equivalent) cement. Slurry density is to be 14.6 (yield = 1.39 cu ft/sx). Volume will include 100% excess. Cement is to be displaced using a top plug.

Two centralizers will be run on the shoe joint, one centralizer each on the next two joints and then one centralizer on every third joint thereafter.

The surface casing will be pressure tested to 600 psi prior to drilling out the shoe.

Production casing will be cemented in 3 stages covering all zones of production potential and the 3rd stage is intended to circulate cement to surface. Volumes based on 45% - 50% excess over OH gauge volume.

Stage 1 cement; mix and pump 495 sacks premium lite slurry with CaCl₂, cello flake and gilsonite. Estimated slurry density is to be 12.1 (yield = 2.13 cu ft/sx).

DV tool at +/- 4344 ft.

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Stage 2 Lead cement; mix and pump 260 sacks premium lite slurry with CaCl₂, cello flake and gilsonite. Estimated slurry density is to be 12.1 (yield = 2.13 cu ft/sx).

Stage 2 Tail cement; mix and pump 50 sacks Type III cement (or equivalent) cement. Slurry density is to be 14.6 (yield = 1.39 cu ft/sx). or equivalent cement.

DV tool at +/- 2551 ft.

Stage 3 Lead cement; mix and pump 365 sacks premium lite slurry with CaCl₂, cello flake and gilsonite. Estimated slurry density is to be 12.1 (yield = 2.13 cu ft/sx).

Stage 3 Tail cement; mix and pump 50 sacks Type III cement (or equivalent) cement. Slurry density is to be 14.6 (yield = 1.39 cu ft/sx). or equivalent cement.

Two centralizers will be run on the shoe joint, one centralizer on every third joint into the surface casing.

The production casing will be pressure tested for 30 minutes at the commencement of completion operations as outlined above

Where cement has not been circulated to surface (or to planned depth) a CBL or temperature survey will be run to determine the TOC for that casing string. A CBL log will be run in the production casing prior to the commencement of completion operations.

Cement specifications may vary slightly due to cement type and cement contractor availability.

VI. MUD PROGRAM

Depth	Type	Wt / pp	Visc	Fluid Loss
0-500'	FW gel/Lime Spud Mud	8.4-9.0	30-40	N/C
500'- 7589'	LSND/Gel sweeps, LCM as needed	8.7-9.0	20-32	4-6 cc

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The well will be drilled utilizing a closed loop mud and solids control system. The closed loop system will comply with the NMOCD pit rules pertaining to the use of the system and disposal of the drill cuttings and waste. Drilling mud will be moved for re-use to drill subsequent wells whenever possible.

Viscosity, mud weight and other physical and chemical characteristics of the drilling mud will be varied as required to keep the hole clean, circulate drill cuttings, prevent caving, prevent lost circulation and maximize penetration rate.

Sufficient mud and materials will be kept on site to maintain mud properties and meet lost circulation or mud weight requirements at all times.

Mud design may change depending on well conditions, LCM, fluid loss and viscosity will be determined by the EnerVest representative and the mud engineer on site.

VII. CORING, TESTING, & LOGGING

No cores or drill stem tests are planned. Well logs to be run are:

Surface to TD; GR/ Cement Bond Log, at the commencement of completion operations.
2500' to TD; GR/Cased hole Neutron.

Deviation surveys will be run at 500 ft intervals and at the base of each hole section prior to setting casing.

VIII. ANTICIPATED PRESSURES AND TEMPERATURES:

- | | | |
|----|------------------------------------|------------|
| a. | Expected bottom hole pressure: | < 1670 psi |
| b. | Anticipated abnormal pressure: | None |
| c. | Anticipated abnormal temperatures: | None |
| d. | Anticipated hazardous gas (H2S): | None |

If any of the foregoing conditions are unexpectedly encountered, suitable steps will be taken to mitigate according to accepted industry best practices.

EnerVest Operating, LLC

Jicarrilla A #3M

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Sec. 19, T26N R05W Rio Arriba County, NM

GL Elev: 6687'

IX. OTHER INFORMATION:

The anticipated spud date is spring 2015. The spud date will be dependent on the weather conditions, road conditions and the Conditions of Approval.

The dirt work for road and well pad construction will commence upon approval of the APD and will be dependent on weather conditions.

The well will be spud after well pad construction is complete and a suitable rig becomes available. The duration of drilling operations is expected to be from one to two weeks. The drilling rig and associated equipment will be removed and preparations will be made for the completion of the well.

Completion will start about one to four weeks after the finish of the drilling operations. A completion rig will be moved in for the completion phase. The completion phase of the well is expected to +/- two weeks. The completion phase will include; perforating, acidizing, fracture stimulation and well testing.

Some events/situations may arise that could potentially change the starting date or project duration that are out of EnerVest's control. If such events/situations arise, the proper officials will be promptly notified.

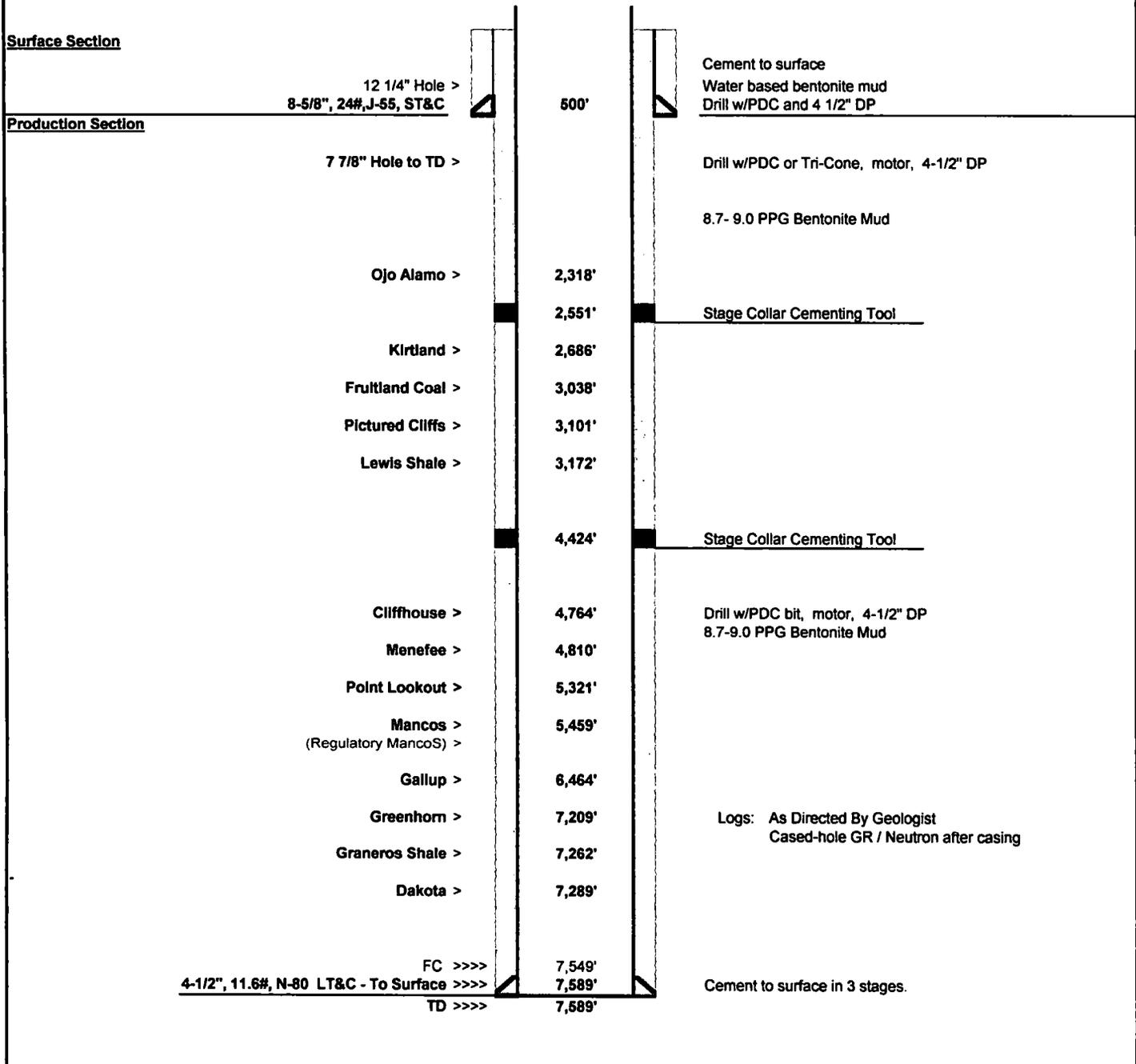
ENERVEST OPERATING, LLC

Jicarilla A #3M (Proposed)

TYPE	Dakota/MV	RIG	TBD	DATE	19-Nov-2014
FIELD	Tapicito	COUNTY	Rio Arriba	ELEVATION	6578' GL; 6591' KB
GAS/OIL	Gas/Oil	MUD	LSND	BHT/BHP	160 deg- <1670 psi
LOCATION	SHL: 675' FSL, 670' FEL Sec. 19, T26N R05W Unit P			SHL: Lat: 36.46707 N Long: 107.39372 W (NAD 1927)	
	BHL: Same as SHL			BHL: same as SHL	

COMMENTS: OBJECTIVE FORMATION: Dakota and Mesa Verde
NOTES:

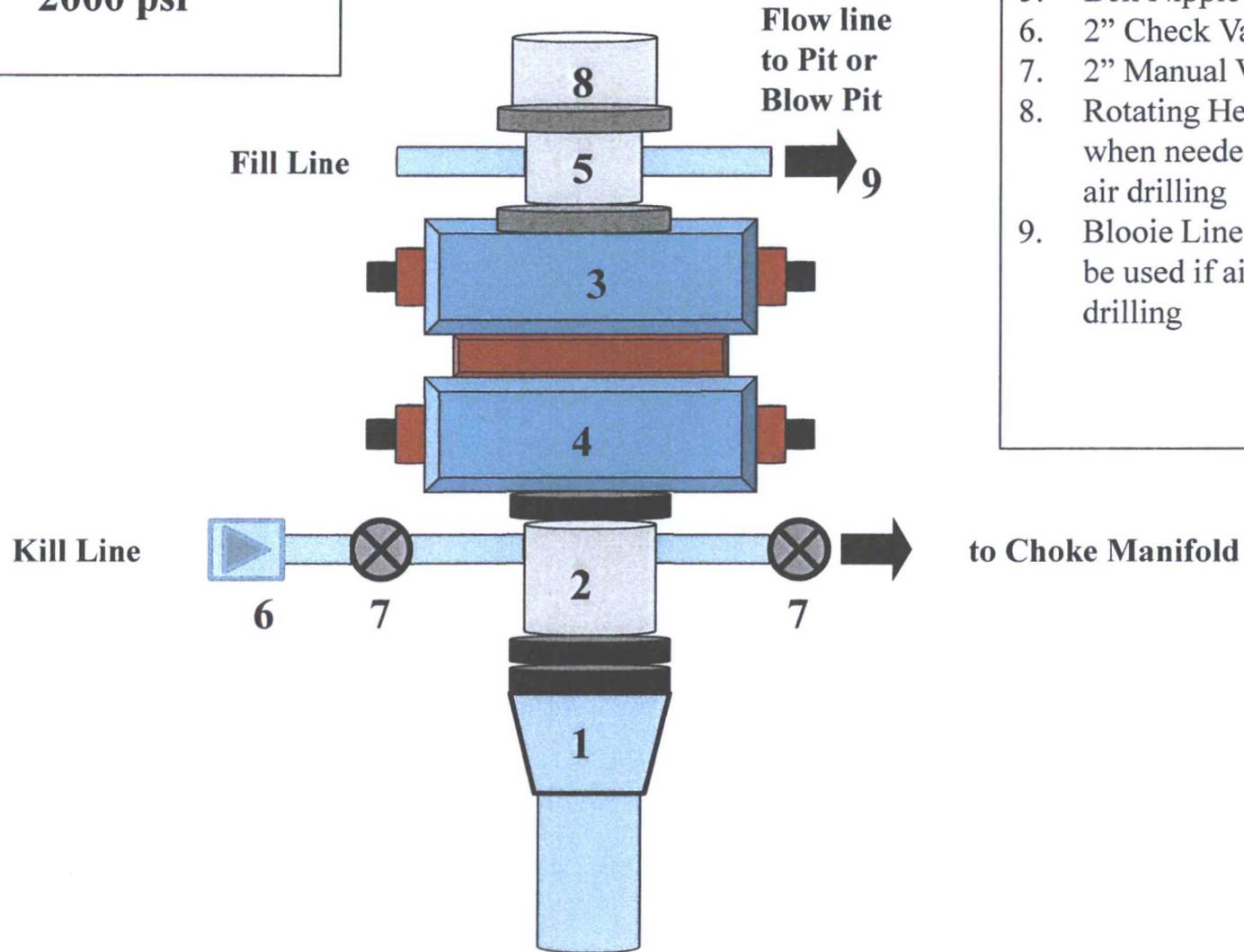
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AFE #	REGULATORY	
EV #	ENGINEER	Brett Munkres (713) 495 6566
API #	GEOLOGIST	G Kowalczyk (713) 495 6590

**EnerVest
Jicarilla 2015
Drilling Program
Blowout Preventer
2000 psi**

Exhibit A



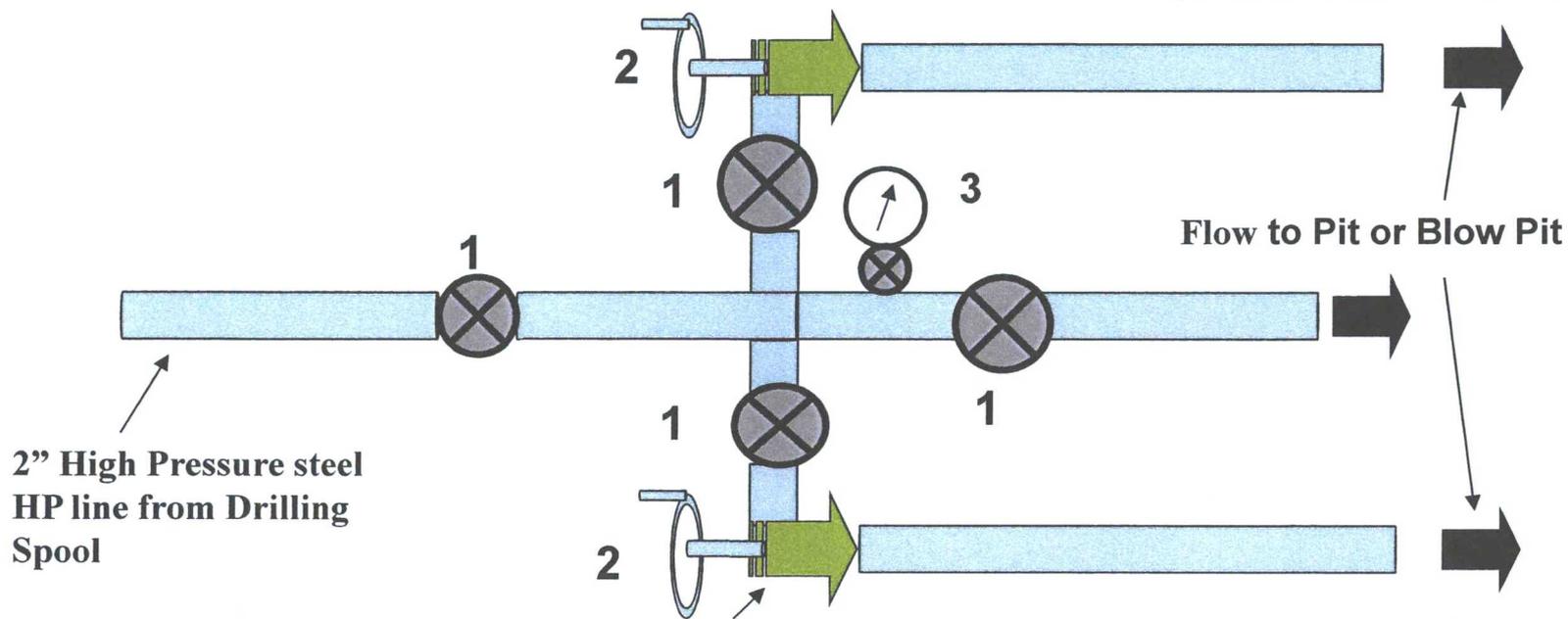
Components

1. Wellhead 8 5/8"
2. Drilling Spool
3. Pipe Rams
4. Blind Rams
5. Bell Nipple
6. 2" Check Valve
7. 2" Manual Valves
8. Rotating Head, when needed if air drilling
9. Blooie Line will be used if air drilling

Exhibit B

**EnerVest
Jicarilla 2015 Drilling
Program
2000 psi Choke Manifold**

- Components**
- 1. 2" Valves (2M)
 - 2. Adjustable Chokes
 - 3. Gauge



EnerVest Operating, LLC
Jicarilla A #3M
SHL: 675' FSL, 670' FEL, Unit P, Sec 19, T26N, R05W
Rio Arriba, NM

Surface Use Plan

1. **DIRECTIONS & EXISTING ROADS (See attached Vicinity map)**

The location is approximately 36 miles NW of the intersection of US Hwy 550 and NM Hwy 537

Latitude: 36.46707 N (NAD 1927)

Longitude: 107.39372 W (NAD 1927)

From Intersection of US Hwy 550 and NM State Hwy 537: Turn north on Hwy 537 for 28 miles. Turn left on J-6, go 8.0 mi to J-63, turn left, go 4.2 mi. Turn left 0.25 mi. to location.

2. **ROAD TO BE BUILT OR UPGRADED**

- A. Drilling of this well will require the construction of 176' of new access road from an existing access road. The access road is shown on the access plat and vicinity map. After the well is completed as a commercial producer, the need for a pipeline is ascertained, a pipeline will be constructed from the south side of location to an existing Williams pipeline as shown on the access plat and vicinity map. (don't have)
- B. Width: 20 ft. running surface; 40 ft. total ROW with is applied for to accommodate access and drainage installation along the road.
- C. Maximum grade: 0-1%.
- D. Turnouts: No turnouts are planned for this access road.
- E. Drainage design: The drainage design for the proposed new access road will be in conformance with Jicarilla Apache Tribal and BIA standards – with the agreement of the Jicarilla Apache Tribe. If needed, diversion may be constructed to prevent location erosion and divert drainage around the location. Any area used in this fashion will have been reviewed and given clearance for the possible archaeological and environmental impact.
- F. Location and size of culverts: None are required.
- G. Surface Materials: No gates, cattle guards or fences to be installed along the access road or the location. Road base material may be used as necessary during the drilling and completion phases of this project.

3. **SURFACE OWNERSHIP**

The surface ownership of the well site location and access roads are all on Jicarilla Apache Nation land.

4. **EXISTING WELLS (See the Vicinity map)**

This is a development location. There are thirty-nine existing wells within a one-mile radius of the proposed location as shown on the Vicinity map.

EnerVest Operating, LLC
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Rio Arriba, NM

5. WELL SITE LAYOUT

The attached figure (Fig A) shows the proposed well location layout while drilling this well. The drilling contractor has not been chosen and the layout of the may vary with the particular drilling contractor's rig requirements. A construction zone will be built as needed around the perimeter of the location as shown on the attached survey plats. The area will be reclaimed as per item # 11 below upon the completion of the well.

6. PROPOSED PRODUCTION FACILITIES

The actual equipment used and the configuration will be determined after the well is completed. At a minimum, the facilities will include a meter run, a separator, a produced water storage tank and a condensate/oil storage tank. All surface equipment will be painted with a non-reflective paint color as per specifications as specified by the Conditions of Approval.

7. WATER SUPPLY

Drilling and completion water will come from sources as agreed with the Jicarilla Apache Tribe. Fresh water will be trucked from several sources; local ponds, or wells from the area. No water wells are to be drilled for this location.

8. CONSTRUCTION MATERIALS & METHODS

NM One Call (811), US Forest Service and BLM will be notified before construction starts. The top 6" of soil from the location will be saved and will be piled at near the location to be used for reclamation at a later date. Any road base, gravel or other fill material will be hauled from a source as agreed upon by the Jicarilla Apache Tribe or as specified in the Conditions of Approval.

9. WASTE DISPOSAL

- A. The drill cuttings will be handled with a closed loop system and stored in steel rig tanks. These will then be hauled to a properly-permitted site for disposal. The drilling fluid will be processed for re-use, any drilling fluid that cannot be re-used will be hauled to a properly-permitted facility for disposal. The closed loop system will be closed and removed as per NMOCD.
- B. Drilling mud that cannot be re-used will be disposed of at a properly permitted facility.
- C. Produced water will be collected and disposed of a properly permitted facility.
- D. Any sewage will be collected by the portable toilet provider for disposal.
- E. All garbage and general trash will be collected in a portable trash cage and will be removed from the site and disposed of in a properly permitted disposal facility. There will be no burning of trash.
- F. Drilling crews under the supervision of the contractor or operator will control and dispose of garbage and waste materials during the drilling operations.
- G. Roustabout or completion crews will dispose of all garbage or trash generated during the completion (or abandonment) of the well site.

EnerVest Operating, LLC

Jicarilla A #3M

SHL: 675' FSL, 670' FEL, Unit P, Sec 19, T26N, R05W
Rio Arriba, NM

10. ANCILLARY FACILITIES

There will be no air strips or camps. Camper trailers will be on location during drilling operations for the company man, tool pusher, or mud logger and others as needed.

11. RECLAMATION

The following outlines the surface reclamation plans if the well is completed as a producer;

- A. The configuration of the reshaped topography will be compatible with the original topography.
- B. The drainage for the disturbed area will be designed to minimize erosion.
- C. Segregation of spoils materials shall be made such that the reclaimed surface will be void of evidence of drilling and operating activity.
- D. The topsoil that was removed from the well site location will be replaced over the disturbed surface.
- E. The disposal of wastes will be done as outlined in Item 9 above.
- F. Revegetation will be completed as recommended by the Conditions of Approval.
- G. Soil treatments will be made as and if required by the Conditions of Approval.
- H. Any other reclamation practices necessary to reclaim the disturbed areas will be in accordance with requirements of the Conditions of Approval.
- I. Upon completion of the surface production equipment installation all of the area except that required for the operation of the well will be reclaimed within 90 days.

In the event that the proposed well is to be plugged and abandoned the reclamation of the disturbed area will commence within 90 days of the removal of the drilling rig and associated equipment. These time estimates are subject to approval and possible change as may be required by the regulatory agencies and the Conditions of Approval.

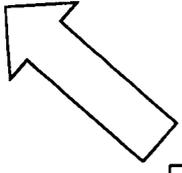
12. OTHER INFORMATION

- A. This location is 0.4 miles from the nearest surface water, an unnamed intermittent wash to the east of the location, and the Tapicito Creek is approximately 1.2 mi to the SE.
- B. The nearest dwelling or business is approximately 8.5 miles east of the Williams Field Services compressor station.
- C. The nearest hospital is a 60 minute drive away in Cuba, NM.
- D. The flora, fauna and soil characteristics are described in the Environmental Assessment.
- E. Surface use is primarily grazing.

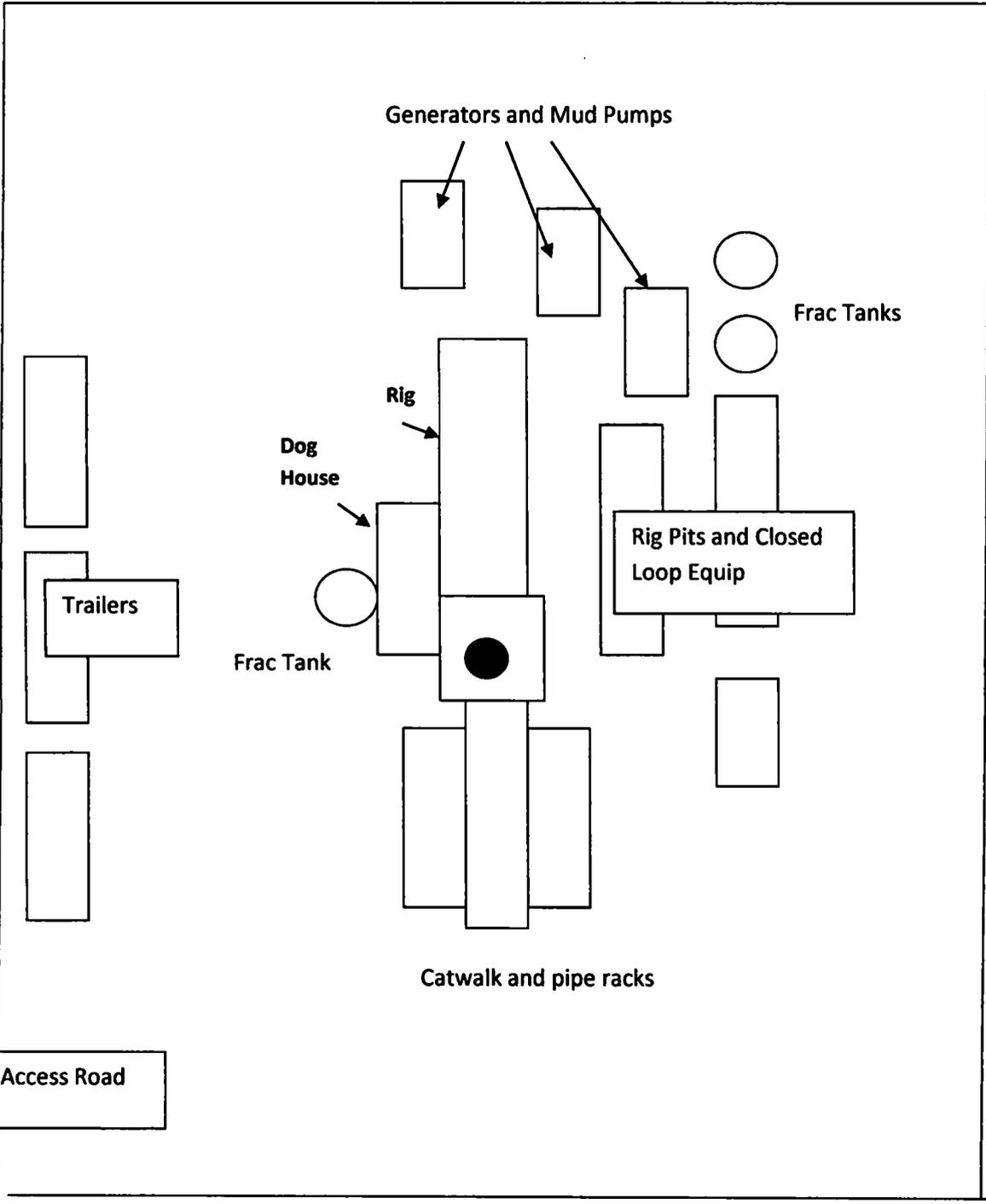
EnerVest Operating, LLC

Jicarilla A # 3M

Proposed Drilling Site Layout



N



250 ft

250 ft

EnerVest Operating, LLC

Jicarilla A #3M

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Rio Arriba, NM

13. LESSEE REPRESENTATION

Anyone having questions concerning the APD should contact:

Shelly Doescher
sdoescher@enervest.net
505-320-5682

14. OPERATOR CERTIFICATION

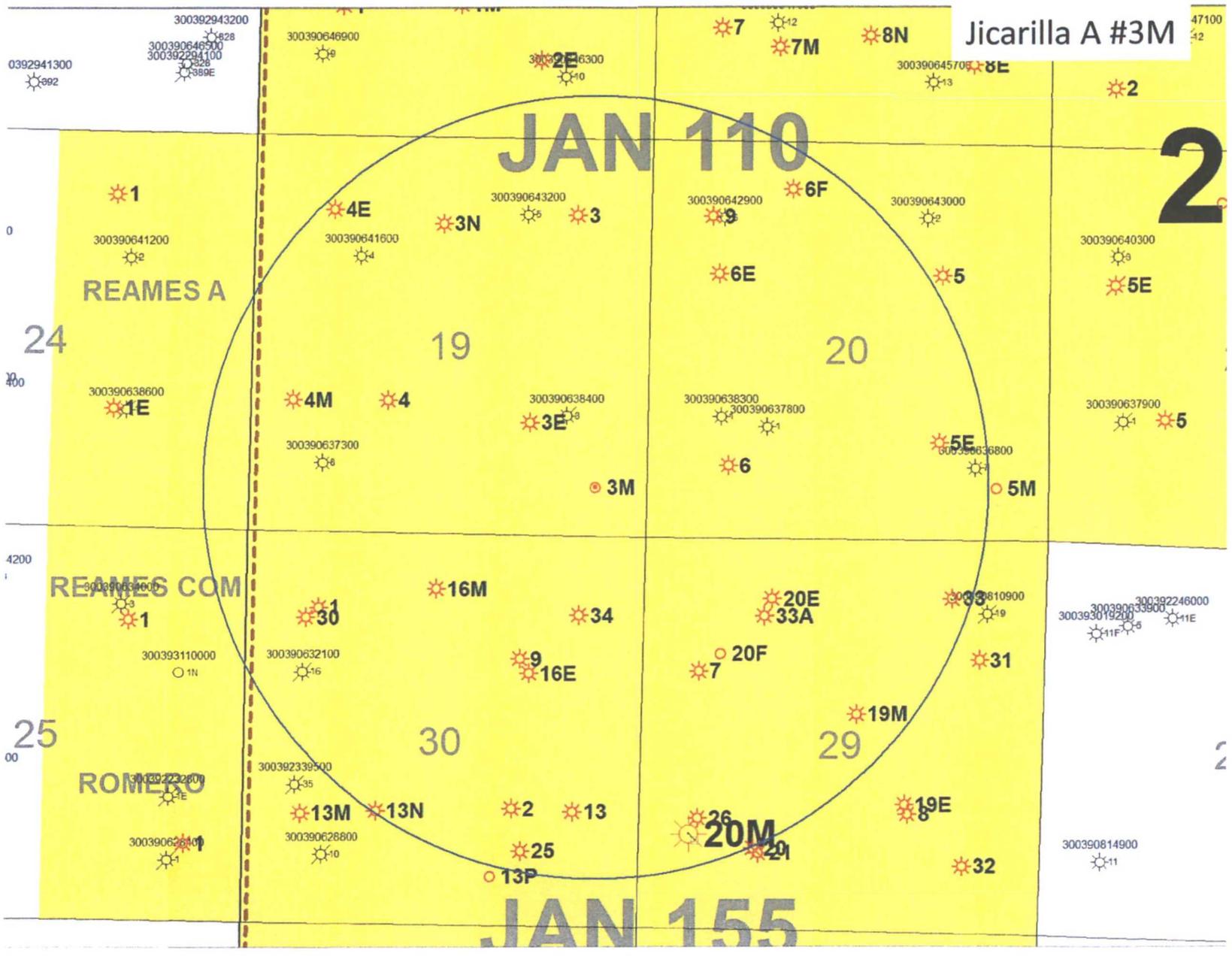
EnerVest, Operating, LLC has the necessary consents from the proper lease owners to conduct lease operations in conjunction with this well. Bond coverage pursuant to 43 CFR 3104 for lease activities and operations is being provided RLB0007886.

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that I have full knowledge of state and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with operations proposed herein will be performed by EnerVest Operating, LLC and its contractors and subcontractors in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I or EnerVest Operating, LLC am/is responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U. S. C. 1001 for the filing of a false statement.

Executed this 6th day of January, ~~2014~~. 2015¹⁸

Keith Barton

Keith Barton
Regulatory Manager
1001 Fannin Street, Suite 800
Houston, TX 77002
713-495-5328



Jicarilla A #3M

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