Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM 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.

5. Lease Serial No.
JIC124

6. If Indian, Allottee or Tribe Name
JICARILLA APACHE

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

1 Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

8 Well Name and No.
JIC APACHE TR 7

2. Name of Operator
ENER VEST OPERATING LLC
Contact: BRIDGET HELFRICH
E-Mail: bhelfrich@enervest.net

9. API Well No.
30-039-22403-00-S1

3a. Address
1001 FANNIN STREET SUITE 800
HOUSTON, TX 77002-6708

3b. Phone No. (include area code)
Ph: 713-495-6537
Fx: 713-615-1429

10. Field and Pool, or Exploratory
WEST LINDRITH

4 Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec 13 T25N R4W SWSW

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			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☐ Other
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☒ Convert to Injection	☐ Plug Back	☐ 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 recomplete 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 recompletion 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.)

The Jicarilla Apache Tribal "124" Well No. 7 is currently a marginal producing well in the West Lindrith Gallup-Dakota Oil Pool. Dakota perforations from 7762'-7940' were squeeze cemented with 118 Cu. Ft. of Class "B" cement in 1982. Existing Gallup perfs from 6850'-7156' will be isolated below a CIBP set @ 6800' with ~~100~~ 346' of cmt on top. The well will be selectively perforated in the Chacra formation within the interval from 4440'-4590' for conversion to a produced water disposal well in that interval. After completion of the Chacra interval, 2-7/8" internally plastic lined tbg will be run and set in an ArrowSet 1 pkr at a depth of approx. 4340'.

Mesaverde plug 5245'-5145'

RCVD JUN 22 '10
OIL CONS. DIV.
DIST. 3

Produced water from the Mesaverde, Gallup, Dakota, Pictured Cliffs, Fruitland Coal and Chacra formations originating from EnerVest Operating, L.L.C.'s wells in this area will be injected into the Jicarilla Apache Tribal "124" No. 7 at an average rate of approx. 450 BWPD, at an average inj press of 888psi.

*COA — A saltwater disposal order must be obtained from NMOCD Santa Fe engineering Bureau prior to this work.

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #87915 verified by the BLM Well Information System
For ENER VEST OPERATING LLC, sent to the Rio Puerco
Committed to AFMSS for processing by STEVE MASON on 06/21/2010 (10SXM0240SE)

Name *(Printed/Typed)* BRIDGET HELFRICH — Title REGULATORY TECH.

Signature (Electronic Submission) — Date 06/14/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By STEPHEN MASON — Title PETROLEUM ENGINEER — Date 06/21/2010

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 ****

NMOCD

Additional data for EC transaction #87915 that would not fit on the form

32. Additional remarks, continued

Attached please find the wellbore diagram showing the present wellbore configuration, and a wellbore diagram showing the proposed wellbore configuration.

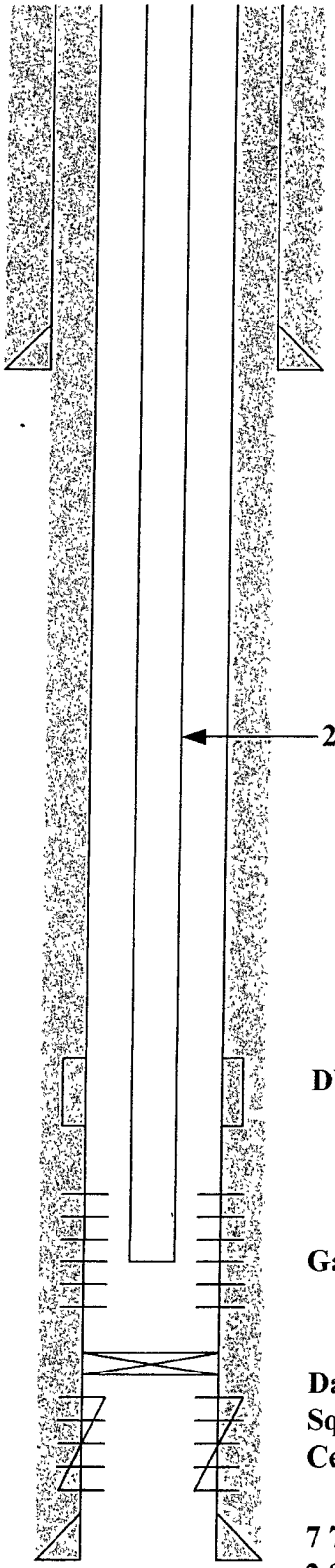
An application for a UIC Injection permit will be filed with the USEPA Region VI office. In addition, a Form C-108 (Application for Authorization to Inject) will be filed with the NMOCD in Santa Fe.

No work will be performed on the Jicarilla Apache "124" Well No. 7 until such time as all federal and state injection permits are obtained.

Existing Wellbore Diagram

EnerVest Operating, L.L.C.
Jicarilla Apache Tribal "124" Well No. 7
API No. 30-039-22403
990' FSL & 990' FWL (Unit M)
Section 13, T-25 North, R-4 West, NMPM
Rio Arriba County, New Mexico

Date Drilled: July, 1980



12 ¼" Hole; Set 8 5/8" 24# J-55 Csg. @ 304'
Cemented w/ 315 Sx. Class "B".
Cement circulated to surface.

2 7/8" Tubing

DV Tool @ 6,058'

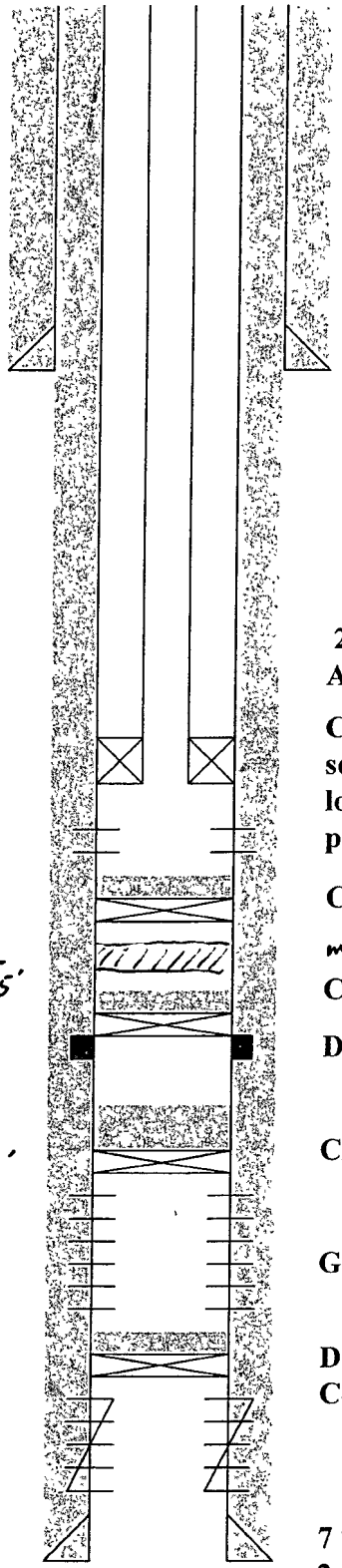
Gallup perforations: 6,850'-7,156'

Dakota perforations 7,762'-7,940'
Squeezed w/ 118 Cu. Ft. Class "B"
Cement Retainer @ 7,715'.

7 7/8" Hole; Set 5 ½" 15.5# J-55 Csg. @ 8,034'
2 Stage cement job. 1st-545 Sx. Class "B".
Cement circulated. 2nd-980 Sx. Class "B".
Cement circulated to surface as per drilling report. DV Tool @ 6,058'.

P.B.T.D.-7,715'
T.D. – 8,039'

Proposed Wellbore Configuration



Mesaverde 5195'

Gallup 6534'

P.B.T.D.-7,715'
T.D. – 8,039'

Enervest Operating, L.L.C.
Jicarilla Apache Tribal "124" Well No. 7
API No. 30-039-22403
990' FSL & 990' FWL (Unit M)
Section 13, T-25 North, R-4 West, NMPM
Rio Arriba County, New Mexico

Date Drilled: July, 1980

12 ¼" Hole; Set 8 5/8" 24# J-55 Csg. @ 304'
Cemented w/ 315 Sx. Class "B".
Cement circulated to surface.

2 7/8" IPC Tubing set on
ArrowSet I Packer @ 4,340'

Chacra Formation 4,440'-4,590' will be selectively perforated based upon cased hole logs. Actual perforated interval will be provided to NMOCD upon completion.

CIBP @ 4,700' w/ 50' of cement on top

Mesaverde plug 5245'-5145'

CIBP @ 6000' w/ 50' of cement on top

DV Tool @ 6,058'

CIBP @ 6,800' w/~~100'~~ 316' of cement on top

Gallup perforations: 6,850'-7,156'

Dakota perforations 7,762'-7,940' Squeezed w/ 118 Cu. Ft. Class "B"
Cement Retainer @ 7,715'w/50' of cement on top

7 7/8" Hole; Set 5 ½" 15.5# J-55 Csg. @ 8,034'
2 Stage cement job. 1st-545 Sx. Class "B".
Cement circulated. 2nd-980 Sx. Class "B".
Cement circulated to surface as per drilling report. DV Tool @ 6,058'.

Well # 7 Jicarilla Apache Tribal 124

990/S & 990/W Sec. 13, T. 25 N., R. 4 W.

Jicarilla Contract 124

Changes to plug back procedure:

a) A Cement Bond Log is required to be run since cement didn't circulate to surface on original cement job.

b) Bring the top of the Gallup plug to 6484'.

c) Place a cement plug from 5245' – 5145' to cover the Mesaverde top.

d) Casing must be pressure tested.

e) Approval must be obtained prior to commencing water injection from the USEPA.