

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

Form C-103
 Revised July 18, 2013

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

WELL API NO. 30-039-22346
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Jicarilla Contract 155
8. Well Number 16E
9. OGRID Number 143199
10. Pool name or Wildcat Blanco-Mesaverde & Basin-Dakota
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6,680'

SUNDRY NOTICES AND REPORTS ON WELLS
 (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.)

1. Type of Well: Oil Well Gas Well Other

2. Name of Operator
Enervest Operating, LLC

3. Address of Operator
1001 Fannin Street, Suite 800 Houston, Texas 77002

4. Well Location
 Unit Letter G : 1840 feet from the North line and 1520 feet from the East line
 Section: 30 Township 26 North Range 5 West NMPM Rio Arriba County

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"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: Surface Commingling <input checked="" type="checkbox"/>		OTHER: <u>PC-1274</u> <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, LLC ("Enervest") respectfully requests authority to surface commingle Blanco-Mesaverde and Basin-Dakota Gas Pool production from the Jicarilla Contract 155 No. 16E. The purpose of the surface commingling is to allow Enervest the opportunity to test and compare the productivity of a downhole commingled well completion vs. a multiple completion. This data will then be utilized to determine the best method of producing Mesaverde and Dakota resources in the San Juan Basin.

The Jicarilla Contract 155 No. 16E is currently completed in the Basin-Dakota Gas Pool. Enervest will complete the Blanco-Mesaverde Gas Pool within the well and configure the well as a multiple completion. The N/2 of Section 30 is dedicated to both the Blanco-Mesaverde and Basin-Dakota Gas Pools.

Ownership of the two zones is common. (See attached landman statement)

Allocation Method: The Basin-Dakota Gas Pool will be shut-in for a 24-hour period on a monthly basis via the controller (see attached diagram). During that test period, the Blanco-Mesaverde Gas Pool will be tested and measured via the WFS sales meter. Blanco-Mesaverde and Basin-Dakota Gas Pool production will then be allocated monthly using the 24-hour test data. Any liquids produced from the zones will also be allocated using the 24-hour test data.

The United States Bureau of Land Management has been sent a copy of this application (see attached certified mail receipt). Approval of the surface commingling will not result in waste and will not violate correlative rights.

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, LLC

DATE 1/28/14

Type or print name

David Catanach

E-mail address: drcatanach@netscape.com

PHONE: (505) 690-9453

For State Use Only

APPROVED BY:

Ann Baly

TITLE

Director

DATE

4/8/14

Conditions of Approval (if any):