

DATE IN - 4/29/2014	SUSPENSE	ENGINEER Re	LOGGED IN 6/02/2014	TYPE PL	APP NO. PMAM1415329168
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☒ PC* ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify Application to Amend PC-1271

PL-1271-A
 ENERVEST Operating
 143199
 Well
 - SICANILLA Contract
 19E
 30-039-22345
 Pool
 - BASIN DAKOTA-71599
 - BLANCO MESA-606
 72319

[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or ☐ Does Not Apply

- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners
- [B] ☐ Offset Operators, Leaseholders or Surface Owner
- [C] ☐ Application is One Which Requires Published Legal Notice
- [D] ☒ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] ☐ Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

David Catanach
 Print or Type Name

David Catanach
 Signature

Agent-Enervest Operating, LLC
 Title

5/28/14
 Date

drcatanach@netscape.com
 E-Mail Address

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First Street, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised July 16, 2010
Submit one copy to appropriate
District Office
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-039-22345	Pool Code 72319 & 71599	Pool Name Blanco-Mesaverde & Basin-Dakota Gas Pools
Property Code 306758	Property Name Jicarilla Contract 155	Well Number 19E
OGRID No. 143199	Operator Name Enervest Operating, LLC	Elevation 6,443'

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	29	26 North	5 West		1775	South	1840	East	Rio Arriba

Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres Mesaverde: SE/4 Dakota: E/2	Joint or Infill	Consolidate Code	Order No.	NSP-1400 approved a 160-acre non-standard unit for the Blanco-Mesaverde Gas Pool					

No Allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the Division

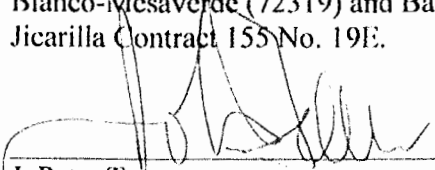
	<p align="center">OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottomhole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofor entered by the Division.</i></p> <p> Signature Date </p> <p> David Catanach-Agent Printed Name </p> <p> drcatanach@netscape.com E-mail Address </p>
	<p align="center">SURVEYOR CERTIFICATION</p> <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p> <p> Date of Survey </p> <p> Signature and Seal of Professional Surveyor: </p> <p align="center"> Originally surveyed by Fred B. Kerr Jr. on January 23, 1980. Certificate No. 3950 </p> <p> Certificate Number </p>

ENERVEST OPERATING LLC.
1001 Fannin Street, Suite 800
Houston, Texas 77002-6707

Surface Commingling Application
Enervest Operating, LLC
Jicarilla Contract 155 No. 19E
API No. 30-039-22345
1775' FSL & 1840' FEL (J) Section 29, T-26N, R-5W

I hereby certify that the working, royalty and overriding royalty interest is common between the Blanco-Mesaverde (72319) and Basin-Dakota (71599) Gas Pools within the above-described Jicarilla Contract 155 No. 19E.

JK



J. Peter Tower
Director-San Juan Permian-Land

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.**

5. Lease Serial No.
Jicarilla Contract 155

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.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
Jicarilla Contract 155 No. 19E

2. Name of Operator
Enervest Operating, LLC

9. API Well No.
30-039-22345

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1775' FSL & 1840' FEL (J) Section 29, Township 28 North, Range 5 West, NMPM,

11. Country or Parish, State
Rio Arriba

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" 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 type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<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 <u>Change Surface</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>Commingling Allocation</u>
	<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 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 must 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 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.)

By Order No. PC-1271 dated 4/2/14, the NMOCD authorized Enervest Operating, LLC ("Enervest") to surface commingle Basin-Dakota and Blanco-Mesaverde Gas Pool production from the Jicarilla Contract 155 No. 19E. Production was to be allocated to each zone on the basis of monthly well tests. Enervest now seeks to amend Order No. PC-1271 to authorize production allocation to each zone on the basis of a fixed percentage.

The E/2 of Section 29 is dedicated to the well in the Basin-Dakota Gas Pool. The SE/4 of Section 29 is dedicated to the well in the Blanco-Mesaverde Gas Pool. Ownership of the Mesaverde and Dakota zones is common throughout.

Based upon a Mesaverde production test conducted on the subject well April 5-17, 2014 which resulted in an average producing rate of 13 BOPD, 204 MCFGPD and 20 BWPD, and based upon a Dakota production test conducted on the subject well May 1-13, 2014 which resulted in an average producing rate of 1 BOPD, 173 MCFGPD and 2 BWPD, Enervest proposes to allocate production as follows:

Blanco-Mesaverde Gas Pool: Oil: 93% Gas: 54% Water: 91%
Basin-Dakota Gas Pool: Oil: 7% Gas: 46% Water: 9%

Attached is a surface commingling application (Form C-103) filed with the NMOCD. Notice is being provided to the BLM as per Division rules.

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

Name (Printed/Typed)
Jeanie McMillan

Title Sr. Regulatory Analyst

Signature

Jeanie McMillan

Date 05/28/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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

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)

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FARMINGTON NM 87402

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Sent

BLM Farmington District Office
6251 College Blvd., Suite A
Farmington, New Mexico 87402

Street
or PO
City,

PS Form 3842, June 2009

Instructions