

Submit 3 Copies To Appropriate District
Office
District I
1625 N French Dr, Hobbs, NM 87240
District II
1301 W. Grand Ave, 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 and Natural Resources

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

RECEIVED

NOV 11 2009

Form C-103
May 27, 2004

NM OCD ARTESIA

20-015-03226

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 <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator ENERVEST OPERATING, L.L.C. ATTN: BRIDGET HELERICH	6. State Oil & Gas Lease No. B-7072-5
3. Address of Operator 1001 FANNIN ST., SUITE 800, HOUSTON, TEXAS 77002	7. Lease Name or Unit Agreement Name: WLH G4S UNIT TRACT 40
4. Well Location Unit Letter <u>M</u> : <u>990'</u> feet from the <u>SOUTH</u> line and <u>990</u> feet from the <u>WEST</u> line Section <u>01</u> Township <u>18S</u> Range <u>29E</u> NMPM County <u>EDDY</u>	8. Well Number 001
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,515' - GL	9. OGRID Number 143199
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input checked="" type="checkbox"/> Pit type <u>STEEL</u> Depth to Groundwater _____ Distance from nearest fresh water well _____ * Distance from nearest surface water _____ * Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material <u>* NONE WITHIN 1,000'</u>	10. Pool name or Wildcat LOCO HILSS (QN.-GB.-S.A.)

12. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input checked="" type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>
OTHER: <input type="checkbox"/>	

SUBSEQUENT REPORT OF:

REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
COMMENCE DRILLING OPS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>	

Notify OCD 24 hrs. prior to any work done.

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

PROPOSED PXA PROCEDURE:

- 1) MIX X PUMP A 25 SX. OMT. PLUG @ 2,550'-2,350' (EST.); WOC X TAG OMT. PLUG; CIRC. WELL W/ PXA MUD.
- 2) MIX X PUMP A 25 SX. OMT. PLUG @ 2,425'-2,225' (T/QN.).
- 3) PERF. X ATTEMPT TO SQZ. A 40 SX. OMT. PLUG @ 1,115'-1,015' (B/SALT); WOC X TAG TOP OF OMT. PLUG.
- 4) PERF. X ATTEMPT TO SQZ. A 55 SX. OMT. PLUG @ 575'-440' (T/SALT X 8-5/8"CSG.SHOE); WOC X TAG OMT. PLUG.
- 5) PERF. X CIRC. TO SURFACE A 25 SX. OMT. PLUG @ 63'-3'.
- 6) DIG OUT X CUT OFF WELLHEAD 3' B.G.L.; WELD ON STEEL PLATE TO CSGS. X INSTALL DRY HOLE MARKER.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NM OCD guidelines ☒, a general permit ☐ or an (attached) alternative OCD-approved plan ☐

SIGNATURE David A. Eyer TITLE AGENT DATE 11/05/09

Type or print name DAVID A. EYLER

E-mail address: deyler@milagro-res.com

Telephone No. (432) 687-3033

For State Use Only

APPROVED BY Pat Hunter TITLE _____ DATE 11/16/09

Conditions of Approval, if any:

Approval Granted providing work is complete by 2/16/10

(2STRING CSNG)

OPERATOR ENERVEST OPERATING, L.L.C.

WELL # 001

185 RNG 29E

1,370' EWL

FORMATION @ TD

FORMATION @ PBTD

TD 2,715'

*** REQUIRED PLUGS DISTRICT I**

[illegible]

11/05/09 DAE