

Submit 1 Copy To Appropriate District

Office

District I

1625 N French Dr, Hobbs, NM 88240

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

Form C-103

October 13, 2009

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MAR 12 2010

HOBBSUCD

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-025-34404

5. Indicate Type of Lease

STATE ☐FEE ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

C. T. Bates

8. Well Number

4

9. OGRID Number

143199

10. Pool name or Wildcat

Rhodes(Y-7R) Gas & S Leonard Q Oil

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, L.L.C.

3. Address of Operator

1001 Fannin, Suite 800
Houston, TX 77002

4. Well Location

Unit Letter N : 660 feet from the South line and 2145 feet from the West line
Section 10 Township 26S Range 37E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
2984' GR

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER:

Approved DHC 4259 attached

OTHER:

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.

Proposed procedure:

Clean location, test anchors. MIRU workover unit. POOH w/rods & pump; carefully inspect for any buildup or damage. LD & replace any bad rods. NDWH, NUBOP. Find PBTD (3492'-3502'). RU scanner & scan tbg while POOH. If necessary, RU foam unit; PU bit & collars. RIH & clean out to 3,550' & circ clean. If necessary, POOH w/tbg; LD bit & collars; rls foam unit. Run GR/CCL f/ PBTD-3,000'. PU perf gun & shoot Qn as follows (3 SPF, 120 deg phasing, 78 holes): 3,309'-3,496' (corr w/ OH logs). RU hydrotester & RIH w/tbg & 2-3/8" x 5-1/2" treating pkr (test tbg to 5,000 psi); set pkr @ 3,279'. MIRU acid service & acidize as follows: 7,500 gals 15% NEFE w/ clay stabilizer & corrosion inhibitor w/150 ball sealers. Leave well SI overnight. Open well, check press, blow to tank & RU swab equip. Attempt to swab back load. After swabbing, release pkr & POOH & LD. PU & RIH w/ 3-1/2" BPMAJ, perf sub, SN & tbg. Run new jts on btm. NDBOP, NUWH. RIH w/ gas anchor, pump & rods. Space out, hang on, load & test. Ensure good pump action. RDMO.

Spud Date:

8-28-98

Rig Release Date:

10-3-98

DHC-4259

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE

Bridget Helfrich

TITLE

Regulatory Tech.

DATE 2-12-10

Type or print name

Bridget Helfrich

E-mail address:

bhelfrich@enervest.net

PHONE: 713-495-6537

For State Use Only

APPROVED BY:

[Signature]

TITLE

PETROLEUM ENGINEER

DATE

MAR 15 2010

Conditions of Approval (if any):

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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
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Form C-102
Revised October 15, 2009
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | |
|--|--|---|--|--|---------------------------------------|
| ¹ API Number 30-025-34404 | | ² Pool Code 38760 | | ³ Pool Name South Leonard-Queen | |
| ⁴ Property Code | | ⁵ Property Name C T Bates | | | ⁶ Well Number 4 |
| ⁷ OGRID No. 143100 | | ⁸ Operator Name Enervest Operating, L.L.C. | | | ⁹ Elevation 2984 |

¹⁰ Surface Location

| | | | | | | | | | |
|---------------------------|----------------------|------------------------|---------------------|---------|-----------------------------|----------------------------------|------------------------------|-------------------------------|----------------------|
| UL or lot no. N | Section 10 | Township 26S | Range 37E | Lot Idn | Feet from the 660 | North/South line South | Feet from the 2145 | East/West line West | County Lea |
|---------------------------|----------------------|------------------------|---------------------|---------|-----------------------------|----------------------------------|------------------------------|-------------------------------|----------------------|

¹¹ 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 |
| ¹² Dedicated Acres 40 | | ¹³ Joint or Infill | | ¹⁴ Consolidation Code | | ¹⁵ Order No. | | | |

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.

| | | | | | |
|---|--|--|--|---|--|
| ¹⁶ | | | | ¹⁷ OPERATOR CERTIFICATION <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 bottom hole 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 heretofore entered by the division</i> Signature <u>Bridget Helfrich</u> Date <u>2-10-10</u> Printed Name <u>Bridget Helfrich</u> | |
| ¹⁸ SURVEYOR CERTIFICATION <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> | | | | | |
| Date of Survey | | | | | |
| Signature and Seal of Professional Surveyor | | | | | |
| Certificate Number | | | | | |

2145'

660'

C T Bates No. 4

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Energy Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

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Santa Fe, NM 87505

Form C-102

Revised October 15, 2009

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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|--|---|---|
| ¹ API Number 30-025-34404 | ² Pool Code 83810 | ³ Pool Name Rhodes (Yates-Seven Rivers) Gas Pool |
| ⁴ Property Code | ⁵ Property Name C T Bates | ⁶ Well Number 4 |
| ⁷ OGRID No. 143100 | ⁸ Operator Name Enervest Operating, L.L.C. | ⁹ Elevation 2984 |

¹⁰ Surface Location

| | | | | | | | | | |
|---------------------------|----------------------|------------------------|---------------------|---------|-----------------------------|----------------------------------|------------------------------|-------------------------------|----------------------|
| UL or lot no. N | Section 10 | Township 26S | Range 37E | Lot Idn | Feet from the 660 | North/South line South | Feet from the 2145 | East/West line West | County Lea |
|---------------------------|----------------------|------------------------|---------------------|---------|-----------------------------|----------------------------------|------------------------------|-------------------------------|----------------------|

¹¹ 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 |
| ¹² Dedicated Acres 160 | ¹³ Joint or Infill | ¹⁴ Consolidation Code | ¹⁵ Order No. NSP-1832 | | | | | | |

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.

| | | | | |
|--|--|--|--|---|
| | | | | ¹⁷ OPERATOR CERTIFICATION 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 bottom hole 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 heretofore entered by the division. Signature <u>Bridget Helfrich</u> Date <u>2-10-10</u> Printed Name <u>Bridget Helfrich</u> |
| | | | | ¹⁸ SURVEYOR CERTIFICATION 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. Date of Survey _____ Signature and Seal of Professional Surveyor _____ Certificate Number _____ |

Attachments and/or Supporting Data
Application for Downhole Commingling
Enervest Operating, L.L.C. ("Enervest")
C T Bates No. 4 (API No. 30-025-34404)
Unit N, Section 10, Township 26 South, Range 37 East, NMPM,
Lea County, New Mexico

Production Data & Proposed Allocation

The C T Bates No. 4 was drilled and completed in the Rhodes (Yates-Seven Rivers) Gas Pool in 1998. The Rhodes (Yates-Seven Rivers) Gas Pool is currently perforated from 2,801'-3,012'. During 2009, the C T Bates No. 4 produced from this pool at an average rate of 58 MCFGPD, 0 BOPD and 0 BWPD.

Enervest proposes to complete the South Leonard-Queen Pool in the wellbore by perforating from 3,309'-3,496'.

Enervest currently operates the C T Bates No. 3, which is an offset well located in Unit K of Section 10, T-26 South, R-37 East. This well is downhole commingled in the Rhodes (Yates-Seven Rivers) Gas and South Leonard-Queen Pools. During 2009, the average production from this well in the South Leonard-Queen Pool was 261 MCFGPD, 4.78 BOPD and 39 BWPD.

It should be noted however, that there are several offset wells located in Sections 11 and 14, T-26 South, R37 East that produce from the South Leonard-Queen Pool. Division data indicates that these offset wells generally produce at very marginal rates of less than 1 MCFGPD and 1 BOPD.

Enervest proposes that the production allocation be established after completion of the South Leonard-Queen Pool. At that time, the Rhodes (Yates-Seven Rivers) Gas Pool will be allocated 0 BOPD and 58 MCFGPD (as per the 2009 average producing rate), and the remaining production from the well will be allocated to the South Leonard-Queen Pool. Enervest will provide production data and proposed allocation to the Santa Fe Office of the Division upon completion of the South Leonard-Queen Pool.