

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-HOBBS

FORM APPROVED
OMB NO. 1004-0137
Expires July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other		5. Lease Serial No. NMNM 86151							
b. Type of Completion: <input checked="" type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resvr., Other		6. If Indian, Allottee or Tribe Name							
2. Name of Operator Enervest Operating, LLC		7. Unit or CA Agreement Name and No.							
3. Address 1001 Fannin St. Ste 800 Houston, Tx 77002		8. Lease Name and Well No. Blue Quail Federal #3							
3a. Phone No. (include area code) 713 495-6530		9. API Well No. 30-025-39818							
4. Location of Well (Report location clearly and in accordance with Federal requirements) At surface SE/4 SW/4 660' FSL & 1,980' FWL		10. Field and Pool, or Exploratory Sand Dunes (Bone Springs)							
At top prod. interval reported below		11. Sec., T., R., M., or Block and Survey or Area UL N, Sec 07, 23 S, 32 E							
At total depth SE/4 SW/4 600' FSL & 1,980' FWL		12. County or Parish Lea							
14. Date Spudded 10/18/2010		13. State NM							
15. Date T.D. Reached 10/22/2010		17. Elevations (DF, RKB, RT, GL)* 3,548 GL							
16. Date Completed <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod. 12/16/2010									
18. Total Depth: MD 8,800 TVD 8,800		19. Plug Back T.D.: MD 8,664 TVD 8,664							
20. Depth Bridge Plug Set: MD TVD		21. Type Electric & Other Mechanical Logs Run (Submit copy of each) GR/CCL/CBL							
22. Was well cored? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes (Submit analysis) Was DST run <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes (Submit report) Directional Survey? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes (Submit copy)									
23. Casing and Liner Record (Report all strings set in well)									
Hole Size	Size/Grade	Wt.(#ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
17 1/2	13 3/8								
	H-40	48	0	943		800 'C'		Surf	0
12 1/4	8 5/8								
	J-55	32	0	4,555		1,230 'C'		Surf	0
7 7/8	5 1/2								
	N-80	17	0	8,800	6,000	660 'C'		2936	0
24. Tubing Record									
Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	
2 7/8	8,622								
25. Producing Intervals									
Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status			
A) Bone Springs	8,522		8,610 - 8,624	0.4	30	Open			
B)									
C)									
D)									
26. Perforation Record									
27. Acid, Fracture, Treatment, Cement Squeeze, Etc.									
Depth Interval		Amount and Type of Material							
8,610 - 8,624		3,000 gal 7.5% NEFE acid;							
		Frac w/ 121,128 gal 25# BXL & 20,538 gal 10# Lincar;							
		& 123,500# 20/40 white sand + 54,647# 20/40 SLC Resin Coated Sd;							
28. Production - Interval A									
Date First Produced 12/16/10	Test Date 01/07/11	Hours Tested 24	Test Production →	Oil BBL 50	Gas MCF 340	Water BBL 6	Oil Gravity Corr. API	Gas Gravity	Production Method Pumping
Choke Size 64/64	Tbg. Press. Flwg. SI 30	Csg. Press. 0	24 Hr. →	Oil BBL 50	Gas MCF 340	Water BBL 6	Gas: Oil Ratio	Well Status Producing	
28a. Production-Interval B									
Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. →	Oil BBL	Gas MCF	Water BBL	Gas: Oil Ratio	Well Status	

(See instructions and spaces for additional data on page 2)

ACCEPTED FOR RECORD
Producing
FEB 22 2011
/s/ Dustin Winkler
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

APR 12 2011

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. →	Oil BBL	Gas MCF	Water BBL	Gas: Oil Ratio	Well Status	

28c. Production-Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. →	Oil BBL	Gas MCF	Water BBL	Gas: Oil Ratio	Well Status	

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

Sold

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
Lamar Lime	4,572				
Ramsey Sd	4,608				
Cherry Can.	5,511				
Brushy Can.	8,235				
Bone Spr.	8,522				

RECEIVED
2011 FEB 10 PM 3:43
BUREAU OF LAND MGMT
CARLSBAD OFFICE

32. Additional remarks (include plugging procedure):

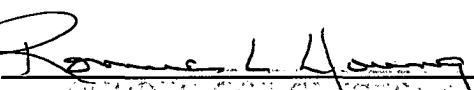
33. Indicate which items have been attached by placing a check in the appropriate boxes:

- ☐ Electrical/Mechanical Logs (1 full set req'd)
 ☐ Geologic Report
 ☐ DST Report
 ☐ Directional Survey
 ☐ Sundry Notice for plugging and cement verification
 ☐ Core Analysis
 ☐ Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) Ronnie L. YoungTitle Compliance Supervisor

Signature



Date

1-8-11

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.

WELL NAME AND NUMBER Blue Quail Federal #3 30-025-39818
 LOCATION Section 7, T23S, R32E, 660 FSL, 1980 FWL, Lea County
 OPERATOR Enervest Ltd.
 DRILLING CONTRACTOR United Drilling, Inc.

The undersigned hereby certifies that he is an authorized representative of the drilling contractor who drilled the above described well and had conducted deviation test and obtained the following results:

Degrees @ Depth	Degrees @ Depth	Degrees @ Depth
.7 @ 360'		
.5 @ 933'		
.6 @ 1902'		
1.0 @ 2885'		
3 @ 3907'		
2.1 @ 4057'		
.5 @ 5035'		
0 @ 5736'		
.2 @ 6528'		
.5 @ 7383'		
.7 @ 8175'		
.7 @ 8733'		

RECEIVED

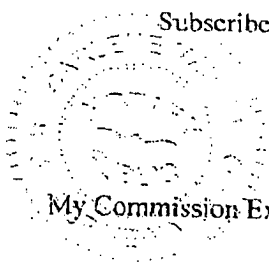
DEC 21 2010
 HOBBSOCD

Drilling Contractor- UNITED DRILLING, INC.

By: Luisa Noriega
 (Luisa Noriega)

Title: Assistant Office Manager

Subscribed and sworn to before me this 10th day of November, 2010.



My Commission Expires: 10-8-12

Charles Martin
 Notary Public
Charles New Mexico
 County State

KZ

APR 12 2011