

COPY

# New Mexico Energy, Minerals and Natural Resources Department

**Bill Richardson**  
Governor

**Jon Goldstein**  
Cabinet Secretary

**Jim Noel**  
Deputy Cabinet Secretary

**Mark Fesmire**  
Division Director  
Oil Conservation Division



July 12, 2010

EnerVest Operating, LLC  
Attn: Ronnie Young  
1001 Fannin St., Suite 800  
Houston, TX 77002-6707

**Administrative Order NSL-5294-A**

**Re: Jicarilla 102 Well No. 14F**  
**API No. 30-039-29666**  
**120 feet FNL and 660 feet FWL**  
**Unit D, Section 9-26N-4W**  
**Rio Arriba County, New Mexico**

**RCVD AUG 2 '10**

**OIL CONS. DIV.**

**DIST. 3**

Dear Mr. Young:

This Order supplements Order NSL-5294, issued on October 25, 2005, which continues in effect, as modified hereby.

Reference is made to the following:

(a) your application (**administrative application reference No. pTGW10-18257512**) submitted to the New Mexico Oil Conservation Division (the Division) in Santa Fe, New Mexico on July 1, 2010, and

(b) the Division's records pertinent to this request.

EnerVest Operating, LLC (EnerVest) has requested to complete the above-referenced well in the Gallup formation at an unorthodox gas well location described above in the caption of this letter. The NW/4 of Section 9 will be dedicated to this well in order to form a standard 40-acre gas spacing unit in the BS Mesa-Gallup Gas Pool (72920). This pool is governed by statewide Rule 15.10.C, which provides for 160-acre units, with wells located at least 660 feet from a unit outer boundary. This location is less than 660 feet from the northern unit boundary.

Your application has been duly filed under the provisions of Division Rules 15.13 and 4.12.A(2).

Oil Conservation Division \* 1220 South St. Francis Drive

\* Santa Fe, New Mexico 87505

\* Phone: (505) 476-3440 \* Fax (505) 476-3462\* <http://www.emnrd.state.nm.us>



July 13, 2010

Page 2

It is our understanding that you are seeking this location in order to utilize an existing wellbore that was drilled at a location previously approved by Administrative Order NSL-5294.

It is also understood that Noble Energy, Inc., who has executed a waiver of objection that is part of the file in this case, is the only "affected person," as defined in Rule 4.12.A(2), in any adjoining units towards which the proposed location encroaches.

Pursuant to the authority conferred by Division Rule 15.13.B, the above-described unorthodox location is hereby approved.

This approval is subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 5.9.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

Mark E. Fesmire, P.E.  
Director

MEF/db

cc: New Mexico Oil Conservation Division - Aztec  
United States Bureau of Land Management