## State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

David Martin Cabinet Secretary

Brett F. Woods, Ph.D. Deputy Cabinet Secretary Jami Bailey, Division Director Oil Conservation Division



Administrative Order DHC-4723

Order Date: November 21, 2014

Application Reference Number: pMAM1430345548

Enervest Operating, LLC 1001 Fannin Street Suite 800 Houston, Texas 77002-6707

Attention: David Catanach

Big Jake Well No. 14 API No. 30-045-33485

Unit N, Section 26, Township 31 North, Range 13 West, NMPM

San Juan County, New Mexico

Pool

BASIN FRUITLAND COAL (GAS)

Gas 71629

Names:

BASIN DAKOTA (PRORATED GAS)

Gas 71599

Reference is made to your recent application for an exception to 19.15.12.9A. NMAC of the Division Rules and Regulations to permit the above-described well to commingle production from the subject pools in the wellbore.

It appears that the subject well qualifies for approval for such exception pursuant to the provisions of 19.15.12.11A. NMAC, and since reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion or otherwise required separation of the zones is hereby placed in abeyance.

In accordance with 19.15.12.11A.(6) NMAC, the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

As per the application, the assignment of allowable and allocation of production from the well shall be based on the subtraction method. The total well production minus the average 2014 Basin Fruitland Coal Pool production shall be assigned to the Basin Dakota Pool.

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REMARKS: The operator shall notify the Division's District III office upon implementation of commingling operations.

This Order is subject to like approval from the United States Bureau of Land Management.

Pursuant to 19.15.12.11B. NMAC, the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

Director

JB/mam

cc: New Mexico Oil Conservation Division – Aztec

Bureau of Land Management - Farmington