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ABOVE THIS LINE FOR DIVISION USE ONLY

- Engineering Bureau - 2008 MY 27 AM210SH3th St. Francis Drive, Santa Fe, NM 87505



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TH	HIS CHECKLIST IS MA	ANDATORY FOR ALL ADMINISTRATIVE AP WHICH REQUIRE PROCESSING	PLICATIONS FOR EXCEP AT THE DIVISION LEVE	PTIONS TO DIVISION RULES A	ND REGULATIONS
Applio	[DHC-Down	s: ndard Location] [NSP-Non-Stand nhole Commingling] [CTB-Leas ol Commingling] [OLS - Off-Lea	ard Proration Unit] e Commingling] ise Storage] [OLI PMX-Pressure Main [IPI-Injection Pres] [SD-Simultaneous Dec [PLC-Pool/Lease Comm M-Off-Lease Measurem ntenance Expansion]	lingling] ent]
[1]	TYPE OF AF [A]	PLICATION - Check Those Wh Location - Spacing Unit - Simul NSL NSP SD	* * * * * * * * * * * * * * * * * * * *		
	Check [B]	One Only for [B] or [C] Commingling - Storage - Measu DHC CTB PLO		LS 🗌 OLM	
	[C]	Injection - Disposal - Pressure I WFX PMX SW			
	[D]	Other: Specify			
[2]	NOTIFICAT [A]	ION REQUIRED TO: - Check T Working, Royalty or Overri		or □ Does Not Apply st Owners	,/18
	[B]	Offset Operators, Leasehole	lers or Surface Own	ner	
	[C]	Application is One Which I	tequires Published I	Legal Notice	
	[D]	Notification and/or Concurr U.S. Bureau of Land Management - Comm			
	[E]	For all of the above, Proof	of Notification or Pu	ublication is Attached, a	nd/or,
	[F]	Waivers are Attached			
[3]		CURATE AND COMPLETE IN ATION INDICATED ABOVE.	FORMATION RE	EQUIRED TO PROCE	SS THE TYPE
	val is accurate a	FION: I hereby certify that the in and complete to the best of my knowquired information and notification	wledge. I also unde	erstand that no action w	
	Note:	Statement must be completed by an in	lividual with manageria	al and/or supervisory capacit	y.
	ie L. Young or Type Name	Signature Signature	Co Titl	oordinator, Regulatory le	Compliance
		5/22/08 Date		<u>'OUNG@ENERVEST.NE</u> Mail Address	<u>T</u>

New Mexico Oil Conservation Division 1220 South St. Francis Drive Santa Fe, New Mexico 87505

Attention: Mr. Mark E. Fesmire, P.E. Director

Re: Application to Amend Order No. SD-200616 Increased Well Density & Simultaneous Dedication

Jalmat (Tansil-Yates-Seven Rivers) Gas Pool ("Jalmat Gas Pool")

Dear Mr. Fesmire:

By Division Order No. SD-200616 dated June 15, 2006 the Division authorized Plantation Operating, L.L.C. to simultaneously dedicate the following-described wells to an existing 156.19-acre non-standard gas spacing and proration unit ("GPU") in the Jamat Gas Pool comprising Lots 1 and 2 and the E/2 NW/4 (NW/4 equivalent) of Section 31, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico:

Well Name & Number	API Number	Well Location
Martin "B" No. 1	30-025-11295	1650' FNL & 1650' FWL (Unit F)
Martin "B" No. 3	30-025-37959	660' FNL & 1917' FWL (Unit C)

(Note: Order No. SD-200616 incorrectly stated the API Number for the Martin "B" No. 3 as 30-025-35801. The correct API Number for this well is 30-025-37959.)

EnerVest Operating, L.L.C. ("EnerVest"), the current operator of the subject GPU, hereby requests approval:

- a) to drill an additional infill gas well within the subject GPU. EnerVest proposes to drill the Martin "B" Well No. 4 at a standard gas well location 660 feet from the North line and 660 feet from the West line (Lot 1/Unit D) of Section 31; and
- b) to simultaneous dedicate the existing Martin "B" Wells No. 1 and 3, and the proposed Martin "B" No. 4 to the subject GPU.

The wells and GPU are located within the Jalmat Gas Pool. This pool is currently governed by special pool rules established by Order No. 8170-P effective December 14,

2001. Well location requirements and well density provisions are contained within Rule No. (3) of the special pool rules.

The Martin "B" Wells No. 1, 3 and 4 are all located at standard gas well locations for the Jalmat Gas Pool.

In support of the application, EnerVest states the following:

The existing Martin "B" Wells No. 1 and 3 are currently marginally productive. During 2007 the Martin "B" No. 3 produced at an average rate of approximately 165 MCF of gas per day, and the Martin "B" Well No. 1 produced at an average rate of approximately 58 MCF of gas per day;

Recent drilling in this area by EnerVest and other operators has demonstrated that there is little or no interference between gas wells spaced on 40 acres within the Jalmat Gas Pool. Consequently, EnerVest believes that the drilling of the proposed Martin "B" No. 4 is necessary in order to effectively and efficiently drain the gas reserves from the Jalmat Gas Pool within the NW/4 NW/4 of Section 31;

Due to inefficient drainage and the marginally productive nature of the existing wells, EnerVest believes that no offset operator will be adversely affected by the approval of this application;

Attachment No. 1 is a plat that identifies the subject GPU, and the wells that are to be simultaneously dedicated to this unit;

Attachment No. 2 is a plat that identifies the subject GPU and all offsetting GPU's in the Jalmat Gas Pool. As shown on Attachment No. 2, there are three offsetting GPU's that are operated by EnerVest, and one 40-acre tract that is undeveloped in the Jalmat Gas Pool that is operated by EnerVest. Please be advised that EnerVest owns 100% of the working interest within the offset GPU's comprising the: i) SE/4 of Section 31, T-24S, R-37E; and ii) the E/2 SW/4 of Section 31, T-24S, R-37E and the NE/4 NW/4 and NW/4 NE/4 of Section 6, T-25S, R-37E.

Within the offset GPU comprising the SE/4 of Section 25, T-24S, R-36E, and within the 40-acre tract comprising the NE/4 NE/4 of Section 36, T-24S, R-36E, there are three additional working interest owners, described as follows: i) Mr. James E.Burr; ii) Mr. Larry A. Nermyr; and iii) Ms. Ruth Sutton. EnerVest will provide notice of this application to these working interest owners in accordance with Division rules.

Attachment No. 2A is a compilation of all active Jalmat Gas Pool producing wells within the offsetting oil proration units and GPU's;

Notice of this application has been provided to Lewis B. Burleson, Inc., Herman L. Loeb, Oxy USA, Inc., Cimarex Energy Company of Colorado, Mr. James E. Burr, Mr. Larry A. Nermyr and Ms. Ruth Sutton;

A copy of the notice letter that has been sent to all parties is enclosed, as is Attachment No. 3, which is a list of the parties to whom notice has been provided. Upon obtaining the signed return receipt cards, they will be forwarded to the Oil Conservation Division.

Also enclosed is a copy of Order No. SD-200616 and a Form C-102 for the proposed Martin "B" No. 4.

In summary, EnerVest Operating, L.L.C. believes that approval of the application is in the best interest of conservation, prevention of waste and protection of correlative rights.

If you should have any questions, please call me at (713) 495-6530 or E-Mail me at RYOUNG@ENERVEST.NET.

Sincerely

Ronnie L. Young

EnerVest Operating, L.L.C.

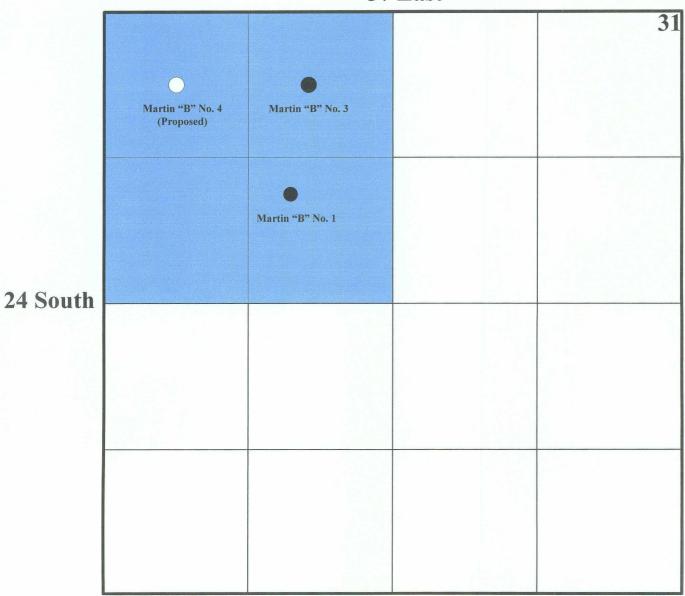
1001 Fannin Street

Suite 800

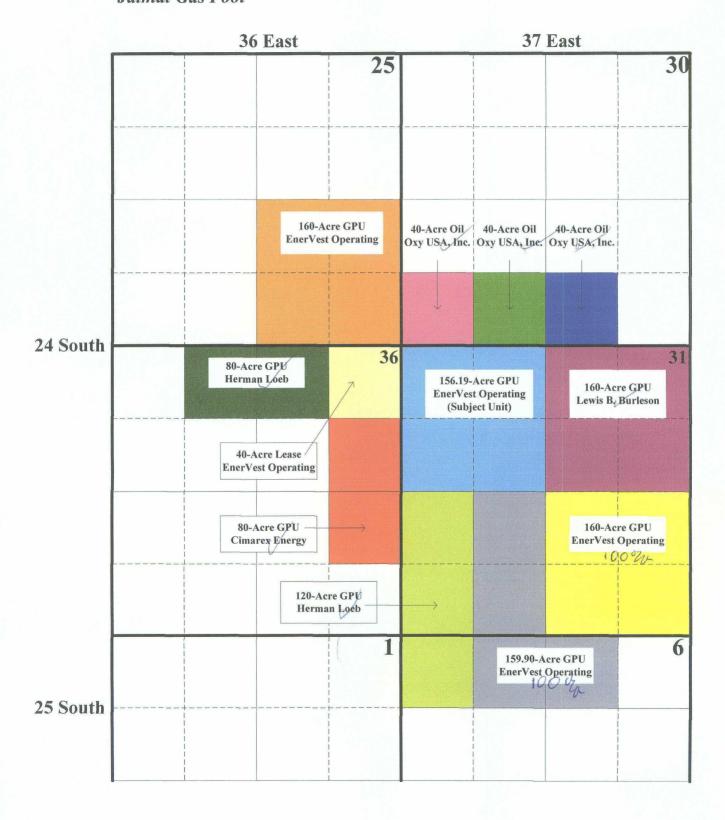
Houston, Texas 77002-6707

Enclosures

37 East



Existing 156.19-Acre Non-standard GPU Approved by Order No. R-520



OFFSET JALMAT OPERATORS

GPU Description	<u>Operator</u>	Lease Name & Well Number	Well Location
SW/4 SW/4 Section 30, T-24S, R-37E (Oil)	Oxy USA, Inc.	C. D. Woolworth No. 5	Unit M, Section 30, T-24S, R-37E
SE/4 SW/4 Section 30, T-24S, R-37E (Oil)	Oxy USA, Inc.	C. D. Woolworth No. 9	Unit N, Section 30, T-24S, R-37E
SW/4 SE/4 Section 30, T-24S, R-37E (Oil)	Oxy USA, Inc.	C. D. Woolworth No. 6	Unit O, Section 30, T-24S, R-37E
SE/4 Section 31, T-24S, R-37E	EnerVest Operating, L.L.C.	J. W. Sherrell No. 9 J. W. Sherrell No. 12 (Proposed)	Unit J, Section 31, T-24S, R-37E Unit O, Section 31, T-24S, R-37E
NE/4 Section 31, T-24S, R-37E	Lewis B. Burleson, Inc.	Martin "A" No. 2	Unit A, Section 31, T-24S, R-37E
E/2 SW/4 Section 31, T-24S, R-37E NE/4 NW/4 & NW/4 NE/4 Section 6, T-25S, R-37E	EnerVest Operating, L.L.C.	J. W. Sherrell No. 5 J. W. Sherrell No. 10 J. W. Sherrell No. 11 (Proposed)	Unit N, Section 31, T-24S, R-37E Unit C, Section 6, T-25S, R-37E Unit K, Section 31, T-24S, R-37E
Lots 3 & 4 Section 31, T-24S, R-37E NW/4 NW/4 Section 6, T-25S, R-37E	Herman L. Loeb	Jalmat Federal Com No. 1	Unit D, Section 6, T-25S, R-37E
SE/4 NE/4 & NE/4 SE/4 Section 36, T-24S, R-36E	Cimarex Energy Co.	Langlie "A" State No. 3	Unit I, Section 36, T-24S, R-36E
NE/4 NW/4 & NW/4 NE/4 Section 36, T-24S, R-36E	Herman L. Loeb	Possh No. 3	Unit B, Section 36, T-24S, R-36E
SE/4 Section 25, T-24S, R-36E	EnerVest Operating, L.L.C.	Van Zandt No. 1 (Inactive)	Unit I, Section 25, T-24S, R-36E
NE/4 NE/4 Section 36, T-24S, R-36E EnerVest Operating, L.L.C. McKinney No. 1 (SWD) Unit A, Section 36, T-24S, R-3 (Note: This 40-acre tract has never been developed in the Jalmat Gas Pool. EnerVest is the current operator of the McKinney Well No. 1 which is currently classified as a disposal well, and which previously produced from the Langlie-Mattix Pool)	EnerVest Operating, L.L.C. ped in the Jalmat Gas Pool. Ener ly produced from the Langlie-Ma	McKinney No. 1 (SWD) Vest is the current operator of the McKinn (httix Pool)	Unit A, Section 36, T-24S, R-36E ney Well No. 1 which is currently

ATTACHMENT 2A

<u>CERTIFIED MAIL</u> RETURN RECEIPT REQUESTED

TO: AFFECTED INTEREST OWNERS AND/OR OFFSET OPERATORS

Re: EnerVest Operating, L.L.C.

Application to Amend Order No. SD-200616 Increased Well Density & Simultaneous Dedication Jalmat (Tansil-Yates-Seven Rivers) Gas Pool (79240)

Section 31, T-24 South, R-37 East, NMPM,

Lea County, New Mexico

Ladies and Gentlemen:

Enclosed please find a copy of the application filed by EnerVest Operating, L.L.C. for authorization to dedicate its proposed Martin "B" Well No. 4, located at a standard gas well location 660 feet from the North line and 660 feet from the West line (Lot 1/Unit D) of Section 31, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico, to an existing 156.19-acre non-standard gas spacing and proration unit in the Jalmat Gas Pool comprising the NW/4 of Section 31, Township 24 South, Range 37 East, NMPM. Pursuant to the authority granted by Division Order No. SD-200616 dated June 15, 2006, this unit is currently dedicated to EnerVest Operating, L.L.C.'s Martin "B" Wells No. 1 and 3 located, respectively in Units F and C of Section 31.

As the owner of an interest that may be affected by the proposed simultaneous dedication, you are being provided notice as per Division rules and regulations. Objections must be filed in writing at the Division's Santa Fe office within 20 days from the date this notice was sent to you. If no objection is received within twenty days after the filing of this application and proof of notice with the Division, the application may be approved.

If you should have any questions, please call me at (713) 495-6530.

Sincerely,

Ronnie L. Young

Coordinator, Regulatory Compliance

EnerVest Operating, L.L.C.

1001 Fannin Street

Suite 800

Houston, Texas 77002-6707

Enclosure

Offset Operator Notification List

Lewis B. Burleson, Inc. Box 2479 Midland, Texas 79702

Herman L. Loeb Rte. 2, Country Club Road Lawrenceville, IL 62439

Oxy USA, Inc. Box 50250 Midland, Texas 79710

Cimarex Energy Company of Colorado 600 E. Las Colinas Blvd. Suite 1100 Irving, Texas 75038

Mr. James E. Burr P.O. Box 8050 Midland, Texas 79708-8050

Mr. Larry A. Nermyr HC-57 Box 4106 Sydney, MT 59270

Ms. Ruth Sutton 2826 Moss Midland, Texas 70705

Attachment 3

DISTRICT I 1625 N. FRENCH DR., HOBBS, NM 88240

State of New Mexico Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

Form C-102 Revised October 12, 2005

Submit to Appropriate District Office State Lease - 4 Copies

Fee Lease - 3 Copies

RONALD J. EIDSON

3239

DISTRICT II 1301 W. GRAND AVENUE, ARTESIA, NM 88210

38.13 AC.

DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410 1220 SOUTH ST. FRANCIS DR. Santa Fe, New Mexico 87505

DISTRICT IV 220 S. ST. FRANCIS DI	L, SANTA FE, N	M 87505	WELL LO	CATION	AND ACRE	AGE DEDICAT	ION PLAT	☐ AMENI	DED REPOR
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30-025 - 38883 Property Code OGRID No.				Property Name MARTIN B	TIN B or Name		Well Number 4 Elevation 3256		
			ENE	Operator Name RVEST OPERA					
		granden er verger i nyen ver de dre e en	N. THERE YOU IS THE CANADA		Surface Location				
UL or Int No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	Fast/West line	County
1	31	24-S	37-E		660	NORTH	660	WEST	LEA
			Bottom Ho	le Location l	If Different From S	urface			
UL or lot No.	Section	Township	Range	Lot ldn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres	Jaint or In	nfill (Consolidation Code	e Ord	er No.		The state of the s		1
NO	ALLOWAE					NTIL ALL INTERES		ONSOLIDATED	
38.09 AC LOT 2			EODETIC CO NAD 27 Y=4307 X=8482 LA1.=32.1 ONG.=103.	7 NME 27.3 N 76.7 E 79177' N		,	Signature Printed Name SURVEY Thereby certify		true and (, and that or unlessed debattom its location inerst or unent or a the division
38.12 AC. LOT 4							Date Surveyer Signature & Professional	ision, and that the senie is the flay belief. The policy of the senie is the flay belief. The policy of the senie is the flay belief.	ox and



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

June 15, 2006

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

Governor

Joanna Prukop

Cabinet Secretary

Plantation Operating, L.L.C. 2203 Timberloch Place, Suite 229 The Woodlands, Texas 77380

Attention:

John Allred, P.E.

iallred@plantationpetro.com

Division Administrative Order SD-06-16

Dear Mr. Allred:

Reference is made to the following: (i) your initial application submitted to the New Mexico Oil Conservation Division ("Division") in Santa Fe, New Mexico on March 31, 2006 (administrative application reference No. pMESO-616649061); (ii) your e-mail correspondence with Mr. Michael E. Stogner, Staff Engineer with the Division in Santa Fe, on April 25 and 28 and on May 11 and 18, 2006; (iii) your letter dated May 22, 2006 with the necessary information to complete this application; (iv) the Division's records in Hobbs and Santa Fe: all concerning Plantation Operating, L.L.C.'s ("Plantation") plans for additional development of the Jalmat Gas Pool (79240) within the existing non-standard 156.19-acre gas spacing unit comprising Lots 1 and 2 and the E/2 NW/4 (NW/4 equivalent) of Section 31, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico.

This application has been duly filed under the provisions of the "Special Pool Rules for the Jalmat Gas Pool," as promulgated by Division Order No. R-8170-P, issued in Case No. 12563 on December 14, 2001.

The subject 156.19-acre unit was established by Division Order No. R-520, issued in Case No. 673 on August 12, 1954, for Plantation's Martin "B" Well No. 1 (*API No. 30-025-11295*), located at a standard gas well location, more or less, 1650 feet from the North and West lines (Unit F) of Section 31.

It is the Division's understanding that Plantation, as the current operator of this 156.19-acre Jalmat gas unit, now intends to drill the Martin "B" Well No. 3 (API No. 30-025-35801) at a standard infill gas well location 660 feet from the North line and 1917 feet from the West line (Unit C) of Section 31.

By the authority granted me under the provisions of Rules 4 (B) and (D) of the special rules governing the Jalmat Gas Pool, Plantation is hereby authorized to simultaneously dedicate Jalmat gas production to this 156.19-acre non-standard gas spacing unit from its two above-described Martin "B" Wells No. 1 and 3. Furthermore, all provisions applicable to the subject unit in Division Order No. R-520.

Jurisdiction of this matter shall be further retained for the entry of any such subsequent orders, as the Division may deem necessary.

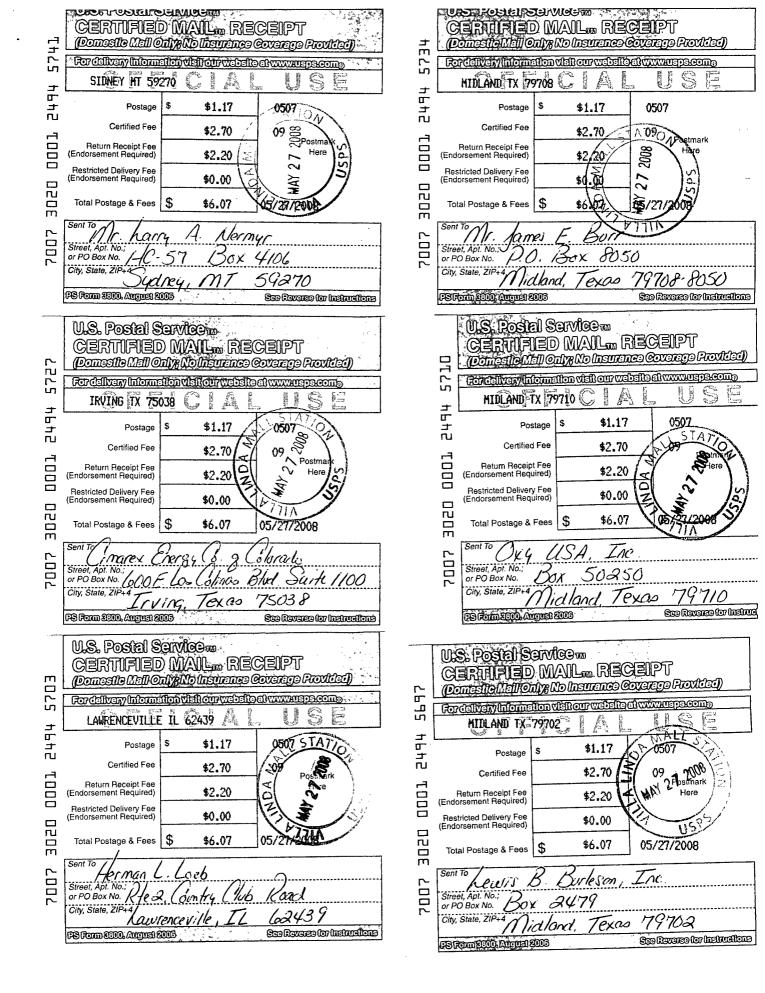
Sincerely,

Mark E. Fesmire, P. E.

Director

MEF/ms

cc: New Mexico Oil Conservation Division - Hobbs



CERTIFIED WAIL RECEIPT (Pomesilo Mello Mel							
MIDLAND TX 79705 C A L USE							
Postage S \$1.17 0507 MALL							
Certified Fee \$2.70	Postmark 2 7 = 2008						
Return Receipt Fee (Endorsement Required) \$2.20 Postmark 2 7e2008							
Restricted Delivery Fee (Endorsement Required) \$0.00							
Total Postage & Fees \$ \$6.07 05/27/2008 \$,						
Sent To Suth Sutton Street, Apt. No.;							
に or PO Box No. Add //lass	or PO Box No. ASD6 /1/OSS						
City, State, ZIP+4 Midland, Texas 79705 PS From 3300, August 2003. See Reverse for fusting	ellons						