

DATE IN 9/16/2014	SUSPENSE	MAM ENGINEER	9/16/2014 LOGGED IN	WSL TYPE	PM 4259 35287 APP NO.
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ABOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
- Engineering Bureau -  
1220 South St. Francis Drive, Santa Fe, NM 87505



**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Application Acronyms:**

**[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]**  
**[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]**  
**[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]**  
**[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]**  
**[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]**  
**[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]**

**[1] TYPE OF APPLICATION - Check Those Which Apply for [A]**

[A] Location - Spacing Unit - Simultaneous Dedication  
☒ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement  
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify \_\_\_\_\_

-WSL  
 - Enervest operating  
 L.L.C.  
 143199  
 well  
 - Jicarilla Apache  
 Tribal 125 #18  
 30-039 - 31229  
 Pool  
 - Lindwith Gallup-Dakota,  
 west  
 39189

**[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☒ Does Not Apply**

- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners
- [B] ☐ Offset Operators, Leaseholders or Surface Owner
- [C] ☐ Application is One Which Requires Published Legal Notice
- [D] ☐ Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] ☐ Waivers are Attached

**[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

**[4] CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

**Note: Statement must be completed by an individual with managerial and/or supervisory capacity.**

David Catanach  
 Print or Type Name

David Catanach  
 Signature

9/15/14  
 Date

Agent-Enervest Operating, LLC  
 Title

drcatanach@netscape.com  
 E-Mail Address



September 15, 2014

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

Attn: Jami Bailey  
Division Director

RE: Application for Unorthodox Well Location  
Jicarilla Apache Tribal 125 No. 18 (30-039-31229)  
**Surface Location: 895' FSL & 1874' FEL (Unit O)**  
**"As Drilled" Bottomhole Location: 660' FSL & 1100' FEL (Unit P)**  
Section 26, T-25 North, R-4 West, NMPM,  
West Lindrith Gallup-Dakota Pool (39189)  
Rio Arriba County, New Mexico

Dear Ms. Bailey,

Enervest Operating, LLC ("Enervest") respectfully requests approval of an unorthodox oil well location for its existing Jicarilla Apache Tribal 125 No. 18 which has been directionally drilled from a surface location 895 feet from the South line and 1874 feet from the East line (Unit O) to an unorthodox bottomhole location 660 feet from the South line and 1100 feet from the East line (Unit P), both in Section 26, Township 25 North, Range 4 West, NMPM, Rio Arriba County, New Mexico.

The Jicarilla Apache Tribal 125 No. 18 will be dedicated to an existing standard 160-acre spacing and proration unit in the West Lindrith Gallup-Dakota Pool comprising the SE/4 of Section 26. This unit is currently dedicated to Enervest's Jicarilla Apache Tribal 125 No. 6 (API No. 30-039-22354) located at a standard well location 1765 feet from the South line and 1690 feet from the East line (Unit J).

The West Lindrith Gallup-Dakota Pool is currently governed by the "Special Rules for the West Lindrith Gallup-Dakota Pool" as established by Division Order No. R-4314, as amended. These rules provide that:

- 1) A standard oil proration unit shall be 160 acres, and
- 2) Wells shall be located no closer than 330 feet to the outer boundary of the spacing unit nor closer than 330 feet to any quarter-quarter section line or subdivision inner boundary. Wells shall be located no closer than 660 feet to the nearest well drilling to or capable of producing from this pool.

The directional drilling of the Jicarilla Apache Tribal 125 No. 18 was necessitated by topographic issues within the SE/4 of Section 26. The "as drilled" bottomhole location will enable Enervest to maximize the recovery of oil and gas reserves underlying the SE/4 of Section 26. Please note that the "as drilled" bottomhole location is only unorthodox with respect to the interior boundaries of the spacing unit and does not encroach on the outer boundaries of the spacing unit.

Also please note that:

- 1) The Jicarilla Apache Tribal 125 No. 18 is not located within 660 feet from the nearest well drilling to or capable of producing from the West Lindrith Gallup-Dakota Pool; and;
- 2) The Jicarilla Apache Tribal 125 No. 18 was directionally drilled in a manner such that all perforations in the well are located at the "as drilled" bottomhole location.

Enervest currently operates all offset 160-acre spacing units in the West Lindrith Gallup Dakota Pool, including the NE/4, NW/4 and SW/4 of Section 26, NW/4 and SW/4 of Section 25, NW/4 and NE/4 of Section 35 and NW/4 of Section 36.

There are no affected offset operators/interest owners because the unorthodox well location does not encroach on the outer boundary of the spacing unit. Consequently, notice of this application is not required, and has not been provided to any party.

Attached is a Form C-102 that shows the surface and "as drilled" bottomhole location of the Jicarilla Apache Tribal 125 No. 18, the existing spacing unit, and the other existing well in the spacing unit.

Approval of this application will provide Enervest the opportunity to recover additional oil and gas reserves from the West Lindrith Gallup-Dakota Pool underlying the SE/4 of Section 26 that may otherwise not be recovered by the existing well, thereby preventing waste, and will not violate correlative rights.

If you have any questions, please contact me at (505) 690-9453

Sincerely,



David Catanach,  
Agent-Enervest Operating, LLC

Xc: OCD Aztec

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
**District II**  
1301 W. Grand Avenue, 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 & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office  
☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<b>API Number</b> 30-039-31229	<b>Pool Code</b> 39189	<b>Pool Name</b> West Lindrith Gallup-Dakota Pool
<b>Property Code</b> 301277	<b>Property Name</b> Jicarilla Apache Tribal 125	<b>Well Number</b> 18
<b>OGRID No.</b> 143199	<b>Operator Name</b> Enervest Operating, LLC	<b>Elevation</b> 7116

**Surface Location**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	26	25 North	4 West		895	South	1874	East	Rio Arriba

**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
P	26	25 North	4 West		660	South	1100	East	Rio Arriba
<b>Dedicated Acres</b> 160: SE/4	<b>Joint or Infill</b>	<b>Consolidate Code</b>	<b>Order No.</b>						

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

				<p align="center"><b>OPERATOR CERTIFICATION</b></p> <p><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 bottomhole 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 heretofor entered by the Division.</i></p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p>
				<p align="center"><b>SURVEYOR CERTIFICATION</b></p> <p><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></p> <p>Date of Survey _____</p> <p>Signature and Seal of Professional Surveyor: _____</p> <p>Certificate Number _____</p>
			<p align="center">Jicarilla Apache Tribal 125 No. 6 (Existing)</p> <p align="center">•</p>	
			<p align="center">Jicarilla Apache Tribal 125 No. 18</p> <p align="center">S.L. •</p> <p align="center">895'</p> <p align="center">1874'</p> <p align="center">1100'</p> <p align="center">"As Drilled" BHL</p> <p align="center">660'</p>	