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



December 11, 2014

Enervest Operating LLC Attn: Mr. David Catanach

ADMINISTRATIVE NON-STANDARD LOCATION ORDER

Administrative Order NSL-7209 Administrative Application Reference No. pMAM1434531329

Enervest Operating LLC OGRID 143199 Jicarilla B Well No. 5M API No. 30-039-pending

Proposed Location:

Footages	Unit	Sec.	Twsp	Range	County
794 FNL & 2388 FWL	С	21	26N	5W	Rio Arriba

Proposed Unit:

Description	Acres	Pool	Pool Code
W/2 of Section 21	320	Basin Dakota	71599
W/2 of Section 21	320	Blanco-Mesaverde	72319

Reference is made to your application received on December 10, 2014.

You have requested to drill this well at an unorthodox gas well location described above in the referenced pool or formation. This location is governed by special pool rules for the Basin Dakota Gas Pool and the Blanco-Mesaverde Gas Pool which provides for 320-acre units with wells located at least 660 feet from a unit or lot outer boundary. This location is less than 660 feet from a unit outer boundary.

It is our understanding that you are seeking this unorthodox location due to surface topography.

December 11, 2014 Page 2

Your application has been duly filed under the provisions of Division Rules 19.15.15.13 NMAC and 19.15.4.12.A (2) NMAC.

It is also understood that notice of this application to offsetting operators or owners is unnecessary due to common ownership.

Pursuant to the authority conferred by Division Rule 19.15.15.13 (B) NMAC, 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 19.15.5.9 NMAC.

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

DONE at Santa Fe, New Mexico, on December 11, 2014

Jami Bailey

Director

JB/mam

cc: New Mexico Oil Conservation Division – Aztec Bureau of Land Management-Farmington