State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

John Bemis
Cabinet Secretary

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



March 6, 2013

Enervest Operating, LLC Attn: Mr. David Catanach

ADMINISTRATIVE NON-STANDARD LOCATION ORDER

Administrative Order NSL-6766 Administrative Application Reference No. pPRG1304636850

Enervest Operating, LLC OGRID 143199 Jicarilla Apache Well No. 102 API No. 30-039-31175

Proposed Location:

Footages	<u>Unit</u>	Section	Township	Range	County
2425 FSL & 255 FWL	L	3	26N	4W	Rio Arriba

Proposed Units:

Description	Acres	Pool	Pool Code
W/2 of Section 3	321.68	Blanco; Mesaverde Gas Pool	72319
S/2 of Section 3	320	Basin; Dakota Gas Pool	71599

Reference is made to your application received on February 15, 2013.

You have requested to re-complete this well at an unorthodox gas well location described above, in the referenced pools or formations. This location is governed by the Special Rules and Regulations for the Blanco Mesaverde Gas Pool and the Special Rules and Regulations for the Basin Dakota Gas Pool, both of which provide for 320-acre units, with wells located at least 660 feet from a unit outer boundary. This location is less than 660 feet from a unit boundary of each of the proposed units.

Your application has been duly filed under the provisions of Division Rules 15.13 [19.15.15.13 NMAC] and 4.12.A(2) [19.15.4.12.A(2) NMAC].

It is our understanding that you are seeking this location for topographic reasons.

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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 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 [19.15.15.9 NMAC].

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

Sincerely,

Jami Bailey Director

JB/db

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