DATEN	27 08 SUSPEN	ISE BROOKS 5/28/08 SD PKVR08/4998598					
μα. 		ABOVE THIS LINE FOR DIVISION USE ONLY NEW DIDXICO OIL CONSERVATION DIVISION - Engineering Bureau - AM22105 Dath St. Francis Drive, Santa Fe, NM 87505 Martin B#s 1, 3					
ADMINISTRATIVE APPLICATION CHECKLIST 200616-A							
Tŀ	IS CHECKLIST IS M	ANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE					
Appli	[DHC-Down [PC-Po	ns: Indard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication] Inhole Commingling] [CTB-Lease Commingling] Iol Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement] [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion] [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase] lified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]					
[1]	TYPE OF AI [A]	PPLICATION - Check Those Which Apply for [A] Location - Spacing Unit - Simultaneous Dedication NSL NSP SD					
	Checl [B]	Cone Only for [B] or [C] 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					
[2]	NOTIFICAT [A]	TION REQUIRED TO: - Check Those Which Apply, or □ Does Not Apply 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.

Ronnie L. Young	( Forme Low	mg Coo
Print or Type Name	Signature	Title
	5/22/08	RYC

Coordinator, Regulatory Compliance Title

RYOUNG@ENERVEST.NET E-Mail Address

Date

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May 22, 2008

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:

<u>Well Name &amp; Number</u>	<u>API Number</u>	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,

EnerVest Operating, L.L.C. Application to Amend Order No. SD-200616 Increased Well Density & Simultaneous Dedication Jalmat Gas Pool Page 2

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. <u>Please be advised that</u> <u>EnerVest owns 100% of the working interest within the offset GPU's</u> <u>comprising the: i) SE/4 of Section 31, T-24S, R-37E; and ii) the E/2 SW/4 of</u> <u>Section 31, T-24S, R-37E and the NE/4 NW/4 and NW/4 NE/4 of Section 6,</u> <u>T-25S, R-37E.</u>

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. EnerVest Operating, L.L.C. Application to Amend Order No. SD-200616 Increased Well Density & Simultaneous Dedication Jalmat Gas Pool Page 3

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 me L Llowing

Ronnie L. Young EnerVest Operating, L.L.C. 1001 Fannin Street Suite 800 Houston, Texas 77002-6707

Enclosures

EnerVest Operating, L.L.C. Application to Amend Order No. SD-200616 Increased Well Density & Simultaneous Dedication Jalmat Gas Pool



37 East



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

Attachment 1

EnerVest Operating, L.L.C. Application to Amend Order No. SD-200616 Increased Well Density & Simultaneous Dedication Jalmat Gas Pool



**Attachment 2** 

Unit A, Section 36, T-24S, R-36E iney Well No. 1 which is currently	McKinney No. 1 (SWD) Vest is the current operator of the McKin Ittix Pool)	EnerVest Operating, L.L.C. oped in the Jalmat Gas Pool. Ener isly produced from the Langlie-Ma	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)
Unit I, Section 25, T-24S, R-36E	Van Zandt No. 1 (Inactive)	EnerVest Operating, L.L.C.	SE/4 Section 25, T-24S, R-36E
Unit B, Section 36, T-24S, R-36E	Possh No. 3	Herman L. Loeb	NE/4 NW/4 & NW/4 NE/4 Section 36, T-24S, R-36E
Unit I, Section 36, T-24S, R-36E	Langlie "A" State No. 3	Cimarex Energy Co.	SE/4 NE/4 & NE/4 SE/4 Section 36, T-24S, R-36E
Unit D, Section 6, T-25S, R-37E	Jalmat Federal Com No. 1	Herman L. Loeb	Lots 3 & 4 Section 31, T-24S, R-37E NW/4 NW/4 Section 6, T-25S, R-37E
Unit N, Section 31, T-24S, R-37E Unit C, Section 6, T-25S, R-37E Unit K, Section 31, T-24S, R-37E	J. W. Sherrell No. 5 J. W. Sherrell No. 10 J. W. Sherrell No. 11 (Proposed)	EnerVest Operating, L.L.C.	E/2 SW/4 Section 31, T-24S, R-37E NE/4 NW/4 & NW/4 NE/4 Section 6, T-25S, R-37E
Unit A, Section 31, T-24S, R-37E	Martin "A" No. 2	Lewis B. Burleson, Inc.	NE/4 Section 31, T-24S, R-37E
Unit J, Section 31, T-24S, R-37E Unit O, Section 31, T-24S, R-37E	J. W. Sherrell No. 9 J. W. Sherrell No. 12 (Proposed)	EnerVest Operating, L.L.C.	SE/4 Section 31, T-24S, R-37E
Unit O, Section 30, T-24S, R-37E	C. D. Woolworth No. 6	Oxy USA, Inc.	SW/4 SE/4 Section 30, T-24S, R-37E (Oil)
Unit N, Section 30, T-24S, R-37E	C. D. Woolworth No. 9	Oxy USA, Inc.	SE/4 SW/4 Section 30, T-24S, R-37E (Oil)
Unit M, Section 30, T-24S, R-37E	C. D. Woolworth No. 5	Oxy USA, Inc.	SW/4 SW/4 Section 30, T-24S, R-37E (Oil)
Well Location	Lease Name & Well Number	Operator	GPU Description
	<b>AT OPERATORS</b>	OFFSET JALMAT OPERAT	
		9616 Dedication	EnerVest Operating, L.L.C. Application to Amend Order No. SD-200616 Increased Well Density & Simultaneous Dedication Jalmat Gas Pool

# **ATTACHMENT 2A**

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

### 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, Komme L Houng

Ronnie L. Young Coordinator, Regulatory Compliance EnerVest Operating, L.L.C. 1001 Fannin Street Suite 800 Houston, Texas 77002-6707

Enclosure

EnerVest Operating, L.L.C. Application to Amend Order No. SD-200616 Increased Well Density & Simultaneous Dedication Jalmat Gas Pool

### Offset Operator Notification List

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

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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						1	Form C-102
DISTRICT II 1301 W. GRAND AVENUE	OIL CONSERVATION DIVISION 1220 SOUTH ST. FRANCIS DR.						Revised October 12, 2005 Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies			
DISTRICT III Santa Fe, New Mexico 87505										
DISTRICT IV 1220 S. ST. FRANCIS DR	WELL LOCATION AND ACREAGE DEDICATION PLA					ON PLAT Pool Name	AMENI	DED REPORT		
30-025										
Property Code			Property Name MARTIN B						Well Number 4	
OGRID No.			Operator Name ENERVEST OPERATING					Elevation 3256'		
Surface Location										
UL or Int No.	Section 31	Township 24-S	Range 37-E	Lot Idn	Feet fr	om the	North/South line NORTH	Feet from the 660	Fast/West line WEST	County LEA
<u> </u>				le Location			<u> </u>	000		
UL or lot No.	Section	Township	Range	Lot Idn		on the	North/South line	Feet from the	East/West line	County
Dedicated Acres	Jaint or	រក់ពា	Consolidation Coc	k Ord	ker No.		J	Lanna		-1
NO	ALLOWA	BLE WILL	BE ASSIGNE	ED TO THIS	COMPLI	ETION U	NTIL ALL INTERES	TS HAVE BEEN CC	NSOLIDATED	
r							APPROVED BY THE			
								I hereby certify d complete to the best this organization eff mineral interest in th hole location or has pursuant to a contras working interest, or i	R CERTIFICAT hat the information berein is of my trowkedge and belie her owns a working interest be land including the propos a right to drill this well at th is with an owner of such min to a voluntury pooling agree order benetofore entered by	true and [, and that or mileased ed bottom is location nersol or mensol or a
38.09 AC. LOT 2 GEODETIC COORDINATES NAD 27 NME Y=430727.3 N X=848276.7 E						Signature Date Printed Name				
<u>38.10_AC.</u> 1.01_3			LA1. = 32.1 .ONG. = 103					I hereby certify th W2s plotted from fiel	DR CERTIFICA to the well location shown of locate of actual surveys m tion, and that the same is tru my belief.	on this plat side by me
<u>38.12 AC.</u> LOT 4								DateSurveyed Signature & S Professional S Market S Professional S O Certificate No.	cal of Surveyor 2.11.1712 GARY EIDSON	LA <u>12641</u>
38.13 AC.									RONALD J. EIDSC	IN 3239

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# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON Governor Joanna Prukop Cabinet Secretary

June 15, 2006

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

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

Attention: John Allred, P.E. jallred@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. pMES0-616649061*); (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,

*C*. are Mark E. Fesmire, P. E. Director

MEF/ms

cc: New Mexico Oil Conservation Division – Hobbs





4 5758	CERTIFIED MAIL RECEIPT (constitution of the constitution of the co							
3020 0001 2491	Postage	\$\$	1.17	0507 MALL				
	Certified Fee	\$2.70 \$2.20 \$0.00		Postmark MAY 2 7 <sup>re</sup> 2008				
	Return Receipt Fee (Endorsement Required)							
	Restricted Delivery Fee (Endorsement Required)							
	Total Postage & Fees	\$\$	6.07	05/27/2008P5				
27	Sent To Ms Ruth Sutton							
7007	Street, Apt. No.; or PO Box No. 2826 Mass							
	City, State, ZIP+4 Midland, Texas 78705							
	(PS) Form 2000, August 2003							

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