

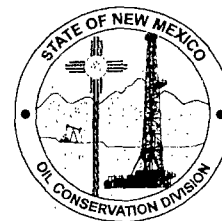


New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Joanna Prukop
Cabinet Secretary
Reese Fullerton
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



August 18, 2008

EnerVest Operating, L.L.C.
Attn: Ronnie L. Young
1001 Fannin St, Suite 800
Houston, TX 77002-6707

Administrative Order SD-200405-A

Re: **Myers B Federal Well No. 7**
API No. 30-025-38968
Unit E, Section 7, Twsp 24S, Range 37E
Lea County

Dear Mr. Young:

Reference is made to the following:

(a) your application (**administrative simultaneous dedication [SD] application reference No. pKVR08-20652759**) submitted to the New Mexico Oil Conservation Division (the Division) in Santa Fe, New Mexico on July 24, 2008, and

(b) the Division's records pertinent to your request, including, but not limited to, the Division's records pertinent to Order R-3930 and Administrative Order SD-200405.

EnerVest Operating, L.L.C. (EnerVest) has requested to simultaneously dedicate its proposed Myers B Federal Well No. 7 (the proposed well), along with the following existing gas wells:

Myers B Federal No. 1	API No. 30-025-11037	660 FNL & 660 FWL (Unit D)
Myers B Federal No. 10	API No. 30-025-11047	1980 FNL & 1980 FEL (Unit G)
Myers B Federal No. 33	API No. 30-025-25973	940 FNL & 2090 FEL (Unit B)

to an existing, non-standard 316.23-acre gas spacing unit in the Jalmat-Tansill/Yates/Seven Rivers Gas Pool (79240), comprising the N/2 of Section 7, Township 24 South, Range 37 East,



N.M.P.M., in Lea County, New Mexico. This non-standard gas spacing unit was established by Order No.R-3930, issued in Case No. 4318 on March 11, 1970.

The proposed well will be drilled at a standard gas well location 1805 feet from the North line and 680 feet from the West line (Unit E, Lot 2) of Section 7.

Division approval of simultaneous dedication is required because Rule 3(C) of the Special Pool Rules for the Jalmat Gas Pool, as provided in Order R-8170-P, adopted December 14, 2001, prohibits the dedication of more than one gas well per 160 acres in that pool. Simultaneous dedication of this unit to the three existing gas wells was approved by Administrative Order SD-200405, issued on May 7, 2004.

Your application has been duly filed under the provisions of Division Rules 104.D(3) and 1210.A, and Rule 4(B) of the Special Pool Rules for the Jalmat Gas Pool.

It is our understanding that you are seeking simultaneous dedication of this unit to the four wells described for geological reasons, in order to prevent waste and maximize production from this unit. As required by Rule 4(B) of the applicable pool rules, you have furnished evidence to support your conclusion that the granting of this application will prevent waste and will not impair correlative rights.

We also understand that you have given due notice of this application to all "affected persons," as defined in Rule 1210.A(2)(a), in all spacing units in the Jalmat adjoining the proposed unit.

Pursuant to the provisions of Division Rule 104.D(3) and Rule 4(B) of the Special Pool Rules for the Jalmat Gas Pool, the above-described simultaneous dedication is hereby approved.

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

Sincerely,

A handwritten signature in dark ink, appearing to read 'Mark E. Fesmire', with a long horizontal flourish extending to the right.

Mark E. Fesmire, P.E.
Director

MEF/db

cc: New Mexico Oil Conservation Division - Hobbs
United States Bureau of Land Management - Carlsbad