

ABOVE THIS LINE FOR DIVISION USE ONLY

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



NSL Enervest Operating
 JW Sheriff #s 13, 14
 5954
 SD: Enervest Operating
 JW Sheriff #s 9, 12, 13, 14
 200816-A

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 _____
- [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.

Ronnie L. Young
 Print or Type Name

Signature

9/17/08
 Date

Compliance Supervisor
 Title

RYOUNG@ENERVEST.NET
 E-Mail Address

September 15, 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 for Unorthodox Gas Well Location(s),
Application to Amend Order No. SD-200816
Increased Well Density & Simultaneous Dedication
Jalmat (Tansil-Yates-Seven Rivers) Gas Pool ("Jalmat Gas Pool")

Dear Mr. Fesmire:

By Division Order SD-200816 dated June 5, 2008, the Division authorized EnerVest Operating, L.L.C. ("EnerVest") to drill its J. W. Sherrell Well No. 12 (API No. 30-025-38882) at a standard gas well location 660 feet from the South line and 1815 feet from the East line (Unit O) of Section 31, Township 24 South, Range 37 East, NMPM to test the Jalmat Gas Pool. The order further authorized EnerVest to simultaneously dedicate the J. W. Sherrell No. 12 and the existing J. W. Sherrell No. 9 (API No. 30-025-26070) located at a previously approved unorthodox gas well location 2250 feet from the South line and 1650 feet from the East line (Unit J) of Section 31, to an existing 160-acre non-standard gas proration unit ("GPU") in the Jalmat Gas Pool comprising the SE/4 of Section 31. Division Order No. R-5948 dated March 16, 1979 approved the non-standard GPU and the unorthodox gas well location for the J. W. Sherrell No. 9.

EnerVest hereby requests that Order No. SD-200816 be amended to authorize:

- a) the drilling of two additional gas wells within the subject GPU. EnerVest proposes to drill its J. W. Sherrell No. 13 at an unorthodox gas well location 2422 feet from the South line and 971 feet from the East line (Unit I), and its J. W. Sherrell No. 14 at an unorthodox gas well location 990 feet from the South line and 1040 feet from the East line (Unit P) of Section 31; and
- b) the simultaneous dedication of the J. W. Sherrell Wells No. 9, 12, 13 and 14 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,

2001. Well location requirements and well density provisions are contained within Rule No. (3) of the special pool rules.

The unorthodox location for the J. W. Sherrell No. 13 is necessitated by the presence of electric power lines that traverses the NE/4 SE/4 of Section 31 in a north-south and east-west direction. This surface feature is shown on the attached land plat. The unorthodox location for the J. W. Sherrell No. 14 is also necessitated by the presence of an electric power line and a pipeline that traverse the SE/4 SE/4 of Section 31 in a north-south direction. These surface features are also shown on the attached land plat. The affected offset acreage for the J. W. Sherrell No. 13 is the NE/4 of Section 31, which is operated by Lewis B. Burleson, Inc. The location for the J. W. Sherrell No. 14 is unorthodox with respect to the interior quarter-quarter section line, and therefore, does not affect offset operators.

In support of the application, EnerVest states the following:

The existing J. W. Sherrell No. 9 is currently marginally productive. During January-June, 2008 the J. W. Sherrell No. 9 produced at an average rate of approximately 62 MCF of gas per day;

The J. W. Sherrell No. 12 has been drilled, but has not yet been completed;

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 J. W. Sherrell Wells No. 13 and 14 are necessary in order to effectively and efficiently drain the gas reserves from the Jalmat Gas Pool within the NE/4 SE/4 and SE/4 SE/4 of Section 31;

Due to inefficient drainage and the marginally productive nature of the existing well, 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 four offsetting GPU's that are operated by EnerVest. **Please be advised that EnerVest owns 100% of the working interest in these four offsetting GPU's. Consequently, there are no additional working interest owners to notify.**

EnerVest Operating, L.L.C.
Application for Unorthodox Gas Well Location(s)
Application to Amend Order No. SD-200816
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 GPU's;

Notice of this application has been provided to Lewis B. Burleson, Inc., and Herman L. Loeb.

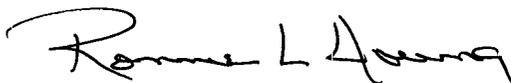
A copy of the notice letter that has been sent to all parties is enclosed, as is Attachment No. 3, which is a list of the parties to whom notice has been provided. Upon obtaining the signed return receipt cards, they will be forwarded to the Oil Conservation Division.

Also enclosed is a copy of Order No. SD-200816 and a Form C-102 for the proposed J. W. Sherrell No. 13 and the J. W. Sherrell No. 14.

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



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

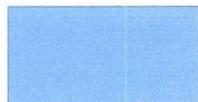
Enclosures

EnerVest Operating, L.L.C.
Application for Unorthodox Gas Well Location(s),
Application to Amend Order No. SD-200816
Increased Well Density & Simultaneous Dedication
Jalmat Gas Pool

37 East

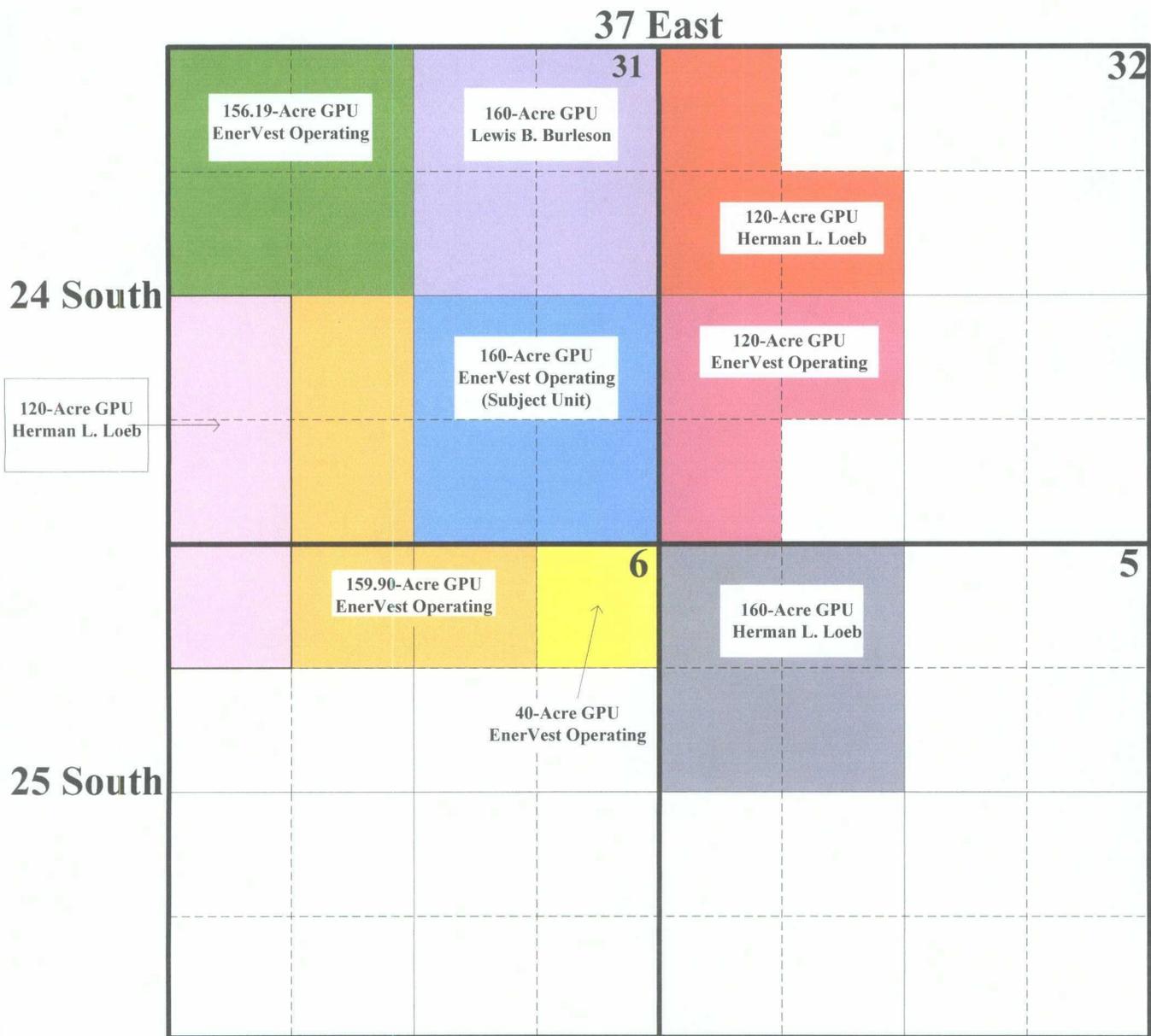
31

24 South



Existing 160-Acre Non-standard GPU
Approved by Order No. R-5948

EnerVest Operating, L.L.C.
Application for Unorthodox Gas Well Location(s),
Application to Amend Order No. SD-200816
Increased Well Density & Simultaneous Dedication
Jalmat Gas Pool



*EnerVest Operating, L.L.C.
Application for Unorthodox Gas Well Location(s),
Increased Well Density & Simultaneous Dedication
Jalmat Gas Pool*

OFFSET JALMAT OPERATORS

<u>GPU Description</u>	<u>Operator</u>	<u>Lease Name & Well Number</u>	<u>Well Location</u>
NE/4 Section 31, T-24S, R-37E	Lewis B. Burleson, Inc.	Martin "A" No. 2	Unit A, Section 31, T-24S, R-37E
NW/4 Section 31, T-24S, R-37E	EnerVest Operating, L.L.C.	Martin "B" No. 1 Martin "B" No. 3 Martin "B" No. 4 (Proposed)	Unit F, Section 31, T-24S, R-37E Unit C, Section 31, T-24S, R-37E Lot 1, Section 31, T-24S, R-37E
E/2 SW/4 Section 31, T-24S, R-37E NE/4 NW/4 & NW/4 NE/4 Section 6, T-25S, R-37E	EnerVest Operating, L.L.C.	J. W. Sherrill No. 5 J. W. Sherrill No. 10 J. W. Sherrill No. 11 (Proposed)	Unit N, Section 31, T-24S, R-37E Unit C, Section 6, T-25S, R-37E Unit K, Section 31, T-24S, R-37E
Lots 3 & 4 Section 31, T-24S, R-37E NW/4 NW/4 Section 6, T-25S, R-37E	Herman L. Loeb	Jalmat Federal Com No. 1	Unit D, Section 6, T-25S, R-37E
NE/4 NE/4 Section 6, T-25S, R-37E	EnerVest Operating, L.L.C.	Wells B-6 No. 1	Unit A, Section 6, T-25S, R-37E
NW/4 Section 5, T-25S, R-37E	Herman L. Loeb	Wells Federal No. 15 Wells Federal No. 4	Unit D, Section 5, T-25S, R-37E Unit F, Section 5, T-25S, R-37E
N/2 SW/4, SW/4 SW/4 Section 32, T-24S, R-37E	EnerVest Operating, L.L.C.	Skelly "M" State No. 4	Unit L, Section 32, T-24S, R-37E
S/2 NW/4, NW/4 NW/4 Section 32, T-24S, R-37E	Herman L. Loeb	State A 32 No. 5 State A 32 No. 4	Unit D, Section 32, T-24S, R-37E Unit F, Section 32, T-24S, R-37E

ATTACHMENT 2A

September 15, 2008

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: AFFECTED INTEREST OWNERS AND/OR OFFSET OPERATORS

Re: EnerVest Operating, L.L.C.
Application for Unorthodox Gas Well Location(s),
Application to Amend Order No. SD-200816
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

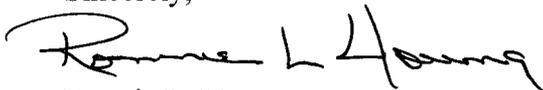
Ladies and Gentlemen:

Enclosed please find a copy of the application filed by EnerVest Operating, L.L.C. for authorization to dedicate its proposed J. W. Sherrell Well No. 13, located at an unorthodox gas well location 2422 feet from the South line and 971 feet from the East line (Unit I) of Section 31, and its proposed J. W. Sherrell Well No. 14, located at an unorthodox gas well location 990 feet from the South line and 1040 feet from the East line (Unit P) of Section 31, both in Township 24 South, Range 37 East, NMPM, Lea County, New Mexico, to an existing 160-acre non-standard gas spacing and proration unit in the Jalmat Gas Pool comprising the SE/4 of Section 31, Township 24 South, Range 37 East, NMPM. Pursuant to the authority granted by Division Order No. SD-200816 dated June 5, 2008, this unit is currently dedicated to EnerVest Operating, L.L.C.'s J. W. Sherrell Wells No. 9 and 12 located respectively, in Units J and O of Section 31.

As the owner of an interest that may be affected by the proposed unorthodox gas well locations and 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,



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

Enclosure

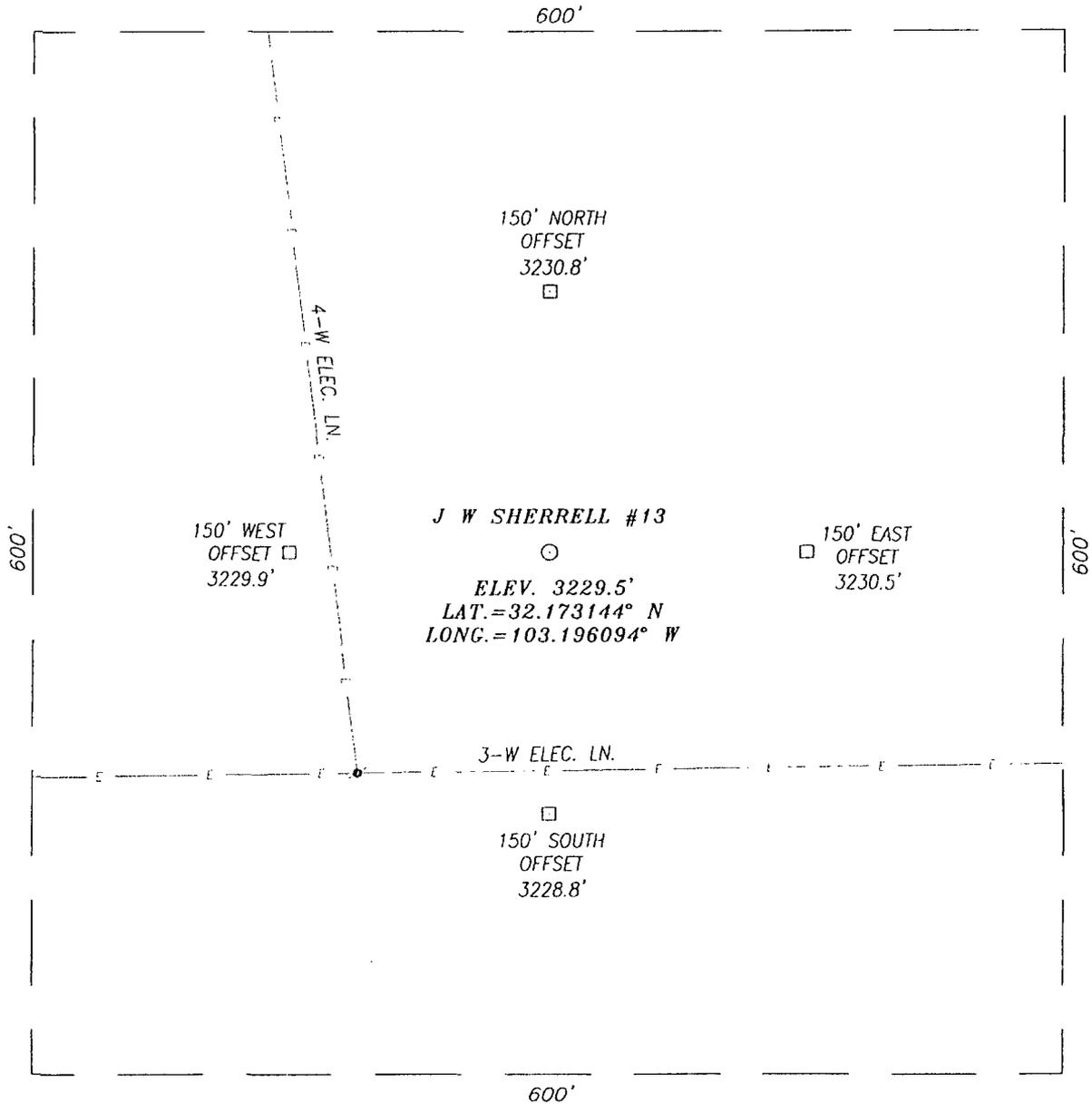
*EnerVest Operating, L.L.C.
Application for Unorthodox Gas Well Location(s),
Application to Amend Order No. SD-200816
Increased Well Density & Simultaneous Dedication
Jalmat Gas Pool*

Offset Operator Notification List

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

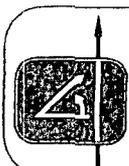
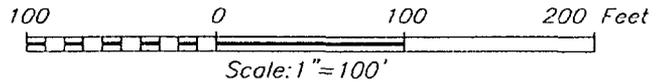
Herman L. Loeb
Rte. 2, Country Club Road
Lawrenceville, IL 62439

SECTION 31, TOWNSHIP 24 SOUTH, RANGE 37 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO



DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF ST. HWY. 18 AND CO. RD. J13 (SID RICHARDSON RD.), GO NORTH ON ST. HWY. 18 APPROX. 0.3 MILES. TURN LEFT AND GO WEST APPROX. 0.1 MILES. THIS LOCATION IS APPROX. 0.10 MILES SOUTHWEST.



PROVIDING SURVEYING SERVICES SINCE 1945
JOHN WEST SURVEYING COMPANY
412 N. DAL. PASO
HOESB, N.M. 89240
(505) 393-3117

EnerVest Operating

J W SHERRELL #13 WELL
LOCATED 2422 FEET FROM THE SOUTH LINE
AND 971 FEET FROM THE EAST LINE OF SECTION 31,
TOWNSHIP 24 SOUTH, RANGE 37 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.

Survey Date: 8/5/08	Sheet 1 of 1 Sheets	
W.O. Number: 08.11.1185	Dr By: DSS	Rev 1:
Date: 8/7/08	08111185	Scale: 1" = 100'

DISTRICT I
1625 S. FRENCH DR., HOHNS, NM 88210

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number 30-025-39123		Pool Code	Pool Name
Property Code	Property Name J W SHERRELL		Well Number 14
OCRID No.	Operator Name EnerVest Operating		Elevation 3231'

Surface Location

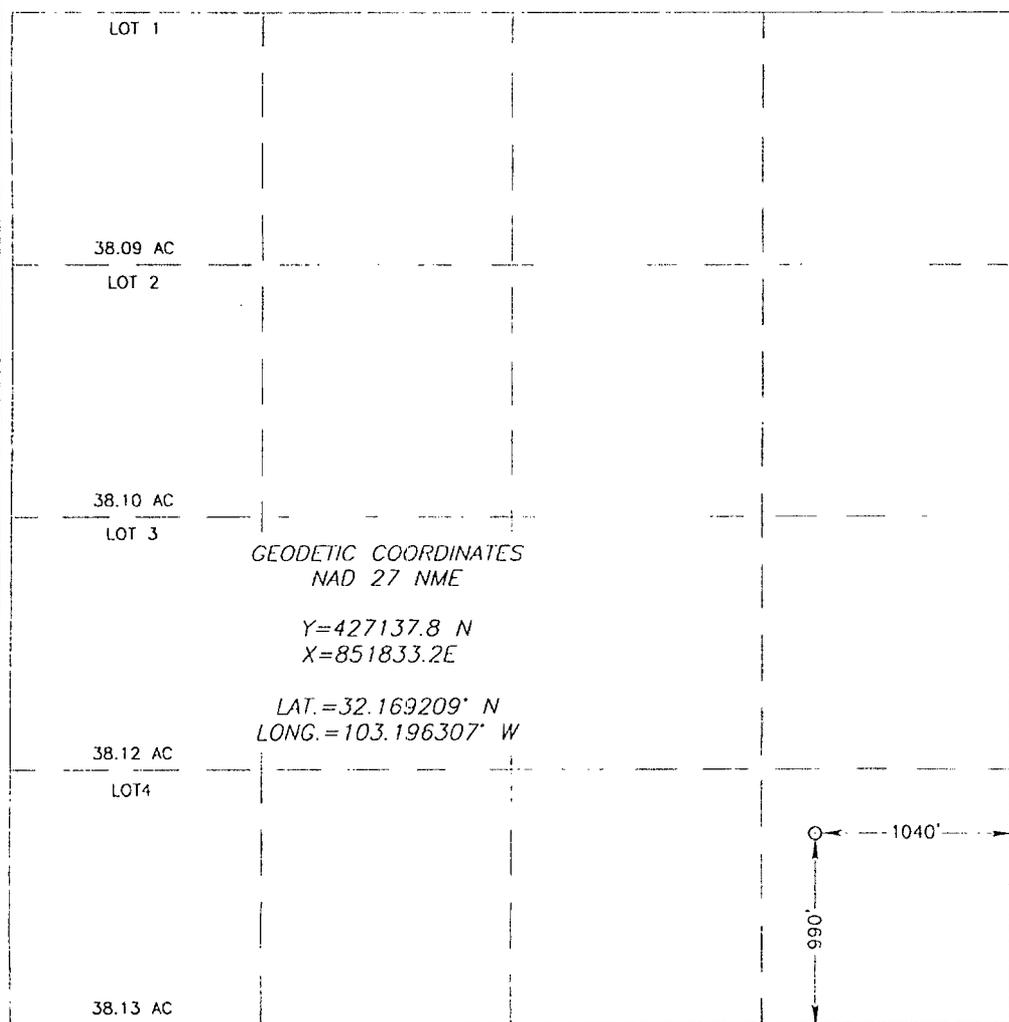
Ul. or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	31	24-S	37-E		990	SOUTH	1040	EAST	LEA

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

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.

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



OPERATOR CERTIFICATION

I hereby certify that the information 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 bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

Printed Name _____

SURVEYOR CERTIFICATION

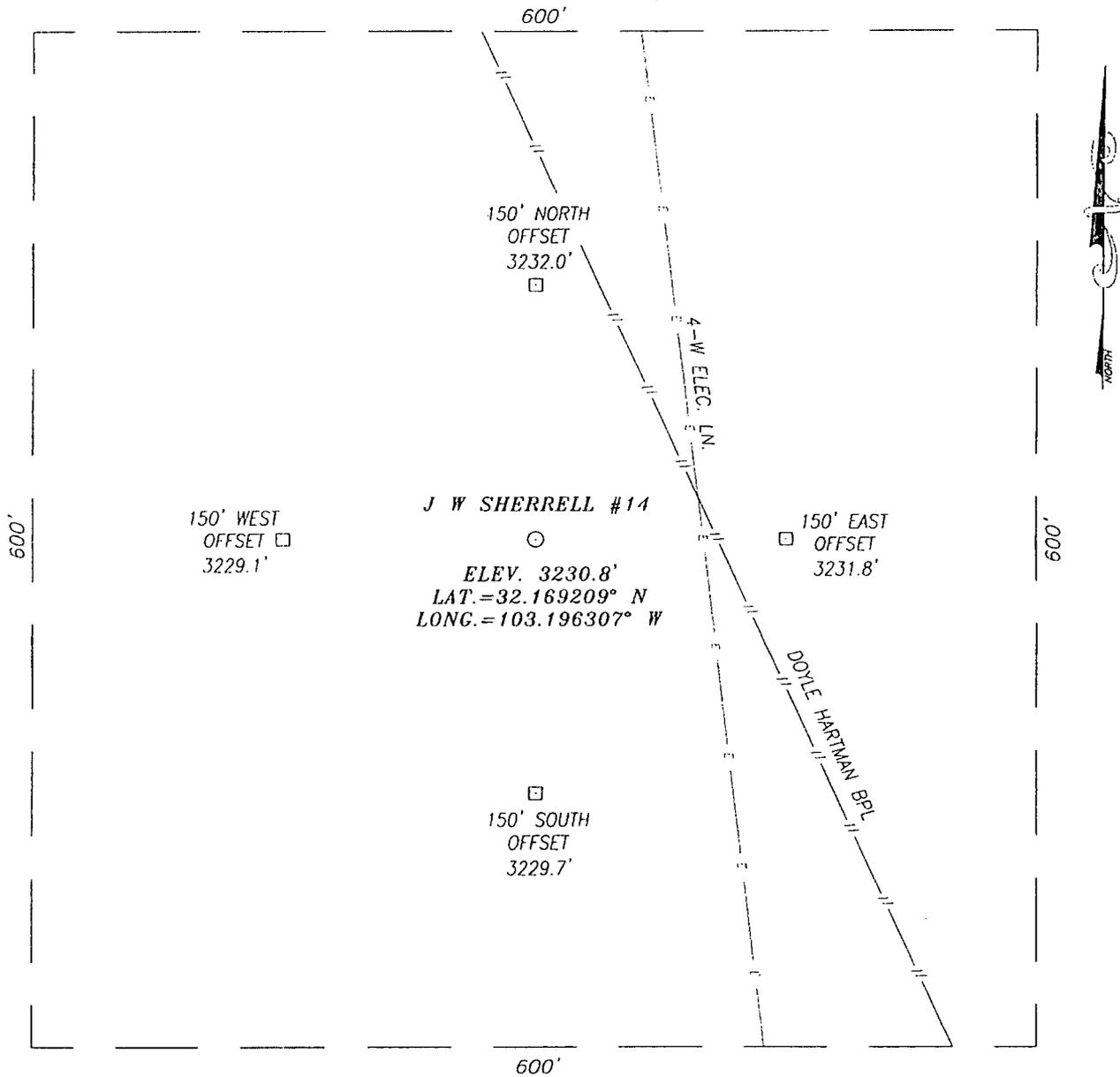
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date Surveyed **AUGUST 5, 2008** DSS

Signature & Seal of Professional Surveyor
Ronald J. Eidson

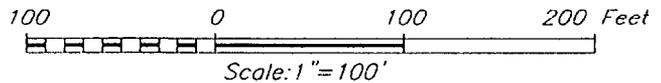
Certificate No. **GARY EIDSON 12641**
RONALD J. EIDSON 3239

SECTION 31, TOWNSHIP 24 SOUTH, RANGE 37 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO



DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF ST. HWY. 18 AND CO. RD. J13 (SID RICHARDSON RD.), GO NORTH ON ST. HWY. 18 APPROX. 280 FEET. TURN LEFT AND GO WEST APPROX. 0.2 MILES. THIS LOCATION IS APPROX. 0.1 MILE SOUTH.



EnerVest Operating			
J W SHERRELL #14 WELL LOCATED 990 FEET FROM THE SOUTH LINE AND 1040 FEET FROM THE EAST LINE OF SECTION 31, TOWNSHIP 24 SOUTH, RANGE 37 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO.			
Survey Date: 8/5/08	Sheet 1 of 1 Sheets		
W.O. Number: 08.11.1186	Dr By: DSS	Rev 1:	
Date: 8/7/08		08111186	Scale: 1"=100'



PROVIDING SURVEYING SERVICES
 SINCE 1946
JOHN WEST SURVEYING COMPANY
 412 N. DALLAS
 MORGAN, N.M. 88240
 (505) 393-3117

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



June 5, 2008

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

Administrative Order SD-200816

Re: J.W. Sherrell Well No. 12
API No. 30-025-38882
Unit O, Section 31, 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. pKVR08-12357881**) submitted to the New Mexico Oil Conservation Division (the Division) in Santa Fe, New Mexico on May 2, 2008, and

(b) the Division's records pertinent to your request, including, but not limited to, the Division's records pertinent to Order R-5948, issued in Case No. 6465 on March 16, 1979.

Enervest Operating, L.L.C. (Enervest) has requested to simultaneously dedicate its proposed J.W. Sherrell Well No. 12, API No. 30-025-38882 (the proposed well), be drilled at a standard gas well location 660 feet from the South line and 1815 feet from the East line (Unit O) of Section 31, Township 24 South, Range 37 East, NMPM, in Lea County, along with the existing J.W. Sherrell Well No. 9 (API No. 30-025-26070), a gas well located 2250 feet from the South line and 1650 feet from the East line (Unit J) of the same section, to an existing, non-standard 160-acre gas spacing unit in the Jalmat-Tansill/Yates/Seven Rivers Gas Pool (79240), comprising the SE/4 of said Section 31. This 160-acre non-standard gas spacing unit was established by Order No. R-5984.

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

* Phone: (505) 476-3440 * Fax (505) 476-3462* <http://www.emnrd.state.nm.us>



June 5, 2008

Page 2

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.

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 two 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,



Mark E. Fesmire, P.E.

Director

MEF/db

cc: New Mexico Oil Conservation Division - Hobbs

7006 0100 0005 5745 8578

CERTIFIED MAIL RECEIPT
(Domestic Mail Only, No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

LAWRENCEVILLE IL 62439

Postage	\$ 1.34	0507
Certified Fee	\$ 2.70	
Return Receipt Fee (Endorsement Required)	\$ 2.20	
Restricted Delivery Fee (Endorsement Required)	\$ 0.00	
Total Postage & Fees	\$ 6.24	



Sent To Herman L. Hoeb
 Street, Apt. No., or PO Box No. Rte 2, Country Club Road
 City, State, ZIP+4 Lawrenceville, IL 62439

PS Form 3800, June 2002 See Reverse for Instructions

7006 0100 0005 5745 8561

CERTIFIED MAIL RECEIPT
(Domestic Mail Only, No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

MIDLAND TX 79702

Postage	\$ 1.34	0507
Certified Fee	\$ 2.70	
Return Receipt Fee (Endorsement Required)	\$ 2.20	
Restricted Delivery Fee (Endorsement Required)	\$ 0.00	
Total Postage & Fees	\$ 6.24	



Sent To Lewis B. Burleson, Inc.
 Street, Apt. No., or PO Box No. Box 2479
 City, State, ZIP+4 Midland, Texas 79702

PS Form 3800, June 2002 See Reverse for Instructions