

District I
1625 N. French Drive, Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Road, Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised June 10, 2003

Oil Conservation Division

1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

APPLICATION TYPE

☒ Single Well

☐ Establish Pre-Approved Pools

EXISTING WELLBORE

☐ Yes ☒ No

*New well

APPLICATION FOR DOWNHOLE COMMINGLING

Operator EnerVest Operating, L.L.C. Address 1801 Fannin, Suite 800 Houston, TX 77002 **DAC-4163**
Lease Stevens B-7 Well No. 8 Unit Letter-Section-Township-Range F - Sec 7, T 23S, R 37E Lea Lea County
OGRID No. 143199 Property Code 303931 API No. 30-025-38766 Lease Type: ☒ Federal ☐ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Jalmat (T-Y-7R) (Gas)		Langlie Matrix (7R-Q-G) (Oil)
Pool Code	79240		37240
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	2699' - 3419'		3445' - 3605'
Method of Production (Flowing or Artificial Lift)	Pump		Pump
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	N/A		N/A
Oil Gravity or Gas BTU (Degree API or Gas BTU)	N/A		N/A
Producing, Shut-In or New Zone	Producing		Producing
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: 5-23-08 Rates: 65.45 Mcf	Date: Rates:	Date: 5-23-08 Rates: 11.55 Mcf
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas % 85 %	Oil Gas % %	Oil Gas % 15 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes ☒ No ☐
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes ☐ No ☐
Are all produced fluids from all commingled zones compatible with each other? Yes ☒ No ☐
Will commingling decrease the value of production? Yes ☐ No ☒
If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands
or the United States Bureau of Land Management been notified in writing of this application? Yes ☐ No ☒

NMOCD Reference Case No. applicable to this well: _____

Attachments:

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Bridget Helfrich TITLE Regulatory Tech. DATE 3-2-09

TYPE OR PRINT NAME Bridget Helfrich TELEPHONE NO. (713) 495-6537

E-MAIL ADDRESS bhelfrich@enervest.net

DISTRICT I
J. N. FRENCH DR., HOBBS, NM 88240

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

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

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

State of New Mexico
Energy, Minerals and Natural Resources Department

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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code 79240	Pool Name Jalmat (V-2R) Gas
Property Code 303931	Property Name STEVENS B	Well Number 8
OGED No. 143199	Operator Name EnerVest Operating	Elevation 3370'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	7	23-S	37-E		1980	NORTH	1980	WEST	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 160	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

<p>LOT 1</p> <p>37.44 AC. LOT 2</p> <p>3373.7' 3368.3'</p> <p>1980' 800'</p> <p>3367.4' 3366.1'</p> <p>37.51 AC. LOT 3</p> <p>37.59 AC. LOT 4</p> <p>37.66 AC.</p> <p>GEODETIC COORDINATES NAD 27 NME</p> <p>Y=482201.2 N X=849017.6 E</p> <p>LAT.=32.320629° N LONG.=103.203533° W</p>	<p>OPERATOR CERTIFICATION</p> <p>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.</p> <p><i>[Signature]</i> 1-15-08 Signature Date <i>Gary Miles</i> Printed Name Agent</p> <p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>RONALD J. EIDSON DECEMBER 15, 2007 Date Surveyed Signature Seal of 3239 Professional Surveyor <i>[Signature]</i> Certificate No. GARY EIDSON 12641 RONALD J. EIDSON 3239</p>
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DISTRICT I
26 N. FRANK DR., HOUSTON, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

DISTRICT II
1201 W. GRAND AVENUE, ARTESIA, NM 88210

OIL CONSERVATION DIVISION

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

DISTRICT III
1000 El Estero Blvd., Escondido, NM 87410

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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code 37240	Pool Name Langley Matt ix (L7R-Q)
Property Code 303931	Property Name STEVENS B	Well Number 8
OGED No. 143199	Operator Name EnerVest Operating	Elevation 3370'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	7	23-S	37-E		1980	NORTH	1980	WEST	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 40	Joint or Infill	Consolidation Code	Order No.
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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

	<p>OPERATOR CERTIFICATION</p> <p>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.</p> <p>Signature: <i>[Signature]</i> Date: 1-15-08 Printed Name: Gary Miller Agent</p> <p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>Signature: <i>[Signature]</i> Date Surveyed: 12/15/07 Professional Surveyor: RONALD J. EIDSON Seal of 3239</p> <p>Certificate No. GARY EIDSON 12041 RONALD J. EIDSON 3239</p>
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Stevens B-7 #8

Offset wells in this area indicate that the Jalmat field comprises the majority of production, versus the Langlie Mattix.

Percentage allocation is based on the following information:

Jalmat (T-Y-7R) Gas	2699' - 3419'
	1 SPF
	Total Shots = 35
	35/41 = 85%

Langlie Mattix (7R-Q-G) (Oil)	3445' - 3605'
	1 SPF
	Total Shots = 6
	6/41 = 15%

For future drilling in this area:

1. Where more than one Pool/zone is perforated, we will file Sundry Notice prior to work being done for approval.
2. If commingling is needed, we will test pools individually.