

DATE IN 12/10/2014	SUSPENSE	ENGINEER MAM	LOGGED IN 12/11/2014	TYPE NSL	APP NO. PMAM143453125
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ABOVE THIS LINE FOR DIVISION USE ONLY

## NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



### 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.

David Catanach

Print or Type Name

Signature

Date

David Catanach  
12/10/14

Agent-Enervest Operating, LLC

Title

drcatanach@netscape.com  
 E-Mail Address

NSL 7209  
 - ENERVEST OPERATING LLC  
 143199  
 well  
 - JICANILLA B#5M  
 30-039-Pending  
 Pool  
 - Basin DAKOTA  
 71599  
 - BLANCO Mesquite  
 72319

December 10, 2014

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

Attn: Jami Bailey  
Division Director

RE: Application for Unorthodox Well Location  
Jicarilla B No. 5M (API No. N/A)  
794' FNL & 2388' FWL (Unit C)  
Section 21, T-26 North, R-5 West, NMPM,  
Rio Arriba County, New Mexico

Dear Ms. Bailey,

Pursuant to Division Rule 19.15.15.13, Enervest Operating, LLC ("Enervest") respectfully requests administrative approval of an unorthodox gas well location for its proposed Jicarilla B No. 5M. This well will be drilled as a development gas well in the Blanco-Mesaverde (Prorated Gas-72319) and Basin-Dakota (Prorated Gas-71599) Gas Pools at an unorthodox location for both pools 794 feet from the North line and 2388 feet from the West line (Unit C) of Section 21, Township 26 North, Range 5 West, NMPM, Rio Arriba County, New Mexico.

The proposed Jicarilla B No. 5M will be dedicated to existing 320-acre gas spacing and proration units in both the Blanco-Mesaverde and Basin-Dakota Gas Pools comprising the W/2 of Section 21. **In the Blanco-Mesaverde Gas Pool**, this unit is currently dedicated to Enervest's existing Jicarilla B No. 5 (API No. 30-039-08082) located at a standard well location 1695 feet from the South line and 1545 feet from the West line (Unit K). The Jicarilla B No. 5M will be the first infill well on this unit. **In the Basin-Dakota Gas Pool**, this unit is currently dedicated to the above-described Jicarilla B No. 5 and to Enervest's existing Jicarilla B No. 5E (API No. 30-039-22899) located at a standard well location 1850 feet from the North line and 870 feet from the West line (Unit E). The Jicarilla B No. 5M will be the second infill well on this unit.

Both the Blanco-Mesaverde and Basin-Dakota Gas Pools are currently governed by special rules established by Order No. R-10987, as amended. Pursuant to these rules, wells are to be located no closer than 660 feet to the outer boundary of the spacing unit nor closer than 10 feet to any quarter-quarter section line or subdivision inner boundary. These rules also allow the drilling of up to four wells within a standard spacing unit provided that no more than two wells may be drilled within a quarter section, and further provided that no more than one well may be drilled within a quarter-quarter section.

The attached map shows that the proposed unorthodox location is necessary due to surface topography in this area.

The affected offset tracts are the S/2 of Section 16 and the E/2 of Section 21 (**See Attached Map**). Both of these affected offset tracts are existing 320-acre spacing units in both the Blanco-Mesaverde and Basin-Dakota Gas Pools. Both affected offset tracts are currently operated by Enervest. Please note that the working interest ownership between the drill tract and both affected offset tracts is common. Consequently, notice of this application is not required and has not been provided to any party.

Attached is a Form C-102 for both the Blanco-Mesaverde and Basin-Dakota Gas Pools showing the proposed well, spacing unit and other existing wells in the spacing unit. Also attached is a map showing the affected offset acreage and a topographic map.

In summary, approval of the application will provide Enervest the opportunity to recover additional oil and gas reserves from the Blanco-Mesaverde and Basin-Dakota Gas Pools underlying the W/2 of Section 21 that may otherwise not be recovered by the existing wells, thereby preventing waste, and will not violate correlative rights.

If you should have any questions, please call me at (505) 690-9453.

Sincerely,



David Catanach-Agent  
Enervest Operating, LLC  
1001 Fannin Street  
Suite 800  
Houston, Texas 77002-6707

xc: OCD-Aztec

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
**District II**  
1301 W. 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 & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised July 16, 2010  
Submit one copy to appropriate  
District Office  
☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number N/A	Pool Code 72319 & 71599	Pool Name <b>Blanco-Mesaverde (Prorated Gas) &amp; Basin-Dakota (Prorated Gas) Pools</b>
Property Code 306753	Property Name Jicarilla B	Well Number 5M
OGRID No. 143199	Operator Name Enervest Operating, LLC	Elevation

**Surface Location**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	21	26 North	5 West		794	North	2388	West	Rio Arriba

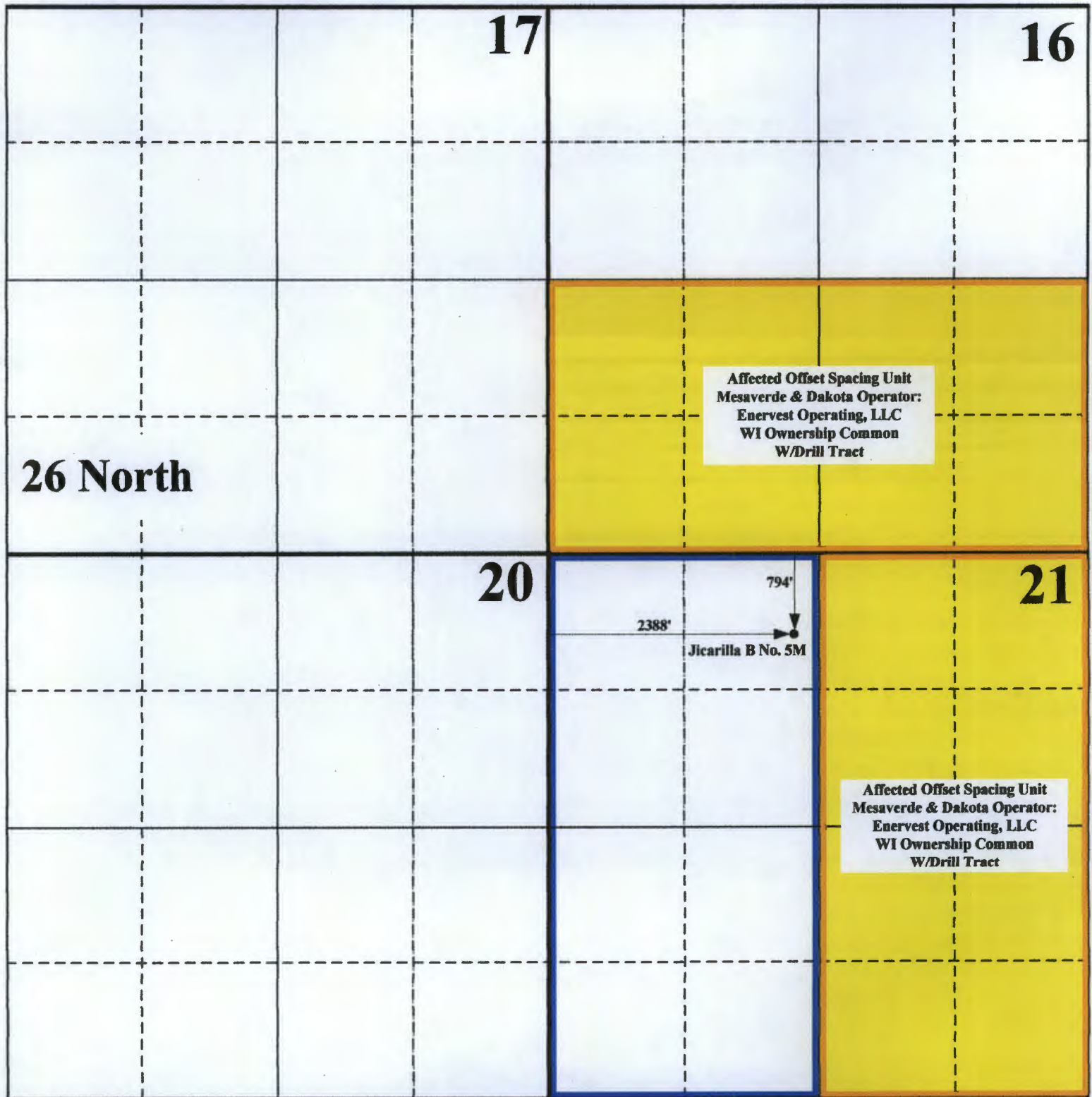
**Bottom Hole Location If Different From Surface**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 320: W/2	Joint or Infill	Consolidate 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 align="center"><b>OPERATOR CERTIFICATION</b></p> <p><i>I hereby certify that the information contained 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 bottomhole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the Division.</i></p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p>	
	<p align="center"><b>SURVEYOR CERTIFICATION</b></p> <p><i>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.</i></p> <p>Date of Survey _____</p> <p>Signature and Seal of Professional Surveyor: _____</p> <p>Certificate Number _____</p>	

# 5 West

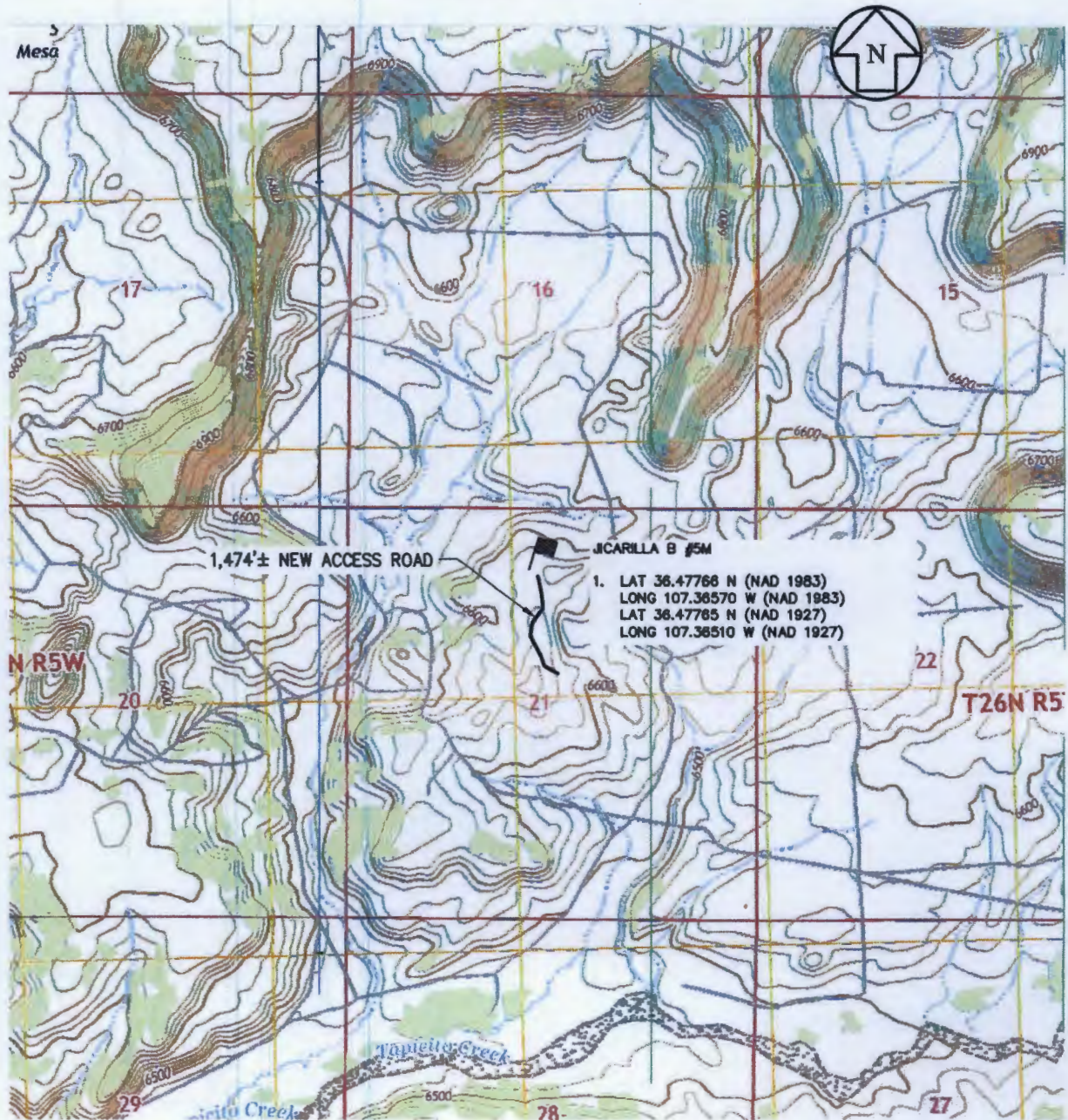


— Existing Spacing Unit       Affected Offset Acreage

**Enervest Operating, LLC**  
**Application for Non-Standard Well Location**  
**Jicarilla B No. 5M**



**ENERVEST OPERATING, LLC. JICARILLA B #5M**  
**794' FNL & 2388' FWL, SECTION 21, T26N, R5W, N.M.P.M.**  
**RIO ARriba COUNTY, NEW MEXICO ELEVATION: 6629'**  
**LAT: 36.47766° N LONG: 107.36570° W NAD 1983**  
**NEW 1,474'± ACCESS ROAD**



**NOTE: THIS MAP IS FOR ESTIMATING PURPOSES, CONSTRUCTION FOOTAGES ARE APPROXIMATE**  
**CONTRACTOR SHOULD CONTACT ONE-CALL FOR LOCATION OF ANY MARKED OR UNMARKED UNDERGROUND UTILITIES**  
**OR PIPELINES ON WELL PAD AND/OR ACCESS ROAD AT LEAST TWO (2) WORKING DAYS PRIOR TO CONSTRUCTION**



**SOUDER, MILLER & ASSOCIATES**  
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 FARMINGTON, NM 87401-2247

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ENERVEST OPERATING, LLC

HOUSTON, TEXAS

ENERVEST OPERATING, LLC

JICARILLA B #5M QUAD MAP

NE/4NW/4 OF SECTION 21, T26N, R5W, NMPM

RIO ARriba COUNTY, NEW MEXICO

Designed KRS Drawn DJB Checked KRS

Date: OCTOBER, 2014

Scale: Horiz: 1"=2000'  
 Vert: NA

Project No: 5122089

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