

DATE: 8/19/11	SUSPENSE	ENGINEER: WVS	LOGGED IN: SK7	TYPE: DHC 444-A	APP. NO.: JWVJ112252297
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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.

_____ Print or Type Name	_____ Signature	_____ Title	_____ Date
_____ e-mail Address			

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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised June 10, 2003

District II
1301 W. Grand Avenue, Artesia, NM 88210

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

District III
1000 Rio Brazos Road, Aztec, NM 87410

APPLICATION FOR DOWNHOLE COMMINGLING

***8/22/11 Revised to Amend allocation percentages.**

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

DHC-4414-A

Enervest Operating, L.L.C. 1001 Fannin Street, Suite 800 Houston, Texas 77002
Operator Address

Jicarilla A 8M Unit B, Section 17, T-26 North, R-5 West Rio Arriba
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 143199 Property Code 306750 API No. 30-039-29848 Lease Type: Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Blanco-Mesaverde	Tapacito-Gallup	Basin-Dakota
Pool Code	Prorated Gas-72319	Associated-58090	Prorated Gas-71599
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	5,284'-5,532'	6,898'-6,923'	7,402'-7,628'
Method of Production (Flowing or Artificial Lift)	Flowing	Flowing	Flowing
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	N/A
Oil Gravity or Gas BTU (Degree API or Gas BTU)			
Producing, Shut-In or New Zone	New Zone	New Zone	New Zone
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: (See Attached Supporting Data) Rates:	Date: Rates:	Date: Rates:
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil 40 % Gas 40 %	Oil 9 % Gas 9 %	Oil 51 % Gas 51 %

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: DHC-4414

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: 8-22-11

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

E-MAIL ADDRESS: bhelfrich@enervest.net

Form C-107-A
 Enervest Operating, L.L.C.
 Jicarilla A No. 8M
 API No. 30-039-29848

750' FNL & 2240' FEL (Unit B) Section 17, T-26N, R-5W

Proposed Allocation Percentages Based Upon Net Pay Per Zone

<u>Well Location UL-S-T-R</u>	<u>Formation</u>	<u>Net Feet of Pay</u>	<u>Allocation %</u>	<u>Allocation %</u>	
				<u>Oil</u>	<u>Gas</u>
B-17-26N-5W	Blanco-Mesaverde	36	36/90 = 40%	40%	40%
B-17-26N-5W	Tapacito-Gallup	8	8/90 = 9%	9%	9%
B-17-26N-5W	Basin-Dakota	46	46/90 = 51%	51%	51%

Helfrich, Bridget

From: Jones, William V., EMNRD [William.V.Jones@state.nm.us]
Sent: Friday, August 19, 2011 3:19 PM
To: Helfrich, Bridget
Subject: DHC-4414 amendment
Follow Up Flag: Follow up
Due By: Monday, August 22, 2011 8:00 AM
Flag Status: Red

Hello Bridget,

Would you please send us another form C-107A asking to amend the allocation percentages for well 30-039-29848 associated with DHC-4414.

We got your letter and agree with the reasoning, but since a written permit was already issued with defined percentages on it, we better process an amended permit after receiving the form.

Thank You,

William V Jones, P.E.
 Engineering, Oil Conservation Division
 1220 South St. Francis Drive, Santa Fe, NM 87505
 Tel 505.476.3448 ~ Fax 505.476.3462



Hi Will,

Attached please find:

- 1) • C-107A for DHC-4414 (Jicarilla ABM)
 Amended to request change
 in Allocation Percentages.
 • Supporting Data for C-107A.

- 2) • ~~C-107A for DHC-4437 (Jicarilla ABN)
 Amended due to not completing
 the well in the Tapacito-Gallup pool.
 • Supporting Data for C-107A.~~

*Thank you,
 Bridget*

8/25/2011