

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Dave Martin
Cabinet Secretary-Designate

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey
Division Director
Oil Conservation Division



April 23, 2013

Enervest Operating, LLC
Attn: Mr. David Catanach

ADMINISTRATIVE NON-STANDARD LOCATION ORDER

Administrative Order NSL-6796
Administrative Application Reference No. pPRG131075444

Enervest Operating, LLC
OGRID 143199
Jicarilla Apache Tribal 125 Well No. 17
API No. Pending

Proposed Location:

<u>Footages</u>	<u>Unit</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>	<u>County</u>
670 FNL & 1015 FWL	D	25	25 North	4 West	Rio Arriba

Proposed Unit:

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
NW/4 of Section 25	160	West Lindrith Gallup-Dakota Oil Pool	39189

Reference is made to your application received on April 17, 2013.

You have requested approval of an unorthodox oil well location for the well described above in the referenced pool or formation. This location is governed by Order No. R-4214-A [January 7, 1988] which provides for 160-acre units with wells located at least 330 feet from the outer boundary of a proration unit or governmental quarter-quarter section line nor nearer than 660 feet to the nearest well drilling capable of producing from the same pool. The location is unorthodox because the surface location is closer than 330 feet from the interior governmental quarter-quarter section line.

Your application has been duly filed under the provisions of Division Rules 15.13 [19.15.15.13 NMAC] and 4.12.A(2) [19.15.4.12.A(2) NMAC].

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It is our understanding that you are seeking this location approval based on limitations of surface use caused by topography and by the preservation of archeological resources.

It is further understood that notice of this application to offsetting operators or owners is not required since the unorthodox location does not encroach on the outer boundary of the spacing unit.

Pursuant to the authority conferred by Division Rule 15.13.B, the above-described unorthodox location is hereby approved.

This approval is subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 5.9 [19.15.15.9 NMAC].

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

Sincerely,

A handwritten signature in black ink, appearing to read "Jami Bailey", with a stylized flourish at the end.

Jami Bailey
Director

JB/pg

cc: New Mexico Oil Conservation Division – Aztec
Bureau of Land Management - Farmington