1013012014 DATE IN	SUSPENSE	ENGINEER	10/30/2014	DHL	PM441403458	45
<u>.</u>		MEXICO OIL CO	ng Bureau -		CEIVED O	CD
	ADA	INISTRATIVE	APPLICATI	DN CHECK	1914 601 30 - A 1 L IST	3 05
Application Ac (NSL-N [DH	ronyms: on-Standard C-Downhole [PC-Pool Col [WFX-	Location] [NSP-Non-S Commingling] [CTB-	SSING AT THE DIVISION L tandard Proration U Lease Commingling f-Lease Storage] [PMX-Pressure N Bal] [IPI-Injection I	LEVEL IN SANTA FE nit] [SD-Simultan] [PLC-Pool/Lea [OLM-Off-Lease N Maintenance Expa Pressure Increase PR-Positive Produ	eous Dedication] ise Commingling] leasurement] insion] e] iction Response]	IONS
[1] ТҮРЕ	[A] Loc □ Check One ([B] Con ■ [C] Inje	CATION - Check Those ation - Spacing Unit - Si NSL NSP Only for [B] or [C] nmingling - Storage - M DHC CTB CTB ettion - Disposal - Pressu WFX PMX	imultaneous Dedicati SD easurement PLC PC Ire Increase - Enhanc SWD IPI	ion - E OLS [] OLM red Oil Recovery	+ 3 30-045 <u>Poul</u> -Basin	Federal 24
[2] NOTH	 [A] [B] [C] [D] 	REQUIRED TO: - Che Working, Royalty or Or Offset Operators, Lease Application is One Wh Notification and/or Con U.S. Bureau of Land Management - For all of the above, Pro Waivers are Attached	verriding Royalty Inter- cholders or Surface O ich Requires Publishe commissioner of Public Lands,	erest Owners Owner ed Legal Notice BLM or SLO State Land Office	Apply Con/ 7162 -Basin 7159	9
[3] SUBM		ATE AND COMPLET	E INFORMATION	REQUIRED TO	PROCESS THE T	YPE

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.

<u>Lauid Latanach</u> Signature

Agent-Enervest Operating, L.L.C. Title

drcatanach@netscape.com E-Mail Address

Date

10/2/14

David Catanach Print or Type Name

District I						
1625 N. French Drive	- 16					

1625 N. French Drive, Hobbs, NM 88240

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

Big Jake Federal "26"

District III 1000 Rio Brazos Rond, Aziec, NM 87410

District IV

Lease

State of New Mexico Energy, Minerals and Natural Resources Department Form C-107A Revised June 10, 2003

APPLICATION TYPE

V Sindla Wall

Oil Conservation Division 1220 South St. Francis Dr.

Santa Fe, New Mexico 87505

<u>Texas 77002</u>	
San Juan County	
_FederalState _	Fee

1220 S. St. Francis Dr., Santa Fe, NM 87505	APPLICATION FOR DOWNHOLE COMMINGLING

Well No.

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

Unit E, Section 26, T-31 North, R-13 West Unit Letter-Section-Township-Range

OGRID No. 143199 Property Code 312920 API No. 30-045-33337 Lease Type: X Federal State Fee

DATA ELEMENT UPPER ZONE		INTERMEDIATE ZONE	LOWER ZONE		
Pool Name	Basin-Fruitland Coal		Basin-Dakota		
Pool Code	Gas-71629		Prorated Gas-71599		
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	1,736'-1,896'		6,478'-6,612		
Method of Production (Flowing or Artificial Lift)	Artificial Lift		Flowing or Artificial Lift		
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)	229 psi @ 2,144'		268 psi @ 6,770'		
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1110 BTU		1216 BTU 54.8 Deg. API		
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: 2014 Ave. Rate Rates: 0.0 BOPD 149 MCFGPD 36 BWPD	Date: Rates:	Date: 2013 Ave. Rate Rates: 0.34 BOPD 45 MCFGPD 0.04 BWPD		
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 Water 0% 77% 99% (See Attachment "A")	Oil Gas Water	Oil Gas Water 100% 23% 1% (See Attachment "A")		

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?	Yes Yes	No <u>X</u> No
Are all produced fluids from all commingled zones compatible with each other?	Yes <u>X</u>	No
Will commingling decrease the value of production?	Yes	No <u>X</u>
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 <u>X</u>	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 applicati	ion.
Bottomhole pressure data.	

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

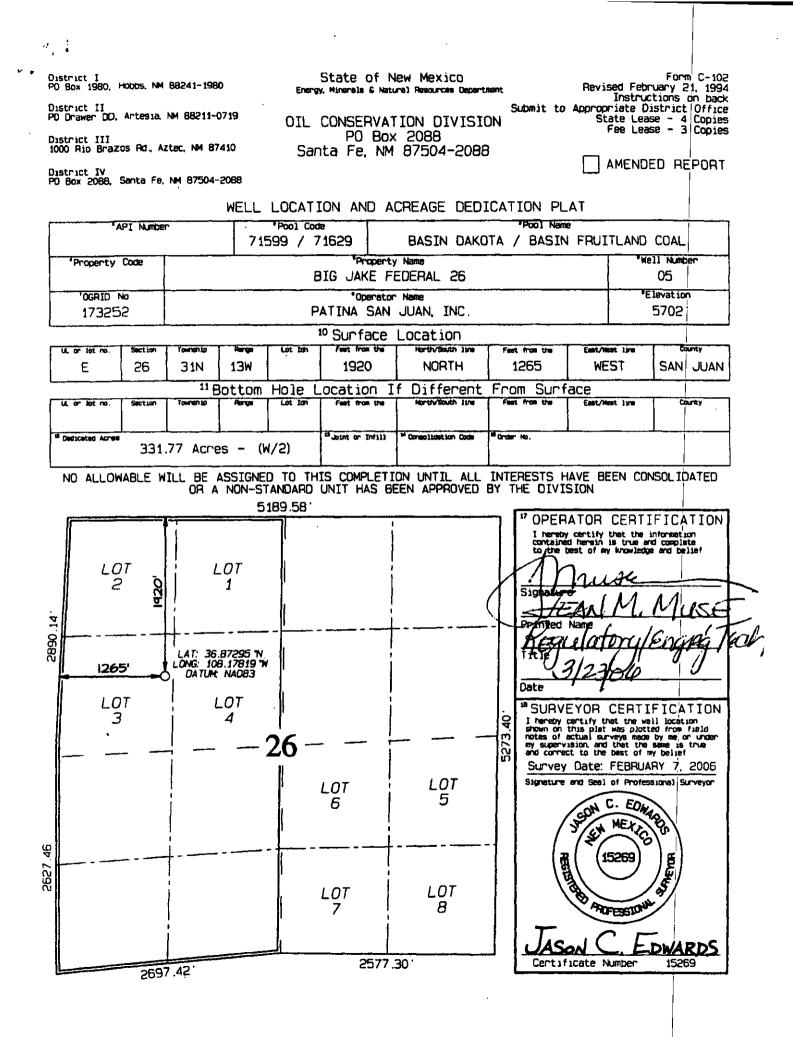
David Catanach

SIGNATURE:	_TITLE:_	Agent-Enervest Operating, L.L.C.	DATE:	

TYPE OR PRINT NAME: _____

_____ TELEPHONE NO.: (505) 690-9453

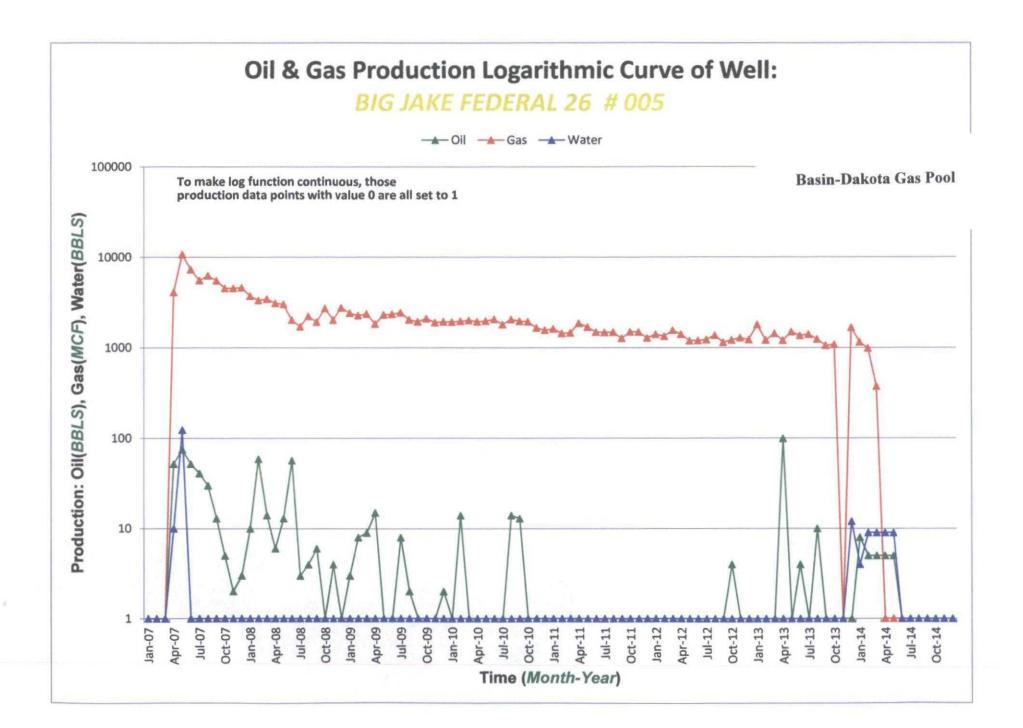
E-MAIL ADDRESS: drcatanach@netscape.com

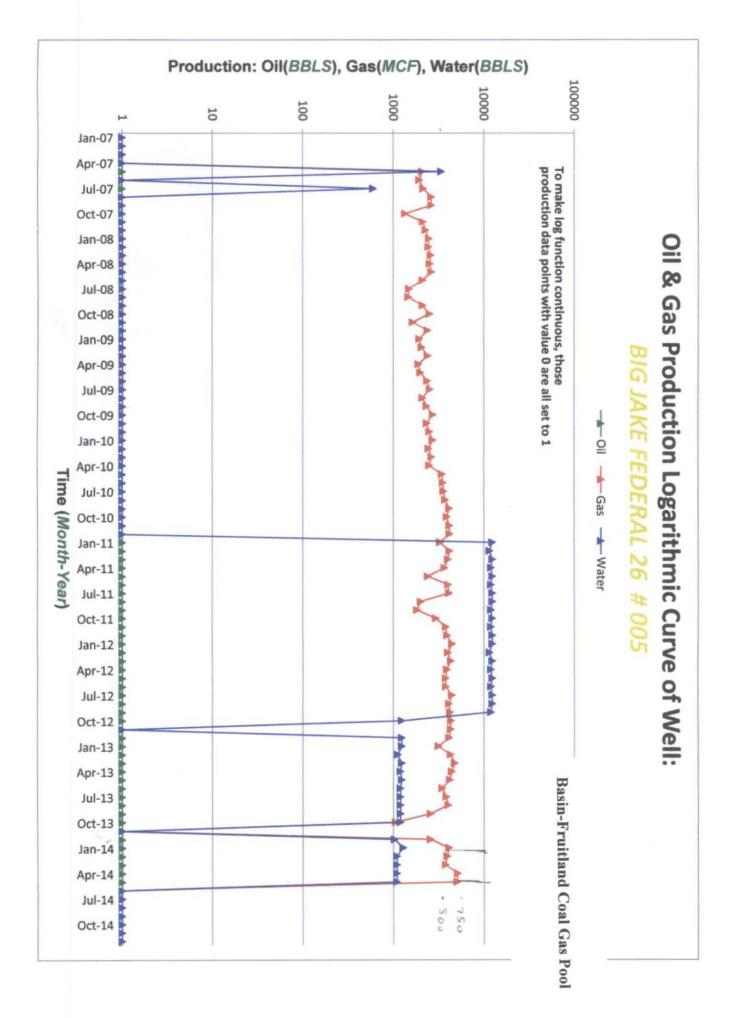


										· · · · · ·		<u></u>
2014	[71599] BASIN DAKOTA (PRORATED GAS)	Jan	8	1157		30	0	0	0	0		0
2014	[71599] BASIN DAKOTA (PRORATED GAS)	feb	5	989	9	30	0	0	0	0		0
2014	[71599] BASIN DAKOTA (PRORATED GAS)	Mar	5	375	9	30	0	0	0	0		0
2014	[71599] BASIN DAKOTA (PRORATED GAS)	Apr	5	0	9	30	0	0	0	0		0
2014	[71599] BASIN DAKOTA (PRORATED GAS)	Мау	5	0	9	30	o	0	0			0
2014	[71599] BASIN DAKOTA (PRORATED GAS)	Jun	0	0	0	0	0	0	0	0		0
2014	[71629] BASIN FRUITLAND COAL (GAS)	Jan	0	4131	1282	30	0	0	0	0		0
2014	[71629] BASIN FRUITLAND COAL (GAS)	Feb	0	3938	1096	30	0	0	0	0		0,
2014	[71629] BASIN FRUITLAND COAL (GAS)	Mar	0	3771	1096	30	0	0	0	0		0
2014	[71629] BASIN FRUITLAND COAL (GAS)	Apr	0	5118	1096	30	0	0	0	0		0
	[71629] BASIN FRUITLAND COAL (GAS)	May	0	5059	1096	30	0	0	0	0		0
2014	[71629] BASIN FRUITLAND COAL (GAS)	Jun	0	4764	874	30	0	0	0	0		0

7

Enervest Operating, LLC Form C-107A Big Jake Federal "26" No. 5 2014 Production Data





Attachment "A" Enervest Operating, LLC Form C-107A: Big Jake Federal "26" No. 5 **Proposed Production Allocation**

Attached are production decline curves for the Big Jake Federal "26" Well No. 5 that show historic Basin-Dakota and Basin-Fruitland Coal Gas Pool production from this well. The production plots show that the Basin-Fruitland Coal Gas Pool within the subject well has produced very consistently over a period of several years, and that the Basin-Dakota Gas Pool has also produced very consistently over a period of several years, with the exception of April & May, 2014. This recent decline in Dakota production may be due to mechanical issues within the wellbore.

Enervest Operating, LLC is proposing to establish a fixed allocation of production for this well based upon the 2014 average producing rate for the Basin-Fruitland Coal Gas Pool, and the 2013 average producing rate for the Basin-Dakota Gas Pool.

2014 Average Producing Rate for the Basin-Fruitland Coal Gas Pool:

149 MCF of Gas Per Day0.0 Barrels of Oil Per Day36 Barrels of Water Per day

2013 Average Producing Rate for the Basin-Dakota Gas Pool:

45 MCF of Gas Per Day 0.34 Barrels of Oil Per Day 0.04 Barrels of Water Per Day

	<u>Oil</u>	<u>Gas</u>	<u>Water</u>
Basin-Fruitland Coal Gas Pool	0%	77%	99%
Basin-Dakota Gas Pool	100%	23%	1%

Form 3160- 5 (March 2012)	l (Exj					
	BUREAU OF LAND M	IANAGEMENT		5. Lease Serial No.		
e	INDRY NOTICES AND D	FRORTS ON WE		6. If Indian, Allotte	NMSF-078464	
Do	JNDRY NOTICES AND Ri not use this form for proposal ndoned well. Use Form 3160-3	s to drill or to re-ent	er an		· · · · · · · · · · · · · · · · · · ·	
·····	N TRIPLICATE - Other Instru			7. If Unit or CA/Ag	reement Name and/or N	40. ¹
1. Type of Well Oil Well				8. Well Name and I		
Oil Well X Gas Well Other 8. Well Name and No. Big Jake Federal 26 #5						
2. Name of Operator				9. API Well No.		1
Enervest Operating, LLC 3a. Address	,	3b Phone No. (include area code)	30-045-333	337 I, or Exploratory Are	
1001 Fannin St., Suite 800 Houste 4. Location of Well (Footage, Sec.		713-659-3500			Coal/Basin Dakota	
1920' FNL & 1265' FWL (UL E), Sec.	·····	· · · ·	· · · · · · · · · · · · · · · · · · ·	San Juan, NM		<u> </u>
	PRIATE BOX(ES) TO INDICA	TE NATURE OF N			<u>_</u>	<u> </u>
TYPE OF SUBMISSION	<u> </u>		TYPE OF ACTION			
X Notice of Intent	Acidize	Deepen	Production	(Start/Resume)	Water Shut-Of	f
	Alter Casing	Fracture Treat	Reclamatio	a	Well Integrity	
Subsequent Report	Casing Repair	New Construction	on Recomplete	•	X Other Down	<u>hill</u>
	Change Plans	Plug and Aband	on Temporaril	y Abandon	Commingle	
Final Abandonment Notice	Convert to Injection	Plug Back	Water Disp	osal		
testing has been completed. Find determined that the site is ready Enervest Operating, LLC I approval to downhole com	for final inspection.)	07A (attached), w	ith the New Mexico	Oil Conservat	ion Division to re	
14. I hereby certify that the foregoin	ig is true and correct. Name (Pr elle Doescher	<i>inted/Typed)</i> Title		Barrilatara C		
Signature	Date	· · · · · ·	Regulatory C October 28			
Which hel	P. Darscher		STATE OFFICE US			
Approved by		OR FEDERAL OR	STATE OFFICE 03	- <u>-</u>		
Conditions of approval, if any are al that the applicant holds legal or equ: entitle the applicant to conduct oper	itable title to those rights in the s	loes not warrant or co ubject lease which w	Title Office	[Date	
Title 18 U.S.C. Section 1001 and Ti fictitious or fraudulent statements on	tle 43 U.S.C. Section 1212, mak			villfully to make a	ny department or age	ncy of the Unit
(Instructions on page 2)	representations as to any matter		41. 			

October 2, 2014

<u>CERTIFIED MAIL</u> <u>RETURN RECEIPT REQUESTED</u>

TO: Working, Royalty & Overriding Royalty Interest Owners (See Attached List)

RE: Form C-107A (Application to Downhole Commingle) Big Jake Federal "26" No. 5 (API No. 30-045-33337) 1920' FNL & 1265' FWL (Unit E) Section 26, T-31 North, R-13 West, NMPM, San Juan County, New Mexico

Ladies & Gentlemen:

Attached is a Division Form C-107A that has been filed with the New Mexico Oil Conservation Division ("Division") to request approval to downhole commingle the Basin-Fruitland Coal and Basin-Dakota Gas Pools within the Big Jake Federal "26" Well No. 5, as described above.

Enervest is proposing to downhole commingle the two pools in this well in order to efficiently produce the remaining oil and gas reserves from this well.

Due to the diverse ownership between the Fruitland Coal and Dakota intervals in this well, Enervest is required by Division rules to provide notice of the proposed commingling to all working, royalty and overriding royalty interest owners.

No action is required on your part. However, any objection to the proposed downhole commingling 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 have any questions, please contact Mr. David Catanach, Agent for Enervest Operating, LLC at (505) 690-9453 or Ms. Johnetta Scheh at (713) 495-5303.

Thank you,

ania Catanach

David Catanach Agent-Enervest Operating, L.L.C. 1001 Fannin Street, Suite 800 Houston, Texas 77002

Form C-107-A: Big Jake "26" No. 5: Notice List

OFFICE NATURAL RESOURCES REV RME ONRR ROYALTY PO BOX 25627 DENVER, CO 80225-0627

CLIFFORD ALSBERG 1445.0 S OAKHURST DR LOS ANGELES, CA 90035

STEPHEN ALSBERG 447.0 ZION ST NEVADA CITY, CA 95959-2727

BACHMAN BROTHERS A PARTNERSHIP 2501.0 GREENBRIAR DR SPRINGFIELD, IL 62704

JAMES B CAIN ESTATE JOHN C CAIN TEMP ADM PO BOX 29 ATHENS, TX 75751

CARTER BLOODCARE ATTN SCOTT GASTORF 2205.0 HWY 121 BEDFORD, TX 76021

ANDREA ALSBERG DOLIN 12407.0 SARAH ST STUDIO CITY, CA 91604

ROBERT A DUNLAP JOAN M DUNLAP JTWROS 48.0 SANDIA MOUNTAIN RANCH RD TIJERAS, NM 87059

BARBARA G GARDNER 6009.0 TRUCHAS NE ALBUQUERQUE, NM 87109

JOHN V GUTTAG 273.0 EMERSON RD LEXINGTON, MA 02420-1936

BOBBY WARD JACKSON 7324.0 HAWTORN AVE NE ALBUQUERQUE, NM 87113-2083

ESTATE OF BILLY JOE JACKSON PAULA J HAYDEN PERSONAL REP 11316.0 RIDGELINE AVE NE ALBUQUERQUE, NM 87111

MARY T JARCHOW 1137.0 CALLE DE LOS AMIGOS SANTA BARBARA, CA 93105

KAREN KOROBKIN 571.0 E BROAD ST NEVADA CITY, CA 95959 MCKAY OIL AND GAS LLC PO BOX 14738 ALBUQUERQUE, NM 87191-4738

NOBLE ENERGY INC P O BOX 910083 DALLAS, TX 75391-0083

JAMES R PAYNE JEAN PAYNE 614.0 PASEO DEL BOSQUE NW ALBUQUERQUE, NM 87114

THEODOR S RITTENBERG 68.0 BLUE HERON LN GREENWOOD VILLAGE, CO 80121

KENNETH ROBERT SCHMIDT 6819.0 OAKLAWN WAY FAIR OAKS, CA 95628-4215

MARY KAY STEIN 65849.0 E DESERT TRAIL DR TUCSON, AZ 85739-1172

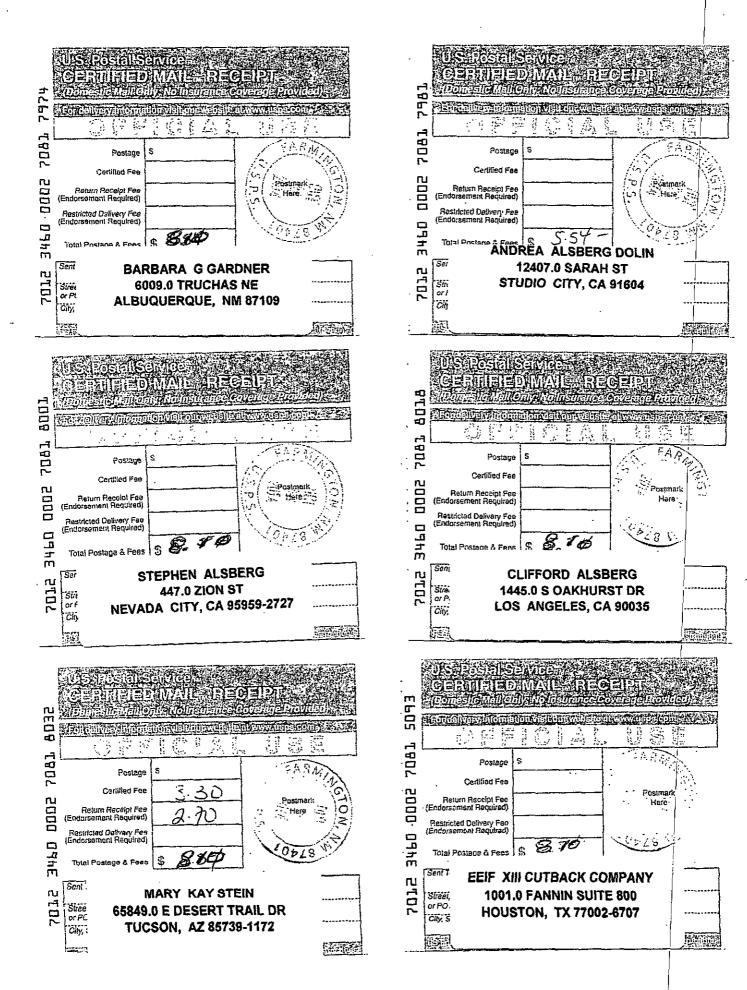
ELIZABETH VERPLANK PO BOX 301 SALISBURY, MD 21801

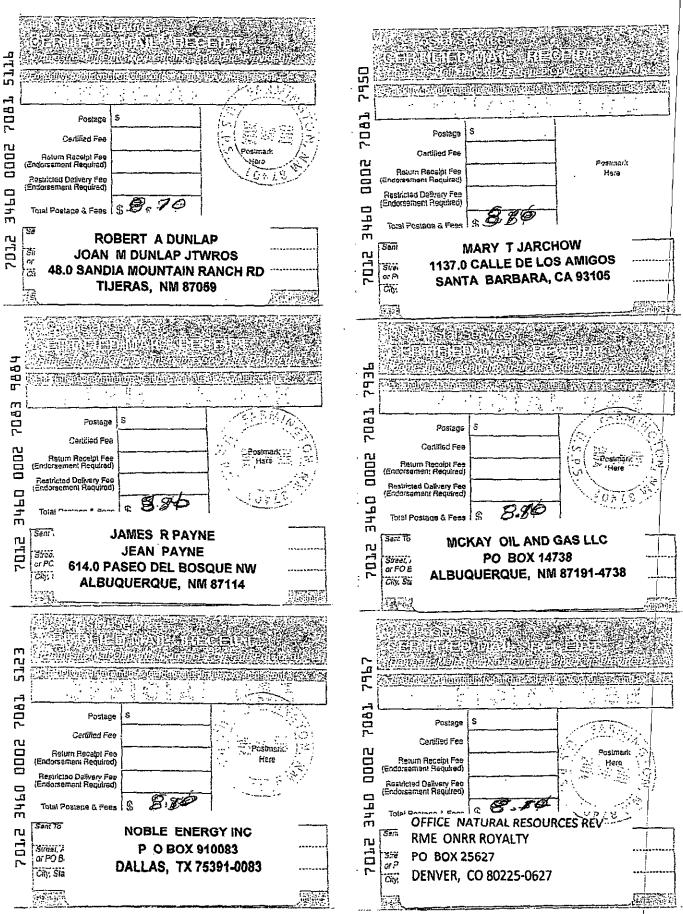
DORIS LEEDS TRUST CO RICHARD F LEEDS TTEE 15.0 SHEARWATER IRVINE, CA 92604

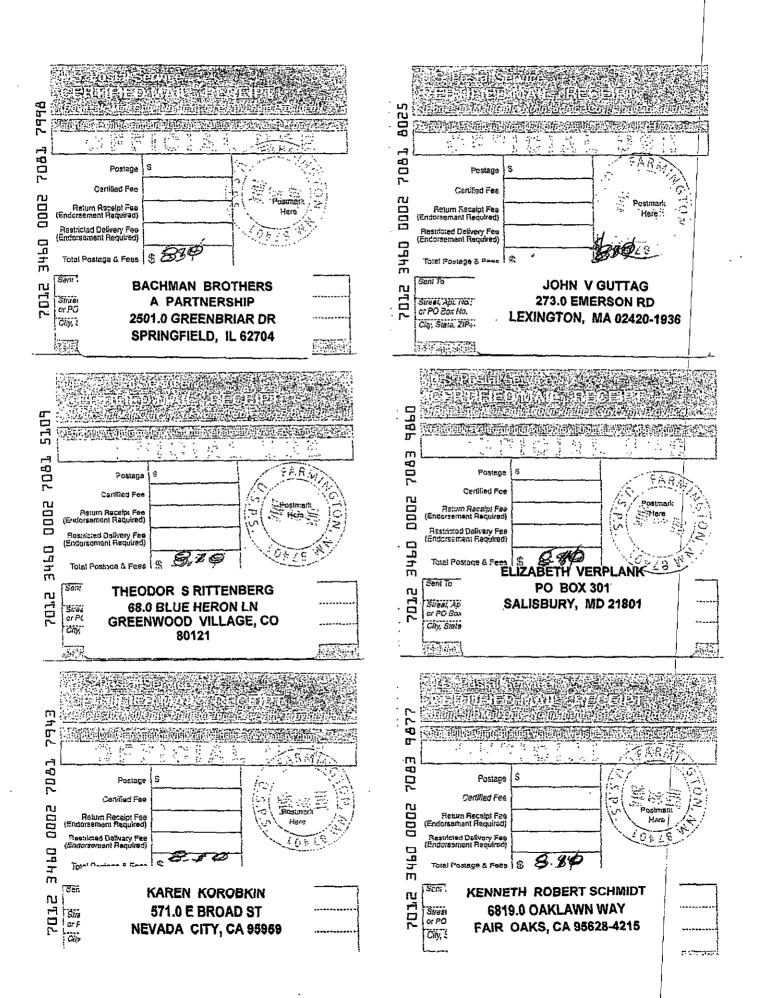
EEIF XIII CUTBACK COMPANY 1001.0 FANNIN SUITE 800 HOUSTON, TX 77002-6707

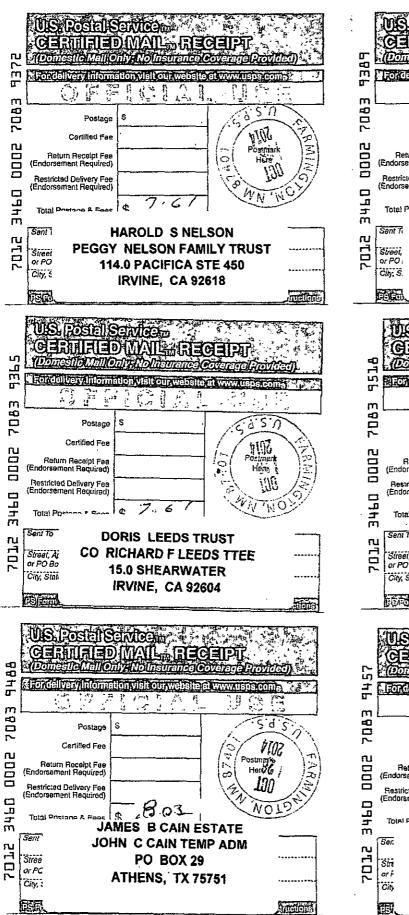
SHIRLEY MIZZY TRUST SHIRLEY MIZZY TRUSTEE 28611.0 DEER SPRINGS DR SANTA CLARITA, CA 91390-5742

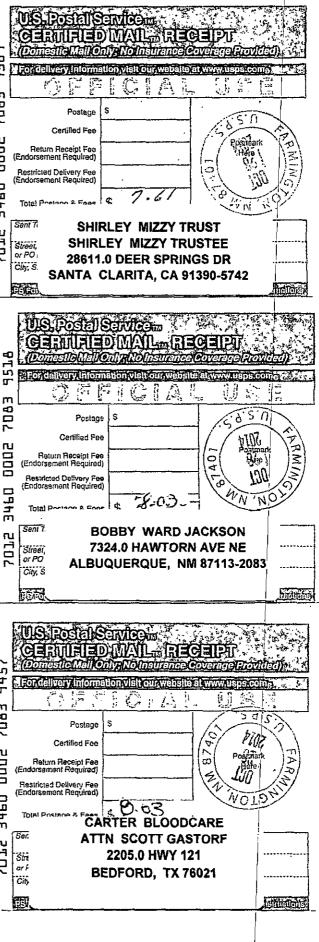
HAROLD S NELSON PEGGY NELSON FAMILY TRUST 114.0 PACIFICA STE 450 IRVINE, CA 92618











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m		ICIAL USE
708	Postage	\$
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	Restricted Delivery Fee (Endorsement Required)	
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'n	Sent ESTATE	OF BILLY JOE JACKSON
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7012	or Pt 1131	6.0 RIDGELINE AVE NE
		UQUERQUE, NM 87111
	ESE	