



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

February 6, 2008

Enervest Operating, L.L.C.
Attn: Ronnie L. Young
1001 Fannin St, Suite 800
Houston, TX 77002-6707

Administrative Order SD-200805

Re: Stevens B Well No. 8
Unit F, Section 7, Twsp 23S, Range 37E
Lea County

Dear Mr. Young:

Reference is made to the following:

(a) your application (**administrative application reference No. pKVR08-01647445**) submitted to the New Mexico Oil Conservation Division (the Division) in Santa Fe, New Mexico on January 15, 2008, and

(b) the Division's records pertinent to your request.

Enervest Operating, L.L.C. (Enervest) has requested to simultaneously dedicate its proposed Stevens B Well No. 8 (the proposed well), to be located at a standard Jalmat gas well location 1980 feet from the North and West lines (Unit F) of Section 7, Township 23 South, Range 37 East, in Lea County, New Mexico, along with its existing Stevens B Well No. 13 (API No. 30-025-10657) [the existing well], located 1980 feet from the North line and 330 feet from the West line (Unit E) of said Section 7, to an existing, non-standard 157.51-acre, more or less, gas spacing unit in Jalmat-Tansill/Yates/Seven Rivers Gas Pool (79240), comprising Lot 2 (SW/4 NW/4 equivalent), the SE/4 NW/4 and S/2 NE/4 of said Section 7.

The subject non-standard unit (the unit), and the unorthodox location of the existing well, were approved by Administrative Order NSP-1632 (L)(SD), issued on August 21, 1991. That order also provided for the simultaneous dedication of the unit to the existing well and to the Stevens B 7 Com Well No. 2 (API No. 30-025-10662). The Stevens B 7 Well No. 2 has been subsequently plugged and abandoned.

Division approval of simultaneous dedication is required because Rule 3(C) of the Special Pool Rules for the Jalmat Gas Pool, as provided in Order R-8170-P, adopted December 14, 2001, prohibits the dedication of more than one gas well per 160 acres in that pool.

Your application has been duly filed under the provisions of Division Rules 104.D(3) and 1210.A, and Rule 4(B) of the Special Pool Rules for the Jalmat Gas Pool.

It is our understanding that you are seeking simultaneous dedication of this unit to the two wells described for geological reasons, in order to prevent waste and maximize production from this unit. As required by Rule 4(B) of the applicable pool rules, you have furnished evidence to support your conclusion that the granting of this application will prevent waste and will not impair correlative rights.

We also understand that you have given due notice of this application to all "affected persons," as defined in Rule 1210.A(2)(a), in all spacing units in the Jalmat adjoining the proposed unit.

Pursuant to the provisions of Division Rule 104.D(3) and Rule 4(B) of the Special Pool Rules for the Jalmat Gas Pool, the above-described simultaneous dedication is hereby approved.

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 'Mark E. Fesmire', written in a cursive style.

Mark E. Fesmire, P.E.
Director

MEF/db

cc: New Mexico Oil Conservation Division - Hobbs
United States Bureau of Land Management - Carlsbad