

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



RECEIVED
22 AM 9 19

Enervest
HM Bitt #15
200806

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.

Ronnie L. Young
Print or Type Name

Ronnie L. Young/bmh
Signature

Coordinator, Regulatory Compliance
Title

1-17-08
Date

RYOUNG@ENERVEST.NET
E-Mail Address

January 14, 2008

Hand Delivered

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

Attention: Mr. Mark E. Fesmire, P.E.
Director

Re: Application for Increased Well Density & Simultaneous Dedication
Eumont (Yates-Seven Rivers-Queen) Gas Pool ("Eumont Gas Pool")

Dear Mr. Fesmire:

By Division Order No. R-5448-A dated May 21, 2004, Doyle Hartman, Oil Operator, was authorized to simultaneously dedicate the following-described seven (7) wells to an existing 320-acre non-standard gas spacing and proration unit in the Eumont Gas Pool comprising the E/2 W/2 and the W/2 E/2 of Section 7, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico:

| <u>Well Name & Number</u> | <u>API Number</u> | <u>Well Location</u> |
|-------------------------------|-------------------|-------------------------------|
| H. M. Britt No. 1 | 30-025-05972 | 1980' FNL & 1980' FWL, Unit F |
| H. M. Britt No.2 | 30-025-05990 | 660' FNL & 1980' FWL, Unit C |
| H. M. Britt No. 4 | 30-025-05992 | 660' FNL & 1980' FEL, Unit B |
| H. M. Britt No. 5 | 30-025-05993 | 1980' FSL & 1980' FWL, Unit K |
| H. M. Britt No. 11 | 30-025-05998 | 1650' FNL & 1650' FEL, Unit G |
| H. M. Britt No. 12 | 30-025-05999 | 330' FNL & 2281' FWL, Unit C |
| Britt No. 14 | 30-025-35152 | 1400' FSL & 2310' FEL, Unit J |

The H. M. Britt Wells No. 1, 2, 4 and 5 are located at standard gas well locations within the Eumont Gas Pool, while the H. M. Britt Wells No. 11 and 12, and the Britt No. 14 are located at unorthodox gas well locations within the Eumont Gas Pool. The unorthodox gas well locations for the H. M. Britt Wells No. 11 and 12 and the Britt Well No. 14 were approved, respectively, by Division Orders No. R-5448-A, R-5448 dated June 8, 1977 and NSL-4773(SD) dated September 4, 2002.

EnerVest Operating, L.L.C. ("EnerVest"), the current operator of the subject GPU, hereby requests administrative approval to drill an additional infill gas well within the subject GPU. EnerVest proposes to drill the H. M. Britt No. 15 at a standard gas well location 660 feet from the South line and 1980 feet from the East line (Unit O) of Section 7. EnerVest also seeks

authority to simultaneously dedicate the H. M. Britt Wells No. 1, 2, 4, 5, 11, 12 and 15 and the Britt No. 14 to the subject GPU in the Eumont Gas Pool.

The wells and GPU are located within the Eumont Gas Pool. This pool is currently governed by special pool rules established by Order No. 8170-P effective December 14, 2001. Well location requirements and well density provisions are contained within Rule No. (3) of the special pool rules.

In support of the application, Enervest states the following:

The wells within the subject GPU are capable of marginal production only. During the period from January-September, 2007, the combined production from the seven wells currently dedicated to the subject GPU averaged 498 MCF of gas per day. On a per well basis, this equates to an average of 71 MCF of gas per day;

The southern half of the subject GPU contains the H. M. Britt Well No. 5 and the Britt No. 14. During the period from January-September, 2007, these two wells produced at an average rate of only 61 MCF of gas per day/well;

Sufficient evidence was presented in Case No. 13050 (R-5448-A) to demonstrate that both the H. M. Britt Wells No. 2 and 12, which are located in the same quarter-quarter section, were needed to drain the entire vertical extent of the Eumont Gas Pool within the northwestern portion of the subject GPU (see Finding No. 11). This equates to a drainage area of approximately 20 acres;

Due to inefficient drainage and the marginal producing rates of the existing wells within the subject GPU, EnerVest believes that there are remaining gas reserves in the Eumont Gas Pool underlying the SW/4 SE/4 of Section 7 that will not be recovered by the existing wells, and that the drilling of the H. M. Britt No. 15 is necessary in order to recover these reserves;

Approval of the subject application will not violate the correlative rights of offset operators, and will prevent waste by allowing EnerVest to recover additional gas reserves underlying the E/2 W/2 and the W/2 E/2 of Section 7 that may otherwise not be recovered;

Attachment No. 1 is a plat that identifies the subject GPU, and the wells that are to be simultaneously dedicated to this unit;

Attachment No. 2 is a plat that identifies the subject GPU, and all offsetting GPU's in the Eumont Gas Pool;

Attachment No. 2A is a compilation of all active Eumont Gas Pool producing wells within the offsetting GPU's. There are currently seven offset operators, BP America

Production Company, Cimarex Energy Company of Colorado, ConocoPhillips Company, John H. Hendrix Corporation, Chevron USA, Inc., Chesapeake Operating, Inc., and EnerVest. **With regards to the offsetting 80-acre GPU comprising the W/2 SW/4 of Section 6, Township 20 South, Range 37 East that is operated by EnerVest, please be advised that EnerVest owns 100% of the working interest in that GPU.**

A copy of the notice letter that has been sent to all offset operators is enclosed, as is Attachment No. 3, which is a list of the parties to whom notice has been provided. Upon obtaining the signed receipts, they will be forwarded to the Oil Conservation Division; and

In summary, EnerVest Operating, L.L.C. believes that approval of the application is in the best interest of conservation, prevention of waste and protection of correlative rights.

If you should have any questions, please call me at (713) 495-6530 or E-Mail me at RYOUNG@ENERVEST.NET.

Sincerely

Ronnie L. Young /bmh

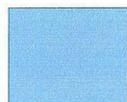
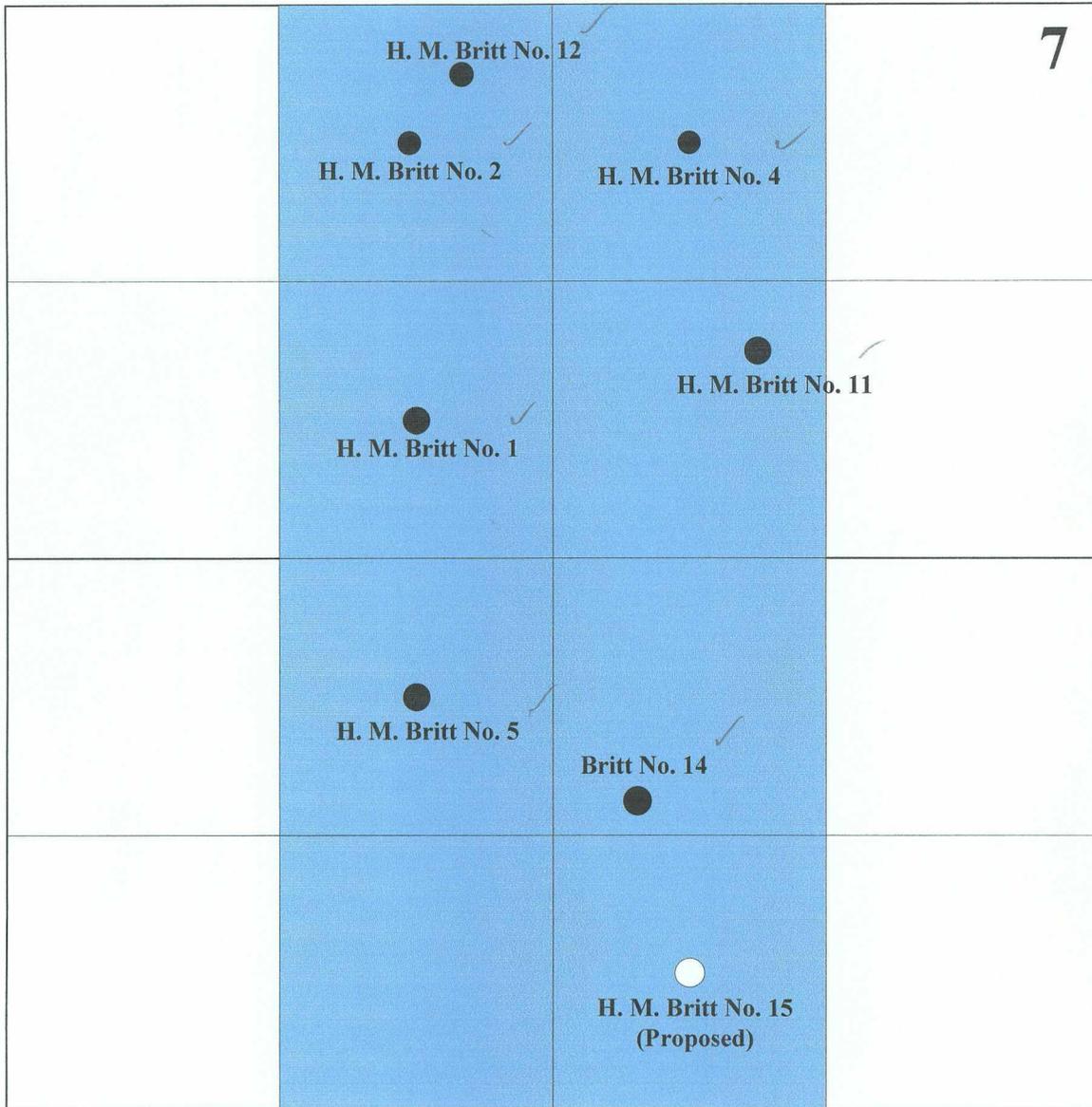
Ronnie L. Young
Enervest Operating, L.L.C.
1001 Fannin Street
Suite 800
Houston, Texas 77002-6707

Enclosures

EnerVest Operating, L.L.C.
Increased Well Density & Simultaneous Dedication
Eumont Gas Pool

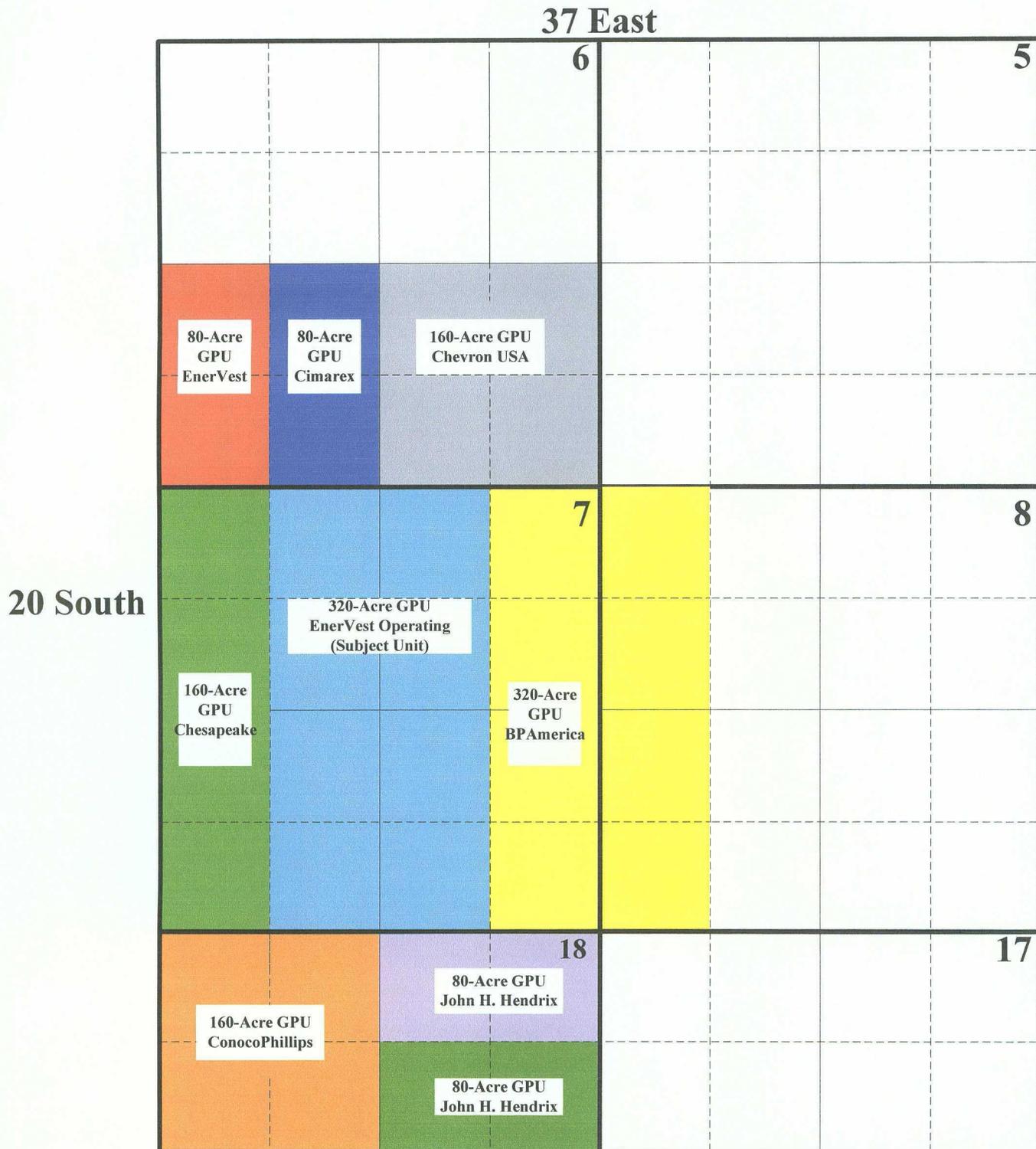
37 East

20 South



Existing 320-acre Non-standard GPU
Approved by Division Order No. R-5448

EnerVest Operating, L.L.C.
Increased Well Density & Simultaneous Dedication
Eumont Gas Pool



***EnerVest Operating, L.L.C.
Increased Well Density & Simultaneous Dedication
Eumont Gas Pool***

OFFSET EUMONT (GAS) OPERATORS

| <u>GPU Description</u> | <u>Operator</u> | <u>Lease Name & Well Number</u> | <u>Well Location</u> |
|--|----------------------------|--|--|
| W/2 W/2 Section 7, T-20S, R-37E | Chesapeake Operating, Inc. | Alaska Cooper No. 3 Alaska Cooper No. 8 | Unit D, Section 7, T-20S, R-37E Unit L, Section 7, T-20S, R-37E |
| E/2 E/2 Section 7 & W/2 W/2 Section 8, T-20S, R-37E | BP America Production Co. | Barber Gas Com No. 3 Barber Gas Com No. 4 | Unit H, Section 7, T-20S, R-37E Unit I, Section 8, T-20S, R-37E |
| W/2 SW/4 Section 6, T-20S, R-37E | EnerVest Operating, L.L.C. | Britt A-6 No. 1 | Unit M, Section 6, T-20S, R-37E |
| E/2 SW/4 Section 6, T-20S, R-37E | Cimarex Energy Co. | Britt "A" No. 6 | Unit N, Section 6, T-20S, R-37E |
| SE/4 Section 6, T-20S, R-37E | Chevron USA, Inc. | G. C. Mathews No. 12 | Unit P, Section 6, T-20S, R-37E |
| NW/4 Section 18, T-20S, R-37E | ConocoPhillips Company | Britt A-18 No. 1 Britt A-18 No. 6 | Unit C, Section 18, T-20S, R-37E Unit E, Section 18, T-20S, R-37E |
| N/2 NE/4 Section 18, T-20S, R-37E | John H. Hendrix Corp. | Mexico No. 1 | Unit A, Section 18, T-20S, R-37E |
| S/2 NE/4 Section 18, T-20S, R-37E | John H. Hendrix Corp. | Mexico No. 3 | Unit H, Section 18, T-20S, R-37E |

ATTACHMENT 2A

January 14, 2008

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: AFFECTED INTEREST OWNERS AND/OR OFFSET OPERATORS

Re: EnerVest Operating, L.L.C.
Application for Increased Well Density & Simultaneous Dedication
Eumont (Yates-Seven Rivers-Queen) Gas Pool (76480)
Section 7, T-20 South, R-37 East, NMPM,
Lea County, New Mexico

Ladies and Gentlemen:

Enclosed please find a copy of the application filed by EnerVest Operating, L.L.C. for authorization to dedicate its proposed H. M. Britt No. 15, located at a standard gas well location 660 feet from the South line and 1980 feet from the East line (Unit O) of Section 7, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico, to an existing 320-acre non-standard gas spacing and proration unit in the Eumont Gas Pool comprising the E/2 W/2 and the W/2 E/2 of Section 7. Pursuant to the authority granted by Division Order No. R-5448-A, this unit is currently dedicated to EnerVest Operating, L.L.C.'s H. M. Britt Wells No. 1, 2, 4, 5, 11 and 12 and the Britt No.14 located respectively, in Units F, C, B, K, G, C, and J of Section 7.

As the owner of an interest that may be affected by the proposed simultaneous dedication, you are being provided notice as per Division rules and regulations. Objections 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 should have any questions, please call me at (713) 495-6530.

Sincerely,

Ronnie L. Young/bmh

Ronnie L. Young
Coordinator, Regulatory Compliance
EnerVest Operating, L.L.C.
1001 Fannin Street
Suite 800
Houston, Texas 77002-6707

Enclosure

***EnerVest Operating, L.L.C.
Increased Well Density & Simultaneous Dedication
Eumont Gas Pool***

(Company Name)

Hereby waives objection to the application filed by EnerVest Operating, L.L.C. to authorize the drilling of its H. M. Britt No. 15 as an infill gas well in the Eumont Gas Pool (76480) at a standard gas well location 660 feet from the South line and 1980 feet from the East line (Unit O) of Section 7, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico, and to simultaneously dedicate this well and the H. M. Britt Wells No. 1, 2, 4, 5, 11 and 12 and the Britt No. 14 to an existing 320-acre non-standard GPU in the Eumont Gas Pool comprising the E/2 W/2 and W/2 E/2 of Section 7. (Pursuant to Division Order No. R-5448-A, EnerVest Operating, L.L.C. already has approval to simultaneously dedicate the H. M. Britt Wells No. 1, 2, 4, 5, 11 and 12, and the Britt No. 14 to the subject GPU.)

(Signature)

(Date)

Please mail this waiver of objection to:

EnerVest Operating, L.L.C.
1001 Fannin Street
Suite 800
Houston, Texas 77002-6707

Attn: Mr. Ronnie L. Young

*EnerVest Operating, L.L.C.
Increased Well Density & Simultaneous Dedication
Eumont Gas Pool*

Offset Operator Notification List

ConocoPhillips Company
Box 2197
WL3 6106
Houston, Texas 77252-2197

Chesapeake Operating, Inc.
Box 18496
Oklahoma City, Oklahoma 73154-0496

BP America Production Company
Box 22048
Tulsa, Oklahoma 74121

Cimarex Energy Company
600 E. Las Colinas Blvd.
Suite 1100
Irving, Texas 75038

Chevron USA, Inc.
Box 4791
Houston, Texas 77210-4791

John H. Hendrix Corporation
Box 3040
Midland, Texas 79702-3040

DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT II
1801 W. GRAND AVENUE, ARTESIA, NM 88210

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87605

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

| | | |
|---------------|--|--------------------|
| API Number | Pool Code | Pool Name |
| Property Code | Property Name H.M. BRITT | Well Number 15 |
| OGRID No. | Operator Name EnerVest Operating | Elevation 3544' |

Surface Location

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| 0 | 7 | 20-S | 37-E | | 660 | SOUTH | 1980 | EAST | LEA |

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 | Joint or Infill | Consolidation 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>LOT 1</p> <p>LOT 2</p> <p>LOT 3</p> <p style="text-align: center;">GEODETIC COORDINATES NAD 27 NME</p> <p style="text-align: center;">Y=577086.5 N X=821951.0 E</p> <p style="text-align: center;">LAT.=32.582169° N LONG.=103.288130° W</p> <p>LOT 4</p> <div style="text-align: center;"> </div> | <p>OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information 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 bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such 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> <hr/> <p>SURVEYOR CERTIFICATION</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 style="text-align: center;">JANUARY 7, 2008</p> <p>Date Surveyed _____ DSS _____</p> <p>Signature & Seal of Professional Surveyor _____</p> <p style="text-align: center;">07.11.1719</p> <p>Certificate No. GARY EIDSON 12641 RONALD J. EIDSON 3239</p> |
|---|---|

7007 3020 0001 9990 2472

CERTIFIED MAIL™ RECEIPT
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OKLAHOMA CITY OK 73154

| | | |
|--|----|--------|
| Postage | \$ | \$1.14 |
| Certified Fee | | \$2.65 |
| Return Receipt Fee (Endorsement Required) | | \$2.15 |
| Restricted Delivery Fee (Endorsement Required) | | \$0.00 |
| Total Postage & Fees | \$ | \$5.94 |

0501
CORONADO STATION SANTA FE, N.M. 87505
18
Postmark Here
JAN 22 2008
01/22/2008

Sent To *Chesapeake Operating, Inc.*
 Street, Apt. No., or PO Box No. *Box 18496*
 City, State, ZIP+4 *Oklahoma City, OK 73154-0496*

PS Form 3800, August 2006 See Reverse for Instructions

7007 3020 0001 9990 2526

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MIDLAND TX 79702

| | | |
|--|----|--------|
| Postage | \$ | \$1.14 |
| Certified Fee | | \$2.65 |
| Return Receipt Fee (Endorsement Required) | | \$2.15 |
| Restricted Delivery Fee (Endorsement Required) | | \$0.00 |
| Total Postage & Fees | \$ | \$5.94 |

0501
CORONADO STATION SANTA FE, N.M. 87505
18
Postmark Here
JAN 22 2008
01/22/2008

Sent To *John H. Hendrix Corp.*
 Street, Apt. No., or PO Box No. *Box 3040*
 City, State, ZIP+4 *Midland, Texas 79702-3040*

PS Form 3800, August 2006 See Reverse for Instructions

7007 3020 0001 9990 2496

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For delivery information visit our website at www.usps.com

HOUSTON TX 77210

| | | |
|--|----|--------|
| Postage | \$ | \$1.14 |
| Certified Fee | | \$2.65 |
| Return Receipt Fee (Endorsement Required) | | \$2.15 |
| Restricted Delivery Fee (Endorsement Required) | | \$0.00 |
| Total Postage & Fees | \$ | \$5.94 |

0501
CORONADO STATION SANTA FE, N.M. 87505
18
Postmark Here
JAN 22 2008
01/22/2008

Sent To *Chevron USA Inc.*
 Street, Apt. No., or PO Box No. *Box 4791*
 City, State, ZIP+4 *Houston, Texas 77210-4791*

PS Form 3800, August 2006 See Reverse for Instructions

7007 3020 0001 9990 2465

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HOUSTON TX 77252

| | | |
|--|----|--------|
| Postage | \$ | \$1.14 |
| Certified Fee | | \$2.65 |
| Return Receipt Fee (Endorsement Required) | | \$2.15 |
| Restricted Delivery Fee (Endorsement Required) | | \$0.00 |
| Total Postage & Fees | \$ | \$5.94 |

0501
CORONADO STATION SANTA FE, N.M. 87505
18
Postmark Here
JAN 22 2008
01/22/2008

Sent To *Conoco Phillips Company*
 Street, Apt. No., or PO Box No. *Box 2197 WL3 6106*
 City, State, ZIP+4 *Houston, Texas 77252-2197*

PS Form 3800, August 2006 See Reverse for Instructions

7007 3020 0001 9990 2489

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IRVING TX 75038

| | | |
|--|----|--------|
| Postage | \$ | \$1.14 |
| Certified Fee | | \$2.65 |
| Return Receipt Fee (Endorsement Required) | | \$2.15 |
| Restricted Delivery Fee (Endorsement Required) | | \$0.00 |
| Total Postage & Fees | \$ | \$5.94 |

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CORONADO STATION SANTA FE, N.M. 87505
18
Postmark Here
JAN 22 2008
01/22/2008

Sent To *Amarex Energy Co.*
 Street, Apt. No., or PO Box No. *600 E. Las Colinas Blvd. Suite 1100*
 City, State, ZIP+4 *Irving, Texas 75038*

PS Form 3800, August 2006 See Reverse for Instructions

7007 3020 0001 9990 2502

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For delivery information visit our website at www.usps.com

TULSA OK 74121

| | | |
|--|----|--------|
| Postage | \$ | \$1.14 |
| Certified Fee | | \$2.65 |
| Return Receipt Fee (Endorsement Required) | | \$2.15 |
| Restricted Delivery Fee (Endorsement Required) | | \$0.00 |
| Total Postage & Fees | \$ | \$5.94 |

0501
CORONADO STATION SANTA FE, N.M. 87505
18
Postmark Here
JAN 22 2008
01/22/2008

Sent To *BP America Production Co.*
 Street, Apt. No., or PO Box No. *Box 22048*
 City, State, ZIP+4 *Tulsa, Oklahoma 74121*

PS Form 3800, August 2006 See Reverse for Instructions