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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



Ever Vest
143199

J. Cicilia Arachy 102 #11M

ADMINISTRATIVE APPLICATION CHECKLIST 30-039-29912

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 _____

NSL-5391

DHC-2884

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[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 Young
 Print or Type Name

Ronnie Young /bmh
 Signature

Compliance Supervisor
 Title

4-18-11
 Date

ryoung@enervest.net
 E-Mail Address



April 18, 2011

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

Attn: Jami Bailey, CPG
Division Director

RE: Request to Amend Administrative Order No. NSL-5396
Jicarilla Apache 102 No. 11M (**API No. 30-039-29912**)
1668' FSL & 468' FWL (Unit L)
Section 10, T-26 North, R-4 West, NMPM,
Rio Arriba County, New Mexico

Dear Ms. Bailey,

By Order No. NSL-5396 dated June 9, 2006, the Division authorized CDX Rio, L.L.C. to drill the Jicarilla Apache 102 Well No. 11M at an unorthodox infill gas well location in both the Blanco-Mesaverde (72319) and Basin-Dakota (71599) Gas Pools 1668 feet from the South line and 468 feet from the West line (Unit L) of Section 10, Township 26 North, Range 4 West, NMPM, Rio Arriba County, New Mexico.

Enervest Operating, L.L.C. ("Enervest"), the successor operator of this well, hereby requests an amendment to Order No. NSL-5396 to authorize non-standard location approval for the BS Mesa-Gallup (Gas) Pool (72920). The BS Mesa-Gallup (Gas) Pool is currently governed by statewide rules that require standard 160-acre gas spacing and proration units with wells to be located no closer than 660 feet to the outer boundary of the spacing unit nor closer than 330 feet to any interior quarter-quarter section line. The SW/4 of Section 10 is to be dedicated to the subject well in the BS Mesa-Gallup (Gas) Pool thereby forming a standard 160-acre gas spacing and proration unit.

Enervest is preparing to drill the Jicarilla Apache 102 No. 11M and anticipates encountering commercial production in the Gallup formation. The well is proposed to be completed as a downhole commingled completion in the Basin-Dakota, Blanco-Mesaverde and BS Mesa-Gallup Gas Pools. The Aztec District Office of the Division has already approved the downhole commingling of the Basin-Dakota and Blanco-Mesaverde Gas Pools within the well (DHC-2884-AZ), however, due to the addition of the Gallup interval, Enervest is preparing an amended downhole commingling application to add the BS Mesa-Gallup (Gas) Pool.

There are currently no wells producing from the BS Mesa-Gallup (Gas) Pool within the SW/4 of Section 10.

The only affected offset acreage is the SE/4 of Section 9, Township 26 North, Range 4 West. The SE/4 of Section 9 is being produced in the BS Mesa-Gallup (Gas) Pool by the Enervest Jicarilla Apache 102 No. 12E (30-039-22458) located 830 feet from the South line and 1700 feet from the East line (Unit O). **The interest ownership between the SW/4 of Section 10 and the SE/4 of Section 9 is common throughout. Consequently, pursuant to Division rules, no notice of this application is required.**

Attached is a plat showing the spacing unit, unorthodox well location and the affected adjoining spacing unit and well.

Approval of the requested amendment will provide Enervest the opportunity to recover Gallup reserves underlying the SW/4 of Section 10, thereby preventing waste, and will not violate correlative rights.

If you have any questions, please contact me at 713-495-6537.

Thank you,


Bridget Helfrich
Regulatory Tech.

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised July 16, 2010
Submit one copy to appropriate
District Office
 AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-039-29912		Pool Code 72920	Pool Name BS Mesa-Gallup (Gas) Pool
Property Code 306751	Property Name Jicarilla Apache 102		Well Number 11M
OGRID No. 143199	Operator Name Enervest Operating, L.L.C.		Elevation 6884

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	10	26 North	4 West		1668	South	468	West	Rio Arriba

Bottom Hole Location If Different From Surface

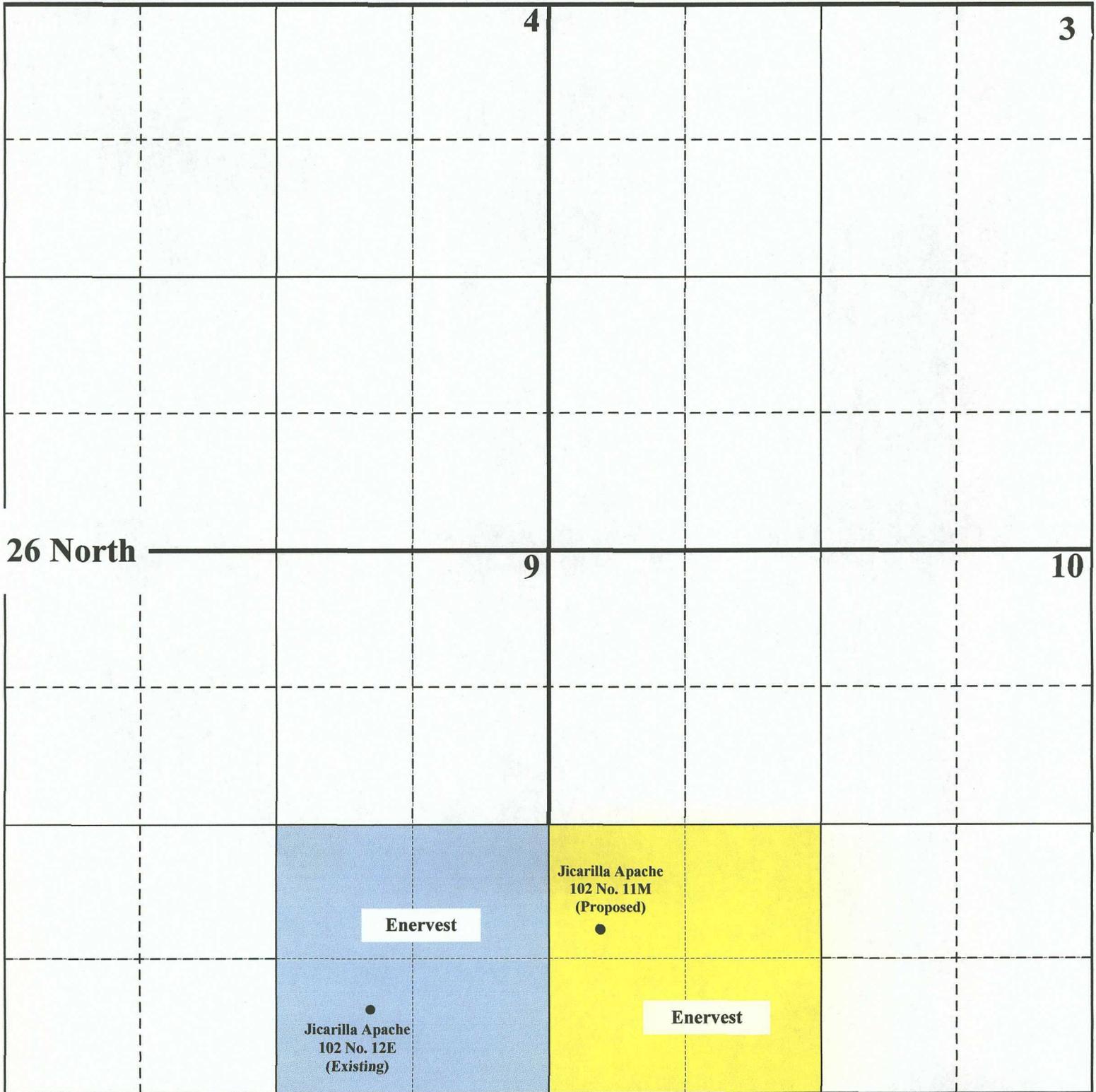
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres 160	Joint or Infill	Consolidate Code	Order No.
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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>Jicarilla Apache 102 No. 11M 468'</p> <p>1668'</p>	<p align="center">OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained 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 bottomhole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the Division.</i></p> <p align="right"> <u>Bridget Helfrich 4-18-11</u> Signature Date </p> <p>Bridget Helfrich Printed Name</p> <p>Bhelfrich@Enervest.net E-mail Address</p>		
	<p align="center">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>Date of Survey _____</p> <p>Signature and Seal of Professional Surveyor: _____</p> <p>Certificate Number _____</p>		

4 West



-  Jicarilla Apache 102 No. 11M: Proposed Location & Spacing Unit
-  Affected Offset Acreage: Jicarilla Apache 102 No. 12E

Enervest Operating L.L.C.
Application to Amend NSL-5396
Jicarilla Apache 102 No. 11M