



# New Mexico Energy, Minerals and Natural Resources Department

**Bill Richardson**  
Governor

**Jon Goldstein**  
Cabinet Secretary

**Jim Noel**  
Deputy Cabinet Secretary

**Mark Fesmire**  
Division Director  
Oil Conservation Division



**RECEIVED**

**MAR 12 2010**

**HOBBSD**

Administrative Order DHC-4259

Order Date: 2/12/2010

Application Reference Number: pWVJ1004350661

ENERVEST OPERATING L.L.C.  
1001 FANNIN ST, STE 800,  
HOUSTON, TX 77002

Attention: Bridget Helfrich

C T BATES Well No. 004  
API No: 30-025-34404  
Unit N, Section 10, Township 26 South, Range 37 East, NMPM  
Lea County, New Mexico

Pool: UNDES LEONARD;QUEEN, SOUTH  
Names: RHODES;YATES-SEVEN RIVERS (GAS)

Oil 38760  
Gas 83810

Reference is made to your recent application for an exception to Rule 12.9A. of the Division Rules and Regulations to permit the above-described well to commingle production from the subject pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 12.11A., and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion or otherwise required separation of the zones is hereby placed in abeyance.

In accordance with Division 12.11A.(6), the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

Assignment of allowable and percentage allocation of production from the well shall be supplied to the Division within 60 days following completion of this well or of this workover.

**REMARKS:** The operator shall notify the Division's district office upon implementation of commingling operations.

Oil Conservation Division \* 1220 South St. Francis Drive

\* Santa Fe, New Mexico 87505

\* Phone: (505) 476-3440 \* Fax (505) 476-3462\* <http://www.emnrd.state.nm.us>



Pursuant to Rule 12.11B., the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.



MARK E. FESMIRE, P.E.  
Acting Director

MEF/wvj

cc: Oil Conservation Division – Hobbs

DATE IN 2/10	SUSPENSE	ENGINEER WVS	LOGGED IN	TYPE DHC 4259	APP NO DWT 435061
-----------------	----------	-----------------	-----------	---------------------	----------------------

ABOVE THIS LINE FOR DIVISION USE ONLY

# NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



CEIVED OGD

2010 FEB 11 A 10:58

## 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 \_\_\_\_\_

RECEIVED

MAR 12 2010

HOBBSD

### [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.

Bridget Helfrich  
 Print or Type Name

Bridget Helfrich  
 Signature

Regulatory Tech  
 Title

2-10-10  
 Date

bhelfrich@enervest.net  
 E-Mail Address

February 10, 2010

**H A N D   D E L I V E R E D**

Energy, Minerals and Natural Resources Department  
Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

Attention: Mr. Mark E. Fesmire, Director

Re:    Form C-107A  
      Enervest Operating, L.L.C.  
      C T Bates No. 4  
      API No. 30-025-34404  
      660' FSL & 2145' FWL (Unit N)  
      Section 10, T-26S, R-37E, NMPM,  
      Lea County, New Mexico

Dear Mr. Fesmire,

Enclosed please find a Division Form C-107A for the Enervest Operating, L.L.C. C T Bates Well No. 4. It is proposed to downhole commingle the Rhodes Yates-Seven Rivers and South Leonard-Queen Pools within the subject well. Approval of the application will allow Enervest Operating, L.L.C. to economically produce the oil and gas reserves in the Yates-Seven Rivers and Queen intervals, thereby preventing waste. Please note that the interest ownership between the commingled zones is common throughout. Consequently, the proposed downhole commingling will not violate correlative rights.

I believe that all the information necessary to approve the application is enclosed. If additional information is needed, please contact me at (713) 495-6537.

Sincerely,

*Bridget Helfrich*

Bridget Helfrich  
Regulatory Tech  
Enervest Operating, L.L.C.  
1001 Fannin Street, Suite 800  
Houston, Texas 77002

Xc:    OCD-Hobbs



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**GARY E. JOHNSON**  
Governor  
**Jennifer A. Salisbury**  
Cabinet Secretary

November 1, 2000

**Lori Wrotenbery**  
Director  
Oil Conservation Division

**Doyle Hartman, Oil Operator**  
**P. O. Box 10426**  
**Midland, Texas 79702**  
**Attention: Doyle Hartman**

*Administrative Order NSP-1832*

Dear Mr. Hartman:

Reference is made to the following: (i) your application dated August 25, 1998; (ii) the provisions of Order No. R-9870, issued by the New Mexico Oil Conservation Division ("Division") in Case No. 10683 on April 14, 1993; and (iii) the Division's records in Santa Fe, including the file in Division Case Nos. 12015 and 12017 (see Division Order No. R-11476, dated November 1, 2000): all concerning your request for a 160-acre non-standard gas spacing and proration unit consisting of the following acreage in the Rhodes-Yates-Seven Rivers Gas Pool:

LEA COUNTY, NEW MEXICO  
TOWNSHIP 26 SOUTH, RANGE 37 EAST, NMPM  
Section 10: SE/4 SW/4 (Unit N) and SW/4 SE/4 (Unit O)  
Section 15: NW/4 NE/4 (Unit B) and NE/4 NW/4 (Unit C).

It is our understanding that this unit is to be dedicated to your C. T. Bates Well No. 4 (30-025-34404), located at a standard gas well location 660 feet from the South line and 2145 feet from the West line (Unit N) of Section 10.

The subject application has been duly filed under the provisions applicable at the time this application was submitted, see Rule 104.D (2), as revised by Division Order No. R-10533, issued by the New Mexico Oil Conservation Commission in Case No. 11,351 on January 18, 1996.

By the authority granted me under the provisions of: (i) Ordering Paragraph No. (3) of Division Order No. R-9870; and (ii) Division Rule 104.D (2) (b), the above-described 160-acre non-standard gas spacing and proration unit is hereby approved.

Jurisdiction of this matter shall be further retained for the entry of any such subsequent orders, as the Division may deem necessary.

Sincerely,

Lori Wrotenbery  
Director

cc: New Mexico Oil Conservation Division - Hobbs  
File: Case No. 10683  
J. E. Gallegos, Legal Counsel for Doyle Hartman, Oil Operator - Santa Fe

RECEIVED  
MAR 12 2010  
HOBBSCOD

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Rhodes Y-SR Pool (Gas)		<del>UNDES</del> South Leonard-Queen
Pool Code	Gas-83810		Oil-38760
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	2,801'-3,012' (Perforated)		3,309'-3,496' (Proposed Perfs)
Method of Production (Flowing or Artificial Lift)	Artificial Lift		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)	Not Required		Not Required
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1276		32.1° API
Producing, Shut-In or New Zone	Producing; Well Completed 10/26/1998		New Zone
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: 2009 Average: Rates: 0 BOPD 58 MCFGPD 0 BWPD	Date:  Rates:	Date: Estimated Rates: 5 BOPD 246 MCFGPD 39 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 To Be Provided After Completion	Oil Gas  %	Oil Gas To Be Provided After Completion

### **ADDITIONAL DATA**

Yes   X   No \_\_\_\_\_  
Yes \_\_\_\_\_ No \_\_\_\_\_

Yes **X** No

Yes                      No      **X**

Yes\_\_\_\_\_ 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 application.  
Bottomhole pressure data.

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

SIGNATURE Bridget Hellrick TITLE Regulatory Tech DATE 2/10/2010

TYPE OR PRINT NAME Bridget Helfrich TELEPHONE NO. (713) 495-6537

E-MAIL ADDRESS bhelfrich@enervest.net