PALSO



PLANTATION PETROLEUM COMPANIES

Sup Date 6-15-06

PLANTATION PETROLEUM HOLDINGS III, LLC; PLANTATION OPERATING, LLC

2203 Timberloch Place, Ste. 229 The Woodlands, TX 77380 Tel: (281) 296-7222 Fax: (281) 298-2333

May 25, 2006

FEDERAL EXPRESS

Michael E. Stogner, Chief Hearing Officer New Mexico Oil Conservation Division 1220 So. St. Francis Drive Santa Fe, NM 87505

38-025-06275

RE:

Meyer B-28 A/C-2 No. 4 - Proposed Drilling to Eumont Gas Pool

1980' FSL & 660' FEL
Unit I, Sec 28, T-20S, R-37E
Lea County, New Mexico
Administrative Application for Simultaneous Dedication,

Standard Location, in Existing Non-Standard Proration Unit Administrative Order R-4977, Federal Lease No. LC-NM 2511

Dear Mr. Stogner,

Please find enclosed is a copy of previously approved Administrative Order No. R-4977 to simultaneously dedicate two Eumont wells, to the subject existing 360 acre Eumont (Gas) proration unit, the Meyer B-28 A/C-2 No. 2 & 3 in the NSP approved March 5, 1975 consisting of SE/4, E/2 of SW/4 Section 28 and N/2 of NE/4 & NE/4 of NW/4 Section 33 T-20S, R-37E Lea County, New Mexico. Subsequently, the Meyer B-28 A/C-2 No. 3 was plugged and abandoned on 9/13/05 by the previous operator. With only one well now producting from the NSP (Meyer B-28 A/C-2 No. 2), we would now like to add an additional well to the existing NSP.

We hereby ask your approval to drill corresponding to the new drilling application for Meyer B-28 A/C-2 No. 4. Approval of the simultaneous dedication application will prevent waste, by allowing for the optimal recovery of remaining gas reserves while protecting our mineral rights, (including gas reserves from tighter Eumont strata, within the Eumont interval).

Also, please find enclosed an original of the new BLM Form 3160-3 and C-102 corresponding to the new drilling application for the Meyer B-28 A/C-2 No. 4 along with the C-144 and BOP diagram.

Notice of this administrative application has been sent by Federal Express to the applicable diagonal and adjacent offset Eumont operators, as well as, the NMOCD in Hobbs, NM.

2006 MAY 26 AM 11

We thank you for your thoughtful review of this matter as we expect a drilling rig in the next few weeks. Very truly yours,

PLANTATION OPERATING, LLC

cc:

Chris Williams
District Supervisor – District 1
1625 N. French Drive
Hobbs, New Mexico 88240

Donna Mull APD Permitting – District 1 1625 N. French Drive Hobbs, New Mexico 88240

Zachary Oil Operating Company 307 W. 7th St., Ste 1212 Fort Worth, TX 76102-5178

ConocoPhillips 401 Penbrook Odessa, TX 79762

XTO Energy Incorporated 200 N. Loraine, Suite 800 Midland, TX 79701

Chevron USA Incorporated 15 Smith Rd. Midland, TX 79705

Occidental Permian Limited 6 Desta Dr., Suite 6000 Midland, TX 79710 - talked w/ John Albred

- talked w/ John Albred

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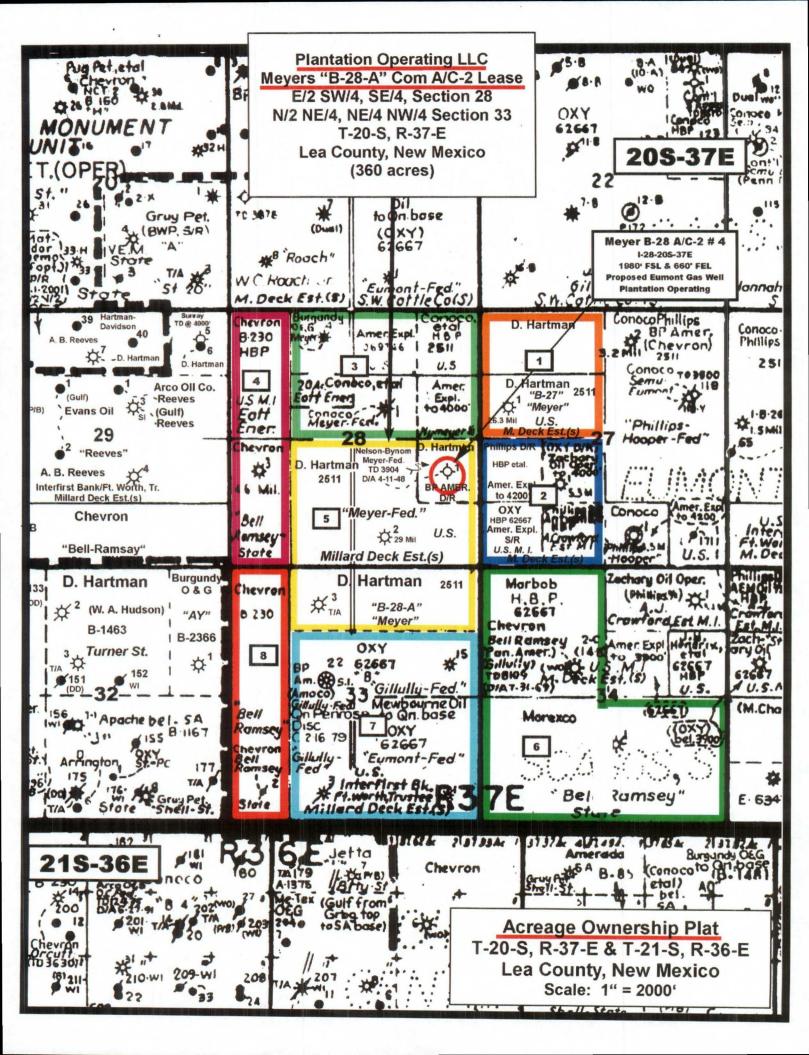
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LIST OF OFFSET EUMONT (GAS) OPERATORS

Plantation Operating, LLC Meyer B-28 A/C-2 #4 Unit I, Section 28, T-20S, R-37E Lea County, New Mexico

Tract No.	Operator	Lease and Well Name (s)	Gas Well Locations	Unit Description	No. of Acres
1 (Orange)	Plantation Operating, LLC	Meyer B 27 #1	E-27-20S-37E	NW/4 Section 27 T-20-S, R-37-E	160
2 (Dark Blue)	Zachary Oil Operating Company	Turland Federal #1	K-27-20S-37E	SW/4 Section 27 T-20-S, R-37-E	160
3 (Light Green)	3 (Light Green) ConocoPhillips	Meyer B 28 A A/C-1 #1	G-28-20S-37E	NE/4, E/2 NW/4 Section 28 T-20-S, R-37-E	240
4 (Purple)	XTO Energy Incorporated	Bell Ramsey NCT B #3	L-28-20S-37E	W/2 NW/4, W/2 SW/4 Section 28 T-20-S, R-37-E	160
5 (Yellow)	Plantation Operating, LLC	Meyer B 28 A Com A/C #2	O-28-20S-37E	SE/4, E/2 SW/4 Section 28 T-20-S, R-37-E N/2 NE/4, NE/4 NW/4 Section 33 T-20-S, R-37-E	360
6 (Dark Green)	6 (Dark Green) Chevron USA Incorporated	Bell Ramsay NCT C Com #1	J-34-20S-37E	NW/4, SW/4, SE/4 Section 34 T-20-S, R-37-E	480
7 (Light Blue)	Occidental Permian Limited	Gillully B Federal RA A #22	F-33-20S-37E	SE/4, W/2 SW/4, S/2 NE/4, SE/4 NW/4 Section 33 T-20-S, R-37-E	360
8 (Red)	Chevron USA Incorporated	Bell Ramsay NCT B #2	M-33-20S-37E	W/2 NW/4, W/2 SW/4 Section 33 T-20-S, R-37-E	160

Form 3160-3 (April 2004)

UNITED STATES

FORM APPROVED OMB No. 1004-0137 Expires March 31, 2007

5. Lease Serial No.

BUREAU OF LAND MAN	LC-NM-2511					
APPLICATION FOR PERMIT TO				6. If Indian, Allotee or Tribe Name		
la. Type of work: DRILL REENTE	 ER			7. If Unit or CA Agreement, Name and No.		
lb. Type of Well: Oil Well ✓ Gas Well Other	√ s	ingle Zone Multip	ole Zone	8. Lease Name and Meyer B-28 A		
2. Name of Operator Plantation Operating, LLC				9. API Well No. 30-025-	•	
3a. Address 2203 Timberloch Place, Suite 229 The Woodlands, Texas 77380		0. (include area code) 06-7222		10. Field and Pool, or Eumont (Yate	•	•
4. Location of Well (Report location clearly and in accordance with an		11. Sec., T. R. M. or Blk.and Survey or Area				
At surface 1980' FSL and 660' FEL, Unit (I) At proposed prod. zone		I-28, T-20-S, R-37-E				
14. Distance in miles and direction from nearest town or post office*				12. County or Parish		13. State
•				Lea		NM
15. Distance from proposed* location to nearest property or lease line, ft.	16. No. of			eing Unit dedicated to this well		
(Also to nearest drig. unit line, if any)		360		360		
 Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 	1	2. Proposed Depth 20. BLM/BIA Bond N 3870' NMB00034-				
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3499' GL	22. Approx	Approximate date work will start* 23. Estimated duration 10 Days			n	
	24. Atta	chments				
The following, completed in accordance with the requirements of Onshor	re Oil and Gas	Order No.1, shall be a	ttached to thi	s form:		
 Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on National Forest System 	Lands, the	4. Bond to cover the state of	•	ns unless covered by an	existing !	bond on file (see
SUPO shall be filed with the appropriate Forest Service Office).		1 1	specific info	rmation and/or plans a	may be i	required by the
25. Signature Don Correct / 201	Name	(Printed/Typed) Donald P. Dotson, I	Date 05/25/2006		25/2006	
Title COO				<u></u>		
Approved by (Signature)	Name	Name (Printed/Typed) Date				
Title	Office	•			<u> </u>	
Application approval does not warrant or certify that the applicant hold conduct operations thereon. Conditions of approval, if any, are attached.	ls legal orequ	itable title to those righ	ts in the sub	ject lease which would o	entitle the	applicantto

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

^{*(}Instructions on page 2)

State of New Mexico

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

Energy, Minerals and Natural Resources Department

DISTRICT II 1301 W. GRAND AVENUE, ARTESIA, NM 88210

DISTRICT III

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

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

06.11.0466

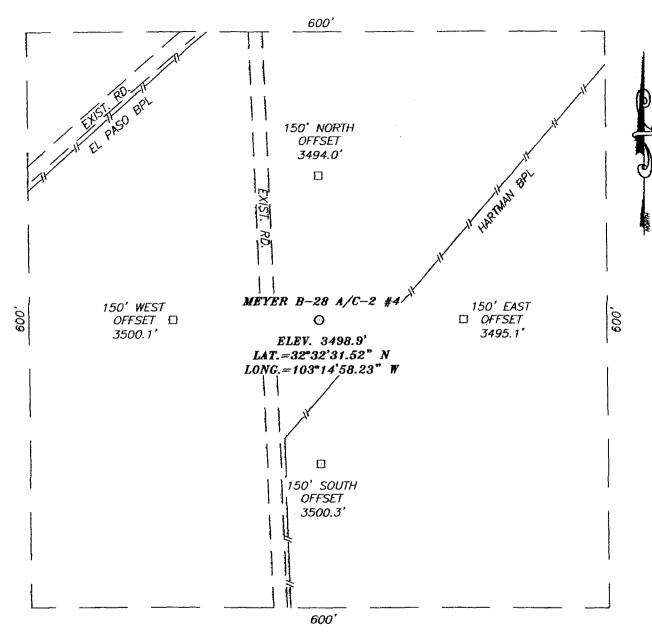
12641

Certificate No. GARY EDSON

William Wolfeston School

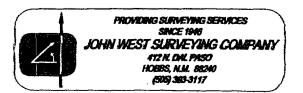
1000 Rio Brazos Rd., Aztec, NM 87410 DISTRICT IV WELL LOCATION AND ACREAGE DEDICATION PLAT [] AMENDED REPORT 1220 S. ST. FRANCIS DR., SANTA FE, NM 87505 Pool Code API Number Pool Name Well Number Property Code Property Name MEYER B-28 A/C-2 4 Operator Name OGRID No. Elevation PLANTATION OPERATING, LLC 3499 Surface Location North/South line UL or lot No. Range Lot Idn Feet from the Feet from the East/West line Section Township County 1980 **EAST** ı 28 20-S 37-E SOUTH 660 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 OPERATOR CERTIFICATION 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 enter Printed Name SURVEYOR CERTIFICATION GEODETIC COORDINATES 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. NAD 27 NME Y=562623.3 N -660'→ X=833997.0 E Date Surveyed Seal of Co LAT.=32'32'31.52" N MARCH 09, 2006 LONG. = 103 14 58.23" W Date Surveyed
Signature & Seal of O MR N ME +

SECTION 28, TOWNSHIP 20 SOUTH, RANGE 37 EAST, N.M.P.M., NEW MEXICO



DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF ST. HWY. 8 AND CO. RD. E-49 (HILL RD.), GO EAST ON HILL RD. APPROX. 0.36 MILES. TURN LEFT AND GO NORTH APPROX. 0.38 MILES. THIS LOCATION IS APPROX. 53 FEET EAST.



100	0	100	200 Feét
BEE	HH		
	Scale:1	<i>"=100"</i>	

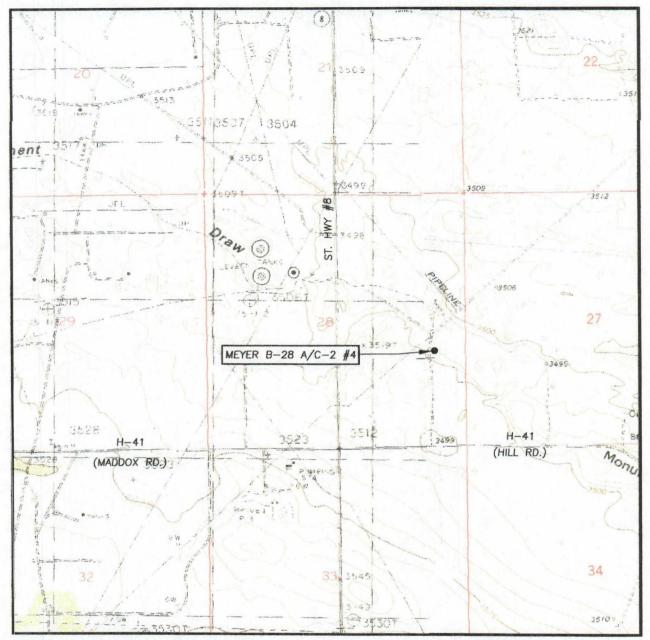
PLANTATION OPERATING, LLC

MEYER B-2B A/C-2 #4

LOCATED 1980 FEET FROM THE SOUTH LINE
AND 660 FEET FROM THE EAST LINE OF SECTION 28,
TOWNSHIP 20 SOUTH, RANGE 37 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.

	Survey Date: 0.	3/09/06		Sheet	1 0	of	1	Sheets
1	W.O. Number: 06.	11.0466	Dr	By: M.R.		Re	v 1:	N/A
	Date: 03/14/06	Disk: CD#	1	0611	0466		Scale	:1"=100"

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

SEC. 28 TWP. 20-S RGE. 37-E

SURVEY____N.M.P.M.

COUNTY LEA STATE NEW MEXICO

DESCRIPTION 1980' FSL & 660' FEL

ELEVATION 3499'

OPERATOR OPERATING, LLC

LEASE MEYER B-28 A/C-2

U.S.G.S. TOPOGRAPHIC MAP

HOBBS SW, N.M.

CONTOUR INTERVAL: HOBBS SW, N.M.— 5' MONUMENT SOUTH, N.M.— 5'

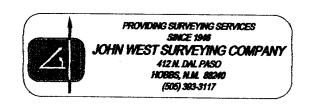


VICINITY MAP

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			MADDOOX				-			<u> </u>				
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	22	23	24	19	20	21		22 M	23 EYER B-:	24 6 28 A/C-	8 19	20	21	22
	27	TUFFY 1	DOPER	30	29 MADDOX	28	HI	27	26	25	30	29	28	
	34	35	36 % 36 % 36 %	31	H41 32	ST. 89	33		No.	36 MILL	31	32	33	
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SCALE: 1" = 2 MILES

SEC. <u>28</u>	TWP. 20-5 RGE. 37-E
SURVEY	N.M.P.M.
COUNTY	LEA STATE NEW MEXICO
DESCRIPTIO	N 1980' FSL & 660' FEL
ELEVATION	3499'
	PLANTATION OPERATING, LLC
LEASE	MFYFR B-28 A/C-2



DISTRICT 1 1625 N. French Dr., Hobbs, NM 88240 District II
1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico **Energy Minerals and Natural Resources**

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

For drilling and production facilities, submit to appropriate NMOCD District Office.
For downstream facilities, submit to Santa Fe

Form C-144

June 1, 2004

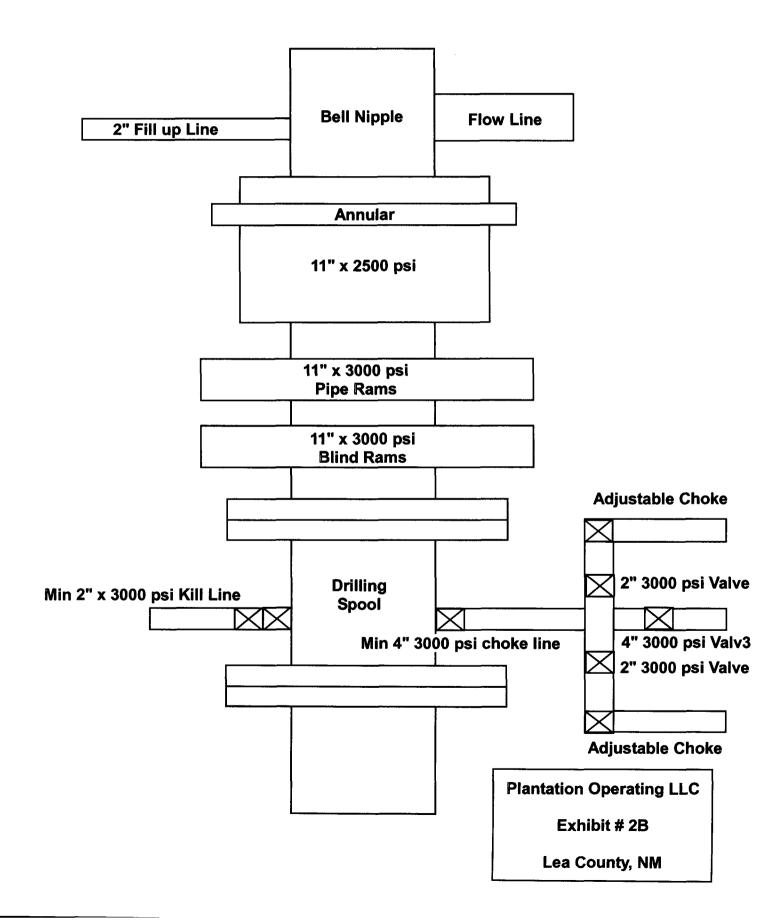
office

Pit or Below-Grade Tank Registration or Closure Is pit or below-grade tank covered by a "general plan"? Yes 🖾 No 🗌 Type of action: Registration of a pit or below-grade tank 🖾 Closure of a pit or below-grade tank 🖸

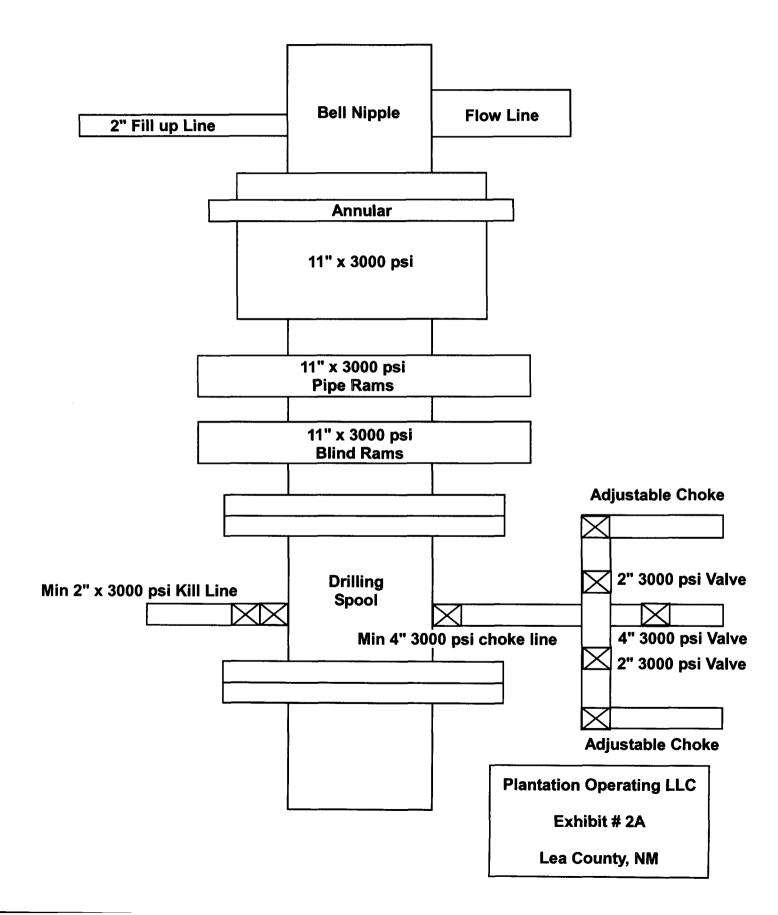
Operator: Plantation Operating, LLC Telepho	one: 281-296-7222 e-mail address:	ddotson@plantationpetro.com						
Address: 2203 Timberloch Place, Suite 229, The Woodlands, Texas 77380								
Facility or well name: Meyer B-28 A/C-2 #4 API #:		SE/4 Sec 28 T 20S R 37E						
County: Lea Latitude 32° 32' 31.52" N Longitude 103° 14' 58.23" W NAD: 1927 1983								
Surface Owner: Federal State Private Indian								
<u>Pit</u>	Below-grade tank							
Type: Drilling Production Disposal	Volume:bbl Type of fluid:							
Workover Emergency	Construction material:							
Lined Unlined	Double-walled, with leak detection? Yes If r	ot, explain why not.						
Liner type: Synthetic Thicknessmil Clay								
Pit Volumebbl								
	Less than 50 feet	(20 points)						
Depth to ground water (vertical distance from bottom of pit to seasonal	50 feet or more, but less than 100 feet	(10 points) 20						
high water elevation of ground water.) 40'	100 feet or more	(0 points)						
	Yes	(20 points)						
Wellhead protection area: (Less than 200 feet from a private domestic		(0 points) 0						
water source, or less than 1000 feet from all other water sources.)	No No	(o points)						
Distance to surface water: (horizontal distance to all wetlands, playas,	Less than 200 feet	(20 points)						
irrigation canals, ditches, and perennial and ephemeral watercourses.)	200 feet or more, but less than 1000 feet	(10 points)						
irrigation canais, ditenes, and percinnal and epitemetal watercourses.)	1000 feet or more	(0 points) 0						
	Ranking Score (Total Points)	20						
If this is a pit closure: (1) Attach a diagram of the facility showing the pit								
your are burying in place) onsite offsite If offsite, name of facility_								
remediation start date and end date. (4) Groundwater encountered: No $\hfill\square$	Yes If yes, show depth below ground surface	ft. and attach sample results.						
(5) Attach soil sample results and a diagram of sample locations and excava-	ations.							
Additional Comments:								
Closed Loop System.								
I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank								
has been/will be constructed or closed according to NMOCD guidelin	les ∐, a general permit ∐, or an (attached) alter	rnative OCD-approved plan 🔲.						
Date:5/25/2006		•						
Printed Name/Title Donald P. Dotson / COO	Signature	For / M						
Your certification and NMOCD approval of this application/closure does otherwise endanger public health or the environment. Nor does it relieve regulations.	not relieve the operator of liability should the content the operator of its responsibility for compliance with	nts of the pit of tank contaminate ground water or any other federal, state, or local laws and/or						
Approval:								
Printed Name/Title	Signature	Date:						

Plantation Operating, LLC

BOP Schematic for 8-3/4 or- 7-7/8" Hole



Plantation Operating, LLC BOP Schematic for 6-1/8 or- 7-7/8" Hole



a.s.

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE NO. 5414 Order No. R-4977

APPLICATION OF CONTINENTAL OIL COMPANY FOR AN UNORTHODOX GAS WELL LOCATION AND SIMULTANEOUS DEDICATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 5, 1975, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this <u>llth</u> day of March, 1975, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Continental Oil Company, seeks the approval for a non-standard 360-acre gas proration unit comprising the SE/4 and E/2 SW/4 of Section 28, and the N/2 NE/4 and NE/4 NW/4 of Section 33, both in Township 20 South, Range 37 East, NMPM, Eumont Gas Pool, Lea County, New Mexico.
- (3) That the applicant seeks to simultaneously dedicate to said non-standard unit its Meyer B-28 A Com Acct. 2 Wells Nos. 2 and 3 located, respectively, at unorthodox locations, in Unit O of said Section 28 and in Unit C of said Section 33, with unit production to be taken from said wells in any proportion.
- (4) That the proposed non-standard gas proration unit can be efficiently and economically drained and developed by the subject wells.
- (5) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the Eumont Gas Pool and will otherwise prevent waste and protect correlative rights.

-2-Case No. 5414 Order No. R-4977

IT IS THEREFORE ORDERED:

- (1) That effective at 7:00 a.m. April 1, 1975, the applicant, Continental Oil Company, is hereby authorized to simultaneously dedicate a non-standard 360-acre gas proration unit comprising the SE/4 and E/2 SW/4 of Section 28, and the N/2 NE/4 and NE/4 NW/4 of Section 33, both in Township 20 South, Range 37 East, NMPM, Eumont Gas Pool, Lea County, New Mexico, to its Meyer B-28 A Com Acct. 2 Wells Nos. 2 and 3 located, respectively, at unorthodox locations in Unit 0 of said Section 28 and in Unit C of said Section 33, with unit production to be taken from said wells in any proportion.
- (2) That the allowable assigned to the above-described gas proration unit shall be based upon the unit size of 360 acres and that the operator may produce the allowable assigned to the unit from the subject wells in any proportion.
- (3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

 $\ensuremath{\operatorname{\textsc{DONE}}}$ at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

I. R. TRUJILLO, Chairman

PHIL R. LUCERO, Member

A. L. PORTER, Jr., Member & Secretary

SEAL