

DATE IN 6/14/08	SUSPENSE	ENGINEER W JONES	LOGGED IN 6/14/08	TYPE DHC 4050	APP NO. PKUR0817051678
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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



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.

Donald Dotson

COO

6/11/2008

Print or Type Name

Signature

Title

Date

ddotson@plantationpetro.com
 e-mail Address

RECEIVED
 2008 JUN 18 PM 1 44

District I
1625 N. French Drive, 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 Department

Form C-107A
Revised June 10, 2003

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

APPLICATION TYPE
X Single Well
____ Establish Pre-Approved Pools
EXISTING WELLBORE
X Yes ____ No

APPLICATION FOR DOWNHOLE COMMINGLING

Plantation Operating, LLC 4700 W. Sam Houston Parkway, N., Suite 140, Houston, TX 77041
Operator Address

Silver Oak #1 B-Sec 6, T19S, R35E Lea
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 237788 Property Code 36892 API No. 30-025-3842 Lease Type: ____ Federal X State ____ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Scharb; Bone Spring		Scharb; Wolfcamp
Pool Code	55610		55640
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	9,672-10,938'		11,320-11,350'
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)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)			
Producing, Shut-In or New Zone	Producing		SI
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: 6/3/2008 Rates: 6 BOPD, 0 MCFD 6 BWPD	Date: Rates:	Date: 4/9/2008 Rates: 5.6 BOPD, 0 MCFD, 7 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 50 % 50 %	Oil Gas % %	Oil Gas 50 % 50 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes X No ____
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes ____ No ____

Are all produced fluids from all commingled zones compatible with each other? Yes X No ____

Will commingling decrease the value of production? Yes ____ No X

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes ____ No X

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 Kimberly Faldyn TITLE Engineering Tech DATE 6/17/2008

TYPE OR PRINT NAME Kimberly Faldyn TELEPHONE NO. (281) 296-7222

E-MAIL ADDRESS kfaldyn@plantationpetro.com

State of New Mexico

Energy, Minerals and Natural Resources Department

DISTRICT I

1625 N. FRENCH DR., HOBBBS, 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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-38642	Pool Code 55610	Pool Name Scharb; Bone Spring
Property Code 36892	Property Name SILVER OAK	Well Number 1
OGRID No. 237788	Operator Name PLANTATION OPERATING, LLC	Elevation 3938'

Surface Location

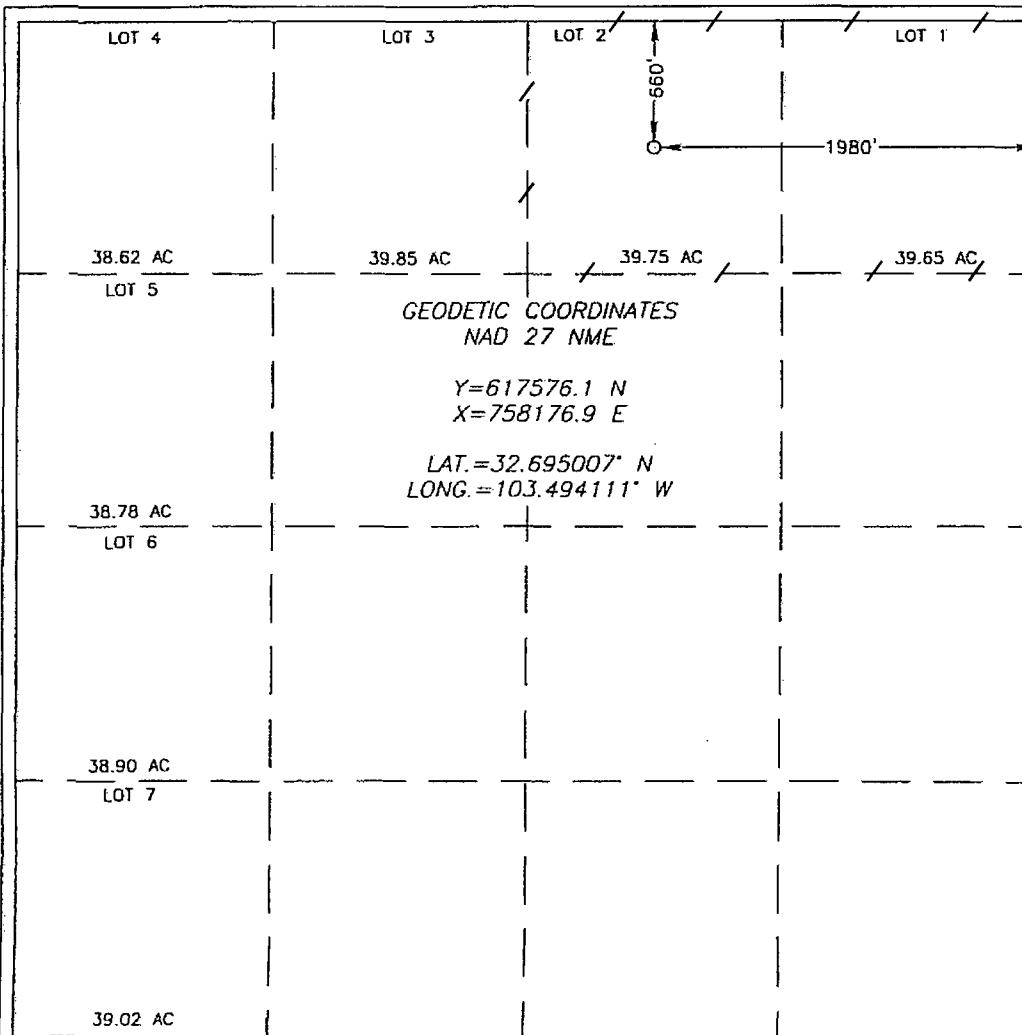
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
2	6	19-S	35-E		660	NORTH	1980	EAST	LEA

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 79.40	Joint or Infill	Consolidation 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



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 entered by the division.

Kimberly Faldyn 6/11/2008
Signature Date
Kimberly Faldyn
Printed Name

SURVEYOR CERTIFICATION

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.

NOVEMBER 21 2007
Date Surveyed
Signature & Seal of Professional Surveyor
Ronald Eidson 3239
Certificate No. GARY EIDSON 12641
RONALD EIDSON 3239

State of New Mexico

DISTRICT I

1025 N. FRENCH DR., HOBBS, NM 88240

Energy, Minerals and Natural Resources Department

Form C-102

DISTRICT II

1301 W. GRAND AVENUE, ARTESIA, NM 88210

OIL CONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR.

Santa Fe, New Mexico 87505

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

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-38642	Pool Code 55640	Pool Name Scharb; Wolfcamp
Property Code 36892	Property Name SILVER OAK	Well Number 1
OGRID No. 237788	Operator Name PLANTATION OPERATING, LLC	Elevation 3938'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
2	6	19-S	35-E		660	NORTH	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 79.40	Joint or Infill	Consolidation Code	Order No.						

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LOT 4	LOT 3	LOT 2	LOT 1
38.62 AC	39.85 AC	39.75 AC	39.65 AC
LOT 5	GEODETIC COORDINATES NAD 27 NME Y=617576.1 N X=758176.9 E LAT.=32.695007° N LONG.=103.494111° W		
38.78 AC			
LOT 6			
38.90 AC			
LOT 7			
39.02 AC			

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Kimberly Faldyn 6/11/2008
Signature Date
Kimberly Faldyn
Printed Name

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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.

NOVEMBER 21 2007
Date Surveyed
Signature & Seal of Professional Surveyor
Ronald E. Eidson
3239
Certificate No. GARY EIDSON 12841
RONALD EIDSON 3239



Plantation Petroleum Companies

Plantation Petroleum Holdings IV, LLC; Plantation Operating, LLC

Kimberly Faldyn
Engineering Tech

4700 W. Sam Houston Pkwy N., Ste 140
Houston, TX 77041
Tel: (281) 296-7222
Fax: (281) 298-2333

June 17, 2008

SENT VIA FEDERAL EXPRESS

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

Attn: Mr. William Jones

**RE: Filing C-107A for Plantation Operating, LLC
Application for Downhole Commingling
Silver Oak #1
Lea County, NM**

Dear Mr. Jones,

Attached please find Form C-107A for Plantation Operating, LLC. The Silver Oak #1 is a newly drilled completed well in Lea County, New Mexico, and we are requesting downhole commingling. This well was just completed in May and is currently producing the Scharb; Bone Spring from 9672-9689'. Once commingling is approved, we plan to drill out cmt and CIBP's to open up additional existing Bone Spring perms. We will continue in hole and also drill out cmt and a CIBP to open up the existing Wolfcamp perms and commingle with all the Bone Spring perms. All interests are equal in the commingled zones and the produced fluids are compatible. The well name, its location, and all attachments included are listed below:

<u>Well Name</u>	<u>Attachments</u>
Silver Oak #1 B-Sec 6, T19S, R35E Lea County, NM	C-107A, C-102 for Bone Spring, C-102 for Wolfcamp,

A copy of this application has been forwarded to the NMOCD in Hobbs, NM. Should you have any questions or need additional information, please feel free to call Kim Faldyn at (281) 296-7222 or e-mail at kfaldyn@plantationpetro.com. Thank you for your attention to this matter.

Best regards,


Kimberly Faldyn
Engineering Tech

cc: NMOCD
Attn: Donna Mull
1625 N. French Drive
Hobbs, NM 88240