.т			PTK-41
DATE IN	7-1-10	SUSPENSE	ENGINEER WJ. LOGGED IN 7-1-10 TYPE DHC APP NO. 1018257778
			ABOVE THIS LINE FOR DIVISION USE ONLY
`.		Γ	NEW MEXICO OIL CONSERVATION DIVISION - Engineering Bureau - 1220 South St. Francis Drive, Santa Fe, NM 87505 Silver OKK #1
	`\ 	·	1220 South St. Francis Drive, Santa Fe, NM 87505 Silver OKK #1
			MINISTRATIVE APPLICATION CHECKLIST 30-025-38872
тн	IIS CHECKLI		NDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE
Applic	ation Ac	ronym	
	-		Idard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication] Inole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
	-	[PC-Poc	ol Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
		1	[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion] [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
	[E0	R-Qual	ified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]
[1]	TYPE	OF AP	PLICATION - Check Those Which Apply for [A]
		[A]	Location - Spacing Unit - Simultaneous Dedication
		Check	One Only for [B] or [C]
		[B]	Commingling - Storage - Measurement
		[C]	Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
		[D]	Other: Specify
[0]	NOTIF		
[2]	NUTIF	[A]	ON REQUIRED TO: - Check Those Which Apply, or Does Not Apply 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]			CURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF IN 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.

Kimberly Faldyn	_ Amilesh Folding	Engineering Tech	6/30/2010
Print or Type Name	Signature	Title	Date
		_kfaldyn@plantationpetro.c	com
		e-mail Address	



Plantation Petroleum Holdings IV, LLC; Plantation Operating, LLC

Kimberly Faldyn Engineering Tech

June 30, 2010

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

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4700 W. Sam Houston Pkwy N., Ste 140

Houston, TX 77041

Tel: (281) 296-7222 Fax: (281) 298-2333

Dear Mr. Jones,

Attached please find Form C-107A for Plantation Operating, LLC. The Silver Oak #1 was previously DHC (DHC-4050) in the Scharb; Bone Spring and the Scharb; Wolfcamp zones beginning August 2008. Then in October 2009, the well was recompleted to the Delaware;Wildcat pool where it is currently still producing. Once commingling is approved, we plan to drill out the cmt and CIBP to open up existing Scharb; Bone Spring and Scharb; Wolfcamp perfs. 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:

Well Name

Silver Oak #1 B-Sec 6, T19S, R35E Lea County, NM C-107A, C-102 for Bone Spring, C-102 for Wolfcamp, C-102 for Delaware

Attachments

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, faldi Kimberly Faldyn

Engineering Tech

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

District I

r

District II

1301 W, Grand Avenue, Artesia, NM 88210

District III 00 Rio Brazos Road, Aztoc, NM 87410

1220 S. St. Francis Dr., Santa Fe, NM 87505

ve. Hobbs. NM 88240

District IV

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

DH-C-302 Plantation Operating, LLC 4700 W. Sam Houston Parkway, N., Suite 140, Houston, TX 77041 Operator Address B-Sec 6, T19S, R35E Unit Letter-Section-Township-Range Silver Oak #1 Lea Well No. Lease 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	Delaware; Wildcat	Scharb; Bone Spring	З Scharb; Wolfcamp
Pool Code	97771	55610	-, 55640
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	6,730-6,736'	9,672-10,938'	11,320-11,350'
Method of Production (Flowing or Artificial Lift)	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	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: 6/24/2010 Rates: 3 BOPD, 3 MCFD 50 BWPD	Date: 7/16/2009 Rates: 3 BOPD, 2.5 MCFD 1.5 BWPD	Date: 7/16/2009 Rates: 3 BOPD, 2.5 MCFD, 1.5 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 34 % 34 %	Oil Gas 33 % 33 %	Oil Gas 33% 33 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?	Yes Yes	<u>x</u>	No No	
Are all produced fluids from all commingled zones compatible with each other?	Yes	<u>X</u>	No	
Will commingling decrease the value of production?	Yes		No <u>X</u>	[
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 <u>2</u>	<u>x</u>
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:

χ,

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									
SIGNATURE Kimber Filden TITLE_	Engineering Tech	DATE6/30/2010							
TYPE OR PRINT NAME Kimberly Faldyn									
TYPE OR PRINT NAME <u>Kimberly Faldyn</u>	TELEPHO	DNE NO. (<u>281</u>)296-7222							
E-MAIL ADDRESS kfaldyn@plantationpetro.com		-							

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