

PETROLEUM

October 25, 2000

Oil Conservation Division
Mr. Michael Stogner
Chief Hearing Officer/Engineer
2040 South Pacheco
Santa Fe, NM 87505

Re: Bluit SA 18 Federal #12 & #14
Sec. 18, T8S, R38E
Bluit SA 13 Federal #14
Sec. 13, T8S, R37E
Roosevelt County, NM

Gentlemen:

Administrative approval to form a non-standard 240-acre gas spacing and proration unit comprising the W/2 NW/4 and SW/4 of Section 18, T8S, R38E to which both the Bluit 18 Federal Well Nos. 5 and 11 were simultaneously dedicated was granted to Plains Petroleum Operating Company. Saga Petroleum LLC became the operator of these wells March 1, 2000 and has recently recompleted two shut-in P₂ San Andres wells to the P₁ San Andres as gas wells. Saga respectfully requests Well Nos 12 & 14 be included in the non-standard proration unit, thereby having 4 wells simultaneously dedicated to same. Form C-102 is enclosed with each well spotted in the correct unit letter of Section 18.

Plains Petroleum Operating Company, to which both the Bluit 13 Federal Well Nos 15 and 11 were simultaneously dedicated, formed a standard 320-acre gas spacing and proration unit comprising the S/2 of Section 13, T8S, R37E in 1994. Saga Petroleum LLC has recently recompleted the Bluit SA 13 Federal No 14 as a P₁ gas well. At this time, Saga respectfully requests Well No 14 be included in the 320-acre proration unit with well numbers 15 and 11. Form C-102 is enclosed with each well spotted in the correct unit letter of Section 13.

Should you have any questions, please contact the undersigned.

Very truly yours,

SAGA PETROLEUM LLC

Bonnie Husband
Production Analyst

Enclosures

cc: OCD - Hobbs
BLM - Roswell

415 W. Wall, Ste 1900
Midland, TX 79701

Office: (915) 684-4293
Fax (915) 684-0829

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Co., Division
1625 N. French Dr.
Hobbs, NM 88240

FORM APPROVED
OMB No. 1004-0135
Expires July 31, 1996

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.
NMNM0509201

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
Bluitt SA 18 Federal #12

9. API Well No.
30-041-20161

10. Field and Pool, or Exploratory Area
Bluitt San Andres Assoc

11. County or Parish, State
Roosevelt
NM

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
SAGA PETROLEUM LLC

3a. Address
415 W WALL, SUITE 1900 MIDLAND, TX 79701

3b. Phone No. (include area code)
(915)684-4293

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1980' FSL & 660' FWL, Sec 18 (L) T8S, R38E

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

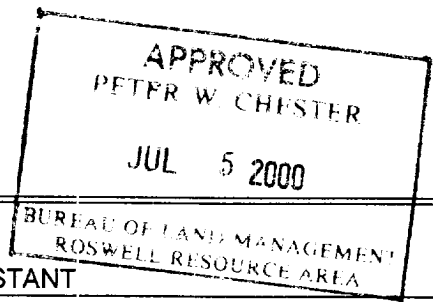
TYPE OF SUBMISSION	TYPE OF ACTION				
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/ Resume)	<input type="checkbox"/> Water Shut-Off	
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity	
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____	
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon		
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal		

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Intend to recomplete TA'd P2 San Andres well in the P1 San Andres Gas zone

Load & test csg to 1000

Perforate 4562'-93' & 4621'-33' w/1 JSPF (13 holes)
Tally in 2-3/8" tbg & 5.1/2" pkr to 4633', spot 150 gals 15% NEFE across perms. Pull pkr to 4512'. Frac w/5000 gal 30# borate xlink gel pad & in 4 stages of 2000 gal each 30# xlink gel w/1-4 ppg 20/40 or 16/30 sand. Flush to btm perf w/2% slick KCl. AIR 12 BPM, max press 4500#. Si overnight to break gel. RIH w/swab, swab to frac tank to kick off. flow until well cleans up. After well cleans up, SI for 72-96 hrs, RIH w/BHP gauge & conduct 4 pt CAOF test



14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)
BONNIE HUSBAND

Signature
Bonnie Husband

Title
PRODUCTION ASSISTANT

Date
06/19/2000

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____ Title _____ Date _____

Conditions of approval, if any, are attached. Approval of this notice does not warrant office certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title 18 U.S.C. Section 1001, makes 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.

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