

PMESD-612154771

Rec: 4-28-2006

Susp: 5-18-2006



PLANTATION PETROLEUM COMPANIES

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

April 27, 2006

Federal Express

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

2006 APR 28 AM 10 30

**RE: Turner State No. 4 - Proposed Drilling to Eumont Gas Pool
W/2 NE/4 & E/2 NW/4, Unit B, Sec 32, T-20S, R-37E
Lea County, New Mexico
Administrative Application for Simultaneous Dedication,
Existing Non-Standard Proration Unit
Administrative Order No. SD-89-1, Division Order No. R-427**

Dear Mr. Stogner,

Please find enclosed is a copy of previously approved **Administrative Approval Order No. SD-89-1** dated June 5, 1989, corresponding to the 160 acre **Turner State No. 3** (F-32-20S-37E) and the **Turner State No. 2** (C-32-20S-37E) (Gas) proration unit, consisting of W/2 NE/4 & E/2 NW/4, Sec 32, T-20S, R-37E Lea County, New Mexico, grants approval to simultaneously dedicate two Eumont wells, to the subject existing 160 acre Eumont (Gas) proration unit. The NSP was approved under Division Order R-427, issued in Case No. 626 dated January 20, 1954.

Thus, we hereby ask your approval to drill corresponding to the new drilling application for the **Turner State 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 one copy of a new C-101 and C-102 corresponding to the new drilling application for the Turner State 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.

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

#3 - 30-025-30613
1980' ENCL

#2 - 30-025-06319 - P/Acd - 1991 990' ENCL
Cum Eumont Production 1650' ENCL (C)

7005374 MIF
5315 AC

Very truly yours,

PLANTATION OPERATING, LLC



John Allred, P.E.
Engineer

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

Gruy Petroleum Management Company
600 E. Las Colinas Blvd., Ste 1100
Irving, TX 75014-0907

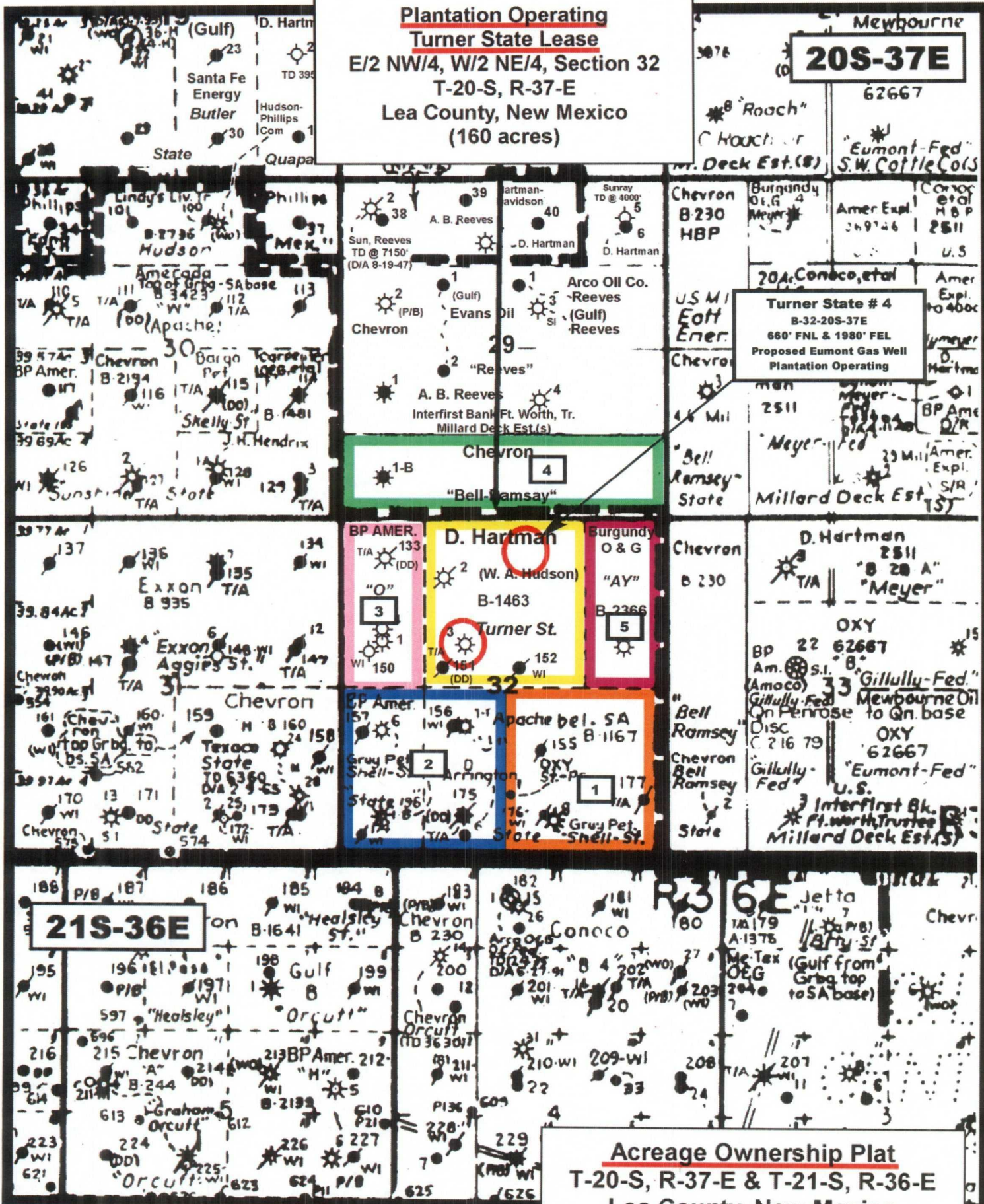
Burgundy Oil & Gas Inc.
401 W. Texas, Ste 1003
Midland, TX 79701

Chevron USA Inc.
15 Smith Rd.
Midland, TX 79705

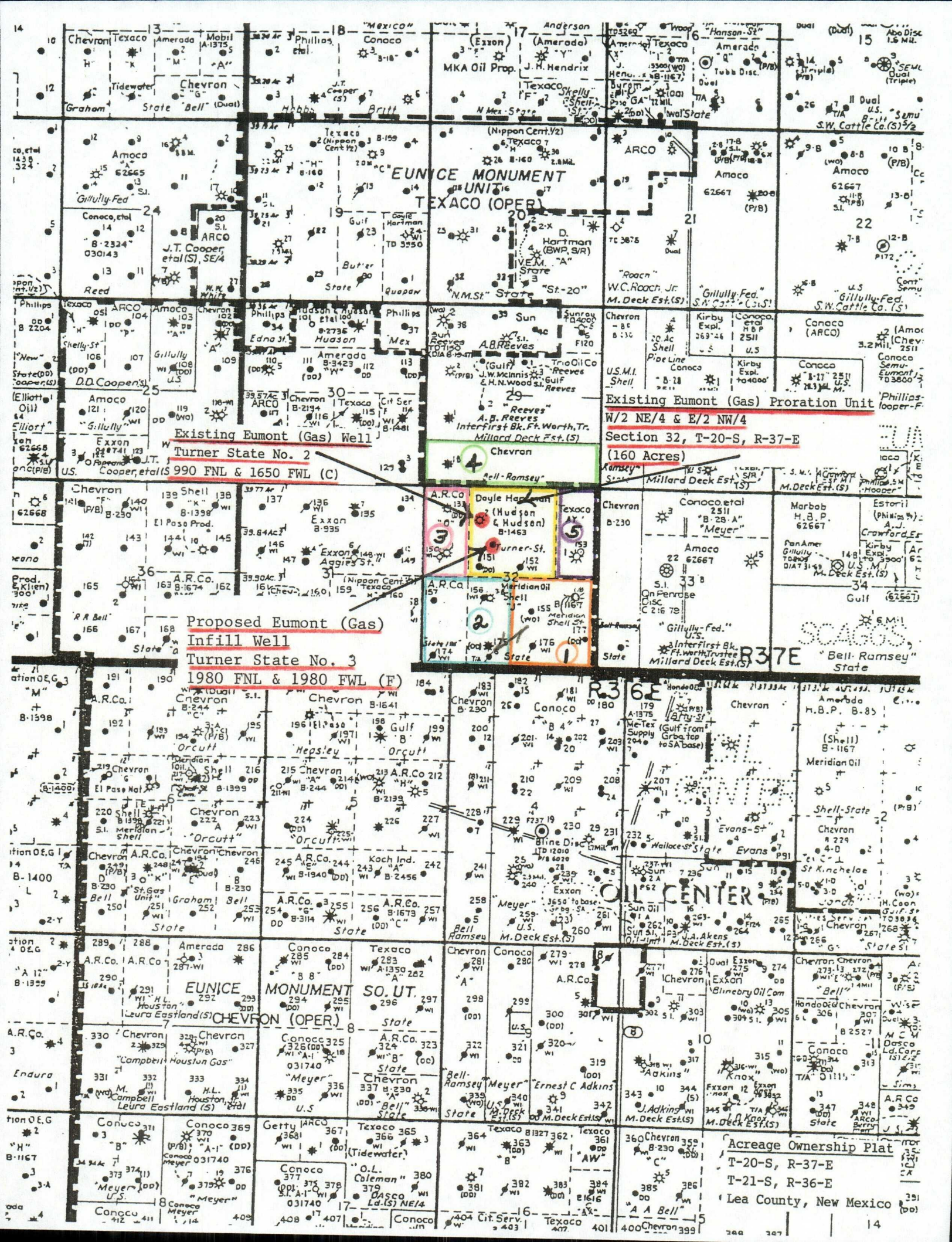
BP America
600 N. Marienfeld
Midland, TX 79702

**Plantation Operating
Turner State Lease**
E/2 NW/4, W/2 NE/4, Section 32
T-20-S, R-37-E
Lea County, New Mexico
(160 acres)

20S-37E



Acreage Ownership Plat
T-20-S, R-37-E & T-21-S, R-36-E
Lea County, New Mexico
Scale: 1" = 2000'



LIST OF OFFSET EUMONT (GAS) OPERATORS

Plantation Operating, LLC

Turner State No. 4

W/2 NE/4 & E/2 NW/4, Unit B, Section 32, 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)	Gruy Petroleum Management Company	Shell State No. 6	I-32-20S-37E	SE/4 Section 32 T-20-S, R-37-E	160
2 (Blue)	Gruy Petroleum Management Company	Shell State No. 7	K-32-20S-37E	SW/4 Section 32 T-20-S, R-37-E	160
3 (Pink)	BP America Production Company	State "O" No. 2	D-32-20S-37E	W/2 NW/4 Section 32 T-20-S, R-37-E	80
4 (Green)	Chevron U.S.A. Inc.	Bell Ramsey "B" No. 1	M-29-20S-37E	S/2 S/2 Section 29 T-20-S, R-37-E	160
5 (Purple)	Burgundy Oil & Gas Inc.	State "AY" No. 1	H-32-20S-37E	E/2 NE/4 Section 32 T-20-S, R-37-E	80

District I
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

Form C-101
May 27, 2004

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

Submit to appropriate District Office

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address Plantation Operating, LLC 2203 Timberloch Place, Suite 229, The Woodlands, Texas 77380		² OGRID Number 237788
³ Property Code 302135	⁵ Property Name Turner State	⁴ API Number 30 - 025- ⁶ Well No. 4
⁹ Proposed Pool 1 Eumont Gas (Yates-7Rivers-Queen)		¹⁰ Proposed Pool 2

7 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	32	20S	37E		660'	North	1980'	East	Lea

8 Proposed 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

Additional Well Information

¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3525'
¹⁶ Multiple No	¹⁷ Proposed Depth 3800'	¹⁸ Formation Yates - 7 Rivers-Queen	¹⁹ Contractor To Be Determined	²⁰ Spud Date ASAP
Depth to Groundwater N/A		Distance from nearest fresh water well > 1,000'		Distance from nearest surface water > 1,000'
Pit: Liner: Synthetic ☐ _____mils thick Clay ☐ Pit Volume: _____bbls Drilling Method: Drilling Closed-Loop System ☒ Fresh Water ☐ Brine ☒ Diesel/Oil-based ☐ Gas/Air ☐				

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
8 3/4"	7"	20#	450'	350	Surface
6 1/8"	4 1/2"	11.6#	3800'	600	Surface

22 Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Before drilling out from surface pipe, the well will be equipped with a 3000-psi 10-inch Series-900 double-ram hydraulic BOP and Hydril and surface pipe and BOP system will be tested to a minimum pressure of 1500 psig. Cement volumes may be adjusted to insure that the cement behind both the 7" and 4-1/2" casing strings will be circulated in sufficient volumes to the surface.

23 I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Printed name: Donald P. Dotson, P.E.

Title: COO

E-mail Address: ddotson@plantationpetro.com

Date: 4/27/2006

Phone: 281-296-7222

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

Expiration Date:

Conditions of Approval Attached ☐

State of New Mexico

DISTRICT I

1625 N. FRENCH DR., HOBBS, NM 88240

Energy, Minerals and Natural Resources Department

Form C-102

Revised October 12, 2005

DISTRICT II

1301 W. GRAND AVENUE, ARTESIA, NM 88210

OIL CONSERVATION DIVISION

Submit to Appropriate District Office

1220 SOUTH ST. FRANCIS DR.

State Lease - 4 Copies

Santa Fe, New Mexico 87505

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	Pool Code	Pool Name
Property Code	Property Name TURNER STATE	Well Number 4
OGRID No.	Operator Name PLANTATION OPERATING, LLC	Elevation 3525'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	32	20-S	37-E		660	NORTH	1980	EAST	LEA

Bottom Hole Location If Different From Surface

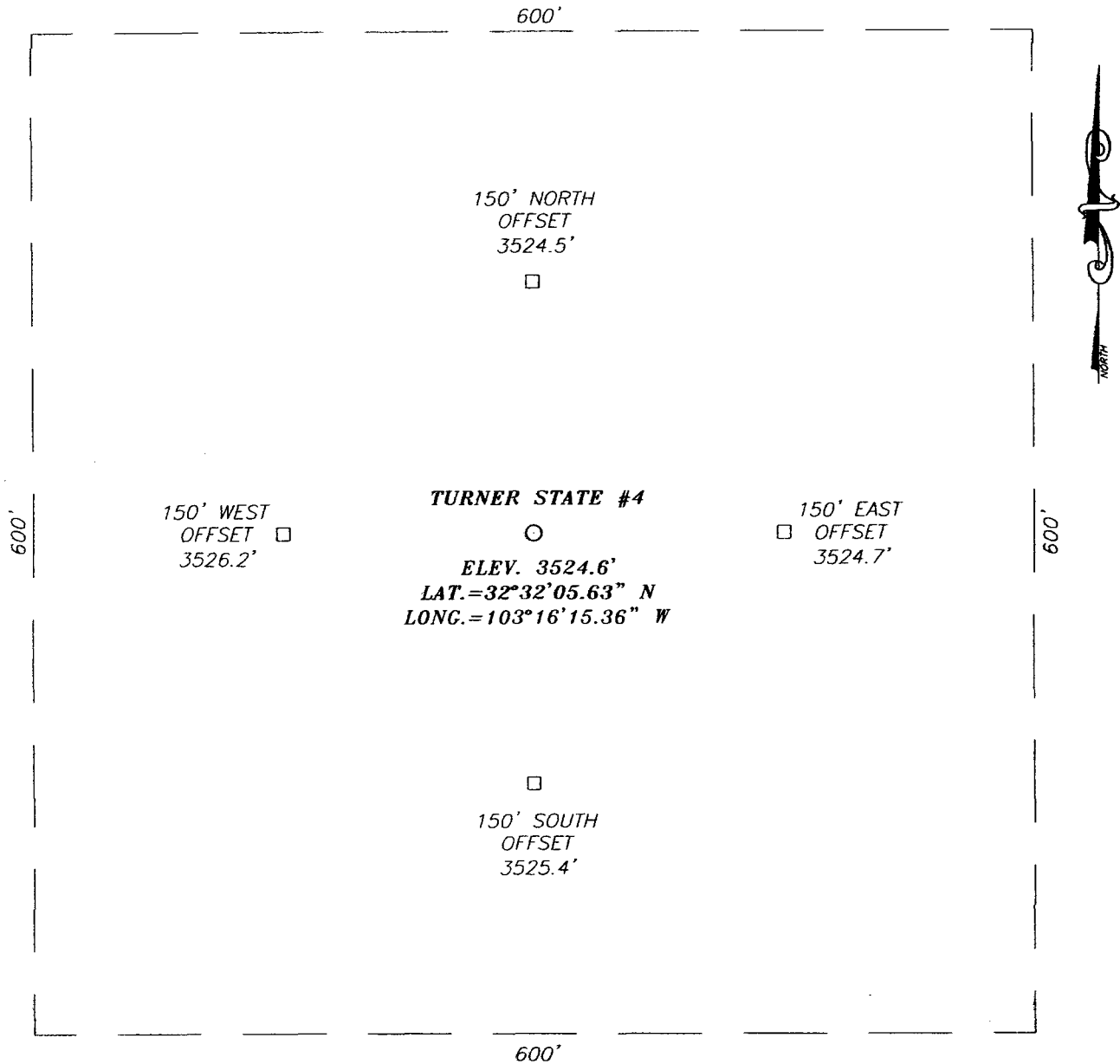
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres	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

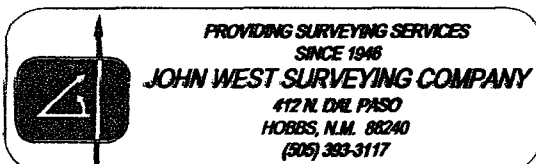
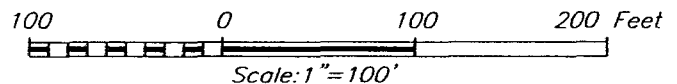
GEODETIC COORDINATES NAD 27 NME Y=559941.1 N X=827420.3 E LAT.=32°32'05.63" N LONG.=103°16'15.36" W	OPERATOR CERTIFICATION I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral 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. <i>John Allred</i> 9/27/06 Signature Date JOHN ALURED 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. MARCH 09, 2006 Date Surveyed MR Signature & Seal of Professional Surveyor <i>Gary Edison</i> 3/17/06 06.11.0467 Certificate No. GARY EDISON 12641

SECTION 32, TOWNSHIP 20 SOUTH, RANGE 37 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO



DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF CO. RD. H-41
(MADDOX RD.) AND ST. HWY. 8, GO WEST ON
MADDOX RD. APPROX. 0.88 MILES. THIS LOCATION
IS APPROX. 660 FEET SOUTH.

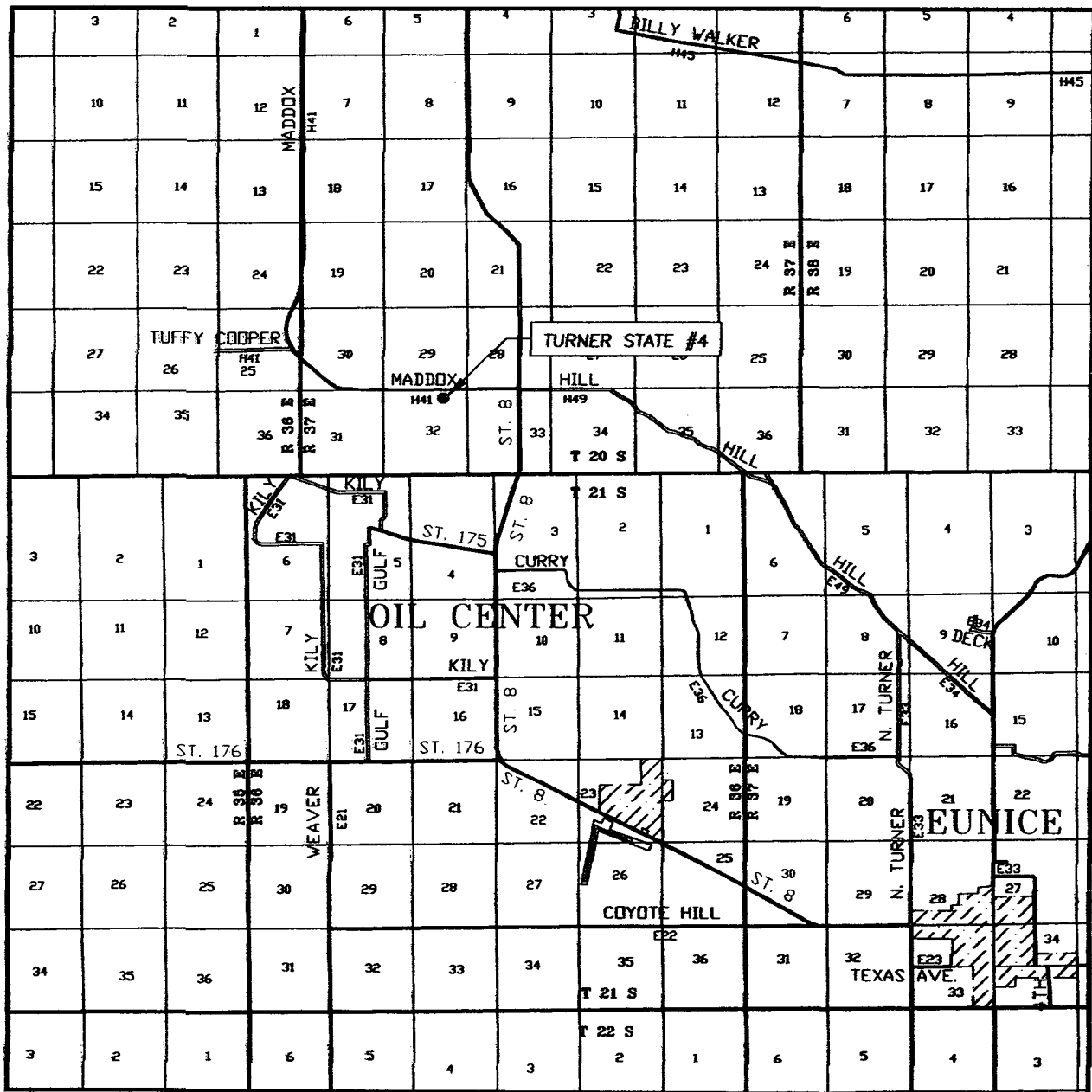


PLANTATION OPERATING, LLC

TURNER STATE #4
LOCATED 660 FEET FROM THE NORTH LINE
AND 1980 FEET FROM THE EAST LINE OF SECTION 32,
TOWNSHIP 20 SOUTH, RANGE 37 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.

Survey Date: 03/09/06		Sheet 1 of 1 Sheets	
W.O. Number: 06.11.0467		Dr By: M.R.	Rev 1:N/A
Date: 03/14/06	Disk: CD#1	06110467	Scale: 1"=100'

VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 32 TWP. 20-S RGE. 37-E

SURVEY N.M.P.M.

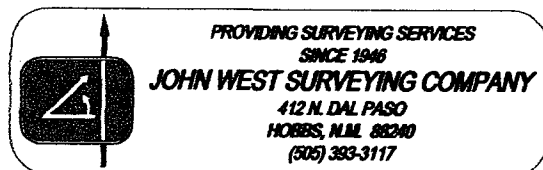
COUNTY LEA STATE NEW MEXICO

DESCRIPTION 660' FNL & 1980' FEL

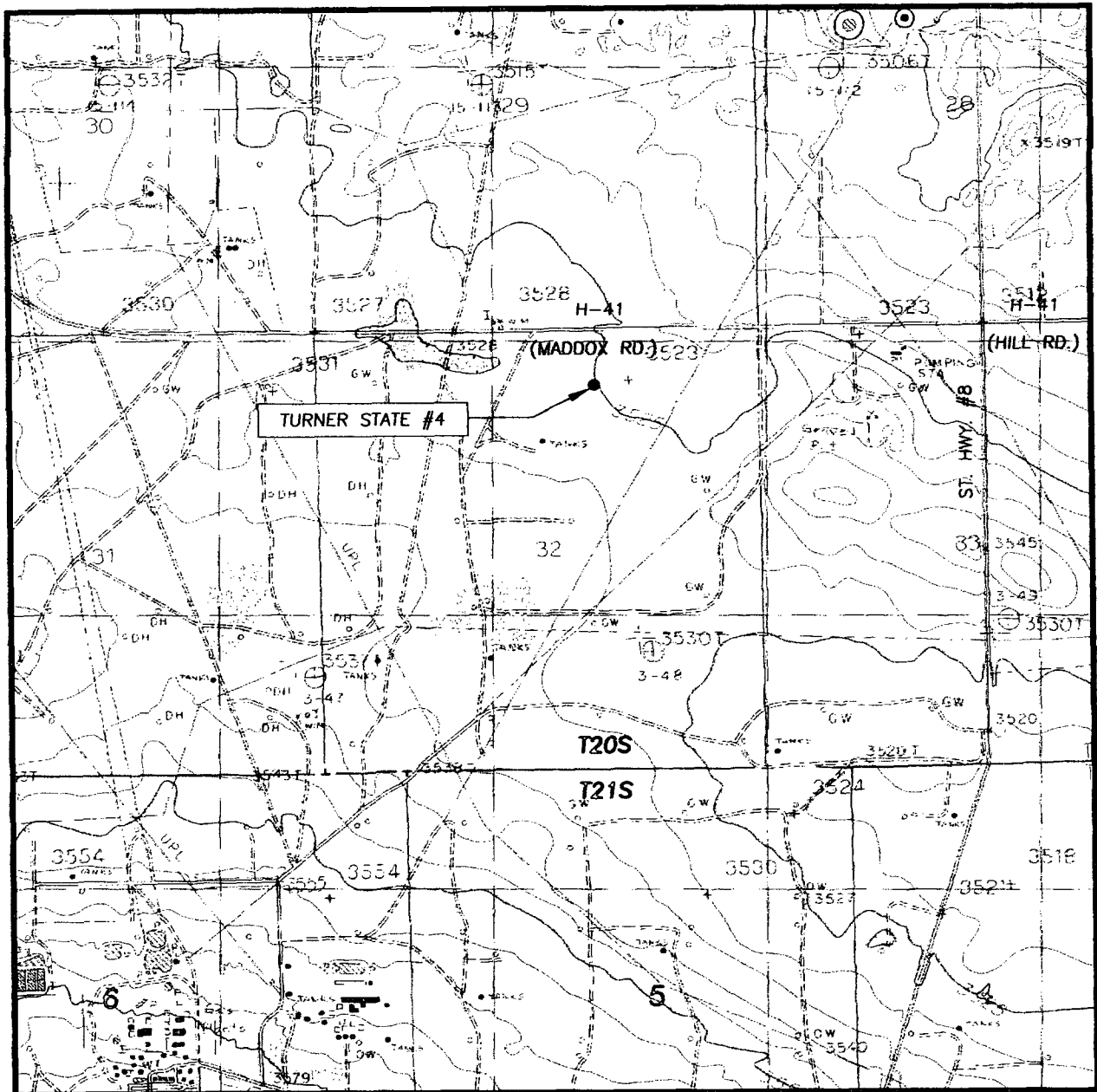
ELEVATION 3525'

OPERATOR PLANTATION OPERATING, LLC

LEASE TURNER STATE



LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

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

SEC. 32 TWP. 20-S RGE. 37-E

SURVEY N.M.P.M.

COUNTY LEA STATE NEW MEXICO

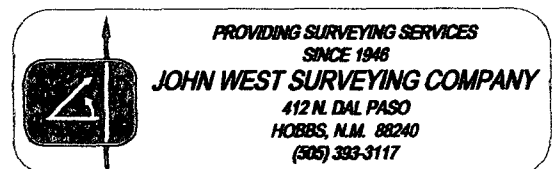
DESCRIPTION 660' FNL & 1980' FEL

ELEVATION 3525'

OPERATOR PLANTATION OPERATING, LLC

LEASE TURNER STATE

U.S.G.S. TOPOGRAPHIC MAP
MONUMENT SOUTH, N.M.



District I
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

Form C-144
June 1, 2004

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 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: <u>Plantation Operating, LLC</u> Telephone: <u>281-296-7222</u> e-mail address: <u>ddotson@plantationpetro.com</u>		
Address: <u>2203 Timberloch Place, Suite 229, The Woodlands, Texas 77380</u>		
Facility or well name: <u>Turner State #4</u> API #: <u>30-025-</u> U/L or Qtr/Qtr <u>B</u> Sec <u>32</u> T <u>20S</u> R <u>37E</u>		
County: <u>Lea</u> Latitude <u>32° 32'05.63" N</u> Longitude <u>103° 16'15.36" W</u> NAD: 1927 ☐ 1983 ☐		
Surface Owner: Federal ☐ State ☐ Private ☒ Indian ☐		
Pit Type: Drilling ☐ Production ☐ Disposal ☐ Workover ☐ Emergency ☐ Lined ☐ Unlined ☐ Liner type: Synthetic ☐ Thickness <u> </u> mil Clay ☐ Pit Volume <u> </u> bbl	Below-grade tank Volume: <u> </u> bbl Type of fluid: <u> </u> Construction material: <u> </u> Double-walled, with leak detection? Yes ☐ If not, explain why not. <u> </u>	
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.) <u>N/A</u>	Less than 50 feet	(20 points)
	50 feet or more, but less than 100 feet	(10 points) <u>0</u>
	100 feet or more	(0 points)
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes	(20 points)
	No <u>No</u>	(0 points) <u>0</u>
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet	(20 points)
	200 feet or more, but less than 1000 feet	(10 points)
	1000 feet or more	(0 points) <u>0</u>
Ranking Score (Total Points)		<u>0</u>

If this is a pit closure: (1) Attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: (check the onsite box if you are burying in place) onsite ☐ offsite ☐ If offsite, name of facility . (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☐ 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 excavations.

Additional Comments:
<u>Closed Loop System</u>

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 guidelines ☐, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Date: 4/27/2006

Printed Name/Title Donald P. Dotson / COO

Signature 

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

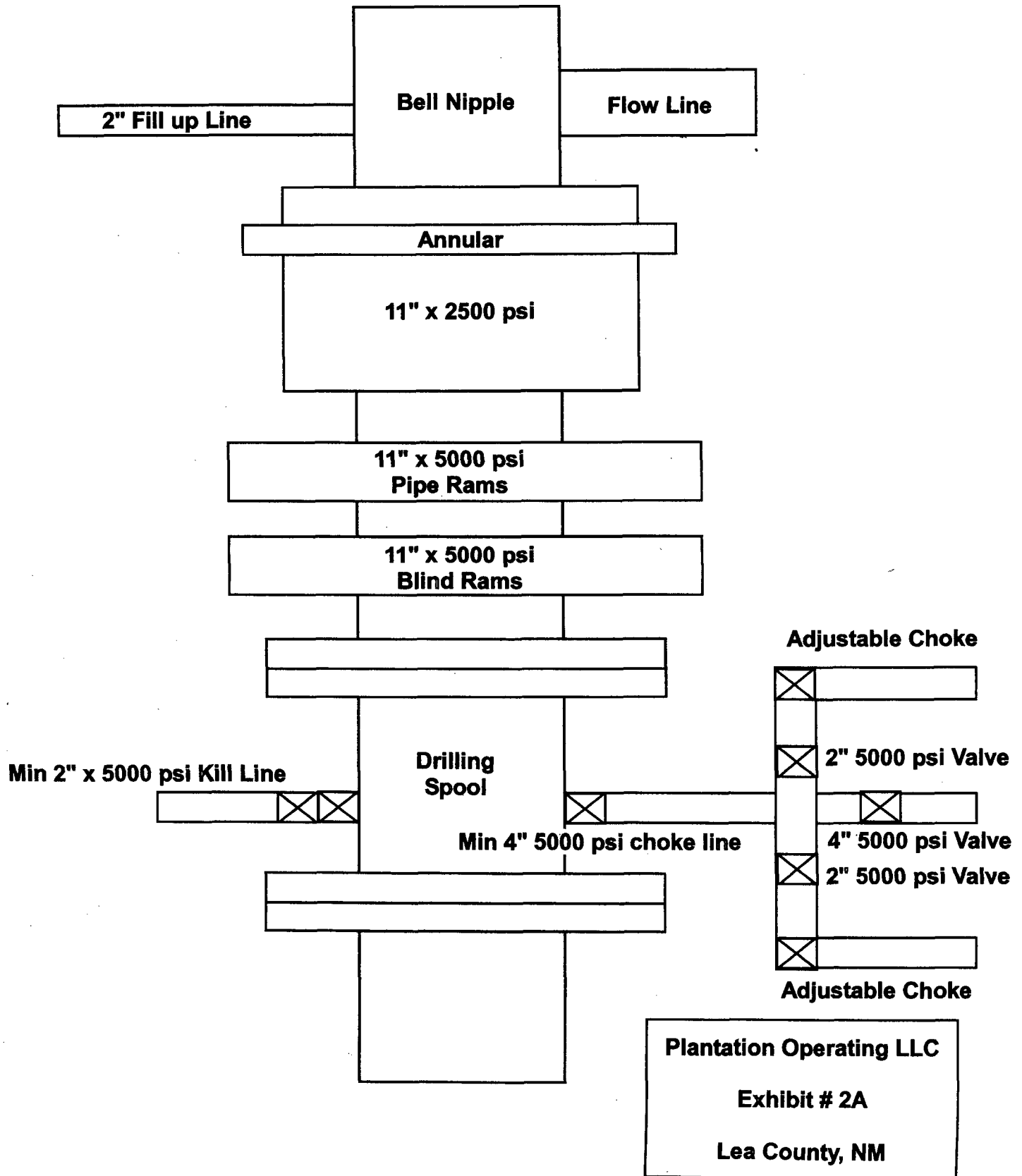
Approval:

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

