



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

September 13, 2006

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

Plantation Operating, L.L.C.
2203 Timberloch Place, Suite 229
The Woodlands, Texas 77380

Attention: John Allred, P.E.
jallred@plantationpetro.com

Administrative Order SD-06-25

Dear Mr. Allred:

Reference is made to the following: (i) your application submitted to the New Mexico Oil Conservation Division ("Division") in Santa Fe, New Mexico on August 23, 2006 (*administrative application reference No. pMES0-625528411*); and (ii) the Division's records in Hobbs and Santa Fe, including the file on Division Administrative Order NSP-282: all concerning Plantation Operating, L.L.C.'s ("Plantation") plans for additional development of the Eumont Gas Pool (76480) within the existing non-standard 160-acre gas spacing unit comprising the NW/4 of Section 27, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico.

Your application has been duly filed under the provisions of the "Special Pool Rules for the Eumont Gas Pool," as promulgated by Division Order No. R-8170-P, issued in Case No. 12563 on December 14, 2001.

By Division Administrative Order NSP-282, dated July 11, 1956, this 160-acre non-standard gas spacing unit was initially established for Plantation's Meyer "B-27" Well No. 1 (*API No. 30-025-06271*), located at a standard gas well location 1980 feet from the North line and 660 feet from the West line (Unit E) of Section 27.

It is the Division's understanding that Plantation now intends to drill its proposed Meyer "B-27" Well No. 2 at a standard infill gas well location 960 feet from the North line and 1980 feet from the West line (Unit C) of Section 27.

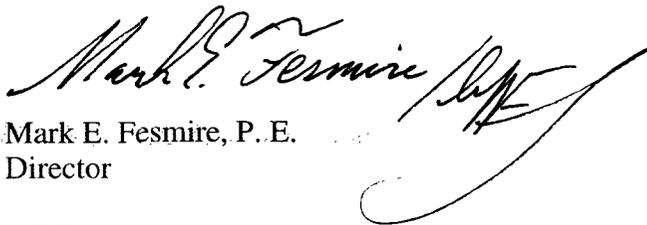
By the authority granted me under the provisions of Rules 4 (B) and (D) of the special rules governing the Eumont Gas Pool, Plantation is hereby authorized to simultaneously dedicate Eumont gas production to the above described 160-acre non-standard gas spacing unit from both its existing Meyer "B-27" Well No. 1 and proposed Meyer "B-27" Well No. 2. Furthermore, all provisions applicable to the subject unit in Division Administrative Order NSP-282 shall remain in full force and affect until further notice.

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Jurisdiction of this matter shall be further retained for the entry of any such subsequent orders, as the Division may deem necessary.

Sincerely,

A handwritten signature in cursive script, appearing to read "Mark E. Fesmire". The signature is written in dark ink and is positioned to the right of the typed name and title.

Mark E. Fesmire, P. E.
Director

MEF/ms

cc: New Mexico Oil Conservation Division – Hobbs
U. S. Bureau of Land Management - Carlsbad
File: Division Administrative Order NSP-282
