



PETROLEUM

March 22, 2001

REC-11
MAR 26 2001

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

Re: Inclusion of additional in-fill gas wells within two existing 320-acre standard gas spacing and proration units in the Bluit San Andres Associated Pool comprising the S/2 320-acres and the N/2 320-acres of Section 13, T8S, R37E, Roosevelt County, NM

Dear Mr. Stogner:

Offset operators, John A Yates, Jr. and Yates Petroleum Corporation were notified of Saga's request for administrative approval to include additional wells in existing 320-acre standard proration units in Section 13. More than 45-days have lapsed and no objections have been received.

Saga respectfully requests administrative approval be granted to simultaneously dedicate wells 1, 3 and 6 to the N/2 320-acre proration unit; we respectfully request administrative approval also be granted to simultaneously dedicate wells 11, 14 and 15 to the S/2 320-acre proration unit.

Yours very truly,

SAGA PETROLEUM LLC

Bonnie Husband
Production Analyst

Enclosures



PETROLEUM

February 1, 2001

MAR 26 2001

Mr. John A Yates, Jr.
331 W Main, Suite A
Artesia, NM 88210

Re: Offset Operator to the
Bluitt SA 13 Federal #3
Sec. 13 (C), T8S, R37E
Roosevelt County, NM

Dear Mr. Yates:

Saga Petroleum LLC has recently recompleted the referenced well as a P₁ San Andres gas producer. This well is unorthodox pursuant to Rule 2 (b) of the Special Rules and Regulations for the Bluitt-San Andres Associated Pool. Saga proposes to include the subject gas well within an existing 320-acre standard gas spacing and proration unit in the Bluitt San Andres Associated Pool comprising the N/2 of Section 13, Township 8 South, Range 37 East, NMPM, Roosevelt County, NM. Administrative approval comprising the N/2 of the Section was granted in 1994 to Plains Petroleum Operating Company, the previous operator/owner, to simultaneously dedicate wells number 1,6 and 8 to the N/2 of Section 13. Saga now proposes to simultaneously dedicate wells number 1, 3, 6 & 8 to the N/2 of Section 13. No individual well is capable of producing the top allowable of 1200 MCF a day, furthermore wells 1, 3, 6 & 8 averaged producing 244 MCF daily during the month of January, well under the 1200 MCFD allowable.

Please sign in the appropriate space your election to agree or not agree to Saga's request for administrative approval to simultaneously dedicate more than one well to an existing 320-acre proration unit.

Yours very truly,

SAGA PETROLEUM LLC

Bonnie Husband
Production Analyst

Offset Operator to the
 Bluitt SA 13 Federal #3
 Sec. 13 (C), T8S, R37E
 Roosevelt County, NM

DO NOT object to Saga's request for administrative approval from the OCD to dedicate more than one well to a 320-acre proration unit.

OBJECT to Saga's request for administrative approval from the OCD to dedicate more than one well to a 320-acre proration unit.

By: _____

Z 558 015 813

US Postal Service
Receipt for Certified Mail
 No Insurance Coverage Provided.
 Do not use for International Mail (See reverse)

Sent to	
John A Yates Jr	
Street & Number	
Post Office, State, & ZIP Code	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

PS Form 3800, April 1995

Is your RETURN ADDRESS completed on the reverse side?

5. Received By: (Print Name)
 Judy A Houghtaling

6. Signature: (Address of Agent)
 Judy A Houghtaling

PS Form 3811, December 1994

John A Yates Jr
 331 W Main, Suite A
 Artesia, NM 88210

3. Article Addressed to:
- 4a. Article Number
 Z 558 015 813
- 4b. Service Type
 Registered
 Express Mail
 Return Receipt for Merchandise
 COD
7. Date of Delivery
 2.8.91
8. Addressee's Address (Only if requested and fee is paid)

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

- I also wish to receive the following services (for an extra fee):
- 1. Addressee's Address
 - 2. Restricted Delivery
- Consult postmaster for fee.

Service.



PETROLEUM

February 5, 2001

MAR 26 2001

Yates Petroleum Corporation
105 South Fourth Street
Artesia, NM 88210-2118

Certified Z 558 015 814

Re: Offset Operator to the
Bluitt SA 13 Federal #3 (Unit C),
Bluitt SA 13 Federal #14 (Unit N)
Sec. 13, T8S, R37E
Roosevelt County, NM

Gentlemen:

Saga Petroleum LLC has recently recompleted the referenced wells as P₁ San Andres gas producers. The wells are unorthodox pursuant to Rule 2 (b) of the Special Rules and Regulations for the Bluitt-San Andres Associated Pool. Saga proposes to include each well within an existing 320-acre standard gas spacing and proration unit comprising the N/2 and S/2 of Section 13, Township 8 South, Range 37 East, NMPM, Roosevelt County, NM in the Bluitt San Andres Associated Pool. Administrative approval comprising the N/2 of the Section was granted in 1994 to Plains Petroleum Operating Company, the previous operator/owner, to simultaneously dedicate wells number 1 and 6 to the N/2 of Section 13. Saga now proposes to simultaneously dedicate wells number 1, 3 & 6 to the N/2 of Section 13. Administrative approval was further granted to Plains Petroleum comprising the S/2 of Section 13 to simultaneously dedicate well numbers 11 and 15. Saga proposes to simultaneously dedicate wells 11, 14 and 15 to the S/2 of Section 13. No individual well is capable of producing the top allowable of 1200 MCF a day, wells 1, 3 & 6 produce less than 200 MCF/day, and wells 11, 14 and 15 produce an average of 395 MCF/day.

Please sign in the appropriate space your election to agree or not agree to Saga's request for administrative approval to simultaneously dedicate more than one well to an existing 320-acre proration unit.

Yours very truly,
SAGA PETROLEUM LLC

Bonnie Husband
Production Analyst

415 W. Wall, Ste 1900
Midland, TX 79701

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

Offset Operator to the
 Bluitt SA 13 Federal #3 (Unit C)
 Bluitt SA 13 Federal #14 (Unit N)
 Section 13 T8S, R37E
 Roosevelt County, NM

DO NOT object to Saga's request for administrative approval from the OCD to dedicate more than one well to a 320-acre proration unit.

OBJECT to Saga's request for administrative approval from the OCD to dedicate more than one well to a 320-acre proration unit.

By: _____

Z 558 015 814

US Postal Service
Receipt for Certified Mail
 No Insurance Coverage Provided.
 Do not use for International Mail (See reverse)

Sent to	
Yates Pet Corp	
Street & Number	
Post Office, State, & ZIP Code	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

PS Form 3800 April 1995

Is your RETURN ADDRESS completed on the reverse side?

3. Article Addressed to: YATES PET CORP 105 S 4th St Artesia, NM 88210		4a. Article Number Z 558 015 814	4b. Service Type <input type="checkbox"/> Registered <input type="checkbox"/> Express Mail <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Certified <input type="checkbox"/> Insured <input type="checkbox"/> COD
5. Received By: (Print Name) 		7. Date of Delivery 2.8.01	
6. Signature (Addressee or Agent) X <i>M. Moore</i>		8. Addressee's Address (Only if requested and fee is paid)	

PS Form 3811, December 1994

102565-98-B-0229

Domestic Return Receipt

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1. Addressee's Address
 - 2. Restricted Delivery
- Consult postmaster for fee.

Thank you for using Return Receipt Service.



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

December 19, 2000

Lori Wrotenbery
Director
Oil Conservation Division

Saga Petroleum, L.L.C.
415 W. Wall - Suite 1900
Midland, Texas 79701

Attention: Bonnie Husband

Re: *The inclusion of an additional infill gas well within an existing 320-acre standard gas spacing and proration unit in the Bluit-San Andres Associated Pool comprising the S/2 of Section 13, Township 8 South, Range 37 East, NMPM, Roosevelt County, New Mexico.*

Dear Ms. Husband:

My review of your letter dated October 25, 2000 concerning Saga's proposal to include the Bluit SA "13" Federal Well No. 14 into the subject 320-acre standard gas spacing and proration unit indicates that this well is unorthodox pursuant to **Rule 2 (b)** of the "*Special Rules and Regulations for the Bluit-San Andres Associated Pool*," as promulgated by Division Order No. R-5353, as amended. Therefore, an application with adequate notification will be required pursuant to **Rule 2 (c)** of the "*General Rules and Regulations for the Associated Oil and Gas Pools of Northwest and Southeast New Mexico/Special Rules and Regulations for the Bluit-San Andres Associated Pool*," also set forth in Division Order No. R-5353, as amended.

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

LW/mes

cc: New Mexico Oil Conservation Division - Hobbs

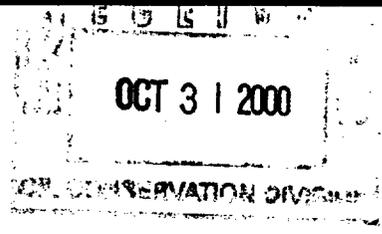
~~30450000~~

~~11/20/00~~

111448398



October 25, 2000



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

Re: Bluitt SA 18 Federal #12 & #14
Sec. 18, T8S, R38E
Bluitt 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 Bluitt 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 Bluitt 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 Bluitt 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

15 W. Wall, Ste 1900
Midland, TX 79701

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

District I
 PO Box 1980, Hobbs, NM 88241-1980
 District II
 811 South First, Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

Form C-102
 Revised October 18, 1994
 Instruction on back
 Submit to Appropriate District Office
 State Lease - 4 Copies
 Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-041-20220		² Pool Code 06880		³ Pool Name Bluitt San Andres Associated	
⁴ Property Code 025447		⁵ Property Name Bluitt SA 13 Federal			⁶ Well Number 14
⁷ OGRID No. 148967		⁸ Operator Name Saga Petroleum LLC			⁹ Elevation

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	13	8S	37E		660	SOUTH	1980	WEST	ROOSEVELT

¹¹ 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
¹² Dedicated Acres		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.			

Share 320-acre allowable S/2 of Section 13

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

16	#3	#1	17 OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</i>  _____ Signature Printed Name BONNIE HUSBAND _____ Title PRODUCTION ANALYST _____ Date 10/24/2000
	#6	#8	
	#11 ○		18 SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plot was plotted from field notes of actual surveys made by me or under</i> _____ Date of Survey Signature and Seal of Professional Surveyer _____ Certificate Number
1980'	#14 ○ 660'	#15 ○	

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

January 20, 1994

Plains Petroleum Operating Company
415 West Wall Street, Suite 1000
Midland, TX 79701

Attention: Bonnie Husband

Administrative Order NSP-1684

Dear Ms. Husband:

Reference is made to your application dated December 14, 1993 for a 160-acre non-standard gas spacing and proration unit consisting of the following acreage in the Bluit-San Andres Associated Pool:

ROOSEVELT COUNTY, NEW MEXICO
TOWNSHIP 8 SOUTH, RANGE 37 EAST, NMPM
Section 13: SE/4

It is my understanding that this unit is to be dedicated to your existing Bluit San Andres Unit Section 13 Well No. 15 located at a standard gas well location 660 feet from the South line and 1980 feet from the East line (Unit O) of said Section 13.

By authority granted me under the provisions of Rule 4 (b) of the General Rules and Regulations for the Associated Oil and Gas Pools of Northwest and Southeast New Mexico/Special Rules and Regulations for the Bluit-San Andres Associated Pool, as promulgated by Division Order No. R-5353, as amended, the above non-standard gas spacing and proration unit is hereby approved.

Sincerely,

A handwritten signature in black ink, appearing to read "William J. LeMay".

William J. LeMay
Director

WJL/MES/amg

cc: Oil Conservation Division - Hobbs
US Bureau of Land Management - Roswell

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

12/19/00 16:03:06
OGOMES -TPQT
PAGE NO: 1

Sec : 13 Twp : 08S Rng : 37E Section Type : NORMAL

D 40.00 Federal owned	C 40.00 Federal owned A	B 40.00 Federal owned A	A 40.00 Federal owned A
E 40.00 Federal owned A	F 40.00 Federal owned A	G 40.00 Federal owned A	H 40.00 Federal owned A

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

12/19/00 16:03:10
OGOMES -TPQT
PAGE NO: 2

Sec : 13 Twp : 08S Rng : 37E Section Type : NORMAL

L 40.00 Federal owned	K 40.00 Federal owned A	J 40.00 Federal owned A	I 40.00 Federal owned A
M 40.00 Federal owned	N 40.00 Federal owned A	O 40.00 Federal owned A	P 40.00 Federal owned A

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12