

9/5/08 DATE IN	SUSPENSE	Brooks ENGINEER	9/5/08 LOGGED IN	NSL SD TYPE	PKVR0824942341 APP NO. PKVR082494270R
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ABOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
- Engineering Bureau -  
1220 South St. Francis Drive, Santa Fe, NM 87505



**RECEIVED**  
5 AM 10 53

Enervest  
Operating  
LLC  
Boren Green  
Gas Com  
#45

**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Application Acronyms:**

**[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]**  
**[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]**  
**[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]**  
**[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]**  
**[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]**  
**[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]**

NSL 5931  
SD 200823

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]  
 [A] Location - Spacing Unit - Simultaneous Dedication  
☒ NSL ☐ NSP ☒ SD  
 Check One Only for [B] or [C]  
 [B] Commingling - Storage - Measurement  
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM  
 [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR  
 [D] Other: Specify \_\_\_\_\_
- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or ☐ Does Not Apply  
 [A] ☐ 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] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION 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.

Ronnie L. Young  
Print or Type Name

*Ronnie L. Young*  
Signature

Coordinator, Regulatory Compliance  
Title

9/2/08  
Date

RYOUNG@ENERVEST.NET  
E-Mail Address

September 2, 2008

New Mexico Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

**Hand Delivered**

Attention: Mr. Mark E. Fesmire, P.E.  
Director

Re: Application for Unorthodox Gas Well Location,  
Increased Well Density & Simultaneous Dedication  
Jalmat (Tansil-Yates-Seven Rivers) Gas Pool ("Jalmat Gas Pool")

Dear Mr. Fesmire:

Pursuant to the application of Doyle Hartman, Oil Operator ("Doyle Hartman") in Case No. 8770, the Division approved, by Order No. R-8116 dated January 6, 1986, a 320-acre non-standard gas spacing and proration unit ("GPU") in the Jalmat Gas Pool comprising the NE/4 of Section 20 and the NW/4 of Section 21, both in Township 22 South, Range 36 East, NMPM, Lea County, New Mexico. Doyle Hartman was further authorized to drill two gas wells at unorthodox gas well locations within this GPU, one well to be located in Unit H of Section 20, and the other to be located in Unit F of Section 21. Division records indicate that neither of these proposed wells were ever drilled by Doyle Hartman.

By Division Order No. NSL-5541 dated January 3, 2007 Plantation Operating, LLC was authorized to drill the Boren Greer Gas Com Well No. 4 (API No. 30-025-38222) at an unorthodox gas well location for the Jalmat Gas Pool 1795 feet from the North line and 1035 feet from the West line (Unit E) of Section 21, Township 22 South, Range 36 East, NMPM. This well was dedicated to the 320-acre non-standard GPU approved by Order No. R-8116.

EnerVest Operating, L.L.C. ("EnerVest"), the current operator of the subject GPU, hereby requests approval:

- a) to drill an additional infill gas well within the subject GPU. EnerVest proposes to drill the Boren Greer Gas Com Well No. 5 at an unorthodox gas well location 2080 feet from the North line and 2130 feet from the West line (Unit F) of Section 21; and
- b) to simultaneously dedicate the existing Boren Greer Gas Com Well No. 4 and the proposed Boren Greer Gas Com Well No. 5 to the subject GPU.

The wells and GPU are located within the Jalmat Gas Pool. This pool is currently governed by special pool rules established by Order No. 8170-P effective December 14, 2001.

Well location requirements and well density provisions are contained within Rule No. (3) of the special pool rules.

As shown on the attached John West Surveying Company plat, the proposed unorthodox gas well location is necessitated by a Southern Union pipeline that runs east-west through the SE/4 NW/4 of Section 21, and by the presence of the Breck Operating Corp. South Eunice Unit Well No. 13 (API No. 30-025-08980) which is located 1980 feet from the North and West lines (Unit F) of Section 21.

In support of the application, EnerVest states the following:

The existing Boren Greer Gas Com No. 4 is currently marginally productive. During January-May, 2008 the well produced at an average rate of approximately 103 MCF of gas per day;

Recent drilling in this area by EnerVest and other operators has demonstrated that there is little or no interference between gas wells spaced on 40 acres within the Jalmat Gas Pool. Consequently, EnerVest believes that the drilling of the proposed Boren Greer Gas Com No. 5 is necessary in order to effectively and efficiently drain the gas reserves from the Jalmat Gas Pool within the SE/4 NW/4 of Section 21;

Due to inefficient drainage and the marginally productive nature of the existing well, EnerVest believes that no offset operator and/or interest owner will be adversely affected by the approval of this application;

Attachment No. 1 is a plat that identifies the subject GPU, and the wells that are to be simultaneously dedicated to this unit;

Attachment No. 2 is a plat that identifies the historic Jalmat Gas Pool development in Sections 16, 17, 20 and 21, T-22 South, R-36 East. As shown on this plat, all acreage offsetting the subject GPU has previously been developed in the Jalmat Gas Pool. Of the eight GPU's that directly offset the subject GPU, only one is currently active. The gas wells that were previously dedicated to the remaining seven GPU's have either been plugged and abandoned, or the wells have been reclassified to oil wells in the Jalmat Gas Pool.

Attachment No. 2A is a plat that identifies the current development in the Jalmat Gas Pool in Sections 16, 17, 20 and 21, T-22 South, R-36 East. As shown on this plat, Marathon Oil Company operates the only gas unit, a 600-acre GPU in Section 16. Within Section 17, there are currently five 40-acre oil units, four of which are operated by EnerVest. **Please note that EnerVest owns 100% of the working interest within these four oil units.** Within Section 20, there are three 40-acre oil units, and within

Section 21, there are no active wells or units except for the Boren Greer Gas Com No. 4.

EnerVest has had discussions with the Division concerning notice of this application. In those discussions, the Division advised that notice of this application would have to be provided to all interest owners in Section 21, but that an exception to the notice requirements for Sections 17 and 20 could be requested. Consequently, EnerVest requests an exception to the notice requirements for those Jalmat Gas Pool interest owners in Sections 17 and 20, T-22 South, R-36 East, that are not currently contained within an existing oil or gas unit. EnerVest believes that the exception is justified for the following reasons:

- 1) Presuming that these wells drain 40-acres or less, the drilling of the proposed Boren Greer Gas Com No. 5 will have no adverse affect on that acreage;
- 2) Since the only producing wells on these GPU's have been plugged and abandoned and no subsequent development of this acreage has occurred, it appears that the GPU's have been depleted of Jalmat Gas Pool reserves; and
- 3) Due to the marginal nature of drilling infill wells within the Jalmat Gas Pool, a costly search to determine ownership within this acreage may adversely affect the economics of drilling the proposed well.

EnerVest will provide notice of this application to the following parties:

All operators of existing oil or gas units in Sections 16, 17 and 20, T-22 South, R-36 East, and all owners of interest in the Jalmat Gas Pool in the E/2 and SW/4 of Section 21, T-22 South, R-36 East.

Attachment No. 2B is a compilation of all active and inactive Jalmat Gas Pool producing wells within the offsetting oil and gas units.

A copy of the notice letter that has been sent to all parties is enclosed, as is Attachment No. 3, which is a list of the parties to whom notice has been provided. Upon obtaining the signed return receipt cards, they will be forwarded to the Oil Conservation Division.

Also enclosed is a copy of Order No. NSL-5541 and a Form C-102 for the proposed Boren Greer Gas Com No. 5.

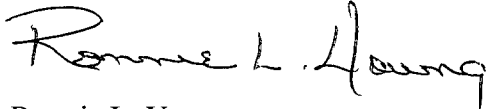
In summary, EnerVest Operating, L.L.C. believes that approval of the application is in the best interest of conservation, prevention of waste and protection of correlative rights.

If you should have any questions, please call me at (713) 495-6530 or E-Mail me at RYOUNG@ENERVEST.NET.

*EnerVest Operating, L.L.C.  
Application for Unorthodox Gas Well Location,  
Increased Well Density & Simultaneous Dedication  
Jalmat Gas Pool  
Page 4*

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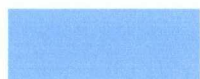
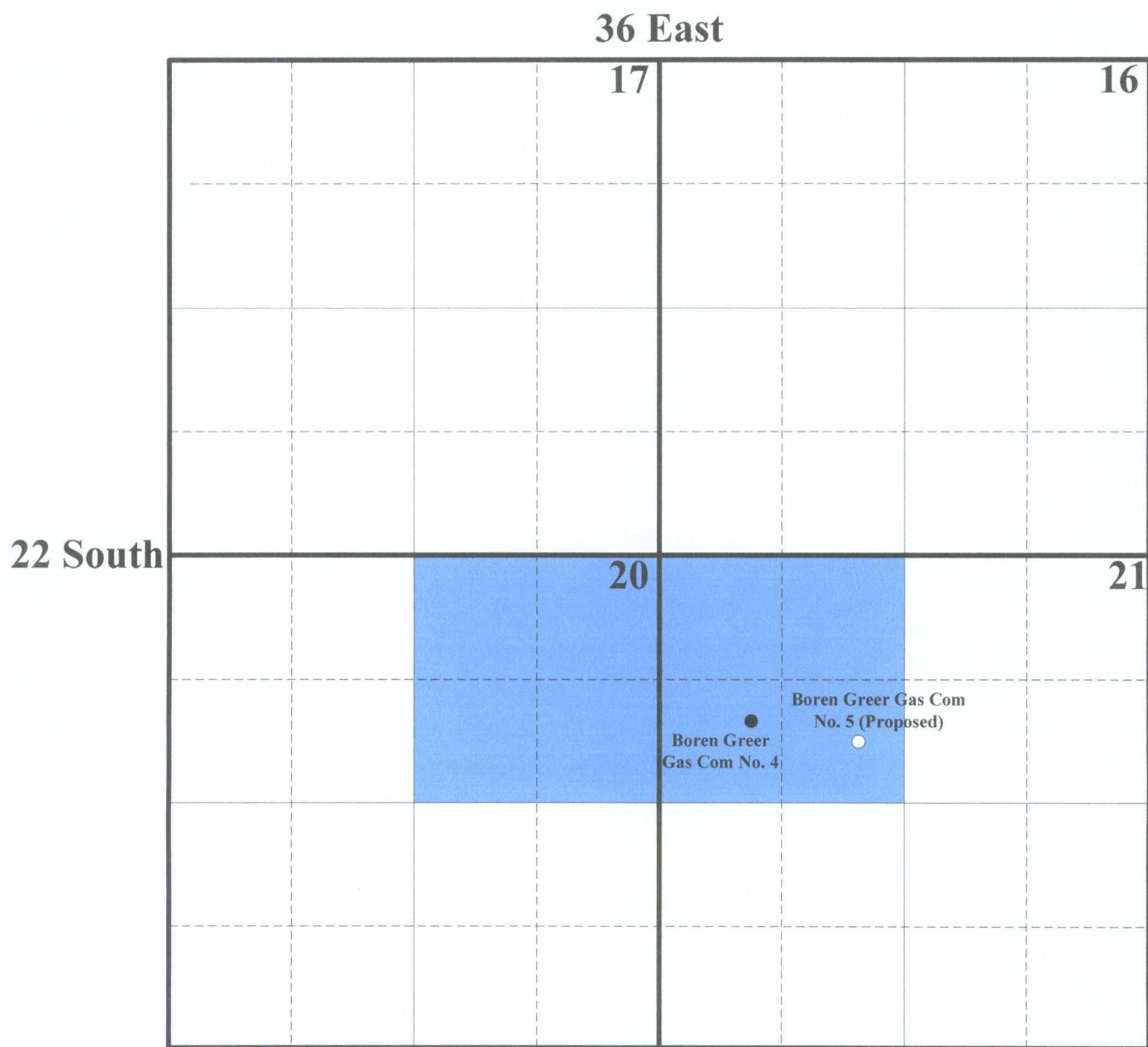
Sincerely

A handwritten signature in cursive script that reads "Ronnie L. Young". The signature is written in dark ink and is positioned above the typed name and address.

Ronnie L. Young  
EnerVest Operating, L.L.C.  
1001 Fannin Street  
Suite 800  
Houston, Texas 77002-6707

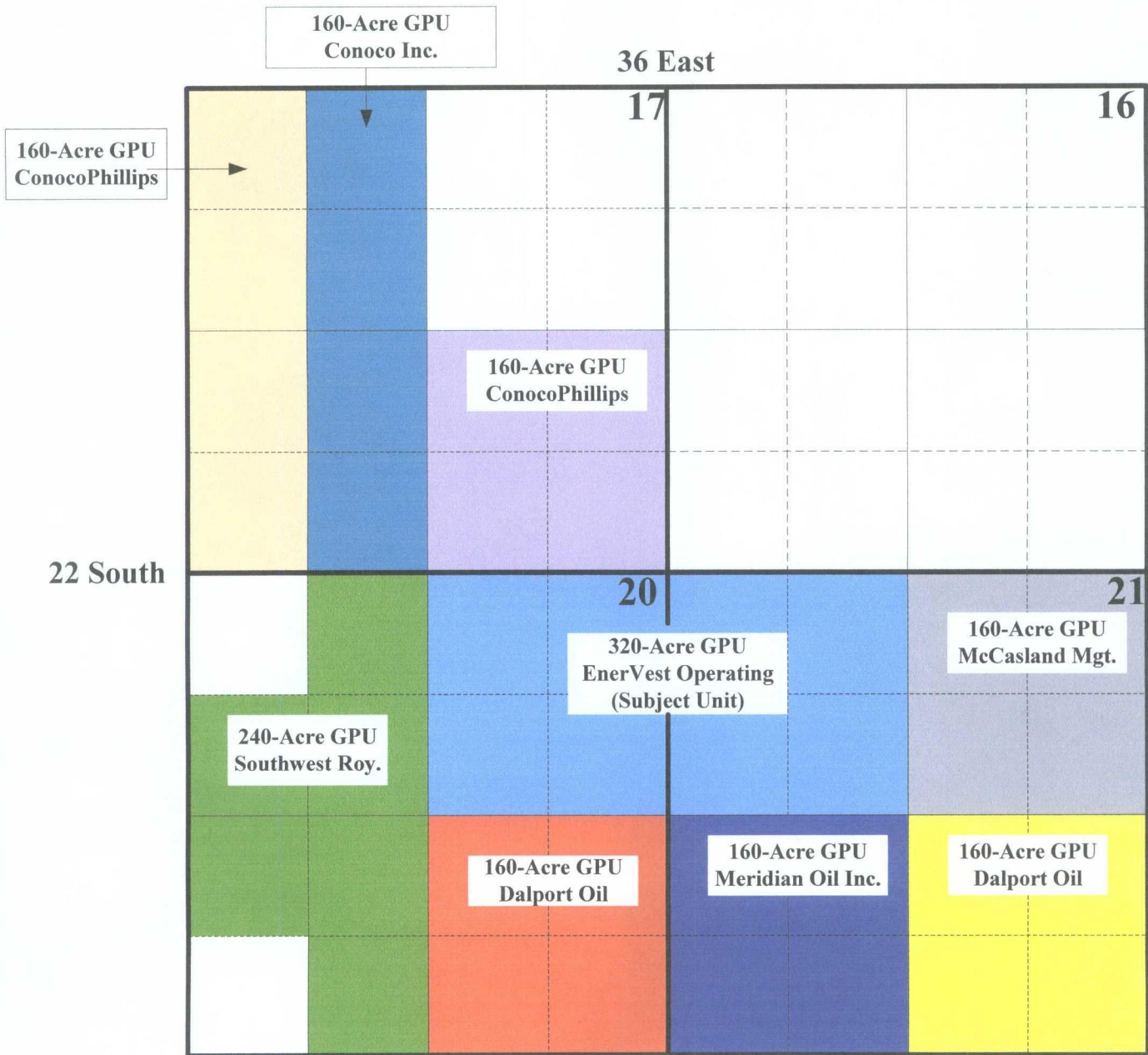
Enclosures

*EnerVest Operating, L.L.C.*  
*Application for Unorthodox Gas Well Location,*  
*Increased Well Density & Simultaneous Dedication*  
*Jalmat Gas Pool*



*Existing 320-acre GPU*  
*Approved by Order No. R-8116*

*EnerVest Operating, L.L.C.*  
*Application for Unorthodox Gas Well Location,*  
*Increased Well Density & Simultaneous Dedication*  
*Jalmat Gas Pool*

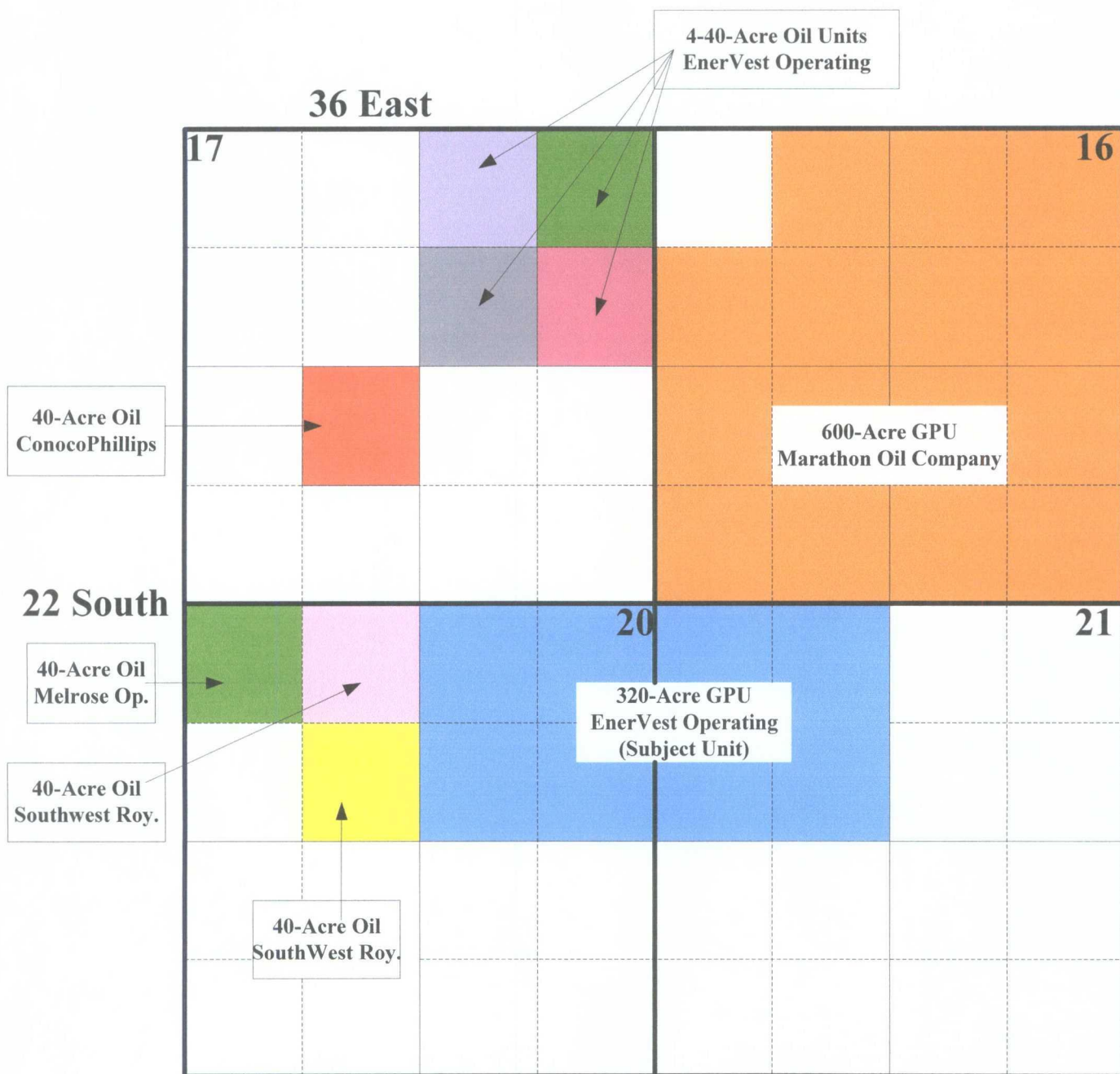


### Historic Jalmat Pool Development:

All GPU's shown (except for the subject unit) no longer exist, and all wells within these unit have either been plugged and abandoned or reclassified to oil wells in the Jalmat Pool.



***EnerVest Operating, L.L.C.***  
***Application for Unorthodox Gas Well Location,***  
***Increased Well Density & Simultaneous Dedication***  
***Jalmat Gas Pool***



**Current Jalmat Pool Development:**

**All units shown are existing, active oil or gas  
units in the Jalmat Pool**

**Attachment 2A**



***EnerVest Operating, L.L.C.  
Application for Unorthodox Gas Well Location, Increased Well Density & Simultaneous Dedication  
Jalmat Gas Pool***

**OFFSET JALMAT OPERATORS  
(EXISTING UNITS)**

<u>GPU Description</u>	<u>Operator</u>	<u>Lease Name &amp; Well Number</u>	<u>Well Location</u>
E/2, SW/4, S/2 NW/4, NE/4 NW/4 Section 16, T-22S, R-36E	Marathon Oil Company	McDonald State AC 1 Com No. 5 McDonald State AC 1 Com No. 6 McDonald State AC 1 Com No. 25 McDonald State AC 1 Com No. 44	Unit F, Section 16, T-22S, R-36E Unit N, Section 16, T-22S, R-36E Unit H, Section 16, T-22S, R-36E Unit B, Section 16, T-22S, R-36E
SE/4 NW/4 Section 20, T-22S, R-36E (Oil Unit)	Southwest Royalties, Inc.	Cities Federal No. 4	Unit F, Section 20, T-22S, R-36E
NE/4 NW/4 Section 20, T-22S, R-36E (Oil Unit)	Southwest Royalties, Inc.	Cities Federal No. 3	Unit C, Section 20, T-22S, R-36E
NW/4 NW/4 Section 20, T-22S, R-36E (Oil Unit)	Metrose Operating Company	Closson B Federal No. 3	Unit D, Section 20, T-22S, R-36E
NE/4 SW/4 Section 17, T-22S, R-36E (Oil Unit)	ConocoPhillips Company	State E No. 12 (Intent to plug-back to Jalmat Pool filed in 2007, well is TAd in S. Eunice Seven-Rivers-Queen Pool)	Unit K, Section 17, T-22S, R-36E
NE/4 NE/4 Section 17, T-22S, R-36E (Oil Unit)	EnerVest Operating, L.L.C.	State H No. 5	Unit A, Section 17, T-22S, R-36E
NW/4 NE/4 Section 17, T-22S, R-36E (Oil Unit)	EnverVest Operating, L.L.C.	State H No. 6	Unit B, Section 17, T-22S, R-36E
SW/4 NE/4 Section 17, T-22S, R-36E (Oil Unit)	EnerVest Operating, L.L.C.	State H No. 3	Unit G, Section 17, T-22S, R-36E
SE/4 NE/4 Section 17, T-22S, R-36E (Oil Unit)	EnerVest Operating, L.L.C.	State H No. 2	Unit H, Section 17, T-22S, R-36E

**ATTACHMENT 2B**

## OFFSET JALMAT OPERATORS (CONTINUED) (PREVIOUSLY EXISTING UNITS)

SE/4 Section 21, T-22S, R-36E	Dalport Oil Corporation	A.L. Christmas "B" No. 1 (P A'd in 1991)	Unit J, Section 21, T-22S, R-36E
NE/4 Section 21, T-22S, R-36E	McCasland Management, Inc.	Devonian Christmas No. 2 (P A'd in 2006)	Unit B, Section 21, T-22S, R-36E
SW/4 Section 21, T-22S, R-36E	Meridian Oil, Inc.	Gulf Greer No. 1 (P A'd in 1993)	Unit L, Section 21, T-22S, R-36E
SE/4 Section 20, T-22S, R-36E	Dalport Oil Corporation	Lamar Lunt No. 1 (P A'd in 1959) Lamar Lunt No. 1B (P A'd in 1964)	Unit P, Section 20, T-22S, R-36E Unit J, Section 20, T-22S, R-36E
E/2 W/2, SW/4 NW/4, NW/4 SW/4 Section 20, T-22S, R-36E	Southwest Royalties, Inc.	Cities Federal No. 3 (Reclassified to oil) Cities Federal No. 4 (Reclassified to oil) Cities Federal No. 1 (P A'd in 1999) Cities Federal No. 2 (Currently an SWD well)	Unit C, Section 20, T-22S, R-36E Unit F, Section 20, T-22S, R-36E Unit L, Section 20, T-22S, R-36E Unit M, Section 20, T-22S, R-36E
W/2 W/2 Section 17, T-22S, R-36E	ConocoPhillips Company	State E No. 4 (P A'd 2004)	Unit E, Section 17, T-22S, R-36E
E/2 W/2 Section 17, T-22S, R-36E	Conoco Inc.	State E No. 8 (P A'd 1990)	Unit F, Section 17, T-22S, R-36E
SE/4 Section 17, T-22S, R-36E	ConocoPhillips Company	State E No. 2 (P A'd 2004)	Unit I, Section 17, T-22S, R-36E

**ATTACHMENT 2B (Cont.)**

September 2, 2008

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

TO: AFFECTED INTEREST OWNERS AND/OR OFFSET OPERATORS

Re: EnerVest Operating, L.L.C.  
Application for Unorthodox Gas Well Location,  
Increased Well Density & Simultaneous Dedication  
Jalmat (Tansil-Yates-Seven Rivers) Gas Pool (79240)  
Section 21, T-22 South, R-36 East, NMPM,  
Lea County, New Mexico

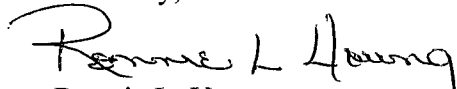
Ladies and Gentlemen:

Enclosed please find a copy of the application filed by EnerVest Operating, L.L.C. for authorization to dedicate its proposed Boren Greer Gas Com Well No. 5, located at an unorthodox gas well location 2080 feet from the North line and 2130 feet from the West line (Unit F) of Section 21, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico, to an existing 320-acre non-standard gas spacing and proration unit in the Jalmat Gas Pool comprising the NE/4 of Section 20 and the NW/4 of Section 21, both in Township 22 South, Range 36 East, NMPM. This unit is currently dedicated to EnerVest Operating, L.L.C.'s Boren Greer Gas Com Well No. 4, located in Unit E of Section 21.

As the owner of an interest that may be affected by the proposed unorthodox gas well location and simultaneous dedication, you are being provided notice as per Division rules and regulations. Objections must be filed in writing at the Division's Santa Fe office within 20 days from the date this notice was sent to you. If no objection is received within twenty days after the filing of this application and proof of notice with the Division, the application may be approved.

If you should have any questions, please call me at (713) 495-6530.

Sincerely,



Ronnie L. Young  
Coordinator, Regulatory Compliance  
EnerVest Operating, L.L.C.  
1001 Fannin Street  
Suite 800  
Houston, Texas 77002-6707

Enclosure

*EnerVest Operating, L.L.C.  
Application for Unorthodox Gas Well Location,  
Increased Well Density & Simultaneous Dedication  
Jalmat Gas Pool*

Offset Operator/Leasehold Owner Notification List

Breck Operating Corp.  
Box 911  
Breckenridge, Texas 76424-0911

Chesapeake Operating, Inc.  
Box 18496  
Oklahoma City, Oklahoma 73154-0496

ConocoPhillips Company  
Box 2197  
WL3 6106  
Houston, Texas 77252

Plantation Operating, LLC  
2203 Timberloch Place  
Suite 229  
The Woodlands, Texas 77380

McCasland Management, Inc.  
1008 W. Broadway  
Hobbs, New Mexico 88240

Anadarko Petroleum Corporation  
1201 Lake Robbins Drive  
The Woodlands, Texas 77380

Marathon Oil Company  
539 South Main Street  
Finlay, Ohio 45840

Melrose Operating Company  
1000 W. Wilshire  
Suite 223  
Oklahoma City, Oklahoma 73116

Southwest Royalties, Inc.  
6 Desta Drive  
Suite 2100  
Midland, Texas 79705

DISTRICT I  
1625 N. FRENCH DR., HOBBS, NM 80240

State of New Mexico  
Energy, Minerals and Natural Resources Department

DISTRICT II  
1301 W. GRAND AVENUE, ARTESIA, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION  
1220 SOUTH ST. FRANCIS DR.  
Santa Fe, New Mexico 87505

Form C-102  
Revised October 12, 2005  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

DISTRICT IV  
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number <b>30-025-38880</b>	Pool Code	Pool Name
Property Code	Property Name <b>BOREN GREER GAS COM</b>	Well Number <b>5</b>
OGRID No.	Operator Name <b>ENERVEST OPERATING</b>	Elevation <b>3532'</b>

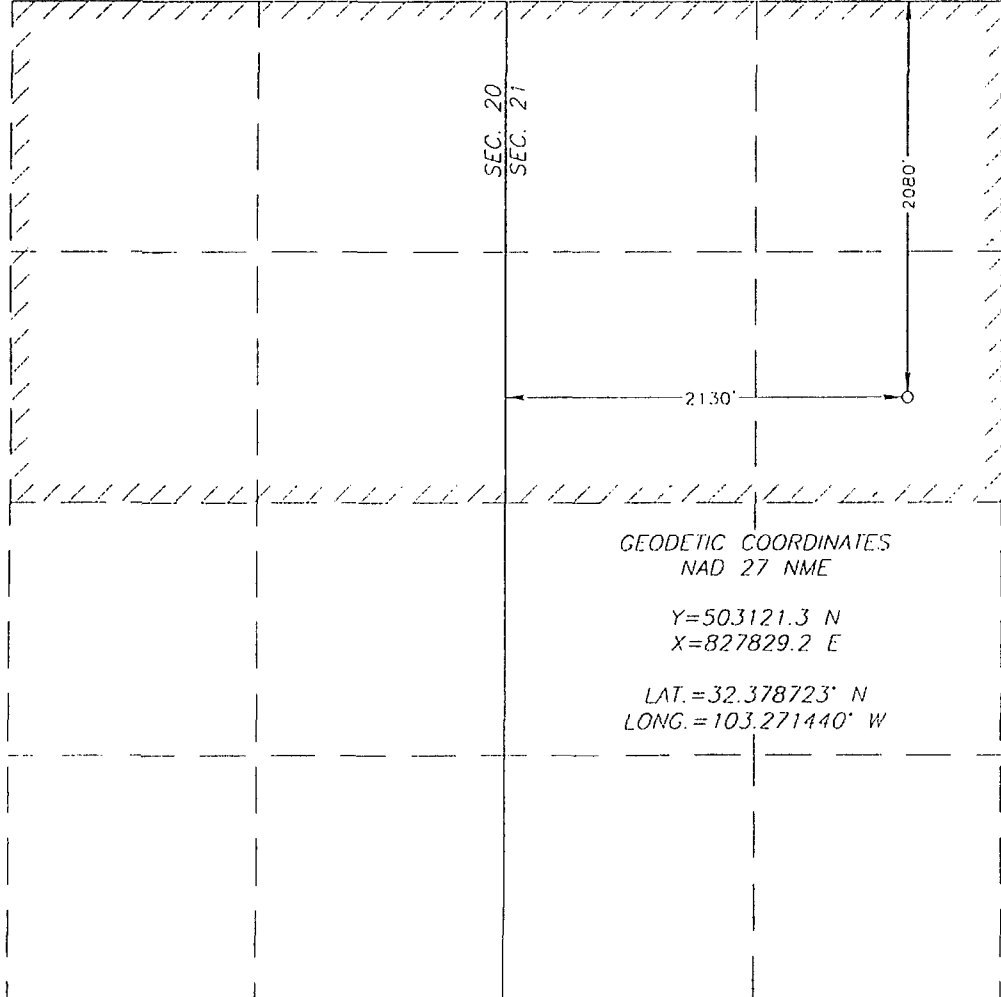
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	21	22-S	36-E		2080	NORTH	2130	WEST	LEA

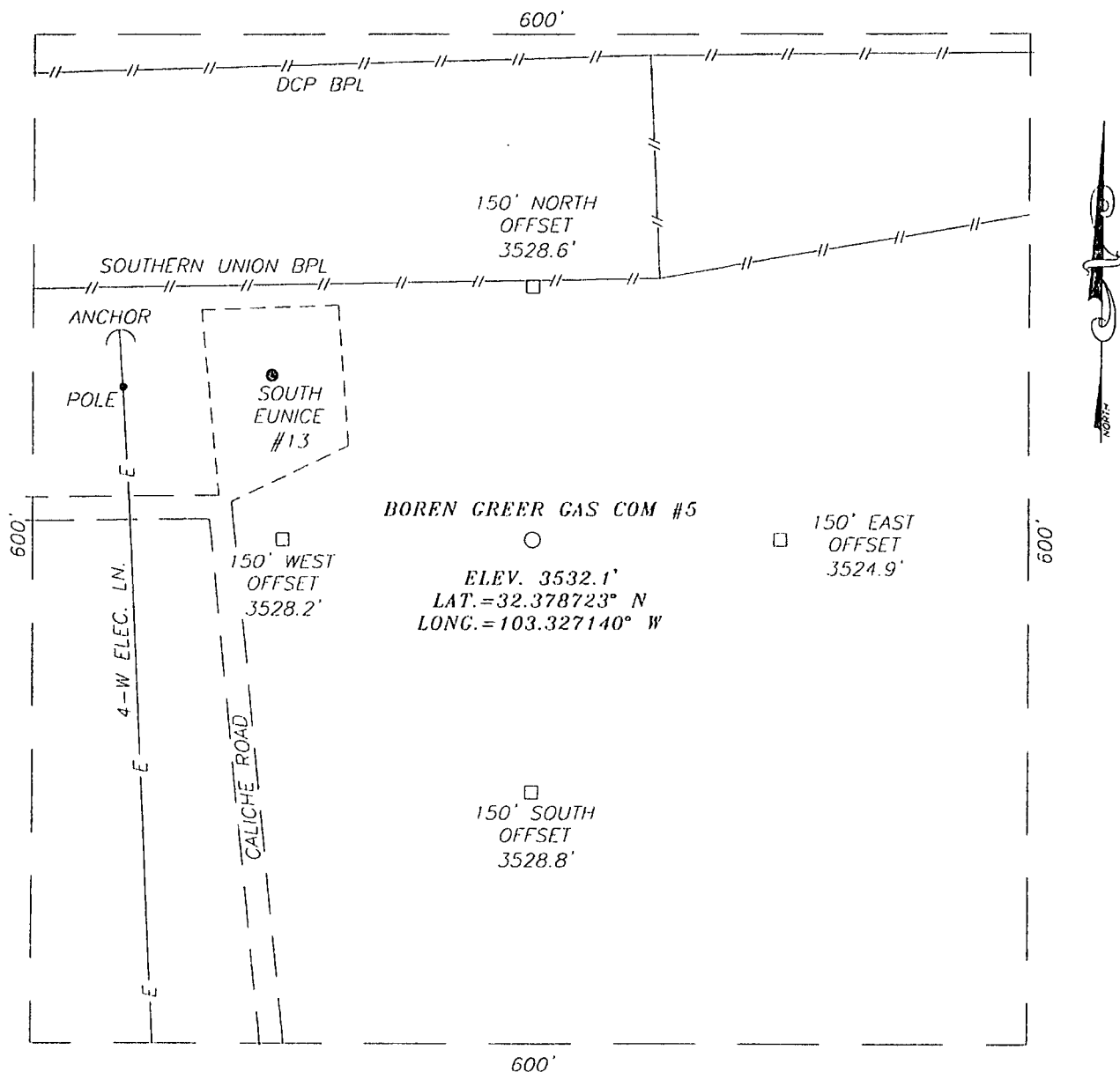
Bottom Hole Location If Different From Surface

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

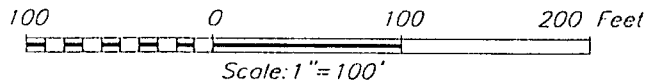
	<p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right 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.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p><b>SURVEYOR CERTIFICATION</b></p> <p>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.</p> <p>Date Surveyed <b>AUGUST 19, 2008</b></p> <p>Signature <b>Ronald J. Eidson</b></p> <p>Professional Surveyor <b>3239</b></p> <p>Certificate Number <b>RONALD J. EIDSON 12641</b></p>
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SECTION 21, TOWNSHIP 22 SOUTH, RANGE 36 EAST, N.M.P.M.,  
LEA COUNTY, NEW MEXICO



DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF DELAWARE BASIN ROAD AND WEAVER ROAD, GO EAST ON DELAWARE BASIN ROAD APPROX. 0.9 MILES. TURN right AND GO SOUTH APPROX. 1.3 MILES TO A "Y" INTERSECTION. TURN LEFT AND GO SOUTHEAST APPROX. 0.2 MILES. VEER LEFT AND GO EAST APPROX. 0.5 MILES. THIS LOCATION IS APPROX. 150 FEET EAST.



ENERVEST OPERATING

BOREN GREER GAS COM #5 WELL  
LOCATED 2080 FEET FROM THE NORTH LINE  
AND 2130 FEET FROM THE WEST LINE OF SECTION 21,  
TOWNSHIP 22 SOUTH, RANGE 36 EAST, N.M.P.M.,  
LEA COUNTY, NEW MEXICO.

Survey Date: 8/19/08	Sheet 1 of 1 Sheets
W.O. Number: 08.11.1354	Dr By: LA
Date: 8/22/08	08111354
	Scale: 1"=100'



PROVIDING SURVEYING SERVICES  
SINCE 1946  
JOHN WEST SURVEYING COMPANY  
412 N. DAL PASO  
HOBBS, N.M. 88240  
(505) 393-3117





# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

**Mark E. Fesmire, P.E.**

Director

**Oil Conservation Division**

January 3, 2007

Plantation Operating, LLC  
2203 Timberloch Place, Suite 229  
The Woodlands, TX 77380  
Attn: John Allred, P.E.

## **Administrative Order NSL-5541**

Re: Boren Greer Gas Com. Well No. 4  
API No. 30-025-38222  
E-21-22S-36E  
Lea County

Dear Mr. Allred:

Reference is made to the following:

(a) your application (**administrative application reference No. pTDS06-34834038**) submitted to the New Mexico Oil Conservation Division (the Division) in Santa Fe, New Mexico on December 13, 2006, and

(b) the Division's records pertinent to this request.

Plantation Operating LLC (Plantation) has requested to drill its Boren Greer Gas Com. Well No. 4 (API No. 30-025-38222) at an unorthodox Jalmat gas well location, 1795 feet from the North line and 1035 feet from the West line (Unit E) of Section 21, Township 22 South, Range 36 East, N.M.P.M., in Lea County, New Mexico. A non-standard 320-acre gas spacing unit comprised of the NE/4 of Section 20 and the NW/4 of Section 21 will be dedicated to this well. This non-standard unit in the Jalmat-Tansill/Yates/SevenRivers Gas Pool (79240) was previously approved by Order R-8116, in Case No. 8770, issued on January 6, 1986.

This pool is governed by the Special Pool Rules for the Jalmat Gas Pool, as amended by Order R-8170-P, issued December 14, 2001. Rule A(2) of the Special Pool Rules provides that a Jalmat gas well shall be located at least 660 feet from any unit outer boundary or quarter section line, and at least 330 feet from any quarter-quarter section line. This location is approximately 285 feet from the eastern boundary of the SW/4 NW/4 of Section 21.

Your application has been duly filed under the provisions of Division Rules 104.F and 1210.A(2) and Rule 4(A) of the Special Pool Rules for the Jalmat Gas Pool.

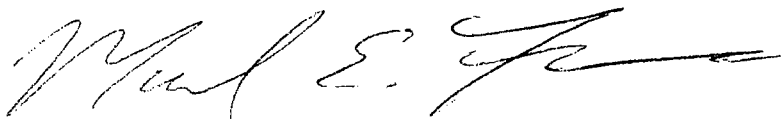
It is our understanding that Plantation is seeking this location in order to maintain separation from an abandoned injection well located in the same quarter/quarter section.

It is also understood that notice of this application was duly furnished to offsetting operators as specified in the materials accompanying your application.

Pursuant to the authority granted me under the provisions of Division Rule 104.F(2), the above-described unorthodox location is hereby approved.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark E. Fesmire', with a stylized flourish at the end.

Mark E. Fesmire, P.E.  
Director

MEF/db

cc: New Mexico Oil Conservation Division - Hobbs  
New Mexico State Land Office - Santa Fe

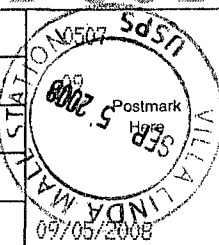
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OKLAHOMA CITY OK 73154

Postage	\$	\$1.34
Certified Fee		\$2.70
Return Receipt Fee (Endorsement Required)		\$2.20
Restricted Delivery Fee (Endorsement Required)		\$0.00
Total Postage & Fees	\$	\$6.24



Sent To *Chesapeake Operating, Inc.*  
Street, Apt. No., or PO Box No. *Box 18496*  
City, State, ZIP+4 *Oklahoma City, Ok 73154-0496*

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U.S. Postal Service™

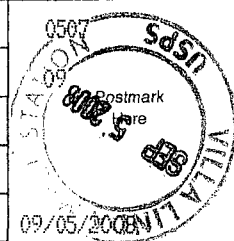
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HOUSTON TX 77252

Postage	\$	\$1.34
Certified Fee		\$2.70
Return Receipt Fee (Endorsement Required)		\$2.20
Restricted Delivery Fee (Endorsement Required)		\$0.00
Total Postage & Fees	\$	\$6.24



Sent To *Conoco Phillips Company*  
Street, Apt. No., or PO Box No. *Box 2197 WIL3 6106*  
City, State, ZIP+4 *Houston, Texas 77252*

PS Form 3800, August 2006

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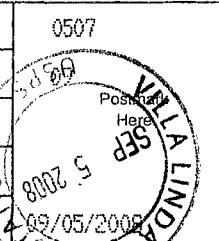
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SPRING TX 77390

Postage	\$	\$1.34
Certified Fee		\$2.70
Return Receipt Fee (Endorsement Required)		\$2.20
Restricted Delivery Fee (Endorsement Required)		\$0.00
Total Postage & Fees	\$	\$6.24



Sent To *Aradanto Petroleum Corp.*  
Street, Apt. No., or PO Box No. *1201 Lake Robbins Drive*  
City, State, ZIP+4 *The Woodlands, Texas 77380*

PS Form 3800, August 2006

See Reverse for Instructions

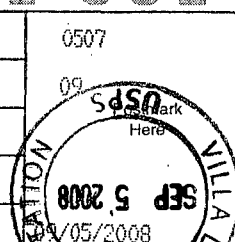
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SPRING TX 77390

Postage	\$	\$1.34
Certified Fee		\$2.70
Return Receipt Fee (Endorsement Required)		\$2.20
Restricted Delivery Fee (Endorsement Required)		\$0.00
Total Postage & Fees	\$	\$6.24



Sent To *Plantation Operating LLC*  
Street, Apt. No., or PO Box No. *2203 Timberlock Place, Suite 229*  
City, State, ZIP+4 *The Woodlands, Texas 77380*

PS Form 3800, August 2006

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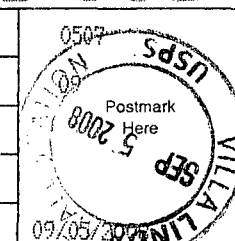
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BRECKENRIDGE TX 76424

Postage	\$	\$1.34
Certified Fee		\$2.70
Return Receipt Fee (Endorsement Required)		\$2.20
Restricted Delivery Fee (Endorsement Required)		\$0.00
Total Postage & Fees	\$	\$6.24



Sent To *Breck Operating Corp.*  
Street, Apt. No., or PO Box No. *Box 911*  
City, State, ZIP+4 *Breckenridge, Tx 76424-0911*

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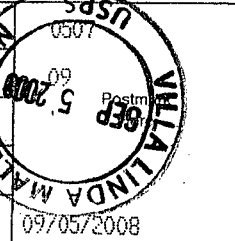
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HOBBS NM 88240

Postage	\$	\$1.34
Certified Fee		\$2.70
Return Receipt Fee (Endorsement Required)		\$2.20
Restricted Delivery Fee (Endorsement Required)		\$0.00
Total Postage & Fees	\$	\$6.24



Sent To *McCluskey Management, Inc*  
Street, Apt. No., or PO Box No. *1008 W. Broadway*  
City, State, ZIP+4 *Hobbs, New Mexico 88240*

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FINLAY OH 45840

Postage	\$ 1.34
Certified Fee	\$ 2.70
Return Receipt Fee (Endorsement Required)	\$ 2.20
Restricted Delivery Fee (Endorsement Required)	\$ 0.00
<b>Total Postage &amp; Fees</b>	<b>\$ 6.24</b>

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Sent To *Marathon Oil Company*  
 Street, Apt. No.,  
 or PO Box No. *539 S. Main St.*  
 City, State, ZIP+4 *Finlay, Ohio 45840*

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MIDLAND TX 79705

Postage	\$ 1.34
Certified Fee	\$ 2.70
Return Receipt Fee (Endorsement Required)	\$ 2.20
Restricted Delivery Fee (Endorsement Required)	\$ 0.00
<b>Total Postage &amp; Fees</b>	<b>\$ 6.24</b>

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 09/05/2008

Sent To *Southwest Royalties, Inc.*  
 Street, Apt. No.,  
 or PO Box No. *6 Darta Drive, Suite 2100*  
 City, State, ZIP+4 *Midland, Texas 79705*

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OKLAHOMA CITY OK 73116

Postage	\$ 1.34
Certified Fee	\$ 2.70
Return Receipt Fee (Endorsement Required)	\$ 2.20
Restricted Delivery Fee (Endorsement Required)	\$ 0.00
<b>Total Postage &amp; Fees</b>	<b>\$ 6.24</b>

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 SEP 5 2008  
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 Here  
 09/05/2008

Sent To *Melrose Operating Co.*  
 Street, Apt. No.,  
 or PO Box No. *1000 W. Wilshire, Suite 223*  
 City, State, ZIP+4 *Oklahoma City, Ok 73116*

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