

ExxonMobil Production Company
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Production

February 22, 2005

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Bureau of Land Management
Roswell District Office
Attention: Mr. Les Babyak
2509 N. 2nd
Roswell, NM 88201

Oil Conservation Division
1220 S. Saint Francis Drive
Santa Fe, NM 87505
Avalon (Delaware) Unit
Eddy County, New Mexico
Review of 2004 Operations and
Plan of Development for 2005

*Case 11298
R-10 460-B-1*

Gentlemen:

Exxon Mobil Corporation, Unit Operator of the Avalon (Delaware) Enhanced Recovery Unit, submits for your approval the attached Review of 1999-2004 Operations and Plan of Development for 2005.

We respectfully request your approval for the proposed Plan of Development for 2005. Should you have any questions or require additional information, please do not hesitate to contact the undersigned at (713) 431-1470.

Very truly yours,



M. G. Thompson
Land Representative

/vmk
Enclosures (Originals + 3 copies)

February 22, 2005

Avalon (Delaware) Enhanced Recovery Unit
Eddy County, New Mexico

CC: ✓ New Mexico Oil Conservation Division
Roy Johnson
1220 South St. Francis Drive
Santa Fe, NM 87505

Will Jones
3/3/05

State of New Mexico
Commissioner of of Public Lands
310 Old Santa Fe Trail
Santa Fe, NM 87501

ExxonMobil Production Company:
Glen Henning, Reservoir Engineer - CORP-WGR-630, Houston, TX
Charles Campbell, Operations Supt. - Fullerton Field Office, Andrew, TX
Land File (VMK)

Avalon (Delaware) Unit

Review of Operations 2003-2004

2003:

- Repaired an oil tank's bottom and cleaned out a second oil tank where corrosion due to caliche bedrock had been detected.
- Installed a small gas compressor at the Hondo test site to reduce wellhead casing pressure and increase volumes.
- Performed 13 well service jobs (tubing leaks, rod parts, and/or equipment failures).
- Performed 2 AFE well workovers (ADU #525 to enhance reservoir inflow and ADU #514 to clean out scale).
- Permanently abandoned ADU # 525 by plugging the well with cement per Regulatory guidelines.

2004:

- Installed compression on the vapor recovery system at the main battery to prevent curtailment of oil production due to high pressures in the gas sales line.
- Cleaned, repaired and coated the production FWKO (free water knock out).
- Constructed a dike around the ADU tank battery to prevent any potential spills from spreading should a leak ever occur.
- Performed 19 well service jobs (tubing leaks, rod parts, and/or equipment failures).
- Performed 4 AFE well workovers (ADU #509 to repair casing, ADU #262 to enhance reservoir inflow and ADU #'s 501 and 507W to clean out and chemically treat for scale).
- Initiated and installed chemical injection pumps for water clarification at the water injection plant site. This was designed to reduce the formation of scale, when the produced water is mixed with the make-up fresh water utilized for injection support.
- Replaced the 3" LACT unit with a 2" LACT unit to comply with BLM Regulations.

Plan of Development 2005

2005:

- Continue to monitor Unit production and perform well service repairs as needed.
- Remediate (return to natural condition) ADU #525 PA well site to comply with BLM Regulations.
- Start pit remediation at 12 well sites per BLM Regulations (were drilling pits).

Avalon Delaware Unit



