



Plantation Petroleum Companies

Plantation Petroleum Holdings III, LLC; Plantation Operating, LLC

PMESD-61665195C

2203 Timberloch Place, Ste. 229
The Woodlands, TX 77380
Tel: (281) 296-7222
Fax: (281) 298-2333

2006 MAR 31 PM 12 40

March 30, 2006

FEDERAL EXPRESS

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

**RE: Carter-Eaves "NCT-A" No. 3 - Proposed Drilling to Jalamt Gas Pool
E/2 W/2, Unit N, Sec 6, T-24S, R-37E, Lea County, New Mexico
Re-Submitting NMOCDD Previously Approved Drilling Location
Approval (Administrative Order No. NSL-3025(SD)
Administrative Application for Simultaneous Dedication,
Non-Standard Location, in Existing Non-Standard Proration Unit
(Administrative Order No. NSP-726)**

Dear Mr. Stogner,

Please find enclosed is a copy of previously approved Administrative Approval Order No. NSL-3025 (SD) dated July 3, 1991, corresponding to the 159.8 acre **Carter-Eaves "NCT-A" No. 3** (N-6-24S-37E) (Gas) proration unit, consisting of E/2 W/2 Section 6, T-24S, R-37E Lea County, New Mexico, grants approval to simultaneously dedicate two Jalmat wells, to the subject existing 159.8 acre Jalmat (Gas) proration unit. The **Carter-Eaves "NCT-A" No. 1** (C-6-24S-37E) in the NSP was approved under Administrative Order No. NSP-726 dated November 10, 1965.

Thus, we hereby propose to **Re-Submit Previous Approval Administrative Order No. NSL-3025 (SD)** for new approval corresponding to the new drilling application for the **Carter-Eaves "NCT-A" No. 3**. 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 Jalmat strata, within the Jalmat interval).


Also, please find enclosed an original and five copies of a new C-101 and C-102 corresponding to the new drilling application for the **Carter-Eaves "NCT-A" No. 3** along with the C-144 and BOP diagram.

Notice of this administrative application has been sent by mail to the applicable diagonal and adjacent offset Jalmat operators, which are attached.

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

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

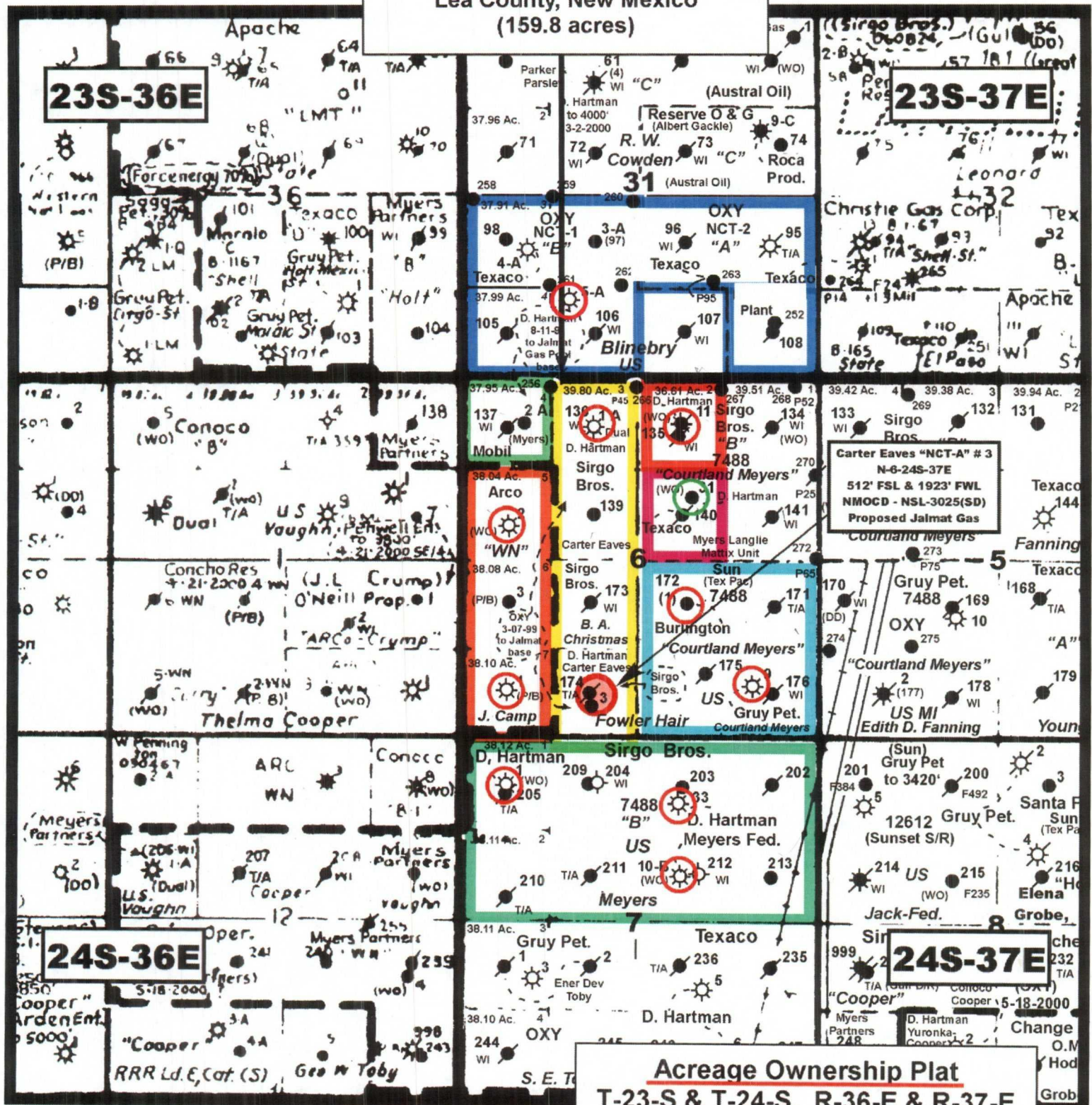
BP America Production Company
P.O. Box 1610
600 N. Marienfeld
Midland, TX 79702

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

XTO Energy Incorporated
200 N. Loraine, Ste 800
Midland, TX 79701

Plantation Operating, LLC
2203 Timberloch Place, Ste 229
The Woodlands, TX 77380

Plantation Operating LLC
Carter Eaves NCT-A Lease
NW/4 NW/4, E/2 W/2 Section 6
T-24-S, R-37-E
Lea County, New Mexico
(159.8 acres)



Acreage Ownership Plat
T-23-S & T-24-S, R-36-E & R-37-E
Lea County, New Mexico
Scale: 1" = 2000'

LIST OF OFFSET JALMAT (GAS) OPERATORS

Plantation Operating, LLC
 Carter Eaves "NCT-A" # 3
 N-6-24S-37E
 (E/2 NW/4 Section 6, T-24-S, R-37-E)
 Lea County, New Mexico

<u>Operator</u>	<u>Lease and Well Name(s)</u>	<u>Well Locations</u>	<u>PU Description</u>	<u>No. of Acres</u>	<u>Gas/Oil</u>	<u>ACT/INA</u>
Plantation Operating, LLC	Myers "B" Federal # 11	B-6-24S-37E	NW/4 NE/4 Section 6, T-24-S, R-37-E	40	Gas	INA
Plantation Operating, LLC	Myers "B" Federal # 31	G-6-24S-37E	SW/4 NE/4 Section 6, T-24-S, R-37-E	40	Oil	INA
Plantation Operating, LLC	Carter Eaves "NCT-A" # 1	C-6-24S-37E	E/2 NW/4 Section 6, T-24-S, R-37-E	160	Gas	ACT
XTO Energy Incorporated	E. E. Blinbry "A" Federal Com NCT-1 # 5	N-31-24S-37E	S/2 (-SW/4 SE/4) Section 31, T-24-S, R-37-E	355.96	Gas	ACT
Gruy Petroleum Management Company	Courtland Myers # 9	P-6-24S-37E	SE/4 Section 6, T-24-S, R-37-E	160	Gas	ACT
Plantation Operating, LLC	Myers B Federal R/A "B" # 10	G-7-24S-37E	N/2 Section 7, T-24-S, R-37-E	320	Gas	ACT
Plantation Operating, LLC	Myers B Federal R/A "B" # 33	B-7-24S-37E	N/2 Section 7, T-24-S, R-37-E	320	Gas	ACT
Plantation Operating, LLC	Myers Federal #1	D-7-24S-37E	NW/4 NW/4 Section 7, T-24-S, R-37-E	320	Gas	ACT
BP America Production Company	Jim Camp WN # 1	M-6-24S-37E	SW/4 SW/4 Section 6, T-24-S, R-37-E	120	Gas	ACT
BP America Production Company	Jim Camp WN # 2	E-6-24S-37E	SW/4 NE/4 Section 6, T-24-S, R-37-E	120	Gas	INA
Burlington Resources	Courtland Myers #1	J-6-24S-37E	NW/4 SE/4, Section 6, T-24S-37E	160	Gas	INA

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 API Number 30 - 025-
⁵ Property Code 302096	⁵ Property Name Carter Eaves "NCT-A"	⁶ Well No. 3
⁹ Proposed Pool 1 Jalmat (Gas)		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
N	6	24S	37E		512'	South	1923'	West	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 P	¹⁵ Ground Level Elevation
¹⁶ Multiple No	¹⁷ Proposed Depth 3600'	¹⁸ Formation 7 Rivers	¹⁹ Contractor To Be Determined	²⁰ Spud Date ASAP
Depth to Groundwater 106'		Distance from nearest fresh water well > 1,000'		Distance from nearest surface water > 1,000'
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 mils thick Clay <input type="checkbox"/> Pit Volume: 2400 bbls Drilling Method: Drilling Closed-Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input checked="" type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 1/2"	8 5/8"	24#	450'	350	Surface
7 7/8"	5 1/2"	17#	3600'	700	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 8-5/8" and 5-1/2" 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 <input checked="" type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .		OIL CONSERVATION DIVISION	
Printed name: Donald P. Dotson, P.E. 		Approved by:	
Title: COO		Title:	
E-mail Address: ddotson@plantationpetro.com		Approval Date:	
Date: 3/28/2006		Expiration Date:	
Phone: 281-296-7222		Conditions of Approval Attached <input type="checkbox"/>	

DISTRICT I

1625 N. FRENCH DR., HOBBES, NM 88240

DISTRICT II

1301 W. GRAND AVENUE, ARTESIA, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Antec, NM 87410

DISTRICT IV

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

State of New Mexico

Energy, Minerals and Natural Resources Department

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name
Property Code	Property Name CARTER EAVES NCT-A	Well Number 3
OGRID No.	Operator Name PLANTATION OPERATING, LLC	Elevation 3330'

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	6	24-S	37-E		512	SOUTH	1923	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

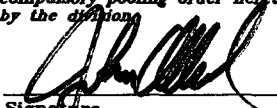
LOT 4	LOT 3	LOT 2	LOT 1
37.95 AC.	39.80 AC.	39.65 AC.	39.51 AC.
LOT 5	GEODETIC COORDINATES NAD 27 NME Y=453031.4 N X=849274.3 E LAT.=32°14'25.62" N LONG.=103°12'13.31" W		
38.04 AC.			
LOT 6			
38.08 AC.			
LOT 7			
38.10 AC.			

1923'

512'

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.

 3/30/06

Signature Date

JOHN ALLRED

Printed Name

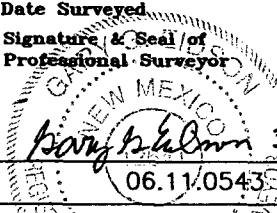
SURVEYOR CERTIFICATION

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 27, 2006

Date Surveyed DSR

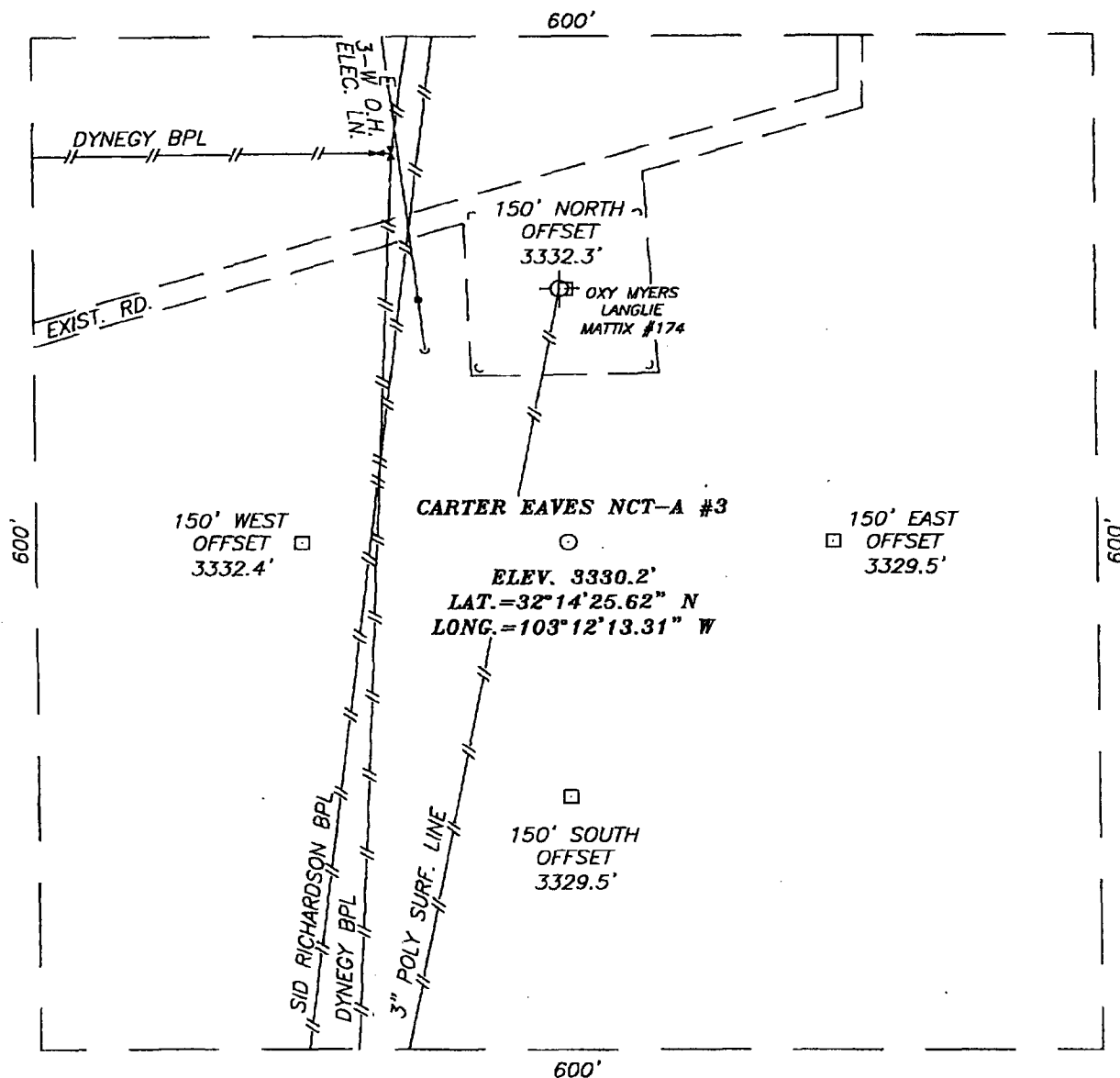
Signature & Seal of Professional Surveyor

 3/29/06

06.11/0543

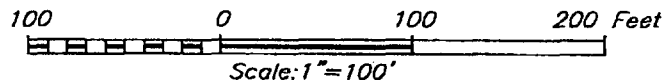
Certificate No. GARY E. EDSON 12841

SECTION 6, TOWNSHIP 24 SOUTH, RANGE 37 EAST, N.M.P.M.,
 LEA COUNTY, NEW MEXICO



DIRECTIONS TO LOCATION

FROM THE INTERSECTION ST.HWY. #18 AND CO. RD. J--8 (DEEP WHEELS RD.), GO WEST ON DEEP WHEELS RD. APPROX. 0.6 MILES. TURN LEFT AND GO SOUTH APPROX. 0.4 MILES. TURN LEFT AND GO EAST APPROX. 0.1 MILE. TURN RIGHT AND GO SOUTHWEST APPROX. 0.5 MILES. TURN RIGHT AND GO NORTHWEST APPROX. 0.1 MILES. VEERE LEFT AND GO WEST APPROX. 0.2 MILES. TURN LEFT AND GO SOUTH APPROX. 0.2 MILES TO THE EXISTING OXY MYERS LANGLIE MATTIX #174. THIS LOCATION IS APPROX. 150' SOUTH.



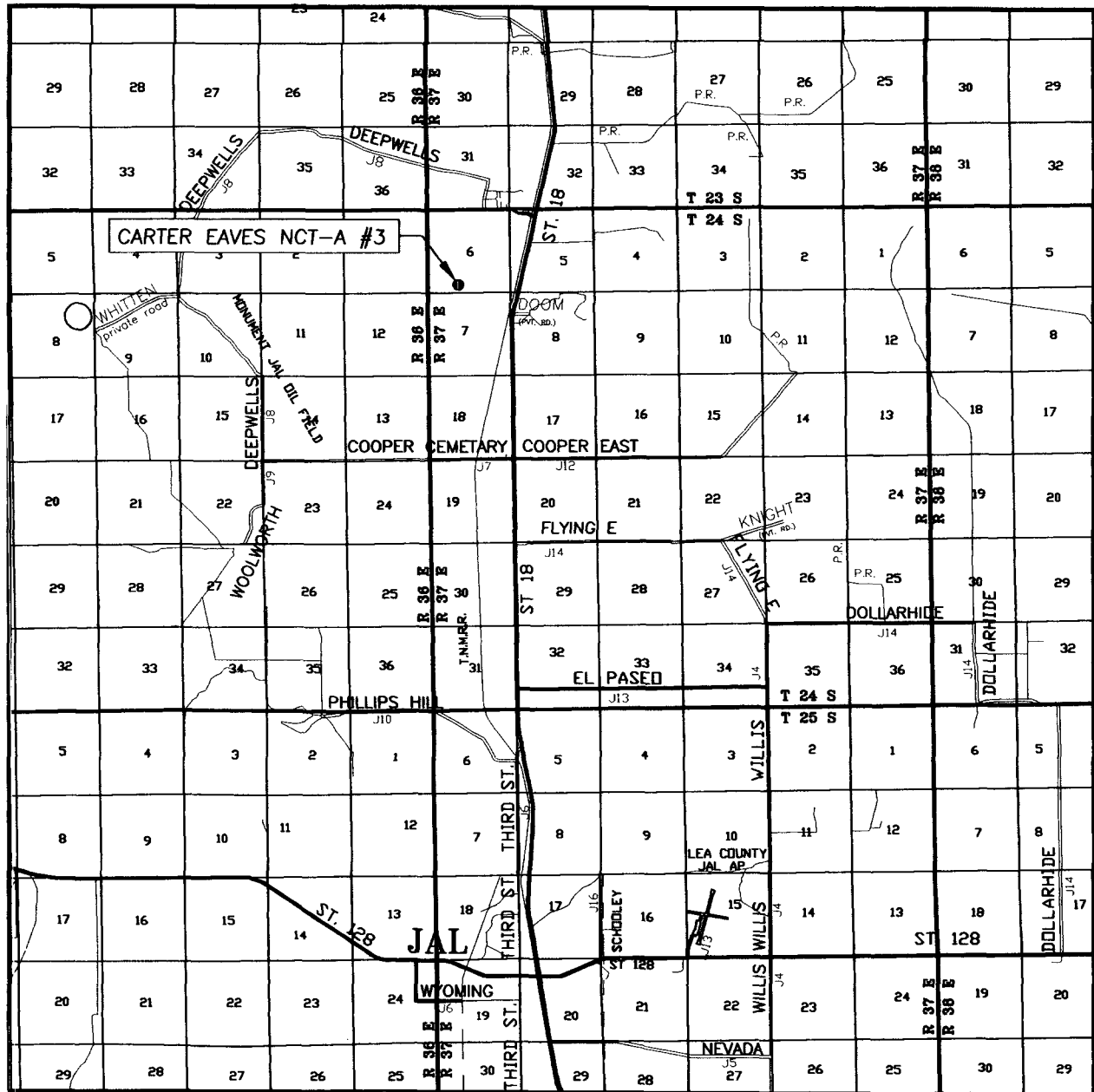
PLANTATION OPERATING, LLC

CARTER EAVES NCT-A #3 WELL
 LOCATED 512 FEET FROM THE SOUTH LINE
 AND 1923 FEET FROM THE WEST LINE OF SECTION 6,
 TOWNSHIP 24 SOUTH, RANGE 37 EAST, N.M.P.M.,
 LEA COUNTY, NEW MEXICO.

Survey Date: 03/27/06	Sheet 1 of 1 Sheets
W.O. Number: 03.11.1543	Dr By: D.S.R. Rev 1:N/A
Date: 03/29/06	Disk: CD#6 06110543 Scale: 1"=100'

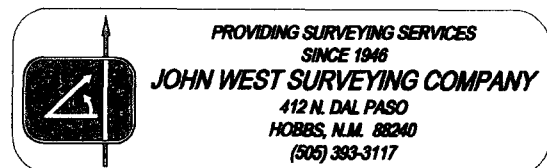
PROVIDING SURVEYING SERVICES
 SINCE 1948
JOHN WEST SURVEYING COMPANY
 412 N. DAL PASO
 HOBBS, N.M. 88240
 (505) 383-3117

VICINITY MAP

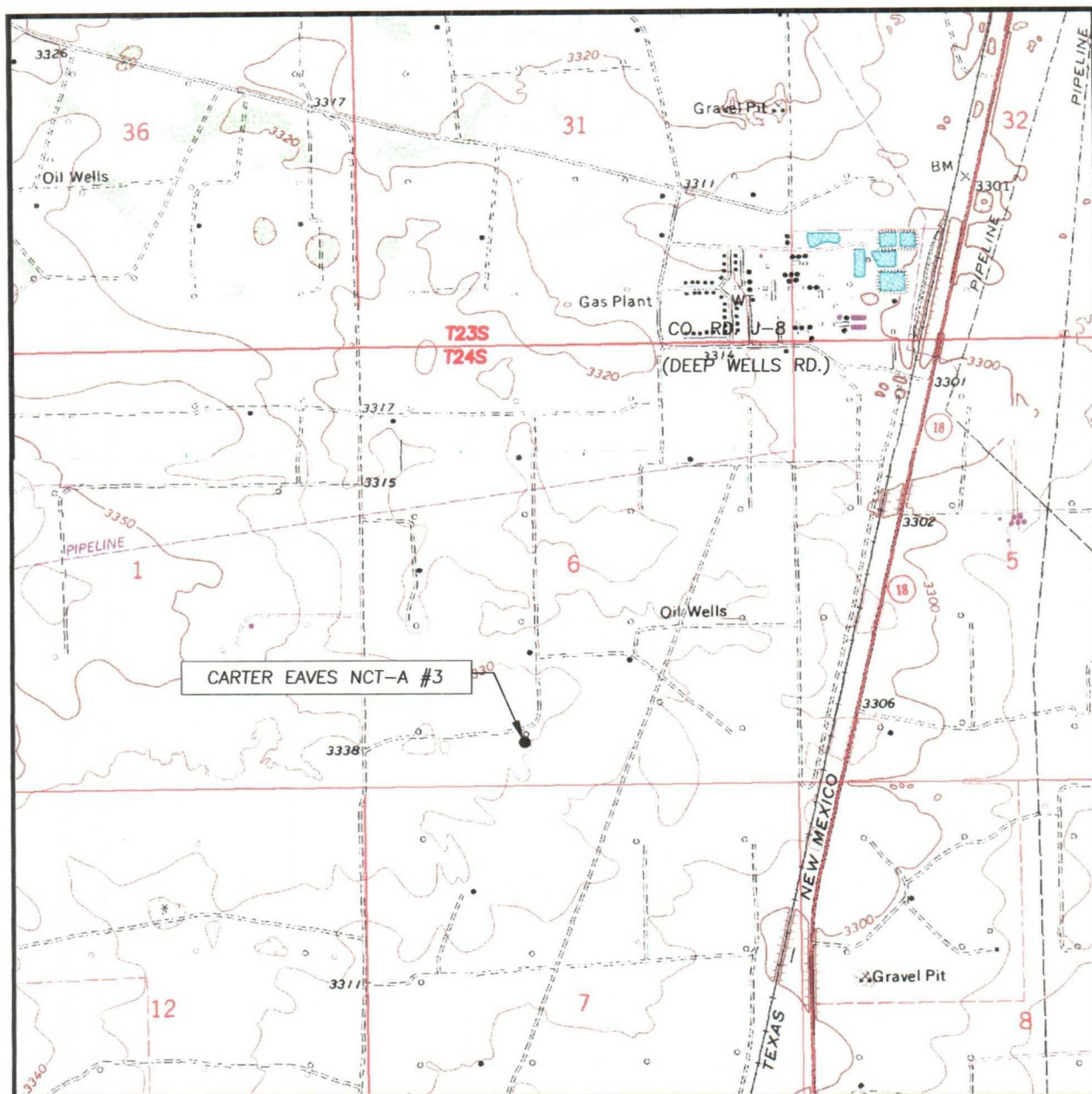


SCALE: 1" = 2 MILES

SEC. 6 TWP. 24-S RGE. 37-E
 SURVEY N.M.P.M.
 COUNTY LEA STATE NEW MEXICO
 DESCRIPTION 512' FSL & 1923' FWL
 ELEVATION 3330'
 OPERATOR PLANTATION OPERATING, LLC
 LEASE CARTER EAVES NCT-A



LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:

JAL, N.M. - 10'

RATTLESNAKE CANYON, NM. - 10'

SEC. 6 TWP. 24-S RGE. 37-E

SURVEY N.M.P.M.

COUNTY LEA STATE NEW MEXICO

DESCRIPTION 512' FSL & 1923' FWL

ELEVATION 3330'

OPERATOR PLANTATION OPERATING, LLC

LEASE CARTER EAVES NCT-A

U.S.G.S. TOPOGRAPHIC MAP

JAL N.W., 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>Carter Eaves "NCT-A" #3</u> API #: <u>30-025-</u> U/L or Qtr/Qtr <u>SE/4 SW/4</u> Sec <u>6</u> T <u>24S</u> R <u>37E</u>		
County: <u>Lea</u> Latitude _____ Longitude _____ NAD: 1927 <input type="checkbox"/> 1983 <input type="checkbox"/>		
Surface Owner: Federal <input type="checkbox"/> State <input type="checkbox"/> Private <input checked="" type="checkbox"/> Indian <input type="checkbox"/>		
Pit Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input checked="" type="checkbox"/> Thickness <u>12</u> mil Clay <input type="checkbox"/> Pit Volume <u>8,900</u> bbl	Below-grade tank Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not. _____	
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.) <u>106'</u>	Less than 50 feet 50 feet or more, but less than 100 feet 100 feet or more	(20 points) (10 points) <u>0</u> (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 No No	(20 points) (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 200 feet or more, but less than 1000 feet 1000 feet or more	(20 points) (10 points) (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>See Attached.</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: 3/28/2006

Printed Name/Title Donald P. Dotson / COO

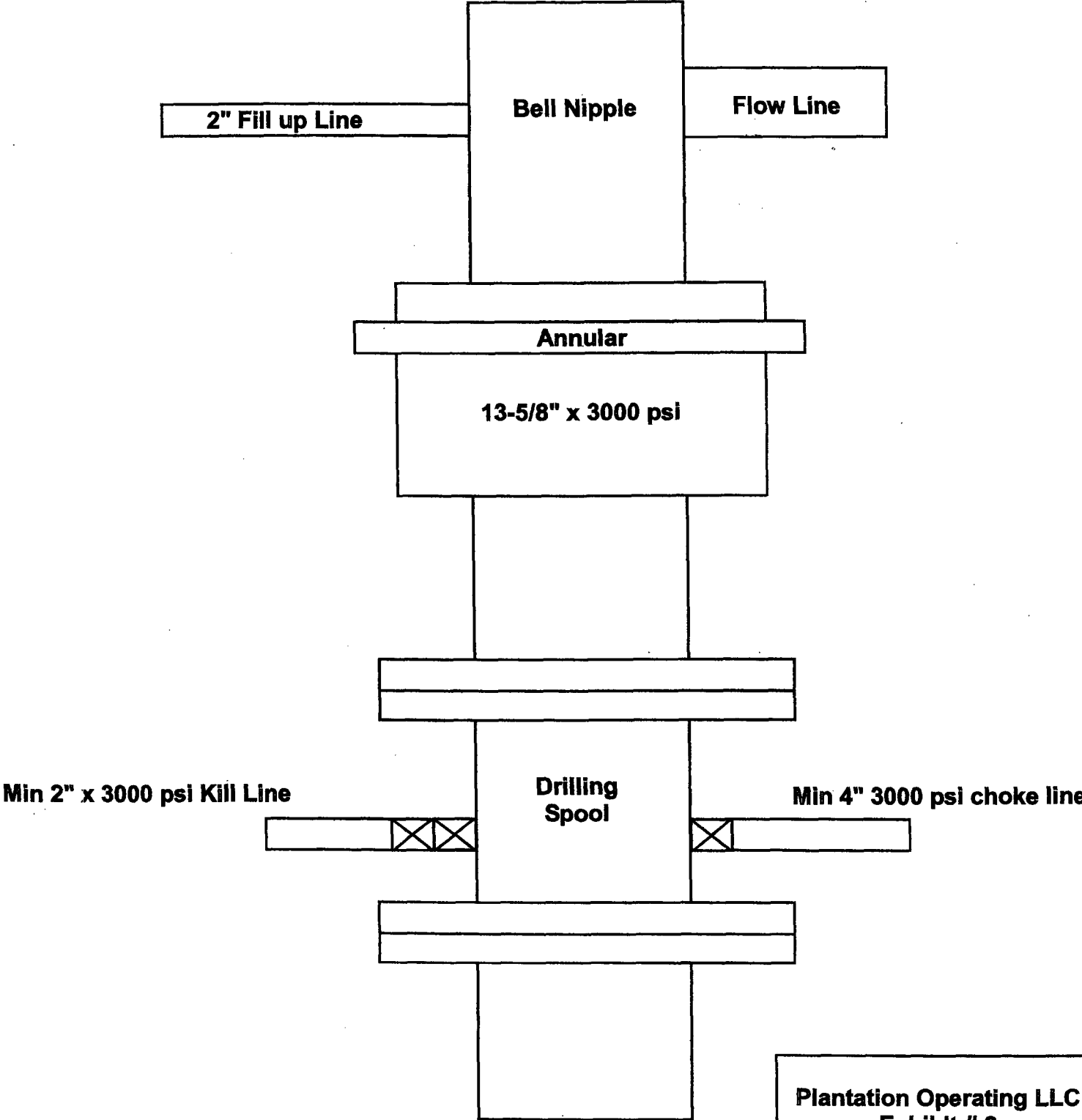
Signature 

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:

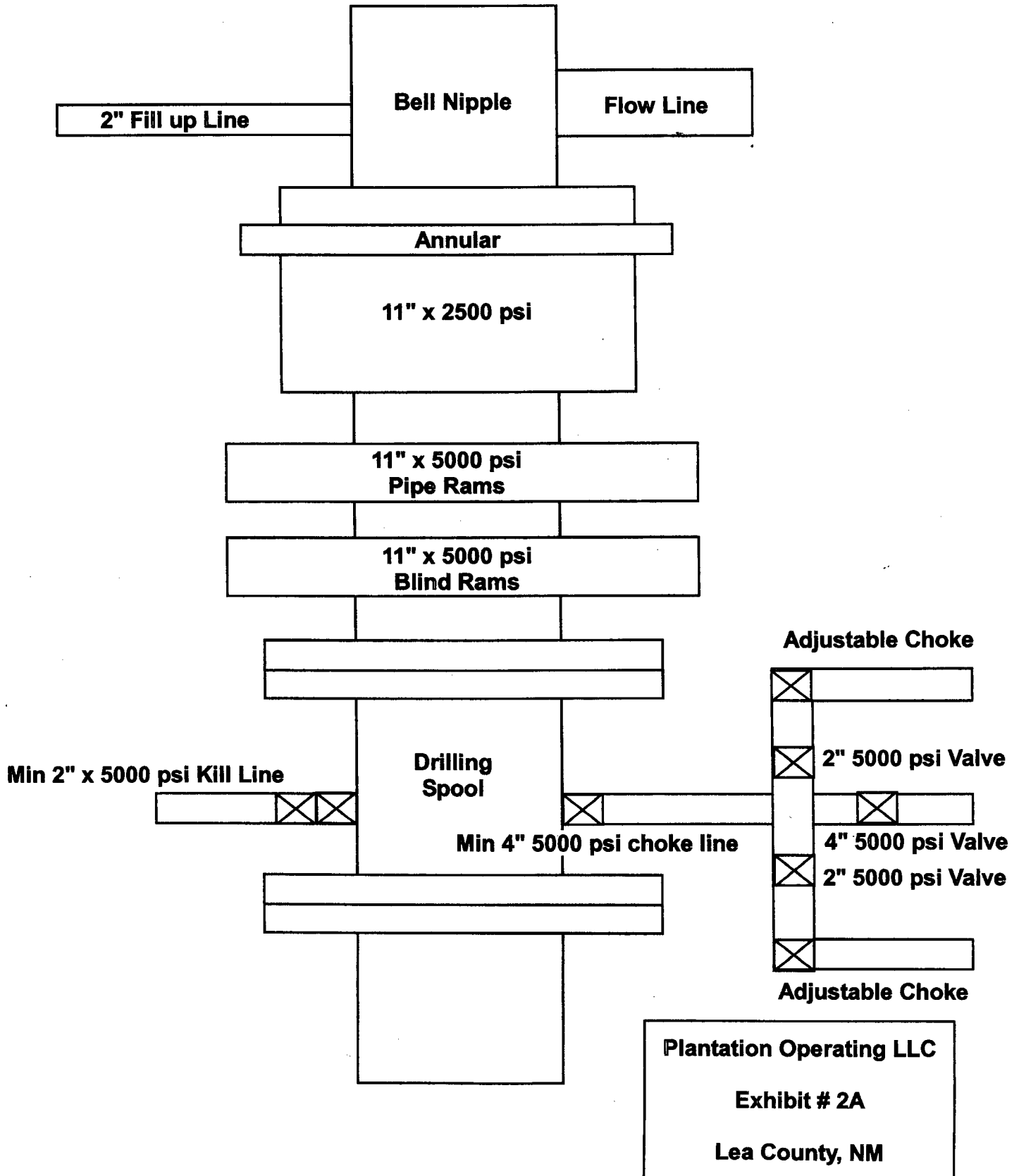
Printed Name/Title _____ Signature _____ Date: _____

Plantation Operating, LLC
BOP Schematic for 12-1/4" Hole



Plantation Operating LLC
Exhibit # 2
Lea County, NM

Plantation Operating, LLC
BOP Schematic for 8-3/4 or- 7-7/8" Hole



DOYLE HARTMAN

Oil Operator

3811 TURTLE CREEK BLVD., SUITE 730

DALLAS, TEXAS 75219

(214) 520-1800

(214) 520-0811 FAX

April 13, 1994

Mr. Jerry Sexton
New Mexico Oil Conservation Division
P. O. Box 1980
Hobbs, New Mexico 88241-1980

Re: New C-101 and C-102
Carter-Eaves "NCT-A" No. 3
E/2 W/2 Section 6
T-24-S, R-37-E, N.M.P.M.
Lea County, New Mexico
(159.8 acres)

Gentlemen:

Please find enclosed a copy of Doyle Hartman's Administrative Approval from the NMOCD dated July 3, 1991 (NSL-3025[SD]) corresponding to the drilling of Doyle Hartman's proposed Carter-Eaves "NCT-A" No. 3 infill Jalmat well to be located at an unorthodox location of 512' FSL and 1923' FWL of Section 6, T-24-S, R-37-E and the simultaneous dedication of the proposed new Carter-Eaves "NCT-A" No. 3 well, along with the currently existing Carter-Eaves "NCT-A" No. 1 well (C-6-24S-37E), to the 159.8-acre non-standard Jalmat (gas) proration unit consisting of the E/2 W/2 of Section 6, T-24-S, R-37-E, Lea County, New Mexico (NMOCD Order NSP-726, dated November 10, 1965).

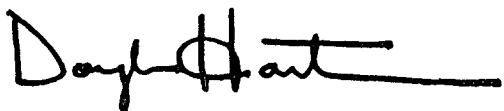
Also, please find enclosed an original and five copies of a new C-101 and C-102 corresponding to Doyle Hartman's proposed Carter-Eaves "NCT-A" No. 3 infill well to be situated at the previously approved unorthodox location of 512' FSL and 1923' FWL of Section 6, T-24-S, R-37-E. As you are aware, we first made application in June, 1991 to drill the Carter-Eaves "NCT-A" No. 3 well, with the NMOCD, on July 3, 1991, approving our administrative application for an unorthodox location and simultaneous dedication of the well to the 159.8-acre non-standard Jalmat proration unit consisting of the E/2 W/2 Section 6, T-24-S, R-37-E. Because of the occurrence of certain uncontrollable and disruptive matters after we initially received drilling approval from the NMOCD, to date, we have been unable to drill the Carter-Eaves "NCT-A" No. 3, but we do finally expect to spud the proposed Carter-Eaves "NCT-A" No. 3 on or about August 1, 1994.

Mr. Jerry Sexton
Page 2
April 13, 1994

With Administrative Order NSL-3025(SD) still in effect, we are hereby re-submitting NMOCD forms C-101 and C-102 for the Carter-Eaves "NCT-A" No. 3. Please let us know if you need any further information in this regard.

Very truly yours,

DOYLE HARTMAN, OIL OPERATOR

A handwritten signature in black ink, appearing to read "Doyle Hartman", with a long horizontal line extending from the end of the signature.

Doyle Hartman
Owner

DH:pdd
Enclosures

cc: Ms. Weslynn McCallister
P. O. Box 107
Margo Island, Florida 33969

Mr. Mac McGee
McGee Drilling Corp.
400 West Texas, Suite 1100S
Box 2471
Midland, Texas 79702

Mr. James A. Davidson
P. O. Box 494
Midland, Texas 79702

Submit to Appropriate
District Office
State Lease - 6 copies
Fee Lease - 5 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-101
Revised 1-1-89

OIL CONSERVATION DIVISION

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

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

API NO. (assigned by OCD on New Wells)

30-025-31280

5. Indicate Type of Lease

STATE ☐

FEE ☒

6. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work:

DRILL ☒

RE-ENTER ☐

DEEPEN ☐

PLUG BACK ☐

b. Type of Well:

OIL
WELL ☐

GAS
WELL ☒

OTHER

SINGLE
ZONE ☒

MULTIPLE
ZONE ☐

7. Lease Name or Unit Agreement Name

Carter-Eaves "NCT-A"

2. Name of Operator

Doyle Hartman

8. Well No.

3

3. Address of Operator

500 North Main (79701) P. O. Box 10426, Midland, TX 79702

9. Pool name or Wildcat

Jalmat

4. Well Location

Unit Letter N : 512 Feet From The South Line and 1923 Feet From The West Line

Section 6

Township 24S

Range 37E

NMPM

Lea

County

10. Proposed Depth

3600'

11. Formation

Seven Rivers

12. Rotary or C.T.

Rotary

13. Elevations (Show whether DF, RT, GR, etc.)

3331.5 GR

14. Kind & Status Plug. Bond

Blanket

15. Drilling Contractor

McGee Drilling Corp.

16. Approx. Date Work will start

8-1-94

17.

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12-1/4"	9-5/8"	36	450	350 sx	Surface
8-3/4"	7"	23	3575	700 sx	Surface

Before drilling out from under 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 9-5/8" and 7" casing strings will be circulated in sufficient volumes to the surface.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Doyle Hartman

TITLE Owner/Operator

DATE April 12, 1994

TYPE OR PRINT NAME Doyle Hartman

TELEPHONE NO. 915/684-4011

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

Submit to Appropriate
District Office
State Leases - 4 copies
Fee Leases - 3 copies

State of New Mexico
Bureau of Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

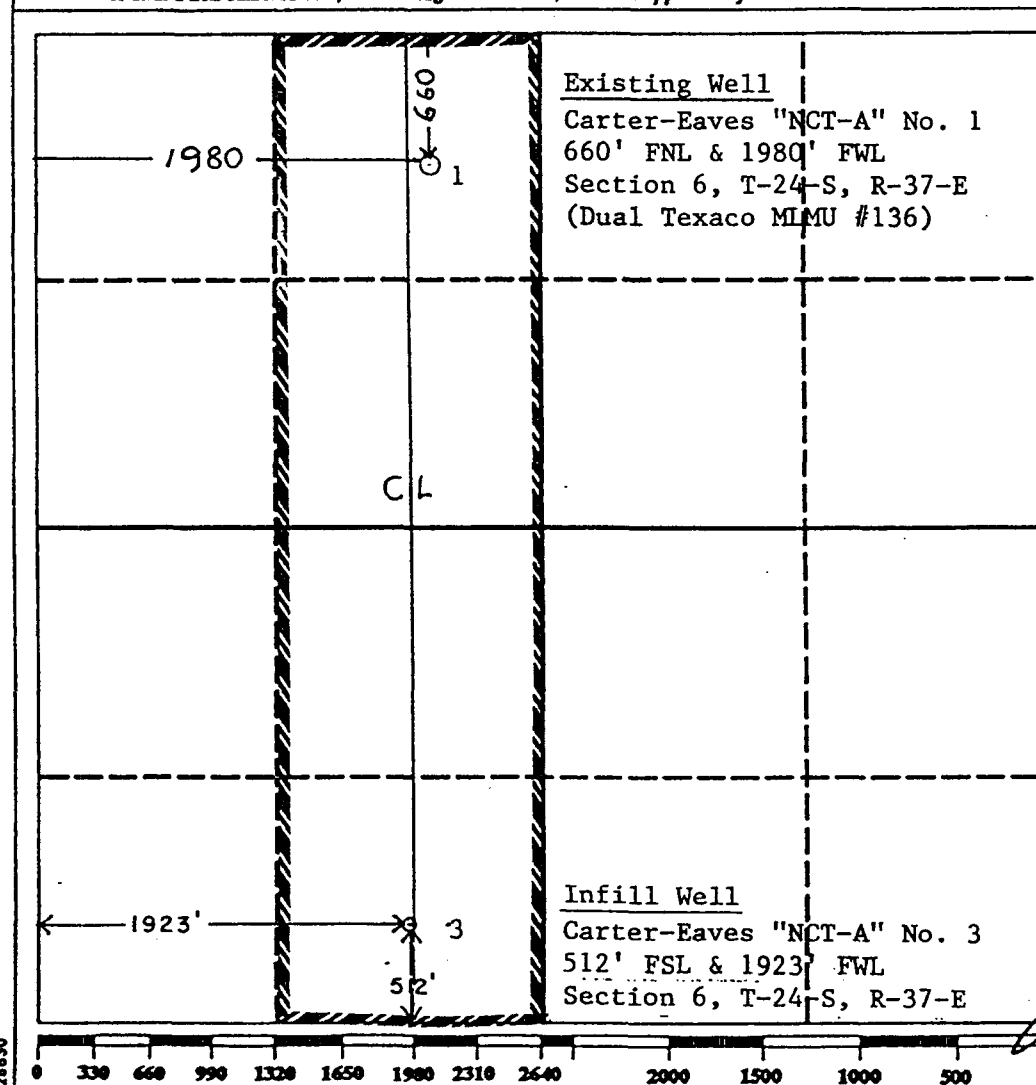
DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator DOYLE HARTMAN			Lease CARTER EAVES NCT-A		Well No. 3
Unit Letter N	Section 6	Township 24 SOUTH	Range 37 EAST	County LEA	
Actual Footage Location of Well: 512 feet from the SOUTH line and 1923 feet from the WEST line					
Ground level Elev. 3331.5	Producing Formation Yates - 7R		Pool Jalmat (T-Y-7R) Gas		Dedicated Acreage: 159.8 Acres
<p>1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.</p> <p>2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).</p> <p>3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.? <input type="checkbox"/> Yes <input type="checkbox"/> No If answer is "yes" type of consolidation _____</p> <p>If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____</p> <p>No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.</p>					



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature
Don L. Mashburn
Printed Name
Don L. Mashburn
Position
Engineer
Company
Doyle Hartman
Date
April 12, 1994

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 knowledge and belief.

Date Surveyed
6-4-91
Signature & Seal of Professional Surveyor
John W. West
Certificate No. **JOHN W. WEST 676**
RONALD J. EIDSON 3239
NEW MEXICO
JOHN W. WEST



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

July 3, 1991

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

Doyle Hartman, Oil Operator
P.O. Box 10426
Midland, Texas 79702

Attention: Patrick K. Worrell

Administrative Order NSL-3025(SD)

Dear Mr. Worrell:

Reference is made to your application dated June 11, 1991, for an unorthodox Jalmat gas well location in an existing non-standard 179.80-acre gas spacing and proration unit (GPU) for said Jalmat Gas Pool comprising Lot 3, SE/4 NW/4, and E/2 SW/4 (E/2 W/2 equivalent) of Section 6, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico. Said GPU was authorized by Division Administrative Order NSP-726, dated November 10, 1965 and presently has dedicated thereon the Carter Eaves (NCT-A) Well No. 1 located at a standard gas well section in Unit C of said Section 6.

By authority granted me under the provisions of Rule 2(c) of the Special Rules and Regulations for the Jalmat Gas Pool, as promulgated by Division Order No. R-8170 as amended, the following described well to be drilled at an unorthodox gas well location is hereby approved:

Carter Eaves (NCT-A) Well No. 3
512' FSL - 1923' FWL (Unit N)

RECEIVED

JUL 11 1991

cc PW
DH
BT
Legal

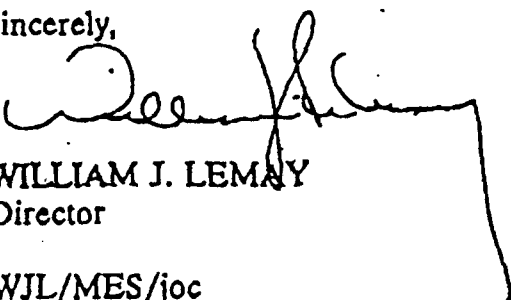
Doyle Hartman, Oil Operator
Administrative Order NSL-3025(SD)

Page 2

July 3, 1991

Also, you are hereby authorized to simultaneously dedicate Jalmat Gas production from the Carter Eaves (NCT-A) Well No. 1 with the Carter Eaves (NCT-A) Well No 3. Furthermore, you are hereby permitted to produce the allowable assigned the GPU from both of said wells in any proportion.

Sincerely,

A handwritten signature in black ink, appearing to read 'William J. Lemay', with a long horizontal stroke extending to the right.

WILLIAM J. LEMAY
Director

WJL/MES/joc

cc: Oil Conservation Division - Hobbs
NSP-726

DOYLE HARTMAN

Oil Operator

500 N. MAIN

P.O. BOX 10428

MIDLAND, TEXAS 79702

(915) 684-4011

June 11, 1991

FEDERAL EXPRESS/CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Mr. William J. LeMay
State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

Re: Carter-Eaves "NCT-A" No. 3
E/2 W/2 Section 6
T-24-S, R-37-E
1. Simultaneous Dedication
2. Unorthodox Location

Gentlemen:

Please find enclosed copies of NMOCD Form C-101 and C-102 corresponding to the drilling of a new infill Jalmat (Gas) Pool well to be located at an unorthodox Jalmat (Gas) location consisting of 512' FSL and 1923' FWL of Section 6, T-24-S, R-37-E, Lea County, New Mexico. The proposed new infill well is to be simultaneously dedicated to the previously approved 160-acre Carter-Eaves "NCT-A" Jalmat proration unit consisting of the E/2 W/2 Section 6, T-24-S, R-37-E. Approval for the already existing 160-acre Carter-Eaves "NCT-A" proration unit was originally granted by the NMOCD to Chevron (Gulf) under Order NSP-726 dated November 10, 1965.

We therefore request administrative approval from the NMOCD to simultaneously dedicate both our newly proposed Carter-Eaves "NCT-A" No. 3 infill Jalmat (Gas) well as well as our presently existing Carter-Eaves "NCT-A" No. 1 marginal Jalmat (Gas) well to the previously approved Carter-Eaves "NCT-A" 160-acre Jalmat proration unit.

In addition, we request administrative approval to drill the proposed new well at an unorthodox Jalmat location consisting of 512' FSL and 1923' FWL of Section 6, which is 148' south of the orthodox location consisting of 660' FSL and 1923' FWL that is currently occupied by Texaco's MLMU No. 174 well.

As discussed below, the surface area corresponding to the 160-acre Carter-Eaves "NCT-A" proration unit is today quite congested and an unorthodox location is necessitated in part by the following topographic factors:

- A. The geometrical shape of the previously approved 160-acre Carter-Eaves "NCT-A" proration unit is a stand-up rectangular 160-acre tract with dimensions consisting of 5280' X 1320'. Consequently, a new infill well can qualify as an orthodox location only if it is situated along the north-south center-line of the 160-acre tract (1923' FWL) at a distance 660 feet or greater from the north and south lines of the section and also providing the well is situated no closer than 330 feet from a quarter-section line.
- B. Numerous high pressure gas transmission lines cross the subject 160-acre tract and feed into Sid Richardson's (formerly El Paso's) Jal Plant No. 4 complex situated just north of the Carter-Eaves "NCT-A" proration unit.
- C. The 160-acre Carter-Eaves "NCT-A" proration unit also shares the surface with four MLMU Langlie Mattix wells operated by Texaco (2 producers and 2 injectors).
- D. A high voltage electrical power line runs north and south across the lease just west of and parallel to the north-south center-line of the 160-acre tract and serves the two Texaco MLMU producers situated on the tract. The existing high voltage powerline traversing the tract is located close enough to the north-south center-line so as to preclude an infill well from being drilled at an orthodox location along the north-south center-line.
- E. Oil and gas production lines are also situated on the surface and serve the two Langlie Mattix producers located on the subject 160-acre tract.
- F. Finally, water injection lines utilize part of the surface and serve Texaco's two MLMU water injection wells that are located on the subject 160-acre tract.

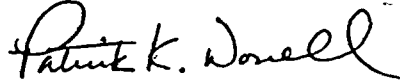
Besides the two enclosures pertaining to existing surface obstructions, a color-coded land plat outlining the subject 160-acre Carter-Eaves "NCT-A" proration unit and depicting the location of the existing Carter-Eaves "NCT-A" No. 1 Jalmat producing well (C-6-24S-37E) and the proposed Carter-Eaves "NCT-A" No. 3 Jalmat infill well (N-6-24S-37E) are enclosed for your review. Supplementing the enclosed color-coded land plat is a companion table describing by tract number all Jalmat (Gas) proration units (including the operators of the Jalmat rights) that offset the 160-acre Carter-Eaves "NCT-A" proration unit.

New Mexico Oil Conservation
June 11, 1991
Page 3

Complete copies of this application have also been sent by certified mail to all offsetting parties owning Jalmat (Gas) Rights as described on the enclosed land plat and supplemental table.

Very truly yours,

DOYLE HARTMAN



Patrick K. Worrell
Engineer

PKW/lr
Enclosures
555:OCD0611

cc Mr. Jerry Sexton
New Mexico Oil Conservation Division
P. O. Box 1980
Hobbs, New Mexico 88240-1980

Texaco, Inc.
P. O. Box 3109
Midland, Texas 79702
Attention: R. S. Cornelius

ARCO Oil & Gas Company
P. O. Box 1610
Midland, Texas 79702-1610
Attention: J. A. Nicholson

Meridian Oil, Inc.
21 Desta Drive
Midland, Texas 79705
Attention: Charles Brown

Amoco Production Company
P. O. Box 3092
Houston, Texas 77253-3092
Attention: Mr. Stephen A. Reinert

OIL CONSERVATION COMMISSION

P. O. [REDACTED] BOX 2068

SANTA FE, NEW MEXICO

November 10, 1965

C
O
P
Y

Gulf Oil Corporation
P. O. Drawer 1938
Roswell, New Mexico

Attention: Mr. M. I. Taylor

Administrative Order NSP-726

Gentlemen:

Reference is made to your application for approval of a 160-acre non-standard gas proration unit in the Jalmat Gas Pool consisting of the following acreage:

LEA COUNTY, NEW MEXICO
TOWNSHIP 24 SOUTH, RANGE 37 EAST, NMPM
Section 6: E/2 W/2

It is understood that this unit is to be dedicated to your Carter Eaves (NCT-A) Well No. 1 located 660 feet from the North line and 1980 feet from the West line of said Section 6.

By authority granted me under the provisions of Order No. R-1670, as amended, you are hereby authorized to operate the above-described acreage as a non-standard gas proration unit.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/JMD/esr

cc: Oil Conservation Commission - Hobbs
Oil & Gas Engineering Committee - Hobbs
Proration Department, OCC - Santa Fe