Plantation Petrolgum Holdings III, LLC; Plantation Operating, LLC

Received: 8-23-2006 Suspense Blu: 9-12-06 pMESO-\_625528411 2203 Timberloch Place, Ste. 229 The Woodlands, TX 77380 Tel: (281) 296-7222 Fax: (281) 298-2333

August 22, 2006

**DHL EXPRESS** 

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

**RE:** Meyer B-27 No. 2 - Proposed Drilling to Eumont Gas Pool

960' FNL & 1980' FWL Unit C, Sec 27, T-20S, R-37E Lea County, New Mexico

Administrative Application for Simultaneous Dedication, Standard Location, in Existing Non-Standard Proration Unit Administrative Order NSP-282, Federal Lease No. LC-NM 2511

Dear Mr. Stogner,

Please find enclosed a copy of the previously approved Administrative Order No. NSP-282 to simultaneously dedicate one Eumont well, to the subject existing 160 acre Eumont Gas proration unit, the Meyer B-27 No. 1 (1980' FNL & 660' FWL) in the NSP approved July 11, 1956 consisting of NW/4, Section 27 T-20S, R-37E Lea County, New Mexico. With only the Meyer B-27 #1 now producing from the NSP, we would now like to add an additional well to the existing NSP.

We hereby ask your approval to drill corresponding to the new drilling application for Meyer B-27 No. 2 in the NSP (960' FNL & 1980' FWL), Unit C, Section 27, T-20S, R-37E. 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 Eumont strata, within the Eumont interval).

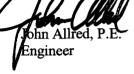
Also, please find enclosed an original of the new BLM Form 3160-3 and C-102 corresponding to the new drilling application for the Meyer B-27 No. 2 along with the C-144 and BOP diagram.

Notice of this administrative application has been sent by DHL Express to the applicable diagonal and adjacent offset Eumont operators, as well as, the NMOCD in Hobbs, NM.

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



cc:

Chris Williams District Supervisor – District 1 1625 N. French Drive Hobbs, New Mexico 88240

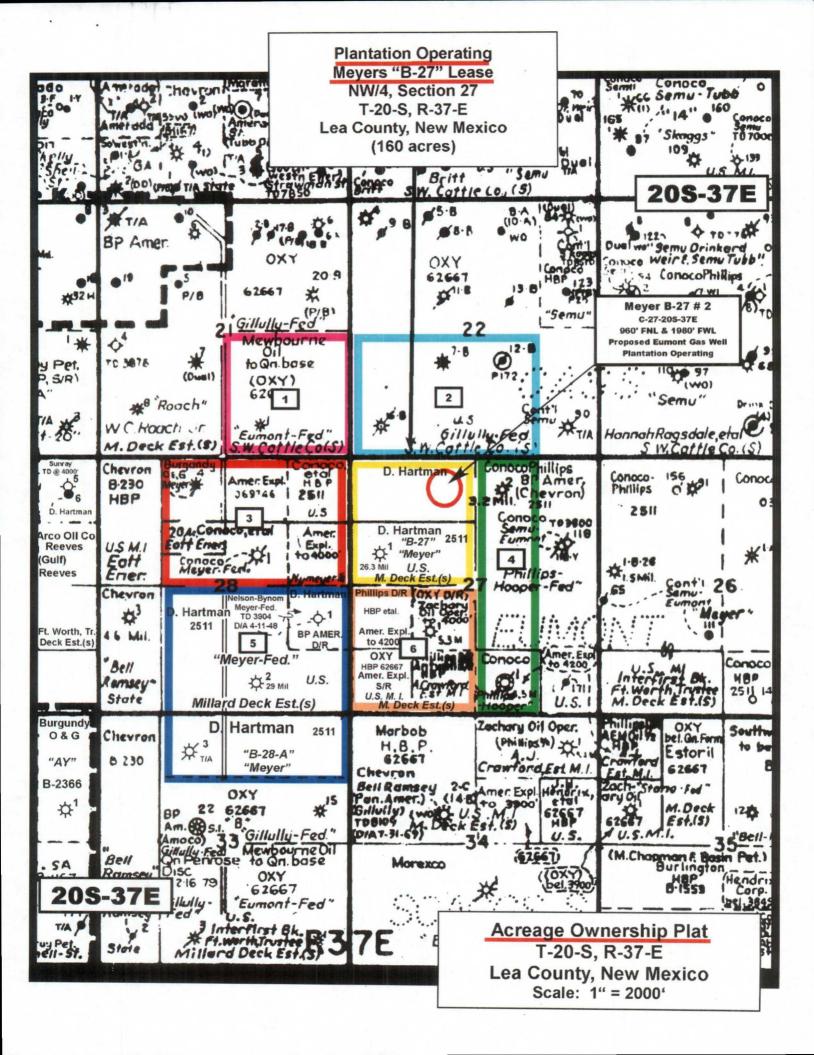
Donna Mull APD Permitting – District 1 1625 N. French Drive Hobbs, New Mexico 88240

Mewbourne Oil Company 500 W. Texas, Ste 1020 Midland, TX 79701

Occidental Permian Ltd. 6 Desta Dr., Ste 6000 Midland, TX 79710

ConocoPhillips Company 4001 Penbrook St. Odessa, TX 79762

Zachary Oil Operating Company 6300 Ridglea Pl # 605 Fort Worth, TX 76116



# LIST OF OFFSET EUMONT (GAS) OPERATORS

# Plantation Operating, LLC Meyer B-27 #2 Unit C, Section 27, T-20S, R-37E Lea County, New Mexico

Tract No.	Operator	Lease and Well Name (s)	Gas Well Locations	Unit Description	No. of Acres
1 (Pink)	Mewbourne Oil Company	Eumont 21 Federal #1	O-21-20S-37E	SE/4 Section 21, T-20-S, R-37-E	160
2 (Light Blue)	Occidental Permian Limited	Gillully B Federal RA A #16	M-22-20S-37E	SW/4, W/2 SE/4, Section 22, T-20-S, R-37-E	240
3 (Red)	Conoco Incorporated	Meyer B 28 A AC1 #1	G-28-20S-37E	NE/4, E/2 NW/4, Section 28, T-20-S, R-37-E	240
4 (Green)	ConocoPhillips Company	Phillips Hooper Fed Com #2	B-27-20S-37E	W/2 NE/4, W/2 SE/4 Section 27, T-20-S, R-37-E	160
5 (Dark Blue)	Plantation Operating, LLC	Meyer B 28 A Com AC2 #2	O-28-20S-37E	SE/4, E/2 SW/4, Section 28, T-20-S, R-37-E N/2 NE/4, NE/4 NW/4 Section 33, T-20-S, R-37-E	360
6 (Light Brown)	Zachary Oil Operating Company	Turland Federal #1	K-27-20S-37E	SW/4 Section 27, T-20-S, R-37-E	160

Form 3160-3 (April 2004)

# UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No. 1004-0137 Expires March 31, 2007

5. Lease Serial No. LC-NM-2511

BUREAU OF LAND MAN						
APPLICATION FOR PERMIT TO			6. If Indian, Allotee	or Tribe Name		
la. Type of work:  DRILL  REENT	ER		7. If Unit or CA Agree	ement, Name and No.		
lb. Type of Well: Oil Well	✓ Single Zone M	ultiple Zone	8. Lease Name and V Meyer B-27 #2			
2. Name of Operator Plantation Operating, LLC			9. API Well No. 30-025-			
3a. Address 2203 Timberloch Place, Suite 229 The Woodlands, Texas 77380	3b. Phone No. (include area code 281-296-7222	)	10. Field and Pool, or Eumont (Yates	Exploratory s-7Rivers-Queen)		
4. Location of Well (Report location clearly and in accordance with at At surface  4. At surface  4. Location of Well (Report location clearly and in accordance with at Section 1980' FWL  4. At proposed prod. zone	ny State requirements.*)		11. Sec., T. R. M. or B	•		
Distance in miles and direction from nearest town or post office*     Monument, NM - South approximately 5 miles			12. County or Parish Lea	13. State NM		
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)  660'	16. No. of acres in lease	17. Spacin	ng Unit dedicated to this v	well		
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.  1750'	19. Proposed Depth 3800		M/BIA Bond No. on file NMB000344			
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3513' GL	22. Approximate date work wil	start*	23. Estimated duration 10 Days			
	24. Attachments					
<ol> <li>The following, completed in accordance with the requirements of Onshe</li> <li>Well plat certified by a registered surveyor.</li> <li>A Drilling Plan.</li> <li>A Surface Use Plan (if the location is on National Forest System SUPO shall be filed with the appropriate Forest Service Office).</li> </ol>	4. Bond to cov Item 20 abo 5. Operator cer	ver the operation rtification site specific in		existing bond on file (see		
25. Signature Kunturle Faldyn	Name (Printed/Typed) Kimberly Faldy	n	Date 08/22/2006			
Title Production Tech						
Approved by (Signature)	Name (Printed/Typed)			Date		
Title	Office					
Application approval does not warrant or certify that the applicant hole conduct operations thereon. Conditions of approval, if any, are attached.	lds legal or equitable title to those	rights in the su	bject lease which would o	entitle the applicant to		

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

<sup>\*(</sup>Instructions on page 2)

#### State of New Mexico

DISTRICT I
1625 N. PRENCH DR., HOBBS, NM 88240

Energy, Minerals and Natural Resources Department

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office State Lease - 4 Copies

State Lease — 4 Copies
Fee Lease — 3 Copies

# 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

DISTRICT IV WELL LOCATION AND ACREAGE DEDICATION PLAT ☐ AMENDED REPORT 1220 S. ST. FRANCIS DR., SANTA FE, NM 87505 API Number Pool Code Pool Name Property Code Property Name Well Number MEYER B-27 2 Operator Name Elevation OGRID No. PLANTATION OPERATING, LLC 3513

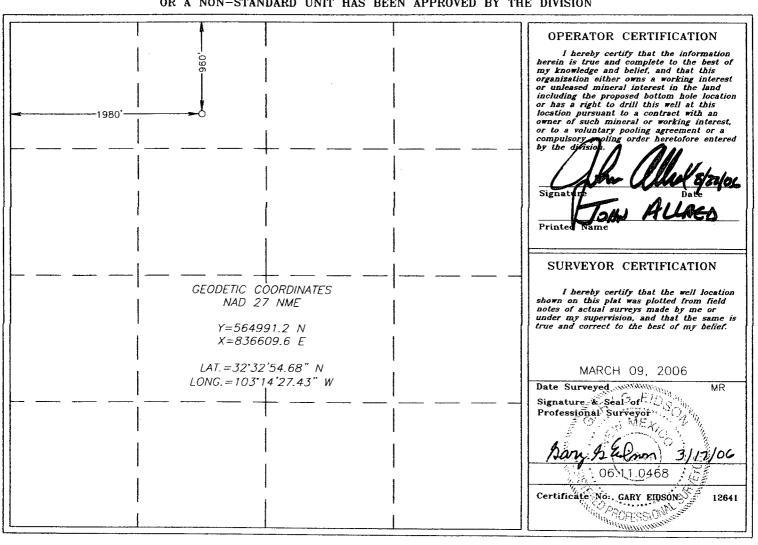
#### Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
С	27	20-S	37-E		960	NORTH	1980	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 o	r Infill Co	nsolidation (	Code Oro	ler No.			1	<u> </u>

# 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



## SECTION 27, TOWNSHIP 20 SOUTH, RANGE 37 EAST, N.M.P.M., NEW MEXICO LEA COUNTY, 600' 150' NORTH **OFFSET** 3510.3' П MEYER B-27 #2 150' WEST 150' EAST OFFSET □ 0 □ OFFSET 3511.4 3513.1' ELEV. 3513.3' LAT.=32°32'54.68 N LONG.=103°14'27.43" W 150' SOUTH **OFFSET** 3508.9 EOTT BPL 600' DIRECTIONS TO LOCATION FROM THE INTERSECTION OF ST. HWY. 8 AND CO. 100 100 200 Feet RD. H-41 (HILL RD.). GO EAST ON HILL RD. APPROX. 0.36 MILES. TURN LEFT AND GO NORTH Scale: 1 "=100"

FROM THE INTERSECTION OF ST. HWY. 8 AND CO. RD. H-41 (HILL RD.). GO EAST ON HILL RD. APPROX. 0.36 MILES. TURN LEFT AND GO NORTH APPROX. 0.43 MILES. TURN RIGHT AND GO NORTHEAST ON A PIPELINE ROAD APPROX. 0.63 MILES. THIS LOCATION IS APPROX. 250 FEET SOUTHEAST.



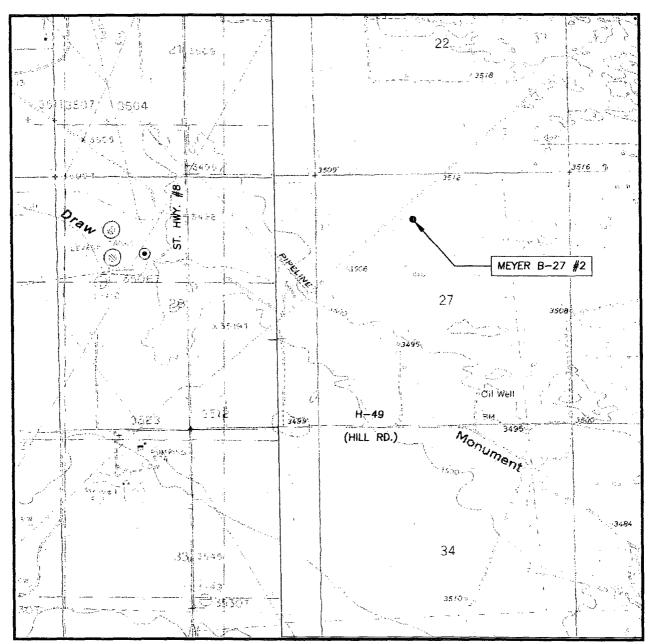
PROVIDING SURVEYING SERVICES
SINCE 1946
JOHN WEST SURVEYING COMPANY
412 N. DAL PASO
HOBBS, N.M. 88240
(505) 383-3117

### PLANTATION OPERATING, LLC

MEYER B-27 #2 LOCATED 960 FEET FROM THE NORTH LINE AND 1980 FEET FROM THE WEST LINE OF SECTION 27, TOWNSHIP 20 SOUTH, RANGE 37 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO.

Survey Date: 0.	3/09/06	Si	heet	1 .	of	1	Sheets
W.O. Number: 06	.11.0468	Dr B	y: M.R.		Re	v 1:1	N/A
Date: 03/15/06	Disk: CD#	1	0611	0468		Scale	:1"=100'

# LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

SEC. 27 TWP. 20-S RGE. 37-E

SURVEY N.M.P.M.

COUNTY LEA STATE NEW MEXICO

DESCRIPTION 960' FNL & 1980' FWL

ELEVATION 3513'

PLANTATION OPERATOR OPERATING, LLC

LEASE MEYER B-27

U.S.G.S. TOPOGRAPHIC MAP

HOBBS SW, N.M.

CONTOUR INTERVAL:
HOBBS SW, N.M.— 5'
MONUMENT SOUTH, N.M.— 5'



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

# VICINITY MAP

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	22	23	24	19	20	SI	22	23	24 5	# 19 #	20	ટા	
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34	35	36	31	32	33	, 3	14 35 T 21		31	32 TEXAS	AVE.	73; 24;	2
3	s	1	6	5	4	2	T 22	1	6	5	4	3	

SCALE: 1" = 2 MILES

SEC. <u>27</u> TW	/P. <u>20-S</u> RGE. <u>37-E</u>
SURVEY	N.M.P.M.
COUNTYLE	A STATE NEW MEXICO
DESCRIPTION_	960' FNL & 1980' FWL
ELEVATION	3513'
	PLANTATION OPERATING, LLC
LEASE	MEYER B-27





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**

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

Form C-144

June 1, 2004

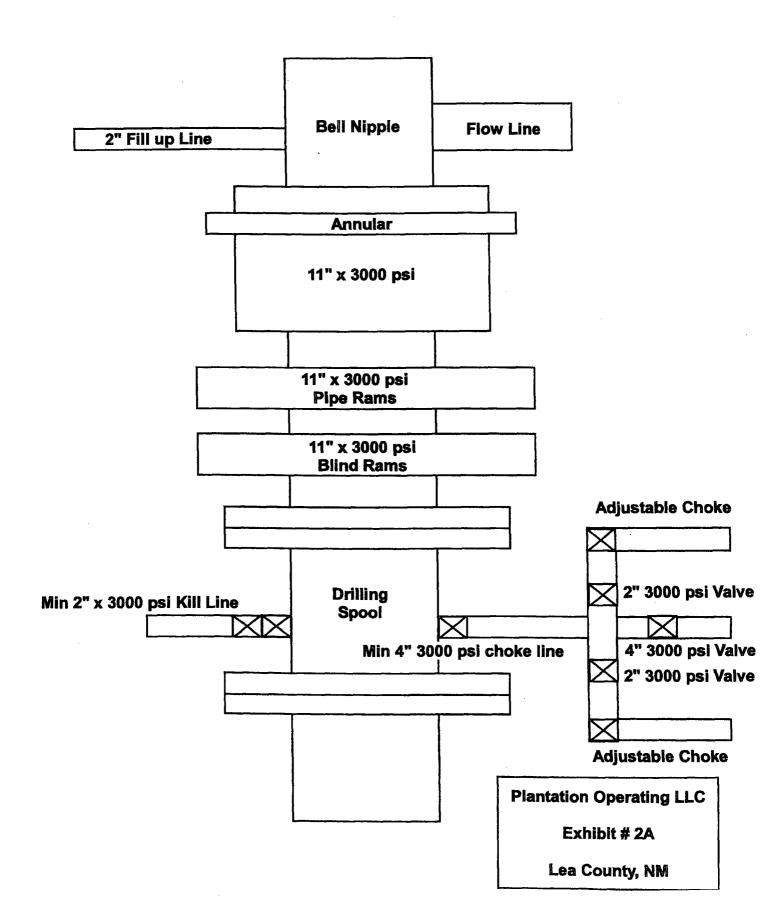
office

#### Pit or Below-Grade Tank Registration or Closure

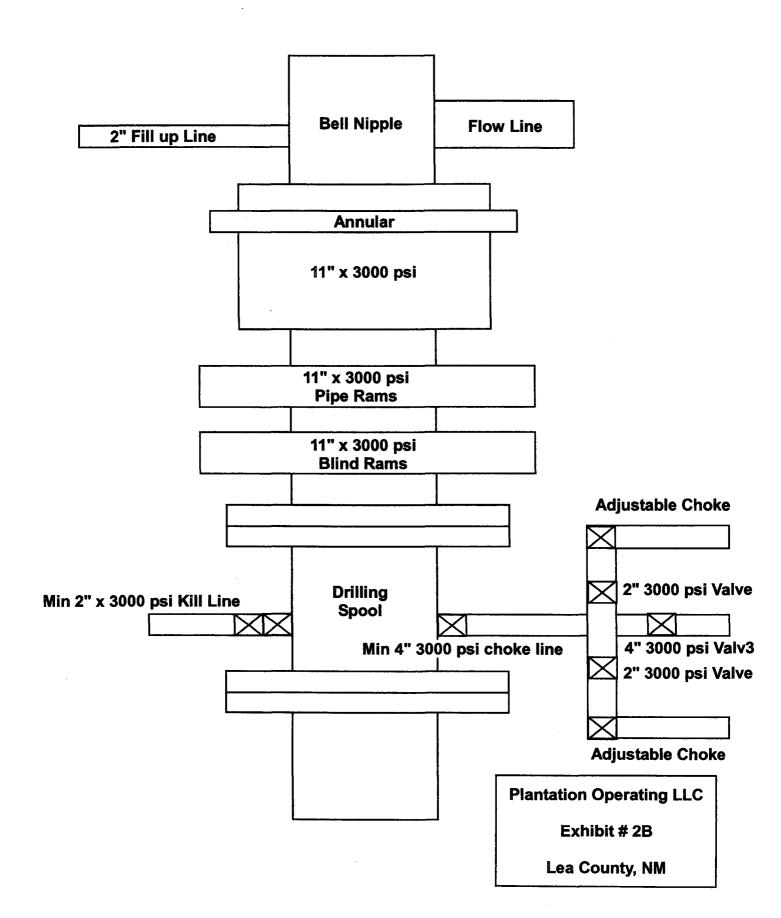
Is pit or below-grade tank covered by a "general plan"? Yes 🛛 No 🗌 Type of action: Registration of a pit or below-grade tank \( \bigcirc \) Closure of a pit or below-grade tank \( \bigcirc \) Telephone: 281-296-7222 e-mail address: ddotson@plantationpetro.com Plantation Operating, LLC Address: 2203 Timberloch Place, Suite 229, The Woodlands, Texas 77380 Facility or well name: Meyer B-27 #2 API #: 30-025- U/L or Qtr/Qtr NW/4 Sec 27 T 20S R 37E Latitude 32° 32′ 54.68" N Longitude 103° 14′ 27.43" W NAD: 1927 🔲 1983 🔲 Lea Surface Owner: Federal 

State □ Private □ Indian □ Pit Pit Below-grade tank Type: Drilling Production Disposal Volume: \_\_\_\_bbl Type of fluid: \_\_\_\_\_ Workover ☐ Emergency ☐ Construction material: Lined Unlined Double-walled, with leak detection? Yes \(\sigma\) If not, explain why not. Liner type: Synthetic Thickness \_\_\_\_\_mil Clay \_\_ Pit Volume \_\_\_\_\_bbl Less than 50 feet (20 points) Depth to ground water (vertical distance from bottom of pit to seasonal 0 50 feet or more, but less than 100 feet (10 points) high water elevation of ground water.) 100 feet or more ( 0 points) Yes (20 points) Wellhead protection area: (Less than 200 feet from a private domestic No No ( 0 points) 0 water source, or less than 1000 feet from all other water sources.) Less than 200 feet (20 points) Distance to surface water: (horizontal distance to all wetlands, playas, 200 feet or more, but less than 1000 feet (10 points) irrigation canals, ditches, and perennial and ephemeral watercourses.) 1000 feet or more 0 ( 0 points) 0 Ranking Score (Total Points) 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 . (3) Attach a general description of remedial action taken including your are burying in place) onsite \( \bigcirc \text{ offsite, name of facility} \) 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: Closed Loop System. 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 \_\_\_\_\_\_. 8/22/2006 Printed Name/Title Kimberly Faldyn / Production Tech 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

# Plantation Operating, LLC BOP Schematic for 6-1/8 or- 7-7/8" Hole



# Plantation Operating, LLC BOP Schematic for 9-3/4 or- 7-7/8" Hole



NEW MEXICO
OIL CONSERVATION COMMISSION
P. O. BOX 871
SANTA FE. NEW MEXICO

COPY

July 11, 1956

Continental Oil Company Petroleum Building Roswell. New Mexico

Attention: Mr. R. L. Adams

Administrative Order NSP-282

Gentlemen:

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

Township 20 South, Range 37 East, NMPM NW/4 of Section 27

It is understood that this unit is to be ascribed to your Meyer "B-27" Well No. 1, located 1980 feet from the North line and 660 feet from the West line and in the SW/4 NW/4 of Section 27, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico.

By authority granted me under provisions of Rule 5, Section (b)-6 of the Special Rules and Regulations for the Eumont Gas Pool, as set forth in Order R-520, you are hereby authorized to operate the above described acreage as a non-standard gas proration unit, with allowable to be assigned thereto in accordance with pool rules, based upon the unit size of 160 acres.

Very truly yours,

/s/ A. L. Porter, Jr.

A. L. Porter, Jr. Secretary-Director

ALP:jh

cc: Oil Conservation Commission, Hobbs

N. M. Oil and Gas Engr., Hobbs

El Paso Natural Gas Company, El Paso and Jal

This in Hobbes Well-

# CONTINENTAL OIL COMPANY

PETROLEUM BUILDING
ROSWELL, NEW MEXICO

R. L. ADAMS
DIVISION SUPERINTENDENT
OF PRODUCTION
NEW MEXICO DIVISION

June 27, 1956

Daiport Jil Corporation 930 Fidelity United Life Building Pallas, Texas

Marcaze Oil Concany Box 2077 Hobbu, New Mexico

Stanclind Wil and Ose Company Box 899 Noswell, New Rexico

Gentlemen:

On June 11, 1956 we forwarded to you as offset operators copies of our application for a 150-acre non-standard provation unit for the Continental-exercted Mayer B-27 No. 1 well in Section 27, T-20-3, R-37-8, Tumont Pool, Lea Gounty, New Mexico.

Through oversight, the subject of this spelication indicated that we were applying for a 240-acre non-standard proration unit. This application was intended for a 100-acre non-standard proration unit comprising the NU/A of Rection 27, T-20-3, R-37-5, hea County, New Pexico, as indicated in the body of the application. We would appreciate your correcting the subject of the above-referred-to application to indicate a "160-acre NSP unit" instead of a "240-acre NSP unit" as shown.

Joint-Letter Page 2

Yours very truly,

R. L. ADAMS

Signed: J. A. MOORE

By: J. A. MOCRE Alternate

JAM-ME

ect Hal Mar Jok

#### CONTINENTAL OIL COMPANY

Roswell, New Mexico June 11, 1956

New Mexico Oil Conservation Commission Box 871 Santa Fe, New Mexico

Attention: Mr. A. L. Porter, Jr.

: Continental Oil Company
Application for 240-acre NSP
Unit for its Meyer B-27 No. 1
Well in Section 27, T2OS, R37E,
Eumont pool, Lea County, New
Mexico.

#### Gentlemen:

Continental Oil Company respectfully request administrative approval under the provisions of Rule 5 (b) of the Special Rules and Regulations for the Eumont Gas Pool of Order No. R-520 for the formation of a 160-acre non-standard gas proration unit for its Meyer B-27 No. 1 well located 1980 feet from North line and 660 feet from the West line of Section 27, T2OS, R37E, Lea County, New Mexico in the Eumont gas pool.

The unit is proposed to consist of the 160 acres comprising the Northwest Quarter of Section 27, T2OS, R37E.

In support of this request we should like to point out that the proposed unit conforms with the requirements of said Rule 5 (b) in all respects as follows:

- Said unit consists of contiguous quarter-quarter sections (and/or lots).
- Said unit lies wholly within a single governmental section.
- The entire proposed unit may be reasonably presumed to be productive of gas.
- 4. The length or width of said unit does not exceed 5,280 feet.
- 5. Copies of this application have been furnished this date by registered mail to all offset operators and all operators within 1,500 feet of said well, as required by the provisions of said Rule 5 (b).

A plat is attached hereto showing to the best of our knowledge and belief the proposed unit, the location of the well and the offset ownership. New Mexico Oil Conservation Commission Page 2

In view of the facts set out herein it is respectfully requested that the Commission enter an order approving the non-standard gas proration unit for Continental Oil Company's Meyer B-27 No. 1 well as described above.

#### Signed: R. L. ADAMS

R. L. ADAMS Division Superintendent of Production New Mexico Division

STATE OF NEW MEXICO )
COUNTY OF CHAVES )

R. L. Adams, upon being July sworn, deposes and says that he is the Division Superintendent of Production for Continental Oil Company, and as such is authorized to file the foregoing application, that he has read said application and knows the contents thereof, and that the statements made therein are true, as he is credibly informed and believes.

1956.	Subscribed	and	sworn	to	before	me	this		day	of	-	_;
					<u>-</u> -ī	Vota	ary Pi	ublic				

My commission expires:

Copies to: New Mexico Oil Conservation Commission-3 RLJ-2 NAR File

Registered Mail:

Dalport Oil Corporation 930 Fidelity United Life Building Dallas, Texas

Mapenza Oil Company Box 2077 Hobbs, New Mexico

Stanolind Oil & Gas Company Box 899 Roswell, New Mexico

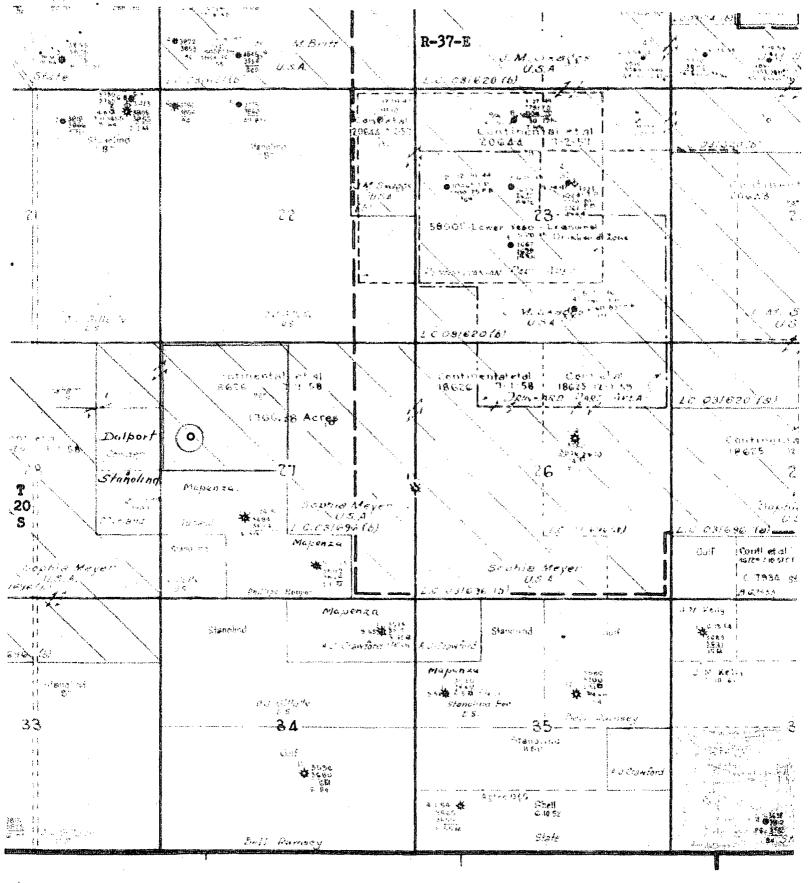
#### NEW MEXICO OIL CONSERVATION COMMISSION

P. O. BOX 2045

HOBBS, NEW MEXICO

TO: Continental Oal Co. Box 427 Hobbs, New Max. This is: A New gas well An Oil well coverted to gas An Oil-Gas dual A Gas-Gas dual Gentlemen: Form C-104 has been received on your Lease and Well No. 1. And a \_\_\_\_acre allowable will be assigned in the\_ Pool under NSP Order No.\_\_\_\_\_\_ 2. No gas allowable can be assigned this well for the following reasons: ( ) Unorthodox location (Order R-520 Rule 3) (\*) Non-standard proration unit (Order R=520 Rule 5 ) OIL CONSERVATION COMMISSION C. M. Rieder Findinger District

cc/ Transporter



scale: l" - 2,0001

CONTINENTAL OIL COMPANY

PROPOSED MEYER B-27 GAS PRORATION UNIT

----BOUNDARY OF PROPOSED UNIT

( ) UNIT GAS WELL