

DATE IN 1/26/07	SUSPENSE	ENGINEER W. Jones	LOGGED IN 1/26/07	TYPE DHC 3851	APP NO. PTDS0702642180
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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



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]

- [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.

Print or Type Name	Signature	Title	Date
		e-mail Address	



Plantation Petroleum Companies

Plantation Petroleum Holdings III, LLC; Plantation Operating, LLC

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

January 25, 2007

SENT VIA DHL

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

Attn: Mr. William Jones

**RE: Filing C-107A for Plantation Operating, LLC
Application for Downhole Commingling
New Mexico AA State #7
Lea County, NM**

Dear Mr. Jones,

Attached please find C-107A Form for Plantation Operating, LLC. The New Mexico AA State #7 is a new well in Lea County, New Mexico, and we are requesting downhole commingling. Due to limited data being available, attached is our allocation method and only well test from December 14, 2006. The well name, its location, and all attachments included are listed below:

<u>Well Name</u>	<u>Attachments</u>
New Mexico AA State #7 A-Sec 22, T23S, R36E Lea County, NM	C-107A, C-102 for Jalmat, C-102 for Langlie Mattix, Estimated production with Allocation Method

A copy of this application has been forwarded to the NMOCD in Hobbs, NM. Should you have any questions or need additional information, please feel free to call Kim Faldyn at (281) 296-7222 or e-mail at kfaldyn@plantationpetro.com. Thank you for your attention to this matter.

Best regards,


Kimberly Faldyn
Production Tech

cc: Chris Williams / Donna Mull
1625 N. French Drive
Hobbs, New Mexico 88240

2007 JAN 26 AM 10:40

District I
1625 N. French Drive, 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 Department

Form C-107A
Revised June 10, 2003

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

APPLICATION TYPE
 Single Well
 Establish Pre-Approved Pools
EXISTING WELLBORE
Yes * No
*New Well

APPLICATION FOR DOWNHOLE COMMINGLING

Plantation Operating, LLC 2203 Timberloch Place, Suite 229, The Woodlands, TX 77380
Operator Address

New Mexico AA State #7 A-Sec 22, T23S, R36E DFC-3851 Lea
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 237788 Property Code 302120 API No. 30-025-37955 Lease Type: Federal State Fee

DATA ELEMENT	UPPER ZONE <i>Trial Yes TRUS</i>	INTERMEDIATE ZONE	LOWER ZONE <i>TRUS-Q-GBS</i>
Pool Name	Jalmat <i>Go2</i>		Langlie Mattix TRUS-Q
Pool Code	79240 ✓		37240 ✓
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	2945-3544'		3589-3738'
Method of Production (Flowing or Artificial Lift)	Flow		Swab
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	N/A		N/A
Oil Gravity or Gas BTU (Degree API or Gas BTU)	N/A		N/A
Producing, Shut-In or New Zone	Producing		Producing
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: 12/14/2006 Rates: 48.49 MCF	Date: Rates:	Date: 11/27/2006 Rates: 2.56 MCF
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil: -- % Gas: 95 %	Oil: % Gas: %	Oil: -- % Gas: 5 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes No
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes No

Are all produced fluids from all commingled zones compatible with each other? Yes No

Will commingling decrease the value of production? Yes No

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes No

NMOC Reference Case No. applicable to this well: _____

Attachments:

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

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

SIGNATURE *Kimberly Faldyn* TITLE Production Tech DATE 1/25/2007

TYPE OR PRINT NAME Kimberly Faldyn TELEPHONE NO. (281)296-7222

E-MAIL ADDRESS kfaldyn@plantationpetro.com

State of New Mexico

Energy, Minerals and Natural Resources Department

DISTRICT I

1825 N. FRENCH DR., BOGGS, NM 88240

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

DISTRICT II

1801 W. GRAND AVENUE, ARTESIA, NM 88210

OIL CONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR.

Santa Fe, New Mexico 87505

DISTRICT III

1000 Eje Brazos Rd., Asteo, NM 87410

DISTRICT IV

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number	Pool Code 79240	Pool Name Jalmat (T-Y-7R) Gas
Property Code 302120	Property Name NEW MEXICO AA STATE	Well Number 7
OGRID No. 237788	Operator Name PLANTATION OPERATING, LLC	Elevation 3373'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	22	23-S	36-E		660	NORTH	810	EAST	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 160	Joint or Infill Y	Consolidation Code	Order No. Administrative Order No. SD-04-10 (12/22/04)
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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

GEODETTIC COORDINATES
NAD 27 NME
Y=472845.0 N
X=835719.3 E
LAT.=32°17'43.04" N
LONG.=103°14'48.07" W

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.

Signature 6/22/06
 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 24, 2006

Date Surveyed MR

Signature & Seal of Professional Surveyor

Certificate No. GARY EDSON 12641

State of New Mexico

Energy, Minerals and Natural Resources Department

DISTRICT I

1825 N. FRENCH DR., ROSAR, NM 88240

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

DISTRICT II

1801 W. GRAND AVENUE, ARTESIA, NM 88210

OIL CONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR.

Santa Fe, New Mexico 87505

DISTRICT III

1000 Eje Brazos Rd., Aztec, NM 87410

DISTRICT IV

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number 30-025-37955	Pool Code 37240	Pool Name Langlie Mattix (7R-Q-GRB)
Property Code 302120	Property Name NEW MEXICO AA STATE	Well Number 7
OGRID No. 237788	Operator Name PLANTATION OPERATING, LLC	Elevation 3373'

Surface Location

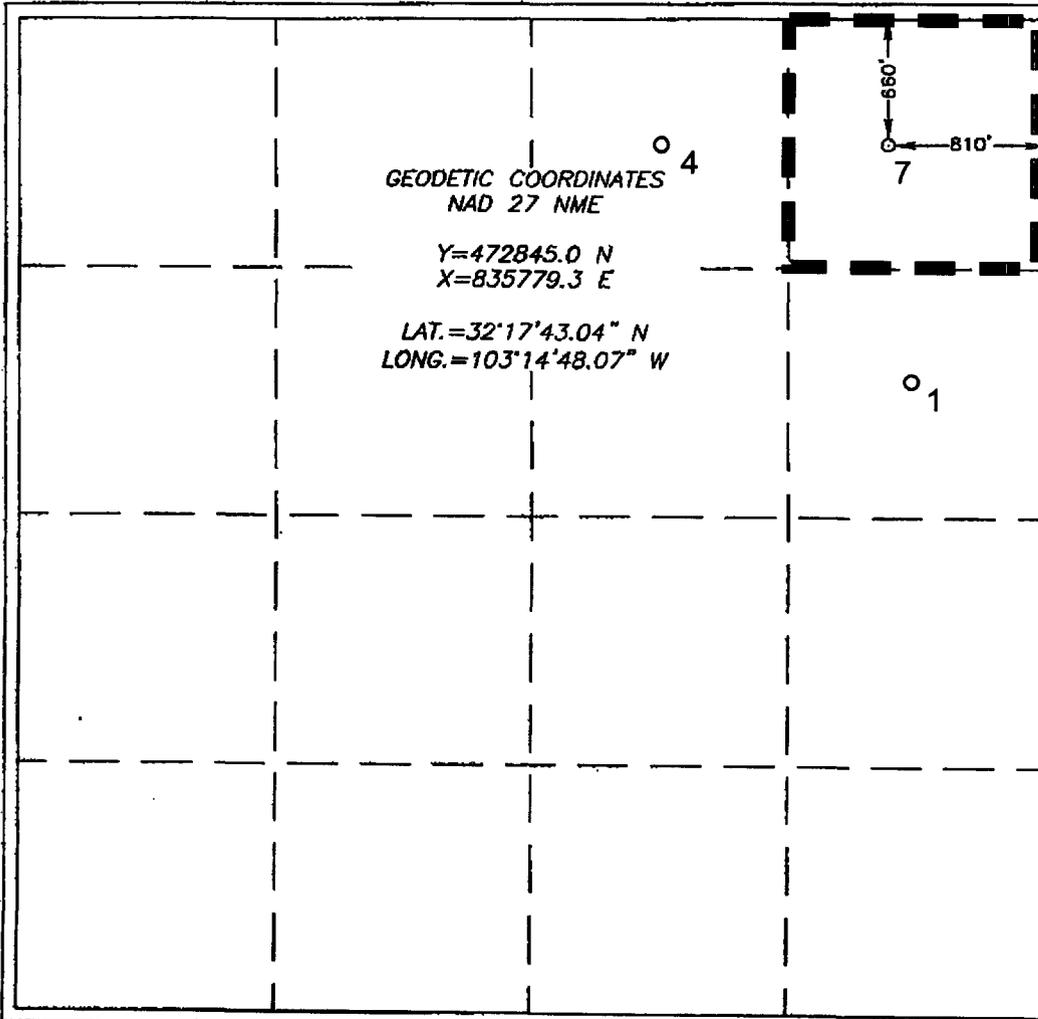
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	22	23-S	36-E		660	NORTH	810	EAST	LEA

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 40	Joint or Infill N	Consolidation Code	Order No.
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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



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.

John Allred 12/15/06
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 24, 2006

Date Surveyed MR

Signature & Seal of Gary Edson
Professional Surveyor

Gary Edson 3/29/06
06.11.0545

Certificate No. GARY EDSON 12641

MONTHLY WELL TEST

WELL NAME: New Mexico AA State #7

TEST DATE: 12-14-06

TEST TIME: 11 AM

CHOKE SIZE: 14/64 (Coef 1.116)

TUBING P.S.I.: 0

CASING P.S.I.: 40

LINE P.S.I.: 0

CURRENT MCF: 59.37

PREVIOUS 24hr MCF: _____

ORFICE TESTER PLATE SIZE: —

ORFICE P.S.I.: —

MCF BY ORFICE TEST: —

WELL MADE: _____ BBLs OF OIL AND 0 BBLs OF WATER

FROM: _____ UNTIL: _____

LENGTH OF TEST: 24

TOTAL FLUID PER HOUR: 0

PUMPING TIME %: 0

CO2 %: 14% of 59.37 = (8.37 MCF's CO2)

REMARKS: Langlie Matrix 5% of 51.05 gas = 2.56 MCF's

Jalmat 95% of 51.36 gas = 48.49 gas 51.05

Total Jalmat + Langlie Matrix w/CO2 = 59.73 MCF's

$$40 + 13.2 \times 1.116 = 59.37 \times 86\% = 51.05 \times 95 = 48.49 - \text{Jalmat } 2945' - 3544'$$

51.05 x .05	2.56	- Langlie Matrix	3589
	<u>51.05</u>		3738