

OCD-HOBBS

I-06-42  
6/20/06Form 3160-3  
(April 2004)UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

## APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED  
OMB No. 1004-0137  
Expires March 31, 20075. Lease Serial No.  
NM-7488

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.

8. Lease Name and Well No. **<302119>**  
Myer B Federal # 34

9. API Well No.

30-025- **38053**

10. Field and Pool, or Exploratory

Jalmat (T-Y-7R) **<Gas>**

11. Sec., T. R. M. or Blk. and Survey or Area

**T-24-S, R-37-E**1a. Type of work: ☒ DRILL ☐ REENTER1b. Type of Well: ☒ Oil Well ☒ Gas Well ☐ Other ☒ Single Zone ☐ Multiple Zone

2. Name of Operator

Plantation Operating, LLC

3a. Address 2203 Timberloch Place, Suite 229  
The Woodlands, Texas 77380

3b. Phone No. (include area code)

281-296-7222

4. Location of Well (Report location clearly and in accordance with any State requirements.)\*

At surface 1980' FNL and 990' FEL

At proposed prod. zone

Unit #1

14. Distance in miles and direction from nearest town or post office\*

Jal, NM - South approximately 8 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) 990'

16. No. of acres in lease

40

17. Spacing Unit dedicated to this well

40

18. Distance from proposed location\*  
to nearest well, drilling, completed,  
applied for, on this lease, ft. 1200'

19. Proposed Depth

3550'

20. BLM/BIA Bond No. on file

NMB000344

Received

21. Elevations (Show whether DF, KDB, RT, GL, etc.)  
3313' GL

22. Approximate date work will start\*

23. Estimated duration

10 Days

## 24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification
- Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature

Name (Printed/Typed)

Donald P. Dotson, P.E.

Date

06/16/2006

Title

COO

Approved by (Signature)

/s/ Don Peterson

Name (Printed/Typed)

/s/ Don Peterson

Date AUG 02 2006

ACTING

FIELD MANAGER

Office

CARLSBAD FIELD OFFICE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
Conditions of approval, if any, are attached.

APPROVAL FOR 1 YEAR

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.

\*(Instructions on page 2)

NSP-1076-A &lt;L&gt;

APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS AND  
SPECIAL STIPULATIONS  
ATTACHED



**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

June 16, 2006

Carlsbad Field Office  
Bureau of Land Management  
620 E. Greene Street  
Carlsbad, New Mexico 88200-6292


**RE: Restoration of Surface  
Myer B Federal #34  
1980' FSL & 990' FEL  
H-6, T-24S, R-37E  
Lea County, New Mexico**

Dear Sir or Madam:

We have notified Deep Wells Ranch, owners of the surface land, of our intention to drill a well to be located 1980' FSL and 990' FEL of Section 6, T-24S, R-37E. We have agreed that once drilling and completion operations are finished at the proposed well site, all pits will be backfilled and leveled, all junk and unnecessary equipment will be removed, and any unneeded access road and drill pad area will be ripped to promote vegetation.

Very truly yours,

PLANTATION OPERATING, LLC



John Allred, P.E.  
Engineer

DISTRICT I  
1625 N. FRANCH DR., HOBBBS, NM 87040

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

DISTRICT III  
1000 Elv Grande Rd., Aztec, 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 - 5 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number <b>30-025-381253</b>	Pool Code <b>79240</b>	Pool Name <b>Jalmat (T-Y-7R) Gas</b>
Property Code <b>302119</b>	Property Name <b>MYERS B FEDERAL</b>	Well Number <b>34</b>
OGRD No. <b>237788</b>	Operator Name <b>PLANTATION OPERATING, LLC</b>	Elevation <b>3313'</b>

Surface Location

UL or lot No.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
H	6	24-S	37-E		1980	NORTH	990	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres <b>80.51</b>	Joint or Infill	Consolidation Code	Order No.	Administrative Order No. NSP-1076-4(L)					

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 37.95 AC LOT 5	LOT 3 39.80 AC	LOT 2 39.65 AC	LOT 1 39.51 AC
38.04 AC LOT 6	GEODETIC COORDINATES NAD 27 NME Y=455836.7 N X=851558.2 E LAT.=32°14'53.14" N LONG.=103°11'46.37" W		
38.08 AC LOT 7	Original 160 ac PU		
38.10 AC			

**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* 6/22/06  
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.

MAY 17, 2006

Date Surveyed MR  
Signature & Seal  
Professional Surveyor  
GARY E. EIDSON  
NEW MEXICO  
06.17.08486  
Certification No. GARY EIDSON 12641  
RONALD EIDSON 3239

## State of New Mexico

Energy, Minerals and Natural Resources Department

## DISTRICT I

1825 N. FRENCH DR., HOBBS, NM 88240

## DISTRICT II

1301 W. GRAND AVENUE, ARTESIA, NM 88210

## DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

## DISTRICT IV

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

## 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 <b>30-025-38053</b>	Pool Code <b>79240</b>	Pool Name <b>Talmet Tarsill 4-SB (Gas)</b>
Property Code <b>302119</b>	Property Name <b>MYERS B FEDERAL</b>	Well Number <b>34</b>
OGRID No. <b>237788</b>	Operator Name <b>PLANTATION OPERATING, LLC</b>	Elevation <b>3313'</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
H	6	24-S	37-E		1980	NORTH	990	EAST	LEA

## Bottom Hole Location If Different From Surface

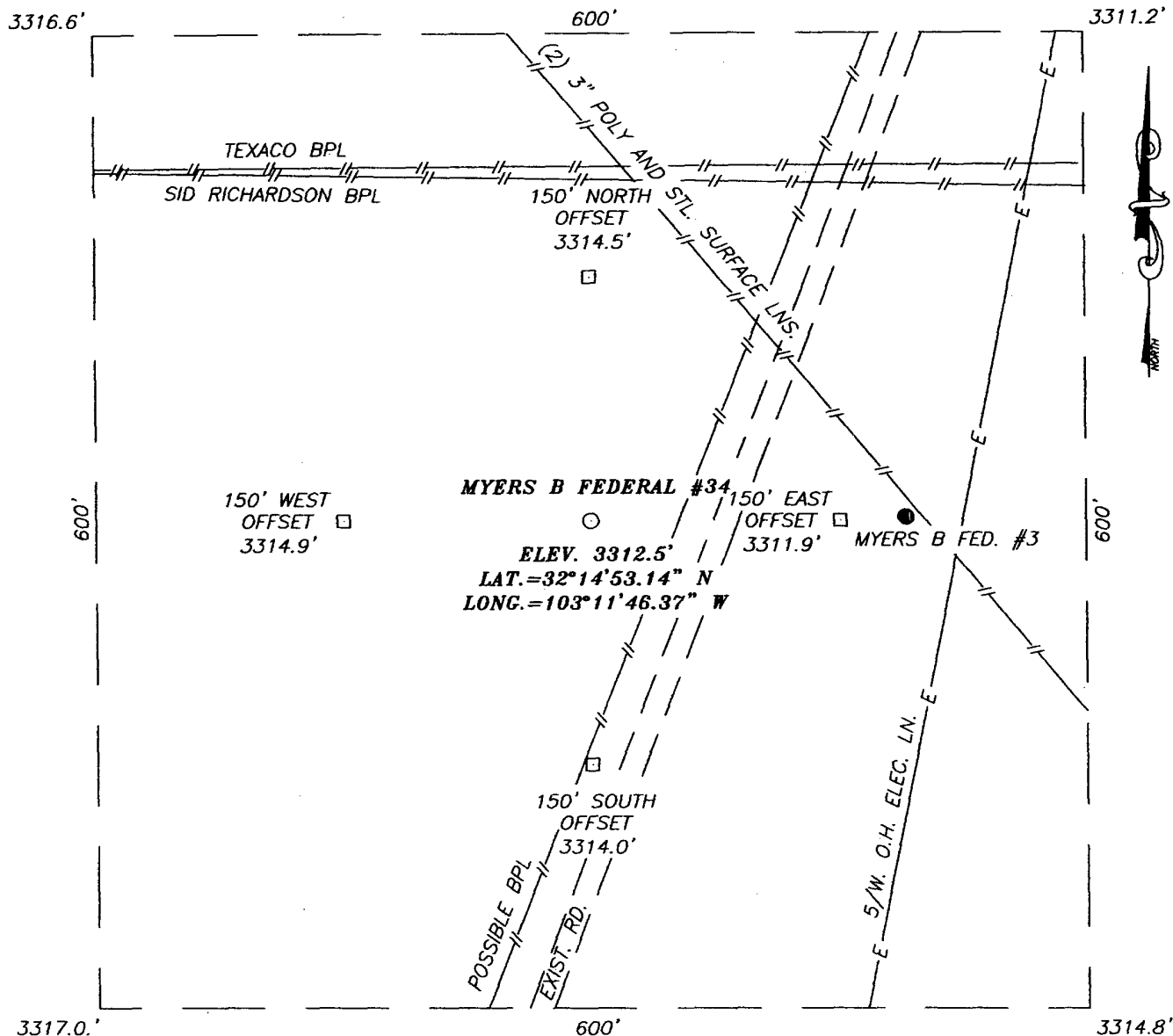
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
<b>79.51</b>			

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

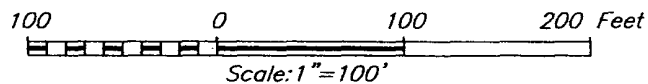
LOT 4 37.95 AC	LOT 3 39.80 AC	LOT 2 39.65 AC	LOT 1 39.51 AC	<p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land 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><i>John Allred</i> 6/15/06 Signature Date <b>JOHN ALLRED</b> Printed Name</p>
LOT 5 38.04 AC	<p>3316.6' 3311.2'</p> <p>1980'</p> <p>600'</p> <p>3317.0' 3314.8'</p>			
LOT 6 38.08 AC	<p><b>GEODETIC COORDINATES</b> NAD 27 NME</p> <p>Y=455836.7 N X=851558.2 E</p> <p>LAT.=32°14'53.14" N LONG.=103°11'46.37" W</p>			
LOT 7 38.10 AC				
				<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>MAY 17, 2006</p> <p>Date Surveyed MR</p> <p>Signature &amp; Seal of Professional Surveyor</p> <p><i>GARY EDISON</i> 5/26/06 06.11.0848</p> <p>Certificate No. GARY EDISON 12841 RONALD J. EDISON 3239</p>

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



**DIRECTIONS TO LOCATION**

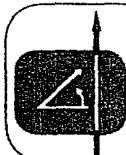
FROM THE INTERSECTION OF ST. HWY. #18 AND CO. RD. J-8 (DEEPWELLS RD.), GO WEST ON CO. RD. J-8 APPROX. 0.6 MILES. TURN LEFT AND GO SOUTH APPROX. 0.3 MILES. TURN LEFT AND GO EAST APPROX. 0.2 MILES. TURN RIGHT AND GO SOUTH APPROX. 500 FEET. THIS LOCATION IS APPROX. 125 FEET WEST.



**PLANTATION OPERATING, LLC**

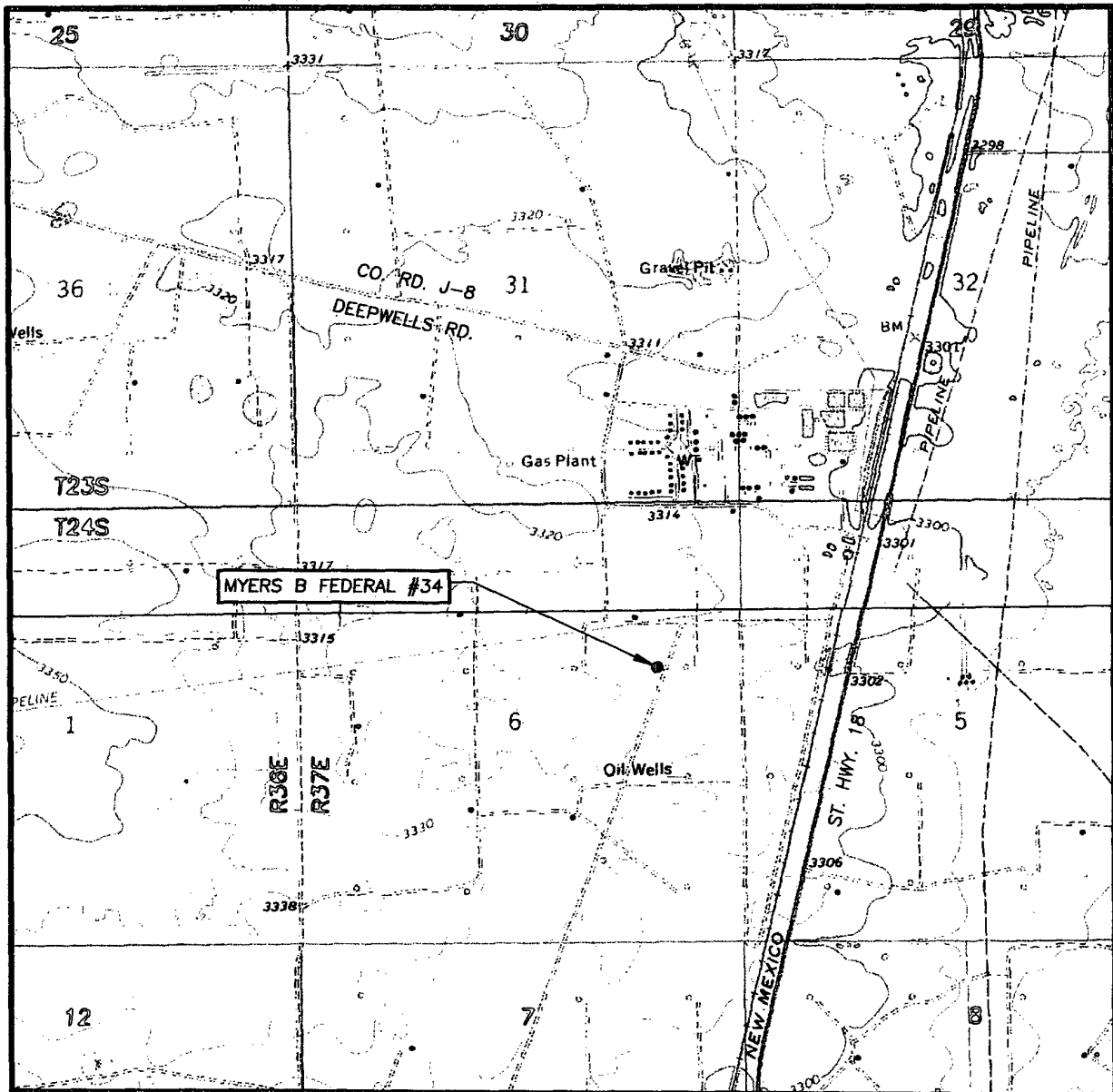
MYERS B FEDERAL #34  
LOCATED 1980 FEET FROM THE NORTH LINE  
AND 990 FEET FROM THE EAST LINE OF SECTION 6,  
TOWNSHIP 24 SOUTH, RANGE 37 EAST, N.M.P.M.,  
LEA COUNTY, NEW MEXICO.

Survey Date: 05/17/06	Sheet 1 of 1 Sheets
W.O. Number: 06.11.0848	Dr By: M.R.
Date: 05/22/06	Disk: CD#6
06110848	Scale: 1"=100'



PROVIDING SURVEYING SERVICES  
SINCE 1948  
**JOHN WEST SURVEYING COMPANY**  
412 N. DAL PASO  
HOBBS, N.M. 88240  
(505) 393-3117

# LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:  
JAL NW, N.M. - 10'  
RATTLESNAKE CANYON, N.M. - 10'

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

SURVEY \_\_\_\_\_ N.M.P.M.

COUNTY LEA STATE NEW MEXICO

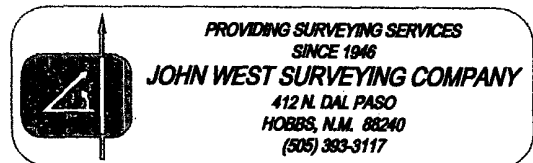
DESCRIPTION 1980' FNL & 990' FEL

ELEVATION 3313'

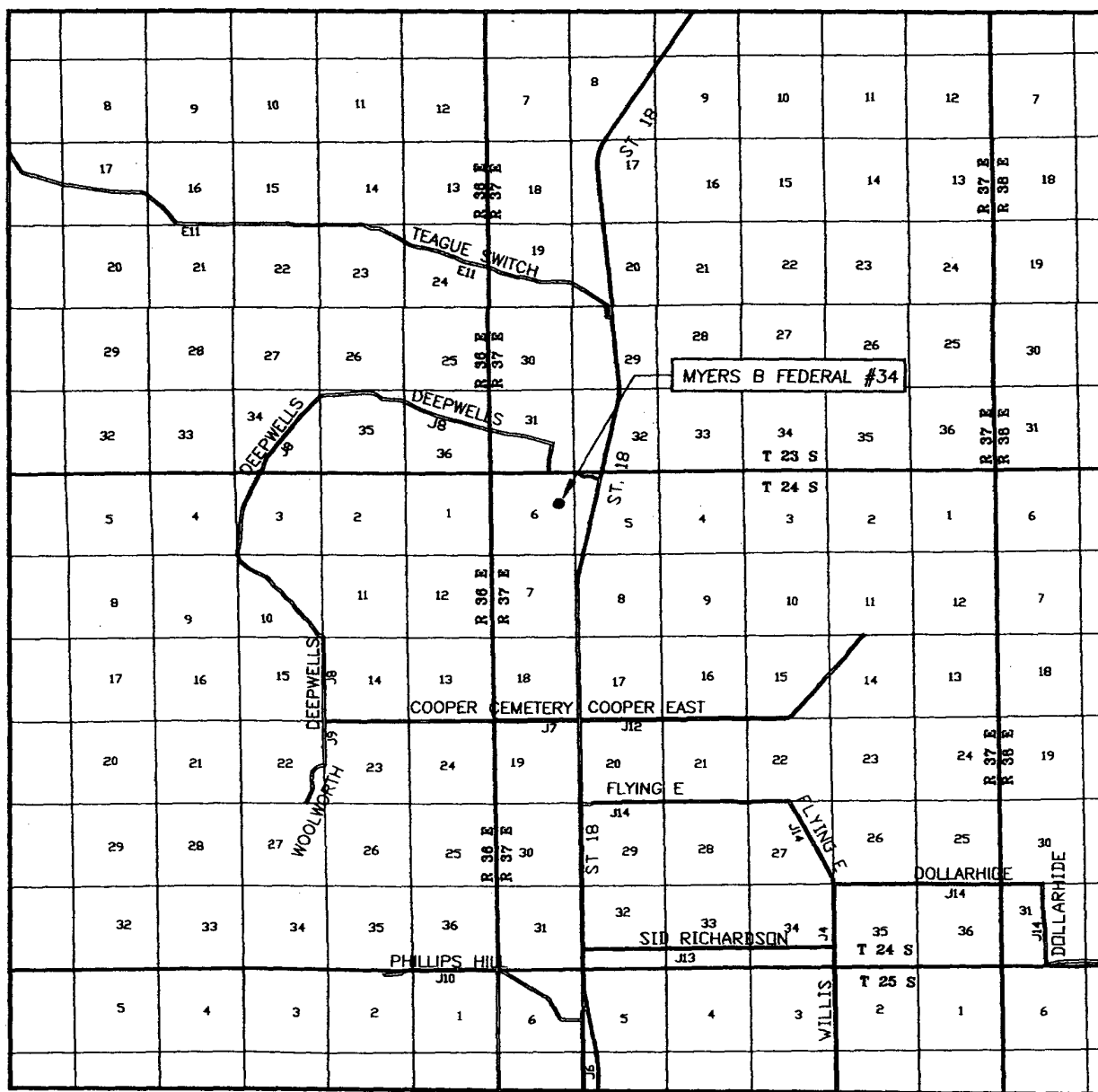
OPERATOR PLANTATION OPERATING, LLC

LEASE MYERS B FEDERAL

U.S.G.S. TOPOGRAPHIC MAP  
JAL NW, N.M.



# VICINITY MAP



SCALE: 1" = 2 MILES

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

SURVEY N.M.P.M.

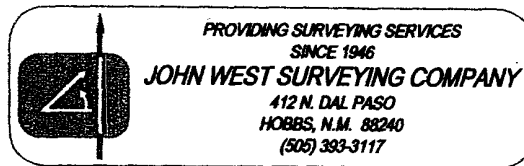
COUNTY LEA STATE NEW MEXICO

DESCRIPTION 1980' FNL & 990' FEL

ELEVATION 3313'

OPERATOR PLANTATION OPERATING, LLC

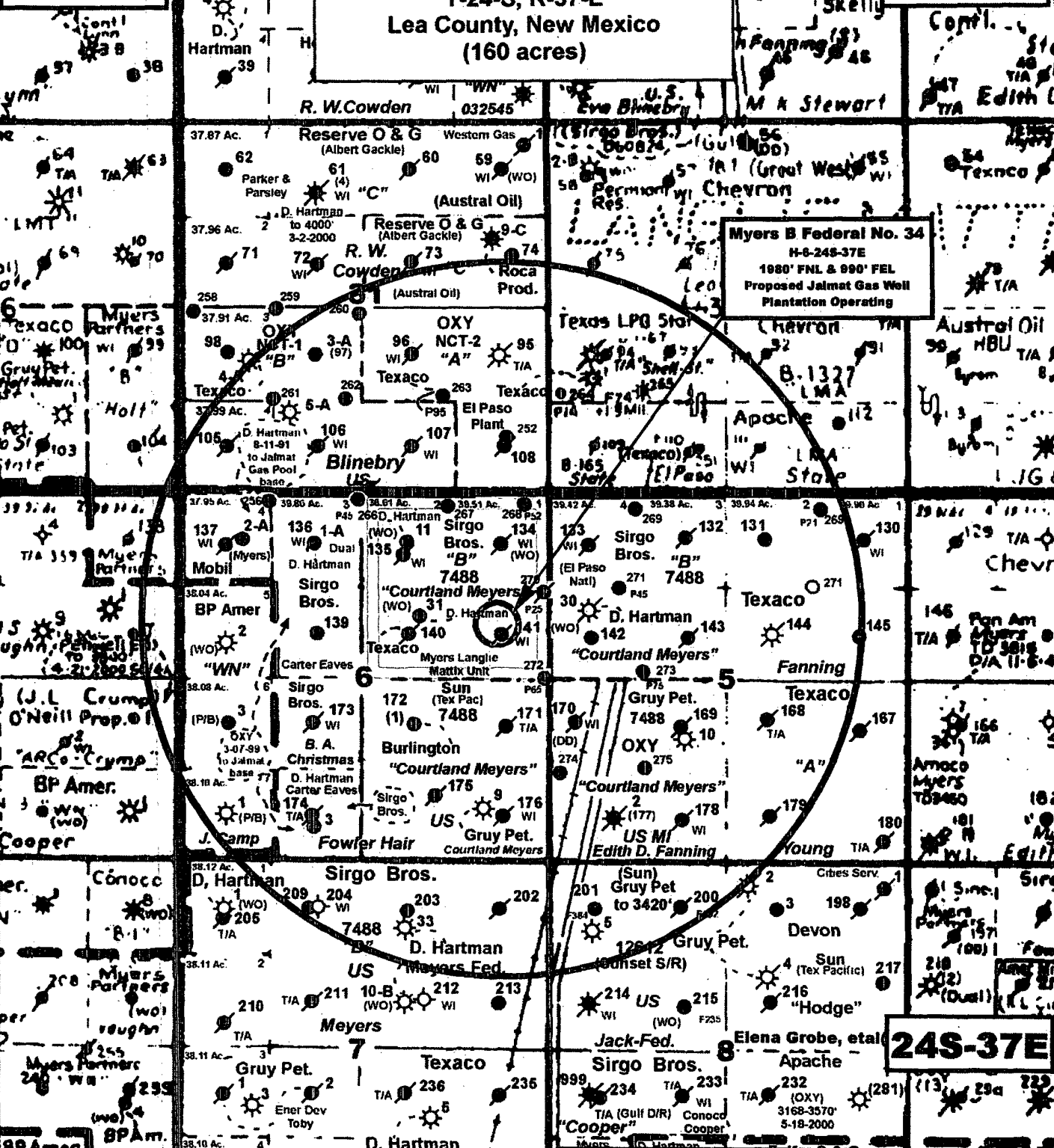
LEASE MYERS B FEDERAL



**Plantation Operating LLC  
Myers "B" Federal Leases  
NE/4 Section 6  
T-24-S, R-37-E  
Lea County, New Mexico  
(160 acres)**

**23S-36E**

**23S-37E**



**24S-36E**

**24S-37E**

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



# Plantation Operating, LLC

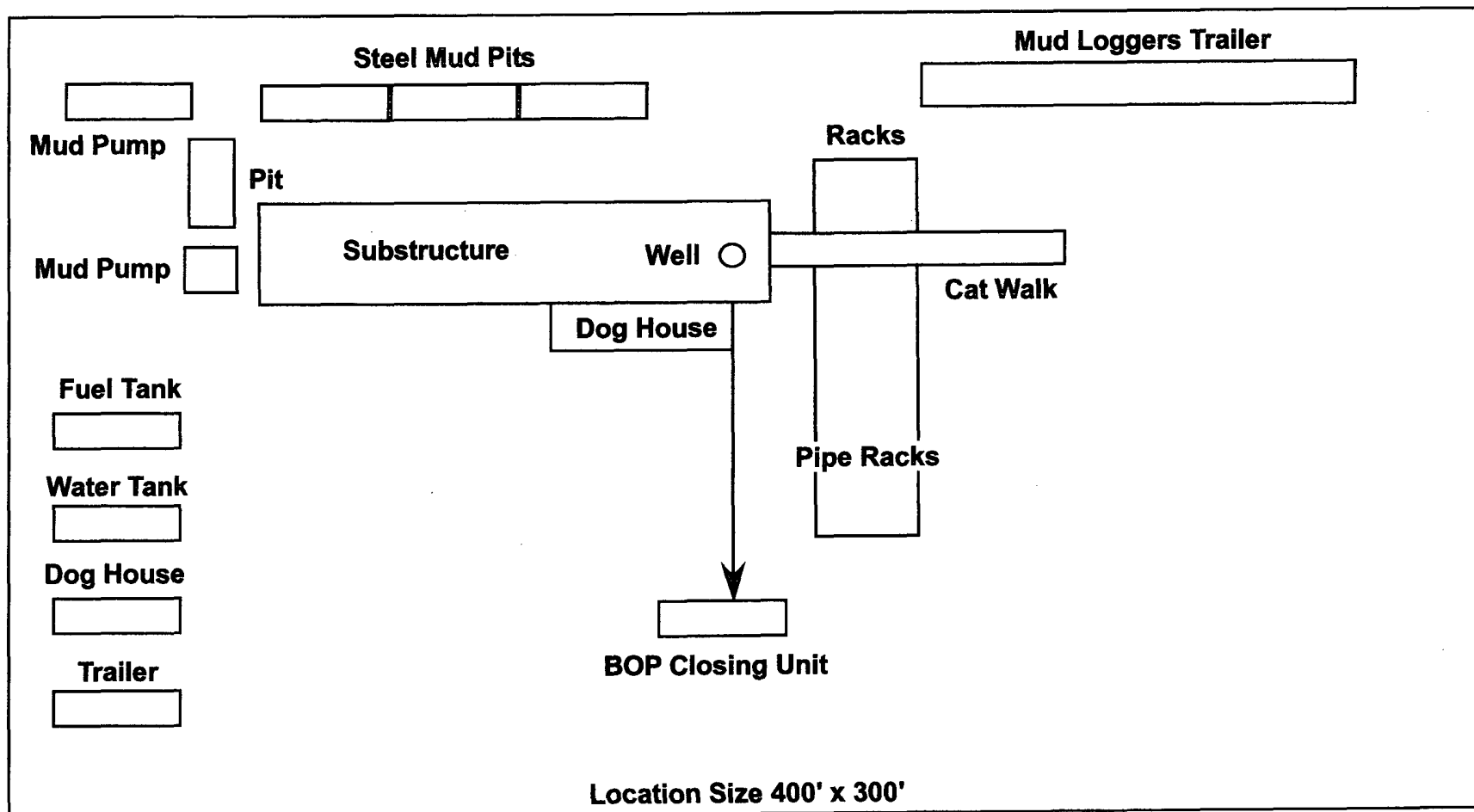
## Drilling Schematic



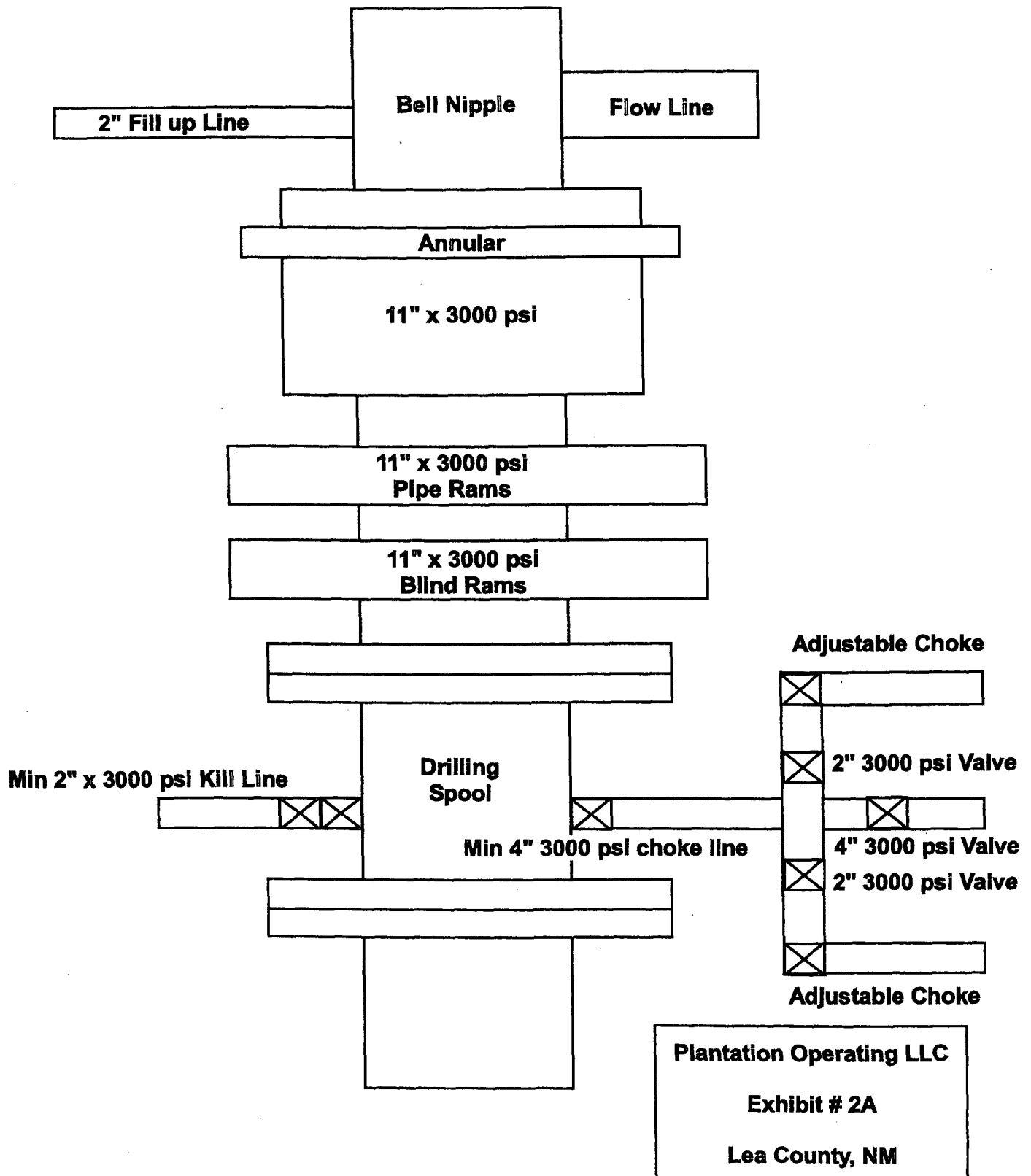
Closed Loop System

Plantation Operating LLC  
Exhibit # 1

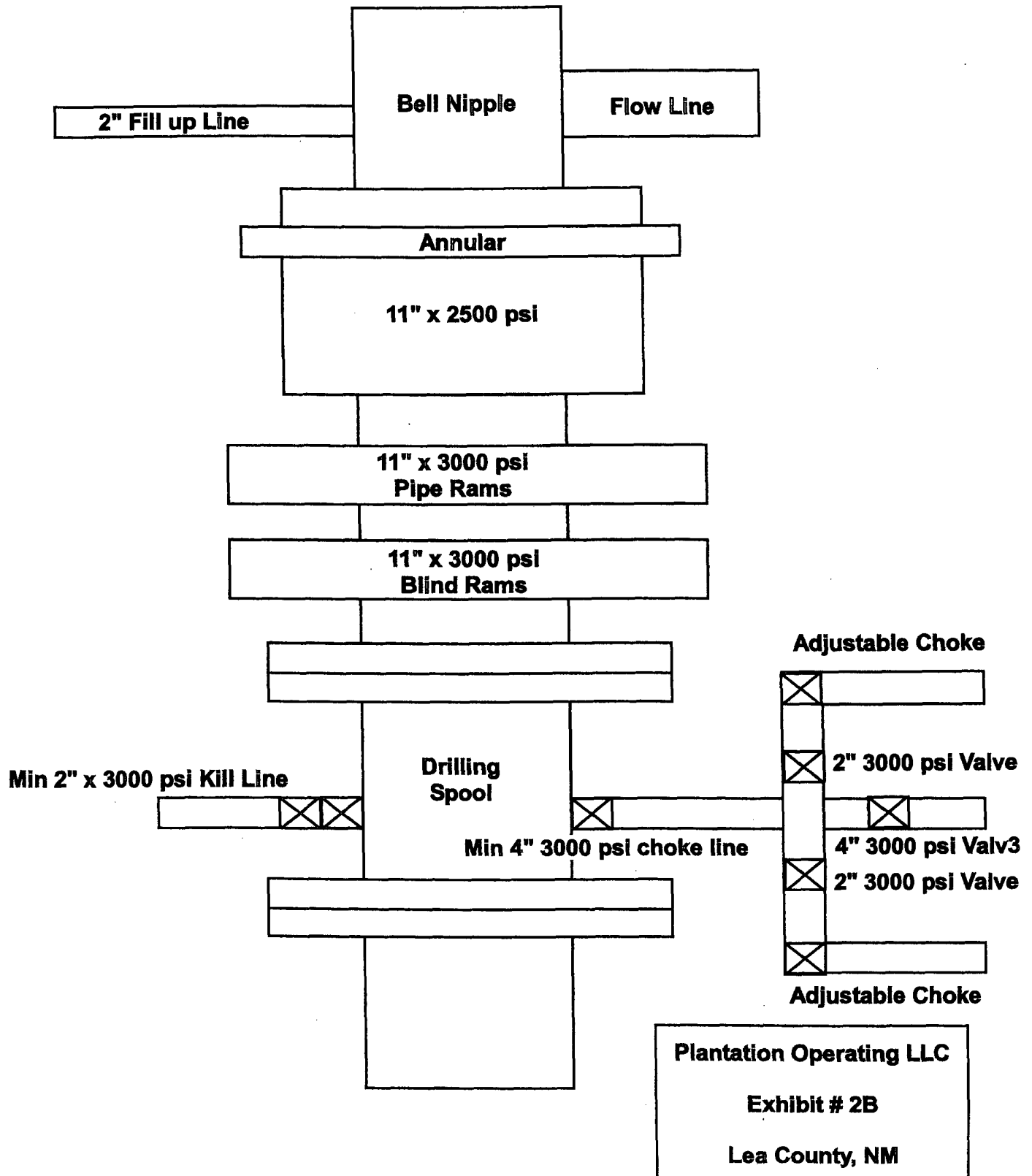
Lea County, NM



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



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



**PLANTATION OPERATING, LLC**  
**DRILLING PROGNOSIS**

**I. WELL IDENTIFICATION**

Well No.:               **Myer B Federal # 34**  
Location:               **1980' FNL & 990' FEL**  
                              **Unit H, Section 6, T-24-S, R-37-E**  
  
County:                 **Lea**  
  
State:                  **New Mexico**  
  
Elevations:            **GL 3313'**

**II. DRILLING OBJECTIVE**

Zone:                  **Tansill-Yates-Seven Rivers**  
  
Total Depth:           **3550'**  
  
Pool Name:             **Jalmat (T-Y-7R) Oil**  
  
Productive Interval:   **Tansill-Yates-Seven Rivers**

**III. FORMATION TOPS**

<u>ZONE</u>	<u>DRILLING DEPTH(KB)</u>	<u>SUBSEA DEPTH</u>	<u>GROSS INTERVAL DRILLED</u>	<u>PROBABLE FLUID PRODUCTION</u>
	<b>KB</b>			
<b>Tansill</b>		<b>557</b>		
<b>Yates</b>		<b>389</b>		<b>GAS</b>
<b>Seven Rivers</b>		<b>111</b>		<b>GAS</b>
<b>CUQ Marker</b>		<b>--</b>		<b>--</b>
<b>Queen</b>		<b>-196</b>		<b>OIL</b>
<b>TOTAL DEPTH</b>	<b>3550</b>		<b>--</b>	

#### IV. HOLE SIZE

<u>Hole</u>	<u>Bit Size</u>	<u>T.D.</u>	<u>Gross Interval</u>
Surface	8-3/4"	1200'	1200'
Production	6-1/8"	3550'	3550'

#### V. CASING PROGRAM

##### A. Casing Design

<u>Casing Size</u>			
<u>String</u>	<u>O.D.</u>	<u>Wt.</u>	<u>Amt.</u>
Surface	7"	20	1200
Production	4-1/2"	11.6	3550'

##### B. Float Equipment

Surface Casing: 7-inch Texas Pattern guide shoe and 7-inch float collar. Wiper wooden plug to displace cement.

Production Casing: 4-1/2-inch super seal float shoe with latch down plug and baffle.

##### C. Centralizers

Surface Casing: One centralizer at the float collar and five centralizers every other joint thereafter.

Production Casing: Run a total of 20 centralizers. Place one centralizer at the guide-shoe with fifteen (17) centralizers being placed every 80 to 90 feet apart or every other joint in the case of 40-foot joint lengths thereafter. One centralizer inside the bottom of the surface casing and one near surface.

##### D. Wellhead Equipment

Larkin 7" x 4-1/2" slip type casinghead with bowl, slips and packoff. B & M Oil Tools 4-1/2" x 2 3/8" Type MR male-tubinghead complete with Mandrel, 3 inch outlets, stripper bowl and rubber and slip casing collar.

#### VI. MUD PROGRAM

- A. Drill the surface hole with a fresh water gel spud mud & paper (approximately 8.5 lb./gal) while maintaining a high enough viscosity to adequately clean the hole. Circulate through working pits and sweep for surface casing. Add paper as needed to control excess seepage.

Before drilling below the surface pipe, jet cuttings out of working pit into auxiliary pit and then switch from circulating through the working pit to circulating through the reserve pit with 10.1 ppg brine.

B. Production Hole

Prior to drilling the cement plug, add ASP-725 through the hopper over 1 to 2 circulations at the rate of 20 gallons per 1000 barrels of fluid. Make certain to mix and agitate ASP 725 prior to adding to brine. ASP-725 is a cationic, liquid polyacrylamide designed to prevent hydration and migration of clays. Due to its cationic nature, bentonite and attapulgite will not hydrate and are useless in this fluid. If additional viscosity is required, use XCD, or Drispac plus.

Since ASP-725 is depleted from the system, some maintenance is required. Recommended maintenance is 5-6 gallons per tour through the mud hopper.

Lime should be used to control pH at 9.0. Paper may be used to control seepage losses.

**Water flows** while drilling the Rustler, Salt, and Yates formations may require deviation from this program.

**Depth: 2300'-3550'**. Weight: 10.0-10.1. Viscosity: 30-31. Filtrate: 6 or less.

At 2300' begin to lower the fluid loss with starch. **Fluid loss to be 10 cc's or less at 2300'**.

Continue to add ASP-725 to the system at the rate of 5-6 gallons per tour. Caustic soda should be used to control pH at 9.0. Use paper and LCM to control seepage losses below 3000'.

At TD, sweep the hole using a high viscosity 100 barrel pill with Dynasweep and/or XCD or as recommended.

VII. **CEMENTING PROGRAM**

A. Surface Pipe

Cement surface pipe with approximately 220 sacks (or as required to circulate cement to surface) of API Class-C cement containing 2% Calcium Chloride. Before resuming drilling operations, allow cement to set for a sufficient time to gain a 500-psi compressive strength (18 hours). Nipple up 3000# 12" Shaffer Type E Double Ram BOP and test rams. Also before drilling the surface cementing plug, the pipe shall be tested to 1000 psi for 15 minutes.

B. Production String

Cement the long string with approximately 180 sacks (or as required) of API Class-C cement containing 3% Halliburton Econolite, 5 lbs/sx Gilsonite and 1/2 lb./sx Floseal mixed to a slurry weight of 11.2 lb./gal followed by 120 sacks of a 50-50 blend of Pozmix "A" and API Class-C cement containing 18% salt, 2% gel, 1/4 lb./gal Floseal and a slurry weight of 14.1 lb./gal. Pump 30 barrels of water ahead of the cement to help remove the mud filter cake.

Once the plug has been bumped and latched, pressure test the casing to 1500 psig.

The total estimated cement volume of 300 sacks provides for an excess that should be sufficient to bring the cement top back to the surface. Before the cement job is actually performed, the required cement volume shall be checked against the open hole caliper log to determine the actual amount of cement necessary to bring the cement back to the surface.

## VIII. FORMATION EVALUATION

### A. Drilling Rate

1. The drilling rate shall be monitored with a geograph from the surface to total depth.
2. Operator requires that the penetration rate be tabulated in 10 feet increments over the entire hole.

### B. Well Cutting Samples

One set of wet cutting samples shall be gathered every ten (10) feet from 940' to total depth. Five foot (5') samples may be required during the Queen-Penrose interval as specified. **Two sets of dried cuttings** cleaned, bagged, tagged, and then grouped into bundles of ten samples per bundle with one bundle representing each 100 feet drilled.

After the cutting samples have been reviewed by the well site geologist, they shall be delivered to the Midland Sample Cut, 704 S. Pecos Street, Midland, Texas.

If required by the well site geologist, a second set of samples shall be gathered over the entire Seven Rivers-Queen.

### C. Mud Logging

On at 2300' prepared to catch samples and monitor gas with instruments calibrated. Logs will be distributed as noted with Electric Logs. **Need two (2) sets of dry samples. E-mail or fax field mud logs by segments twice (2) daily, morning and evening by 5:30 PM Central time.**

E-Mail: [twingate@plantationpetro.com](mailto:twingate@plantationpetro.com) & [dotson@plantationpetro.com](mailto:dotson@plantationpetro.com)  
Fax: 281-298-2333

D. Drill-Stem Testing      None

E. Coring      None

F. Well Logging

Well Logging information is now available on CD. CD formats are to be requested on all work performed.

#### Open Hole Logs

<u>Log</u>	<u>Interval</u>	
	<u>2" = 100'</u>	<u>5" = 100'</u>
SDL-DSN-GR*	T.D. - Surface	T.D. - 1800
Dual Laterlog-	T.D. - 1800	T.D. - 1800
Microguard-GR-MST	As Instructed	

\*Log and process on both lime and dolomite matrix base

### Cased Hole Logs

<u>Log</u>	<u>Interval</u>	
GR-Neutron/Sonic	T.D. - 2100	T.D. - 2100

### Log Distribution

	<u>No. of Copies</u>				
	<u>Field</u> <u>Prints</u>	<u>Final</u> <u>B/W</u> <u>Prints</u>	<u>Final</u> <u>Color</u> <u>Prints</u>	<u>Field</u> <u>Mud</u> <u>Logs**</u>	<u>Final</u> <u>Mud</u> <u>Logs</u>
Plantation Operating, LLC 2203 Timberloch Place, Suite 229 The Woodlands, TX 77380	5	3	6	3	3
Email: twingate@plantationpetro.com ddotson@plantationpetro.com	2	0	6	3	3
NMOCD District I Office 1625 N. French Dr. Hobbs, New Mexico 88240	0	1	0	0	0

**\*\* Modem field mud logs by segments twice (2) daily, morning and evening by 5:30 PM Central time.**

## **IX. BLOWOUT PREVENTER SYSTEM**

Before drilling out from under the surface pipe, the well will be equipped with a 3000-psi 10 inch series 900 double-ram hydraulic blowout preventer. The blowout preventer shall be used through the running of the production string.

## **X. HAZARDOUS ZONES**

**Note:** Be cautious of water flows while drilling below the Rustler formation. Check for water flows on each connection, during surveys and monitor pit gain/loss. Do not leave drill string on bottom and/or stationary while drilling through the porosity zones in the Queen-Penrose. This is to avoid differential sticking. Be cautious of lost circulation while drilling the Grayburg-SA formation at TD. Should circulation cease pump a standby 50 bbl LCM/XCD mix to regain circulation.

## **XI. AUXILIARY EQUIPMENT**

Upper Kelly cock, full opening stabbing valve, rotating head as required.



**XII. COMPLETION**

Perforations, acid job, and additional stimulation to be determined after completion.

**XIII. DURATION OF OPERATIONS**

The total elapsed time required for drilling and completing the subject well is expected to be fifteen (15) days.

**Distribution**

DD  
JA  
GL  
File

# NOS Submittal

<b>NOTICE OF STAKING</b> Not to be used in place of Application for Permit to Drill (Form 3160-3)		<b>6. Lease Number</b> NM-7488	
<b>1. Oil Well</b> <input checked="" type="checkbox"/> <b>Gas Well</b> <input type="checkbox"/> <b>Other (Specify)</b> <input type="checkbox"/>		<b>7. If Indian, Allottee or Tribe Name</b>	
<b>2. Name of Operator</b> Plantation Operating, LLC		<b>8. Unit Agreement Name</b>	
<b>3. Name of Specific Contact Person</b> Donald Dotson		<b>9. Farm or Lease Name</b> Myer B Federal	
<b>4. Address &amp; Phone No. of Operator or Agent</b> 2203 Timberloch Place, Suite 229 The Woodlands, TX 77380		<b>10. Well No.</b> # 34	
<b>5. Surface Location of Well</b> 1980' FSL & 990' FEL		<b>11. Field or Wildcat Name</b> Jalmat (T-Y-7R)	
<b>Attach:</b>  a) Sketch showing road entry onto pad, pad dimensions, and reserve pit. b) Topographical or other acceptable map showing location, access road, and lease boundaries.		<b>12. Sec., T., R., M., or Blk and Survey or Area</b>  Unit H, Sec 6, T-24S, R-37E	
<b>15. Formation Objective(s)</b>  (T-Y-7R)	<b>16. Estimated Well Depth</b>  3550'	<b>13. County, Parish or Borough</b>  Lea	<b>14. State</b>  NM
<b>17. Additional Information (as appropriate; shall include surface owners's name, address and, if known, telephone number)</b> Deep Wells Ranch Star Rte, P.O. Box 244 Jal, NM 88252  505-395-3149			

**18. Signed**  **Title** COO **Date** 6/16/2006

**Note:** Upon receipt of this Notice, the Bureau of Land Management (BLM) will schedule the date of the onsite predrill inspection and notify you accordingly. The location must be staked and access road must be flagged prior to the onsite.

**Operators must consider the following prior to the onsite:**

- a) H2S Potential
- b) Cultural Resources (Archeology)
- c) Federal Right of Way or Special Use Permit

AUG. 7. 2006 11:07AM

Plantation Petro

NO. 2329 P. 2

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

Form C-144  
 June 1, 2004

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>Myor B Federal # 34</u> API #: <u>30-025-38053</u> U/L or Qtr/Qtr Unit H Sec <u>6</u> T <u>24S</u> R <u>37E</u>	
County: <u>Lea</u> Latitude <u>32° 14' 53.14" N</u> Longitude <u>103° 11' 46.37" W</u> NAD: 1927 <input type="checkbox"/> 1983 <input type="checkbox"/>	
Surface Owner: Federal <input checked="" type="checkbox"/> State <input type="checkbox"/> Private <input type="checkbox"/> Indian <input type="checkbox"/>	
<b>Pit</b> Type: Drilling <input type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input type="checkbox"/> Thickness _____ mil Clay <input type="checkbox"/> Pit Volume _____ bbl	<b>Below-grade tank</b> 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>&gt;100'</u>	Less than 50 feet (20 points) 50 feet or more, but less than 100 feet (10 points) <u>0</u> 100 feet or more (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 (20 points) No (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 (20 points) 200 feet or more, but less than 1000 feet (10 points) 1000 feet or more (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:

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 ☐.

Date: 6/16/2006

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

PETROLEUM ENGINEER

Signature 

Date:

AUG 08 2006