

OCD-HOBBS

Form 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, 2007

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. Le-NM-2511	
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name	
2. Name of Operator Plantation Operating, LLC		7. If Unit or CA Agreement, Name and No.	
3a. Address 2203 Timberloch Place, Suite 229 The Woodlands, Texas 77380		8. Lease Name and Well No. (302118) Meyer B-28 A Com A/C-2 #5	
3b. Phone No. (include area code) 281-296-7222		9. API Well No. 30-025- 38365	
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface 660' FNL and 660' FEL, Unit (A) At proposed prod. zone LEA COUNTY CONTROLLED WATER BASIN		10. Field and Pool, or Exploratory Eumont (Yates-7Rivers-Queen)	
11. Sec., T. R. M. or Blk. and Survey or Area A-33, T-20-S, R-37-E		12. County or Parish Lea	
13. State NM		14. Distance in miles and direction from nearest town or post office* Approximately 8 miles south of Monument, NM	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No. of acres in lease 360	17. Spacing Unit dedicated to this well 360	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth 3870'	20. BLM/BIA Bond No. on file NMB000344	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3507' 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) Kimberly Faldyn	Date 03/08/2007
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Title
Production Tech

Approved by (Signature) /s/ Don Peterson	Name (Printed/Typed)	Date APR 12 2007
Title 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.

SEE ATTACHED FOR CONDITIONS OF APPROVAL

**APPROVAL SUBJECT TO
GENERAL REQUIREMENTS
AND SPECIAL STIPULATIONS
ATTACHED**

DISTRICT I
1625 N. FRANKLIN DR., BOHNS, NM 87004

DISTRICT II
1801 W. GRAND AVENUE, ALBUQUERQUE, NM 87102

DISTRICT III
5000 E. BRADEN RD., ALBUQUERQUE, NM 87119

DISTRICT IV
1820 N. 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-103
Revised October 12, 2006
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Letter - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number 30-025-38365	Pool Code 76480	Pool Name Eumont (Y-7R-Q) Gas
Property Code 302118	Property Name MEYERS B-28 A/C-2	Well Number 9
OGED No. 237788	Operator Name PLANTATION OPERATING, LLC	Elevation 3507'

Surface Location

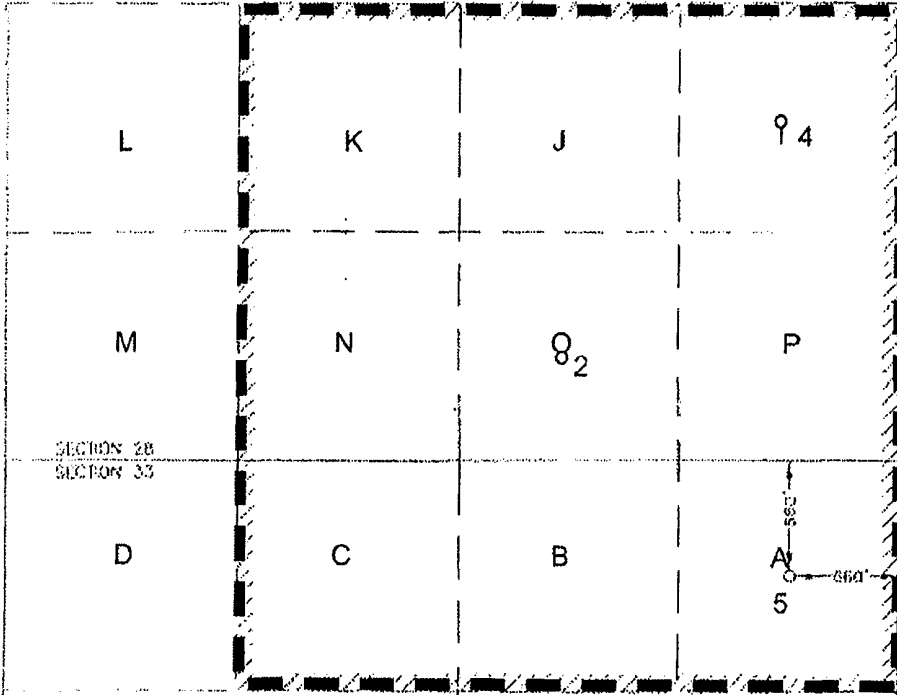
Ill. or Int. No.	Section	Township	Range	Lot, Int.	Feet from the	North/South line	Feet from the	East/West line	County
A	33	20-S	37-E		660	NORTH	660	EAST	LLA

Bottom Hole Location If Different From Surface

Ill. or Int. No.	Section	Township	Range	Lot, Int.	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres 360	Joint or Infill Y	Consolidation Code	Order No. Administrative Order No. R-4977 (3/5/75)
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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. Signature: <i>John Allred</i> Date: 1/16/07 Printed Name: John Allred	
SECTION 28 SECTION 33				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. DECEMBER 11, 2006 Date Surveyed: REV. 01/09/07 Signature & Seal of Professional Surveyor: <i>Gary Edson</i> 06.11.1947	
GEODETTIC COORDINATES NAD 27 NME F Y=558983.7 N G X=834024.6 E LAT.=32.534833° N LONG.=103.249505° W				Certificate No. GARY EDSON 12841 CHAD HARCROW 17777	

Plantation Operating LLC
DRILLING PROGNOSIS

I. WELL IDENTIFICATION

Well No.: **Meyer B-28 A Com A/C-2 # 5**
Location: **660' FNL & 660' FEL (A)**
Section 33, T-20-S, R-37-E
County: **Lea**
State: **New Mexico**
Elevations: **GL 3507'**

II. DRILLING OBJECTIVE

Zone: **Yates-Seven Rivers-Queen-Penrose**
Total Depth: **3870'**
Pool Name: **Eumont (Y-7R-Qu-Penrose) (Gas)**
Productive Interval: **Yates-Seven Rivers-Queen-Penrose**

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>
KB				
Rustler		2268		
Salado Salt		--		
Cowden Anhydrite		--		
Tansill		1005		
Yates		821		GAS
Seven Rivers		594		GAS
CUQ Marker		--		--
Queen		101		OIL
TOTAL DEPTH	3870	--	--	

IV. HOLE SIZE

<u>Hole</u>	<u>Bit Size</u>	<u>T.D.</u>	<u>Gross Interval</u>
Surface	9-7/8"	1025'	1025'
Production	6-1/8"	3870'	3870'

V. CASING PROGRAM

A. Casing Design

<u>Casing Size</u>				
<u>String</u>	<u>O.D.</u>	<u>Wt.</u>	<u>Amt.</u>	<u>Thread</u>
Surface	7"	20	1025	ST&C J-55
Production	4-1/2"	11.6	3870	LT&C J-55

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'-3870'. 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 3550'.

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 350 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 700 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 250 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 700 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.

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

