

ROBERT A. SCHROEDER

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September 10, 2010

via email: Kjel.Brothen@LA.GOV
and
US First ClassMail

Mr. Kjell C. Brothen
Assistant Director - Engineering Division
Louisiana Office of Conservation
Post Office Box 94275
Baton Rouge, Louisiana 70804-9275

Re: **ADDENDUM TO EXISTING COMMINGLING PERMIT (29-D-9)**
Poydras Energy Partners, LLC (P265)
VUA; SL 17385 Well No. 1 (SN 227578)
Main Pass Block 35 CF – Tank Battery No. 1 (952050)
Main Pass Block 35 Field (6374)
Plaquemines Parish
L O U I S I A N A

Dear Mr. Brothen:

Please accept this letter as Poydras Energy Partners, LLC's (*Poydras*) application to modify currently approved Commingling Order No. 29-D-9, dated April 5, 2004, for Poydras' MAIN PASS BLOCK 35 COMMINGLING FACILITY (952050).

Poydras recently acquired the well bore for the VUA; SL 17385 (SN 227578) from Century Exploration New Orleans, Inc. Poydras has also recently filed its Application to Amend Permit to Drill for Minerals (Form MD-10-R-A), amending the operator of the captioned well from Poydras Energy, LLC (P287) to Poydras Energy Partners, LLC. (P265). Also, since State Lease 17385 has now expired and in July 2009 Poydras acquired a new lease, Poydras is also amending the well name from VUA; SL17385 Well No. 1 to SL 20101 Well No. 1.

Mr. Kjell C. Brothen
Louisiana Office of Conservation
September 10, 2010
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Please find attached information for your review, which I trust will allow you to amend the existing commingling Order by substituting Poydras Energy Partners, LLC's State Lease 20101 Well No. 1 for the former VUA; SL17385 Well No. 1.

It is respectfully requested that this commingling application be approved on an emergency basis. A Robert A. Schroeder, Inc., Oil Properties, check in the amount of \$65.00 is enclosed for the emergency commingling approval.

Please contact Laura B. Dobard of this office if you have any questions. Thanking you in advance for your prompt attention to this request, I remain

Yours very truly,

Robert A. Schroeder

RAS:ibd
w/enclosures

name enclosures:

cc: Mr. David L. Freeman
Poydras Energy Partners, LLC
111 Veterans Boulevard, Suite 720
Metairie, Louisiana 70005-3035
w/enclosures

via email only: dlfreeman@poydasenergy.com

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Mandeville, Louisiana 70471-3201

April 15, 2011

Kjel C. Brothen, P.E.
Office of Conservation
Louisiana Dept. of Natural Resources
617 North 3rd Street
Baton Rouge, Louisiana 70802-5428

Re: Poydras Energy Partners, LLC (P265)
SL 20101 Well No. 1 (SN 227578)
[formerly VUA; SL 17385 Well No. 1 (SN 227578)]
Main Pass Block 35 CF – Tank Battery No. 1 (952050)
Main Pass Block 26 Field (6364)
Plaquemines Parish, LA

and

Poydras Energy Partners, LLC (P265)
SL 20103 Well No. 1 (SN 227644)
[formerly VUA; SL 17294 Well No. 1 (SN 227644)]
Main Pass Block 35 CF – Tank Battery No. 1 (952050)
Main Pass Block 35 Field (6374)
Plaquemines Parish, LA

Dear Mr. Brothen:

Find enclosed a revised Description of Operations, as well as, a revised Schematic for Main Pass Block 35 CF.

Please contact Laura Dobard of this office if you have any questions. Thanking you in advance for your attention to this matter, I remain

Mr. Kjell Brothen
Louisiana Office of Conservation
April 15, 2011
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Yours very truly,

Robert A. Schroeder

Robert A. Schroeder

RAS:lbd
Enclosures

cc: Mr. David L. Freeman
Poydras Energy Partners, LLC
111 Veterans Boulevard, Suite 720
Metairie, Louisiana 70005-3035
w/o enclosure

via email only: dlfreeman@poydasenergy.com

audubon

Total Flexibility. Total Solutions.



Poydras Energy Partners, LLC

**Addendum to Existing Method of
Commingling and Allocation
Well Name Change**

**Facility No. 1
Main Pass 35**

Doc. No.:	005915-RP-G001
AEC Job No.:	005915
Client AFE:	N/A
Rev No.:	3
Rev. Date:	04/15/11
File No.:	005915.10.05

**Addendum to Existing Method of Commingling and Allocation
Well Name Change**

For

Poydras Energy Partners, LLC

Audubon Project No.: 005915

Approvals (Initial Release)			Poydras Energy Partners, LLC				
	By:	Date:					
Initiator:	KMB	11/30/10					
Checker:							
Mechanical:			Revisions				
Process:			Rev.	Date	By	App'd	Purpose
Structural:			0	12/14/10	KMB	MAM	IFA
Electrical:			1	01/17/11	KMB	MAM	IFA
Instrument:			2	02/09/11	KMB	KMB	IFA
Proj. Mgr.:			3	04/15/11	KMB	KMB	IFA
Other:							
Client:							

	Poydras Energy Partners, LLC Addendum to Existing Method of Commingling and Allocation Well Name Change Facility No. 1 Main Pass 35	Doc. No.:	005915-RP-G001
		AEC Job No.:	005915
		Client AFE:	N/A
		Rev No.:	3
		Rev. Date:	04/15/11
		File No.:	005915.10.05

Well: Poydras Energy Partners, LLC (P265) - SL 20101 Well No. 1
Well Formerly: Poydras Energy, LLC (P287) - VUA; SL 17385 Well No. 1
Well Location: Main Pass Block 26 Field (6364), X = 2,635,914.04, Y = 318,189.71
Operator: Poydras Energy Partners, LLC (P265)
Serial No.: 227578
(29-D-6)

Well: Poydras Energy Partners, LLC (P265) - SL 20103 Well No. 1
Well Formerly: Poydras Energy, LLC (P287) - VUA; SL 17294 Well No. 1
Well Location: Main Pass Block 35 Field (6374), X = 2,620,808, Y = 298,510
Operator: Poydras Energy Partners, LLC (P265)
Serial No. 227644
(29-D-9)

Production Facility: Main Pass Block 35 CF - Tank Battery No. 1(952050)
Main Pass Block 35 Field (6374)
Operator: Poydras Energy Partners, LLC (P265)

The Poydras Energy Partners, LLC; SL 20101 # 1 is currently producing intermittently at reduced rates due to the lack of a gas sales line. Once the line is in place, the said SL 20101 # 1 estimated rates are approximately 1.0 MMSCFGPD and 80 BCPD. The full well stream flows through its dedicated six inch (6") flowline +/- 9,558' to an existing tie-in at Main Pass Block 26. SL 20101 #1's full well stream flows directly into and through its existing 13,750' six inch (6") flowline from Main Pass Block 26 to an existing structure located in Main Pass 31.

The production from the Poydras Energy Partners, LLC SL 20103 #1 is routed through a four inch (4") pipeline +/- 10,375' directly to the aforementioned tie-in at Main Pass 31, being the same tie-in as SL 20101 #1 is currently produced to. As with the SL 20101 # 1, the SL 20103 #1 well is producing intermittently at reduced rates due to the lack of a gas sales line. Once the line is in place, the said SL 20103 # 1 estimated rates are approximately 500 MMSCFGPD and 30 BCPD.

From the Main Pass Block 31 block, production is sent to an existing platform Poydras Energy Partners, LLC operates in SL 2125, Main Pass Block 31 via a dedicated 11,100' six inch (6") flowline. The SL 2125, Main Pass Block 31 platform supports no other wells and has no process equipment. From SL 2125, Main Pass Block 31, the commingled production will be sent to Poydras Energy Partners, LLC Tank Battery No. 1, Main Pass Block 35 Field, via the existing and dedicated +/- 12,500' six inch (6") flowline. SL 20101 #1 and SL 20103 #1 will be the only wells flowing through the aforementioned system.

At Poydras Energy Partners, LLC Tank Battery No. 1, gas, condensate and water from SL 20101 #1 and SL 20103 #1 enters a manifold system. When needing to test/meter either individual well, whichever well is not being tested will be shut in at the wellhead, and the tested well will be directed to a 2-phase HP test separator. Since these wells share a common flowline, prior to testing the SL 20101 #1 or SL 20103 #1 wells, one well will be shut-in and the test well will be flowed for a minimum of 4 hours prior to initiating the well's test. The pre-flow period is necessary to ensure that well test is an accurate representation of the flow characteristics of each individual well. The gas is metered through a calibrated orifice meter using a Barton recorder. The gas is routed to the compressor discharge then routed to wellsite-metered gas lift, metered fuel gas, and



Poydras Energy Partners, LLC

**Addendum to Existing Method of
Commingling and Allocation
Well Name Change**

**Facility No. 1
Main Pass 35**

Doc. No.:	005915-RP-G001
AEC Job No.:	005915
Client AFE:	N/A
Rev No.:	3
Rev. Date:	04/15/11
File No.:	005915.10.05

eventually sales. An allocated gas lift volume will be sent to the Poydras Energy Partners, LLC S.L. 2125 #3 well with the remainder for gas sales. The gas-lift for S.L. 2125 #3 is metered at the wellsite.

The condensate and water, from either the well at SL 20101 #1 or SL 20103 #1 (whichever is being tested), from the HP test separator at Tank Battery No. 1 is measured separately using turbine flow meters in the 3-phase LP test separator. The condensate flows to the Good Oil Tank after being commingled with oil from the low-pressure system and then sent to the production tanks. The production tanks are located at the existing platform connected by a walkway to Tank Battery No.1. From the production tanks, the commingled condensate and oil is pumped to a barge where it is level-metered as sales. The metered water is processed through the existing water treating and disposal facilities.

The existing wells in the low-pressure system, being SL 1958 (LUW 050062), MPB35 8350 RB SU (LUW 127682), MPB35 9250 RB SU (LUW 127631) and MPB35 8600 RC SU (LUW 127630), are gas-lifted oil wells. These wells flow to a header and then to the 3-phase low-pressure bulk separator where the oil is sent to the Good Oil Tank, to the production tanks, then to the barge for sales. From the header, the wells can also be routed to the test separator for periodic testing. The gas from the bulk separator is metered and sent for compression, then recycled for gas-lift and fuel gas. The gas-lift volume for each well is metered at each wellsite. The water from the bulk separator is sent to the water treating facilities for saltwater disposal. Wells flowing to the low-pressure system are tested monthly or more often as needed using the aforementioned 3-phase LP test separator. The oil, gas and water are metered and treated as previously outlined.

S.L. 2125 #3 flows directly to Tank Battery No. 1 where it is tested using the 3-phase LP test separator via a manifold system. As mentioned above, the gas is measured using an orifice and Barton flow recorder while the oil and water are measured with separate flow meters. The fluids are routed as mentioned above.

Production from SL 20101 #1 and SL 20103 #1 is allocated based on monthly well test. The gas meters are calibrated monthly. The liquid meters are pre-calibrated and checked for accuracy monthly. It should be noted that the royalties (22%) and working interest ownership in SL 20101 #1 and SL 20103 #1 are identical. Test reports will be kept on file for inspection by the Department of Conservation or any interested party as per Statewide Order 29-D-1.

All meters used for allocation purposes shall be calibrated in accordance with API Measurement Standards, Chapter 20 Allocation Measurement of Oil and Natural Gas and calibration records will be maintained for a period of no less than 3 years. All production (including fuel, flare, vent and sales) will be allocated to wells based upon individual well tests taken at least once per month.

It is the opinion of Poydras Energy Partners, LLC (P265) that the commingling of gas and liquid hydrocarbons as described above will provide reasonable and accurate measurements, will not create inequities and the owners will have opportunity to recover their just and equitable share of production.

Submitted on Behalf of Poydras Energy Partners, LLC.

By: *Ken Blech* of Audubon Engineering Company, LLC

Date: 4/15/11

POYDRAS ENERGY PARTNERS, LLC

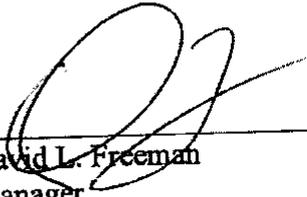
MAIN PASS BLOCK 35 COMMINGLING FACILITY (952050)

MAIN PASS BLOCK 35 FIELD (6374)

PLAQUEMINES PARISH, LOUISIANA

**STATEMENT OF APPLICATION REGARDING ACCURACY OF MEASUREMENTS
IN CONNECTION WITH COMMINGLING OF LIQUID HYDROCARBONS**

In the opinion of Poydras Energy Partners, LLC, the commingling of gas and liquid hydrocarbons and the use of monthly well tests for production allocation as proposed under this application to the State of Louisiana, Office of Conservation, will provide reasonable accurate measurement, will not create inequities, and the owner of any interest will have the opportunity to recover his just and equitable share of the reservoir content. All liquid test meters employed in the installation covered by this application will be proved, commercially available type. Moreover, suitable means for calibrating each liquid test meter are provided, such that the accuracy of each meter in operation can be proved. Such testing will be done at least monthly and at such other times as the Commissioner of Conservation or his agent shall deem proper.



David L. Freeman
Manager

POYDRAS ENERGY PARTNERS, LLC
 L.P. WELLS MP35 FACILITY NO. 1 CURRENT AND FUTURE
 PRODUCTION FACILITY CODE: 952050

LW CODE	SN	WELL NAME
050062	SN 45364	SL 1958 No. 2
	SN 50728	SL 1958 No. 31
	SN 51155	SL 1958 No. 33
	SN 81748	SL 1958 No. 34D
	SN 82056	SL 1958 No. 1D
	SN 84463	SL 1958 No. 41
	SN 85245	SL 1958 No 41D
	SN 104933	SL 1958 No. 2D
	SN 123051	SL 1958 No. 27AD
	SN 215803	SL 1958 No. 51
127682	SN 51404	MPB35 8350 RB SU;SL 1958 No. 34
	SN 56922	MPB35 8350 RB SU;SL 1958 No. 27A
127631	SN 46246	MPB35 9250 RB SU;SL 1958 No. 7
127630	SN 106679	MPB35 8600 RC SU;SL1958 No. 43
LW	SN	WELL NAME
303277	SN 122520	VUA;SL 1958A No. 1

