OCD-ARTESIA

FORM APPROVED OMB No. 1004-0136 Expires November 30, 2000

Form 3160-3

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

5. Lease Senal No.

DOICE NO OF EFFERD T	NMNM025533				
APPLICATION FOR PERMIT	6. If Indian, Allottee or Tribe Name				
1a. Type of Work: ☑ DRILL ☐ REENTER	CONFIDENTIAL	7. If Unit or CA Agreement, Name and No. NMNM71016X			
1b. Type of Well: ☑ Oil Well ☐ Gas Well ☐ Oth	er Single Zone	8. Lease Name and Well No. POKER LAKE UNIT 99			
DAGO ENTERPRISES PROPUCTION CO	TAMI WILBER E-Mail: tlwilber@basspet.com	9. API Well No.			
3a. Address P O BOX 2760 MIDLAND, TX 79702 4. Location of Well (Report location clearly and in accorded At surface SWNW Lot 2 1980FNL 660 At proposed prod. zone SWNW Lot 2 1980FNL 660 14. Distance in miles and direction from nearest town or post	3b. Phone No. (include area code) Ph: 915.683.2277 Fx: 915.687.0329	10. Field and Pool, or Exploratory POKER LAKE DELAWARE			
4. Location of Well (Report location clearly and in accorded	ince with any State requirements.	II. Sec., I., R., M., or Blk. and Survey or Area			
At surface SWNW Lot 2 1980FNL 660 At proposed prod. zone SWNW Lot 2 1980FNL 660	DFWL 2003 3	Sec 19 T24S R31E Mer NMP SME: BLM			
14. Distance in miles and direction from nearest town or post 16 MILES EAST OF MALAGA NEW MEXICO	office* RECEIVED 3	EDDY			
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 unlease OCD - ARTESIA 57 324.37 19. Proposed Depth	17. Spacing Unit dedicated to this well 40.00			
 Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 1320' 	19. Proposed Depth 8300 MD	20. BLM/BIA Bond No. on tile			
21. Elevations (Show whether DF, KB, RT, GL, etc. 3471 GL	22. Approximate date work will start 06/09/2003	23. Estimated duration 14 DAYS			
	24. Attachments	1			
The following, completed in accordance with the requirements of	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 Supplied Supplied With the appropriate Forest Service Of Supplied With Supplied With Supplied Supplied Supplied With Supplied Supplie	Item 20 above). 5. Operator certification	ons unless covered by an existing bond on file (see formation and/or plans as may be required by the			
25. Signature (Electronic Submission)	Name (Printed/Typed) TAMI WILBER	Date 04/29/2003			
Title AUTHORIZED REPRESENTATIVE					
Approved by (Signature) /s/ Leslie A. Theiss	Name (Printed/Typed) /s/ Leslie A.	Theiss Jun 3 20			
FIELD MANAGER	CARLSBAD FIELD OF				
Application approval does not warrant or certify the applicant ho	olds 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.		L FOR 1 YEAR			
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, States any false, fictitious or fraudulent statements or representa	make it a crime for any person knowingly and willfully tions as to any matter within its jurisdiction.	to make to any department or agency of the United			

Additional Operator Remarks (see next page)

Electronic Submission #20944 verified by the BLM Well Information System APPROVAL SUBJECT TO For BASS ENTERPRISES PRODUCTION CO, sent to the Carlsbad GENERAL REQUIREMENTS AND SPECIAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

Additional Operator Remarks:

Surface casing to be set +/- 100' above the salt. Producing casing cement will be brought up at least 500' above the upmost hydrocarbon bearing zone. Drilling Procedure, BOP Diagram, anticipated tops and surface use plan attached. This well is outside the R-111 Potash Area.

This is an existing location. The pits will be re-constructed to accommodate a larger rig.

\$1 \$1 Subspit to Appropriate District Office State Lease - 4 copies Fee Lease - 3 copies

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102 Revised 1-1-89

DISTRICT I P.C. Box 1980, Hobba, PM 88240

OIL CONSERVATION DIVISION

P.O. Box 2088 Santa Fe, New Mexico 87504-2088

DISTRICT II P.O. Drawer DD, Artenia, NM 88210

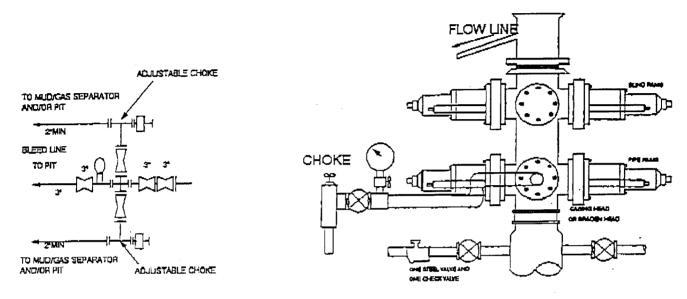
WELL LOCATION AND ACREAGE DEDICATION PLAT

DISTRICT III

All Dietances must be from the outer boundaries of the section

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Operator BASS E	NTER	PRISES	PRO	DUCT	ION C	OMPA	NY	Leaso	1	POKE	R LAKE	UNIT			Well No.	99
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3471'							,	l					_		L	Acres
1. Outline the acrosse dedicated to the subject well by colored pencil or hachure marks on the plat below. 2. If more than one lesse is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).																
3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitisation, unitisation, force—pooling, etc.?																
Yes No I answer is yes type of communication																
If answer is "no" list of owners and tract descriptions which have actually been consolidated. (Use reverse side of																
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2000 PSI WP



THE FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

- A. One double gate blowout preventer with lower rams for pipe and upper rams blind, all hydraulically controlled.
- Opening on preventers between rams to be flanged, studded or clamped and at least two inches in diameter.
- C. All connections from operating manifold to preventers to be all steel hose or tube a minimum of one inch in diameter.
- The available closing pressure shall be at least 15% in excess of that required with sufficient volume to operate (close, open, and re-close) the preventers.
- E. All connections to and from preventers to have a pressure rating equivalent to that of the BOP's.
- F. Manual controls to be installed before drilling cement plug.
- G. Valve to control flow through drill pipe to be located on rig floor.
- H. All chokes will be adjustable. Choke spool may be used between rams.