

Resubmitted  
OCD-ARTESIA

E-06-60

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED

MAR 30 2006

FORM APPROVED  
OMB No. 1004-0136  
Expires March 31, 2007APPLICATION FOR PERMIT TO DRILL OR REENTER **OCD-ARTESIA**

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		7. If Unit or CA Agreement, Name and No. NMNM0522A	
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input 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 Bass Enterprises Produccion Co. 1801		7. If Unit or CA Agreement, Name and No. NMNM71016X	
3a. Address P. O. Box 2760 Midland, TX 79702		8. Lease Name and Well No. Poker Lake Unit 199	
3b. Phone No. (include area code) (432)683-2277 82960		9. API Well No. 30-015 341757	
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface NESW 1700' FSL & 1330' FWL, Lat 32.1108.8, Lon 103.47130 At proposed prod. zone Same		10. Field and Pool, or Exploratory Poker Lake, Mercur	
11. Sec., T., R., M., or Blk, and Survey or Area Sec 28, T24S, R31E Mer NMP		12. County or Parish Eddy County	
13. State NM		14. Distance in miles and direction from nearest town or post office* 21 miles East of Malaga, NM	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 1320'		16. No. of Acres in lease 960.00	
17. Spacing Unit dedicated to this well 320.00		18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 3050'	
19. Proposed Depth 16,600' MD		20. BLM/BIA Bond No. on file NM2204	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3473' GL		22. Approximate date work will start* 09/29/2006	
23. Estimated duration 100 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:

- |   |  |
|---|--|
| 1. Well plat certified by a registered surveyor.  | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).    |
| 2. A Drilling Plan  | 5. Operation certification.  |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature <i>Annette Childers</i>	Name (Printed/Typed) Annette Childers	Date 02/24/2006
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Title  
Administrative Assistant

Approved by (Signature) /s/ Tony J. Herrell	Name (Printed/Typed) /s/ Tony J. Herrell	Date MAR 29 2006
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Title FIELD MANAGER	Office CARLSBAD FIELD OFFICE
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Application approval does not warrant or certify the 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 and false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on page 2)

Controlled Controlled Water Backs

Witness Surface Casing

APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS AND  
SPECIAL STIPULATIONS  
ATTACHEDIf earthen pits are used in  
association with the drilling of this  
well, an OCD pit permit must be  
obtained prior to pit construction.

**Additional Operator Remarks:**

Surface casing to be set into the Rustler below all fresh water sands.

The intermediate casing will be set through the salt/anhydrite section.

7" Production Cement will tie back 450' into the 9-5/8" intermediate casing.

The 7-5/8" liner will top set any Devonian porosity interval and will be fully cemented.

The existing 400' x 400' Arch Survey Area will be enlarged to 750' x 750'.

## DISTRICT I

1825 N. Pecos St., Hobbs, NM 88240

## DISTRICT II

511 South First, Artesia, NM 88210

## DISTRICT III

1000 Rio Pecos Rd., Aztec, NM 87410

## DISTRICT IV

2540 South Pacheco, Santa Fe, NM 87506

## State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102

Revised March 17, 1999

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 5 Copies

## OIL CONSERVATION DIVISION

2040 South Pacheco

Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-32170	Pool Code 82960	Pool Name Poker Lake; Mannon
Property Code 001796	Property Name POKER LAKE UNIT	Well Number 199
OGED No. 001801	Operator Name BASS ENTERPRISES PRODUCTION COMPANY	Elevation 3473'

## Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	28	24 S	31 E		1700	SOUTH	1330	WEST	EDDY

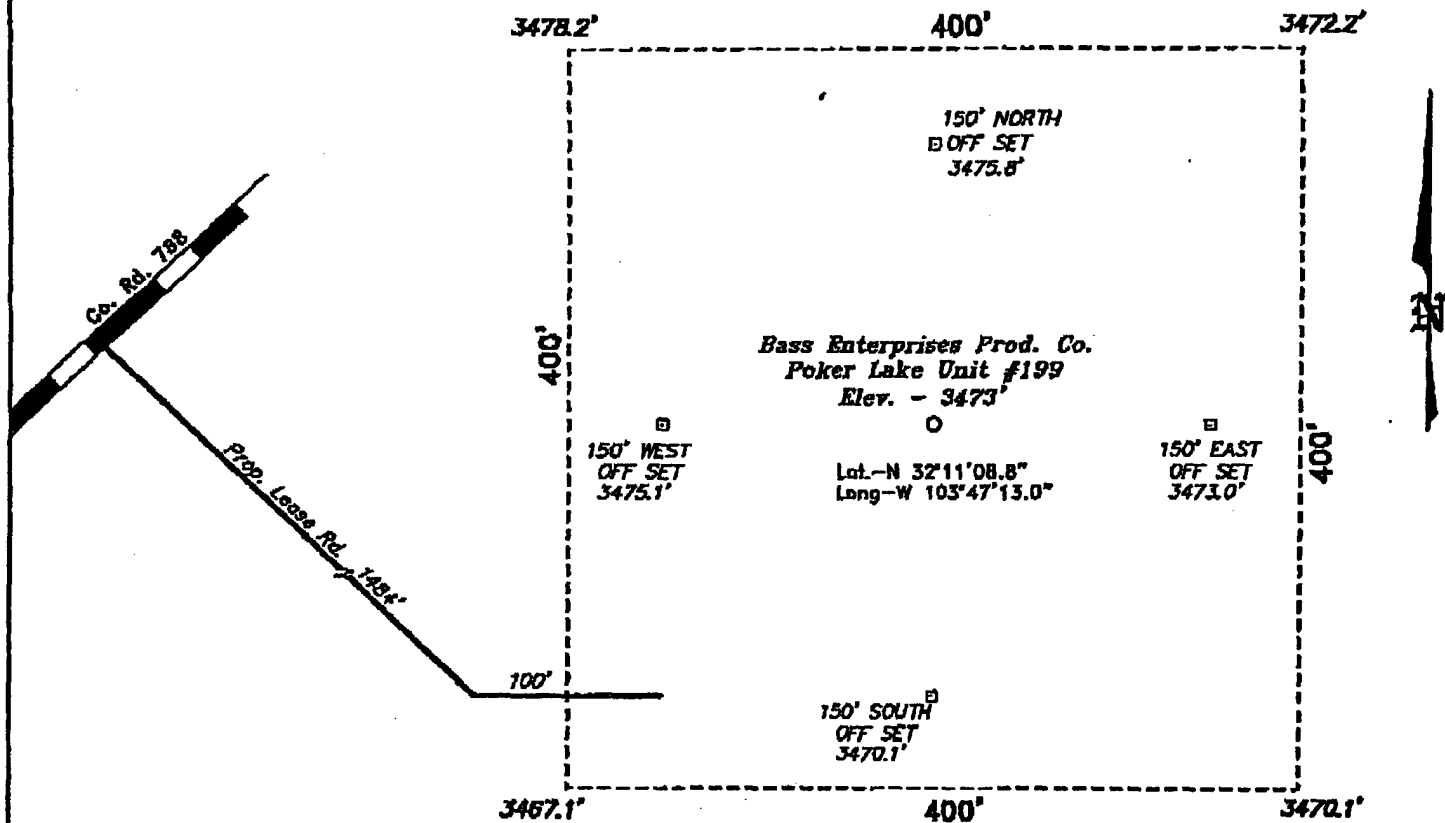
## Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 320	Joint or Infill N	Consolidation Code	Order No.						

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

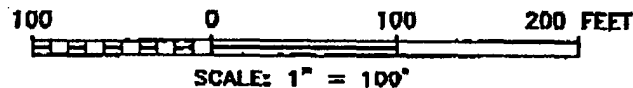
	<b>OPERATOR CERTIFICATION</b>  I hereby certify the information contained herein is true and complete to the best of my knowledge and belief.  <u>William R. Dannels</u> Signature <u>William R. Dannels</u> Printed Name <u>Division Drilling Supt.</u> Title <u>1-28-04</u> Date
	<b>SURVEYOR CERTIFICATION</b>  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.  <u>August 27, 2001</u> Date Surveyed <u>Gerald Jones</u> Signature <u>7977</u> W.O. No. <u>7977</u> Certified Professional Surveyor

**SECTION 28, TOWNSHIP 24 SOUTH, RANGE 31 EAST, N.M.P.M.,  
EDDY COUNTY, NEW MEXICO.**



**DIRECTIONS TO LOCATION:**

FROM THE JUNCTION OF STATE HWY 128 & CO. RD. 788, GO SOUTHWEST ON CO. RD. 788 APPROX 5.5 MILES TO A PROPOSED LEASE ROAD.



**BASS ENTERPRISES PRODUCTION CO.**

REF: Poker Lake Unit No. 199 / Well Pad Topo

THE POKER LAKE UNIT No. 199 LOCATED 1700' FROM  
THE SOUTH LINE AND 1330' FROM THE WEST LINE OF  
SECTION 28, TOWNSHIP 24 SOUTH, RANGE 31 EAST,

**N.M.F.M., EDDY COUNTY, NEW MEXICO.**

**BASIN SURVEYS** P.O. BOX 1786—HOBBS, NEW MEXICO

W.O. Number: 1813

Drawn By: K. GOAD

Date: 08-28-2001 Disk: KJG CD#3 - 1813A.DWG

**Survey Date: 08-27-2001**

Sheet 1 of 1 Sheets

# **EIGHT POINT DRILLING PROGRAM BASS ENTERPRISES PRODUCTION CO.**

**NAME OF WELL: POKER LAKE UNIT #199**

**LEGAL DESCRIPTION - SURFACE: 1700' FSL & 1330' FWL, Section 28, T24S, R31E, Eddy County, New Mexico.**

**POINT 1: ESTIMATED FORMATION TOPS**

(See No. 2 Below)

**POINT 2: WATER, OIL, GAS AND/OR MINERAL BEARING FORMATIONS**

Anticipated Formation Tops: KB 3499' (est)  
GL 3473'

<u>FORMATION</u>	<u>ESTIMATED TOP FROM KB</u>	<u>ESTIMATED SUB SEA TOP</u>	<u>BEARING</u>
T/Rustler	596	+2,903'	Barren
T/Salt	914'	+2,585'	Barren
B/Salt	4,099'	- 600'	Barren
T/Lamar Lime	4,439'	- 940'	Barren
T/Delaware Sands	4,479'	- 980'	Oil/Gas
T/Bone Spring	8,214'	- 4,715'	Oil/Gas
T/Wolfcamp	11,544'	- 8,045'	Oil/Gas
T/Wolfcamp Detrital	12,819'	- 9,320'	Oil/Gas
T/Atoka	13,704'	-10,205'	Oil/Gas
T/Morrow	14,404'	-10,905'	Oil/Gas
T/Middle Morrow	14,884'	-11,385'	Oil/Gas
T/Lower Morrow	15,324'	-11,825'	Oil/Gas
T/Mississippian	16,069'	-12,570'	Oil/Gas
T/Woodford	16,399'	-12,900'	Oil/Gas
T/Devonian	16,519'	-13,020'	Oil/Gas
TD	16,600'	-13,101'	

**POINT 3: CASING PROGRAM**

<u>TYPE</u>	<u>INTERVALS</u>	<u>PURPOSE</u>	<u>CONDITION</u>
30"	0' - 40'	Conductor	New
20", 94#, J-55, BTC	0' - 850'	Surface	New <b>WITNESS</b>
13-3/8", 68#, N-80, BTC	0' - 4,450'	Intermediate	New
9-5/8", 53.5#, P-110, LTC	0' - 12,700'	Intermediate	New
7-5/8", 42.8#, P-110, LTC	12,400' - 16,525'	Drilling Liner	New
5", 18#, L-80, STL	16,225' - TD	Production Liner	New

**POINT 4: PRESSURE CONTROL EQUIPMENT (SEE ATTACHED DIAGRAMS)**

A BOP equivalent to Diagram 1 will be nipped up on the surface, first, and second intermediate casings. Bass requests a waiver to Onshore Order #2 which states the BOP, and associated equipment must be tested to the rated working pressure or 70% of the interval yield pressure. Our plans are to test the BOP stack, choke, kill lines, kelly cocks, inside BOP, etc. will be hydrostatically to 1000 psi on the surface installation, then 3000 psi on the first intermediate, and 10,000 psi on the second intermediate casing. The annular will be tested to 2500 psi. In addition to the high-pressure test, and a low pressure (250 psi) test will be required. These tests will be performed:

- a) Upon installation
- b) After any component changes
- c) Fifteen days after a previous test
- d) As required by well conditions

A function test to insure that the preventers are operating correctly will be performed on each trip. See attached Diagram 1 for the minimum criteria for the choke manifold.

**POINT 5: MUD PROGRAM**

DEPTH	MUD TYPE	WEIGHT	FV	PV	YP	FL	Ph
0' - 850'	FW	8.5 - 9.2	45-35	NC	NC	NC	9.5
850' - 4,450'	CBW	9.2 - 10.0	28-30	NC	NC	NC	9.5
4,450' - 11,500'	FW	8.6 - 8.9	28-30	4	2	NC	9.5
11,500' - 12,700'	CBW	8.6 - 9.0	28-30	6	4	NC	9.5
12,700' - 16,525'	CBW/Polymer	9.0 - 14.0	32-55	12-20	12/22	10-15	9.5 - 10.0
16,525' - TD	CBW	8.6 - 9.0	28-35	2-4	2-4	NC	9.5 - 10.0

**POINT 6: TECHNICAL STAGES OF OPERATION****A) TESTING**

Dill stem test may be performed on significant shows in zones of interest, but none are anticipated.

**B) LOGGING**

Run #1:

GR-CNL-LDT-LLD run from 9-5/8" TD to 1<sup>st</sup> ICP, GR-CLN to surface. May run logging suite across Delaware prior to drilling below 7400' if mud log shows warrant.

Run #2:

GR-CNL-LDT-LLD run from 1<sup>st</sup> Liner TD to second ICP, FMI across Wolfcamp as needed.

Run #3:

GR-CNL-LDT-LLD run from TD to 1<sup>st</sup> Liner CP.

**C) CORING**

No cores are anticipated.

## POINT 6: TECHNICAL STAGES OF OPERATION - Cont'd...

Page 3

## D) CEMENT:

<u>INTERVAL</u> <u>SURFACE</u>	<u>AMOUNT</u> <u>SXS</u>	<u>FT OF</u> <u>FILL</u>	<u>TYPE</u>	<u>GALS/SX</u>	<u>PPG</u>	<u>FT<sup>3</sup>/SX</u>
Lead 0'-550' (100% excess)	930	550	Permian Basin Critical Zone + 1/8#/sx Pol-e-flake	10.30	12.80	1.89
Tail 550'-850' (100% excess)	675	300	Premium Plus + 2% CaCl <sub>2</sub> + 1/8#/sx Pol-e-flake	6.32	14.80	1.34
INTERMEDIATE						
<u>INTERVAL</u>	<u>AMOUNT</u> <u>SXS</u>	<u>FT OF</u> <u>FILL</u>	<u>TYPE</u>	<u>GALS/SX</u>	<u>PPG</u>	<u>FT<sup>3</sup>/SX</u>
Lead 0'-3800' (100% excess)	2030	3800	Interfill C + 1/8#/sx Pol-e-flake	14.10	11.90	2.45
Tail 3800'-4450' (100% excess)	700	650	Premium Plus + 2% CaCl <sub>2</sub>	6.34	14.80	1.34
PRODUCTION (Two stage w/DV tool @ 9000' and circulate cement to 4000')						
<u>INTERVAL</u>	<u>AMOUNT</u> <u>SXS</u>	<u>FT OF</u> <u>FILL</u>	<u>TYPE</u>	<u>GALS/SX</u>	<u>PPG</u>	<u>FT<sup>3</sup>/SX</u>
1 <sup>st</sup> Stage						
Lead 9000'-12,000' (50% excess)	580	3000	Interfill H + 5 pps Gilsomite + 0.5% Halad 9 + 1/8 pps Pol-e-flake	13.61	11.90	2.46
Tail 12,000'-12,700' (50% excess)	200	700	Super H + 0.5% Halad 344 + 0.4% CFR3 + 5 pps Gilsomite + 1 pps Salt + 0.2% HRT	8.20	13.00	1.67
2 <sup>nd</sup> Stage						
Lead 4000'-8,300' (50% excess)	800	4300	Interfill H + 1/8 pps Pol-e-flake + 0.5% Halad 9	14.00	11.90	2.45
Tail 8,300'-9,000' (50% excess)	200	700	Super H + 0.5% Halad 344 + 0.4% CFR3 + 5 pps Gilsomite + 1 pps Salt + 0.2% HRT	8.20	13.00	1.67
DRILLER LINER						
12,400'-16,525' (25% excess 300' overlap)	410	4125	Class H + 0.8% Halad 322 + 0.6% Halad 344 + 0.2% HR-7 + 5 pps Microbond M	5.68	15.40	1.28
PRODUCTION LINER						
16,225'-16,600' (25% excess 300' overlap)	100	375	Class H + 0.8% Halad 322 + 0.6% Halad 344 + 0.2% HR-7 + 5 pps Microbond M	5.68	15.40	1.28

## E) DIRECTIONAL DRILLING

No directional services anticipated.

**POINT 7: ANTICIPATED RESERVOIR CONDITIONS**

Normal pressures are anticipated throughout the Delaware and Bone Spring. The Lower Wolfcamp may be abnormally pressured with a BHP of 8100 psi or an equivalent mud weight of 12.2 ppg. The Atoka may be abnormally pressured with expected BHP of 9975 psi (max) or an equivalent mud weight of 13.8 ppg. The Morrow expected BHP is 8750 (max) or an equivalent mud weight of 10.6 ppg @ the base of the zone. The Devonian is expected to be subnormally pressured with an expected BHP of 7070 psi (max) or an equivalent mud weight of 8.2 ppg. Due to the tight nature of the reservoir rock (high pressure, low volume), the well will be drilled under balanced utilizing a rotating head. H<sub>2</sub>S is anticipated in high concentrations in the Devonian, but none should be encountered in any upper zones.

**POINT 8: OTHER PERTINENT INFORMATION****A) Auxiliary Equipment**

Upper and lower kelly cocks. Full opening stab in valve on the rig floor.

**B) Anticipated Starting Date**

Upon approval

100 days drilling operations

25 days completion operations

BGH/mac  
January 29, 2004

## MULTI-POINT SURFACE USE PLAN

**NAME OF WELL: POKER LAKE UNIT #199**

**LEGAL DESCRIPTION - SURFACE: 1700' FSL & 1330' FWL, Section 28, T24S, R31E, Eddy County, New Mexico.**

### POINT 1: EXISTING ROADS

**A) Proposed Well Site Location:**

See Exhibit "A".

**B) Existing Roads:**

From State Hwy 128 & CR 788, go southwest 5.5 miles on Buck Jackson county road, then turn left on proposed caliche road for approximately 0.3 miles into location.

**C) Existing Road Maintenance or Improvement Plan:**

See Exhibit "A".

### POINT 2: NEW PLANNED ACCESS ROUTE

**A) Route Location:**

See Exhibit "A and survey plats. The new road will be approximately 1,584' long.

**B) Width**

12' wide.

**C) Maximum Grade**

Not applicable.

**D) Turnout Ditches**

Spaced per BLM requirements.

**E) Culverts, Cattle Guards, and Surfacing Equipment**

None.

### POINT 3: LOCATION OF EXISTING WELLS

Exhibit "B" indicates existing wells within the surrounding area.

**POINT 4: LOCATION OF EXISTING OR PROPOSED FACILITIES**

- A) Existing facilities within one mile owned or controlled by lessee/operator:

None.

- B) New Facilities in the Event of Production:

Will build new facilities on this location.

- C) Rehabilitation of Disturbed Areas Unnecessary for Production:

Those access areas required for continued production will be graded to provide drainage and minimize erosion. The areas unnecessary for use will be graded to blend in with the surrounding topography (See Point 10).

**POINT 5: LOCATION AND TYPE OF WATER SUPPLY**

- A) Location and Type of Water Supply

Brine water will be hauled from commercial facilities. Fresh water to be hauled from Carlsbad, New Mexico; Mills Ranch; or Diamond and Half Water Station.

- B) Water Transportation System

Water hauling to the location will be over existing and proposed roads.

**POINT 6: SOURCE OF CONSTRUCTION MATERIALS**

- A) Materials

Surface caliche will be used if possible. If not found on location, caliche service will be nearest BLM - approved open pit.

- B) Land Ownership

Federally owned land for both surface location and bottom hole location.

- C) Materials Foreign to the Site

No construction materials foreign to this area are anticipated for this drill site.

- D) Access Roads

See Exhibit "A", Exhibit "B", and survey plats.

**POINT 7: ANTICIPATED RESERVOIR CONDITIONS****A) Cuttings**

Cuttings will be contained in the plastic lined reserve pit.

**B) Drilling Fluids**

Drilling fluids will be contained in the plastic lined reserve pit.

**C) Produced Fluids**

Water production will be contained in the plastic lined reserve pit.

Hydrocarbon fluid or other fluids that may be produced during testing will be retained in test tanks. Prior to cleanup operations, any hydrocarbon material in the reserve pit will be removed by skimming or burning, as the situation would dictate.

**D) Sewage**

Current laws and regulations pertaining to the disposal of human waste will be complied with.

**E) Garbage**

Portable containers will be utilized for garbage disposal during the drilling of this well.

**F) Cleanup of Well Site**

Upon release of the drilling rig, the surface of the drilling pad will be graded to accommodate a completion rig if electric log analysis indicates potential productive zones. In any case, the "mouse" hole and the "rat" hole will be covered. The reserve pit will be bird netted and fenced only in the event of livestock present. The fence will be maintained until the pit is backfilled. Reasonable cleanup will be performed prior to the final restoration of the site.

**POINT 8: ANCILLARY FACILITIES****A) None.****POINT 9: WELL SITE LAYOUT****A) Rig Orientation and Layout**

Exhibit "C" shows the dimensions of the well pad and reserve pits, and the location of major rig components. Only minor leveling of the well site will be required. No significant cuts or fills will be necessary.

**B) Locations of Pits and Access Road**

See Exhibit "A" and "B".

**C) Lining of the pits**

The reserve pits will be lined with plastic.

**POINT 10: PLANS FOR RESTORATION OF THE SURFACE****A) Reserve Pit Cleanup**

The pits will be fenced immediately after spudding only in the event of livestock present and maintained until backfilled. Prior to back filling, any hydrocarbon material on the pits' surfaces shall be removed. The fluids and solids contained in the pits shall be backfilled with soil excavated from the site and soil adjacent to the reserve pits. The restored surface of the pits shall be contoured to prevent impoundment of surface water flow. Water-bars will be constructed as needed to prevent excessive erosion. Topsoil, as available, shall be placed over the restored surface in a uniform layer. The area will be seeded according to the Bureau of Land Management stipulations during the appropriate season following restoration.

**B) Restoration Plans - Production Developed**

Reserve pits will be backfilled and restored as described above under Item A. In addition, those areas not required for production will be graded to blend with the surrounding topography. Topsoil, as available, will be placed upon those areas and seeded. The portion of the site required for production will be graded to minimize erosion and provide access during inclement conditions. Following depletion and abandonment of the site, restoration procedures will be those that follow under Item C.

**C) Restoration Plans - No Production Developed**

Reserve pits will be restored as described above. With no production developed, the entire surface disturbed by construction of the well site will be restored. The site will be contoured to blend with the surrounding topography and provide drainage of surface water. The topsoil, as available, shall be replaced in a uniform layer and seeded according to the Bureau of Land Management's stipulations.

**D) Rehabilitations Time table**

Upon completion of drilling operations, the initial cleanup of the site will be performed as soon as weather and site conditions allow economic execution of the work.

**POINT 11: OTHER INFORMATION****A) Terrain**

Relatively flat.

**B) Soil**

Caliche and sand.

**C) Vegetation**

Sparse, primarily grasses and mesquite with very little grass.

**D) Surface Use**

Primarily grazing.

**POINT 11: OTHER INFORMATION - Con't...****E) Surface Water**

There are no ponds, lakes, streams, or rivers within several miles of the wellsite.

**F) Water Wells**

There is a windmill located  $\pm$  3500' (0.66 miles) south southeast of this location.

**G) Residences and Buildings**

No buildings within several miles of well site.

**H) Historical Sites**

None observed.

**I) Archeological Resources**

A 400' X 400' archeological survey has been obtained for this area. (Archaeological Services by Laura Michalik on 10/31/01.) Before any construction begins, a second 750' X 750' survey expanding the original study will be obtained with a full and complete archeological survey submitted to the Bureau of Land Management. Any location or construction conflicts will be resolved before construction begins.

**J) Surface Ownership**

The well site and access road are both on federally owned land. No ROW will be required.

**K) Well signs will be posted at the drilling site.****L) Open Pits**

All pits containing liquid or mud will be fenced only in the event of livestock present and bird netted.

**POINT 12: OPERATOR'S FIELD REPRESENTATIVE**

(Field personnel responsible for compliance with development plan for surface use).

**DRILLING**

William R. Dannels  
Box 2760  
Midland, Texas 79702  
(432) 683-2277

**PRODUCTION**

Mike Waygood  
3104 East Green Street  
Carlsbad, New Mexico 88220  
(505) 887-7329

**Kent Adams**

Box 2760  
Midland, Texas 79702  
(432) 683-2277

Page 6

**POINT 13: CERTIFICATION**

I hereby certify that I, or persons under my direct supervision have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in the plan are, to the best of my knowledge, true and correct; and that the work associated with operations proposed herein will be performed by Bass Enterprises Production Co. and it's contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

1-28-04

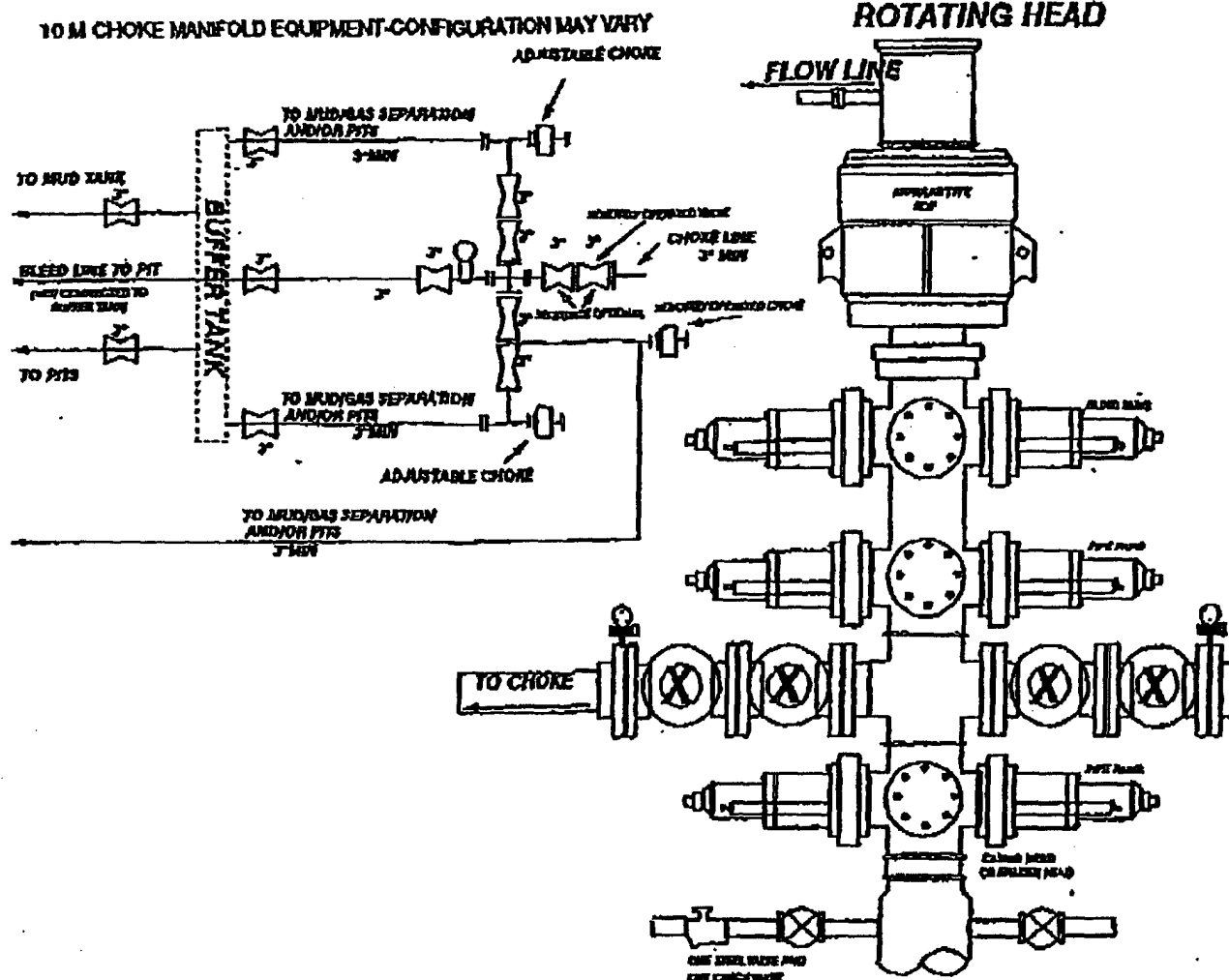
Date

William R. Dannels

William R. Dannels

BGH:mac

# 10-M. WP BOPE WITH 5-M WP ANNULAR



## THE FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS:

- A. Opening between the ram to be flanged, studded, or clamped.
- B. All connections from operating manifolds to preventers to be all steel hose or tube a minimum of one inch diameter.
- C. 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.
- D. ALL connections to and from preventer to have a pressure rating equivalent to that of the BOPs.
- E. Manual controls to be installed before drilling cement plug.
- F. Kelly cock to be installed on kelly.
- G. Inside blowout preventer to be available on rig floor.
- H. Dual operating controls: one located by drillers position and the other located a safe distance from the rig floor.
- I. All chokes will be adjustable.

## CONDITIONS OF APPROVAL - DRILLING

**Operator's Name:** Bass Enterprises Production Company  
**Well Name & No.** Poker Lake Unit #199  
**Location:** 1700' FSL, 1330' FWL, Section 28, T. 24 S., R. 31E., Eddy County, New Mexico  
**Lease:** NM-0522 A

### I. DRILLING OPERATIONS REQUIREMENTS:

1. The Bureau of Land Management (BLM) is to be notified at the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (505) 361-2822 for wells in Eddy County in sufficient time for a representative to witness:

A. Well spud

B. Cementing casing: 20 inch 13-3/8 inch 9-5/8 inch 7-5/8 inch 5 inch liner

C. BOP tests

2. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.

3. Submit a Sundry Notice (Form 3160-5, one original and five copies) for each casing string, describing the casing and cementing operations. Include pertinent information such as: spud date, hole size, casing (size, weight, grade and thread type), cement (type, quantity and top), water zones and problems or hazards encountered. The Sundry shall be submitted within 15 days of completion of each casing string. The reports may be combined into the same Sundry if they fall within the same 15-day time frame.

4. The API No. assigned to the well by NMOCD shall be included on the subsequent report of setting the first casing string.

### II. CASING:

1. The 20 inch surface casing shall be set at approximately 850 feet, above the top of the salt, and cement circulated to the surface. If cement does not circulate to the surface the appropriate BLM office shall be notified and a temperature survey or cement bond log shall be run to verify the top of the cement. Remedial cementing shall be completed prior to drilling out that string.

2. The minimum required fill of cement behind the 13-3/8 inch first intermediate casing is to be sufficient to circulate to the surface.

2. The minimum required fill of cement behind the 9-5/8 inch second intermediate casing is to be sufficient to tie back into the 9-5/8" casing at least 500 feet.

3. The minimum required fill of cement behind the 7-5/8 inch and 5 inch production liners is to be circulated to the top of the liner.

### III. PRESSURE CONTROL:

1. All BOP systems and related equipment shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2. The BOP and related equipment shall be installed and operational before drilling below the 20 inch surface casing shoe and shall be tested as described in Onshore Order No. 2. Any equipment failing to test satisfactorily shall be repaired or replaced.

2. Minimum working pressure of the blowout preventer and related equipment (BOPE) required for drilling the surface and the intermediate hole shall be 2000 psi.

3. The requested variance to test the BOPE to 1000 psi on the surface casing with rig pumps is approved.

4. Minimum working pressure of the blowout preventer and related equipment (BOPE) required for drilling below the first intermediate casing shall be 5000 psi.

5. Minimum working pressure of the blowout preventer and related equipment (BOPE) required for drilling below the second intermediate casing shall be 10000 psi.
6. The appropriate BLM office shall be notified in sufficient time for a representative to witness the tests.
7. Any wells that penetrate the **Wolfcamp**, the BOPE shall be tested:
- The tests shall be done by an independent service company.
  - The results of the test shall be reported to the appropriate BLM office.
  - Testing fluid must be water or an appropriate clear liquid suitable for sub-freezing temperatures. Use of drilling mud for testing is not permitted since it can mask small leaks.
  - Testing must be done in a safe workman-like manner. Hard line connections shall be required.

#### **IV. DRILLING MUD:**

Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be operating before drilling into the **Wolfcamp** formation, and shall be used until production casing is run and cemented. Monitoring equipment shall consist of the following:

- Recording pit level indicator to indicate volume gains and losses.
- Mud measuring device for accurately determining the mud volumes necessary to fill the hole during trips.
- Flow-sensor on the flow-line to warn of abnormal mud returns from the well.

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3/9/06 – RS2