

EC

OCD-ARTESIA

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		CONFIDENTIAL	5. Lease Serial No. NMLC068545
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 PRODUCTION CO		Contact: TAMI WILBER E-Mail: twilber@basspet.com	7. If Unit or CA Agreement, Name and No. NMNM71016X
3a. Address P. O. BOX 2760 MIDLAND, TX 79702		3b. Phone No. (include area code) Ph: 915.683.2277 Fx: 915.687.0329	8. Lease Name and Well No. POKER LAKE UNIT 201
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface NESW 2130FSL 2100FWL At proposed prod. zone NESW 2130FSL 2100FWL (K) POTASH		9. API Well No. 30-015-32929	
14. Distance in miles and direction from nearest town or post office* 14 MILES EAST OF MALAGA NM		10. Field and Pool, or Exploratory NASH DRAW DELAWARE	
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 2130', 4740'		16. No. of Acres in Lease 1843.32	11. Sec., T., R., M., or Blk. and Survey or Area Sec 7 T24S R30E Mer NMP
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 1206'		19. Proposed Depth 7700 MD	12. County or Parish EDDY
21. Elevations (Show whether DF, KB, RT, GL, etc.) 3153 GL		22. Approximate date work will start	13. State NM
23. Estimated duration		17. Spacing Unit dedicated to this well 40.00	
20. BLM/BIA Bond No. on file		18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 1206'	
24. Attachments		25. Signature (Electronic Submission)	

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 (Electronic Submission)	Name (Printed/Typed) TAMI WILBER	Date 06/16/2003
Title AUTHORIZED REPRESENTATIVE		
Approved by (Signature) /s/ Richard A. Whitley	Name (Printed/Typed) /s/ Richard A. Whitley	Date 28 JUL 2003
Title ACTING STATE DIRECTOR	Office NM STATE OFFICE	

Application approval does not warrant or certify 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.

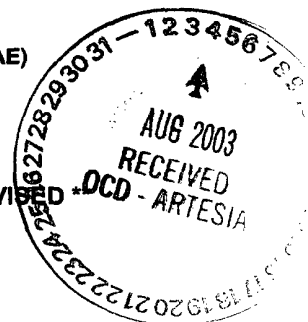
APPROVAL FOR 1 YEAR

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.

Additional Operator Remarks (see next page)

Electronic Submission #22224 verified by the BLM Well Information System
For BASS ENTERPRISES PRODUCTION CO, sent to the Carlsbad
Committed to AFMSS for processing by Armando Lopez on 06/19/2003 (03AL0325AE)APPROVAL SUBJECT TO
GENERAL REQUIREMENTS
AND SPECIAL STIPULATIONS
ATTACHED

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED



Additional Operator Remarks:

Surface casing to be set into Rustler below all fresh water sands.
Production casing will be cemented using Zone Seal Cement.
Drilling procedure, BOP Diagram, anticipated tops and surface use plan attached.

*This well is located inside the Secretary's Potash area and outside the R-111 Potash Area.
There are no potash leases within 1 mile of this location.*

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II
811 South First, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

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 - 3 Copies

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 47545	Pool Name Nash Draw (Delaware)
Property Code 001796	Property Name POKER LAKE UNIT	Well Number 201
DEED No. 001801	Operator Name BASS ENTERPRISES PRODUCTION COMPANY	Elevation 3153'

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	7	24 S	30 E		2130	SOUTH	2100	WEST	EDDY

Bottom Hole Location If Different From Surface

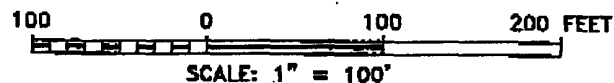
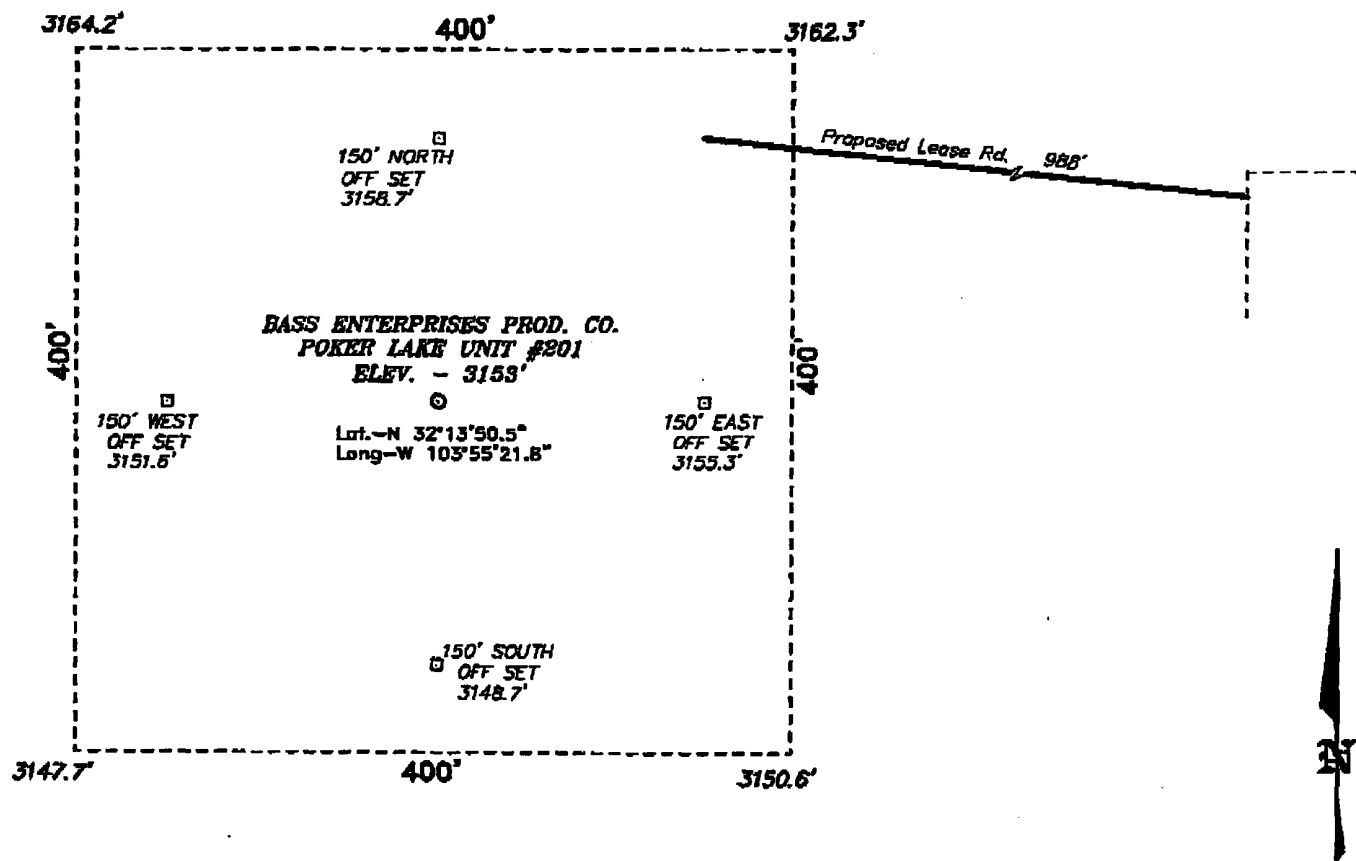
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres 40	Joint or Infill I	Consolidation Code	Order No.
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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

	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>William R. Dannels</i></p> <p>Signature</p> <p>W.R. DANNELS</p> <p>Printed Name</p> <p>DIVISION DRILLING SUPT.</p> <p>Title</p> <p>6/16/03</p> <p>Date</p>	
	<p>SURVEYOR CERTIFICATION</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>APRIL 10, 2003</p> <p>Date Surveyed</p> <p>GARY L. JONES</p> <p>Signature & Seal of Professional Surveyor</p> <p>7977</p> <p>Certification No. 325</p> <p>PROFESSIONAL LAND SURVEYOR</p> <p>7977</p> <p>BASIN SURVEYS</p>	

**SECTION 7, TOWNSHIP 24 SOUTH, RANGE 30 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.**



BASS ENTERPRISES PRODUCTION CO.

REF: POKER LAKE UNIT No. 201 / Well Pad Topo

THE POKER LAKE UNIT No. 201 LOCATED 2130' FROM
THE SOUTH LINE AND 2100' FROM THE WEST LINE OF
SECTION 7, TOWNSHIP 24 SOUTH, RANGE 30 EAST,
N.M.P.M., EDDY COUNTY, NEW MEXICO.

BASIN SURVEYS P.O. BOX 1786 - HOBBS, NEW MEXICO

W.O. Number: 3261

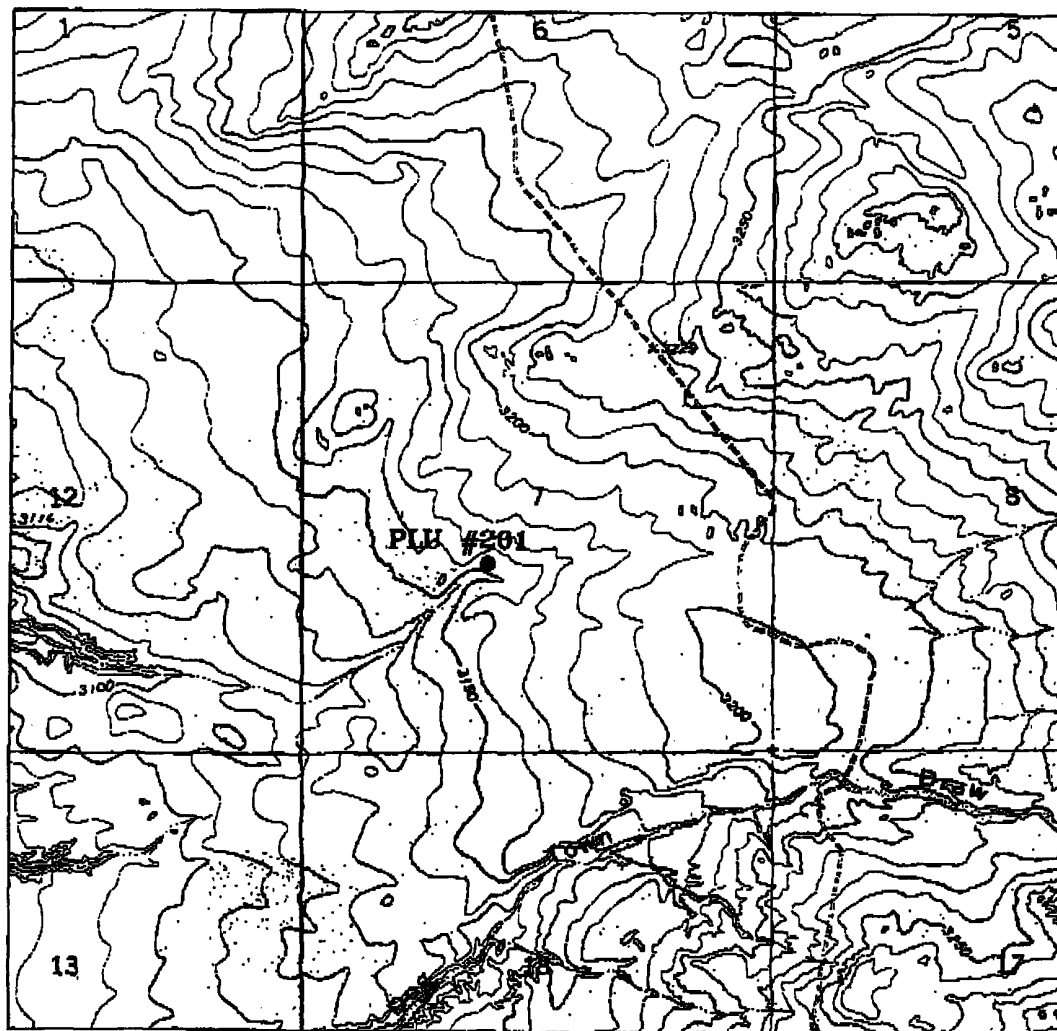
Drawn By: K. GOAD

Date: 05-01-2003

Disk: KJG CD#7 - 3261A.DWG

Survey Date: 04-30-2003

Sheet 1 of 1 Sheets

**POKER LAKE UNIT #201**

Located at 2130' FSL and 2100' FWL

Section 7, Township 24 South, Range 30 East,
N.M.P.M., Eddy County, New Mexico.**basin**
surveys
focused on excellence
in the oilfieldP.O. Box 1786
1120 N. West County Rd.
Hobbs, New Mexico 88241
(505) 393-7316 - Office
(505) 392-3074 - Fax
basinsurveys.com

W.O. Number: 3261AA - KJG #7

Survey Date: 04-30-2003

Scale: 1" = 2000'

Date: 05-01-2003

BASS ENTERPRISES
PRODUCTION CO.

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

NAME OF WELL: Poker Lake Unit #201

LEGAL DESCRIPTION - SURFACE: 2130' FSL & 2100' FWL, Section 7, T-24-S, R-30-E, 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 3171' (est) GL 3153'

<u>FORMATION</u>	<u>ESTIMATED TOP FROM KB</u>	<u>ESTIMATED SUBSEA TOP</u>	<u>BEARING</u>
T/Salt	771'	+2400'	Barren
T/Lwr Brushy Canyon 8A	6916'	-3745'	Oil/Gas
T/Bone Spring	7196'	-4025'	Oil/Gas
TD	7700'	-4529'	

POINT 3: CASING PROGRAM

<u>TYPE</u>	<u>INTERVALS</u>	<u>PURPOSE</u>	<u>CONDITION</u>
16"	0' - 40'	Conductor	Contractor Discretion
8-5/8", 28#, J-55, LT&C	0' - 700'	Surface	New
5-1/2", 15.5#, J-55, LT&C	0' - 6500'	Production	New
5-1/2", 17#, J-55, LT&C	6500' - 7700'	Production	New

POINT 4: PRESSURE CONTROL EQUIPMENT (SEE ATTACHED DIAGRAM)

A BOP equivalent to Diagram 1 will be nipped up on the surface casing head. The BOP stack choke, kill lines, kelly cocks, inside BOP, etc. will be hydro-tested to 70% of internal yield pressure of casing. In addition to the high pressure test, a low pressure (200 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.

POINT 5: MUD PROGRAM

<u>DEPTH</u>	<u>MUD TYPE</u>	<u>WEIGHT</u>	<u>FV</u>	<u>PV</u>	<u>YP</u>	<u>FL</u>	<u>Ph</u>
0' - 700'	FW Spud Mud	8.5 - 9.2	70-38	NC	NC	NC	10.0
700' - 5600'	Brine Water	9.8 -10.0	28-30	NC	NC	NC	9.5-10.5
5600' - TD'	**	8.8 - 9.0	32-40	8	2	<25 cc	9.5 - 10.0

** 40% diesel/60% brine emulsion

**Will increase vis for logging purposes only.*

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

None anticipated.

B) LOGGING

GR-CNL-LDT-AIT-CAL from TD to base of Salt.
GR-CNL-CAL from base of Salt to surface.

C) CONVENTIONAL CORING

None anticipated.

D) CEMENT

<u>INTERVAL</u>	<u>AMOUNT SXS</u>	<u>FT OF FILL</u>	<u>TYPE</u>	<u>GALS/SX</u>	<u>PPG</u>	<u>FT³/SX</u>
SURFACE:						
Lead 0 - 350' (100% excess)	170	400	Permian Basin Critical Zone + 1/2# Floccle	10.4	12.8	1.90
Tail 350-550' (100% excess)	233	300	Prem Plus + 2% CaCl ₂ + 1/2# Floccle	6.33	14.8	1.35

PRODUCTION: Circulate with Zone Seal Cement.

							<u>COMPRESSIVE</u>	
							<u>Nitrogen</u>	<u>Strength</u>
Base Slurry W/Nitrogen	745	4650	Premium Plus + 2% Zone Sealant 2000	6.32	9.1-14.5	2.3-1.39	300/600 scf/bbl	1200

E) DIRECTIONAL DRILLING

No directional services anticipated.

POINT 7: ANTICIPATED RESERVOIR CONDITIONS

Normal pressures are anticipated throughout Delaware section. A BHP of 3325 psi (max) or MWE of 8.7 ppg is expected. Lost circulation may exist in the Delaware Section from 3583-7350'. No H₂S is anticipated.

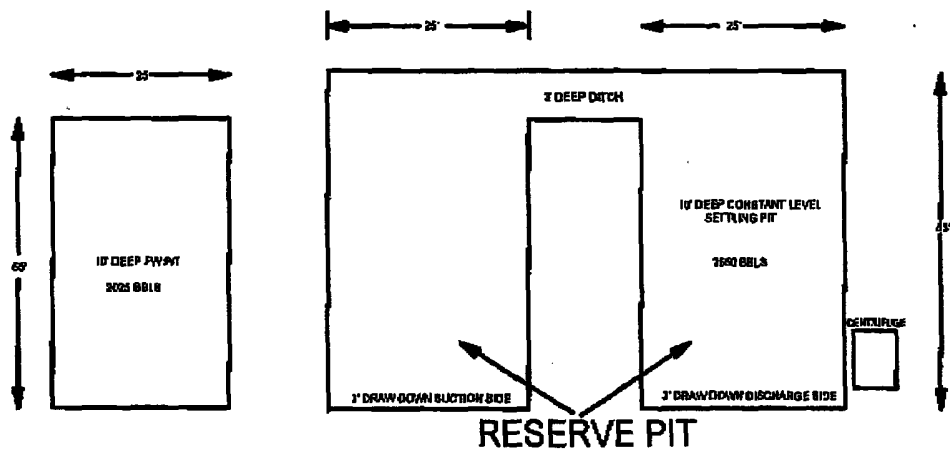
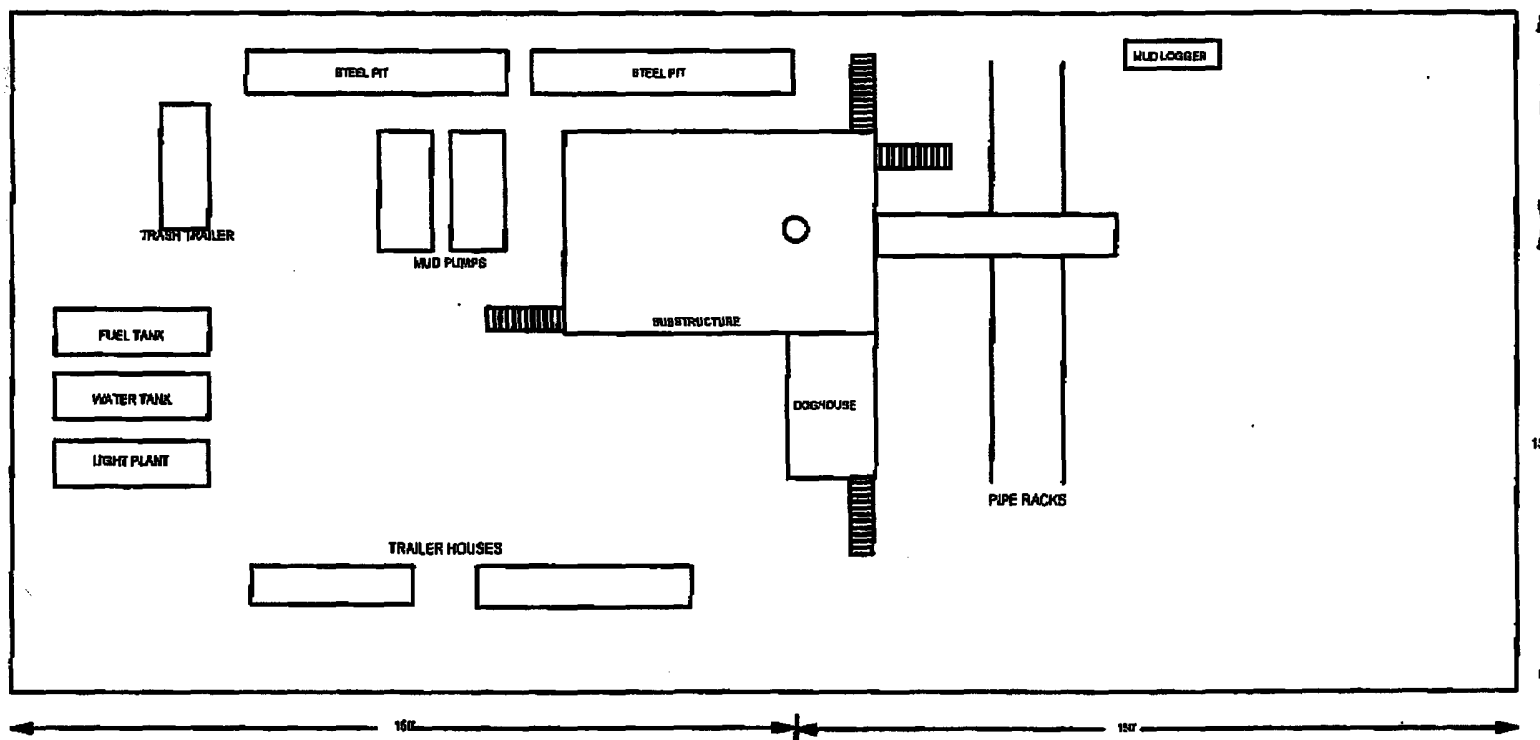


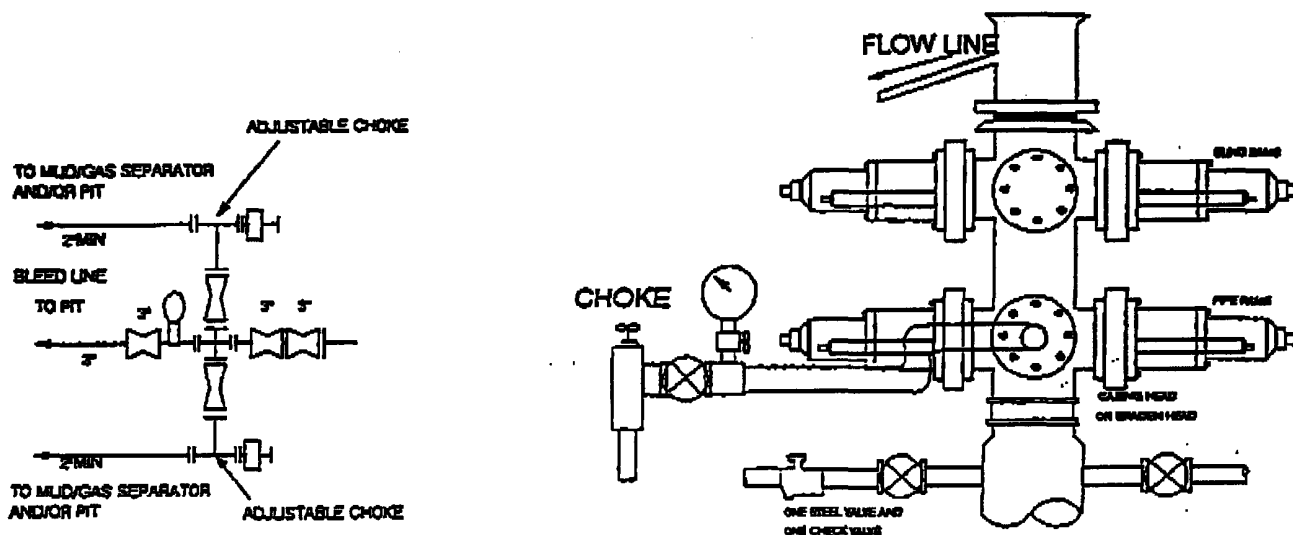
EXHIBIT "C"

NORTH

Lease Road



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.
- B. 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.
- D. 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.

DIAGRAM 1