

5/23/05 DATE IN	6/9/05 SUSPENSE	WVS ENGINEER	5/23/05 LOGGED IN	SWD 983 TYPE	APP NO. 5056131326
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



Poker Lake UNIT
#71A

ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☒ SWD ☐ IPI ☐ EOR ☐ PPR

- [D] Other: Specify _____

[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply

- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners
 [B] ☐ Offset Operators, Leaseholders or Surface Owner
 [C] ☐ Application is One Which Requires Published Legal Notice
 [D] ☐ Notification and/or Concurrent Approval by BLM or SLO
 U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
 [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or
 [F] ☐ Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

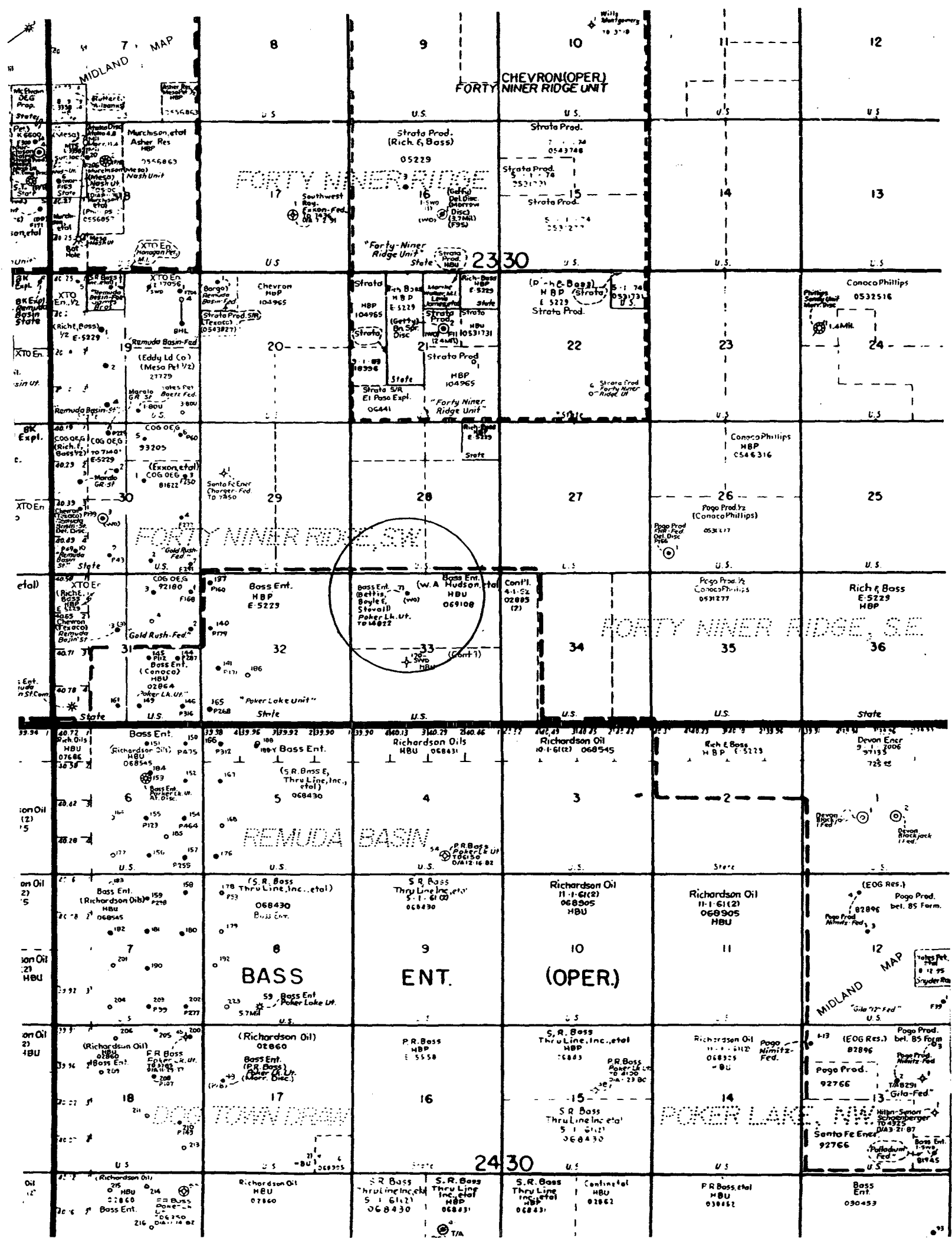
Print or Type Name	Signature	Title	Date
e-mail Address			

SWAB Test
Sent to Division
30-015-26084-0100
UNIT "C" 33/235/30E
4470'-7558'
interval
in
Delaware MTN GROUP
(894psi max)
5'00 3/89
7'2 1/8"
1 AOR well
1 Active
O.P.A.

MAY 23 2005

APPLICATION FOR AUTHORIZATION TO INJECT

- I. PURPOSE:** Secondary Recovery Pressure Maintenance X Disposal Storage
Application qualifies for administrative approval? X Yes No
- II. OPERATOR:** Bass Enterprises Production Co.
ADDRESS: P. O. Box 2760 Midland TX 79702
CONTACT PARTY: Cindi Goodman **PHONE:** (432)683-2277
- III. WELL DATA:** Complete the data required on the reverse side of this form for each well processed for injection.
Additional sheets may be attached if necessary.
- IV.** Is this an expansion of an existing project? Yes X No
If yes, give the Division order number authorizing the project _____
- V.** Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.
- VI.** Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.
- VII.** Attach data on the proposed operation, including:
1. Proposed average and maximum daily rate and volume of fluids to be injected;
 2. Whether the system is open or closed;
 3. Proposed average and maximum injection pressure;
 4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and
 5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).
- *VIII.** Attach appropriate geological data on the injection zone including appropriate lithologic detail, geological name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.
- IX.** Describe the proposed stimulation program, if any.
- *X.** Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted.)
- *XI.** Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.
- XII.** Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground source of drinking water.
- XIII.** Applicants must complete the 'Proof of Notice' section on the reverse side of this form.
- XIV. Certification:** I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.
- NAME:** Cindi Goodman **TITLE:** Production Clerk
SIGNATURE: Cindi Goodman **DATE:** 02/16/2005
E-MAIL ADDRESS: cdgoodman@basspet.com
- *** If the information required under Sections VI, VII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstance of the earlier submittal: _____



INFORMATION ON OFFSET INJECTION WELL:

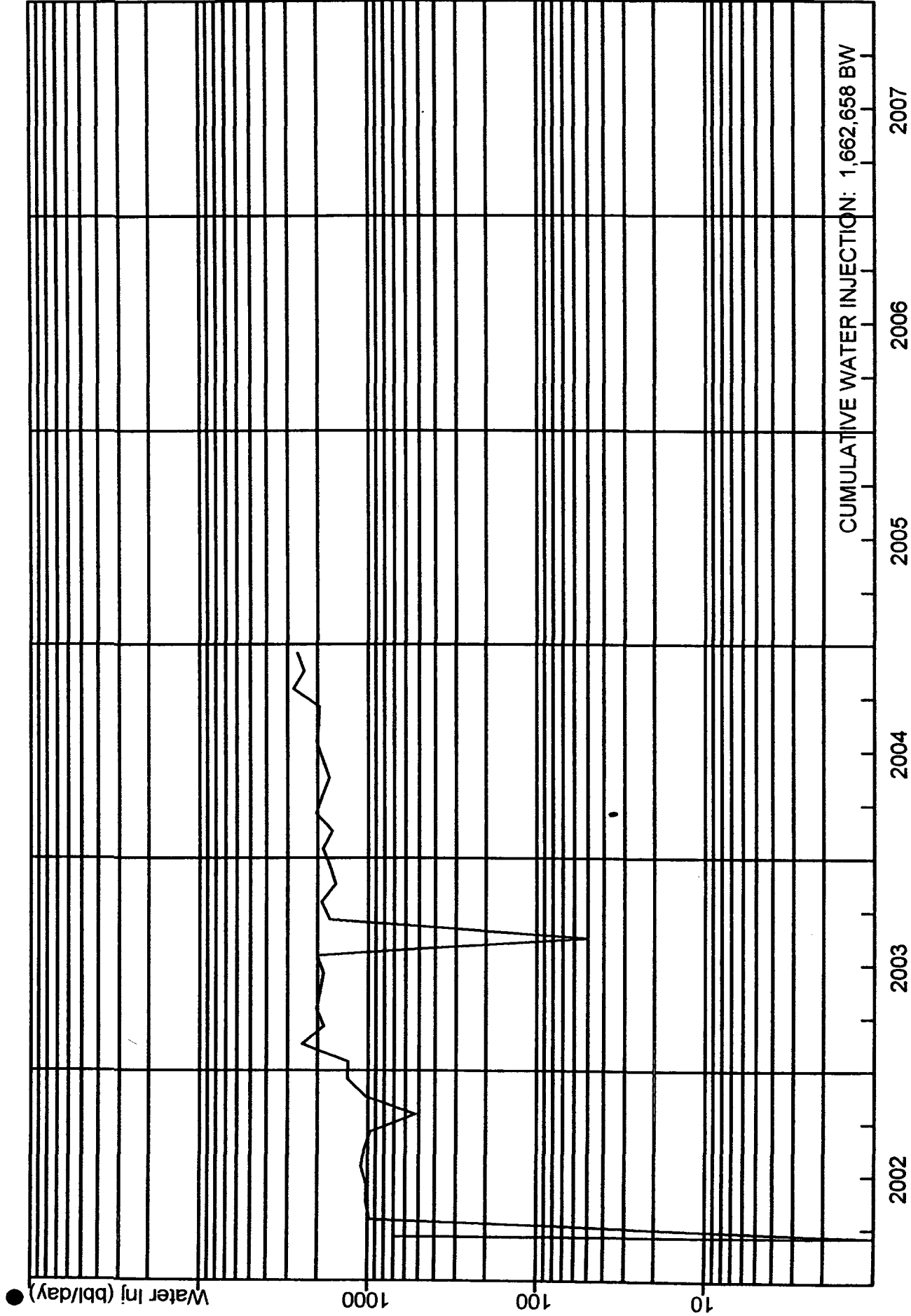
(requested by Mr. William V. Jones)

The Bass operated Poker Lake Unit #170 SWD (PLU #170) resides in the south half of the same section, section 33, as the proposed injection well, the Bass operated PLU #71A. The PLU #170 was originally permitted to dispose of produced waters into the Delaware from 4,227' to 6,760'. The PLU #170 began disposing of produced waters on March 12, 2002 injecting at the rate of approximately 700 BWPD. The disposal volumes handled by the PLU #170 steadily increased over the next 2.75 years to the current rate of approximately 2,800 BWPD. Cumulatively, the PLU #170 has disposed of 1.66 million barrels of produced waters. The wells surface injection pressure has risen, as have the volumes handled, to the permitted pressure of 846 psi where it has fluctuated for the last 3 months. It is very apparent that this well will not be able to handle both the current produced volumes as well as the expected volumes from our ongoing development program. It is for this reason that Bass requests authority to convert the PLU #71A to disposal as soon as possible.

Oper: BEPCO
County: EDDY
Major Phase: Oil



Case Name: 5000304/POKER LAKE UNIT/170/DEL
Field: NASH DRAW (DELAWARE)
Reservoir: DELAWARE



III. Well Data

A. 1) Lease name:

Poker Lake Unit

Well #:

#71-A

Section:

33C

Township:

23S

Range:

30E

Footage:

660' FNL & 1980' FWL

2) Casing Info.

Casing size	Set depth	Sacks cmt	Hole size	TOC	Method
20" 94#	618'	1,800	26"	Surface	Circ. w/ 1"
13-3/8" 68 & 72#	3,753'	3,000	17-1/2"	Surface	Circ. 400sx
5-1/2" 15.5 K-55 & 17# L80	7,880'	2,100	7-7/8"	3,212'	Temp. Surv.

3) Tubing to be used (size, lining material, setting depth):

2-7/8" 6.5# J-55 Seal tile PVC or similar @ 4440' if all proposed perforations are utilized.

4) Name, model, and depth of packer to be used:

Baker Lok-Set packer (plasti coated ID & nickel coated OD) @ 4440' if all proposed perforations are utilized.

B.

1) Name of the injection formation and, if applicable, the field or pool name:
Nash Draw (Delaware).

2) The injection interval and whether it is perforated or open hole:

The well is temporarily abandoned with a CIBP set at 7,300' & 37' of cement. Perforations exist below the CIBP at 7,335' to 40' & 7,550' to 58'. The plan will be to drill out the CIBP and perforate additional zones at 4470-6737' until sufficient capacity is achieved.

3) State if the well was drilled for injection or, if not, the original purpose of the well:

The captioned well was drilled as a producer. The well was perforated from 7,335-40' & 7550-58', fracture stimulated, and production tested at non-economic rates. Currently, Bass seeks to convert the well to disposal purposes.

4) Give the depths of any other perforated intervals and detail on the sacks of cement or BP's used to seal off such perforations:

The current perforation are from 7335-40' & 7550-58'. A CIBP is set at 7300' with 37' of cement.

5) Give the depth to and the name of the next higher and next lower oil or gas zone in the area of the well, if any:

T/Wolfcamp: -7545, T/Atoka: -9830, T/Morrow Lime: -10440.

C-108 DATA

- VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.

Well Name	No.	API	Operator	Type	Location	Surface Casing	Intermediate Casing	Production Casing	Tubing	Spud Date	Comp Date	TD	Perforations	Stimulation
Poker Lake Unit	71A	300152608401	BEPCO	Producer	660' FWL & 1980'	20" @ 605' c/1850sx & 13-3/8" @ 3740', c/2500sx, 1"		5-1/2" @ 7880', c/2100sx	2-7/8" @ 7116'	7/10/2001	8/17/2001	7880'	7335'-40'	65,000g & 277,000# sand
Poker Lake Unit	170	300153174400	BEPCO	SWD	2180' FSL & 1980'	8-5/8" @ 788' C/331sx		5-1/2" @ 7890' c/1715 sx	4115'	7/30/2001	4/12/2002	7890'	4440-6760'	7th stimulation for gross interval perforated: 12500 gals 15% NEEF HCl w/additives

- VII. Attach data on the proposed operation, including:

- Proposed average and maximum daily rate and volume of fluids to be injected: 3,000 BWPD
Whether the system is open or closed: closed
- Proposed average and maximum injection pressure: 800psi average, 1500psi maximum
- Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water—water will be produced from same field & reservoir, the Nash Draw (Delaware)
- If injection is for disposal purposes into a zone not productive of oil & gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water: n/a

- VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with TDS of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval:
- Lithologic Detail: Sand, Shale, Lime Sequences
- Geological Name: Delaware Mountain Group
- Thickness: 3902'
- Depth: 3734-7718'
- The Rustler Formation is a known source of fresh water throughout this geographic area. Average depth of Rustler is 200'-400'. No sources of fresh water are known to exist below the proposed disposal zone.

- IX. Describe the proposed stimulation program, if any:

Each of the zones will be perforated and acidized with approximately 50 gallons 7-1/2% NEEF HCl per foot.

- X. Attach appropriate logging and test data on the well (if well logs have been filed with the Division, they need not be resubmitted). Logs previously submitted.

- XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.
No known fresh water wells within one mile of proposed well.

- XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrology connection between the disposal zone and any underground sources of drinking water.
Applicant hereby affirms that he has examined the available geologic and engineering data and finds no evidence of open faults, or other hydrologic connection between the disposal zone and any underground source of drinking water.

PRECISION PRESSURE DATA, INC.

TEMPERATURE SURVEY REPORT

Company BASS ENTERPRISES Lease POKER LAKE UNIT Well # 71A
Field _____ County EDDY State NEW MEXICO
Survey Date 7/29/01 Time 07:00 Company Rep. STAN ATNIPP

Top of Cement 3212

Total Depth

5790 =

D.V. TOOL
DEPTH

Zero @

G. L.

Plug Down @

7/28/01 @ 14:00 +/-

Casing Size

5.5

Hole Size

7.875

Sacks of Cement

1350

Ran By

P. B.

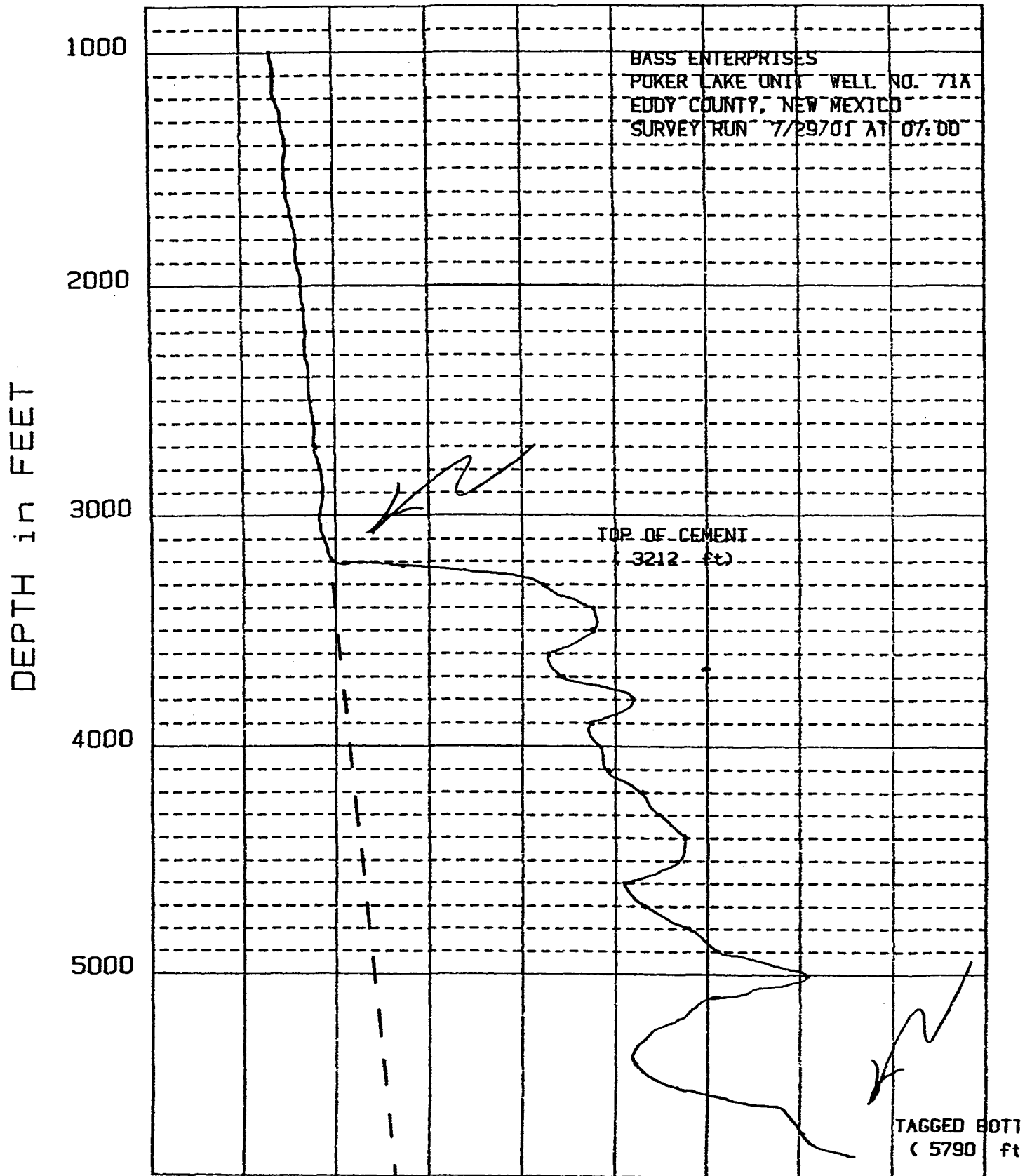
Calculated By

J. B.

TEMPERATURE SURVEY REPORT

TEMPERATURE in DEGREES F

70 80 90 100 110 120 130 140 150 160



LEASE: PO...R LAKE UNIT WELL #: 71-A
 FIELD: NASH DRAW
 LOCATION: SL: 660' FNL & 1980' FWL, SEC 33, T23S, R30E
BHL: 710' FNL & 2030' FWL, SEC 33, T23S, R30E
 COUNTY: EDDY ST: NM API: 30-015-26084

SURFACE CASING

SIZE: 20"
 WT: 94#
 SET @: 618'
 SX CMT: 1650
 CIRC: YES
 TOC: SURF
 HOLE SIZE: 26" O-618'

INTERMEDIATE CASING

SIZE: 13-3/8"
 WT: 68 & 72#
 SET @: 3753'
 SX CMT: 3000
 CIRC: YES
 TOC: SURF
 HOLE SIZE: 17-1/2" 618-3753'

PRODUCTION CASING

SIZE: 9-5/8" 0-6213' POH 6/6/90
 WT: 47 & 53# 6209
 SET @: 11,145' 6390
 SX CMT: 2100
 CIRC: NO
 TOC: NO
 HOLE SIZE: 12-1/4" 3753-11,145'

LINER

SIZE: 5-1/2"
 WT: 23#
 SET @: 14,822'
 SX CMT: 300
 CIRC: NO
 TOC: 10,952'
 HOLE SIZE: 8-1/2" 11,145-14,822'

SIDE TRACK

SIZE: 5-1/2"
 WT: 15.5 & 17#
 SET @: 7880'
 SX CMT: 1100
 CIRC: NO
 TOC: 3212' (TS)
 HOLE SIZE: 7-7/8" 5998-7880'

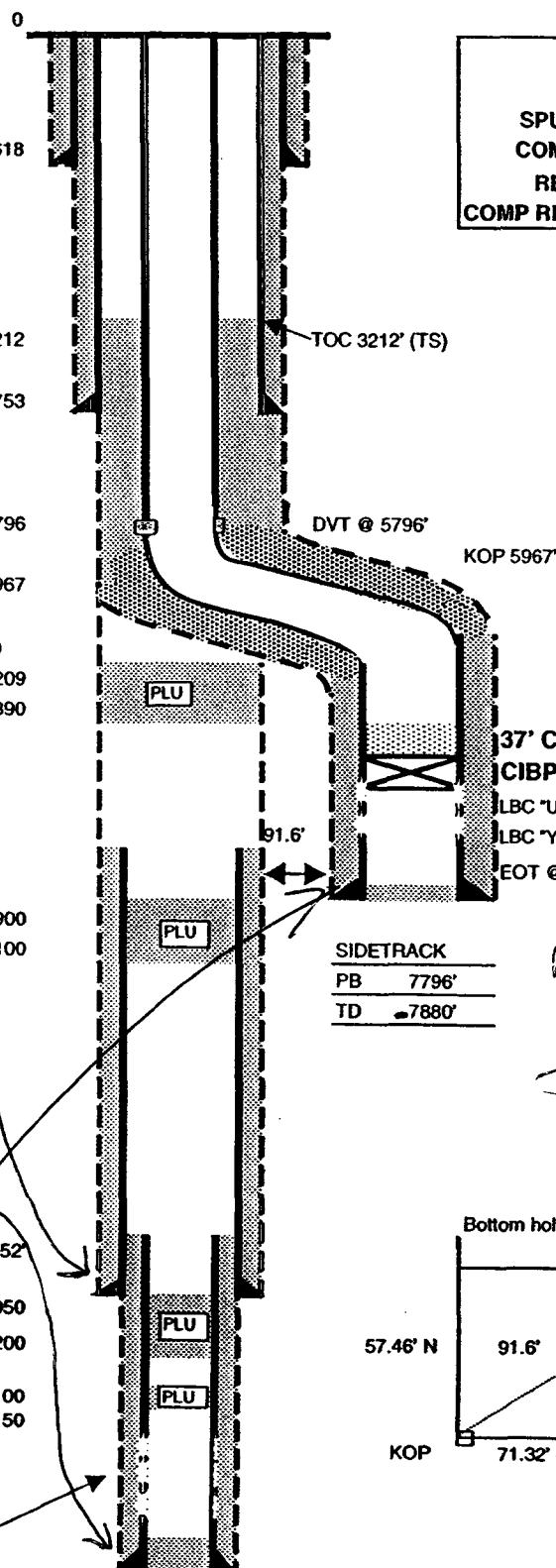
PERFS 13202-14266'

13202-206, NO TREAT

13317-332, A/3kg Mod 202

14,516-522, 471-500', 341-359', no treat

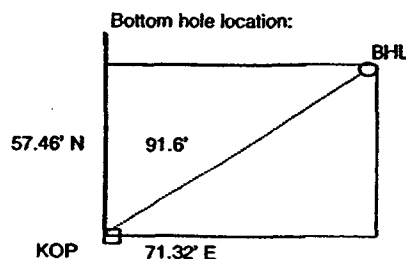
14,226', A/18.6 kg 7-1/2"



KB: 3364'
 GL: 3349'
 SPUD DATE: 3/25/1989
 COMP DATE: 05/90 P&A
 RE-ENTRY: 7/10/2001
 COMP RE-ENTRY: 7/22/2001

SIDETRACK
 PB 7796'
 TD 7880'

NOT a directional
 well
 Just Side Track



VERTICAL
 PBD: 14,779'
 TD: 14,822'

Updated: _____
 Author: KRA
 Engr: MLL

LEASE: **POKER LAKE UN** WELL #: **71-A S** -TRACK
 FIELD: **NASH DRAW**
 LOCATION: SL: 660' FNL & 1980' FWL, SEC 33, T23S, R30E
 BHL: 710' FNL & 2030' FWL, SEC 33, T23S, R30E
 COUNTY: **EDDY** ST NM API: 30-015-26084

**** PROPOSED ****

KB: 3364'
 GL: 3349'
 SPUD DATE: 3/25/1989
 COMP DATE: 05/90 P&A
 RE-ENTRY: 7/10/2001
 COMP RE-ENTRY: 7/22/2001

SURFACE CASING

SIZE: 20"
 WT: 94#
 SET @: 618'
 SX CMT: 1650
 CIRC: YES
 TOC: SURF
 HOLE SIZE: 26" 0-618'

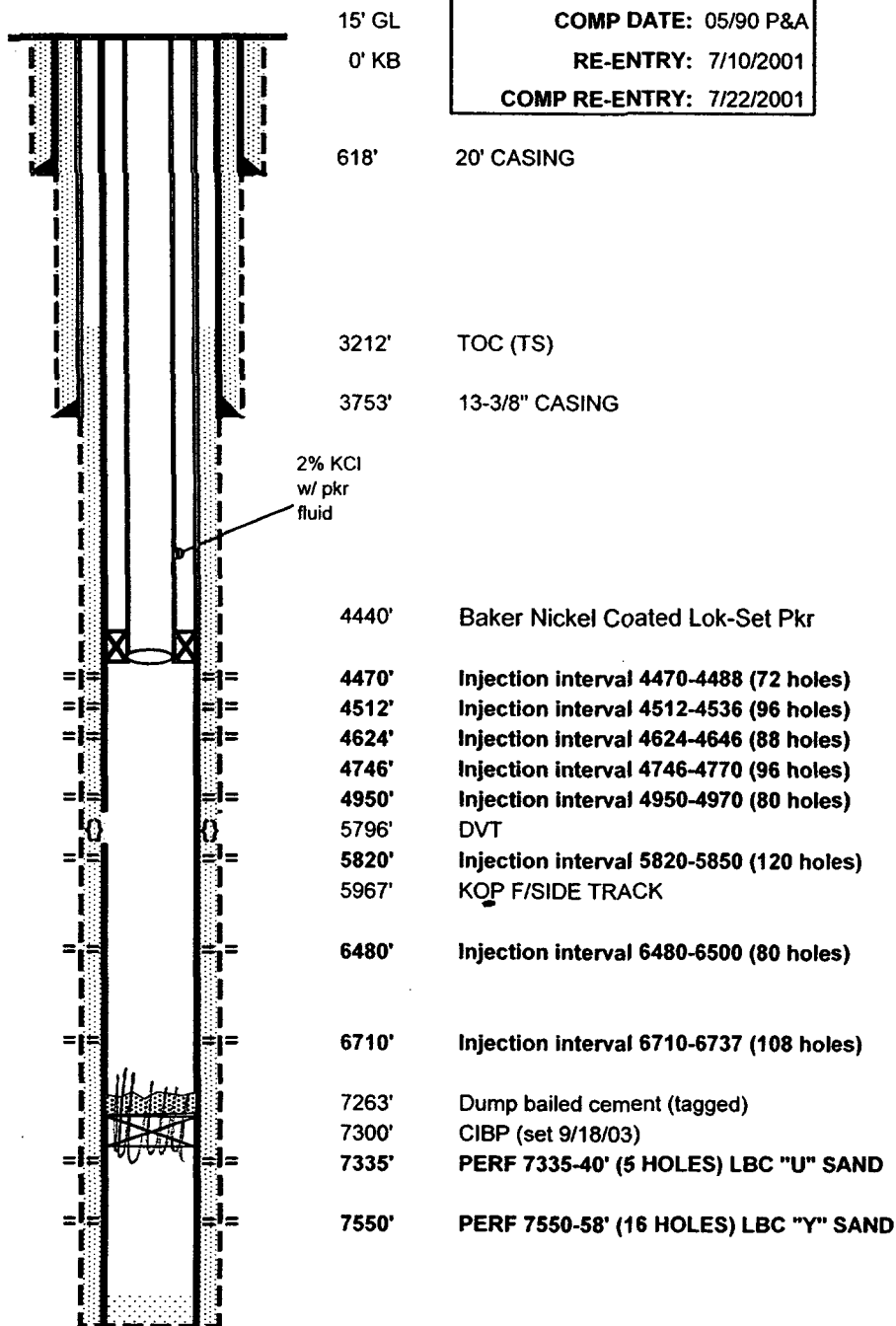
INTERMEDIATE CASING

SIZE: 13-3/8"
 WT: 68#
 WT: 72#
 SET @: 3753'
 SX CMT: 3000
 CIRC: YES
 TOC: SURF
 HOLE SIZE: 17-1/2" 618-3753'

PRODUCTION CASING

SIDE TRACK

SIZE: 5-1/2"
 WT: 15.5#
 WT: 17#
 SET @: 7880'
 SX CMT: 1100
 CIRC: NO
 TOC: 3212' TS
 HOLE SIZE: 7-7/8" 5998-7880'



SIDETRACK
 PBTD: 7300'
 TD: 7880'

Updated: 4/13/2004
 Author: KRA
 Engr: MLL

EDDY COUNTY, NEW MEXICO – NASH DRAW (DELAWARE) FIELD
POKER LAKE UNIT #71A – API #30-015-26084

BASS ENTERPRISES PRODUCTION COMPANY
CASING AND CEMENTING REPORT

WELL POKER LAKE UNIT #71A DATE: 7/28/01

DRILLER TD: 7880' LOG TD: 7882' HOLESIZE: 12-1/4" 17-7/8" T.O.L.: —

SHOE: 7880' FC: 7789' DOM/SHORT JT.: 6355' DV TOOL: 5790'

RKB ELEV: 3362.7' GROUND ELEV: 3349.3' RKB TO BHF: 13.4' RKB TO FIRST CASING COLLAR 33.31'

GOVERNMENT NOTIFICATIONS (WHOM & WHEN): Stan Atnipp notified Duncan w/BLM @ 2:00 AM on 7/27/01.

CASING STRING DESCRIPTION

JOINTS	FOOTAGE	SIZE-WEIGHT-GRADE-THREAD	INTERVAL	
36	1524	5-1/2", 17#, L80, LTC	6356'	7880'
147	6366	5-1/2", 15.5#, K55, LTC	13.00'	6356'

CENTRALIZERS: NO. 14 TYPE: Bow Spring DEPTHS: 6967', 6882', 6794', 6710', 6623', 6052', 5965', 5879', 5792', 5780', 5746', 5700', 5660', 5530'

TURBO-CENTRALIZERS: NO. 58 TYPE: Latch 'B' DEPTHS: 2 per ft 1/7050-7880 & 6222-6550'

SCRATCHERS: NO. — TYPE — DEPTHS —

SEAL UNITS: NO. 3 TYPE Slip-on 275E DEPTHS: 6976', 7061', 7202'

STAGE NO. 1 CEMENT DESCRIPTION CEMENT COMPANY: BJ Services

	SACKS/ BBLs	DESCRIPTION	WEIGHT (ppg)	YIELD (cf/sx)	INTERVAL COVERED USING 20% EXCESS FROM HOLE SIZE CALIPER	
PREFLUSH	50 bbls	FW	8.4			
LEAD	12 sx	Surebond				
	50 bbls	FW	8.4			
TAIL	650 sx	Class C Modified + 0.4% FL25 + 0.4% FL 52 + 0.2% CD32 + 2% salt	14.0	1.35		7880'

CEMENT TEST DATA:

LEAD SLURRY

TAIL SLURRY

	PUMP TIME	FLUID LOSS (ccs)	COMP. STRENGTH		PUMP TIME	FLUID LOSS (ccs)	COMP. STRENGTH	
			12 HOUR	24 HOUR			12 HOUR	24 HOUR
PILOT TEST	4:01	112	811	1655				
FIELD BLEND	4:29	104	320	1208				

PIPE MOVEMENT (RECIP/ROT) None

NUMBER OF PLUGS: 1 DISPLACEMENT FLUID: VOL 124.5 bbls TYPE FW Mud CIRC RATE 6 BPM

CIRCULATING PRESSURE BEFORE CEMENTING 400 psi FINAL CIRCULATING PRESSURE 520 psi DID PLUG BUMP? Yes

FINAL PRESSURE ON PLUG 1500 psi @ 7:30 (am/pm) on 7/22/01 (date) FLOATS HELD? Yes

RETURNS WHILE CEMENTING Full

CEMENT RETURNS TO SURFACE/DVT: — BBLs 90 SACKS ESTIMATED T.O.C. IN ANNULUS 5790'

STAGE NO. 2 CEMENT DESCRIPTION CEMENT COMPANY: BJ Services

	SACKS/ BBLs	DESCRIPTION	WEIGHT (ppg)	YIELD (cf/sx)	INTERVAL COVERED USING 25% EXCESS FROM HOLE SIZE CALIPER	
PREFLUSH	50 bbls	FW				
LEAD	1350 sx	50/50 Poz C + 10% gel + 5% salt + 1/4# celloflake	12.1	2.24	3450'	5700'
TAIL	100 sx	Class C	14.8	1.32	5700'	5790'

EDDY COUNTY, NEW MEXICO – NASH DRAW (DELAWARE) FIELD
POKER LAKE UNIT #71A – API #30-015-26084

CEMENT TEST DATA:

LEAD SLURRY

TAIL SLURRY

	PUMP TIME	FLUID LOSS (ccs)	COMP. STRENGTH		PUMP TIME	FLUID LOSS (ccs)	COMP. STRENGTH	
			12 HOUR	24 HOUR			12 HOUR	24 HOUR
PILOT TEST	4:22	917	263	324	2:47		2050	2508
FIELD BLEND	4:17		163	309	2:36		1463	2550

NUMBER OF PLUGS: 1 DISPLACEMENT FLUID: VOL 138.2 bbls TYPE FW CIRC. RATE 2 BPM

CIRCULATING PRESSURE BEFORE CEMENTING 0 psi FINAL CIRCULATING PRESSURE 930 psi DID PLUG BUMP? Yes

FINAL PRESSURE ON PLUG 3050 psi @ 3:30 (am/pm) on 7/28/01 (date) FLOATS HELD? Yes

RETURNS WHILE CEMENTING: Full

CEMENT RETURNS TO SURFACE/DVT: None BBLS SACKS ESTIMATED T.O.C. IN ANNULUS 3450'

07-30-01 Ran temperature survey & found TOC @ 3212'

DROP FROM REPORT PENDING COMPLETION OPERATIONS.

CUMULATIVES: WATER COST \$12,465

MUD COST \$ 6,849

	DAILY	CUMULATIVE
DRILLING COST	\$ 0	\$ 307,949
EVALUATION COST	\$ 0	\$ 25,881
COMPLETION COST	\$ 750	\$ 132,906
FACILITIES COST	\$ 0	\$ 0
TOTAL COST	\$ 750	\$ 466,736

BASS ENTERPRISES PRODUCTION CO.

201 MAIN ST.

FORT WORTH, TEXAS 76102-3131

817/390-8400

January 10, 2005

FEDERAL EXPRESS

Mosaic Potash Carlsbad Inc.
1361 Potash Mines Road
Carlsbad, New Mexico 88220

Attn: Mr. Dan Morehouse

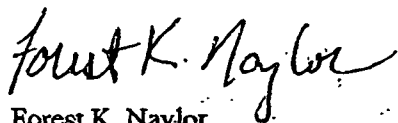
Re: Proposed Well in Poker Lake Unit
Poker Lake 71A
Eddy County, New Mexico

Dear Mr. Morehouse:

Bass Enterprises Production Co. (BEP Co.) intends to convert the above-referenced well within the Poker Lake Unit area in Eddy County, New Mexico, to a saltwater disposal well. The above-mentioned well is located at 660' FNL and 1980' FWL, Section 33, T23S-R30E.

--- Bass hereby requests a waiver of any objections Mosaic Potash may have for the conversion of the Poker Lake 71A well. In the event Mosaic Potash is agreeable to providing such waiver, please sign in the space provided and return one (1) executed original to the undersigned at your earliest convenience. Thank you very much and should you have any questions or comments or require additional information, please don't hesitate to contact the undersigned at (817) 339-7214.

Sincerely,
BASS ENTERPRISES PRODUCTION CO.



Forest K. Naylor

FKN:mc

AGREED and ACCEPTED this 24TH day of JANUARY, 2005.

MOSAIC POTASH CARLSBAD INC.

By: Title: MINE ENGINEERING Supt.

BASS ENTERPRISES PRODUCTION CO.

201 MAIN ST.

FORT WORTH, TEXAS 76102-3131

817/390-8400

January 31, 2005

FEDERAL EXPRESS

New Mexico Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505


Attention: Mr. Will Jones

Re: Surface Ownership
Poker Lake No. 71-A
Section 33, T23S-R30E
NE/4 NW/4
Eddy County, New Mexico

Gentlemen:

Please reference Bass' application to convert the referenced well to a salt water disposal well. You have requested information concerning the ownership of surface rights at the well. Please be advised that public records show that the owner of the surface rights in all of Section 33 is the Bureau of Land Management – Department of Interior. Thank you very much and should you have any questions regarding this information, please don't hesitate to contact the undersigned at (817)390-8671.

Very truly yours,


J. Wayne Bailey

JWB:laj

cc: Kent Adams – Midland Office ✓

Affidavit of Publication

State of New Mexico,
County of Eddy, ss.

Dawn Higgins, being first duly sworn, on oath says:

That she is Business Manager of the Carlsbad Current-Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

November 19	2004
November 26	2004
December 3	2004
	2004

That the cost of publication is \$ 121.55
and that payment thereof has been made and will be
assessed as court costs.

Dawn Higgins

Subscribed and sworn to before me this

6 day of December, 2004

Stephanie Olson

My commission expires 12-13-05
Notary Public

November 19, 26,
December 3, 2004

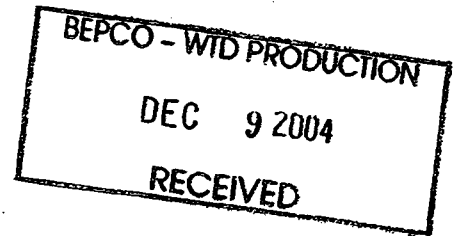
NOTICE OF APPLICATION FOR SALT WATER DISPOSAL WELL PERMIT

Boss Enterprises Production Company has applied to the New Mexico Oil Conservation Division for a permit to dispose of produced salt water or other oil and gas waste into a porous formation productive of oil or gas.

The applicant proposes to dispose of produced water or other oil and gas waste into the Poker Lake Unit #71A (Delaware Formation). The proposed disposal well is located 35 miles southeast of Carlsbad, New Mexico in Section 33, T23S, R30E, Eddy County, New Mexico. The produced salt water will be disposed at a subsurface depth of 3734'-7718'.

Any questions concerning this application should be directed to John Smitherman, Division Production Manager, Boss Enterprises Production Co., P.O. Box 2760, Midland, Texas 79702-2760, (432) 683-2277.

Interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis, Santa Fe, New Mexico 87505 within 15 days.



ing internal
4470'-7558'

Delaware MTN GROUP
EXTENT

BASS ENTERPRISES PRODUCTION CO.
6 DESTA DRIVE, SUITE 3700 (79705)
P. O. BOX 2760
MIDLAND, TEXAS 79702

FAX (432) 687-0329

February 16, 2005

(432) 683-2277

Re: Notice of Application for
Authorization to Convert to SWD
Poker Lake Unit #71A
Eddy County, New Mexico
File: 100-WF: PLU71A.C108

Bureau of Land Management
Department of Interior
620 E. Greene Street
Carlsbad, New Mexico 88220-6292
Attn: Mr. Craig Cranston

Gentlemen:

Enclosed please find Bass Enterprises Production Co.'s Application for Authorization to Convert for disposal purposes only into the Poker Lake Unit #71A, located in Section 33, T23S, R30E, Eddy County, New Mexico.

If additional information is required, please contact Kent Adams at the letterhead address.

Sincerely,



John Smitherman
Division Production Manager

KAA:cdg
Attachment

BASS ENTERPRISES PRODUCTION CO.

6 DESTA DRIVE, SUITE 3700 (79705)

P. O. BOX 2760

MIDLAND, TEXAS 79702

FAX (432) 687-0329

July 28, 2004

(432) 683-2277

Re: Notice of Application for
Authorization to Convert to SWD
Poker Lake Unit #71A
Eddy County, New Mexico
File: 100-WF: PLU#71A.C108

Lori Wrotenberry
Oil Conservation Division
2040 Pacheco Street
Santa Fe, New Mexico 87505

Dear Ms. Wrotenberry:

Enclosed please find Bass Enterprises Production Co.'s Application for Authorization to Convert for disposal purposes only into the Poker Lake Unit #71A, located in Section 33, T23S-R30E, Eddy County, New Mexico.

If additional information is required, please contact Kent Adams at the letterhead address.

Sincerely,



John R. Smitherman
Division Production Manager

by
KAA

JRS:cdg
Attachment

BASS ENTERPRISES PRODUCTION CO.
6 DESTA DRIVE, SUITE 3700 (79705)
P. O. BOX 2760
MIDLAND, TEXAS 79702

FAX (432) 687-0329

July 28, 2004

(432) 683-2277

Re: Notice of Application for
Authorization to Convert to SWD
Poker Lake Unit #71A
Eddy County, New Mexico
File: 100-WF: PLU#71A.C108

RBM - Co
2201 N. Palm Street
Little Rock, Arkansas 72207

Gentlemen:

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If additional information is required, please contact Kent Adams at the letterhead address.

Sincerely,



John R. Smitherman
Division Production Manager

by


JRS:cdg
Attachment

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6 DESTA DRIVE, SUITE 3700 (79705)
P. O. BOX 2760
MIDLAND, TEXAS 79702

FAX (432) 687-0329

July 28, 2004

(432) 683-2277

Re: Notice of Application for
Authorization to Convert to SWD
Poker Lake Unit #71A
Eddy County, New Mexico
File: 100-WF: PLU#71A.C108

Turnco, Inc
P.O. Box 1240
Graham, Texas 76450

Gentlemen:

Enclosed please find Bass Enterprises Production Co.'s Application for Authorization to Convert for disposal purposes only into the Poker Lake Unit #71A, located in Section 33, T23S-R30E, Eddy County, New Mexico.

If additional information is required, please contact Kent Adams at the letterhead address.

Sincerely,



John R. Smitherman
Division Production Manager

by
KAY

JRS:cdg
Attachment

Jones, William V

From: CINDI D. GOODMAN [cdgoodman@basspet.com]
Sent: Thursday, December 09, 2004 1:03 PM
To: Jones, William V
Subject: RE: Poker Lake Unit #71A

Hi Will,
I have just received the Affidavit of Publication on this well, I will be mailing it to you, along with well bore diagrams. W.L. Mobley is the only surface owner, which was notified by letter that was included in original application. The only operator within a 1/2 mile is Bass. The other SWD well is maxed out on pressure, and we do not have a Hall Plot on this well.
If there is anything else you need please contact me.
Thanks
Cindi Goodman

At 06:50 PM 11/30/2004 -0700, you wrote:

Cindi:
I am working on this permit application and can't find a copy of the corrected newspaper notice. Could you please send it along with a written answer to the other questions below? You can email the reply or mail or fax. See our web site for all contact information.

I apologize if you have already sent this stuff.

Regards,

Will Jones

-----Original Message-----

From: Jones, William V
Sent: Wednesday, October 13, 2004 4:39 PM
To: 'cdgoodman@basspet.com'
Cc: Ezeanyim, Richard
Subject: Poker Lake Unit #71A

Hello Cindi:

I am processing your SWD application and have some questions and requests. Our contact info including fax number is on the OCD web site.

- 1) Please re-run your newspaper notice with the correct NMOCD address. Send me evidence the new newspaper notice was run and the date it was run.
- 2) Please do a "before conversion" well bore diagram and send it to me.
- 3) What is the bottom hole location? Is it the same as the surface location? (This well is sidetracked)

12/9/2004

Jones, William V

From: CINDI D. GOODMAN [cdgoodman@basspet.com]
Sent: Wednesday, December 01, 2004 7:03 AM
To: Jones, William V
Subject: RE: Poker Lake Unit #71A

432-683-2271

Will, I have not sent this stuff to you yet, I am waiting on the newspaper notice, it takes 3-weeks, that newspaper only publishes once a week. As soon as I get it back I'll send it to you along with the answers on your questions.

Thanks
 Cindi

Received 12/13/04
 newspaper published 11/19/04
 12/13/04

At 06:50 PM 11/30/2004 -0700, you wrote:

Cindi:

I am working on this permit application and can't find a copy of the corrected newspaper notice. Could you please send it along with a written answer to the other questions below? You can email the reply or mail or fax. See our web site for all contact information.

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Regards,

Will Jones

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Cc: Ezeanyim, Richard
Subject: Poker Lake Unit #71A

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- 1) Please re-run your newspaper notice with the correct NMOCD address. Send me evidence the new newspaper notice was run and the date it was run.
- 2) Please do a "before conversion" well bore diagram and send it to me.
- 3) What is the bottom hole location? Is it the same as the surface location? (This well is sidetracked)
- 4) Send a list showing the surface owner and all operators within 1/2 mile.
- 5) There is another SWD well nearby in the same zone you are proposing for this well. Tell me

12/2/2004

Affidavit of Publication

State of New Mexico,
County of Eddy, ss.

Dawn Higgins, being first duly sworn, on oath says:

That she is Business Manager of the Carlsbad Current-Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

<u>November 19</u>	<u>2004</u>
<u>November 26</u>	<u>2004</u>
<u>December 3</u>	<u>2004</u>
	<u>2004</u>

That the cost of publication is \$ 121.55
and that payment thereof has been made and will be
assessed as court costs.

Dawn Higgins

Subscribed and sworn to before me this

6 day of December, 2004
Stephanie Olson

My commission expires 12-13-05
Notary Public

November 19, 26,
December 3, 2004

NOTICE OF APPLICATION FOR SALT WATER DISPOSAL WELL PERMIT

Bass Enterprises Production Company has applied to the New Mexico Oil Conservation Division for a permit to dispose of produced salt water or other oil and gas waste into a porous formation productive of oil or gas.

The applicant proposes to dispose of produced water or other oil and gas waste into the Poker Lake Unit #71A (Delaware Formation). The proposed disposal well is located 35 miles southeast of Carlsbad, New Mexico in Section 33, T23S, R30E, Eddy County, New Mexico. The produced salt water will be disposed at a subsurface depth of 3734'-7718'.

Any questions concerning this application should be directed to John Smitherman, Division Production Manager, Bass Enterprises Production Co., P.O. Box 2760, Midland, Texas 79702-2760, (432) 683-2277.

Interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis, Santa Fe, New Mexico 87505 within 15 days.

BEPCO - WID PRODUCTION

DEC 9 2004

RECEIVED

2004 DEC 13 PM 12 20

BASS ENTERPRISES PRODUCTION CO.

201 MAIN ST.

FORT WORTH, TEXAS 76102-3131

817/390-8400

2005 FEB 1 AM 10 01

January 31, 2005

FEDERAL EXPRESS

New Mexico Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

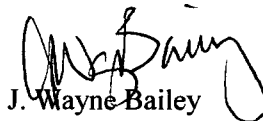
Attention: Mr. Will Jones

Re: Surface Ownership
Poker Lake No. 71-A
Section 33, T23S-R30E
NE/4 NW/4
Eddy County, New Mexico

Gentlemen:

Please reference Bass' application to convert the referenced well to a salt water disposal well. You have requested information concerning the ownership of surface rights at the well. Please be advised that public records show that the owner of the surface rights in all of Section 33 is the Bureau of Land Management – Department of Interior. Thank you very much and should you have any questions regarding this information, please don't hesitate to contact the undersigned at (817)390-8671.

Very truly yours,


J. Wayne Bailey

JWB:laj

cc: Kent Adams – Midland Office

COMPLETE THIS SECTION ON DELIVERY	
A. Received by (Please Print Clearly)	B. Date of Delivery
L. NELSON	2-23-05
C. Signature	<input type="checkbox"/> Agent <input type="checkbox"/> Addressee
<i>[Signature]</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No
D. Is delivery address different from item 12? If YES, enter delivery address below:	
7160 3901 9842 7739 3250	
3. Service Type CERTIFIED MAIL	
4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	
1. Article Addressed to:	
OIL CONSERVATION DIVISION 1301 W GRAND AVENUE ARTESIA, NEW MEXICO 88210 ATTN: MR. WILL JONES	
PS Form 3811, January 2003	Domestic Return Receipt <i>CDG</i>

0522 6622 2496 1066 0912	US Postal Service	Postage	\$	Postmark Here
	Certified Mail Receipt	Certified Fee		
		Return Receipt Fee (Endorsement Required)		
		Restricted Delivery Fee (Endorsement Required)		
		Total Postage & Fees	\$	
	Domestic Mail Only No Insurance Coverage Provided	Sent To:		
OIL CONSERVATION DIVISION 1301 W GRAND AVENUE ARTESIA, NEW MEXICO 88210 ATTN: MR. WILL JONES				
PS Form 3800, January 2003		US Postal Service	Certified Mail Receipt <i>PLU #71A</i> <i>Application to</i> <i>Inject</i> <i>2/21/05</i>	

2

Original Application Sent
to Artesia, 2/21/05.

Jones, William V

From: Jones, William V
Sent: Tuesday, February 08, 2005 10:30 AM
To: 'cdgoodman@basspet.com'
Cc: Ezeanyim, Richard; Arrant, Bryan
Subject: RE: Poker Lake Unit #71A SWD Application

Hello Cindi:

I just got a letter from your Fort Worth office saying that the surface here is owned by the BLM. This is contrary to your previous email that W.L. Mobley is the surface owner. My supervisor reminded me again of our 30 day deadline for processing admin permits. Due to the long delay in getting all the necessary information for this permit, I am canceling it from our system.

If Bass is still interested in pursuing this SWD permit, then send in another application. The easiest way would be to copy the one you sent earlier, but also correct any errors and send in the answers to concerns expressed by myself and by Mr.. Bryan Arrant in Artesia.

The information to correct (that I can now remember) is the following:

- 1) How was the 3,450 top of cement determined? Send a copy of the bond log or temperature survey along with the application, and also send this to the Artesia office, since they do not have a copy.
- 2) Notice the BLM as the correct surface owner and specifically notice Mr.. Craig Cranston as BLM manager of the BLM Potash area.
- 3) If there is a potash lease under this well site, obtain a waiver from that Potash Leaseholder and send this waiver with the application.
- 4) Use the existing newspaper notice.
- 5) Send a 1/2 mile radius drawn on a current Midland Map of sufficient size that all owners and well details are apparent.
- 6) For the 1/2 mile notice requirement: Use previous notices to offsets as adequate, unless these are not accurate or complete. Remember, if there is unleased acreage, the mineral owner(s) must be notified. If there are multiple working interest owners with no "operator" then all these working interest owners must be notified. Remember all notices should include a complete application.
- 7) Have your engineers look at your offset injection well and include with the application a written paragraph on the history and current status of this well. How it was originally permitted, what depths and formations were permitted, how many years has it been used as an injector, how many total barrels of water were injected? What is the current injection rate and pressure? If it is now pressured up, how long has this been the case?
- 8) Send the original to Santa Fe and a copy of the complete application to the Artesia district office of the Division, attention Bryan Arrant.

I believe, if you answer these questions along with your new application, we can get it addressed very quickly.

Regards,

2/8/2005

Jones, William V

From: Arrant, Bryan
Sent: Monday, December 20, 2004 10:50 AM
To: Jones, William V
Cc: Gum, Tim; Sanchez, Daniel; 'Craig_Cranston@nm.blm.gov'
Subject: RE: Poker Lake #71 30-015-26084-01-00

Will,

This well is located on Federal lands and minerals. As you know, the production string of casing was 2 staged and the TOC was reported to be @ 3450'.

Craig Cranston is the contact person that reviews APDs in the Potash area whenever it is located on Federal minerals and he is the person whom most likely approved the casing requirements etc. for this location.

I tried to get a hold of Craig and he was not in his office. 505-887-6544

According to my map this area is just outside of the "Known Potash Leasing Area".

However it is close to the measured potash reserves (Potash Onclave).

What I would do is go ahead and have Bass obtain a waiver from the potash lease holder. I would also have Bass submit to you how they determined the TOC for the production string. This would be either a bond log or an estimated calculation of determining the TOC or a temperature survey. I cannot find any of this data.

Please have them submit this data for determining the TOC and ask them why it was not submitted as required by our rules in the 1st place.

I would also visit with Craig and see if he may have any other ideas and if they are required to submit to the BLM

regulatory approval for their end of the spectrum. When I spoke to Bass (Cindi Goodman 432-683-2277) she could not find in her files any paperwork at this time of any such data (an intent to the BLM).

Bryan

-----Original Message-----

From: Jones, William V
Sent: Monday, December 20, 2004 9:39 AM
To: Arrant, Bryan
Cc: Gum, Tim; Sanchez, Daniel
Subject: Poker Lake #71 30-015-26084-01-00

Hello Bryan:

I have an application from Bass to put water into this existing well into the Delaware Mountain Group from 4,232 to 7,558. This well is deviated 92 feet from surface to TD to the Northeast. The BHL is 710 fnl and 2030 fwl Section 33, T23S R30E.

Bass already has an SWD well in this section and in this same interval, but they say it is maxed out on pressure. They do not have a Hall plot on the well and don't seem to know what this is....which is disturbing to me. They have not shared any profile work with me also, showing where the water is going.

From the potash map I have, it looks like this proposed injection well is in the defined potash

2/8/2005

area but near the edge. The existing well may be out of the potash area but barely.

Does your map show this proposed injection location to be in the Potash area?

Do you have any thoughts on this proposal to inject?

Should I get them to notice the potash people, if the wellbore penetrates the potash?

Thanks very much,

William V. Jones

Engineering Bureau

Oil Conservation Division

Santa Fe

2/8/2005

7160 3901 9842 6227 4496

US Postal Service Certified Mail Receipt Domestic Mail Only No Insurance Coverage Provided	Postage	\$	Postmark Here
	Certified Fee		
	Return Receipt Fee (Endorsement Required)		
	Restricted Delivery Fee (Endorsement Required)		
	Total Postage & Fees	\$	

Sent To:

RBM - CO
2201 N. PALM STREET
LITTLE ROCK, ARKANSAS 72207

C-108 *PLU # 71*
Application to
Convert SWD
9/7/04

PS Form 3800, January 2003 US Postal Service **Certified Mail Receipt** 2

7160 3901 9842 6227 4489

US Postal Service Certified Mail Receipt Domestic Mail Only No Insurance Coverage Provided	Postage	\$	Postmark Here
	Certified Fee		
	Return Receipt Fee (Endorsement Required)		
	Restricted Delivery Fee (Endorsement Required)		
	Total Postage & Fees	\$	

Sent To:

W.L. MOBLEY
851 CANAL
CARLSBAD, NEW MEXICO 88220

C-108-
Application to
Convert SWD
PLU # 71
9-7-04

PS Form 3800, January 2003 US Postal Service **Certified Mail Receipt** 2

7160 3901 9842 6227 4502

US Postal Service Certified Mail Receipt Domestic Mail Only No Insurance Coverage Provided	Postage	\$	Postmark Here
	Certified Fee		
	Return Receipt Fee (Endorsement Required)		
	Restricted Delivery Fee (Endorsement Required)		
	Total Postage & Fees	\$	

Sent To:

TURNCO, INC
P.O. BOX 1240
GRANAM, TEXAS 76450

C-108
Application to
Convert SWD
PLU # 71
9/7/04

PS Form 3800, January 2003 US Postal Service **Certified Mail Receipt** 2