



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

January 8, 2004

Lori Wrotenbery

Director

Oil Conservation Division

Bass Enterprises Production Company

c/o **James Bruce**

P. O. Box 1056

Santa Fe, New Mexico 87501

Administrative Order NSL-4978

Dear Mr. Bruce:

Reference is made to the following: (i) your application (*administrative application reference No. pMES0-400638935*) on behalf of the operator, Bass Enterprises Production Company ("Bass"), submitted to the New Mexico Oil Conservation Division ("Division") on December 1, 2003; (ii) Mr. Wayne Bailey's voice mail message for Mr. Michael E. Stogner, Engineer/Hearing Officer with the Division in Santa Fe late Thursday morning, January 8, 2004; (iii) yours and Mr. Stogner's telephone conversation Thursday afternoon, January 8, 2004; and (iv) the Division's records in Santa Fe and Artesia: all concerning Bass's request for an exception to Division Rule 104.C (2) (a), revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999, for its proposed Poker Lake Unit Well No. 196 to be drilled at an unorthodox deep Morrow gas well location 2055 feet from the South line and 2335 feet from the West line (Unit K) of Section 29, Township 24 South, Range 31 East, NMPM, Eddy County, New Mexico.

This application has been duly filed under the provisions of Division Rule 104.F, as revised.

The S/2 of Section 29 is to be dedicated to this well in order to form a standard 320-acre lay-down gas spacing unit for the Undesignated Poker Lake-Morrow Gas Pool (82960).

By the authority granted me under the provisions of Division Rule 104.F (2), the above-described unorthodox deep gas well location within the Undesignated Poker Lake-Morrow Gas Pool for its Poker Lake Unit Well No. 196 is hereby approved.

Sincerely,

Lori Wrotenbery

Director

LW/mes

cc: New Mexico Oil Conservation Division – Artesia
U. S. Bureau of Land Management – Carlsbad