

AMEND CTB-386 11/7/96

VERBAL ON 11-21-96

BASS ENTERPRISES PRODUCTION CO.

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

FAX (915) 687-0329

October 16, 1996

(915) 683-2277

Re: Proposed Off-Lease Storage and/or  
Measurement and Surface Commingling  
Commingling Order CTB-386  
James Ranch Unit #65 NM02887A UL B  
James Ranch Unit #7 NM02887A UL G  
James Ranch Unit #30 NM04473 UL J  
Section 6, T23S-R31E  
Eddy County, New Mexico  
FILE: 400-WF: 96AOJRBS.OFL

William LeMay  
New Mexico Oil Conservation  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Dear Mr. LeMay:

Bass Enterprises Production Company respectfully requests approval of off-lease storage and/or measurement of production into the existing tank battery, Commingling Order CTB-386. Production from the James Ranch Unit #65 lease will be metered separately at the James Ranch Unit #7 battery prior to being commingled with production from the James Ranch Unit #7 and James Ranch Unit #30 lease. Approval of this request for off-lease storage and measurement will allow for more efficient operations with a consolidated battery by reducing the number of stock tanks (2) and water tanks (1). Surface disturbance will also be minimized by using the existing facility.

Full wellstream production will be transported via flowline to a three phase heater treater. Oil, Water, and Gas will be separated at this vessel. The oil and water will be metered prior to being stored in the commingled stock tanks and water tank. The gas will be metered via a separate meter. Estimated production from the James Ranch Unit #65 lease will be 44 BO, 0 BW, 140 MCF per day. James Ranch Unit #7 lease produces 11 BO, 0 BW, 34 MCF per day. James Ranch Unit #30 lease produces 88 BO, 2 B/W, 106 MCF per day. The API oil gravity for the subject leases is 46.6 (sweet). Current posted price is \$24.00 per barrel.

If you have any questions please contact Keith Bucy or myself at the letterhead address.

Sincerely,

  
John R. Smitherman  
Division Production Manager

  
JRS:tlw



BASS ENTERPRISES PRODUCTION CO.

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

FAX (915) 687-0329

October 15, 1996

(915) 683-2277

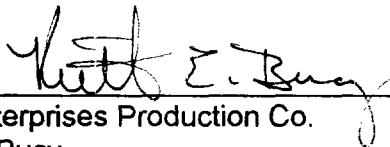
Re: Proposed Off-Lease Storage and/or  
Measurement and Surface Commingling  
Commingling Order CTB-386  
James Ranch Unit #65 NM02887A UL B  
James Ranch Unit #7 NM02887A UL G  
James Ranch Unit #30 NM04473 UL J  
Section 6, T23S-R31E  
Eddy County, New Mexico  
FILE: 400-WF: 96AOJRBS.OFL

INTEREST OWNERS

UNITED STATES DEPARTMENT OF  
THE INTERIOR (BLM)  
CARLSBAD RESOURCE AREA HEADQUARTERS  
620 E GREENE STREET  
CARLSBAD, NM 88220-6292

ENRON OIL AND GAS CO.  
P. O. BOX 2267  
MIDLAND, TEXAS 79702

I, Keith E. Bucy, certify that the above Interest Owners have been notified of this application.



Bass Enterprises Production Co.  
Keith E. Bucy  
Division Production Supt.

10/16/96

Date

FRMCMNGL  
(Rev. 11/15/92)

SURFACE COMMINGLING DATA SHEET

Name of Operator : Bass Enterprises Production Co.  
Address & Tel. No. : P. O. Box 2760  
Midland, Texas 79702-2760 (915) 683-2277

1. This is an attachment to our request for approval to commingle production from the Federal wells shown below.
2. All interest owners have been notified of this commingling.
3. No Federal or Indian royalties will be reduced through approval of this application.
4. Approval of this application will allow for more efficient use of existing facilities.
5. Method for Allocating Production to Contributing Sources (Explain):  
Off Lease production will be metered separately prior to commingling.
6. Enclosed is a map showing the lease numbers and location of all leases and wells that will contribute production to the proposed commingling or common storage facility. All unitized or communitized areas, producing zones, or pools, etc. are clearly illustrated.
7. Enclosed is a schematic diagram which clearly identifies all equipment that will be utilized.
8. The following data is pertinent to our commingling application:

Production Leaving : Lease No. NM02887 A  
Producing Formation : Los Medanos (Wolfcamp)  
Daily Production Rate : 44 BOPD; 140 MCFPD; 0 BWPD  
Oil Gravity: 46.6 API; Gas Gravity: 0.721

Production Entering : Lease No. NM02887 A Commingling Order CTB-386  
Producing Formation : Los Medanos (Bone Springs)  
Daily Production Rate : 99 BOPD; 140 MCFPD; 2 BWPD  
Oil Gravity: 46.6 API; Gas Gravity: 0.721

Wells Included in the Proposed Commingling: Existing Commingling Order CTB-386

<u>Well Name &amp; No.</u>	<u>Lease No.</u>	<u>Loc.</u>	<u>Sec.</u>	<u>Twp.</u>	<u>Rng.</u>
James Ranch Unit #7	NM 02887 A	G	6	23	31
James Ranch Unit #30	NM 04473	J	6	23	31
James Ranch Unit #65	NM 02887 A	B	6	23	31

I hereby certify that the foregoing is true and correct

Signed Tami L. Wilber Title Production Clerk Date 10/16/96  
Tami L. Wilber

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED

BLM - CRA

February 08, 1996

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir  
Use "APPLICATION FOR PERMIT" for such proposals

**SUBMIT IN TRIPLICATE**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Designation and Serial No. NM 02887 A
2. Name of Operator Bass Enterprises Production Company	6. If Indian, Allottee or Tribe Name ---
3. Address and Telephone No. P. O. Box 2760 Midland, Texas 79702-2760      (915) 683-2277	7. If Unit or CA, Agreement Designation James Ranch Unit
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  330' FNL & 2310' FEL Section 6, T23S-R31E	8. Well Name and No. James Ranch Unit #65
	9. API Well No. 30-015-27995
	10. Field and Pool, or Exploratory Area Los Medanos (Wolfcamp)
	11. County or Parish, State Eddy County, New Mexico

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Other      Off-Lease Storage and/or Measurement	<input type="checkbox"/> Dispose Water
		(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Bass Enterprises Production Company respectfully requests approval of off-lease storage and/or measurement of production into the existing tank battery, Commingling Order CTB-386, from the James Ranch Unit #65 lease. Production from the James Ranch Unit #65 lease will be metered separately at the James Ranch Unit #7 battery prior to being commingled with production from the James Ranch Unit #7 & #30 lease. Approval of this request for off-lease storage and measurement will allow for more efficient operations with a consolidated battery by reducing the number of stock tanks (2) and water tanks (1). Surface disturbance will also be minimized by using the existing facility.

Full wellstream production will be transported via flowline to a three phase heater treater. Oil, Water and Gas will be separated at this vessel. The oil and water will be metered prior to being stored in the commingled stock tanks and water tank. The gas will be metered via a separate meter. Estimated production from the James Ranch Unit #65 lease will be 44 BO, 0 BW, 140 MCF per day. James Ranch Unit #7 lease produces 11 BO, 0 BW, 34 MCF per day. James Ranch Unit #30 lease produces 88 BO, 2 BW, 106 MCF per day. The API oil gravity for the subject leases is 46.6 (sweet). Current posted price is \$24.00 per barrel.

14. I hereby certify that the foregoing is true and correct

Signed Tami L. Wilber      Tami L. Wilber      Title Production Clerk      Date 10/15/96

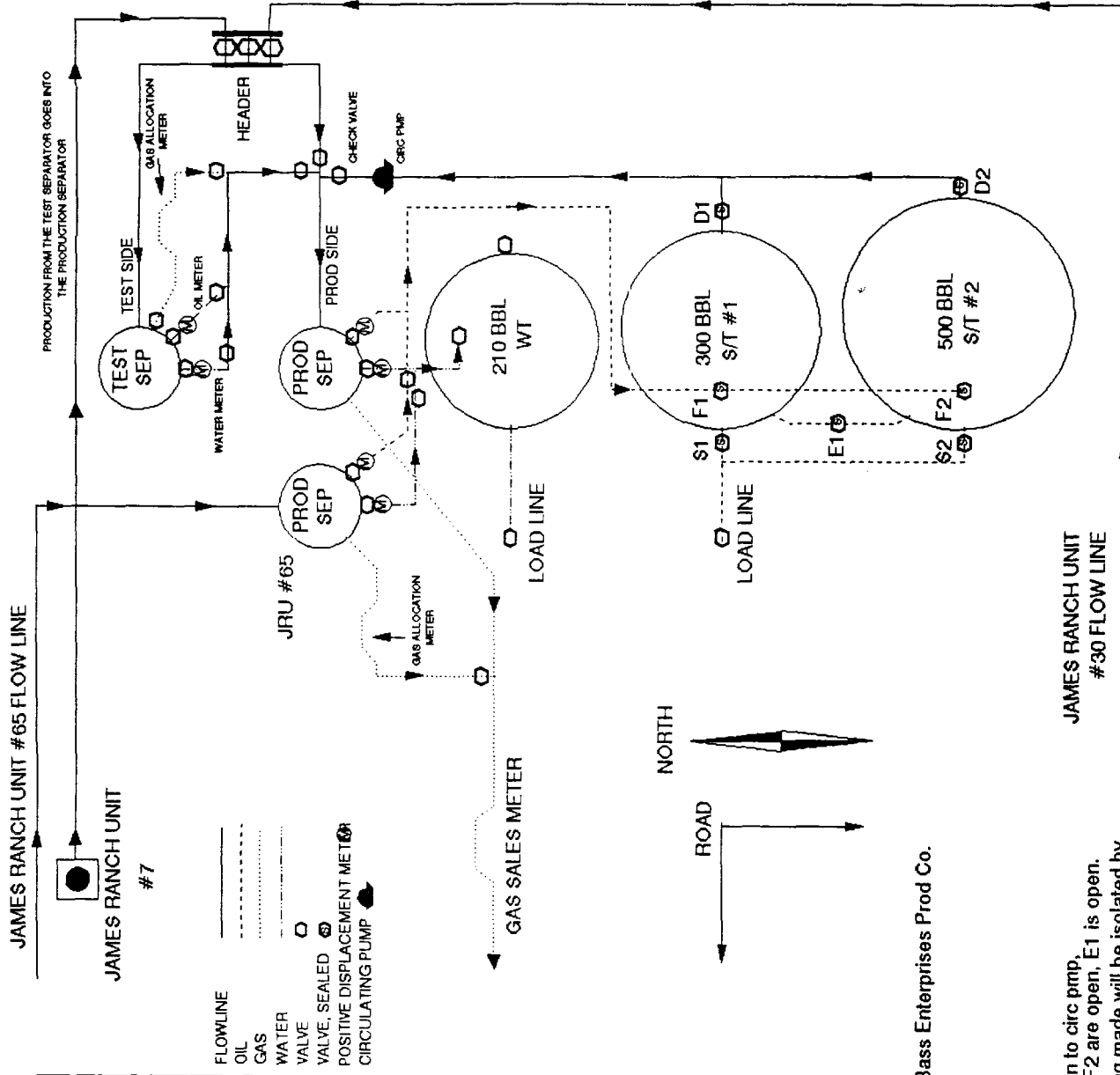
(This space for Federal or State office use)

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

Conditions of approval, if any:

BASS ENTERPRISES PRODUCTION CO  
P.O. BOX 2760  
MIDLAND TEXAS 79702-2760  
(SITE SECURITY DIAGRAM) 10/16/96 BGH

<p>JAMES RANCH UNIT #7 NW 1/4 OF THE NE 1/4 OF SECTION 6, T-23-S, R-31-E API # 30-015-21247 LEASE # NMNM02887A FIELD: LOS MEDANOS UNIT NAME: JAMES RANCH UNIT EDDY COUNTY, NEW MEXICO</p>	<p>JAMES RANCH UNIT #30 1980' FSL 2310' FEL OF UNIT LETTER J SECTION 6, T-23-S, R-31-E API # 30-015-27704 LEASE # NM-04473 FIELD: LOS MEDANOS UNIT NAME: JAMES RANCH UNIT EDDY COUNTY, NEW MEXICO</p>	<p>JAMES RANCH UNIT #65 330' FNL 2310' FEL OF UNIT LETTER C SECTION 6, T-23-S, R-31-E API # 30-015-27995 LEASE # NM-04473 FIELD: LOS MEDANOS UNIT NAME: JAMES RANCH UNIT EDDY COUNTY, NEW MEXICO</p>
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This lease is subject to the site security plan for Bass Enterprises Prod Co.

The plan is located at: Suite 3700  
#6 Desta Drive  
Midland, Texas

System Type: Open

Production phase: Drain Valves D1 & D2 are open to circ pmp, sales valves S1 & S2 are closed, fill valves F1 or F2 are open, E1 is open.  
Sales phase: The tank from which sales are being made will be isolated by closing the drain valves, fill valves and the equalizer valve.

JRU #7 BTY

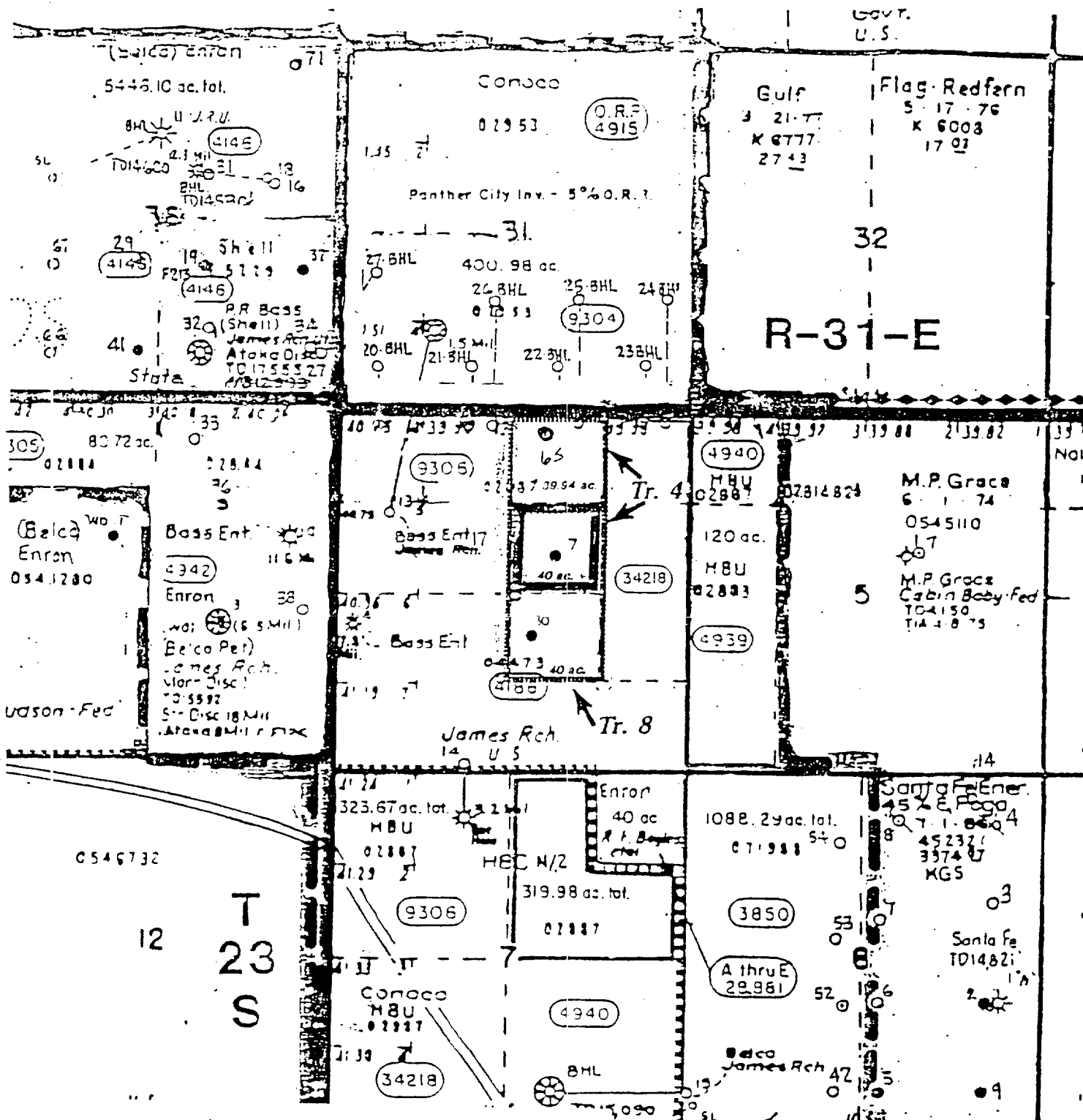


EXHIBIT "A"



Initial Bone Springs Participating Area  
All Federal Lands - 40 Acres



1st Revision to Initial Bone Springs Participating Area  
All Federal Lands - 119.94 Acres

Bass Enterprises Production Co.

**JAMES RANCH UNIT**  
Eddy County, New Mexico

12/94

SCALE IN FT. 0

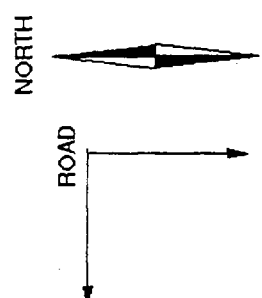
2000

4000

**JAMES RANCH UNIT #7**

JAMES BANCH UNIT #30

**UNRECORDED**



**JAMES RANCH UNIT  
#30 FLOW LINE**

JRU #7 BTY

**System Type:** Open

**Production phase:** Drain Valves D1 & D2 are open to circ pmp, sales valves S1 & S2 are closed, fill valves F1 or F2 are open, E1 is open.

**Sales phase:** The tank from which sales are being made will be isolated by closing the drain valves, fill valves and the equalizer valve.

