

EXHIBIT "B"
JAMES RANCH UNIT AREA, EDDY COUNTY, NEW MEXICO
TWPS. 22 and 23 S., RGS. 30 and 31 E., N.M.P.M.
SCHEDULE SHOWING THE PERCENTAGE AND KIND OF OWNERSHIP OF OIL AND GAS
INTERESTS IN ALL LANDS IN THE UNIT AREA

Tract No.	Description of Land	No. of Acres	Application or Ser. No. & Effective Date	Basic Royalty & Percentage	Lessee of Record	Overriding Royalty & Percentage	Working Interest Owner
<u>FEDERAL LAND</u>							
1.	<u>T-22-S, R-30-E</u> Sec. 12: SE $\frac{1}{4}$, S $\frac{1}{2}$ SW $\frac{1}{4}$ Sec. 13: NE $\frac{1}{4}$ Sec. 23: S $\frac{1}{2}$ SW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$	520	NM 0300 11-1-51	USA-All	Allie V. Tapp	Allie V. Tapp	3% Sid W. Richardson & Perry R. Bass
2.	<u>T-23-S, R-31-E</u> Sec. 5: SW $\frac{1}{4}$ NW $\frac{1}{4}$, W $\frac{1}{2}$ SW $\frac{1}{4}$	120	NM 02883 4-1-52	USA-All	Marguerite Payne	Marguerite Payne, Obligation \$200 per acre out of .5% of production	Sid W. Richardson & Perry R. Bass
3.	<u>T-23-S, R-30-E</u> Sec. 1: Lots 3 & 4	80.72	NM 02894 4-1-52	USA-All	Wallace Wimberly	Wallace Wimberly Obligation \$400 per acre out of 1% of production	Continental Oil Company
3-a	<u>T-23-S, R-30-E</u> Sec. 1: Lots 1 & 2, S $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$	320.24	NM 02884 4-1-52	USA-All	Wallace Wimberly	Wallace Wimberly Obligation \$400 per acre out of 1% of production	Sid W. Richardson & Perry R. Bass
4.	<u>T-23-S, R-31-E</u> , Sec. 6: Lots 1, 2, 3, 4, 5, SE $\frac{1}{4}$ NW $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 7: Lots 1, 2, 3, 4, E $\frac{1}{2}$ W $\frac{1}{2}$ Sec. 18: Lots 1, 2, E $\frac{1}{2}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$	1009.17	NM 02887 4-1-52	USA-All	Wallace Wimberly	Wallace Wimberly Obligation \$400 per acre out of 1% of production	Continental Oil Company
4-a	<u>T-23-S, R-31-E</u> Sec. 5: Lot 4 Sec. 7: W $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ SE $\frac{1}{4}$	319.98	NM 02887 4-1-52	USA-All	Wallace Wimberly	Wallace Wimberly Obligation \$400 per acre out of 1% of production	Sid W. Richardson & Perry R. Bass

5.	<u>T-22-S, R-30-E</u> Sec. 15: N $\frac{1}{2}$	320	NM 02951 5-1-52	USA-All	Reagan H. Legg	Reagan H. Legg Obligation \$400 per acre out of 1% of production	Sid W. Richardson & Perry R. Bass
6.	<u>T-22-S, R-30-E</u> Sec. 27: S $\frac{1}{4}$ Sec. 33: E $\frac{1}{2}$ Sec. 34: S $\frac{1}{4}$ Sec. 35: N $\frac{1}{2}$	1280	NM 02952 5-1-52	USA-All	Reagan H. Legg	Reagan H. Legg Obligation \$200 per acre out of .5% of production Marvin J. Coles Obligation \$200 per acre out of .5% of production	Continental Oil Company
6-a.	<u>T-22-S, R-30-E</u> Sec. 27: N $\frac{1}{2}$ Sec. 34: W $\frac{1}{2}$ Sec. 35: S $\frac{1}{2}$	960	NM 02952 5-1-52	USA-All	Reagan H. Legg	Reagan H. Legg Obligation \$200 per acre out of .5% of production Marvin J. Coles Obligation \$200 per acre out of .5% of production	Sid W. Richardson & Perry R. Bass
7.	<u>T-22-S, R-30-E</u> Sec. 15: S $\frac{1}{4}$ Sec. 21: E $\frac{1}{2}$ Sec. 22: S $\frac{1}{4}$ Sec. 25: SE $\frac{1}{4}$ Sec. 26: SE $\frac{1}{4}$, N $\frac{1}{4}$ <u>T-22-S, R-31-E</u> Sec. 31: Lots 1, 2, 3, 4, E $\frac{1}{2}$ W $\frac{1}{2}$, E $\frac{1}{2}$	1921.84	NM 02953 5-1-52	USA-All	Reagan H. Legg	Reagan H. Legg Obligation \$200 per acre out of .5% of production Marvin J. Coles Obligation \$200 per acre out of .5% of production	Continental Oil Company
7-a.	<u>T-22-S, R-30-E</u> Sec. 22: N $\frac{1}{2}$ Sec. 25: SW $\frac{1}{4}$ Sec. 26: SW $\frac{1}{4}$	640	NM 02953 5-1-52	USA-All	Reagan H. Legg	Reagan H. Legg Obligation \$200 per acre out of .5% of production Marvin J. Coles Obligation \$200 per acre out of .5% of production	Sid W. Richardson & Perry R. Bass
8.	<u>T-23-S, R-31-E</u> Sec. 6: Lots 6, 7, E $\frac{1}{2}$ SW $\frac{1}{4}$ W $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SE $\frac{1}{4}$	282.09	NM 04473 11-1-52	USA-All	Howard W. Jennings	Howard W. Jennings	3% Sid W. Richardson & Perry R. Bass

9.	<u>T-22-S, R-30-E</u> Sec. 19: Lots 1, 2, 3, 4, E _{1/2} W ₂ , E _{1/2}	640.04	NM06806 6-1-52	USA-All	Lucy R. Muse	Oscar I. Hoover Obligation \$75 per acre out of .3% of production Ernest A. Hanson Obligation \$675 per acre out of 2.7% of production	6 1/2%	Sid W. Richardson & Perry R. Bass
10.	<u>T-22-S, R-30-E</u> Sec. 20: All	640	NM 06807 6-1-52	USA-All	Neil F. Stull Robert E. Lee Hall 10%	Neil F. Stull	6 1/2%	Sid W. Richardson & Perry R. Bass
11.	<u>T-22-S, R-30-E</u> Sec. 21: W _{1/2} E _{1/2} , W _{1/2}	480	NM 06808 6-1-52	USA-All	Lucy R. Muse	Robert V. Wollard	5%	Sid W. Richardson & Perry R. Bass
12.	<u>T-22-S, R-30-F</u> Sec. 28: S _{1/2} , NE _{1/4}	480	NM 06809 7-1-52	USA-All	Bert Fields	None		Bert Fields
12-a.	<u>T-22-S, R-30-E</u> Sec. 28: NW _{1/4}	160	NM 06809 7-1-52	USA-All	*Bert Fields	None		Sid W. Richardson & Perry R. Bass
13.	<u>T-22-S, R-30-E</u> Sec. 29: All	640	NM 06810 6-1-52	USA-All	Louis Slusky	None		Louis Slusky
14.	<u>T-22-S, R-30-E</u> Sec. 30: Lots 1, 2, 3, 4 E _{1/2} W ₂ , SE _{1/4} , NW _{1/4} , SE _{1/4} NE _{1/4}	599.92	NM 06811 7-1-52	USA-All	Edward M. Muse	Wm. V. Stone	5%	Sid W. Richardson & Perry R. Bass
15.	<u>T-22-S, R-30-E</u> Sec. 13: W _{1/2} , SE _{1/4} Sec. 23: N _{1/2} , NE _{1/4} SW _{1/4} , SE _{1/4} Sec. 24: NE _{1/4} , NW _{1/4} , SE _{1/4} NW _{1/4} , S _{1/2} Sec. 25: N _{1/2} Sec. 26: NE _{1/4}	2080	LC 064827 2-1-51	USA-All	Joe Whitehurst	None		Malco Refineries, Inc.
16.	<u>T-22-S, R-31-E</u> Sec. 8: SW _{1/4} , S _{1/2} NW _{1/4} Sec. 17: NW _{1/4} , S _{1/2} Sec. 20: N _{1/2} , SW _{1/4} , NW _{1/4} , SW _{1/4} SE _{1/4}	1320	LC 069507 10-1-51	USA-All	Bonnie H. Matlock	Bonnie H. Matlock Obligation \$1,259,860 Out of 3% of production		Sid W. Richardson & Perry R. Bass

* Assignment from Bert Fields to Sid W. Richardson & Perry R. Bass pending approval.

17.	<u>T-22-S, R-31-E</u> Sec. 20: SE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 29: W $\frac{1}{2}$ W $\frac{1}{2}$ Sec. 30: Lots 1, 2, 3, 4, SW $\frac{1}{4}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ W $\frac{1}{2}$, SE $\frac{1}{4}$	721.36	LC 069508 11-1-51	USA-All	Margaret M. Wilder	Margaret M. Wilder Obligation \$1,240,680 out of 3% of production	Sid W. Richardson & Perry R. Bass
18.	<u>T-22-S, R-31-E</u> Sec. 7: Lots 2, 3, 4, SE $\frac{1}{4}$ NW $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ Sec. 18: Lots 1, 2, 3, 4, E $\frac{1}{2}$ W $\frac{1}{2}$, E $\frac{1}{2}$ Sec. 19: Lots 1, 2, 3, 4, E $\frac{1}{2}$ W $\frac{1}{2}$, E $\frac{1}{2}$ Sec. 30: NW $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$	1881.06	LC 069509 2-1-52	USA-All	George S. Morrison	George S. Morrison Obligation \$1,260,105 out of 3% of production	Sid W. Richardson & Perry R. Bass
19.	<u>T-22-S, R-30-E</u> Sec. 14: S $\frac{1}{2}$	320	LC 069877 5-1-51	USA-All	Mrs. Josephine T. Hudson Wm. A. Hudson	None	Mrs. Josephine T. Hudson Wm. A. Hudson
19-a.	<u>T-22-S, R-30-E</u> Sec. 14: N $\frac{1}{2}$	320	LC 069877 5-1-51	USA-All	* Mrs. Josephine T. Hudson Wm. A. Hudson	None	Sid W. Richardson & Perry R. Bass
20.	<u>T-23-S, R-31-E</u> Sec. 8: W $\frac{1}{2}$ Sec. 17: NW $\frac{1}{4}$	480	LC 071988 8-1-51	USA-All	Alma Cannon	Alma Cannon Frank O. Elliott	Sid W. Richardson & Perry R. Bass

20 FEDERAL TRACTS, CONTAINING 18,536.42 ACRES, OR 89.7% OF UNIT AREA

* Sub-Lease from Mrs. Josephine T. Hudson and Wm. A. Hudson to Sid W. Richardson & Perry R. Bass, pending approval.

Tract No.	Description of land	No. of Acres	Serial no. & Expiration date of lease	Basic		Lessee of Record	Overriding Royalty & Percentage	Working Interest Owner
				Royalty & Percentage				
<u>STATE LAND</u>								
21.	<u>T-22-S, R-30-E</u> Sec. 36: All	800.56	E-5229-1 5-10-61	State of New Mexico 12 $\frac{1}{2}$ %		Sid W. Richardson & Perry R. Bass	None	Sid W. Richardson & Perry R. Bass
	<u>T-23-S, R-30-E</u> Sec. 2: Lots 1,2,3,4,							
22.	<u>T-22-S, R-30-E</u> Sec. 16: All Sec. 17: S $\frac{1}{2}$, NE $\frac{1}{4}$ E $\frac{1}{2}$, NW $\frac{1}{4}$	1200	E-6292-1 6-10-62	State of New Mexico 12 $\frac{1}{2}$ %		Sid W. Richardson & Perry R. Bass	None	Sid W. Richardson & Perry R. Bass

2 STATE TRACTS, CONTAINING 2,000.56 ACRES, OR 9.7% OF UNIT AREA

Tract No.	Description of land	No. of Acres	Expiration date of lease	Basic Royalty Owner and Percentage	Lessee of Record	Overriding Royalty & Percentage	Working Interest Owner & Percentage
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FEE OR PRIVATELY OWNED LAND

23.	T-22-S, R-30-E Sec. 24: SW $\frac{1}{4}$ NW $\frac{1}{4}$	40		A. J. Crawford	Not leased	None	A. J. Crawford
24.	T-22-S, R-30-E Sec. 30: SW $\frac{1}{4}$ NE $\frac{1}{4}$	40		A. J. Crawford	Not leased	None	A. J. Crawford
25.	T-23-S, R-31-E Sec. 7: NE $\frac{1}{4}$ NE $\frac{1}{4}$	40		Charles James William O. James	3/4 Not leased 1/4	None	Charles James 3/4 William O. James 1/4 Sid W. Richardson Perry R. Bass

3 FEE OR PRIVATELY OWNED TRACTS, CONTAINING 120 ACRES, OR .6% OF UNIT AREA

TOTAL 25 TRACTS, CONTAINING 20,656.98 ACRES IN JAMES RAUNCH UNIT AREA

#472

BASS ENTERPRISES PRODUCTION CO.

FIRST CITY BANK TOWER

201 MAIN ST.

FORT WORTH, TEXAS 76102

817/390-8400

December 11, 1989

Bureau of Land Management
P. O. Box 1397
Roswell, New Mexico 88201

Attn: Mr. Joe Lara

Commissioner of Public Lands
State of New Mexico
P. O. Box 1148
Sante Fe, New Mexico 87504-1148

Attn: Mr. Floyd Prando

New Mexico Oil Conservation Division
P. O. Box 2088
Sante, Fe New Mexico

Attn: Mr. Bill LeMay

RECEIVED
DEC 18 1989
OIL CONSERVATION DIVISION

Re: 1990 Plan of Development
James Ranch Unit
Eddy County, New Mexico

Gentlemen:

In accordance with Section 10 of the James Ranch Unit Agreement dated April 22, 1953, Bass Enterprises Production Co., operator of the referenced unit, hereby submits a Plan of Development for the James Ranch Unit for the year 1990.

HISTORY OF PAST DEVELOPMENT

We refer to our previous Plans of Development for a detailed description of the operations conducted in this Unit in prior years.

1989 ACTIVITY

The Pure Gold "C" Federal Well No. 2 was drilled by Santa Fe Energy Operating Partners, L.P. to a total depth of 14,850' at a location 1980' FNL and 2310' FEL in Section 17, T23N-R31E, Eddy County, New Mexico. Completion operations in the Morrow formation are currently being conducted. James Ranch Unit acreage (NW/4 Section 17) was included in the proration unit for this Morrow well. The results will be reported in the 1991 Plan of Development.

PARTICIPATING AREA

According to our records, Bass Enterprises Production Co. has submitted all wells drilled to date where adequate production information is available for commercial determinations and participating areas. In the event you have not received commercial determinations for all of our wells drilled to date, as well as proposed participating areas when appropriate, please advise us at your convenience and we will submit same to you.

FUTURE DEVELOPMENT

During 1990, Bass plans to monitor and evaluate other wells drilled in the area and review its seismic. No wells are currently planned for 1990.

OFFSET OBLIGATIONS

Appropriate and adequate measures will be taken to prevent drainage of unitized substances from the lands subject to the James Ranch Unit Agreement or pursuant to applicable regulations.

ADDITIONAL DEVELOPMENT

This Plan of Development will constitute the activity to be conducted under the terms of the James Ranch Unit Agreement for the period ending December 31, 1990. In the event economic conditions should change, resulting in the improvement of marketing oil and gas from the unit area, the Operator will modify this Plan of Development to provide for additional activity. Presently, five (5) gas wells are shut-in in the James Ranch Unit due to the poor gas market. Gas sales from these wells will resume when prices will justify additional development.

MODIFICATIONS

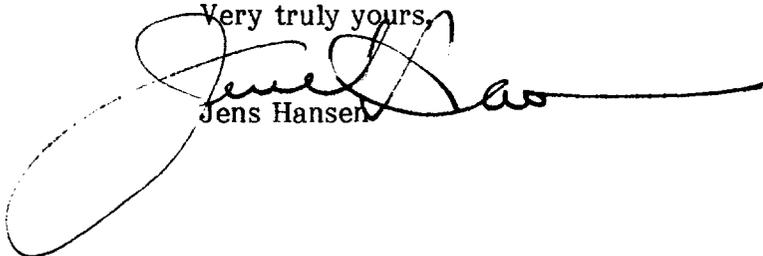
In accordance with the terms and provisions of the James Ranch Unit Agreement, this Plan of Development may be modified from time to time as a result of changing conditions.

EFFECTIVE DATE

This Plan of Development shall be effective from January 1, 1990, to December 31, 1990.

If this Plan of Development meets with your approval, please so indicate by signing in the appropriate space provided below and return one signed copy of the letter to Bass for its records.

Very truly yours,


Jens Hansen

Bureau of Land Management
Commissioner of Public Lands
New Mexico Oil Conservation Division
December 11, 1989
Page 3

ACCEPTED TO AND AGREED this 26 day of Dec., 1989.

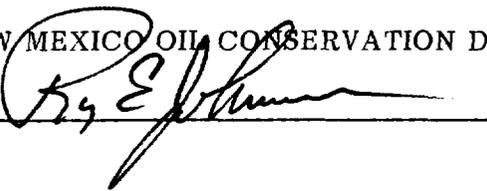
BUREAU OF LAND MANAGEMENT

By: _____

COMMISSIONER OF PUBLIC LANDS

By: _____

NEW MEXICO OIL CONSERVATION DIVISION

By:  _____

BASS ENTERPRISES PRODUCTION CO.

FIRST CITY BANK TOWER

201 MAIN ST.

FORT WORTH, TEXAS 76102

817/390-8400

January 24, 1989

BUREAU OF LAND MANAGEMENT

P.O. Box 1397

Roswell, New Mexico 88201

Attention: Mr. Joe Lara

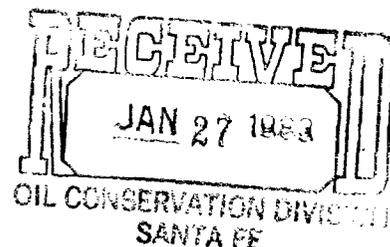
COMMISSIONER OF PUBLIC LANDS

State of New Mexico

P.O. Box 1148

Santa Fe, New Mexico 87504-1148

Attention: Floyd Prando



NEW MEXICO OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87501-2088

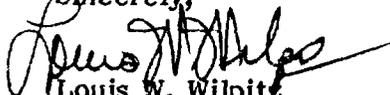
Attention: Mr. William LeMay

RE: Bass Lease No. 09306-USA - NM 02887 - D
Property No. 08331-04
James Ranch Unit No. 14 Well
N/2 Section 7, T23S-R31E N.M.P.M.,
Eddy County, New Mexico
James Ranch Unit

Gentlemen:

In accordance with Section 11 of the James Ranch Unit Agreement dated April 22, 1953 (Contract No. 14-08-001-558), we hereby submit information covering the James Ranch Unit No. 14 Well, located 100' FSL and 1980' FWL of Section 6, T23S-R31E, N.M.P.M., Eddy County, New Mexico, (surface location) and 660' FNL and 1980' FWL, Section 7, T23S-R31E, N.M.P.M., Eddy County, New Mexico (bottom hole location), to support our recommendation that the James Ranch Unit Well No. 14 be determined non-commercial, and thereby not receive a participating area. Please advise Bass at your convenience of your findings regarding this commercial determination. Should you have any questions or need any additional information please feel free to contact us.

Sincerely,


Louis W. Wilpitz
Landman

LWW:glb

cc: Enron Oil and Gas

P.O. Box 2267

Midland, Texas 79702

Attention: Mr. Todd C. Cirrincione

WORKSHEET FOR COMMERCIAL DETERMINATION AND PARTICIPATING AREA IN FEDERAL UNITS

WELL DATA

WELL James Ranch Unit #14 FORMATION Morrow
 Surf Location 100 Feet From S Line & 1980 Feet From W Line,
 BH LOCATION 660 FEET FROM N LINE & 1980 FEET FROM W LINE,
 Section 6
 SECTION 7, RANGE 31-E, TOWNSHIP 23-S, COUNTY Eddy NEW MEXICO
 SPUD DATE 4-6-83 COMPLETION DATE 8-19-83 INIT. PROD. DATE Dec., 1983
 PERFORATIONS 14,139'-146', 151'-166', 171'-189', 195'-202'

STIMULATION:

ACID Natural until Oct., 1988 when same intervals were reperf'd and
acdz'd w/5,000 gal 7½% MSR100

FRACTURE _____

POTENTIAL 3284 MCF/D

(ATTACH COPY OF C-122. ATTACH COPY OF WELLBORE SKETCH OF COMPLETED WELL.)

VOLUMETRIC CALCULATION

	FORMATION	
	SANDS PERFORATED	SANDS NOT PERFORATED BUT POTENTIALLY PRODUCTIVE
Area (A) proration unit size, acres	320	Delaware sds 6550'-580' &
*Porosity (Ø), %	8	7300'-7400' should be tested
*Water saturation (Sw), %	17	prior to abandonment
*Net thickness (h) > 3% Ø & <40% Sw, ft	30	
Temperature (T), °F	222	

* See attached calculations

(2)

Bottomhole pressure (P), psia 6269# @ 13,900'
 Recovery factor (RF), (80% assumed) 80%
 Recoverable gas, MCF (See eq. below) 3,182,000 (Ultimate)

*Recoverable gas, MCF = (43,560)(Ø)(1-Sw)(A)(h)(RF)(Bgi) where

* $B_{gi} = 0.03535 \frac{P}{ZT} \frac{MSCF}{Cu Ft}$ (See Attached Worksheet)

PERFORMANCE DATA

 If sufficient history exists, attach plot of gas production rate vs time.

(Cumulative production to Nov. / 1 / 88 ; 546,000 MCF.

Initial rate (qi), ± 30,000 MCF/mo (As of 11-1-88)

Economic limit (ql), ± 1,000 MCF/mo

Decline rate, dy - %

*Remaining gas (Q) = 1,014,000 MCF (See attached production and material balance [P/Z] plots)

Ultimate recoverable gas 1,560,000 MCF

$$Q = \frac{(q_i - q_l) 12 \text{ mo/yr}}{-\ln(1-dy)}$$

Attach plat showing proration unit and participating area.

<u>RECOVERABLE GAS</u>	<u>GAS (MCF)</u>	<u>COND (BBLS)</u>
Gas sand previously produced	<u>NA</u>	
Sand perforated	<u>1,560,000</u>	<u>(1)</u>
Sand not perforated, but potentially productive	<u>Probably would be an oil well in Delaware Sand</u>	<u>(2)</u>
Total recoverable gas	<u>1,560,000</u>	

(1) performance recoverable gas if available

(2) $\frac{\text{performance sand perforated}}{\text{volumetric sand perforated}} \times \frac{\text{volumetric sands not perforated}}{\text{performance sands not perforated}}$

Participating area size based on ratio of production history and volumetrics

320 acres---minimum area is proration unit.

(3)

ECONOMIC

*Well Cost \$ 2,749,000 (to the depth of formation completed)

Recompletion Cost \$ ± 25,000 (to reperf & acdz)

TOTAL COST \$ ± 2,774,000

(Gas Price)(Net Revenue Interest)(1-Ad Valorem Taxes) - Production Tax + [(Oil Price)(Net Revenue Interest)(Cond. Yield, bbl/MCFG)(1 -Production and Ad Valorem Taxes)] - [(Oil Price - Base Price) WFPT %] NRI

*Net Gas Price =

*New Net Gas Price = (See attached economics)

Operating Cost

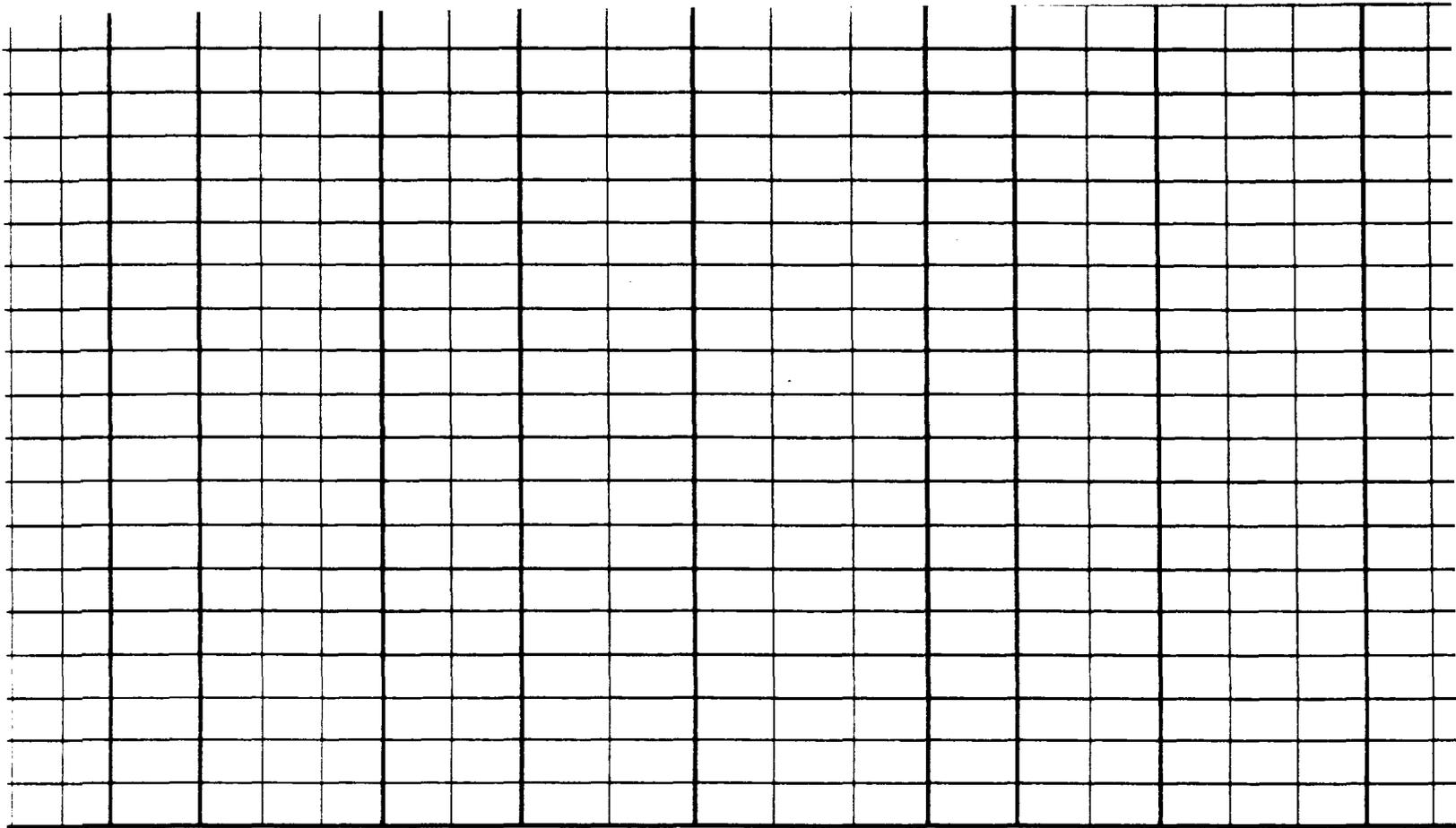
BEPCO Net Income = (Gross Gas)(Net Gas Price)

YEAR	GROSS GAS	BEPCO NET INCOME	OPERATING COST	15% DISCOUNT FACTOR	DISCOUNTED CASH FLOW
Zero					
1985					
1986					
1987					
1988					
1989					
Remainder					

If payout is five years or less, well is considered economical.

(BEPCO Net Income - Operating Expense) discount factor =

discounted cash flow.



$h_n = 30$	$\sum \phi h = 2.400$	$\sum \phi h(1-S_w) = 1.992$
$\bar{\phi} = \frac{\sum \phi h}{h_n} = .080$	$\bar{S}_w = \left(\frac{\sum \phi h(1-S_w)}{\sum \phi h} \right) - 1 = .170$	

James Ranch Unit #14

— GAS WELL —

RESERVOIR VOLUME FACTOR

GAS GRAV. = .592 $P_a =$ _____ $T_a =$ _____
 $P_c =$ 673 $T_c =$ 356 $Z =$ 1.11
 $P_r =$ _____ $T_r =$ _____

$$B_g = \left(\frac{P_{f,a}}{\text{Atmos. Press.}} \right) \left(\frac{520}{T_{f,a}} \right) \left(\frac{1}{Z} \right) = \underline{286.5} \text{ scf/ft}^3$$

$$\text{OGIP, MMCF/Ac.} = (.04356)(\sum \phi h [1-S_w])(B_g)$$

OGIP, MMCF/Ac. = 24.86 RF = 80 % EUR, MMCF/Ac. = 19.89

OGIP @ 640 ac. = _____ MMCF EUR @ 640 ac. = _____ MMCF

480 ac. = _____ 480 ac. = _____

320 ac. = 7955 320 ac. = 6365

240 ac. = 5966 240 ac. = 4774

160 ac. = 3978 160 ac. = 3182

80 ac. = 1989 80 ac. = 1591

40 ac. = _____ 40 ac. = _____

$BHP_i = 6269 \text{ psig @ } 13,900'$

$BHT = 222^\circ F$

— OIL WELL —

RESERVOIR VOLUME FACTOR

GOR: _____ OIL GRAVITY: _____

T_f : _____ GAS GRAVITY: _____

$B_o =$ _____ Bbl./STB from chart

$$\text{OOIP, Bbl./Ac.} = \frac{(7758)(\sum \phi h [1-S_w])}{B_o}$$

OOIP, Bbl./Ac. = _____ RF = _____ % EUR,

OOIP @ 640 ac. = _____ BO EUR @ 640 ac. = _____

480 ac. = _____ 480 ac. = _____

320 ac. = _____ 320 ac. = _____

240 ac. = _____ 240 ac. = _____

160 ac. = _____ 160 ac. = _____

80 ac. = _____ 80 ac. = _____

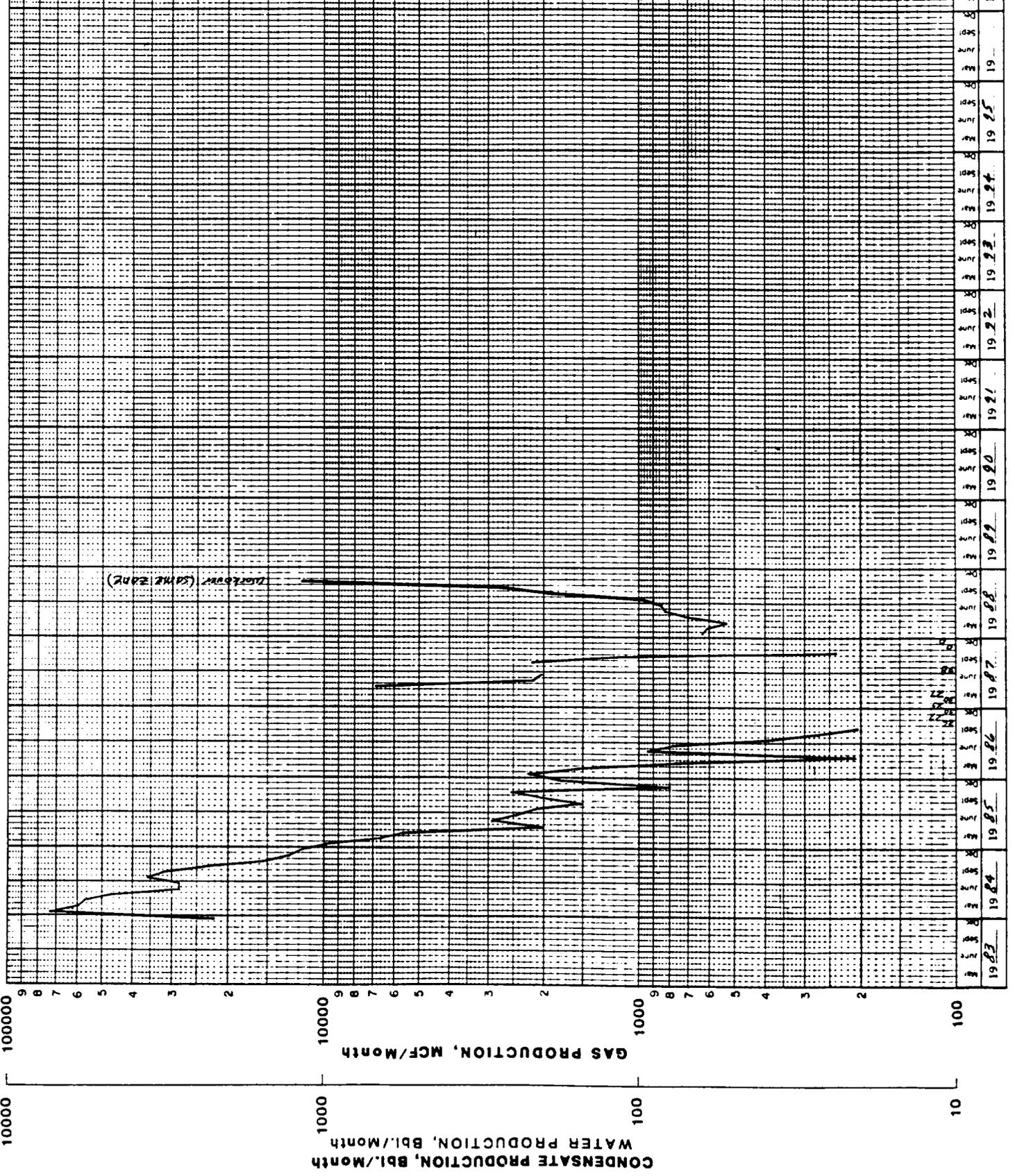
40 ac. = _____ 40 ac. = _____

20 ac. = _____ 20 ac. = _____

10-1-82 CUM 546 M/MCF UPDATED THRU BY:

FIELD: LOS MEDANOS MORROW (GSS)
 OPERATOR: Enron Oil & Gas Co.
 LEASE: James Ranch Unit
 LOCATION: OR-RCS 7-235-31E DIST: OIL
 COUNTY: Eddy STATE: N.M. GAS
 NO. WELLS: 1 WELL NOS: 14 ENRON DIV.: MD
 DATE PROD BEGAN: 12-15-83

ENRON OIL & GAS COMPANY



WATER RATIO, BBL/MCF
 CONDENSATE YIELD, BBL/MCF
 FLOWING TUBING PRESSURE, PSI

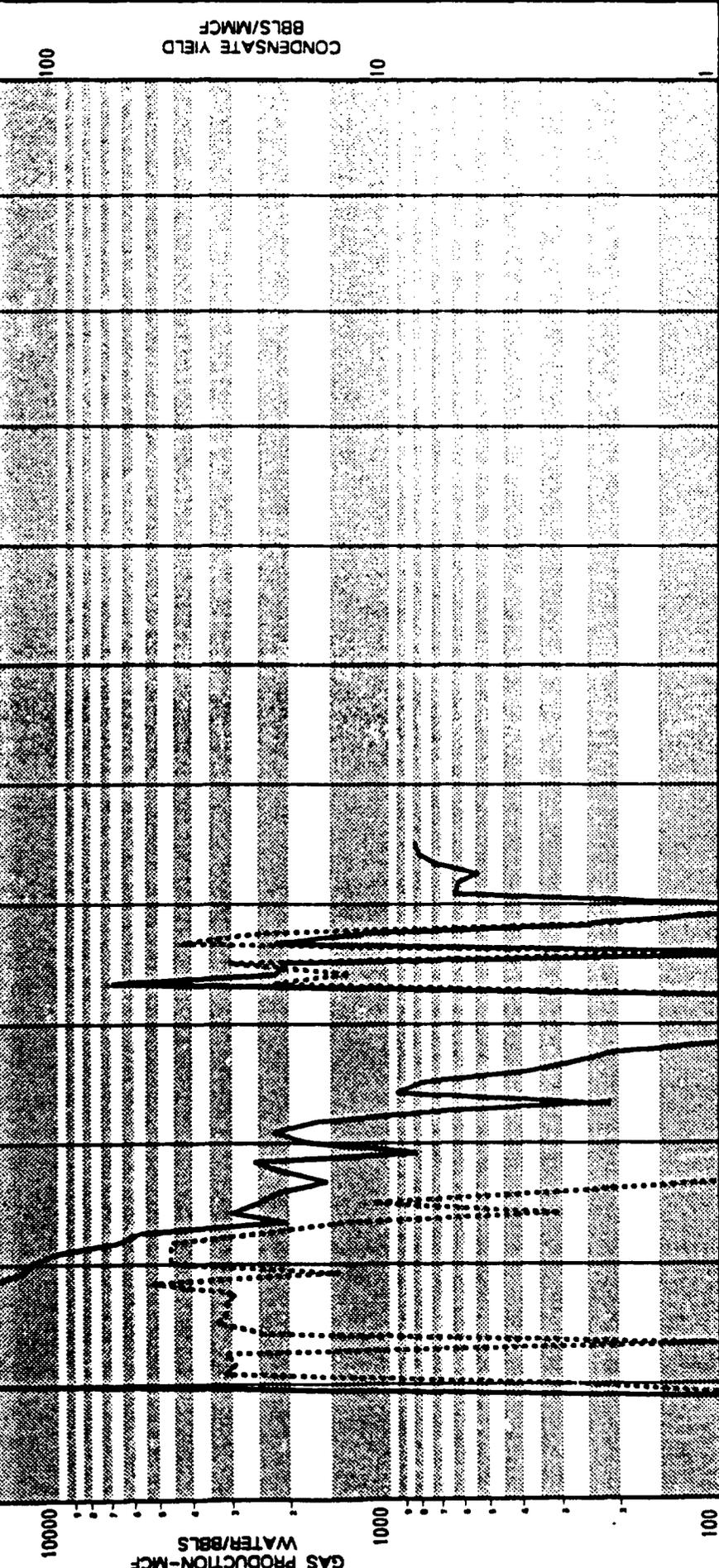
Petroleum Information

BB a company of
The Shell International Petroleum

DATE OF PLOT: 10/21/88 PAGE 1922

GAS
COND. YIELD
WATER

TEST DATE	TEST DATE	WATER	COND	WATER	COND	GAS	COND
850709	0	0	0	0	0	900	0
860811	0	0	0	0	0	2191	0
870801	0	0	0	0	0	1901	0



YEAR	MONTH	WATER	COND	GAS	COND
1983	JANUARY	73758	0	22132	0
1983	FEBRUARY	59253	0	427142	351
1983	MARCH	3881	57140	0	0
1983	APRIL	1887	5913	0	0
1983	MAY	1887	773	0	0
1983	JUNE	1887	531	0	0
1983	JULY	633	0	0	0
1983	AUGUST	0	0	0	0
1983	SEPTEMBER	0	0	0	0
1983	OCTOBER	0	0	0	0
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1983	DECEMBER	0	0	0	0
1984	JANUARY	0	0	0	0
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1984	MARCH	0	0	0	0
1984	APRIL	0	0	0	0
1984	MAY	0	0	0	0
1984	JUNE	0	0	0	0
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1984	OCTOBER	0	0	0	0
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1985	FEBRUARY	0	0	0	0
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1985	JULY	0	0	0	0
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1986	APRIL	0	0	0	0
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1987	APRIL	0	0	0	0
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1987	JULY	0	0	0	0
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1988	AUGUST	0	0	0	0
1988	SEPTEMBER	0	0	0	0
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1988	DECEMBER	0	0	0	0

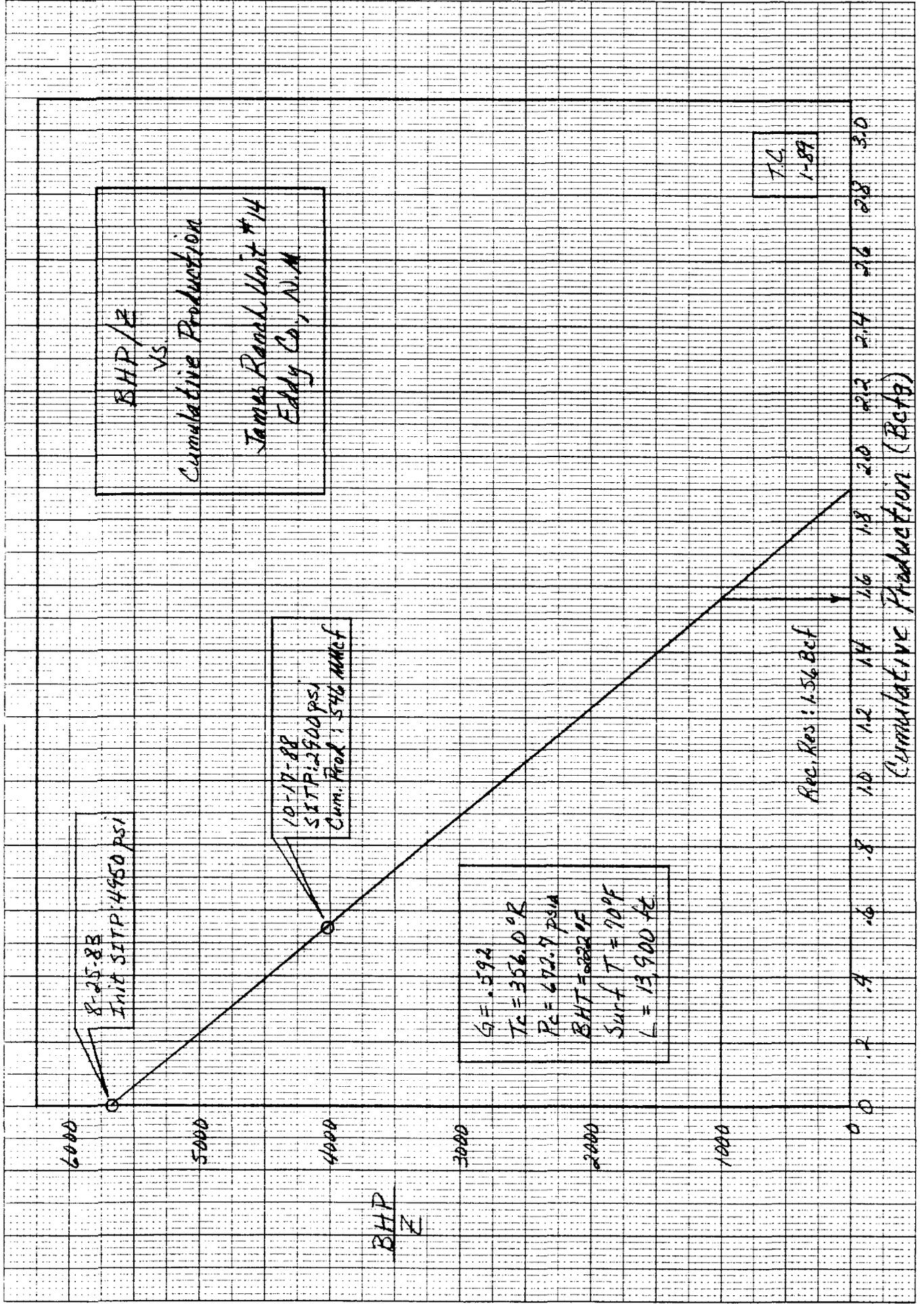
YEAR	MONTH	WATER	COND	GAS	COND
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1983	AUGUST	0	0	0	0
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1987	APRIL	0	0	0	0
1987	MAY	0	0	0	0
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1988	JULY	0	0	0	0
1988	AUGUST	0	0	0	0
1988	SEPTEMBER	0	0	0	0
1988	OCTOBER	0	0	0	0
1988	NOVEMBER	0	0	0	0
1988	DECEMBER	0	0	0	0

LOS MEDANOS MORROW (GAS)
OPERATOR NAME FORD

JAMES RANCH UNIT

ENRON OIL & GAS CO.
07 235 31E

EDDY



PF: JAMESRCH
 EVAL #: 1

ENRON OIL & GAS COMPANY
 RESERVES AND ECONOMICS
 AS OF SEP 1, 1983

DATE: 01/13/89
 TIME: 14:33:07
 PAGE: 1

ID CODE : 2

NAME : JAMES RANCH UNIT #14
 FIELD : LOS MEDANOS
 CNTY, STATE: EDDY CO., NEW MEXICO
 FORMATION : MORROW
 OPERATOR : ENRON OIL & GAS COMPANY

NO RISK CASE
 SEC. 6-23S-31E

----PRESENT WORTH PROFILE----

WI	ORI	GRI	DATE	BTAX	ATAX	DISC RATE	PW OF NET BTAX M\$	PW OF NET ATAX M\$
100.00000	74.70730	74.70730	SEP 1983	----	-----	5.0	-1022.969	-731.275
						10.0	-1312.915	-967.968
						15.0	-1510.801	-1135.527
						25.0	-1751.470	-1350.150
						30.0	-1826.823	-1421.191
				RATE OF RETURN (%)	---			
				PAYOUT (YRS)	*			
				PAYOUT DISC. (YRS)	*			
				R/I (CF+1/I)	0.79			0.86
				R/I DISC (DCF+DI/DI)	0.45			0.58
				P/I (CF/I)	-0.21			-0.14
				PVI DISC (DCF/DI)	-0.55			-0.42

----- PRICES -----				INVESTMENTS		---	---	---	---	---
BEG-PRICES	END-PRICES	AVG-PRICES		LEASEHOLD (M\$)	GROSS	NET	NET OPER. COSTS (M\$)			
OIL (\$/BBL) *	*	*		TANG. (M\$)	868.000	868.000	GROSS OPER. COSTS (\$/UNIT)	*		452.888
GAS (\$/MCF) 2.50	3.60	2.28		INTAN. (M\$)	1914.822	1914.822	NET OPER. REVENUE (M\$)			2200.294
NGL (\$/BBL) 0.00	0.00	0.00		DRYHOLE (M\$)	0.000	0.000	DISCOUNT RATE (%)			15.0
				TOTAL (M\$)	2782.822	2782.822	PROJECT LIFE (YRS)			14.75

----- RESERVES -----					GROSS --OIL WELLS	
	NET REMAINING	GROSS REMAINING	GROSS CUMULATIVE	GROSS ULTIMATE		
OIL (MBBLS)	0.000	0.000	0.000	0.000	NET ---OIL WELLS	0.00
GAS (MMCF)	1165.213	1559.703	0.000	1559.703	---GAS WELLS	1.00
COND (MBBLS)	0.000	0.000	0.000	0.000	OTHER WELLS	0.00
NGL (MBBLS)	0.000	0.000	0.000	0.000	NET ---OIL WELLS	0.00
					---GAS WELLS	1.00
					OTHER WELLS	0.00

PF: JAMESRCH
 EVAL #: 1

ENRON OIL & GAS COMPANY
 RESERVES AND ECONOMICS
 AS OF SEP 1, 1983

DATE: 01/13/89
 TIME: 14:33:32

ID CODE : 2

NAME : JAMES RANCH UNIT #14 NO RISK CASE
 FIELD : LOS MEDANOS SEC. 6-23S-31E
 CNTY, STATE: EDDY CO., NEW MEXICO
 FORMATION : MORROW
 OPERATOR : ENRON OIL & GAS COMPANY

	GROSS PROD OIL + COND	GROSS GAS PRODUCTION	NET PROD OIL + COND	NET GAS PRODUCTION	EFFECTIVE OIL PRICE	EFFECTIVE GAS PRICE	NET TOTAL REVENUE	NET LEASE OPER EXP	NET ADVAL TAXES	NET SEV TAXES
	---MBBLS---	----MMCF---	---MBBLS---	----MMCF---	---\$/BBL---	---\$/MCF---	-----M\$-----	-----M\$-----	-----M\$-----	-----M\$-----
(4MO)1983	0.000	22.132	0.000	16.534	0.000	2.500	41.336	1.250	0.708	2.695
1984	0.000	427.152	0.000	319.114	0.000	2.600	829.696	15.000	14.216	52.016
1985	0.000	40.311	0.000	30.115	0.000	2.700	81.311	15.000	1.393	4.909
1986	0.000	7.557	0.000	5.646	0.000	2.500	14.114	15.000	0.242	0.920
1987	0.000	14.848	0.000	11.093	0.000	2.200	24.404	15.000	0.418	1.808
1988	0.000	82.000	0.000	61.260	0.000	2.100	128.646	15.000	2.204	9.985
1989	0.000	302.288	0.000	225.831	0.000	1.800	406.497	15.000	6.965	36.811
1990	0.000	210.847	0.000	157.518	0.000	1.944	306.215	15.000	5.247	25.675
1991	0.000	147.066	0.000	109.869	0.000	2.100	230.673	15.000	3.952	17.909
1992	0.000	102.579	0.000	76.634	0.000	2.267	173.767	15.000	2.977	12.491
1993	0.000	71.549	0.000	53.453	0.000	2.449	130.899	15.000	2.243	8.713
1994	0.000	49.906	0.000	37.283	0.000	2.645	98.607	15.000	1.689	6.077
1995	0.000	34.810	0.000	26.005	0.000	2.856	74.281	15.000	1.273	4.239
1996	0.000	24.280	0.000	18.139	0.000	3.085	55.956	15.000	0.959	2.957
1997	0.000	16.935	0.000	12.652	0.000	3.332	42.152	15.000	0.722	2.062
SUB TOTAL	0.000	1554.261	0.000	1161.146	0.000	2.272	2638.552	211.250	45.208	189.267
REMAINDER	0.000	5.443	0.000	4.066	0.000	3.598	14.631	6.250	0.251	0.663
TOT 14.8 YR	0.000	1559.704	0.000	1165.212	0.000	2.277	2653.183	217.500	45.458	189.930

	WINDFALL PROFITS TAX	NET OPER REVENUE	NET TOTAL INVESTMENT	BTAX CASHFLOW	BTAX CF DISC 15.00%	TAX DEPLETION	TAX DEPREC	INCOME TAXES PAID	ATAX CASHFLOW	ATAX CF DISC 15.00%
	-----M\$-----	-----M\$-----	-----M\$-----	-----M\$-----	-----M\$-----	-----M\$-----	-----M\$-----	-----M\$-----	-----M\$-----	-----M\$-----
(4MO)1983	0.000	36.682	2749.000	-2712.318	-2682.156	0.000	124.000	-447.678	-2264.640	-2244.786
1984	0.000	748.465	0.000	748.465	662.844	0.000	212.571	74.988	673.477	598.929
1985	0.000	60.009	0.000	60.009	46.213	0.000	151.837	-16.237	76.247	56.660
1986	0.000	-2.048	0.000	-2.048	-1.371	0.000	108.455	-74.356	72.308	48.945
1987	0.000	7.177	0.000	7.177	4.179	0.000	77.468	-65.689	72.867	42.983
1988	0.000	101.456	33.822	67.634	34.944	0.000	77.468	-38.230	105.864	54.745
1989	0.000	347.721	0.000	347.721	153.767	0.000	77.468	59.851	287.871	127.885
1990	0.000	260.293	0.000	260.293	100.097	0.000	38.734	74.515	185.778	71.260
1991	0.000	193.812	0.000	193.812	64.815	0.000	0.000	70.118	123.694	41.127
1992	0.000	143.298	0.000	143.298	41.676	0.000	0.000	51.764	91.535	26.469
1993	0.000	104.943	0.000	104.943	26.545	0.000	0.000	37.825	67.119	16.880
1994	0.000	75.840	0.000	75.840	16.685	0.000	0.000	27.936	47.904	10.477
1995	0.000	53.769	0.000	53.769	10.290	0.000	0.000	19.912	33.857	6.442
1996	0.000	37.041	0.000	37.041	6.167	0.000	0.000	13.830	23.211	3.842
1997	0.000	24.367	0.000	24.367	3.531	0.000	0.000	9.221	15.146	2.182
SUB TOTAL	0.000	2192.827	2782.822	-589.995	-1511.774	0.000	868.000	-202.232	-387.763	-1135.959
REMAINDER	0.000	7.467	0.000	7.467	0.974	0.000	0.000	4.173	3.295	0.431
TOT 14.8 YR	0.000	2200.294	2782.822	-582.528	-1510.800	0.000	868.000	-198.059	-384.468	-1135.528

EVALUATION #1 IN PROJECT FILE "JAMESRCH" 01/13/89 14:32:31

10 IDENT "2

20 DATES SEP 1983 SEP 1983 DEC 1983

30 ECONOMICS ELIM

40 WELLCOUNT 0 1

50 NAME "JAMES RANCH UNIT #14 "

60 FIELD "LOS MEDANOS "

70 TITLE2 "SEC. 6-23S-31E "

80 CNTYSTATE "EDDY CO., NEW MEXICO "

90 FORMATION "MORROW "

100 OPERATOR "ENRON OIL & GAS COMPANY "

110 OWNERSHIP 1. 0.747073

120 WINDFALL Y

130 DEPR DBN:200. * * 7

140 DEPL COST

150 AMORT SL 5 N

160 FEDTAX Y 34. * * * 70.

180 GPROD DEC 1983 ANN 22.132 427.152 40.311 7.557 14.848 82.

190 GPROD JAN 1989 EXP 30. 1. 966.

200 PRGAS DEC 1983 ANN 2.5 2.6 2.7 2.5 2.2 2.1

210 PRGAS JAN 1989 PER 1.8 * 12. 8. 3.6

220 GSEVDM P CON 0.163

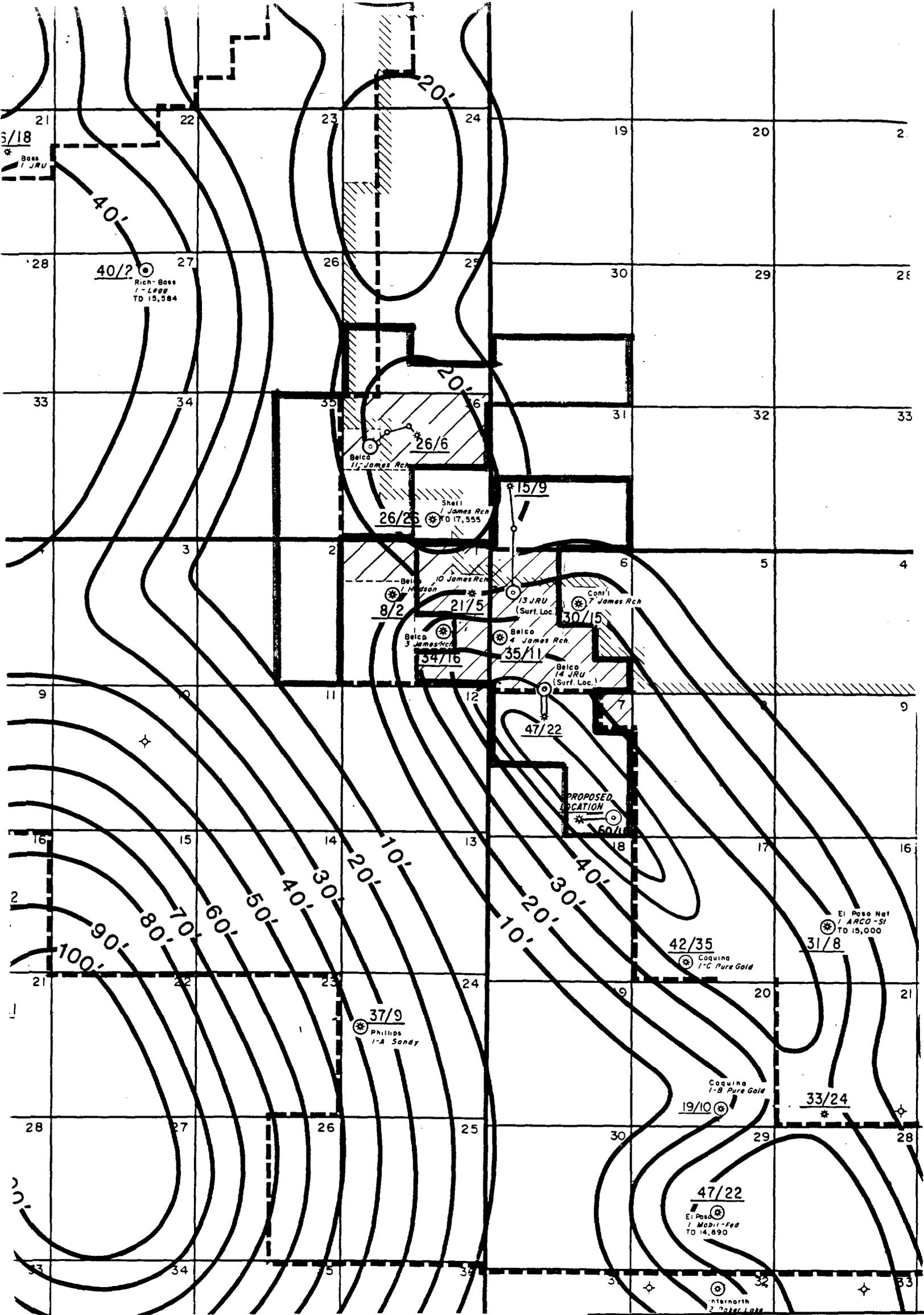
230 AVALPS P CON 1.28

240 LOEDW P CON 1250.

250 INTAN C MON 1881000.

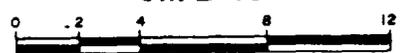
260 TAN C MON 868000.

270 INTAN OCT 1988 MON 33822.



-  BPC. Acreage
-  Farm-Out from Bass
-  WIPP Boundary
-  Potash R-III Boundary

 21/12
 NET = 6% POROSITY CUTOFF
 GROSS = 50 API GR CUTOFF

BELCO PETROLEUM CORP.
 MIDLAND DISTRICT
 JAMES RANCH PROSPECT
 EDDY COUNTY, NEW MEXICO
 ISOPACH (GROSS)
UPPER MORROW SAND
 C.I. = 10'

 SCALE IN THOUSANDS OF FEET
 By: Emory Parrott Date: 11/85

JAMES RANCH UNIT NO. 14 (WO-GAS)	Oper: ENRON OIL & GAS COMPANY
Surf: 1980' FWL & 100' FSL, Sec. 6-23S-31E	14,200' Morrow
BHL: 1980' FWL & 660' FNL, Sec. 7-23S-31E	EOG %: 100 WI & 74.5 NRI
Eddy County, New Mexico	AFE No. 0053283007 \$25,000
Los Medanos Field	SC No. 7406-AA2
James Ranch Prospect	Product Call %: 100

- 10-17-88 (9) 24 hr SI; EDWC \$0; ETWC \$24,443.
42 hrs ↗
- 10-18-88 (10) SITP 2900#; 1 hr SI, SITP 2900#; 2 hr RU Dowell & tst lines, add 15 gal inhibitor; 2 hr acdz w/4872 gal 7-1/2% MSR100; flush w/2% KCl wtr; AIR 5 BPM @ 5290 psi; min TP 4440#, max TP 7200#; used 150 ball sealers; ISIP 2830#, 5 min 950#, 10 min 170#, 15 min zero; 4-3/4 hr swb, FL 800' - 7500' - 4400', rec 60 BLW; 112 BLTR; 1 hr flo to pit, rec 20 BW w/FTP 220#; 1-1/4 hr flo to pit w/5' flare, no fl; 92 BLTR; 12 hr SIFN; this AM SITP 2575#; EDWC \$7,869; ETWC \$32,312.
- 10-19-88 (11) SITP 2775#, SICP 500#; 1/2 hr SI; 1-1/4 hr opn to pit 2575 to 0; 3-1/4 hr flwg to pit, rec 25 BW w/FTP 60#; 1 hr SITP 900#, drop soap sticks; 5 hr flwg to pit, TP 900-60#, rec 25 BW; 42 BLTR; 1/2 hr drop soap stick; 12-1/2 hr SIFN; EDWC \$1,110; ETWC \$33,422.
- 10-20-88 (12) 1 hr SI; 3 hr flo to pit 2775-60, rec 15 BW; 20 hr flwg to sales, FTP 450 psi, 710 MCFD; EDWC \$400; ETWC \$33,822.
- 10-21-88 (13) SITP 2850#, SICP 1050#; put well on line @ 10:00 AM, 720 MCFD, FTP 425#, LP 460#.
- 10-22-88 (14) Flwd 21 hr, daily rate 771 MCFD, 0 BO & 7 BW, FTP 490#, CP 1100#, LP 447#.

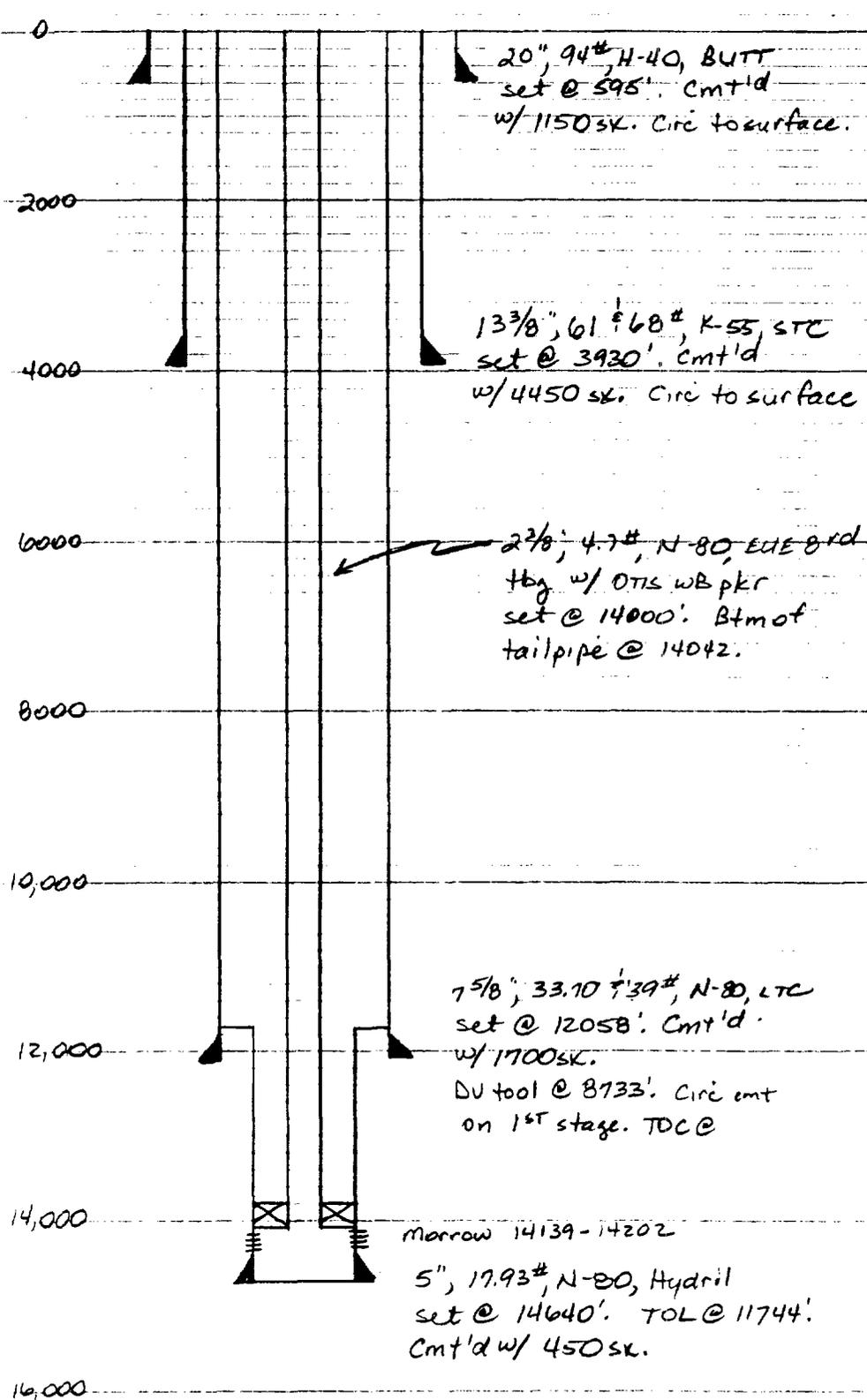
The James Ranch Unit No. 14 had been producing 22 MCFD with 350 psi FTP from Morrow perforations 14,139' to 14,202', overall. This interval was reperforated and acidized with 5,000 gallons 7-1/2% acid. After 15 days of production, the well is flowing 900 MCFD, 0 BC and 4 BWPD on an 8/64" choke with 1,120 psi FTP. The estimated cost of this workover is \$33,822 as compared to the AFE cost of \$25,000. FINAL REPORT.

JAMES RANCH UNIT NO. 14 (WO-GAS)	Oper: ENRON OIL & GAS COMPANY
Surf: 1980' FWL & 100' FSL, Sec. 6-23S-31E	14,200' Morrow
BHL: 1980' FWL & 660' FNL, Sec. 7-23S-31E	EOG %: 100 WI & 74.5 NRI
Eddy County, New Mexico	AFE No. 0053283007 \$25,000
Los Medanos Field	SC No. 7406-AA2
James Ranch Prospect	Product Call %: 100

- 10-04-88 (1) Morrow; 6 hr RU Dowell; pmp 500 gal 7-1/2% MSR-100, 30,000 scf N2 pad, 11 BBL 7-1/2% MSR-100 containing 1000 scf N2/BBL; press incr to 10,000 psi; SD; bled press dn; load tbg w/24 BBL 2% KCl; press incr to 10,000 psi; SD; bled off; SIFN; NOTE: prior to pmpg acid, loaded annulus w/293 BW; EDWC \$1,180; ETWC \$1,180.
- 10-05-88 (2) 9 hr RU Cudd CTU & TIH to 13,852'; hit obstruction; circ w/65 BBL 2% KCl @ 1/2 BPM; wash fill to 13,868'; SI; TOH; RD Cudd; 15 hr SI; EDWC \$4,469; ETWC \$5,649.
- 10-06-88 thru
10-10-88 SI.
- 10-11-88 (3) 7-1/2 hr RU pulling un; TP 0, CP 2500#; bled csg press dn; ND WH; NU BOP; 1 hr pull out of seal assy; fl equalized; pull 10 stds; 12-1/2 hr SIFN; EDWC \$2,301; ETWC \$7,950.
- 10-12-88 (4) 1 hr SI; 3-1/2 hr TOH w/2-3/8" tbg; 1/2 hr redress seal assy; 5 hr TIH & rabbit tbg in hole; found nothing inside tbg; 14 hr SIFN; EDWC \$2,750; ETWC \$10,700.
- 10-13-88 (5) 1 hr SI; 1-1/2 hr mix pkr fl & RU Dowell; 3 hr displ hole w/pkr fl; last 50 BBL 2% KCl cont Cla-Sta + Surfactant; 2 hr sting into pkr w/seal assy; ND BOP; NU WH; 16-1/2 hr SIFN; EDWC \$4,690; ETWC \$15,390.
- 10-14-88 (6) 1 hr SI; 1-1/2 hr RU Monument WSU; 1/2 hr RU McCullough WL; 1-1/2 hr TIH w/WL to 14,262'; 5 hr perf Morrow w/1 spf 14,139-146', 14,151-166', 14,717-189', 14,195-202', tot of 51 - 0.34" diameter holes, all shots fired; 1/2 hr RD WL; RU Dowell; 3/4 hr tst lines to 10,000 psi; pmp 20 BBL 2% KCl cont Cla-Sta + Surfactant; AIR 6 BPM @ 6800 psi; ISIP 2500#, 5 min 600#, 10 min 0#; 1/2 hr RD Dowell; RU to swb; 1-1/2 hr swb to 4100', IFL surf, rec 16 BW; 11-1/4 hr SIFN; EDWC \$7,043; ETWC \$22,433.
- 10-15-88 (7) 1 hr SITP 1000 psi; 1-1/2 hr bled to 0; rec 5 BW; 3-1/2 hr RU swb, IFL 5300', FFL 9000'; rec 12 BW; had 700' entry on last swb run; 3/4 hr SI; 5-1/4 hr flo to pit; flwg in hds @ 20-70 psi; rec 27 BW; last 2 hr - flo G w/very little wtr & no press; SI 10 min, TP incr to 160#; 12 hr SIFN; EDWC \$1,110; ETWC \$23,543.
- 10-16-88 (8) 1 hr SI; 3 hr bleed fr 2300 to 30 & rec 20 BW; 2 hr flwg on 3/4" ck w/FTP 30-50#, no fl; 1 hr flwg on 12/64" ck w/FTP w/no fl; 17 hr SI; EDWC \$900; ETWC \$24,443.

ENRON OIL & GAS COMPANY
 LOS MEDANOS (MORROW) FIELD
 TD: 14640 PBTD: 14597
 GL: 3300 KB: 3327

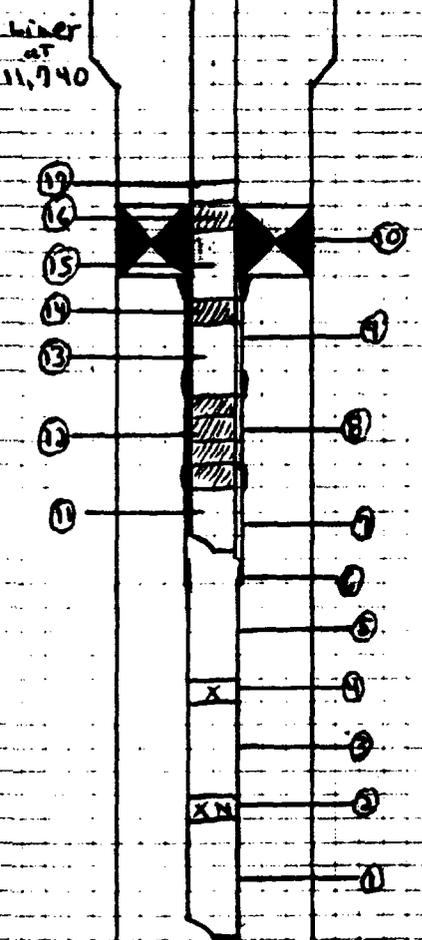
JAMES RANCH UNIT No. 14
 SURFACE: 1980' FWL & 100' FSL, Sec 6
 BBL: 1980' FWL & 660' FNL, Sec 7
 T-23-S, R-31-E
 Eddy County, New Mexico



SPUD 4-6-83
 Completion:
 LINER TOP leaked. Could not pump into liner top. Perf 12100-101 w/ 4 holes. Could not pump into holes. Spot acid 12111-11544. Break down 2.5 BPM @ 3500#. Set EZSV @ 11553'. Squeeze w/ 150sk CI "H" cmt. Drill out. Press test OK to 3000#. Backflow test perf. Leaking. Spot acid & breakdown. Set EZSV @ 11710'. Squeeze w/ 150sk. Drill out. Press test OK. Backflow test. No leaks.
 Set OTIS WB pkr @ 14000'. TIH w/ tbg. NU tree. Swab FL to 11000'. Perf Morrow 14139-46 (15 holes), 14151-66 (31 holes), 14171-89 (37 holes), 14195-202 (15 holes), total of 98 -0.38" holes. Swab & kick off flowing 2.8 MMCFD, 0 BO, 1/2 BWPH, FTP 500, 3/4" ck. 1ST SALES DEC '83.

CASING	SIZE	WEIGHT	GRADE	THREAD	COMPLETION FLUID IN CASING			
	5"				Brine			
LINER	SIZE	WEIGHT	GRADE	THREAD	TUBING WT. ON	LOWER	MIDDLE	UPPER
	2 3/8		N-80	8RD		12,000	Compressed	
TUBING	SIZE	WEIGHT	GRADE	THREAD	TYPE LATCH	LOWER	MIDDLE	UPPER
UPPER	2 3/8		N-80	8RD				
MIDDLE					OPERATOR'S NAME	ISS.		
LOWER					C. Parks	376865		
					OTIS OFFICE	DATE		
					Hobbs	8/15/83		

ITEM	DEPTH	LENGTH	FD	OD	DESCRIPTION
	14,042.75				End of Guide
1	14,040.81	1.94		3.09	Mule Shoe Guide
2	14,039.54	1.27	1.791	3.09	OTIS "X" NIPPLE
3	14,031.57	7.97		3.09	2 3/8 EU N-80 Sub w/coupl
4	14,030.37	1.20	1.875	3.09	OTIS "X" NIPPLE
5	14,022.43	7.94		3.09	2 3/8 EU N-80 Sub w/coupl
6	14,021.85	.58		3.81	2 3/8 TO Seal Bore ADPT.
7	14,017.73	4.12	2.55	3.81	Seal Bore w/coupl
8	14,009.59	8.14	2.55	3.81	Seal Bore w/coupl
9	14,001.55	8.04	2.55	3.81	Seal Bore with ADPT TO PKR
10	14,000.00	1.55	2.55	3.94	OTIS 5" 15-21* WB PKR
	14,020.33				End of Guide
11	14,019.16	1.17	1.94	2.54	Guide
12	14,014.89	4.27	1.94	2.54	4 molded seals
13	14,008.89	6.00	1.94	2.54	3 spacers
14	14,007.83	1.06	1.94	2.54	1 molded seal
15	14,001.82	6.01	1.94	2.54	3 spacers
16	14,000.72	1.10	1.94	2.54	1 seal
17	14,000.00	.72	1.94	3.02	5 Straight slot locator
18	78.93	13921.07			447 JTS 2 3/8 Tubing
19	68.98	9.95			10' 2 3/8 sub
20	62.88	6.10			6' 2 3/8 sub
21	58.78	4.10			4' 2 3/8 sub
22	27.00	31.78			1 JT 2 3/8 Tubing
	-0-	27.00			KB



**BELCO PETROLEUM CORPORATION
DRILLING RECORD**

AFE NO. _____

FIELD Los Medanos LEASE James Ranch WELL NO. 14

DATE	DEPTH	DETAIL OF OPERATION Completion																																			
8/22/83 8/23/83		Converting to production " "																																			
8/24/83		Prep to run AOF. Completed installation of prod. facilities.																																			
8/25/83	Report 34	<p>WO sales line connection. DWT 4950#. RU John West Engr. Ser. & TIH w/ 1 3/8" x 6' bar to 13900'. TOH. No obstructions. TIH w/ BHP guage to 13900' & run AOF.</p> <table border="0"> <thead> <tr> <th>Run</th> <th>FTP DWT</th> <th>CK</th> <th>Gas Vol MCFD</th> <th>LP Psig</th> <th>BC</th> <th>BSW</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>3863</td> <td>9/64"</td> <td>1200</td> <td>490</td> <td>0</td> <td>0</td> </tr> <tr> <td>2</td> <td>3320</td> <td>11/64"</td> <td>1650</td> <td>490</td> <td>0</td> <td>0</td> </tr> <tr> <td>3</td> <td>3025</td> <td>13/64"</td> <td>1850</td> <td>490</td> <td>0</td> <td>0</td> </tr> <tr> <td>4</td> <td>2122</td> <td>15/64"</td> <td>2450</td> <td>490</td> <td>0</td> <td>0</td> </tr> </tbody> </table> <p>SI @ 4:00 PM & TOH. Obtained good chart.</p>	Run	FTP DWT	CK	Gas Vol MCFD	LP Psig	BC	BSW	1	3863	9/64"	1200	490	0	0	2	3320	11/64"	1650	490	0	0	3	3025	13/64"	1850	490	0	0	4	2122	15/64"	2450	490	0	0
Run	FTP DWT	CK	Gas Vol MCFD	LP Psig	BC	BSW																															
1	3863	9/64"	1200	490	0	0																															
2	3320	11/64"	1650	490	0	0																															
3	3025	13/64"	1850	490	0	0																															
4	2122	15/64"	2450	490	0	0																															
8/26/83	Report 35	<p>WO sales line connection. CAOF 3284 MCFD. BHP @ 13900' - 6269 psig ✓ Dropped until connected to sales line.</p>																																			

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

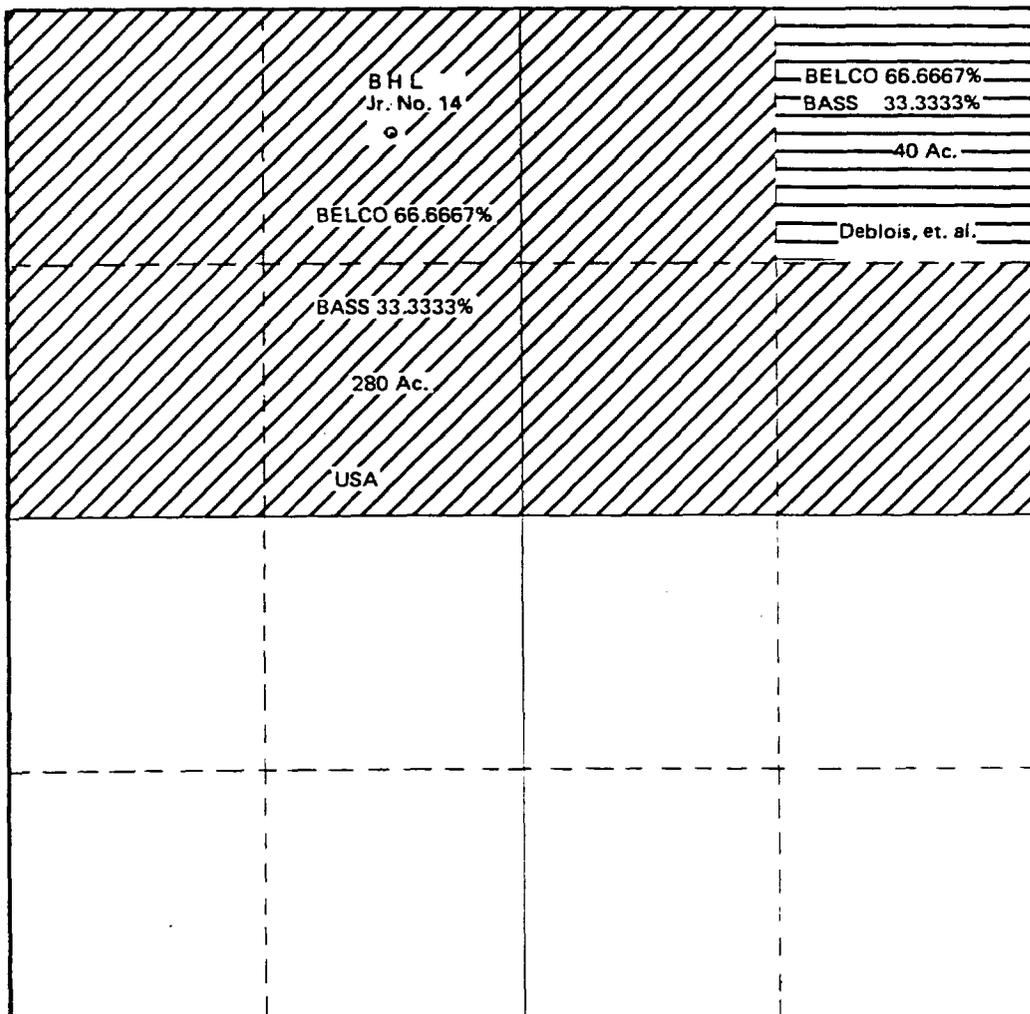
Operator: Belco Petroleum		Lease: James Ranch		Well No. 14
Unit Letter	Section 7	Township 23-S	Range 31-E	County Eddy
Actual Footage Location of Well: Approximate bottom hole location 1980 feet from the West line and 660 feet from the North line				
Ground Level Elev.	Producing Formation	Pool	Dedicated Acreage: 320 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation James Ranch Unit

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

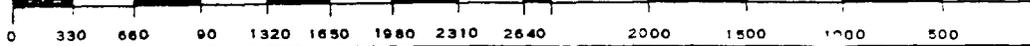
P E Slavia

Name
DIVISION DRILLING ENGINEER
Position
BELCO PETROLEUM CORP.
Company
1-20-83
Date

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 knowledge and belief.

Date Surveyed
Registered Professional Engineer and/or Land Surveyor

Certificate No.



1/20/83 V1.01

BELCO PETROLEUM CORP.
JAMES RANCH WELL NO. 14
EDDY COUNTY, NEW MEXICO

DIRECTIONAL PLAT

1"=200'

SURFACE
100 FSL
1980 FWL
SECTION 6

1"=1000'

8360' KOP 8360 MD

1 1/2° BUILD

9660' 19°53' 9686 MD

10500' 19°53' 10580 MD

1 1/2° DROP

11800' 760' 0° 11906 MD

7" CSG

11800 TYD
660 FNL
1980 FWL
SECTION 7

14500' 760' 14606 MD

S 0°0' E

Eastman
Whipstock

46 0780

10 X 10 TO THE INCH 7 X 10 FEET
KEUFFEL & ESSER CO. MADE IN U.S.A.

DEPTH

NM OIL CONS. COMMISSION
Drawer DD
Artesia, NM 88210

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN DUPLICATE*
(See other instructions on reverse side)

Form approved.
Budget Bureau No. 42-R355.5.

5. LEASE DESIGNATION AND SERIAL NO.
NM-02887-D

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
James Ranch Unit

9. WELL NO.
14

10. FIELD AND POOL, OR WILDCAT
Los Medanos-Morrow

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
SL: Sec. 6, T-23-S, R-31-E
BHL: Sec. 7, T-23-S, R-31-E

12. COUNTY OR PARISH
Eddy

13. STATE
NM

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1a. TYPE OF WELL: OIL WELL GAS WELL DRY OTHER

b. TYPE OF COMPLETION: NEW WELL WORK OVER DEEP-EN PLOG BACK DIFF. RESVR. OTHER

2. NAME OF OPERATOR
Belco Development Corporation

3. ADDRESS OF OPERATOR
10,000 Old Katy Road, Suite 100, Houston, Texas 77055

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface 1980' FWL and 100' FSL, Sec. 6
At top prod. interval reported below
At total depth 1980' FWL and 660' FNL, Sec. 7

14. PERMIT NO. DATE ISSUED
2-10-83

15. DATE SPUDDED 4/6/83 16. DATE T.D. REACHED 7/12/83 17. DATE COMPL. (Ready to prod.) 8/20/83 18. ELEVATIONS (DF, REB, RT, OR, ETC.)* 3320 KB 19. ELEV. CASINGHEAD 3300

20. TOTAL DEPTH, MD & TVD 14,640' 21. PLUG, BACK T.D., MD & TVD 14,597 22. IF MULTIPLE COMPL., HOW MANY* 23. INTERVALS DRILLED BY

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*
14,139 - 14,202 Morrow 25. WAS DIRECTIONAL SURVEY MADE Yes

26. TYPE ELECTRIC AND OTHER LOGS RUN
DSN - Dual Guard for X0 27. WAS WELL CORED No

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
20"	94#	595	26"	1150	
13 3/8	68#	3930	17 1/2"	4450	
17 5/8	33-39#	12,058	9 7/8"	#1 700; #2 1000	

29. LINER RECORD 30. TUBING RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
5"	11,744	14,640	450		2 3/8	14,020	14,002

31. PERFORATION RECORD (Interval, size and number)
14,139 - 14,202
3/8" -- 98 Holes

32. ACID, SHOT, FRAC, GEL, CEMENT SQUEEZE, ETC.
DEPTH INTERVAL (MD) AMOUNT AND KIND OF MATERIAL USE
Part 2 40
L-2 20
L-3 20
L-4 20
L-5 20
L-6 20
L-7 20
L-8 20
L-9 20
L-10 20
L-11 20
L-12 20
L-13 20
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L-98 20

33. PRODUCTION
DATE FIRST PRODUCTION 8/20/83 PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) Flowing WELL STATUS (Producing or shut-in) SI WOPL

DATE OF TEST 8/24/83 HOURS TESTED 4 CHOKE SIZE 11/64 PROD'N. FOR TEST PERIOD 0 OIL—BBL. 2657 GAS—MCF. 0 WATER—BBL. 0 GAS-OIL RATIO.

FLOW. TUBING PRESS. 2122 CASINO PRESSURE PKR CALCULATED 24-HOUR RATE 0 OIL—BBL. 0 GAS—MCF. 0 WATER—BBL. 0 OIL GRAVITY-API (CORR.)

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) Vented during AOF TEST WITNESSED BY Belco Development Corp.

35. LIST OF ATTACHMENTS

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records
SIGNED Carl M. Furrer TITLE Production Superintendent DATE 9/7/83

INSTRUCTIONS

General: This form is designed for submitting a complete and correct well completion report and log on all types of lands and leases to either a Federal agency or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office. See instructions on items 22 and 24, and 33, below regarding separate reports for separate completions.

If not filed prior to the time this summary record is submitted, copies of all currently available logs (drillers, geologists, sample and core analysis, all types electric, etc.), formation and pressure tests, and directional surveys, should be attached hereto, to the extent required by applicable Federal and/or State laws and regulations. All attachments should be listed on this form, see item 35.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 18: Indicate which elevation is used as reference (where not otherwise shown) for depth measurements given in other spaces on this form and in any attachments. **Items 22 and 24:** If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) (if any) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

Item 29: "Sacks Cement": Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool.

Item 33: Submit a separate completion report on this form for each interval to be separately produced. (See instruction for items 22 and 24 above.)

37. SUMMARY OF POREUS ZONES:
SHOW ALL IMPORTANT ZONES OF POROSITY AND CONTENTS THEREOF; CORRELATE INTERVALS; AND ALL DRILL-STEM TESTS, INCLUDING DEPTH INTERVAL TESTED, CUSHION USED, TIME TOOL OPEN, FLOWING AND SHUT-IN PRESSURES, AND RECOVERIES

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	MEAS. DEPTH	TOP	TRUE VERT. DEPTH
Delaware	3938	7806	Sand and Shale	Strawn	12827	12670	
Bone Spring	7707	11239	Limestone, Sandstone & Shale	Atoka	13071	12943	
Wolfcamp	11240	12684	Limestone and Shale	Morrow	14016	12877	
Strawn	12827	12928	Limestone				
Atoka	13071	13873	Shell, Shale and Limestone				
Morrow	14016	14650	Sandstone and Shale				

NEW MEXICO OIL CONSERVATION COMMISSION
MULTIPOINT AND ONE POINT BACK PRESSURE TEST FOR GAS WELL

Form C-122
Revised 9-1-65

Type Test <input checked="" type="checkbox"/> Initial <input type="checkbox"/> Annual <input type="checkbox"/> Special				Test Date 8-24-83		
Company Belco Development Corp.			Connection To Air			
Pool Los Medanos - Atoka <i>W. S. Morrow</i>			Formation Morrow		Unit	
Completion Date 8/20/83		Total Depth 14,640		Plug Back TD 14,597	Elevation 3320 KB	
Csg. Size 5"		Wt. 17.93	d 4.276	Set At 14,640	Perforations: From 14,139 To 14,202	
Tbg. Size 2 3/8"		Wt. 4.7#	d 1.995	Set At 14,020	Perforations: From --- To ---	
Type Well - Single - Bradenhead - G.C. or G.O. Multiple Single				Packer Set At 14,042		
Producing Thru Tubing		Reservoir Temp. °F 213° 13,900		Mean Annual Temp. °F 60°		
L 13,900		H 13,900	Cg .581	% CO ₂ 1.568	% N ₂ 278	
				% H ₂ S	Prover	
					Meter Run 3"	
					Taps Flange	
FLOW DATA			TUBING DATA		CASING DATA	
NO.	Prover Line Size	x	Orifice Size	Press. p.s.i.g.	Diff. h _w	Temp. °F
NO.				Press. p.s.i.g.	Temp. °F	Duration of Flow
SI						4950
1.	3	x	1.750	490	8	80°
2.	3	x	1.750	490	15	74
3.	3	x	1.750	490	19	75
4.	3	x	1.750	490	32	75
5.						
RATE OF FLOW CALCULATIONS						
NO.	Coefficient (24 Hour)	$\sqrt{h_w P_m}$	Pressure P _m	Flow Temp. Factor Ft.	Gravity Factor F _g	Super Compress. Factor, F _{pv}
1	15.61	63.45	503.2	.9813	1.312	1.037
2	15.61	86.88	503.2	.9868	1.312	1.037
3	15.61	97.78	503.2	.9859	1.312	1.037
4	15.61	126.89	503.2	.9859	1.312	1.037
5						
NO.	P _r	Temp. °R	T _r	Z	Gas Liquid Hydrocarbon Ratio _____ Mcf/bbl.	
1	.75	540	1.54	.932	A.P.I. Gravity of Liquid Hydrocarbons _____ Deg.	
2	.75	536	1.53	.930	Specific Gravity Separator Gas .581 _____ XXXXXXXXXX	
3	.75	535	1.53	.930	Specific Gravity Flowing Fluid _____ XXXXXX	
4	.75	535	1.53	.930	Critical Pressure 672 _____ P.S.I.A.	
5					Critical Temperature 350 _____ R	
P _c 4963.2		P _c ² 24633.4				
NO.	P _i ²	P _w	P _w ²	P _c ² - P _w ²	(1) $\frac{P_c^2}{P_c^2 - P_w^2} = 1.260$	
1		3946.8	15577.2	9056.2	(2) $\left[\frac{P_c^2}{P_c^2 - P_w^2} \right]^n = 1.236$	
2		3419.1	11690.2	12943.2		
3		3129.3	9792.5	14840.9	AOF = Q $\left[\frac{P_c^2}{P_c^2 - P_w^2} \right]^n = 3.284$	
4		2255.8	5088.6	19544.8		
5						
Absolute Open Flow 3,284			Mcf @ 15.025		Angle of Slope θ 47.5	
					Slope, n 916	
Remarks: Bottom Hole Pressures measured with Kuster gauge. Calculated from known bottom hole pressures.						
Approved By Commission:		Conducted By: W.S.		Calculated By: R.R.		Checked By: R.R.

TEST DATE: AUGUST 24, 1983
 TEST DEPTH: 13,900 Feet
 ELEMENT NO: 34912
 RANGE: 0-8000 psi
 CLOCK NO: B-12174
 RANGE: 0-12 Hours
 TEST CONDUCTED BY:
 JOHN WEST ENGINEERING COMPANY

PSIG @ 13,900 FEET

6257 gauge reached 13,900'
 6269 begin 4-point test
 5589 9/64 Choke
 5262
 5165
 5121 End Rate I
 4741 11/64 Choke
 4571
 4510
 4486 End Rate II
 4259 13/64 Choke
 4170
 4142
 4130 End Rate III
 3351 16/64 Choke
 3106
 3029
 3012 End Rate IV

CUM HRS./MIN.

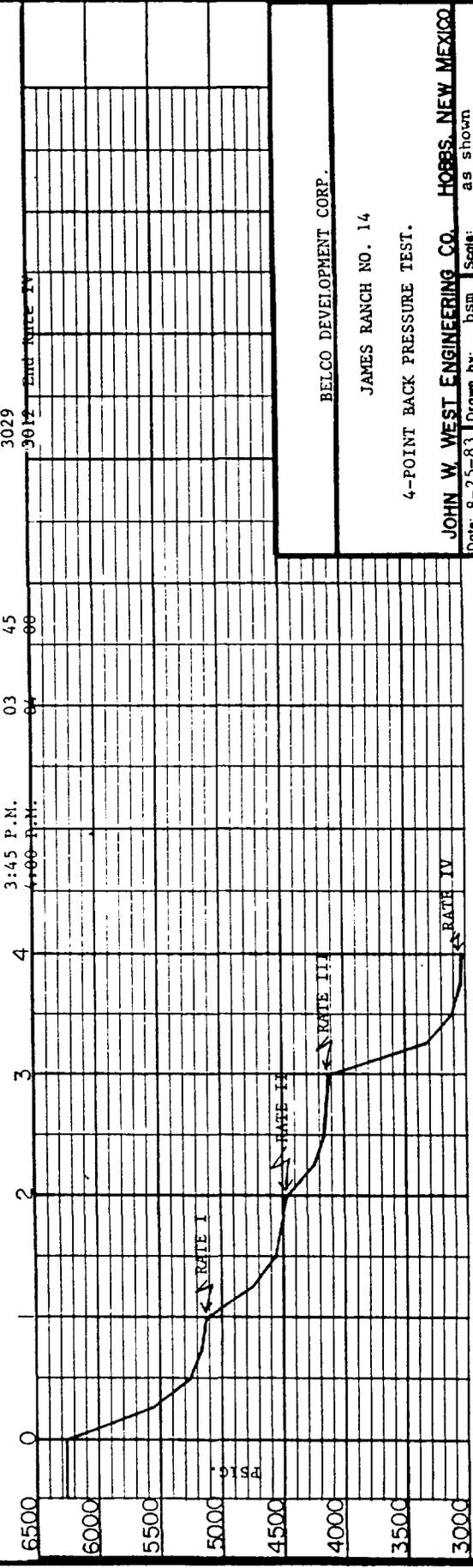
00 Hrs. 00 Min.
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 00 30
 00 45
 01 00
 01 15
 01 30
 01 45
 02 00
 02 15
 02 30
 02 45
 03 00
 03 15
 03 30
 03 45
 04 00

TIME

11:15 A.M.
 12:00 Noon
 12:15 P.M.
 12:30 P.M.
 12:45 P.M.
 1:00 P.M.
 1:15 P.M.
 1:30 P.M.
 1:45 P.M.
 2:00 P.M.
 2:15 P.M.
 2:30 P.M.
 2:45 P.M.
 3:00 P.M.
 3:15 P.M.
 3:30 P.M.
 3:45 P.M.
 4:00 P.M.

DATE

8-24-83



BELCO DEVELOPMENT CORP.

JAMES RANCH NO. 14

4-POINT BACK PRESSURE TEST.

JOHN W. WEST ENGINEERING CO. HOBBS, NEW MEXICO

Date: 8-25-83 Drawn by: bsm Scale: as shown



**NEW-TEX
LAB**

PHONE 505/393-3561

P. O. BOX 1161

611 W. SNYDER

HOBBS, NEW MEXICO 88240

ANALYSIS CERTIFICATE

CLIENT: JOHN WEST ENG.
ADDRESS: 412 N DAL PASO
CITY, STATE: HOBBS NEW MEXICO 88240

ANALYSIS NUMBER: 1251
DATE OF RUN: 08/25/83
DATE SECURED: 08/24/83

SAMPLE IDENT: BELCO DEVELOPMENT CORP. - JAMES RANCH #14
SAMPLING PRESS: SAMPLING TEMP:

***** GAS ANALYSIS *****

	MOLE PERCENT	GAL/ MCF
NITROGEN	0.278	
CARBON DIOXIDE	1.548	
METHANE	96.264	
ETHANE	1.588	0.424
PROPANE	0.216	0.059
ISO-BUTANE	0.029	0.009
NORMAL BUTANE	0.029	0.009
ISO-PENTANE	0.016	0.005
NORMAL PENTANE	0.012	0.004
HEXANES	0.000	0.000
HEPTANES PLUS	0.000	0.000
TOTAL	100.000	0.51

PROPANE GPM: 0.06 BUTANES GPM: 0.02
ETHANE GPM: 0.42 PENTANES PLUS GPM: 0.01

SPECIFIC GRAV (CALC): 0.5815
MOLE WEIGHT: 14.184

RHV-BTU/CU FT	PRESSURE (PSIA)	WET	DRY
	14.696	991	1009
	14.658	998	1006
	14.730	995	1011
	14.735	994	1011

RH HAMILTON

EXHIBIT "A"

Attached to and made a part of that certain Communitization Agreement dated February 15, 1983, embracing T23S, R31E, N.M.P.M., Section 7: Lots 1, 2, E $\frac{1}{2}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$, containing 322.53 acres, more or less, Eddy County, New Mexico

Operator of Communitized Area: BELCO PETROLEUM CORPORATION

FEDERAL LEASES

DESCRIPTION OF LEASES COMMITTED

Lands Covered by Tract 1 Lease:	<u>TRACT NO. 1</u> <u>Township 23 South, Range 31 East, N.M.P.M.</u> <u>Section 7: NW$\frac{1}{4}$NE$\frac{1}{4}$, S$\frac{1}{2}$NE$\frac{1}{4}$</u> containing 120.00 acres, more or less
Lessor:	United States of America
Lessee of Record:	Bass Enterprises Production Co. and Perry R. Bass
Serial Number of Lease:	NM-02887-B*
Form of Lease:	Non-Competitive 4-213 (December 1949)
Date of Lease:	April 1, 1952
Working Interest and Percentage:	Bass Enterprises Production Co.....75% Perry R. Bass.....25%
Production Payment:	Wallace Wimberly.....Production payment based on \$400 per acre out of 1% of the gross income received from production
	<i>Leasehold Burdens 25%</i>
Lands Covered by Tract 2 Lease:	<u>TRACT NO. 2</u> <u>Township 23 South, Range 31 East, N.M.P.M.</u> <u>Section 7: Lots 1, 2, E$\frac{1}{2}$NW$\frac{1}{4}$</u> containing 162.53 acres, more or less
Lessor:	United States of America
Lessee of Record:	Bass Enterprises Production Co. and Perry R. Bass
Serial Number of Lease:	NM-02887-D*
Form of Lease:	Non-Competitive 4-213 (December 1949)
Date of Lease:	April 1, 1952
Working Interest and Percentage:	Bass Enterprises Production Co.....75% Perry R. Bass.....25%
Production Payment:	Wallace Wimberly.....Production payment based on \$400 per acre out of 1% of the gross income received from production
	<i>Leasehold Burdens 25%</i>

*Held by Production from James Ranch Unit

FEE LEASES

Lands Covered by Tract 3 Leases: TRACT NO. 3
Township 23 South, Range 31 East, N.M.P.M.
Section 7: NE $\frac{1}{4}$ NE $\frac{1}{4}$
containing 40.00 acres, more or less

Lease 1:

Lessor: James Gordon DeBlois, as his sole and separate property
Lessee of Record: Belco Petroleum Corporation
Date of Lease: February 22, 1980
Primary Term: Five years effective May 24, 1980
Royalty Rate: 18.75%
Working Interest and Percentage: Belco Petroleum Corporation.....66.6667%
Bass Enterprises Production Co...25.0000%
Perry R. Bass and Nancy Bass..... 8.3333%
Overriding Royalty: None

Lease 2:

Lessor: Joanne B. James et al
Lessee of Record: Belco Petroleum Corporation
Date of Lease: April 8, 1981
Primary Term: Five years
Royalty Rate: 18.75%
Working Interest and Percentage: Belco Petroleum Corporation.....66.6667%
Bass Enterprises Production Co...25.0000%
Perry R. Bass and Nancy Bass..... 8.3333%
Overriding Royalty: None

Lease 3:

Lessor: Charles L. Southard et ux
Lessee of Record: Belco Petroleum Corporation
Date of Lease: July 8, 1981
Primary Term: Three years effective August 29, 1981
Royalty Rate: 25%
Working Interest and Percentage: Belco Petroleum Corporation.....66.6667%
Bass Enterprises Production Co...25.0000%
Perry R. Bass and Nancy Bass..... 8.3333%
Overriding Royalty: None

Lease 4:

Lessor: Sweetie J. Boyle, Individually and as Independent Executrix of the Estate of R. E. Boyle, Deceased
Lessee of Record: Belco Petroleum Corporation
Date of Lease: July 8, 1981
Primary Term: Three years effective August 29, 1981
Royalty Rate: 25%
Working Interest and Percentage: Belco Petroleum Corporation.....66.6667%
Bass Enterprises Production Co...25.0000%
Perry R. Bass and Nancy Bass..... 8.3333%
Overriding Royalty: None

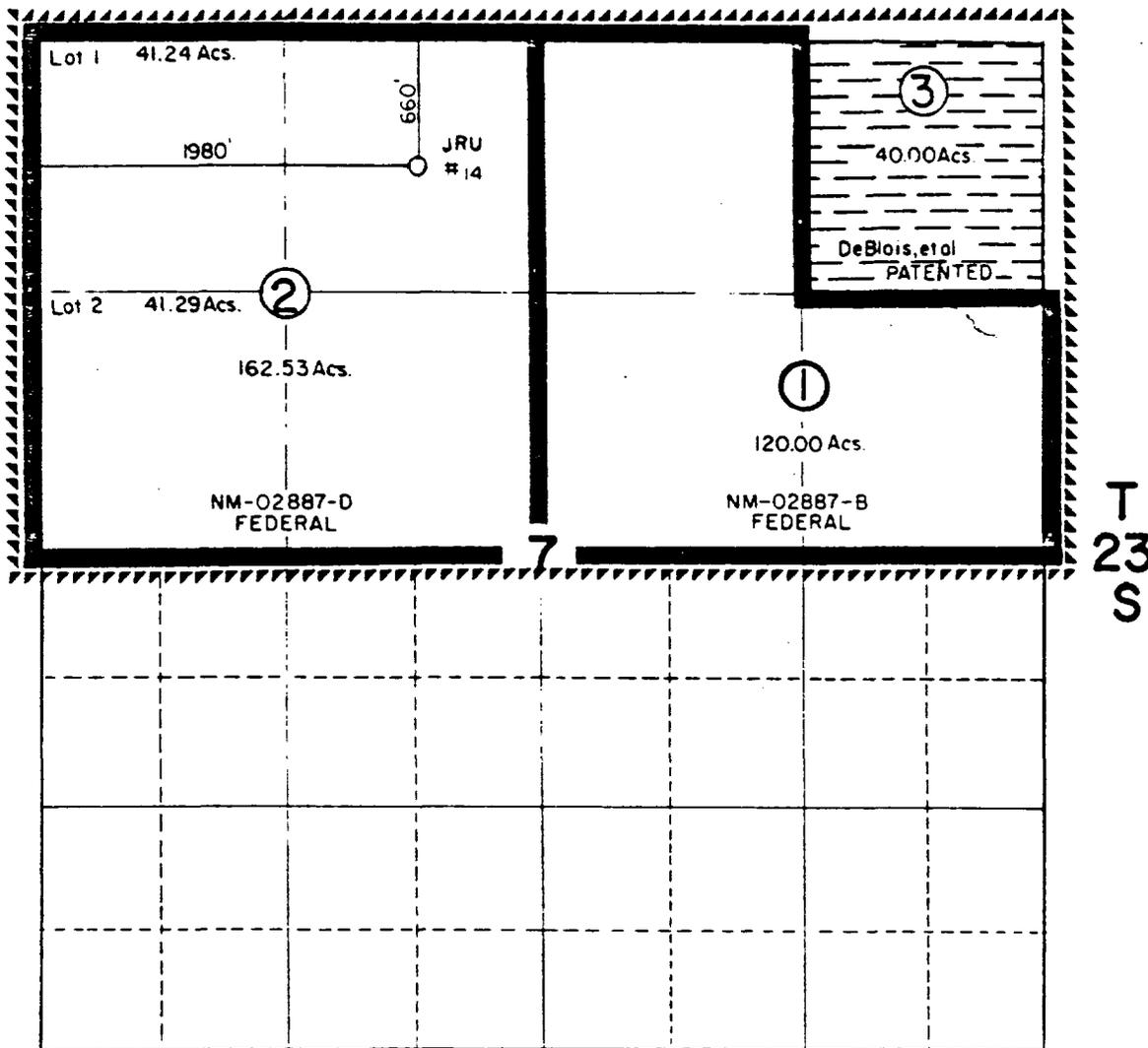
Lease 5:

Lessor:	J. C. Mills et ux
Lessee of Record:	Belco Petroleum Corporation
Date of Lease:	January 27, 1983
Primary Term:	One year
Royalty Rate:	18.75%
Working Interest and Percentage:	Belco Petroleum Corporation.....66.6667%
	Bass Enterprises Production Co..25.0000%
	Perry R. Bass and Nancy Bass..... 8.3333%
Overriding Royalty:	None

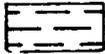
EXHIBIT "B"

Attached to and made a part of that certain Communitization Agreement dated February 15, 1983, embracing T23S, R31E, N.M.P.M., Section 7: Lots 1, 2, E $\frac{1}{2}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$, containing 322.53 acres, more or less, Eddy County, New Mexico

R 31 E



LEGEND

- ① TRACT NUMBER
-  PATENTED LAND
-  FEDERAL LAND
-  COMMUNITIZED AREA

NOTE

TOTAL FEDERAL ACREAGE 282.53 Ac.
 TOTAL PATENTED ACREAGE 40.00 Ac.
 TOTAL COMMUNITIZED Ac. 322.53 Ac.

SCALE 1" = 1000'

PLAT OF COMMUNITIZED AREA

Covering the Atoka and Morrow Formations under T23S, R31E, N.M.P.M., Section 7: Lots 1, 2, E $\frac{1}{2}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$, Eddy County, New Mexico

REVISION
REV. DT. _____

LCO PETROLEUM CORPORATION
AUTHORIZATION FOR EXPENDITURE

COMPANY **05**
AFE NO. **16128**

SO.	CHG.	PROPERTY NAME & NUMBER (27)	AUTH. DATE (6)	LOCATION (27)			
1	2	3	11	37 38 43 44 65			
18		James Ranch Unit, Well #14	032483	SL: 1980' FWL & 100' FSL, Sec 6 } T-23 BHL: 1980' FWL & 660' FNL, Sec 7 } R-31			
TYPE OF WORK (23)		P. DEPTH (8)	FORMATION	FIELD NAME	CONTRACTOR	RIG TYPE	
66		88 89 96					
DW - Gas		14,500 TVD	Morrow	Los Medanos		Rotary	
SO.	CHG.	PROSPECT NAME (22)	STATE (15)	COUNTY / PARISH (15)	CORP. W.I.		
1	2	5	11	32 33	47 48	62 63	CSG. PT. 71 72 COMPL. 80
19		James Ranch Unit	New Mexico	Eddy			

NO MORE THAN NINE DIGITS PER COLUMN-WHOLE DOLLARS ONLY

SO.	CHG.	PROPERTY NO. <u>7406010</u>	CSG. PT. COST	COMPL. COST	TOTAL COST
1	2	5	21 23	21 23	
20		INTANGIBLE EXPENSE	24 32	24 32	
18 20		Rig Expenditure _____			
		Move In & Out _____ = _____			
		Drilling <u>14620</u> Ft @ \$ <u>70</u> /Ft = <u>1,023,000</u>			
		Daywork <u>2 days @ 6500/day</u> = <u>13,000</u>			
		Completion/W.O. Unit (5X5000) + (15X1800)			
218		Total Rig Expenditure _____	1,036,000	52,000	1,088,000
612		Location - Roads, Row & Damages _____	25,000	6,000	31,000
204		Contract Professional Services _____	42,000	15,000	57,000
418		Mud & Additives _____	180,000	40,000	220,000
220		Mud Logging _____	33,000	---	33,000
424		Bits _____	---	3,000	3,000
228		Tubular Testing/Inspection _____	11,000	11,000	22,000
230		CSG/TBG Crews/Tools _____	---	---	---
422		Float Eq., Cent & Scratchers _____	12,000	6,000	18,000
420		Cement Additives & Pump Trucks _____	64,000	23,000	87,000
236		Water & Water Hauling _____	18,000	4,000	22,000
222		Coring & Analysis _____	---	---	---
224		Elec. Line - Logs, Perf, Production, Etc. _____	68,000	16,000	84,000
226		Well Testing - DST, Wireline, Etc. _____	---	5,000	5,000
512		Eq. Rntls. - Surface/Downhole _____	36,000	12,000	48,000
950		Directional Drilling Expense _____	---	---	---
234		Transportation - Land - Marine _____	23,000	5,000	28,000
410		Fuel, Power & Water _____	---	---	---
930		Well Stimulation _____	---	30,000	30,000
830		Overhead _____	18,000	4,000	22,000
790		Misc. & Contingency _____	60,000	23,000	83,000
		TOTAL INTANGIBLE EXPENSE	1,626,000	255,000	1,881,000

SO.	CHG.	TANGIBLE EXPENSE	CSG. PT. COST	COMPL. COST	TOTAL COST
20			732	736	
		CSG. & LINER			
		Drive _____ Ft _____ O.D. @ \$ _____ /Ft = _____			
		Cond. <u>600</u> Ft <u>20"</u> O.D. @ \$ <u>58.30</u> /Ft = <u>35000</u>			
		Surf. <u>4000</u> Ft <u>13-3/8"</u> O.D. @ \$ <u>29.49</u> /Ft = <u>118,000</u>			
		Intr. <u>12120</u> Ft <u>7-5/8"</u> O.D. @ \$ <u>32.26</u> /Ft = <u>391,000</u>			
		Prod. _____ Ft _____ O.D. @ \$ _____ /Ft = _____			
		Liner <u>2920</u> Ft <u>5"</u> O.D. @ \$ <u>22.48</u> /Ft = <u>66,000</u>			
428		TOTAL _____	544,000	66,000	610,000
432		TUBING <u>14600</u> Ft <u>2-3/8"</u> O.D. @ \$ <u>5.97</u> /Ft = <u>87000</u>	---	87,000	87,000
430		WELLHEAD EQUIPT. _____	55,000	37,000	92,000
440		WELL PROD. EQUIPT.-DOWNHOLE & SURFACE _____	---	38,000	38,000
442		PROD. FACILITIES-TANKS, EQUIPT. & LINES _____	---	41,000	41,000
450		MARINE PLATFORMS _____			
452		OFFSHORE PROD. FACILITIES _____			
		TOTAL TANGIBLE EXPENSE	599,000	269,000	868,000
		TOTAL WELL COST	2,225,000	524,000	2,749,000

WORKING INTEREST	PER CENT	CASING POINT	COMPLETED WELL
Belco Petroleum	66.667	\$1,483,341	\$1,832,676
Bass Enterprises	33.333	741,659	916,324

BELCO APPROVAL

ENGINEERING	DATE
DIVISION <i>PEI</i>	DATE <u>3/9/83</u>
MANAGEMENT <i>Henry E. Nugent</i>	DATE <u>3-14-83</u>

JOINT INTEREST APPROVAL

COMPANY	DATE
BY	

State of New Mexico



W.R. HUMPHRIES
COMMISSIONER



Commissioner of Public Lands

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

SLO REF NO. OG-991

January 3, 1989

Bass Enterprises Production Co.
Attn: Jens Hansen
First City Bank Tower, 201 Main St
Fort Worth, Texas 76102

Re: 1989 Plan of Development
James Ranch Unit
Eddy County, New Mexico

Gentlemen:

The Commissioner of Public Lands has this date approved the above captioned Plan of Development.

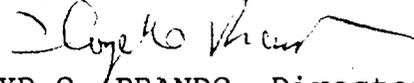
Our approval is subject to like approval by all other appropriate agencies.

Enclosed is an approved copy for your files.

If we may be of further help please do not hesitate to call on us.

Very truly yours,

W. R. HUMPHRIES
COMMISSIONER OF PUBLIC LANDS

BY: 
FLOYD O. PRANDO, Director
Oil and Gas Division
(505) 827-5744

cc: OCD
BLM

BASS ENTERPRISES PRODUCTION CO.

FIRST CITY BANK TOWER
201 MAIN ST.
FORT WORTH, TEXAS 76102
817/390-8400

December 12, 1988

Bureau of Land Management
P. O. Box 1397
Roswell, New Mexico 88201

#472

Attn: Mr. Joe Lara

Commissioner of Public Lands
State of New Mexico
P. O. Box 1148
Sante Fe, New Mexico 87504-1148

Attn: Mr. Floyd Prando

New Mexico Oil Conservation Division
P. O. Box 2088
Sante, Fe New Mexico

Attn: Mr. Bill LeMay

Re: 1989 Plan of Development
James Ranch Unit
Eddy County, New Mexico

Gentlemen:

In accordance with Section 10 of the James Ranch Unit Agreement dated April 22, 1953, Bass Enterprises Production Co., operator of the referenced unit, hereby submits a Plan of Development for the James Ranch Unit for the year 1989.

HISTORY OF PAST DEVELOPMENT

We refer to our previous Plans of Development for a detailed description of the operations conducted in the James Ranch Unit in prior years.

1988 ACTIVITY

No wells were drilled during the year 1988, due to the 1) elimination of unit lands for the WIPP site, 2) substantial remaining portion of this Unit located within life-of-the-mine reserves as designated by potash operators, and 3) poor market for gas in southeastern New Mexico.

FUTURE DEVELOPMENT

Bass is not planning to drill any wells on unit lands during the calendar year 1989. However, a Morrow Test Well is to be drilled in the SW/4 NE/4 of Section 17, T23S-R31E, Eddy County, New Mexico. The N/2 of Section 17 has been designated as the drilling and spacing unit for this well. The NW/4 of Section 17 is dedicated to the James Ranch Unit. Therefore, unit lands are included within a drilling and spacing unit for the drilling of a gas well during the year 1989, which will test unit lands for oil and gas production.

OFFSET OBLIGATIONS

Appropriate and adequate measures will be taken to prevent drainage of unitized substances from the lands subject to the James Ranch Unit Agreement or pursuant applicable regulations.

ADDITIONAL DEVELOPMENT

This Plan of Development will constitute the activity to be conducted under the terms of the James Ranch Unit Agreement for the period ending December 31, 1989. In the event economic conditions should change, resulting in the improvement of marketing oil and gas in this unit area, the operator will modify this plan of development to provide for additional activity. Presently, six (6) gas wells are shut-in in the James Ranch Unit due to the poor gas market. Gas sales will resume from the wells when prices will justify additional development.

MODIFICATIONS

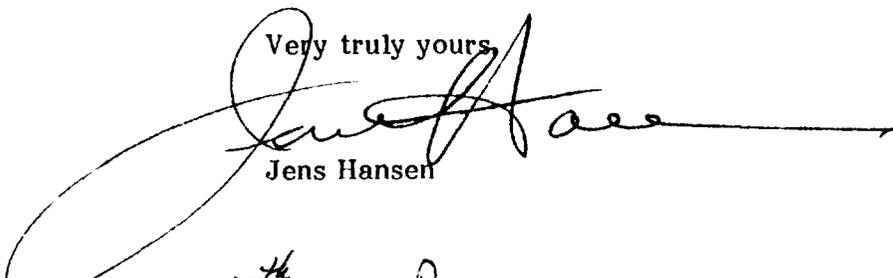
In accordance with the terms and provisions of the James Ranch Unit Agreement, this Plan of Development may be modified from time to time as a result of changing conditions.

EFFECTIVE DATE

This plan of development shall be effective from January 1, 1989, to December 31, 1989.

If this Plan of Development meet with your approval, please so indicate by signing in the appropriate space provided below and return one (1) copy to Bass for its records.

Very truly yours,



Jens Hansen

JH:ca

ACCEPTED TO AND AGREED this 28th day of Dec., 1988.

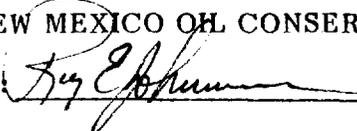
BUREAU OF LAND MANAGEMENT

By: _____

COMMISSIONER OF PUBLIC LANDS

By: _____

NEW MEXICO OIL CONSERVATION DIVISION

By:  _____

BASS ENTERPRISES PRODUCTION CO.

FIRST CITY BANK TOWER
201 MAIN ST.
FORT WORTH, TEXAS 76102
817/390-8400

472

July 19, 1988

Bureau of Land Management
Roswell District Office
P.O. Box 1397
Roswell, New Mexico 88201

Attn: Joe Lara

Re: Bass Lease No. 4940 - Federal
James Ranch Unit Well No. 15
791' FSL and 1,924' FEL
Section 7, T23S-R31E
Eddy County, New Mexico

Gentlemen:

Pursuant to that certain Designation of Agent dated June 16, 1984, designating Belco Development Corporation, now Enron, as Agent for Bass Enterprises Production Co., Operator of the James Ranch Federal Unit, the James Ranch Unit Well No. 15 was drilled pursuant to an approved plan of development for the year 1984. The well was directionally drilled from a surface location 660' FSL and 100' FWL Section 8, T23S-R31E to a bottom hole location 791' FSL and 1,924' FWL Section 7, T23S-R31E. The well was drilled to a total vertical depth of 14,694' and plugged back to a depth of 14,594', at which depth the well was completed in the Morrow formation with a perforation interval of 14,100' to 14,186'. The well was completed on October 15, 1984, and has produced gas from the Morrow formation since the completion date until recently, when the well ceased to produce.

As the record Operator of this well, Bass Enterprises Production Co. has decided to assume operations and conduct a workover operation in the Morrow formation in an attempt to re-establish production. Bass believes that abandoning the Morrow formation prior to cleaning the bore hole and acidizing the perforations could result in the waste of hydrocarbons.

The Designation of Agent dated January 16, 1984, designating Belco Development Corporation as Agent provides that the Designation of Agent is deemed to be temporary and in no manner a permanent arrangement, and that unless sooner terminated, the designation shall terminate when there is filed in the appropriate district office of the United States Geological Survey a complete file of all required federal reports pertaining to subject well. Accordingly, Bass Enterprises Production Co. hereby revokes the said Designation of Agent dated January 16, 1984, and will assume field operations by

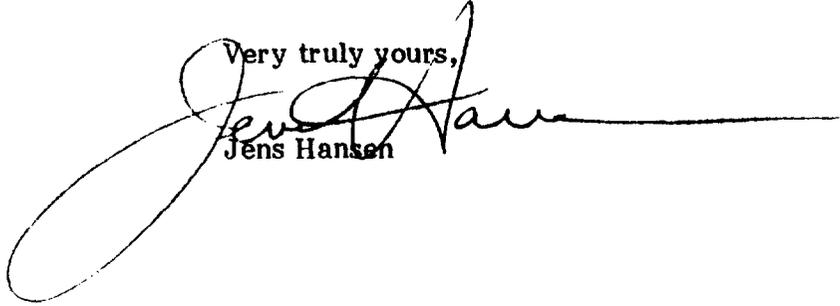
Letter to Bureau of Land Management
July 19, 1988
Page 2

conducting workover operations on this well in an endeavor to re-establish production in the unitized depths. Notice has been given to Enron and plans are being made to make the change in operations.

The Morrow formation in the James Ranch Unit Well No. 15 has not been submitted for a commercial determination inasmuch as sufficient information has not been accumulated to make a determination. At such time as the Operator has the necessary information to submit same for a commercial determination, a recommendation will be made.

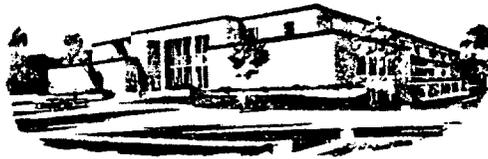
If you should have any questions or comments, please contact me at your convenience.

Very truly yours,


Jens Hansen

JH:lm

cc: New Mexico Oil Conservation Division
Commission of Public Lands



SLO REF NO. OG-660

W.R. HUMPHRIES
COMMISSIONER

Commissioner of Public Lands

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

February 3, 1988

Bass Enterprises Production Company
ATTENTION: Mr. Jens Hansen
First City Bank Tower
201 Main Street
Fort Worth, Texas 76102

Re: James Ranch Unit
1988 Plan of Development
Eddy County, New Mexico

Gentlemen:

The Commissioner of Public Lands has this date approved your 1988 Plan of Development for the James Ranch Unit Area, Eddy County, New Mexico. Such plan calls for the drilling of the Poker Lake Well No. 69 to test the delaware formation.

Our approval is subject to like approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

Enclosed is an approved copy for your files.

If we may be of further help please do not hesitate to call on us.

Very truly yours,

W. R. HUMPHRIES
COMMISSIONER OF PUBLIC LANDS

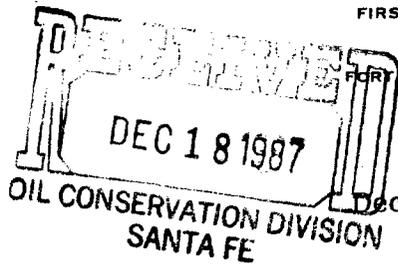
BY: *Floyd O. Prando*
FLOYD O. PRANDO, Director
Oil and Gas Division
(505) 827-5744

WRH/FOP/pm
encls.

cc: OCD-Santa Fe, New Mexico
BLM-Roswell, New Mexico Attn: Mr. Armando Lopez
Gulram, Inc.

BASS ENTERPRISES PRODUCTION CO.

FIRST CITY BANK TOWER
201 MAIN ST.
FORT WORTH, TEXAS 76102
817/390-8400



December 15, 1987

BUREAU OF LAND MANAGEMENT
P. O. Box 1397
Roswell, New Mexico 88201

Attention: Mr. Joe Lara

COMMISSIONER OF PUBLIC LANDS
State of New Mexico
P. O. Box 1148
Santa Fe, New Mexico 87504-1148

Attention: Mr. Floyd Prando

NEW MEXICO OIL CONSERVATION DIVISION
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. Bill LeMay

RE: 1988 Plan of Development
James Ranch Unit
Eddy County, New Mexico

Gentlemen:

In accordance with Section 10 of the James Ranch Unit Agreement dated April 22, 1953, Bass Enterprises Production Co., operator of the referenced unit, hereby submits a Plan of Development for the James Ranch Unit for the year 1988.

History of Past Development

We refer to our previous Plans of Development for a detailed description of the operations conducted in the James Ranch Unit in prior years.

1987 Activity

Seismic and other subsurface evaluations were made during 1987 for future drilling operations. No wells were drilled during the year 1987 due to the denial of our location for the James Ranch Unit Well No. 18, which represents the best geological location on lands still remaining in the unit area.

Bureau of Land Management
Commissioner of Public Lands
New Mexico Oil Conservation Division
December 15, 1987
Page 2

Future Development

In March of 1983, the Bureau of Land Management, Commissioner of Public Lands and the New Mexico Oil Conservation Division granted the operator, who represents the other working interest owners in the unit, relief from drilling several wells previously approved under the 1983 Plan of Development due to the deteriorating gas market in the Southeastern New Mexico area.

Since 1983, the gas marketing problems in Southeastern New Mexico have grown progressively worse. During 1987, the five unit wells produced a total of 55.67 MM CFG and 4,964 barrels of oil over a production period of 399 days. Each well produced at an average rate of 28 MCFGD which will not even pay operating costs. This economic situation extends payout on our investments beyond an acceptable period. And when the poor oil price is included, it becomes prohibitive to drill exploratory or development wells for oil and gas.

As a result, Operator's plans for 1988 are to continue evaluating seismic and other subsurface data for future drilling when gas prices, as well as the gas market, improve to provide adequate economic incentives for the investment of additional capital.

Offset Obligations

Appropriate and adequate measures will be taken to prevent drainage of unitized substances from the lands subject to the James Ranch Unit Agreement or pursuant to applicable regulations.

Additional Development

This Plan of Development will constitute the activity to be conducted under the terms of the James Ranch Unit Agreement for the period ending December 31, 1988. In the event economic conditions should change, resulting in the improvement of gas marketing and the price of oil and gas in this unit area, the operator will modify this Plan of Development to provide for additional activity.

Modifications

In accordance with the terms and provisions of the James Ranch Unit Agreement, this Plan of Development may be modified from time to time as a result of changing conditions.

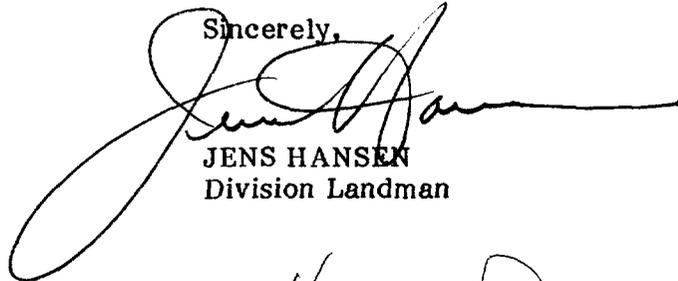
Effective Date

This Plan of Development shall be effective from January 1, 1988 to December 31, 1988.

Bureau of Land Management
Commissioner of Public Lands
New Mexico Oil Conservation Division
December 15, 1987
Page 3

If this Plan of Development meets with your approval, please so indicate by signing in the appropriate space provided below and return one signed signature letter to Bass for its records.

Sincerely,



JENS HANSEN
Division Landman

JH:jh

AGREED TO AND ACCEPTED this 18th day of Dec., 198~~7~~7

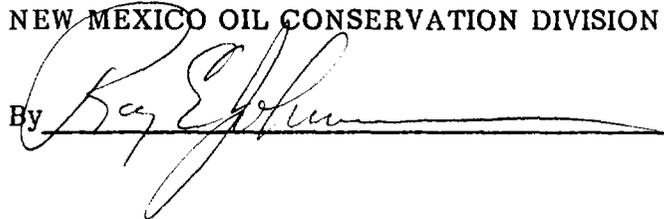
BUREAU OF LAND MANAGEMENT

By _____

COMMISSIONER OF PUBLIC LANDS

By _____

NEW MEXICO OIL CONSERVATION DIVISION

By 

BASS ENTERPRISES PRODUCTION CO.
FIRST CITY BANK TOWER
201 MAIN ST.
FORT WORTH, TEXAS 76102
817/390-8400

#472

December 2, 1986

BUREAU OF LAND MANAGEMENT
P. O. Box 1397
Roswell, New Mexico 88201

Attention: Mr. Joe Lara

COMMISSIONER OF PUBLIC LANDS
State of New Mexico
P. O. Box 1148
Santa Fe, New Mexico 87504-1148

Attention: Mr. Floyd Prando

NEW MEXICO OIL CONSERVATION DIVISION
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. Richard Stamets

RE: 1987 Plan of Development
James Ranch Unit
Eddy County, New Mexico

RECEIVED
DEC 11 1986
OIL CONSERVATION DIVISION

Gentlemen:

In accordance with Section 10 of the James Ranch Unit Agreement dated April 22, 1953, Bass Enterprises Production Co., operator of the referenced unit, hereby submits a Plan of Development for the James Ranch Unit for the year 1987.

History of Past Development

We refer to our previous Plans of Development for a detailed description of the operations conducted in the James Ranch Unit in prior years.

1986 Activity

Bureau of Land Management approval for Applications For Permit To Drill the James Ranch Unit Wells No. 16, 17 and 18 have expired. The proposed locations for the James Ranch Unit Wells No. 16 and 18 are in an area where the Department of Interior revised potash map indicates the presence of potash deposits in commercial quantities. The James Ranch Unit Well No. 16 was indefinitely deferred under the 1986 Plan of Development. Accordingly, we respectfully request that the designated wells James Ranch Unit 16, 17 and 18 be dropped and reassigned at a future date beginning with the James Ranch Unit Well No. 16 when drilling operations are again initiated.

Bureau of Land Management
Commissioner of Public Lands
New Mexico Oil Conservation Division
December 2, 1986
Page Two

1986 Activity (continued)

Seismic and other subsurface evaluations were made during 1986 for future drilling operations. No wells were drilled during the year 1986 due to the denial of our location for the James Ranch Unit Well No. 18.

Future Development

In March of 1983, the Bureau of Land Management, Commissioner of Public Lands and the New Mexico Oil Conservation Division granted the operator, who represents the other working interest owners in the unit, relief from drilling several wells previously approved under the 1983 Plan of Development due to the deteriorating gas market in the Southeastern New Mexico area. In a letter dated March 15, 1983, Bass reported that it had invested in excess of \$81,000,000 in drilling capital and equipment in new wells and workovers since 1977. This amount has increased from 1982, through November of 1986, to approximately \$91,000,000 (see attached graph). When added to the money spent by other working interest owners in the Big Eddy, James Ranch and Poker Lake Units, the total expenditure since 1977 is well in excess of \$100,000,000, which does not include lease operating expenses, major maintenance or production taxes. It is our belief that the \$100,000,000 expenditure in the exploration and production of hydrocarbons from these federal units, notwithstanding the amount spent prior to 1977, demonstrates a diligent and good faith effort to develop these units.

Since 1983, the gas marketing problems in Southeastern New Mexico have grown progressively worse. Currently, the gas wells in this unit, at most, are only producing 10% of their deliverability due to gas company curtailments. This economic situation extends payout on our investments beyond the acceptable range. And when the poor oil and gas price factor is included, it becomes prohibitive to drill exploratory or development wells for oil or gas.

As a result, operator's plans for 1987 are to continue evaluating seismic and other subsurface data for future drilling when oil and gas prices, as well as the gas market, improve to provide adequate economic incentives for the investment of additional capital.

Offset Obligation

Appropriate and adequate measures will be taken to prevent drainage of unitized substances from the lands subject to the James Ranch Unit Agreement or pursuant to applicable regulations.

Additional Development

This Plan of Development will constitute the activity to be conducted under the terms of the James Ranch Unit Agreement for the period ending December 31, 1987. In the event economic conditions should change, resulting in the improvement of gas marketing and the price of oil and gas in this unit area, the operator will modify this Plan of Development to provide for additional activity.

Bureau of Land Management
Commissioner of Public Land
New Mexico Oil Conservation Division
December 2, 1986
Page Three

Modifications

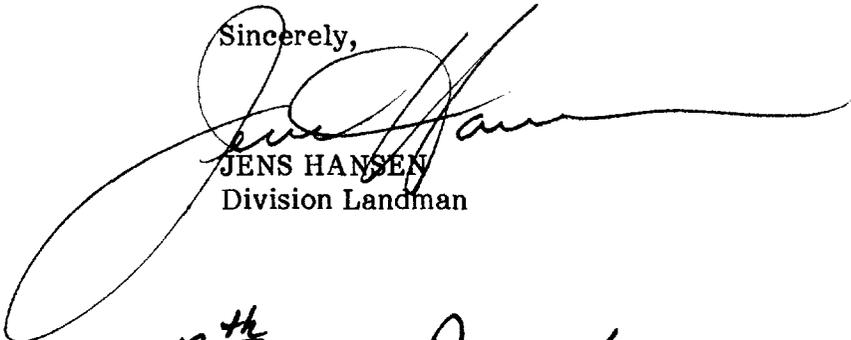
In accordance with the terms and provisions of the James Ranch Unit Agreement, this Plan of Development may be modified from time to time as a result of changing conditions.

Effective Date

This Plan of Development shall be effective from January 1, 1987 to December 31, 1987.

If this Plan of Development meets with your approval, please so indicate by signing in the appropriate space provided below and return one original signed letter to Bass for its records.

Sincerely,



JENS HANSEN
Division Landman

JH:jh

AGREED TO AND ACCEPTED this 12th day of December, 1986.

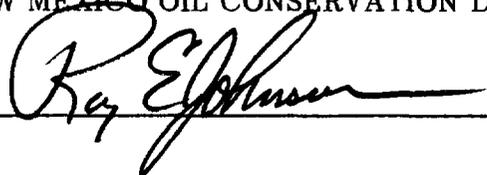
BUREAU OF LAND MANAGEMENT

By _____

COMMISSIONER OF PUBLIC LANDS

By _____

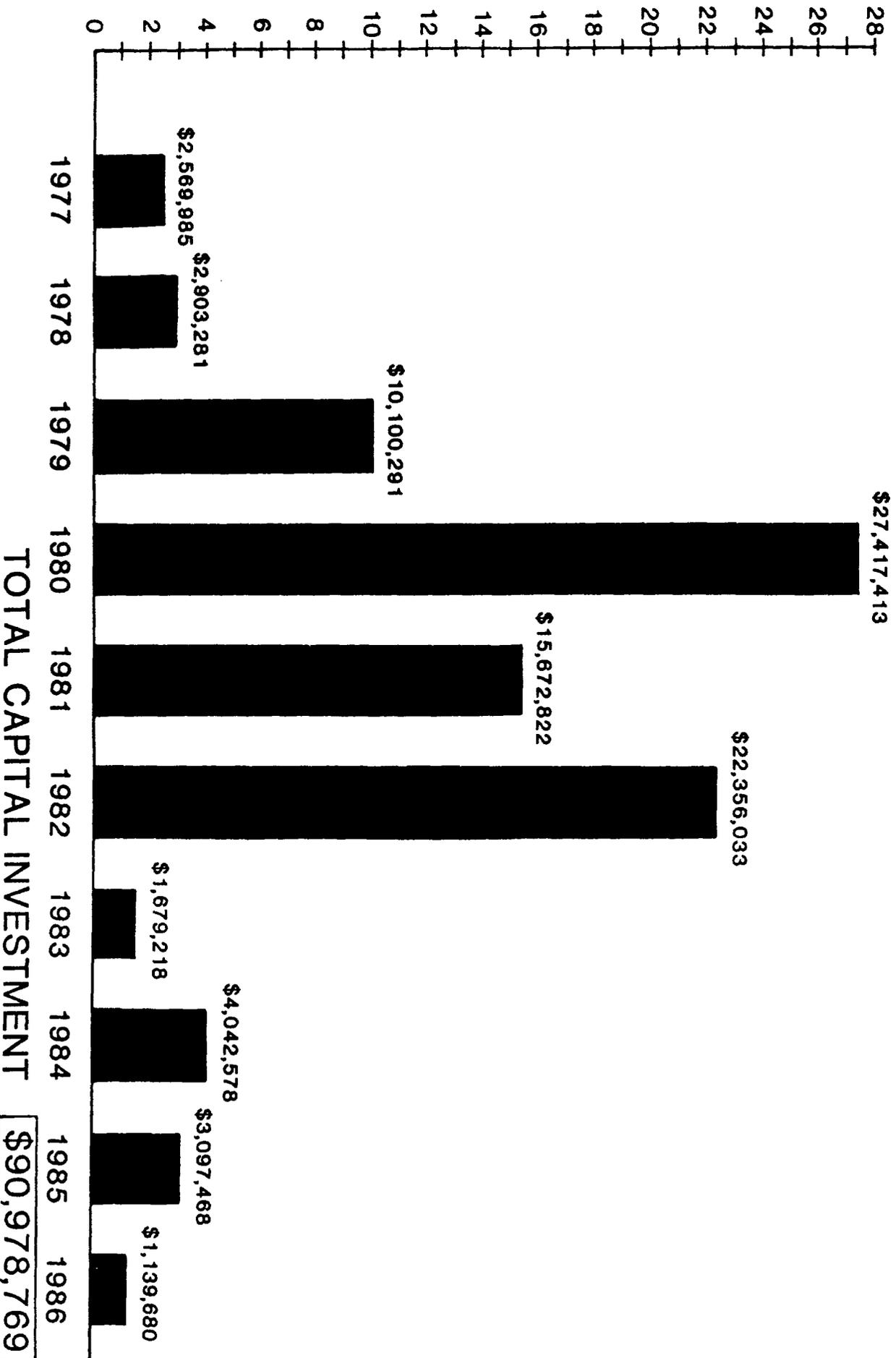
NEW MEXICO OIL CONSERVATION DIVISION

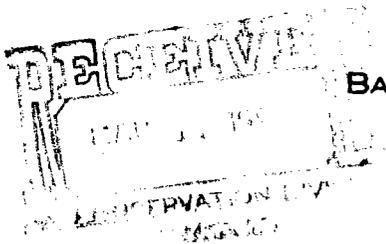
By  _____

CAPITAL INVESTMENT

BIG EDDY ,POKER LAKE & JAMES RANCH FEDERAL UNITS EDDY & LEA COUNTIES , NEW MEXICO

MILLIONS
OF
DOLLARS





BASS ENTERPRISES PRODUCTION Co.

FIRST CITY BANK TOWER
201 MAIN ST.
FORT WORTH, TEXAS 76102
817/390-8400

March 12, 1986

#472

NEW MEXICO OIL CONSERVATION DIVISION
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. Richard Stamets

RE: 1986 Plan of Development
James Ranch Unit
Poker Lake Unit
Eddy County, New Mexico

Gentlemen:

By separate letters dated November 5, 1985, Bass submitted its 1986 Plan of Development for the captioned units. As of this date we have not yet received your approval to our Plan of Development for the subject units. This office has received approval from the Bureau of Land Management and the Commissioner of Public Lands. Please review your records and advise this office of your findings.

Should you require any additional information, please contact the undersigned at (817) 390-8584 so that we may promptly provide you with same. Your assistance in this matter is appreciated.

Sincerely,

MARK D. CHAMBERS
Landman

MDC:jh

3180 (065)
14-08-001-326

Bass Enterprises Production Company
Attention: Mr. Jens Hansen
First City Bank Tower
201 Main Street
Fort Worth, Texas 76102

DEC 9 1985

Gentlemen:

Enclosed is an approved copy of your 1986 Plan of Development for the James Ranch Unit, Eddy County, New Mexico.

Such plan proposes to drill the James Ranch Unit Well No. 18 to be located at a surface location yet to be determined that will not interfere with commercial quantities of potash deposits.

Approval of this plan is subject to like approval by the Commissioner of Public Land and the New Mexico Oil Conservation Division.

Sincerely,

s/T. Kreager

FOR Francis R. Cherry, Jr.
District Manager

cc:
Commissioner of Public Lands, Santa Fe
NMOCD, Santa Fe
NMSO, Micrographics (943B-4)

State of New Mexico



JIM BACA
COMMISSIONER

Commissioner of Public Lands

December 2, 1985

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148
Express Mail Delivery Use:
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501

Bass Enterprises Production Co.
First City Bank Tower
201 Main Street, Fort Worth, Texas 76102

Re: 1986 Plan of Development
James Ranch Unit
Eddy County, New Mexico

ATTENTION: Mr. Jens Hansen

Gentlemen:

The Commissioner of Public Lands has this date approved your 1986 Plan of Development for the James Ranch Unit Area, Eddy County, New Mexico. Such plan proposes to drill the Unit Well No. 18 to be located 1980' FNL and 660' FEL, Section 18, T23S-R31E, and continue to negotiate with the potash operators in an endeavor to negotiate a suitable drilling program for this well. Our approval is subject to like approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

Enclosed is an approved copy for your files.

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY: *Ray D. Graham*
RAY D. GRAHAM, Director
Oil and Gas Division
AC 505/827-5744

JB/RDG/pm
encls.

cc: OCD-Santa Fe, New Mexico
BLM-Albuquerque, New Mexico Attn: Fluids Branch
BLM-Roswell, New Mexico Attn: Mr. Armando Lopez

BASS ENTERPRISES PRODUCTION CO.

FIRST CITY BANK TOWER
201 MAIN ST.
FORT WORTH, TEXAS 76102
817/390-8400

November 5, 1985

#472

BUREAU OF LAND MANAGEMENT
P. O. Box 1397
Roswell, New Mexico 88201
Attention: Mr. Joe Lara

COMMISSIONER OF PUBLIC LANDS
State of New Mexico
P. O. Box 1148
Santa Fe, New Mexico 87504-1148
Attention: Mr. Ray Graham

NEW MEXICO OIL CONSERVATION DIVISION
P. O. Box 2088
Santa Fe, New Mexico 87501
Attention: Mr. Richard Stamets

RE: 1986 Plan of Development
James Ranch Unit
Eddy County, New Mexico

Gentlemen:

In accordance with Section 10 of the James Ranch Unit Agreement dated April 22, 1953, Bass Enterprises Production Co., Operator of the said unit, hereby submits a Plan of Development for the James Ranch Unit for the year 1986.

History of Past Development - We refer to our previous Plans of Development for a detailed description of the operations conducted in the James Ranch Unit in prior years.

1985 Activity - The following are results of wells drilled under the 1985 Plan of Development:

James Ranch Unit Well No. 16 - Located 1980' FNL and 1980' FWL, Section 17, T23S-R31E, Morrow test. This well designation was changed to a location of 1980' FNL and 660' FEL, Section 18, T23S-R31E pursuant to the First Amendment to the 1985 Plan of Development. The well name was subsequently changed to the James Ranch Unit Well No. 18 inasmuch as the James Ranch Unit Well No. 16 designation is covered by an approved drilling permit for the location in Section 17. In accordance with the First Amendment to the 1985 Plan of Development the James Ranch Unit Well No. 16 has been indefinitely deferred until such time as economic conditions change resulting in a market for the gas at a price which will justify capital investment.

Bureau of Land Management
Commissioner of Public Lands
New Mexico Oil Conservation Division
November 5, 1985
Page 2 of 3

James Ranch Unit Well No. 17 - Located 1980' FSL and 660' FWL, Section 8, T23S-R31E, Morrow test. The drilling of this well was also indefinitely deferred until such time as economic conditions change resulting in a market for the gas at a price which will justify capital investment.

Future Development

We plan to drill the following test well for unitized substances at the following location during the year 1986:

James Ranch Unit Well No. 18 - Under the Second Amendment to the 1985 Plan of Development, this well which is to be located 1980' FNL and 660' FEL, Section 18, T23S-R31E, Eddy County, New Mexico, was deferred until the year 1986 due to presence of potash deposits in commercial quantities. Accordingly, we will continue to negotiate with the potash operators in an endeavor to negotiate a suitable drilling program for this well.

Offset Obligations

Appropriate and adequate measures will be taken to prevent drainage of unitized substances from the lands subject to the James Ranch Unit Agreement or pursuant to applicable regulations.

Additional Development

This Plan of Development will constitute the activity to be conducted under the terms of the James Ranch Unit Agreement for the period ending December 31, 1986. In the event economic conditions should change resulting in the improvement of gas marketing and the price of gas in this unit area, the operator will modify this Plan of Development to provide for additional activity.

Modifications

In accordance with the terms and provisions of the James Ranch Unit Agreement, this Plan of Development may be modified from time to time as a result of changing conditions.

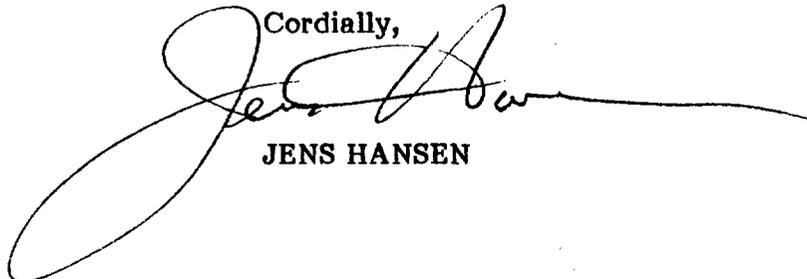
Effective Date

This Plan of Development shall be effective from January 1, 1986 to December 31, 1986.

Bureau of Land Management
Commissioner of Public Lands
New Mexico Oil Conservation Division
November 5, 1985
Page 3 of 3

If this Plan of Development meets with your approval, please so indicate by signing in the appropriate space provided below and return one (1) original signed letter to Bass for its records.

Cordially,



JENS HANSEN

JH:jh

AGREED AND ACCEPTED this _____ day of _____, 1985.

BUREAU OF LAND MANAGEMENT

By _____

AGREED AND ACCEPTED this _____ day of _____, 1985.

COMMISSIONER OF PUBLIC LANDS

By _____

AGREED AND ACCEPTED this 12th day of November, 1985.

NEW MEXICO OIL CONSERVATION DIVISION

By 



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Box 1397, Roswell, New Mexico - 88201

14-08-001-326
3180 (065)

August 13, 1985

Bass Enterprises Production Company
Attention: Jens Hansen
First City Bank Tower
201 Main Street
Fort Worth, TX 76102

Re: Second Amendment to the 1985 Plan of
Development for the James Ranch Unit,
Eddy County, New Mexico

Gentlemen:

We are in receipt of your letter dated July 30, 1985 which describes your Second Amendment to the 1985 Plan of Development for the James Ranch Unit, Eddy County, New Mexico.

Such plan proposes to defer, until 1986, the drilling of the James Ranch Unit No. 16 well which was to be located 1980' FNL and 660' FEL, Section 18, T. 23 S., R. 31 E., N.M.P.M., Eddy County, New Mexico, and is approved effective as of this date. This plan is subject to like approval by the appropriate officials of the State of New Mexico.

Sincerely,

s/L. Kreager

Francis R. Cherry, Jr.
District Manager

cc:
Commissioner of Public Lands, Santa Fe
NMOCD, Santa Fe

State of New Mexico



Commissioner of Public Lands

August 9, 1985

JIM BACA
COMMISSIONER

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

Express Mail Delivery Use:
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501

Bass Enterprises Production Company
First City Bank Tower
201 Main Street
Fort Worth, Texas 76102

Re: James Ranch Unit
Change of Unit Operator
Eddy County, New Mexico

ATTENTION: Mr. Louis W. Wilpitz

Gentlemen:

This office is in receipt of your letter of August 2, 1985, together with a document entitled Change of Unit Operator, James Ranch Unit Area, Eddy County, New Mexico.

The Commissioner of Public Lands has this date accepted and approved Bass Enterprises Production Co. to succeed Perry R. Bass as Unit Operator for the James Ranch Unit Area, Eddy County, New Mexico.

Our approval is subject to like approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

If we may be of further help please do not hesitate to call on us.

Very truly yours,

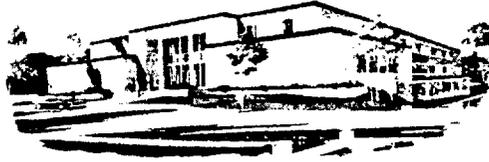
JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY: *Ray D. Graham*
RAY D. GRAHAM, Director
Oil and Gas Division
AC 505/827-5744

JB/RDG/pm
encls.
cc:

OCD-Santa Fe, New Mexico
BLM-Albuquerque, New Mexico Attn: Fluids Branch
BLM-Roswell, New Mexico Attn Mr. Armando Lopez

State of New Mexico



JIM BACA
COMMISSIONER

Commissioner of Public Lands

August 8, 1985

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

Express Mail Delivery Use:
310 Old Santa Fe Trail
Santa Fe, New Mexico 87511

Bass Enterprises Production Co.
First City Bank Tower
201 Main Street
Fort Worth, Texas 76102

Re: Second Amendment to 1985 Plan of
Development for the James Ranch Unit
Eddy County, New Mexico

ATTENTION: Mr. Jens Hansen

Gentlemen:

The Commissioner of Public Lands has this date approved your Second Amendment to the 1985 Plan of Development for the James Ranch Unit, Eddy County, New Mexico. Your Second Amended plan proposes to defer the drilling of the Unit Well No. 18, to be located 1980' FNL and 660' FEL of Section 18, Township 23 South, Range 31 East until 1986.

Our approval is subject to like approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

Enclosed is an approved copy for your files.

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY: *Ray D. Graham*
RAY D. GRAHAM, Director
Oil and Gas Division
AC 505/827-5744

JB/RDG/pm
encls.

cc: OCD-Santa Fe, New Mexico
BLM-Albuquerque, New Mexico Attn: Fluids Branch
BLM-Roswell, New Mexico Attn: Mr. Armando Lopez

BASS ENTERPRISES PRODUCTION CO.

FIRST CITY BANK TOWER
201 MAIN ST.
FORT WORTH, TEXAS 76102
817/390-8400

July 30, 1985

BUREAU OF LAND MANAGEMENT
P. O. Box 1397
Roswell, New Mexico 88201

Attention: Joe Lara

COMMISSIONER OF PUBLIC LANDS
P. O. Box 1148
Santa Fe, New Mexico 87504

Attention: Ray Graham

NEW MEXICO OIL CONSERVATION DIVISION
P. O. Box 3088
Santa Fe, New Mexico 87501

Attention: Richard Stamets

RE: Second Amendment to the 1985 Plan of
Development for the James Ranch Unit
Eddy County, New Mexico

Gentlemen:

In accordance with the terms and provisions of Section 10 of the James Ranch Unit Agreement dated April 22, 1953, which provides that the Plan of Development may be modified from time to time when necessary to meet changing conditions, Perry R. Bass, Unit Operator, proposes to amend the 1985 Plan of Development by deferring, until 1986, the drilling of the James Ranch Unit Well No. 18 to be located 1980' FNL and 660' FEL of Section 18, T23S-R31E, Eddy County, New Mexico. The reasons for our request for this Second Amendment to the 1985 Plan of Development are as follows:

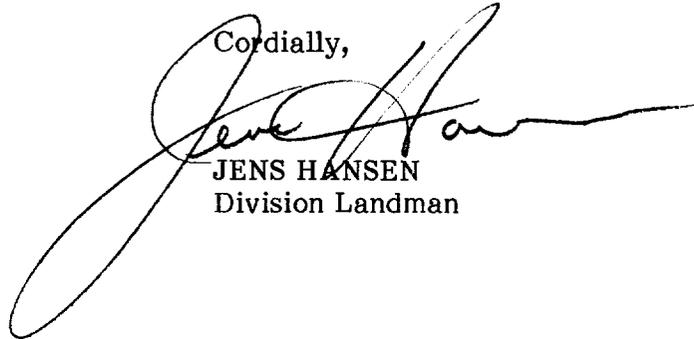
- (1) The James Ranch Unit Well No. 18 to be located in the N/2 of Section 18, T23S-R31E, is the most favorable location in which to drill and produce hydrocarbons in this unit. However, we have been advised by the Bureau of Land Management and the New Mexico Oil Conservation Division that due to the presence of potash deposits in commercial quantities, we will be unable to drill a vertical well at any location in the N/2 of Section 18 as prescribed by the 1975 Secretarial Order. Bass will evaluate the production in this area during the next several months to determine if a directional drilling operation is feasible.
- (2) The new potash map, which is being prepared in accordance with the May 15, 1983 Guidelines to the 1975 Secretarial Order, has not been completed due to several revisions being made to an area within this unit. The revision of the potash map affects Bass' oil and gas development plans in this unit and until such time as a definitive map is produced by the Bureau of Land Management, Bass is unsure of its options regarding development of oil and gas.

Bureau of Land Management
Commissioner of Public Lands
New Mexico Oil Conservation Division
July 26, 1985
Page 2

- (3) Bass is negotiating with the potash operators to establish drilling locations which will affect operations in this federal unit.
- (4) Gas takes have been drastically reduced in 38 of Bass' gas wells in southeastern New Mexico, of which five are located in this federal unit.

If this Second Amendment to the 1985 Plan of Development for the James Ranch Unit meets with your approval, please so indicate by signing in the appropriate space provided below and return one original signed letter to Bass for its records. Should there be any questions regarding this matter, please call me at (817) 390-8568.

Cordially,



JENS HANSEN
Division Landman

JH:jh

AGREED AND ACCEPTED this _____ day of _____, 19__.

BUREAU OF LAND MANAGEMENT

By _____

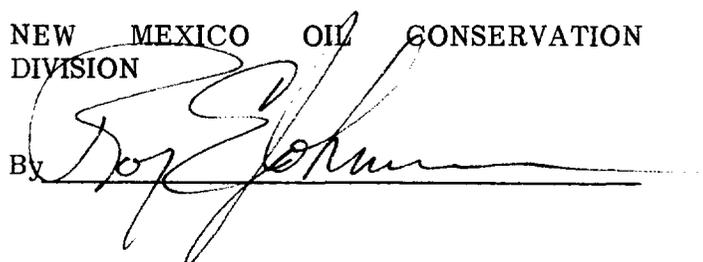
AGREED AND ACCEPTED this _____ day of _____, 19__.

COMMISSIONER OF PUBLIC LANDS

By _____

AGREED AND ACCEPTED this 12th day of August, 1985.

NEW MEXICO OIL CONSERVATION
DIVISION



By _____

CHANGE OF UNIT OPERATOR
JAMES RANCH UNIT AREA
COUNTY OF EDDY, STATE OF NEW MEXICO
CONTRACT NO. 14-08-001-558

This indenture, dated as of the 18th day of July, 1985, by and between Perry R. Bass, hereinafter designated as "First Party," and Bass Enterprises Production Co., hereinafter designated as "Second Party".

WITNESSETH

WHEREAS, under the provisions of the Act of February 25, 1920, 41 STAT. 437, 30 U.S.C. Section 81, et seq., as amended by the Act of August 8, 1946, 60 STAT. 950, the Secretary of the Interior, on the twenty second day of April, 1953, approved a unit agreement for the James Ranch Unit Area, wherein the First Party is presently designated as Unit Operator; and

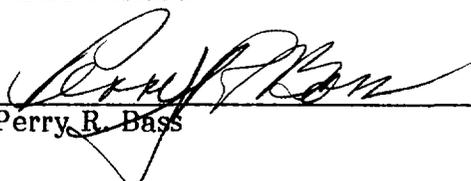
WHEREAS, the First Party desires to transfer, assign, release, and quitclaim, and the Second Party desires to assume all the rights, duties and obligations of the Unit Operator under the unit agreement; and

NOW, THEREFORE, in consideration of the premises hereinbefore set forth, the First Party does hereby transfer, assign, release, and quitclaim unto the Second Party all of the First Party's rights, duties, and obligations as Unit Operator under said unit agreement; and

Second Party hereby accepts this assignment and hereby covenants and agrees to fulfill the duties and assume the obligations of Unit Operator under and pursuant to all of the terms of said Unit Agreement to the full extent set forth in this assignment, effective upon approval of this indenture by the Bureau of Land Management, Commissioner of Public Lands, and the New Mexico Oil Conservation Division; said Unit Agreement being hereby incorporated herein by reference and made a part hereof as fully and effectively as though said Unit Agreement were expressly set forth in this instrument.

IN WITNESS WHEREOF, the parties hereto have executed this instrument as of the date hereinabove set forth.

FIRST PARTY:



Perry R. Bass

SECOND PARTY:

BASS ENTERPRISES PRODUCTION CO.

By 

Vice President



AGREED AND ACCEPTED this _____ day of _____, 19__.

BUREAU OF LAND MANAGEMENT

By _____

AGREED AND ACCEPTED this _____ day of _____, 19__.

COMMISSIONER OF PUBLIC LANDS

By _____

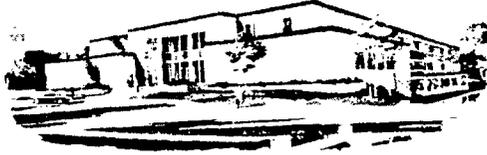
AGREED AND ACCEPTED this 12th day of August, 1985.

NEW MEXICO OIL CONSERVATION
DIVISION

By



State of New Mexico



JIM BACA
COMMISSIONER

Commissioner of Public Lands

July 2, 1985

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148
Express Mail Delivery Use:
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501

Bass Enterprises Production Co.
First City Bank Tower
201 Main Street
Fort Worth, Texas 76102

Re: First Amendment to the 1985 Plan of
Development for the James Ranch Unit
Eddy County, New Mexico

ATTENTION: Mr. Louis W. Wilpitz

Gentlemen:

The Commissioner of Public Lands has this date approved your First Amendment to the 1985 Plan of Development for the James Ranch Unit, Eddy County, New Mexico. Your first amended plan proposes to change the location of the James Ranch Unit Well No. 16 from the SE/4NW/4 of Sec. 17-23S-31E to the SE/4NE/4 of Sec. 18-23S-31E, Eddy County, New Mexico.

Enclosed is an approved copy for your files.

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY: *Ray D. Graham*
RAY D. GRAHAM, Director
Oil and Gas Division
AC 505/827-5744

JB/RDG/pm
encls.

cc: OCD-Santa Fe, New Mexico
BLM-Albuquerque, New Mexico
BLM-Roswell, New Mexico

BASS ENTERPRISES PRODUCTION CO.

FIRST CITY BANK TOWER
201 MAIN ST.
FORT WORTH, TEXAS 76102
817/390-8400

June 28, 1985

BUREAU OF LAND MANAGEMENT
P. O. Box 1397
Roswell, New Mexico 88201

Attention: Joe Lara

COMMISSIONER OF PUBLIC LANDS
P. O. Box 1148
Santa Fe, New Mexico 87504

Attention: Ray Graham

NEW MEXICO OIL CONSERVATION DIVISION
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Richard Stamets

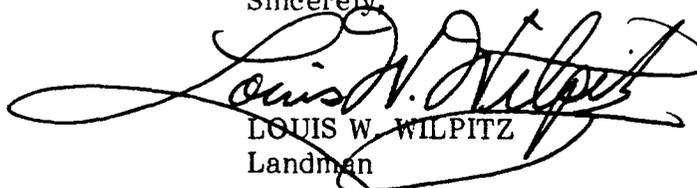
RE: First Amendment to the 1985 Plan of
Development for the James Ranch Unit
Eddy County, New Mexico

Gentlemen:

In accordance with the terms and provisions of Section 10 of the James Ranch Unit Agreement dated April 22, 1953, which provides that the Plan of Development may be modified from time to time, when necessary to meet changing conditions, Perry R. Bass, as unit operator, proposes to amend the 1985 Plan of Development by changing the location of the James Ranch Unit Well No. 16 which is to be drilled under the 1985 Plan of Development. Bass plans to drill the well at a location of 1980' FNL, 660' FEL, of Section 18, T23S-R31E, Eddy County, New Mexico, with the N/2 of Section 18 being the proration unit for the well.

If this First Amendment to the 1985 Plan of Development for the James Ranch Unit meets with your approval, please so indicate by signing in the appropriate space provided below and returning one original signed letter to Bass for its records. Should there be any questions in regard to this matter, please feel free to contact me at (817) 390-8585.

Sincerely,


LOUIS W. WILPITZ
Landman

LWW:jh

Bureau of Land Management
Commissioner of Public Lands
New Mexico Oil Conservation Division
June 28, 1985
Page 2

AGREED AND ACCEPTED this _____ day of _____, 19__.

BUREAU OF LAND MANAGEMENT

By _____

AGREED AND ACCEPTED this _____ day of _____, 19__.

COMMISSIONER OF PUBLIC LANDS

By _____

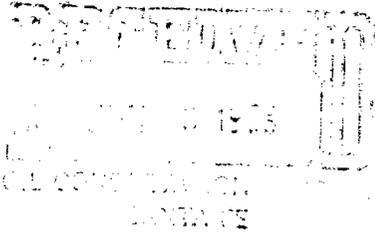
AGREED AND ACCEPTED this 2nd day of July, 1985.

NEW MEXICO OIL CONSERVATION DIVISION

By Roy E Johnson

BASS ENTERPRISES PRODUCTION CO.

FIRST CITY BANK TOWER
201 MAIN ST.
FORT WORTH, TEXAS 76102
817/390-8400



May 28, 1985

472

INTERNATIONAL MINERALS AND CHEMICAL CORPORATION
P. O. Box 71
Carlsbad, New Mexico 88220

Attention: Walt Thayer

RE: James Ranch Unit Well No. 16
1980' FNL & 660' FEL, Section 18
T23S-R31E
Eddy County, New Mexico

Dear Sir:

Under your letter of November 7, 1984, IMC requested that so long as good faith negotiations are progressing between Bass and IMC, permits to drill wells within the potash enclave or the immediate vicinity would not be applied for without prior notice to the potash operators.

To confirm our conversation of Friday, May 24, and in regard to your November 7, 1984 letter, Bass Enterprises Production Co. plans to drill a Morrow test well at the referenced location pursuant to our 1985 Plan of Development for the James Ranch Unit and in accordance with the terms and provision of a contract between Bass and Conoco.

Although our proposed well location is within the R-111 area, the 1979 United States Geological Survey map showing the distribution of potash reserves indicates our location to be outside the potash enclave. Additionally, results of the potash core test taken in the James Ranch Unit Well No. 15 located in the S/2 of Section 7, which is north of and contiguous to the N/2 of Section 18, indicated the absence of potash in commercial quantities. For these reasons we believe our location does not pose a threat to either safety or an undue loss of potash.

As a result, it is our intention to submit an application for a drilling permit to the Bureau of Land Management and seek approval with the New Mexico Oil Conservation Division for permission to drill a well within the R-111 area. If

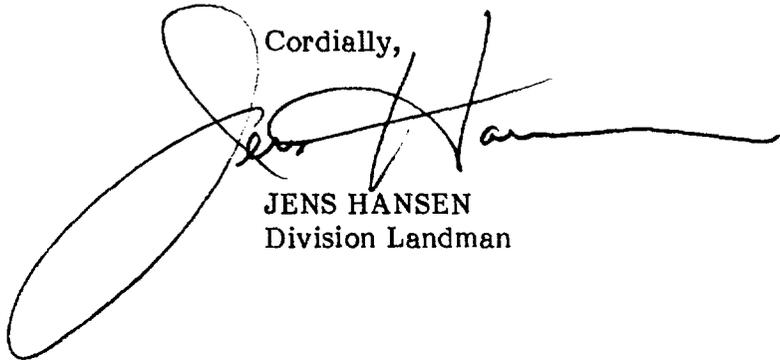
International Minerals and Chemical Corporation

May 28, 1985

Page 2

you do not object to our location it would be greatly appreciated if you would advise Richard Stamets with the New Mexico Oil Conservation Division and Bill Lusher with the BLM so that our drilling application may be approved at the earliest possible date.

Cordially,

A handwritten signature in black ink, appearing to read "Jens Hansen", written over a large, loopy scribble.

JENS HANSEN
Division Landman

JH:jh

cc: New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501
Attention: Richard Stamets

Bureau of Land Management
P. O. Box 1449
Santa Fe, New Mexico 87501
Attention: Bill Lusher

Bureau of Land Management
P. O. Box 1397
Roswell, New Mexico 88201
Attention: Joe Lara



JIM BACA
COMMISSIONER

Commissioner of Public Lands

March 15, 1985

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

Bass Enterprises Production Co.
First City Bank Tower
201 Main Street
Fort Worth, Texas 76102

Express Mail Delivery Uses
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501

Re: 1985 Plan of Development
James Ranch Unit
Eddy County, New Mexico

ATTENTION: Mr. Louis Wilpitz

Gentlemen:

The Commissioner of Public Lands has this date approved your 1985 Plan of Development for the James Ranch Unit, Eddy County, New Mexico. Such plan proposes to drill the unit well No. 16 to be drilled in the SE/4NW/4 of Section 17, Township 23 South, Range 31 East to a depth of 14,750' as a Morrow test well. Our approval is subject to like approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

Enclosed is an approved copy for your files.

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY: *Ray D. Graham*
RAY D. GRAHAM, Director
Oil and Gas Division
AC 505/827-5744

JB/RDG/pm
encls.

cc: OCD-Santa Fe, New Mexico
BLM-Albuquerque, New Mexico Attn: Fluids Branch
BLM-Roswell, New Mexico Attn: Mr. Armando Lopez

BASS ENTERPRISES PRODUCTION CO.

FIRST CITY BANK TOWER
201 MAIN ST.
FORT WORTH, TEXAS 76102
817/390-8400

#472

March 4, 1985

STATE OF NEW MEXICO
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. Richard Stamets

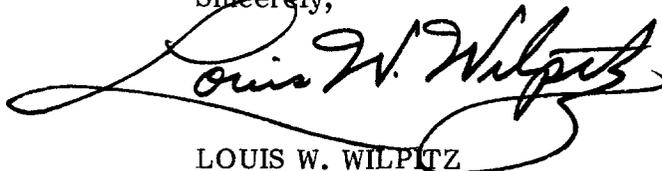
RE: Second Revision to the Initial Atoka
Participating Area for the James Ranch
Unit
Eddy County, New Mexico

Gentlemen:

Enclosed herewith for your files is a copy of a letter dated February 20, 1985, from the Bureau of Land Management wherein they have approved our application dated January 20, 1984 requesting approval of the second revision to the Initial Atoka Participating Area for the James Ranch Unit.

Should anything further be needed in this regard, please advise.

Sincerely,



LOUIS W. WILPITZ
Landman

LWW:jh
Enclosure



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Roswell District Office

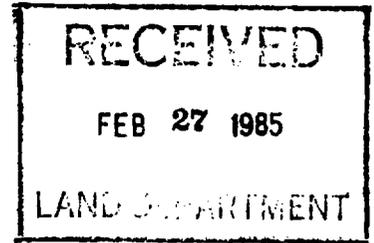
P. O. Box 1397

Roswell, New Mexico 88201

IN REPLY
REFER TO:

14-08-001-558
3180 (060)

February 20, 1985



Bass Enterprises Production Company
Attn: Louis W. Wilpitz
First City Bank Tower
201 Main Street
Fort Worth, Texas 76102

Gentlemen:

Your application of January 20, 1984, requesting approval of the second revision of the Atoka participating area, James Ranch Unit, Eddy County, New Mexico, is approved on this date effective as of September 1, 1982.

The second revision of the Atoka participating area embraces lots 3 and 4, E $\frac{1}{2}$ SW $\frac{1}{4}$ and SE $\frac{1}{4}$, Sec. 31, T. 22 S., R. 31 E., N. M. P. M. Such participating area is based on the completion of Unit Well No. 13 in lot 3, sec. 31, on September 21, 1982. The unit well was determined to be a paying well pursuant to section 11 of the unit agreement by BLM letter of February 6, 1985.

Copies of the approval application are being distributed to the appropriate Federal and State offices. You are requested to furnish all interested parties with evidence of this approval.

Sincerely yours

Associate

District Manager

#472

BASS ENTERPRISES PRODUCTION CO.

FIRST CITY BANK TOWER
201 MAIN ST.
FORT WORTH, TEXAS 76102
817/390-8400

December 19, 1984

BUREAU OF LAND MANAGEMENT
P. O. Box 1397
Roswell, New Mexico 88201
Attention: Mr. Armando Lopez

COMMISSIONER OF PUBLIC LANDS
State of New Mexico
P. O. Box 1148
Santa Fe, New Mexico 87504-1148
Attention: Mr. Ray Graham

NEW MEXICO OIL CONSERVATION DIVISION
P. O. Box 2088
Santa Fe, New Mexico 87501
Attention: Mr. Richard Stamets

Re: 1985 Plan of Development
James Ranch Unit
Eddy County, New Mexico

Gentlemen:

In accordance with Section 10 of the James Ranch Unit Agreement, dated April 22, 1953, Perry R. Bass, Operator of said unit, hereby submits a Plan of Development for the James Ranch Unit for the year 1985.

History of Past Development - We refer to our previous Plans of Development for a detailed description of the operations conducted in the James Ranch Unit in prior years.

1984 Activity - the following are the results of wells drilled during the year 1984, and wells drilled prior to 1984, the results of which were not included in the 1984 Plan of Development:

James Ranch Unit Well No. 15 - surface location of 560' FSL and 100' FWL, Section 8, bottom hole location, at total depth, of 791' FSL and 1924' FWL, Section 7, T23S-R31E, Eddy County, New Mexico. This well was drilled to a total vertical depth of 14,694' (measured depth 15,090') and was perforated between the depths of 14,100' total vertical depth to 14,576' total vertical depth (14,486' to 14,576' measured depth). The well was completed as a gas well in the Morrow formation and is currently shut-in waiting on a market and pipeline.

Participating Areas

We will submit during the year 1985 recommendations for commercial determinations for the above listed wells when sufficient production data is available.

Bureau of Land Management
Commissioner of Public Lands
New Mexico Oil Conservation Division
December 19, 1984
Page 2 of 3

Future Development

We plan to drill the following test wells during the year 1985 at the following locations:

James Ranch Unit Well No. 16 - 1980' FNL and 1980' FWL, Section 17, T23S-R31E, Eddy County, New Mexico, to a depth of 14,750' as a Morrow test well.

Offset Obligations

Appropriate and adequate measures will be taken to prevent drainage of unitized substances from lands subject to the James Ranch Unit Agreement or pursuant to applicable regulations.

Additional Development

This Plan of Development shall constitute the drilling obligation of the unit operator under the terms of the James Ranch Unit Agreement for the period ending December 31, 1985.

Modifications

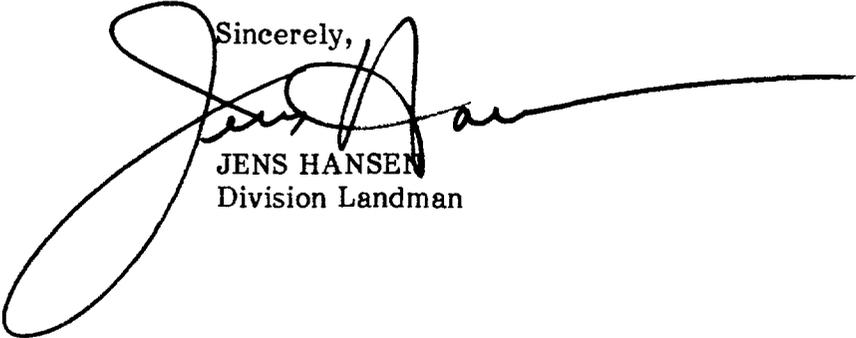
In accordance with the terms and provisions of the James Ranch Unit Agreement, this Plan of Development may be modified from time to time as a result of changing conditions.

Effective Date

This Plan of Development shall be effective from the first date shown above.

If this Plan of Development meets with your approval, please so indicate by signing in the appropriate space provided below and return one (1) signed original to us for our records.

Sincerely,


JENS HANSEN
Division Landman

JH/LWW:ep

Bureau of Land Management
Commissioner of Public Lands
New Mexico Oil Conservation Division
December 19, 1984
Page 3 of 3

AGREED AND ACCEPTED this ___ day of _____, 1984.

BUREAU OF LAND MANAGEMENT

By _____

AGREED AND ACCEPTED this ___ day of _____, 1984.

COMMISSIONER OF PUBLIC LANDS

By _____

AGREED AND ACCEPTED this 26 day of December, 1984.

NEW MEXICO OIL CONSERVATION DIVISION

By 

State of New Mexico

#472



JIM BACA
COMMISSIONER

Commissioner of Public Lands

October 18, 1984

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148
Express Mail Delivery Use:
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501

Bass Enterprises Production Company
First City Bank Tower
501 Main Street
Fort Worth, Texas 76102

Re: James Ranch Unit
Well No. 7, Morrow Participating Area
Eddy County, New Mexico

ATTENTION: Mr. Louis W. Wilpitz

Gentlemen:

Reference is made to your telephone conversation with this office on this date. It is our understanding that as per your letter of August 20, 1981 and other related correspondence, the James Ranch Well No. 7 is capable of producing in commercial quantities from the Morrow Formation and as a result, the Participating Area for the James Ranch Well No. 4, which consists of the W/2 of Section 6, Township 23 South, Range 31 East, was expanded to cover the E/2 of Section 6, Township 23 South, Range 31 East, to cover the James Ranch Unit Well No. 7.

If we may be of further help please do not hesitate to call on us.

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY: *Ray D. Graham*
RAY D. GRAHAM, Director
Oil and Gas Division
AC 505/827-5744

JB/RDG/pm
cc:

OCD-Santa Fe, New Mexico
BLM-Albuquerque, New Mexico
BLM-Roswell, New Mexico

State of New Mexico

#472



Commissioner of Public Lands

October 16, 1984

JIM BACA
COMMISSIONER

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148
Express Mail Delivery Uses
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501

Bass Enterprises Production Company
First City Bank Tower
501 Main Street
Fort Worth, Texas 76102

Re: James Ranch Unit Well No. 7
1980' FNL & 1980' FEL
Bone Springs Formation
Section 6-23S-31E
Eddy County, New Mexico

ATTENTION: Mr. Louis W. Wilpitz

Gentlemen:

Reference is made to your telephone conversation with this office on this date and our letter to you dated October 10, 1984, in regards to the above captioned well.

Please be advised by receipt of this letter, that we wish to clarify our approval letter of October 10, 1984. The James Ranch Unit No. 7 well does not qualify for classification as a commercial well in the Bone Springs formation. Accordingly, the James Ranch Unit No. 7 well should be produced from the Bone Springs formaton on a lease basis.

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY: *Ray D. Graham*
RAY D. GRAHAM, Director
Oil and Gas Division
AC 505/827-5744

JB/RDG/pm

cc: OCD-Santa Fe, New Mexico
BLM-Albuquerque, New Mexico
BLM-Roswell, New Mexico ATTENTION: Mr. Armando Lopez

#472

State of New Mexico



JIM BACA
COMMISSIONER

Commissioner of Public Lands

October 10, 1984

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148
Express Mail Delivery Uses:
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501

Bass Enterprises Production Company
First City Bank Tower
501 Main Street
Fort Worth, Texas 76102

Re: James Ranch Unit No. 7 Well
1980' FNL & 1980' FEL
Section 6-23S-31E
Eddy County, New Mexico

ATTENTION: Mr. Louis W. Wilpitz

Gentlemen:

This office is in receipt of your letter dated February 16, 1984, wherein as unit operator of the James Ranch Unit you have determined that the James Ranch Unit No. 7 well does not qualify for classification as a commercial well.

According to the data submitted the Commissioner of Public Lands concurs with your determination that such well is noncommercial and the James Ranch Unit No. 7 well be produced on a lease basis. This action is subject to like approval by the Bureau of Land Management and the New Mexico Oil Conservation Division.

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY:
RAY D. GRAHAM, Director
Oil and Gas Division
AC 505/827-5744

JB/RDG/pm
cc:

OCD-Santa Fe, New Mexico
BLM-Albuquerque, New Mexico
BLM-Roswell, New Mexico ATTENTION: Mr. Armando Lopez

BASS ENTERPRISES PRODUCTION CO.

FIRST CITY BANK TOWER
201 MAIN ST.
FORT WORTH, TEXAS 76102
817/390-8400

September 12, 1984

#472

BUREAU OF LAND MANAGEMENT
1717 West 2nd Street
Roswell, New Mexico 88201
Attention: Mr. Armando Lopez

COMMISSIONER OF PUBLIC LANDS
State of New Mexico
State Land Office Building
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501
Attention: Mr. Ray Graham

NEW MEXICO OIL CONSERVATION DIVISION
State Land Office Building, Room 206
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501
Attention: Mr. Joe Ramey

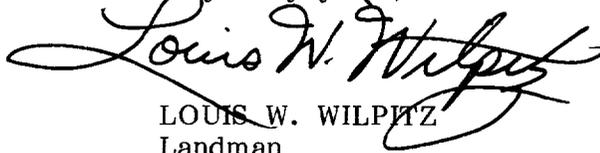
Re: 1985 Plan of Development
James Ranch Unit
Eddy County, New Mexico

Gentlemen:

Bass is continuing to experience difficulty in its attempts to negotiate gas contracts in the federal unit area, which would make the drilling of the James Ranch Unit Well No. 16 and James Ranch Unit Well No. 17 impractical at this time. Therefore, we respectfully withdraw the proposed 1985 Plan of Development for the James Ranch Unit, which was dated April 9, 1984. Bass will submit the 1985 Plan of Development for the James Ranch Unit prior to January 1, 1985.

Should you have any questions, please feel free to contact me at 817/390-8585.

Very truly yours,


LOUIS W. WILPITZ
Landman

LWW:ep

#472

State of New Mexico



JIM BACA
COMMISSIONER



Commissioner of Public Lands

April 17, 1984

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148
Express Mail Delivery Used
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501

Bass Enterprises Production Company
First City Bank Tower
201 Main Street
Fort Worth, Texas 76102

Re: 1985 Plan of Development
James Ranch Unit
Eddy County, New Mexico

ATTENTION: Mr. Jens Hansen

Gentlemen:

The Commissioner of Public Lands has this date approved your 1985 Plan of Development for the James Ranch Unit, Eddy County, New Mexico. Such plan proposes to drill the Unit Well Nos. 16 and 17 to test the Morrow Formation. Our approval is subject to like approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

Enclosed is an approved copy for your files.

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY:
RAY D. GRAHAM, Director
Oil and Gas Division
AC 505/827-5744

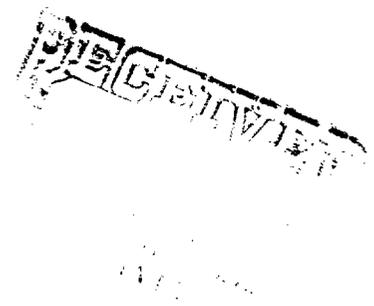
JB/RDG/pm
encls.

cc: OCD-Santa Fe, New Mexico
BLM-Albuquerque, New Mexico
BLM-Roswell, New Mexico

BASS ENTERPRISES PRODUCTION CO.

FIRST CITY BANK TOWER
201 MAIN ST
FORT WORTH, TEXAS 76102
817/390-8400

April 9, 1984



BUREAU OF LAND MANAGEMENT
P. O. Box 1397
Roswell, New Mexico 88201
Attention: Mr. Wayne Melton

COMMISSIONER OF PUBLIC LANDS
State of New Mexico
P. O. Box 1148
Santa Fe, New Mexico 87504-1148
Attention: Mr. Ray Graham

NEW MEXICO OIL CONSERVATION DIVISION
P. O. Box 2088
Santa Fe, New Mexico 87501
Attention: Mr. Joe Ramey

Re: 1985 Plan of Development
James Ranch Unit
Eddy County, New Mexico

Gentlemen:

Attached for your consideration is our 1985 Plan of Development for the James Ranch Unit.

We are submitting this Plan of Development at this time due to our desire to formulate definitive drilling plans for the year 1985 which include the drilling of a well to be commenced in late 1984 for the 1985 Plan of Development. In order to accomplish these goals, we will be submitting Applications for Permit to Drill these wells which require a Plan of Development on file providing for each well.

We certainly appreciate your cooperation in the matter and if you should have any questions, please feel free to call or write me at any time.

Cordially,

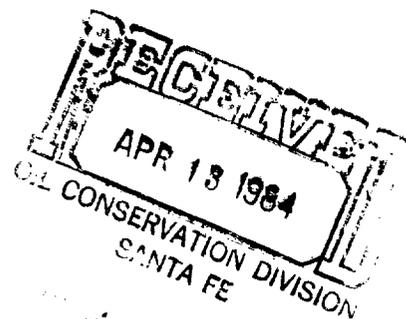
JENS HANSEN
Division Landman

JH:ep
Enclosure

BASS ENTERPRISES PRODUCTION CO.

FIRST CITY BANK TOWER
201 MAIN ST.
FORT WORTH, TEXAS 76102
817/390-8400

April 9, 1984



BUREAU OF LAND MANAGEMENT
P. O. Box 1397
Roswell, New Mexico 88201
Attention: Mr. Wayne Melton

COMMISSIONER OF PUBLIC LANDS
State of New Mexico
P. O. Box 1148
Santa Fe, New Mexico 87504-1148
Attention: Mr. Ray Graham

NEW MEXICO OIL CONSERVATION DIVISION
P. O. Box 2088
Santa Fe, New Mexico 87501
Attention: Mr. Joe Ramey

Re: 1985 Plan of Development
James Ranch Unit
Eddy County, New Mexico

Gentlemen:

In accordance with Section 10 of the James Ranch Unit Agreement dated April 23, 1953, Perry R. Bass, unit operator, hereby submits for approval a Plan of Development for the year 1985.

History of Past Development - We refer to our previous Plans of Development for a detailed description of operations conducted on previously drilled wells in this unit.

1984 Activity - the following are the results of the wells drilled during the year 1984.

James Ranch Unit Well #15 - at the date of this writing, this well is currently drilling in the S/2 of Section 7, T23S-R31E, to a projected depth of 14,800' to test the Morrow Formation. The results of this well will be reported upon completion of said well.

Participating Areas

We will submit in the very near future our recommendation for commercial determinations for wells completed in 1983 and 1984.

Bureau of Land Management
Commissioner of Public Lands
New Mexico Oil Conservation Division
April 9, 1984
Page 2

Future Development

We plan to drill the following test wells for unitized substances at the following locations during the year 1985:

James Ranch Unit Well #16 - to be located 1980' FNL and 1980' FWL, Section 17, T23S-R31E - Morrow Test. We anticipate commencing the drilling of this well in the last quarter of 1984.

James Ranch Unit Well #17 - to be located 1980' FSL and 660' FWL, Section 8, T23S-R31E - Morrow Test.

Additional Development

This Plan of Development will constitute the drilling obligation of the unit operator under the terms of the James Ranch Unit Agreement for the period ending December 31, 1985.

Modifications

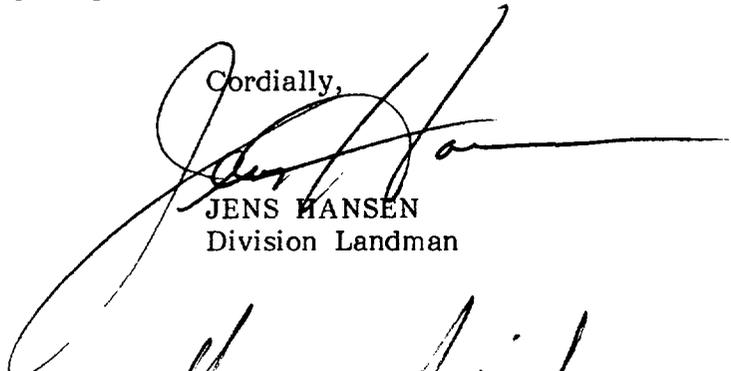
In accordance with the terms and provisions of the James Ranch Unit Agreement, this Plan of Development may be modified from time to time due to changing conditions.

Effective Date

This Plan of Development will be effective as of the date written above.

If this Plan of Development meets with your approval, please indicate by signing in the appropriate space provided below and return one (1) copy to us for our records.

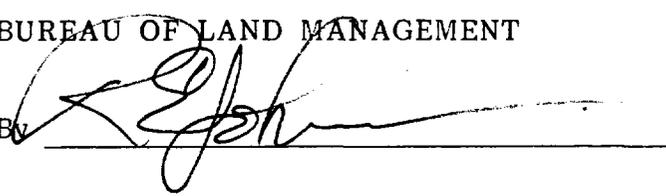
Cordially,


JENS HANSEN
Division Landman

JH:ep

AGREED TO AND ACCEPTED this 16 day of April, 1984.

BUREAU OF LAND MANAGEMENT

By 

Bureau of Land Management
Commissioner of Public Lands
New Mexico Oil Conservation Division
April 9, 1984
Page 3

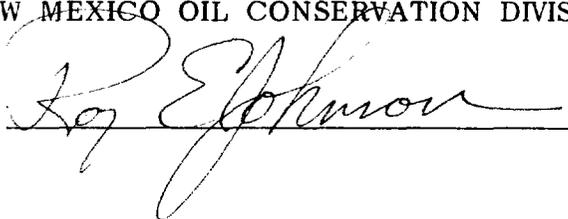
AGREED TO AND ACCEPTED this _____ day of _____, 1984.

COMMISSIONER OF PUBLIC LANDS

By _____

AGREED TO AND ACCEPTED this 13 day of April, 1984.

NEW MEXICO OIL CONSERVATION DIVISION

By 

#472



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONEY ANAYA
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

March 15, 1984

Bass Enterprises Production Co.
First City Bank Tower
201 Main Street
Fort Worth, Texas 76102

Attention: Louis W. Wilpitz

Re: James Ranch Unit No. 7
Well, 1980' FNL & 1980'
FEL, Sec. 6, T-23S,
R-31E, Eddy County, NM
Lease No. 4186

Dear Mr. Wilpitz:

The above referenced submittal has been approved by the New Mexico Oil Conservation Division effective this date. Such approval is contingent upon like approval by the New Mexico Commissioner of Public Lands and the Bureau of Land Management.

Sincerely,

A handwritten signature in cursive script that reads "Roy E. Johnson".

ROY E. JOHNSON
Petroleum Geologist

REJ/dp

cc: Commissioner of Public Lands - Santa Fe
Bureau of Land Management - Albuquerque
OCD District Office - Artesia

HISTORY
JAMES RANCH NO. 7
LOS MEDANOS/BONE SPRINGS FIELD

The James Ranch No. 7 is located 1980' FNL & 1980' FEL Section 6, T23S, R31E, Eddy County, New Mexico. The well was spudded on 6-29-74. A C-104 dated 11-15-74 indicated the well was drilled to a depth of 14,590' and subsequently completed in the Bone Springs through perforations 11,017', 11,021', 11,032', 11,038', 11,046', 11,052' (4 spf at each depth). After perforating, the well was flow tested several days, then acidized with 3000 gals acid and after testing several days, frac'd with 17,000 gals and 16,500# proppant. BHP was 5049 psig at 11,070'. The well potentialled flowing 160 BOPD, 16 BWPD. The gas was not measured. Flowing tubing pressure was 2000 psi.

Total well cost was \$1,056,000. Conoco, in a letter dated 2-11-75, estimated well cost at \$600,000 for a single Bone Springs well. The well was tested until May 22, 1975 and the production during the testing period was 8,575 bbls and 15,831 mcf. Oil value was \$10/bbl and the gas was flared.

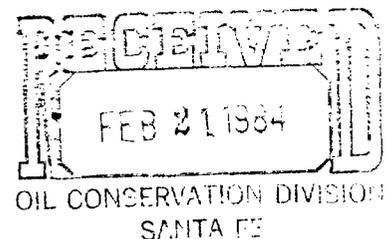
The well was completed in the Morrow until May, 1982, when the Morrow was temporarily abandoned and the well recompleted in the Bone Springs. The Bone Springs was perforated 11,016', 18', 21', 23', 30', 32', 38', 40', 44', 46', 51', and 11,055' and acidized with 1000 gals 15% acid containing CO₂. The well potentialled for 57 BOPD and 208 MCFPD at 400 psi FTP.

The well has produced 16,483 bbls & 21,535 mcf since being returned to production. The well is still flowing with a 360 psi FTP at a rate of 24 BOPD with a 2080 GOR. If the well flows to depletion, decline curve analysis suggests remaining reserves of 32,600 bbls & 48,900 mcf. The well will be put on pump and the remaining reserves may be increased due to the additional pressure drawdown. The minimum ultimate from decline curve analysis is 57,658 bbls oil & 82,266 mcf gas.

Volumetric calculations indicate:

h = 33'
Ø = 14%
SW = 58%
Ac = 40 Ac
bo = 1.75 bbl/bbl from Standing curves
Rec = 18% of OIP estimated
GOR = 1500 ft³/bbl
Oil GR = 42.1° API
Gas = 1200 BTU/ft³
Rec Oil = (7758)(33)(0.14)(1-0.58)(40)(1/1.75)(0.18)
= 61,900 bbls

NO Economic limit data?



Insufficient data exists for material balance calculations. However, indicated ultimate recovery from decline curve analysis and from volumetric calculation are similar.

HISTORY
 JAMES RANCH NO. 7
 LOS MEDANOS/BONE SPRINGS FIELD
 Page two

Income generated to date is:

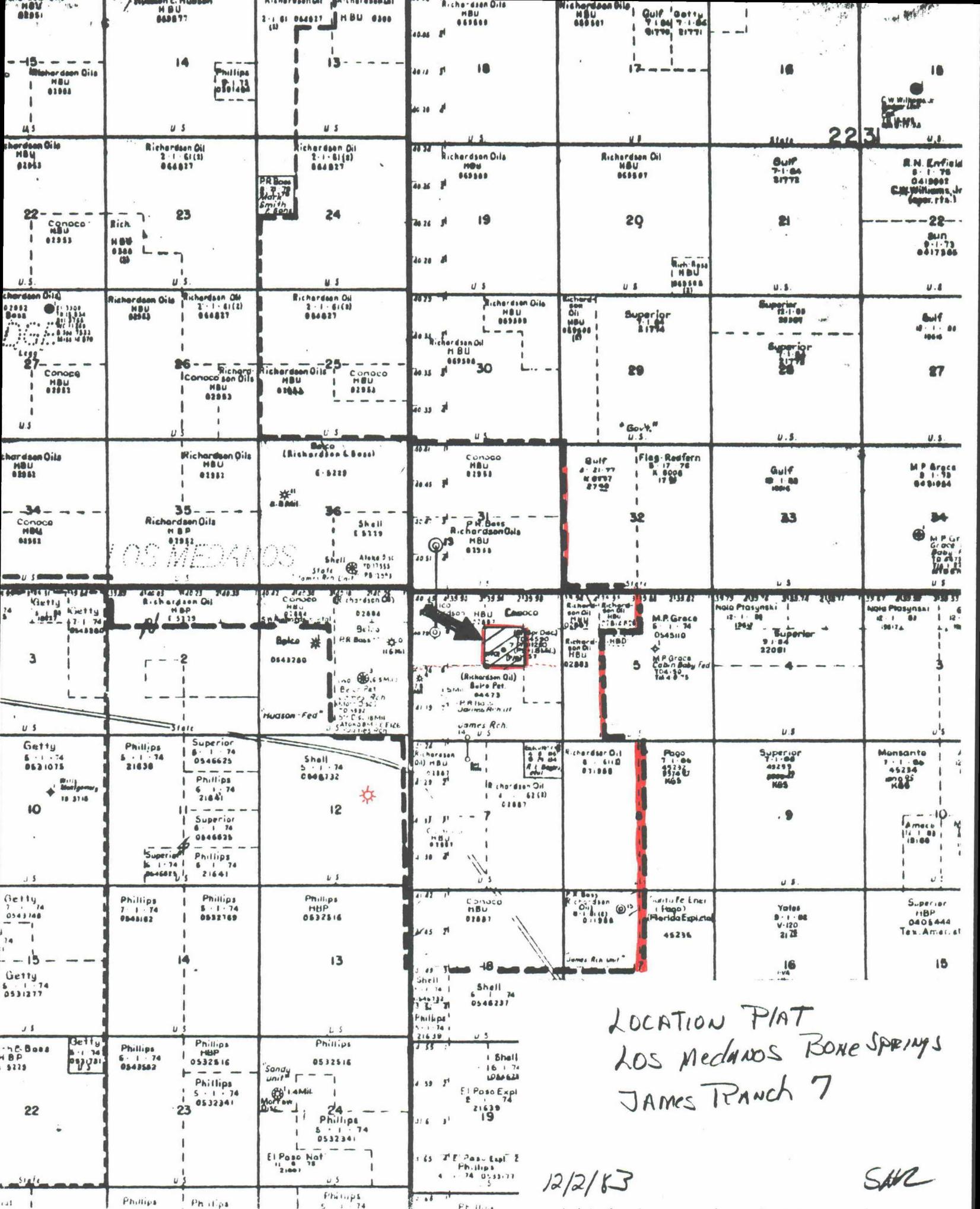
	Oil, bbls	\$/bbl	Gas	\$/mcf	Total Income
1974-75	8,575	10.00	15,831	0	\$ 85,750
1982-83	16,483	30.75	21,535	1.97	\$549,276

Estimated drilling cost was \$600,000

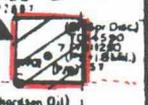
Economics were calculated as if the 1975 well cost and the actual income from 1975, occurred in 1982. This method negates the effect on the economics of producing the Morrow first and effects the economics because the well was drilled for less money than one could have been in 1982, oil price in 1975 was less than 1982 and the present value of the cash flow is distorted. Another run was made assuming the well was drilled in 1982 for \$885m (\$405m tang \$480m intang) with production being continuous and at the actual price. The results of the two economic runs are

	<u>CASE I</u>	<u>CASE II</u>
Payout, yr	4.1	6.6
ROR, %	12	3.7
BFIT Profit, \$m	\$228.2	84.4
BFIT Profit @ 15%, PVP \$m	<\$43.1>	<\$192.9>

The wells under either condition do not meet our definition of economical and therefore should not have a participating area created.



LOS MEDANOS



LOCATION PIAT
 LOS MEDANOS BONE SPRINGS
 JAMES TRANCH 7

12/2/83

SAR

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Artesia, NM 88210

5. LEASE NM 02887 (a)

6. IF INDIAN, ALLOTTEE OR TRIBE NAME _____

7. UNIT AGREEMENT NAME James Ranch Unit

8. FARM OR LEASE NAME James Ranch Unit

9. WELL NO. 7

10. FIELD OR WILDCAT NAME Los Medanos Morrow

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 6 T-23S R-31E

12. COUNTY OR PARISH Eddy 13. STATE NM

14. API NO. _____

15. ELEVATIONS (SHOW DF, KDB, AND WD) 3319' Gh

SUNDRY NOTICES AND REPORTS ON WELLS
(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use Form 9-331-C for such proposals.)

1. oil well gas well other _____

2. NAME OF OPERATOR CONOCO INC.

3. ADDRESS OF OPERATOR P. O. Box 400, Hobbs, N.M. 88240

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
AT SURFACE: 1980' FNL & 1980' FEL
AT TOP PROD. INTERVAL:
AT TOTAL DEPTH:

RECEIVED
MAY 10 1983
O. C. D.
ARTESIA, OFFICE

16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

REQUEST FOR APPROVAL TO:	SUBSEQUENT REPORT OF:
TEST WATER SHUT-OFF <input type="checkbox"/>	<input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	<input type="checkbox"/>
SHOOT OR ACIDIZE <input checked="" type="checkbox"/>	<input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	<input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	<input type="checkbox"/>
MULTIPLE COMPLETE CHANGE ZONES <input checked="" type="checkbox"/>	<input type="checkbox"/>
ABANDON* <input type="checkbox"/>	<input type="checkbox"/>
(other) <u>Complete Unders. Bone Springs</u>	

(NOTE: Report results of multiple completion or zone change on Form 9-330.)

17. 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.)*

Rel. pkr. @ 10,878'. Set RBP @ 11,300'. Spot 50 SX. Cl. H' Cmt. from 11,100' to 10,871'. Pressure up on Squeeze to 1500 PSI. Leave over night. DO cmt from 10,871' to 11,100'. Test squeeze w/ 1500 PSI. Rel. RBP @ 11,300'. Rel. BFC plug @ 13,977'. Rel. BFC plug @ 13,994'. Treat Morrow (14,062'-14,244') w/ Methanol/CO₂. Pump 190 BBL Methanol mixed in 22 tons of liquid CO₂, w/ 3 gal. surfactants per 1000 gal. Flush w/ 86.5 BBL liquid CO₂. Set blanking plug @ 13,994'. Set RBP @ 11,300'. Perforate Bone Springs w/ 4JSPF @ 11,016', 18', 21', 23', 30', 32', 38', 40', 44', 46', 51', & 11,053'. (TOTAL 48 SHOTS). Set pkr. @ 10,900'. Acidize Bone Springs (11,016'-11,053') w/ 24 BBL 15% HCL-NE-FE mixed in 34 BBL liquid CO₂. Flush w/ 64 BBL liquid CO₂. Rel. pkr. @ 10,900'. Rel. RBP @ 11,300'. Set A-5 pkr @ 10,940'. Run Prod. Equip. Test.

Subsurface Safety Valve: Manu. and Type _____ Set @ _____ Ft.

18. I hereby certify that the foregoing is true and correct
SIGNED Wm A. Butterfield TITLE Administrative Supervisor DATE 5-2-83

APPROVED (This space for Federal or State office use)
APPROVED [Signature] TITLE _____ DATE _____
CONDITIONS OF APPROVAL IF ANY: MAY 6 1983

OIL CONSERVATION DIVISION

DEC 13 1982

RECEIVED

El Paso NATURAL GAS
COMPANY

P. O. BOX 1384
JAL. NEW MEXICO 88252

PHONE: 505-395-2551

November 6, 1982

Oil Conservation Division
State of New Mexico
P. O. Drawer DD
Artesia, NM 88210

Gentlemen:

This is to advise that on August 1, 1982 the Conoco's Inc.'s James Ranch Unit #7 Morrow gas well located in Unit G of Section 6, Township 23S, Range 31E, Eddy County, New Mexico was disconnected from El Paso's gathering system. This meter will remain on location to serve the recompleted zone, until permanent status of the measuring arrangement is determined.

This disconnection was due to recompletion from Los Medanos-Morrow gas to undesignated Bone Spring oil.

Yours truly,

PERMIAN DIVISION DISPATCHING DEPARTMENT

Kenneth N. Gordon

Kenneth N. Gordon
Coordinator, Division Gas Control

KNG:bl

cc: Oil Conservation Division, Santa Fe, NM
Production Control
H.O. Whitt
Gas Purchases
M. E. McEuen
Operator
Measurement
R. L. Tabb
Earl Smith
Vernon Rogers
Slim Gordon
Warren Duncan
Bill Cranford
File

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

SEP 20 1982

REQUEST FOR ALLOWABLE
AND
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

O. C. D.
ARTESIA, OFFICE

OPERATOR	
PRODUCTION OFFICE	
LAND OFFICE	
FILE	
DISTRIBUTION	
SANTA FE	
U.S.G.	
TRANSPORTER	
OPERATION	
PRODUCTION OFFICE	

Operator
Conoco Inc.

Address
P. O. Box 460, Hobbs, New Mexico 88240

Reason(s) for filing (Check proper box)	Other (Please explain)
New Well <input type="checkbox"/>	
Recompletion <input checked="" type="checkbox"/>	
Change in Ownership <input type="checkbox"/>	
Change in Transporter of: Oil <input type="checkbox"/> Dry Gas <input type="checkbox"/> Casinghead Gas <input type="checkbox"/> Condensate <input type="checkbox"/>	

If change of ownership give name and address of previous owner

DESCRIPTION OF WELL AND LEASE

Lease Name James Ranch Unit	Well No. 7	Pool Name, including Formation Undesignated Bone Spring	Kind of Lease State, Federal or Fee	Lease No. NMO2887A
--------------------------------	---------------	--	--	-----------------------

Location
Unit Letter G : 1980 Feet From The North Line and 1980 Feet From The East
Line of Section 6 Township 23S Range 31E NMPM, Eddy County

DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil <input checked="" type="checkbox"/> or Condensate <input type="checkbox"/> Conoco Inc Surface Transportation	Address (Give address to which approved copy of this form is to be sent) P. O. Box 2587, Hobbs, New Mexico 88240
Name of Authorized Transporter of Casinghead Gas <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/> El Paso Natural Gas Company	Address (Give address to which approved copy of this form is to be sent) P. O. Box 1384, Jal, New Mexico 88252
If well produces oil or liquids, give location of tanks. Unit <u>G</u> Sec. <u>6</u> Twp. <u>23S</u> Rge. <u>31E</u>	Is gas actually connected? When <u>yes</u> <u>2-79</u>

If this production is commingled with that from any other lease or pool, give commingling order number:

COMPLETION DATA

Designate Type of Completion - (X)	Oil Well <input checked="" type="checkbox"/>	Gas Well <input type="checkbox"/>	New Well <input type="checkbox"/>	Workover <input type="checkbox"/>	Deepen <input type="checkbox"/>	Plug Back <input checked="" type="checkbox"/>	Same Res'v. <input type="checkbox"/>	Diff. Res. <input checked="" type="checkbox"/>
Date Spudded 6-29-74	Date Compl. Ready to Prod. 1-19-76	Total Depth 14,590	P.B.T.D. 13,900'					
Elevations (DF, RKB, RT, GR, etc.) 3319' GR	Name of Producing Formation Bone Spring	Top Oil/Gas Pay 11,017	Tubing Depth 13,900'					
Perforations Bone Spring 11,017' - 11,052'			Depth Casing Shoe					

TUBING, CASING, AND CEMENTING RECORD

HOLE SIZE	CASING & TUBING SIZE	DEPTH SET	SACKS CEMENT
17-1/2"	13-3/8"	630'	550 <u>gx</u>
14-3/4"	10-3/4"	3942'	650 <u>gx</u>
9-1/2"	7-5/8"	11912'	700 <u>gx</u>
6-1/2"	5" liner	14,585	370 <u>gx</u>

TEST DATA AND REQUEST FOR ALLOWABLE OIL WELL

(Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours)

Date First New Oil Run To Tanks 8-1-82	Date of Test 9-4-82	Producing Method (Flow, pump, gas lift, etc.) Flowing	
Length of Test 24	Tubing Pressure 400 PSI	Casing Pressure 400 PSI	Choke Size 12/64"
Actual Prod. During Test 57	Oil-Bble. 57	Water-Bble. 0	Gas-MCF 208

GAS WELL

Actual Prod. Test-MCF/D	Length of Test	Bble. Condensate/MMCF	Gravity of Condensate
Testing Method (prior, back pr.)	Tubing Pressure (shut-in)	Casing Pressure (shut-in)	Choke Size

CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

David J. English
(Signature)

Administrative Supervisor
(Title)

September 16, 1982
(Date)

OIL CONSERVATION DIVISION

APPROVED NOV 22 1982, 19

BY *Leslie A. Clement*

TITLE SUPERVISOR, DISTRICT II

This form is to be filed in compliance with RULE 1104. If this is a request for allowable for a newly drilled or deepened well, this form must be accompanied by a tabulation of the deviated tests taken on the well in accordance with RULE 111.

All sections of this form must be filled out completely for all wells on new and recompleted wells.

Fill out only Sections I, II, III, and VI for changes of own well name or number, or transporter, or other such change of conditions. Form C-104 must be filled for each pool in multiple.

SF

Form 9-331
Dec. 1973

NM OIL CONS. COMMISSION
Drawer DD
Artesia, NM 88210

Form Approved.
Budget Bureau No. 42-R1424

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUNDRY NOTICES AND REPORTS ON WELLS

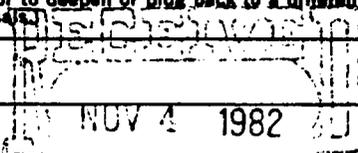
(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use Form 9-331-C for such proposals.)

1. oil well gas well other

2. NAME OF OPERATOR
CONOCO INC. ✓

3. ADDRESS OF OPERATOR
P. O. Box 460, Hobbs, N.M. 88240

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
AT SURFACE: 1930' FNL & 1930' FEL
AT TOP PROD. INTERVAL: ✓
AT TOTAL DEPTH: ✓



5. LEASE
NM 02887 (a)

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME
James Ranch Unit

8. FARM OR LEASE NAME
James Ranch Unit

9. WELL NO.
7

10. FIELD OR WILDCAT NAME
Las Medanos Morrow

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 6, T-235, R-31E

12. COUNTY OR PARISH
Eddy

13. STATE
N.M.

14. API NO.

15. ELEVATIONS (SHOW DF, KDB, AND WD)
3319' GP

16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

REQUEST FOR APPROVAL TO: SUBSEQUENT REPORT OF:

TEST WATER SHUT-OFF	<input type="checkbox"/>		<input type="checkbox"/>
FRACTURE TREAT	<input type="checkbox"/>		<input type="checkbox"/>
SHOOT OR ACIDIZE	<input type="checkbox"/>		<input type="checkbox"/>
REPAIR WELL	<input type="checkbox"/>		<input type="checkbox"/>
PULL OR ALTER CASING	<input type="checkbox"/>		<input type="checkbox"/>
MULTIPLE COMPLETE	<input type="checkbox"/>		<input type="checkbox"/>
CHANGE ZONES	<input type="checkbox"/>		<input type="checkbox"/>
ABANDON*	<input type="checkbox"/>		<input type="checkbox"/>
(other) Information	<input checked="" type="checkbox"/>		<input type="checkbox"/>

RECEIVED
NOV 12 1982
O. C. D.
ARTESIA, OFFICE

NOTE: Report results of multiple completion or zone change on Form 9-330.)

17. 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.)*

In reference to a phone conversation between Mike Williams of NMOC, Artesia and Blake Starfield of our office, attached is a schematic of the subject well indicating the separation of the Morrow and the Bone Springs formations. The Morrow is temporarily abandoned and we are presently producing from the Bone Springs. If there is any further information required, please contact this office. Separation at Morrow and Bone Springs is accomplished with a packer set at 13,900' on 2 1/8" tubing with two plugs in the lower tubing. The Morrow is temporarily abandoned.

Subsurface Safety Valve: Manu. and Type _____ Set @ _____ Ft.

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

SIGNED Blake Starfield TITLE Administrative Supervisor DATE 11-2-82

ACCEPTED FOR RECORD (This space for Federal or State office use)
PETER W. CHESTER

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL IF ANY:

NOV 10 1982
U.S. GEOLOGICAL SURVEY
ROSWELL, NEW MEXICO

*See Instructions on Reverse Side

RECEIVED
 Form 9-331
 Dec. 1973
 OCT 29 1982

Form Approved.
 Budget Bureau No. 42-R1424

UNITED STATES
 DEPARTMENT OF THE INTERIOR
 O. C. D. GEOLOGICAL SURVEY
 ARTESIA OFFICE

SUNDRY NOTICES AND REPORTS ON WELLS
 (Do not use this form for proposals to drill or deepen or plug back to a different reservoir. Use Form 9-331-C for such proposals.)

OCT 21 1982

1. oil well gas well other

2. NAME OF OPERATOR
 CONOCO INC. ✓

3. ADDRESS OF OPERATOR
 P. O. Box 460, Hobbs, N.M. 88240

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
 AT SURFACE: 1980' FNL & 1980' FEL
 AT TOP PROD. INTERVAL: ✓
 AT TOTAL DEPTH: ✓

5. LEASE
 NM02887(a)

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME
 James Ranch Unit

8. FARM OR LEASE NAME
 James Ranch Unit

9. WELL NO.
 7

10. FIELD OR WILDCAT NAME
 Las Medanos Moran

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 Sec. 6, T-235, R-31E

12. COUNTY OR PARISH
 Eddy

13. STATE
 N.M.

14. API NO.

15. ELEVATIONS (SHOW DF, KDB, AND WD)

16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

REQUEST FOR APPROVAL TO:	SUBSEQUENT REPORT OF:
TEST WATER SHUT-OFF <input type="checkbox"/>	<input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	<input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	<input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	<input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	<input type="checkbox"/>
MULTIPLE COMPLETE <input type="checkbox"/>	<input type="checkbox"/>
CHANGE ZONES <input type="checkbox"/>	<input type="checkbox"/>
ABANDON* <input type="checkbox"/>	<input type="checkbox"/>
(other) <u>information</u>	

(NOTE: Report results of multiple completion or zone change on Form 9-330.)

17. 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.)*

In reference to NMOCDD's letter dated 10-15-82, the subject well is producing through a sliding sleeve assembly at 10,946' and the tubing depth is 13,900'.

Subsurface Safety Valve: Manu. and Type _____ Set @ _____ Ft.

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

SIGNED W. A. J. [Signature] TITLE Administrative Supervisor DATE 10-18-82

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

ACCEPTED FOR RECORD
 OCT 23 1982
 U.S. GEOLOGICAL SURVEY
 ROSWELL, NEW MEXICO

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT O. C. D.

NOV 4 1982

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

ARTESIA, OFFICE

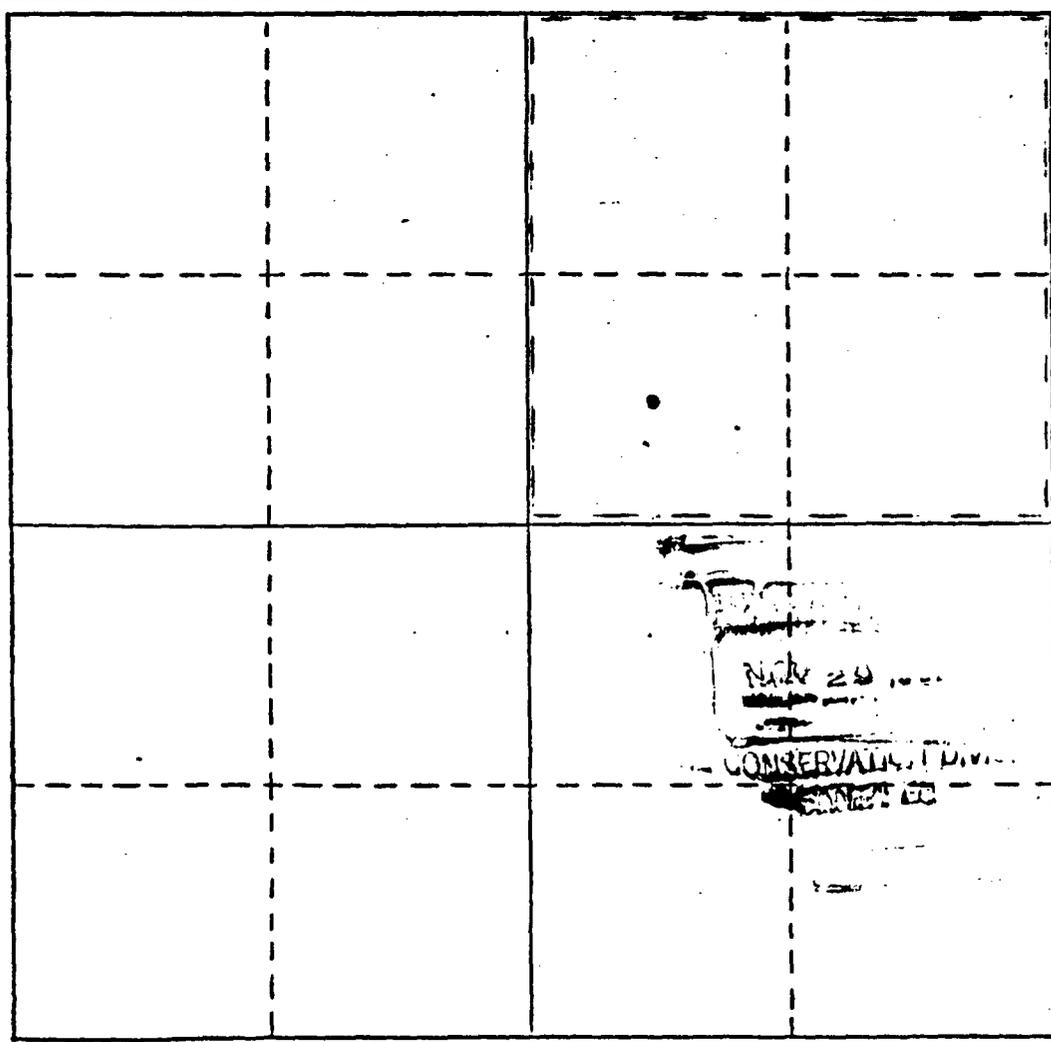
Operator <i>Conoco Inc.</i>		Lease <i>JAMES KENNEDY</i>			Well No. <i>17</i>
Unit Letter <i>G</i>	Section <i>6</i>	Township <i>23 SOUTH</i>	Range <i>31 EAST</i>	County <i>Eddy</i>	
Actual Footings Location of Well: <i>1430</i> feet from the <i>North</i> line and <i>1990</i> feet from the <i>East</i> line					
Ground Level Elev. <i>3319' CR</i>	Producing Formation <i>Bone Springs</i>	Pool <i>Unconsolidated Bone Springs</i>	Dedicated Acreages <i>160</i> Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name
John A. Butterfield

Position
Administrative

Company
Conoco Inc.

Date
11-2-82

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 knowledge and belief.

Date Surveyed _____

Registered Professional Engineer and/or Land Surveyor _____

Certificate No. _____

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use Form 9-331-C for such proposals.)

1. oil well gas well other

2. NAME OF OPERATOR
CONOCO INC.

3. ADDRESS OF OPERATOR
P. O. Box 460, Hobbs, N.M. 88240

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
AT SURFACE: 1980' FNL & 1980' FEL
AT TOP PROD. INTERVAL:
AT TOTAL DEPTH:

16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

REQUEST FOR APPROVAL TO:

TEST WATER SHUT-OFF	<input type="checkbox"/>
FRACTURE TREAT	<input type="checkbox"/>
SHOOT OR ACIDIZE	<input type="checkbox"/>
REPAIR WELL	<input type="checkbox"/>
PULL OR ALTER CASING	<input type="checkbox"/>
MULTIPLE COMPLETE	<input type="checkbox"/>
CHANGE ZONES	<input type="checkbox"/>
ABANDON*	<input type="checkbox"/>

(other) Test Bone Springs

SUBSEQUENT REPORT OF:

<input type="checkbox"/>

RECEIVED

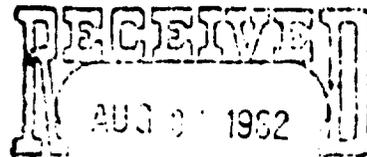
AUG 31 1982 (NOTE: Report results of multiple completion or zone change on Form 9-330.)

SEP 3 1982

O. C. D. ...
ARTESIA, OFFICE ... DIVISION
SANTA FE

17. 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.)*

The Bone Springs and the Morrow perforations are separated by an existing packer located at 13,700'



OIL & GAS
U.S. GEOLOGICAL SURVEY
ROSWELL, NEW MEXICO

Subsurface Safety Valve: Manu. and Type _____ Set @ _____ Ft.

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

SIGNED R. E. Benjamin TITLE Administrative Supervisor DATE 8-31-82

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-104
RECEIVED 10-1-78

AUG 31 1982

O. C. D.
ARTESIA, OFFICE

REQUEST FOR ALLOWABLE
AND
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

COPIES RECEIVED	
DISTRIBUTION	
STAFF	7
LE	
S.D.O.	
FIELD OFFICE	
TRANSPORTER	
OPERATOR	
REGISTRATION OFFICE	
REVENUE	

Conoco Inc.

Address
P. O. Box 460, Hobbs, New Mexico 88240

Reason(s) for filing (Check proper box)	Other (Please explain)
New Well <input type="checkbox"/> Recompletion <input type="checkbox"/> Change in Ownership <input type="checkbox"/>	Change in Transporter of: Oil <input type="checkbox"/> Dry Gas <input type="checkbox"/> Casinghead Gas <input type="checkbox"/> Condensate <input type="checkbox"/>
We respectfully request a test allowable of 3000 BO for the month of August 1982.	

Change of ownership give name and address of previous owner

DESCRIPTION OF WELL AND LEASE

Lease Name	Well No.	Pool Name, including Formation	Kind of Lease	Lease No.
James Ranch Unit	7	Undesignated Bone Spring	State, Federal or Fee	NM02887A

Unit Letter G : 1980 Feet From The North Line and 1980 Feet From The East
 Line of Section 6 Township 23S Range 31E, NMPM, Eddy County

DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil <input checked="" type="checkbox"/> or Condensate <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)
Conoco Inc. Surface Transportation	P. O. Box 2587, Hobbs, New Mexico 88240
Name of Authorized Transporter of Casinghead Gas <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)
El Paso Natural Gas Company	P. O. Box 1384, Dal, New Mexico 88240
Well produces oil or liquids, give location of tanks.	Is gas actually connected? When
Unit <u>G</u> Sec. <u>6</u> Twp. <u>23S</u> Rge. <u>31E</u>	Yes <u>2-79</u>

If this production is commingled with that from any other lease or pool, give commingling order number:

COMPLETION DATA

Designate Type of Completion - (X)	Oil Well	Gas Well	New Well	Workover	Deepen	Plug Back	Same Res'v.	Diff. Res'v.
<input checked="" type="checkbox"/>								
Date Spudded	Date Compl. Ready to Prod.	Total Depth		P.B.T.D.				
Deviations (DF, RKB, RT, GR, etc.)	Name of Producing Formation	Top Oil/Gas Pay		Tubing Depth				
Perforations	Bone Spring 11,017' - 11,052'		Depth Casing Shoe					

TUBING, CASING, AND CEMENTING RECORD

HOLE SIZE	CASING & TUBING SIZE	DEPTH SET	SACKS CEMENT

TEST DATA AND REQUEST FOR ALLOWABLE

(Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours)

Date First New Oil Run To Tanks	Date of Test	Producing Method (Flow, pump, gas lift, etc.)	
Length of Test	Tubing Pressure	Casing Pressure	Choke Size
Actual Prod. During Test	Oil - Bbls.	Water - Bbls.	Gas - MCF

AS WELL

Actual Prod. Test - MCF/D	Length of Test	Bbls. Condensate/MCF	Gravity of Condensate
Sealing Method (plug, back pr.)	Tubing Pressure (Shut-in)	Casing Pressure (Shut-in)	Choke Size

CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

(Signature)
Administrative Supervisor
(Title)
August 31, 1982
(Date)

OIL CONSERVATION DIVISION
AUG 31 1982

APPROVED _____, 19____
BY Leslie A. Clements
TITLE SUPERVISOR, DISTRICT II

This form is to be filed in compliance with RULE 1104. If this is a request for allowable for a newly drilled or deepened well, this form must be accompanied by a tabulation of the deviate tests taken on the well in accordance with RULE 111. All sections of this form must be filled out completely for allowable on new and recompleted wells. Fill out only Sections I, II, III, and VI for changes of owner, well name or number, or transporter, or other such change of condition. Separate Form C-104 must be filed for each pool in multiple

5. LEASE NM 02887 (a)
 6. IF INDIAN, ALLOTTEE OR TRIBE NAME _____
 7. UNIT AGREEMENT NAME JAMES RANCH UNIT
 8. FARM OR LEASE NAME JAMES RANCH UNIT
 9. WELL NO. 7
 10. FIELD OR WILDCAT NAME LOS MEDANOS MORROW
 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA SEC. 6, T-235, R-31-E
 12. COUNTY OR PARISH EDDY 13. STATE N.M.
 14. API NO. _____
 15. ELEVATIONS (SHOW DF, KDB, AND WD) 3319 GP

SUNDRY NOTICES AND REPORTS ON WELLS
 (Do not use this form for proposals to drill or to deepen or to alter a different reservoir. Use Form 9-331-C for such proposals.)

1. oil well gas well other **DEC 9 1982**
 2. NAME OF OPERATOR O.C.D.
 3. ADDRESS OF OPERATOR CONOCO INC. AMESIA, OFFICE
P.O. Box 460, HOBBS, N.M. 88240
 4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
 AT SURFACE: 1980' FNL & 1980' FEL
 AT TOP PROD. INTERVAL: _____
 AT TOTAL DEPTH: _____

16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

- REQUEST FOR APPROVAL TO:
- TEST WATER SHUT-OFF
 - FRACTURE TREAT
 - SHOOT OR ACIDIZE
 - REPAIR WELL
 - PULL OR ALTER CASING
 - MULTIPLE COMPLETE
 - CHANGE ZONES
 - ABANDON*
 - (other) _____

SUBSEQUENT REPORT OF: _____
 OIL CONSERVATION DIVISION
 SANTA FE

RECEIVED
 DEC 14 1982 (NOTE: Report results of multiple completions or zone change on Form 9-330.)
RECEIVED
 DEC 2 1982

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, 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.)*

It is proposed to set a Baker Model "DB" Packer on 2 7/8" tubing has been set at 13,900' with the tubing being plugged in the lower section below a sliding sleeve open in the Bone Springs Formation. The Morrow is temporarily abandoned and the well is recompleted in the Bone Springs, producing oil and associated casinghead gas through the sliding sleeve.

Subsurface Safety Valve: Manu. and Type _____ Set @ _____ Ft.

18. I hereby certify that the foregoing is true and correct
 SIGNED [Signature] TITLE GENERAL SUPERVISOR DATE August 20, 1982

ACCEPTED FOR RECORD
 (This space for Federal or State office use)
 APPROVED BY [Signature] TITLE CHESTER DATE _____
 CONDITIONS OF APPROVAL: DEC 8 1982

MINERALS MANAGEMENT SERVICE
 ROSWELL, NEW MEXICO

*See Instructions on Reverse Side

UNITED STATES *Artesia, La 15-10*
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use Form 9-331-C for such proposals.)

RECEIVED

1. oil well gas well other

2. NAME OF OPERATOR *CONOCO INC.* *AUG 30 1982*

3. ADDRESS OF OPERATOR *O. C. D.*
P. O. Box 460, Hobbs, N.M. 88240 *ARTESIA OFFICE*

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
AT SURFACE: *1980'FNL & 1980'FEL*
AT TOP PROD. INTERVAL:
AT TOTAL DEPTH:

16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

REQUEST FOR APPROVAL TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF	<input type="checkbox"/>		<input type="checkbox"/>
FRACTURE TREAT	<input type="checkbox"/>		<input type="checkbox"/>
SHOOT OR ACIDIZE	<input type="checkbox"/>		<input type="checkbox"/>
REPAIR WELL	<input type="checkbox"/>		<input type="checkbox"/>
PULL OR ALTER CASING	<input type="checkbox"/>		<input type="checkbox"/>
MULTIPLE COMPLETE	<input type="checkbox"/>		<input type="checkbox"/>
CHANGE ZONES	<input type="checkbox"/>		<input type="checkbox"/>
ABANDON*	<input type="checkbox"/>		<input type="checkbox"/>
(other) <i>Test Bone Springs</i>			

5. LEASE *NM 02887 (a)*

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME *James Ranch Unit*

8. FARM OR LEASE NAME *James Ranch Unit*

9. WELL NO. *7*

10. FIELD OR WILDCAT NAME *Los Medanos Morrow*

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA *Sec. 6, T-23S, R-31E*

12. COUNTY OR PARISH *Eddy* 13. STATE *NM*

14. API NO.

15. ELEVATIONS (SHOW DF, KDB, AND WD)

(NOTE: Report results of multiple completion or zone change on Form 9-330.)

17. 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.)*

The Bone Springs formation was perfed in 1974 at 11,017'; 21'; 32'; 38'; 46'; and 11,052' w/4JSPF. At that time the zone was non-commercial and was subsequently squeezed w/ 50sx. cmt. It has been discovered the perms have developed leaks and Bone Springs production has been re-established. At this time we are testing the Bone Springs to determine if this zone is now commercial.

Subsurface Safety Valve: Manu. and Type _____ Ft.

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

SIGNED *Wm. A. Butterfield* TITLE *Administrative Supervisor* DATE *August 20, 1982*

APPROVED BY _____ (This space for Federal or State office use)

APPROVED BY _____ DATE _____

FOR APPROVAL IF ANY: *AUG 27 1982*

FOR *JAMES A. GILLHAM*
DISTRICT SUPERVISOR

*See Instructions on Reverse Side

SEP - 3 1982

SANTA FE

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

RECEIVED

JUL 8 1982

O. C. D.
ARTESIA, OFFICE

REQUEST FOR ALLOWABLE
AND
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

COPIES RECEIVED	
DISTRIBUTION	
DATE RECEIVED	
FILE NO.	
U.S.U.S.	
LAND OFFICE	
TRANSPORTER	
OIL	
GAS	
OPERATOR	
PRODUCTION OFFICE	
Specialist	

Conoco Inc. ✓

Address: P. O. Box 460, Hobbs, New Mexico 58240

Reason(s) for filing (Check proper box) Other (Please explain)

New Well Change in Transporter of: Oil Dry Gas
 Incompletion Oil Dry Gas
 Change in Ownership Casinghead Gas Condensate

Change of ownership give name and address of previous owner

DESCRIPTION OF WELL AND LEASE

Lease Name	Well No.	Pool Name, including Formation	Kind of Lease	Lease No.
James Ranch Unit	7	Los Medanos Morrow	State, Federal or Fee NM 02887-A	

Location

Unit Letter G; 1980 Feet From The North Line and 1980 Feet From The East

Line of Section 6 Township 23S Range 31E, NMPM, Eddy County

DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil <input checked="" type="checkbox"/> or Condensate <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)
Conoco Inc. Surface Transportation	P. O. Box 2587, Hobbs, New Mexico 88240
Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input checked="" type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)
El Paso Natural Gas	P. O. Box 1492, El Paso, Texas 79978

Well produces oil or liquids, give location of tanks. Unit G Sec. 6 Twp. 23S Rge. 31E Is gas actually connected? Yes When 1-19-76

If this production is commingled with that from any other lease or pool, give commingling order number:

COMPLETION DATA

Designate Type of Completion - Oil Well Gas Well New Well Workover Deepen Plug Back Same Res'v. Diff. Res'v.

Date Spudded	Date Compl. Ready to Prod.	Total Depth	P.B.T.D.
Revisions (DF, RKB, RT, CR, etc.)	Name of Producing Formation	Top Oil/Gas Pay	Tubing Depth
Corrections			Depth Casing Shoe

TUBING, CASING, AND CEMENTING RECORD

HOLE SIZE	CASING & TUBING SIZE	DEPTH SET	SACKS CEMENT

TEST DATA AND REQUEST FOR ALLOWABLE (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours)

Date First New Oil Run To Tanks	Date of Test	Producing Method (Flow, pump, gas lift, etc.)
Length of Test	Tubing Pressure	Casing Pressure
Actual Prod. During Test	Water - Bbls.	Gas - MCF

Actual Prod. Test-MCF/D	Length of Test	Bbls. Condensate/MMCF	Gravity of Condensate
Producing Method (prod. back pr.)	Tubing Pressure (Shut-in)	Casing Pressure (Shut-in)	Choke Size

CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

(Signature)
Administrative Supervisor

(Date)
July 7, 1982

OIL CONSERVATION DIVISION

APPROVED JUL 9 1982, 19

BY W.A. Gressitt

TITLE SUPERVISOR, DISTRICT II

This form is to be filed in compliance with RULE 1104.

If this is a request for allowable for a newly drilled or deepened well, this form must be accompanied by a tabulation of the deviated tests taken on the well in accordance with RULE 111.

All sections of this form must be filled out completely for allowance on new and recompleted wells.

Fill out only Sections I, II, III, and VI for changes of owner well name or number, or transporter, or other such change of condition.

Separate Forms C-104 must be filed for each pool in multiple completions.

DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
TRANSPORTER	OIL
	GAS
OPERATOR	
PRORATION OFFICE	

NEW MEXICO OIL CONSERVATION COMMISSION
 REQUEST FOR ALLOWABLE
 AND
 AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

Form C-104
 Supersedes Old C-104 and
 Effective 1-1-68

STANNEY

I. OPERATOR
 Operator: Continental Oil Company
 Address: Box 466 Hobbs NM 88240
 Reason(s) for filing (Check proper box):
 New Well Change in Transporter of: A
 Recombination Oil Dry Gas
 Change in Ownership Coalinghead Gas Condensate

If change of ownership give name and address of previous owner _____

II. DESCRIPTION OF WELL AND LEASE

Lease No. James Land Unit Well No. 7 Pool Name, including Formation Undesignated Bone Spring Kind of Lease State (Federal or Fee) Lease No. 1702887-A
 Location Unit Letter G : 1980 Feet From The NORTH Line and 1980 Feet From The EAST
 Line of Section 6 Township 23-S Range 31-E NMPM, EDDY County

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil or Condensate
Pennian Corporation Address (Give address to which approved copy of this form is to be sent) Midland Texas
 Name of Authorized Transporter of Coalinghead Gas or Dry Gas
None at this time Address (Give address to which approved copy of this form is to be sent) _____
 If well produces oil or liquids, give location of tanks. Unit 6 Sec. 6 Twp. 23 Rge. 31 Is gas actually connected? Yes When _____

If this production is commingled with that from any other lease or pool, give commingling order number _____

IV. COMPLETION DATA

Designate Type of Completion - (X) Oil Well Gas Well New Well Workover Deepen Plug Back Same Recv. Diff. Re
 Date Spudded 6-30-74 Date Compl. Ready to Prod. 11-12-74 Total Depth 14590 P.B.T.D. 11250
 Elevations (DF, RKB, RT, CR, etc.) 3319 GR Name of Producing Formation Bone Spring Top Oil/Gas Pay 11011 Tubing Depth 10797
 Perforations 11017, 21, 32, 38, 46, 52 Depth Casing Shoe 14585 ✓

TUBING, CASING, AND CEMENTING RECORD			
HOLE SIZE	CASING & TUBING SIZE	DEPTH SET	SACKS CEMENT
<u>17 1/2</u>	<u>13 3/8</u>	<u>630</u>	<u>550</u>
	<u>10 1/4</u>	<u>3912</u>	<u>650</u>
	<u>7 5/8</u>	<u>11912</u>	<u>700</u>
	<u>5</u>	<u>14590</u>	<u>370</u>

TEST DATA AND REQUEST FOR ALLOWABLE (Test must be after recovery of total volume of lead oil and must be equal to or exceed top oil able for this depth or be for full 24 hours)

Date First New Oil Run To Tanks 10-30-74 Date of Test 10-14-74 Producing Method (Flow, pump, gas lift, etc.) FLCW
 Length of Test 24 HRS Tubing Pressure 2000 # Casing Pressure 1000 # Choke Size 17/64
 Actual Prod. During Test Oil - Bbls. 160 ✓ Water - Bbls. 16 ✓ Gas - MCF NA

GAS WELL

Actual Prod. Test - MCF/D _____ Length of Test _____ Bbls. Condensate/MCF _____ Gravity of Condensate _____
 Testing Method (pilot, back pr.) _____ Tubing Pressure (Shut-In) _____ Casing Pressure (Shut-In) _____ Choke Size _____

CERTIFICATE OF COMPLIANCE

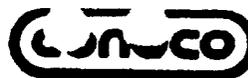
I hereby certify that the rules and regulations of the Oil Conservation Commission have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

B. Prilleria
 Dr. Staff out (Signature)
11-15-74 (Date)
 1702887-5 Pattern by File

OIL CONSERVATION COMMISSION

APPROVED _____, 19____
 BY _____
 TITLE _____

This form is to be filed in compliance with RULE 1104.
 If this is a request for allowable for a newly drilled or deepened well, this form must be accompanied by a tabulation of the deviated tests taken on the well in accordance with RULE 111.
 All sections of this form must be filled out completely for all wells on new and recompleted wells.
 Fill out only Sections I, II, III, and VI for changes of owner, well name or number, or transporter, or other such change of conditions.



Dr. Hille
7-20

L. P. Thompson
Division Manager

John R. Kemp
Assistant Division Manager

Production Department
Hobbs Division
North American Production

Conoco Inc.
P. O. Box 460
1001 North Turner
Hobbs, NM 88240
(505) 383-4141

Shela
Richard

August 24, 1979

Bass Enterprises
P. O. Box 2760
Midland, TX 79701

Attention Perry R. Bass

Gentlemen:

James Ranch Unit 7
AFE No. 40-61-1947
AFE No. 40-61-1948

The subject AFE's for James Ranch Unit 7 have been cancelled due to insufficient approval from working interest owners.

Yours very truly,

John R. Kemp
coy

AFE # 12839
7/31/79
#42217,000

RECEIVED
AUG 27 1979
OSO

UNITED STATES DEPARTMENT OF THE INTERIOR GEOLOGICAL SURVEY

STAMPT IN TRIPLE (Other instructions verso side)

Budget Bureau No. 42-11488

6. LEASE DESIGNATION AND SERIAL NO.

NM 02887A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL [] GAS WELL [X] OTHER []

2. NAME OF OPERATOR CONTINENTAL Oil company

3. ADDRESS OF OPERATOR Box 460 Hobbs, N.M. 88240

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface 1980' FNL & 1980' FEL OF SEC. 6

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME JAMES RANCH UNIT

9. WELL NO. 7

10. FIELD AND POOL, OR WILDCAT MORROW

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 6, T-23S, R-31E

14. PERMIT NO.

15. ELEVATIONS (Show whether DF, RT, GR, etc.) 3319' GR.

12. COUNTY OR PARISH EDDY

13. STATE N.M.

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF [] FRACTURE TREAT [] SHOOT OR ACIDIZE [] REPAIR WELL [] (Other)

PULL OR ALTER CASING [] MULTIPLE COMPLETE [] ABANDON [] CHANGE PLANS []

SUBSEQUENT REPORT OF:

WATER SHUT-OFF [] FRACTURE TREATMENT [] SHOOTING OR ACIDIZING [] (Other) Squeeze Bore Spring & Ref Morrow Co

REPAIRING WELL [] ALTERING CASING [] ABANDONMENT []

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. 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.)

Set CMT Retainer AT 11900' and squeezed the Bone Spring Ports 11017', 21, 32, 38, 46, 52' w/ 40 SX class "H" CMT. Perforated Morrow AT 14,062'-74', 14,086'-88', 14,094'-99', 14,168'-78', 14,234'-44', 14,470'-80', 14,522'-26' w/ 2 JS PF.

RECEIVED FEB 01 1977 U.S. GEOLOGICAL SURVEY ARTESIA, NEW MEXICO

(Refer to Form 9-330, Submitted 11-25-75 For Morrow completion)

18. I hereby certify that the foregoing is true and correct SIGNED [Signature] TITLE ADMIN. SUPV. DATE 1-27-77

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____

CONDITIONS OF APPROVAL, IF ANY:

This form was filed DATE _____

*See Instructions on Reverse Side

U.S.G.C. ARTESIA (R) BASS, BELCO, File 1977

[Handwritten signature and notes]

BASS ENTERPRISES PRODUCTION CO.

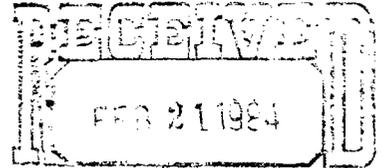
FIRST CITY BANK TOWER

201 MAIN ST.

FORT WORTH, TEXAS 76102

817/390-8400

February 16, 1984



NEW MEXICO CONSERVATION DIVISION
SANTA FE

Dot.

"We are in receipt of"
letter.
Thx
[Signature]

BUREAU OF LAND MANAGEMENT
P. O. Box 1397
Roswell, New Mexico 88201

COMMISSIONER OF PUBLIC LANDS
State of New Mexico
P. O. Box 1148
Santa Fe, New Mexico 87504-1148

NEW MEXICO OIL CONSERVATION DIVISION
P. O. Box 2088
Santa Fe, New Mexico 87501

RE: James Ranch Unit No. 7 Well
1980' FNL & 1980' FEL
Section 6, T23S-R31E
Eddy County, New Mexico
Lease No. 4186

Gentlemen:

Bass, operator of the captioned well, has completed its evaluation of production history to determine the economic viability of the Bone Springs formation in the James Ranch Unit No. 7 well. The Bone Springs formation in the James Ranch Unit No. 7 well does not qualify under BLM criteria for classification as a commercial well. In this regard, enclosed is the data which was utilized in the analysis of this well.

Based upon the foregoing information, Bass recommends that the James Ranch Unit No. 7 well be produced on a lease basis in the Bone Springs formation, and therefore, not be included in a participating area.

Should you have any questions or need additional information in relation to this matter, please feel free to contact me at 817/390-8585.

Sincerely,

LOUIS W. WILPITZ
Landman

LWW:jh
Enclosures

BASS ENTERPRISES PRODUCTION CO.

FIRST CITY BANK TOWER
201 MAIN ST.
FORT WORTH, TEXAS 76102
817/390-8400

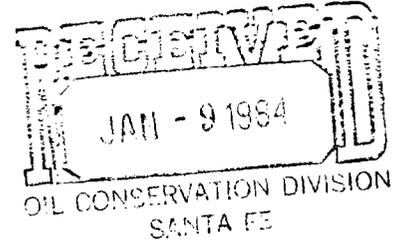
January 5, 1984

#472

BUREAU OF LAND MANAGEMENT
P. O. Box 1397
Roswell, New Mexico 88201

COMMISSIONER OF PUBLIC LANDS
State of New Mexico
P. O. Box 1148
Santa Fe, New Mexico 87504-1148

NEW MEXICO OIL CONSERVATION DIVISION
P. O. Box 2088
Santa Fe, New Mexico 87501



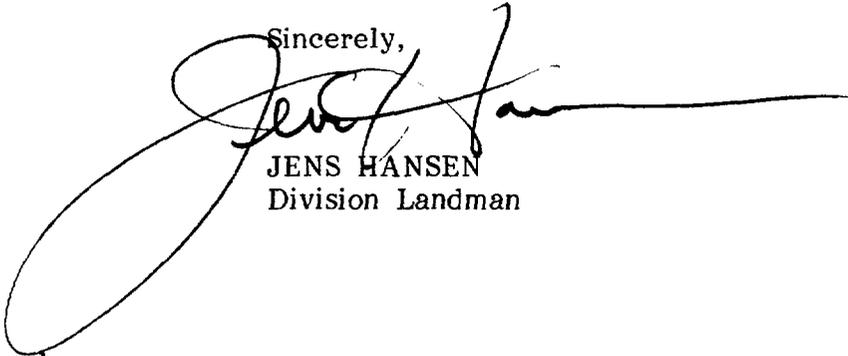
Re: First Revision to the
Morrow Participating Area for the
James Ranch Unit Wells No. 4 and 7
Section 6, T23S-R31E
Eddy County, New Mexico
Bass Lease Nos. 4186 and 9306-Federal

Gentlemen:

Under our letter dated December 16, 1983, we advised you that due to discrepancies in the size of the lots which comprise a portion of the referenced section, Exhibit "B" to the First Revision of the Morrow Participating Area was incorrect. We also advise that we were securing a new title opinion which would resolve the problem.

We have now received a new Division Order Title Opinion, and accordingly, enclose what we hope will be the last Exhibit "B" to the Revised Morrow Participating Area. If you should have any questions regarding this exhibit, please advise at your convenience.

Sincerely,



JENS HANSEN
Division Landman

JH:ep
Enclosure

cc: Conoco Inc. w/encl.
Belco Development Corporation w/encl.

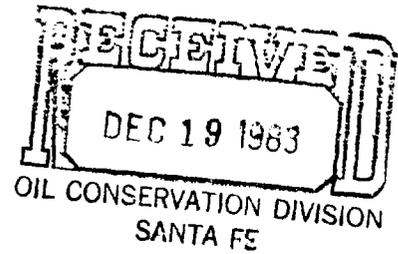
EXHIBIT "B"
 FIRST REVISION MORROW FORMATION
 PARTICIPATING AREA
 JAMES RANCH UNIT AGREEMENT
 EDDY COUNTY, NEW MEXICO

<u>TRACT #</u>	<u>TYPE OF LAND</u>	<u>DESCRIPTION</u>	<u>PARTICIPATING AREA</u>	<u>% OF PARTICIPATION</u>	<u>WORKING INTEREST C</u>
4	Federal NM-02887-A	Lots 1, 2 S/2 NE/4, NE/4 SE/4	199.92	31.084506	Conoco Inc. 100%
8	Federal NM-04473	Lots 6, 7, E/2 SW/4, W/2 SE/4, SE/4 SE/4	282.09	43.860686	Belco Development Cor 66.6666 Bass Enterprises Produc 25.0000 Perry R. Bass 8.3334
4B	Federal NM-02887-D	Lots 3, 4, 5 SE/4 NW/4	161.14	25.054808	Belco Development Cor 66.6666 Bass Enterprises Produc 25.0000 Perry R. Bass 8.3334
			Total Federal Land Total State Land Total Patented Land	643.15 -0- -0-	
			Total	643.15	

BASS ENTERPRISES PRODUCTION CO.

FIRST CITY BANK TOWER
201 MAIN ST.
FORT WORTH, TEXAS 76102
817/390-8400

December 16, 1983



BUREAU OF LAND MANAGEMENT
P. O. Box 1397
Roswell, New Mexico 88201

COMMISSIONER OF PUBLIC LANDS
State of New Mexico
P. O. Box 1148
Santa Fe, New Mexico 87504-1148

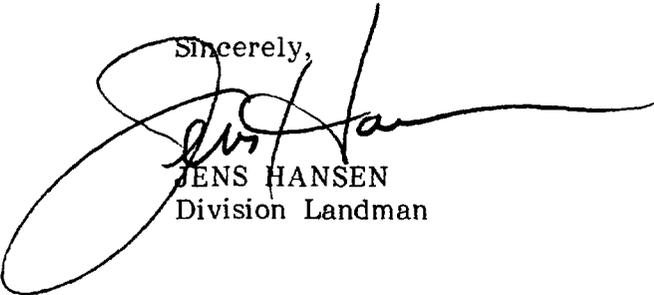
NEW MEXICO OIL CONSERVATION DIVISION
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: First Revision to the
Morrow Participating Area for the
James Ranch Unit Wells No. 4 and 7
Section 6, T23S-R31E
Eddy County, New Mexico
Bass Lease Nos. 4186 and 9306-Federal

Gentlemen:

Under letter dated November 30, 1983, we issued to you an amended Exhibit "B" to the First Revision of the Morrow Formation Participating Area. We have received information which indicates that this Exhibit may also be incorrect due to discrepancies in the public records as to the exact size of the lots which comprise Section 6. Therefore, we request that you ignore the Exhibit furnished under said letter dated November 30, 1983. We are currently endeavoring to resolve this matter through our title attorney, and at such time as this matter is resolved, we will issue you a new Exhibit "B".

Sincerely,



JENS HANSEN
Division Landman

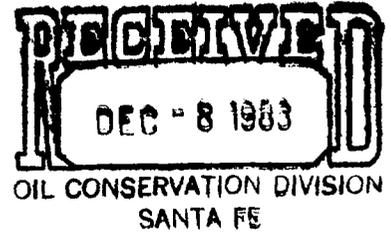
JH:ep

cc: Conoco Inc.
Belco Development Corporation



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Roswell District Office
P. O. Box 1397
Roswell, New Mexico 88201



IN REPLY
REFER TO:

James Ranch Unit

December 6, 1983

Bass Enterprises Production Company
Attention: Jens Hansen
First City Bank Tower
201 Main St.
Fort Worth, Texas 76102

Gentlemen:

An approved copy of your 1984 plan of development submitted in behalf of Perry R. Bass, unit operator, for the James Ranch unit area, Eddy County, New Mexico is enclosed. Such plan, proposing the drilling of well No. 15 to test the Morrow formation, was approved on this date subject to like approval by the appropriate officials of the State of New Mexico.

Sincerely yours,
(ORIG. SGD.) ARMANDO A. LOPEZ

District Manager

Acting

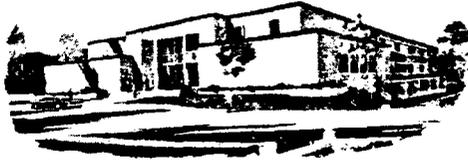
Enclosure

cc: ✓ NMOCD, Santa Fe (ltr. only)
Commissioner of Public Lands, Santa Fe (ltr. only)

State of New Mexico



JIM BACA
COMMISSIONER



Commissioner of Public Lands

December 6, 1983

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

Bass Enterprises Production Co.
First City Bank Tower
201 Main St.
Fort Worth, Texas 76102

Re: 1984 Plan of Development
James Ranch Unit
Eddy County, New Mexico

ATTENTION: Mr. Jens Hansen

Gentlemen:..

The Commissioner of Public Lands has this date approved your 1984 Plan of Development for the James Ranch Unit, Eddy County, New Mexico. Such plan proposes to drill the Unit Well No. 15 to test the Morrow formation. Our approval is subject to like approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

Enclosed is an approved copy for your files.

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY:
FLOYD O. PRANDO, Assistant Director
Oil and Gas Division
AC 505/827-5744

JB/FOP/pm
encls.

cc: OCD-Santa Fe, New Mexico
 BLM-Albuquerque, New Mexico
 BLM-Roswell, New Mexico

BASS ENTERPRISES PRODUCTION CO.

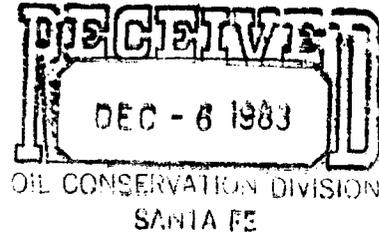
FIRST CITY BANK TOWER
201 MAIN ST.
FORT WORTH, TEXAS 76102
817/390-8400

November 30, 1983

BUREAU OF LAND MANAGEMENT
P. O. Box 1397
Roswell, New Mexico 88201

COMMISSIONER OF PUBLIC LANDS
State of New Mexico
P. O. Box 1148
Santa Fe, New Mexico 87504-1148

NEW MEXICO OIL CONSERVATION DIVISION
P. O. Box 2088
Santa Fe, New Mexico 87501

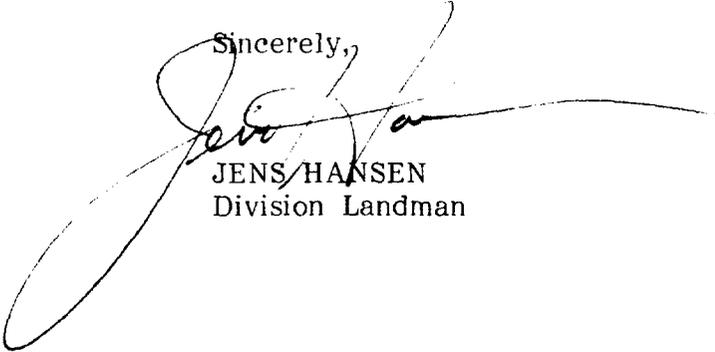


Re: First Revision to the
Morrow Participating Area for the
James Ranch Unit Wells No. 4 and 7
Section 6, T23S-R31E
Eddy County, New Mexico
Bass Lease Nos. 4186 and 9306-Federal

Gentlemen:

Enclosed is a new Exhibit "B" to our Application dated August 20, 1981, requesting the First Revision to the Morrow Participating Area for the referenced wells. We recently received a Division Order Title Opinion covering this section which showed an acreage discrepancy in Exhibit "B". Therefore, it is requested that you substitute the enclosed Exhibit "B" for the Exhibit "B" in the August 20, 1981 Application.

Sincerely,


JENS HANSEN
Division Landman

JH:ep
Enclosure

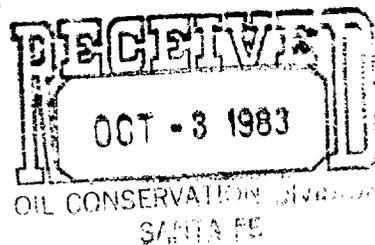
EXHIBIT "B"
 FIRST REVISION MORROW FORMATION
 PARTICIPATING AREA, JAMES RANCH UNIT
 AGREEMENT, EDDY COUNTY, NEW MEXICO

<u>TRACT #</u>	<u>TYPE OF LAND</u>	<u>DESCRIPTION</u>	<u>PARTICIPATING AREA</u>	<u>% OF PARTICIPATION</u>	<u>WORKING INTEREST OWNERS</u>
4	Federal NM-02887-A	Lots 1, 2 S/2 NE/4, NE/4 SE/4	199.92	31.1087	Conoco Inc. 100%
8	Federal NM-04473	Lots 6, 7, E/2 SW/4, W/2 SE/4, SE/4 SE/4	281.59	43.8170	Belco Petroleum Corp. 66.6666 Bass Enterprises Production Co 25.0000 Perry R. Bass 8.3334
4B	Federal NM-02887-D	Lots 3, 4, 5 SE/4 NW/4	161.14	25.0743	Belco Petroleum Corp. 66.6666 Bass Enterprises Production Co 25.0000 Perry R. Bass 8.3334
			Total Federal Land Total State Land Total Patented Land	643.15 -0- -0-	
			Total	643.15	

(#472)

BASS ENTERPRISES PRODUCTION CO.

FIRST CITY BANK TOWER
201 MAIN ST.
FORT WORTH, TEXAS 76102
817/390-8400



September 28, 1983

NEW MEXICO OIL CONSERVATION DIVISION
P. O. Box 2088
Santa Fe, New Mexico 87501

COMMISSIONER OF PUBLIC LANDS
State of New Mexico
P. O. Box 1148
Santa Fe, New Mexico 87504-1148

Re: James Ranch Unit Well #7
E/2 Section 6, T23S-R31E
Eddy County, New Mexico
Bass Lease #4186

Gentlemen:

In August of 1981, we submitted an application to enlarge the Morrow Participating Area covering the W/2 of Section 6 for the James Ranch Well #4 to include the E/2 of Section 6 for the James Ranch Unit Well #7. Subsequent to submitting our application for the enlargement of the Morrow Participating Area, we received your letter concurring with our commercial determination and approving the enlargement of the Morrow Participating Area to include the E/2 of Section 6 for the referenced well. Shortly thereafter, an additional evaluation was made of the referenced well and it was determined that a separate participating area should be established for the James Ranch Unit Well #7. As a result, an amended application was submitted requesting a separate participating area to consist of the E/2 of Section 6. This application was approved by the New Mexico Oil Conservation Division and the Commissioner of Public Lands, but was denied by the United States Department of Interior. Our first application was approved by the United States Department of Interior and the participating area for the Morrow Formation now covers all of Section 6 for the James Ranch Wells #4 and #7.

Therefore, we are submitting herewith for your consideration, a copy of the application which has been approved by the United States Department of Interior.

Sincerely,

JENS HANSEN
Division Landman

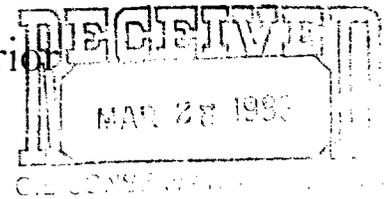
JH:ep
Enclosure



IN REPLY
REFER TO:

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
505 Marquette Avenue N.W., Suite 815
Albuquerque, New Mexico 87102



MAR 24 1983

Bass Enterprises Production Co.
Attention: Jens Hansen
First City Bank Tower
201 Main Street
Fort Worth, Texas 76102

Gentlemen:

An approved copy of your amended 1983 Plan of Development for the James Ranch Unit area, Eddy County, New Mexico, is enclosed. Such plan, proposing to defer drilling the James Ranch Unit well #15 in sec. 17, T. 23 S., R. 31 E., and drill the #14 well in the N $\frac{1}{2}$ sec. 7, T. 23 S., R. 31 E., to test the Morrow Formation, was approved on this date subject to like approval by the appropriate officials of the State of New Mexico.

Sincerely yours,

(ORIG. SGD.) JAMES W. SHELTON

FOR Gene F. Daniel
Deputy Minerals Manager
Oil and Gas

Enclosure

cc:
Comm of Public Lands
NMOCD



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONEY ANAYA
GOVERNOR

March 21, 1983

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

Bass Enterprises Production
Company
First City Bank Tower
201 Main Street
Fort Worth, Texas 76102

472

Attention: Jens Hansen

Re: James Ranch
Big Eddy
Poker Lake Units
1983 Plans of Development

Enclosed please find an approved copy of the material referenced above. Such approval is contingent upon like approval by the Commissioner of Public Lands and the United States Minerals Management Service.

Sincerely,

A handwritten signature in cursive script, appearing to read "Roy E. Johnson".

ROY E. JOHNSON
Petroleum Geologist

REJ/dp

cc: Commissioner of Public Lands - Santa Fe
Minerals Management Service - Albuquerque
OCD District Office - Hobbs and Artesia

State of New Mexico



JIM BACA
COMMISSIONER

Commissioner of Public Lands

March 18, 1983

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

Bass Enterprises Production Co.
First City Bank Tower, 201 Main Street
Fort Worth, Texas 76102

*Case
472*

Re: First Amendment to the 1983
Plan of Development for the
James Ranch Unit
Eddy County, New Mexico

ATTENTION: Mr. Jens Hansen

Gentlemen:

The Commissioner of Public Lands has this date approved your First Amendment to the 1983 Plan of Development for the James Ranch Unit, Eddy County, New Mexico. Such amendment proposes to defer the drilling of the Well No. 15 until 1984 so that the James Ranch Unit Area may be expanded to embrace all of the proration unit (N $\frac{1}{2}$ of Section 17) for the drilling of this well. Also your amended plan proposes to drill the Well No. 14 to a depth of 14,500' to test the Morrow Formation in the N $\frac{1}{2}$ of Section 7, T23S-R31E in lieu of drilling the James Ranch Unit Well No. 15. Our approval is subject to like approval by the New Mexico Oil Conservation Division and the United States Minerals Management Service.

Enclosed is an approved copy for your files.

Please remit a Three (\$3.00) Dollar filing fee.

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY:
RAY D. GRAHAM, Director
Oil and Gas Division
AC 505/827-5744

JB/RDG/pm
encls.
cc:

OCD-Santa Fe, New Mexico
USMMS-Albuquerque, New Mexico
Administration

BASS ENTERPRISES PRODUCTION CO.

FIRST CITY BANK TOWER
201 MAIN ST.
FORT WORTH, TEXAS 76102
617/390-8400

March 14, 1983

MINERALS MANAGEMENT SERVICE
P. O. Box 26124
Albuquerque, New Mexico 87125

COMMISSIONER OF PUBLIC LANDS
P. O. Box 1148
Santa Fe, New Mexico 87501

NEW MEXICO OIL CONSERVATION DIVISION
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: First Amendment to the
1983 Plan of Development for the
James Ranch Unit
Eddy County, New Mexico

Gentlemen:

In accordance with the terms and provisions of Section 10 of the James Ranch Unit Agreement dated April 22, 1953, which provides that the Plan of Development may be modified when necessary to meet changing conditions, we propose the following changes to the 1983 Plan of Development.

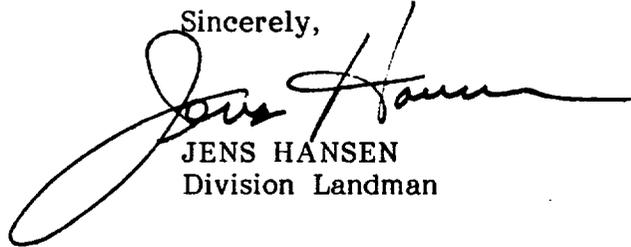
James Ranch Unit Well #15 - The 1983 Plan of Development provides that this well is to be drilled in Section 17, T23S-R31E, to a depth of 14,700' to test the Morrow Formation. Inasmuch as the proration unit for the drilling of this well will require communitizing unit and non-unit acreage, we request that this well be deferred until 1984 so that the James Ranch Unit Area may be expanded to embrace all of the proration unit (N/2 of Section 17) for the drilling of this well.

James Ranch Unit Well #14 - In lieu of drilling the James Ranch Unit Well #15 in 1983, we propose this well for 1983 at a location in the N/2 of Section 7, T23S-R31E, and be drilled to a depth of 14,500' to test the Morrow Formation.

Mineral Management Service
Commissioner of Public Lands
New Mexico Oil Conservation Division
March 14, 1983
Page 2

If this proposed amendment to the 1983 Plan of Development meets with your approval, please so indicate by signing in the appropriate space provided below and return one (1) copy of this letter to us for our records.

Sincerely,



JENS HANSEN
Division Landman

JH:ep

AGREED TO AND ACCEPTED this _____ day of _____, 1983.

MINERALSMANAGEMENT SERVICE

COMMISSIONER OF PUBLIC LANDS

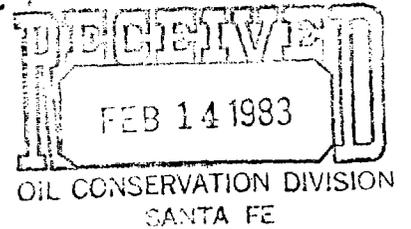
NEW MEXICO OIL CONSERVATION DIVISION



BASS ENTERPRISES PRODUCTION CO.

FIRST CITY BANK TOWER
201 MAIN ST.
FORT WORTH, TEXAS 76102
817/390-8400

February 11, 1983



BUREAU OF LAND MANAGEMENT
P. O. Box 26124
Albuquerque, New Mexico 87125

Case #472

COMMISSIONER OF PUBLIC LANDS
P. O. Box 1148
Santa Fe, New Mexico 87501
Attention: Oil and Gas Division

NEW MEXICO OIL CONSERVATION DIVISION
P. O. Box 2088
Santa Fe, New Mexico 87501

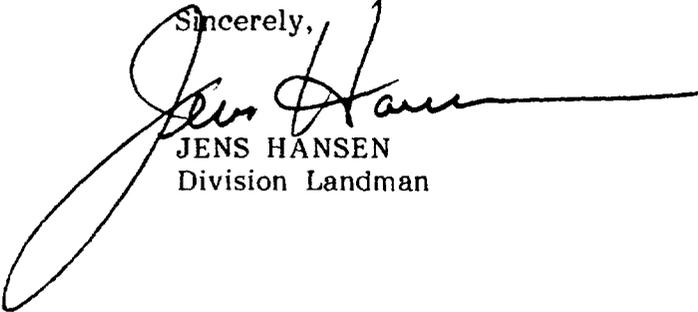
Re: Commercial Determination
James Ranch Unit #12
1450' FNL and 1830' FEL
Section 21, T22S-R30E
Eddy County, New Mexico

Gentlemen:

In accordance with the provisions of Section 11 of the James Ranch Unit Agreement dated April 22, 1953, we hereby submit the attached materials covering the referenced well to support our recommendation that such well be determined to be non-commercial and thereby not receive a participating area, and be produced on a lease basis.

If you should have any questions regarding the data submitted for the commercial determination on the referenced well, please contact Steve Rowland in our Midland office, whose telephone number is (915) 684-5723.

Sincerely,


JENS HANSEN
Division Landman

JH:ep

JAMES RANCH UNIT NO. 12

James Ranch Unit No. 12 has had its only completion in the Atoka formation. The Atoka potentialled for 5093 MCFGPD after a 2000 gallon acid job in January, 1981. The well is currently making 335 MCFGPD.

WORKSHEET FOR COMMERCIAL DETERMINATION AND ESTIMATION OF AREA IN FEDERAL UNITS

WELL NO. _____

WELL James Ranch Unit #12 FORMATION Atoka

LOCATION G UNIT, 1450 FEET FROM N LINE, 1830 FEET FROM E LINE,

SECTION 21, RANGE 30E, TOWNSHIP 22S, COUNTY Eddy, STATE NEW MEXICO.

SPUD DATE 9-4-80 COMPLETION DATE 1-14-81 FIRST PROD. DATE 6-4-81

PERFORATION 12,665', 12,666', 12,667', 12,668', 12,669', 12,670', 12,671',
12,672'

STIMULATION:

ACID 12,665 -12,672' W/2000 gals 7 1/2% MSR

FRACTURE _____

POTENTIAL CAOF 5093 MCFGPD

(ATTACH COPY OF C-122. ATTACH COPY OF METER LOG IF AVAILABLE.)

MAGNETIC CORRECTION

	FORMATION BANDS NOT TREATED AND POTENTIALLY PRODUCTIVE
Area (A) permeation unit size, acres	320
Porosity (ϕ), %	5.5
Water saturation (S_w), %	60
Net thickness (h) > 6% ϕ & 40% S_w , ft	7
Temperature (T), °F	165

Bottomhole pressure (psi) 7561

Recovery factor (RF) .8

Recoverable gas, MCF 606,210

Recoverable gas, MCF (at 1000 psi) 606,210

$$B_{91} = 0.03539 \left(\frac{1.21 \times 10^6}{7561} \right) = 0.353$$

PERFORMANCE RATIO

If sufficient history exists, attach plot of production rate vs. time.

(Cumulative production to 10 / 31 / 2 = 207,955 MCF)

Initial rate (qi) 9000 MCF/D

Economic limit (ql) 1500 MCF/D

Decline rate, dy 20 %

Remaining gas (Q) 403,328 MCF

Ultimate recoverable 611,283 MCF

Q = 9000 - 1500

Attach plot showing performance ratio vs. time.

RECOVERABLE GAS

	Performance Ratio (1)	Performance Ratio (2)
Gas sand previously produced	-	-
Sand perforated	611,283	4183
Sand not perforated, but potentially productive	-	-
Total recoverable gas	611,283	4183

(1) performance recoverable by, if available

(2) performance sand perforated volumetric sand perforated performance sand not perforated

Participating area size, acre on ratio of production to total area, etc.

ECONOMIC

Well Cost \$ 1,383,658 to the depth of formation completed)

Recompletion Cost \$ 0

TOTAL COST \$ 1,383,658

(Gas Price)(Net Revenue Interest)(1-Ad Valorem Taxes) - Production Tax + [(Oil Price)(Net Revenue Interest)(Cond. Yield, bbls/MCF)(1-Production and Ad Valorem Taxes)] - [(Oil Price - Base Price) WFPT %] LPI

Net Gas Price = Gas Price (.845 (1-.025) - .129 + .32(1-.07) - (.32-19)(.775)] (.845)(Cond. Yield, bbls/MCF)

Operating Cost \$1500/Month 81 2.36(.829)-.126+(35.13(.94)-35.13-20)(.3)(.01)=2.12
82 3.63(.829)-.129+(33.03(.94)-(33.03-21.60)(.275)(.001)=2.91

BEPCO Net Income = (Gross Gas)(Net Gas Price)

YEAR	GROSS GAS	BEPCO NET INCOME	OPERATING COST	15% DISCOUNT FACTOR	DISCOUNTED CASH FLOW
Zero	---	---	---	1.0000	-1,383,658
1981	111,198	235,740	13,500	0.9325	207,239
1982	114,750	333,923	18,000	0.81087	256,172
1983	86,400	264,384	18,000	0.70511	173,728
1984	69,000	221,490	18,000	0.61314	124,768
1985	55,000	185,350	18,000	0.5316	89,224
Remainder	125,000	454,500	72,000	0.46062	<u>176,407</u> ^{1,027,538} -356,120 ✓

If payout is five years or less, well is considered economical.

(BEPCO Net Income - Operating Expense) Discount Factor =

discounted cash flow. Uneconomical

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN DUPLICATE*

(See other In-
structions on
reverse side)

Form approved,
Budget Bureau No. 42-R355.6.

5. LEASE DESIGNATION AND SERIAL NO.

NM 06808

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

JAMES RANCH UNIT

8. FARM OR LEASE NAME

JAMES RANCH UNIT

9. WELL NO.

12

10. FIELD AND POOL, OR WILDCAT

WILDCAT

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA

SEC. 21, T22S, R30E

12. COUNTY OR PARISH

ERRY

13. STATE

N. Mex.

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1b. TYPE OF WELL: OIL WELL GAS WELL DRY

b. TYPE OF COMPLETION:
NEW WELL WORK OVER DEEP-EN PLUG BACK DIFF. RESER.

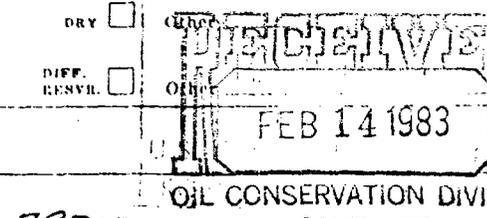
2. NAME OF OPERATOR
PERRY R. BASS

3. ADDRESS OF OPERATOR
Box 2760, MIDLAND, TX 79702 SANTA FE

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface 1450' ENL + 1830' FEL OF SECTION - UNIT LATTER G.

At top prod. interval reported below

At total depth



14. PERMIT NO. DATE ASS'LD

15. DATE SPUNDED 16. DATE T.D. REACHED 17. DATE COMPL. (ready to prod) 18. ELEVATIONS (L.S., PWB, RT, GR, ETC.) 19. ELEV. CASINGHEAD
9-4-80 11-3-80 1-14-81 3166.8' GL 3180.3' KB

20. TOTAL DEPTH, MD & TVD 21. PLUG, BACK T.D., MD & TVD 22. IF MULTIPLE COMPL. HOW MANY? 23. INTERVALS DRILLED BY ROTARY TOOLS CABLE TOOLS
14,200' 14,110' SINGLE. 0-14,700'

24. PRODUCING INTERVAL(S), OF THIS COMPLETION TOP, BOTTOM, NAME (MD AND TVD)* 25. WAS DIRECTIONAL SURVEY MADE
12,665' - 12,672' A TOKA. No

26. TYPE ELECTRIC AND OTHER LOGS RUN 27. WAS WELL CORED
DLL-M-SFL; GA-FD No

28. CASING RECORD (Report all strings set in well)

CASINO SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13 3/8"	48#	534.42'	17 1/2"	1000 CLASS "C"	NONE
9 5/8"	36#	3726.59'	12 1/4"	1725 LITE + 250 CLASS "C"	NONE
5 1/2"	17#	14155.33'	8 3/4"	425 LITE + 895 CLASS "H"	NONE

29. LINER RECORD 30. TUBING RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
NONE					2 3/8"	12,436.02'	12,422.60'

31. PERFORATION RECORD (Interval, size and number) 32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
12,665' - 12,672'	2000 GALS 7 1/2% MS + 24 BALLS.

12,665 - 12,672' w/1 JEPF - JRC
SSB II. EIGHT HOLES.

33. PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping size and type of pump)	WELL STATUS (Producing or shut in)					
SI-WORK	FLOWING	SHUT IN					
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD. FOR TEST PERIOD	OIL BBL.	GAS MCF	WATER BBL.	GAS-OIL RATIO
Jan. 1, 1981	4	VAR.	→	0	480	22.5	-
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL BBL.	GAS MCF	WATER BBL.	OIL GRAVITY-API (CORR.)	
5250/1150	PACKER	→	0	NOF 51093	135	-	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) 35. LIST OF ATTACHMENTS
TO BE SOLD. TWO (2) EACH LOGS AS ABOVE.

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED J. P. D'Arthy, Jr. TITLE Dr. Prod. Clerk DATE May 4, 1981

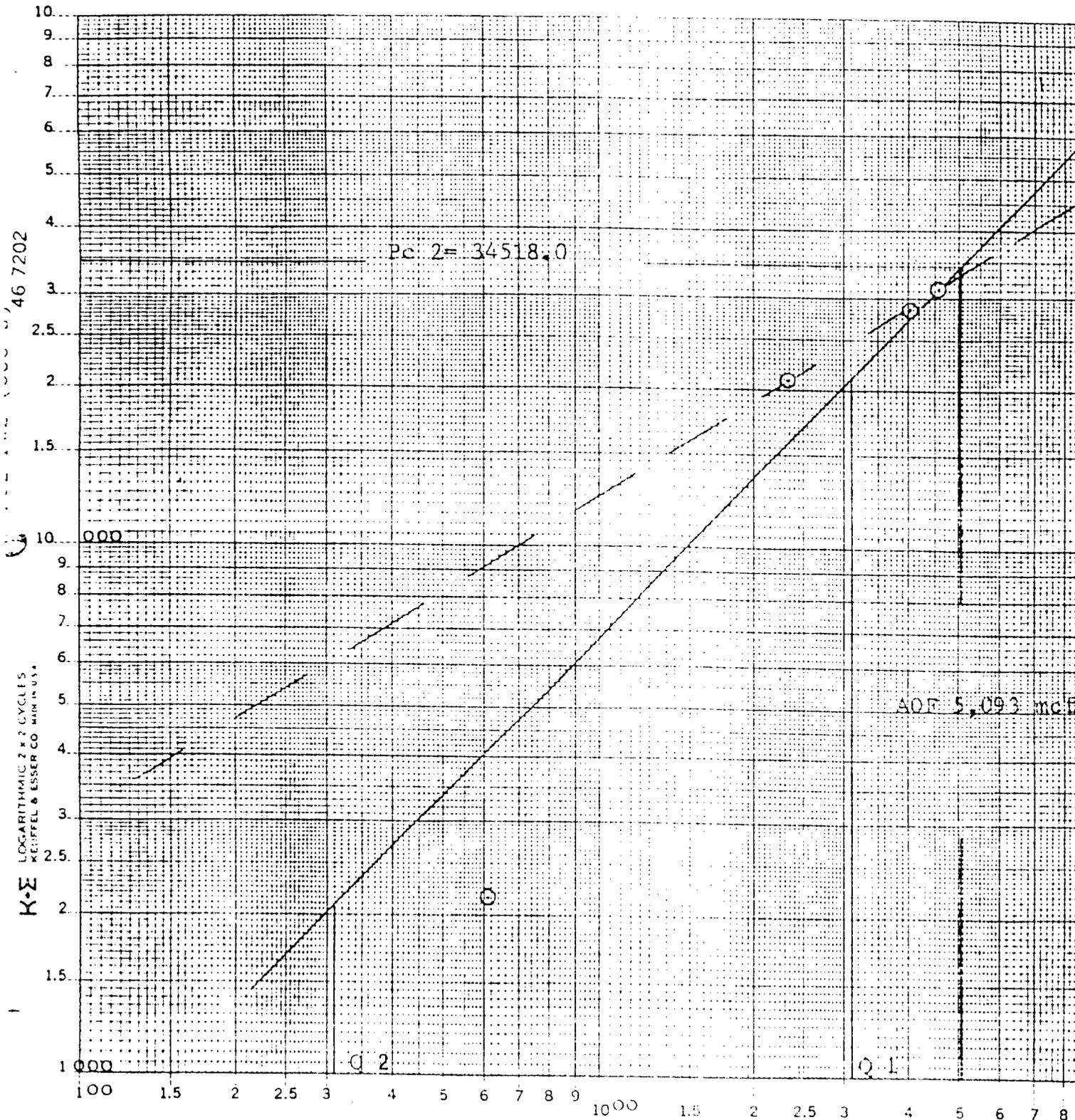
*(See Instructions and Spaces for Additional Data on Reverse Side)

MEXICO OIL CONSERVATION COMMISSION
MULTIPOINT AND ONE POINT BACK PRESSURE TEST FOR GAS WELL

Form C-122
Revised 7-1-65

Type Test <input checked="" type="checkbox"/> Initial <input type="checkbox"/> Annual <input type="checkbox"/> Special		Date 01/09/81		FEB 14 1983							
Company PERRY R. BASS			Location AIR								
Pool UNDESIGNATED			Formation ATOKA								
Completion Date 12/19/80		Total Depth 14200		Perforation 14110							
Casing Size 5 1/2		Set At 14155		Perforations From 12665 To 12572							
Tubing Size 2 3/8		Set At 12424		Perforations From To							
Type Well - Single - Protobhead - G.G. or C.O. Multiple SINGLE GAS				Factor Set At 12424							
Producing thru TUBING		Reservoir Temp. °F 198 @ 12424		Mean Annual Temp. °F 60							
L 12424		H 12424		State NEW MEXICO							
Gg .606		% CO ₂ .418		% N ₂ 1.187							
Prover 4"		Meter Run 4"		Type FLG.							
FLOW DATA			TUBING DATA		GASING DATA						
NO.	Prover Line Size	X	Orifice Size	Press. p.s.i.g.	Diff. h _w	Temp. °F	Press. p.s.i.g.	Temp. °F	Press. p.s.i.g.	Temp. °F	Duration of Flow
5!							5862				72 hr.
1.	4 X 1.500			600	3.0	87	5250				1 hr.
2.	4 X 1.500			660	38.0	72	3705				1 hr.
3.	4 X 1.500			790	28.0	76	1925				1 hr.
4.	4 X 1.500			810	35.0	70	1150				1 hr.
5.											
RATE OF FLOW CALCULATIONS											
NO.	Coefficient (24 Hour)	$\sqrt{h_w P_m}$	Pressure P _m	Flow Temp. Factor Ft.	Gravity Factor F _g	Super. Compens. Factor, F _{sp}	Rate of Flow O. Mcd				
1	10.84	42.89	613.2	.9750	1.285	1.047	610				
2	10.84	159.94	673.2	.9887	1.285	1.058	2330				
3	19.81	149.97	803.2	.9850	1.285	1.067	4012				
4	19.81	169.74	823.2	.9905	1.285	1.073	4592				
5											
NO.	P ₁	Temp. °R	T ₁	Z	Gas Liquid Hydrocarbon Ratio	Mcf/Dbl.					
1	.91	547	1.51	.912	A.P.I. Gravity of Liquid Hydrocarbons	Deg.					
2	1.00	532	1.47	.894	Specific Gravity Separator Gas	.606					
3	1.20	536	1.48	.878	Specific Gravity Flowing Liquid	XXXXXX					
4	1.23	530	1.46	.869	Critical Pressure	671					
5					Critical Temperature	362					
1.5875.2		P _c ² 34518.0									
NO	BHP ₁	P ₁	P ₂	P ₂ ² - P ₁ ²	(1) $\frac{P_2^2}{P_2^2 - P_1^2}$	(2) $\left[\frac{P_2^2}{P_2^2 - P_1^2} \right]^n$					
1	7054.2	5688.7	2361.6	2156.4	1.109	1.109					
2	4771.2	3688.2	1360.2	20915.1							
3	3248.2	2450.9	6006.9	28511.1		5.093					
4	2442.2	1842.7	3395.7	31122.3							
5											
Absolute Open Flow		5.093		Mcf/D 24 Hrs		Absolute Pressure					
						45°					
						1.000					
Remarks: THE WELL PRODUCED 22.5 BBLs. OF H ₂ O DURING THE TEST.											
Approved By		Conducted By		Checked By		Date					

COMPANY : PERMIAN CROSS
 LEASE : JAMES RANCH
 WELL NO. : # 12
 UNIT : G / sec 21/twp 22s/rge 30e
 COUNTY : EDDY
 STATE : NEW MEXICO
 DATE : JANUARY 9, 1981



$Q = \text{MCF} / \text{DAY}$
 $Q 1 = 3100; \text{LOG OF } Q 1 = 3.491362$
 $Q 2 = 310; \text{LOG OF } Q 2 = 2.491362$
 $N = 1.000$

MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

RECEIVED
FEB 14 1963

Form C-102
Supersedes C-12
Effective 1-1-63

All distances must be from the outer boundaries of the section.

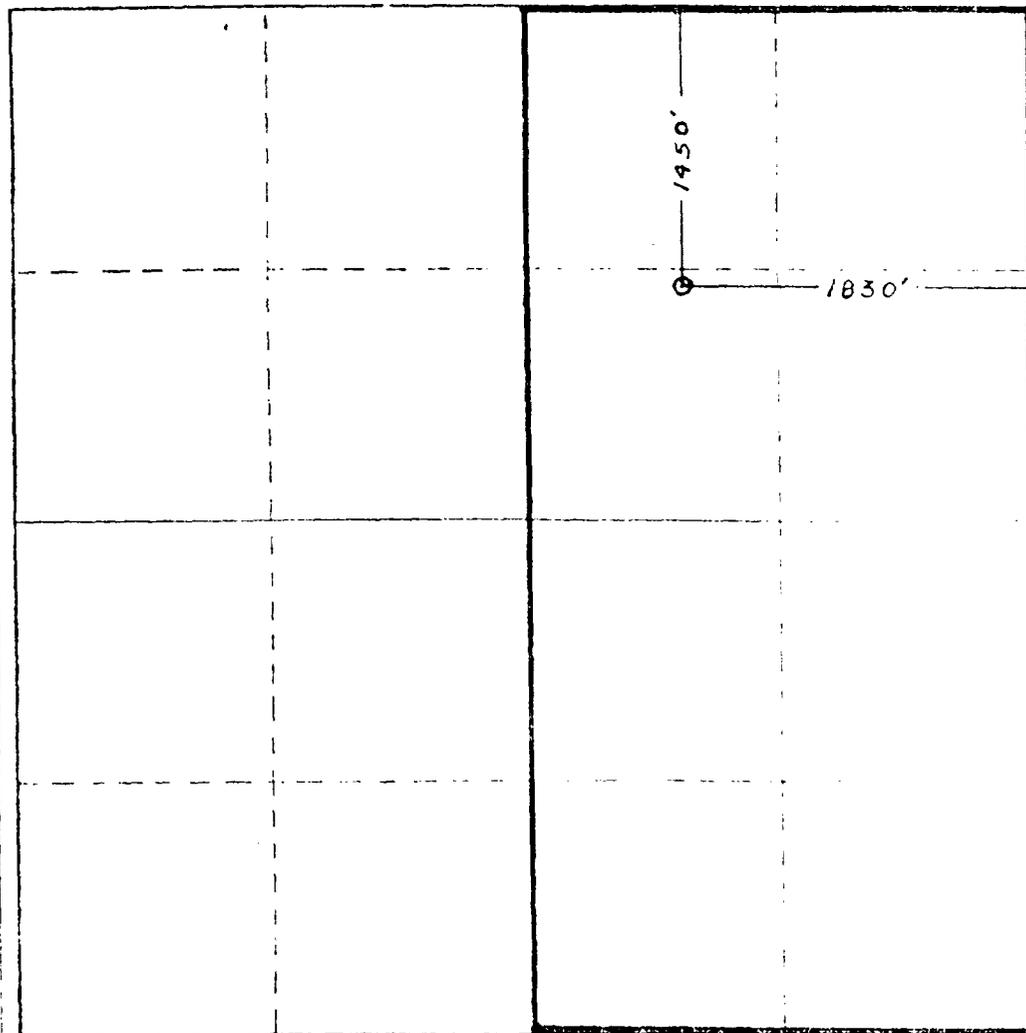
Operator Perry R. Bass		Lease James Ranch Unit		OIL CONSERVATION DIVISION SANTA FE		12
Unit Letter G	Section 21	Township 22S	Range 30E	County Eddy		
Actual Footage Location of Well:						
1450	feet from the	North	line and	1830	feet from the	East
Ground Level Elev. 3161.8'	Producing Formation Atoka		Foot	Estimated Acreage 320		Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation: Unit

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

H. F. Wurtz, Jr.

Name
H. F. Wurtz, Jr.

Position
Senior Production Clerk

Company
Perry R. Bass

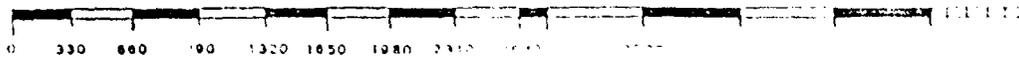
Date
June 10, 1961

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 knowledge and belief.

Date surveyed
April 4, 1960

By
/s/ John W. West

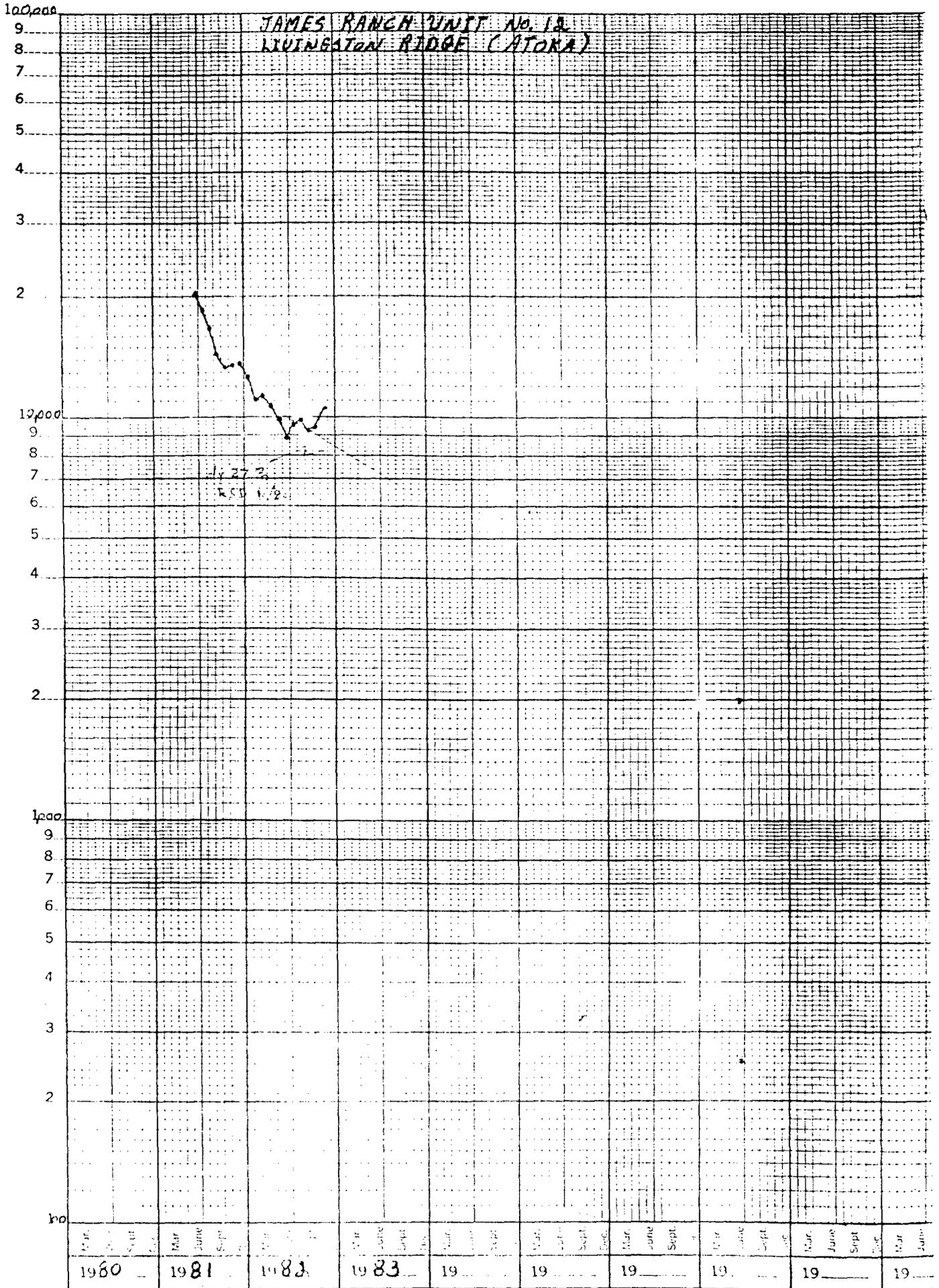
Certificate No. **676**



47 6840

20 YEARS BY MONTHS X 3 LOG CYCLES
KEUFFEL & ESSER CO. MADE IN U.S.A.

MCFPM



SUBJECT JAMES RANCH NO. 12	DATE 2-23-81	DEPARTMENT	PREPARED BY LDA
-------------------------------	-----------------	------------	--------------------

SEC. 21 - T225 - R30E
EDDY COUNTY, NEW MEXICO

ELEV: 3162' GW
3180' KB
SPUD: 9-4-80
COMP: 12-21-80

1 3/8" - 48#/ft #40
STC @ 540'
CMTD w/ 500 SX CLASS "C"
CIRC. 40 SX

9 5/8" - 36#/ft J-55
@ 3729'
CMTD w/ 1725 SX B.J. LITE
TAILED w/ 250 SX CLASS "C"
CIRCULATED 300 SX

2 3/8" EVE 800 4.7# N-80 + b5.

TOC @ 9590'
(TEMP SURVEY)

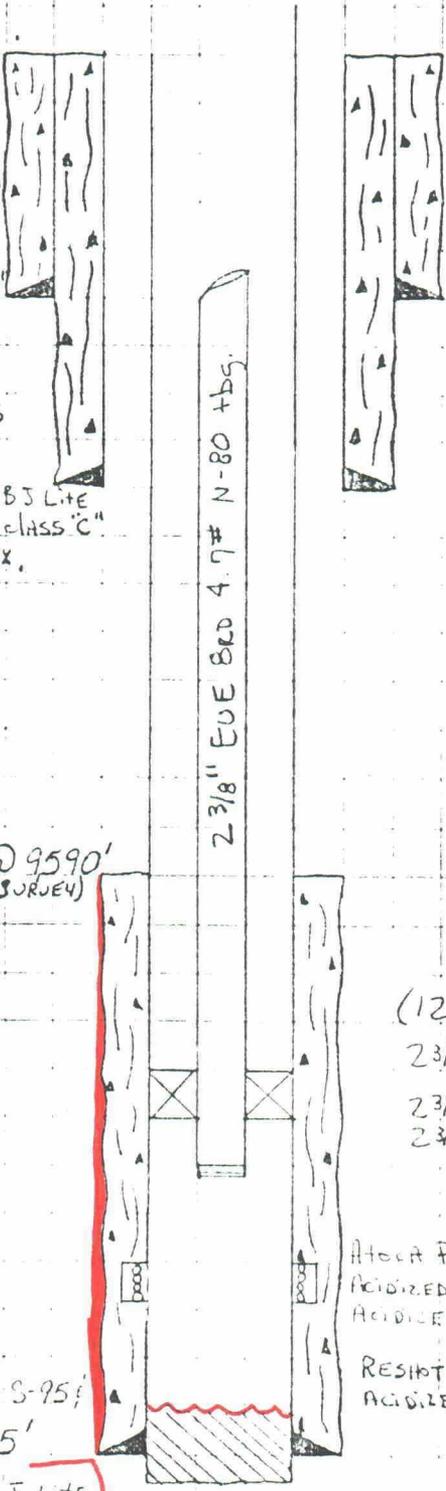
(12-19-80)
2 3/8" x 5 1/2" OTIS MH-2 PALMER @ 12,423' (13,000# COMP.)
2 3/8" OTIS M-1000E 1.875 ID w/ 1.751 NO-60 @ 12,435'
2 3/8" MOLTSHOE WIPPLE @ 12,436'

ATOKA PERFS 12,665' - 12,672' w/ 1 JSPF USING JRC SSB II (12-6-80)
ACIDIZED w/ 40 BLS w/ 1% BALL STAPLES (UDACID GOT TO PERFS) (12-10-80)
ACIDIZED w/ 200 gal 15% ACFIC ACID (12-15-80)

RESIST ATOKA PERFS 12,665' - 12,672' - 11-9116" +bg. gun (12-17-80)
ACIDIZED w/ 2000 gal 14.2% H₂SO₄ (12-20-80)

5 1/2" OD CSA 17#/ft S-95
N-80 @ 14,155'
CMTD w/ 435 SX B.J. LITE
TAILED w/ 875 SX CLASS "H"

TD 14,200'
14,155'



State of New Mexico



JIM BACA
COMMISSIONER



Commissioner of Public Lands

January 7, 1983

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

Bass Enterprises Production Co.
First City Bank Tower
201 Main Street
Fort Worth, Texas 76102

472

Re: Application for Approval of the
Participating Area for the
Morrow "A" Formation
James Ranch Unit Well No. 7
Eddy County, New Mexico

ATTENTION: Mr. Jens Hansen

Gentlemen:

The Commissioner of Public Lands has this date approved the Participating Area, Morrow "A" Formation for the James Ranch Unit, Eddy County, New Mexico. Such Participating Area is predicated upon the knowledge and information first obtained upon the completion in paying quantities under the terms of the Unit Agreement of the well No. 7. The following lands constitute the Participating Area for the Morrow "A" producing zone or formation. Lots 1, 2, S/2NE/4, SE/4 Section 6, Township 23 South, Range 31 East, Eddy County, New Mexico.

Our approval is subject to like approval by the Bureau of Land Management and the New Mexico Oil Conservation Division.

Enclosed is an approved copy for your files.

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY:
FLOYD O. PRANDO, Assistant Director
Oil and Gas Division
AC 505/827-5744

JB/FOP/pm
encls.

cc: OCD-Santa Fe, New Mexico
BLM-Albuquerque, New Mexico
Administration



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

December 29, 1982

POST OFFICE BOX 100
STATE LAND OFFICE
SANTA FE, NEW MEXICO 87505
(505) 827-2400

Case 477

Bass Enterprises Production Co.
First City Bank Tower
201 Main St.
Ft. Worth, Texas 76102

ATTENTION: Jens Hansen

RE: Application for Approval of
the Participating Area for
the Morrow "A" Formation,
James Ranch Unit Well No. 7
Eddy County, New Mexico

Dear Sir:

The above referenced submittal has been approved by the New Mexico Oil Conservation Division effective this date. Such approval is contingent upon like approval by the New Mexico Commissioner of Public Lands and the United States Minerals Management Service.

Sincerely,

A handwritten signature in cursive script that reads "Roy E. Johnson".

Roy E. Johnson
Petroleum Geologist

REJ/dp

cc: Commissioner of Public Lands - Santa Fe
Minerals Management Service - Albuquerque
OCD District Office



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

December 28, 1982

BASS ENTERPRISES PRODUCTION CO.
First City Bank Tower
201 Main Street
Ft. Worth, Texas 76102

Case 472

ATTENTION: Jens Hansen

RE: 1983 Plan of Development
for Big Eddy, James Ranch,
and Poker Lake Federal Units

Dear Sir:

Enclosed please find an approved copy of the material referenced above. Such approval is contingent upon like approval by the Commissioner of Public Lands and the U. S. Minerals Management Service.

Sincerely,

Roy E. Johnson
Petroleum Geologist

REJ/dp

cc: Commissioner of Public Lands - Santa Fe
Minerals Management Service - Albuquerque
OCD District Office

BASS ENTERPRISES PRODUCTION CO.

FIRST CITY BANK TOWER
201 MAIN ST.
FORT WORTH, TEXAS 76102
817/390-8400

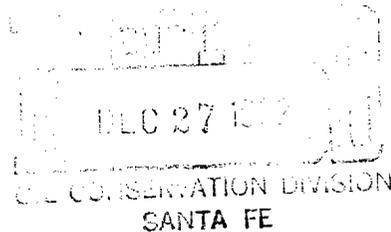
December 22, 1982

Case # 472

MINERAL MANAGEMENT SERVICE
505 Marquette Northwest
Room 815
Albuquerque, New Mexico 88201

COMMISSIONER OF PUBLIC LANDS
State of New Mexico
P. O. Box 1148
Santa Fe, New Mexico 87501

NEW MEXICO OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 85701



RE: Application for Approval of the
Participating Area for the
Morrow "A" Formation
James Ranch Unit Well #7
Eddy County, New Mexico
14-08-001-558

Gentlemen:

Bass Enterprises Production Co., Unit Operator for the James Ranch Unit Agreement, pursuant to the provisions of Section II thereof, respectfully submits for your approval the selection of the following described lands to constitute the Participating Area for the Morrow "A" producing zone or formation, to wit:

Lots 1 and 2, S/2 NE/4 and SE/4 (E/2), Section 6, T23S-R31E, Eddy County, New Mexico, and containing 319.92 acres of land.

In support of this application, the following numbered items are attached hereto and made a part hereof:

- (A) An ownership map showing thereon the boundaries of the Unit Area and the proposed Participating Area.

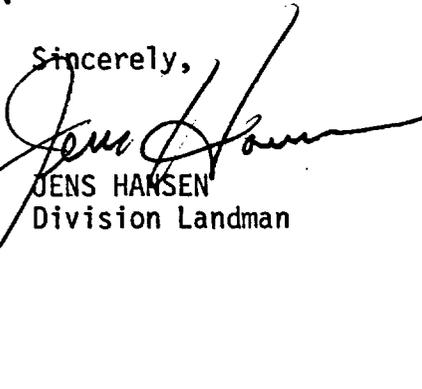
Mineral Management Service
Commissioner of Public Lands
New Mexico Oil Conservation Division
December 22, 1982
Page Two

- (B) A schedule showing the lands entitled to participation in the unitized substances produced from the Morrow Formation, with the percentage of participation of each lease or tract indicated thereon.
- (C) A geological and engineering report with accompanying geologic maps supporting and justifying the proposed selection of the Participating Area.

The proposed Participating Area is predicated upon the knowledge and information first obtained upon the completion in paying quantities under the terms of the Unit Agreement on August 1, 1975, of Unit Well No. 7, in the SW/4 NE/4, Section 6, T23S-R31E, with an initial production of 1,559,933 CFGPD from the Morrow Formation at a depth of 14,062 to 14,526 feet. The effective date of this area shall be August 1, 1975, pursuant to Section 11 of the Unit Agreement.

Consequently, applicant respectfully requests your approval of the hereinabove selection of lands to constitute the Morrow "A" Participating Area, to be effective August 1, 1975.

Sincerely,



JENS HANSEN
Division Landman

JH:dw
Enclosures

State of New Mexico



ALEX J. ARMIJO
COMMISSIONER

Commissioner of Public Lands

December 13, 1982

P. O. BOX 1148
SANTA FE, N. M. 87504-1148

Bass Enterprises Production Co.
First City Bank Tower, 201 Main St.
Fort Worth, Texas 76102

#472

Re: 1983 Plan of Development
James Ranch Unit
Eddy County, New Mexico

ATTENTION: Mr. Jens Hansen

Gentlemen:

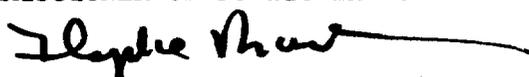
The Commissioner of Public Lands has this date approved your 1983-Plan of Development for the James Ranch Unit, Eddy County, New Mexico. Such plan proposes to drill the James Ranch Unit Well No. 15 in Section 17, Township 23 South, Range 31 East to test the Morrow formation. Our approval is subject to like approval by the New Mexico Oil Conservation Division and the United States Minerals Management Service.

Enclosed is an approved copy for your files.

Please remit a Three (\$3.00) Dollar filing fee.

Very truly yours,

ALEX J. ARMIJO
COMMISSIONER OF PUBLIC LANDS

BY: 
FLOYD O. PRANDO, Assistant Director
Oil and Gas Division
AC 505/827-5744

AJA/FOP/pm
encls.
cc:

OCD-Santa Fe, New Mexico
USMMS-Albuquerque, New Mexico
Administration

BASS ENTERPRISES PRODUCTION CO.

FIRST CITY BANK TOWER
201 MAIN ST.
FORT WORTH, TEXAS 76102
817/390-8400

December 7, 1982

Case # 472
File Copy

MINERAL MANAGEMENT SERVICE
P. O. Box 26124
Albuquerque, New Mexico 87125

COMMISSIONER OF PUBLIC LANDS
P. O. Box 1148
Santa Fe, New Mexico 87501
Attention: Ray Graham

NEW MEXICO OIL CONSERVATION DIVISION
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: 1983 Plan of Development
James Ranch Unit
Eddy County, New Mexico

Gentlemen:

In accordance with Section 10 of the James Ranch Unit Agreement dated April 22, 1953, Perry R. Bass, Unit Operator, hereby submits for your approval a Plan of Development for the year 1983.

History of Past Development - We have reviewed in our previous Plan of Development all wells drilled within the Unit and we refer to such Plans for specific reference therein.

1982 Activity

James Ranch Unit Well #13 - surface location 1440' FNL and 860' FWL, Section 6, T23S-R31E - bottom hole location 1424' FWL and 1177' FSL, Section 31, T22S-R31E, Eddy County, New Mexico. This Well was directionally drilled to a total depth of 15,078' and plugged back to a depth of 15,061'. The Well was perforated between the depths of 13,466' and 13,477' with the top production interval being located 1439' FWL and 687' FSL of Section 31, T22S-R31E. The Well was completed in the Atoka Formation as a gas well and is currently shutin waiting on pipeline.

Participating Areas

We will submit in the near future our recommendation for commercial determinations for previously drilled wells which have not yet been submitted.

Future Development

We plan to drill the following test well for unitized substances at the following location:

James Ranch Unit Well #15 - Section 17, T23S-R31E - 14,700 Morrow Test.

MINERAL MANAGEMENT SERVICE
COMMISSIONER OF PUBLIC LANDS
NEW MEXICO OIL CONSERVATION DIVISION
December 7, 1982
Page 2

Additional Development

This Plan of Development shall constitute the drilling obligation of the Unit Operator under the terms of the James Ranch Unit Agreement ending December 31, 1983.

Modifications

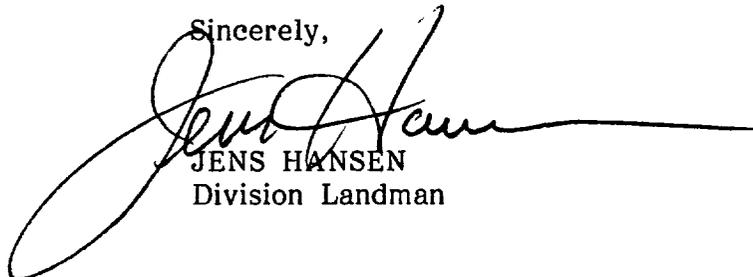
In accordance with the terms and provisions of the James Ranch Unit Agreement, this Plan of Development may be modified from time to time due to changing conditions.

Effective Date

This Plan of Development shall be effective January 1, 1983.

If this Plan of Development meets with your approval, please indicate by signing in the appropriate space provided below and return one (1) copy for our records.

Sincerely,



JENS HANSEN
Division Landman

JH:ep

AGREED TO AND ACCEPTED this _____ day of _____, 1982.

MINERAL MANAGEMENT SERVICE

By _____

AGREED TO AND ACCEPTED THIS _____ day of _____, 1982.

COMMISSIONER OF PUBLIC LANDS

By _____

AGREED TO AND ACCEPTED this 21st day of December, 1982.

NEW MEXICO OIL CONSERVATION DIVISION

By 

State of New Mexico

Case # 472



ALEX J. ARMIJO
COMMISSIONER

Commissioner of Public Lands

November 10, 1982

P. O. BOX 1148
SANTA FE, N. M. 87504-1148

Bass Enterprises Production Co.
Fort Worth National Bank Building
Fort Worth, Texas 76102

Re: Application for Approval of the
First Revision of the Initial Participating
Area of the Atoka Formation
James Ranch Unit
Eddy County, New Mexico

ATTENTION: Mr. Jens Hansen

Gentlemen:

The Commissioner of Public Lands has this date approved your First Revision of the Initial Participating Area of the Atoka Formation, for the James Ranch Unit, Eddy County, New Mexico. The Revised Participating area covers the S $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ of Section 1, Township 23 South, Range 30 East and is based upon the knowledge and information first obtained upon completion in paying quantities of the Unit Well No. 10, in the SE $\frac{1}{4}$ NE $\frac{1}{4}$, Section 1, Township 23 South, Range 30 East, with an initial production of gas from the Atoka Formation at a depth of 12,896' to 12,904'.

Our approval is subject to like approval by the United States Minerals Management Service.

Enclosed is an approved copy for your files.

Very truly yours,

ALEX J. ARMIJO
COMMISSIONER OF PUBLIC LANDS

BY:
RAY D. GRAHAM, Director
Oil and Gas Division
AC 505/827-2748

AJA/RDG/pm
encls.
cc:

OCD-Santa Fe, New Mexico
USMMS-Albuquerque, New Mexico
Administration

40



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

October 20, 1982

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

Bass Enterprises Production Co.
Fort Worth National Bank Building
Fort Worth, Texas 76102

Attention: Jens Hansen

472

Re: Application for Approval of the
First Revision of the Initial
Participating Area of the Atoka
Formation, James Ranch Unit,
Eddy County, New Mexico
14-08-001-558

Gentlemen:

The above referenced submittal has been approved by the New Mexico Oil Conservation Division effective this date. Such approval is contingent upon like approval by the New Mexico Commissioner of Public Lands and the United States Minerals Management Service.

Sincerely,

W. PERRY PEARCE
General Counsel

WPP/dr

cc: Commissioner of Public Lands - Santa Fe
Minerals Management Service - Albuquerque
OCD District Office

INTER-OFFICE COMMUNICATION

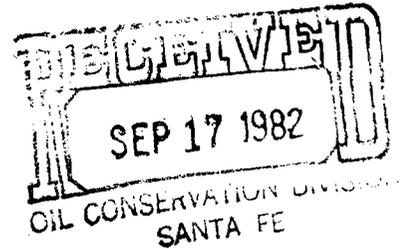
DATE August 24, 1982

TO: Fort Worth Office

FOR: Jim E. Greve

FROM: Lucien J. Tujague

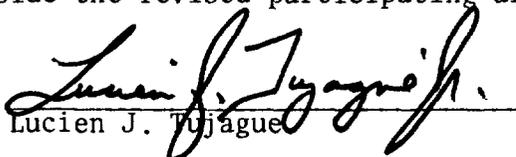
RE: Engineering and Economic Report
to support the proposed revision to the initial
participating area of the Atoka Formation
James Ranch Unit
Eddy County, New Mexico



The existing participating area for the Atoka Formation includes the acreage proven commercial by the Shell James Ranch Unit No. 1 located in Section 36, Township 22S, Range 30E. The proposed revision to the participating area would enlarge the area to include the S/2 of the NE/4 and the SE/4 of Section 1, Township 23S, Range 30E. This is an increase of 240 acres which yields a total of 600.54 acres for the enlarged participating area. The additional acreage is proven to be commercial in the Belco James Ranch Unit No. 10. Reservoir communication is apparent between the James Ranch Unit Nos. 1 and 10, based on geological analysis, pressure data, and production history.

The total gas in place for the Atoka reservoir is estimated by BHP/Z at 45 BCF with 38 BCF recoverable. The majority of the recoverable gas has been produced by the Shell James Ranch Unit No. 1, which has a cumulative production of over 23 BCF thru 1981. The recoverable reserves from the Belco James Ranch Unit No. 10 is estimated at 5.9 BCF from production history dating back to April 18, 1980. The value of the James Ranch Unit No. 10 reserves after royalties, taxes, and discount is estimated at 5.8 million dollars. This is based on the actual drilling and completion costs of 1.4 million dollars in 1980, \$2000/month estimated operating costs, actual royalties, anticipated prices for gas and condensate, and a 15% discount factor. These economics provide for the commerciality of the James Ranch Unit No. 10 as defined for participating area purposes.

The Atoka Formation has been tested by several wells in the James Ranch Unit, but only the Shell James Ranch Unit No. 1 and Belco James Ranch Unit No. 10 have proven to be commercial. The two wells are producing from a correlative Atoka sand and the participating area around well No. 1 should be enlarged to include the S/2 of NE/4 and the SE/4 of Section 1, Township 23S, Range 30E. This is an addition of 240 acres for a total of 600.54 acres. The effective date of expansion should be April 18, 1980, corresponding with the first production from James Ranch Unit No. 10. The participating area should not be enlarged any further until the correlative Atoka sand is proven commercial by another well outside the revised participating area.

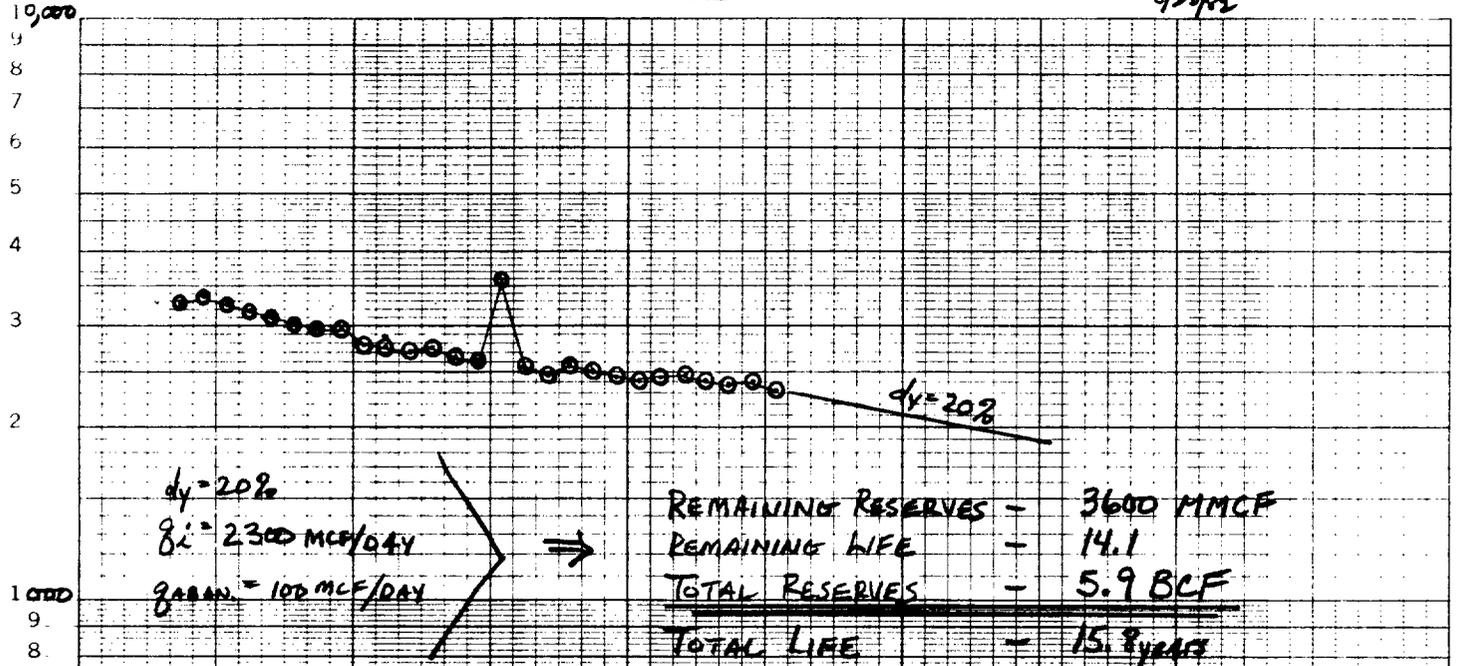

Lucien J. Tujague

LJT/ch
Attachments

BELCO JAMES RANCH UNIT #10

8/23/82

LJI



$d_y = 20\%$
 $q_i = 2300 \text{ MCF/DAY}$
 $q_{\text{GARAN}} = 100 \text{ MCF/DAY}$



REMAINING RESERVES - 3600 MMCF
 REMAINING LIFE - 14.1
TOTAL RESERVES - 5.9 BCF
 TOTAL LIFE - 15.8 YEARS

PRODUCED FROM JULY/82 - 2300 MMCF

$\text{CONDENSATE AVERAGE / MMCF} = 18045 / 2300 \rightarrow \underline{7.85 \text{ BBL / MMCF}}$

ESTIMATED TOTAL CONDENSATE RESERVES - 46,000 BBLs

10	9	8	7	6	5	4	3	2	1
19 80	19 81	19 82	19	19					
Jan. Feb. Mar. Apr. May June July Aug. Sept. Oct. Nov. Dec.	Jan. Feb. Mar. Apr. May June July Aug. Sept. Oct. Nov. Dec.	Jan. Feb. Mar. Apr. May June July Aug. Sept. Oct. Nov. Dec.	Jan. Feb. Mar. Apr. May June July Aug. Sept. Oct. Nov. Dec.	Jan. Feb. Mar. Apr. May June July Aug. Sept. Oct. Nov. Dec.	Jan. Feb. Mar. Apr. May June July Aug. Sept. Oct. Nov. Dec.	Jan. Feb. Mar. Apr. May June July Aug. Sept. Oct. Nov. Dec.	Jan. Feb. Mar. Apr. May June July Aug. Sept. Oct. Nov. Dec.	Jan. Feb. Mar. Apr. May June July Aug. Sept. Oct. Nov. Dec.	Jan. Feb. Mar. Apr. May June July Aug. Sept. Oct. Nov. Dec.

LJI

P R O J E C T D A T A

1	SCHEDULING RATES				SCHEDULE UNTIL		PROCEDURE	
START	4/80							
GAS	3400.00	100.00	M/D		5.90	BCF	CPD	X
OIL/GAS	7.85	7.85	B/MM			LIFE	LIN	CUM
WPT T3	1/80	.3	.3	.275	.25	.225	.2	3*.15 .125 .075 .025 0 #/Y
PRI/T3	18.36	X	\$/B			LIFE	PC/Q	8.00
PRI/GAS	2.27	X	\$/M		1/85	AD	PC/Q	6.00
"	6.00	12.00	\$/M			LIFE	PC/Q	6.00
PRI/OIL	31.00	31.00	\$/B		1/86	AD		
"	31.00	75.00	\$/B		X	YRS	PC/Q	6.00
ATX	2.00	2.00	%			LIFE		
OPC/T	2000.00	2000.00	\$/M			LIFE		
S /51	1.33	X	\$/M			LIFE	MUL	51.00
STX/OIL	3.75	X	%			LIFE		
STX/GAS	0.13	X	\$			LIFE		
LSE/WI	100.00	D	%			LIFE		
LSE/RIC	13.10	D	%			LIFE		
LSE/RIG	13.10	D	%			LIFE		
ESTMENT	TANGIBLES & INTANGIBLES				TIME		PROCEDURE	
DRILL	560.00	840.00	M\$G		0.00	YRS		
OVERHEAD	56.00	84.00	M\$G		0.00	YRS		
SALVAGE	-84.00	0.00	M\$G		0.00	LIFE		

R E S E R V E S A N D E C O N O M I C S

AS OF DATE: 1/1/1982

IOD ENDING	12-80	12-81	12-82	12-83	S TOT	AFTER	17.6 YR TOTAL
ERSHIP							
WORKING INTEREST, %	100.000	100.000	100.000	100.000	100.000	100.000	100.000
REVENUE INTEREST, %	86.900	86.900	86.900	86.900	86.900	86.900	86.900
ESTMENTS, M\$							
BORROWED CAPITAL	0.	0.	0.	0.	0.	0.	0.
EQUITY INVESTMENTS	1540.	0.	0.	0.	1540.	-84.	1456.
RISK	0.	0.	0.	0.	0.	0.	0.
TOTAL	1540.	0.	0.	0.	1540.	-84.	1456.
PHASE							
GROSS OIL, MB	7.	8.	6.	5.	26.	21.	46.
NET OIL, MB	6.	7.	5.	4.	22.	18.	40.
OIL REVENUE, M\$	182.	204.	166.	135.	688.	650.	1337.
OIL PRICE, \$/B	31.00	31.00	31.00	31.00	31.00	35.97	33.23
PHASE							
GROSS GAS, MMF	863.	963.	785.	640.	3252.	2648.	5900.
NET GAS, MMF	750.	837.	682.	556.	2826.	2301.	5127.
GAS REVENUE, M\$	1727.	2027.	1752.	1514.	7020.	15318.	22337.
GAS PRICE, \$/MCF	2.302	2.422	2.567	2.721	2.484	6.656	4.357
IONICS, M\$							
GROSS REV. TO INTR.	1909.	2231.	1918.	1649.	7707.	15968.	23675.
- SEV. TAX	101.	113.	92.	75.	382.	314.	696.
- WPT TAX PAID	21.	21.	13.	8.	63.	8.	71.
+ WPT REFUND	0.	0.	0.	0.	0.	0.	0.
- AD VALOREM TAX	36.	42.	36.	31.	145.	313.	458.
- OPERATING COSTS	24.	32.	32.	32.	120.	434.	553.
- CAPITAL REPAYMENT	0.	0.	0.	0.	0.	0.	0.
- INTEREST PAID	0.	0.	0.	0.	0.	0.	0.
= NET INCOME	1727.	2023.	1744.	1503.	6997.	14899.	21896.
- INVESTMENTS & RSK	1540.	0.	0.	0.	1540.	-84.	1456.
= BFIT NET	187.	2023.	1744.	1503.	5457.	14983.	20440.
ENT WORTH							
NET INCOME	2165.	2182.	1620.	1201.	7168.	5865.	13034.
INVESTMENTS & RISK	2002.	0.	0.	0.	2002.	-8.	1994.
BFIT NET	163.	2182.	1620.	1201.	5166.	5874.	11040.
CUM BFIT NET	163.	2345.	3965.	5166.	5166.	11040.	11040.

AFTER TAX ECONOMICS

AS OF DATE: 1/1/1982

PERIOD ENDING	12-80	12-81	12-82	12-83	S TOT	AFTER	17.6 YR TOTAL
ESTIMENTS, M\$							
EXPENSED & RISK DEPLETABLE	924.	0.	0.	0.	924.	0.	924.
DEPRECIABLE	0.	0.	0.	0.	0.	0.	0.
TOTAL	616.	0.	0.	0.	616.	-84.	532.
	1540.	0.	0.	0.	1540.	-84.	1456.
CALCULATIONS, M\$							
GROSS REV. TO INTR.	1909.	2231.	1918.	1649.	7707.	15968.	23675.
- SEVERANCE TAX	101.	113.	92.	75.	382.	314.	696.
- WPT TAX (NET)	21.	21.	13.	8.	63.	8.	71.
- OPR. COSTS & AD T	60.	74.	68.	63.	265.	746.	1011.
- OVERHEAD	0.	0.	0.	0.	0.	0.	0.
- EXPENSED INV.	924.	0.	0.	0.	924.	0.	924.
- DEPRECIATION	84.	123.	118.	118.	442.	118.	560.
= NET	719.	1900.	1627.	1385.	5631.	14781.	20412.
- DEPLETION	0.	0.	0.	0.	0.	0.	0.
- INTEREST	0.	0.	0.	0.	0.	0.	0.
= TAXABLE	719.	1900.	1627.	1385.	5631.	14781.	20412.
* TAX RATE, %	46.0	46.0	46.0	46.0	46.0	46.0	46.0
- INVESTMENT CREDIT	56.	0.	0.	0.	56.	0.	56.
= F. I. T.	275.	874.	748.	637.	2534.	6799.	9333.
REVENUE-SEV-WPT	1787.	2097.	1812.	1566.	7262.	15645.	22907.
- OPR. COSTS & ATX	60.	74.	68.	63.	265.	746.	1011.
- F. I. T.	275.	874.	748.	637.	2534.	6799.	9333.
= A. F. I. T.	1452.	1149.	996.	866.	4463.	8099.	12562.
- LOAN REPAYMENT	0.	0.	0.	0.	0.	0.	0.
- INTEREST	0.	0.	0.	0.	0.	0.	0.
= NET INCOME	1452.	1149.	996.	866.	4463.	8099.	12562.
- INVESTMENTS & RSK	1540.	0.	0.	0.	1540.	-84.	1456.
= A. F. I. T. NET	-88.	1149.	996.	866.	2923.	8183.	11106.
SENT WORTH							
NET INCOME	1820.	1240.	925.	692.	4677.	3205.	7881.
INVESTMENTS & RISK	2002.	0.	0.	0.	2002.	-8.	1994.
A. F. I. T. NET	-182.	1240.	925.	692.	2675.	3213.	5888.
CUM. A. F. I. T. NET	-182.	1058.	1983.	2675.	2675.	5888.	5888.

E C O N O M I C I N D I C A T O R S

AS OF DATE: 1/1/1982

B. F. I. T. WORTH M\$-----	A. F. I. T. WORTH M\$-----	A. F. I. T. BONUS M\$-----
----------------------------------	----------------------------------	----------------------------------

SENT WORTH PROFILE AND
 E-OF-RETURN VS. BONUS TABLE

00.	20439.856	11106.402	20567.426
5.	16032.191	8671.065	14704.707
10.	13081.021	7031.945	11290.172
15.	11039.967	5887.612	9128.564
20.	9583.450	5059.049	7671.727
25.	8514.161	4437.989	6640.077
30.	7710.718	3957.929	5880.455
35.	7093.064	3574.880	5300.607
40.	6609.197	3260.189	4844.012
50.	5909.865	2761.706	4162.967
60.	5435.115	2361.800	3656.508
70.	5089.661	2003.635	3225.258
80.	4816.958	1650.501	2800.455
90.	4579.597	1274.909	2318.316
100.	4349.853	853.011	1698.731

E OF RETURN, PCT.	100.0	100.0
ISCOUNTED PAYOUT, YRS.	0.89	1.08
COUNTED PAYOUT, YRS.	0.92	1.15
ISCOUNTED NET/INVEST.	15.04	8.63
COUNTED NET/INVEST.	6.54	3.95

BASS ENTERPRISES PRODUCTION CO.

WEST TEXAS DIVISION

P/R VS. CUMULATIVE PRODUCTION
for
Los Medanos (Atoka)

Cl. _____ Date July 31, 1981 Interp. by EYT
Scale: _____ Drawn by EYT Dept. _____

SHELL JAMES RANCH UNIT No. 1
KB = 3327' PERFS = 12920' - 12929'
MID-PERFS = 12724.5' (-9597.5' MSL)

BERG JAMES RANCH UNIT No. 10
KB = 3315' PERFS = 12896' - 12904'
MID-PERFS = 12900' (-9585' MSL)

DATA FROM JELSA
AOF TEST DATE UNKNOWN, EST. APR/80

BERG JAMES RANCH UNIT No. 11
KB = 3180.3' PERFS = 13038' - 13044'
MID-PERFS = 13041' (-9569.7' MSL)

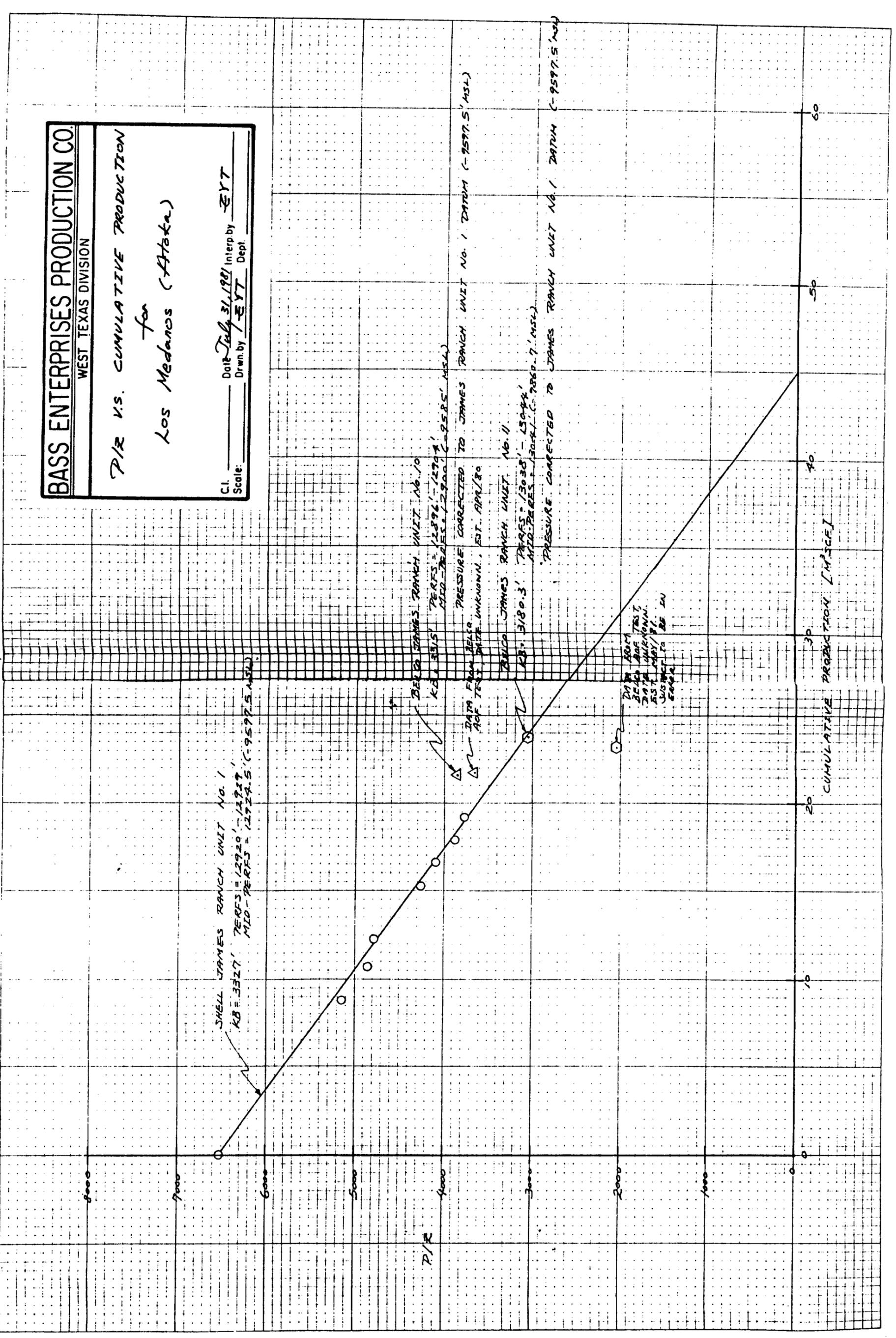
DATA FROM JELSA
AOF TEST DATE UNKNOWN, EST. APR/80

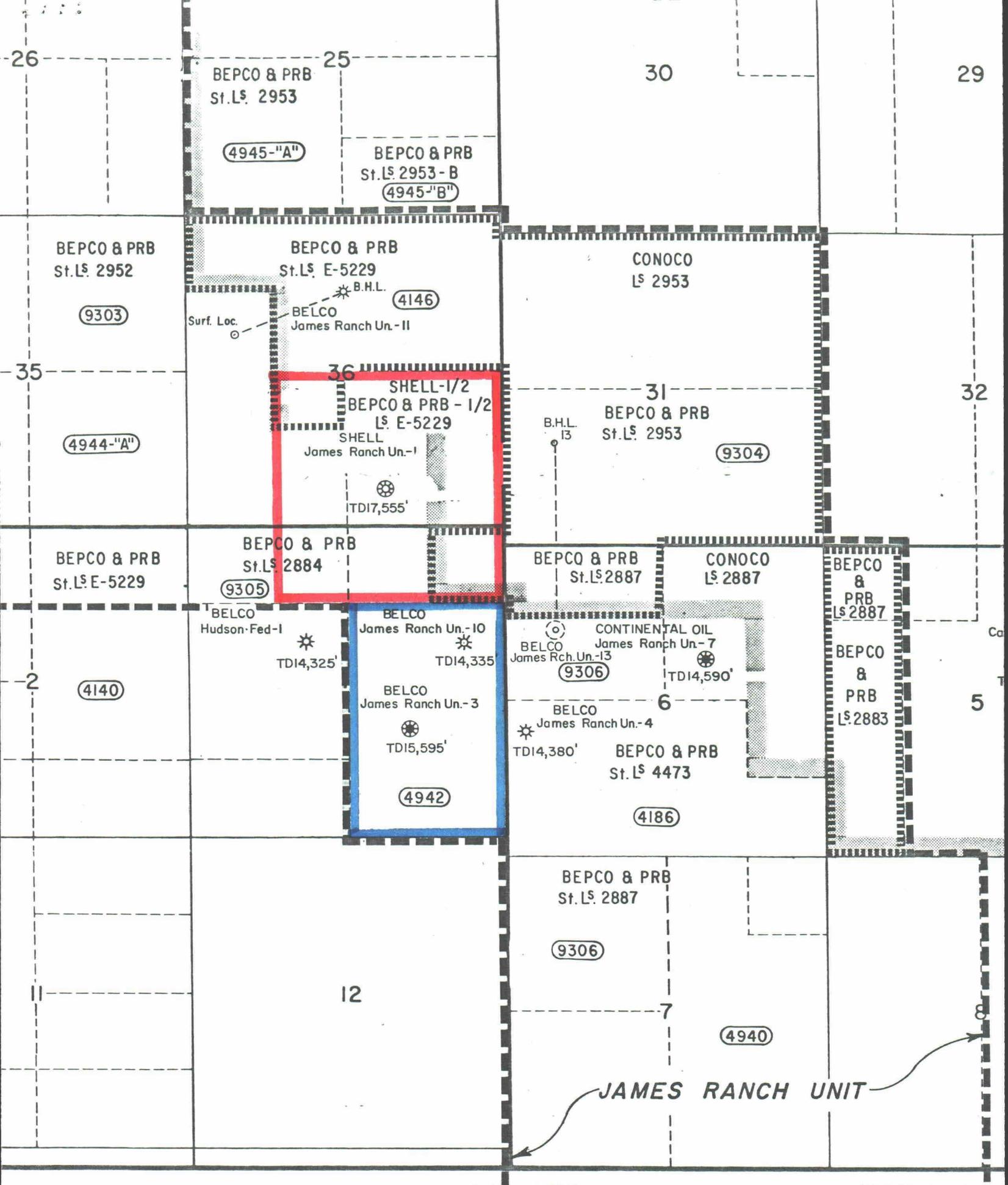
DATA FROM
BERG AREA TEST
DATE UNKNOWN
EST. MAY/81
CORRECT TO BE IN
GROUP

PRESSURE CORRECTED TO JAMES RANCH UNIT No. 1 DATUM (-9597.5' MSL)

PRESSURE CORRECTED TO JAMES RANCH UNIT No. 1 DATUM (-9597.5' MSL)

CUMULATIVE PRODUCTION [M3CF]





PARTICIPATING AREA FOR
ATOKA FORMATION

Scale: 1" = 2000'

RANCH

UNIT

HILL TANK

Gulf Sprinkle
© 1-A

Richardson, et al
1-Logg
TD 15,584

-9567

-9575

-9600

-9600

-9700

-9800

-9900

Gulf
2-2
Johns

-9529

Belco James Rch
S.H.L.
14600'

Shell
James Rch
-9596
17555'

-9614 Bass
James Rch
Alaska

Belco Pot
11-Indon Fed Com
TD 4,325

-9563

-9578

12335'

Belco Pot
3-Jones Rch
TD 15,595

-9584

Belco
James Rch
TD 14,380

-9592

Case 1
7-James Rch
TD 14,590

-9727

Grace
1-Cavin baby

James Ranch Unit

TOP ATOKA SAND

S.A.H.
7/82

AME

Hall, et al
1-Montg
TD 3718

RIDGE

UNIT

Phillips
1-Sandy U
TD 14,857

-10050

JONES

El Paso New Co
1-Area 54
TD 15,000

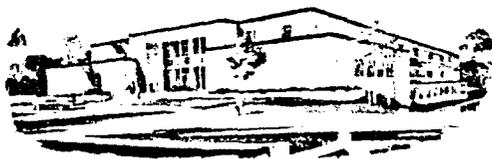
-10013

Coquina
Pure Gold Fed
-9945 © 1-B

Coquina
Pure Gold Fed
1-A

Panel
1-Area 54
TD 15,000

State of New Mexico



Commissioner of Public Lands

August 20, 1982

ALEX J. ARMIJO
COMMISSIONER

P. O. BOX 1148
SANTA FE, NEW MEXICO 87501
87504-1148

Bass Enterprises Production Co.
Fort Worth National Bank Building
Fort Worth, Texas 76102

Re: James Ranch Unit
Revised Exhibits "A" and "B"
Eddy County, New Mexico

472

ATTENTION: Mr. Louis W. Wilpitz, III

Gentlemen:

This will acknowledge receipt of your letter dated August 11, 1982 together with revised Exhibits "A" and "B" indicating the correct James Ranch Unit Area subsequent to contraction pursuant to the condemnation for the WIPP area.

We have this date accepted these corrected exhibits and have filed them in our unit file.

Very truly yours,

ALEX J. ARMIJO
COMMISSIONER OF PUBLIC LANDS

BY:
RAY D. GRAHAM, Director
Oil and Gas Division
AC 505/827-2748

AJA/FOP/pm
encls.

cc: OCD-Santa Fe, New Mexico
USMMS-Albuquerque, New Mexico
Administration

BASS ENTERPRISES PRODUCTION CO.
FORT WORTH NATIONAL BANK BUILDING
FORT WORTH, TEXAS 76102

August 11, 1982

MINERAL MANAGEMENT SERVICE
505 Marquette Northwest
Room 815
Albuquerque, New Mexico 88201

COMMISSIONER OF PUBLIC LANDS
State of New Mexico
P. O. Box 1148
Santa Fe, New Mexico 87501

NEW MEXICO OIL CONSERVATION DIVISION
P. O. Box 2088
Santa Fe, New Mexico 87501



472

Re: Application for Approval of the
First Revision of the Initial Participating
Area of the Atoka Formation
James Ranch Unit
Eddy County, New Mexico
14-08-001-558

Gentlemen:

Bass Enterprises Production Co., as Unit Operator for the James Ranch Unit Agreement, approved by the Regional Conservation of the U. S. Geological Survey, pursuant to the provisions of Section 11 thereof, respectfully submits for your approval the selection of the following described land to constitute the First Revision of the Participating Area for the Atoka producing zone or formation, to wit:

S/2 NE/4 and the SE/4 in Section 1, T23S-R30E, Eddy County, New Mexico, and containing 240 acres of land.

In support of this application the following numbered items are attached hereto and made a part hereof:

- (1) An ownership map showing thereon the boundary of the Unit Area, the Participating Area as heretofore established or revised, and the boundary of the proposed revision herein.
- (2) A schedule showing the lands entitled to participation in the unitized substances produced from the Atoka Formation, with the percentage of participation of each lease or tract indicated thereon.

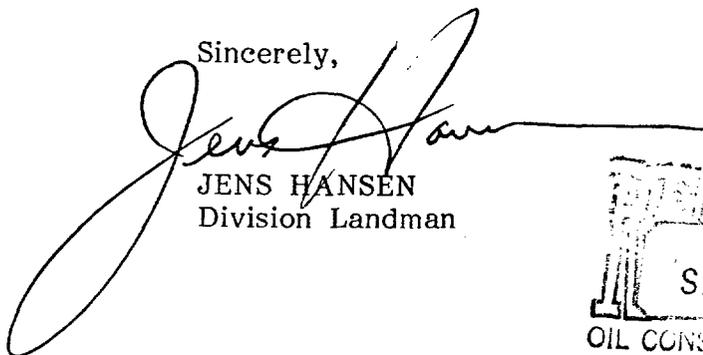
Applicant is submitting separately in triplicate a geological and engineering report with accompanying maps supporting and justifying the proposed selection of the First Revision of the Participating Area.

Mineral Management Service
Commissioner of Public Lands
New Mexico Oil Conservation Division
August 11, 1982
Page 2

This proposed First Revision of the Participating Area is predicated upon the knowledge and information first obtained upon completion in paying quantities under the terms of the Unit Agreement on May 1, 1980, of Unit Well No. 10, in SE/4 NE/4, Section 1, T23S-R30E, with an initial production of gas from the Atoka Formation at a depth of 12,896' to 12,904'. The effective date of this first revision shall be May 1, 1980, pursuant to Section 11 of the Unit Agreement.

Consequently, applicant respectfully requests your approval of the hereinabove selection of lands to constitute the First Revision of the Initial Atoka Participating Area to be effective May 1, 1980.

Sincerely,



JENS HANSEN
Division Landman

JH:ep
Enclosures

