

BASS ENTERPRISES PRODUCTION CO.

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

January 12, 1989

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

Attention: Joe Lara

#25414

Commissioner of Public Lands  
P.O. Box 1148  
Santa Fe, New Mexico 87504

Attention: Floyd Prondo

New Mexico Oil Conservation Division  
P.O. Box 3088  
Santa Fe, New Mexico 87501

Attention: William LeMay



RE: Plains Unit  
Lea County, New Mexico

Gentlemen:

Perry R. Bass is the designated Unit Operator for the Plains Federal Unit pursuant to the Plains Unit Agreement dated effective June 26, 1962. Due to the fact that Perry R. Bass operates no commercial unit wells in the Plains Unit, this letter shall serve as official notification that Perry R. Bass hereby resigns as Unit Operator subject to Sections 5 and 6 of the Plains Unit Agreement.

Working interest owners are being notified of this resignation pursuant to this letter so that a successor Unit Operator can be elected.

Termination of this Unit should be considered because of the small unit size due to contraction by automatic lease elimination.

The six-month period for the release of Perry R. Bass as Unit Operator under provision 5 of the Unit Agreement will begin as of the date of this letter.

Sincerely,

*RAMaxwell*  
R. Andrew Maxwell

RAM:glb

December 27, 1966

Subject: Plan of Development for 1967  
Plains Unit  
Lea County, New Mexico

United States Geological Survey  
c/o Oil and Gas Supervisor  
Drawer 1857  
Roswell, New Mexico 88201

Gentlemen:

In compliance with Section 10 of the Plains Unit Agreement dated June 26, 1962, Perry R. Bass, as Unit Operator, hereby submits for your approval a Plan of Development for 1967.

History of Past Development

There are presently 6 wells in this Unit producing from the Lusk Strawn and an undesignated Wolfcamp Pool. All producers are single completions. In previous years production was obtained from the Lusk Morrow; however, this zone is no longer commercially productive and has been shut-in or abandoned in all wells.

Plains Unit Well No. 1 was temporarily abandoned in the Morrow on October 3, 1964. In March 1964, the original Morrow completion interval was isolated and the well recompleted to the Strawn, which flowed 15 BOPD and 24 BWPD on potential dated May 6, 1964. The Strawn soon began producing 100% water and that zone was plugged and abandoned in July 1964. Following this, an unsuccessful attempt was made to restore Morrow gas production. The Morrow zone was classified as non-commercial by your letter of August 13, 1964.

Plains Unit Well No. 2 completed in the Lusk Strawn Pool and in September 1966 produced 76 BOPD. The well was previously drilled in the Lusk Morrow. (Your letter of August 13, 1964 approved non-commercial classification for the Morrow reservoir in this well.) However, the Lusk Morrow has since become uneconomical and the zone has been shut-in.

Plains Unit Well No. 3X is completed in the Strawn and in September, 1966, its average production was 53 BOPD with GOR of 8082 cubic feet per barrel.

Plains Unit Well No. 4X is a Strawn completion and in September, 1966, its average production was 53 BOPD with GOR of 4130 cubic feet per barrel.

Well No. 5 originally produced from the Lusk Strawn. Due to low productivity it was classified as non-commercial by your letter dated September 23, 1964. During December, 1966 this well was recompleted in the Wolfcamp pay and potentialed for 347 BOPD with a GOR of 1560. The performance of the well will be closely observed and if judged to be commercially productive, an "Initial Participating Area" will be filed and a subsequent Plan of Development.

Well No. 6 produced during September, 1966, an average of 17 BOPD, with a GOR of 2800 cubic feet per barrel from the Lusk Strawn. This well received non-commercial classification by your letter dated September 23, 1964.

The remaining well, Plains Unit No. 7, during October, 1966, produced an average of 25 BOPD from the Strawn with a GOR of 5440 cubic feet per barrel.

#### Participating Area

The initial Strawn participating area equaled 160 acres and was established as of May 31, 1963, for Well No. 2. This area included the NW/4 of Section 28, T-19-S, R-32-E, Lea County, New Mexico. In November, 1963, the Strawn participating area was expanded to 320 acres by assigning the SW/4 of Section 28, T-19-S, R-32-E, to Well No. 3X. On October 13, 1964, the participating area was again expanded to 640 acres by assigning the SW/4 of Section 21, T-19-S, R-32-E and the NW/4 of Section 33, T-19-S, R-32-E to Wells No. 4X and 7, respectively.

#### Future Development

Future development for the Plains Unit during 1967 is contingent on the previously mentioned Wolfcamp discovery in Plains Unit Well No. 5. If warranted, a supplement Plan of Development will be filed.

#### Offset Obligations

Appropriate and adequate measures will be taken to prevent drainage of unitized substances from lands subject to the Plains Unit Agreement or pursuant to applicable regulations, fair and reasonable compensatory royalty will be paid as provided by Section 17 of the Unit Agreement.

#### Additional Development

This Plan of Development shall constitute the drilling obligations of the Unit Operator under the terms of the Plains Unit Agreement ending December 31, 1967. Before this plan expires, a subsequent Plan of Development will be forwarded for your approval.

Modification

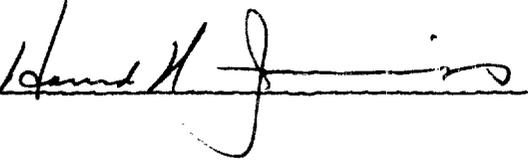
It is understood that this Plan of Development may be modified from time to time to meet changing conditions.

Effective Date

This Plan of Development shall be effective as of January 1, 1967. If this Plan meets with your approval, please indicate in the appropriate space and return one copy for our files.

Yours very truly,

PERRY R. BASS, UNIT OPERATOR

BY: 

APPROVED:

\_\_\_\_\_  
Supervisor, United States Geological Survey

DATE: \_\_\_\_\_

December 27, 1966

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Lea County, New Mexico

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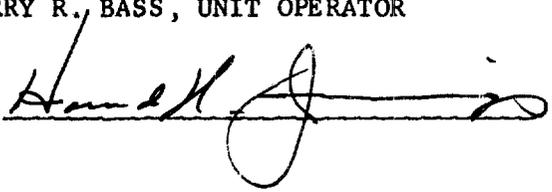
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PERRY R. BASS, UNIT OPERATOR

BY: 

APPROVED:

\_\_\_\_\_  
Supervisor, United States Geological Survey

DATE: \_\_\_\_\_

J. M. HERVEY 1874-1953  
HIRAM M. DOW  
CLARENCE E. HINKLE  
W. E. BONDURANT, JR.  
GEORGE H. HUNKER, JR.  
HOWARD C. BRATTON  
S. B. CHRISTY, IV  
LEWIS G. COX, JR.  
PAUL W. EATON, JR.  
CONRAD E. COFFIELD  
HAROLD L. HENSLEY, JR.

LAW OFFICES  
HERVEY, DOW & HINKLE  
HINKLE BUILDING  
ROSWELL, NEW MEXICO

TELEPHONE MAIN 2-6510  
POST OFFICE BOX 10

April 5, 1962

Mr. A. L. Porter, Jr.  
Secretary and Director  
New Mexico Oil Conservation Commission  
New Mexico Land Office Building  
Santa Fe, New Mexico

Re: Plains Unit Agreement -- Lea County, N.M.

Dear Mr. Porter:

We enclose three copies of application of Perry R. Bass for approval of the above unit agreement. You will also find enclosed one copy of the proposed unit agreement.

If additional copies are required, please advise and we will secure the same for you.

Please set this matter down for hearing before an examiner at the earliest possible time.

Yours sincerely,

HERVEY, DOW & HINKLE

By 

CEH: ev

Encls.

cc: Mr. Howard W. Jennings  
Perry R. Bass  
12th Floor Ft. Worth Nat'l Bank Bldg.  
Fort Worth, Texas