

ABOVE THIS LINE FOR DIVISION USE ONLY

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



ADMINISTRATIVE APPLICATION CHECKLIST

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

Application Acronyms:

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

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Oil Conservation Division
 1220 S. St. Francis Drive
 Santa Fe, NM 87505

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
- [A] Location - Spacing Unit - Simultaneous Dedication
 NSL NSP SD
- Check One Only for [B] or [C]
- [B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR
- [D] Other: Specify _____
- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply
- [A] Working, Royalty or Overriding Royalty Interest Owners
- [B] Offset Operators, Leaseholders or Surface Owner
- [C] Application is One Which Requires Published Legal Notice
- [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] Waivers are Attached
- [3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

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

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

James Bruce

Print or Type Name

James Bruce

Signature

Attorney for Applicant

Title

Date

2/5/04

jamesbruc@aol.com

e-mail Address

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213
SANTA FE, NEW MEXICO 87501

(505) 982-2043 (PHONE)
(505) 660-6612 (CELL)
(505) 982-2151 (FAX)

jamesbruc@aol.com

February 5, 2004

Hand Delivered

Michael E. Stogner
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: Resubmittal of application
Administrative application reference No. pMES0-330037227

Dear Mr. Stogner:

Pursuant to Division Rule 104.F(2), Bass Enterprises Production Co. ("Bass") applies for administrative approval of unorthodox oil well locations in the Delaware and Bone Spring formations for the following well:

<u>Well:</u>	James Ranch Unit Well No. 11 API No. 30-015-23377
<u>Surface Location:</u>	1980 feet FNL & 920 FWL of Section 36, Township 22 South, Range 30 East, N.M.P.M., Eddy County, New Mexico
<u>Delaware Well Unit:</u>	SW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 36
<u>Bone Spring Well Unit:</u>	SE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 36

The well was originally drilled to test the Morrow formation, and last produced from the Atoka formation, with a N $\frac{1}{2}$ well unit. The original Form C-102 for the well is attached as Exhibit A.

Bass has re-completed the well in the Delaware formation (undesignated Southeast Quahada Ridge-Delaware Pool) and Bone Spring formation (Undesignated Los Medanos-Delaware Pool). The Delaware and Bone Spring zones are both developed on statewide 40 acre spacing.

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In your letter of January 13, 2004, you requested information on the tops and bases of the two subject formations. That information is given below:

<u>Top of Delaware:</u>	3795'	2019 feet FNL & 966 feet FWL
<u>Base of Delaware:</u>	7665'	1733 feet FNL & 1095 feet FWL
<u>Top of Bone Spring:</u>		1733 feet FNL & 1095 feet FWL
<u>Base of Bone Spring:</u>	10936	1463 feet FNL & 1785 feet FWL

This information is set forth on the e-mail from Kent Adams of Bass to Bryan Arrant of the Division's Artesia Office, attached as Exhibit B. Bass requests the following well units:

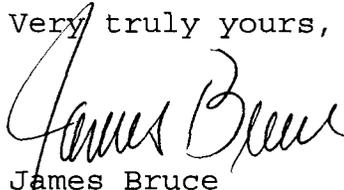
- (a) The entire Delaware interval is in the SW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 36, so Bass requests that quarter-quarter section be the well unit in the Delaware. See Exhibit C.
- (b) The Bone Spring interval in the wellbore is in both the SW $\frac{1}{4}$ NW $\frac{1}{4}$ and SE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 36. However, the perforated interval is the 2nd Bone Spring Carbonate. Mr. Adams of Bass has informed me that the top perforation is at approximately 1498 feet FNL and 1687 feet FWL. Thus, the entire perforated interval is in the SE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 36, which should be the well unit. See Exhibit D.

The directional survey for the well was previously filed with the Division, and can be obtained from the Division's online records.

Attached as Exhibit E is a land plat. The entire N $\frac{1}{2}$ of Section 36 is covered by State of New Mexico Lease E-5229, and interests in the N $\frac{1}{2}$ of Section 36 are uniform in both formations.¹ (The well units are within the James Ranch Unit, operated by Bass.) As a result, there is no adversely affected party who must be notified of the application.

Please call me if you need any further information on this matter. **Expedited approval of this application is requested.**

Very truly yours,


James Bruce

Attorney for Bass Enterprises Production Co.

¹ The dashed line indicates an area that was condemned, as to shallow rights, for WIPP; it does not indicate differences in leasehold ownership.

NE (ICO OIL CONSERVATION COMMISSION)
 WELL LOCATION AND ACREAGE DEDICATION PLAN

Form C-102
 Supersedes C
 Effective 1-1-

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

Operator BELCO PETROLEUM COMPANY			Lease: James Ranch		Well No. 11
Unit Letter	Section 36	Township 22-S	Range 30-E	County Eddy	
Actual Footage Location of Well: 1980' feet from the North line and 920' feet from the West line					
Ground Level Elev. 3306'	Producing Formation Morrow	Pool Los Medanos		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 _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side 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.

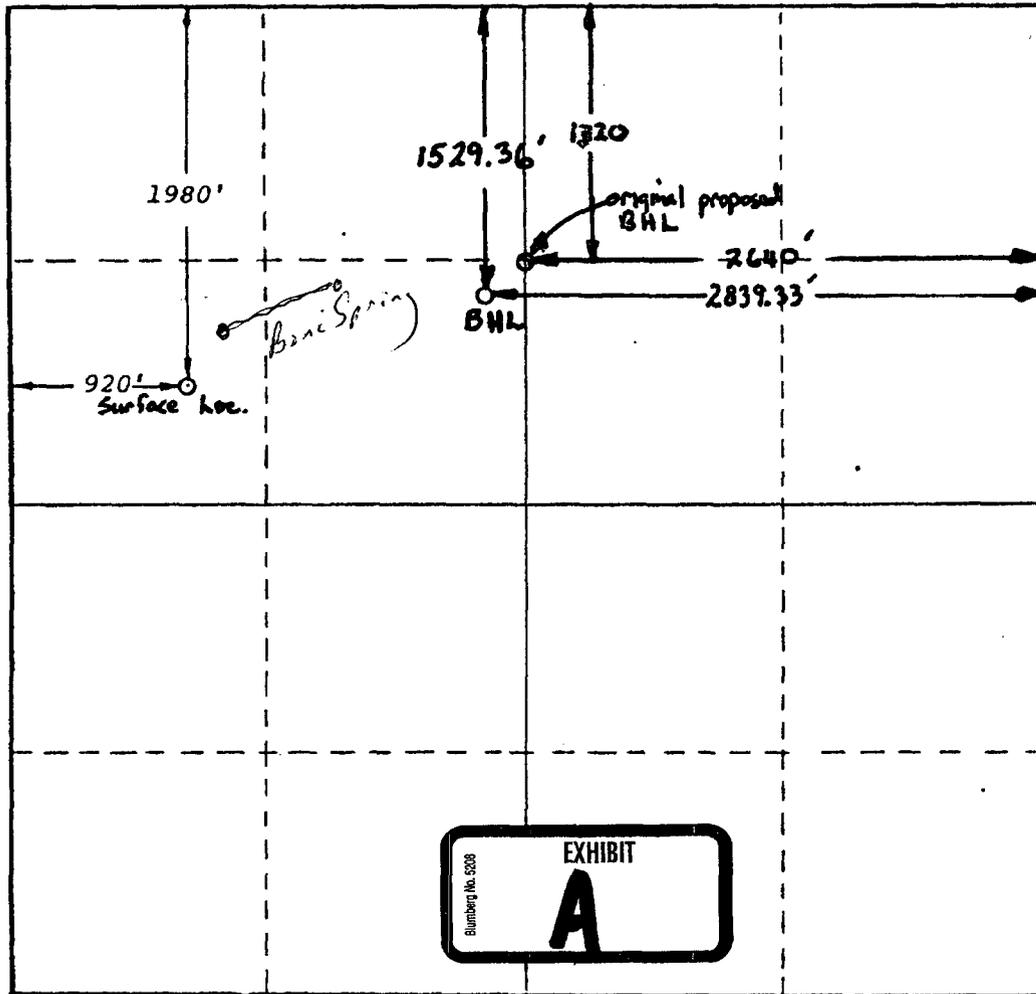


EXHIBIT
A
 Blumberg No. 5208

CERTIFICATION

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

M. E. Moore

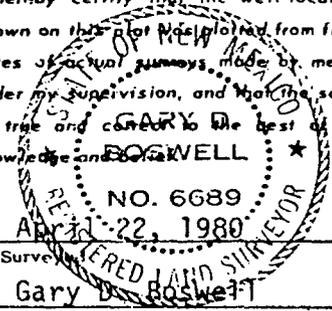
Name
M. E. Moore

Position
District Engineer

Company
Belco Petroleum Corp.

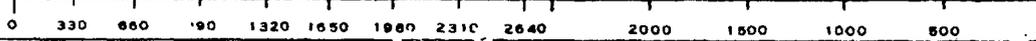
Date
May 2, 1980

I hereby certify that the well location shown on this plat was plotted from the notes of actual surveys made by me under my supervision, and that the same is true and correct to the best of my knowledge and belief.



Date Surveyed
April 22, 1980
Gary D. Baswell
 Registered Professional Engineer and/or Land Surveyor

Gary D. Baswell
 Certificate No.
6689



Subj: FW: James Ranch Unit #11 Tops and Footage Calls
Date: 2/5/04 8:12:55 AM Mountain Standard Time
From: MSTOGNER@state.nm.us
To: jamesbruc@aol.com
Sent from the Internet (Details)

Forwarding to you.

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

From: Arrant, Bryan
Sent: Thursday, February 05, 2004 8:02 AM
To: Stogner, Michael
Cc: 'kaadams@basspet.com'
Subject: FW: James Ranch Unit #11 Tops and Footage Calls

Mike,

I have spoken to Mr.. Adams concerning this matter yesterday and we went over your letter to Bass Enterprises.

We discussed, in part, item (1) of your letter and I concur with Mr.. Adams the geological tops and the footages from the lease line of each respective geological tops.

For more information, please refer to the well file API# 30-015-23377. The inside of the "well file" shows where I picked the geological tops after initial review of the electric logs.

Bryan Arrant

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

From: KENT ADAMS [mailto:kaadams@basspet.com]
Sent: Wednesday, February 04, 2004 4:05 PM
To: barrant@state.nm.us
Cc: TAMI WILBER; JOHN SMITHERMAN
Subject: James Ranch Unit #11 Tops and Footage Calls

Here are the tops and footage calls I arrived at from the data we have available in our office. I believe they generally agree with what you picked and what was reported on the original completion.

	Measured Depth	-----Footage Call-----	
T/ Delaware (Lamar Lime)	3,795'	2019' FNL	966' FWL
T/ Bone Spring Lime	7,665'	1733' FNL	1095' FWL
T/Wolfcamp	10,936'	1463' FNL	1785' FWL

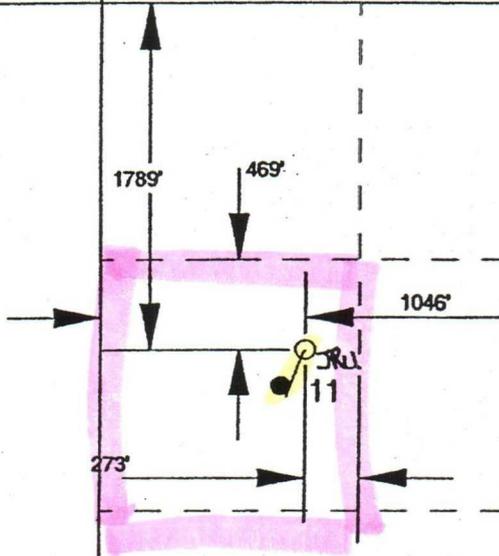
If you concur with these picks, please advise Mr Stogner and then we will reference your response in our reply.

Please call if you need anything else to aid you in resolving this matter.

Thank You.

Kent A. Adams
 Division Production Superintendent
 Bass Enterprises Prod Co.
 (915) 683-2277





T-22-S R-30-E
Section 36
Eddy County, NM

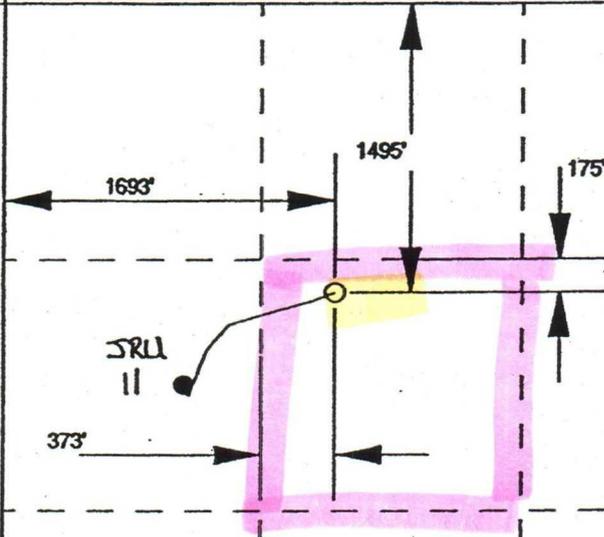
Delaware

Delaware Bottom Hole Locations



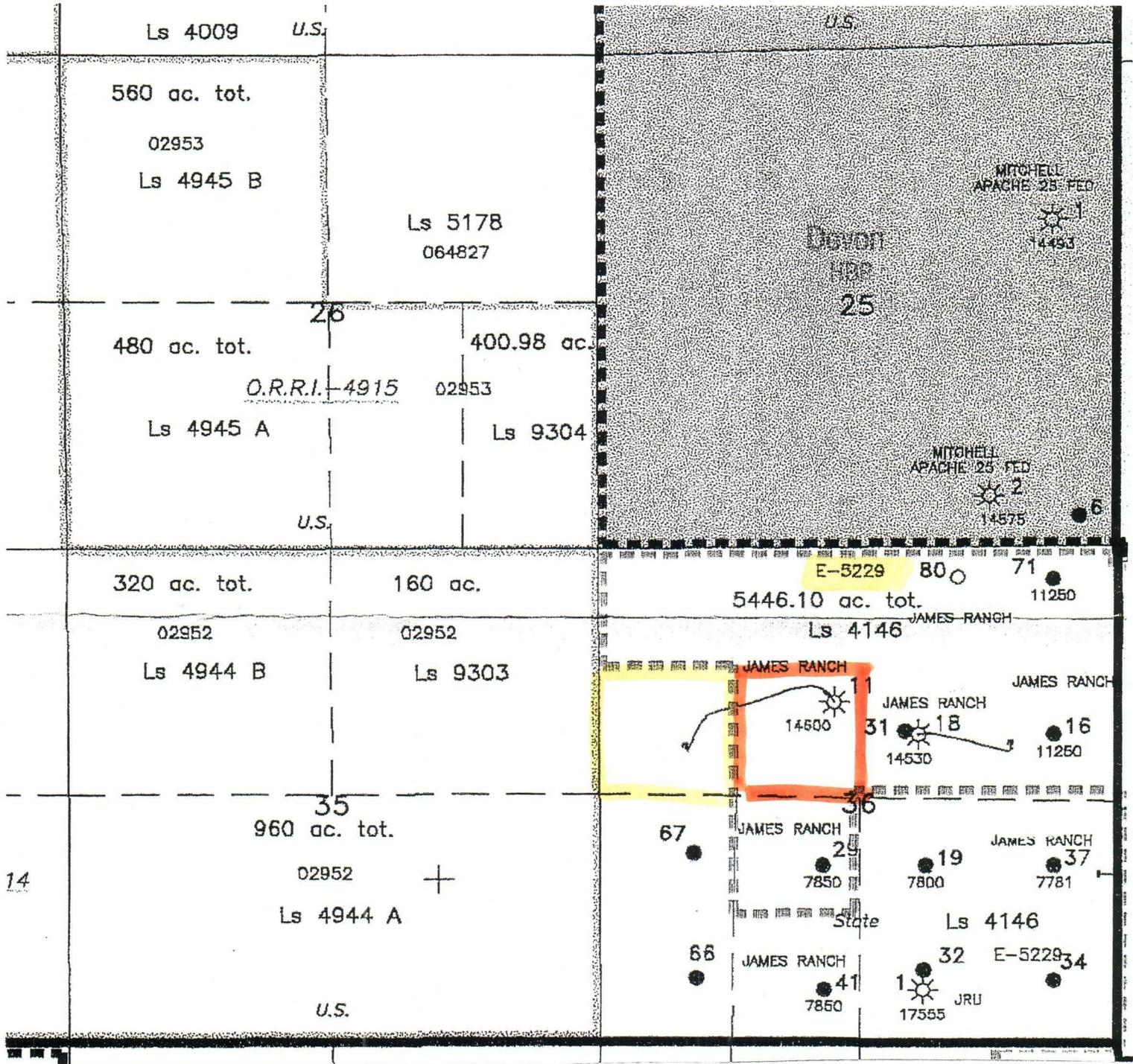
T-22-S R-30-E
Section 36
Eddy County, NM

2nd Bone Spring
Carbonate



2nd Bone Spring Bottom Hole Location





Blumberg No. 5119
 EXHIBIT
E