

E C E I V E

26440918

DHC 10/10/00

DISTRICT I

P.O. Box 1980, Hobbs, NM 88241-1980

SEP 18 2000

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-107-A New 3-12-96

DISTRICT II

811 South First St., Artesia, NM 88210-2826

OIL CONSERVATION DIVISION

2040 S. Pacheco Santa Fe, New Mexico 87505-6429

APPROVAL PROCESS:

Administrative Hearing

DISTRICT III

1000 Rio Brazos Rd, Aztec, NM 87410-1693

APPLICATION FOR DOWNHOLE COMMINGLING

EXISTING WELLBORE

YES NO

Bass Enterprises Production Co. P. O. Box 2760 Midland, Texas 79702-2760

Operator James Ranch Unit Well No. 79 Address Lot 1, Section 6, T23S-R31E County Eddy

Lease Spacing Unit Lease Types: (check 1 or more) Federal X, State, (and/or) Fee

OGRID NO. 001801 Property Code 001786 API NO. 30-015-31056

Table with 4 columns: The following facts are submitted in support of downhole commingling, Upper Zone, Intermediate Zone, Lower Zone. Rows include Pool Name and Pool Code, Top and Bottom of Pay Section, Type of production, Method of Production, Bottomhole Pressure, Oil Gravity, Producing or Shut-In?, Production Marginal?, Allocation Formula.

9. If allocation formula is based upon something other than current or past production, or is based upon some other method, submit attachments with supporting data and/or explaining method and providing rate projections or other required data.

10. Are all working, overriding, and royalty interests identical in all commingled zones? X Yes No

11. Will cross-flow occur? Yes X No If yes, are fluids compatible, will the formations not be damaged, will any cross-flowed production be recovered, and will the allocation formula be reliable. Yes No (If No, attach explanation)

12. Are all produced fluids from all commingled zones compatible with each other? X Yes No

13. Will the value of production be decreased by commingling? Yes X No (If Yes, attach explanation)

14. If this well is on, or communitized with, state or federal lands, either the Commissioner of Public Lands or the United States Bureau of Land Management has been notified in writing of this application. X Yes No

15. NMOCD Reference Cases for Rule 303(D) Exceptions: ORDER NO(S). R-10558

- 16. ATTACHMENTS: \* C-102 for each zone to be commingled showing its spacing unit and acreage dedication. \* Production curve for each zone for at least one year. (If not available, attach explanation.) \* For zones with no production history, estimated production rates and supporting data. \* Data to support allocation method or formula. \* Notification list of all offset operators. \* Notification list of working, overriding, and royalty interests for uncommon interest cases. \* Any additional statements, data, or documents required to support commingling.

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

SIGNATURE Tami Wilber TITLE Production Clerk DATE 9/14/00

TYPE OR PRINT NAME Tami Wilber TELEPHONE NO. ( 915 ) 683-2277

**James Ranch Unit #79**  
**Application for Downhole Commingling**

Allocation formula is based on log calculated pay for each zone, as outlined in the following table:

	<u><b>Bone Spring</b></u>	<u><b>Wolfcamp</b></u>
Net Pay	24.5	171
Avg Porosity	12.7%	12.3%
$\phi h$	3.11	2.09
Allocation %	60%	40%

DISTRICT I  
1825 N. French Dr., Hobbs, NM 88240

DISTRICT II  
811 South First, Artesia, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., Artec, NM 87410

DISTRICT IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised March 17, 1989

Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

**OIL CONSERVATION DIVISION**

2040 South Pacheco  
Santa Fe, New Mexico 87504-2088

AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number 30-015-31056	Pool Code 10295 96336	Pool Name Los Medanos (Bone Spring) (Wolfcamp)
Property Code 001786	Property Name JAMES RANCH UNIT	Well Number 79
OGRID No. 001801	Operator Name BASS ENTERPRISES PRODUCTION COMPANY	Elevation 3326'

**Surface Location**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
LOT 1	6	23 S	31 E		330	NORTH	990	EAST	EDDY

**Bottom Hole Location If Different From Surface**

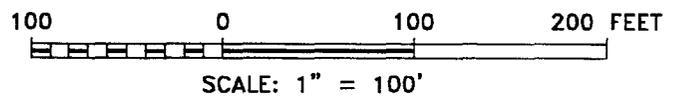
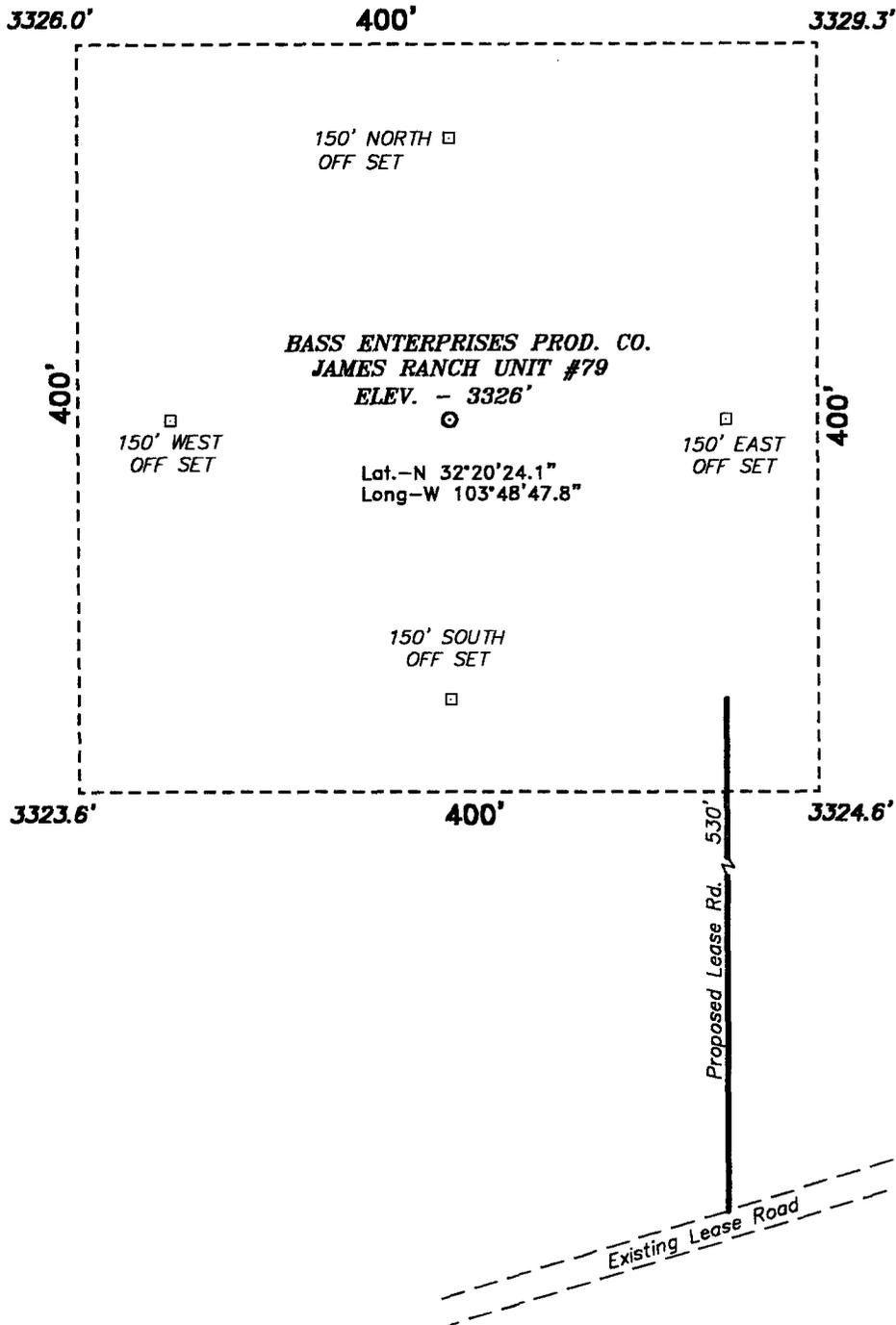
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.
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**NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION**

				<p><b>OPERATOR CERTIFICATION</b></p> <p><i>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p><i>Tami Wilber</i> Signature</p> <p>Tami Wilber Printed Name</p> <p>Production Clerk Title</p> <p>9/14/00 Date</p>	
LOT 4 - 40.45 AC.	LOT 3 - 39.90 AC.	LOT 2 - 39.94 AC.	LOT 1 - 39.95 AC.	<p><b>SURVEYOR CERTIFICATION</b></p> <p><i>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 belief.</i></p> <p>March 25, 2000 Date Surveyed</p> <p><i>[Signature]</i> Signature of Professional Surveyor</p> <p><i>[Seal]</i> Professional Surveyor</p> <p>Certificate No. 0114J 7977 BASIN SURVEYS</p>	
LOT 5 - 40.79 AC.	LAT - N32°19'54.8" LONG - W103°49'12.8"				
LOT 6 - 40.96 AC.					
LOT 7 - 41.15 AC.					

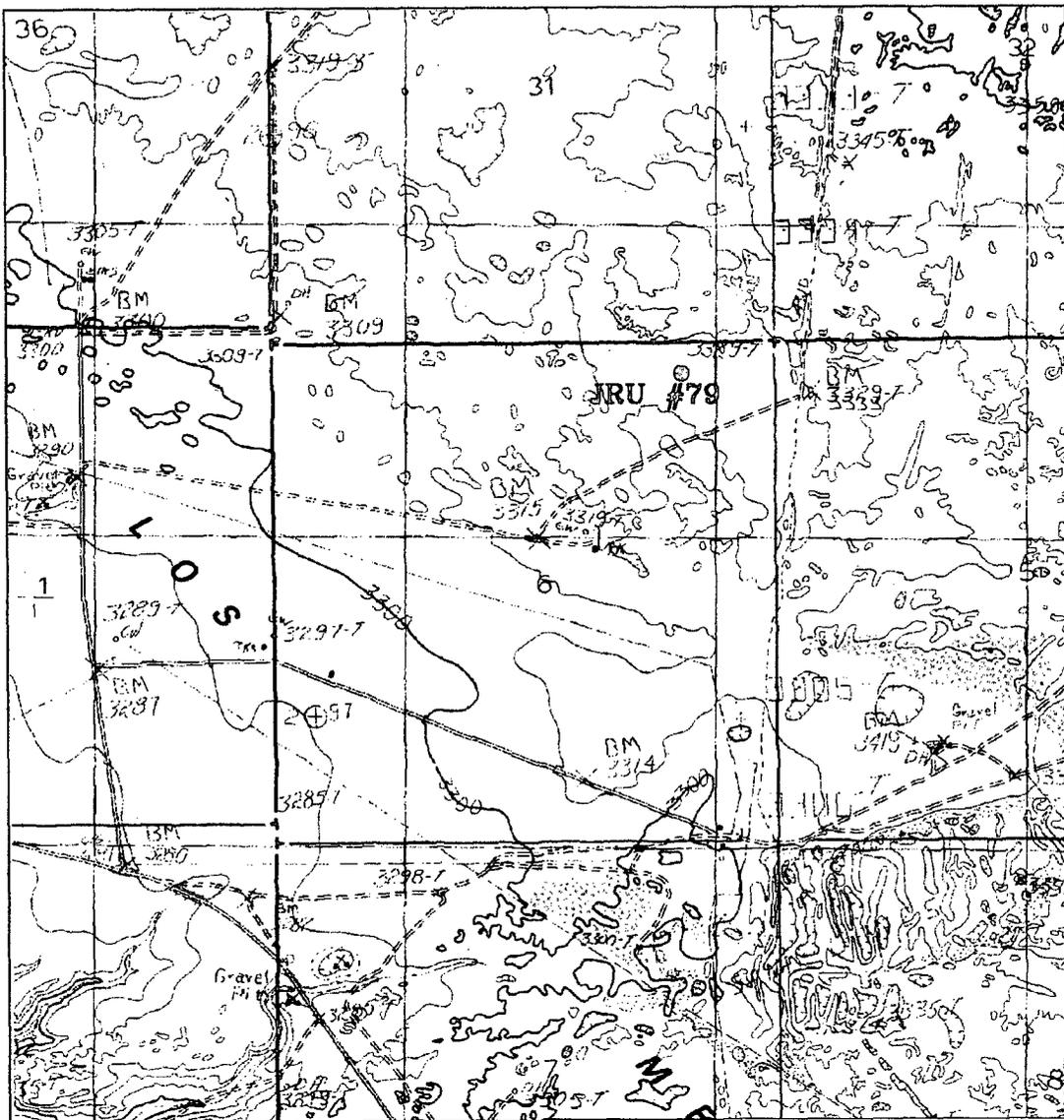
SECTION 6, TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M.,  
 EDDY COUNTY, NEW MEXICO.



**DIRECTIONS TO LOCATION:**  
 FROM THE JUNCTION OF STATE HWY 128 AND CO. RD. 802 (WIPP ROAD), GO WEST ON HWY 128 APPROX. 0.75 MILE TO A POINT WHICH LIES APPROX. 2000 FEET SOUTH OF THE PROPOSED WELL LOCATION.

<b>BASS ENTERPRISES PRODUCTION CO.</b>	
REF: James Ranch Unit No. 79 / Well Pad Topo	
THE JAMES RANCH UNIT No. 79 LOCATED 330' FROM THE NORTH LINE AND 990' FROM THE EAST LINE OF SECTION 6, TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO.	

**BASIN SURVEYS** P.O. BOX 1786 - HOBBS, NEW MEXICO  
 W.O. Number: 0212      Drawn By: **K. GOAD**  
 Date: 04-14-2000      Disk: KJG #122 - 0212A.DWG



**JAMES RANCH UNIT #79**  
 Located at 330' FNL and 990' FEL  
 Section 6, Township 23 South, Range 31 East,  
 N.M.P.M., Eddy County, New Mexico.



P.O. Box 1786  
 1120 N. West County Rd.  
 Hobbs, New Mexico 88241  
 (505) 393-7316 - Office  
 (505) 392-3074 - Fax  
 basinsurveys.com

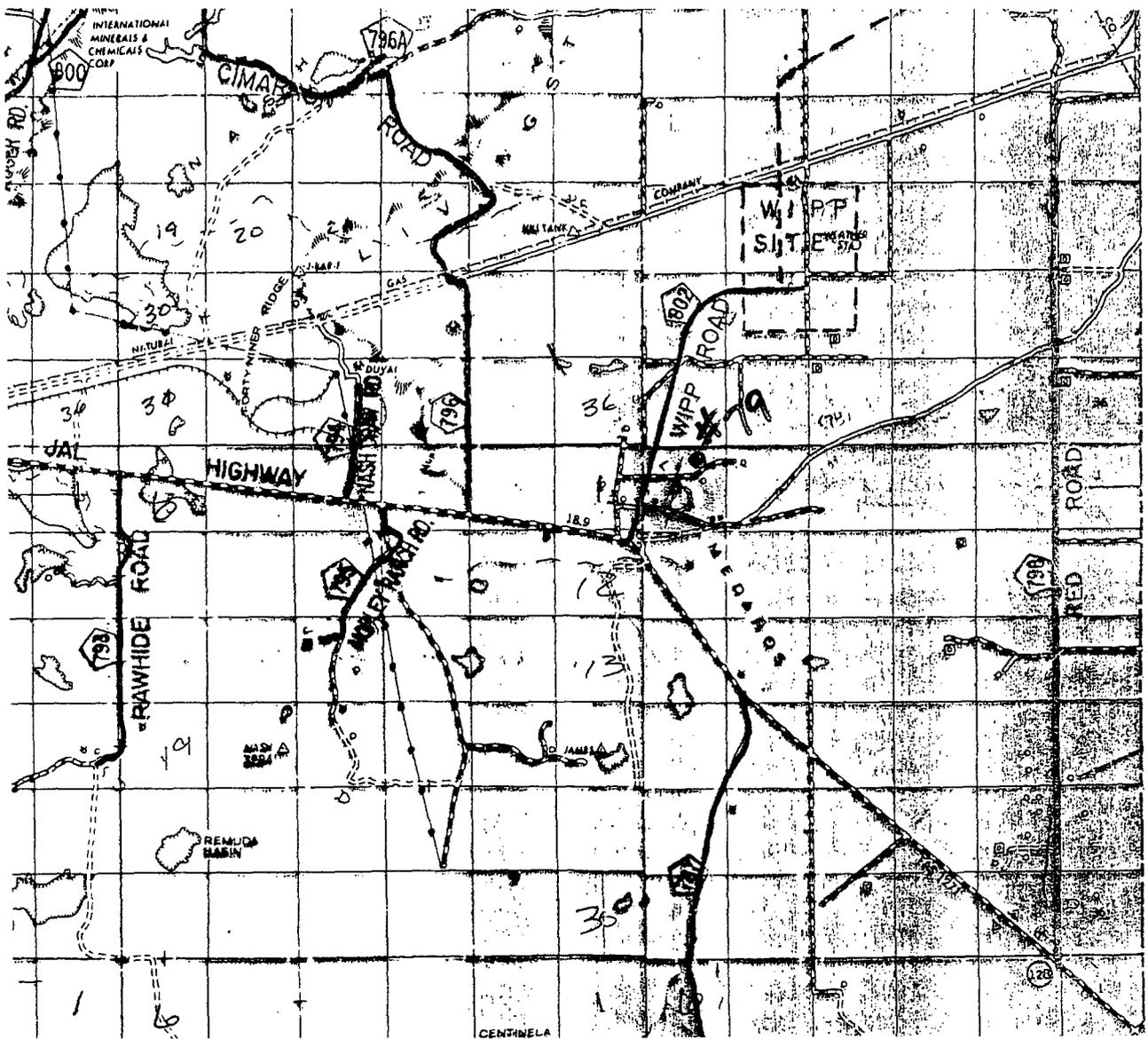
W.O. Number: 0212AA - KJG #122

Survey Date: 04-11-2000

Scale: 1" = 2000'

Date: 04-14-2000

**BASS ENTERPRISES  
 PRODUCTION CO.**



**JAMES RANCH UNIT #79**  
 Located at 330' FNL and 990' FEL  
 Section 6, Township 23 South, Range 31 East,  
 N.M.P.M., Eddy County, New Mexico.



focused on excellence  
in the oilfield

P.O. Box 1786  
 1120 N. West County Rd.  
 Hobbs, New Mexico 88241  
 (505) 393-7316 - Office  
 (505) 392-3074 - Fax  
 basinsurveys.com

W.O. Number: 0212AA - KJG #122

Survey Date: 04-11-2000

Scale: 1" = 2000'

Date: 04-14-2000

**BASS ENTERPRISES  
 PRODUCTION CO.**

**James Ranch Unit #79  
Application for Downhole Commingling**

**INTEREST OWNERS**

Ray Powell  
New Mexico State Land Office  
P. O. Box 1148  
Santa Fe, New Mexico 87504

I, Tami Wilber certify that the Commissioner of Public Lands has been notified of this application.

*Tami Wilber*  
Bass Enterprises Production Co.  
Tami Wilber  
Production Clerk

September 14, 2000

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires July 31, 1996

**SUNDRY NOTICES AND REPORTS ON WELLS**

*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

5. Lease Serial No.

NM-02887 A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.  
James Ranch Unit

8. Well Name and No.  
James Ranch Unit #79

9. API Well No.  
30-015-31056

10. Field and Pool, or Exploratory Area  
Los Medanos (Wolfcamp) South

11. County or Parish, State  
Eddy NM

*SUBMIT IN TRIPLICATE - Other instructions on reverse side*

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
Bass Enterprises Production Co.

3a. Address P.O. Box 2760, Midland, TX 79702-2760  
3b. Phone No. (include area code) (915) 683-2277

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
330' FNL & 990' FEL, Lot 1  
Section 6, T23S, R31E

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Downhole</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>Commingling</u>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

Approval is requested to downhole commingle the following zones:

Los Medanos (Bone Spring)  
Los Medanos (Wolfcamp)

Production Allocations are as follows:

	Oil	Gas
Los Medanos (Bone Spring)	60%	60%
Los Medanos (Wolfcamp)	40%	40%

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

Tami Wilber

Title

Production Clerk

*Tami Wilber*

Date 9/14/00

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)