

District I
1625 N. French Drive, Hobbs, NM 88240

District II
811 South First Street, Artesia, NM 88210

District III
1000 Rio Brazos Road, Aztec, NM 87410

District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals, and Natural Resources Department
BEP CO - WID PRODUCTION
NOV 04 2003
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PLR0331735724

Form C-107A
Revised May 15, 2000

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, New Mexico 87505

APPLICATION TYPE
 Single Well
Established Pre-Approved Pools
EXISTING WELLBORE
 Yes No

APPLICATION FOR DOWNHOLE COMMINGLING

Bass Enterprises Production Co. P. O. Box 2760 Midland TX 79702
Operator Address

James Ranch Unit 80 Section 36 T22S R30E Eddy
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 001801 Property Code 001786 API No. 30-015-32868 Lease Type Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Los Medanos Bone Spring <i>oil</i> ✓		<i>undesignated</i> Los Medanos S Wolfcamp <i>oil</i> ✓
Pool Code	40295		96336
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	10900-910'		11096-111'
Method of Production (Flowing of Artificial Lift)	Flowing		Flowing
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	N/A		N/A
Oil Gravity or Gas BTU (Degree API or Gas BTU)	44.2		44.2
Producing, Shut-in or New Zone	Producing		Producing
Date and Oil/Gas/Water Rates of Last Production (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: 10/07/2003 Rates: 44/7/126	Date: Rates:	Date: 10/07/2003 Rates: 76/11/215
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or part production, supporting data or explanation will be required.)	Oil 37 % Gas 37 %	Oil % Gas %	Oil 63 % Gas 63 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingling zones? Yes No
If not, have all working royalty and overriding royalty interest owners been notified by certified mail? Yes No

Are all produced fluids from all commingling zones compatible with each other? Yes No

Will commingling decrease the value of production? Yes No

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

NMOCD Reference Case No. applicable to this well: R-10558

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 working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

Pre-Approved Pools

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

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 10/16/2003

TYPE OR PRINT NAME Tami Wilber TELEPHONE NO. (432)683-2277

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Energy, Minerals and Natural Resources

Form C-102

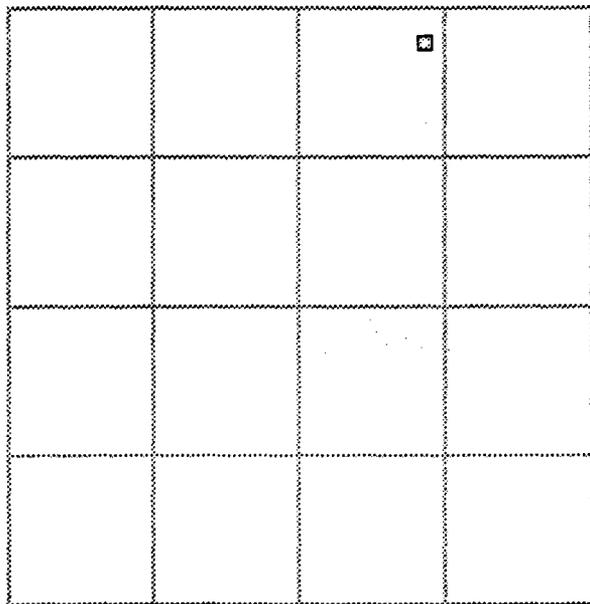
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Name LOS MEDANOS; WOLFCAMP, SOUTH	Pool Code 96336
Property Code 1786	Property Name JAMES RANCH UNIT	Well No. 080
OGRID No. 1801	Operator Name Bass Enterprises Production Co.	Elevation 3318

Surface And Bottom Hole Location

UL or Lot B	Section 36	Township 22S	Range 30E	Lot Idn	Feet From 330	N/S Line N	Feet From 1500	E/W Line E	County Eddy
Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.						



<p align="center">OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p>Electronically Signed By: Kent Adams Title: Manager Date: 5/2/2003</p>
<p align="center">SURVEYOR CERTIFICATION</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>Electronically Signed By: Gary Jones Date of Survey: 6/6/2000 Certificate Number: 7977</p>

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OGRID No. 1801	Operator Name Bass Enterprises Production Co.	Elevation 3318

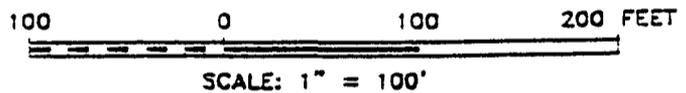
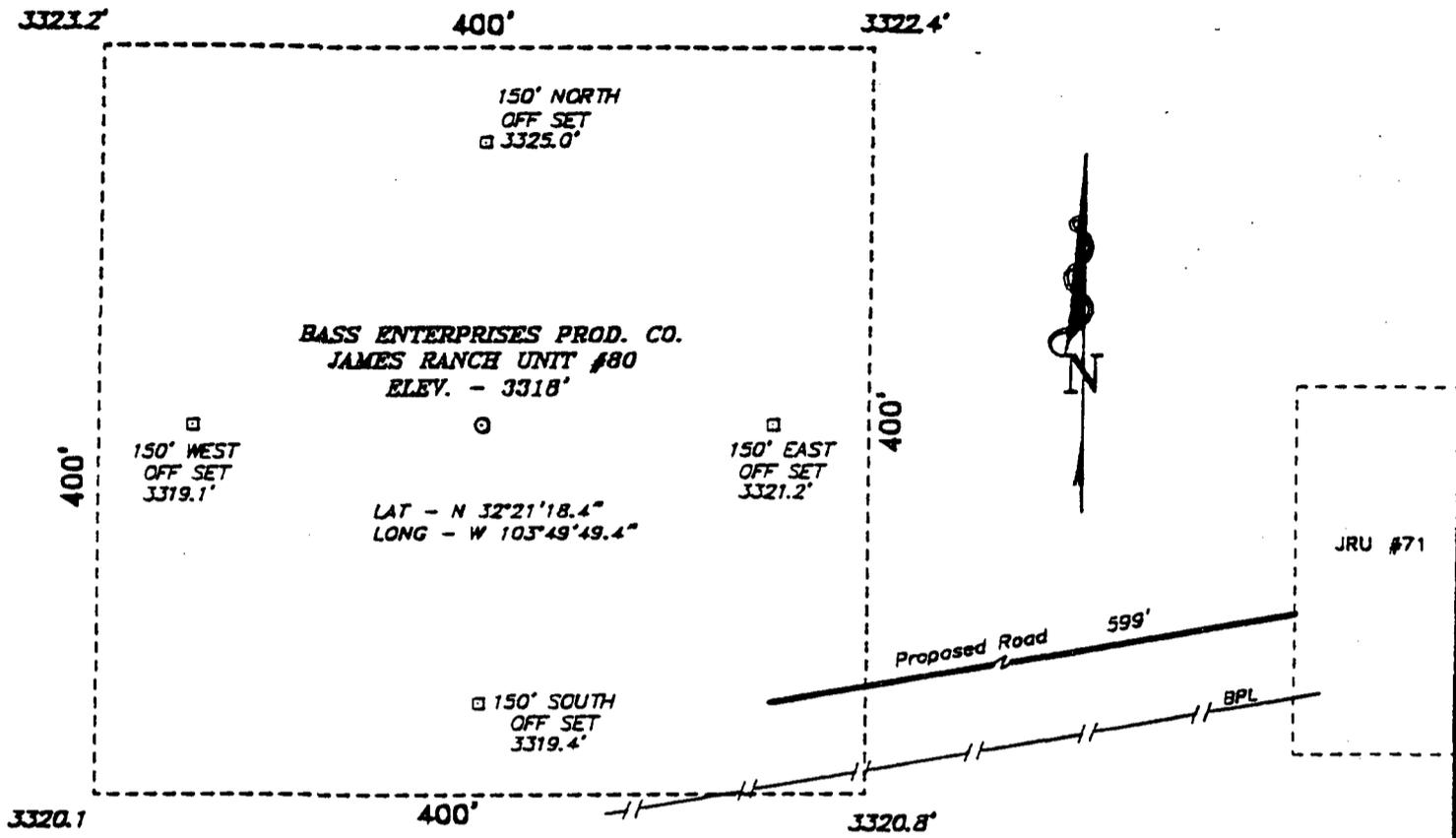
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			<input checked="" type="checkbox"/>

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**SECTION 36, TOWNSHIP 22 SOUTH, RANGE 30 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.**



DIRECTIONS TO LOCATION:

FROM THE JUNCTION OF STATE HWY 128 AND COUNTY ROAD 802 (WPP ROAD), GO NORTH ON CO. RD 802 APPROX. 2 MILES TO A POINT WHICH LIES APPROX. 0.5 MILE EAST OF LOCATION.

BASS ENTERPRISES PROD. CO.

REF: James Ranch Unit No. 80 / Well Pad Topo

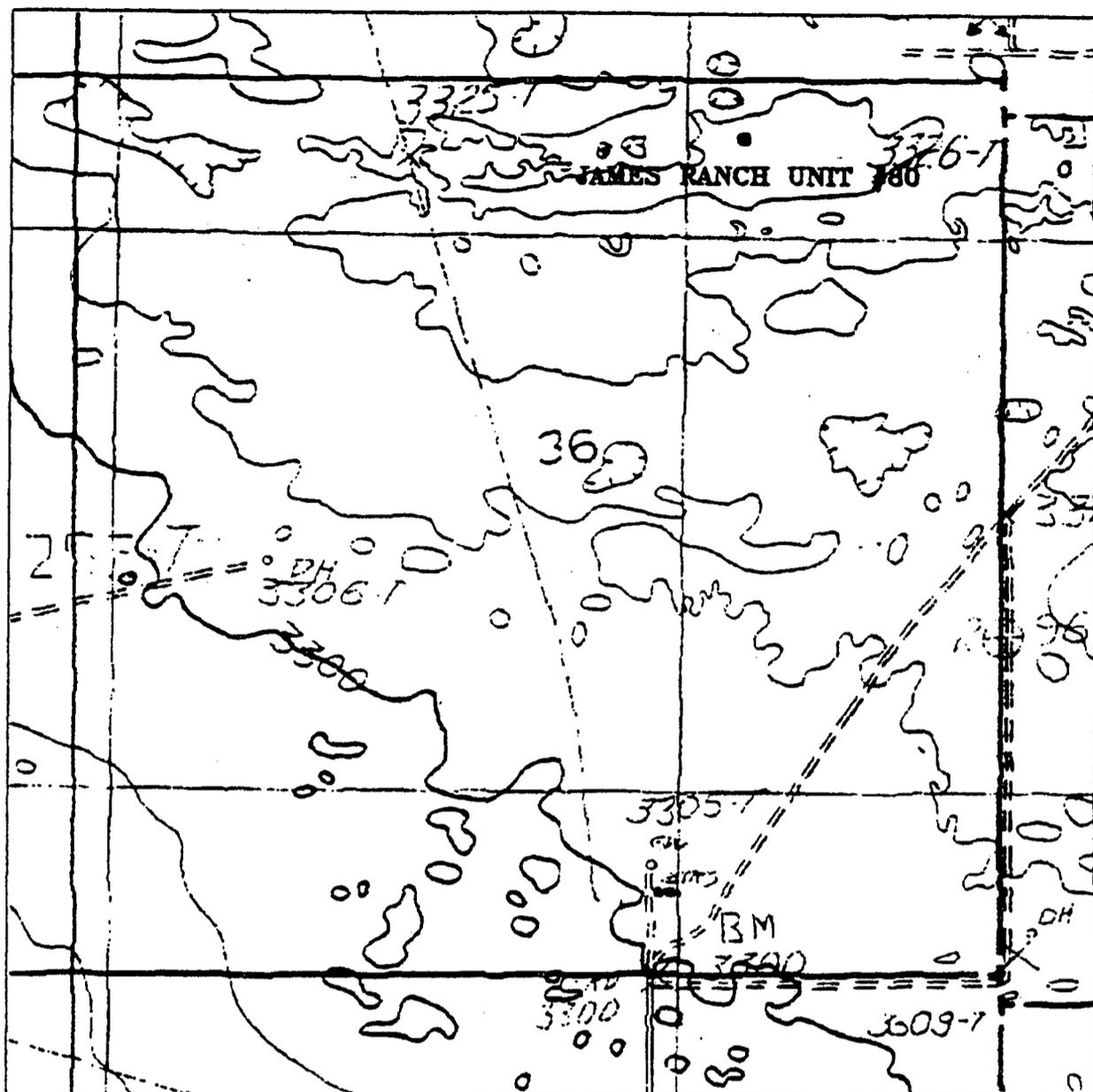
THE JAMES RANCH UNIT No. 80 LOCATED 330' FROM THE NORTH LINE AND 1500' FROM THE EAST LINE OF SECTION 36, TOWNSHIP 22 SOUTH, RANGE 30 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO.

SIN SURVEYS P.O. BOX 1786 - HOBBS, NEW MEXICO

Number: 0009 Drawn By: K. GOAD

: 01-07-2000 Disk: KJG #122 - 0009A.DWG

Survey Date: 01-06-2000 Sheet 1 of 1 Sheets



JAMES RANCH UNIT #80

Located at 330' FNL and 1500' FEL
 Section 36, Township 22 South, Range 30 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
 oasinsurveys.com

W.O. Number: 0009AA - KJG #122

Survey Date: 01-06-2000

Scale: 1" = 1000'

Date: 01-07-2000

**Bass Enterprises
 Production Co.**

James Ranch Unit #80
Application for Downhole Commingling

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

	<u>Bone Spring</u>	<u>Wolfcamp</u>
Net Pay	14 ft	24 ft
Average Porosity	10%	10%
ΦH	1.4	2.4
Allocation	37%	63%

James Ranch Unit #80
Application for Downhole Commingling

Allocation based on percentage of porosity-feet in each zone.

1. In order to significantly reduce the cost of the completion, the Bone Spring and the Wolfcamp were fracture stimulated together with a limited entry design. The proppant was tagged with radioactive tracer and an after frac log was run. The after frac log showed that the two fractures grew together and production entering the wellbore would likely be commingled in the fracture. The cost savings attributed to the limited entry fracturing technique is vital especially when marginal Bone Spring and/or Wolfcamp is encountered.
2. If the zones were completed separately, after frac logs have indicated that sufficient fracture height develops that would allow the second frac to communicate with the initial frac thus rendering individual zone testing suspect.
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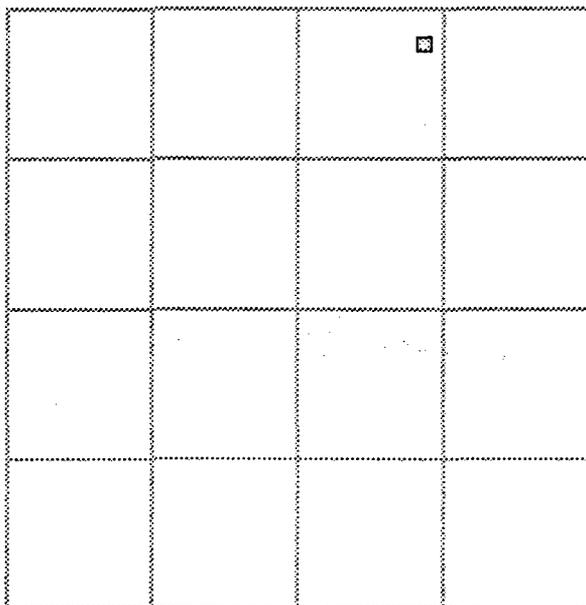
Form C-102

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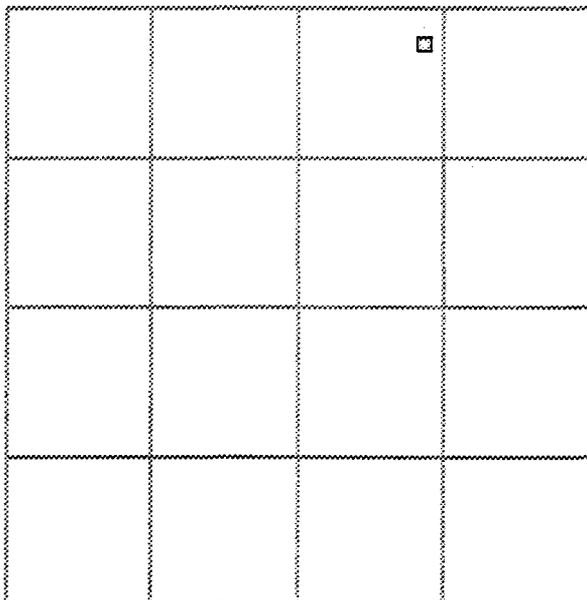
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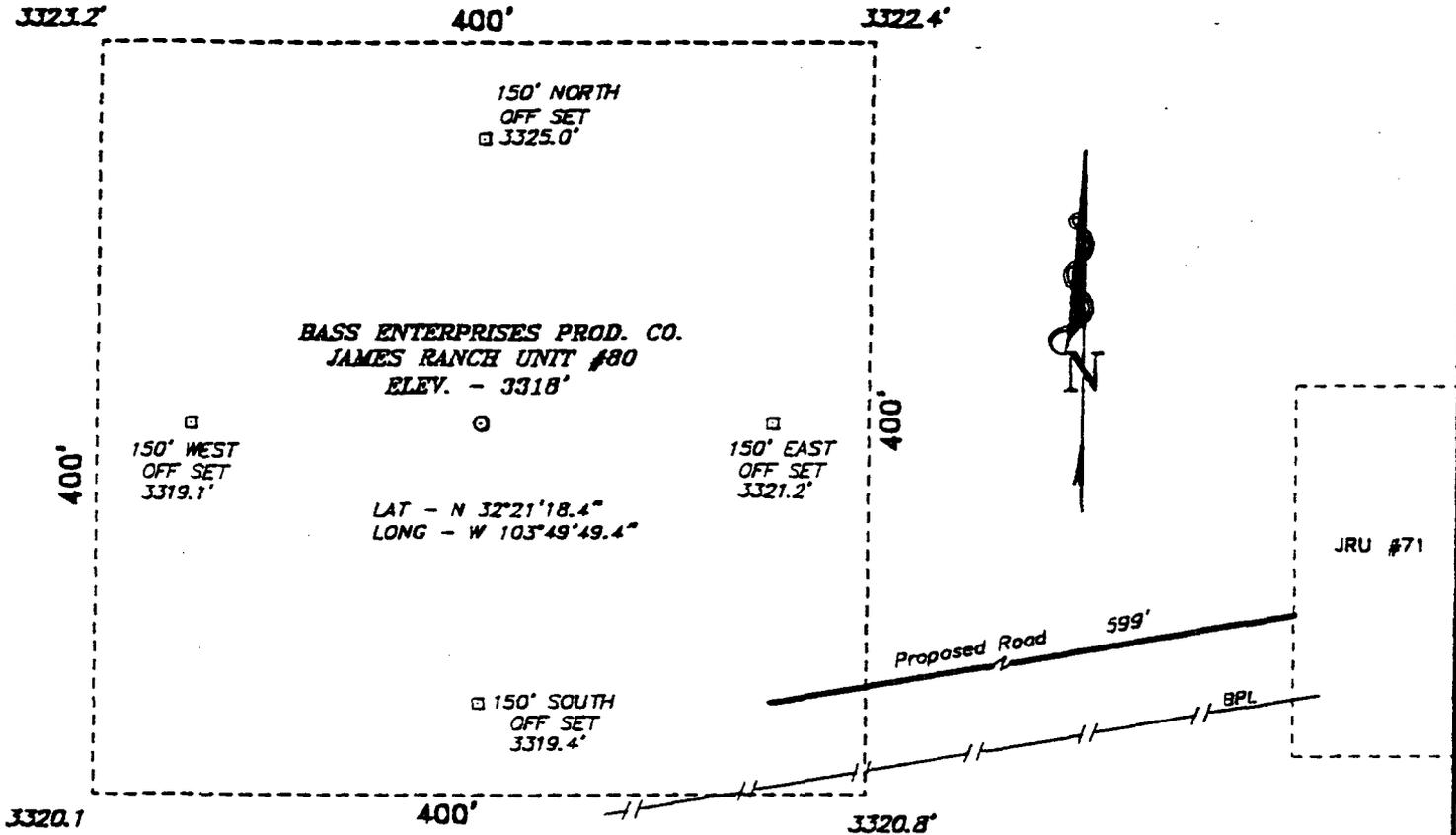
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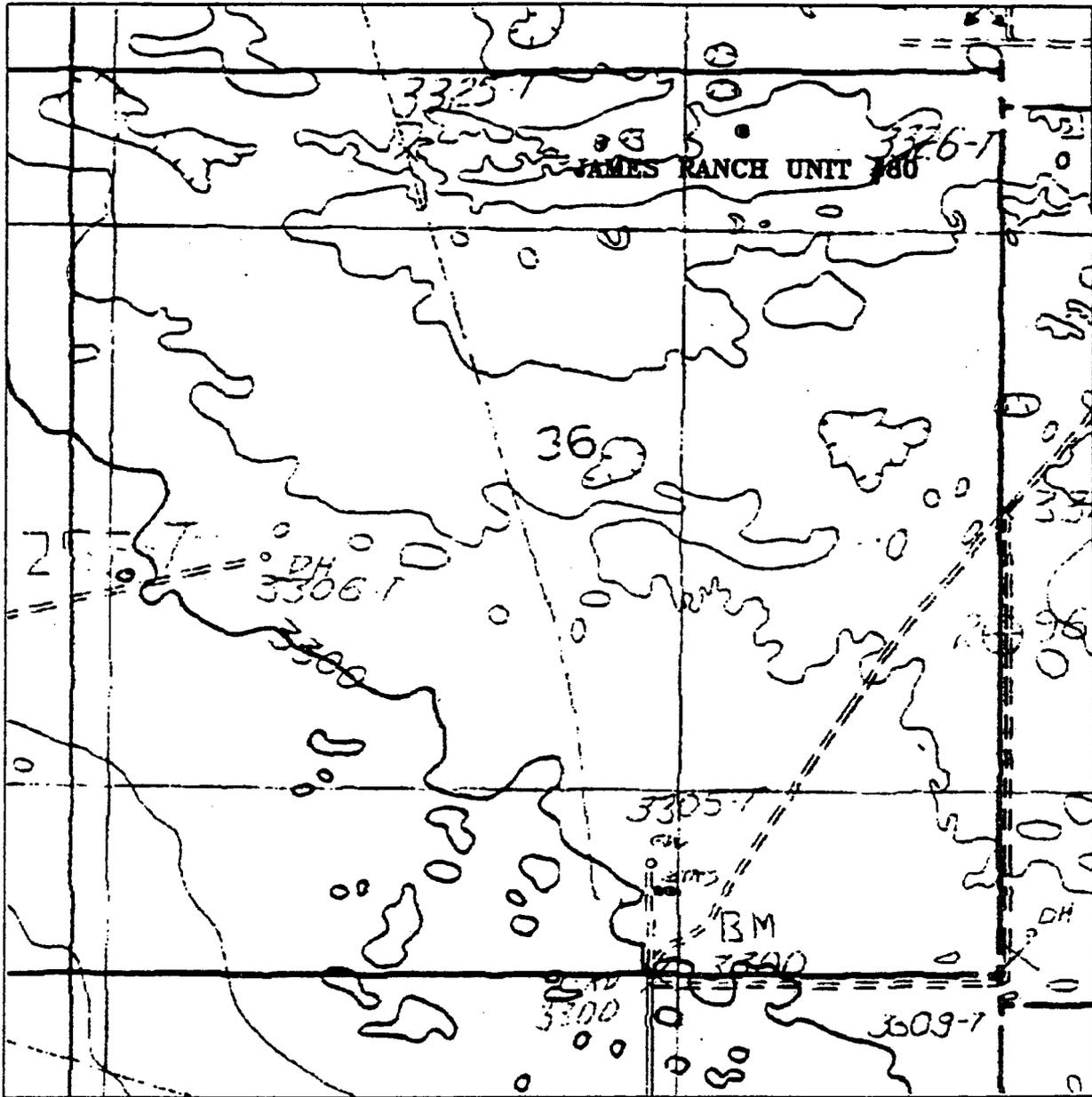
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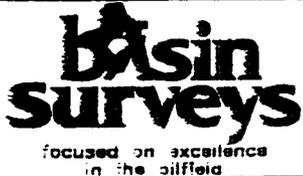
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