

DATE IN 12-1-03	SUSPENSE 12/22/03	ENGINEER MES	LOGGED IN ms	TYPE NSL	P.M.E.S.D. APP NO. 335332283
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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]

RECEIVED
 DEC 1 2003
 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 James Bruce Attorney for Applicant 12/1/03
 Print or Type Name Signature Title Date
 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) 982-2151 (FAX)

jamesbruc@aol.com

December 1, 2003

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

Dear Mr. Stogner:

Pursuant to Division Rule 104.F.(2), Bass Enterprises Production Co. ("Bass") applies to **amend Administrative Order NSL-601** for approval of an unorthodox gas well location in the Atoka formation for the following well:

Well: James Ranch Unit Well No. 4
Location: 2180 feet FSL & 330 feet FWL
Well Unit: W½ of Section 6, Township 23 South, Range 31 East, N.M.P.M., Eddy County, New Mexico

30-015-20803

The well was drilled to test the Morrow formation (Los Medanos-Morrow Gas Pool), and unorthodox location approval was granted by Order NSL-601, attached as Exhibit A. Attached as Exhibit B is a Form C-102 for the Morrow formation.

Applicant now requests unorthodox location approval in the Atoka formation (Undesignated Los Medanos-Atoka Gas Pool). Attached as Exhibit C is a Form C-102 for the Atoka formation.

Both pools are developed on statewide rules, with 320 acre spacing and wells to be located no closer than 660 feet to a quarter section line. (Spacing in the Los Medanos-Morrow Gas Pool was increased to 320 acres by Order No. R-4944.)

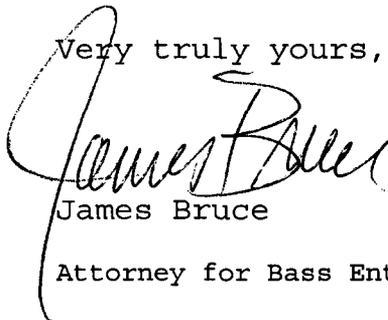
Atoka perforations were recently added, and production is downhole commingled. See Exhibits D and E. **The well is currently shut-in at the request of the Division's Artesia office.**

The well unit is within the James Ranch Unit, operated by Bass. The W½ §6, and the offsetting E½ §1-23S-30E, are all federal land. The leases, as to the Atoka and Morrow formations, are 100% owned

by Bass, and royalty interests are common. In addition, the E $\frac{1}{2}$ §1 has produced from the Atoka formation for over 20 years, from the James Ranch Unit Well No. 10, located in the SE $\frac{1}{4}$ NW $\frac{1}{4}$ §1. 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.

Very truly yours,

A handwritten signature in cursive script that reads "James Bruce". The signature is written in black ink and is positioned to the left of the typed name.

James Bruce

Attorney for Bass Enterprises Production Co.



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
P. O. BOX 2088 - SANTA FE
87501

May 4, 1973

GOVERNOR
BRUCE KING
CHAIRMAN

LAND COMMISSIONER
ALEX J. ARMJO
MEMBER

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

Belco Petroleum Corporation
2000 Wilco Building
Midland, Texas 79701

Attention: Mr. Glenn Cope

Administrative Order NSL-601

Gentlemen:

Reference is made to your application for approval of an unorthodox gas well location for your James Ranch Unit Well No. 4 to be located 2180 feet from the South line and 330 feet from the West line of Section 6, Township 23 South, Range 31 East, NMPM, undesignated Morrow gas pool, Eddy County, New Mexico.

Waivers of objection have been received from offsetting operators and the waiting period as prescribed by Rule 104 F may be dispensed with in this instance.

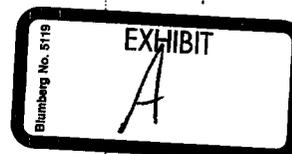
By authority granted me by the provisions of Rule 104 F of the Commission Rules and Regulations, the above-described unorthodox location is hereby approved.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/JEK/dr

cc: Oil Conservation Commission - Artesia
Oil & Gas Engineering Committee - Hobbs
U. S. Geological Survey - Artesia



2180S
330 W
7/10/73 2118 07

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-102
Revised August 15, 2000

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-015-20803		2 Pool Code 80560		3 Pool Name Los Medanos (Morrow)	
4 Property Code 001786		5 Property Name James Ranch Unit			6 Well Number 4
7 OGRID No. 001801		8 Operator Name Bass Enterprises Production Co.			9 Elevation 3296'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	6	23S	31E		2180'	South	330	West	Eddy

11 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

12 Dedicated Acres 320	13 Joint or Infill	14 Consolidation Code	15 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>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Tami Wilber</i></p> <p>Signature</p> <p>Tami Wilber</p> <p>Printed Name</p> <p>Production Clerk</p> <p>Title</p> <p>11/05/2003</p> <p>Date</p>
				<p>18 SURVEYOR CERTIFICATION</p> <p>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.</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> <p>John West-676</p> <p>Certification Number</p>



District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 15, 2000

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

* API Number 30-015-20803		* Pool Code 80520		* Pool Name Los Medanos (Atoka)	
* Property Code 001786		* Property Name James Ranch Unit			* Well Number 4
* OGRID No. 001801		* Operator Name Bass Enterprises Production Co.			* Elevation 3296'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	6	23S	31E		2180'	South	330	West	Eddy

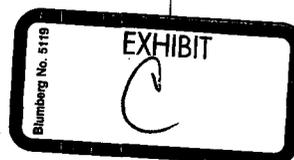
11 Bottom Hole Location If Different From Surface

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

* Dedicated Acres 320	* 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>16</p>	<p>W/2 Sec. 6 pro. unit</p>	<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Tami Wilber</i></p> <p>Signature</p> <p>Tami Wilber</p> <p>Printed Name</p> <p>Production Clerk</p> <p>Title</p> <p>11/05/2003</p> <p>Date</p>
		<p>18 SURVEYOR CERTIFICATION</p> <p>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.</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> <p>John West-676</p> <p>Certificate Number</p>



District I
1625 N. French Drive, Hobbs, NM 88340

State of New Mexico
Energy, Minerals, and Natural Resources Department

Form C-107A
Revised May 15, 2000

District II
811 South First Street, Artesia, NM 88210

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, New Mexico 87505

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

District III
1000 Rio Brazos Road, Aztec, NM 87410

District IV
2040 South Pacheco, Santa Fe, NM 87505

APPLICATION FOR DOWNHOLE COMMINGLING

Operator Bass Enterprises Production Co. Address P. O. Box 2760 Midland TX 79702
Lease James Ranch Unit Well No. 4 Unit Letter-Section-Township-Range Unit Letter L Section 6 T23S-R31E County Eddy
OGRID No. 001801 Property Code NM04473 API No. 30-015-20803 Lease Type Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Los Medanos (Atoka)		Los Medanos (Morrow)
Pool Code	80520		80560
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	12,912-12,920 Perfs		13,865-14,114 Perfs
Method of Production (Flowing or Artificial Lift)	Artificial Lift		Artificial Lift
Bottomhole Pressure <small>(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)</small>	800 psig		800 psig
Oil Gravity or Gas BTU (Degree API or Gas BTU)	Dry BTU 1090		Dry BTU 1012
Producing, Shut-in or New Zone	New Zone		Producing
Date and Oil/Gas/Water Rates of Last Production <small>(Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)</small>	Date: 10/29/2003 Rates: 72 mcfpd	Date: Rates:	Date: 10/29/2003 Rates: 476 mcfpd
Fixed Allocation Percentage <small>(Note: If allocation is based upon existing other than current or past production, supporting data or explanation will be required.)</small>	Oil % Gas 13 %	Oil % Gas %	Oil % Gas 87 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingling zones?
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

NMOC Reference Case No. applicable to this well: _____

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 11/04/2003

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