

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		CONFIDENTIAL	
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		7. If Unit or CA Agreement, Name and No. NMNM71016X	
2. Name of Operator BASS ENTERPRISES PRODUCTION CO		8. Lease Name and Well No. POKER LAKE UNIT 217	
3a. Address P O BOX 2760 MIDLAND, TX 79702		9. API Well No. 30-015-33863	
3b. Phone No. (include area code) Ph: 432-683-2277		10. Field and Pool, or Exploratory NASH DRAW-DELAWARE	
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SENE 1650FSL 660FEL 32.12012 N Lat, 103.54516 W Lon At proposed prod. zone SENE 1650FSL 660FEL 32.12012 N Lat, 103.54516 W Lon		11. Sec., T., R., M., or Blk. and Survey or Area Sec 19 T24S R30E Mer NMP SME: BLM	
14. Distance in miles and direction from nearest town or post office* 14 MILES EAST OF MALAGA, NM		12. County or Parish EDDY	
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 1650'		13. State NM	
16. No. of Acres in Lease 2520.68		17. Spacing Unit dedicated to this well 40.00	
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 990'		19. Proposed Depth 7700 MD 7700 TVD	
20. BLM/BIA Bond No. on file		21. Elevations (Show whether DF, KB, RT, GL, etc.) 3203 GL	
22. Approximate date work will start 01/15/2005		23. Estimated duration 12 DAYS	
24. Attachments CARLSBAD CONTROLLED WATER BASIN			

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- | | |
|---|--|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature (Electronic Submission)	Name (Printed/Typed) CINDI GOODMAN Ph: 432-683-2277	Date 11/11/2004
Title AUTHORIZED REPRESENTATIVE		
Approved by (Signature) /s/ Joe G. Lara	Name (Printed/Typed) /s/ Joe G. Lara	Date 17 DEC 2004
Title FIELD MANAGER	Office CARLSBAD FIELD OFFICE	

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

APPROVAL FOR 1 YEAR

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

Additional Operator Remarks (see next page)

Electronic Submission #50904 verified by the BLM Well Infor
For BASS ENTERPRISES PRODUCTION CO, sent to the
Committed to AFMSS for processing by LINDA ASKWIG on 11/15/If earthen pits are used in
association with the drilling of this
well, an OCD pit permit must be
obtained prior to pit construction.APPROVAL SUBJECT TO
GENERAL REQUIREMENTS
AND SPECIAL STIPULATIONS
ATTACHED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

Witness Surface Casing.

Additional Operator Remarks:

Surface casing to be set into Rustler below all fresh water sands.
Production casing will be cemented using Zone Seal Cement.
Drilling Procedure, BOP Diagram, Anticipated tops & surface plans attached.

This well is located outside the Secretary's Potash area and outside the R-111 Potash area. There are no potash leases within 1 mile of the location.

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 and Natural Resources Department

Form C-102

Revised March 17, 1999

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	Pool Code 47545	Pool Name NASH DRAW DELAWARE
Property Code 001796	Property Name POKER LAKE UNIT	Well Number 217
OGRID No. 001801	Operator Name BASS ENTERPRISES PRODUCTION COMPANY	Elevation 3203'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	19	24 S	30 E		1650	SOUTH	660	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	Joint or Infill	Consolidation Code	Order No.
40	N		

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

LOT 1 - 40.77 AC.	40.66 AC.	40.65 AC.	40.65 AC.	OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <u>William R. Dannels</u> Signature W.R. DANNELS Printed Name DIVISION DRILLING SUPT. Title <u>Nov. 11, 2004</u> Date
LOT 2 - 40.87 AC.	40.69 AC.	40.68 AC.	40.66 AC.	
LOT 3 - 40.94 AC.	40.69 AC.	40.68 AC.	40.67 AC.	
LOT 4 - 41.06 AC.	40.73 AC.	40.70 AC.	40.70 AC.	

LAT - N32°12'01.2"
LONG - W103°54'51.6"

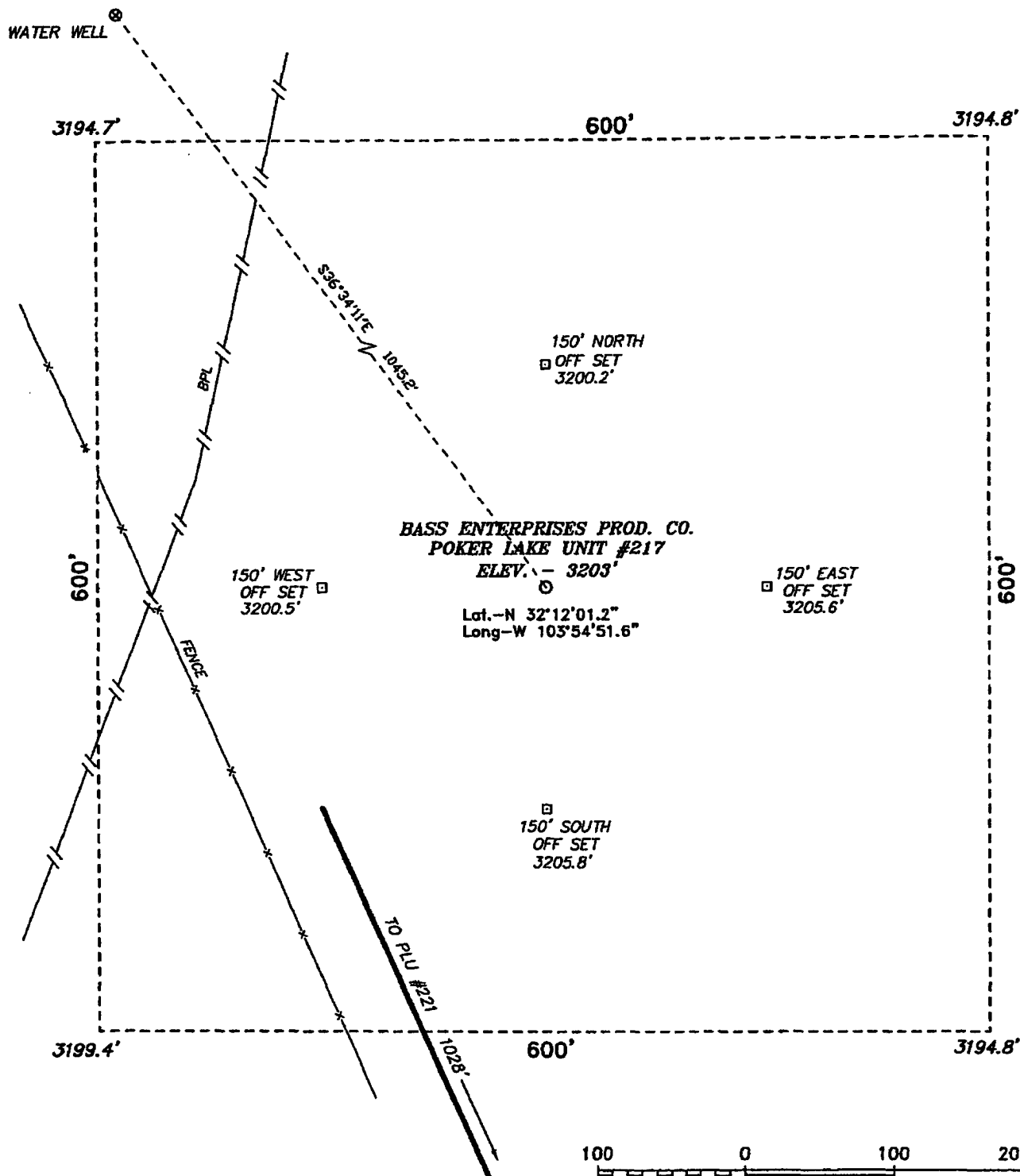
3194.7' 3194.8' 660' 3199.4' 3194.8' 1650'

SURVEYOR CERTIFICATION

 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.

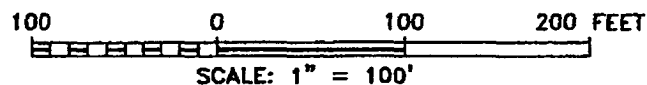
 APRIL 15, 2004
 Date Surveyed
 Signature & Seal of Professional Surveyor
 W.O. JONES
 Certificate No. Gary Jones 7977
 BASIN SURVEYS

SECTION 19, TOWNSHIP 24 SOUTH, RANGE 30 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO.



DIRECTIONS TO LOCATION:

FROM THE JUNCTION OF CO. RD. 746A AND CO. RD. 748, GO EASTERLY ON CO. RD. 746A FOR APPROX. 1.0 MILE TO A POINT APPROX. 1500 FEET NORTH OF PROPOSED LOCATION.



BASS ENTERPRISES PRODUCTION CO.

REF: POKER LAKE UNIT No. 217 / Well Pad Topo

THE POKER LAKE UNIT No. 217 LOCATED 1650' FROM
THE SOUTH LINE AND 660' FROM THE EAST LINE OF
SECTION 19, TOWNSHIP 24 SOUTH, RANGE 30 EAST,
N.M.P.M., EDDY COUNTY, NEW MEXICO.

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

W.O. Number: 4144 Drawn By: K. GOAD

Date: 04-23-2004 Disk: KJG CD#7 - 4144A.DWG

Survey Date: 04-15-2004 Sheet 1 of 1 Sheets

EIGHT POINT DRILLING PROGRAM BASS ENTERPRISES PRODUCTION CO.

NAME OF WELL: Poker Lake Unit #217

LEGAL DESCRIPTION - SURFACE: 1650' FSL & 660' FEL, Section 19, T-24-S, R-30-E, Eddy County, New Mexico.

POINT 1: ESTIMATED FORMATION TOPS

(See No. 2 Below)

POINT 2: WATER, OIL, GAS AND/OR MINERAL BEARING FORMATIONS

Anticipated Formation Tops: KB 3223' (est) GL 3203'

<u>FORMATION</u>	<u>ESTIMATED TOP FROM KB</u>	<u>ESTIMATED SUBSEA TOP</u>	<u>BEARING</u>
T/Rustler	263'	+2960'	Barren
B/Rustler	448'	+2775	Barren
T/Salt	498'	+2725'	Barren
B/Salt	3295'	-72	Barren
T/Lamar Lime	3532'	-309'	Barren
T/Ramsey	3558'	-335'	Oil/Gas
T/Lwr Brushy Canyon "8" A	7038'	-3815'	Oil/Gas
T/Y" Sand	7168'	-3945'	Oil/Gas
TD	7700'		

POINT 3: CASING PROGRAM

<u>TYPE</u>	<u>INTERVALS</u>	<u>PURPOSE</u>	<u>CONDITION</u>
16"	0'- 40'	Conductor	Contractor Discretion
8-5/8", 28#, J-55, ST&C	0'- 460'	Surface	New
5-1/2", 15.5#, J-55, LT&C	0'- 6300'	Production	New
5-1/2", 15.5#, L-80, LT&C	6300' -7700'	Production	New

POINT 4: PRESSURE CONTROL EQUIPMENT (SEE ATTACHED DIAGRAM)

A BOP equivalent to Diagram 1 will be nipped up on the surface casing head. The BOP stack choke, kill lines, kelly cocks, inside BOP, etc. will be hydro-tested to 70% of internal yield pressure of casing. In addition to the high pressure test, a low pressure (200 psi) test will be required. These tests will be performed:

- Upon installation
- After any component changes
- Fifteen days after a previous test
- As required by well conditions

A function test to insure that the preventers are operating correctly will be performed on each trip.

POINT 5: MUD PROGRAM

<u>DEPTH</u>	<u>MUD TYPE</u>	<u>WEIGHT</u>	<u>FV</u>	<u>PV</u>	<u>YP</u>	<u>FL</u>	<u>Ph</u>
0' - 460'	FW Spud Mud	8.5 - 9.2	70-38	NC	NC	NC	10.0
460' - 5600'	Brine Water	9.8 - 10.2	28-30	NC	NC	NC	9.5-10.5
5600' - TD'	Brine Water/Diesel	8.8 - 9.0	32-40	8	2	<25 cc	9.5 - 10.0

**May increase vis for logging purposes only.*

POINT 6: TECHNICAL STAGES OF OPERATION**A) TESTING**

None anticipated.

B) LOGGING

GR-CNL-LDT-AIT from TD to base of Salt (+/- 3295').

GR-CNL-CAL from base of Salt to surface.

C) CONVENTIONAL CORING

None anticipated.

D) CEMENT

<u>INTERVAL</u>	<u>AMOUNT SXS</u>	<u>FT OF FILL</u>	<u>TYPE</u>	<u>GALS/SX</u>	<u>PPG</u>	<u>FT³/SX</u>		
SURFACE:								
Lead 0 - 160' (100% excess circ to surface)	70	160	Permian Basin Critical Zone + 1/2# Flocele	10.4	12.8	1.90		
Tail 160-460' (100% excess circ to surface)	200	300	Prem Plus + 2% CaCl ₂ + 1/2# Flocele	6.33	14.8	1.35		
PRODUCTION:							COMPRESSIVE	
Base Slurry w/nitrogen 2900-7700' + (50% excess)	750	4800	Premium Plus + 2% Zone Sealant 2000	6.32	9.1-14.5	2.3-1.39	Nitrogen	Strength
							300/600 scf/bbl	1200

E) DIRECTIONAL DRILLING

No directional services anticipated.

POINT 7: ANTICIPATED RESERVOIR CONDITIONS

Normal pressures are anticipated throughout Delaware section. A BHP of 3310 psi (max) or MWE of 8.7 ppg is expected. Lost circulation may exist in the Delaware Section from 3479-7260'. No H₂S is anticipated.

POINT 8: OTHER PERTINENT INFORMATION

A) Auxiliary Equipment

Upper and lower kelly cocks. Full opening stab in valve on the rig floor.

B) Anticipated Starting Date

Upon approval

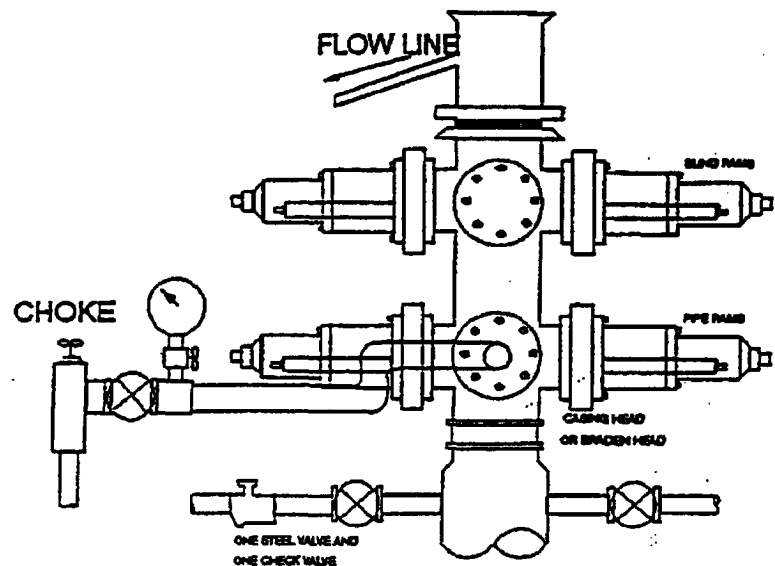
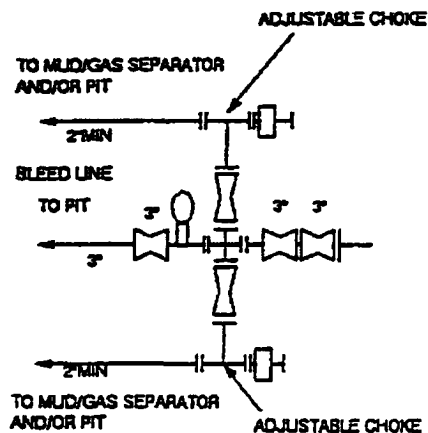
12 days drilling operations

14 days completion operations

FDC/cdg

September 27, 2004

2000 PSI WP



THE FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

- A. One double gate blowout preventer with lower rams for pipe and upper rams blind, all hydraulically controlled.
- B. Opening on preventers between rams to be flanged, studded or clamped and at least two inches in diameter.
- C. All connections from operating manifold to preventers to be all steel hose or tube a minimum of one inch in diameter.
- D. The available closing pressure shall be at least 15% in excess of that required with sufficient volume to operate (close, open, and re-close) the preventers.
- E. All connections to and from preventers to have a pressure rating equivalent to that of the BOP's.
- F. Manual controls to be installed before drilling cement plug.
- G. Valve to control flow through drill pipe to be located on rig floor.
- H. All chokes will be adjustable. Choke spool may be used between rams.

DIAGRAM 1

Bass Enterprises
Poker Lake, WI

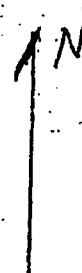
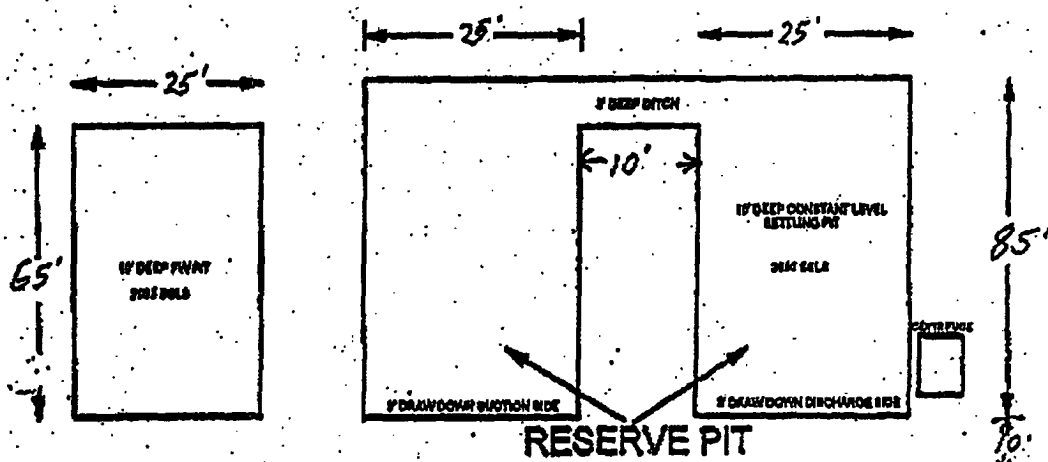
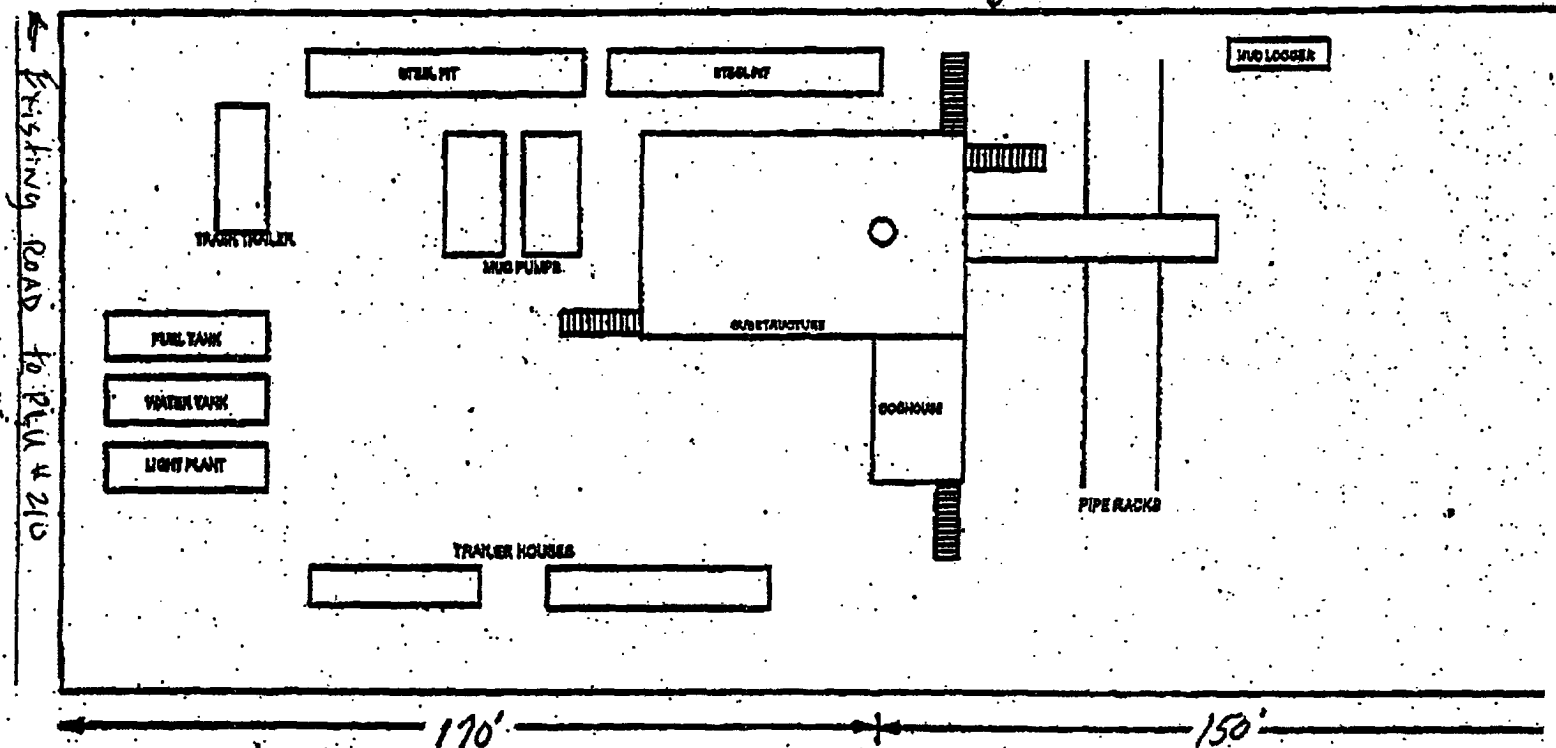


EXHIBIT "I"



BASS ENTERPRISES PRODUCTION COMPANY

POKER LAKE UNIT WELLS

RESERVE PIT DIMENSIONS

