

EC

OCD-ARTESIA

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

SEP 29 2004

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000APPLICATION FOR PERMIT TO DRILL OR REENTER ~~OCD-ARTESIA~~

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		CONFIDENTIAL	5. Lease Serial No. NMNM02860
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			6. If Indian, Allottee or Tribe Name
2. Name of Operator BASS ENTERPRISES PRODUCTION CO		Contact: CINDI GOODMAN E-Mail: cdgoodman@basspet.com	7. If Unit or CA Agreement, Name and No. NMNM71016X
3a. Address P O BOX 2760 MIDLAND, TX 79702		3b. Phone No. (include area code) Ph: 432.683.2277 Fx: 432.687.0329	8. Lease Name and Well No. POKER LAKE UNIT 207
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SENE Lot H 2500FNL 860FEL 32.13049 N Lat, 103.54538 W Lon At proposed prod. zone SENE Lot H 2500FNL 860FEL 32.13049 N Lat, 103.54538 W Lon		9. API Well No. 30-015-34078	
14. Distance in miles and direction from nearest town or post office* 14 MILES EAST OF MALAGA NM		11. Sec., T., R., M., or Blk. and Survey or Area Sec 18 T24S R30E Mer NMP SME: BLM	
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 2500'		16. No. of Acres in Lease 2520.68	12. County or Parish EDDY
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 900'		19. Proposed Depth 7700 MD 7700 TVD	13. State NM
21. Elevations (Show whether DF, KB, RT, GL, etc.) 3209 GL		20. BLM/BIA Bond No. on file	17. Spacing Unit dedicated to this well 40.00
22. Approximate date work will start 10/15/2004		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.
2. A Drilling Plan.
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).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
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	Date 07/23/2004
Title AUTHORIZED REPRESENTATIVE		
Approved by (Signature) William S. Condit	Name (Printed/Typed) William S. Condit	Date 22 SEP 2004
Title ACTING STATE DIRECTOR	Office NM STATE 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 #33426 verified by the BLM Well Information System
For BASS ENTERPRISES PRODUCTION CO, sent to the Carlsbad
Committed to AFMSS for processing by ARMANDO LOPEZ on 07/26/2004 (04AL0277AE)APPROVAL SUBJECT TO
GENERAL REQUIREMENTS
AND SPECIAL STIPULATIONS

Witness Surface Casing.

ATTACHED* BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

> 9.5, Salt, CIL Based MUD

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 this 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	Pool Name NASH DRAW (DELAWARE) FIELD
Property Code 001796	Property Name POKER LAKE UNIT	Well Number 207
OGRID No. 001801	Operator Name BASS ENTERPRISES PRODUCTION COMPANY	Elevation 3209'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	18	24 S	30 E		2500	NORTH	860	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 I	Consolidation Code	Order No.
-----------------------	----------------------	--------------------	-----------

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 - 39.96 AC.	80 AC.	160 AC.		OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. <i>William R. Dannels</i> Signature W.R. DANNELS Printed Name DIVISION DRILLING SUPT. Title 7-22-04 Date
LOT 2 - 39.96 AC.				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. MAY 19, 2004 Date Surveyed Signature & Seal of Professional Surveyor
LOT 3 - 40.02 AC.	80 AC.	160 AC.		
LOT 4 - 40.07 AC.				

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-144
March 12, 2004

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

For drilling and production facilities, submit to appropriate NMOCD District Office.
For downstream facilities, submit to Santa Fe office

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes ☒ No ☐

Type of action: Registration of a pit or below-grade tank ☒ Closure of a pit or below-grade tank ☐

Operator: **Bass Enterprises Production Co.** Telephone: **(432)683-2277** e-mail address: **cdgoodman@basspet.com**
Address: **P. O. Box 2760 Midland, TX 79702**
Facility or well name: **POKER LAKE UNIT #207** API # **30-015-34078** U/Lor Qtr/Qtr **SENE** Sec **18** T **24S** R **30E**
County: **EDDY** Latitude **32.13049** Longitude **103.54538** NAD: 1927 ☐ 1983 ☒ Surface Owner Federal ☒ State ☐ Private ☐ Indian ☐

Pit	Below-grade tank
Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input checked="" type="checkbox"/> Thickness 12 mil Clay <input type="checkbox"/> Volume 7300 bbl	Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not: _____
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet (20 points) 50 feet or more, but less than 100 feet (10 points) 100 feet or more (0 points)
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes (20 points) No (0 points)
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet (20 points) 200 feet or more, but less than 1000 feet (10 points) 1000 feet or more (0 points)
Ranking Score (Total Points) 0	

If this is a pit closure: (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location:

onsite ☐ offsite ☐ If offsite, name of facility _____ (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☐ Yes ☐ If yes, show depth below ground surface _____ ft and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Date: **09/23/2004**

Printed Name/Title **Cindi Goodman Production Clerk**

Signature *Cindi Goodman*

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval: **SE**

Date: **SEP 28 2004**

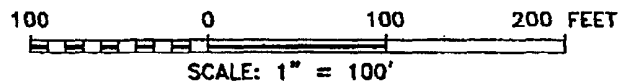
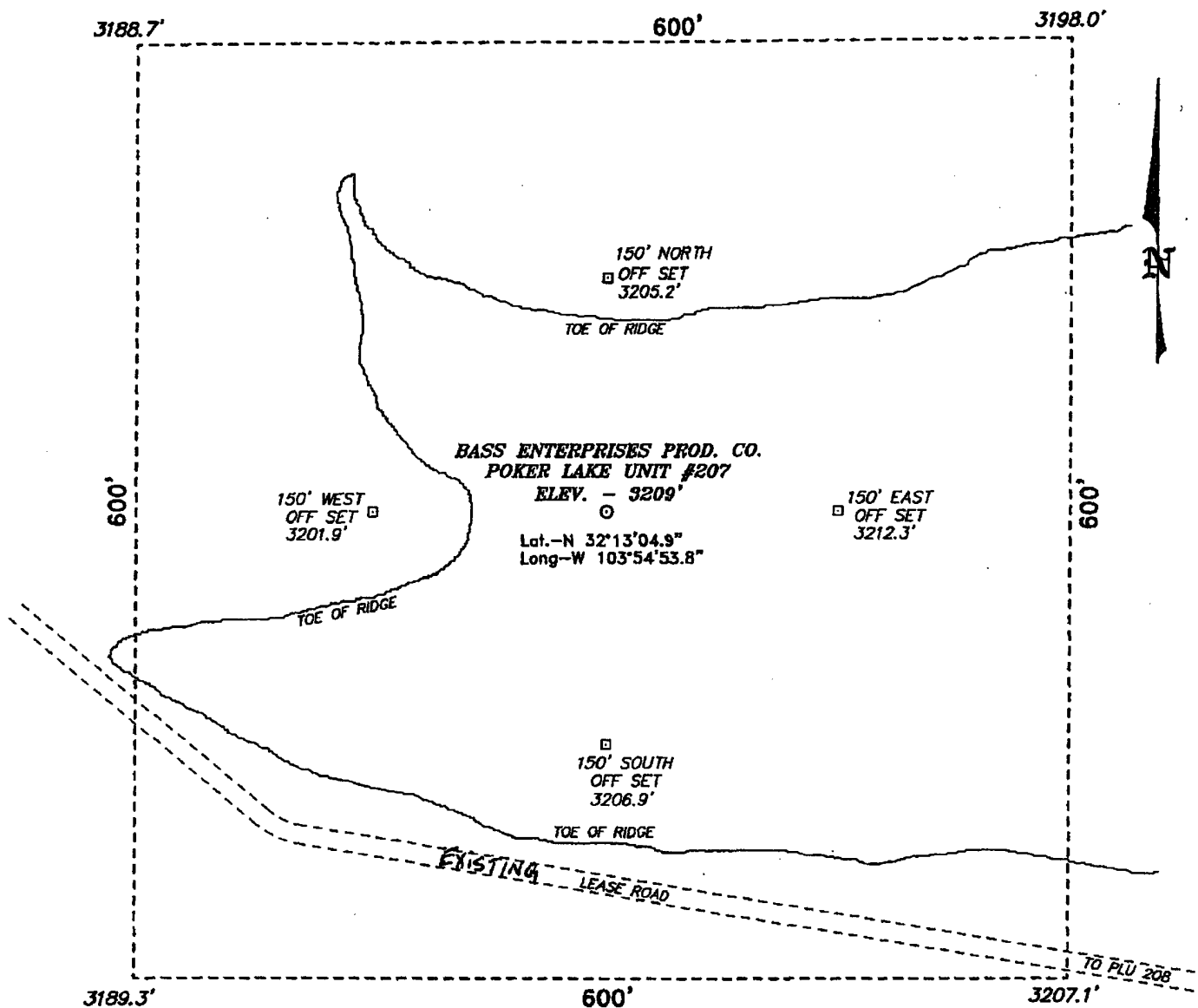
Gerry Guye

Printed Name/Title

Compliance Officer

Signature *Gerry Guye*

SECTION 18, TOWNSHIP 24 SOUTH, RANGE 30 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO.



DIRECTIONS TO LOCATION:

FROM THE JUNCTION OF CO. RD. 748 AND CO. RD. 746A, GO NORTHERLY ON 746A FOR APPROX. 2.0 MILES TO LEASE ROAD; THENCE WEST ON LEASE ROAD TO THE PLU #208 AND CONTINUE WEST TO THE PROPOSED WELL PAD.

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

W.O. Number: 4298

Drawn By: K. GOAD

Date: 05-20-2004

Disk: KJG CD#7 - 4298A.DWG

BASS ENTERPRISES PRODUCTION CO.

REF: POKER LAKE UNIT No. 207 / Well Pad Topo

THE POKER LAKE UNIT No. 207 LOCATED 2500' FROM
THE NORTH LINE AND 860' FROM THE EAST LINE OF
SECTION 18, TOWNSHIP 24 SOUTH, RANGE 30 EAST,
N.M.P.M., EDDY COUNTY, NEW MEXICO.

Survey Date: 05-19-2004

Sheet 1 of 1 Sheets

**EIGHT POINT DRILLING PROGRAM
BASS ENTERPRISES PRODUCTION CO.**

NAME OF WELL: Poker Lake Unit #207

LEGAL DESCRIPTION - SURFACE: 2500' FNL & 860' FEL, Section 18, 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 3227' (est) GL 3209'

<u>FORMATION</u>	<u>ESTIMATED TOP FROM KB</u>	<u>ESTIMATED SUBSEA TOP</u>	<u>BEARING</u>
T/Rustler	627'	+2600	Barren
T/Salt	977'	+2250'	Barren
T/Lwr Brushy Canyon "8" A	7037'	-3810'	Oil/Gas
T/Bone Spring	7319'	-4092'	Oil/Gas
TD	7700'	-4473'	

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, LT&C	0'- 900'	Surface	New
5-1/2", 15.5#, J-55, LT&C	0' -6300'	Production	New
5-1/2", 17#, J-55, LT&C	6300' -7700'	Production	New

WITNESS

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

DEPTH	MUD TYPE	WEIGHT	FV	PV	YP	FL	Ph
0' - 900'	FW Spud Mud	8.5 - 9.2	70-38	NC	NC	NC	10.0
700' - 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 (+/- 3200').
GR-CNL-CAL from base of Salt to surface.

C) CONVENTIONAL CORING

None anticipated.

D) CEMENT

INTERVAL	AMOUNT SXS	FT OF FILL	TYPE	GALS/SX	PPG	FT ³ /SX	COMPRESSIVE Nitrogen Strength	
SURFACE:								
Lead 0 - 573' (100% excess circ to surface)	250	573	Permian Basin Critical Zone + 1/2# Flocele	10.4	12.8	1.90		
Tail 573'-900' (100% excess circ to surface)	200	327	Prem Plus + 2% CaCl ₂ + 1/2# Flocele	6.33	14.8	1.35		
PRODUCTION:								
Base Slurry w/nitrogen 3000-7700' + (50% excess)	775	4700	Premium Plus + 2% Zone Sealant 2000	6.32	9.1-14.5	2.3-1.39	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 3285 psi (max) or MWE of 8.7 ppg is expected. Lost circulation may exist in the Delaware Section from 3500-7319'. 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

WRD/cdg

July 22, 2004

MULTI-POINT SURFACE USE PLAN

NAME OF WELL: Poker Lake Unit #207

LEGAL DESCRIPTION - SURFACE: 2500' FNL & 860' FEL, Section 18, T-24-S, R-30-E, Eddy County, New Mexico.

POINT 1: EXISTING ROADS

A) Proposed Well Site Location:

See Exhibit A, B and Survey Plats

B) Existing Roads:

From Carlsbad, New Mexico, go 8 miles south on Highway 285 to Highway 31. Turn north and 7 miles on Highway 31. Turn east on Highway 128 and go 4 miles to Rawhide Road (located between mile markers 4 and 5). Turn southeast onto Rawhide Road and go approximately 9.0 miles southerly.

C) Existing Road Maintenance or Improvement Plan:

See Exhibit B and Survey Plats.

POINT 2: NEW PLANNED ACCESS ROUTE

A) Route Location:

See Exhibit B. No new roads required. Location is located adjacent to an existing lease road.

B) Width

N/A

C) Maximum Grade

Not applicable.

D) Turnout Ditches

Spaced per BLM requirements.

E) Culverts, Cattle Guards, and Surfacing Equipment

If required, culverts and cattle guards will be set per BLM Specs.

POINT 3: LOCATION OF EXISTING WELLS

Exhibit A indicates existing wells within the surrounding area.

POINT 4: LOCATION OF EXISTING OR PROPOSED FACILITIES

Page 2

A) Existing facilities within one mile owned or controlled by lessee/operator:

Oil/Gas production facilities are located at PLU #158 wellsite.

B) New Facilities in the Event of Production:

New production facilities will be constructed on the existing well pad for Poker Lake Unit #207.

C) Rehabilitation of Disturbed Areas Unnecessary for Production:

Following flowline construction, those access areas required for continued production will be graded to provide drainage and minimize erosion. The areas unnecessary for use will be graded to blend in with the surrounding topography (see Point 10)

POINT 5: LOCATION AND TYPE OF WATER SUPPLY**A) Location and Type of Water Supply**

Fresh water will be hauled from Johnson Station 50 miles east of Carlsbad, New Mexico or other commercial facilities. Brine water will be hauled from commercial facilities.

B) Water Transportation System

Water hauling to the location will be over the existing and proposed roads.

POINT 6: SOURCE OF CONSTRUCTION MATERIALS**A) Materials**

Exhibit A shows location of caliche source.

B) Land Ownership

Federally Owned.

C) Materials Foreign to the Site

No construction materials foreign to this area are anticipated for this drill site.

D) Access Roads

See Exhibit B.

POINT 7: METHODS FOR HANDLING WASTE MATERIAL

Page 3

A) Cuttings

Cuttings will be contained in the reserve pit.

B) Drilling Fluids

Drilling fluids will be contained in the reserve pit.

C) Produced Fluids

Water production will be contained in the reserve pit.

Hydrocarbon fluid or other fluids that may be produced during testing will be retained in test tanks. Prior to cleanup operations, any hydrocarbon material in the reserve pit will be removed by skimming or burning as the situation would dictate.

D) Sewage

Current laws and regulations pertaining to the disposal of human waste will be complied with.

E) Garbage

Portable containers will be utilized for garbage disposal during the drilling of this well.

F) Cleanup of Well Site

Upon release of the drilling rig, the surface of the drilling pad will be graded to accommodate a completion rig if electric log analysis indicate potential productive zones. The reserve pit will be fenced and bird netted. The fence will be maintained until the pit is backfilled. Reasonable cleanup will be performed prior to the final restoration of the site.

POINT 8: ANCILLARY FACILITIES

None required.

POINT 9: WELL SITE LAYOUT**A) Rig Orientation and Layout**

Exhibits "C" & "D" shows the dimensions of the well pad and reserve pits, and the location of major rig components. Only minor leveling of the well site will be required. No significant cuts or fills will be necessary.

B) Locations of Pits and Access Road

See Exhibits "B", "C" & "D".

C) Lining of the Pits

The reserve pit will be lined with plastic.

POINT 10: PLANS FOR RESTORATION OF THE SURFACE

A) Reserve Pit Cleanup

The pits will be fenced immediately after construction and shall be maintained until they are backfilled. Previous to backfill operations, any hydrocarbon material on the pits' surfaces shall be removed. The fluids and solids contained in the pits shall be backfilled with soil excavated from the site and soil adjacent to the reserve pits. The restored surface of the pits shall be contoured to prevent impoundment of surface water flow. Water-bars will be constructed as needed to prevent excessive erosion. Topsoil, as available, shall be placed over the restored surface in a uniform layer. The area will be seeded according to the Bureau of Land Management stipulations during the appropriate season following restoration.

B) Restoration Plans - Production Developed

The reserve pits will be backfilled and restored as described above under Item A. In addition, those areas not required for production will be graded to blend with the surrounding topography. Topsoil, as available, will be placed upon those areas and seeded. The portion of the site required for production will be graded to minimize erosion and provide access during inclement conditions. Following depletion and abandonment of the site, restoration procedures will be those that follow under Item C.

C) Restoration Plans - No Production Developed

The reserve pits will be restored as described above. With no production developed, the entire surface disturbed by construction of the well site will be restored. The site will be contoured to blend with the surrounding topography and provide drainage of surface water. The topsoil, as available, shall be replaced in a uniform layer and seeded according to the Bureau of Land Management's stipulations.

D) Rehabilitation's Timetable

Upon completion of drilling operations, the initial cleanup of the site will be performed as soon as weather and site conditions allow economic execution of the work.

POINT 11: OTHER INFORMATION

Page 5

A) Terrain

Relatively flat.

B) Soil

Caliche and sand.

C) Vegetation

Sparse, primarily grasses and mesquite with very little grass.

D) Surface Use

Primarily grazing.

E) Surface Water

There are no ponds, lakes, streams or rivers within several miles of the wellsite.

F) Water Wells

There is one water well approximately 2300' North from location.

G) Residences and Buildings

None in the immediate vicinity.

H) Historical Sites

None observed.

I) Archeological Resources

An archeological survey has been obtained for this area. Before any construction begins, a full and complete archeological survey will be approved by the Bureau of Land Management. Any location or construction conflicts will be resolved before construction begins.

J) Surface Ownership

The well site is on federally owned land.

K) Well signs will be posted at the drilling site.**L) Open Pits**

All pits containing liquid or mud will be fenced and bird-netted.

POINT 12: OPERATOR'S FIELD REPRESENTATIVE

Page 6

(Field personnel responsible for compliance with development plan for surface use).

DRILLING

William R. Dannels
Box 2760
Midland, Texas 79702
(432) 683-2277

PRODUCTION

Mike Waygood
3104 East Green Street
Carlsbad, New Mexico 88220
(505) 887-7329

Kent A. Adams
Box 2760
Midland, Texas 79702
(432) 683-2277

POINT 13: CERTIFICATION

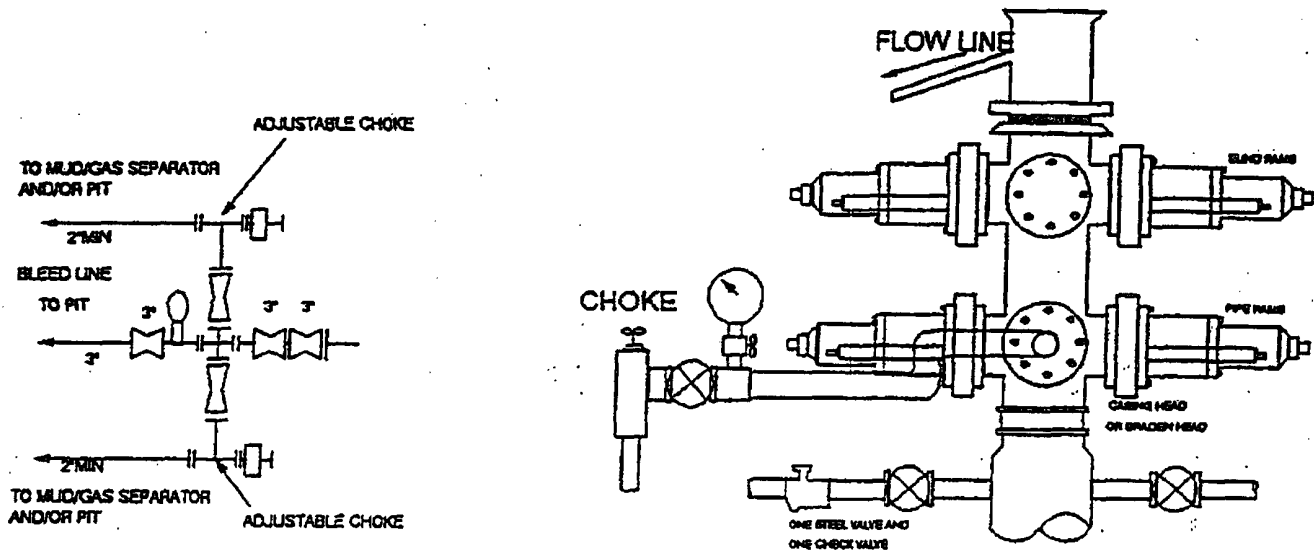
I hereby certify that I, or persons under my direct supervision have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in the plan are, to the best of my knowledge, true and correct; and that the work associated with operations proposed herein will be performed by Bass Enterprises Production Co. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

7/22/04
Date

William R. Dannels
William R. Dannels

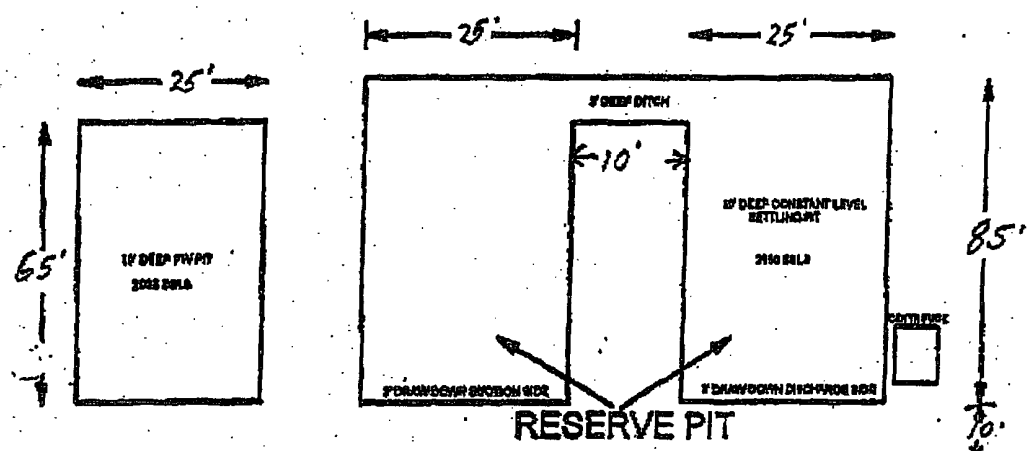
WRD/cdg

2000 PSI WP



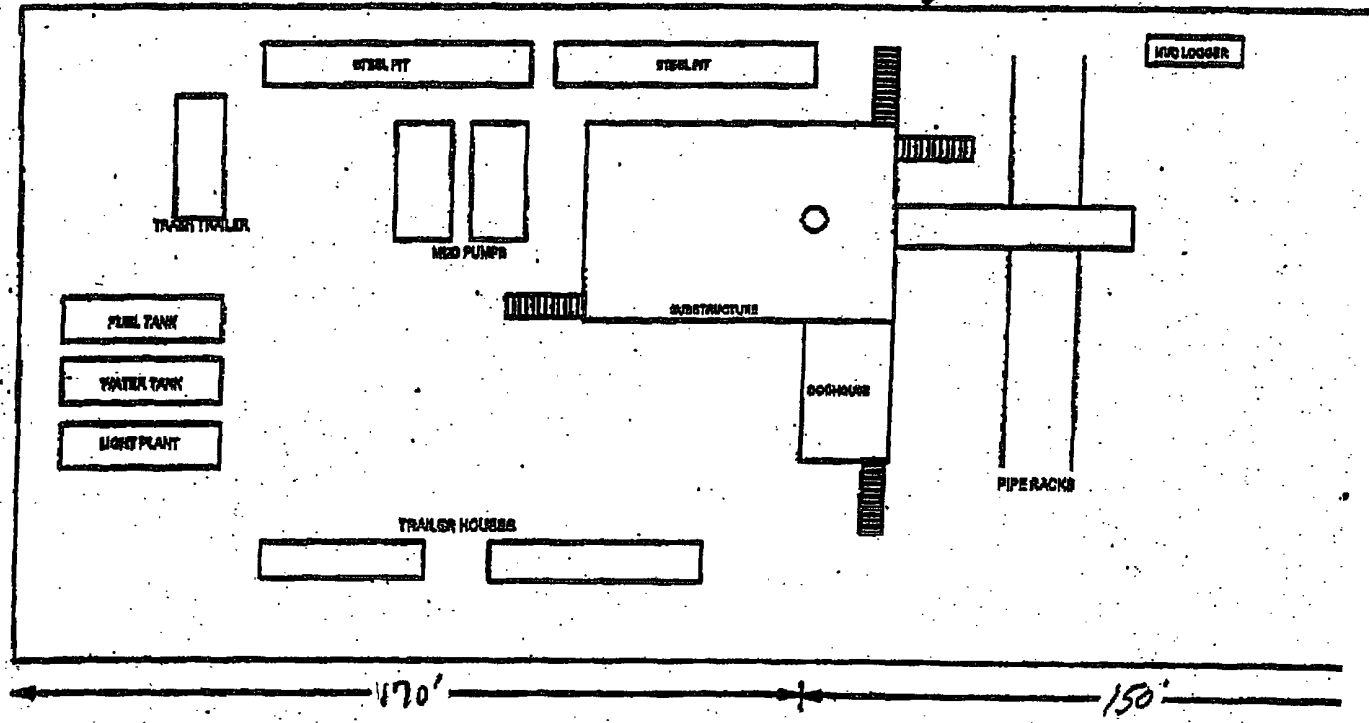
THE FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

- 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.

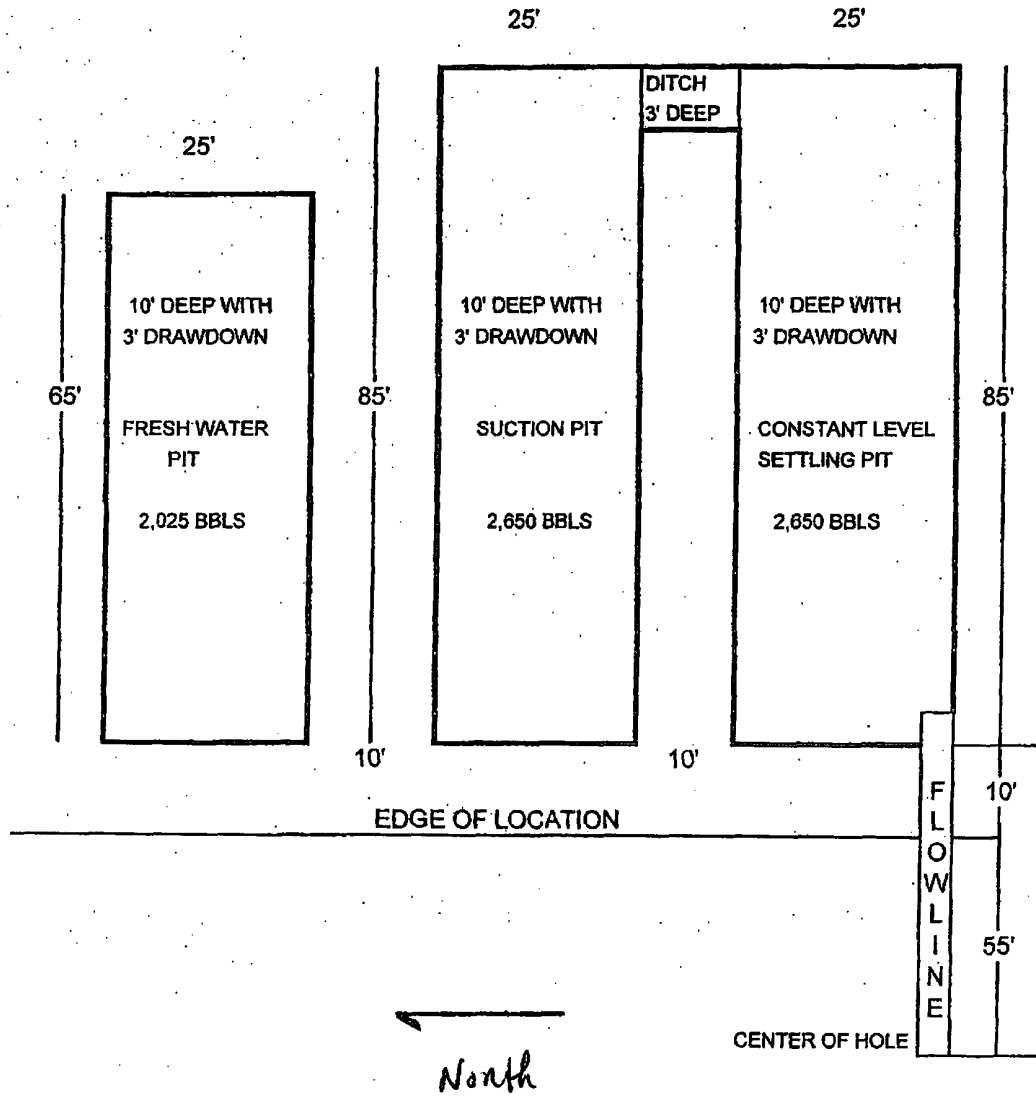


Poker L

EXHIE



BASS ENTERPRISES PRODUCTION COMPANY POKER LAKE UNIT WELLS RESERVE PIT DIMENSIONS





NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

April 21, 2004

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

Bass Enterprises Production Company

c/o **James Bruce**

P. O. Box 1056

Santa Fe, New Mexico 87504

RECEIVED

APR 25 2005

ODD-ARTESIA

Administrative Order NSL-5196

Dear Mr. Bruce:

Reference is made to the following: (i) your application (*administrative application reference No. pSEM0-509628321*) dated April 5, 2005 on behalf of the operator Bass Enterprises Production Company ("Bass"); (ii) your e-mail on Tuesday afternoon, April 19, 2005 checking on the status of this application; and (iii) the records of the New Mexico Oil Conservation Division ("Division") in Artesia and Santa Fe: all concerning Bass's request to drill its Poker Lake Unit Well No. 207 at an unorthodox Delaware oil well location 2500 feet from the North line and 860 feet from the East line (Unit H) of Section 18, Township 24 South, Range 30 East, NMPM, Eddy County, New Mexico. The SE/4 NE/4 of Section 18 is to be dedicated to this well in order to form a standard 40-acre oil spacing and proration unit in the Nash Draw-Delaware Pool (47545).

This application has been duly filed under the provisions of Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999.

By the authority granted me under the provisions of Division Rule 104.F (2), the above-described unorthodox oil well location for the Nash Draw-Delaware Pool is hereby approved.

Sincerely,

Mark E. Fesmire, P. E.

Director

MEF/ms

cc: New Mexico Oil Conservation Division – Artesia
U. S. Bureau of Land Management – Carlsbad