

EC

OCD-ARTESIA

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0136  
Expires November 30, 2000

## APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: ☒ DRILL ☐ REENTER

CONFIDENTIAL

1b. Type of Well: ☒ Oil Well ☐ Gas Well ☐ Other ☒ Single Zone ☐ Multiple Zone2. Name of Operator  
BASS ENTERPRISES PRODUCTION CO. Contact: CINDI GOODMAN  
CINDI.GOODMAN@BASSPET.COM

RECEIVED

3a. Address  
P O BOX 2760  
MIDLAND, TX 797023b. Phone No. (include area code)  
Ph: 432-683-2277

APR 29 2005

OCD-ARTESIA

5. Lease Serial No.  
NMLC068431

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.  
NMNM71016X8. Lease Name and Well No.  
POKER LAKE UNIT 230

9. API Well No.

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 SENW 1980FNL 1980FWL 32.14026 N Lat, 103.54207 W Lon

At proposed prod. zone SENW 1980FNL 1980FWL 32.14026 N Lat, 103.54207 W Lon

11. Sec., T., R., M., or Blk. and Survey or Area

Sec 8 T24S R30E Mer NMP

14. Distance in miles and direction from nearest town or post office\*  
14 MILES EAST OF MALAGA NM

SECRETARY'S POTASH

12. County or Parish  
EDDY13. State  
NM15. Distance from proposed location to nearest property or  
lease line, ft. (Also to nearest drig. unit line, if any)  
1980'

16. No. of Acres in Lease

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.  
1320'

19. Proposed Depth

7800 MD  
7800 TVD

20. BLM/BIA Bond No. on file

21. Elevations (Show whether DF, KB, RT, GL, etc.)  
3249 GL22. Approximate date work will start  
06/01/200523. 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 Ph: 432-683-2277Date  
03/14/2005Title  
AUTHORIZED REPRESENTATIVEApproved by (Signature)  
/s/ Linda S. C. RundellName (Printed/Typed)  
/s/ Linda S. C. RundellDate  
APR 25 2005Title  
STATE DIRECTOROffice  
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 #54873 verified by the BLM Well Information System  
For BASS ENTERPRISES PRODUCTION CO, sent to the Carlsbad  
Committed to AFMS for processing by ARMANDO LOPEZ on 03/15/2005 (05AL0128AE)

APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS  
AND SPECIAL STIPULATIONS  
ATTACHED\*\*

Witness Surface Casing

**Operator Remarks:**

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

This well is located inside 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  
N. French Dr., Hobbs, NM 88240  
DISTRICT II  
511 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 230
OGRID No. 001301	Operator Name BASS ENTERPRISES PRODUCTION COMPANY	Elevation 3249'

Surface Location

UL or lot No. F	Section 8	Township 24 S	Range 30 E	Lot Idn	Feet from the 1980	North/South line NORTH	Feet from the 1980	East/West line WEST	County EDDY
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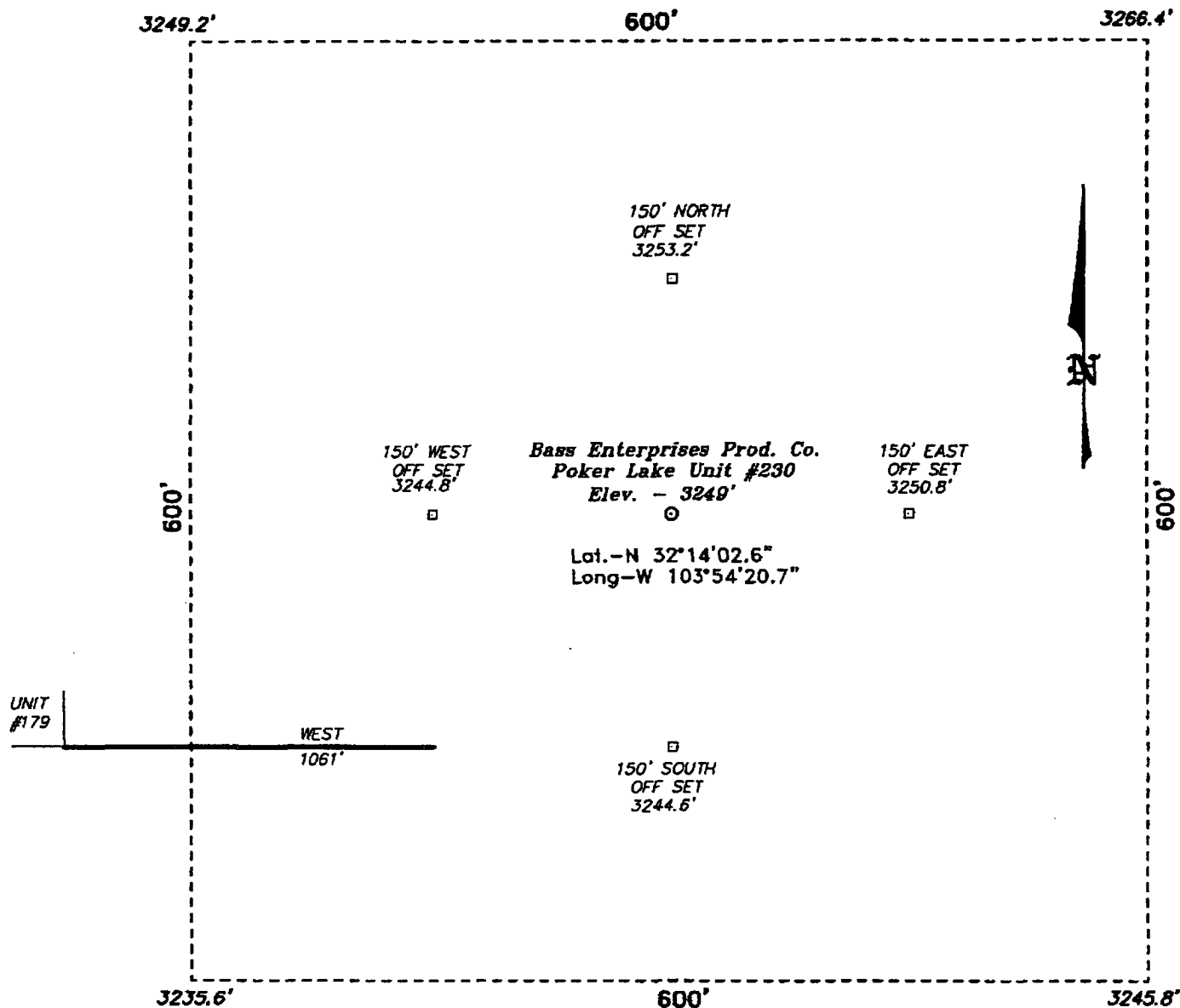
Bottom Hole Location if Different From Surface

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 N	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

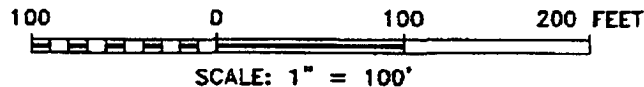
	<p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><u>William R. Dannels</u> Signature W.R. DANNELS Printed Name DIVISION DRILLING SUPT. Title 3/5/05 Date</p> <p><b>SURVEYOR CERTIFICATION</b></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>December 09, 2004 Date Surveyed Signature of Professional Surveyor Professional Surveyor W.O. No. 4926 Certified by Gary L. Jones 7977 BASIN SURVEYS</p>
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SECTION 8, TOWNSHIP 24 SOUTH, RANGE 30 EAST, N.M.P.M.,  
EDDY COUNTY, NEW MEXICO.



DIRECTIONS TO LOCATION:

FROM THE JUNCTION OF STATE HWY 128 & CO. RD. 793, GO SOUTH AND WEST ON CO. RD. 793 APPROX. 4.75 MILES, THENCE EAST 1080 FEET TO UNIT 179 AND PROPOSED LEASE ROAD.



**BASS ENTERPRISES PRODUCTION CO.**

REF: Poker Lake Unit No. 230 / Well Pad Topo

THE POKER LAKE UNIT No. 230 LOCATED 1980' FROM  
THE NORTH LINE AND 1980' FROM THE WEST LINE OF  
SECTION 8, 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: 4926

Drawn By: J. PRESLEY

Date: 12/21/04

Disk: JLP #1 - 4926A.DWG

Survey Date: 12/09/04

Sheet 1 of 1 Sheets

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

**NAME OF WELL:** Poker Lake Unit #230

**LEGAL DESCRIPTION - SURFACE:** 1980' FNL & 1980' FWL, Section 8, 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 3269' (est)      GL 3249'

<u>FORMATION</u>	<u>ESTIMATED TOP FROM KB</u>	<u>ESTIMATED SUBSEA TOP</u>	<u>BEARING</u>
T/Rustler	219'	+3050'	Barren
T/Salt	1069'	+2200'	Barren
T/Ramsey Sand	3611'	-342	Oil/Gas
T/Lwr Brushy Canyon "8" A	7149'	-3880'	Oil/Gas
T/Bone Spring	7418'	-4149'	Oil/Gas
TD	7800'	-4531'	

**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' - 1000'	Surface	New
5-1/2", 15.5#, J-55, LT&C	0' - 6300'	Production	New
5-1/2", 17#, J-55, LT&C	6300' - 7800'	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:

- a) Upon installation
- b) After any component changes
- c) Fifteen days after a previous test
- d) 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' - 1000'	FW Spud Mud	8.5 - 9.2	70-38	NC	NC	NC	10.0
1000' - 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 (+/- 3350').  
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 <sup>3</sup> /SX	COMPRESSIVE Nitrogen Strength	
<b>SURFACE:</b>								
Lead 0 - 700' (100% excess circ to surface)	310	700	Pernian Basin Critical Zone + 1/2# Flocele	10.4	12.8	1.90		
Tail 700'-1000' (100% excess circ to surface)	200	300	Prem Plus + 2% CaCl <sub>2</sub> + 1/2# Flocele	6.33	14.8	1.35		
<b>PRODUCTION:</b>								
Base Slurry w/nitrogen 3087-7800' + (50% excess)	775	4713	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 3611-7418'. No H<sub>2</sub>S is anticipated.

## **MULTI-POINT SURFACE USE PLAN**

**NAME OF WELL: Poker Lake Unit #230**

**LEGAL DESCRIPTION - SURFACE:** 1980' FNL & 1980' FWL, Section 8, T-24-S, R-30-E, Eddy County, New Mexico.

### **POINT 1: EXISTING ROADS**

**A) Proposed Well Site Location:**

See Exhibit A and Survey Plats

**B) Existing Roads:**

From Carlsbad, New Mexico, go 8 miles south on Highway 285 to Highway 31. Turn north and go 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 (County Road #796A) and go approximately 8.5 miles southerly to Poker Lake Unit #180. At Poker Lake Unit #180 turn east and go approximately  $\frac{3}{4}$  mile to the location.

**C) Existing Road Maintenance or Improvement Plan:**

See Exhibit C and Survey Plats.

### **POINT 2: NEW PLANNED ACCESS ROUTE**

**A) Route Location:**

Approximately 1061' of new road is required.

**B) Width**

12'

**C) Maximum Grade**

Grade to match existing topography or as per BLM requirements.

**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 B indicates existing wells within the surrounding area.

**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 it's 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.

3-5-05

Date

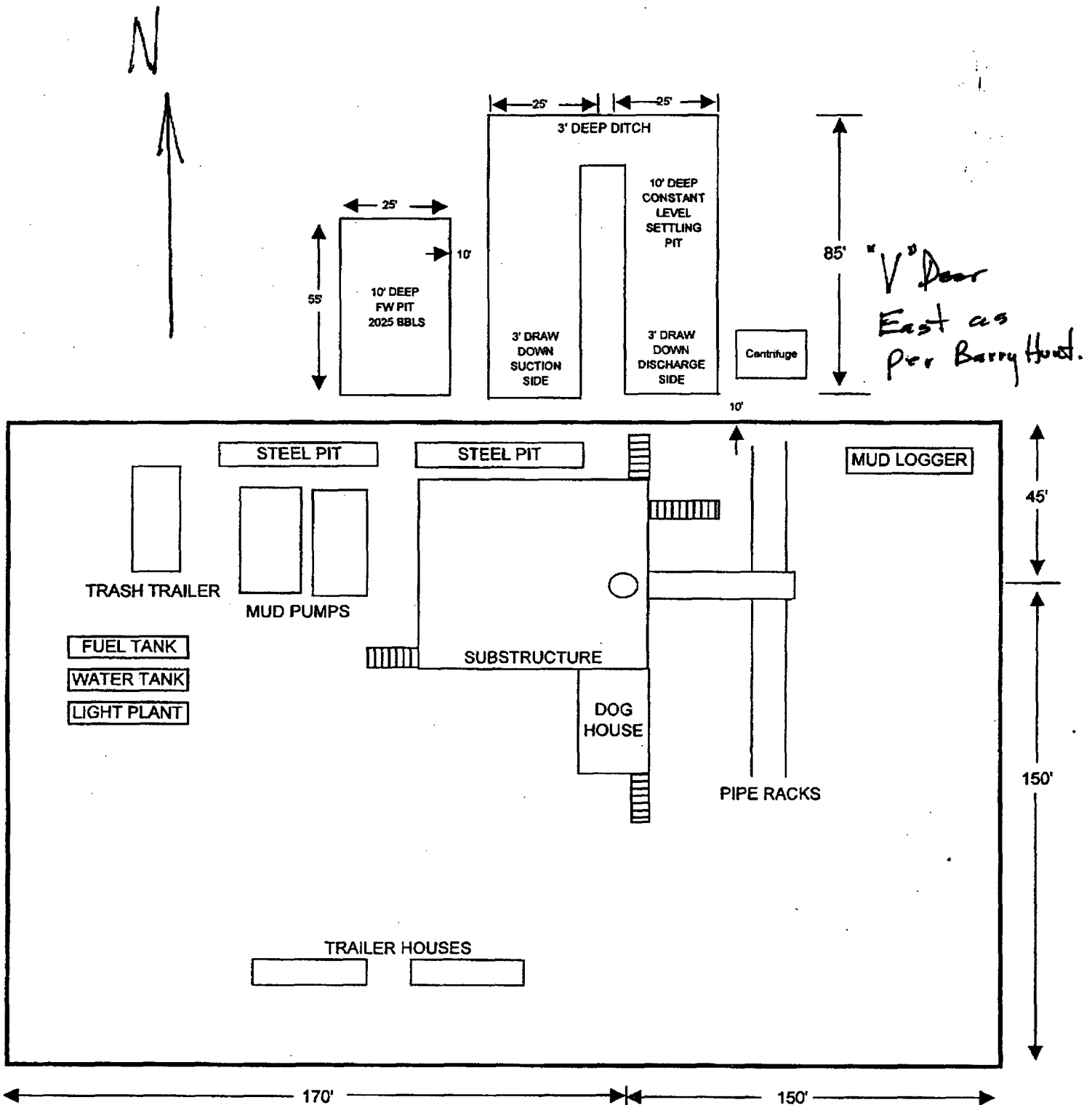
William R. Dannels  
William R. Dannels

GEG/cdg

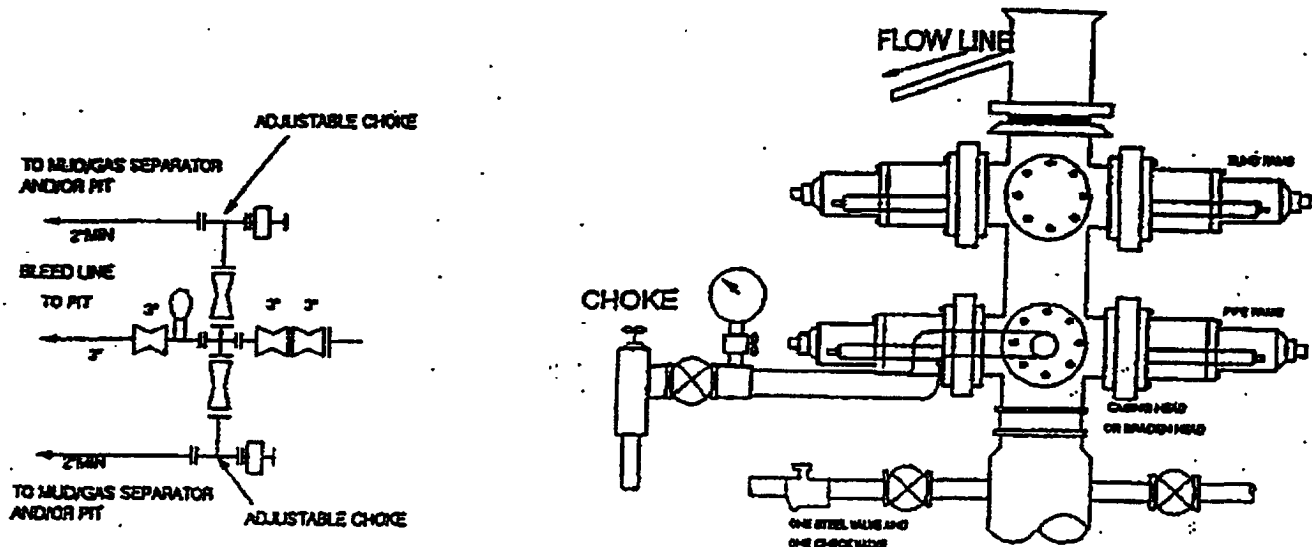


**Bass Enterprises Production Company  
Grey Wolf Rig 15  
Well Pad  
Reserve Pit Diagram**

**EXHIBIT "D"**



# 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.