

EC

OCD-ARTESIA

POTASH

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000UNITED 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	5. Lease Serial No. NMLC068430	
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: TAMI WILBER E-Mail: twilber@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: 915.683.2277 Fx: 915.687.0329	8. Lease Name and Well No. POKER LAKE UNIT 168	
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface NWSW 1730FSL 660FWL 32.14388 N Lat, 103.54369 W Lon At proposed prod. zone NWSW 1730FSL 660FWL 32.14388 N Lat, 103.54369 W Lon		9. API Well No. 30-015-32936		
14. Distance in miles and direction from nearest town or post office* 14 MILES EAST OF MALAGA NM		10. Field and Pool, or Exploratory NASH DRAW DELAWARE		
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 660		11. Sec., T., R., M., or Blk. and Survey or Area Sec 5 T24S R30E Mer NMP		
16. No. of Acres in Lease 2479.76		12. County or Parish EDDY		13. State NM
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 7740 MD		20. BLM/BIA Bond No. on file		
21. Elevations (Show whether DF, KB, RT, GL, etc.) 3270 GL		22. Approximate date work will start 07/21/2003		
23. Estimated duration 12 DAYS				

24. Attachments

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

- | | |
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| 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) TAMI WILBER Ph: 915.683.2277	Date 06/16/2003
Title AUTHORIZED REPRESENTATIVE		
Approved by (Signature) /s/ Richard A. Whitley	Name (Printed/Typed) /s/ Richard A. Whitley	Date 8 JUL 2003
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.

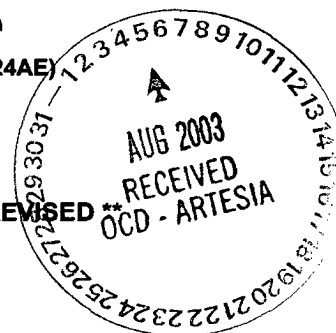
APPROVAL FOR 1 YEAR

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 #22516 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 06/19/2003 (03AL0324AE)APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED



Additional Operator Remarks:

This location has been permitted before. APD expired, this is a re-permit.
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 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 this location.

DISTRICT I

1025 N. French St., Hobbs, NM 88240

DISTRICT II

811 South First, Artesia, NM 88210

DISTRICT III

1000 Rio Grande 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, 1990

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 168
OGED No. 001801	Operator Name BASS ENTERPRISES PRODUCTION COMPANY	Elevation 3270'

Surface Location

UL or lot No.	Section	Township	Range	Lot 1st	Feet from the	North/South Line	Feet from the	East/West Line	County
L	5	24 S	30 E		1730	SOUTH	660	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot 1st	Feet from the	North/South Line	Feet from the	East/West Line	County

Dedicated Acres 40	Joint or Infill N	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

LOT 4 - 39.98 AC.	LOT 3 - 39.95 AC.	LOT 2 - 39.92 AC.	LOT 1 - 39.90 AC.
<p>LAT - N32°14'38.9"</p> <p>LONG - W103°54'35.9"</p> <p>3253.6' 3268.1'</p> <p>660'</p> <p>3258.7' 3273.6'</p> <p>1730'</p>			

OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

William R. Dannels

Signature

W.R. DANNELS

Printed Name

DIVISION DRILLING SUPT.

Title

6/6/03

Date

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.

August 21, 2000

Date

GARY L. JONES

Signature

Professional Surveyor

NEW MEXICO

7977

W.C. NO. 1051

7977

Professional Land Surveyor

DRILLING SURVEYS

Survey Date: 08-21-2000 Sheet 1 of 1 Sheets

EIGHT POINT DRILLING PROGRAM BASS ENTERPRISES PRODUCTION CO.

NAME OF WELL: POKER LAKE UNIT #168

LEGAL DESCRIPTION - SURFACE: 1730' FSL & 660' FWL, Section 5, 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 3288' (est)
GL 3270'

<u>FORMATION</u>	<u>ESTIMATED TOP FROM KB</u>	<u>ESTIMATED SUBSEA TOP</u>	<u>BEARING</u>
T/Salt	677'	+2,611'	Barren
B/Salt	3,370'	- 82'	Barren
T/Lamar	3,602'	- 314'	Barren
T/Ramsey	3,629'	- 341'	Oil/Gas
T/Lwr Brushy Canyon 8A	7,113'	- 3,825'	Oil/Gas
T/Y" Sand	7,268'	- 3,980'	Oil/Gas
T/Bone Spring	7,389'	- 4,101'	Oil/Gas
TD	7,740'	- 4,452'	

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", 24#, WC-50, LTC	0' - 600'	Surface	New
5-1/2", 15.50#, K-55, LT&C	0' - 6,500'	Production	New
5-1/2", 17#, K-55, LT&C	6,500' - 7,740'	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' - 600'	FW Spud Mud	8.5 - 9.2	45-35	NC	NC	NC	NC
600' - 5600'	BW	9.8 -10.2	28-30	NC	NC	NC	9.5-10.5
5600' - TD'	BW/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 (+/-3,370'). Run 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:	Circulate cement to surface					
Lead 0 - 300' (100% excess)	130	300	Permian Basin Critical Zone + 1/4# Flocele	10.4	12.8	1.9
Tail 300-600' (100% excess)	233	300	Prem Plus + 2% CaCl ₂ + 1/4# Flocele	6.33	14.8	1.35

PRODUCTION:

<u>INTERVAL</u>	<u>AMOUNT SXS</u>	<u>FILL</u>	<u>TYPE</u>	<u>GAL/SX</u>	<u>PPG</u>	<u>FT³/SX</u>	<u>COMPRESSIVE NITROGEN STRENGTH</u>
Base Slurry 3300-7740' (50% excess)	705	4400'	Prem 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 3343 psi (max) or MWE of 8.7 ppg is expected. Lost circulation may exist in the Delaware section from 3,599'-7,389'. No H₂S is anticipated.

Estimated BHT is 146° F.

POINT 8: OTHER PERTINENT INFORMATION**A) Auxiliary Equipment**

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

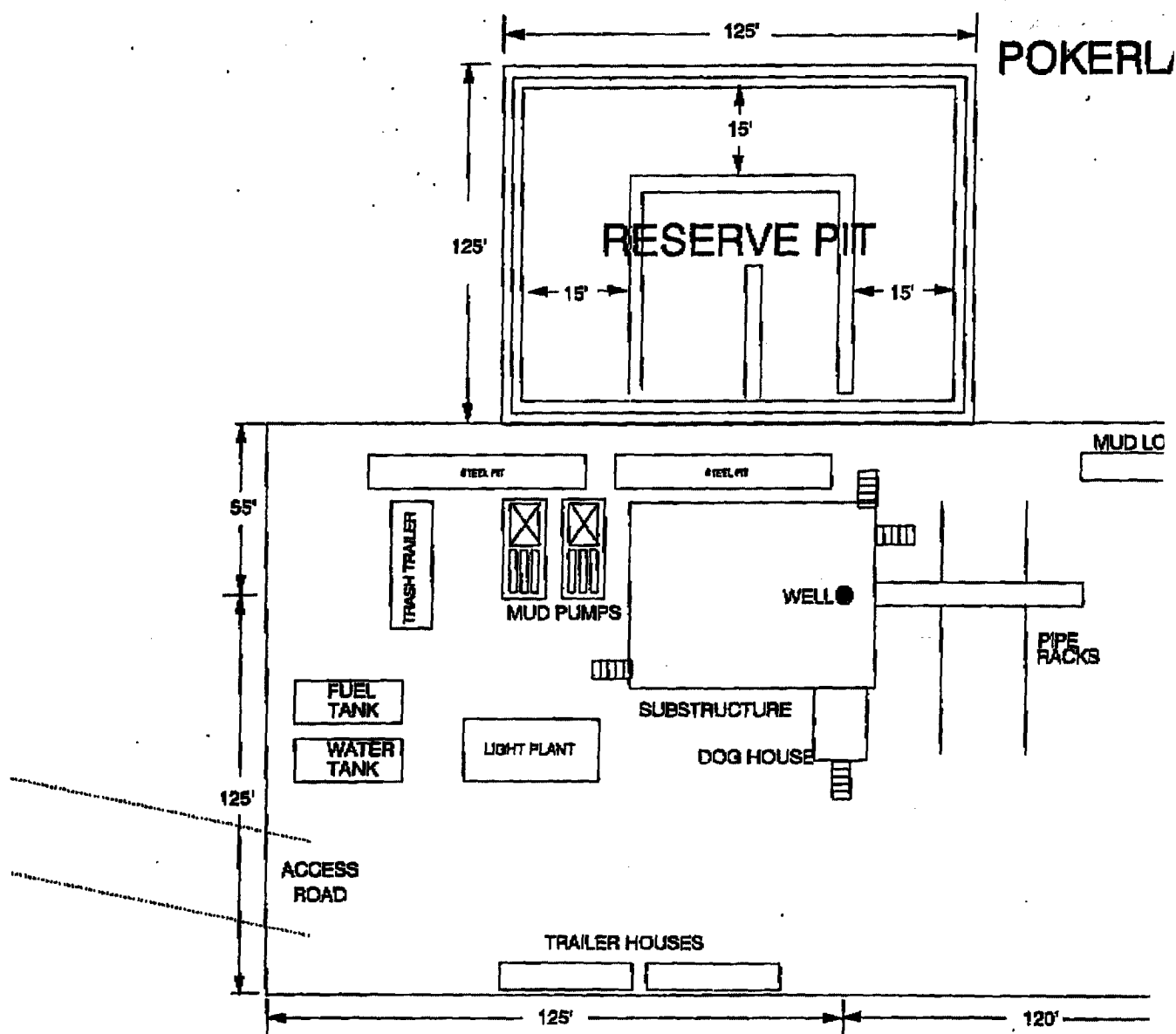
B) Anticipated Starting Date

Upon approval

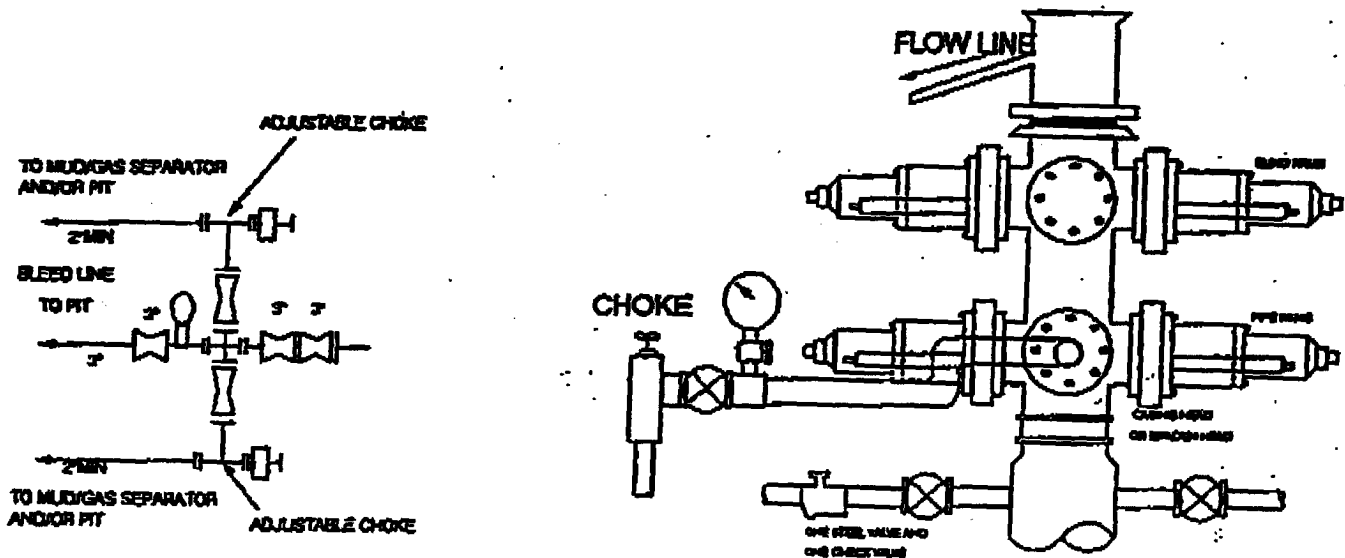
12 days drilling operations

14 days completion operations

BGH/tlw
May 29, 2003



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