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Form 3160-3
(August 1999)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

2977

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 Zone

2. Name of Operator: BASS ENTERPRISES PRODUCTION CO
Contact: TAMI WILBER
E-Mail: twilber@basspet.com

3a. Address
P O BOX 2760
MIDLAND, TX 79702

3b. Phone No. (include area code)
Ph: 915.683.2277
Fx: 915.687.0329

4. Location of Well (Report location clearly and in accordance with any State requirements.)*
At surface SWNE 1880FNL 1780FEL
At proposed prod. zone SWNE 1880FNL 1780FEL

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

15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)
1880

16. No. of Acres in Lease
2520.68

18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.
1725

19. Proposed Depth
7750 MD

21. Elevations (Show whether DF, KB, RT, GL, etc.)
3177 GL

22. Approximate date work will start
07/21/2003

5. Lease Serial No.
NMNM02860

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.
NMNM71016X

8. Lease Name and Well No.
POKER LAKE UNIT 208

9. API Well No.
30-015-32961

10. Field and Pool, or Exploratory
NASH DRAW DELAWARE

11. Sec., T., R., M., or Blk. and Survey or Area
Sec 18 T24S R30E Mer NMP

12. County or Parish
EDDY

13. State
NM

17. Spacing Unit dedicated to this well
40.00

20. BLM/BIA Bond No. on file

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:

- 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 06/17/2003

Title AUTHORIZED REPRESENTATIVE

Approved by (Signature) /s/ Linda S. C. Rundell Name (Printed/Typed) /s/ Linda S. C. Rundell Date 18 AUG 2003

Title 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 #23252 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 (03AL0330AE)

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS
AND SPECIAL STIPULATIONS
ATTACHED

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

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, Anticiapted tops & 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
1825 N. French Dr., Hobbs, NM 88240

DISTRICT II
611 South First, Artesia, NM 88210

DISTRICT III
1009 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 20B
OGED No. 001801	Operator Name BASS ENTERPRISES PRODUCTION COMPANY	Elevation 3177'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	18	24 S	30 E		1880	NORTH	1780	EAST	EDDY

Bottom Hole Location If Different From Surface

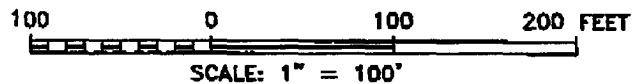
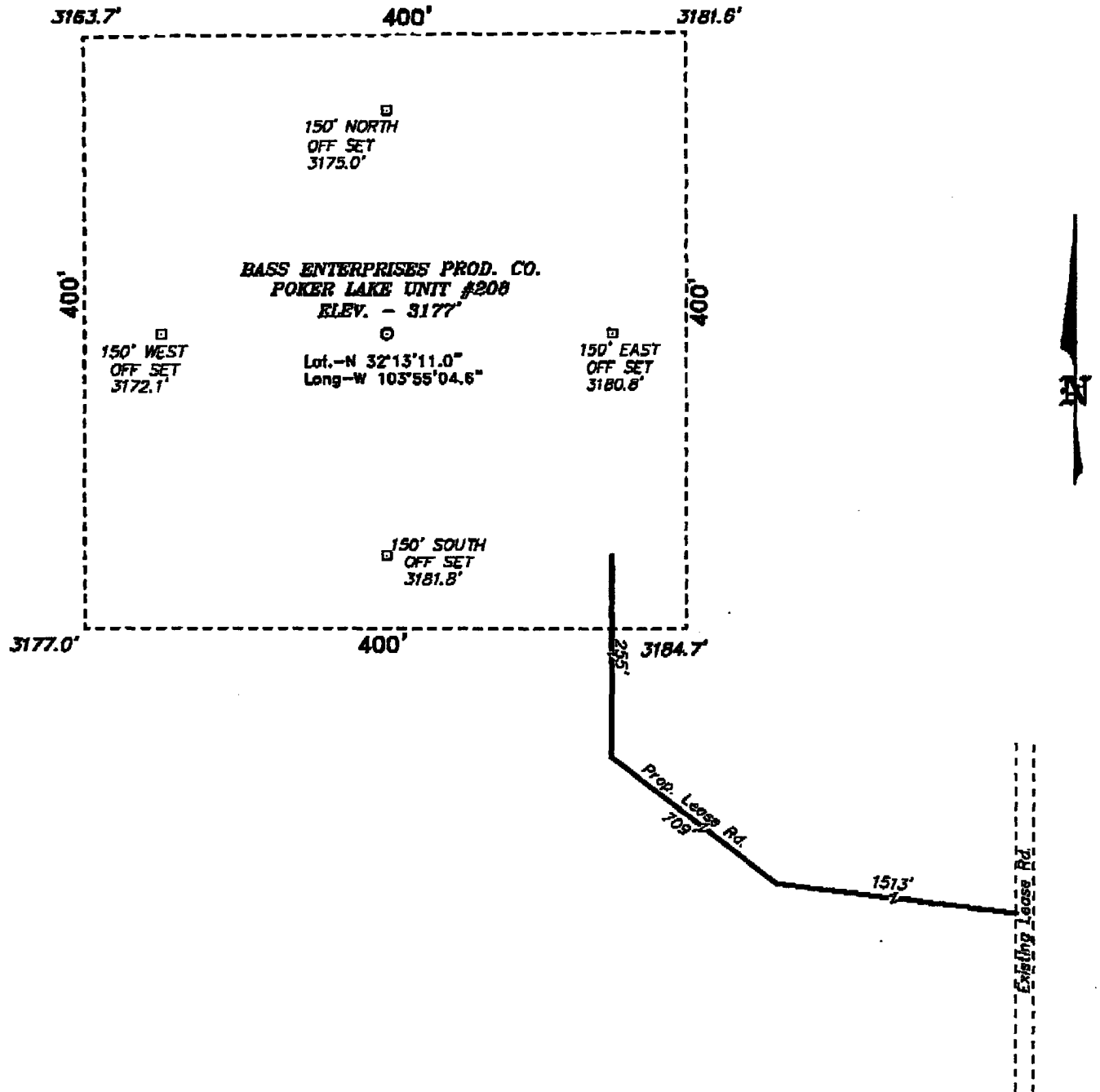
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres 40	Joint or Infill 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

	<p>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>William R. Dannels</i> Signature W.R. DANNELS Printed Name DIVISION DRILLING SUPT. Title 6/16/03 Date</p>
	<p>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>APRIL 30, 2003 Date Surveyed</p> <p><i>Gary L. Gonyea</i> Signature Professional Surveyor NEW MEXICO 7977 No. No. 3268 Certification No. Gary L. Gonyea 7977 PROFESSIONAL LAND SURVEYOR</p>

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



BASS ENTERPRISES PRODUCTION CO.

REF: POKER LAKE UNIT No. 208 / Well Pad Topo

THE POKER LAKE UNIT No. 208 LOCATED 1880' FROM
THE NORTH LINE AND 1780' FROM THE EAST LINE OF
SECTION 18, 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: 3260 Drawn By: K. GOAD

Date: 05-01-2003 Disk: KJG CD#7 - 3260A.DWG

Survey Date: 04-30-2003 Sheet 1 of 1 Sheets

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

NAME OF WELL: Poker Lake Unit #208

LEGAL DESCRIPTION - SURFACE: 1880' FNL & 1780' 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 3195' (est) GL 3177'

<u>FORMATION</u>	<u>ESTIMATED TOP FROM KB</u>	<u>ESTIMATED SUBSEA TOP</u>	<u>BEARING</u>
T/Rustler	495'	+2700	Barren
T/Salt	845'	+2350'	Barren
T/Lwr Brushy Canyon	6980'	-3785'	Oil/Gas
T/Bone Spring	7257'	-4062'	Oil/Gas
TD	7750'	-4555'	

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' - 795'	Surface	New
5-1/2", 15.5#, J-55, LT&C	0' - 6500'	Production	New
5-1/2", 17#, J-55, LT&C	6500' - 7750'	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:

- 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

<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' - 795'	FW Spud Mud	8.5 - 9.2	70-38	NC	NC	NC	10.0
795' - 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 (+/- 3100').
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>	<u>COMPRESSIVE Nitrogen Strength</u>	
SURFACE:								
Lead 0 - 375' (100% excess circ to surface)	215	375	Permian Basin Critical Zone + ½# Floccle	10.4	12.8	1.90		
Tail 375-795' (100% excess circ to surface)	233	420	Prem Plus + 2% CaCl ₂ + ½# Floccle	6.33	14.8	1.35		
PRODUCTION:								
Base Slurry w/nitrogen 3050-7750' + (50% excess)	753	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 3200 psi (max) or MWE of 8.7 ppg is expected. Lost circulation may exist in the Delaware Section from 3583-7350'. 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

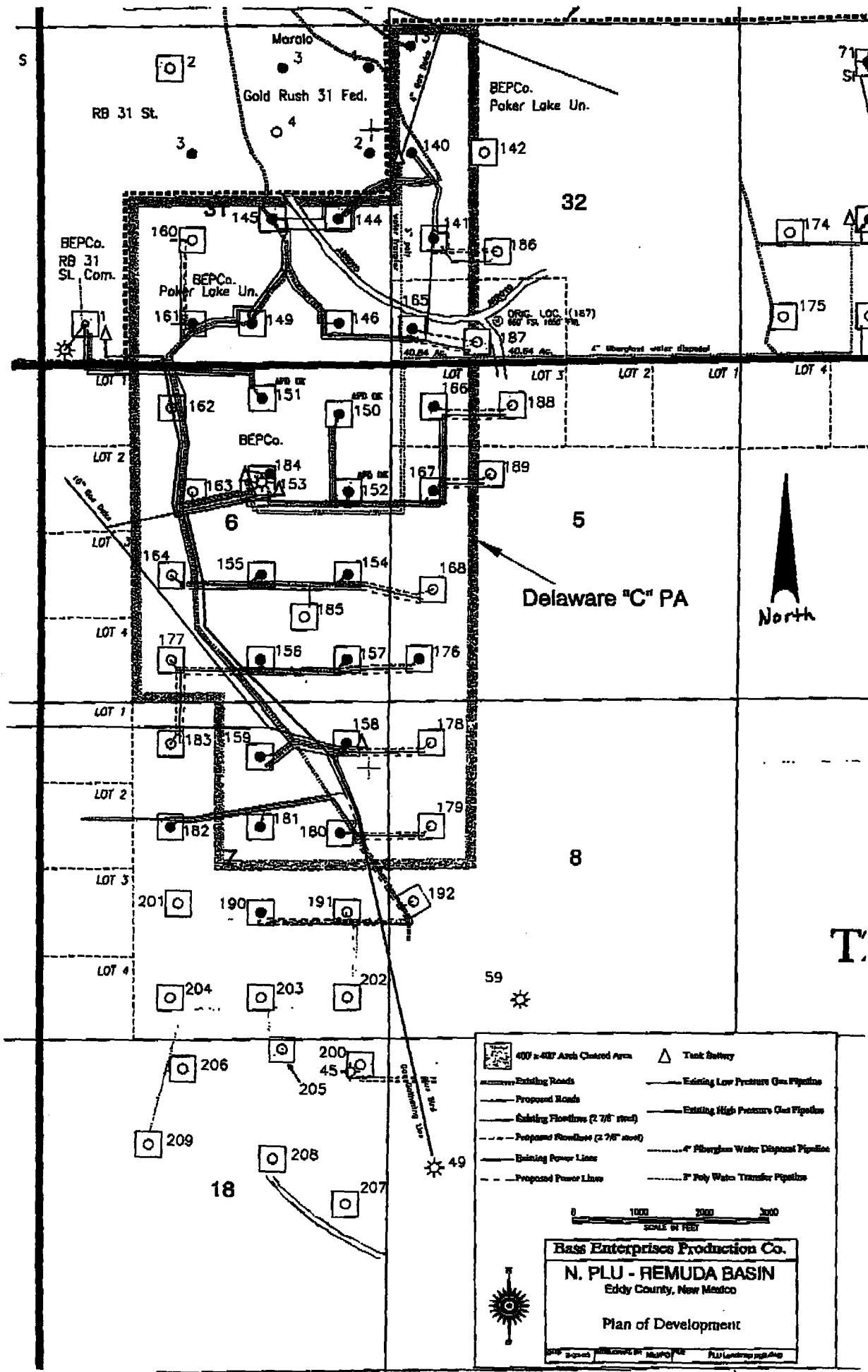
Upon approval

12 days drilling operations

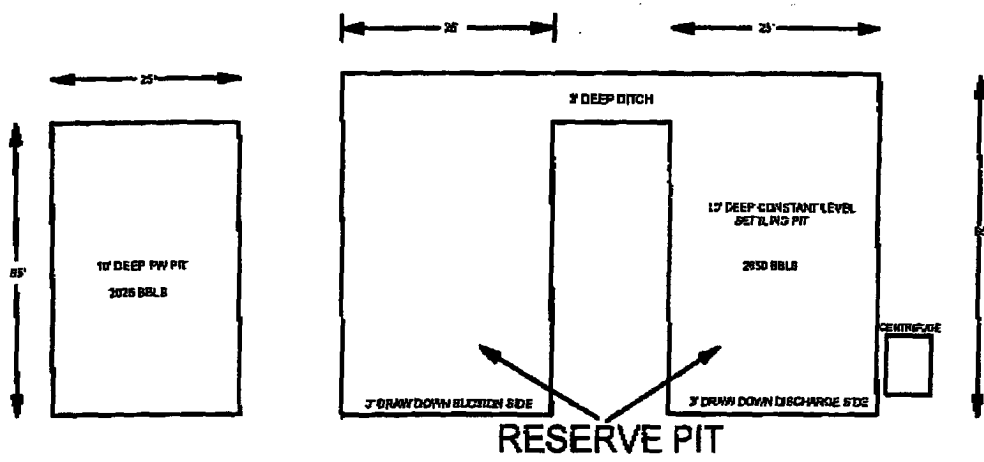
14 days completion operations

JDL/tw

June 16, 2003

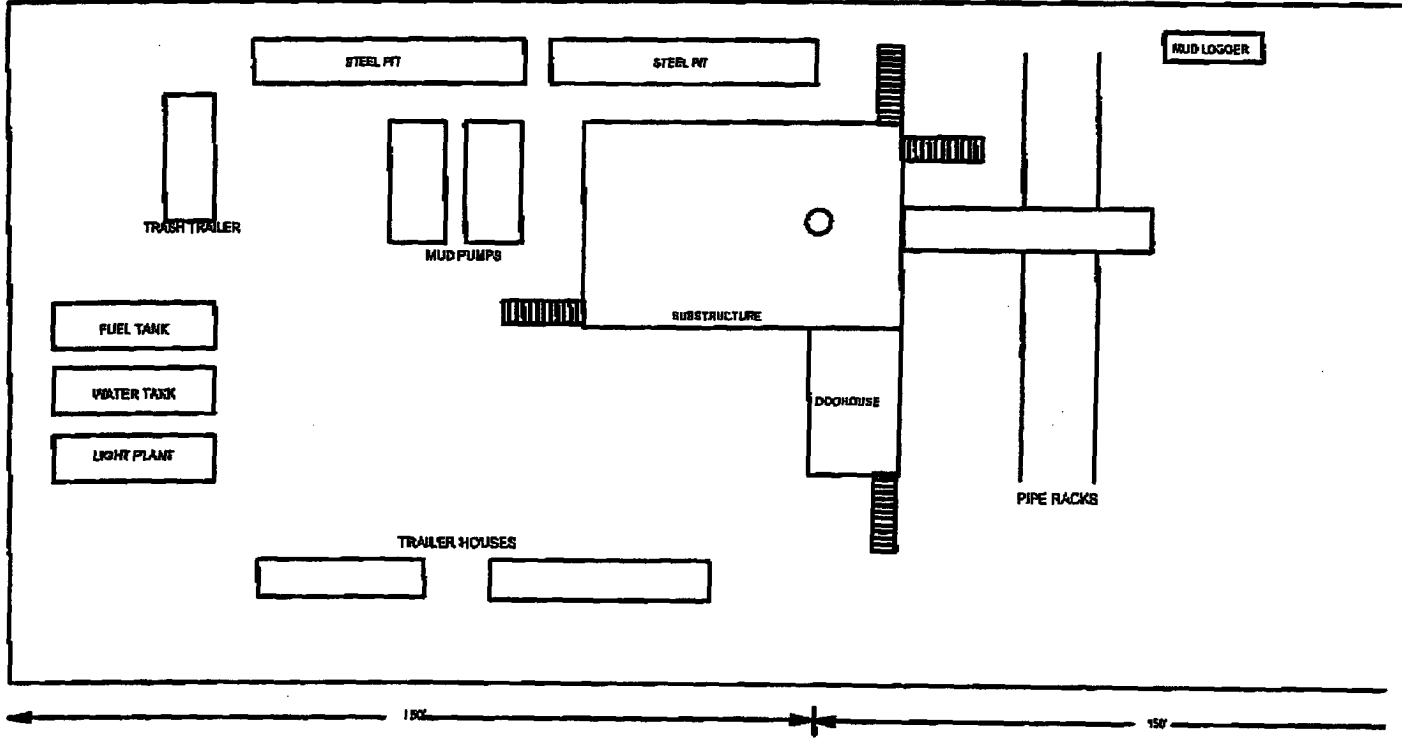


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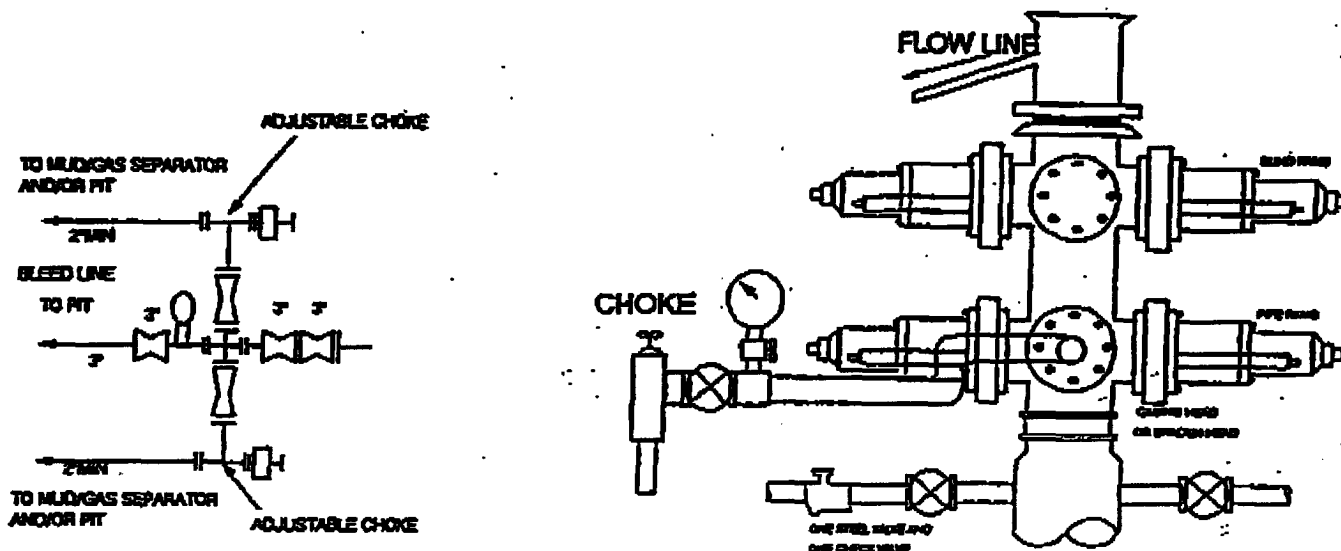


Lease Ro.
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EXHIB



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.