Form 9-331 C
(May 1963)

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

Form approved.
Budget Bureau No. 42-R1425.

FILE

30-015-26152

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

5. LEASE DESIGNATION AND SERIAL NO.: LC-069005

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

1a. TYPE OF WORK: DRILL [X] DEEPEN [ ] PLUG BACK [ ]

b. TYPE OF WELL: OIL WELL [ ] GAS WELL [X] OTHER — SINGLE ZONE [ ] MULTIPLE ZONE [ ]

7. UNIT AGREEMENT NAME: Poker Lake Unit

2. NAME OF OPERATOR: Bass Enterprises Production Co. (Corrected)

8. FARM OR LEASE NAME: Poker Lake Unit

3. ADDRESS OF OPERATOR: P. O. Box 2760 Midland, Texas 79702

APR 16 1991

9. WELL NO.: 74

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface: 1980' FEL 1060' FSL Ut. D
At proposed prod. zone: 1980' FEL 1060' FSL

O. C. D.
ARTESIA, OFFICE

10. FIELD AND POOL, OR WILDCAT: X Wildcat Morrow

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: Sec 24, T24S R29E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*: 9 miles SE/Malaga, New Mexico

12. COUNTY OR PARISH: Eddy

13. STATE: New Mexico

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)	660' FWL (1060' FSL)	16. NO. OF ACRES IN LEASE: 160	17. NO. OF ACRES ASSIGNED TO THIS WELL: 320
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.	NA	19. PROPOSED DEPTH: 14,100	20. ROTARY OR CABLE TOOLS: Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.): GR 3088.3'

22. APPROX. DATE WORK WILL START*: Upon Approval

23. PROPOSED CASING AND CEMENTING PROGRAM — Carlsbad Controlled Water Basin

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	13-3/8"	48#	950'	750 sx CIRCULATE / WITNESS
12-1/4"	9-5/8"	36# & 40#	3,300'	2,350 sx CIRCULATE
8-3/4"	7"	23#, 26# & 29#	11,000'	975 sx
6-1/8"	5" liner	18#	14,100'	350 sx

* 100' minimum "overlap" is required for liners. (SJS)

Pat ID-1
4-19-91
Amend Doc

RECEIVED
JAN 31 11 54 AM '91
CARLSBAD
AREA HEADQUARTERS
RESOURCE

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED Keith E. Bucy TITLE Keith E. Bucy Div. Drlg. & Prod. Supt. DATE 1-16-91

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE 4-15-91

CONDITIONS OF APPROVAL, IF ANY:

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS

[illegible]

[illegible]

[illegible]

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Depa. nt

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator	Lease	Well No.
BASS ENTERPRISES PRODUCTION CO.	POKER LAKE UNIT	74

Unit Letter	Section	Township	Range	County
O	24	24 SOUTH	29 EAST NMPM	EDDY

Actual Footage Location of Well:
1980 feet from the EAST line and 1060 feet from the SOUTH line

Ground level Elev.	Producing Formation	Pool	Dedicated Acreage:
3088.3			Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.

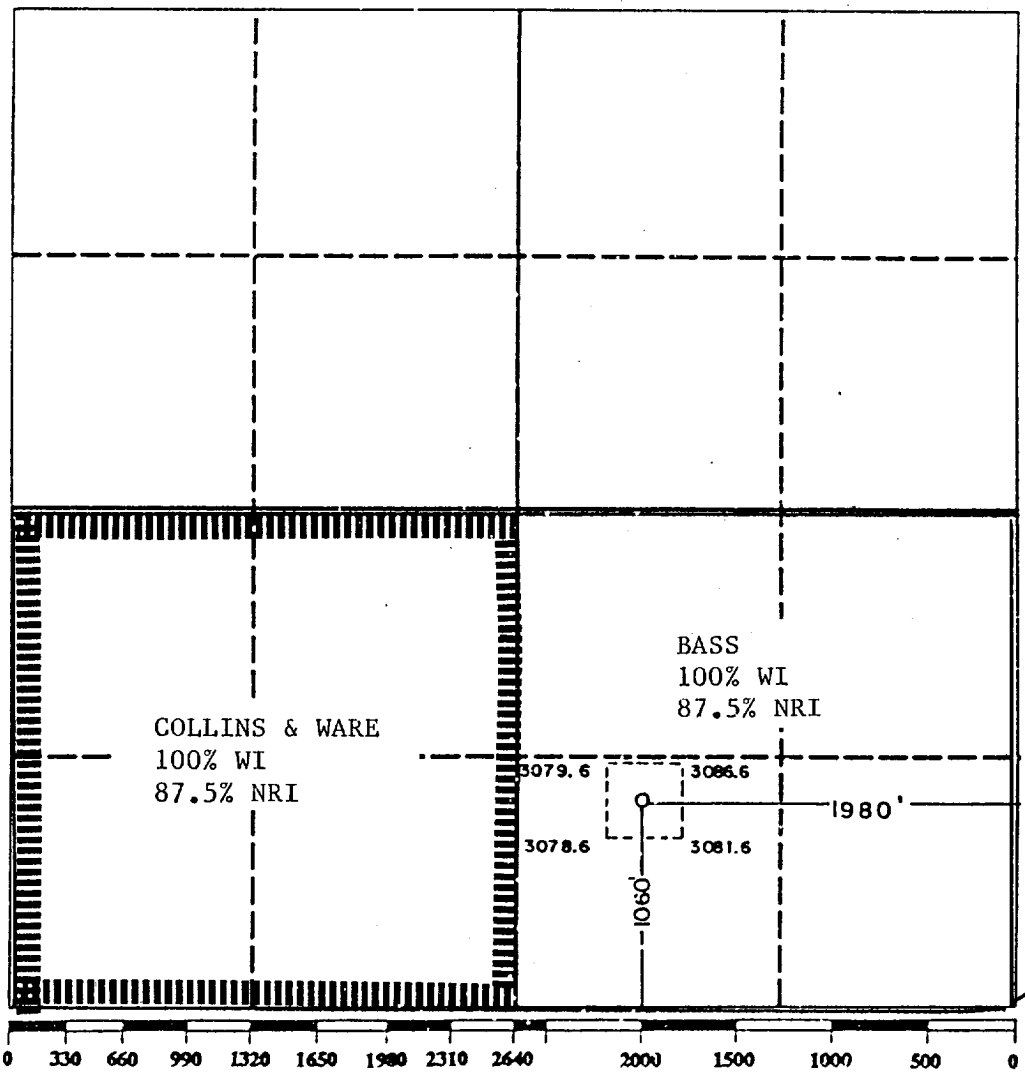
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?

[X] Yes [ ] No If answer is "yes" type of consolidation communitization

If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if neccessary. _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

Signature: Keith E. Bucy

Printed Name: Keith E. Bucy

Position: Div. Drlg. & Prod. Supt.

Company: BEPCO

Date: 1-31-91

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 supervison, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed: 12-11-90

Signature & Seal of Professional Surveyor

REGISTERED PROFESSIONAL ENGINEER AND LAND SURVEYOR JOHN W. WEST NEW MEXICO

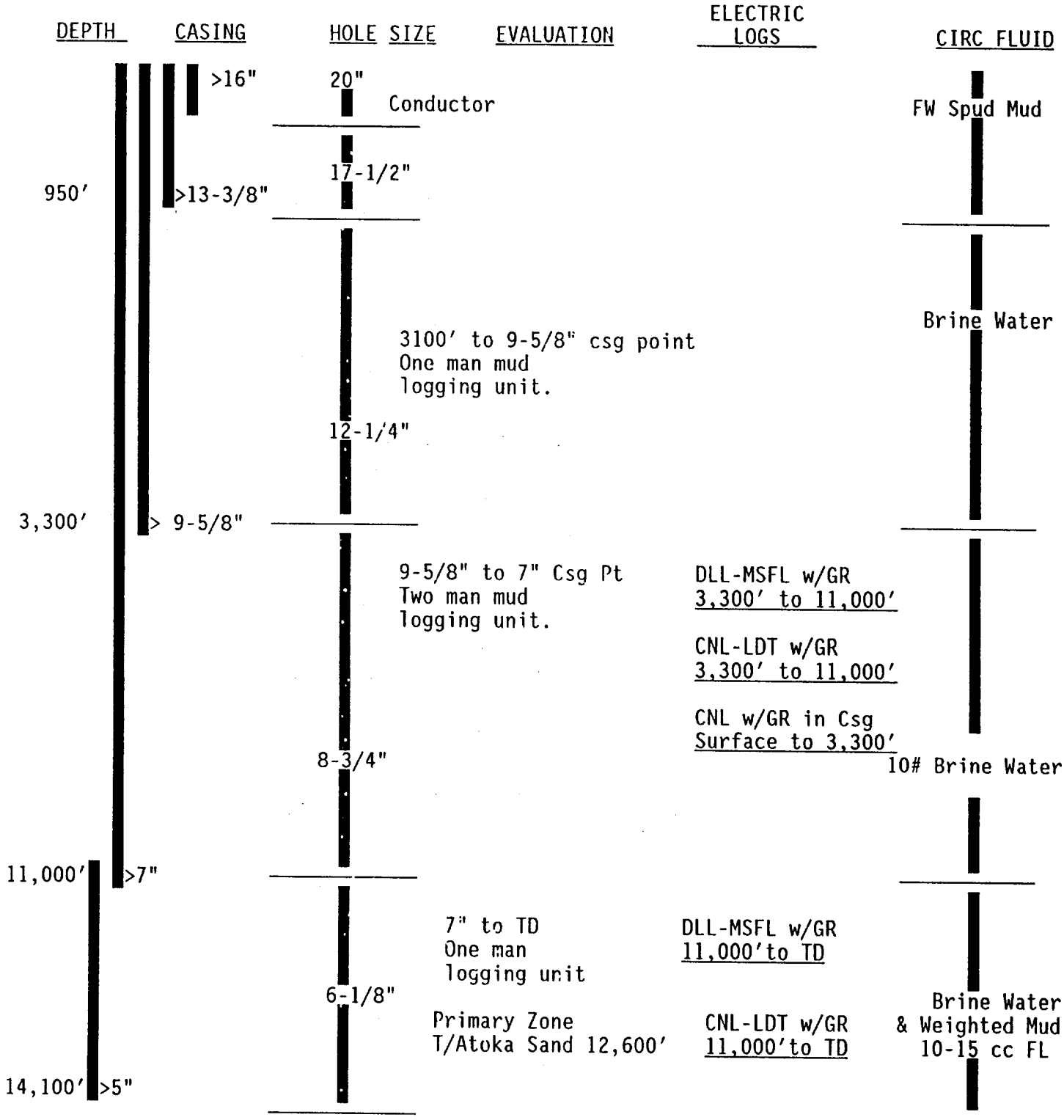
Certificate No. NM JOHN W. WEST 676
GARY L. JONES 7977
676

125630

POKER LAKE UNIT #74

BASS ENTERPRISES PRODUCTION COMPANY

January 29, 1991



EIGHT POINT DRILLING PROGRAM
BASS ENTERPRISES PRODUCTION CO.

NAME OF WELL: POKER LAKE UNIT #74

LEGAL DESCRIPTION - SURFACE: 1060' FSL & 1980' FEL, Section 24, T-24-S, R-29-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: Estimated KB 3114'
Estimated GL 3088'

FORMATION	ESTIMATED TOP FROM KB	ESTIMATED SUBSEA TOP	BEARING
T/Salt	950'	+2164	Potash
B/Salt	3055'	+59	Potash
T/Lamar	3290'	-176	Oil/Gas
T/Bone Springs	7000'	-3886	Oil/Gas
T/Wolfcamp	10225'	-7111	Oil/Gas
T/Strawn	12335'	-9221	Oil/Gas
T/Atoka Sand	12600'	-9486	Oil/Gas
T/Atoka Bank	12680'	-9566	Oil/Gas
T/Morrow	13100'	-9986	Oil/Gas
T/L^{r} Morrow	13950'	-10836	Oil/Gas
TD	14100'	-10986	Oil/Gas

POINT 3: CASING PROGRAM

TYPE	INTERVALS	PURPOSE	CONDITION
20"	0' - 40'	Conductor	Contractor Discretion
13-3/8" 48#/ft H-40 ST&C	0' - 950'	Surface	New
9-5/8" 36#/ft J-55 ST&C	0' - 3,310'	1st Intermediate	New
7" 26#/ft N-80 LT&C	0' - 1,000'	2nd Intermediate	New
7" 23#/ft N-80 LT&C	1,000' - 6,500'	2nd Intermediate	New
7" 26#/ft N-80 LT&C	6,500' 10,500'	2nd Intermediate	New
7" 29#/ft N-80 LT&C	10,500' - 11,000'	2nd Intermediate	New
5" 18#/ft N-80 LT&C	11,000' - 14,150'	Production Liner	New

POINT 4: PRESSURE CONTROL EQUIPMENT (SEE ATTACHED DIAGRAMS)

A BOP equivalent to Diagram 1 will be nippled up on the surface casinghead. A BOP equivalent to Diagram 2 will be nippled up on the 1st intermediate casinghead. Each entire BOP stack, choke, kill lines, kelly cocks, inside BOP, etc. will be hydro-tested to the lowest rated working pressure of the equipment being tested. In addition to the rated working 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) Three days after installation for Diagram 2
d) Thirty days after a previous test
e) 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' - 950'	FW Spud Mud	8.5 - 10.0	35-40	NC	NC	NC	NC
950' - 3,300'	BW	10.0	29-30	NC	NC	NC	NC
3,300' - 11,000'	Cut BW	8.8 - 9.3	29-30	NC	NC	NC	NC
11,000' - TD	BW	10 - 12	36-40	14-20	12-18	10-20	10

POINT 6: TECHNICAL STAGES OF OPERATION

A) TESTING

Drill stem tests will be performed on significant shows in Delaware, Bone Spring, Wolfcamp, and Atoka Bank formations. A DST is also possible in the Atoka Sand in order to obtain reservoir pressure data.

B) LOGGING

GR/CNL/LDT/Caliper and GR/DLL/MSFL from TD to T/Delaware Sands. Gr/CNL in cased hole from 9-5/8" to surface.

C) CORING

No cores are anticipated.

D) CEMENT

INTERVAL	AMOUNT SXS	FT OF FILL	TYPE	GALS/SX	PPG	FT^3/SX
Surface	750 (100% excess circ to surface)	900	Class "C" with 2% $CaCl_2$ and 1/4 ppg Cello-Flake	6.3	14.8	1.32
1st Intermediate	Lead 2150 (100% excess circ to surface)	2880	Lite with 1/4 ppg Cello-Flake	8.8	13.1	1.69
1st Intermediate	Tail 200 (100% excess circ to surface)	420	Class "C" with 2% $CaCl_2$	6.3	14.8	1.32
2nd Intermediate	Lead 750	9430	Lite w/additives	8.8	13.1	1.69
2nd Intermediate	Tail 225	1570	"H" w/additives	5.2	15.6	1.18
Production Liner	350	3600	"H" w/additives	4.3	16.4	1.06

E) DIRECTIONAL DRILLING

No directional services anticipated.

POINT 7: ANTICIPATED RESERVOIR CONDITIONS

Abnormal pressures are anticipated below 11,900'.

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

MULTI-POINT SURFACE USE PLAN

NAME OF WELL: POKER LAKE UNIT #74

LEGAL DESCRIPTION - SURFACE: 1060' FSL & 1980' FEL, Section 24, T-24-S, R-29-E, Eddy County, New Mexico.

POINT 1: EXISTING ROADS

A) Proposed Well Site Location:

See Exhibit "B". South edge of drilling pad will be immediately north of County Road #746.

B) Existing Roads:

Access will be over existing roads only.

C) Existing Road Maintenance or Improvement Plan:

The existing roads will be improved and maintained to allow for the drilling, completion, and production of this well.

POINT 2: NEW PLANNED ACCESS ROUTE

A) Route Location:

See Exhibit "B". Less than 100' of new access routes are planned for this well.

B) Width

Not applicable.

C) Maximum Grade

Not applicable.

D) Turnouts

Not applicable.

E) Culverts, Cattle Guards, and Surfacing Equipment

Not applicable.

POINT 6: SOURCE OF CONSTRUCTION MATERIALS

A) Materials

Caliche required for construction will be obtained from an area adjacent to existing location within Arc cleared area, as required by the Bureau of Land Management before the commencement of construction activities.

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

No additional access roads are required.

POINT 7: METHODS FOR HANDLING WASTE MATERIAL

A) Cuttings

Cutting will be contained in the reserve pit.

B) Drilling Fluids

Drilling fluids will be contained in the reserve pit.

C) Produced Fluids

No substantial production of water is expected during drilling. 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 testing indicates potential productive zones. In any case, the "mouse" hole and the "rat" hole will be covered. The reserve pit will be fenced and the fence 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

Exhibit "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" and "D"

C) Lining of the Pits

The reserve pit will be lined with plastic and netted to prevent birds from landing on it.

POINT 10: PLANS FOR RESTORATION OF THE SURFACE

A) Reserve Pit Cleanup

A pit will be fenced prior to rig release and shall be maintained until the pit is backfilled. Previous to backfill operations, any hydrocarbon material on the pit surface shall be removed. The fluids and solids contained in the pit shall be backfilled with soil excavated from the site and soil adjacent to the reserve pit. The restored surface of the pit 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 pit 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 pit 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 accordingly to the Bureau of Land Management's stipulations.

D) Rehabilitations 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

A) Terrain

Essentially flat with small sandhills.

B) Soil

Caliche and sand.

C) Vegetation

Sparse, primarily grasses and mesquite.

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 are livestock wells within one mile of the wellsite.

G) Residences and Buildings

The James Ranch buildings are located approximately 1 mile to the northwest.

H) Historical Sites

No observed.

I) Archeological Resources

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

J) Surface Ownership

The well site and new access road 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

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

DRILLING
Keith E. Bucy
Box 2760
Midland, Texas 79702
(915) 683-2277

PRODUCTION
Abe Collins
P.O. Box 889
Monahans, Texas 79756
(915) 943-2479

Keith E. Bucy
Box 2760
Midland, Texas 79702
(915) 683-2277

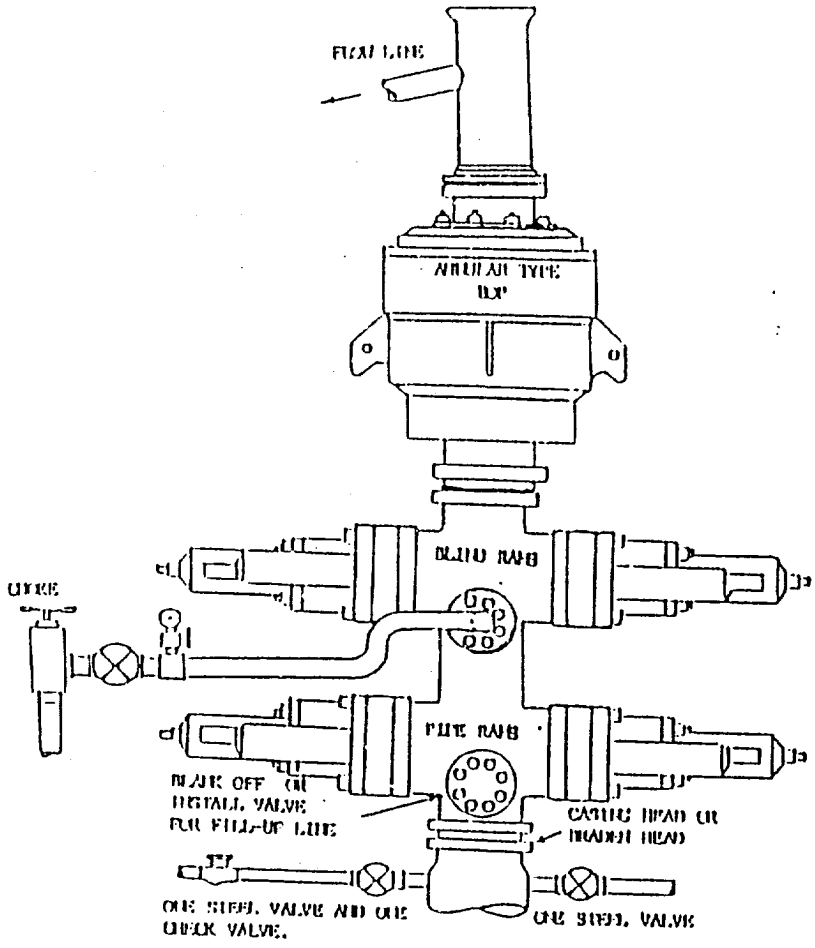
POINT 13: CERTIFICATION

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.

1/29/91
Date

Keith E. Bucy

GEG:sjw



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 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.

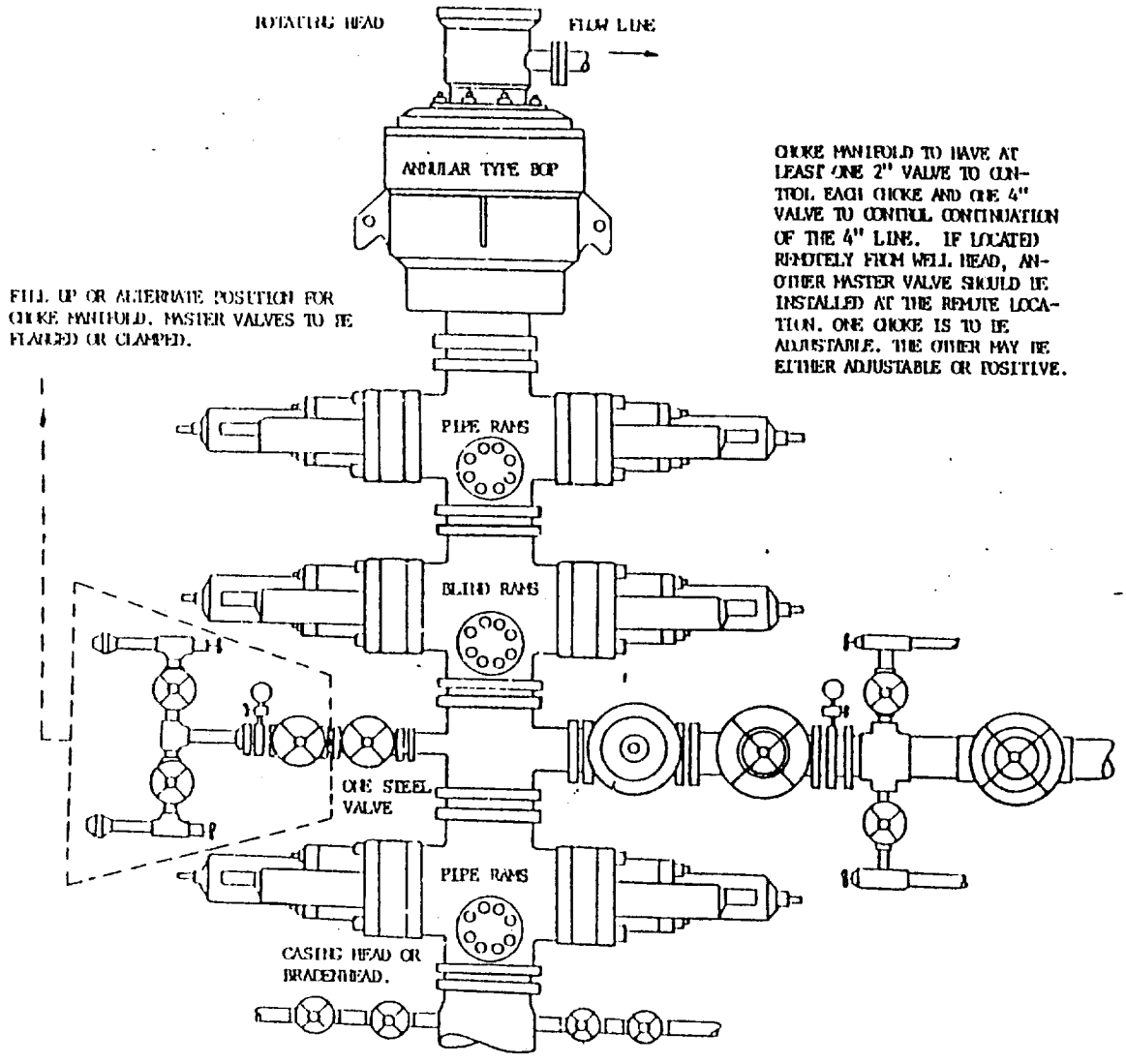
E. All connections to and from preventers to have a pressure rating equivalent to that of the BOP's.

F. Manual controls to be installed before drilling casing plug.

G. Valve to control flow through drill pipe to be located on rig floor.

H. Choke may be either positive or adjustable. Choke spool may be used between rams.

BOP DIAGRAM 1



4-2" ALL STEEL VALVES. DEPCO TO FURNISH VALVES NEXT TO HEAD. CONTRACTOR TO FURNISH TWO VALVES.

THE FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

A. Opening between the rams to be flanged, studded, or clamped.

B. All connections from operating manifolds to preventers to be all steel hose or tube a minimum of one inch in diameter.

C. 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.

D. All connections to and from preventer to have a pressure rating equivalent to that of the BOPs.

E. Manual controls to be installed before drilling cement plug.

F. Kelly cock to be installed on kelly.

G. Inside blowout preventer to be available on rig floor.

H. Dual operating controls: one located by drillers position and the other located a safe distance from the rig floor.

FOUR CLOSURE HYDRAULIC BLOWOUT PREVENTERS

DIAGRAM 2

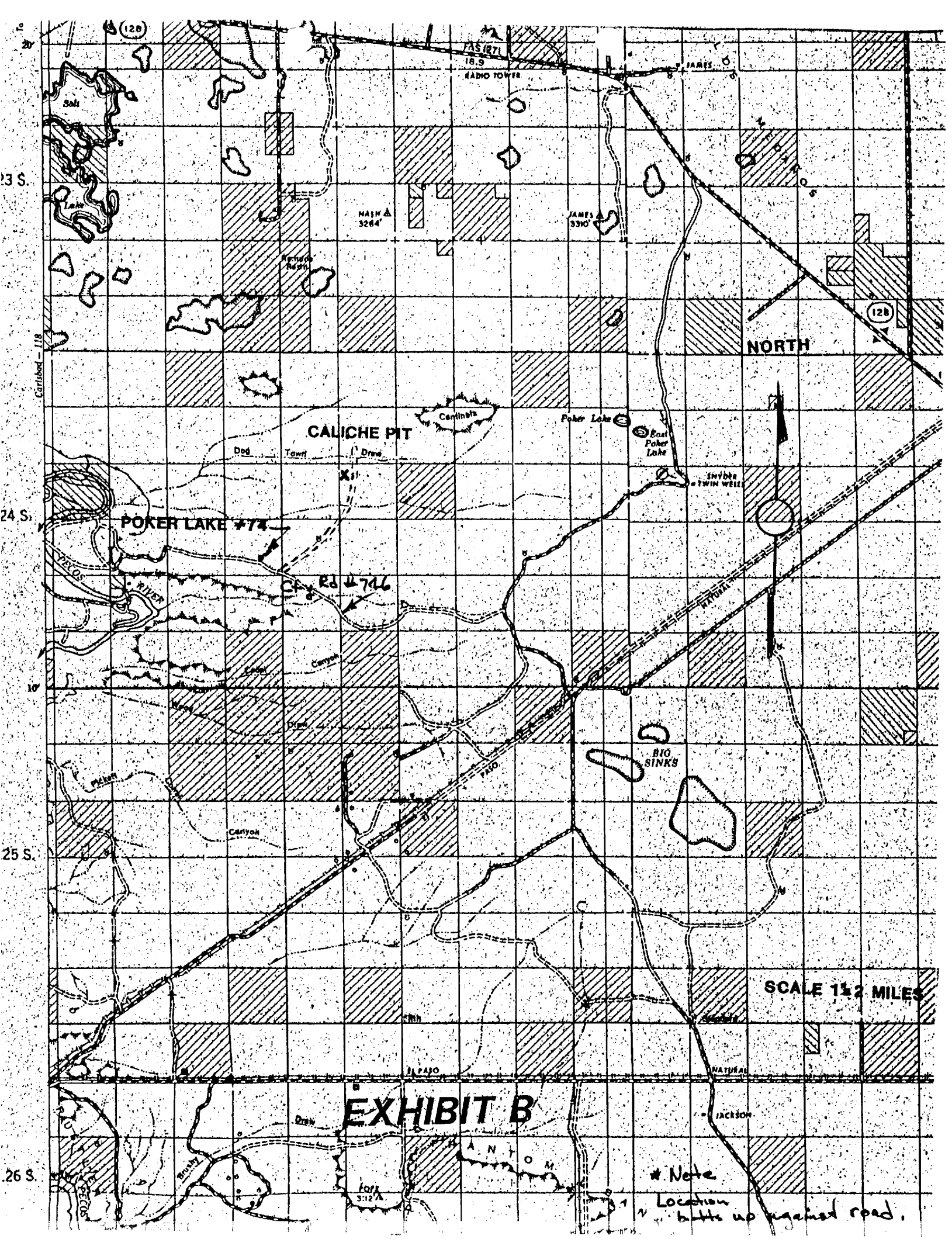
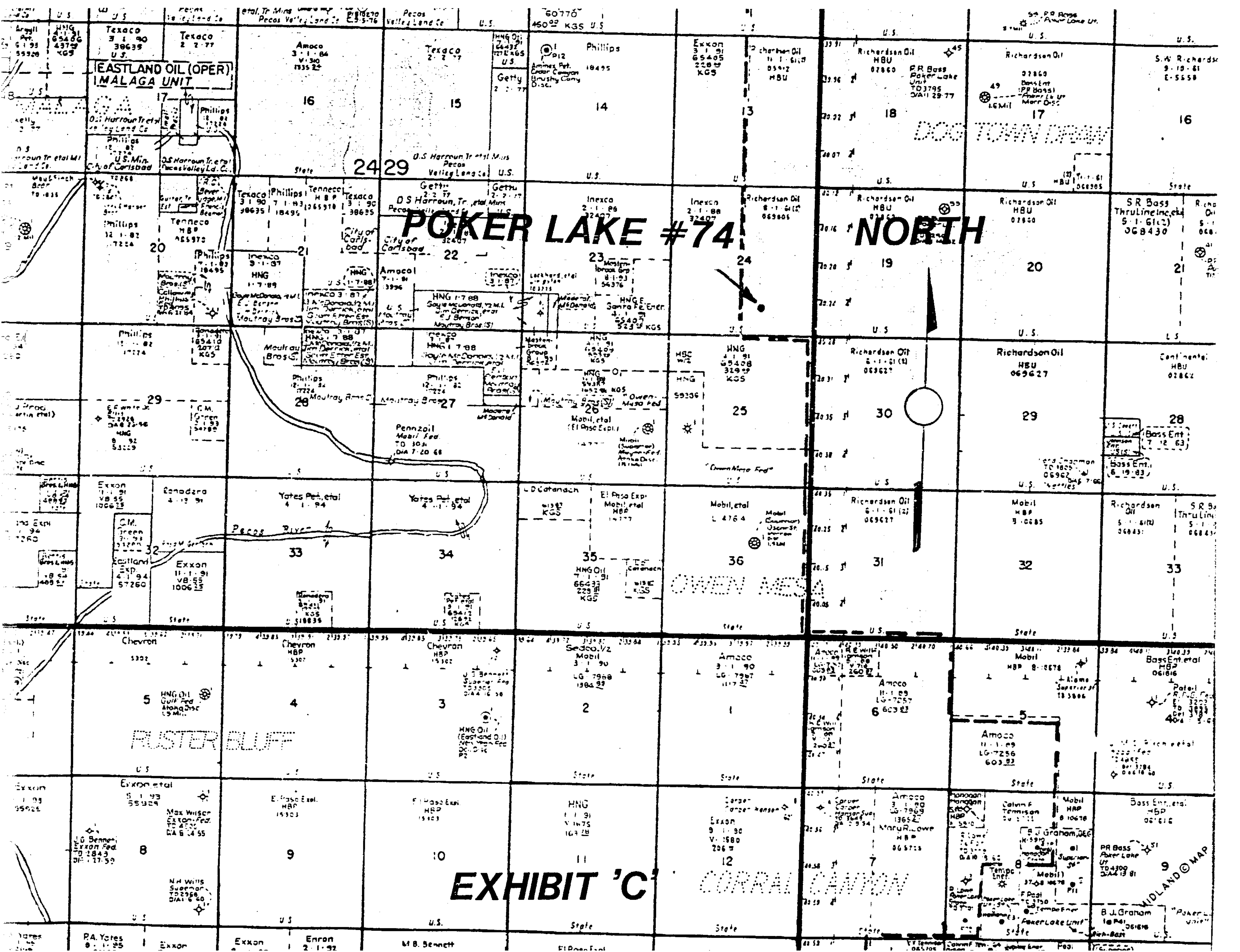


EXHIBIT B

* Note
Location
N. battle up graded road.


POKER LAKE #74 NORTH
EXHIBIT 'C'
EASTLAND OIL (OPER)
MALAGA UNIT
RUSTLER BLUFF
OWEN MESA
CORRAL CANYON
DOG TOWN DRAW
Pecos River
MIDLAND © MAP

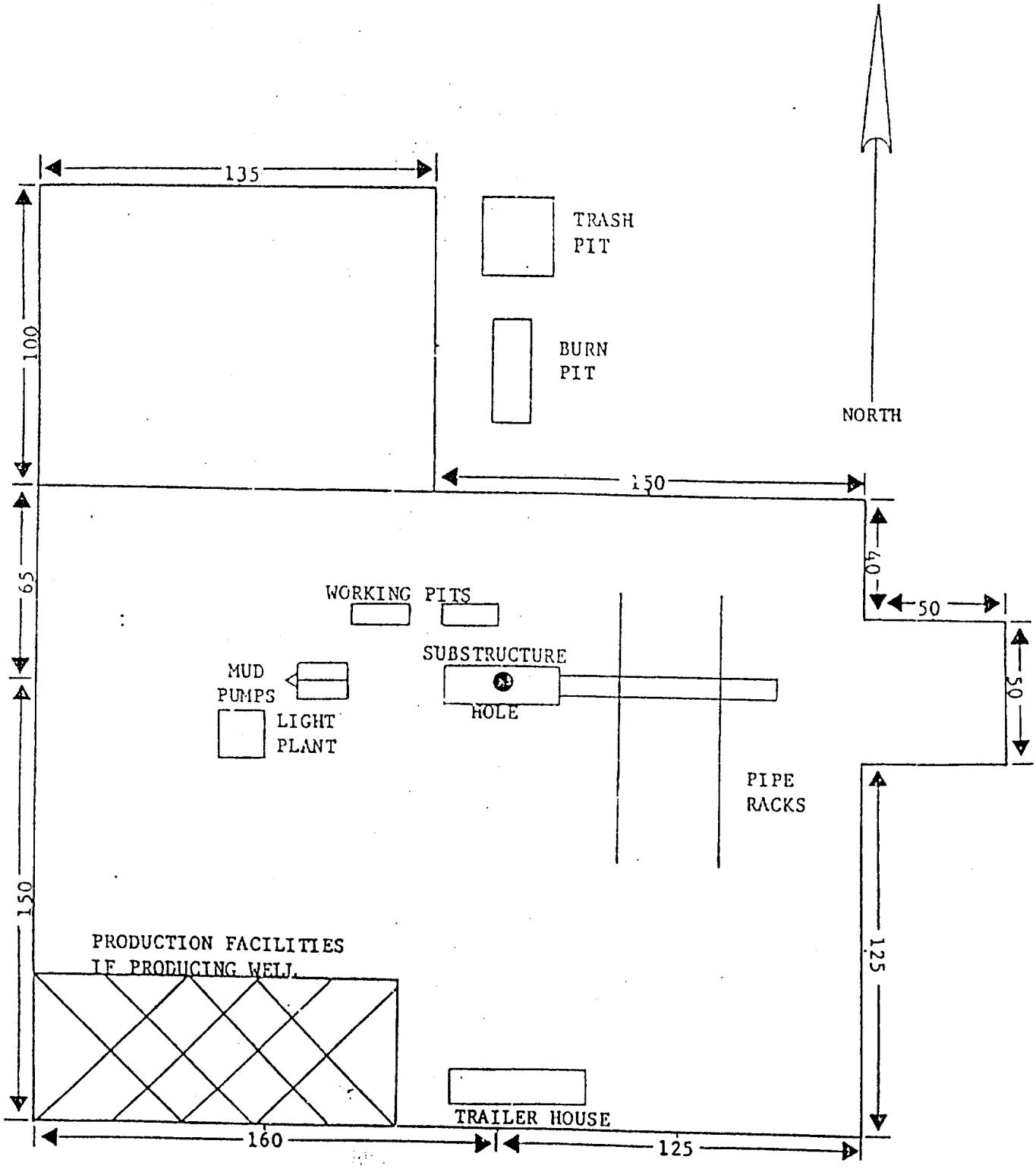

135
100
TRASH PIT
BURN PIT
NORTH
150
65
40
50
50
WORKING PITS
SUBSTRUCTURE
MUD PUMPS
LIGHT PLANT
HOLE
PIPE RACKS
150
125
PRODUCTION FACILITIES IF PRODUCING WELL
TRAILER HOUSE
160
125

EXHIBIT D