EIGHT POINT DRILLING PROGRAM BASS ENTERPRISES PRODUCTION CO.

NAME OF WELL: JAMES RANCH UNIT #48

LEGAL DESCRIPTION - SURFACE: 330' FWL & 990' FSL, Section 12, T-22-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 3346' (est) GL 3328.4'

ESTIMATED **ESTIMATED** SUBSEA TOP BEARING TOP FROM KB **FORMATION** +3033' Barren 313' T/Rustler +2683' Barren 663' T/Salt - 492' Oil/Gas 3838' T/Delaware Mtn Group Sands -1567' 0il/Gas 4913' T/Cherry Canyon Marker Oil/Gas 7291' -3945' T/Lower Brushy Canyon -4327' Oil/Gas 7673′ T/Bone Spring Lime 7900' -4554' TD

POINT 3: CASING PROGRAM

<u>TYPE</u>	INTERVALS	PURPOSE	CONDITION
20"	0' - 40'	Conductor	Contractor Discretion
13-3/8" 48# H-40 ST&C	0' - 600'	Surface	New
8-5/8" 32# K-55 LT&C	0' - 3800'	Intermediate	New
5-1/2" 15.5# K-55 LT&C	0' - 7900'	Production	New

POINT 4: PRESSURE CONTROL EQUIPMENT (SEE ATTACHED DIAGRAMS)

A BOP equivalent to Diagram 1 will be nippled up on the surface casing head. The 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 test will be performed:

- a) Upon installation
- b) After any component changes
- c) Thirty 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.