EIGHT POINT DRILLING PROGRAM BASS ENTERPRISES PRODUCTION CO.

NAME OF WELL: JAMES RANCH UNIT #35

LEGAL DESCRIPTION - SURFACE: 660' FNL & 660' FEL, Section 1, T-23-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 3317' (est)

GL 3202'

FORMATION	ESTIMATED TOP FROM KB	ESTIMATED SUBSEA TOP	BEARING
T/Rustler	211'	+3106'	Barren
T/Sait	657'	+2660'	Barren
T/Lamar	3847'	- 530'	Barren
T/Delaware Mtn. Group	3907'	- 590'	Oil/Gas
T/Lwr Brushy Canyon 8A	7402'	- 4085'	Oil/Gas
T/Bone Spring	7684'	- 4367'	Oil/Gas
TD	8000'	- 4683'	

POINT 3: CASING PROGRAM

TYPE 16"	INTERVALS 0' - 40'	PURPOSE Conductor	CONDITION Contractor Discretion
11-3/4", 42#, WC-40, STC	0' - 560'	Surface	New
8-5/8", 28# & 32#, WC-50, ST&C	0' - 3880'	Intermediate	New
5-1/2", 15.50# & 17#, K-55, LT&C	0' - 8000'	Production	New

POINT 4: PRESSURE CONTROL EQUIPMENT (SEE ATTACHED DIAGRAM)

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 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.