

ALM. Off. Cons. Div.

SUBMIT IN TRIPLICATE*

(Other instructions on
reverse side)

FORM APPROVED

Expires: February 28, 1995

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

b. TYPE OF WELL

Oil Well ☒

Gas Well ☐

Other ☐

Single Zone ☐

Multiple Zone ☐

2. Name of Operator

Bass Enterprises Production Co.

3. Address and Telephone No.

P O Box 2760

Midland, Texas 79702-2760

(915) 683-2277

4. Location of Well (Report location clearly and in accordance with any State requirements.)

At Surface

660' FSL & 2130' FEL, Section 8, T24S, R30E, UNIT LETTER A

At proposed BHL

SECRETARY'S POTASH

5. Lease Designation and Serial No.

NM 068545

11/19/02864

6. If Indian, Allottee or Tribe Name

7. Unit agreement name

Poker Lake Unit

17916

8. Farm or Lease Name, Well No.

Poker Lake Unit #149

9. API Well No.

30-015-31416

10. Field and Pool, or Wildcat

FORTY-NINER RIDGE (DELAWARE), SW

11. Sec., T., R., M., or Blk.

and Survey or Area

Sec. 8, T24S, R30E

21-235

14. Distance in miles and direction from nearest town or Post Office*

14 MILES EAST FROM MALAGA, NM

12. County or Parish

Eddy

13. State

NM

15. Distance from proposed*

Location to nearest

660'

Property or lease line, ft.

(Also to nearest drlg. unit line, if any)

16. No. of acres in Lease

2483.12

17. No. of Acres assigned
to this Well

40

18. Distance from proposed location*

to nearest well, drilling, completed,
or applied for, on this Lease, ft.

1320'

19. Proposed Depth

7800'

20. Rotary or Cable Tools

Rotary

21. Elevations (Show whether DF, RT, GR, etc.)

3205' GR

22. Approx. date work will start*

Upon Approval

23. PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | GRADE, SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|-----------------------|-----------------|---------------|--|
| * 11" | 8-5/8" WC-50 | 24# | 550' | 140 SX - CIRC TO SURFACE |
| ** 7-7/8" | 5-1/2" K-55 | 15.50# | 7800' | 770 SX - REVERSE CIRCULATED FROM SURFACE |

THIS WELL IS INSIDE THE SECRETARY'S POTASH AREA AND OUTSIDE THE R-111-P POTASH AREA.

THERE IS NO POTASH LEASES WITHIN 1 MILE OF THIS LOCATION.

CARLSBAD CONTROLLED WATER BASIN

* SURFACE CASING TO BE SET INTO RUSTLER BELOW ALL FRESH WATER SANDS.

** PRODUCTION CASING WILL BE CEMENTED FROM SURFACE BY REVERSE CIRCULATING METHOD USING ZONE SEAL CEMENT.

LOCATION WAS MOVED 150' WEST OF ORIGINAL STAKE PER BLM'S (BARRY HUNT) INSTRUCTIONS.

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, 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

J.C. Ward

W. R. Dannels

Title

Division Drilling Supt.

Date

7/7/00

(This space for Federal or State office use)

Permit No.

Approval Date

Application approval does not warrant or certify that 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:

Approved by

AUSTIN F. Goff

Title

STATE DIRECTOR

Date

10-27-00

*See Instruction on Reverse Side

APPROVED FOR 1 YEAR

Title 18 U.S.C., Section 1001, makes 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.

RECEIVED

JUL 10 2000

BLM

ROSWELL, NM

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. Division
811 S. 1st Street
Artesia, NM 88210-2834

BLM - CRA

February 08, 1998

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir
Use "APPLICATION FOR PERMIT" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Bass Enterprises Production Company

3. Address and Telephone No.

P. O. Box 2760

Midland, Texas 79702-2760

(915) 683-2277

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

660' FSL & 2130' FEL,
Section 31, T23S-R30E

5. Lease Designation and Serial No.

NM-02864

6. If Indian, Allotee or Tribe Name

7. If Unit or CA, Agreement Designation

POKER LAKE UNIT

8. Well Name and No.

Poker Lake Unit #149

9. API Well No.

NA

10. Field and Pool, or Exploratory Area

Forty-Niner Ridge (Del), SW

11. County or Parish, State

Eddy County, New Mexico

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☐ Other
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☒ Dispose Water

(Note: Report results of multiple completion on Well
Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.) CERTIFIED #P 973-823-518 JDL:PGS 10-9-00
Request approval to dispose of water into the following well. Water will be transported via pipeline to the injection facility.
Maralo's Charger "29" #1 located in the NW/4, Section 29, T23S-R30E.

In case of operational problems with the SWD facility, water will be trucked on a temporary basis to one of the following SWD facilities.

Bass Enterprises Production Co: Big Eddy Unit #56, Section 35, T-21-S, R-28-E. NMOCD #R-5693

Bass Enterprises Production Co: Poker Lake Unit #43, Section 21, T-24-S, R-31-E. NMOCD SWD #567

Bass Enterprises Production Co: Golden 8 Federal #3, Section 8, T-21-S, R-29-E. NMOCD SWD #R-10215

Bass Enterprises Production Co: Legg Federal #1, Section 27, T-22-S, R-30-E. NMOCD SWD #566

Shea-Meg Corporation: Dorstate #1 SWD (Maddox), Section 27, T-25-S, R-28-E. NMOCD SWD #247

Corrine Grace: Salty Bill #1 SWD, Section 26, T-22-S, R-26-E. NMOCD #118

Ray Westall Operating: Tennessee WIW #1 SWD, Section 21, T-19-S, R-31-E. NMOCD SWD #R-8173

Ray Westall Operating: Myrtle Myra WIW #1, Section 21, T-21-S, R-27-E. NMOCD SWD #391

I & W Inc: Walter Salt State #1 SWD, Section 5, T-18-S, R-28-E. NMOCD SWD #318

Dakota Resources: Big Eddy #100 SWD (Whistle Stop - Federal Lease), Section 10, T-21-S, R-28-E. NMOCD SWD #461

Rowland Trucking: Bone Springs Unit SWD, Section 27, T-20-S, R-26-E. SWD #86

CRW-SWD Inc: Federal AZ #1, Section 29, T-26-S, R-30-E. NMOCD SWD #R-7781

CRW-SWD Inc: Ross Draw Federal #1, Section 33, T-26-S, R-30-E. NMOCD SWD #R-7355

CRW-SWD Inc: Ross Draw Federal #9, Section 34, T-26-S, R-30-E. NMOCD SWD #R-8492

14. I hereby certify that the foregoing is true and correct

Signed Keith E. Bucky KEITH E. BUCY

Title DIVISION PROD. SUPT.

Date 10/9/00

(This space for Federal or State office use)

Approved by Forster F. Goff

Title STATE DIRECTOR

Date 10-27-00

Conditions of approval, if any:

1525 N. French Dr., Hobbs, NM 88240

811 South First, Artesia, NM 88210

1000 Rio Brazos Rd., Artec, NM 87410

2040 South Parhoco, 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

For 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 | Pool Name |
| | | | FORTY-NINER RIDGE, (DELAWARE), SW |
| Property Code | Property Name | | Well Number |
| | POKER LAKE UNIT | | 149 |
| OGRED No. | Operator Name | | Elevation |
| 001801 | BASS ENTERPRISES PRODUCTION COMPANY | | 3205' |

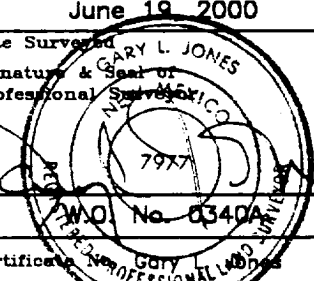
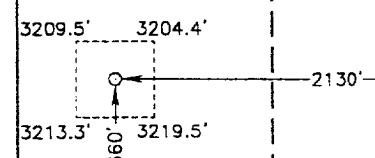
Surface Location

| | | | | | | | | | |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| 0 | 31 | 23 S | 30 E | | 660 | SOUTH | 2130 | EAST | EDDY |

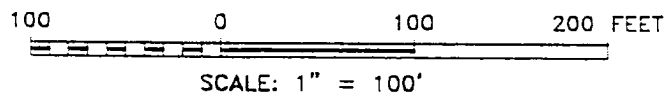
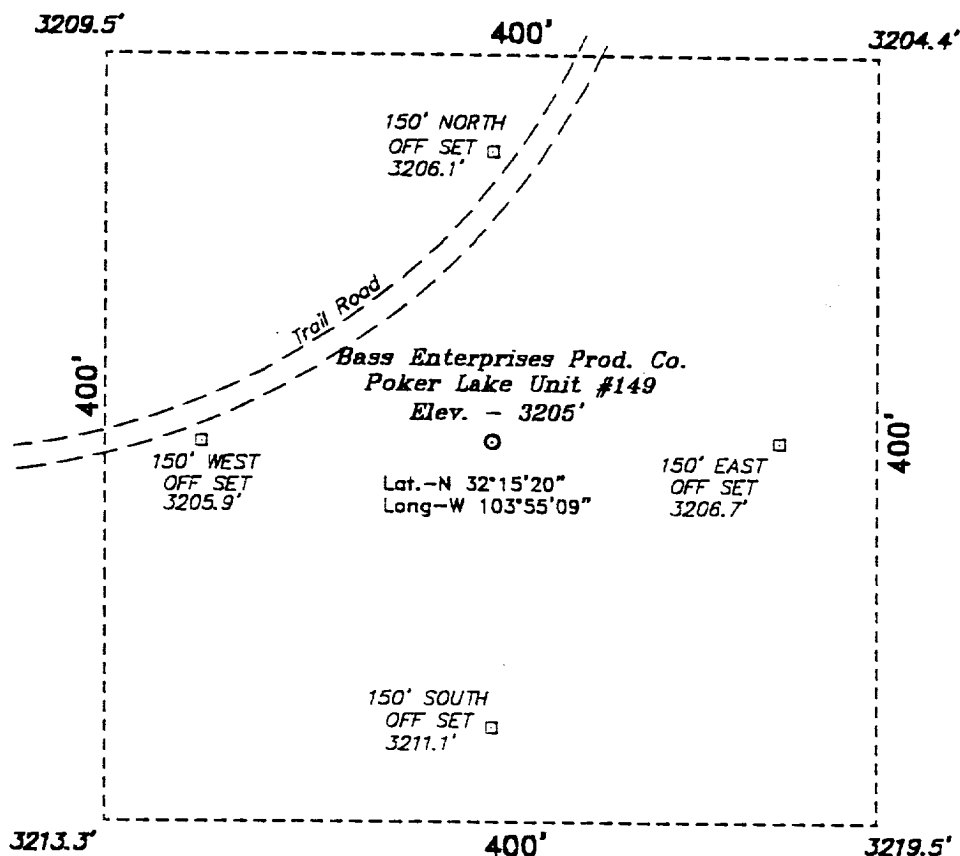
Bottom Hole Location If Different From Surface

| | | | | | | | | | |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| 40 | N | | | | | | | | |

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 1 | | | | | <p>OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p style="text-align: center;"><i>W. R. Dannels</i></p> <hr/> <p>Signature</p> <hr/> <p>W. R. Dannels</p> <hr/> <p>Printed Name</p> <hr/> <p>Division Drilling Supt.</p> <hr/> <p>Title</p> <hr/> <p>Date</p> <hr/> |
| LOT 2 | | | | | <p>SURVEYOR CERTIFICATION</p> <p><i>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.</i></p> <p style="text-align: center;">June 19, 2000</p> <hr/> <p>Date Surveyed</p> <hr/> <p>Signature & Seal of Professional Surveyor</p> <div style="text-align: center;">  </div> <hr/> <p>Certificate No. Gary L. Jones 7977</p> <hr/> <p style="text-align: center;">BASIN SURVEYS</p> |
| LOT 3 | | | | | |
| LOT 4 | | | <p>LAT - N32°15'20.4"</p> <p>LONG - W103°55'09"</p> |  | |

SECTION 31, TOWNSHIP 23 SOUTH, RANGE 30 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.



DIRECTIONS TO LOCATION:

FROM THE JUNCTION OF STATE HWY 128 & CO. RD. 793, GO SOUTH AND WEST ON CO. RD. 793 APPROX. 4.0 MILES TO A LEASE ROAD; THENCE SOUTH ON LEASE ROAD APPROX. 2 MILES TO A POINT WHICH LIES APPROX. 1 MILE WEST OF THE PROPOSED WELL LOCATION.

BASIN SURVEYS P.O. BOX 1786 - HOBBS, NEW MEXICO

W.O. Number: 0340 Drawn By: K. GOAD

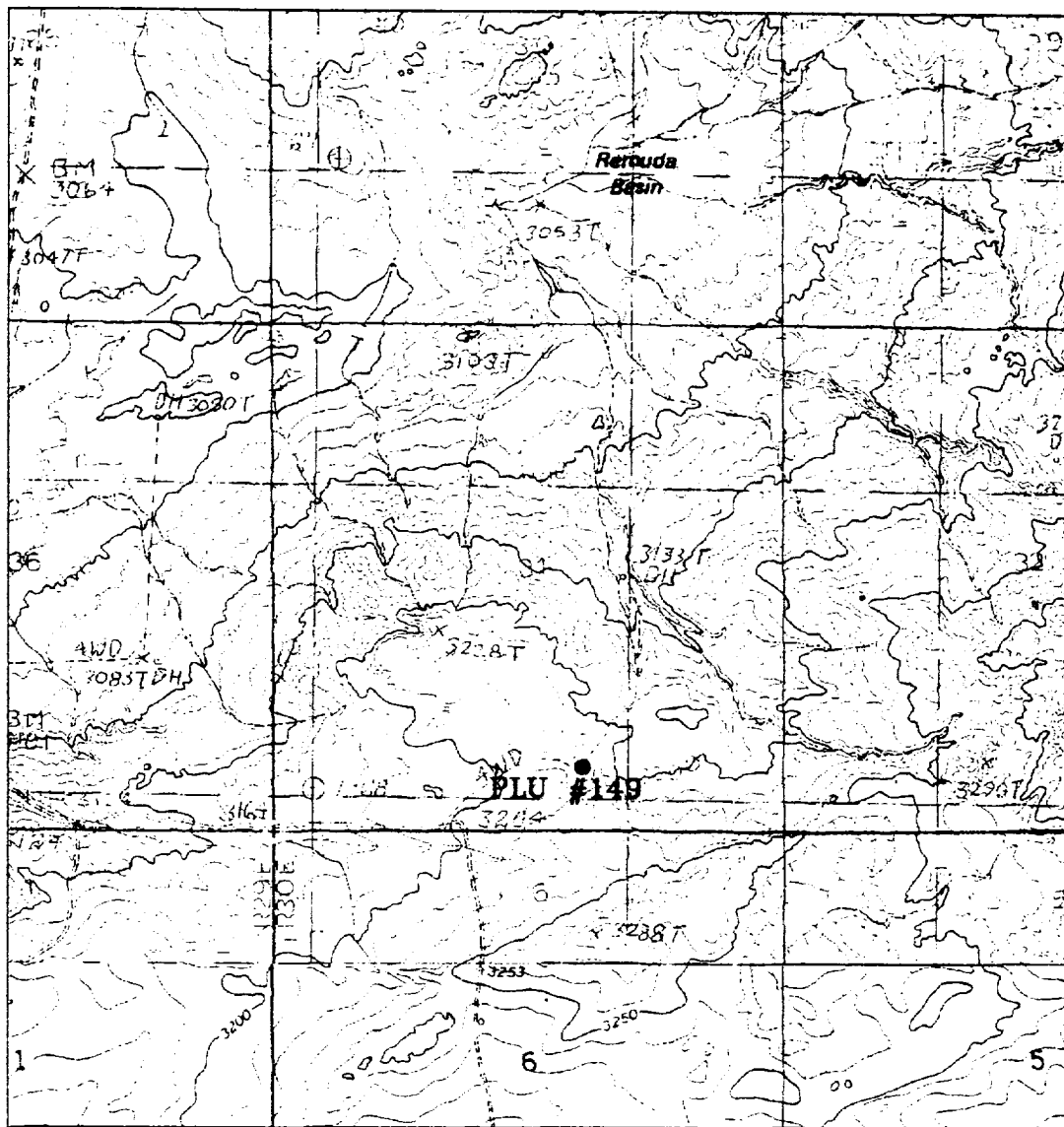
Date: 06-20-2000 Disk: KJG #122 - 0340A.DWG

BASS ENTERPRISES PRODUCTION CO.

REF: Poker Lake Unit No. 149 / Well Pad Tabs

THE POKER LAKE UNIT No. 149 LOCATED 660' FROM
THE SOUTH LINE AND 2130' FROM THE EAST LINE OF
SECTION 31, TOWNSHIP 23 SOUTH, RANGE 30 EAST,
N.M.P.M., EDDY COUNTY, NEW MEXICO.

Survey Date: 06-19-2000 Sheet 1 of 1 Sheets



POKER LAKE UNIT #149

Located at 660' FSL and 2130' FEL
 Section 31, Township 23 South, Range 30 East,
 N.M.P.M., Eddy County, New Mexico.

**basin
surveys**

focused on excellence
in the oilfield

P.O. Box 1786
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (505) 393-7316 - Office
 (505) 392-3074 - Fax
 basinsurveys.com

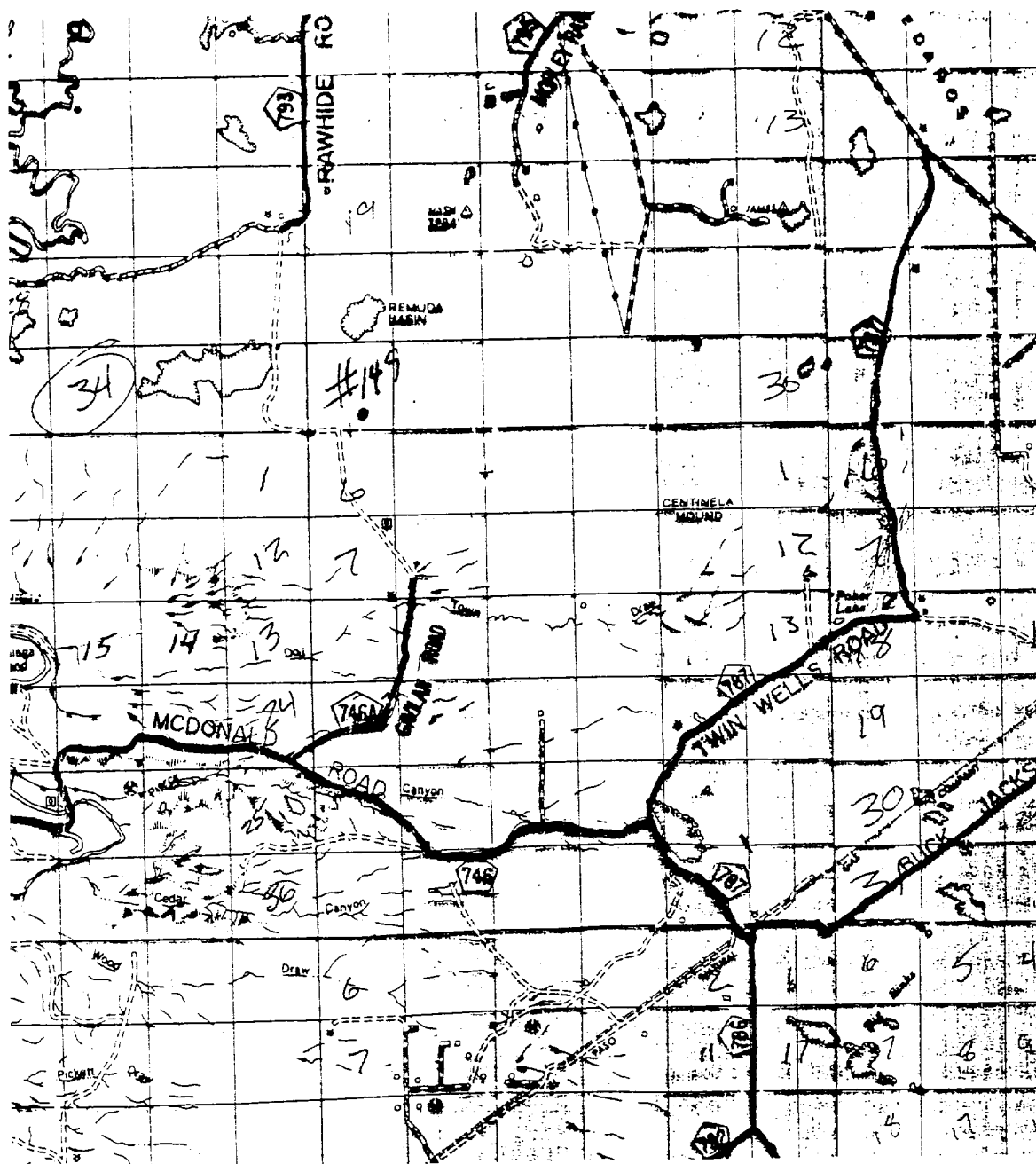
W.O. Number: 0340AA - KUG #122

Survey Date: 06-19-2000

Scale: 1" = 2000'

Date: 06-20-2000

**BASS ENTERPRISES
PRODUCTION CO.**



POKER LAKE UNIT #149

Located at 660' FSL and 2130' FEL

Section 31, Township 23 South, Range 30 East,
N.M.P.M., Eddy County, New Mexico.

basin
surveys

focused on excellence
in the oilfield

P.O. Box 1786
1120 N. West County Rd.
Hobbs, New Mexico 88241
(505) 393-7316 - Office
(505) 392-3074 - Fax
basinsurveys.com

W.O. Number: 0340AA - KJG #122

Survey Date: 06-19-2000

Scale: 1" = 2 MILES

Date: 06-20-2000

BASS ENTERPRISES
PRODUCTION CO.

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

NAME OF WELL: POKER LAKE UNIT #149

LEGAL DESCRIPTION - SURFACE: 660' FSL & 2130' FEL, Section 6, T-24-S, R-30-E, Unit Letter A, 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 3219' (est)
GL 3205'

| <u>FORMATION</u> | <u>ESTIMATED TOP FROM KB</u> | <u>ESTIMATED SUBSEA TOP</u> | <u>BEARING</u> |
|------------------------|----------------------------------|---------------------------------|----------------|
| T/Rustler | 376' | +2843' | Barren |
| T/Salt | 579' | +2640' | Barren |
| B/Salt | 3264' | - 45' | Barren |
| T/Lamar Lime | 3484' | -3265' | Barren |
| T/Ramsey Sand | 3511' | -3292' | Oil/Gas |
| T/ Lower Brushy Canyon | 6989' | -3770' | Oil/Gas |
| TD | 7800' | -4581' | |

POINT 3: CASING PROGRAM

| <u>TYPE</u> | <u>INTERVALS</u> | <u>PURPOSE</u> | <u>CONDITION</u> |
|--------------------------|------------------|----------------|-----------------------|
| 14" Conductor | 0' - 40' | Conductor | Contractor Discretion |
| 8-5/8", 24#, WC-50, STC | 0' - 550' | Surface | New |
| 5-1/2", 15.5#, K-55, LTC | 0' - 7800' | Production | New |

POINT 4: PRESSURE CONTROL EQUIPMENT (SEE ATTACHED DIAGRAMS)

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. A high pressure test (1000 psi) and 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. See attached Diagram 1 for the minimum criteria for the choke manifold.

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' - 550' | FW Spud Mud | 8.4 – 8.4 | 45-38 | NC | NC | NC | 10.0 |
| 550' - 6900' | BW | 9.8 – 10.2 | 28-30 | NC | NC | NC | 9.5 – 10.5 |
| 6900' - 7650' | BW/Starch | 9.8 – 10.2 | 28-30 | NC | NC | <100 | 9.5 – 10.5 |
| 7650' - 7800' | BW/Gel/Starch | 9.8 – 10.2 | 38-42 | 4 | 8 | <100 | 9.5 – 10.5 |

POINT 6: TECHNICAL STAGES OF OPERATION**A) TESTING**

None anticipated.

B) LOGGING

Platform Express (GR-CNL/LDT-LLD) from TD to Base of Salt ($\pm 3264'$). Run GR-CNL 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 Circ to surface | | | | | | |
| Lead 0-400' (100% excess) | 75 | 400 | Permian Basin Filler 1 + 1/4# Celloflake | 17.65 | 11.4 | 2.85 |
| Tail 400-550' (100% excess) | 65 | 150 | Permian Basin Critical Zone | 8.37 | 13.5 | 1.63 |

PRODUCTION (Reverse circulated with Zone Seal Cement)

| <u>INTERVAL</u> | <u>AMOUNT SXS</u> | <u>FILL</u> | <u>TYPE</u> | <u>GALS/SX</u> | <u>PPG</u> | <u>FT³/SX</u> | <u>Nitrogen</u> | <u>COMPRESSIVE STRENGTH</u> |
|---|-------------------|-------------|--|----------------|------------|--------------------------|--------------------|-----------------------------|
| LEAD 0-4500' (10% excess) | 390 | 4500 | Premium Plus + 1% Zone Sealant 2000 | 6.32* | 8.75* | 2.20* | 250/100 scf/bbl | 1200 |
| TAIL 4500-7800' (10% excess) | 380 | 3300 | Premium Plus + 1% Zone Sealant 2000 | 6.32* | 12.50* | 1.65* | 250/100 scf/bbl | 2500 |
| CAP 0-300' | 45 | 300 | Premium Plus + 2% CaCl ₂ | 6.32 | 14.80 | 1.32 | --- | 3650 |

* Average for that interval.

E) DIRECTIONAL DRILLING

No directional services anticipated.

POINT 7: ANTICIPATED RESERVOIR CONDITIONS

Normal pressures are anticipated throughout the Delaware section. No H₂S is anticipated.
Estimated BHT at TD is 150° 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

MULTI-POINT SURFACE USE PLAN

NAME OF WELL: POKER LAKE UNIT #149

LEGAL DESCRIPTION - SURFACE: 660' FSL & 2130' FEL, Section 6, T-24-S, R-30-E, Unit Letter A, Eddy County, New Mexico.

POINT 1: EXISTING ROADS

A) Proposed Well Site Location:

See Exhibit "A" & "B" and survey plats.

B) Existing Roads:

On Highway 128 between mile markers 4 and 5, turn south and go approximately 4 miles. Turn right and go south 1-3/4 miles. Turn left and go east into location.

C) Existing Road Maintenance or Improvement Plan:

See Exhibit "B" and survey plats.

POINT 2: NEW PLANNED ACCESS ROUTE

A) Route Location:

See Exhibit "B" and survey plats. The new road will be approximately 570' long.

B) Width

12' wide.

C) Maximum Grade

Not applicable.

D) Turnout Ditches

Spaced per BLM requirements.

E) Culverts, Cattle Guards, and Surfacing Equipment

None.

POINT 3: LOCATION OF EXISTING WELLS

Exhibit "B" indicates existing wells within the surrounding area.

POINT 4: LOCATION OF EXISTING OR PROPOSED FACILITIES

- A) Existing facilities within one mile owned or controlled by lessee/operator:

Oil/Gas production facilities are located 4200' north-northeast at the Poker Lake Unit #140 wellsite.
(See Exhibit B)

- B) New Facilities in the Event of Production:

A flowline will be layed to the existing production facilities located at our PLU #140 wellsite. Additional separators/treaters will be added as necessary.

- C) Rehabilitation of Disturbed Areas Unnecessary for Production:

Following the construction of production facilities, those access areas required for continued production will be graded to provide drainage and minimize erosion. The areas unnecessary for use will be graded to blend in with the surrounding topography (See Point 10).

POINT 5: LOCATION AND TYPE OF WATER SUPPLY

- A) Location and Type of Water Supply

Fresh water will be hauled from Diamond and Half Water Station 35 miles east of Carlsbad, New Mexico. Brine water will be hauled from Bass' Poker Lake Unit #140 battery or from commercial facilities.

- B) Water Transportation System

Water hauling to the location will be over existing and proposed roads.

POINT 6: SOURCE OF CONSTRUCTION MATERIALS

- A) Materials

If not found on location, source of caliche will be the nearest open pit approved by BLM.

- 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

See Exhibit "A", Exhibit "B", and survey plats.

POINT 7: METHODS FOR HANDLING WASTE MATERIAL

A) Cuttings

Cuttings will be contained in the plastic lined reserve pit.

B) Drilling Fluids

Drilling fluids will be contained in the plastic lined reserve pit.

C) Produced Fluids

Water production will be contained in the plastic lined reserve pit.

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 electric log analysis indicate potential productive zones. In any case, the "mouse" hole and the "rat" hole will be covered. The reserve pit will be bird netted and fenced. The fence will be maintained until the pit is backfilled. Reasonable cleanup will be performed prior to the final restoration of the site.

POINT 8: ANCILLARY FACILITIES

None.

POINT 9: WELL SITE LAYOUT

A) Rig Orientation and Layout

Exhibit "A" shows the dimensions of the well pad and reserve pits, and the location of major rig components.

B) Locations of Pits and Access Road

See Exhibit "A".

C) Lining of the Pits

The reserve pits will be lined with plastic.

POINT 10: PLANS FOR RESTORATION OF THE SURFACE

A) Reserve Pit Cleanup

The pits will be fenced immediately after spudding. The pits will be netted after drilling operations are completed and shall be maintained until they are backfilled. Previous to backfill operations, any hydrocarbon material on the pits' surfaces shall be removed. The fluids and solids contained in the pits shall be backfilled with soil excavated from the site and soil adjacent to the reserve pits. The restored surface of the pits 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

Reserve pits 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

Reserve pits 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 according to the Bureau of Land Management's stipulations.

D) Rehabilitations Time table

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

Relatively flat with numerous sand dunes.

B) Soil

Caliche and sand.

C) Vegetation

Sparse, primarily grasses and mesquite.

D) Surface Use

Primarily grazing.

POINT 11: OTHER INFORMATION – Con't...

E) Surface Water

No lakes, streams or rivers are located within several miles of the wellsite.

F) Water Wells

There are no water wells within 1 mile of location.

G) Residences and Buildings

None in the immediate vicinity.

H) Historical Sites

None observed.

I) Archeological Resources

An archeological survey will be obtained for this well site. The BLM will receive its copy in the near future.

J) Surface Ownership

The well site and access road are both 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.

POINT 12: OPERATOR'S FIELD REPRESENTATIVE

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

DRILLING

William R. Dannels
Box 2760
Midland, Texas 79702
(915) 683-2277

PRODUCTION

Mike Waygood
3104 East Green Street
Carlsbad, New Mexico 88220
(505) 887-7329

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 its 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.

7/7/00
Date

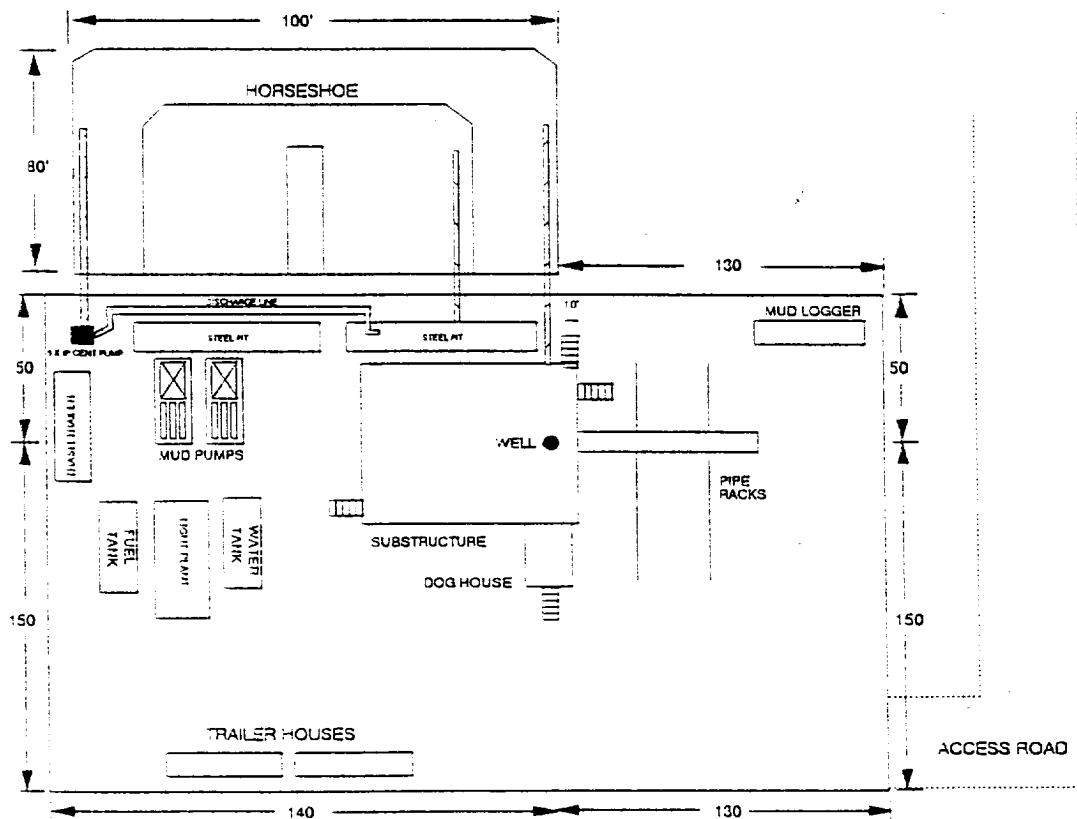
J.C. Ward for
William R. Dannels

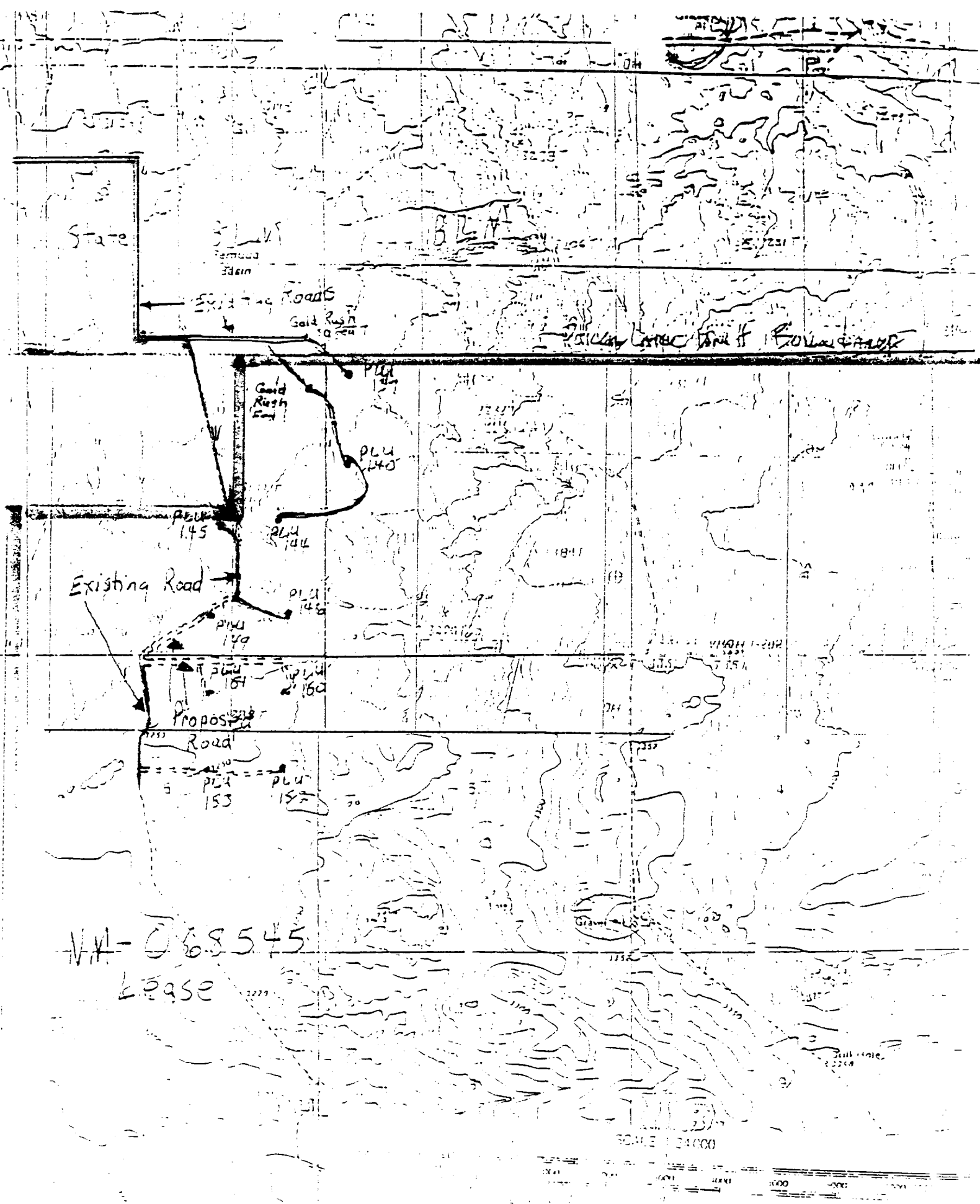
JCW:mac

POKER LAKE UNIT # 149



EXHIBIT "A"





NM-068545
Lease

Exhibit "B"

SCALE 1:24,000
CONTOUR INTERVAL 10 FEET
DATUM IS MEAN SEA LEVEL