Form 3160-3
(December 1990)

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

Form approved.
Budget Bureau No. 1004-0136
Expires: December 31, 1991

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

5. LEASE DESIGNATION AND SERIAL NO.
NM 030453

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
-----

7. UNIT AGREEMENT NAME
Poker Lake Unit

8. FARM OR LEASE NAME, WELL NO.
Poker Lake Unit #92

9. API WELL NO.
30-015-27797

10. FIELD AND POOL, OR WILDCAT
~~Wildcat~~ UND. POKER LAKE; DEL, SW

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Section 24, T-24-S, R-30-E

12. COUNTY OR PARISH: Eddy
13. STATE: NM

1a. TYPE OF WORK
DRILL [X] DEEPEN [ ]

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

2. NAME OF OPERATOR
Bass Enterprises Production Company ✓

3. ADDRESS AND TELEPHONE NO.
P.O. Box 2760, Midland, TX 79702 915-683-2277

JAN 4 1994

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface
660' FEL & 1980' FSL, Section 24, T-24-S, R-30-E
At proposed prod. zone
Same

UT. I

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
38 miles SE of Carlsbad, New Mexico

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any): 660'

16. NO. OF ACRES IN LEASE: 640

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: 8300'

20. ROTARY OR CABLE TOOLS: Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
3447.6 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
* 14-3/4"	11-3/4" H-40	42# (s25)	800'	480 sx circ to surface
** 11"	8-5/8" K-55	32#	4000'	950 sx circ to surface
7-7/8"	5-1/2" K-55	15.50#	8300'	720 sx tie back to 3800' DV Tool at 6000'

* Surface casing to be set ± 100' above the salts in the Rustler Anhydrite.

** Intermediate casing to be set in the top of the Lamar Lime.

Drilling procedure, BOP diagram, anticipated tops and surface use plans attached.

ID-1
1-7-94
NL & API

Certified Mail: P 237 023 716 GGR

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 William R Dannels TITLE W. R. Dannels Drilling Superintendent DATE 11/11/93

(This space for Federal or State office use)

PERMIT NO. ____________ APPROVAL DATE ____________

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

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 (ORIG. SGD.) RICHARD L. MANUS TITLE AREA MANAGER DATE DEC 29 1993

*See Instructions On Reverse Side

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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

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

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	POKER LAKE UNIT	92

Unit Letter	Section	Township	Range	County
I	24	24 SOUTH	30 EAST NMPM	EDDY

Actual Footage Location of Well:
1980 feet from the SOUTH line and 660 feet from the EAST line

Ground Level Elev.	Producing Formation	Pool	Dedicated Acreage:
3447.6'	Delaware	~~Wildcat~~ UND. POKER LAKE, SW	40 Acres

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

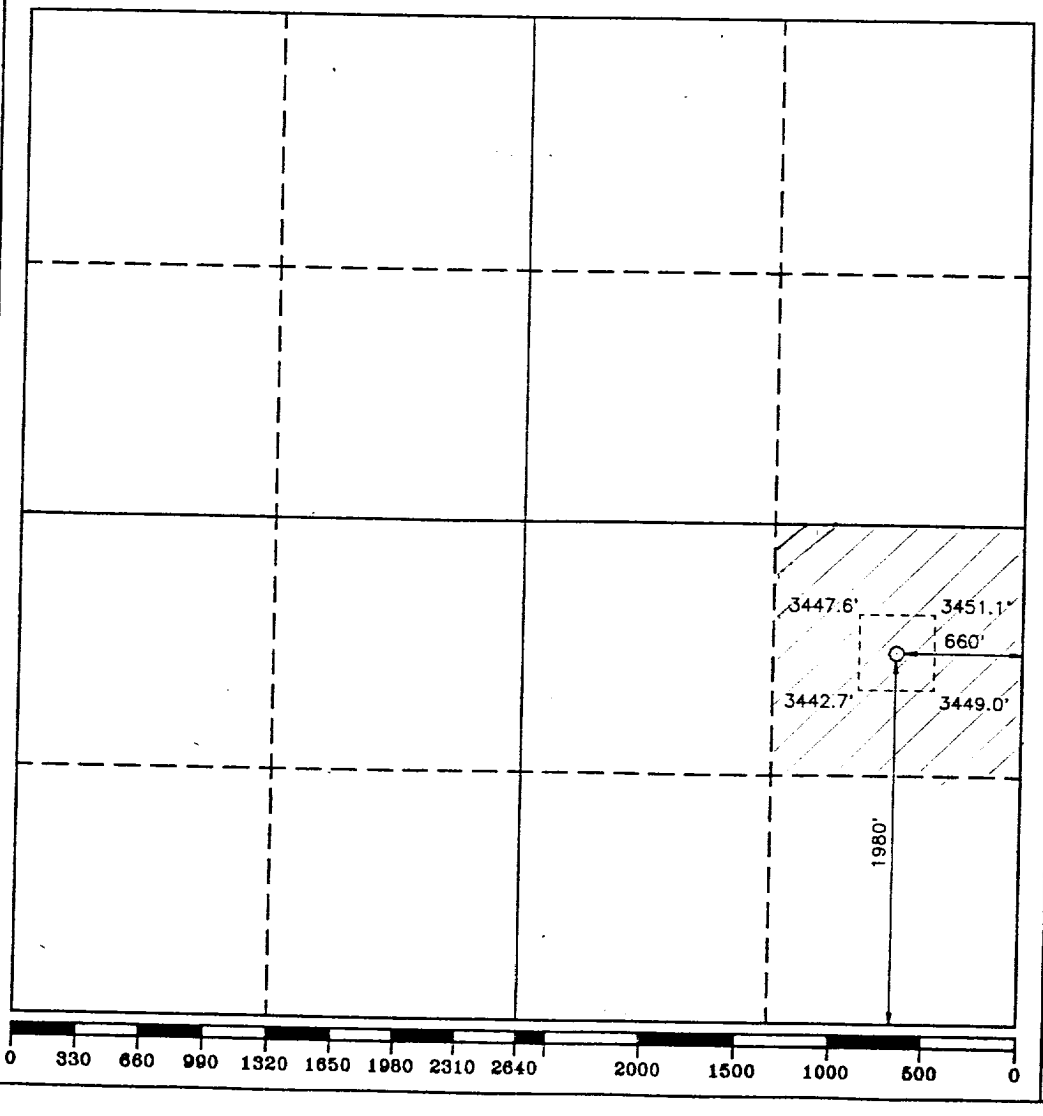
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

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.?

☐ Yes ☐ No If answer is "yes" type of consolidation _____

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

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



OPERATOR CERTIFICATION

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

Signature: William R. Dannels
Printed Name: W. R. Dannels
Position: Drilling Supt.
Company: Bass Enterprises Prod. Co.
Date: November 8, 1993

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: OCTOBER 25, 1993

Signature & Seal of Professional Surveyor

REGISTERED LAND SURVEYOR
No. 3239
RONALD J. EIDSON

Certificate No. GARY L. JONES 7977
RONALD J. EIDSON 3239
JOHN W. WEST 676

93-11-2076

EIGHT POINT DRILLING PROGRAM
BASS ENTERPRISES PRODUCTION CO.

NAME OF WELL: POKER LAKE UNIT #92

LEGAL DESCRIPTION - SURFACE: 660' FEL & 1980' FSL, Section 24, 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 3463' (est.)
GL 3447.6'

FORMATION	ESTIMATED TOP FROM KB	ESTIMATED SUBSEA TOP	BEARING
T/Rustler	528'	+2935'	Barren
T/Salt	928'	+2535'	Barren
T/Delaware	4188'	- 725'	Oil/Gas
T/Lower Brushy Canyon	7728'	-4265'	Oil/Gas
T/Bone Spring Lime	8048'	-4585'	Oil/Gas
TD	8300'	-4837'	

POINT 3: CASING PROGRAM

TYPE	INTERVALS	PURPOSE	CONDITION
20"	0' - 40'	Conductor	Contractor Discretion
11-3/4" 42# H-40 ST&C	0' - 800'	Surface	New
8-5/8" 32# K-55 ST&C	0' - 4000'	Intermediate	New
5-1/2" 15.5# K-55 LT&C	0' - 8300'	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 tests 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.

POINT 5: MUD PROGRAM

DEPTH	MUD TYPE	WEIGHT	FV	PV	YP	FL	Ph
0' - 800'	FW Spud Mud	8.5 - 9.2	35-40	NC	NC	NC	NC
800' - 4000'	BW	9.8 -10.0	29-30	NC	NC	NC	NC
4000' - 7000'	FW Mud	8.6 - 8.8	28-30	6-10	8-10	NC	9-9.5
7000' - 8300'	FW Mud	8.6 - 9.0	32-40	10-14	10-15	<15cc	9-9.5

POINT 6: TECHNICAL STAGES OF OPERATION

A) TESTING

None Anticipated

B) LOGGING

GR-CNL-LDT and GR-PIL/SFL from TD to 8-5/8" casing.
GR-CNL from base of 8-5/8" casing to surface.

C) CONVENTIONAL CORING

None Anticipated

D) CEMENT

INTERVAL	AMOUNT SXS	FT OF FILL	TYPE	GALS/SX	PPG	FT^3/SX
SURFACE						
Lead 0-600'	330 (100% excess circ to surface)	600'	Class "C" + 4% Gel + 2% CaCl2 + 1/4#/sk Celloseal	9.14	13.51	1.74
Tail 600-800'	150 (100% excess circ to surface)	200'	Class "C" + 2% CaCl2	6.32	14.82	1.34
INTERMEDIATE						
Lead 0-3400'	720 (100% excess circ to surface)	3400'	Class "C" + 6% Gel + 5% Salt + 1/4#/sk Celloseal	10.96	12.53	2.01
Tail 3400-4000'	230 (100% excess circ to surface)	600'	Class "C"	6.32	14.80	1.32
PRODUCTION	STAGE #1					
6000-8300'	375 (50% excess tie back to int csg)	2300'	Class "H" + 8#/sk CSE + .75% CF-14 + .2% Thrifty Lite	7.90	14.04	1.61
	STAGE #2					
3500-5400'	225 (50% excess tie back to int csg)	1900'	Class "C" + 6% Gel + 5% Salt + 1/4#/sk Celloseal	10.96	12.53	2.01
5400-6000'	120 (50% excess tie back to int csg)	600'	Class "C"	6.32	14.80	1.32

E) DIRECTIONAL DRILLING

No directional services anticipated.

POINT 7: ANTICIPATED RESERVOIR CONDITIONS

Normal pressures are anticipated throughout Delaware section. A BHP of 3776 psi (max) or MWE of 8.7 ppg is expected. Lost circulation may exist in the Delaware section from 4200-7700'. No H_2S is anticipated.

Estimated BHT is 146° 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

14 days drilling operations

10 days completion operations

MULTI-POINT SURFACE USE PLAN

NAME OF WELL: POKER LAKE UNIT #92

LEGAL DESCRIPTION - SURFACE: 660' FEL & 1980' FSL, Section 24, T-24-S, R-30-E, Eddy County, New Mexico.

POINT 1: EXISTING ROADS

A) Proposed Well Site Location:

See Exhibit "A".

B) Existing Roads:

From Carlsbad, New Mexico, go 8 miles south on Highway 285 to Highway 31. Turn north and go 7 miles to Highway 128, turn east on Highway 128. Go 12 miles, turn south between mile markers 12 and 13 on Twin Wells Road (Co. Road #787). Go 10.1 miles to intersection of McDonald and Twin Well Roads. Turn left and go 2 miles to Fortson Oil Company's Poker Lake Unit #78. Turn northwest - 1320' to Bass' PLU #82 location. Turn right, go 1320' to location #92.

C) Existing Road Maintenance or Improvement Plan:

See Exhibit "A".

POINT 2: NEW PLANNED ACCESS ROUTE

A) Route Location:

See Exhibit "A". The new road will be 12' wide and approximately 1320' long. The road will be constructed of watered and compacted caliche.

B) Width

Not applicable.

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:

None at the present time; however, a drilling permit has been applied for on Bass' Poker Lake Unit #82. Production facilities will be installed at that site if the well is commercial.

B) New Facilities in the Event of Production:

Will be installed at Poker Lake Unit #82.

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 Johnson Water Station 27 miles east of Carlsbad, New Mexico on Highway 128. Brine water will be hauled from Champion Brine Water Station, 3.5 miles east and 2.5 miles south of Carlsbad, New Mexico.

B) Water Transportation System

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

POINT 6: SOURCE OF CONSTRUCTION MATERIALS

A) Materials

Exhibit "A" shows location of caliche source.

B) Land Ownership

Federally owned.

C) Materials Foreign to the Site

No construction materials foreign to this area anticipated for this drill site.

D) Access Roads

See Exhibit "A".

POINT 7: METHODS FOR HANDLING WASTE MATERIAL

A) Cuttings

Cuttings will be contained in the reserve pit.

B) Drilling Fluids

Drilling fluids will be contained in the reserve pit.

C) Produced Fluids

Water production will be contained in the 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 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 "C" 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 "A" and "C".

C) Lining of the Pits

The reserve pit will be lined with plastic.

POINT 10: PLANS FOR RESTORATION OF THE SURFACE

A) Reserve Pit Cleanup

A pit will be fenced immediately after spudding 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 according 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

Relatively flat.

B) Soil

Caliche and sand.

C) Vegetation

Spare, primarily grasses and mesquite with very little grass.

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

None known.

G) Residences and Buildings

None.

H) Historical Sites

None 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
W. R. Dannels
Box 2760
Midland, Texas 79702
(915) 683-2277

PRODUCTION
Mike Waygood
1012 West Pierce, Suite F
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 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.

11-11-93
Date

William R. Dannels
William R. Dannels

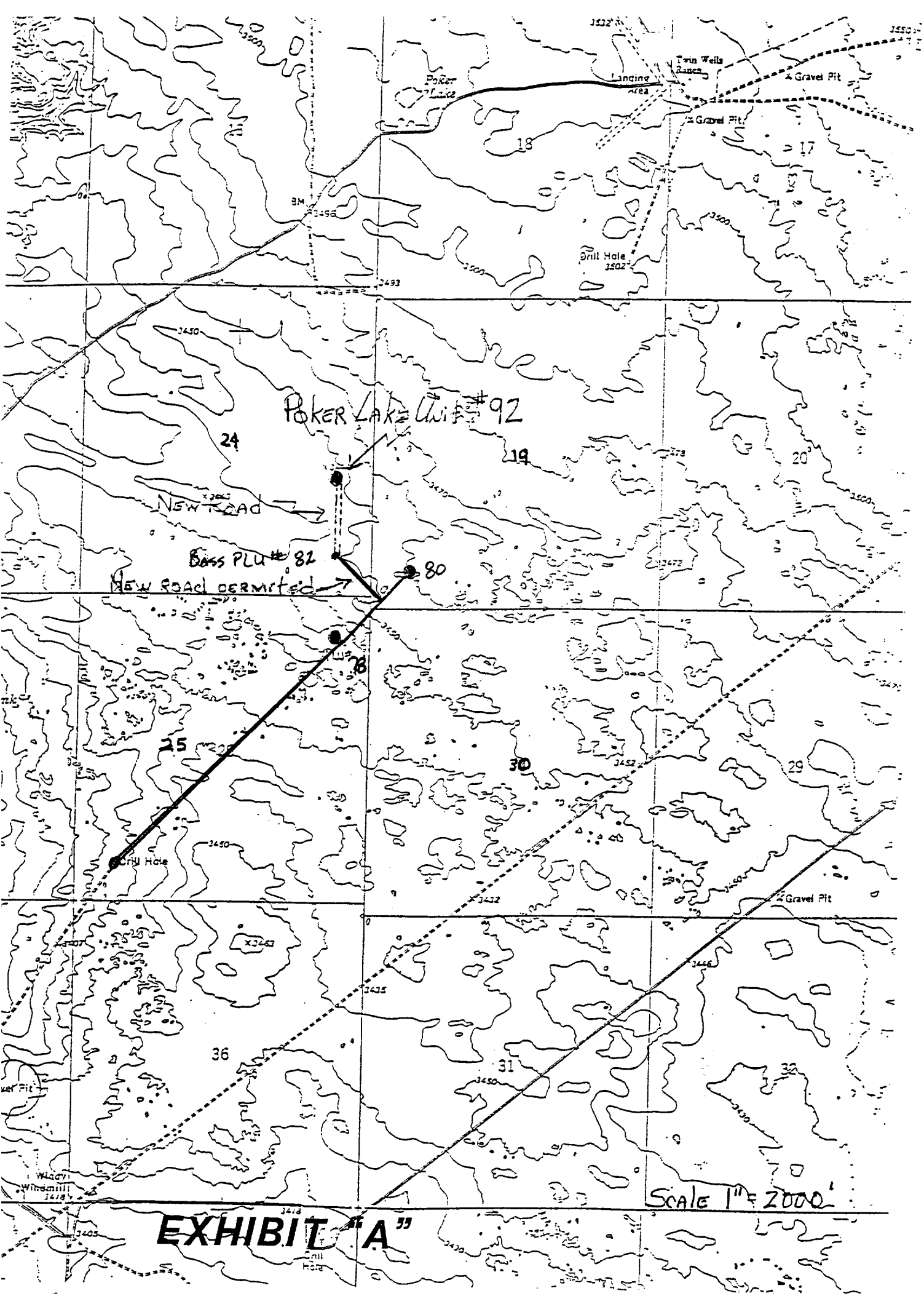

Poker Lake Unit #92
New Road
Bass Plu #82
New Road permitted
Twin Wells Ranch
Landing Area
Gravel Pit
Gravel Pit
Drill Hole
Drill Hole
Gravel Pit
Windmill
Scale 1" = 2000'
18
17
19
20
24
25
30
29
36
31
32
78
80

EXHIBIT "A"

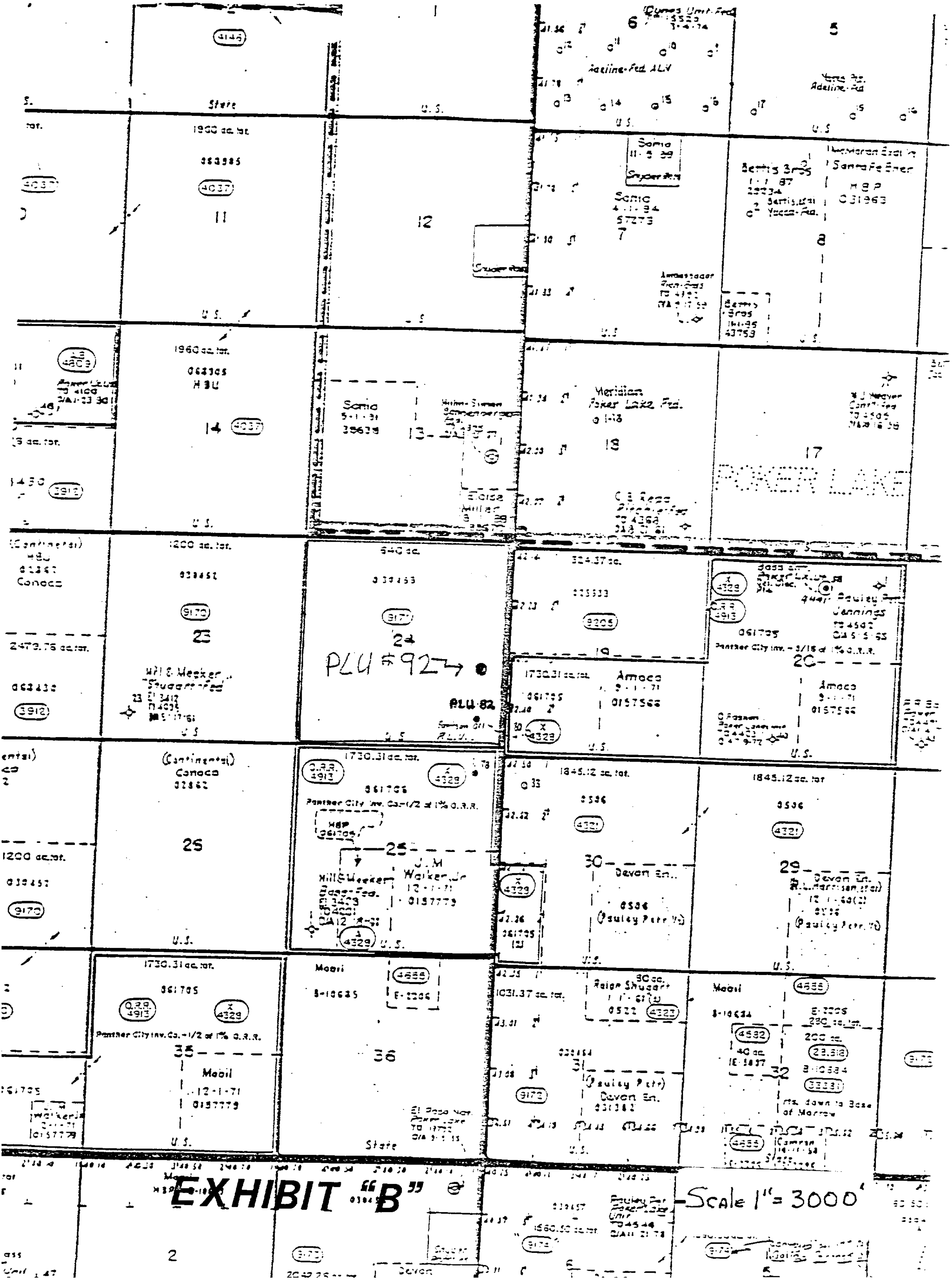


EXHIBIT "B"
Scale 1" = 3000'
PLU #92
PLU 82
Poker Lake Fed.
Meridian
Sonio
Amoco
Mobil
Devon En.
Continental
Conoco
Panther City Inv. Co. - 1/2 of 1% O.R.R.
J. M. Walker, Jr.
Hill & Meeker
Stuart Fed.
Pauley Petr.
Bettis Bros.
Adeline-Fed.
Santa Fe Ener.
El Paso Nat.
State
U.S.

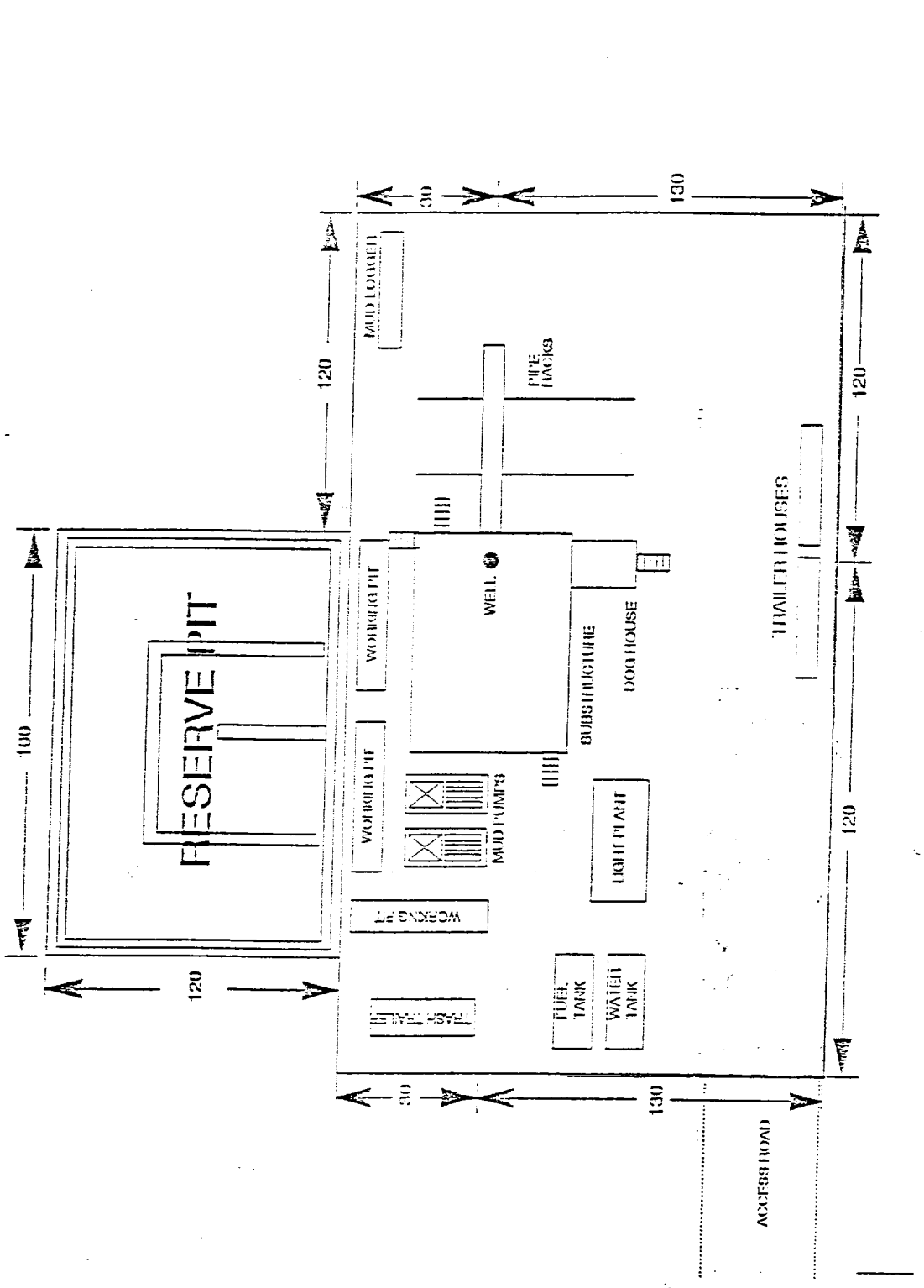
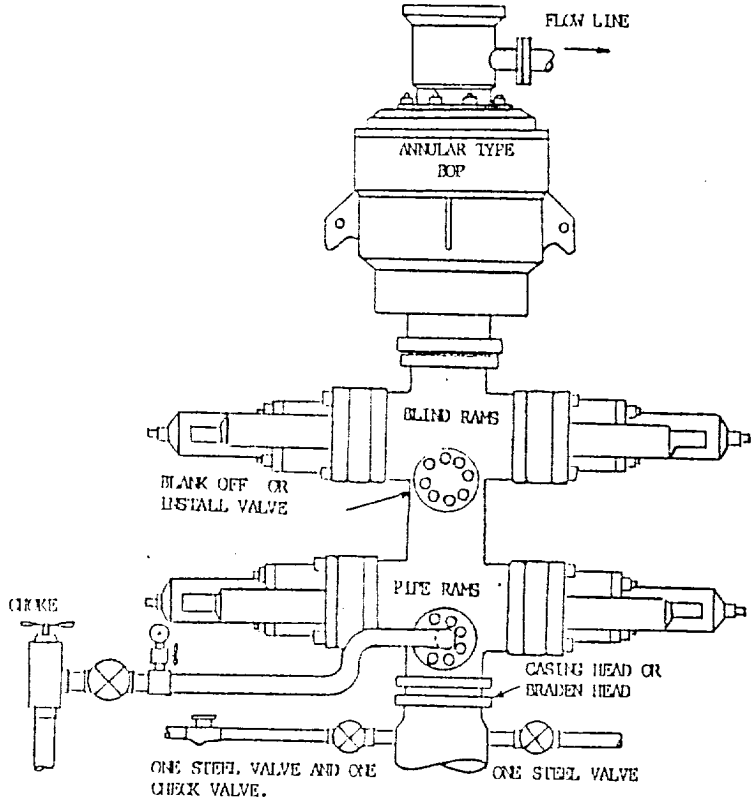

N
RESERVE PIT
100
120
MUD LOGGER
PIPE RACKS
WELL
WORKING PIT
WORKING PIT
MUD PUMPS
SUBSTRUCTURE
DOG HOUSE
TRAILER HOUSES
LIGHT PLANT
FUEL TANK
WATER TANK
30
130
ACCESS ROAD

EXHIBIT "C"

3000 PSI WP



THE FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

A. Conditions may be met with an annular type blowout preventer and pipe ram type blowout preventer above a choke spool, and a blind ram below the choke spool.

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.

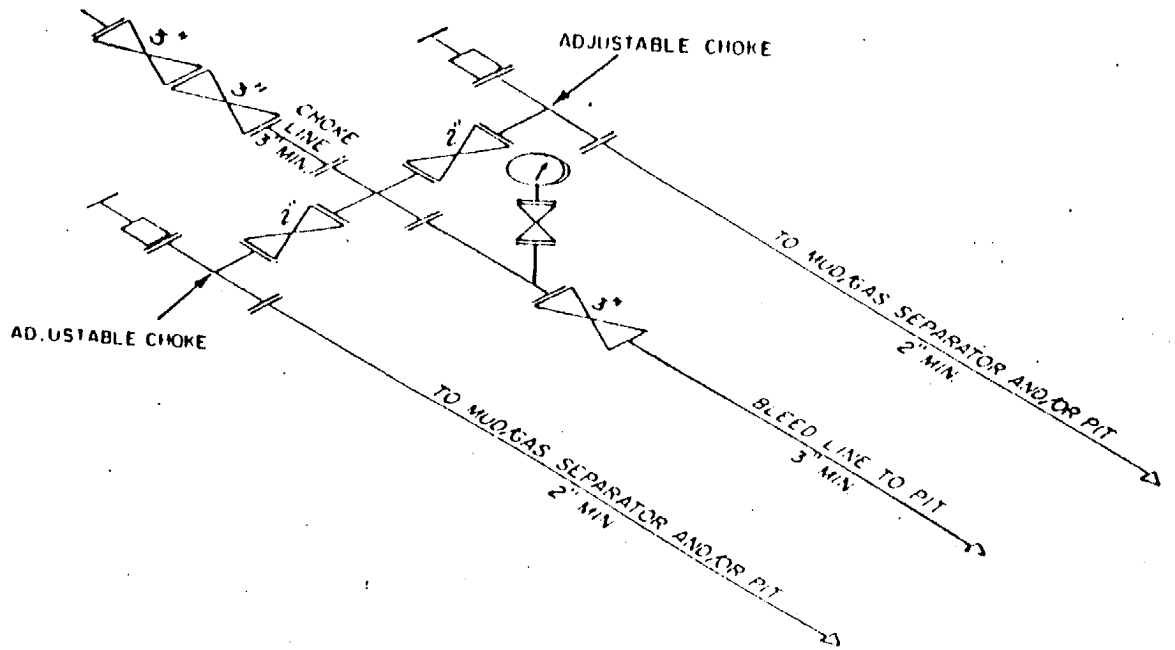
D. The available closing pressure shall be at least 15% in excess of that required with sufficient volume to operate (close, open, and re-close) the preventers.

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 cement 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.



3M CHOKE MANIFOLD EQUIPMENT — CONFIGURATION MAY VARY