

NSL 6/8/00

LAW OFFICES

LOSEE, CARSON, HAAS & CARROLL, P. A.

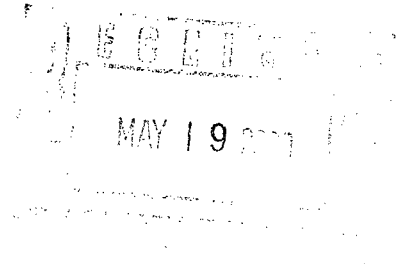
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400 N. PENN., SUITE 870
ROSWELL, NM 88201
PHONE (505) 623-5154

PLEASE DIRECT ALL CORRESPONDENCE
TO OUR ARTESIA OFFICE

May 18, 2000



Ms. Lori Wrotenbery
Oil Conservation Division
2040 S. Pacheco St.
Santa Fe, NM 87505

Re: Application of Bass Enterprises Production Co. For An Unorthodox
Oil Well Location, James Ranch Unit Well No. 82

Dear Ms. Wrotenbery:

Enclosed is the original and one copy of the above-cited application with exhibits, as well as our Certificate of Mailing and Compliance with Rule 1207 with exhibits.

Yours very truly,

LOSEE, CARSON, HAAS & CARROLL, P.A.

A handwritten signature in cursive script, which appears to read "Ernest L. Carroll".
Ernest L. Carroll

ELC:bal
Enclosures

cc: Mr. Worth Carlin

**STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

IN THE MATTER OF THE APPLICATION OF: :
BASS ENTERPRISES PRODUCTION CO. FOR :
AN UNORTHODOX OIL WELL LOCATION :
EDDY COUNTY, NEW MEXICO : CASE NO. _____

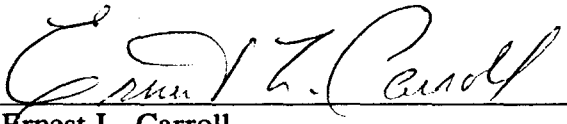
**CERTIFICATE OF MAILING
AND
COMPLIANCE WITH RULE 1207**

In accordance with Division Rule 1207, I hereby certify that on May 18, 2000, correspondence transmitting copies of the application filed in the above-referenced case, were mailed to the affected persons listed upon Exhibit "A" attached hereto.

Attached hereto is a copy of said correspondence without attachments as Exhibit "B".

Respectfully submitted,

LOSEE, CARSON, HAAS & CARROLL, P.A.

By: 
Ernest L. Carroll
P.O. Box 1720
Artesia, NM 88211-1720
(505)746-3505

Attorneys for Bass Enterprises Production Co.

STATE OF NEW MEXICO)
 : ss.
COUNTY OF EDDY)

SUBSCRIBED AND SWORN TO before me this May 18, 2000.

Notary Public

My commission expires:
February 3, 2002

EXHIBIT "A"

IMC Kalium Carlsbad Potash Company

P.O. Box 71

Carlsbad, NM 88221-0071

BEFORE THE OIL CONSERVATION DIVISION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF:

BASS ENTERPRISES PRODUCTION CO. FOR : CASE NO. _____
AN UNORTHODOX OIL WELL LOCATION :
EDDY COUNTY, NEW MEXICO :

APPLICATION

COMES NOW Bass Enterprises Production Co., by and through its attorneys, Losee, Carson, Haas & Carroll, P.A., (Ernest L. Carroll), and in support hereof respectively states:

1. Applicant is the operator of the Quahada Ridge, SE (Delaware) formation underlying Section 1, Township 23 South, Range 30 East, Unit P, N.M.P.M., Eddy County, New Mexico. Applicant has already submitted an application for permit to drill ("APD") its James Ranch Unit Well No. 82 at a surface location 1200' from the south line, and 760' from the east line of the said Section 1. This APD has not been approved as of this date. This well is located within the R-111P area. Negotiations with IMC Kalium were entered into resulting in the noted location. Written approval of said location was requested March 3, 2000, and IMC responded on March 13, 2000 with no objections.

2. The applicant seeks an exception to the well location requirements of Rule 104.B(1) of the Oil Conservation Division to permit the drilling of the well at the above-mentioned unorthodox location to a depth sufficient to adequately test the Quahada Ridge, SE (Delaware) formation.

3. A 40-acre oil proration unit comprising the SE/SE, Unit P, of Section 1 is to be dedicated to such well.

4. Attached to this application as Exhibit "1" is a land plat showing the ownership of all 40-acre proration units located around Unit P of said Section 1. The affected proration

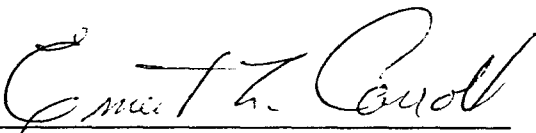
unit is owned and operated by Bass entities, as so denoted in the ownership portion of said land plat. Attached as Exhibit "2" is a copy of a Midland Map land plat of the area in question.

5. Application is sought for an administrative approval of this unorthodox location pursuant to Rule 104.F(2) and (5), and is sought based upon topographical conditions as dictated by the potash lessee, IMC Kalium.

6. All affected parties by this application are Bass entities, and no further notification to any other parties has been made of this application, except for IMC Kalium.

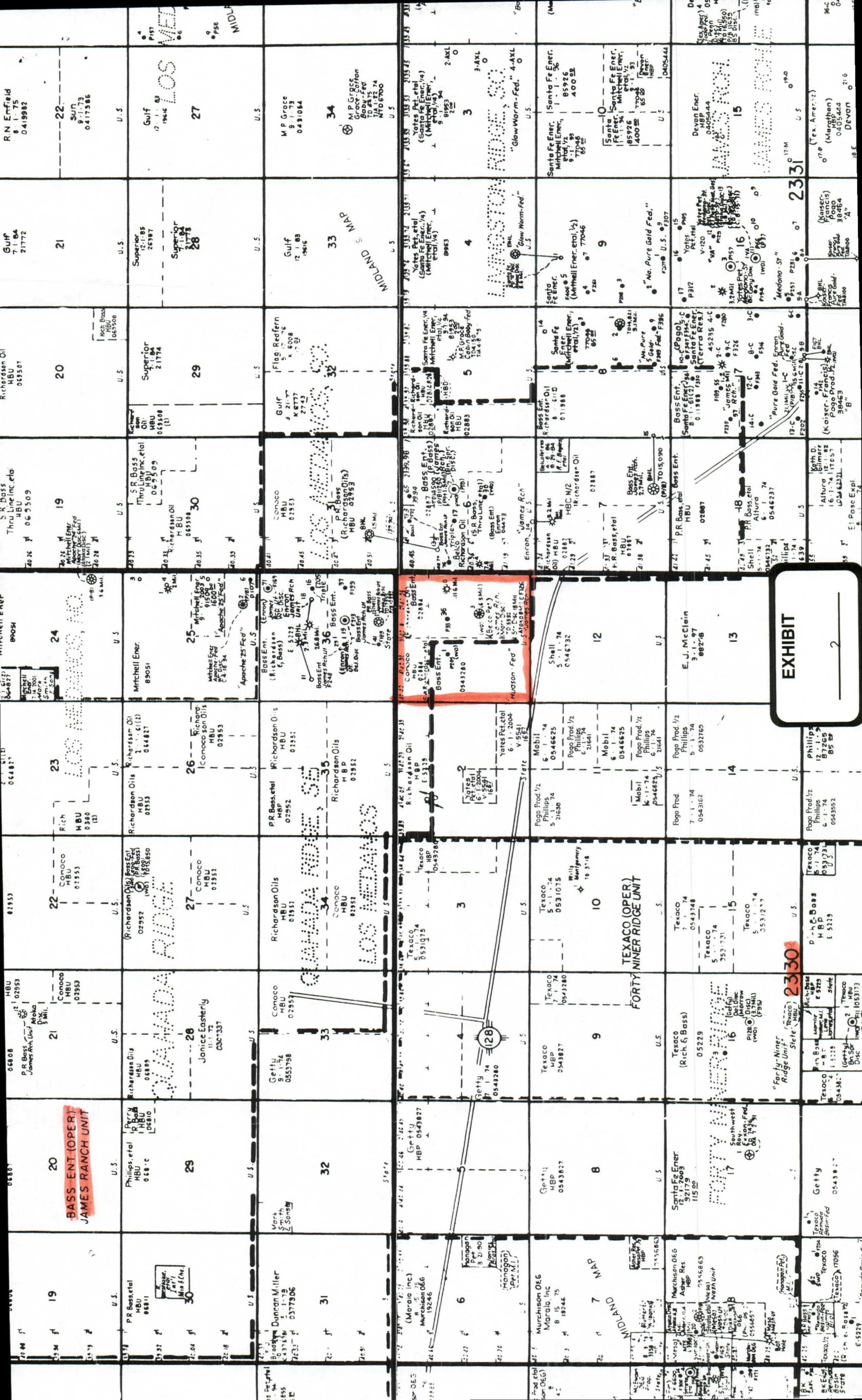
7. Attached hereto as Exhibits "3" and "4" respectively are Form 3160-3 and Form C-102 hereinabove referred to with attachments, which includes the correspondence with IMC Kalium.

BASS ENTERPRISES PRODUCTION CO.

By: 
Ernest L. Carroll

LOSEE, CARSON, HAAS & CARROLL, P.A.
P.O. Box 1720
Artesia, NM 88211-1720

Attorneys for Applicant



EXHIBIT

2

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 Company

3. Address and Telephone No.

P.O. Box 2760, Midland, TX 79702 (915) 683-2277

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

At Surface

1200' FSL & 760' FEL, Section 1, T23S, R30E, Unit Ltr P

At proposed prod. zone

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

16 miles East from Loving, NM

15. Distance from proposed*

Location to nearest 760'
Property or lease line, ft.
(Also to nearest drlg. unit line, if any)

16. No. of acres in Lease

400

17. No. of Acres assigned
to this Well

40

18. Distance from proposed location*

to nearest well, drilling, completed, 756.63'
or applied for, on this Lease, ft.

19. Proposed Depth

8000'

20. Rotary or Cable Tools

Rotary

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

3291' GR

22. Approx. date work will start*

ASAP

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" WC-40	42#	575'	340 sx (Circ to surface)
11"	8 5/8" WC-50	28# & 32#	3920'	805 sx (Circ to surface)
7 7/8"	5 1/2" K-55	15.5# & 17#	8000'	645 sx (Tie back 300' inside int.)

Surface casing to be set +/-100' above the top of the Salt.

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

Production casing cement to be tied 300' into the intermediate casing.

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

This well is located inside the R-111 Potash Area. Attached is our potash notification letter dated March 3, 2000 along with IMC's response letter dated March 13, 2000 indicating "no objections".

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 W. R. Dannels Title Division Onlling Supt. Date 3-23-2000

(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 _____ Title _____ Date _____

*See Instruction on Reverse Side

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 representations as to any matter within its jurisdiction.

EXHIBIT