

NSL

2/10/00

LAW OFFICES

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

311 WEST QUAY AVENUE

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PHONE (505) 746-3505

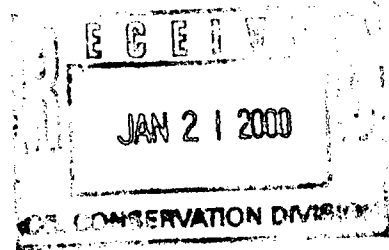
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ERNEST L. CARROLL
JOEL M. CARSON
JAMES E. HAAS
R. TRACY SPROULS, LL.M. (TAX)
OF COUNSEL
A. J. LOSEE

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

PLEASE DIRECT ALL CORRESPONDENCE
TO OUR ARTESIA OFFICE

January 19, 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. 80

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.

Ernest L. Carroll

ELC:bal
Enclosures

LAW OFFICES

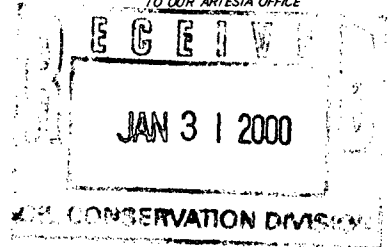
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January 27, 2000

VIA FACSIMILE & MAIL

Mr. Mike Stogner
Oil Conservation Division
2040 S. Pacheco St.
Santa Fe, NM 87505

Re: Bass Enterprises Production Co.'s Application for an Unorthodox
Well Location for James Ranch Unit Well No. 80, Unit B,
Section 36, Township 22 South, Range 30 East, Eddy County,
New Mexico

Dear Mike:

Pursuant to my telephone conversation with you, I am enclosing a facsimile copy of Mitchell Energy Corporation's waiver of any objections to the proposed unorthodox location for the referenced well. As soon as I receive the original copy, I will forward it immediately to you. It is hoped that you will be in a position to waive the twenty day waiting period on this unorthodox well location, as you indicated you would for the James Ranch Unit Well No. 67.

Yours very truly,

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

A handwritten signature in dark ink, appearing to read "Ernest L. Carroll". The signature is fluid and cursive, with a large initial "E" and a stylized "C".

Ernest L. Carroll

ELC:bal
Enclosure

cc: Mr. Worth Carlin

BASS ENTERPRISES PRODUCTION CO.

201 MAIN ST.

FORT WORTH, TEXAS 76102-3131

817/390-8400

January 12, 2000

VIA FACSIMILE/ U.S. MAIL (713) 377-5949

Mitchell Energy Corp.
P. O. Box 4000
The Woodlands, Texas 77387-4000

Attention: Mr. Ben T. Waller, Jr.

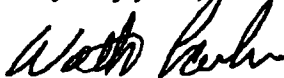
Re: James Ranch Unit Well No. 80
NW/4 NE/4 Section 36, T22S-R30E
James Ranch Federal Unit
Eddy County, New Mexico

Dear Ben:

Pursuant to our recent telephone conversation, Bass Enterprises Production Co. (Bass) plans to drill an 11, 250' Wolfcamp test within its James Ranch Unit, more particularly located in the NW/4 NE/4, Section 36, T22S-30E, Eddy County. Mitchell Energy Corp. (Mitchell) is the operator of the offsetting lease in Section 25, T22S-R30E. In Bass' original drilling permit the subject well, located 330' FNL, 1,650' FEL, Section 36, T22S-R30E, was not favorable to IMC Kalium Carlsbad Potash Company (see attached letter). To accommodate IMC, the location has been moved 150' to the east as shown on the attached plat. As a result of the move, the location is non-standard and requires an application to be submitted to the NMOCD for an exception location.

Bass hereby requests a waiver from Mitchell whereby Mitchell agrees not to protest the non-standard location application of the Bass-James Ranch Unit Well No. 80, being 330' FNL and 1,500' FEL, Section 36, T22S-R30E. As consideration for Mitchell granting this waiver, Bass agrees to provide Mitchell with a complete set of logs on said well. Should Mitchell be in agreement to granting such waiver as described herein, please designate in the space provided below and return one (1) copy of this letter to the undersigned. Thank you for your cooperation in this matter and should you need any additional information, please advise.

Very truly yours,



Worth Carlin

WWC:ca

Mitchell Energy Corp. hereby agrees to grant Bass Enterprises Production Co. a waiver for a non-standard well location for the James Ranch Well No. 80 located in NW/4 NE/4 Section 36, T22S-R30E, Eddy County, New Mexico.

By: 

Mark N. Stephenson

Title: Manager, Regulatory AffairsDate: January 26, 2000

RECEIVED

JAN 14 2000

LAND DEPARTMENT

**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. _____

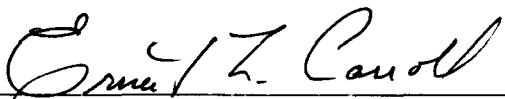
**CERTIFICATE OF MAILING
AND
COMPLIANCE WITH RULE 1207**

In accordance with Division Rule 1207, I hereby certify that on January 19, 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,

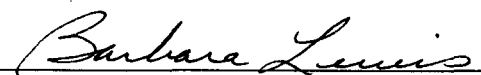
LOSEE, CARSON, HAAS & CARROLL, P.A.

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 January 19, 2000.


Notary Public

My commission expires:
February 3, 2002

EXHIBIT "A"

IMC Kalium Carlsbad Potash Company
P.O. Box 71
Carlsbad, NM 88221-0071

Mitchell Energy Corporation
P.O. Box 4000
The Woodlands, TX 77387-4000
Att: Mr. Ben T. Waller, Jr.

LAW OFFICES

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ROSWELL, NM 88201
PHONE (505) 623-5154

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TO OUR ARTESIA OFFICE

January 19, 2000

**CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

IMC Kalium Carlsbad Potash Company
P.O. Box 71
Carlsbad, NM 88221-0071

Re: Application of Bass Enterprises Production Co. For An Unorthodox
Oil Well Location, James Ranch Unit Well No. 80

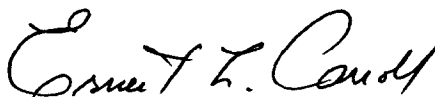
Gentlemen:

This office represents Bass Enterprises Production Co. On January 19, 2000, we filed on behalf of Bass Enterprises Production Co. the above-referenced Application for an Unorthodox Oil Well Location with the New Mexico Oil Conservation Division. A copy of the Application is enclosed herewith for your information.

As an affected person, you are entitled to notice and have the right to object. Should you have an objection to said Application, you must notify the OCD of that objection within twenty (20) days of the date this notice letter was mailed to you.

Yours very truly,

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


Ernest L. Carroll

ELC:bal
Enclosures

Bass Enterprises Production Co.

Exhibit "B"

LAW OFFICES

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

ERNEST L. CARROLL
JOEL M. CARSON
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PLEASE DIRECT ALL CORRESPONDENCE
TO OUR ARTESIA OFFICE

January 19, 2000

**CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

Mitchell Energy Corporation
P.O. Box 4000
The Woodlands, TX 77387-4000

Att: Mr. Ben T. Waller, Jr.

Re: Application of Bass Enterprises Production Co. For An Unorthodox
Oil Well Location, James Ranch Unit Well No. 80

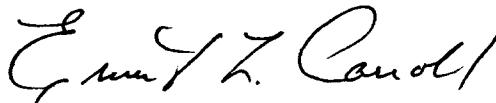
Dear Mr. Waller:

This office represents Bass Enterprises Production Co. On January 19, 2000, we filed on behalf of Bass Enterprises Production Co. the above-referenced Application for an Unorthodox Oil Well Location with the New Mexico Oil Conservation Division. A copy of the Application is enclosed herewith for your information.

As an affected person, you are entitled to notice and have the right to object. Should you have an objection to said Application, you must notify the OCD of that objection within twenty (20) days of the date this notice letter was mailed to you. If you have no objection, please sign the enclosed waiver and return in the enclosed return envelope.

Yours very truly,

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



Ernest L. Carroll

ELC:bal
Enclosures

**BEFORE THE OIL CONSERVATION DIVISION
OF THE STATE OF NEW MEXICO**

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

MITCHELL ENERGY CORPORATION has no objections to Bass Enterprises Production Co.'s drilling its proposed James Ranch Unit Well No. 80 at the unorthodox location of 330' from the north line, and 1500' from the east line of Section 36, Township 22 South, Range 30 East, Eddy County, New Mexico.

MITCHELL ENERGY CORPORATION

By: _____

Title: _____

Date: _____

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 Los Medanos (Wolfcamp) formation and Los Medanos (Bone Spring, Delaware) formation underlying the NW/NE, Unit B, of Section 36, Township 22 South, Range 30 East, 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. 80 at a surface location 330' from the north line, and 1650' from the east line of the said Section 36. This APD has not been approved as of this date. On January 13, 2000, applicant submitted Form C-103 giving notice of its intent to move said location to a location 330' from the north line, and 1500' from the east line of said Section 36. This well is located within the R-111P area, and the move was in response to the letter dated November 3, 1999 from John Purcell, Chief Mine Engineer with IMC Kalium. The original location was moved per their request 150' east of the original site. It was noted in the Form C-103 notice that a non-standard location application would be filed because of the request by the potash lessee.

2. The applicant seeks an exception to the well location requirements of Rule 104.C(1)(a) 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 Wolfcamp, Bone Springs, and Delaware formations.

3. A 40-acre oil proration unit comprising of the NW/NE, Unit B, of Section 36 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 B of said Section 36. The three 40-acre proration units to the north of the affected proration unit are operated by Mitchell Energy Corporation. All other proration units are 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.

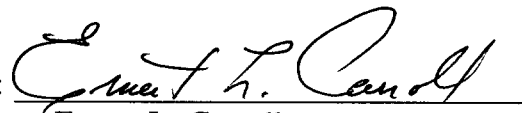
5. Application is sought for an administrative approval of this unorthodox location pursuant to Rule 104.F(2), and is sought based upon topographical conditions as dictated by the potash lessee, IMC Kalium.

6. All affected parties by this application have been given notice, including IMC Kalium.

7. Attached hereto as Exhibits "3" and "4" respectively are Form C-101 and Form C-103 hereinabove referred to with attachments.

8. Also attached as Exhibit "5" is a more legible copy of the correspondence received from IMC Kalium than that which is attached to the Form C-103.

BASS ENTERPRISES PRODUCTION CO.

By: 
Ernest L. Carroll

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

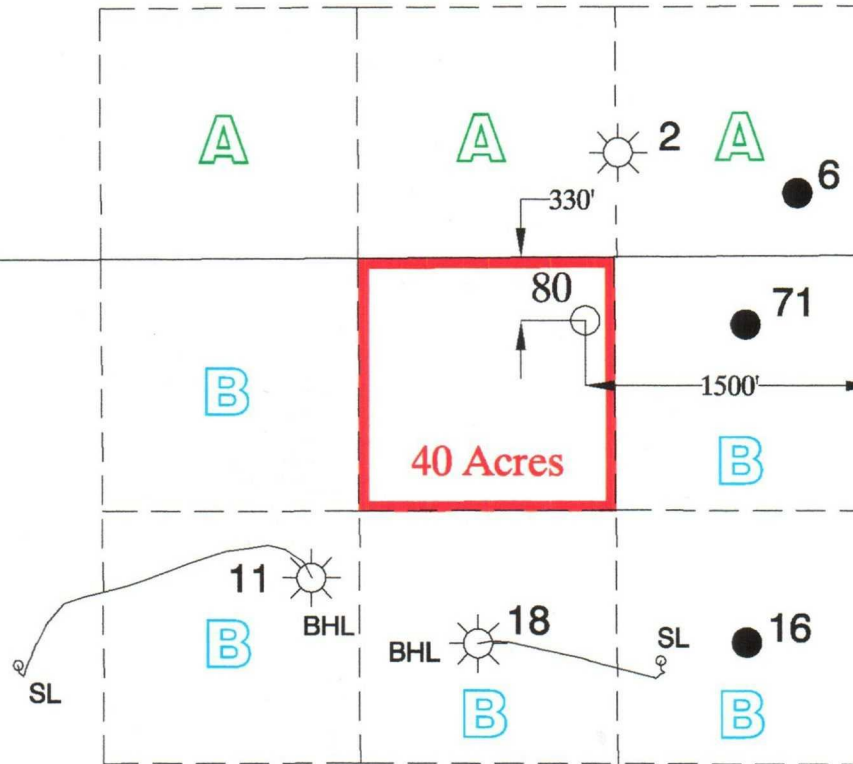
Attorneys for Applicant

Sec. 25

T22S-R30E

Sec. 36

T23S-R30E



Bass Enterprises Production Co.

Exhibit "1"

A

Mitchell Energy Corp.
P.O. Box 4000
The Woodlands, TX 77380

B

Perry R. Bass, Tr. (1/4)
Sid R. Bass, Inc. (3/16)
Thru Line, Inc. (3/16)
Keystone, Inc. (3/16)
Lee M. Bass, Inc. (3/16)
201 Main Suite 3100
Fort Worth, TX 76102



Bass Enterprises Production Co.

JAMES RANCH UNIT
Eddy County, New Mexico

Well #80 Land Plat

DATE:	1-11-00	SCALE:	1" = 1000'
DEPT.:	Land	INTER. BY:	W.Carlin
FILE:	Well 80 Unorthodox Loc.dwg	DRAFTED BY:	P. Ortiz

