

NSL

2/9/00

LAW OFFICES

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

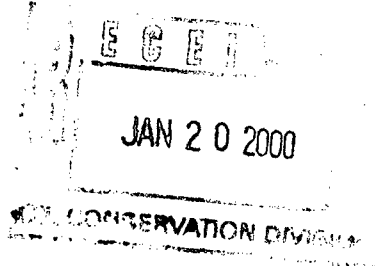
ERNEST L. CARROLL
JOEL M. CARSON
JAMES E. HAAS
R. TRACY SPROULS, LL.M. (TAX)
OF COUNSEL
A. J. LOSEE

311 WEST QUAY AVENUE
P. O. BOX 1720
ARTESIA, NEW MEXICO 88211-1720
PHONE (505) 746-3505
FAX (505) 746-6316

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

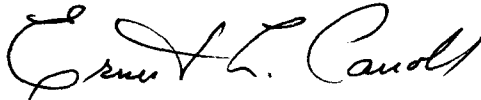
Re: Application of Bass Enterprises Production Co. For An Unorthodox
Oil Well Location, James Ranch Unit Well No. 67

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

**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. _____

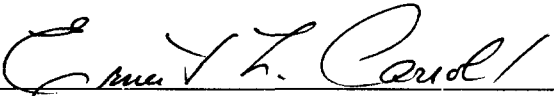
**CERTIFICATE OF MAILING
AND
COMPLIANCE WITH RULE 1207**

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,

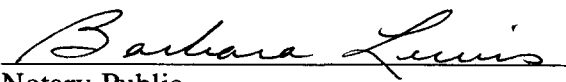
LOSEE, CARSON, HAAS & CARROLL, P.A.

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

LAW OFFICES

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

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

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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

**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. 67

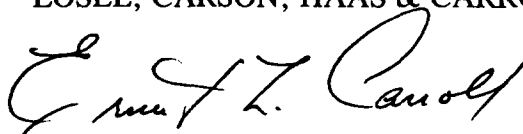
Gentlemen:

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"

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 (Delaware) formation underlying the NW/SW, Unit L, 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. 67 at a surface location 1980' from the south line, and 990' from the west 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 1874' from the south line, and 1096' from the west 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' southeast 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 Bone-Spring formation.

3. A 40-acre oil proration unit comprising of the NW/SW, Unit L, 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 L of said Section 36. All such 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.

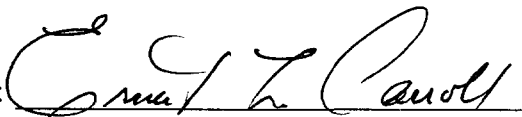
5. Application is sought for an administrative approval of this unorthodox location pursuant to Rule 104.F(2), and is sought based upon topographical conditions as dictated by the potash lessee, IMC Kalium.

6. All affected parties by this application 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 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. 26

Sec. 25



6

T22S-R30E

71

C

A

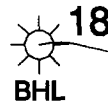
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SL



BHL

SL

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Sec. 35

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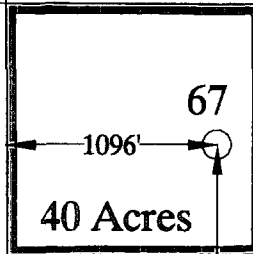
Sec. 36

B

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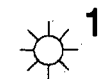


C

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1

T23S-R30E

Bass Enterprises Production Co.

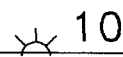
Exhibit "1"

Sec. 2

Sec. 1



36



10

A

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

C

Perry R. Bass, Inc. (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

B

WD Partners, LP. 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 #67 Land Plat

DATE:	1-14-00	SCALE:	1" = 1000'
DEPT.:	Land	INTER. BY:	W.Carlin
FILE:	Well 67 Unorthodox Loc.dwg	DRAFTED BY:	P. Ortiz

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
811 S. 1st Street, Artesia, NM 88210-2834
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-101
Revised October 18, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator name and Address Bass Enterprises Production Co. P.O. Box 2760 Midland, TX 79702-2760		² OGRID Number 001801
		³ API Number 30-0
⁴ Property Code	⁵ Property Name JAMES RANCH UNIT	⁶ Well No. 67

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
L	36	22S	30E		1980'	SOUTH	990'	WEST	EDDY

⁸ Proposed 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

⁹ Proposed Pool 1

¹⁰ Proposed Pool 2

LOS MEDANOS (DELAWARE)

¹¹ Work Type Code N	¹² Well Type Code O	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3301'
¹⁶ Multiple N	¹⁷ Proposed Depth 8000'	¹⁸ Formation BONE SPRING	¹⁹ Contractor WEK RIG 1	²⁰ Spud Date ASAP

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17-1/2"	13-3/8"	48#	540'	450 SX	SURFACE
11"	8-5/8"	28# & 32#	3800'	850 SX	SURFACE
7-7/8"	5-1/2"	15.5# & 17#	8000'	585 SX	3500' (300' INSIDE INTERMEDIATE CASING.)

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary

THIS DRILLING LOCATION WAS APPROVED TO DRILL ON 2/10/94. THE DRILLING PERMIT HAS SINCE EXPIRED. POTASH MINING COMPANIES WHO HAVE LEASES WITHIN ONE MILE OF THIS LOCATION HAVE BEEN NOTIFIED OF THE DRILLING LOCATION. SEE ATTACHED LETTER. NO RESPONSE HAS BEEN RECIEVED AT THIS TIME. THIS WELL IS INSIDE THE R-111 POTASH AREA. THE SURFACE CASING WILL BE SET +/- 100' ABOVE THE SALT IN THE RUSTLER. THE INTEREMEDIATE CASING WILL BE SET INTO THE LAMAR LIME. CEMENT WILL TIE 300' INTO THE INTERMEDIATE CASING.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature: *William R. Dannels*

Printed name: WILLIAM R. DANNELS

Title: DIVISION DRILLING SUPT.

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

Bass Enterprises Production Co.

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brancos Rd., Aztec, NM 87410

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Instruction on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name LOS MEDANOS (DELAWARE)
Property Code	Property Name JAMES RANCH UNIT	Well Number 67
OGRID No. 001801	Operator Name BASS ENTERPRISES PRODUCTION COMPANY	Elevation 3301'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	36	22 S	30 E		1980	SOUTH	990	WEST	EDDY

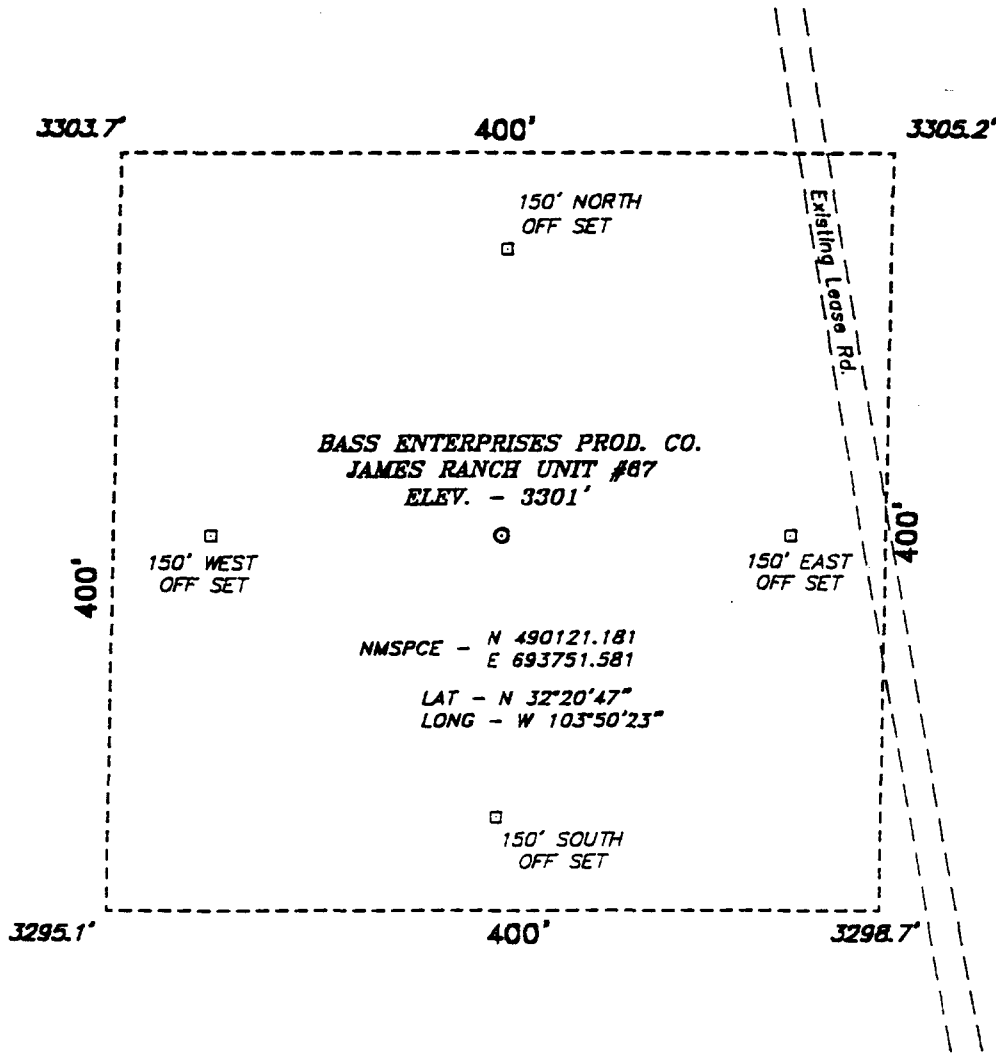
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 40	Joint or Infill N	Consolidation Code	Order No.						

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

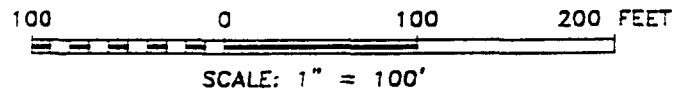
	OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <i>William R. Dannels</i> Signature WILLIAM R. DANNELS Printed Name DIVISION DRILLING SUPT. Title OCTOBER 18, 1999 Date	
	SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief. September 30, 1999 Date Surveyed Signature & Seal of Professional Surveyor W.O. No. 9347 Certificate No. 7977 BASIN SURVEYS	

**SECTION 36, TOWNSHIP 22 SOUTH, RANGE 30 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.**



DIRECTIONS TO LOCATION:

FROM THE STATE HWY. 128 AND CO. RD. 802
JUNCTION. GO NORTH ON CO. RD. 802 APPROX. 1.5
MILE TO A POINT WHICH LIES APPROX 1.0 MILE TO
THE PROPOSED WELL LOCATION.



BASS ENTERPRISES PROD. CO.

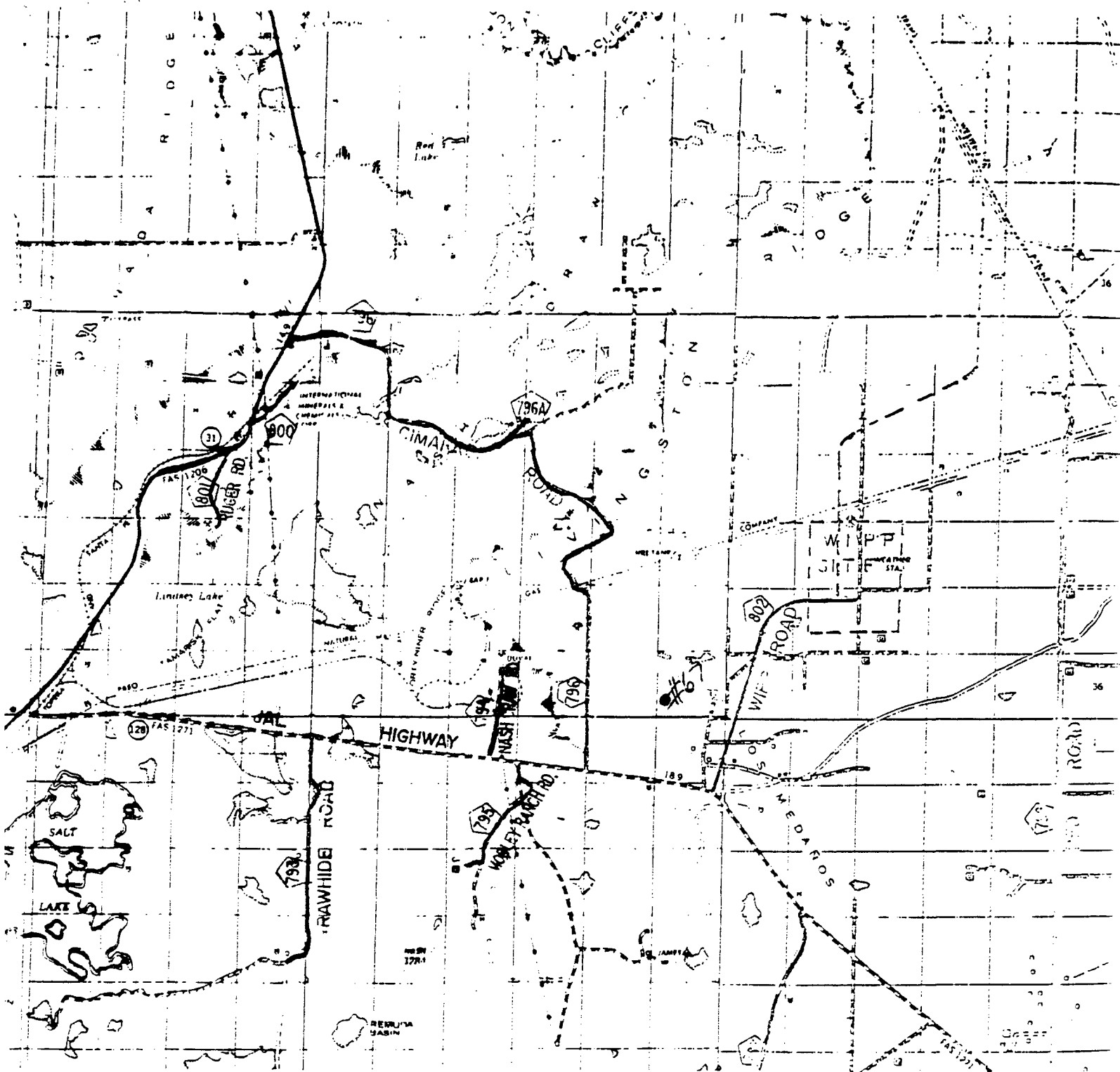
REF: James Ranch Unit No. 67 / Well Pad Topo

THE JAMES RANCH UNIT No. 67 LOCATED 1980' FROM THE
SOUTH LINE AND 990' FROM THE WEST LINE OF
SECTION 36, TOWNSHIP 22 SOUTH, RANGE 30 EAST,
N.M.P.M., EDDY COUNTY, NEW MEXICO.

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

W.O. Number: 9347 Drawn By: K. GOAD

Survey Date: 09-30-88 Sheet 1 of 1 Sheets



BASS ENTERPRISES PROD. CO.
 JAMES RANCH UNIT #67
 1980' FSL & 990' FWL
 Sec. 36, T-22-S, R-30-E,
 EDDY COUNTY, NEW MEXICO

SCALE: 1"=2 MILES

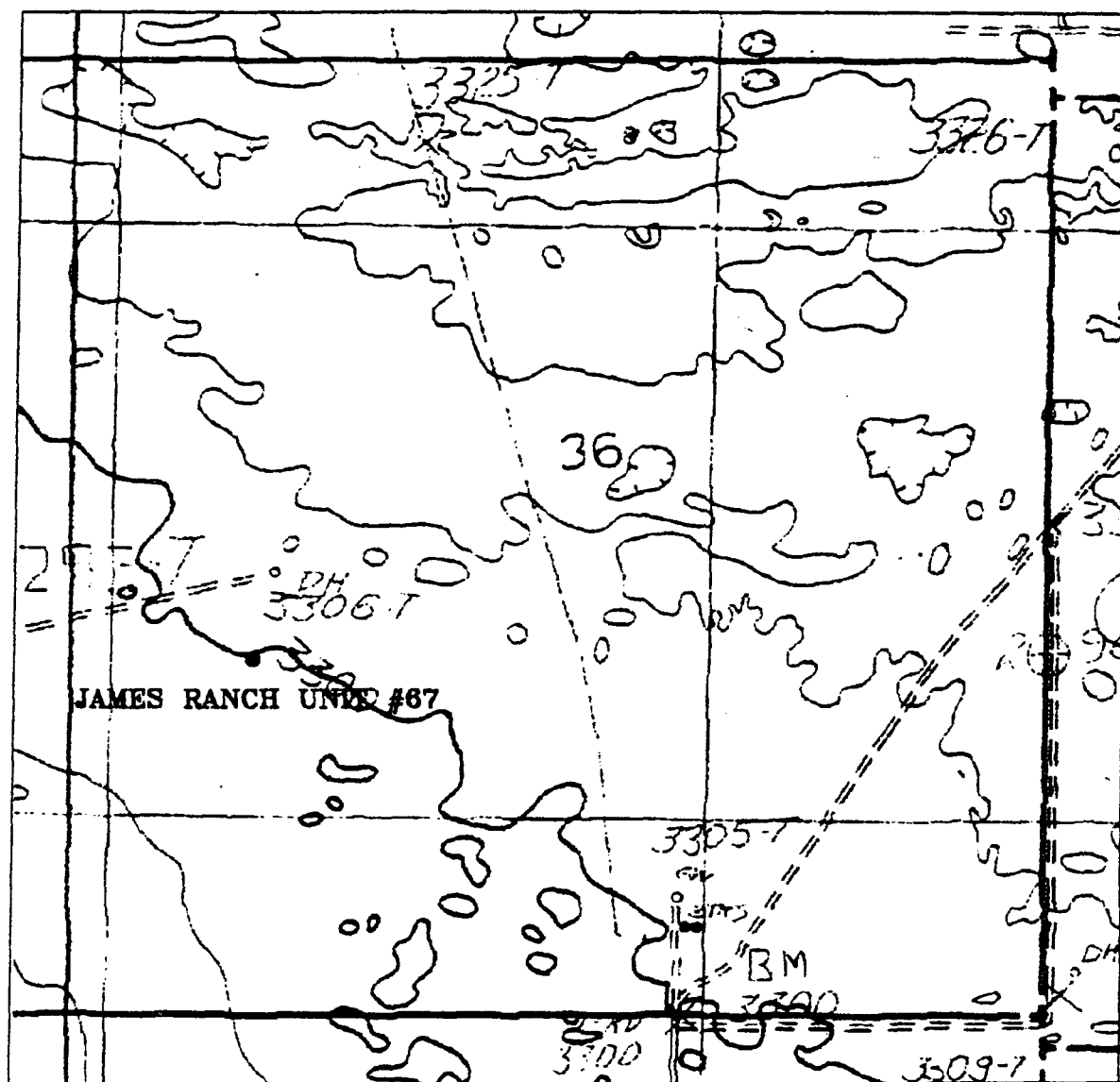


2000' 0 2000' 4000 Feet

BASIN SURVEYS

P.O. BOX 1786 - HOBBS, NEW MEXICO

W.O. Number: 9347	Drawn By: K. GOAD	Survey Date: 09-30-99	Sheet 1 of 1 Sheets
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JAMES RANCH UNIT #67

Located at 1980' FSL and 990' FWL
 Section 36, Township 22 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

N.O. Number: 9347AA - KJG #122

Survey Date: 09-30-99

Scale: 1" = 1000'

Date: 10-01-99

Bass Enterprises
Production Co.

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

NAME OF WELL: JAMES RANCH UNIT #67

LEGAL DESCRIPTION - SURFACE: 1980' FSL & 990' FWL, Section 36, T-22-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 3315' (est)
GL 3301'

<u>FORMATION</u>	<u>ESTIMATED TOP FROM KB</u>	<u>ESTIMATED SUBSEA TOP</u>	<u>BEARING</u>
T/Rustler	220'	+3095'	Barren
T/Salt	640'	+2675'	Barren
T/Lamar	3788'	- 473'	Barren
T/Ramsey	3828'	- 513'	Barren
T/Brushy Canyon	6292'	- 2977'	Oil/Gas
T/Shell Marker	6632'	- 3317'	Oil/Gas
T/8A Lower Brushy	7342'	- 4027'	Oil/Gas
T/Bone Spring	7222'	- 4307'	Oil/Gas
TD	8000'	- 4685'	

POINT 3: CASING PROGRAM

<u>TYPE</u>	<u>INTERVALS</u>	<u>PURPOSE</u>	<u>CONDITION</u>
13-3/8", 48#, WC-40, STC	0- 540'	Surface	New
8-5/8", 28# & 32#, WC-50, STC	0-3800'	Intermediate	New
5-1/2", 15.50# & 17#, K-55, LTC	0-8000'	Production	New

POINT 4: PRESSURE CONTROL EQUIPMENT (SEE ATTACHED DIAGRAM)

A BOP equivalent to Diagram 1 will be nipped up on the surface casing head. When testing, 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) Fifteen days after a previous test
- d) As required by well conditions

A function test of pipe and blind rams to insure that the preventers are operating correctly will be performed on each trip. A function test is required only a minimum of once every 24 hours. See the attached diagram #1 for the minimum criteria for the choke manifold.

<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' - 540'	FW Spud	8.4 - 9.0	45-38	NC	NC	NC	9.5
540' - 3800'	Brine	9.8 - 10.0	28-30	NC	NC	NC	9.5
3800' - 6300'	FW	8.4 - 8.6	28-30	NC	NC	NC	9.5
6300' - 7600'	FW/Starch	8.4 - 8.6	28-30	NC	NC	<100	9.5
7600' - TD	FW/Gel/Starch	8.4 - 8.7	32-42	NC	NC	<100	9.5

<u>INTERVAL</u>	<u>AMOUNT SX</u>	<u>FT OF FILL</u>	<u>TYPE</u>	<u>GALS/SX</u>	<u>PPG</u>	<u>FT³/SX</u>
Lead						
0-3500'	710	3500	Interfill C + 2% CaCl ₂	14.4	11.9	2.49
Tail						
3500'-3800'	140	300	Class C Neat	6.31	14.8	1.34
(100% excess in open hole)						

Con't...

POINT 6: TECHNICAL STAGES OF OPERATION

D) CEMENT Con't...

PRODUCTION

<u>INTERVAL</u>	<u>AMOUNT SX</u>	<u>FT OF FILL</u>	<u>TYPE</u>	<u>GALS/SX</u>	<u>PPG</u>	<u>FT³/SX</u>
Lead						
3500'-5600' (50% excess)	200	2100	Interfill C	16.58	11.5	2.77
TAIL						
5600-8000' (50% excess)	385	2400	Super H + 3#/sx Salt + 4/10% Halad 344 + 3/10% CFR-3	8.67	13.0	1.65

E) DIRECTIONAL DRILLING

No directional services anticipated.

POINT 7: ANTICIPATED RESERVOIR CONDITIONS

Normal pressured formations (8.3 ppg MWE) are anticipated throughout this well. No H₂S is expected. BHT expected is 125°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

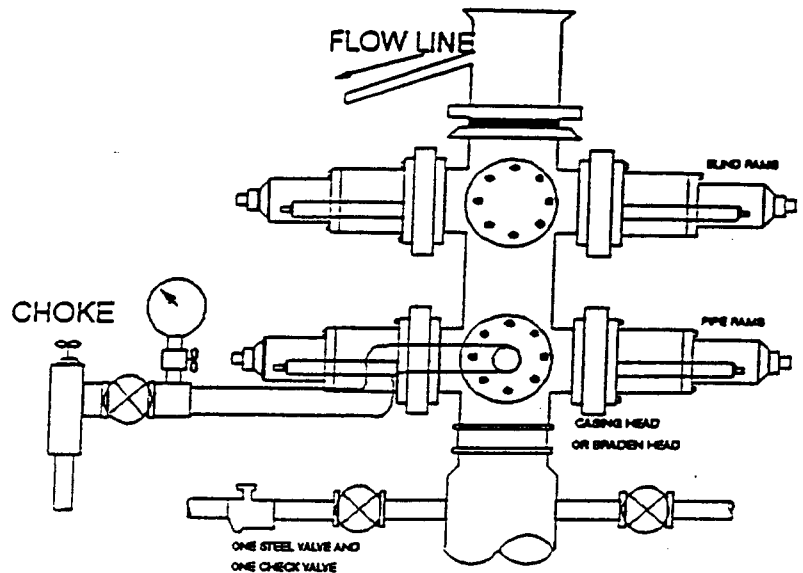
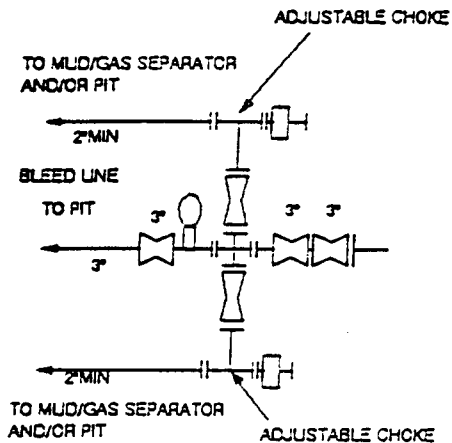
Upon approval

16 days drilling operations

10 days completion operations

FDC/mac
10/19/99

3000 PSI WP



THE FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

- A. One double gate blowout preventer with lower rams for pipe and upper rams blind, all hydraulically controlled.
- B. Opening on preventers between rams to be flanged, studded or clamped and at least two inches in 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. All chokes will be adjustable. Choke spool may be used between rams.

BASS ENTERPRISES PRODUCTION CO.

201 MAIN ST.
FORT WORTH, TEXAS 76102-3131
817/330-8400

October 14, 1999

U.S. MAIL & VIA FACSIMILE (505) 887-0589

EMC Kalium, Inc.
P. O. Box 71
Carlsbad, New Mexico 88221-0071

Attn: Mr. John Purcell

Re: Proposed Wells in James Ranch Federal Unit
Section 36, T23S-R30E (State Lease No. E-5229)
Section 1, T23S-R30E (Fed Lease No. NM 02887-D, NM 02884-B)
JRU Nos. 31, 32, 38, 63, 67 and 80
Eddy County, New Mexico

Dear Mr. Purcell:

Pursuant to our discussion, Bass Enterprises Production Co. has plans to drill six (6) wells within the James Ranch Federal Unit in Eddy County, New Mexico. Provided below are the well names, location and projected depths.

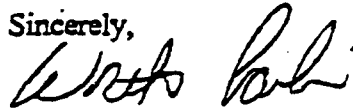
<u>Well Name</u>	<u>Proposed Depth</u>	<u>Proposed Location</u>
JRU Well No. 31	7,780' (Delaware)	1,980' FNL & FEL, Sec. 36, T22S-R30E
JRU Well No. 32	7,780' (Delaware)	760' FSL, 2,000' FEL, Sec. 36, T22S-R30E
JRU Well No. 38	7,310' (Delaware)	660' FEL, 1,980' FSL, Sec. 1, T23S-R30E
JRU Well No. 63	7,750' (Delaware)	660' FNL, 1,980' FWL, Sec. 1, T23S-R30E
JRU Well No. 67	7,750' (Delaware)	990' FWL, 1,980' FSL, Sec. 36, T22S-R30E
JRU Well No. 80	11,250' (Wolfcamp)	330' FNL, 1,650' FEL, Sec. 36, T22S-R30E

As requested, I have enclosed copies of previous correspondence from Western AG-Minerals Company dated March 17, 1993 and February 28, 1996 regarding acceptable locations in Section 36, T22S-R30E.

Letter to IMC
October 14, 1999
Page 2

Bass hereby requests a waiver of any objection IMC may have for the drilling of the above described wells. In the event IMC is agreeable to providing such waiver, please sign this letter in the space provided below and return one (1) executed original to the undersigned at your earliest convenience. Thank you very much and should you have any questions or comments in the above regard, please don't hesitate to contact the undersigned at (817) 390-8568.

Sincerely,



Worth Carlin

WWC:ca

AGREED and ACCEPTED this _____ day of _____, 1999.

IMC KALIUM, INC.

By: _____

Title: _____



WESTERN
AG-MINERALS
COMPANY

P.4/5
JRH 67
Tita Rec
Hand

P. O. Box 511, Carlsbad, New Mexico 88220 • (505) 885-3175 Fax 887-0943

887-3476

March 17, 1993

Jens Hansen
Bass Enterprises Production Co.
First City Bank Tower
201 Main St
Fort Worth, Texas 76102

Re: Section 36, T22S R30E
Eddy County, New Mexico

LAND RECEIVED	
MAR 22 1993	
WAM	WFM
ITW	JWB
RAM	DOC
LWW	HBF
	WRS
	SF

Jens!

Dear Hansen:

I cannot release a trace of our LMR in section 36. I will, however, indicate those areas in section 36 where Western Ag-Minerals will not protest drilling of holes requiring a 1/4 mile buffer. Hole locations in the NE 1/4, SE 1/4, and 920' or more from the west line in the SW 1/4 will not be protested.

Any well locations in the NW 1/4 will be protested because they will result in further loss of potash reserves.

If I can be of more assistance or if you have any questions don't hesitate to call. I can be reached at (505) 887-3476.

Sincerely,

Ben F Z
Ben F. Zimmerly
Mining Engineer

BFZ/bfz

cc: R. H. Heinen
M. T. Worley



WESTERN
AG-MINERALS
COMPANY

P. O. Box 511, Carlsbad, New Mexico 88220 • (505) 885-3175

February 28, 1996

Worth Carlin
Bass Enterprises Production Co.
201 Main St
Fort Worth, Texas 76102-3131

Re: Section 36, T22S R30E
Section 6, T22S R31E
James Ranch Wells No. 65, 66 and 67
Eddy County, New Mexico

LAND RECEIVED		
MAR 04 1996		
WRS	JWB	TCS
ODC	HBF	
HCM	MTV	

Dear Carlin:

Western Ag-Minerals does not protest the location of James Ranch 65.

Western Ag-Minerals does protest the locations of both James Ranch No. 66 (990' FWL and 660' FSL, section 36 T22S R30E) and James Ranch No. 67 (990' FWL and 1980' FSL, section 36 T22S R30E.) Well No. 66 is within a half mile of open mine workings and Western Ag-Minerals' LMR. Well No. 67 is within a half mile of Western Ag-Minerals' LMR.

Western Ag-Minerals would not protest a location of 2010' FWL and 660' FSL, section 36 T22S R30E for James Ranch Well No. 66. Nor would we protest a location of 1524' FEL and 1980' FSL, section 36 T22S R30E for James Ranch Well No. 67.

If I can be of more assistance or if you have any questions don't hesitate to call. I can be reached at (505) 887-3476.

Sincerely,

Ben F. Zimmerly
Sr. Mining Engineer

BFE/bfc

cc: R. H. Heinen

BLM - Carlsbad Office

Submit 3 Copies To Appropriate District Office

District I

1625 N. French Dr., Hobbs, NM 87240

District II

811 South First, Artesia, NM 87210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-103
Revised March 25, 1999

WELL API NO.

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

E-5229

7. Lease Name or Unit Agreement Name:

James Ranch Unit

8. Well No.

67

9. Pool name or Wildcat

Quahada Ridge (Dela), SE

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:

Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Bass Enterprises Production Co.

3. Address of Operator

P O Box 2760; Midland, Tx 79702-2760

4. Well Location

Unit Letter L: 1874 feet from the South line and 1096 feet from the West line

Section 36 Township 22S Range 30E NMPM County Eddy

10. Elevation (Show whether DR, RKB, RT, GR, etc.)

GL = 3299'

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: Re-staked well. moved location ☒

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

The James Ranch Unit #67, originally located 1980' FSL & 990' FWL, Section 36, T22S, R30E, was moved to the above referenced location. This move was in response to the letter dated 11/3/99 from John Percell, Chief Mine Engineer w/IMC Kalium. The location was moved per their recommendation 150' Southeast of the original stake. A non-standard location application will be filed with the OCD in Santa Fe.

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

SIGNATURE William R. Dannels TITLE Division Drilling Supt DATE 1-13-2000

Type or print name W. R. Dannels

Telephone No. 915-683-2277

(This space for State use)

APPROVED BY _____ TITLE _____

Conditions of approval, if any:

Bass Enterprises Production Co.

Exhibit "4"

DISTRICT I
1626 N. French Dr., Hobbs, NM 88240

DISTRICT II
811 South First, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87506

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
Fee 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
		QUAHADA RIDGE (DELAWARE), SE
Property Code	Property Name	Well Number
	JAMES RANCH UNIT	67
OGRID No.	Operator Name	Elevation
001801	BASS ENTERPRISES PRODUCTION COMPANY	3299'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	36	22 S	30 E		1874	SOUTH	1096	WEST	EDDY

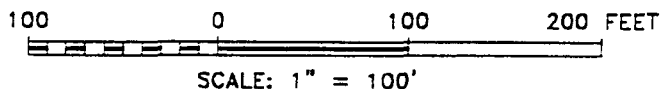
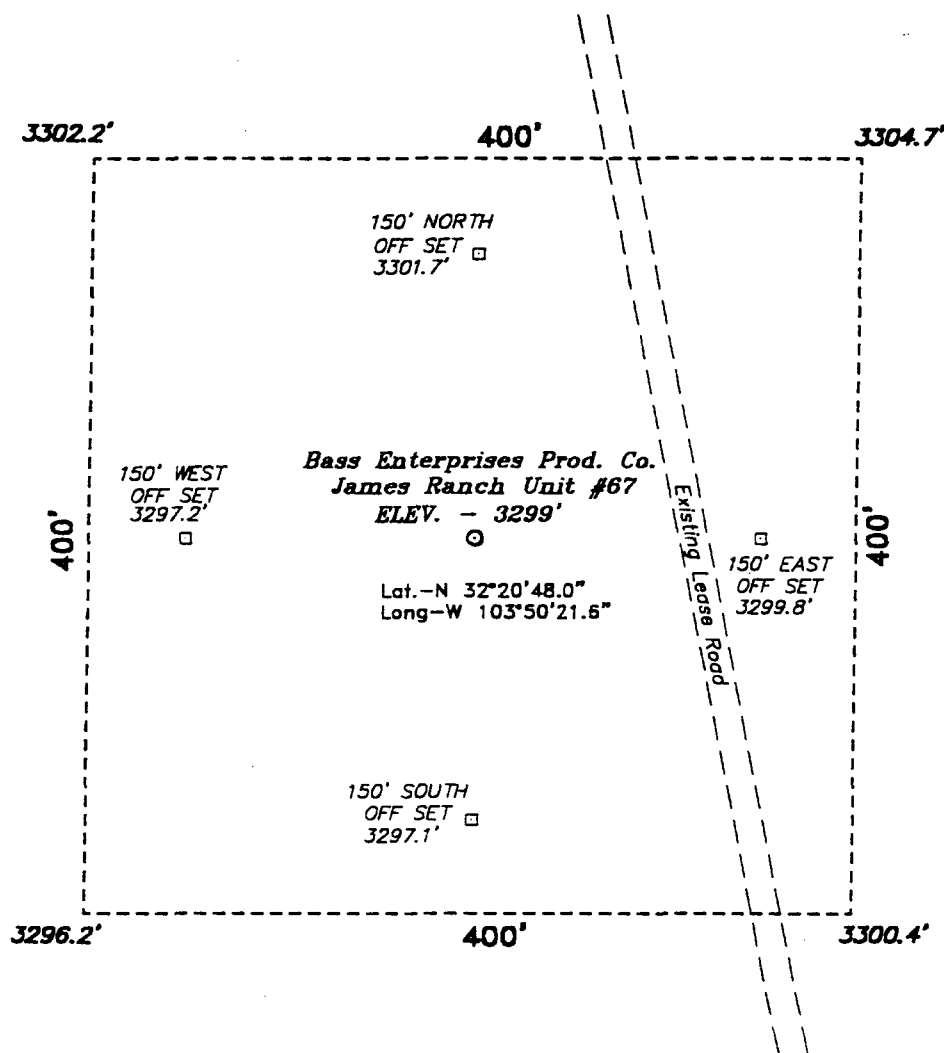
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres	Joint or Infill	Consolidation Code	Order No.						
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

<p>LAT - N 32°20'48.0"</p> <p>LONG - W 103°50'21.6"</p> <p>3302.2' 3304.7'</p> <p>1096' 3296.2' 3300.4'</p> <p>1874'</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><u>William R. Dannels</u></p> <p>Signature</p> <p>William R. Dannels</p> <p>Printed Name</p> <p>Division Drilling Supt.</p> <p>Title</p> <p>1-13-2000</p> <p>Date</p> <p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>January 06, 2000</p> <p>Date Surveyed</p> <p>Signature & Seal of Professional Surveyor</p> <p>W.O. No. 0008A</p> <p>Certificate No. 7977</p> <p>BASIN SURVEYS</p>
--	--

SECTION 36, TOWNSHIP 22 SOUTH, RANGE 30 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.



DIRECTIONS TO LOCATION:

FROM THE STATE HWY. 128 AND CO. RD. 802
JUNCTION. GO NORTH ON CO. RD. 802 APPROX. 1.5
MILE TO A POINT WHICH LIES APPROX 1.0 MILE TO
THE PROPOSED WELL LOCATION.

BASS ENTERPRISES PRODUCTION CO.

REF: James Ranch Unit No. 67 / Well Pad Topo

THE JAMES RANCH UNIT No. 67 LOCATED 1874' FROM
THE SOUTH LINE AND 1096' FROM THE WEST LINE OF
SECTION 36, TOWNSHIP 22 SOUTH, RANGE 30 EAST,

N.M.P.M., EDDY COUNTY, NEW MEXICO.

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

W.O. Number: 0008

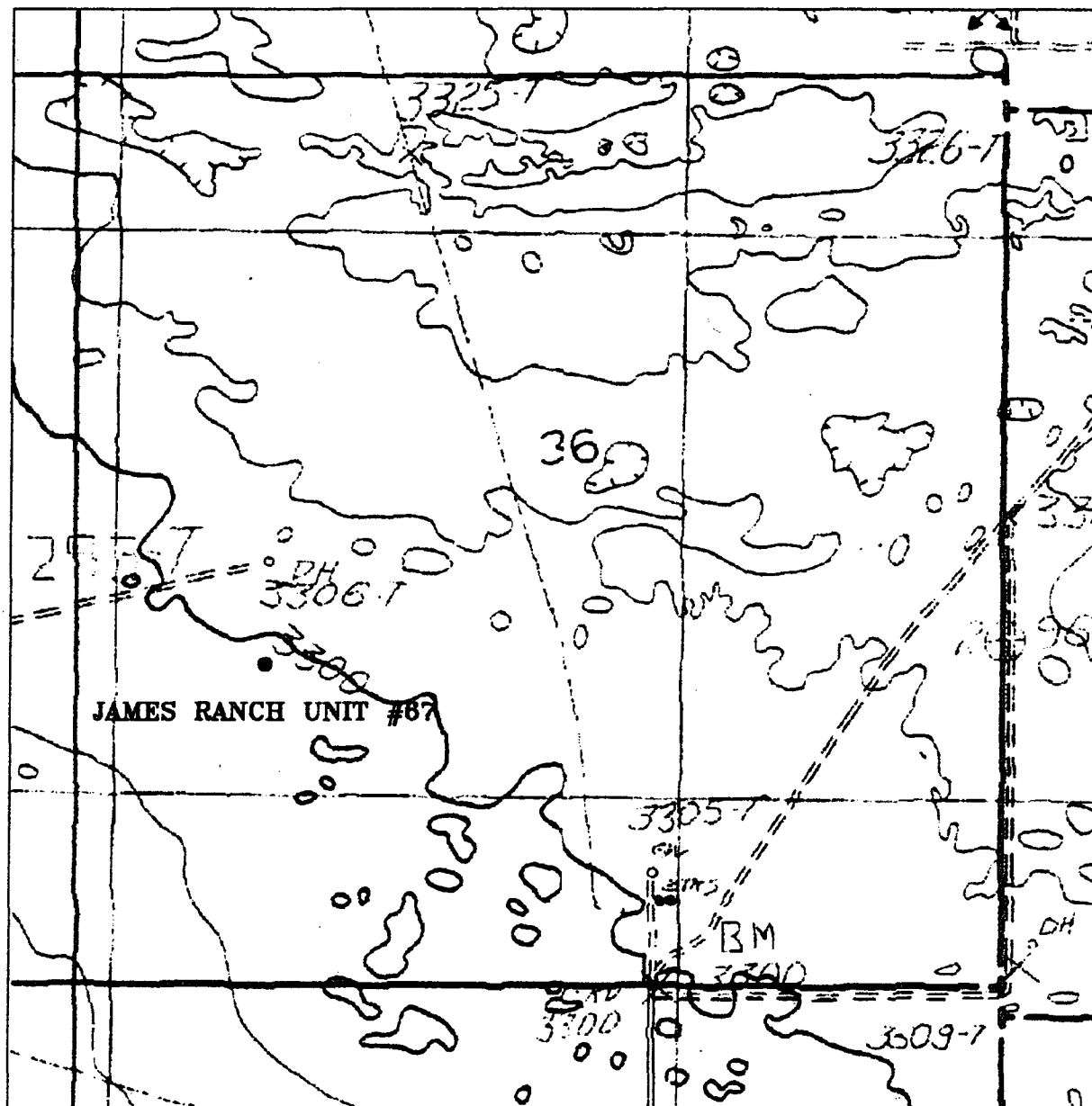
Drawn By: K. GOAD

Date: 01-07-2000

Disk: KJG #122 - 0008A.DWG

Survey Date: 01-06-2000

Sheet 1 of 1 Sheets



JAMES RANCH UNIT #67

Located at 1874' FSL and 1096' FWL
 Section 36, Township 22 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: 0008AA - KJG #122

Survey Date: 01-06-2000

Scale: 1" = 1000'

Date: 01-07-2000

**Bass Enterprises
 Production Co.**



November 03, 1989

Mr. Worth Griffin
Bass Enterprises Production Co.
201 Main St.
Fort Worth, Texas 76102-1131

RE: Proposed Wells in James Ranch Federal Unit
Section 36, T33S-R30E (State Lease No. U-3229)
Section 1, T23S-R30E (Fed Lease No. NM 02887-C, NM 02884-B)
JRU Nos. 31, 32, 34, 63, 67, and 80.
Hidalgo County, New Mexico

Dear Mr. Griffin:

IMC Kalium Carlsbad Pools Company has received your notice that Bass Enterprises Production Company intends to drill the above referenced wells. IMC Kalium has no objections to Bass drilling wells JRU Well No. 31, JRU Well No. 32, JRU Well No. 34, and JRU Well No. 63 to depths no deeper than the base of the Delaware formation at the stated locations. Based on the best available information, the locations of the above mentioned wells will not interfere with the development of our potash resources.

IMC Kalium does object to the proposed locations for JRU Well No. 67 and JRU Well No. 80. The location given for Well No. 67, with a projected final depth in the Delaware formation, is within 1/4 mile of where we expect to mine in the future. If this well could be moved at least 150 feet to the Southeast, the impact on potash recovery would be greatly diminished. The location given for Well No. 80, with a projected final depth in the Wolfcamp formation is within 1/2 mile of where we expect to mine. If Well No. 80 could be moved to a location at least 150 feet to the East, the impact on potash recovery would also greatly diminish.

The above considerations are based on the best available information at this time; as more information becomes available our estimates of the extent of the potash resources in the area may change. Therefore, please consider the "objections offered" and "no objection offered" to the well locations to be valid for one year only. If you are still considering a well location that a potash operator has or has not objected to, more than one year prior, notify us again at that time so we can make the decision based on current information.

IMC Kalium submits this letter in lieu of the forms requested.

Sincerely,

John Maxwell
Chief Mine Engineer

cc: Don Davis Charlie High Leslie Thiers William Loney
 Ean Monbouse Tim O'Brien Craig Cranston

CCD 0082



IMC Kalium

IMC Kalium Carlsbad Potash Company
P. O. Box 71
1361 Potash Mines Road
Carlsbad, New Mexico 88221-0071
505.887.2871
505.887.0589 Fax

November 03, 1999

Mr. Worth Carlin
Bass Enterprises Production Co.
201 Main St.
Fort Worth, Texas 76102-3131

RE: Proposed Wells in James Ranch Federal Unit
Section 36, T23S-R30E (State Lease No. E-5229)
Section 1, T23S-R30E (Fed Lease No. NM 02887-D, NM 02884-B)
JRU Nos. 31, 32, 38, 63, 67, and 80.
Eddy County, New Mexico

LAND RECEIVED			
NOV 08 1999			
WRS	___	JWB	✓
CCC	___	HDF	___
HCM	___	LJL	___
		TCS	___
		VWC	___
		TL	___
		SHS	___

Dear Mr. Carlin:

IMC Kalium Carlsbad Potash Company has received your notice that Bass Enterprises Production Company intends to the above referenced wells. IMC Kalium has no objections to Bass drilling wells JRU Well No. 31, JRU Well No. 32, JRU Well No. 38, and JRU Well No. 63 to depths no deeper than the base of the Delaware formation at the stated locations. Based on the best available information, the locations of the fore mentioned wells will not interfere with the development of our potash resources.

IMC Kalium does object to the proposed locations for JRU Well No. 67 and JRU Well No. 80. The location given for Well No. 32, with a projected final depth in the Delaware formation, is within ¼ mile of where we expect to mine in the future. If this test could be moved at least 150 feet to the Southeast, the impact on potash recovery would be greatly diminished. The location given for Well No. 80, with a projected final depth in the Wolfcamp formation is within ½ mile of where we expect to mine. If Well No. 80 could be moved to a location at least 150 feet to the East, the impact on potash recovery would also greatly diminish.

The above considerations are based on the best available information at this time; as more information becomes available our estimates of the extent of the potash resources in the area may change. Therefore, please consider the "objections offered" and "no objection offered" to the well locations to be valid for one year only. If you are still considering a well location that a potash operator has or has not objected to, more than one year prior, notify us again at that time so we can make the decision based on current information.

IMC Kalium submits this letter in lieu of the forms requested.

Sincerely,

John Purcell
Chief Mine Engineer

cc: Don Purvis Charlie High Leslie Theiss Lori Wroteneery
Dan Morehouse Tim O'Brien Craig Cranston

Bass Enterprises Production Co.

Exhibit "5"

**IMC Kalium**

IMC Kalium Carlsbad Potash Company
1361 Potash Mines Road
Carlsbad, New Mexico 88220
Telephone: (505) 887-2871
Fax: (505) 887-0589

TransmittalTO: Worth Carlin - Bass EnterprisesFAX NUMBER: 817-339-7102FROM: J. PurcellDATE: 11/9/99 NUMBER OF PAGES TO FOLLOW: 2SUBJECT: Corrected Well Location Letter

IF THERE ARE ANY QUESTIONS CONCERNING THIS MESSAGE, PLEASE CONTACT:

J. PurcellPHONE: (505) 887-2871, EXTENSION 318

MESSAGE:

Attached is a corrected
copy of the letter dated 11/3/99
concerning the proposed locations
for wells JRU 31, 32, 38, 63, 67 &
80

In paragraph 2, sentence 2, the
referred well should be Well No. 67.

John



November 03, 1999

Mr. Worth Carlin
Bass Enterprises Production Co.
201 Main St.
Fort Worth, Texas 76102-3131

RE: Proposed Wells in James Ranch Federal Unit
Section 36, T23S-R30E (State Lease No. U-5229)
Section 1, T23S-R30E (Fed Lease No. NM 02887-D, NM 02884-B)
JRU Nos. 31, 32, 38, 63, 67, and 80.
Edley County, New Mexico

Dear Mr. Carlin:

IMC Kalium Carlstad Potash Company has received your notice that Bass Enterprises Production Company intends to the above referenced wells. IMC Kalium has no objections to Bass drilling wells JRU Well No. 31, JRU Well No. 32, JRU Well No. 38, and JRU Well No. 63 to depths no deeper than the base of the Delaware formation at the stated locations. Based on the best available information, the locations of the foregoing wells will not interfere with the development of our potash resources.

IMC Kalium does object to the proposed locations for JRU Well No. 67 and JRU Well No. 80. The location given for Well No. 67, with a projected final depth in the Delaware formation, is within 1/4 mile of where we expect to mine in the future. If this well could be moved at least 150 feet to the Southeast, the impact on potash recovery would be greatly diminished. The location given for Well No. 80, with a projected final depth in the Wolfcamp formation is within 1/2 mile of where we expect to mine. If Well No. 80 could be moved to a location at least 150 feet to the East, the impact on potash recovery would also greatly diminish.

The above considerations are based on the best available information at this time; as more information becomes available our estimates of the extent of the potash resources in the area may change. Therefore, please consider the "objections offered" and "no objection offered" to the well locations to be valid for one year only. If you are still considering a well location that a potash operator has or has not objected to, more than one year prior, notify us again at that time so we can make the decision based on current information.

IMC Kalium submits this letter in lieu of the forms requested.

Sincerely,

A handwritten signature in dark ink, appearing to read "John Percell", written over a horizontal line.

John Percell
Chief Mine Engineer

cc: Don Purvis Charlie High Leslie Theiss William Lemay
Dan Morehouse Tim O'Brien Craig Cranston

CMD : ONGARD 01/21/00 10:10:38
OG6C101 C101-APPLICATION FOR PERMIT TO DRILL OGOMES -TPWK

OGRID Idn : 1801 API Well No: 30 15 27850 APD Status(A/C/P): C
Opr Name, Addr: BASS ENTERPRISES PRODUCTION CO Aprvl/Cncl Date : 04-26-1999
PO BOX 2760
MIDLAND, TX 79702

Prop Idn: 1786 JAMES RANCH UNIT Well No: 67

	U/L	Sec	Township	Range	Lot Idn	North/South	East/West
Surface Locn : L	36	22S	30E			FTG 1980 F S	FTG 990 F W
OCD U/L : L		API	County	15			

Work typ(N/E/D/P/A) : N Well typ(O/G/M/I/S/W/C): O Cable/Rotary (C/R) : F
Lease typ(F/S/P/N/J/U/I): S Ground Level Elevation : 3299

State Lease No: Multiple Comp (Y/N) : S
Prpsd Depth : 8000 Prpsd Frmtn : DELAWARE

E6927: Well is cancelled

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06 CONFIRM
PF07	PF08	PF09 PRINT	PF10 C102	PF11 HISTORY	PF12

CMD :
OG5SECTONGARD
INQUIRE LAND BY SECTION01/21/00 10:10:15
OGOMES -TPWK
PAGE NO: 1

Sec : 36 Twp : 22S Rng : 30E Section Type : NORMAL

D 40.00 CS E05229 0007 BASS ENTERPRISES U R 05/10/61	C 40.00 CS E05229 0007 BASS ENTERPRISES U R 05/10/61	B 40.00 CS E05229 0007 BASS ENTERPRISES U R 05/10/61	A 40.00 CS E05229 0007 BASS ENTERPRISES U R 05/10/61 A
E 40.00 CS E05229 0007 BASS ENTERPRISES U R 05/10/61 A	F 40.00 CS E05229 0007 BASS ENTERPRISES U R 05/10/61	G 40.00 CS E05229 0007 BASS ENTERPRISES U R 05/10/61 A C A	H 40.00 CS E05229 0007 BASS ENTERPRISES U R 05/10/61 C A

PF01 HELP
PF07 BKWDPF02
PF08 FWDPF03 EXIT
PF09 PRINTPF04 GoTo
PF10 SDIVPF05
PF11PF06
PF12

CMD :
OG5SECTONGARD
INQUIRE LAND BY SECTION01/21/00 10:10:21
OGOMES -TPWK
PAGE NO: 2

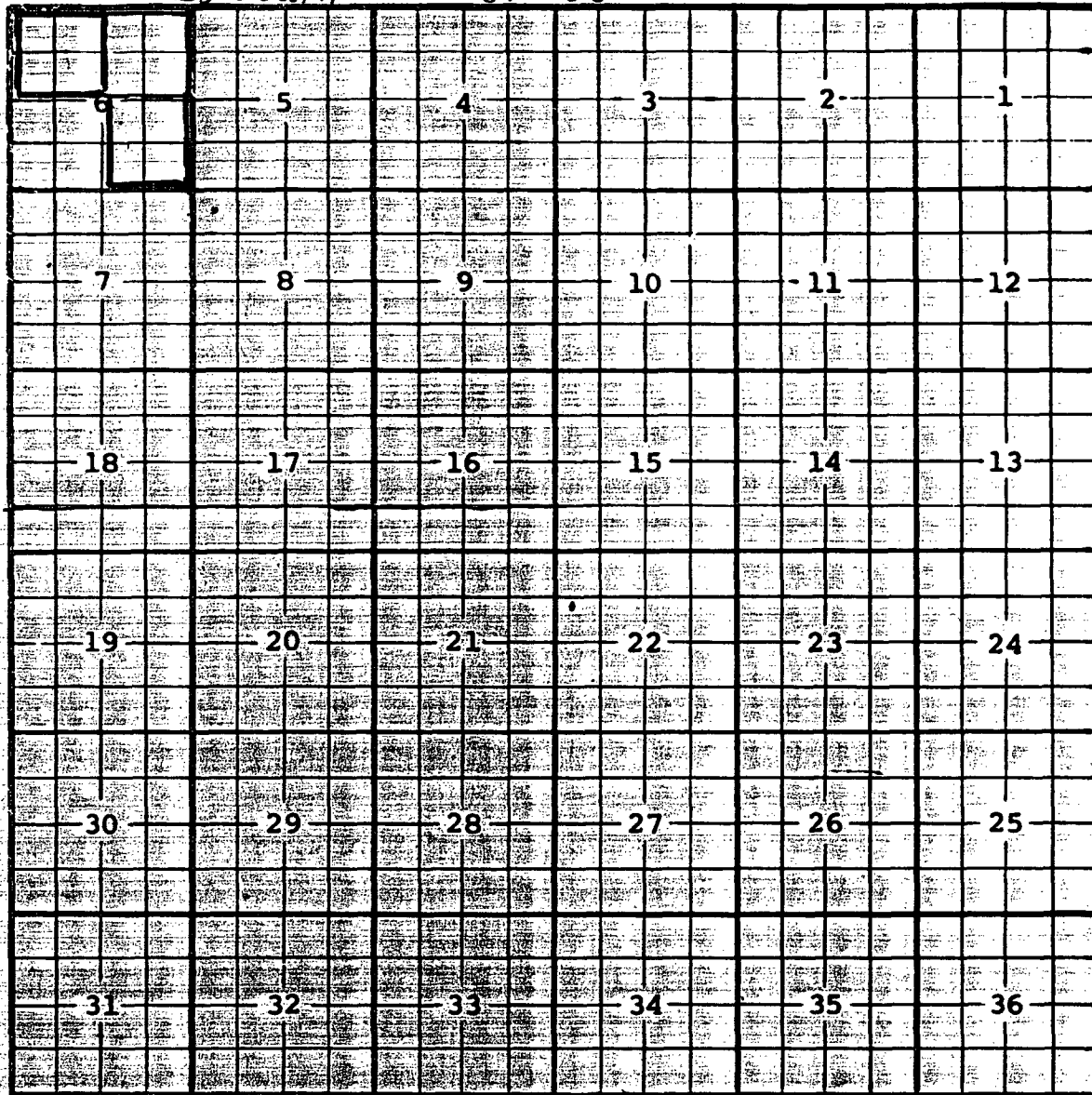
Sec : 36 Twp : 22S Rng : 30E Section Type : NORMAL

L 40.00 CS E05229 0007 BASS ENTERPRISES U R 05/10/61 C	K 40.00 CS E05229 0007 BASS ENTERPRISES U R 05/10/61 A	J 40.00 CS E05229 0008 PERRY R BASS TRUS U R 05/10/61 A	I 40.00 CS E05229 0008 PERRY R BASS TRUS U R 05/10/61 A
M 40.00 CS E05229 0007 BASS ENTERPRISES U R 05/10/61 C	N 40.00 CS E05229 0007 BASS ENTERPRISES U R 05/10/61 P	O 40.00 CS E05229 0008 PERRY R BASS TRUS U R 05/10/61 A A A	P 40.00 CS E05229 0008 PERRY R BASS TRUS U R 05/10/61 A

PF01 HELP
PF07 BKWDPF02
PF08 FWDPF03 EXIT
PF09 PRINTPF04 GoTo
PF10 SDIVPF05
PF11PF06
PF12

COUNTY Eddy POOL Los Medanos-Bone Spring

TOWNSHIP 23 South RANGE 31 East NMPM



Description: NE 1/4 Sec. 6 (R-7322, 8-1-83)

Ext: SE 1/4 and NW 1/4 Sec. 6 (R-10124, 5-31-94)

County Eddy Pool Southeast Quahada Ridge- Delaware

TOWNSHIP 22 South Range 30 East NMPM

[illegible]

Description: ^{SE}/₄ Sec. 36 (R-9938, 8-17-93) Ext.; ^{SW}/₄ Sec. 36 (R-10124, 5-31-94)
Ext. ^{NE}/₄ Sec. 36 (R-10591, 5-8-96) Ext.; ^{SE}/₄ Sec. 25 (R-11005, 7-24-98)

Ext. ^{NE} 4 Sec. 36 (R-10591, 5-8-96) Ext. ^{SE} 4 Sec. 25 (R-11005, 7-24-98)