

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON Governor Joanna Prukop Cabinet Secretary

August 31, 2005

Mark E. Fesmire, P.E. Director Oil Conservation Division

Bass Enterprises Production Company c/o James Bruce P. O. Box 1056 Santa Fe, New Mexico 87504

Administrative Order NSL-5268

Dear Mr. Bruce:

Reference is made to the following: (i) your application (*administrative application reference No. pSEM0-522745358*) dated August 15, 2005 on behalf of the operator Bass Enterprises Production Company ("Bass"); and (ii) the records of the New Mexico Oil Conservation Division ("Division") in Artesia and Santa Fe, including the file in Division Case No. 366: all concerning Bass's request to drill its Poker Lake Unit Well No. 163 (API No. 30-015-34183) at an unorthodox Delaware oil well location 1980 feet from the North line and 2360 feet from the West line (Unit F) of Section 6, Township 24 South, Range 30 East, NMPM, Poker Lake Unit Area (see Division Order No. R-153, issued in Case No. 366 on May 1, 1952), Eddy County, New Mexico. The SE/4 NW/4 of Section 6 is to be dedicated to this well in order to form a standard 40-acre oil spacing and proration unit in the Undesignated Nash Draw-Delaware Pool (47545).

Your application has been duly filed under the provisions of Division Rules 104.F and 1207.A (2).

By the authority granted me under the provisions of Division Rule 104.F (2), the abovedescribed unorthodox Delaware oil well location is hereby approved.

Sincerely,

1. Junire

Mark E. Fesmire, P. E. Director

MEF/ms

cc: New Mexico Oil Conservation Division – Artesia U. S. Bureau of Land Management – Carlsbad