

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor

Joanna Prukop
Cabinet Secretary

October 17, 2005

Mark Fesmire
Director
Oil Conservation Division

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

Administrative Order NSL-5286

Dear Mr. Bruce:

Reference is made to the following: (i) your application (administrative application reference No. pSEM0-526241845) dated September 19, 2005 filed 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, New Mexico, including the file in Division Case No. 366: all concerning Bass's request to drill its Poker Lake Unit Well No. 254 at an unorthodox Delaware oil well location 330 feet from the North line and 1160 feet from the East line (Unit A) of Section 31, 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 NE/4 NE/4 of Section 31 is to be dedicated to this well in order to form a standard 40-acre oil spacing and proration unit within the Undesignated Nash Draw-Delaware Pool (47545).

Your application has been duly filed under the provisions of Division Rules 104.F and 1210.A (2).

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

Sincerely,

Mark E. Fesmire, P. E.

Director

MEF/ms

cc: New Mexico Oil Conservation Division – Artesia

1. Jemire,

U. S. Bureau of Land Management - Carlsbad