



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor

May 4, 2004

Joanna Prukop
Cabinet Secretary
Acting Director
Oil Conservation Division

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

Administrative Order NSL-5050

Dear Mr. Bruce:

Reference is made to the following: (i) your application (*administrative application reference No. pSEM0-412437820*) dated April 30, 2004 on behalf of the operator Bass Enterprises Production Company ("Bass"); and (ii) the records of the New Mexico Oil Conservation Division ("Division") in Santa Fe: all concerning Bass's request to drill its James Ranch Unit Well No. 87 at an unorthodox Delaware oil well location 250 feet from the South line and 1980 feet from the West line (Lot 7/Unit M) of Section 6, Township 23 South, Range 31 East, NMPM, Eddy County, New Mexico. Lot 7 (SW/4 SW/4 equivalent) of Section 6 is to be dedicated to this well in order to form a standard 41.13-acre oil spacing and proration unit in the Undesignated Southeast Quahada Ridge-Delaware Pool (50443).

This application has been duly filed under the provisions of Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999.

It is the Division's understanding the proposed James Ranch Unit Well No. 87 is within the Oil/Potash "R-111-P" area, and is therefore subject to all applicable restrictions and rules therein.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Michael E. Stogner", with a long horizontal flourish extending to the right.

Michael E. Stogner
Engineer/Hearing Officer

MES/ms

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

EC

OPERATOR'S COPY

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		NOV 18 2003 RECEIVED		5. Lease Serial No. NMNM04473
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator BASS ENTERPRISES PRODUCTION CO		Contact: TAMI WILBER E-Mail: twilber@basspet.com		7. If Unit or CA Agreement, Name and No. NMNM70965X
3a. Address P. O. BOX 2760 MIDLAND, TX 79702		3b. Phone No. (include area code) Ph: 915.683.2277 Fx: 915.687.0329		8. Lease Name and Well No. JAMES RANCH UNIT 87
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SESW 250FSL 1980FWL At proposed prod. zone SESW 250FSL 1980FWL		R-111-P Potash		9. API Well No. 30-015-34277
14. Distance in miles and direction from nearest town or post office* 16 MILES EAST FROM LOVING NM		12. County or Parish EDDY		11. Sec., T., R., M., or Blk. and Survey or Area Sec 6 T23S R31E Mer NMP SME: FEE
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 250		16. No. of Acres in Lease 282.09		13. State NM
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 150		17. Spacing Unit dedicated to this well 40.00		
19. Proposed Depth 11300 MD		20. BLM/BIA Bond No. on file		
21. Elevations (Show whether DF, KB, RT, GL, etc.) 3311 GL		22. Approximate date work will start		
23. Estimated duration				

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature (Electronic Submission)	Name (Printed/Typed) TAMI WILBER	Date 06/16/2003
Title AUTHORIZED REPRESENTATIVE		
Approved by (Signature) 	Name (Printed/Typed) Carsten F. Goff	Date 11
Title STATE DIRECTOR	Office NM STATE OFFICE	

Application approval does not warrant or certify 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, are attached.

APPROVAL FOR 1 YEAR

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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 statements or representations as to any matter within its jurisdiction.

Additional Operator Remarks (see next page)

Electronic Submission #22180 verified by the BLM Well Information System
For BASS ENTERPRISES PRODUCTION CO, sent to the Carlsbad
Committed to AFMSS for processing by Armando Lopez on 06/19/2003 (03AL0322AE)APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

Carlsbad Controlled Water Basin

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

Additional Operator Remarks:

Surface casing to be set +/- 100' above the salt.
Intermediate casing to be set in the top of the Lamar Lime
Production casing cement to tie 300' into intermediate casing.
Drilling procedure, BOPE Diagram, Anticipated Tops and Surface Use plans attached.

This well is located inside the R-111 Potash Area. This well will be an unorthodox location. Upon approval, unorthodox procedure will be filed. Attached is IMC Kalium's response to Bass' drilling notification. This locations has been moved as close as practical to our existing JRU #14 wellhead.

Completions will be made in the Delaware, Bone Spring & Wolfcamp Pools.

Revisions to Operator-Submitted EC Data for APD #22180

Operator Submitted

Lease: NM04473
Agreement: NMNM70965X
Operator: BASS ENTERPRISES PRODUCTION CO
P. O. BOX 2760
MIDLAND, TX 79702
Ph: 915.683.2277
Fx: 915.687.0329

Admin Contact: TAMI WILBER
AUTHORIZED REPRESENTATIVE
P. O. BOX 2760
MIDLAND, TX 79702
Ph: 915.683.2277
Fx: 915.687.0329
E-Mail: twilber@basspet.com

Tech Contact:

Well Name: JAMES RANCH UNIT
Number: 87
Location:
State: NM
County: EDDY
S/T/R: Sec 6 T23S R31E Mer NMP
Surf Loc: SESW 250FSL 1980FWL
Field/Pool: LOS MEDANOS
Bond: NM2204

BLM Revised (AFMSS)

NMNM04473
NMNM70965X
BASS ENTERPRISES PRODUCTION CO
P. O. BOX 2760
MIDLAND, TX 79702
Ph: 432.683.2277
Fx: 915.687.0329

TAMI WILBER
AUTHORIZED REPRESENTATIVE
P. O. BOX 2760
MIDLAND, TX 79702
Ph: 915.683.2277
Fx: 915.687.0329
E-Mail: twilber@basspet.com

JAMES RANCH UNIT
87
NM
EDDY
Sec 6 T23S R31E Mer NMP
SESW 250FSL 1980FWL
LOS MEDANOS

DISTRICT I

1000 N. Fourth St., Hobbs, NM 88240

DISTRICT II

511 South First, Artesia, NM 88210

DISTRICT III

1000 15th Avenue Rd., Artesia, NM 87410

DISTRICT IV

2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico

Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

2040 South Pacheco

Santa Fe, New Mexico 87504-2088

Form C-102

Revised March 17, 1999

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

AFT Number	Pool Code	Pool Name
		Los Medanos (Delaware, Bone Spring, Wolfcamp)
Property Code	Property Name	Well Number
	JAMES RANCH UNIT	87
OCRD No.	Operator Name	Elevation
001801	BASS ENTERPRISES PRODUCTION COMPANY	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
N	6	23 S	31 E		250	SOUTH	1980	WEST	ELIDY

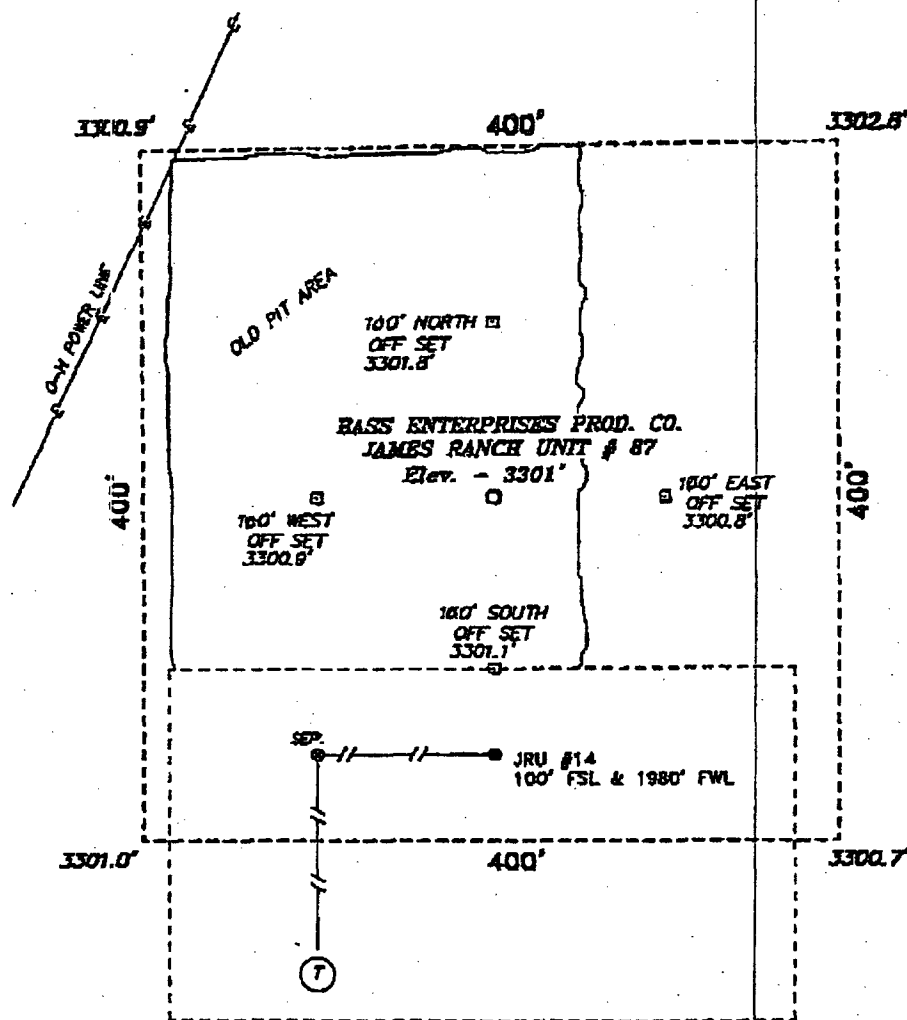
Bottom Hole Location if Different From Surface

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

LOT 4 - 40.45 AC.	LOT 3 - 39.90 AC.	LOT 2 - 39.94 AC.	LOT 1 - 39.98 AC.	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. <u>William R. Dannels</u> Signature William R. Dannels Printed Name Division Drilling Supt. Title 12-12-2000 Date
LOT 5 - 40.79 AC.				
LOT 6 - 40.95 AC.				
LOT 7 - 41.13 AC.				
				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. July 28, 2000 Date Surveyed Signature: MARY L. JONES Registered Professional Surveyor 7977 C.O. No. 9425 Certified by: [Signature] PROFESSIONAL SEAL 7977 BASS ENTERPRISES

SECTION 6, TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO.



DIRECTIONS:

From the intersection to State Hwy #128 and WIPP Road, go East of State Hwy 128; Thence east approx. 3000 feet to a point which lies south 800 feet of this location.

BASIN SURVEYS P.O. BOX 1788-HOBBS, NEW MEXICO

W.O. Number: 0426

Drawn By: K. GOAD

Date: 08-01-2000

Disk: KJG #123 - 0426A.DWG

BASS ENTERPRISES PRODUCTION CO.

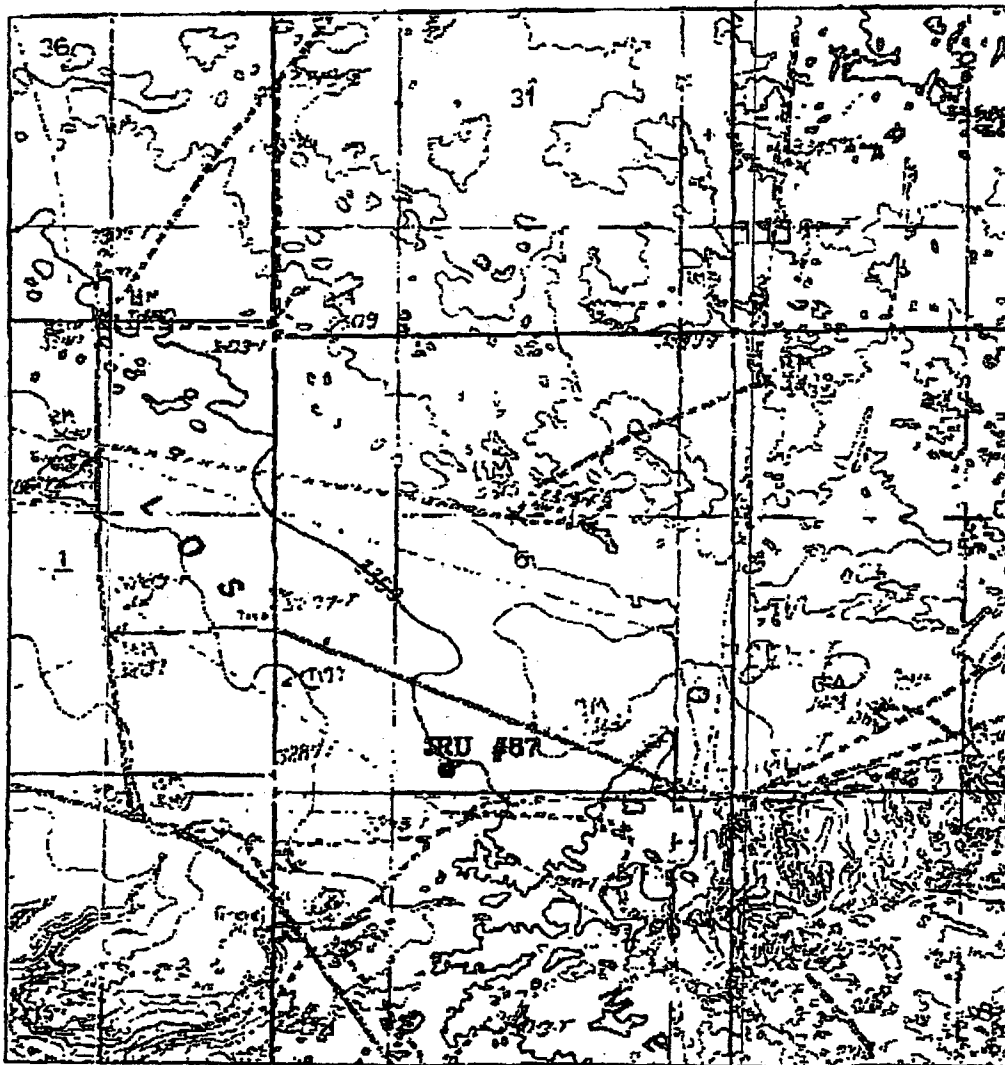
REF: JAMES RANCH Unit No. 87 / Well Pad Topo

THE JAMES RANCH UNIT No. 87 LOCATED 250' FROM
THE SOUTH LINE AND 1980' FROM THE WEST LINE OF
SECTION 6, TOWNSHIP 23 SOUTH, RANGE 31 EAST,

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

Survey Date: 07-28-2000

Sheet 1 of 1 Sheets



JAMES RANCH UNIT # 87

Located at 250' FSL and 1980' FWL
 Section 6, Township 23 South, Range 31 East,
 N.M.P.M., Eddy County, New Mexico.

basin
surveys

focused on excellence
 in the oilfield

P.O. Box 1785
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (505) 393-7316 - Office
 (505) 392-3074 - Fax
 basin-surveys.com

W.O. Number: 0426AA - XJG #1

Survey Date: 07-28-2000

Scale: 1" = 2000'

Date: 08-01-2000

**BASS ENTERPRISES
 PRODUCTION CO.**

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY

FORM APPROVED
OMB NO. 1004-0115
Expires: November 30, 2000**SUNDRY NOTICES AND REPORTS ON WELLS**
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*5. Lease Serial No.
NMNM04473

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or
NMNM70965A8. Well Name and No.
JAMES RANCH UNIT 879. API Well No.
30-015-3427710. Field and Pool, or Exploration
LOS MEDANOS11. County or Parish, and State
EDDY COUNTY, NM**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other2. Name of Operator
BASS ENTERPRISES PRODUCTION CO
Contact: CINDI GOODMAN
E-Mail: CDGOODMAN@BASSPET.COM3a. Address
P O BOX 2760
MIDLAND, TX 797023b. Phone No. (include area code)
Ph: 432-683-22774. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 6 T23S R31E SESW 250FSL 1980FWL**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration then. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and/or Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BLA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed on testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Bass Enterprises Production Co. wishes to extend this application to drill for another 12 months from 11/12/04 to 11/12/05.

APPROVED FOR 12 MONTH PERIOD
ENDING 11/13/05

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #50806 verified by the BLM Well Information System
For BASS ENTERPRISES PRODUCTION CO, sent to the Carlsbad
Committed to AFMSS for processing by LINDA ASKWIG on 11/10/2004 (05LA0087SE)

Name (Printed/Typed) CINDI GOODMAN

Title AUTHORIZED REPRESENTATIVE

Signature (Electronic Submission)

Date 11/08/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USEApproved By Russ Anderson

Acting FIELD MANAGER

Date 12/8/2

Conditions of approval, if any, are attached. Approval of this notice 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.

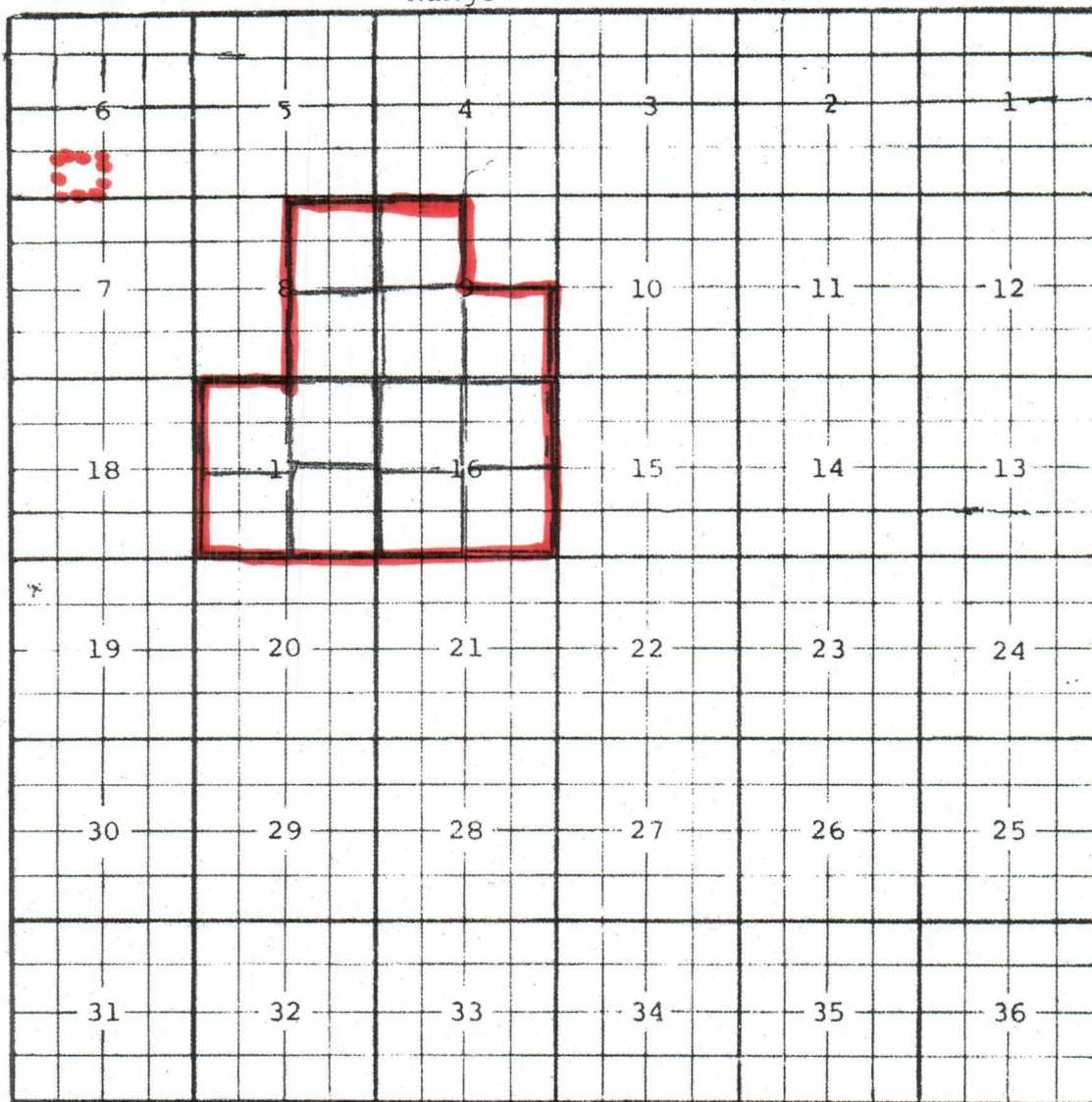
Office CARLSBAD FIELD OFFICE

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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 statements or representations as to any matter within its jurisdiction.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

County EDDYPool LOS MEDANOS - DELAWARETOWNSHIP 23 SOUTHRange 31 EAST

NMPM

DESC: SW/4 Sec. 16 (R-9473, 4-1-91)Ext: NW/4 Sec. 16 (R-9545, 7-1-91) Ext: NE/4 Sec. 17 (R-9844, 2-8-93)Ext: SW/4 Sec. 9 (R-9884, 4-26-93) Ext: SE/4 Sec. 17 (R-9938, 8-17-93)Ext: SW/4 Sec. 17 (R-9963, 9-20-93) Ext: NW/4 Sec. 9 (R-9981, 10-1-93)Ext: NW/4 Sec. 9 (R-9981, 10-1-93) Ext: SE/4 Sec. 8, NE/4 Sec. 16 (R-10042, 12-28-93)Ext: SE/4 Sec. 9 (R-10124, 5-31-94) Ext: NE/4 Sec. 8, NW/4 Sec. 17 (R-10159, 7-26-94)Ext: SE/4 Sec. 16 (R-12066, 12-9-03)

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

02/14/06 08:21:04
OGOMES -T08Z
PAGE NO: 1

Sec : 06 Twp : 23S Rng : 31E Section Type : NORMAL

4 40.45 Federal owned U R A C A	3 39.90 Federal owned U R A C C	2 39.94 Federal owned U R A C C	1 39.98 Federal owned U R C C A
5 40.79 Federal owned U R A A	F 40.00 Federal owned U R A	G 40.00 Federal owned U R A	H 40.00 Federal owned U R
6 40.96 Federal owned U R A C	K 40.00 Federal owned U R C C A	J 40.00 Federal owned U R A	I 40.00 Federal owned U R
7 41.13 Federal owned U R	N 40.00 Federal owned U R A C A	O 40.00 Federal owned U R	P 40.00 Federal owned U R