

333 27272 DHC 12/11/00

District I
1625 N. French Drive, Hobbs, NM 88240
District II
811 South First Street, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department
NO. 2020 CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, New Mexico 87505
CONSERVATION DIVISION
APPLICATION FOR DOWNHOLE COMMINGLING

Form C-107A
Revised May 15, 2000

APPLICATION TYPE
 Single Well
 Establish Pre-Approved Pools
EXISTING WELLBORE
 Yes No

Operator Bass Enterprises Production Co. Address P. O. Box 2760 Midland, Texas 79702-2760
Lease James Ranch Unit #27 Unit Letter-Section-Township-Range Unit Letter I, Section 36 T22S-R30E County Eddy
OGRID No. 001801 Property Code 001786 API No. 30-015-31033 Lease Type: Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Los Medanos (Bone Spring)		Los Medanos (Wolfcamp)
Pool Code	40295		96336
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	11,120-11,129'		11,309-11,318'
Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)	44.2		44.2
Producing, Shut-In or New Zone	Producing/New Zone		Producing/New Zone
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: 9/28/00 (commingled) Rates: 50 B0/102 MCF	Date: Rates:	Date: 9/28/00 (commingled) Rates: 50 B0/102 MCF
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil 50% Gas 50%	Oil % Gas %	Oil 50% Gas 50%

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes No
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes No

Are all produced fluids from all commingled zones compatible with each other? Yes No

Will commingling decrease the value of production? Yes No

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes No

NMOCD Reference Case No. applicable to this well: R-10558

Attachments:

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

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

SIGNATURE Tami Wilber TITLE Production Clerk DATE 10/11/00

TYPE OR PRINT NAME Tami Wilber TELEPHONE NO. (915) 683-2277

DISTRICT I
P.O. Box 1880, Hobbs, NM 88240

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

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

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

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-31033	Pool Code 10295	Pool Name Los Medanos (Bone Spring)
Property Code 001786	Property Name JAMES RANCH UNIT	Well Number 27
OGRID No. 001801	Operator Name BASS ENTERPRISES PRODUCTION COMPANY	Elevation 3316'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	36	22 S	30 E		1780	SOUTH	200	EAST	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
LOT 3	31	22 S	31 E		1980	SOUTH	660	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
40	Y		

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>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><i>Tami Wilber</i> Signature</p> <p>Tami Wilber Printed Name</p> <p>Production Clerk Title</p> <p>10/21/00 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>November 16, 1999 Date Surveyed</p> <p><i>GARY L. JONES</i> Signature & Seal of Professional Surveyor</p> <p>W.O. No. 9607 Certificate No. Gary L. Jones 7977</p> <p>BASIN SURVEYS</p>

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Santa Fe, New Mexico 87504-2088

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-31033	Pool Code 96336	Pool Name Los Medanos (Wolfcamp)
Property Code 001786	Property Name JAMES RANCH UNIT	Well Number 27
OGRID No. 001801	Operator Name BASS ENTERPRISES PRODUCTION COMPANY	Elevation 3316'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	36	22 S	30 E		1780	SOUTH	200	EAST	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
LOT 3	31	22 S	31 E		1980	SOUTH	660	WEST	EDDY
Dedicated Acres 40	Joint or Infill Y	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

	<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><i>Tami Wilber</i> Signature</p> <p>Tami Wilber Printed Name</p> <p>Production Clerk Title</p> <p>10/21/00 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>November 16, 1999 Date Surveyed</p> <p>Signature of Gary L. Jones Professional Surveyor</p> <p>W.O. No. 9407 Certificate No. Gary L. Jones 7977</p> <p>BASIN SURVEYS</p>

**James Ranch Unit #27
APPLICATION FOR DOWNHOLE COMMINGLING**

Allocation formula is based on log calculated pay for each zone, as outlined in the following table:

	<u>Bone Spring</u>	<u>Wolfcamp</u>
Net Pay	18	16
Avg Porosity	11.1%	12.6%
ϕh	2.00	2.02
Allocation%	50%	50%