

DATE IN 6/18/08	SUSPENSE	ENGINEER Ezlanym	LOGGED IN 6/18/08	TYPE CTB	APP NO. PKVR0317052291
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ABOVE THIS LINE FOR DIVISION USE ONLY

## NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



## ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

## Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]  
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]  
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]  
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]  
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]  
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

## [1] TYPE OF APPLICATION - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Simultaneous Dedication  
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement  
☐ DHC ☒ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

- [D] Other: Specify \_\_\_\_\_

## [2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners  
 [B] ☐ Offset Operators, Leaseholders or Surface Owner  
 [C] ☐ Application is One Which Requires Published Legal Notice  
 [D] ☒ Notification and/or Concurrent Approval by BLM or SLO  
 U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office  
 [E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or,  
 [F] ☐ Waivers are Attached

## [3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] CERTIFICATION: I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Ann Moore  
 Print or Type Name

Ann Moore  
 Signature

Production Clerk 6-18-08  
 Title Date

camore@basspet.com  
 e-mail Address

RECEIVED  
 2008 JUN 18 PM 2 27



**BEPCO, L.P.**  
P. O. BOX 2760  
MIDLAND, TEXAS 79702

432-683-2277  
FAX - 432-687-0329

## FAX TRANSMITTAL SHEET

TO: Kim Romero

COMPANY: OCD - Santa Fe

FAX NUMBER: (505) 476-3462

FROM: Ann Moore

PAGES: 2 DATE: 6-18-08

REMARKS: I'm sorry Kim

RECEIVED BEPCO, L.P.  
P. O. Box 2760  
Midland, Texas 79702

432-683-2277 2008 JUN 13 PM 3 21

FAX: 432-687-0329

June 10, 2008

Re: Surface Commingle Application  
Horned Toad 36 State #3H  
Nash Draw (Delaware. BS. Aval.  
Eddy County, New Mexico  
File: 100-WF: HT 36 State3H. CPL

API



Oil Conservation Division  
1220 S. St. Francis  
Santa Fe, New Mexico 87505

Gentlemen:

BEPCO, L.P. respectfully requests that you grant permission for surface commingling of production from the above captioned well. This request is to amend the previously granted CTB-571, most recently approved by your office on January 8, 2008, by adding an additional well on the Horned Toad 36 State Lease.

Copies of this application are being submitted to The State Land Office in Santa Fe, the District OCD in Artesia, and the BLM in Carlsbad.

It is our understanding that wells in the Nash Draw (Delaware, BS, Avalon) may share a proration as in the case of Horned Toad 36 State #3H and #7.

If you should have any questions, or need further data, please contact Ann Moore at the above letterhead address or via email at [camoore@basspet.com](mailto:camoore@basspet.com).

Sincerely,



Ann Moore  
Production Clerk

cam  
Attachments

District I  
1625 N. French Drive, Hobbs, NM 88240  
District II  
1301 W. Grand Ave, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St Francis Dr, Santa Fe, NM  
87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107-B  
Revised June 10, 2003

OIL CONSERVATION DIVISION  
1220 S. St Francis Drive  
Santa Fe, New Mexico 87505

Submit the original  
application to the Santa Fe  
office with one copy to the  
appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: BEPCO, L.P.

OPERATOR ADDRESS: P.O. BOX 2760 MIDLAND, TX 79702-2760

APPLICATION TYPE:

☐ Pool Commingling ☒ Lease Commingling ☐ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingling)

LEASE TYPE: ☐ Fee ☒ State ☐ Federal

Is this an Amendment to existing Order? ☒ Yes ☐ No If #Yes#, please include the appropriate Order No. CBT-571

Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling

☒ Yes ☐ No

(A) POOL COMMINGLING

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes

(2) Are any wells producing at top allowables? ☐ Yes ☐ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No.

(4) Measurement type: ☐ Metering ☐ Other (Specify)

(5) Will commingling decrease the value of production? ☐ Yes ☐ No If #yes#, describe why commingling should be approved

(B) LEASE COMMINGLING

Please attach sheets with the following information

(1) Pool Name and Code.

(2) Is all production from same source of supply? ☒ Yes ☐ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☒ No 100% BEPCO, L. P.

(4) Measurement type: ☒ Metering ☐ Other (Specify)

(C) POOL and LEASE COMMINGLING

Please attach sheets with the following information

(1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT

Please attached sheets with the following information

(1) Is all production from same source of supply? ☐ Yes ☐ No

(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)

Please attach sheets with the following information

(1) A schematic diagram of facility, including legal location.

(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.

(3) Lease Names, Lease and Well Numbers, and API Numbers.

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

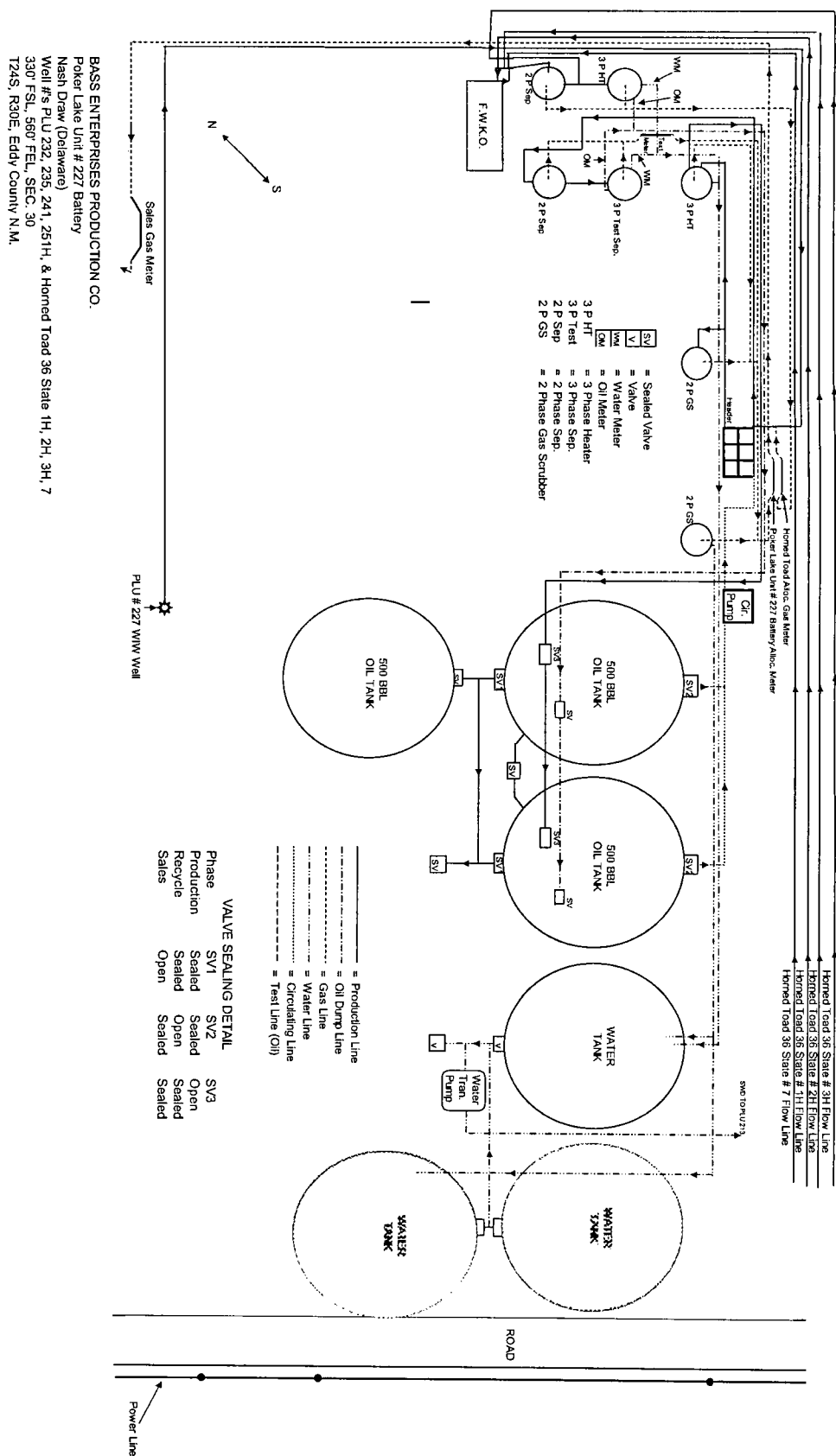
SIGNATURE: Ann Moore TITLE: PRODUCTION CLERK

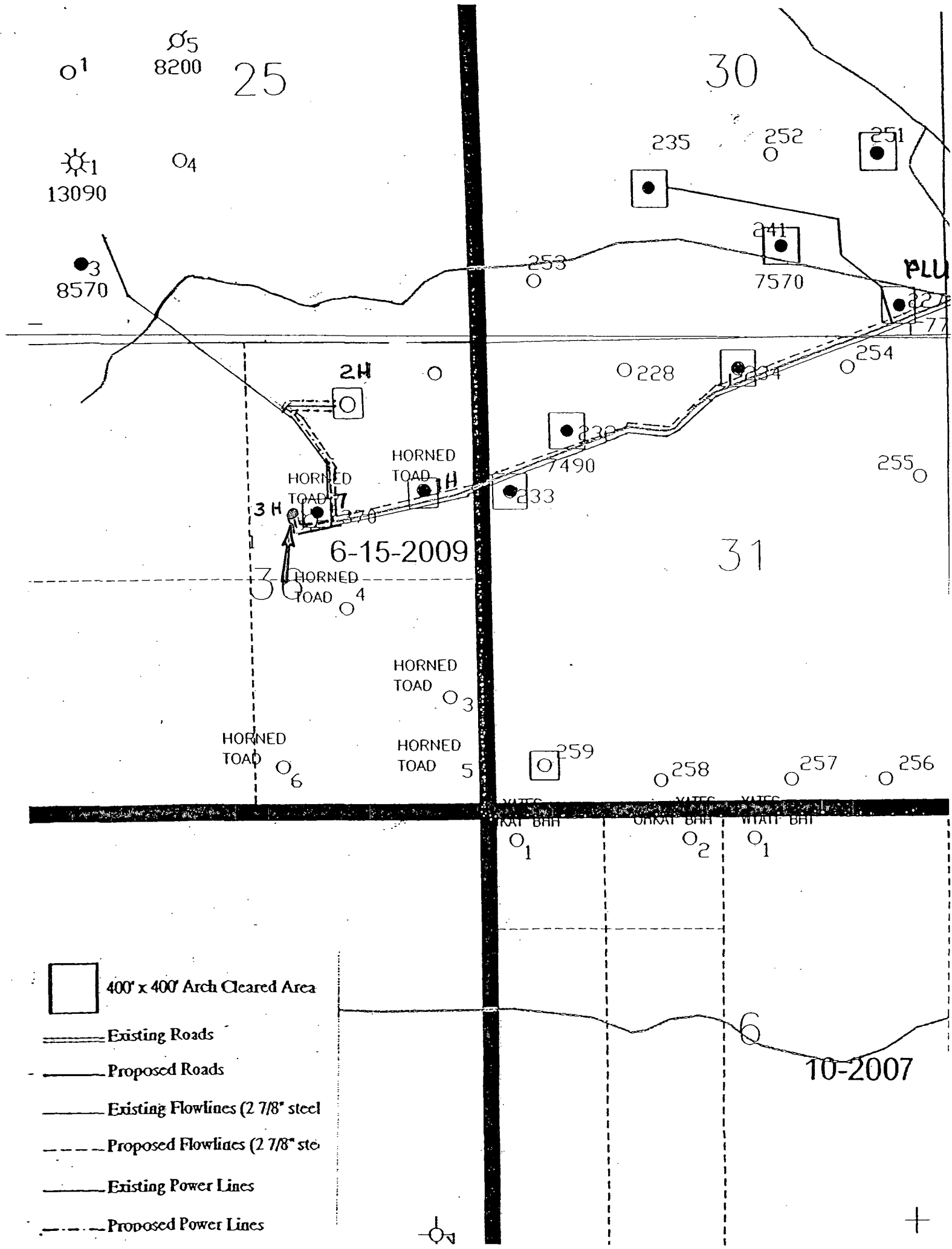
DATE: 06/10/2008

TYPE OR PRINT NAME ANN MOORE

TELEPHONE NO.: (432)683-2277

E-MAIL ADDRESS: camoorebasspet.com





O1

O5  
8200

25

30

13090

O4

8570

235

252

251

241

7570

PLU

253

254

O228

2H

HORNED TOAD

HORNED TOAD

6-15-2009

HORNED TOAD

HORNED TOAD

HORNED TOAD

HORNED TOAD

259

258

257

256

KAT BHT

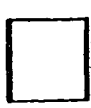
ONKAT BHT

WATAT BHT

O1

O2

O1



400' x 400' Arch Cleared Area

Existing Roads

Proposed Roads

Existing Flowlines (2 7/8" steel)

Proposed Flowlines (2 7/8" steel)

Existing Power Lines

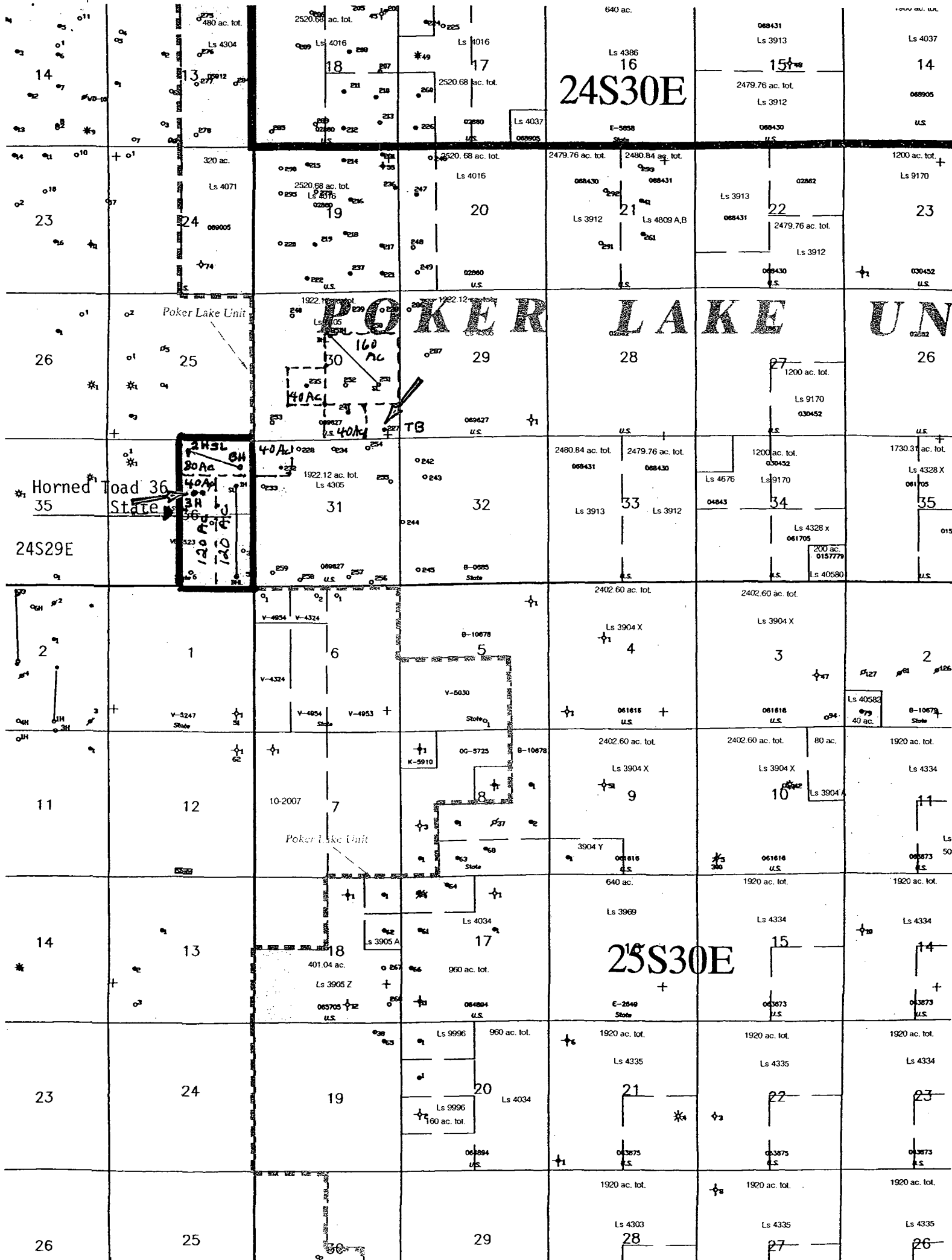
Proposed Power Lines

10-2007

POKER LAKE UNIT #227 TANK BATTERY COMMINGLED WELLS  
ALL NASH DRAW (DELAWARE/BS/AVALON) POOL CODE 47545

Lease & Well No.	Type of Wellbore	Dedicated Acreage	API Number	Unit Letter	Sec. TS. RE
PLU 227 WIW	Vertical	NA Active WIW	30-015-33929	P	Sec. 30, T24S, R30E
PLU 232	Vertical	40 acres	30-015-34009	D	Sec. 31, T24S, R30E
PLU 235	Vertical	40 acres	30-015-34309	K	Sec. 30, T24S, R30E
PLU 241	Vertical	40 acres	30-015-34308	O	Sec. 30, T24S, R30E
PLU 251H	Horizontal	160 acres	30-015-34404	G, H, I, J	Sec. 30, T24S, R30E
Horned Toad 36 St. #1H	Horizontal	120 acres	30-015-34764	H, I, P	Sec. 36, T24S, R29E
Horned Toad 36 St. #2H	Horizontal	80 acres	30-015-35837	A, B	Sec. 36, T24S, R29E
Horned Toad 36 St. #7	Vertical	40 acres	30-015-36200	G	Sec. 36, T24S, R29E
Horned Toad 36 St. #3H	Horizontal	120 acres	30-015-34347	G, J, O	Sec. 36, T24S, R29E

Oil is loaded from the oil storage tanks at this site and trucked from this location by Shell Trading US.  
Gas is sold at this site at the Sales Gas Meter on the South side of the battery as shown on the  
Site security diagram and is sold to Southern Union Gas Services.





**BEPCO, L.P.**  
P. O. Box 2760  
Midland, Texas 79702

432-683-2277

FAX: 432-687-0329

June 10, 2008

**Re: Surface Commingle Application  
Horned Toad 36 State #3H  
Nash Draw (Delaware. BS. Aval.  
Eddy County, New Mexico  
File: 100-WF: HT 36 State3H. CPL**

State of New Mexico  
Commissioner of Public Lands  
310 Old Santa Fe Trail  
Santa Fe, New Mexico 87504-1148

Mr. Lyons:

BEPCO, L.P. respectfully requests that you grant permission for surface commingling of the above captioned well. This request is to amend the previously granted CTB-571, most recently approved by your office on November 8, 2007, by adding an additional well on the Horned Toad 36 State Lease.

Copies of this application are being submitted to the State OCD in Santa Fe, the District OCD in Artesia, and the BLM in Carlsbad. Please find the enclosed fee for this application.

If you should have any questions, or need further data, please contact Ann Moore at the above letterhead address or via email at [camoore@basspet.com](mailto:camoore@basspet.com).

Sincerely,



Ann Moore  
Production Clerk

cam  
Attachments

**BASS ENTERPRISES PRODUCTION CO.**

1ST CITY BANK TOWER  
201 MAIN ST  
FORT WORTH, TX 76102-3105

**11183**

37-65/1119 720  
7400517348

DATE 6-9-08

PAY  
TO THE  
ORDER OF

N.M. Commissioner of Public Lands

\$ 30<sup>00</sup>

Thirty dollars & NO/100

DOLLARS



Security  
Features  
Details on  
Back



Wells Fargo Bank, N.A.  
Texas  
wellsfargo.com

FOR

Surface Cammingk / Horn Toad 36 st #3-H

Brenda Weeks

MP

⑈0000011183⑈ ⑆111900659⑆ 7400517348⑈

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007**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.****SUBMIT IN TRIPLICATE - Other instructions on reverse side.**1. Type of Well  
☒ Oil Well ☐ Gas Well ☐ Other2. Name of Operator  
BEPCO, L.P.3a. Address  
P.O. BOX 2760 MIDLAND TX 79702-2760  
3b. Phone No. (include area code)  
(432)683-22774. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
SEC 30, T24S, R30E, SESE UL P, 330' FSL & 560' FEL  
32.10559 N LAT. 103.54501 W LON

5. Lease Serial No.

NMLC069627

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

NMNM71016

8. Well Name and No.

POKER LAKE UNIT #227

9. API Well No.

30-015-33929

10. Field and Pool, or Exploratory Area

NASH DRAW - DELAWARE

11. County or Parish, State

EDDY

NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" 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 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 COMMING
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	& OFF LEASE
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	STORAGE

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once 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.)

BEPCO, L. P. respectfully requests permission for Surface Commingling and Off Lease Storage to the referenced well from the Horned Toad 36 state #3H located 1881' FNL & 2225' FEL, Sec. 36, T24S, R29E, API No. 30-015-36200. The Poker Lake Unit Battery 227 currently has a commingling permit, CTB-571, which allows commingling with the Horned Toad 36 State #1H, 2H and #7 wells. BEPCO will lay a 2-7'8" steel flowline that will be laid within 30' of the center line of the existing lease road. A 3 phase separator will be installed at the 227 battery. The existing power line consisting of 12,470 volts 3 phase, running from the Horned Toad 36 State #7 well, will be utilized. The Oil, Water and Casinghead Gas will be metered separately from the production on BLM land. A copy of OCD form C-107-B (Application for Surface Commingling) is attached.

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

ANN MOORE

Title PRODUCTION CLERK

Signature



Date 06/10/2008

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Title

Date

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

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.

(Instructions on page 2)