

DATE IN 3/4/03	SUBMITTER 2/24/03	ENGINEER DRL	LOGGED IN KV	TYPE CTB	PKR V0306454627
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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



534

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.

<u>Tami Wilber</u> Print or Type Name	<u>Tami Wilber</u> Signature	<u>Production Clerk</u> Title	<u>2/21/03</u> Date
		<u>tlwilber@basspet.com</u> e-mail Address	

BASS ENTERPRISES PRODUCTION CO.

6 DESTA DRIVE, SUITE 3700
P.O. BOX 2760
MIDLAND, TEXAS 79702

FAX (915) 687-0329

February 21, 2003

(915) 683-2277

Re: Off-Lease Storage, Measurement and
Surface Commingling
Poker Lake Unit #182 (001796)
Nash Draw (Delaware)
Eddy County, New Mexico
File: 4C0-WF: 03

Division Director
Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87505

47545

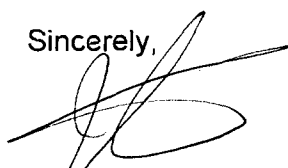
Gentlemen:

Bass Enterprises Production Co. respectfully request approval of off-lease storage and/or measurement and surface commingling of production into an existing tank battery.

Production from the Poker Lake Unit #182 will be metered separately at the Poker Lake Unit #158 battery prior to being commingled. Approval of this request for off-lease storage and/or measurement and surface commingling will allow for more efficient operations with a consolidated battery by reducing the number of stock tanks (4) and water tanks (1). Also, gas sales and SWD connections are available at the existing battery. Surface disturbance will be minimized by use of the existing facility. Full wellstream production will be transported via flowline to a three phase heater treater. Oil, water, and gas will be separated at this vessel. The oil will be metered prior to being stored in the commingled stock tank. The gas will be metered via a separate gas allocation meter. Please see the attached form for a list of wells and production information on each well. The API oil gravity for the subject leases is 42.9 (sweet). Current posted price is \$34.00 per barrel. The total value will improve by commingling as revenue will increase due to gas sales vs. venting and operating expenses will be reduced by pipelining produced water to disposal vs. trucking.

If you should have any questions, please contact Tami Wilber at the above letterhead address.

Sincerely,



John R. Smitherman
Division Production Manager



JRS:tlw
Attachment

Surface Commingling Data Sheet

Name of Operator: Bass Enterprises Production Co.
Address and Telephone No. P. O. Box 2760
Midland, Texas 79702-2760
(915) 683-2277

1. This is an attachment to our request for approval to commingle production from the federal wells shown below.
2. All interest owners have been notified of this commingling.
3. No Federal or Indian royalties will be reduced through approval of this application.
4. This application is based on economic necessity. Approval of this application is necessary for continued operation of the subject leases.
5. Method for allocating production to contributing sources (Explain):
Off Lease production will be metered separately prior to commingling.
6. Enclosed is a map showing the lease numbers and location of all leases and wells that will contribute production to the proposed commingling or common storage facility. All unitized or communitized areas, producing zones, or pools, etc. are clearly illustrated.
7. Enclosed is a schematic diagram which clearly identifies all equipment that will be utilized.
8. The following data is pertinent to our commingling application:

Production Leaving: Lease No. NMLC-068545 Poker Lake Unit #182
Producing Formation: Nash Draw (Delaware)
Daily Production Rate: Unknown at this time – Well is being drilled.
Oil Gravity: 42.9 sweet

Production Entering: Lease No. NMLC-068545 Poker Lake Delaware C Participating Area
Producing Formation: Nash Draw (Delaware)
Daily Production Rate: 406 BOPD, 1161 MCFD, 514 BWPD
Oil Gravity: 42.9 sweet

Wells included in the Proposed Commingling:

	State Lease #	Section	Township/Range	UL
30-015-31688 Poker Lake Unit #156	3911	6	T24S-R30E	O
31689 Poker Lake Unit #157	3911	6	T24S-R30E	P
31690 Poker Lake Unit #158	3911	7	T24S-R30E	A
31691 Poker Lake Unit #159	3911	7	T24S-R30E	B
32127 Poker Lake Unit #181	3911	7	T24S-R30E	J
32128 Poker Lake Unit #182	3911	7	T24S-R30E	K

I hereby certify that the foregoing is true and correct.

Signed Tami Wilber Tami Wilber Title: Production Clerk Date: 02/21/03

LEGEND

THT 1: TEST HEATER TREATER

HT 1: REGULAR HEATER TREATER

RS 1: REGULAR SEPARATOR

GS 1: SALES GAS SCRUBBER

T 1: PRODUCED WATER TRANSFER PUMP

C1: OIL CIRCULATING PUMP

SV: SEALED VALVE

: VALVE

: STEEL LINE W/ OIL, GAS, WATER

: STEEL LINE W/ OIL

: STEEL LINE W/ WATER

: STEEL LINE W/ GAS

M 1: GAS METER RUN

TM 1: TEST HEATER, GAS METER RUN

TM 2: GAS TEST METER FOR PLU # 182

HT 2: HEATER TREATER FOR PLU #182

RS2: REGULAR SEPARATOR FOR PLU #182

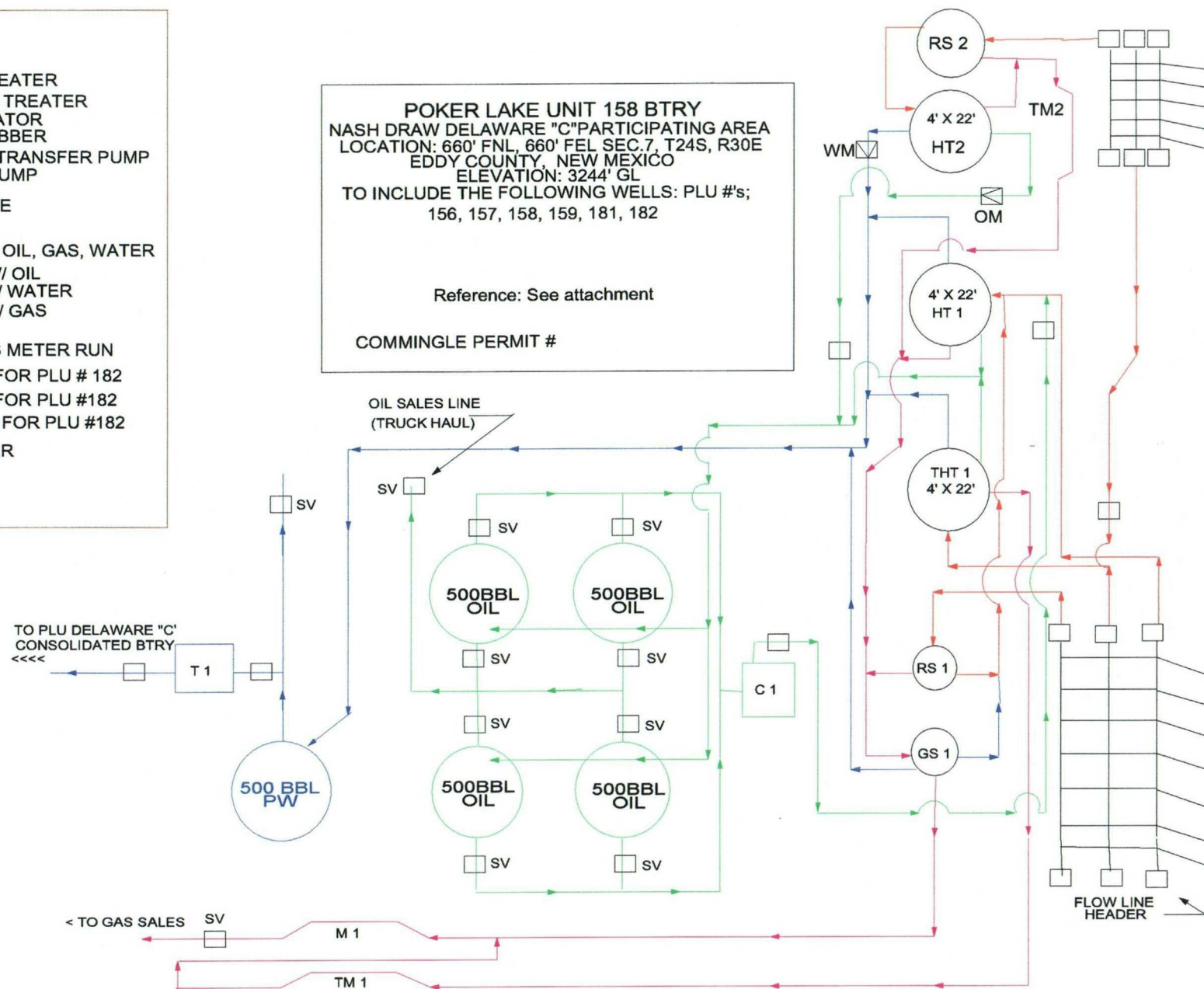
WM: WATER METER

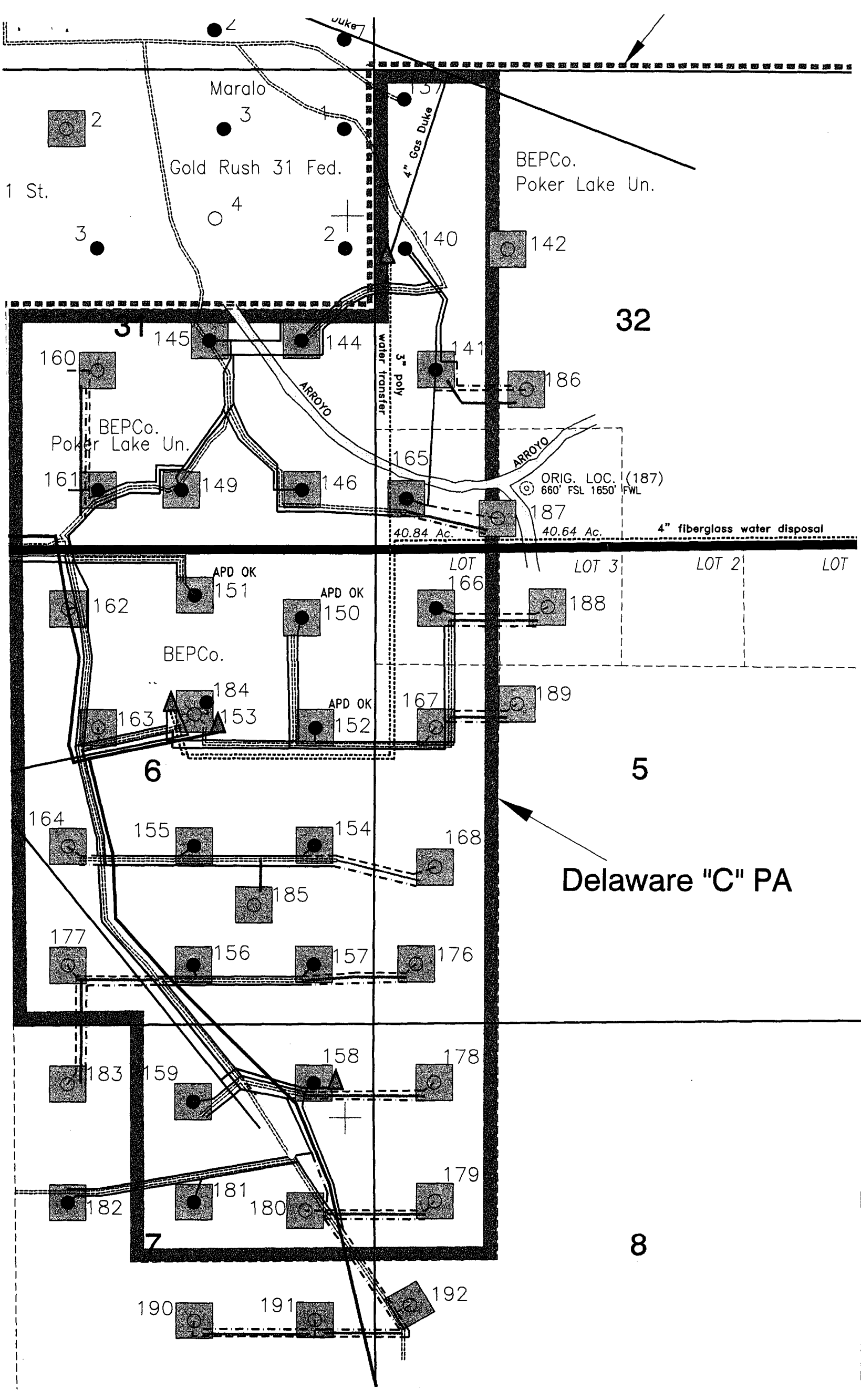
OM: OIL METER

POKER LAKE UNIT 158 BTRY
NASH DRAW DELAWARE "C" PARTICIPATING AREA
LOCATION: 660' FNL, 660' FEL SEC.7, T24S, R30E
EDDY COUNTY, NEW MEXICO
ELEVATION: 3244' GL
TO INCLUDE THE FOLLOWING WELLS: PLU #'s;
156, 157, 158, 159, 181, 182

Reference: See attachment

COMMINGLE PERMIT #





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6 DESTA DRIVE, SUITE 3700
P.O. BOX 2760
MIDLAND, TEXAS 79702

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February 21, 2003

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Re: Off-Lease Storage, Measurement and
Surface Commingling
Poker Lake Unit #182 (001796)
Nash Draw (Delaware)
Eddy County, New Mexico
File: 400-WF

Ray Powell
Commissioner of Public Lands
P. O. Box 1148
Santa Fe, New Mexico 87504-1148

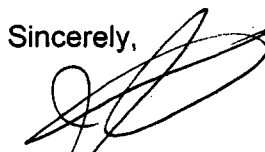
Dear Mr. Powell:

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