

BASS ENTERPRISES PRODUCTION CO.

201 MAIN ST.
FORT WORTH, TEXAS 76102-3131
817/380-8400

RECEIVED

2005 MAR 7 PM 10 03

STATE LAND OFFICE
SANTA FE, N.M.

March 4, 2005

Bureau of Land Management Roswell District Office 2909 W. 2 nd Street Roswell, New Mexico 88201 Attn: Ms. Alexis Swoboda	New Mexico State Land Office Commissioner of Public Lands 310 Old Santa Fe Trail Santa Fe, New Mexico 87501 Attention: Mr. Pete Martinez	New Mexico Oil Conservation Division 1220 St. Francis Santa Fe, New Mexico 87505 Attention: Roy Johnson
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Re: Third Revision Delaware "C" Participating Area - Revised Application

W/2 NW/4 Section 32, T23S-R30E	E/2 SW/4 Section 32, T23S-R30E
W/2 SW/4 Section 32, T23S-R30E	E/2 NW/4 Section 5, T24S-R30E
SE/4, E/2 SW/4 Section 31, T23S-R30E	W/2 NE/4 Section 5, T24S-R30E
W/2 NW/4 Section 5, T24S-R30E	W/2 NW/4 Section 6, T24S-R30E
NE/4, E/2 NW/4 Section 6, T24S-R30E	E/2 W/2 Section 7, T24S-R30E
W/2 SW/4 Section 5, T24S-R30E	SE/4 Section 7, T24S-R30E
SE/4, E/2 SW/4 Section 6, T24S-R30E	W/2 SW/4 Section 8, T24S-R30E
NE/4 Section 7, T24S-R30E	NW/4 NW/4 Section 17, T24S-R30E
W/2 NW/4 Section 8, T24S-R30E	W/2 SW/4 Section 17, T24S-R30E
	E/2 Section 18, T24S-R30E

Poker Lake Unit
Eddy County, New Mexico

Gentlemen:

Bass Enterprises Production Co. (Bass), as Unit Operator of the Poker Lake Unit Agreement, originally sent for your approval a letter dated June 9, 2004 concerning the Third Revision to the Poker Lake Delaware "C" Participating Area. Upon review, Bass requests the June 9, 2004 letter be disregarded and destroyed. Bass now respectfully submits this revised proposal, pursuant to the provisions of Section 11, for your approval for the selection of the following described lands to comprise the Third Revision to the Participating Area for the Delaware "C" Formation in the Poker Lake Unit consisting of, more or less, 2,441.16 acres containing the above tracts more specifically described on the attached Exhibit "A".

In support of this application the following numbered items are attached hereto and made part hereof.

1. An ownership map (Exhibit "A") depicting the boundaries of the proposed Third Revision for the Delaware "C" Formation.

2. A schedule (Exhibit "B") identifying the lands entitled to participate in the unitized substances produced from the Delaware "C" Formation with the percentage of participation of each lease or tract indicated thereon. 2005 MAR 7 AM 10 03
3. Data for this application for the Third Revision to the ~~Poker-Lake~~ Delaware "C" Participating Area (two folders). 2005 MAR 7 AM 10 03

This proposed participating area revision is predicated upon the knowledge and information first obtained upon the completion of the Unit Well No. 182 located in the NW/4 SE/4 of Section 7, T24S-R30E on February 28, 2003. It should be noted that the area in the proposed revised area set forth above contains unit well Nos. 190, 200, and 208, all of which have been previously determined as capable of producing in commercial quantities. Therefore, Bass respectfully requests your approval of the hereinabove selection of lands to constitute the Third Revision to the Delaware "C" Participating Area to Be effective February 1, 2003. Thank you very much for your cooperation in this regard and should you require additional information concerning same, please don't hesitate to contact the undersigned.

Sincerely,

Forest K. Naylor
 Forest K. Naylor

ACCEPTED AND AGREE this _____ day of _____, 2005.

BUREAU OF LAND MANAGEMENT

By: _____

COMMISSIONER OF PUBLIC LANDS

By: _____

APR 25 2005

APPROVED ON
 COMMISSIONER OF PUBLIC LANDS

Patricia H. Lopez

NEW MEXICO OIL CONSERVATION DIVISION

By: *Will Jones - Engineer*

TRANSACTION REPORT

P.01

MAY-05-2005 THU 10:55 AM

FOR:

DATE START	RECEIVER	TX TIME	PAGES	TYPE	NOTE	M#	DP
MAY-05 10:54 AM	918173397102	59"	3	SEND	OK	179	
TOTAL :					59S	PAGES:	3



TRANSMITTAL COVER SHEET

OIL CONSERVATION DIVISION
 1220 S. ST. FRANCIS DRIVE
 SANTA FE, NM 87505
 (505) 476-3440
 (505)476-3462 (Fax)

APPROVAL
 FAXED
 BACK

PLEASE DELIVER THIS FAX:

TO: Bass Enterprise - Forrest NAYLOR

FROM: Will Jones - OCP

BASS ENTERPRISES PRODUCTION CO.

201 Main Street, Suite 2900
Fort Worth, Texas 76102

FAX TRANSMITTAL

DATE: May 5, 2005

TO: Mr. Will Jones

RE: OCD Approval

FAX#: 505-476-3462

FROM: Forest K. Naylor (817) 339-7214
FAX (817) 339-7102

PAGES: 6 including cover sheet

COMMENTS:

Here are the BLM and SLO approvals for the Poker Lake Delaware "C" Third Revision.

Thanks, Forest K. Naylor



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Roswell Field Office
2909 West Second Street
Roswell, New Mexico 88201

In Reply
Refer To:
NMNM-71016G
3180 (513)

4/20/05

Bass Enterprises Production Company
201 Main Street, Suite 2900
Fort Worth, Texas 76102
Attn: Mr. Wayne Bailey

Re: Third Revision to Delaware "C" Participating Area, Poker lake Unit, Eddy County,
New Mexico

Gentlemen:

Your application of March 4, 2005 requests approval of the Third Revision to the Delaware "C" Participating Area, Poker Lake Unit, is hereby approved on this date and is effective February 1, 2003. This is conditioned on concurrent approval from the New Mexico Oil Conservation Division and the New Mexico Commissioner of Public Lands.

The Third Revision to the Delaware Participating Area includes the following described lands:

T. 23 S., R. 30 E., NMPM, Eddy County

sec. 32, E $\frac{1}{2}$ SW $\frac{1}{4}$.

T. 24 S., R. 30 E., NMPM, Eddy County

sec. 5, Lots 2 and 3, inclusive; SW $\frac{1}{4}$ NE $\frac{1}{4}$ and SE $\frac{1}{4}$ NW $\frac{1}{4}$;

sec. 6, Lots 1 and 2, inclusive;

sec. 7, E $\frac{1}{2}$ W $\frac{1}{2}$ and SE $\frac{1}{4}$;

sec. 8, W $\frac{1}{2}$ SW $\frac{1}{4}$;

sec. 17, NW $\frac{1}{4}$ NW $\frac{1}{4}$ and W $\frac{1}{2}$ SW $\frac{1}{4}$;

sec. 18, E $\frac{1}{2}$.

(Containing 1,081.18 acres more or less)

With the addition of the third revision, the Delaware "C" PA is described as follows:

T. 23 S., R. 30 E., NMPM, Eddy County

Sec. 31, E $\frac{1}{2}$ SW $\frac{1}{4}$ and SE $\frac{1}{4}$;
Sec. 32, W $\frac{1}{2}$ W $\frac{1}{2}$ and E $\frac{1}{2}$ SW $\frac{1}{4}$.

T. 24 S., R. 30 E., NMPM, Eddy County

Sec. 5, Lots 2, 3 and 4 inclusive; SW $\frac{1}{4}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$ and W $\frac{1}{2}$ SW $\frac{1}{4}$;
sec. 6, Lots 1 and 2, inclusive; NE $\frac{1}{4}$, E $\frac{1}{2}$ W $\frac{1}{2}$ and SE $\frac{1}{4}$;
sec. 7, E $\frac{1}{2}$ and E $\frac{1}{2}$ W $\frac{1}{2}$;
sec. 8, W $\frac{1}{2}$ W $\frac{1}{2}$;
sec. 17, NW $\frac{1}{4}$ NW $\frac{1}{4}$ and W $\frac{1}{2}$ SW $\frac{1}{4}$;
sec. 18, E $\frac{1}{2}$.

(Containing 2441.16 acres more or less)

The third revision to the Delaware "C" PA is based on the completions of the Poker Lake Unit No. 156, 158, 159, 167, 176, 178, 180, 181, 182, 184, 188Y, 190, 200, 202, 203, 205, 208 and 210 wells located in the NE $\frac{1}{4}$ SE $\frac{1}{4}$, sec. 6, T. 24 S., R. 30 E., NMPM on July 1, 2001. The first well drilled outside the boundaries of the 2nd revision is the Poker Lake Unit No. 182 well located in the SE $\frac{1}{4}$ NW $\frac{1}{4}$ sec. 7, T. 24 S., R. 29 E., NMPM. It was completed on the February 2, 2003 in the Delaware Mountain Group interval 7,046 ft. to 7336 ft. with an IP of 139 BO, 117 MCFG and 292 BWPD. The well was determined to be commercial by our letter of June 19, 2003.

Copies of the approved application are being distributed to the appropriate offices and one approved copy is returned herewith. You are requested to furnish all interested principals with the appropriate evidence of this approval. Additionally, well signs should reflect the name of the PA and/or the PA production number.

If you have any questions please contact John S. Simitz at (505) 627-0288 or the Division of Minerals at (505) 627-0272.

Sincerely,



Larry D. Bray
Assistant Field Manager,
Land and Minerals

Enclosure



State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL
P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

COMMISSIONER'S OFFICE

Phone (505) 827-5760

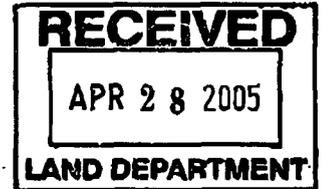
Fax (505) 827-5766

www.nmstatelands.org

PATRICK H. LYONS
COMMISSIONER

April 25, 2005

Bass Enterprises Production Company
201 Main Street
Fort Worth, Texas 76102-3131



Attention: Mr. Forest K. Naylor

Re: Poker Lake Unit
Third Revision Delaware "C" Participating Area
Effective February 1, 2003
Eddy County, New Mexico

Dear Mr. Naylor:

We are in receipt of your application of March 4, 2005 requesting approval of the Third Revision to the Delaware "C" Participating Area for the Poker Lake Unit, Eddy County, New Mexico.

The third revision adds 1,081.18 acres to the existing Delaware "C" Participating Area for a total of 2,441.16 acres.

By their letter of April 20, 2005, the Bureau of Land Management has advised this office of their approval to the above-mentioned participating area.

The Commissioner of Public Lands concurs with the Bureau of Land Management and has this date approved the Third Revision to the Delaware "C" Participating area effective February 1, 2003.

Our approval is subject to like approval by all other appropriate agencies.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

PATRICK H. LYONS
COMMISSIONER OF PUBLIC LANDS

BY:

JAMI BAILEY, Director
Oil, Gas and Minerals Division
(505) 827-5744
PL/JB/pm

cc: Reader File,
BLM-Attention: Mr. Armando Lopez
TRD-Attention: Mr. Valdean Severson
RMD-Attention: Mr. Kurt McFall

-State Land Office Beneficiaries -

Carnie Tingley Hospital • Charitable Penal & Reform • Common Schools • Eastern NM University • Rio Grande Improvement • Miners' Hospital of NM • NM Boys School • NM Highlands University • NM Institute of Mining & Technology • New Mexico Military Institute • NM School for the Deaf • NM School for the Visually Handicapped • NM State Hospital • New Mexico State University • Northern NM Community College • Penitentiary of New Mexico • Public Buildings at Capital • State Prison • University of New Mexico • UNM Saline Lands • Water Reservoirs • Western NM School of Forestry