

State of New Mexico



W.R. HUMPHRIES
COMMISSIONER



Commissioner of Public Lands

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

SLO REF NO. OG-989

January 3, 1989

Bass Enterprises Production Co.
Attn: Jens Hansen
First City Bank Tower, 201 Main St
Fort Worth, Texas 76102

Re: 1989 Plan of Development
Poker Lake Unit
Eddy County, New Mexico

Gentlemen:

The Commissioner of Public Lands has this date approved the above captioned Plan of Development.

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

Enclosed is an approved copy for your files.

If we may be of further help please do not hesitate to call on us.

Very truly yours,

W. R. HUMPHRIES
COMMISSIONER OF PUBLIC LANDS

BY: *Floyd O. Prando*
FLOYD O. PRANDO, Director
Oil and Gas Division
(505) 827-5744

cc: OCD
BLM

State of New Mexico



W.R. HUMPHRIES
COMMISSIONER



Commissioner of Public Lands

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

SLO REF NO. OG-988

January 3, 1989

Bass Enterprises Production Co.
Attn: Mr. Louis W. Wilpitz
1st City Bank Tower, 201 Main St.
Fort Worth, Texas 76102

Re: 1st Amdmt to 1988 Plan of Development
Poker Lake Unit
Eddy County, New Mexico

Gentlemen:

The Commissioner of Public Lands has this date approved the above captioned Plan of Development.

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

Enclosed is an approved copy for your files.

If we may be of further help please do not hesitate to call on us.

Very truly yours,

W. R. HUMPHRIES
COMMISSIONER OF PUBLIC LANDS

BY: *Floyd O. Prando*
FLOYD O. PRANDO, Director
Oil and Gas Division
(505) 827-5744

cc: OCD
BLM

BASS ENTERPRISES PRODUCTION CO.

FIRST CITY BANK TOWER
201 MAIN ST.
FORT WORTH, TEXAS 76102
817/390-8400

March 28, 1989

U. S. Department of the Interior
Bureau of Land Management
P. O. Box 1397
Roswell, New Mexico 88201

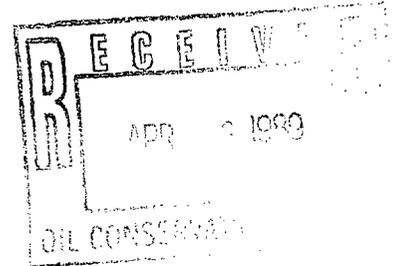
#366

Attention: Mr. Joe Lara

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

Attention: Mr. Floyd Prando

State of New Mexico
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504



Attention: Mr. Bill LeMay

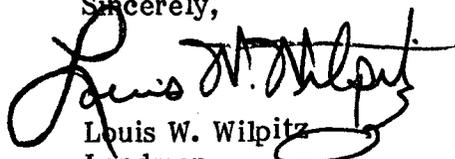
Re: First Amendment 1989 Plan of Development
Poker Lake Unit
Eddy County, New Mexico

Gentlemen:

In accordance with the terms and provisions of Section 10 of the Poke Lake Unit Agreement dated March 18, 1952, which provides that the Plan of Development may be modified as necessary to meet changing conditions, we propose the following additional well to the 1989 Plan of Development for the Poker Lake Unit:

Poker Lake Unit Well No. 72 - This well is to be located in the NE/4 SE/4 of Section 28, T24S-R31E, N.M.P.M., Eddy County, New Mexico and its to be drilled to an approximate depth of 7,200' to test the Brushy Canyon formation. Charles B. Gillespie, Jr. of Midland, Texas will be operating this well as agent for Bass Enterprises Production Co.

If this, the First Amendment to the 1989 Plan of Development to the Poker Lake Unit meets with your approval, please so indicate by signing in the appropriate space provided below one (1) original signed copy of this letter to Bass Enterprises Production Co. for its record.

Sincerely,

Louis W. Wilpitz
Landman

LWW:ca

ACCEPTED AND AGREED to this _____
day of _____, 1989

BUREAU OF LAND MANAGEMENT

By: _____

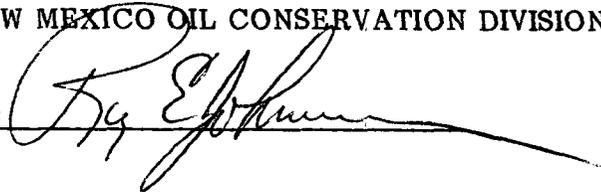
ACCEPTED AND AGREED to this _____
day of _____, 1989

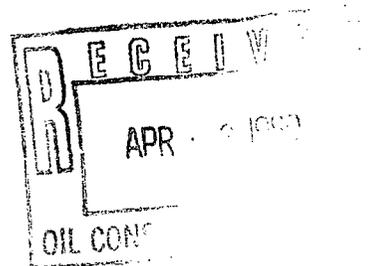
COMMISSIONER OF PUBLIC LANDS

By: _____

ACCEPTED AND AGREED to this 6th
day of April, 1989

NEW MEXICO OIL CONSERVATION DIVISION

By: 



BASS ENTERPRISES PRODUCTION CO.

FIRST CITY BANK TOWER
201 MAIN ST.
FORT WORTH, TEXAS 76102
817/390-8400

December 15, 1988

BUREAU OF LAND MANAGEMENT
P.O. Box 1397
Roswell, New Mexico 88201

Attn: Mr. Armando Lopez

COMMISSIONER OF PUBLIC LANDS
State of New Mexico
Box 1148
Santa Fe, New Mexico 87504-1148

Attn: Mr. Floyd Prondo

NEW MEXICO OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87501

Attn: Mr. Bill LeMay

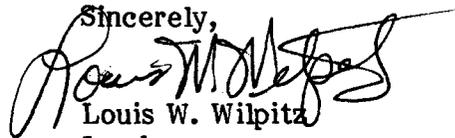
Re: First Amendment to the 1988
Plan of Development for the
Poker Lake Unit
Eddy County, New Mexico

Gentlemen:

In accordance with the terms and provisions of Section 10 of the Poker Lake Unit Agreement dated March 18, 1952, which provides that the Plan of Development may be modified as necessary to meet changing conditions, we propose the following additional well to the 1988 Plan of Development:

Poker Lake Unit Well No. 70 - This well is to be located in the SE/4 SE/4 of Section 28, T24S-R31E, N.M.P.M., Eddy County, New Mexico, and is to be drilled to an approximate depth of 7,200' to test the Brushy Canyon Formation. Charles B. Gillespie, Jr. of Midland, Texas will be operating this well as agent for Bass Enterprises Production Co.

It this, the First Amendment to the 1988 Plan of Development to the Poker Lake Unit, meets with your approval, please so indicate by signing in the appropriate space provided below and return one (1) original signed copy of this letter to Bass for its records.

Sincerely,

Louis W. Wilpita
Landman

LWW:lh

ACCEPTED AND AGREED to this _____
day of _____, 1988.

BUREAU OF LAND MANAGEMENT

By: _____

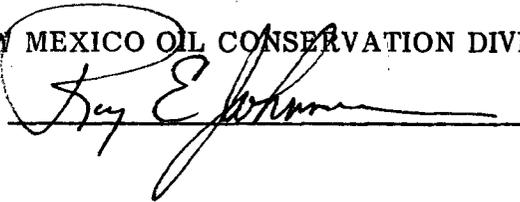
ACCEPTED AND AGREED to this _____
day of _____, 1988.

COMMISSIONER OF PUBLIC LANDS

By: _____

ACCEPTED AND AGREED to this 23rd
day of December, 1988.

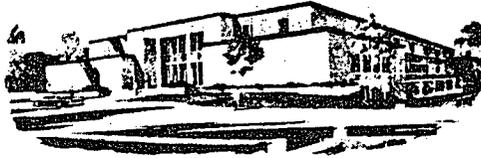
NEW MEXICO OIL CONSERVATION DIVISION

By: 

State of New Mexico



W.R. HUMPHRIES
COMMISSIONER



Commissioner of Public Lands

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

April 5, 1989

Bass Enterprises Production Co.
First City Bank Tower
201 Main Street
Fort Worth, Texas 76102

ATTN: Louis W. Wilpitz

RE: 1989 Plan of Development
First Amendment
Poker Lake Unit
Eddy County, New Mexico

Gentlemen:

The Commissioner of Public Lands has this date approved the above captioned amendment to the 1989 Plan of Development. Our approval is subject to like approval by all other appropriate agencies.

Enclosed is an approved copy for your files. If we may be of further help, please do not hesitate to contact us.

Very truly yours,

W.R. HUMPHRIES
COMMISSIONER OF PUBLIC LANDS

BY: FLOYD O. PRANDO, Director
Oil and Gas Division
(505) 827-5749

Charles B. Gillespie, Jr.

Oil Producer-Investor

P. O. Box Eight

Midland, Texas 79702

(915) 683-1765

December 11, 1989

Bass Enterprises Production Company
First City Bank Tower
201 Main Street
Fort Worth, Texas 76102

Attention: Mr. Louis W. Wilpitz

| | |
|---------------|-------------|
| LAND RECEIVED | |
| DEC 14 1989 | |
| WAH _____ | W. M. _____ |
| JTW _____ | JWB _____ |
| JH _____ | DDC _____ |
| RAM _____ | HBF _____ |
| LWW _____ | WRS _____ |
| | SF _____ |

[Handwritten signature/initials over the stamp]

Re: Request for submittal of 40 acre Schedule of Unitized Land for the Poker Lake Unit Well No. 72, South Poker Lake Delaware Pool, NE/4 SE/4 Section 28, Being 40 acres more or less, Township 24 South, Range 31 East, N.M.P.M., Eddy County, New Mexico

Gentlemen:

Attached herewith please find a Schedule of Unitized Land regarded as being "reasonably proved productive of unitized substances in paying quantities" sufficient to warrant the formation of a "Participating Area" for the referenced well. Included therewith is a Worksheet for Commercial Determination and Participating Area in Federal Units for the Poker Lake Unit Well No. 72, which was drilled by Charles B. Gillespie, Jr. in accordance with the 1988 Plans of Development and Operation for the Poker Lake Unit, submitted by Bass Enterprises Production Company.

Your submittal of this 40 acre Schedule of Unitized Land is respectfully requested. Should you have any questions or require anything further, please advise.

Very truly yours,

David W. Hastings

David W. Hastings
Production Manager

DWH/vjc

Enclosures

Mailing List (Copies Enclosed)

Bureau of Land Management
P. O. Box 1778
Carlsbad, New Mexico 88220
Attn: Ms. Cecelia Johnson

Oil Conservation Division
Drawer DD
811 South First Street
Artesia, New Mexico 88210
Attn: Mr. Mike Williams

Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501
Attn: Mr. David Catanach

Office of the New Mexico Commissioner of Public Lands
Post Office Box 1148
Santa Fe, New Mexico 87504-1148
Attn: Mr. W. R. Humphries

Bass Enterprises Production Company
P. O. Box 2760
Midland, Texas 79702
Attn: Mr. Keith Bucy

Bass Enterprises Production Company
201 Main Street
First City Bank Tower
Fort Worth, Texas 76102
Attn: Mr. Truitt Mathews

Pauley Petroleum, Inc.
Post Office Box 2208
Roswell, New Mexico 88202
Attn: Mr. John Peterson

Amoco Production Company
P. O. Box 3092
Houston, Texas 77253
Attn: Mr. V. P. Whitfield

Schedule of Unitized Land Poker Lake Unit No. 72
South Poker Lake Delaware Pool

| <u>Unitized Tract</u> | <u>Percentage of Unitized Substances to be Allocated</u> |
|--|--|
| NE/4 SE/4 Section 28, Township 24 South, Range 31 East, N.M.P.M., Eddy County, New Mexico Containing 40 acres | 100% |

WORKSHEET FOR COMMERCIAL DETERMINATION AND PARTICIPATING AREA IN FEDERAL UNITS

WELL DATA

WELL Poker Lake Unit No. 72 FORMATION Delaware
 LOCATION I UNIT, 1980 FEET FROM S LINE & 810 FEET FROM E LINE,
 SECTION 28, RANGE 31E, TOWNSHIP 24S, COUNTY Eddy NEW MEXICO
 SPUD DATE 5-03-89 COMPLETION DATE 9-01-89 INIT. PROD. DATE 9-05-89
 PERFORATIONS 5832'-5868' (72 holes)

STIMULATION:

ACID 3800 gallons 7.5% NEFE acid and ball sealers

FRACTURE None

POTENTIAL Pumped 69 BOPD + 18 MCFG + 140 BW

(ATTACH COPY OF C-122. ATTACH COPY OF WELLBORE SKETCH OF COMPLETED WELL.)

VOLUMETRIC CALCULATION

| | FORMATION | |
|---|------------------|---|
| | SANDS PERFORATED | SANDS NOT PERFORATED BUT POTENTIALLY PRODUCTIVE |
| Area (A) proration unit size, acres | 40 | |
| Porosity (ϕ), % | 23.25 | |
| Water saturation (S_w), % | 53.2 | |
| Net thickness (h) $> 15\phi$ & $< 60S_w$, ft | 36 | |
| Temperature (T), °F | 115° | |

(2)

Bottomhole pressure (P), psia 2900

Recovery factor (RF) 20%

Recoverable oil, bbls (See eq. below) 243,115

Recoverable oil, bbls = $(7,758)(\emptyset)(1-S_w)(A)(h)(RF)$

PERFORMANCE DATA

If sufficient history exists, attach plot of gas production rate vs time.

(Cumulative production to 12 / 1 /89 ; 3049 bbls.

Initial rate (qi), 1038 bbls/mo

Economic limit (ql), 76 bbls/mo

Decline rate, dy 2.41 %

Remaining oil (Q) = 106,150 bbls.

Ultimate recoverable oil 109,199 bbls.

Attach plat showing proration unit and participating area.

| <u>RECOVERABLE OIL</u> | <u>OIL (BBLs.)</u> | <u>GAS (MCF)</u> |
|---|--------------------|------------------|
| Gas sand previously produced | | |
| Sand perforated | (1) | |
| Sand not perforated, but potentially productive | (2) | |
| Total recoverable oil | | |

(1) performance recoverable oil if available

(2) $\frac{\text{performance sand perforated}}{\text{volumetric sand perforated}} \times \text{volumetric sands not perforated} = \text{performance sands not perforated}$

Participating area size based on ratio of production history and volumetrics

40 acres---minimum area is proration unit.

ECONOMIC

Well Cost \$ 361,311 (to the depth of formation completed)
 Recompletion Cost \$ _____
 TOTAL COST \$ 361,311

Operating Cost \$750.00/Month

CBG Net Income = (Gross Oil)(Net Oil Price)(Net Revenue Interest)-(Taxes)

| YEAR | GROSS OIL | CBG NET INCOME | OPERATING COST | 10% DISCOUNT FACTOR | DISCOUNTED CASH FLOW |
|-----------|-----------|-------------------|-------------------|------------------------|-------------------------|
| Zero | --- | --- | --- | 1.0000 | -361,311 |
| 1989 | 4,019 | 51,996 | 3,000 | .95382 | 46,734 |
| 1990 | 10,200 | 134,603 | 9,180 | .86711 | 108,756 |
| 1991 | 8,253 | 111,102 | 9,364 | .78828 | 80,198 |
| 1992 | 6,929 | 94,363 | 9,551 | .71662 | 60,778 |
| 1993 | 5,968 | 81,276 | 9,742 | .65417 | 46,602 |
| 1994 | 5,246 | 71,443 | 9,937 | .59225 | 36,427 |
| Remainder | 59,608 | 470,506 | 341,268 | .53841 | 152,195 |

If payout is five years or less, well is considered economical.

(. CBG Net Income - Operating Expense) discount factor = \$531,691

discounted cash flow. ECONOMICAL

ECONOMIC

CHARLES B. GILLESPIE, JR.

LEASE - POKER LAKE 72
WELLS 1
INTEREST 0.74125

SECTION 28-245-31E
40 ACRES EDDY COUNTY, NM
AVE. DEPTH - 6000, DELAWARE

| YEAR | OIL | GAS | NET OIL | NET GAS | \$OIL | \$MCF | REV OIL | REV GAS | REV TOT | TAXES | OP EXP | NET REV | CUMREV | 10% DIS | CUM 10% |
|------|-------|-----|---------|---------|-------|-------|---------|---------|---------|-------|--------|---------|--------|---------|---------|
| 1989 | 4019 | | 2979 | 0 | 19.00 | | 56603 | 0 | 56603 | 4606 | 3000 | 48996 | 48996 | 46734 | 46734 |
| 1990 | 10200 | | 7561 | 0 | 19.38 | | 146527 | 0 | 146527 | 11924 | 9180 | 125423 | 174419 | 108756 | 155489 |
| 1991 | 8253 | | 5118 | 0 | 19.77 | | 120944 | 0 | 120944 | 9842 | 9364 | 101738 | 276157 | 80198 | 235687 |
| 1992 | 6929 | | 5136 | 0 | 20.00 | | 102722 | 0 | 102722 | 8359 | 9551 | 84812 | 360969 | 60778 | 296465 |
| 1993 | 5968 | | 4424 | 0 | 20.00 | | 88476 | 0 | 88476 | 7200 | 9742 | 71534 | 432503 | 46602 | 342067 |
| 1994 | 5246 | | 3889 | 0 | 20.00 | | 77772 | 0 | 77772 | 6329 | 9937 | 61506 | 494009 | 36427 | 379494 |
| 1995 | 4677 | | 3467 | 0 | 20.00 | | 69337 | 0 | 69337 | 5643 | 10135 | 53559 | 547568 | 28836 | 408351 |
| 1996 | 4221 | | 3129 | 0 | 20.00 | | 62576 | 0 | 62576 | 5092 | 10338 | 47146 | 594710 | 23076 | 431407 |
| 1997 | 3845 | | 2850 | 0 | 20.00 | | 57002 | 0 | 57002 | 4639 | 10545 | 41818 | 636532 | 18608 | 450015 |
| 1998 | 3528 | | 2615 | 0 | 20.00 | | 52303 | 0 | 52303 | 4256 | 10756 | 37290 | 673822 | 15084 | 465099 |
| 1999 | 3264 | | 2419 | 0 | 20.00 | | 48389 | 0 | 48389 | 3938 | 10971 | 33480 | 707302 | 12312 | 477411 |
| 2000 | 3036 | | 2250 | 0 | 20.00 | | 45009 | 0 | 45009 | 3663 | 11190 | 30156 | 737458 | 10081 | 487492 |
| 2001 | 2836 | | 2102 | 0 | 20.00 | | 42044 | 0 | 42044 | 3421 | 11414 | 27208 | 764666 | 8269 | 495761 |
| 2002 | 2662 | | 1973 | 0 | 20.00 | | 39464 | 0 | 39464 | 3212 | 11642 | 24610 | 789276 | 6800 | 502561 |
| 2003 | 2503 | | 1855 | 0 | 20.00 | | 37107 | 0 | 37107 | 3020 | 11875 | 22212 | 811488 | 5579 | 508140 |
| 2004 | 2370 | | 1757 | 0 | 20.00 | | 35135 | 0 | 35135 | 2859 | 12113 | 20163 | 831651 | 4604 | 512744 |
| 2005 | 2247 | | 1666 | 0 | 20.00 | | 33312 | 0 | 33312 | 2711 | 12355 | 18246 | 849897 | 3787 | 516531 |
| 2006 | 2136 | | 1583 | 0 | 20.00 | | 31666 | 0 | 31666 | 2577 | 12602 | 16487 | 866384 | 3111 | 519640 |
| 2007 | 2036 | | 1509 | 0 | 20.00 | | 30184 | 0 | 30184 | 2456 | 12854 | 14873 | 881257 | 2551 | 522194 |
| 2008 | 1943 | | 1440 | 0 | 20.00 | | 28805 | 0 | 28805 | 2344 | 13111 | 13350 | 894607 | 2082 | 524276 |
| 2009 | 1859 | | 1378 | 0 | 20.00 | | 27560 | 0 | 27560 | 2243 | 13374 | 11943 | 906550 | 1693 | 525969 |
| 2010 | 1782 | | 1321 | 0 | 20.00 | | 26418 | 0 | 26418 | 2150 | 13641 | 10627 | 917177 | 1370 | 527039 |
| 2011 | 1712 | | 1269 | 0 | 20.00 | | 25380 | 0 | 25380 | 2065 | 13914 | 9401 | 926579 | 1102 | 528441 |
| 2012 | 1647 | | 1221 | 0 | 20.00 | | 24417 | 0 | 24417 | 1987 | 14192 | 8238 | 934816 | 877 | 529318 |
| 2013 | 1586 | | 1176 | 0 | 20.00 | | 23512 | 0 | 23512 | 1913 | 14476 | 7123 | 941939 | 690 | 530008 |
| 2014 | 1531 | | 1135 | 0 | 20.00 | | 22697 | 0 | 22697 | 1847 | 14765 | 6085 | 948024 | 536 | 530544 |
| 2015 | 1470 | | 1090 | 0 | 20.00 | | 21793 | 0 | 21793 | 1773 | 15061 | 4959 | 952982 | 397 | 530940 |
| 2016 | 1430 | | 1060 | 0 | 20.00 | | 21200 | 0 | 21200 | 1725 | 15362 | 4113 | 957095 | 299 | 531240 |
| 2017 | 1384 | | 1026 | 0 | 20.00 | | 20518 | 0 | 20518 | 1670 | 15669 | 3179 | 960274 | 210 | 531450 |
| 2018 | 1340 | | 993 | 0 | 20.00 | | 19866 | 0 | 19866 | 1617 | 15983 | 2266 | 962540 | 136 | 531586 |
| 2019 | 1300 | | 964 | 0 | 20.00 | | 19273 | 0 | 19273 | 1568 | 16302 | 1402 | 963942 | 77 | 531663 |
| 2020 | 1263 | | 936 | 0 | 20.00 | | 18724 | 0 | 18724 | 1524 | 16628 | 572 | 964514 | 28 | 531691 |

POKER LAKE UNIT WELL NO. 72
PERFORATED SANDS

| INTERVAL | h | ØN | Øh |
|----------|----------|----------|-----------|
| 5832-36' | 4 | 21 | 84 |
| 36-38' | 2 | 25 | 50 |
| 38-40' | 2 | 20 | 40 |
| 40-43' | 3 | 24 | 72 |
| 43-46' | 3 | 21 | 63 |
| 46-50' | 4 | 24 | 96 |
| 50-54' | 4 | 25 | 100 |
| 54-56' | 2 | 23 | 46 |
| 56-60' | 4 | 26 | 104 |
| 60-62' | 2 | 24 | 48 |
| 62-64' | 2 | 22 | 44 |
| 64-66' | 2 | 20 | 40 |
| 66-68' | <u>2</u> | 25 | <u>50</u> |
| TOTAL h | 36 | TOTAL Øh | 837 |

$$\text{AVERAGE } \emptyset = \frac{\text{TOTAL } \emptyset h}{\text{TOTAL } h} = \frac{837}{36} = 23.25\% \emptyset$$

There are no ØXP porosities because an open hole porosity log could not be run on this well. All porosities are from a Dual Spaced Neutron cased hole log.

POKER LAKE UNIT WELL NO. 72
PERFORATED SANDS

| INTERVAL | LLD | Rt | Sw |
|----------|-----|-----|------|
| 5832-36' | 2.3 | 2.3 | 54.4 |
| 36-38' | 1.9 | 1.9 | 50.3 |
| 38-40' | 2.5 | 2.5 | 54.8 |
| 40-43' | 2.1 | 2.1 | 49.8 |
| 43-46' | 2.4 | 2.4 | 53.2 |
| 46-50' | 1.8 | 1.8 | 53.8 |
| 50-54' | 1.8 | 1.8 | 51.6 |
| 54-56' | 2.0 | 2.0 | 53.2 |
| 56-60' | 1.8 | 1.8 | 49.7 |
| 60-62' | 1.8 | 1.8 | 53.8 |
| 62-64' | 2.0 | 2.0 | 55.7 |
| 64-66' | 2.1 | 2.1 | 59.8 |
| 66-68' | 1.4 | 1.4 | 58.6 |

There are no accurate Rxo, LLs or Rt/R_{LLD} resistivities because of deep drilling mud invasion.

R_w = .03 for this perforated sand.

| INTERVAL | Sw | ØN | h | Sw WEIGHTED |
|----------|--------|-------|-----|-------------|
| 5832-36' | (.544) | (.21) | (4) | .45696 |
| 36-38' | (.503) | (.25) | (2) | .25150 |
| 38-40' | (.548) | (.20) | (2) | .21920 |
| 40-43' | (.498) | (.24) | (3) | .35856 |
| 43-46' | (.532) | (.21) | (3) | .33516 |
| 46-50' | (.538) | (.24) | (4) | .51648 |
| 50-54' | (.516) | (.25) | (4) | .51600 |
| 54-56' | (.532) | (.23) | (2) | .24472 |
| 56-60' | (.497) | (.26) | (4) | .51688 |
| 60-62' | (.538) | (.24) | (2) | .25824 |
| 62-64' | (.557) | (.22) | (2) | .24508 |
| 64-66' | (.598) | (.20) | (2) | .23920 |
| 66-68' | (.586) | (.25) | (2) | .29300 |

TOTAL Sw WEIGHTED 4.45098

$$\text{AVERAGE Sw} = \frac{(\text{Sw})(\text{ØN})(h)}{(\text{Avg. } \text{Ø})(\text{TOTAL } h)} = \frac{4.45098}{8.37} = 53.2\% \text{ Sw}$$

VOLUMETRIC CALCULATIONS
RECOVERABLE OIL

PERFORATED SANDS

$$\begin{aligned}\text{OIL CONTENT OF RESERVOIR, BBLs.} &= (7758)(A)(h)(\phi)(1-S_w) \\ &= (7758)(40)(36)(.2325)(1-.532) \\ &= 1,215,573\end{aligned}$$

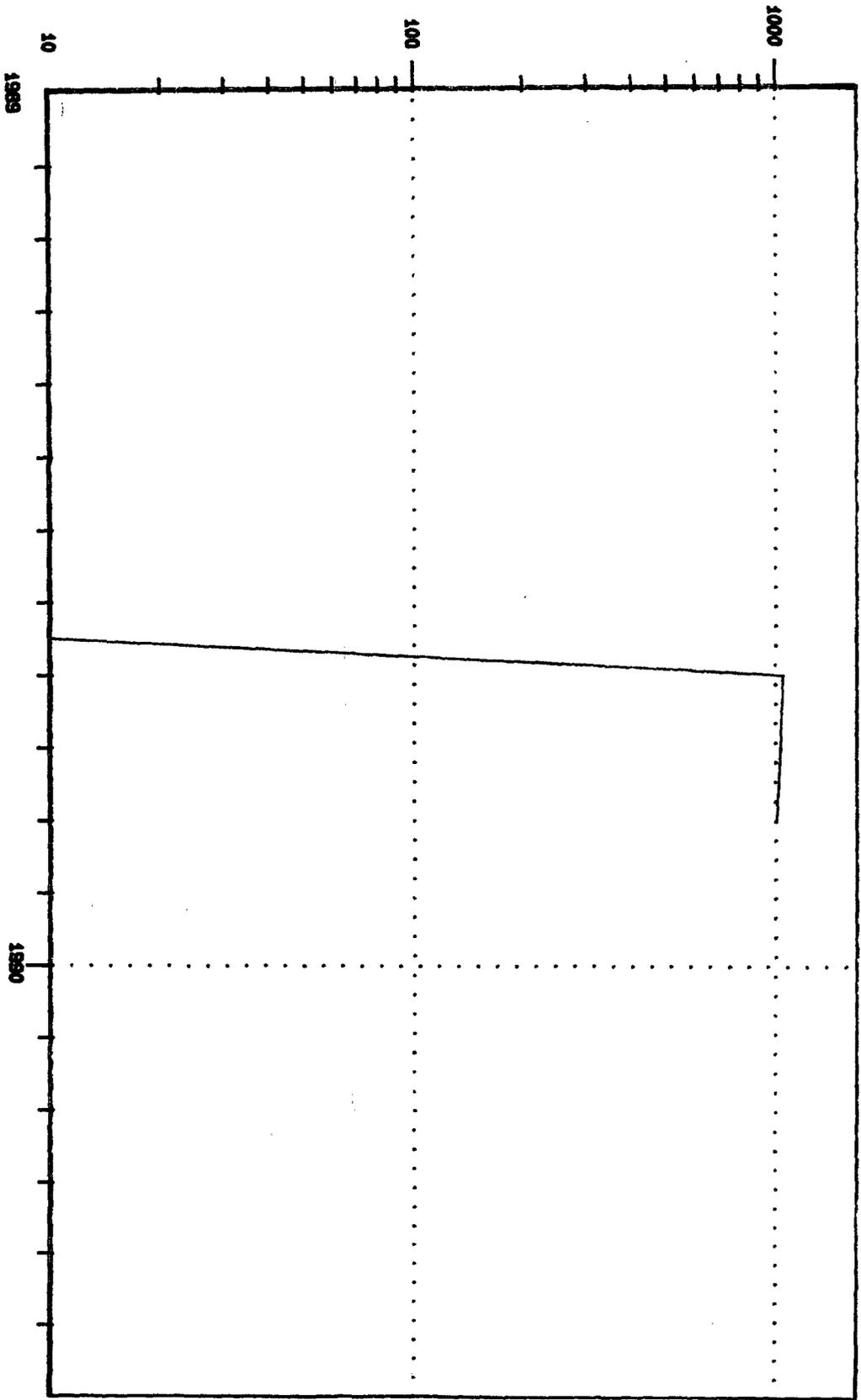
$$\text{RECOVERY FACTOR (RF)} = 20\%$$

$$\begin{aligned}\text{RECOVERABLE OIL, BBLs.} &= 1,215,573 \text{ (RF)} \\ &= 1,215,573 (.20) \\ &= 243,115\end{aligned}$$

Calculated
 011 —
 Gas —
 Water —

POKER LAKE UNIT #72
 011 Production Rate vs Time
 BBL/MO vs Months
 5832 - 5888
 For the Period 09/1989 to 11/1989

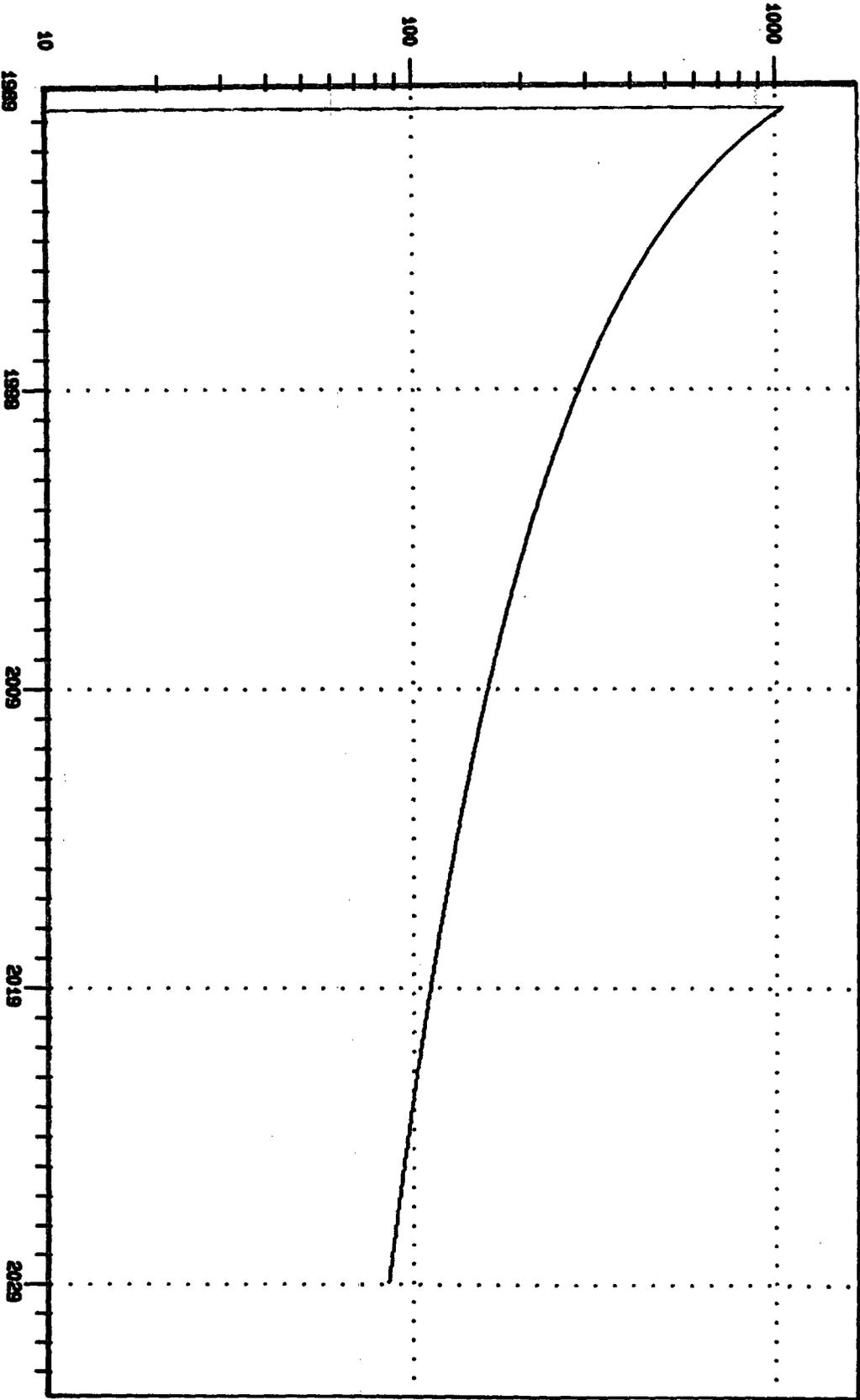
Production
 011 —
 Gas —
 Water —



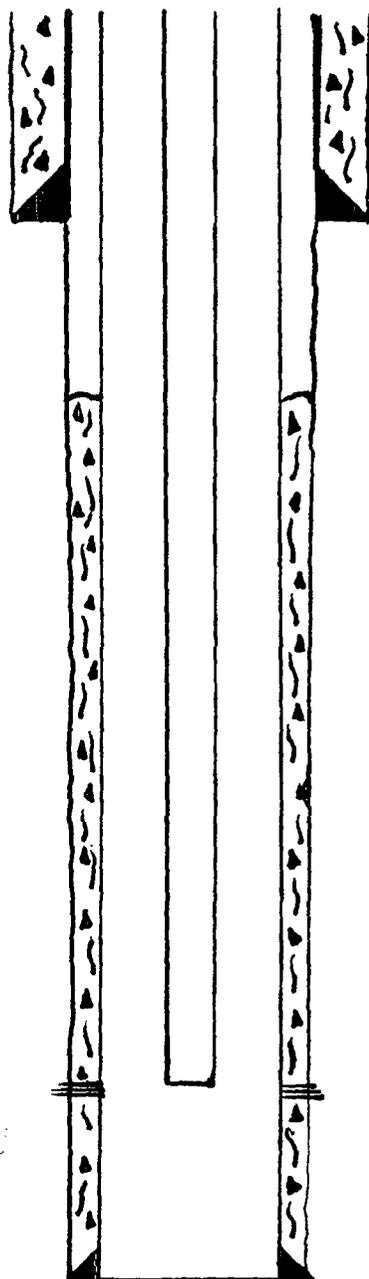
Calculated
 011 —
 Gas —
 Water —

POKER LAKE UNIT
 011 Production Rate vs Time
 BBL/MO vs Months
 POKER LAKE UNIT #72
 For the Period 09/1989 to 12/2029

Production
 011 —
 Gas —
 Water —



Charles B. Gillespie, Jr.
Poker Lake Unit #72
1980' FSL & 810' FEL
Section 28-T24S-R31E
Eddy County, New Mexico



12 1/4" hole

8 5/8" csg. set @ 600' w/400 sx.
cmt. Cmt. circ. to surface

7 7/8" hole

2 7/8" tubing set @ 5778'

Perforations 5832-5868'
72 holes - Delaware

5 1/2" csg. set @ 6850' w/1000 sx.
cmt. TOC @ 4500'

TD 6850'

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

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

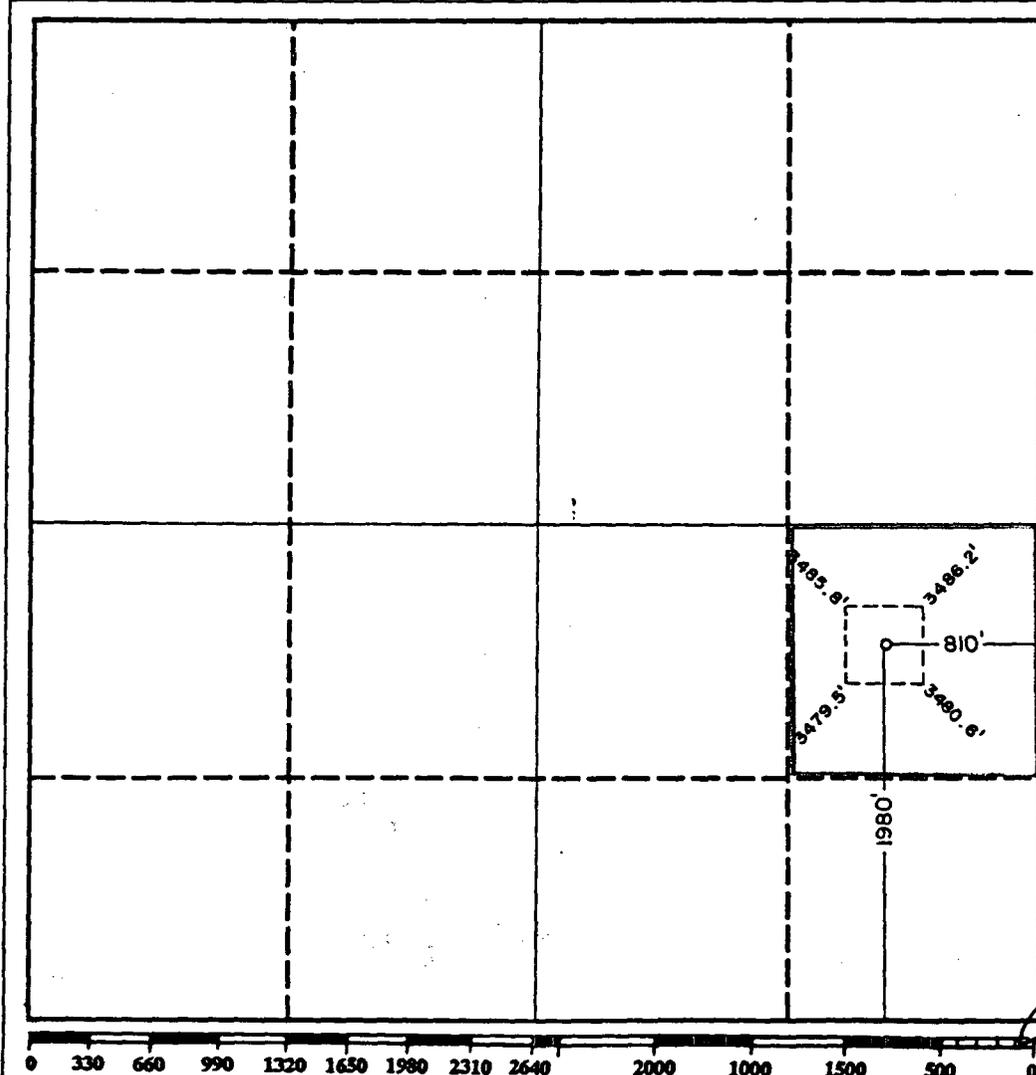
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT
All Distances must be from the outer boundaries of the section

| | | | | |
|---|--|--------------------------------------|---------------------------------------|-----------------------|
| Operator CHARLES B. GILLESPIE, JR | | Lease POKER LAKE UNIT | | Well No. 72 |
| Unit Letter I | Section 28 | Township 24 SOUTH | Range 31 EAST | County EDDY |
| Actual Footage Location of Well: 810 feet from the EAST line and 1980 feet from the SOUTH line | | | | |
| Ground level Elev. 3482.4' | Producing Formation Delaware | Pool Undesignated Delaware | Dedicated Acreage: 40 Acres | |
| <p>1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.</p> <p>2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).</p> <p>3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.? <input type="checkbox"/> Yes <input type="checkbox"/> No If answer is "yes" type of consolidation _____</p> <p>If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____</p> <p>No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.</p> | | | | |



OPERATOR CERTIFICATION

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

William R. Crow
Signature

William R. Crow
Printed Name

Exploration Manager
Position

Charles B. Gillespie, Jr
Company

3/27/89
Date

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 knowledge and belief.

Date Surveyed
March 24, 1989

Signature & Seal of Professional Surveyor

John W. Rest

REGISTERED PROFESSIONAL LAND SURVEYOR
NO. _____
Certificate No. **JOHN W. REST, 676**
RONALD J. EDSON, 3239

BASS ENTERPRISES PRODUCTION CO.

FIRST CITY BANK TOWER
201 MAIN ST.
FORT WORTH, TEXAS 76102
817/390-8400

#366

December 11, 1989

Bureau of Land Management
P. O. Box 1397
Roswell, New Mexico 88201

Attn: Mr. Joe Lara

Commissioner of Public Lands
State of New Mexico
P. O. Box 1148
Sante Fe, New Mexico 87504-1148

Attn: Mr. Floyd Prando

New Mexico Oil Conservation Division
P. O. Box 2088
Sante, Fe New Mexico

Attn: Mr. Bill LeMay

Re: 1990 Plan of Development
Poker Lake Unit
Eddy County, New Mexico

Gentlemen:

In accordance with Section 10 of the Poker Lake Unit Agreement dated March 18, 1952, Bass Enterprises Production Co., operator of the referenced unit, hereby submits a Plan of Development for the Poker Lake Unit for the year 1990.

HISTORY OF PAST DEVELOPMENT

We refer to our previous Plans of Development for a detailed description of the operations conducted in this Unit in prior years.

1989 ACTIVITY

Poker Lake Unit Well No. 70 -

This well was drilled to a total depth of 7238' and completed on February 5, 1989, as a producing oil well in the Brushy Canyon Formation 810' FSL and 810' FEL in Section 28, T24S-R31E, Eddy County, New Mexico. This well was drilled by Charles B. Gillespie, Jr. as designated agent for Bass.

Poker Lake Unit Well No. 71 -

This well was drilled to a total depth of 14,882' in the N/2 of Section 33, T23S-R30E, Eddy County, New Mexico by Bettis Brothers, Inc., as designated agent for Bass. Completion

operations are currently being conducted in the Bone Springs Formation. Results will be reported in the 1991 Plan of Development.

Poker Lake Unit Well No. 72 -

This well was drilled to a total depth of 6850' and successfully completed on September 5, 1989, as an oil well in the Delaware Formation 1980' FSL and 810' FEL in Section 28, T24S-R31E, Eddy Co., New Mexico. The well was drilled by Charles B. Gillespie, Jr. as designated agent for Bass.

PARTICIPATING AREAS

According to our records, Bass Enterprises Production Co. has submitted all wells drilled to date where adequate production information is available for commercial determinations and participating areas. In the event you have not received commercial determinations for all of our wells drilled to date, as well as proposed participating areas when appropriate, please advise us at your convenience and we will submit same to you.

FUTURE DEVELOPMENT

Poker Lake Unit Well No. 73 -

This well will be drilled to a sufficient depth to test the Delaware Formation on unitized lands. A specific location will be given during 1990.

OFFSET OBLIGATIONS

Appropriate and adequate measures will be taken to prevent drainage of unitized substances from the lands subject to the Poker Lake Unit Agreement or pursuant to applicable regulations.

ADDITIONAL DEVELOPMENT

This Plan of Development will constitute the activity to be conducted under the terms of the Poker Lake Unit Agreement for the period ending December 31, 1990. In the event economic conditions should change, resulting in the improvement of marketing oil and gas from this unit area, the Operator will modify this plan of development to provide for additional activity. Presently, three (3) gas wells are shut-in in the Poker Lake Unit due to the poor gas market. Gas sales will resume from these wells when prices will justify additional development.

Bureau of Land Management
Commissioner of Public Lands
New Mexico Oil Conservation Division
December 11, 1989
Page 3

MODIFICATIONS

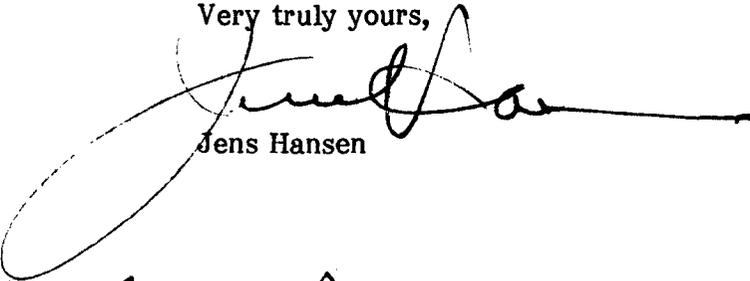
In accordance with the terms and provisions of the Poker Lake Unit Agreement, this plan of development may be modified from time to time as a result of changing conditions.

EFFECTIVE DATE

This plan of development shall be effective from January 1, 1990, to December 31, 1990.

If this Plan of Development meets with your approval, please so indicate by signing in the appropriate space provided below and return one signed copy of the letter to Bass for its records.

Very truly yours,


Jens Hansen

RAM/JH/tlo

ACCEPTED TO AND AGREED this 26 day of Dec, 1989.

BUREAU OF LAND MANAGEMENT

By: _____

COMMISSIONER OF PUBLIC LANDS

By: _____

NEW MEXICO OIL CONSERVATION DIVISION

By:  _____