



PATRICK H. LYONS
COMMISSIONER

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

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www.nmstatelands.org

April 15, 2004

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

Attn: Mr. J. Wayne Bailey

2004 Plan of Development
Poker Lake Unit
Eddy County, New Mexico

Dear Mr. Bailey:

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

The possibility of drainage by wells outside of the unit area and the need for further development of the unit may exist. You may be contacted at a later date regarding these possibilities.

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/cpm
xc: Reader File


OCD

BLM

RECEIVED

APR 16 2004

Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

BASS ENTERPRISES PRODUCTION CO.

201 MAIN ST.

FORT WORTH, TEXAS 76102-3131

817/390-8400

March 10, 2004

**EXPRESS MAIL/
Return Receipt Requested**

Bureau of Land Management
Roswell District Office
2909 W. 2nd Street
Roswell, New Mexico 88201
Attn: Mr. Ed L. Roberson

New Mexico State Land Office
Commissioner of Public Lands
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501
Attention: Ms. Jami Bailey

New Mexico Oil Conservation Division
1220 St. Francis
Santa Fe, New Mexico 87505
Attention: Roy Johnson

Re: 2004 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 2004.

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.

2003 ACTIVITY

Poker Lake Unit Well No. 167 – This well was drilled at a location being 1,980' FNL & 660' FWL, Section 5, T24S-R30E, Eddy County, New Mexico. This well was completed in the Delaware Formation as an oil well in the interval 6,810' – 7,290'.

Poker Lake Unit Well No. 181 – This well was drilled at a location being 1,980' FNL & 1,980' FEL, Section 7, T24S-R30E, Eddy County, New Mexico. This well was completed in the Delaware Formation as an oil well in the interval 7,178' – 7,374'.

Poker Lake Unit Well No. 182 – This well was drilled at a location being 2,030' FNL & 1,980' FWL, Section 7, T24S-R30E, Eddy County, New Mexico. This well was completed in the Delaware Formation as an oil well in the interval 7,046' – 7,336'.

Poker Lake Unit Well No. 184 – This well was drilled at a location being 1,700' FNL & 1,850' FEL, Section 6, T24S-R30E, Eddy County, New Mexico. This well was completed in the Delaware Formation as an oil well in the interval 7,256' – 7,266'.

Poker Lake Unit Well No. 190 – This well was drilled at a location being 1,980' FSL & 1,980' FEL, Section 7, T24S-R30E, Eddy County, New Mexico. This well was completed in the Delaware Formation as an oil well in the interval 7,164' – 7,360'.

Poker Lake Unit Well No. 196 – This well was drilled at a legal location being 2,055' FSL & 2,335' FWL, Section 29, T24S-R31E, Eddy County, New Mexico to a proposed depth of 13,500' to test the Wolfcamp Formation. This well was completed in the Wolfcamp Formation in the interval 12,866' – 12,954'.

Poker Lake Unit Well No. 200 – This well will be in the process of being completed in the Delaware Formation at a legal location being 410' FNL & 450' FEL, Section 18, T24S-R30E, Eddy County, New Mexico.

PARTICIPATING AREAS

Bass will submit the Third Revision to the Delaware C Participating Area to include the Poker Lake No. 190 and Poker Lake No. 200 wells if commercially productive.

Bass will submit the second revision to the Initial Wolfcamp Participating Area to include the Poker Lake No. 196 well if commercially productive.

Bass has submitted Commercial Determinations for all productive wells for which same have not been prepared in the past and will submit wells drilled to date where adequate information is available for commercial determination and participating areas. In the event you have not received commercial determination for the wells that have been drilled and completed and are currently producing, please advise at your convenience and we will submit same to you.

FUTURE DEVELOPMENT

Poker Lake Unit Well No. 164 – This well will be drilled at a legal location being 1,980' FSL & 1,980' FWL, Section 6, T24S-R30E, Eddy County, New Mexico to a proposed depth of 7,500' to test the Delaware Formation.

Poker Lake Unit Well No. 180 – This well is in the process of being completed in the Delaware Formation at a legal location being 2,080' FNL & 760' FEL, Section 7, T24S-R30E, Eddy County, New Mexico.

Poker Lake Unit Well No. 191 – This well will be drilled at a legal location being 1,980' FSL & 660' FEL, Section 7, T24S-R30E, Eddy County, New Mexico to a proposed depth of 7,420' to test the Delaware Formation.

Poker Lake Unit Well No. 201 – This well will be drilled at a legal location being 2,130' FSL & 2,100' FWL, Section 7, T24S-R30E, Eddy County, New Mexico to a proposed depth of 7,700' to test the Delaware Formation.

Poker Lake Unit Well No. 202 – This well will be drilled at a legal location being 660' FSL & 660' FEL, Section 7, T24S-R30E, Eddy County, New Mexico to a proposed depth of 7,800' to test the Delaware Formation.

Poker Lake Unit Well No. 203 – This well will be drilled at a legal location being 660' FSL & 1,980' FEL, Section 7, T24S-R30E, Eddy County, New Mexico to a proposed depth of 7,700' to test the Delaware Formation.

Poker Lake Unit Well No. 204 – This well will be drilled at a legal location being 660' FSL & 1,980' FWL Section 7, T24S-R30E, Eddy County, New Mexico to a proposed depth of 7,700' to test the Delaware Formation.

Poker Lake Unit Well No. 205 – This well will be drilled at a legal location being 160' FNL & 1,650' FEL, Section 18, T24S-R30E, Eddy County, New Mexico to a proposed depth of 7,700' to test the Delaware Formation.

Poker Lake Unit Well No. 206 – This well will be drilled at a legal location being 460' FNL & 2,180' FWL Section 18, T24S-R30E, Eddy County, New Mexico to a proposed depth of 7,700' to test the Delaware Formation.

Poker Lake Unit Well No. 208 – This well will be drilled at a legal location being 1,880' FNL & 1,780' FEL, Section 18, T24S-R30E, Eddy County, New Mexico to a proposed depth of 7,550' to test the Delaware Formation.

Other Development – Please refer to Bass' Amended 2002 Plan of Development dated July 9, 2002 which identified numerous potential new wells. Bass will continue to pursue these potential opportunities based upon our ongoing geological review and the product price levels in 2004.

OFFSET OBLIGATIONS

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

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 became effective on January 1, 2004.

If this Plan of Development meets with your approval, please so indicate by signing in the appropriate space provided below and return one (1) signed original to the undersigned for our records.

Very truly yours,


J. Wayne Bailey
Division Landman

JWB:ca

ACCEPTED AND AGREED this _____ day of _____, 2004.

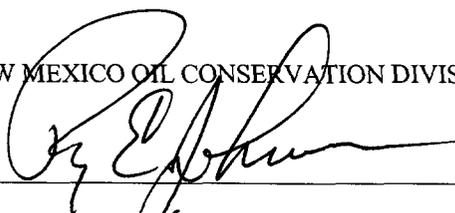
BUREAU OF LAND MANAGEMENT

By: _____

COMMISSIONER OF PUBLIC LANDS

By: _____

NEW MEXICO OIL CONSERVATION DIVISION

By:  _____

3/17/04