

365

BEPCO, L.P.
201 MAIN ST.
FORT WORTH, TEXAS 76102-3131
817/390-8400

2007 JUL 19 PM 12 15

July 18, 2007

FEDERAL EXPRESS

Bureau of Land Management
Roswell District Office
2909 W. 2nd 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: William Jones

Re: Commercial Determination
Big Eddy Unit #54
Atoka Formation
Eddy County, New Mexico

Gentlemen:

Please find attached hereto one (1) copy of Bass' commercial determination worksheets and exhibits which indicate that the subject well is a **non-commercial** well in the Atoka Formation. Please indicate your concurrence to the above Non-Commercial Determination.

Thank you very much and should you have any questions or comments in regard to the attached non-commercial determination, please don't hesitate to contact the undersigned.

Sincerely,


Forest K. Naylor

Bureau of Land Management

New Mexico State Land Office

New Mexico Oil Conservation Division

By: _____

By: _____

By: _____

Its: _____

Its: _____

Its: _____

Date: _____

Date: _____

Date: _____

WORKSHEET FOR COMMERCIAL DETERMINATION AND PARTICIPATING AREA IN FEDERAL UNITS

WELL DATA

WELL _____ BIG EDDY UNIT # 54 _____ FORMATION _____ ATOKA _____
 LOCATION _____ N _____ UNIT, _____ 1180' FEET FROM _____ SOUTH _____ LINE & _____ 1980' FEET FROM _____ WEST _____ LINE
 SECTION _____ 29 _____ TOWNSHIP _____ 21S _____ RANGE _____ 28E _____ COUNTY _____ EDDY _____ NEW MEXICO
 SPUD DATE _____ 8/24/1977 _____ COMPLETION DATE _____ 05/30/1995 _____ INITIAL PRODUCTION _____ 05/31/1995 _____
 PERFORATIONS _____ 11,216-226' (40 holes) _____

STIMULATION:

ACID _____ 500 Gals 10% Acetic Acid w/ Additives _____

FRACTURE _____

POTENTIAL _____ (5/31/1995) Flowing 0 BO 153 MCF 0 BW (Well Died SI)

(Attach Copy of C-105. Attach Copy of Wellbore Sketch of Completed Well.)

VOLUMETRIC CALCULATION

	SANDS PERFORATED		SANDS NOT PERFORATED BUT POTENTIALLY PRODUCTIVE	
Area (A) proration unit size, acres	320	_____	_____	_____
Porosity (por), %	7%	_____	_____	_____
Water saturation (Sw), %	23%	_____	_____	_____
Net Thickness (h), ft.	30	_____	_____	_____
Temperature (T), Fahrenheit	193	_____	_____	_____
Bottom Hole pressure (P), psia	4,800	_____	_____	_____
Recovery factor (RF), %	20%	_____	_____	_____
Recoverable gas, BCF *(See eq. below)	0.5	_____	_____	_____

*Sometimes unable to match performance due to volumetric uncertainty.

Formula = $(7758) (A) (h) (por) (1-Sw)(RF)/Bgi$

Bgi = 0.61 RB/MCF

Continued

PERFORMANCE DATA

(If sufficient history exists, attach plot of oil production rate v time.)

CUMULATIVE PRODUCTION TO 5/31/1995 153 MCF Gas 0 BBL OilINITIAL RATE (qi) 153ECONOMIC LIMIT (ql) 3HYPERBOLIC DECLINE RATE, dy 0REMAINING GAS (Q) = 0ULTIMATE RECOVERABLE GAS (mcf) 0

(Attach plat showing proration unit and participating area.)

ECONOMIC

GROSS WELL COST \$ \$3,200,000 (to the depth of formation completed)

COMPLETION COST \$ _____

GROSS TOTAL COST \$ \$3,200,000

YEAR	GROSS GAS MMCF	BFIT NET REVENUE (\$M)	OPERATING COST (\$M) INCL SEV & AD VAL TAX	5% NET BFIT DISCOUNTED CASH FLOW
ZERO				
1	153.0	0.7	1.5	-3,199,999.2
2				
3				
4				
5				
6				
7				
8				
9				
10				
REMAINDER				
TOTAL	153	0.7	1.5	-3,199,999.2

WELL IS NOT COMMERCIAL

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE

CONS COMMISSION

OMB NO. 1004-0137
Expires: December 31, 1991

NAME REGISTRATION AND SERIAL NO.

NMLC059365

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

BIG EDDY UNIT

8. FARM OR LEASE NAME, WELL NO.

BIG EDDY #54

9. API WELL NO.

30-015-22133

10. FIELD AND POOL, OR WILDCAT

INDIAN FLATS, WEST ATOKA

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA

SECTION 29, T21S, R28E

12. COUNTY OR PARISH

13. STATE

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1a. TYPE OF WELL: OIL WELL ☐ GAS WELL ☒ DRY ☐ Other ☐ AUG 4 10 37 AM '95

b. TYPE OF COMPLETION:

NEW WELL ☐ WORK OVER ☐ DEEP-EN ☐ PLUG BACK ☐ DIFF. GENVR. ☒ Other ☐

2. NAME OF OPERATOR

BASS ENTERPRISES PRODUCTION CO.

3. ADDRESS AND TELEPHONE NO.

PO BOX 2760, MIDLAND, TX 79702-2760 (915) 683-2277

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*

At surface 1180' FSL & 1980' FWL UNIT LETTER N

At top prod. interval reported below

At total depth SAME AS ABOVE

14. PERMIT NO.

DATE ISSUED

15. DATE SPUDDED 18. DATE T.D. REACHED 17. DATE COMPL. (Ready to prod.) 19. ELEVATIONS (OF, RKB, RT, CR, ETC.)* 19. ELEV. CASINGHEAD

W/O 5-26-95 5-30-95 5-30-95 3177' GR 3194.7' KB

20. TOTAL DEPTH, MD & TVD 21. PLUG BACK T.D., MD & TVD 22. IF MULTIPLE COMPL. HOW MANY* 23. INTERVALS DRILLED BY ROTARY TOOLS CABLE TOOLS

12,256' 11,615' SINGLE 256'

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD) 25. WAS DIRECTIONAL SURVEY MADE

11,216' - 11,226' (40 HOLES) ATOKA

26. TYPE ELECTRIC AND OTHER LOGS RUN

N/A

27. WAS WELL CORED

NO

28. CASING RECORD (Report all strings and cement)

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
11 3/4"	43#	517'	15"	CIRC.-410 SX	NONE
8 5/8"	24# & 32#	3200'	11"	CIRC.-1400 SX	NONE
5 1/2"	17#	11,993'	7 7/8"	1250 SX	NONE

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2 7/8"	11,120'	11,120'

31. PERFORATION RECORD (Interval, size and number)

PERF. WITH 1 11/16 PIVOT GUN LOADED
WITH 4 JSPF @ 180° PHASING
11,216' - 11,226' (40 HOLES)

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
11,216'-11,226'	500 GALS. 10% ACETIC ACID WITH ADDITIVES.

33. PRODUCTION

DATE FIRST PRODUCTION		PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)				WELL STATUS (Producing or shut-in)	
5-31-95		FLOWING (DIED)				SI	
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
5-31-95	4	W/O	→	0	153	0	-
FLOW, TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)	
0 - 20	PACKER	→	0	153	0	--	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

SOLD NOTE: WELL S.I.

TEST WITNESSED BY

35. LIST OF ATTACHMENTS

NONE

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED *R.L. Douthett*

TITLE SENIOR PRODUCTION CLERK

DATE 8-3-95

*(See Instructions and Spaces for Additional Data on Reverse Side)

Title 18 U.S.C. Section 1001, makes 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.

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries):

38.

GEOLOGIC MARKERS

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
					MEAS. DEPTH	TRUE VERT. DEPTH
				T/DEL. MTN GP	2,745'	2,745'
				T/BONE SPRING	5,805'	5,805'
				T/WOLFCAMP	9,700	9,700
				T/STRAWN	10,640'	10,640'
				T/MID MORROW	11,810'	11,810'
				T/LO MORROW	12,000'	12,000'
				BARNETT	12,190'	12,190'

PERRY R. BASS
BIG EDDY UNIT NO. 57

ESTIMATED GEOLOGIC TOPS:

Delaware Sand	2930	(+269)
Bone Springs	5823	(-2644)
Wolfcamp	9288	(-6089)
Strawn	10603	(-7404)
Atoka	10885	(-7686)
Morrow	11395	(-8196)

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form O-100
Supersedes O-120
5-10-1966 (1965)

All distances must be from the outer boundaries of the Section

Owner PERRY R. BASS		Lease BIG EDDY UNIT		Well No. 54
Section N	Section 29	Township 21 South	Range 28 East	County Eddy
Distance from the location of Well:				
1180	feet from the South	line and	1980	feet from the West
Producing Form.	Producing Formation	Pool	Section Area 320	

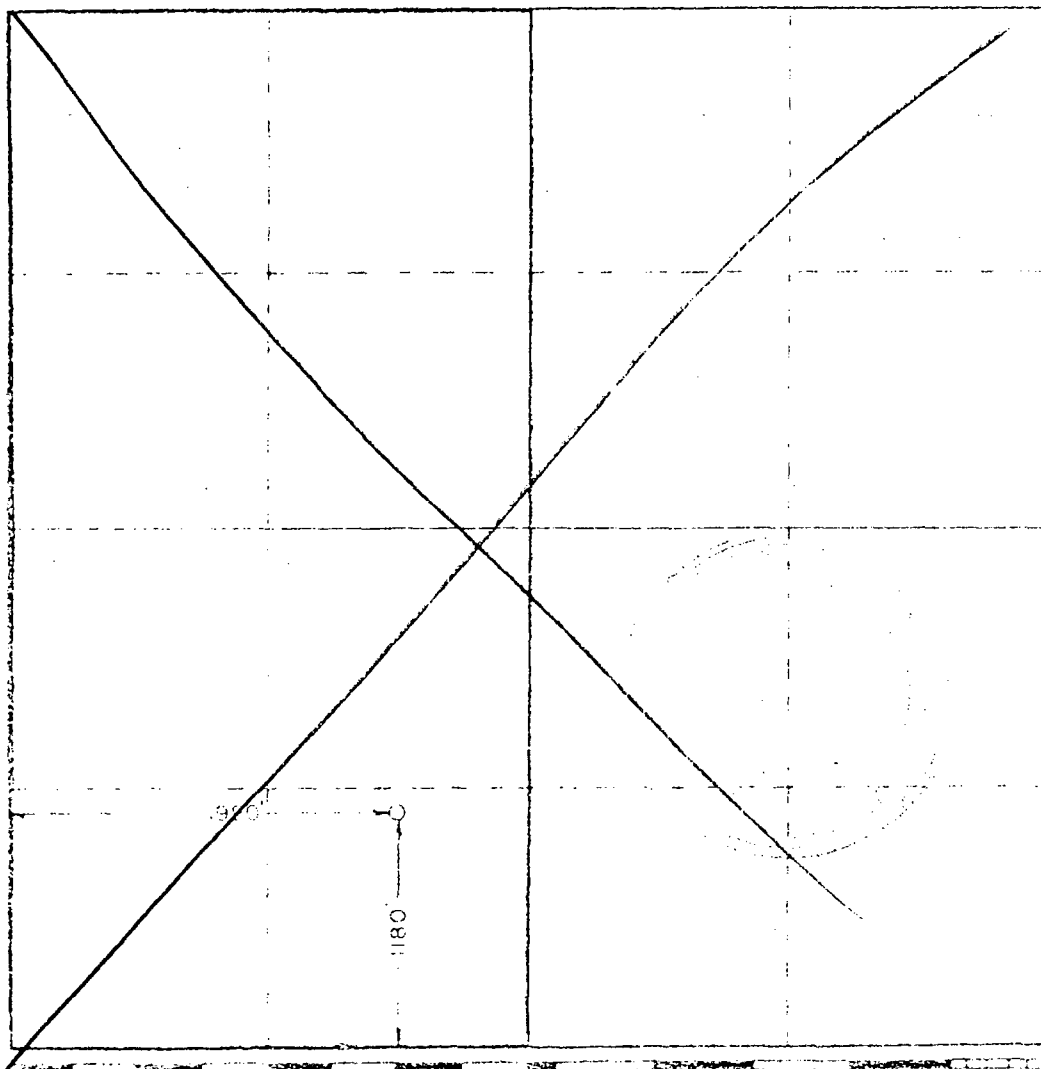
1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated on reverse side of this form if necessary) _____

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 interests, has been approved by the Commission.

RECEIVED
MAR 28 1977
U.S. GEOLOGICAL SURVEY
ARTESIA, NEW MEXICO



CERTIFICATION

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

Dan L. Schilling
Dan L. Schilling

Drilling Engineer

Bass Ent. Prod. Company

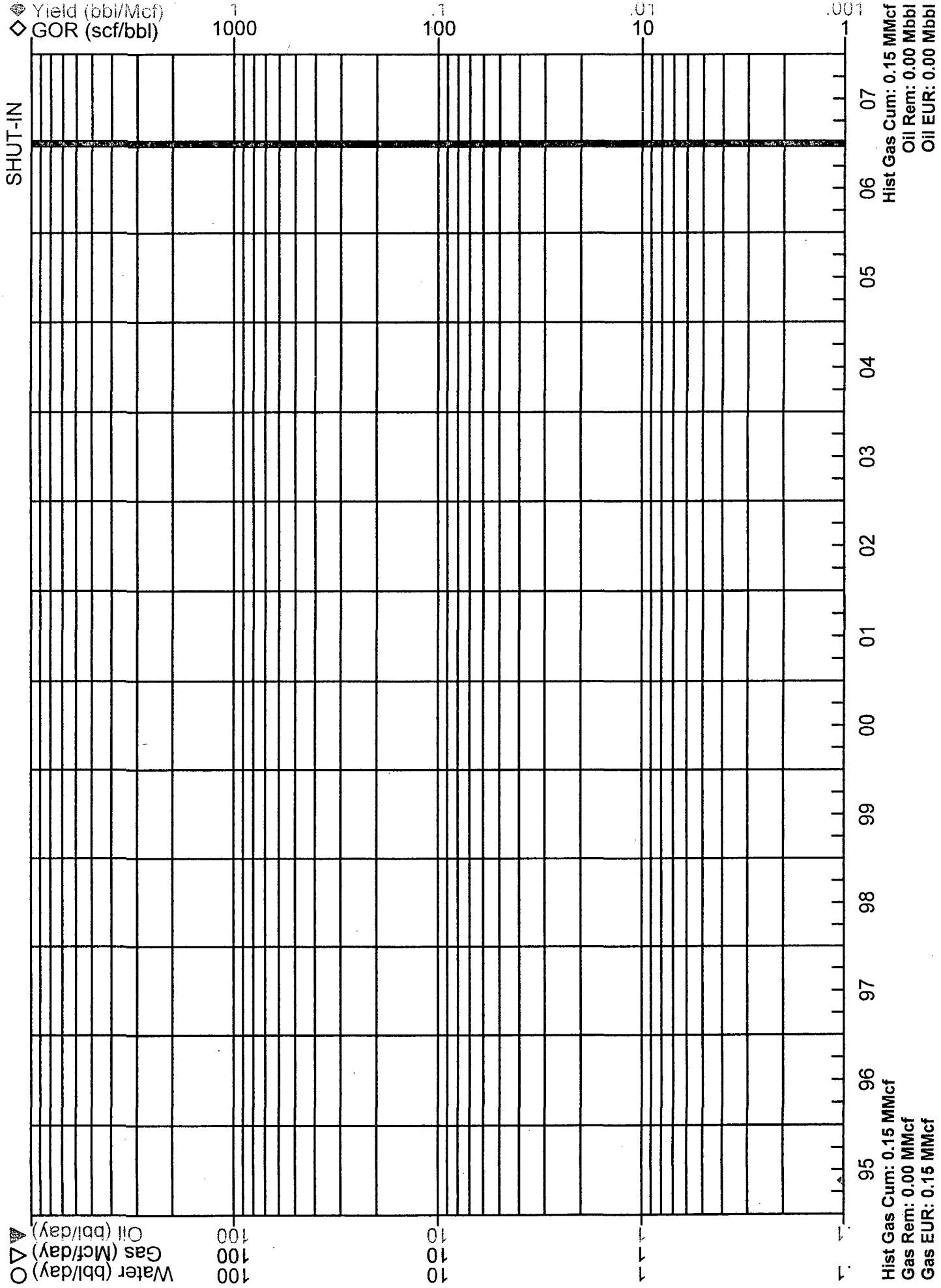
March 23, 1977

I hereby certify that the information shown on this plat was plotted from field notes of actual survey made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

March 16, 1977

Field: INDIAN FLATS, ATOKA WEST
EDDY,NM
APP EUR GAS:

0833802/BIG EDDY/ATO
Major Phase: Gas
APP EUR OIL:



CURRENT WELLBORE DIAGRAM

Well: Big Eddy Unit #54

Field: Indian Flats, Atoka West, (SI GAS, 05/1995)

ABA0R95G00

Big Eddy #54

Field: BASS, (P&A. 04/1995)

ABA0R2FF00

Location: 1180 FSL & 1980 FWL, Sec 29, T21S, R28E

County: Eddy

St: NM

API: 30-015-22133

Surface Csg.

Size: 11 3/4
Wt: 42
Grd: H-40
Set @: 517
Sxs cmt: 410
Circ: Y
TOC: Surf
Hole Size: 15

Intermediate Csg.

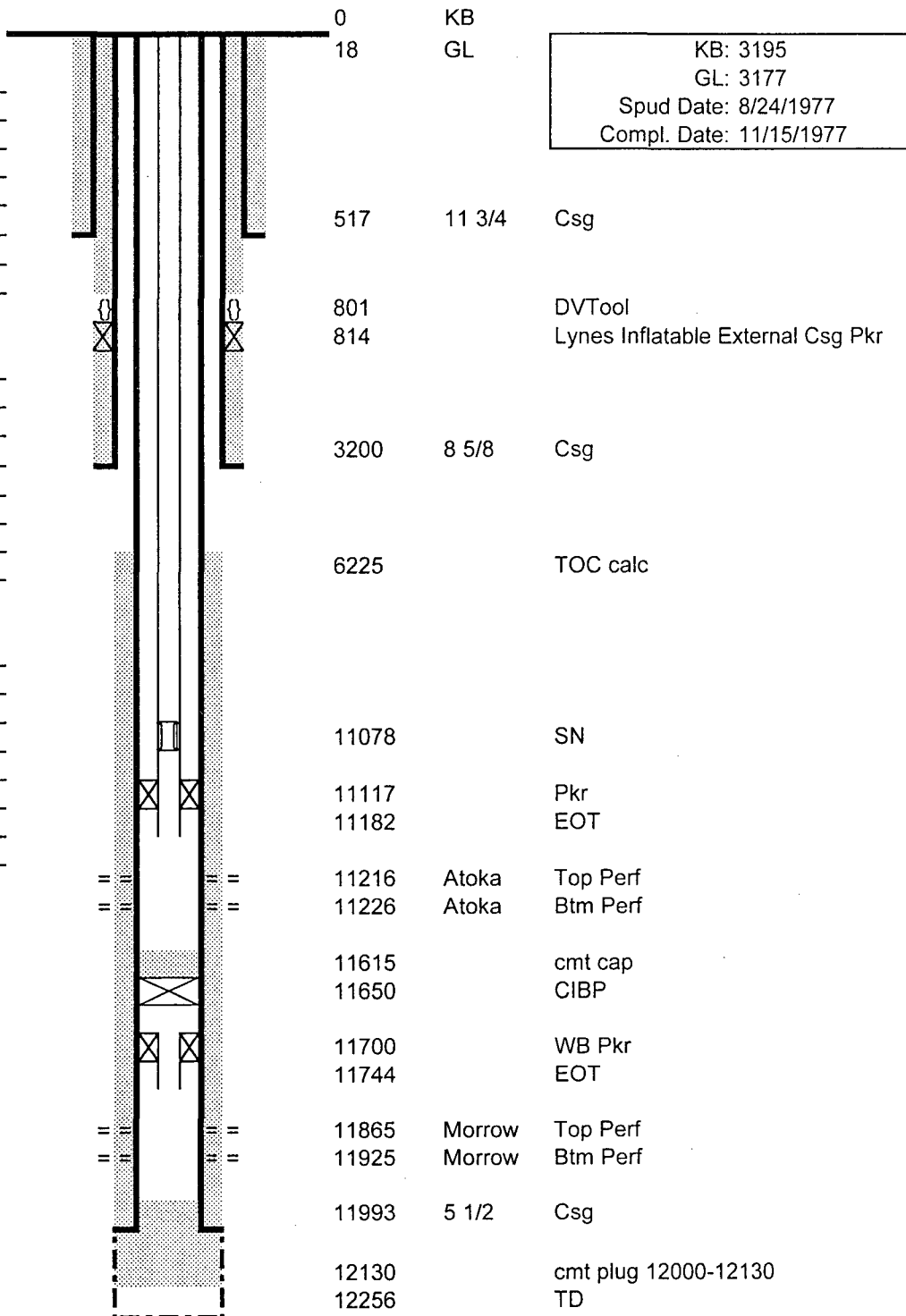
Size: 8 5/8
Wt: 24/32
Grd: K-55
Set @: 3200
Sxs Cmt: 1400
Circ: Y
TOC: Surf
Hole Size: 11

Production Csg.

Size: 5 1/2
Wt: 17
Grd: N80/K55
Set @: 11993
Sxs Cmt: 1250
Circ: ?
TOC: 6225 calc
Hole Size: 7 7/8 to 12256

Tubing

354 jts 2 7/8" 6.5# N-80
3 jts 2 3/8" 4.7# N-80



PBTD: 11615
TD: 12256

Updated: 5/24/2005

Author: ELE

Engr: MWD