EC

OCD-ARTESIA

P

I-40

Form 3160-3
(August 1999)

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

920

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.
NMNM02860

6. If Indian, Allottee or Tribe Name

1a. Type of Work: ☒ DRILL ☐ REENTER

CONFIDENTIAL

7. If Unit or CA Agreement, Name and No.
NMNM71016X

8. Lease Name and Well No.
POKER LAKE UNIT 205

1b. Type of Well: ☒ Oil Well ☐ Gas Well ☐ Other ☒ Single Zone ☐ Multiple Zone

2. Name of Operator
BASS ENTERPRISES PRODUCTION CO
Contact: TAMI WILBER
E-Mail: tlwilber@basspet.com

9. API Well No.
30-015-33423

3a. Address
P O BOX 2760
MIDLAND, TX 79702

3b. Phone No. (include area code)
Ph: 915.683.2277
Fx: 915.687.0329

10. Field and Pool, or Exploratory
NASH DRAW DELAWARE

4. Location of Well *(Report location clearly and in accordance with any State requirements.*)*

At surface NWNE 160FNL 1650FEL 32.13280 N Lat, 103.55030 W Lon

At proposed prod. zone NWNE 160FNL 1650FEL 32.13280 N Lat, 103.55030 W Lon

11. Sec., T., R., M., or Blk. and Survey or Area
Sec 18 T24S R30E Mer NMP

14. Distance in miles and direction from nearest town or post office*
14 MILES EAST OF MALAGA NM

POTASH

12. County or Parish
EDDY

13. State
NM

15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)
160

16. No. of Acres in Lease
2520.68

17. Spacing Unit dedicated to this well
40.00

18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.
884

19. Proposed Depth
7700 MD

20. BLM/BIA Bond No. on file

21. Elevations (Show whether DF, KB, RT, GL, etc.
3179 GL

22. Approximate date work will start
07/21/2003

23. Estimated duration
12 DAYS

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature
(Electronic Submission)

Name (Printed/Typed)
TAMI WILBER Ph: 915.683.2277

Date
06/16/2003

Title
AUTHORIZED REPRESENTATIVE

Approved by (Signature)
/s/ Richard A. Whitley

Name (Printed/Typed)
/s/ Richard A. Whitley

Date
28 JUL 2003

Title
ACTING STATE DIRECTOR

Office
NM STATE OFFICE

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

APPROVAL FOR 1 YEAR

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

Additional Operator Remarks (see next page)

Electronic Submission #22515 verified by the BLM Well Information System
For BASS ENTERPRISES PRODUCTION CO, sent to the Carlsbad
Committed to AFMSS for processing by Armando Lopez on 06/19/2003 (03AL0328AE)

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AUG 2003
OCD - ARTESIA

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS
AND SPECIAL STIPULATIONS
ATTACHED

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

NSL- 5048

Additional Operator Remarks:

Surface casing to bet into Rustler below all fresh water sands.
Production casing will be cemented using Zone Seal Cement.
Drilling Procedure, BOP Diagram, Anticipated Tops & Surface plans attached.

This well is located inside the Secretary's Potash area and outside the R-111 Potash Area.
There are no potash leases within 1 mile of this location.

Revisions to Operator-Submitted EC Data for APD #22515

	Operator Submitted	BLM Revised (AFMSS)
Lease:	NMLC02860	NMNM02860
Agreement:	NMNM71016X	NMNM71016X
Operator:	BASS ENTERPRISES PRODUCTION CO P. O. BOX 2760 MIDLAND, TX 79702 Ph: 432.683.2277 Fx: 432.687.0329	BASS ENTERPRISES PRODUCTION CO P O BOX 2760 MIDLAND, TX 79702 Ph: 432.432.2277 Fx: 432.687.0329
Admin Contact:	TAMI WILBER AUTHORIZED REPRESENTATIVE P. O. BOX 2760 MIDLAND, TX 79702 Ph: 432.683.2277 Fx: 432.687.0329 E-Mail: tlwilber@basspet.com	TAMI WILBER AUTHORIZED REPRESENTATIVE P O BOX 2760 MIDLAND, TX 79702 Ph: 915.683.2277 Fx: 915.687.0329 E-Mail: tlwilber@basspet.com
Tech Contact:	TAMI WILBER PRODUCTION CLERK P O BOX 2760 MIDLAND, TX 79702-2760	TAMI WILBER AUTHORIZED REPRESENTATIVE P O BOX 2760 MIDLAND, TX 79702
Well Name: Number:	POKER LAKE UNIT 205	POKER LAKE UNIT 205
Location: State: County: S/T/R: Surf Loc:	 NM EDDY Sec 18 T24S R30E Mer NMP NWNE 160FNL 1650FEL 32.13280 N Lat, 103.55030 W Lon	 NM EDDY Sec 18 T24S R30E Mer NMP NWNE 160FNL 1650FEL 32.13280 N Lat, 103.55030 W Lon
Field/Pool:	NASH DRAW DELAWARE	NASH DRAW DELAWARE
Bond:	NM2204	

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-144
March 4, 2004

For drilling and production facilities, submit to appropriate NMOCD District Office.
For downstream facilities, submit to Santa Fe office

Pit or Below-Grade Tank Registration or Closure

Type of action: Registration of a pit or below-grade tank ☒ Closure of a pit or below-grade tank ☐

Operator: Bass Enterprises Prod Co. Telephone: (432) 683-2277 e-mail address: wrdannels@bassnet.com
Address: 6 Desta Drive, Suite 3700 PO Box 2760 Midland, Texas 79702
Facility or well name: Poker Lake Unit 205 API #: _____ U/L or Qtr/Qtr B Sec 18 T24S R30E
County: Eddy Latitude 32 N Longitude 103 S Surface Owner Federal ☒ State ☐ Private ☐ Indian ☐

Pit	Below-grade tank	
Type: Drilling ☒ Production ☐ Disposal ☐ Workover ☐ Emergency ☐ Lined ☒ Unlined ☐ Liner type: Synthetic ☒ Thickness 20 mil Clay ☐ Volume 7300 bbl	Volume: ____bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes ☐ If not, explain why not.	
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet 50 feet or more, but less than 100 feet (100 feet or more)	(20 points) (10 points) (0 points)
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes (No)	(20 points) (0 points)
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet 200 feet or more, but less than 1000 feet (1000 feet or more)	(20 points) (10 points) (0 points)
	Ranking Score (Total Points)	0

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MAY 17 2004
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If this is a pit closure:

(1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks.
(2) Indicate disposal location: onsite ☐ offsite ☐ If offsite, name of facility_____.
(3) Attach a general description of remedial action taken including remediation start date and end date.
(4) Groundwater encountered: No ☐ Yes ☐ If yes, show depth below ground surface_____ft. and attach sample results.
(5) Attach soil sample results and a diagram of sample locations and excavations.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been constructed or closed according to NMOCD guidelines.
Date: 5/13/04
Printed Name/Title William R. Dannels Signature William R Dannels

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval:
Date: MAY 18 2004
Printed Name/Title Field Rep II Signature

NOTIFY O.C.D. PRIOR TO CONSTRUCTION OF PIT(S).

Pit(s) must meet all requirements of Rule 19.15.2.50.

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor

April 30, 2004

Joanna Prukop
Cabinet Secretary
Acting Director
Oil Conservation Division

Bass Enterprises Production Company
c/o James Bruce
P. O. Box 1056
Santa Fe, New Mexico 87504

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MAY 0 3 2004
OCD-ARTESIA

Administrative Order NSL-5048

Dear Mr. Bruce:

Reference is made to the following: **(i)** your application (***administrative application reference No. pMES0-412051612***) dated April 26, 2004 on behalf of the operator Bass Enterprises Production Company ("Bass"); and **(ii)** the records of the New Mexico Oil Conservation Division ("Division") in Santa Fe: all concerning Bass's request to drill its Poker Lake Unit Well No. 205 at an unorthodox Delaware oil well location 160 feet from the North line and 1650 feet from the East line (Unit B) of Section 18, Township 24 South, Range 30 East, NMPM, Eddy County, New Mexico. The NW/4 NE/4 of Section 18 is to be dedicated to this well in order to form a standard 40-acre oil spacing and proration unit in the Undesignated Nash Draw-Delaware Pool (**47545**).

This application has been duly filed under the provisions of Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999.

It is the Division's understanding the proposed Poker Lake Unit Well No. 205 is within the Oil/Potash "R-111-P" area, and is therefore subject to all applicable restrictions and rules therein.

By the authority granted me under the provisions of Division Rule 104.F (2), the above-described unorthodox oil well location for the Undesignated Nash Draw-Delaware Pool is hereby approved.

Sincerely,

Michael E. Stogner
Engineer/Hearing Officer

MES/ms
cc: New Mexico Oil Conservation Division – Artesia
U. S. Bureau of Land Management – Carlsbad

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
DISTRICT II
811 South First, Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410
DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, New Mexico 87504-2088

Form C-102
Revised March 17, 1999
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
	47545	Nash Draw (Delaware)

Property Code	Property Name	Well Number
001796	POKER LAKE UNIT	205

OGRID No.	Operator Name	Elevation
001801	BASS ENTERPRISES PRODUCTION COMPANY	3179'

Surface Location

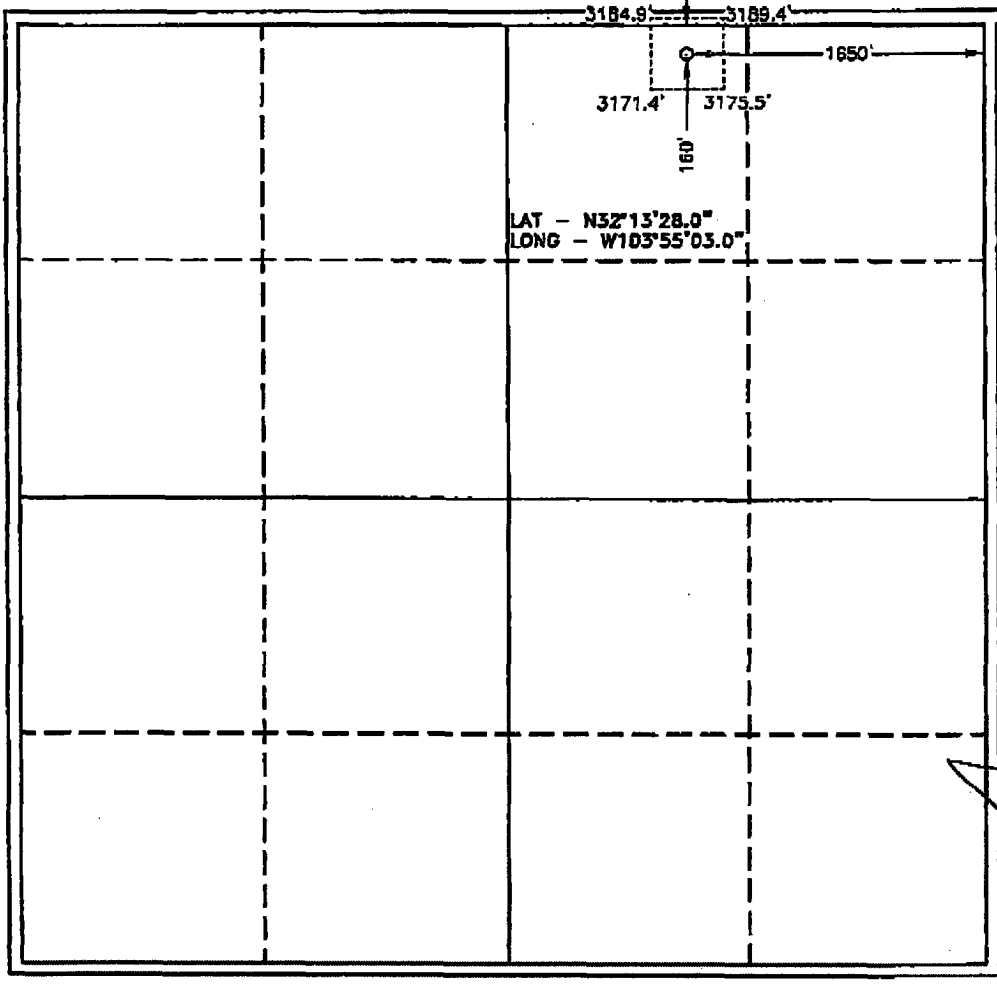
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	18	24 S	30 E		160	NORTH	1650	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
40	I		

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

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

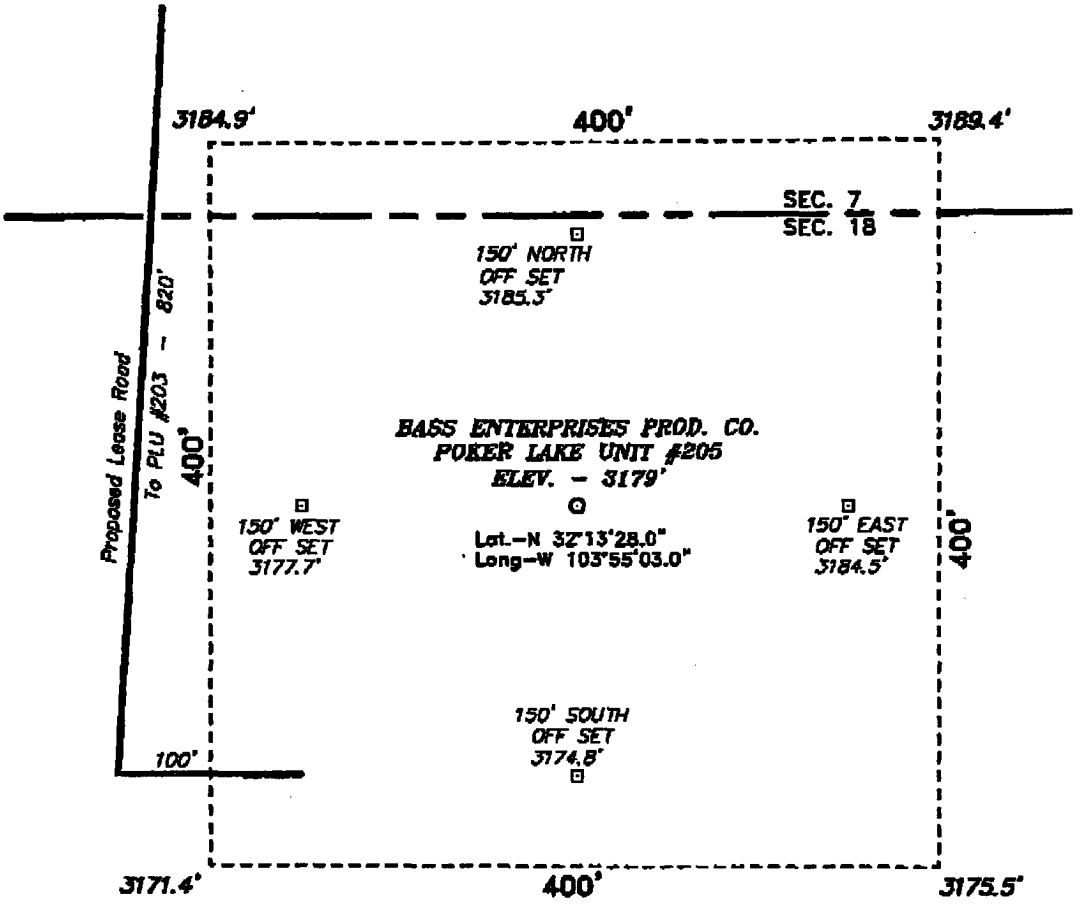
William R. Dannels
Signature
W.R. DANNELS
Printed Name
DIVISION DRILLING SUPT.
Title
6/16/03
Date

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 belief.

MARCH 19, 2003
Date Surveyed
Signature & Seal of Professional Surveyor
GARY L. JONES
NEW MEXICO
7977
REGISTERED PROFESSIONAL LAND SURVEYOR
W.O. No. 3088
Certificate No. Gary L. Jones 7977
BASIN SURVEYS

SECTION 18, TOWNSHIP 24 SOUTH, RANGE 30 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.



100 0 100 200 FEET

SCALE: 1" = 100'

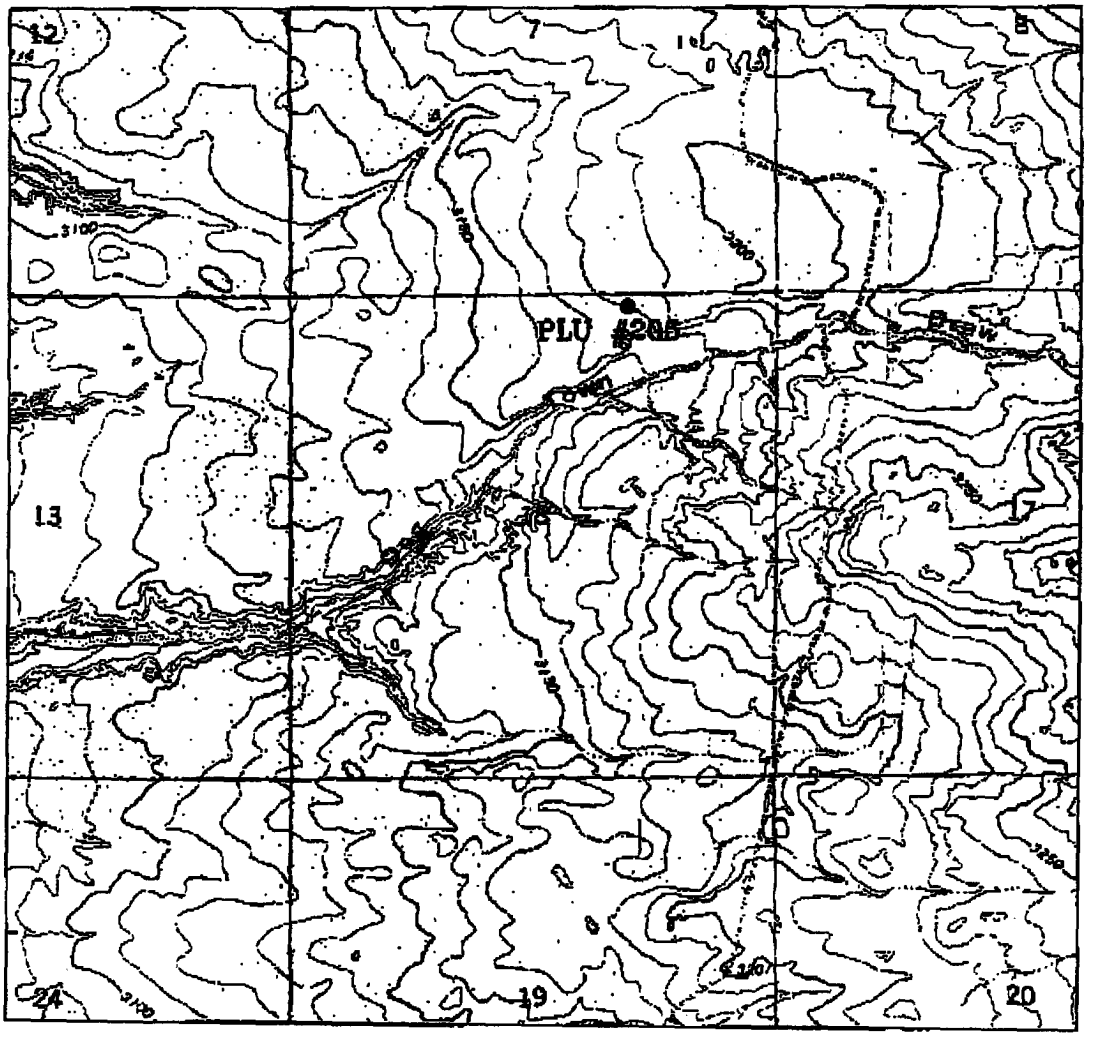
BASS ENTERPRISES PRODUCTION CO.

REF: POKER LAKE UNIT No. 205 / Well Pad Topo

THE POKER LAKE UNIT No. 205 LOCATED 160' FROM THE NORTH LINE AND 1650' FROM THE EAST LINE OF SECTION 18, TOWNSHIP 24 SOUTH, RANGE 30 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO.

BASIN SURVEYS P.O. BOX 1786 - HOBBS, NEW MEXICO

W.O. Number: 3080	Drawn By: K. GOAD		
Date: 03-21-2003	Disk: KJG CD#7 - 3080A.DWG	Survey Date: 03-19-2003	Sheet 1 of 1 Sheets

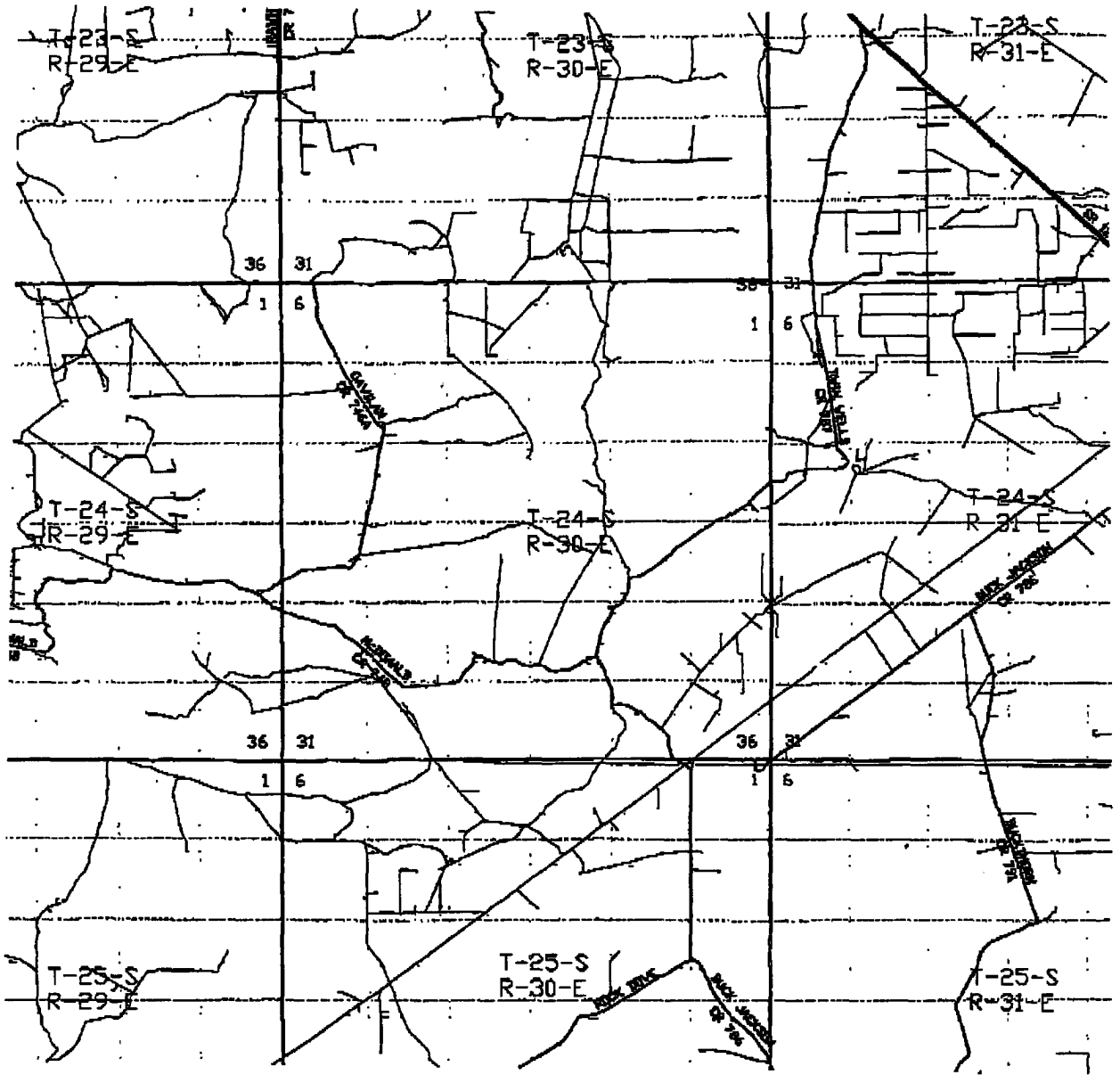


POKER LAKE UNIT #205
Located at 160' FNL and 1650' FEL
Section 18, Township 24 South, Range 30 East,
N.M.P.M., Eddy County, New Mexico.

Basin Surveys
focused on excellence in the oilfield
P.O. Box 1786
1120 N. West County Rd.
Hobbs, New Mexico 88241
(505) 393-7316 - Office
(505) 392-3074 - Fax
basinsurveys.com

W.O. Number:	3080AA - KJG #7
Survey Date:	03-19-2003
Scale:	1" = 2000'
Date:	03-21-2003

BASS ENTERPRISES PRODUCTION CO.



POKER LAKE UNIT #205
Located at 160' FNL and 1650' FEL
Section 18, Township 24 South, Range 30 East,
N.M.P.M., Eddy County, New Mexico.

basin surveys
focused on excellence in the oilfield
P.O. Box 1786
1120 N. West County Rd.
Hobbs, New Mexico 88241
(505) 393-7316 - Office
(505) 392-3074 - Fax
basinsurveys.com

W.O. Number:	3080AA - KJG #7
Survey Date:	03-19-2003
Scale:	1" = 2 MILES
Date:	03-21-2003

BASS ENTERPRISES PRODUCTION CO.

EIGHT POINT DRILLING PROGRAM
BASS ENTERPRISES PRODUCTION CO.

NAME OF WELL: Poker Lake Unit #205

LEGAL DESCRIPTION - SURFACE: 160' FNL & 1650' FEL, Section 18, T-24-S, R-30-E, Eddy County, New Mexico.

POINT 1: ESTIMATED FORMATION TOPS

(See No. 2 Below)

POINT 2: WATER, OIL, GAS AND/OR MINERAL BEARING FORMATIONS

Anticipated Formation Tops: KB 3197' (est) GL 3179'

FORMATION	ESTIMATED TOP FROM KB	ESTIMATED SUBSEA TOP	BEARING
T/Rustler	447'	+2750	Barren
T/Salt	797'	+2400'	Barren
T/Lwr Brushy Canyon	6972'	-3775'	Oil/Gas
T/Bone Spring	7252'	-4055'	Oil/Gas
TD	7700'	-4503'	

POINT 3: CASING PROGRAM

TYPE	INTERVALS	PURPOSE	CONDITION
16"	0'- 40'	Conductor	Contractor Discretion
8-5/8", 28#, J-55, LT&C	0'- 775'	Surface	New
5-1/2", 15.5#, J-55, LT&C	0' -6500'	Production	New
5-1/2", 17#, J-55, LT&C	6500' -7700'	Production	New

POINT 4: PRESSURE CONTROL EQUIPMENT (SEE ATTACHED DIAGRAM)

A BOP equivalent to Diagram 1 will be nippled up on the surface casing head. The BOP stack choke, kill lines, kelly cocks, inside BOP, etc. will be hydro-tested to 70% of internal yield pressure of casing. In addition to the high pressure test, a low pressure (200 psi) test will be required. These tests will be performed:

a) Upon installation
b) After any component changes
c) Fifteen days after a previous test
d) As required by well conditions

A function test to insure that the preventers are operating correctly will be performed on each trip.

POINT 5: MUD PROGRAM

DEPTH	MUD TYPE	WEIGHT	FV	PV	YP	FL	Ph
0' - 775'	FW Spud Mud	8.5 - 9.2	70-38	NC	NC	NC	10.0
675' - 5600'	Brine Water	9.8 -10.2	28-30	NC	NC	NC	9.5-10.5
5600' – TD'	Brine Water/Diesel	8.8 - 9.0	32-40	8	2	<25 cc	9.5 – 10.0

May increase vis for logging purposes only.

POINT 6: TECHNICAL STAGES OF OPERATION

A) TESTING

None anticipated.

B) LOGGING

GR-CNL-LDT-AIT from TD to base of Salt (+/- 3100').
GR-CNL-CAL from base of Salt to surface.

C) CONVENTIONAL CORING

None anticipated.

D) CEMENT

INTERVAL	AMOUNT SXS	FT OF FILL	TYPE	GALS/SX	PPG	FT³/SX		
SURFACE:								
Lead 0 - 475' (100% excess circ to surface)	206	475	Permian Basin Critical Zone + ¼# Flocele	10.4	12.8	1.90		
Tail 475-775' (100% excess circ to surface)	233	300	Prem Plus + 2% $CaCl_2$ + ¼# Flocele	6.33	14.8	1.35		
PRODUCTION:							COMPRESSIVE Nitrogen	Strength
Base Slurry w/nitrogen 3050-7700' + (50% excess)	745	4650	Premium Plus + 2% Zone Sealant 2000	6.32	9.1-14.5	2.3-1.39	300/600 scf/bbl	1200

E) DIRECTIONAL DRILLING

No directional services anticipated.

POINT 7: ANTICIPATED RESERVOIR CONDITIONS

Normal pressures are anticipated throughout Delaware section. A BHP of 3200 psi (max) or MWE of 8.7 ppg is expected. Lost circulation may exist in the Delaware Section from 3583-7350'. No H_2S is anticipated.

POINT 8: OTHER PERTINENT INFORMATION

A) Auxiliary Equipment

Upper and lower kelly cocks. Full opening stab in valve on the rig floor.

B) Anticipated Starting Date

Upon approval

12 days drilling operations

14 days completion operations

JDL/tlw
May 29, 2003

MULTI-POINT SURFACE USE PLAN

NAME OF WELL: Poker Lake Unit #205

LEGAL DESCRIPTION - SURFACE: 160' FNL & 1650' FEL, Section 18, T-24-S, R-30-E, Eddy County, New Mexico.

POINT 1: EXISTING ROADS

A) Proposed Well Site Location:

See Exhibit A, B and Survey Plats

B) Existing Roads:

From Carlsbad, New Mexico, go 8 miles south on Highway 285 to Highway 31. Turn north and 7 miles on Highway 31. Turn east on Highway 128 and go 4 miles to Rawhide Road (located between mile markers 4 and 5). Turn southeast onto Rawhide Road and go approximately 9.0 miles southerly.

C) Existing Road Maintenance or Improvement Plan:

See Exhibit A, B and Survey Plats.

POINT 2: NEW PLANNED ACCESS ROUTE

A) Route Location:

See Exhibit A and B. Proposed road is 820' in length.

B) Width

12' wide.

C) Maximum Grade

Not applicable.

D) Turnout Ditches

Spaced per BLM requirements.

E) Culverts, Cattle Guards, and Surfacing Equipment

None.

POINT 3: LOCATION OF EXISTING WELLS

Exhibit A and B indicates existing wells within the surrounding area.

POINT 4: LOCATION OF EXISTING OR PROPOSED FACILITIES

A) Existing facilities within one mile owned or controlled by lessee/operator:

Oil/Gas production facilities are located at PLU #158 wellsite.

B) New Facilities in the Event of Production:

w/ prior Sundry Notice approval. TSO

Existing production facilities will be used via flowlines laid to existing facilities and additional separators/treaters will be added as necessary.

C) Rehabilitation of Disturbed Areas Unnecessary for Production:

Following flowline construction, those access areas required for continued production will be graded to provide drainage and minimize erosion. The areas unnecessary for use will be graded to blend in with the surrounding topography (see Point 10)

POINT 5: LOCATION AND TYPE OF WATER SUPPLY

A) Location and Type of Water Supply

Fresh water will be hauled from Johnson Station 50 miles east of Carlsbad, New Mexico or other commercial facilities. Brine water will be hauled from Bass' Poker Lake Unit #140 battery or from commercial facilities.

B) Water Transportation System

Water hauling to the location will be over the existing and proposed roads.

POINT 6: SOURCE OF CONSTRUCTION MATERIALS

A) Materials

Exhibit A shows location of caliche source.

B) Land Ownership

Federally Owned.

C) Materials Foreign to the Site

No construction materials foreign to this area are anticipated for this drill site.

D) Access Roads

See Exhibit A and B.

POINT 7: METHODS FOR HANDLING WASTE MATERIAL.

A) Cuttings

Cuttings will be contained in the reserve pit.

B) Drilling Fluids

Drilling fluids will be contained in the reserve pit.

C) Produced Fluids

Water production will be contained in the reserve pit.

Hydrocarbon fluid or other fluids that may be produced during testing will be retained in test tanks. Prior to cleanup operations, any hydrocarbon material in the reserve pit will be removed by skimming or burning as the situation would dictate.

D) Sewage

Current laws and regulations pertaining to the disposal of human waste will be complied with.

E) Garbage

Portable containers will be utilized for garbage disposal during the drilling of this well.

F) Cleanup of Well Site

Upon release of the drilling rig, the surface of the drilling pad will be graded to accommodate a completion rig if electric log analysis indicate potential productive zones. The reserve pit will be fenced and bird netted. The fence will be maintained until the pit is backfilled. Reasonable cleanup will be performed prior to the final restoration of the site.

POINT 8: ANCILLARY FACILITIES

None required.

POINT 9: WELL SITE LAYOUT

A) Rig Orientation and Layout

Exhibit "C" shows the dimensions of the well pad and reserve pits, and the location of major rig components. Only minor leveling of the well site will be required. No significant cuts or fills will be necessary.

POINT 9: WELL SITE LAYOUT – Cont'd...

B) Locations of Pits and Access Road

See Exhibits "A" and "C".

C) Lining of the Pits

The reserve pit will be lined with plastic.

POINT 10: PLANS FOR RESTORATION OF THE SURFACE

A) Reserve Pit Cleanup

The pits will be fenced immediately after construction and shall be maintained until they are backfilled. Previous to backfill operations, any hydrocarbon material on the pits' surfaces shall be removed. The fluids and solids contained in the pits shall be backfilled with soil excavated from the site and soil adjacent to the reserve pits. The restored surface of the pits shall be contoured to prevent impoundment of surface water flow. Water-bars will be constructed as needed to prevent excessive erosion. Topsoil, as available, shall be placed over the restored surface in a uniform layer. The area will be seeded according to the Bureau of Land Management stipulations during the appropriate season following restoration.

B) Restoration Plans - Production Developed

The reserve pits will be backfilled and restored as described above under Item A. In addition, those areas not required for production will be graded to blend with the surrounding topography. Topsoil, as available, will be placed upon those areas and seeded. The portion of the site required for production will be graded to minimize erosion and provide access during inclement conditions. Following depletion and abandonment of the site, restoration procedures will be those that follow under Item C.

C) Restoration Plans - No Production Developed

The reserve pits will be restored as described above. With no production developed, the entire surface disturbed by construction of the well site will be restored. The site will be contoured to blend with the surrounding topography and provide drainage of surface water. The topsoil, as available, shall be replaced in a uniform layer and seeded according to the Bureau of Land Management's stipulations.

D) Rehabilitation's Timetable

Upon completion of drilling operations, the initial cleanup of the site will be performed as soon as weather and site conditions allow economic execution of the work.

POINT 11: OTHER INFORMATION

A) Terrain

Relatively flat.

B) Soil

Caliche and sand.

C) Vegetation

Sparse, primarily grasses and mesquite with very little grass.

D) Surface Use

Primarily grazing.

E) Surface Water

There are no ponds, lakes, streams or rivers within several miles of the wellsite.

F) Water Wells

There is one water well approximately 1035' East from location.

G) Residences and Buildings

None in the immediate vicinity.

H) Historical Sites

None observed.

I) Archeological Resources

An archeological survey will be obtained for this area. Before any construction begins, a full and complete archeological survey will be submitted to the Bureau of Land Management. Any location or construction conflicts will be resolved before construction begins.

J) Surface Ownership

The well site and new access road from the North is on federally owned land.

K) Well signs will be posted at the drilling site.

L) Open Pits

All pits containing liquid or mud will be fenced and bird-netted.

POINT 12: OPERATOR'S FIELD REPRESENTATIVE

(Field personnel responsible for compliance with development plan for surface use).

DRILLING
William R. Dannels
Box 2760
Midland, Texas 79702
(915) 683-2277

PRODUCTION
Mike Waygood
3104 East Green Street
Carlsbad, New Mexico 88220
(505) 887-7329

Kent A. Adams
Box 2760
Midland, Texas 79702
(915) 683-2277

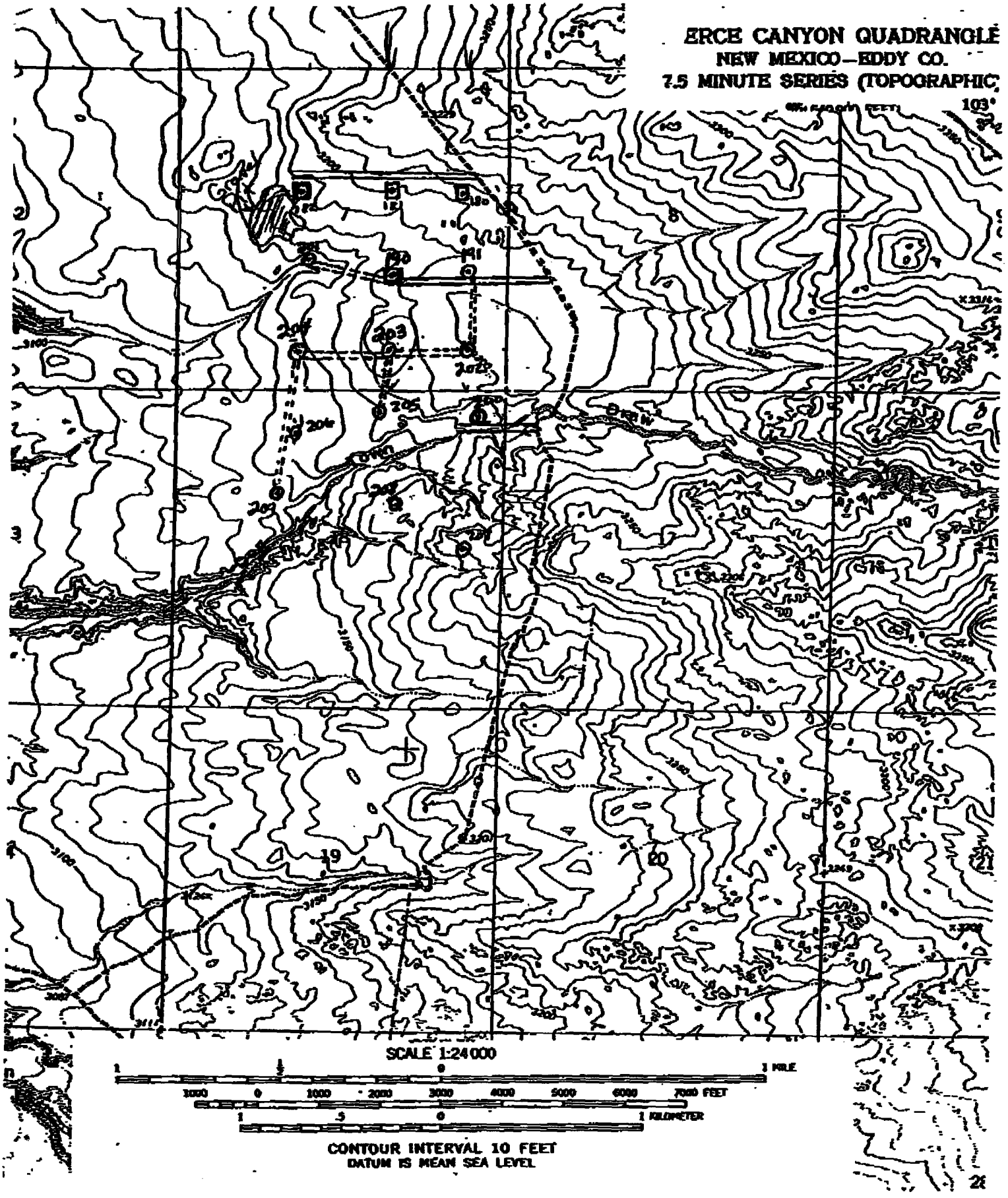
POINT 13: CERTIFICATION

I hereby certify that I, or persons under my direct supervision have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in the plan are, to the best of my knowledge, true and correct; and that the work associated with operations proposed herein will be performed by Bass Enterprises Production Co. and it's contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

6/16/03
Date

William R. Dannels
William R. Dannels

WRD/tlw



Proposed lease roads

Existing lease roads

Exhibit "A"

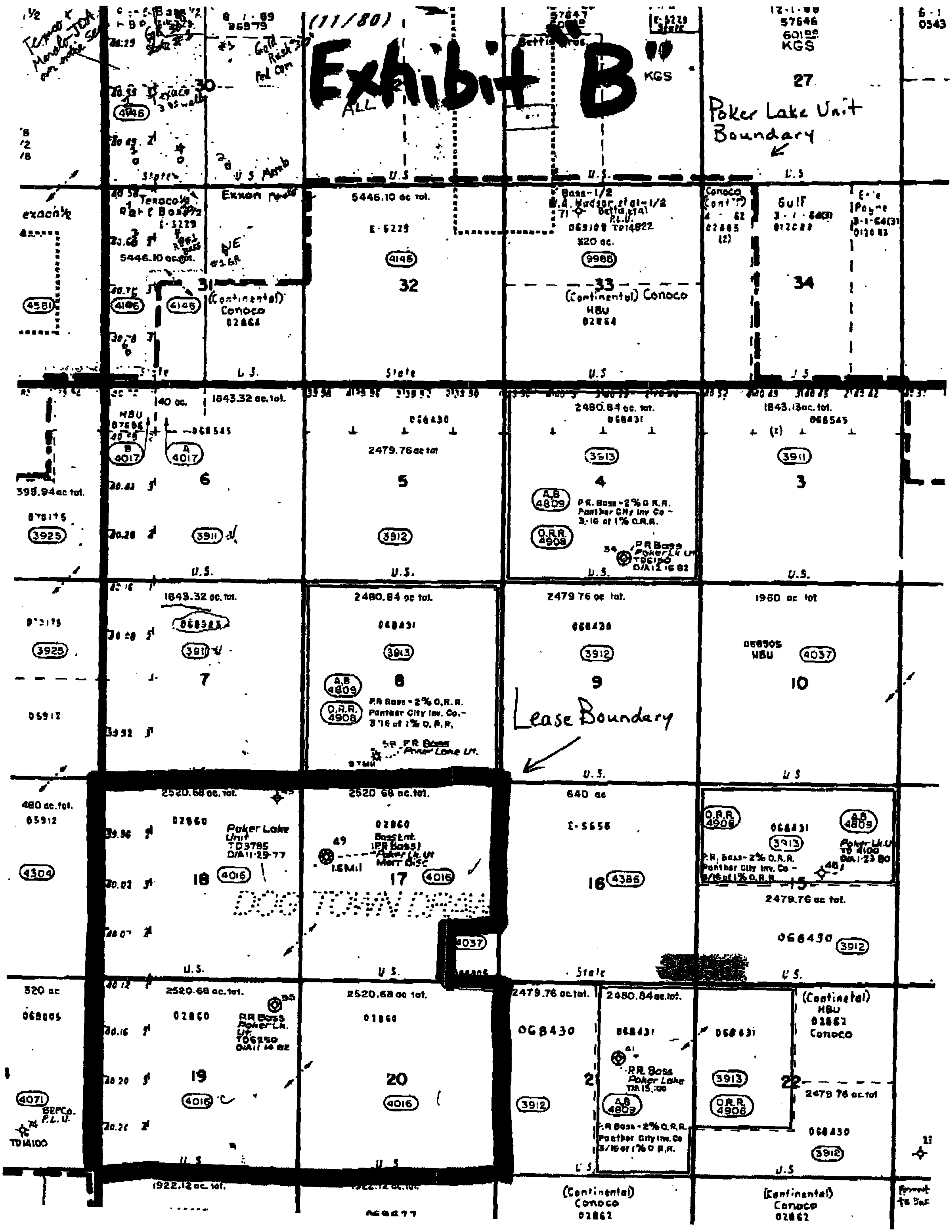
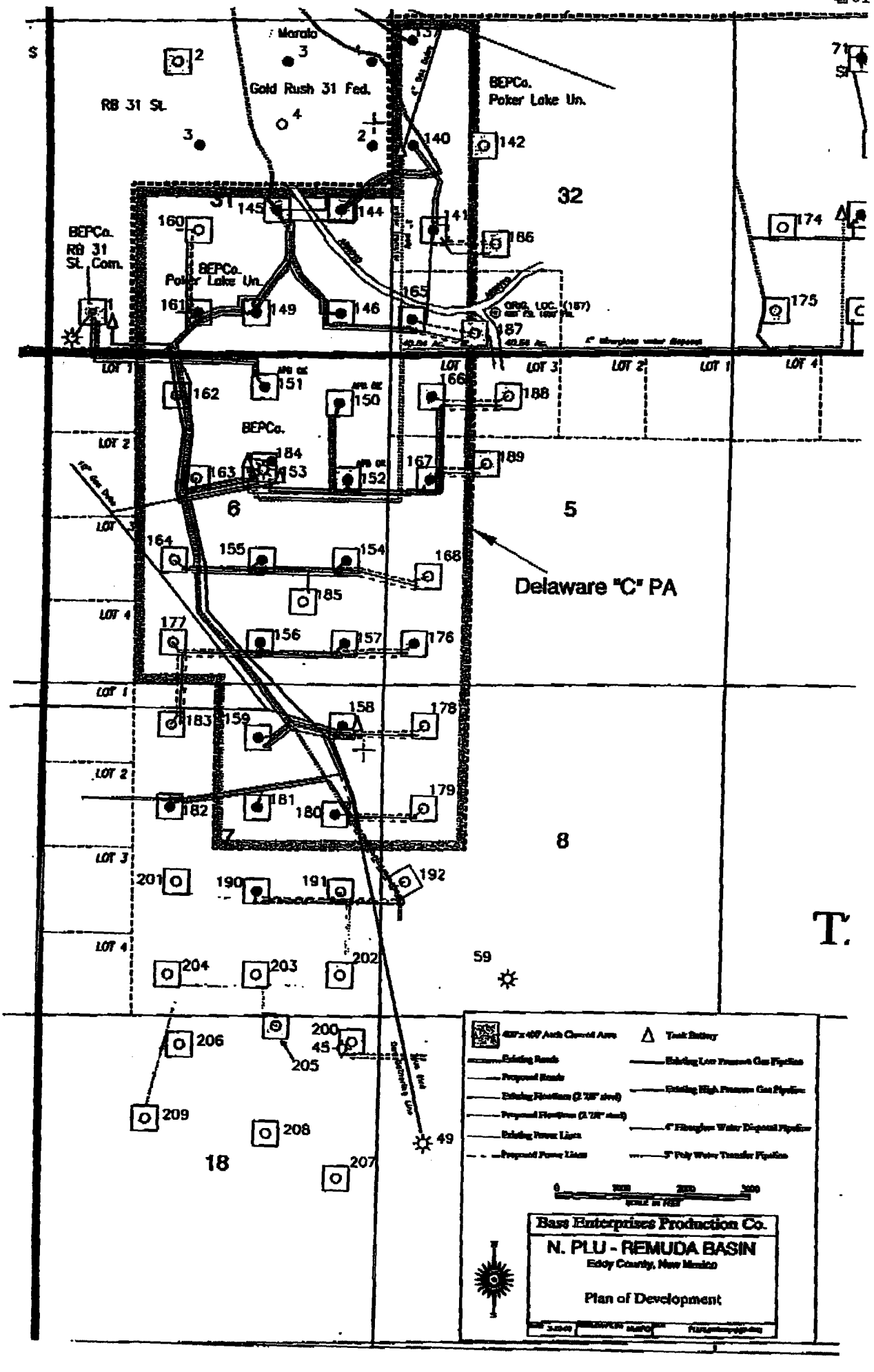


Exhibit "B"
(11/80)
Poker Lake Unit Boundary
Lease Boundary
30
27
31
32
33
34
6
5
4
3
7
8
9
10
18
17
16
15
19
20
21
22
KGS
Gulf
(Continental) Conoco
02864
5446.10 ac tot.
E-5229
1843.32 ac. tot.
2479.76 ac tot
2480.84 ac. tot.
1843.13 ac. tot.
1960 ac tot
2520.68 ac. tot.
640 ac
E-5656
2479.76 ac. tot.
Poker Lake Unit
TD3795
D/A 11-29-77
P.R. Bass - 2% O.R.R.
Panther City Inv. Co. - 3/16 of 1% O.R.R.
P.R. Bass Poker Lake
1922.12 ac. tot.
(Continental) Conoco 02862
BEPCo. P.L.U.
TD14100
U.S.
State


Morado
Gold Rush 31 Fed.
RB 31 St.
BEPCo.
Poker Lake Un.
BEPCo.
RB 31
St. Com.
BEPCo.
Poker Lake Un.
32
31
6
5
8
7
18
59
Delaware "C" PA
LOT 1
LOT 2
LOT 3
LOT 4
140
141
142
144
145
146
149
150
151
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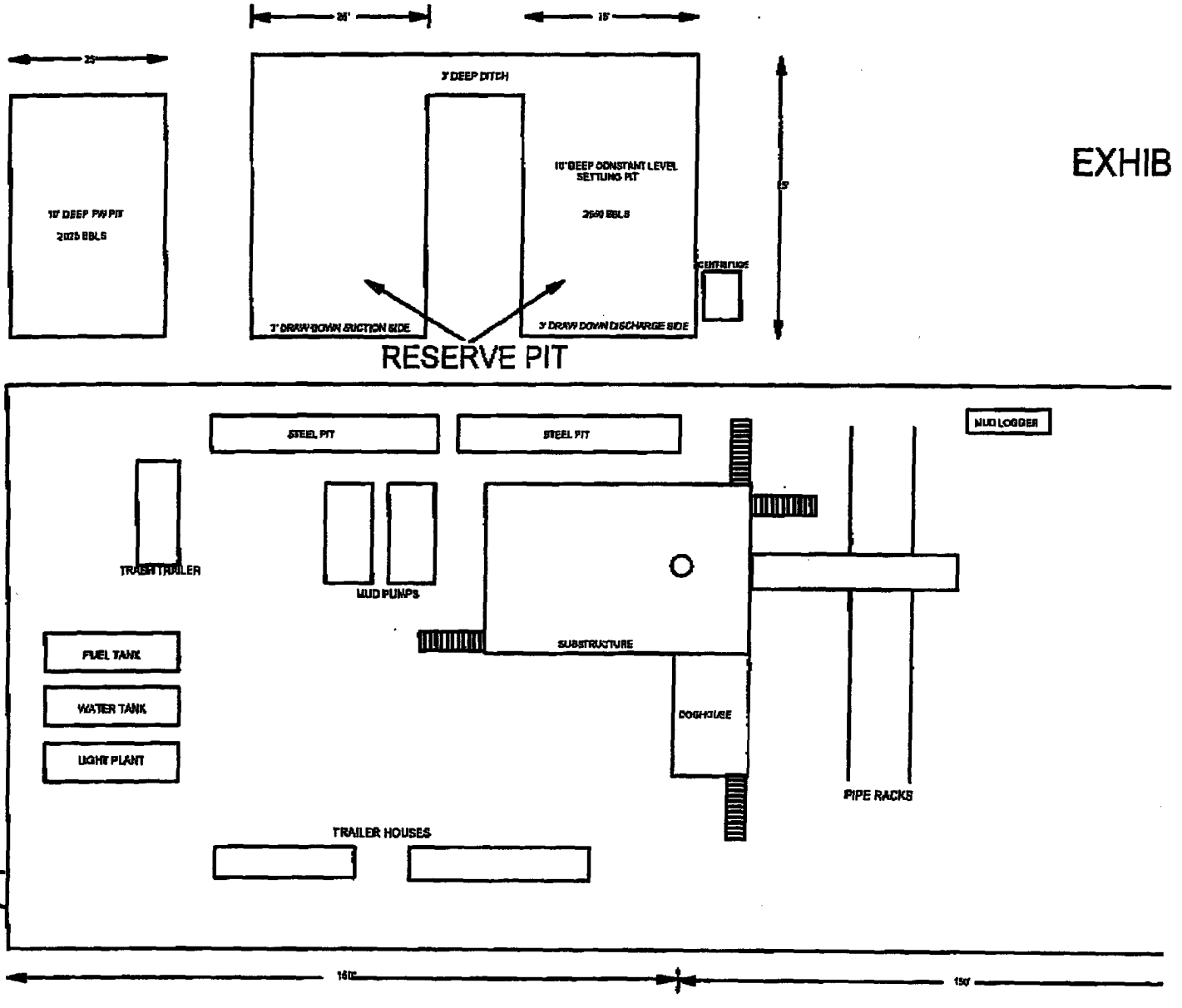
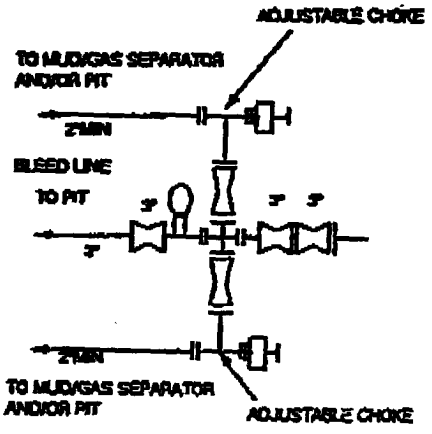
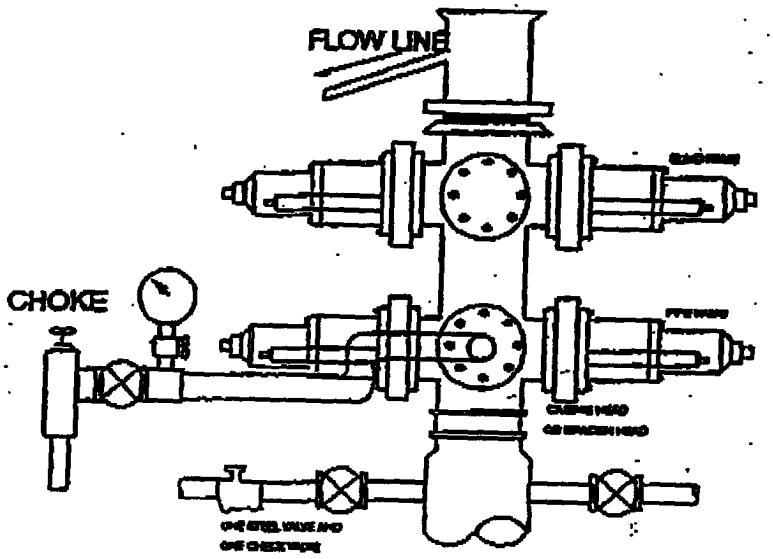
T.
Bass Enterprises Production Co.
N. PLU - REMUDA BASIN
Eddy County, New Mexico
Plan of Development

EXHIB


Proposed Lease Road
35'
15'
25'
3' DEEP DITCH
10' DEEP PW PIT
2025 BBLS
10' DEEP CONSTANT LEVEL SETTLING PIT
2640 BBLS
CENTRIFUGE
3' DRAW DOWN SUCTION SIDE
3' DRAW DOWN DISCHARGE SIDE
RESERVE PIT
STEEL PIT
STEEL PIT
MUD LOGGER
TRAILER
MUD PUMPS
SUBSTRUCTURE
FUEL TANK
WATER TANK
LIGHT PLANT
DOGHOUSE
PIPE RACKS
TRAILER HOUSES
160'
150'

2000 PSI WP





THE FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

A. One double gate blowout preventer with lower rams for pipe and upper rams blind, all hydraulically controlled.

B. Opening on preventers between rams to be flanged, studded or clamped and at least two inches in diameter.

C. All connections from operating manifold to preventers to be all steel hose or tube a minimum of one inch in diameter.

D. The available closing pressure shall be at least 15% in excess of that required with sufficient volume to operate (close, open, and re-close) the preventers.

E. All connections to and from preventers to have a pressure rating equivalent to that of the BOP's.

F. Manual controls to be installed before drilling cement plug.

G. Valve to control flow through drill pipe to be located on rig floor.

H. All chokes will be adjustable. Choke spool may be used between rams.

DIAGRAM 1