



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

January 13, 2004

Lori Wrotenberg

Director

Oil Conservation Division

Bass Enterprises Production Company

c/o **James Bruce**

P. O. Box 1056

Santa Fe, New Mexico 87504

RECEIVED

JAN 16 2004

OCD-ARTESIA

Re: Administrative application on behalf of Bass Enterprises Production Company (administrative application reference No. pMES0-330037227) for unorthodox subsurface oil well locations in both the Undesignated Southeast Quahada Ridge-Delaware Pool (50443) and Undesignated Los Medanos-Bone Spring Pool (40295) for the existing James Ranch Unit Well No. 11 (API No. 30-015-23377) located on the surface 1980' FNL & 920' FWL (Unit E) of Section 36, Township 22 South, Range 30 East, NMPM, Eddy County, New Mexico.

Dear Mr. Bruce:

I have finally reviewed your application dated October 17, 2003 and determined it to be incomplete. So that the Division can properly proceed with issuing a final order for this directionally drilled well, please proceed accordingly:

(1) Coordinate with the geologist in the Artesia district office of the Division in determining both the tops and bases of the Undesignated Southeast Quahada Ridge-Delaware Pool and Undesignated Los Medanos-Bone Spring Pool within the wellbore of Bass Enterprises Production Company's James Ranch Unit Well No. 11;

(2) Determine the subsurface location of this wellbore at all four points [see Division Rule 111.A (8)]; and

(3) Supplement your refilling with a copy of the directional survey.

The subject application is hereby dismissed and is being returned to you at this time.

Sincerely

Michael E. Stogner

Chief Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division – Artesia
New Mexico State Land Office – Santa Fe

DATE IN 10-17-03	SUSPENSE 11-6	ENGINEER MEC	LOGGED IN MS	TYPE NSL	PMESO- APP NO. 330032227
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

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[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication
☒ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement

☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

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Oil Conservation Division

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☐ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

James Bruce
 Print or Type Name

Signature

Attorney for Applicant
 Title

jamesbruc@aol.com

e-mail Address

Date

10/17/03

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213
SANTA FE, NEW MEXICO 87501

(505) 982-2043 (PHONE)
(505) 982-2151 (FAX)

jamesbruc@aol.com

October 17, 2003

Hand Delivered

Michael E. Stogner
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Dear Mr. Stogner:

RECEIVED
OCT 17 2003
Oil Conservation Division

30-015-23377

Pursuant to Division Rule 104.F.(2), Bass Enterprises Production Co. ("Bass") applies for administrative approval of an unorthodox oil well location for the following well:

Well: James Ranch Unit Well No. 11
Surface Location: 1980 feet FNL & 920 FWL

Delaware Bottomhole Location: 1789 feet FNL & 1046 feet FWL
Delaware Well Unit: SW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 36, Township 22 South, Range 30 East, N.M.P.M., Eddy County, New Mexico

Bone Spring Bottomhole Location: 1495 feet FNL & 1693 feet FWL

Bone Spring Well Unit: SE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 36

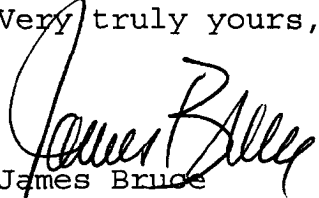
The well was originally drilled to test the Morrow formation, and last produced from the Atoka formation. The original Form C-102 for the well is attached as Exhibit A.

Applicant intends to re-complete the well in both the Delaware formation (Southeast Quahada Ridge-Delaware Pool) and Bone Spring formation (Los Medanos-Delaware Pool), and requests unorthodox location approval for both formations. The Delaware and Bone Spring zones are developed on statewide 40 acre spacing. The bottomhole locations for both zones are depicted on Exhibit B.

Attached as Exhibit C is a land plat. The N½ of Section 36 is covered by State Lease E-5229, and interests in the well are uniform as to all depths.¹ (The well units are within the James Ranch Unit, operated by Bass.) As a result, there is no adversely affected party who must be notified of the application.

Please call me if you need any further information on this matter.

Very truly yours,

A handwritten signature in cursive script, appearing to read "James Bruce".

James Bruce

Attorney for Bass Enterprises Production Co.

¹The dashed line indicates an area that was condemned, as to shallow rights, for WIPP; it does not indicate differences in leasehold ownership.

NE (ICO OIL CONSERVATION COMMISSION)
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C
Effective 1-1-

All distances must be from the outer boundaries of the Section.

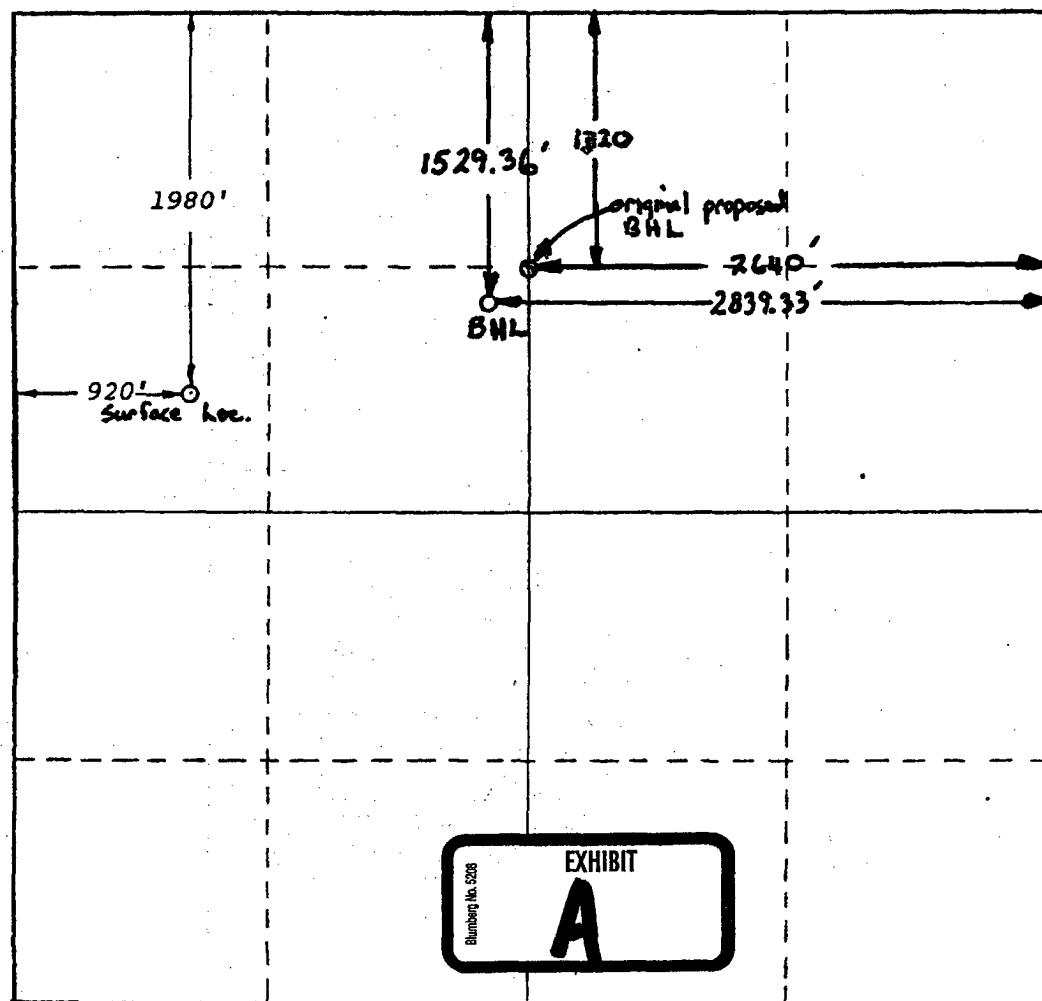
Operator BELCO PETROLEUM COMPANY		Lease James Ranch		Well No. 11
Unit Letter	Section 36	Township 22-S	Range 30-E	County Eddy
Actual Footage Location of Well:				
1980' feet from the North line and		920' feet from the West line		
Ground Level Elev. 3306'	Producing Formation Morrow	Pool Los Medanos	Dedicated Acreage: 320	Ac

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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. (Use reverse side 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.



CERTIFICATION

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

M. E. Moore

Name

M. E. Moore

Position

District Engineer

Company

Belco Petroleum Corp.

Date

May 2, 1980

I hereby certify that the well location shown on this plat was obtained from the notes of actual surveys made by me under my supervision, and that the same is true and correct to the best of my knowledge and belief.

NO. 6689

APR 22, 1980

Date Surveyed

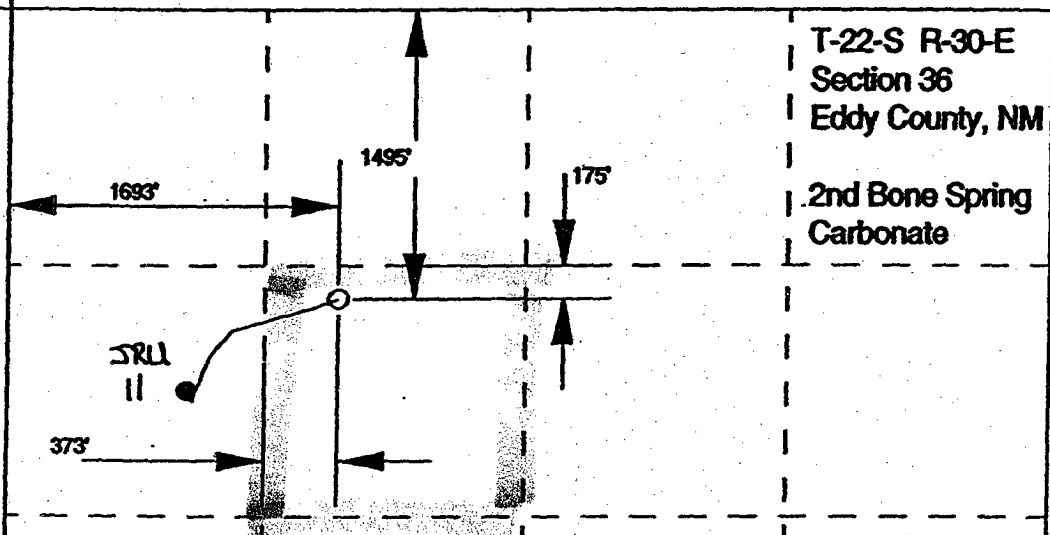
Gary D. Boswell

Registered Professional Engineer and/or Land Surveyor

Gary D. Boswell

Certificate No.

6689



T-22-S R-30-E
Section 36
Eddy County, NM

2nd Bone Spring
Carbonate

2nd Bone Spring Bottom Hole Location

Ls 4009 U.S.

560 ac. tot.

02953

Ls 4945 B

Ls 5178
064827

26

480 ac. tot.

400.98 ac.

O.R.R.I. 4915 02953

Ls 4945 A

Ls 9304

U.S.

320 ac. tot.

160 ac.

02952

02952

Ls 4944 B

Ls 9303

35

960 ac. tot.

02952

Ls 4944 A

U.S.

064827
25

MITCHELL
APACHE 25-1
14493

MITCHELL
APACHE 25-2
14575

E-5229 80 71
5446.10 ac. tot.
Ls 4146 JAMES RANCH

11250

JAMES RANCH

11 JAMES RANCH
14500 31 18
14530 11250

JAMES RANCH

16
11250

67

JAMES RANCH

29
7850

19
7800

JAMES RANCH
37
7781

State

Ls 4146

66

JAMES RANCH

41
7850

32
17555

JRU

E-5229 34

Blumberg No. 5206

EXHIBIT

C