

EC UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

RECEIVED

APR 29 2005

APPLICATION FOR PERMIT TO DRILL OR REENTER

OCD-ARTESIA

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		CONFIDENTIAL	
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		7. If Unit or CA Agreement, Name and No. NMNM71016X	
2. Name of Operator BASS ENTERPRISES PRODUCTION CO. Contact: CINDI GOODMAN CINDIGOODMAN@BASSPET.COM		8. Lease Name and Well No. POKER LAKE UNIT 229	
3a. Address P O BOX 2760 MIDLAND, TX 79702		9. API Well No. 30-015-34093	
3b. Phone No. (include area code) Ph: 432-683-2277		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 SWNE 2180FNL 2260FEL 32.14549 N Lat, 103.54063 W Lon At proposed prod. zone SWNE 2180FNL 2260FEL 32.14549 N Lat, 103.54063 W Lon		11. Sec., T., R., M., or Blk. and Survey or Area Sec 5 T24S R30E Mer NMP	
14. Distance in miles and direction from nearest town or post office* 14 MILES EAST OF MALAGA NM SECRETARY'S POTASH		12. County or Parish EDDY	
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 2180'		13. State NM	
16. No. of Acres in Lease 2479.76		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. 1537'		19. Proposed Depth 7800 MD 7800 TVD	
20. BLM/BIA Bond No. on file		21. Elevations (Show whether DF, KB, RT, GL, etc.) 3273 GL	
22. Approximate date work will start 06/01/2005		23. Estimated duration 12 DAYS	
24. Attachments CARLSBAD CONTROLLED WATER BASIN			

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. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 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). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature (Electronic Submission)	Name (Printed/Typed) CINDI GOODMAN Ph: 432-683-2277	Date 03/14/2005
Title AUTHORIZED REPRESENTATIVE		
Approved by (Signature) /s/ Linda S. C. Rundell	Name (Printed/Typed) /s/ Linda S. C. Rundell	Date APR 25 2005
Title 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 #54872 verified by the BLM Well Information System
For BASS ENTERPRISES PRODUCTION CO, sent to the Carlsbad
Committed to AFMSS for processing by LINDA ASKWIG on 03/15/2005 (05LA0503AE)

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS
AND SPECIAL STIPULATIONS
ATTACHED.

Witness Surface Casing.

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

9.5 541t

Final Operator Remarks:

Surface casing to be set into the Rustler below all fresh water sands.
Production casing will be cemented using Zone Seal cement.
Drilling Procedure, BOP Diagram, Anticipated tops and surface plans attached.

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

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
DISTRICT II
811 South First, Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Ed., Aztec, NM 87410
DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87506

State of New Mexico
Energy, Minerals and Natural Resources Department

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

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, New Mexico 87504-2088

☐ 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	229
OGRID No.	Operator Name	Elevation
001301	BASS ENTERPRISES PRODUCTION COMPANY	3273'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	5	24 S	30 E		2180	NORTH	2260	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	N								

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

LOT 4 39.98 AC.	LOT 3 39.96 AC.	LOT 2 39.92 AC.	LOT 1 39.90 AC.
150 AC GLO			

OPERATOR CERTIFICATION

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

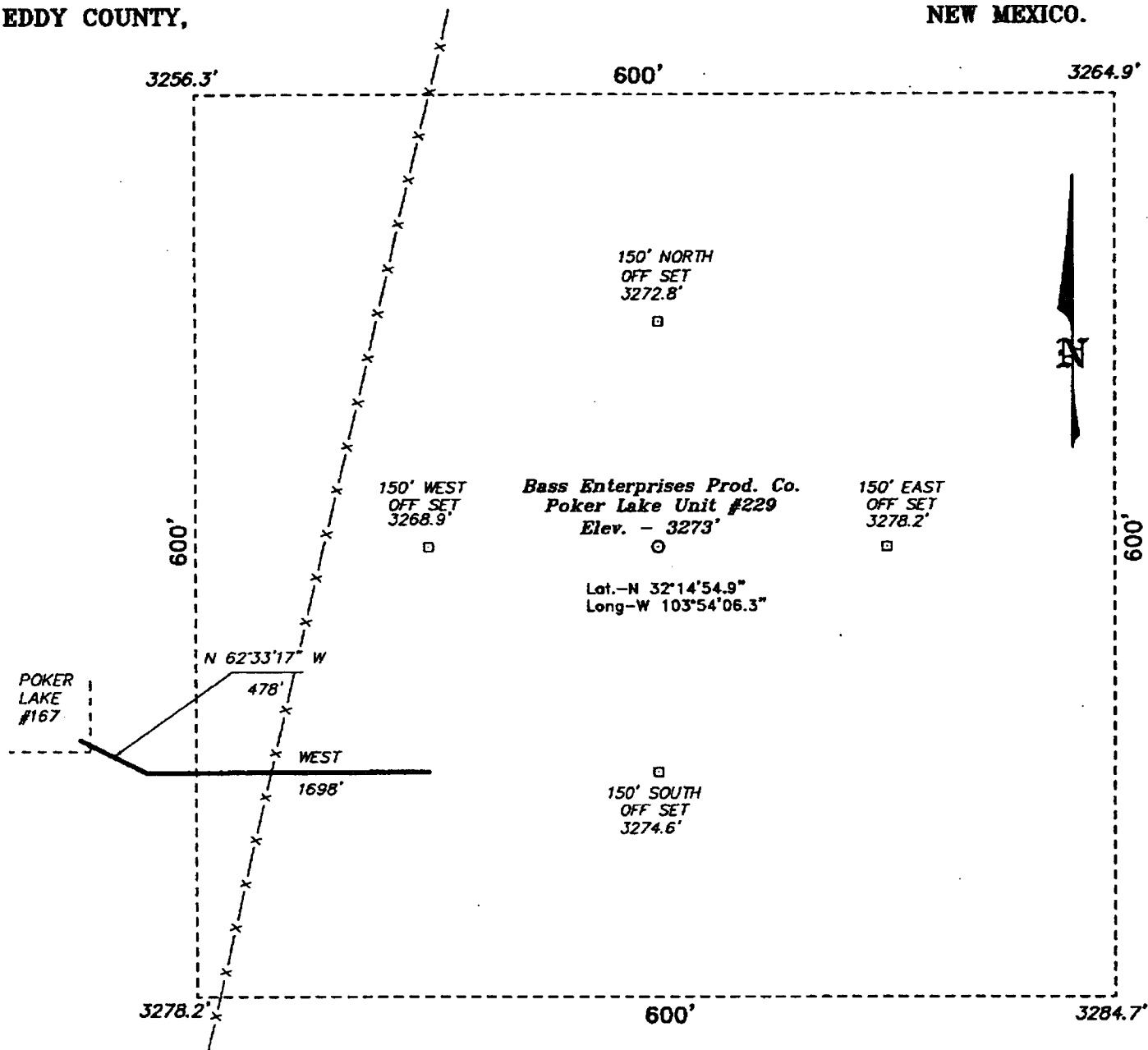
William R. Dannels
Signature
W.R. DANNELS
Printed Name
DIVISION DRILLING SUPT.
Title
3/5/05
Date

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.

December 09, 2004
Date Surveyed
Signature of Gary L. Jones
Professional Surveyor
NEW MEXICO
7977
O. No. 4925
Certification No. Gary L. Jones 7977
JLP

SECTION 5, TOWNSHIP 24 SOUTH, RANGE 30 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.



DIRECTIONS TO LOCATION:

FROM THE JUNCTION OF STATE HWY 128 & CO. RD. 793, GO SOUTH AND WEST ON CO. RD. 793 APPROX. 4.0 MILES TO A LEASE ROAD; THENCE SOUTH ON LEASE ROAD APPROX. 4 MILES TO A POINT ON THE PLU #156 WELL PAD; THENCE EAST 1158 FEET TO THE PLU #157 WELL PAD. THEN EAST 820' TO THE PLU #176, AND THE PROPOSED ROAD TH THE PLU #229



SCALE: 1" = 100'

BASS ENTERPRISES PRODUCTION CO.

REF: Poker Lake Unit No. 229 / Well Pad Topo

THE POKER LAKE UNIT No. 229 LOCATED 2180' FROM
THE NORTH LINE AND 2260' FROM THE EAST LINE OF
SECTION 5, 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: 4925

Drawn By: K. GOAD

Date: 12/20/04

Disk: JLP #1 - 4925A.DWG

Survey Date: 12/09/04

Sheet 1 of 1 Sheets

**EIGHT POINT DRILLING PROGRAM
BASS ENTERPRISES PRODUCTION CO.**

NAME OF WELL: Poker Lake Unit #229

LEGAL DESCRIPTION - SURFACE: 2180' FNL & 2260' FEL, Section 5, 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 3293' (est) GL 3273'

<u>FORMATION</u>	<u>ESTIMATED TOP FROM KB</u>	<u>ESTIMATED SUBSEA TOP</u>	<u>BEARING</u>
T/Rustler	Not present	Not present	Barren
T/Salt	578'	+2715'	Barren
T/Ramsey Sand	3638'	-345'	Oil/Gas
T/Lwr Brushy Canyon "8" A	7201'	-3908'	Oil/Gas
T/Bone Spring	7468'	-4175'	Oil/Gas
TD	7800'	-4507'	

POINT 3: CASING PROGRAM

<u>TYPE</u>	<u>INTERVALS</u>	<u>PURPOSE</u>	<u>CONDITION</u>
16"	0'- 40'	Conductor	Contractor Discretion
8-5/8", 28#, J-55, LT&C	0'- 525'	Surface	New
5-1/2", 15.5#, J-55, LT&C	0'- 6300'	Production	New
5-1/2", 17#, J-55, LT&C	6300' -7800'	Production	New

WITNESS

POINT 4: PRESSURE CONTROL EQUIPMENT (SEE ATTACHED DIAGRAM)

A BOP equivalent to Diagram 1 will be nipped 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

<u>DEPTH</u>	<u>MUD TYPE</u>	<u>WEIGHT</u>	<u>FV</u>	<u>PV</u>	<u>YP</u>	<u>FL</u>	<u>Ph</u>
0' - 525'	FW Spud Mud	8.5 - 9.2	70-38	NC	NC	NC	10.0
525' - 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' (+/- 3370').
GR-CNL-CAL from base of Salt to surface.

C) CONVENTIONAL CORING

None anticipated.

D) CEMENT

<u>INTERVAL</u>	<u>AMOUNT SXS</u>	<u>FT OF FILL</u>	<u>TYPE</u>	<u>GALS/SX</u>	<u>PPG</u>	<u>FT³/SX</u>		
SURFACE:								
Lead 0 - 225' (100% excess circ to surface)	100	225	Permian Basin Critical Zone + 1/2# Flocele	10.4	12.8	1.90		
Tail 225'-525' (100% excess circ to surface)	200	300	Prem Plus + 2% CaCl ₂ + 1/2# Flocele	6.33	14.8	1.35		
PRODUCTION:							COMPRESSIVE	
							Nitrogen	Strength
Base Slurry w/nitrogen 3138-7800' + (50% excess)	775	4662	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 3285 psi (max) or MWE of 8.7 ppg is expected. Lost circulation may exist in the Delaware Section from 3638- 7468'. No H₂S 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

GEG/cdg

February 14, 2005

MULTI-POINT SURFACE USE PLAN

NAME OF WELL: Poker Lake Unit #229

LEGAL DESCRIPTION - SURFACE: 2180' FNL & 2260' FEL, Section 5, T-24-S, R-30-E, Eddy County, New Mexico.

POINT 1: EXISTING ROADS

A) Proposed Well Site Location:

See Exhibit A and Survey Plats

B) Existing Roads:

From Junction of State Highway 128 and County Road 793, go south and west on County Road #793 four (4) miles to lease road. Turn south on lease road 3.5 miles to lease road to the east. Turn east through Poker Lake Unit #152, 153, 167 well pads (0.8 miles) continue east past Poker Lake Unit #167 to Poker Lake Unit #189 pad and then ½ mile to Poker Lake Unit #229.

C) Existing Road Maintenance or Improvement Plan:

See Exhibits A, C and Survey Plats.

POINT 2: NEW PLANNED ACCESS ROUTE

A) Route Location:

Approximately 1698' of new road is required.

B) Width

12'

C) Maximum Grade

Grade as necessary to match surrounding topography or as per BLM requirements.

D) Turnout Ditches

Spaced per BLM requirements.

E) Culverts, Cattle Guards, and Surfacing Equipment

If required, culverts and cattle guards will be set per BLM Specs. Pre-existing fence will be temporarily re-routed and placed back in its original position after drilling rig moves off.

POINT 3: LOCATION OF EXISTING WELLS

Exhibit B indicates existing wells within the surrounding area.

POINT 12: OPERATOR'S FIELD REPRESENTATIVE

Page 6

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

DRILLING

William R. Dannels
Box 2760
Midland, Texas 79702
(432) 683-2277

PRODUCTION

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

Kent A. Adams
Box 2760
Midland, Texas 79702
(432) 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.

Date

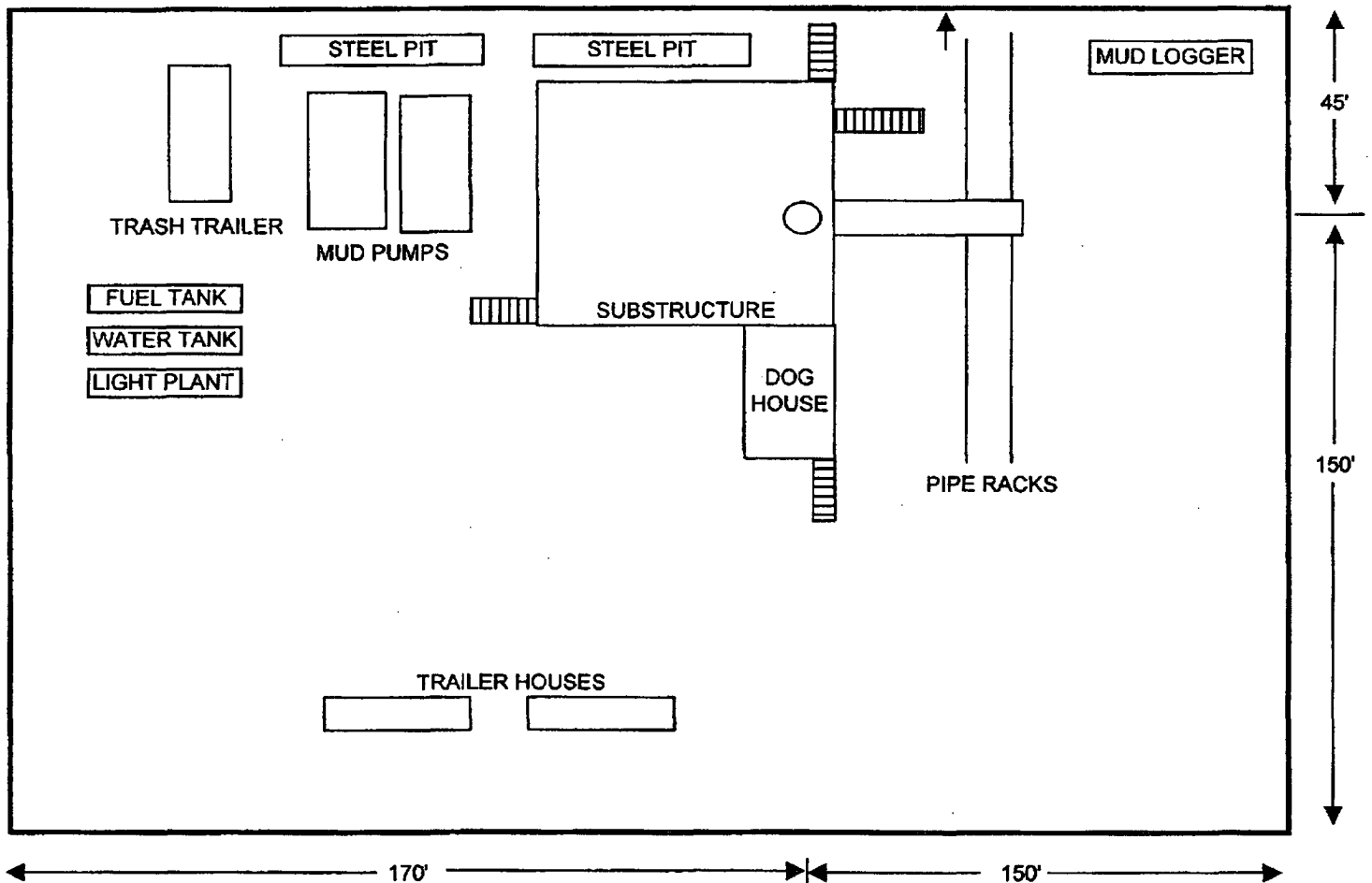
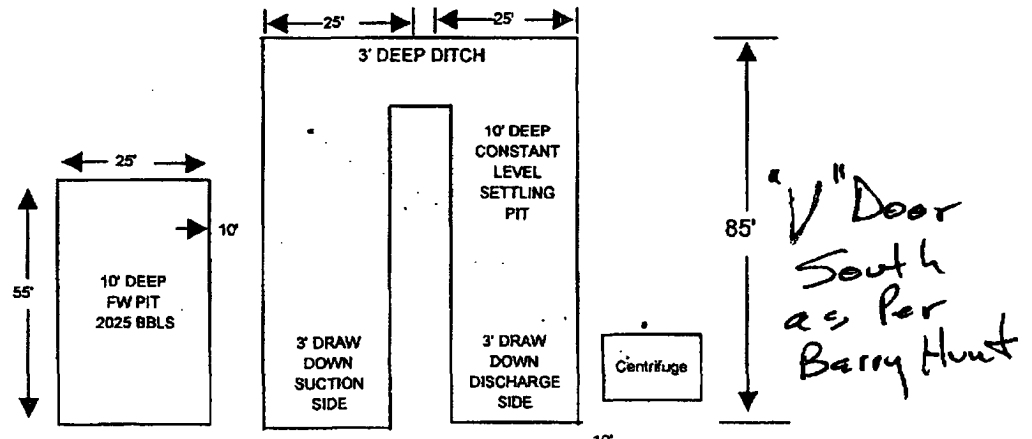
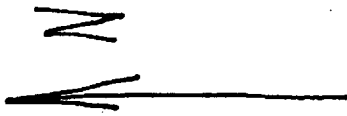
3/5/05

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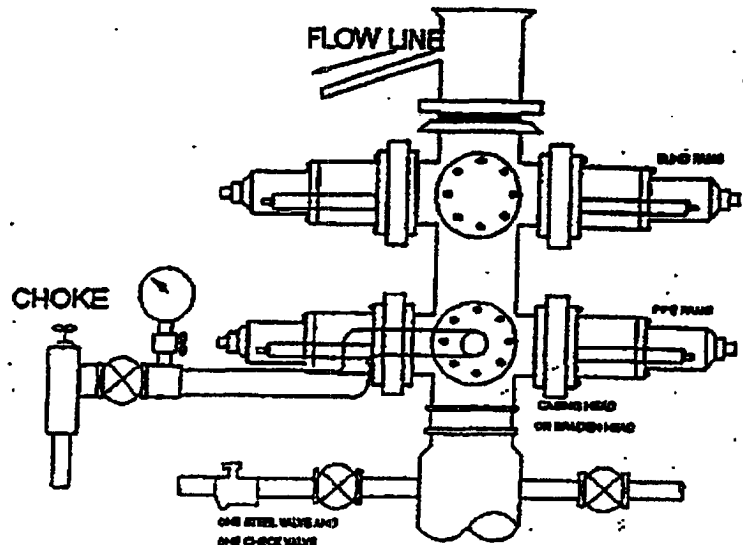
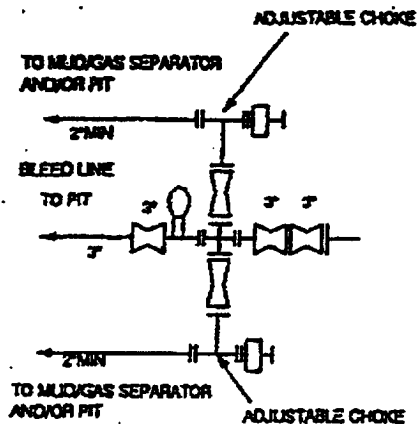
GEG/cdg

**Bass Enterprises Production Company
Grey Wolf Rig 15
Well Pad
Reserve Pit Diagram**

EXHIBIT "D"



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.