

BIG EDDY UNIT #116
BASS ENTERPRISES PRODUCTION COMPANY
 May 11, 1992

<u>DEPTH</u>	<u>CASING</u>	<u>HOLE SIZE</u>	<u>EVALUATION</u>	<u>ELECTRIC LOGS</u>	<u>CIRC FLUID</u>
90'	>16"	20"	Conductor		FW Spud Mud
750'	>11-3/4"	15"			
			750' to 3050' One man logging unit 3050' to 5200' TD Two man logging unit		Brine Water
3050'	>8-5/8"	11"			
				T/DELAWARE DLL-MSFL w/GR 3,050' to 5,200' CNL-LDT w/GR 3,050' to 5,200' BHC-SONIC w/GR Surface to 5,200'	
		7-7/8"			
5200'	>5-1/2"			DIPMETER 3,050' to 5,200'	Fresh Wtr Mud

MJE:sjw

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

NAME OF WELL: BIG EDDY UNIT #116

LEGAL DESCRIPTION - SURFACE: 2310' FWL & 330' FSL, Section 8, T-21-S, R-29-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: Estimated KB 3378'
Estimated GL 3359'

<u>FORMATION</u>	<u>ESTIMATED TOP FROM KB</u>	<u>ESTIMATED SUBSEA TOP</u>	<u>BEARING</u>
T/Salt	875'	+2503	Barren
T/Reef	2300'	+1078	Barren
T/Delaware	3050'	+328	Oil/Gas
T/Cherry Canyon	3840'	-462	Oil/Gas
T/49'er Sand	4180'	-802	Oil/Gas
TD	5200'	-1822	Oil/Gas

POINT 3: CASING PROGRAM

<u>TYPE</u>	<u>INTERVALS</u>	<u>PURPOSE</u>	<u>CONDITION</u>
16"	0' - 90'	Conductor	Contractor Discretion
11-3/4" 42# ST&C	0' - 750'	Surface	New
8-5/8" 24-28# K-55 ST&C	0' - 3050'	Intermediate	New
5-1/2" 14-15.5# LT&C	0' - 5200'	Production	New

POINT 4: PRESSURE CONTROL EQUIPMENT (SEE ATTACHED DIAGRAMS)

A BOP equivalent to Diagram 1 will be nipped up on the surface casinghead. The BOP stack, choke, kill lines, kelly cocks, inside BOP, etc. will be hydro-tested to the lowest rated working pressure of the equipment being tested. In addition to the rated working 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) Thirty 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' - 750'	FW Spud Mud	8.5 - 9.2	35-40	NC	NC	NC	NC
750' - 3050'	BW	9.6 - 10.0	29-30	NC	NC	NC	NC
3050' - 5200'	FW Mud	8.6 - 9.0	34-40	10-14	12-18	8-10	9-9.5

POINT 6: TECHNICAL STAGES OF OPERATION**A) TESTING**

Drill stem tests will be performed on significant shows in Delaware.

B) LOGGING

GR-CNL-LDT, GR-DLL-MSFL run from TD (5200') to 3050', GR-BHCSonic run from TD (5200') to surface. Dipmeter over Delaware Sands of interest from 5200' to 3050'.

C) CORING

No cores are 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>FT/SX</u>
Surface	470 (100% excess circ to surface)	750	Class "C" with 2% CaCl ₂ and 1/4 ppg Cello-Flake	6.3	14.8	1.32
Intermediate	950 (100% excess w/TOC @ 250')	2800	Class "C" with Salt	6.3	14.8	1.32
Production	440 (25% excess)	2650	Class "C" w/additives	10.6	13.2	1.92

E) DIRECTIONAL DRILLING

No directional services anticipated.

POINT 7: ANTICIPATED RESERVOIR CONDITIONS

Normal pressures are anticipated throughout Delaware section.

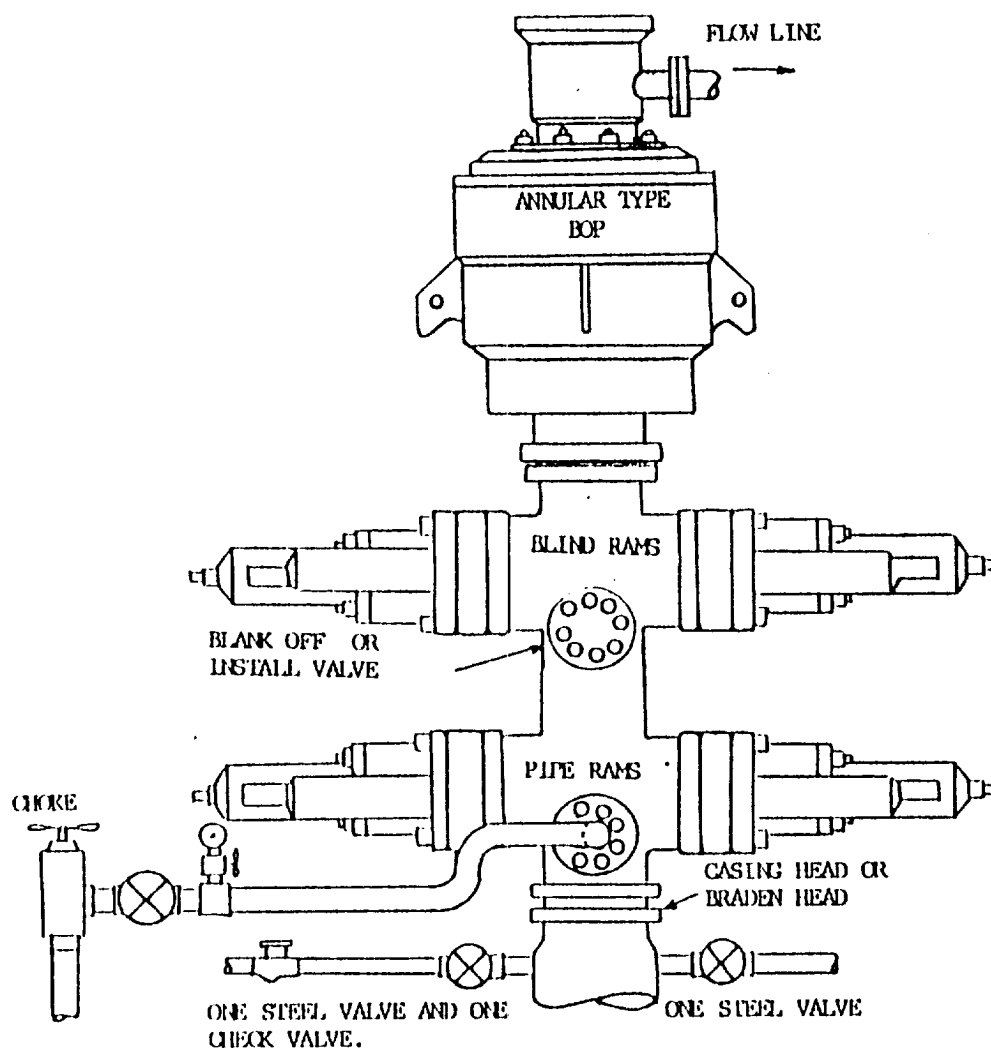
POINT 8: OTHER PERTINENT INFORMATION

A) Auxiliary Equipment

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

B) Anticipated Starting Date

Upon Approval



THE FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

- A. Conditions may be met with an annular type blowout preventer and pipe ram type blowout preventer above a choke spool, and a blind ram below the choke spool.
- B. Opening on preventers between rams to be flanged, studded or clamped and at least two inches 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. Choke may be either positive or adjustable. Choke spool may be used between rams.

MULTI-POINT SURFACE USE PLAN

NAME OF WELL: BIG EDDY UNIT #116

LEGAL DESCRIPTION - SURFACE: 2310' FWL & 330' FSL, Section 8, T-21-S, R-29-E, Eddy County, New Mexico.

POINT 1: EXISTING ROADS

A) Proposed Well Site Location:

See Exhibit "A".

B) Existing Roads:

From Carlsbad, go NE on U.S. 62, approx 14 miles to it's intersection with Hwy 31 North. Continue 1 mile east on U.S. 62 and turn on caliche road due south for 1/4 mile, turn west for 1/4 mile then south again for 3/4 mile to Big Eddy Unit #73 location. From here go southeast to location.

C) Existing Road Maintenance or Improvement Plan:

See Exhibit "A".

POINT 2: NEW PLANNED ACCESS ROUTE

A) Route Location:

See Exhibit "B". The new road will be 12' wide and approximately 450' long. The road will be constructed of watered and compacted caliche.

B) Width

Not applicable.

C) Maximum Grade

Not applicable.

D) Turnouts

None.

E) Culverts, Cattle Guards, and Surfacing Equipment

None.

POINT 3: LOCATION OF EXISTING WELLS

Exhibit "A" 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:

Production facilities and wells as shown on Exhibit "A" at Big Eddy Unit #73, Big Eddy Unit #85 and Big Eddy Unit #113 (Golden "8" Federal #1).

- B) New Facilities in the Event of Production:

Additional production facilities will be installed as required.

- C) Rehabilitation of Disturbed Areas Unnecessary for Production:

Following the construction of production facilities, 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 the surrounding topography - See Point 10.

POINT 5: LOCATION AND TYPE OF WATER SUPPLY

- A) Location and Type of Water Supply

Fresh water and brine will be hauled from the city of Carlsbad. Brine water will be hauled from Champion Brine Water Station, 3.5 miles east and 2.5 miles south of Carlsbad. Alternate source of fresh water may come from water well located approximately 1.75 miles northeast of location.

- 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

No additional access roads are required.

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 testing indicates potential productive zones. In any case, the "mouse" hole and the "rat" hole will be covered. The reserve pit will be fenced and the fence 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.

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

A pit will be fenced at the time of rig release and shall be maintained until the pit is backfilled. Previous to backfill operations, any hydrocarbon material on the pit surface shall be removed. The fluids and solids contained in the pit shall be backfilled with soil excavated from the site and soil adjacent to the reserve pit. The restored surface of the pit 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 pit 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 pit 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 accordingly to the Bureau of Land Management's stipulations.

D) Rehabilitations 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 a water well approximately 2 miles northeast of location.

G) Residences and Buildings

None

H) Historical Sites

No 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 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
Keith E. Bucy
Box 2760
Midland, Texas 79702
(915) 683-2277

PRODUCTION
Abe Collins
P.O. Box 889
Monahans, Texas 79756
(915) 943-2479

Keith E. Bucy
Box 2760
Midland, Texas 79702
(915) 683-2277

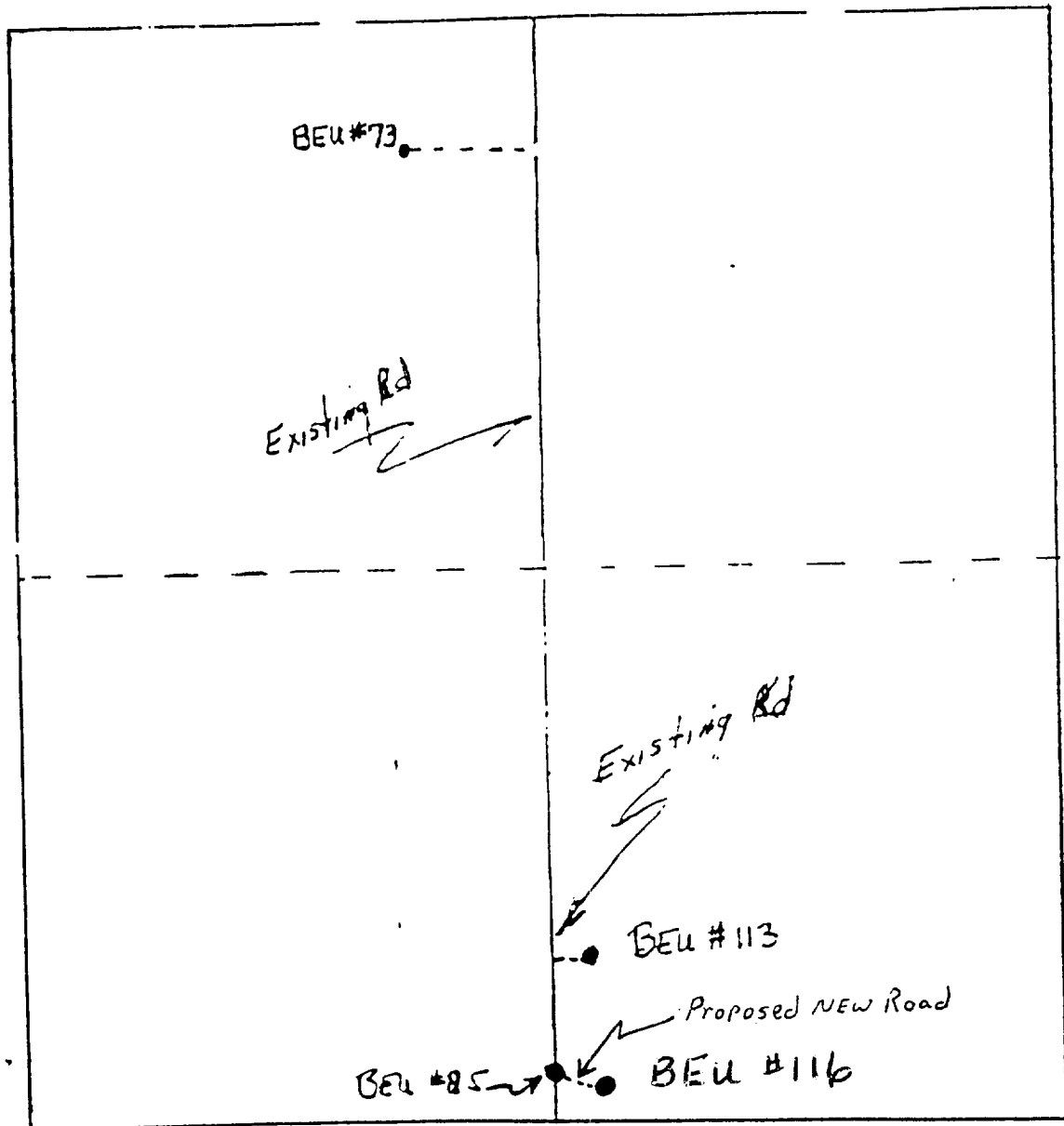
POINT 13: CERTIFICATION

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.

5/11/92
Date

Keith E. Bucy
Keith E. Bucy

MJE:sjw



Section 8

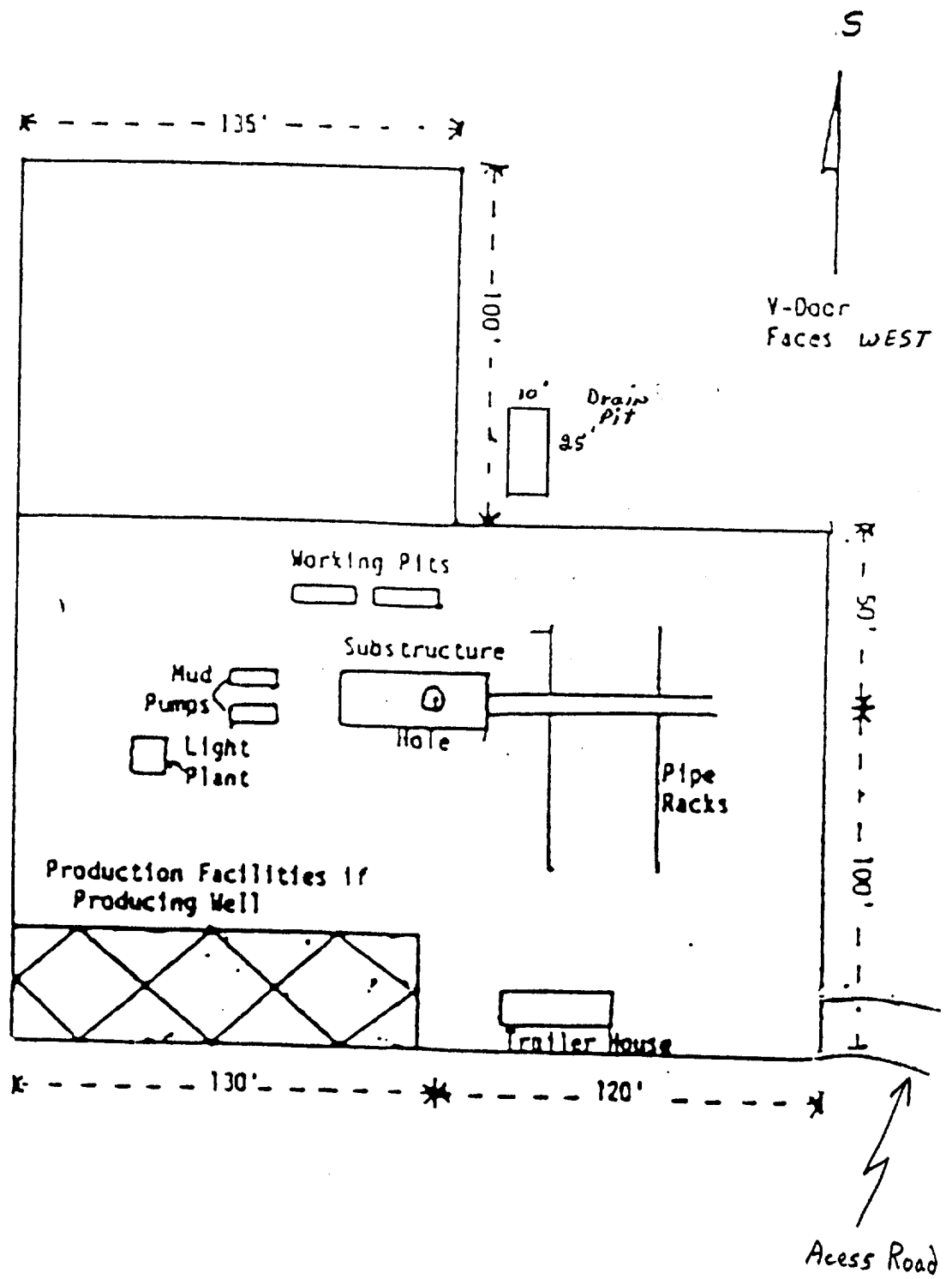


EXHIBIT C