NM OIL CONS. COMMISSION
DRAWER DD
ARTESIA, NM 88210

Form 3160-3
(December 1990)

NOV 17 1993

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

Form approved.
Budget Bureau No. 1004-0136
Expires: December 31, 1991

# APPLICATION FOR PERMIT TO DRILL OR DEEPEN

5. LEASE DESIGNATION AND SERIAL NO.: LC-061705-B

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

1a. TYPE OF WORK: DRILL [X] DEEPEN [ ]

b. TYPE OF WELL: OIL WELL [X] GAS WELL [ ] OTHER SINGLE ZONE [ ] MULTIPLE ZONE [ ]

7. UNIT AGREEMENT NAME: Poker Lake Unit

2. NAME OF OPERATOR: Bass Enterprises Production Company

8. FARM OR LEASE NAME, WELL NO.: Poker Lake Unit #83

3. ADDRESS AND TELEPHONE NO.: P.O. Box 2760, Midland, Texas 79702

9. API WELL NO.: 30-015-27753

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface: 660' FNL & 660' FWL, Section 30, T24S, R31E
At proposed prod. zone:

10. FIELD AND POOL, OR WILDCAT: ~~Wildcat~~ POKER LAKE; DELAWARE, SW.

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: D Sec 30, T24S, R31E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*: 38 miles South-Southeast of Carlbad, New Mexico

12. COUNTY OR PARISH: Eddy Co

13. STATE: NM

| 15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) | 16. NO. OF ACRES IN LEASE | 17. NO. OF ACRES ASSIGNED TO THIS WELL |
|---|---|---|
| 660' | 1730.31 | 40 |
| **18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.** | **19. PROPOSED DEPTH** | **20. ROTARY OR CABLE TOOLS** |
| 1320' | 8300' | Rotary |

21. ELEVATIONS (Show whether DF, RT, GR, etc.): 3450.6' GR

22. APPROX. DATE WORK WILL START*: Upon Approval

23. PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | GRADE, SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|---|---|---|---|---|
| * 14-3/4" | 11-3/4" | 42# | 900' | 550 sx circ to surface |
| ** 11" | 8-5/8" | 32# | 4200' | 1050 sx circ to surface |
| 7-7/8" | 5-1/2" | 15.5# | 8300' | 715 sx tie back to 3800' |

* Surface casing to be set ±80' above the salt in the Rustler Anhydrite.
** Intermediate casing to be set in the top of the Lamar Lime.

Drilling procedure, BOPE diagram, anticipated tops and surface use plans attached.

IO 1
#2693
NSL-NM

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED William R Dannels J.R. Dannels TITLE Div. Drilling Specialist DATE 9/22/93

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

Application approval does not warrant or certify that 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:

Timothy P. O'Brien ACTING AREA MANAGER

APPROVED BY _____ TITLE _____ DATE NOV 15 1993

*See Instructions 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.

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

# OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

OCT 1993

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

## WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

| Operator | Lease | Well No. |
|---|---|---|
| BASS ENTERPRISES PRODUCTION CO. | POKER LAKE UNIT | 83 |

| Unit Letter | Section | Township | Range | County |
|---|---|---|---|---|
| D | 30 | 24 SOUTH | 31 EAST NMPM | EDDY |

Actual Footage Location of Well:
660 feet from the WEST line and 660 feet from the NORTH line

| Ground Level Elev. | Producing Formation | Pool | Dedicated Acreage: |
|---|---|---|---|
| 3450.6' | Delaware | ~~Wildcat~~ POKER LAKE SW | 40 Acres |

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.

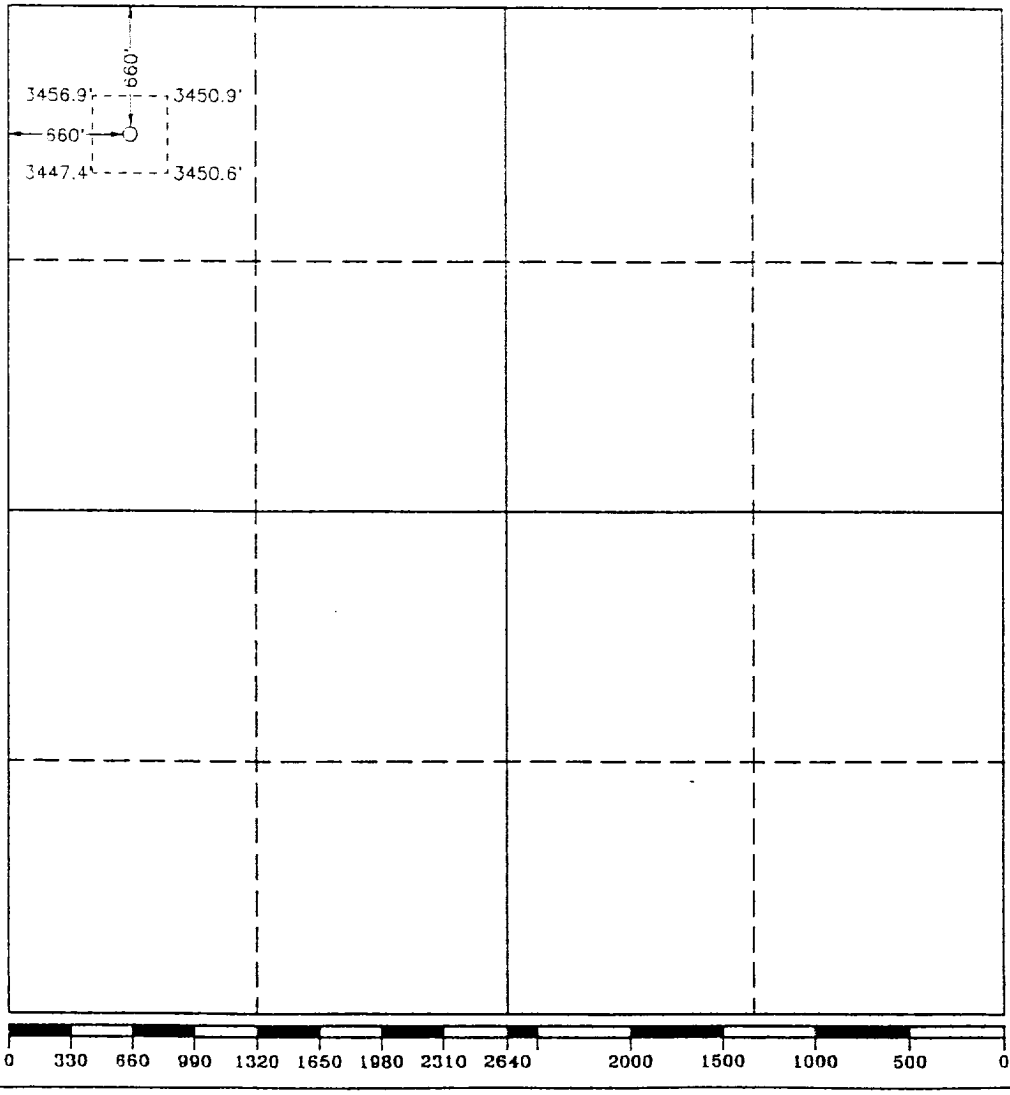
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

3. If more than one lease of different ownership is dedicated to the well, have the interest 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 of owners and tract descriptions which have actually been consolidated. (Use reverse side of this form necessary. _____

No allowable will be assigned to the well unit all interests have been consolidated (by communitization, unitization, forced-pooling, otherwise) or until a non-standard unit, eliminating such interest, 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.*

Signature: William R. Dannels

Printed Name: William R. Dannels

Position: Div. Drilling Specialist

Company: Bass Enterprises Prod. Co.

Date: 9-30-93

### 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 supervison, and that the same is true and correct to the best of my knowledge and belief.*

Date Surveyed: SEPTEMBER 11, 1993

Signature & Seal of Professional Surveyor

GARY L. JONES NEW MEXICO 7977 REGISTERED PROFESSIONAL SURVEYOR

Certificate No. JOHN W. WEST 676
RONALD J. EIDSON 3239
GARY L. JONES 7977

93 11 1728

# EIGHT POINT DRILLING PROGRAM
# BASS ENTERPRISES PRODUCTION CO.

**NAME OF WELL: POKER LAKE UNIT #83**

LEGAL DESCRIPTION - SURFACE: 660' FNL & 660' FWL, Section 30, T-24-S, R-31-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 3467.6'
GL 3450.6'

| FORMATION | ESTIMATED TOP FROM KB | ESTIMATED SUBSEA TOP | BEARING |
|---|---|---|---|
| T/Rustler | 565' | +2903' | Barren |
| T/Salt | 980' | +2488' | Barren |
| T/Delaware | 4208' | - 740' | Oil/Gas |
| T/Lower Brushy Canyon | 7788' | -4320' | Oil/Gas |
| T/Bone Spring Lime | 8068' | -4600' | Oil/Gas |
| TD | 8300' | -4832' | |

**POINT 3: CASING PROGRAM**

| TYPE | INTERVALS | PURPOSE | CONDITION |
|---|---|---|---|
| 20" | 0' - 40' | Conductor | Contractor Discretion |
| 11-3/4" 42# H-40 ST&C | 0' - 900' | Surface | New |
| 8-5/8" 32# K-55 LT&C | 0' - 4200' | Intermediate | New |
| 5-1/2" 15.5# K-55 LT&C | 0' - 8300' | Production | New |

**POINT 4: PRESSURE CONTROL EQUIPMENT (SEE ATTACHED DIAGRAMS)**

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 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 test 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

| DEPTH | MUD TYPE | WEIGHT | FV | PV | YP | FL | Ph |
|---|---|---|---|---|---|---|---|
| 0' - 900' | FW Spud Mud | 8.5 - 9.2 | 35-40 | NC | NC | NC | NC |
| 900' - 4200' | BW | 9.8 -10.0 | 29-30 | NC | NC | NC | NC |
| 4200' - 6500' | FW Mud | 8.6 - 8.8 | 28-30 | 6-10 | 8-10 | NC | 9-9.5 |
| 6500' - 8300' | FW Mud | 8.6 - 9.0 | 32-40 | 10-14 | 10-15 | <10cc | 9-9.5 |

## POINT 6: TECHNICAL STAGES OF OPERATION

A) TESTING

None Anticipated

B) LOGGING

GR-CNL-LDT and GR-DLL-MSFL from TD to 8-5/8" casing.
GR-CNL 8-5/8" casing to surface.

C) CORING

None Anticipated.

D) CEMENT

| INTERVAL | AMOUNT SXS | FT OF FILL | TYPE | GALS/SX | PPG | $FT^3/SX$ |
|---|---|---|---|---|---|---|
| SURFACE | | | | | | |
| Lead 0-700' | 350 (100% excess circ to surface) | 700' | Class "C" + 4% Gel + 2% CaCl2 + 1/4#/sk Cello-seal | 9.14 | 13.51 | 1.74 |
| Tail 700-900' | 200 (100% excess circ to surface | 200' | Class "C" + 2% CaCl2 | 6.32 | 14.82 | 1.34 |
| INTERMEDIATE | | | | | | |
| Lead 0-3600' | 800 (100% excess circ to surface) | 3600' | Class "C" + 6% Gel + 5% Salt + 1/4#/sk Cello-seal | 10.96 | 12.53 | 2.01 |
| Tail 3600-4200' | 250 (100% excess circ to surface) | 600' | Class "C" | 6.32 | 14.80 | 1.32 |
| PRODUCTION | STAGE #1 | | | | | |
| 8300-5500' | 455 (50% excess) | 2800' | Class "H" + 8#/sk CSE + .75% CF-14 + .2% Thrifty Lite | 7.90 | 14.04 | 1.61 |
| | STAGE #2 | | | | | |
| Lead 4900-3700' | 140 (50% excess tie back to int csg) | 1200' | Class "C" + 6% Gel + 5% Salt + 1/4#/sk Cello-seal | 10.96 | 12.53 | 2.01 |
| Tail 4900-5500' | 120 (50% excess tie back to int csg) | 600' | Class "C" | 6.32 | 14.80 | 1.32 |

E) DIRECTIONAL DRILLING

No directional services anticipated.

**POINT 7: ANTICIPATED RESERVOIR CONDITIONS**

Normal pressures are anticipated throughout Delaware section. BHP 3590 psi max or ECD of 8.3 ppg. Lost circulation may exist in the Delaware section from 4200-7700'. No $H_2S$ is anticipated.

Estimated BHP is 160° F.

**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

16 days drilling operations

12 days completion operations

# MULTI-POINT SURFACE USE PLAN

**NAME OF WELL: POKER LAKE UNIT #83**

LEGAL DESCRIPTION - SURFACE: 660' FNL & 660' FWL, Section 30, T-24-S, R-31-E, Eddy County, New Mexico.

**POINT 1: EXISTING ROADS**

A) Proposed Well Site Location:

See Exhibit "A".

B) Existing Roads:

From Carlsbad, New Mexico go 8 miles south on Highway 285 to Highway 31. Turn north and go 7 miles to Highway 128, turn east on Highway 128. Go 12 miles, turn south between mile markers 12 and 13 on Twin Wells Road (Co Road #787). Go 10.1 miles to intersection of McDonald and Twin Well Roads. Turn left and go 2 miles to Fortson Oil Company's Poker Lake Unit #78. Turn east - 1320' to location.

C) Existing Road Maintenance or Improvement Plan:

See Exhibit "A".

**POINT 2: NEW PLANNED ACCESS ROUTE**

A) Route Location:

See Exhibit "A". The new road will be 12' wide and approximately 1320' long. The road will be constructed of watered and compacted caliche.

B) Width

Not applicable.

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 "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:

None

B) New Facilities in the Event of Production:

Will be installed at Poker Lake Unit #82.

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 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 Diamond and Half Water Station 35 miles east of Carlsbad, New Mexico. Brine water will be hauled from Champion Brine Water Station, 3.5 miles east and 2.5 miles south of Carlsbad, New Mexico.

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".

**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 immediately after spudding 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 according 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

Spare, 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

None known

G) Residences and Buildings

None

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 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
Mike Waygood
1012 West Pierce, Ste. F
Carlsbad, New Mexico 88220
(505) 887-7329

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

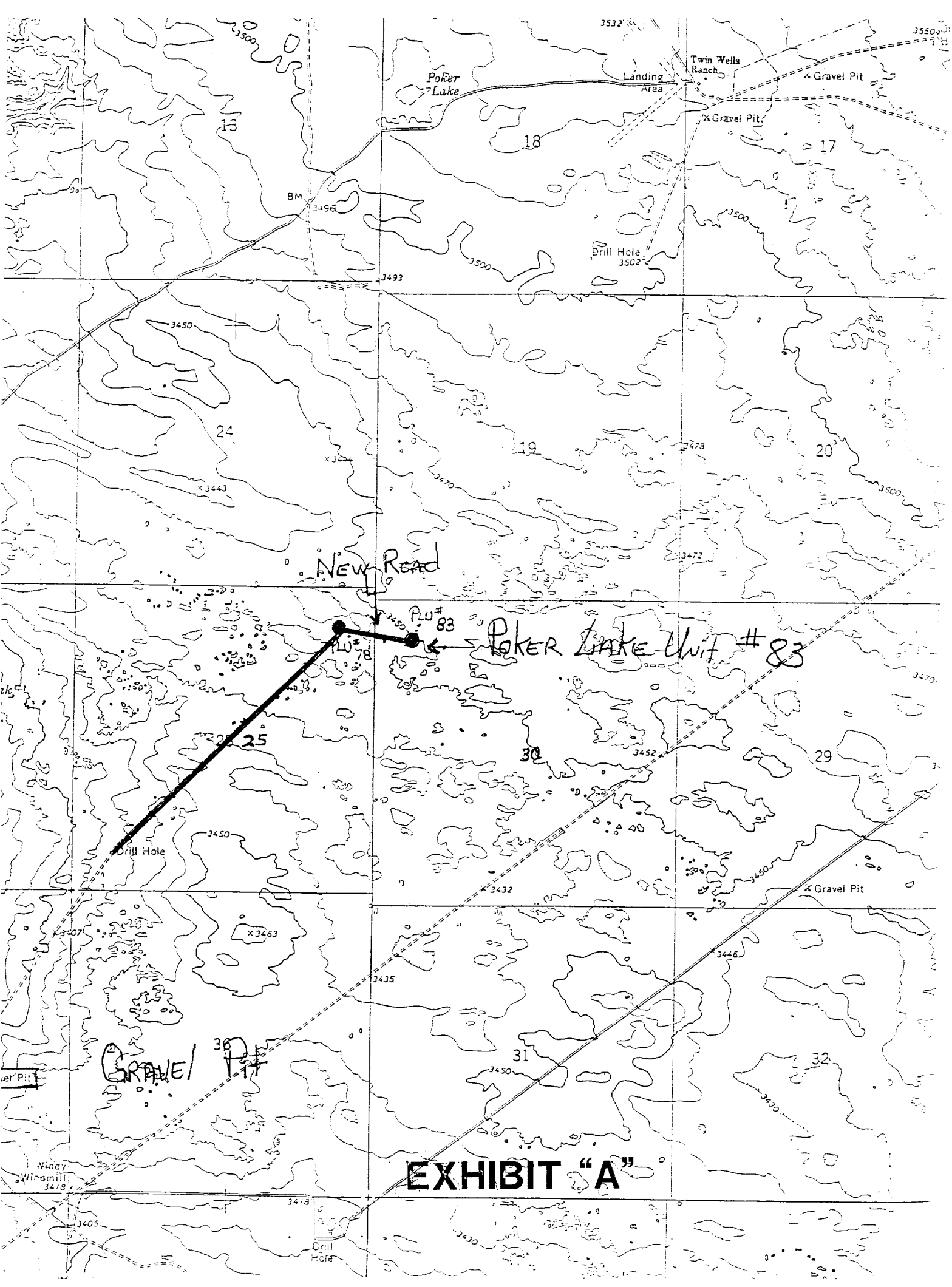
**POINT 13: CERTIFICATION**

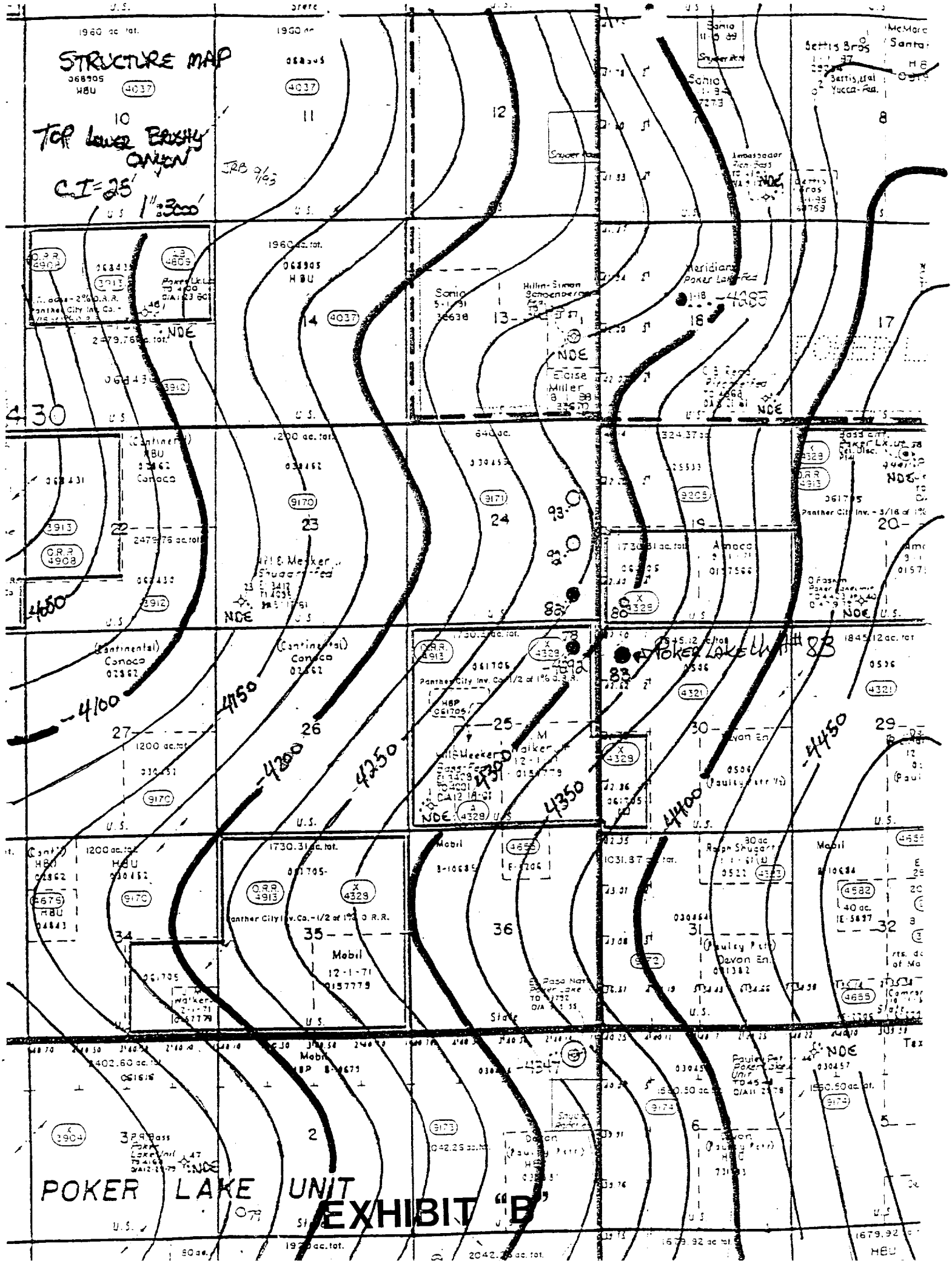
I hereby certify that I, or persons under my direct supervision have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in the plan are, to the best of my knowledge, true and correct; and that the work associated 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.

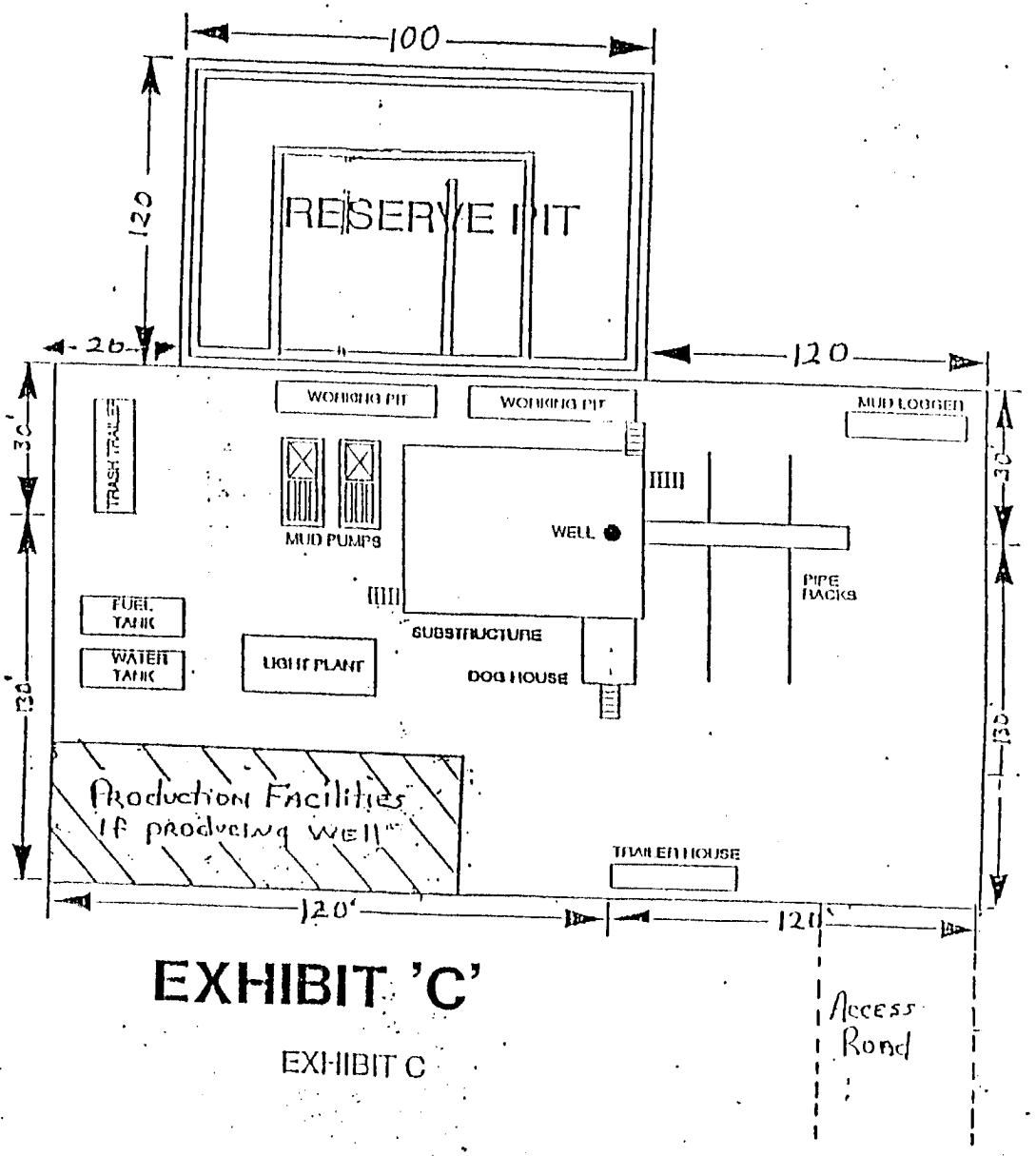
9/22/93
Date

William R. Dannels
William R. Dannels

BJL:sjw


Poker Lake
Landing Area
Twin Wells Ranch
Gravel Pit
Gravel Pit
Drill Hole
BM
New Road
PLU #83
PLU #78
Poker Lake Unit #83
Drill Hole
Gravel Pit
Windmill
Drill Hole
EXHIBIT "A"


STRUCTURE MAP
TOP Lower Brushy Canyon
C.I.=25'
1"=3000'
JRB 7/03
POKER LAKE UNIT
EXHIBIT "B"
Poker Lake Unit #88
-4100
-4150
-4200
-4250
-4300
-4350
-4400
-4450
-4500

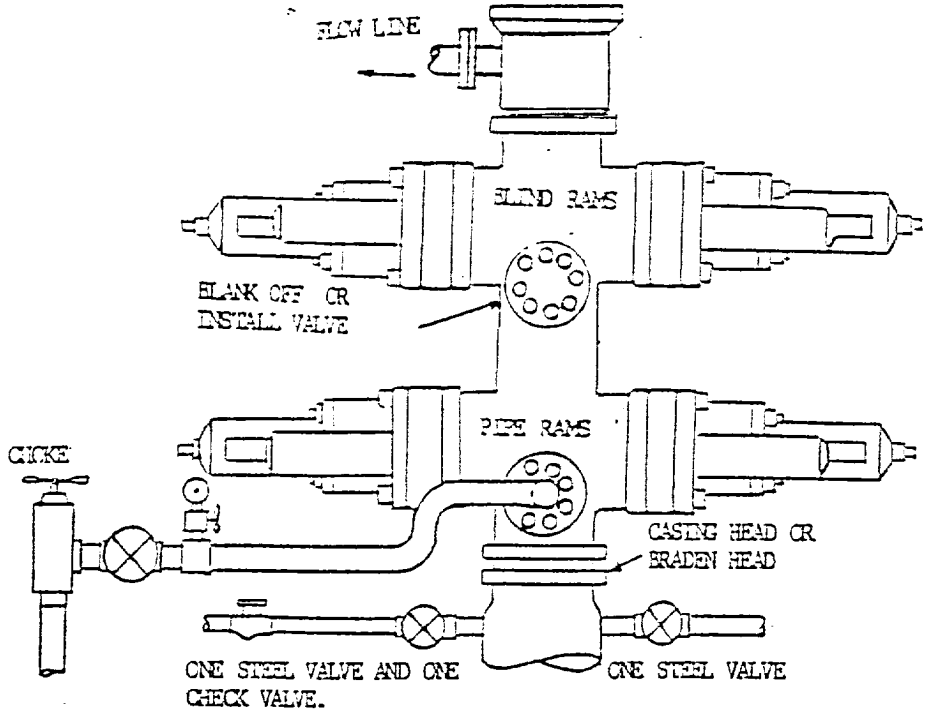



# EXHIBIT 'C'

EXHIBIT C

# DIAGRAM 1

3000 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 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.

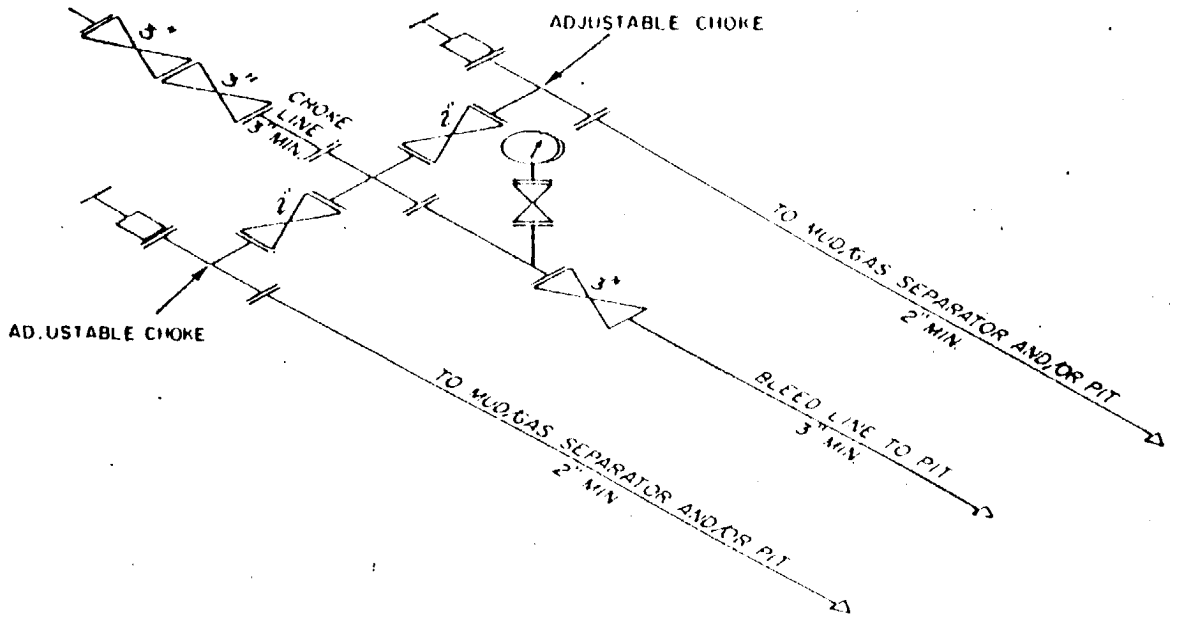
F. Manual controls to be installed before drilling cement plug.

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.

BASS ENTERPRISES PRODUCTION COMPANY
POKER LAKE UNIT #83

MINIMUM REQUIREMENTS ONLY




3M CHOKE MANIFOLD EQUIPMENT — CONFIGURATION MAY VARY