

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Con. Division

811 S. 1st Street
Artesia, NM 88210-2834

FORM APPROVED

BLM - CRA

February 08, 1996

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir
Use "APPLICATION FOR PERMIT" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☒ Oil Well

☐ Gas Well

☐ Other

2. Name of Operator

Bass Enterprises Production Company

3. Address and Telephone No.

P. O. Box 2760

Midland, Texas 79702-2760

(915) 683-2277

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1980' FSL & 1980' FWL, Unit Letter K

Section 22, T24S-R31E

5. Lease Designation and Serial No.

NMNM 0506-A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

Poker Lake Unit

8. Well Name and No.

Poker Lake Unit #123

9. API Well No.

30-015-28526

10. Field and Pool or Exploratory Area

South Sand Dunes (Bone Spring)

11. County or Parish, State

Eddy County, New Mexico

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Abandonment

☐ Recompletion

☐ Plugging Back

☐ Casing Repair

☐ Altering Casing

☒ Other

Off-Lease Storage

and/or Measurement

☐ Change of Plans

☐ New Construction

☐ Non-Routine Fracturing

☐ Water Shut-Off

☐ Conversion to Injection

☐ Dispose Water

(Note: Report results of multiple completion on Well
Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Bass Enterprises Production Company respectfully requests approval of off-lease storage and/or measurement of production into the existing commingling tank battery.

Production from the Poker Lake Unit #123 lease will be metered separately at the Poker Lake Unit #68 battery prior to being commingled with production from the Poker Lake Unit #68 lease. Approval of this request for off-lease storage and measurement will allow for more efficient operations with a consolidated battery by reducing the number of stock tanks (2) and water tanks (1). Also gas sales and SWD connections are available at the existing battery. Surface disturbance will also be minimized by using the existing facility.

Full wellstream production will be transported via flowline to a three phase heater treater. Oil, water and gas will be separated at this vessel. The oil and water will be metered prior to being stored in the commingled stock tanks and water tank. The gas will be metered via a separate sales meter. Estimated production from the Poker Lake Unit #123 Lease well be 7 BO, 10 BW, 20 MCF per day. Poker Lake Unit #68 produces 16 BO, 35 BW, 32 MCF per day. The API oil gravity for the subject leases is 47 (sweet). Current posted price \$23.50 per barrel. The total value will improve by commingling as revenue will increase due to gas sales vs. venting and operating expenses will be reduced by pipelining produced water to disposal vs. trucking.

14. I hereby certify that the foregoing is true and correct

Signed

Tami L. Wilber

Tami L. Wilber

Title

Production Clerk

Date

8/29/96

(This space for Federal or State office use)

Approved by

P. L. H.

Title

Petroleum Engineer

Date

9/17/96

Conditions of approval, if any:

- SEE ATTACHED -

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.

*See Instruction on Reverse Side

APPLICATION FOR SURFACE COMMINGLING
OFF LEASE STORAGE AND MEASUREMENT APPROVAL

To: Bureau of Land Management
P. O. Box 1778
Carlsbad, New Mexico 88221-1778

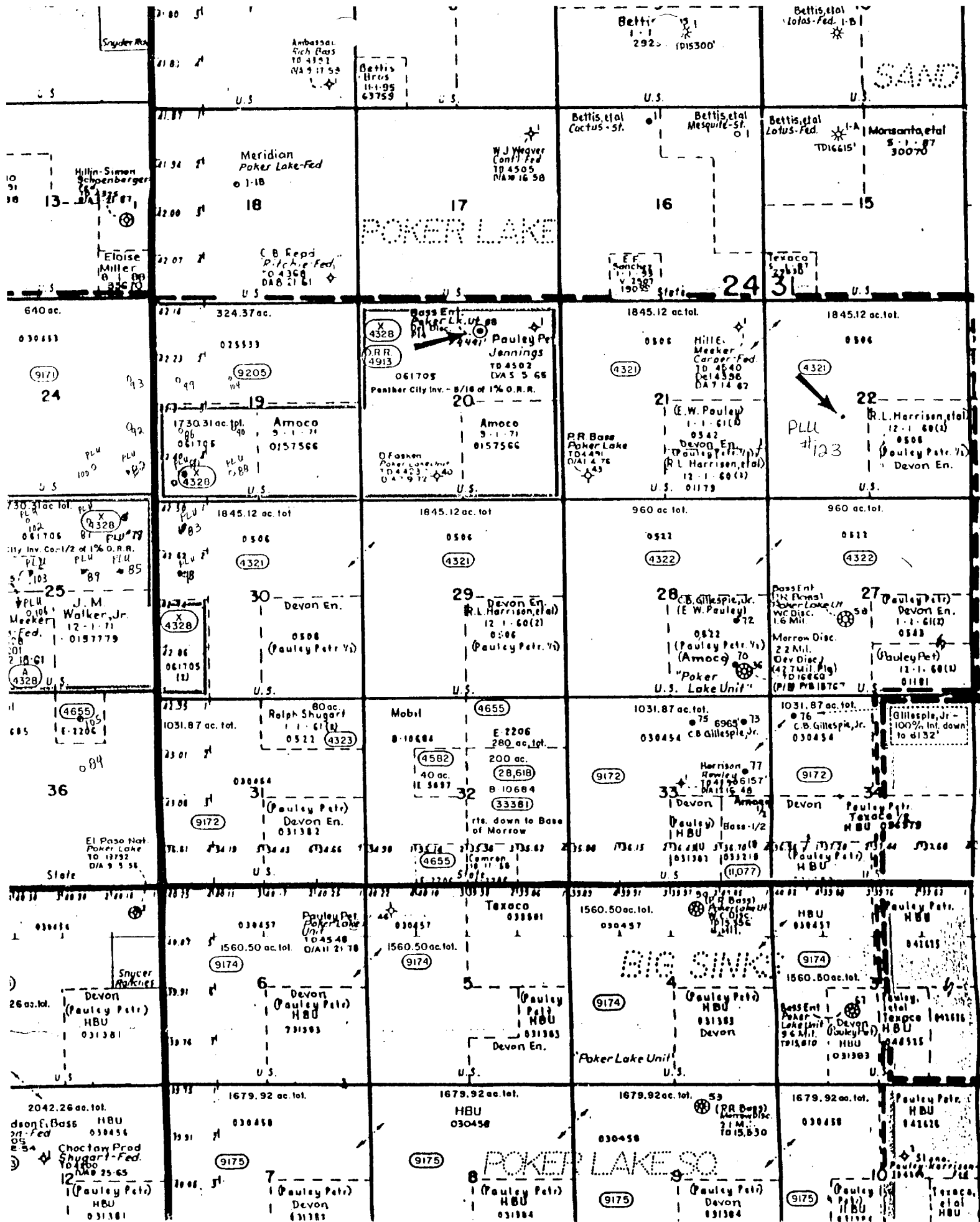
<u>WELL NO.</u>	<u>Loc.</u>	<u>Sec.</u>	<u>Twp.</u>	<u>Rng.</u>	<u>Formation</u>
<u>123</u>	<u>UL K</u>	<u>22</u>	<u>24S</u>	<u>31E</u>	<u>Bone Spring</u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
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<u>WELL NO.</u>	<u>Loc.</u>	<u>Sec.</u>	<u>Twp.</u>	<u>Rng.</u>	<u>Formation</u>
<u>68</u>	<u>UL B</u>	<u>20</u>	<u>24S</u>	<u>31E</u>	<u>Delaware</u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

<u>Well Name and No.</u>	<u>BOPD</u>	<u>Oil Gravity</u>	<u>MCFD</u>
<u>Poker Lake Unit #123</u>	<u>7</u>	<u>47</u>	<u>20</u>
<u>Poker Lake Unit # 68</u>	<u>16</u>	<u>40.7</u>	<u>32</u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>

Production from the Poker Lake Unit #123 lease will be carried via flowline to a three phase heater treater at the Poker Lake Unit #68. Oil and water will be measured through positive displacement meters prior to commingling. Gas will be sold through a separate sales meter.

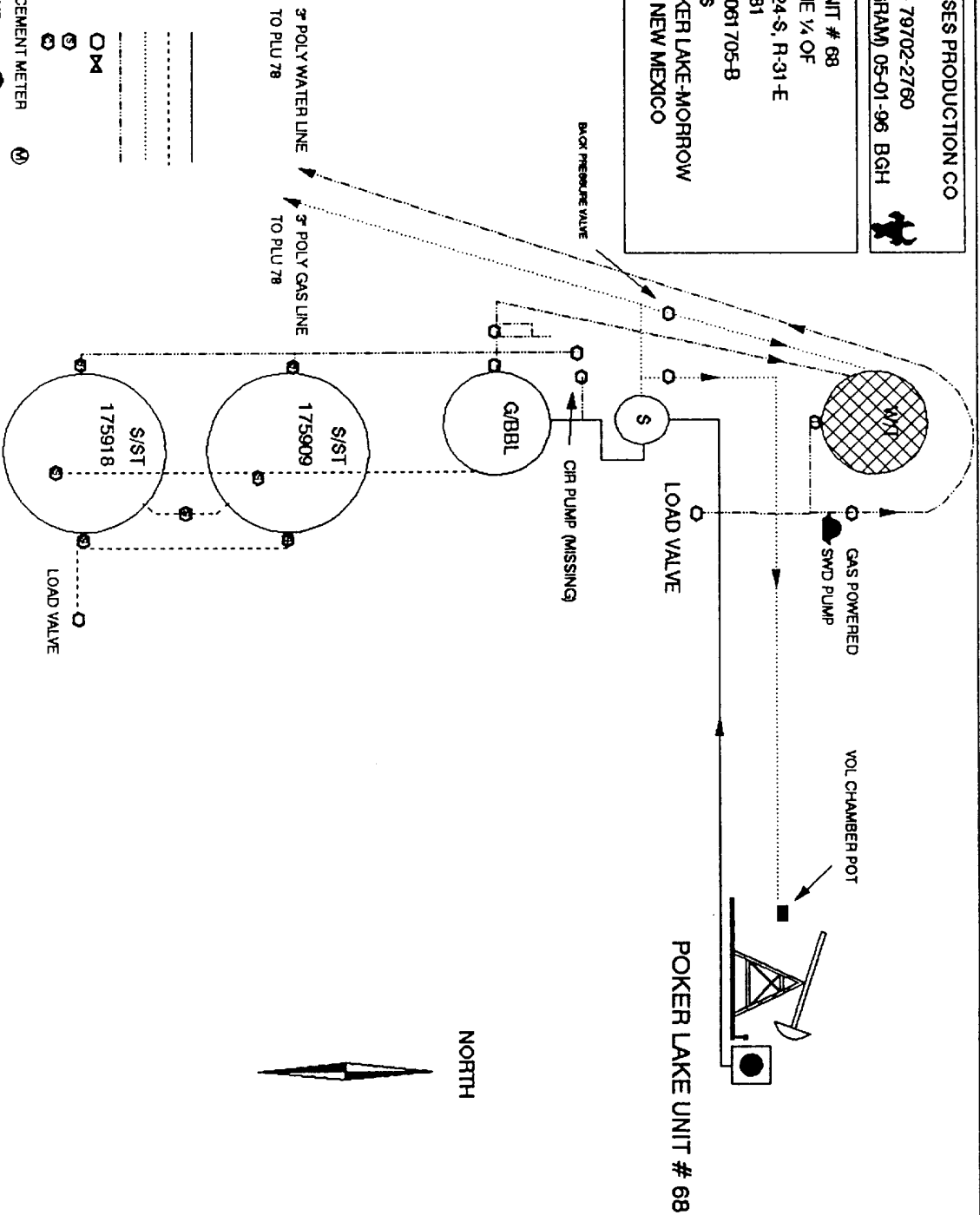
Signature: Tami L. Wilber
Name: Tami L. Wilber
Title: Production Clerk
Date: 8-29-96



BASS ENTERPRISES PRODUCTION CO
P.O. BOX 2760
MIDLAND TEXAS 79702-2760
(WELL SITE DIAGRAM) 05-01-96 BGH

POKER LAKE UNIT # 68
NW 1/4 OF THE NE 1/4 OF
SECTION 20, T-24-S, R-31-E
API # 3001525781
LEASE # NMLC 061705-B
FIELD: BIG SINKS
UNIT NAME: POKER LAKE-MORROW
EDDY COUNTY, NEW MEXICO

FLOWLINE
OIL
GAS
WATER
VALVE
VALVE, SEALED
CHECK VALVE
POSITIVE DISPLACEMENT METER
CIRCULATING PUMP



POKER LAKE UNIT # 68

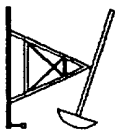
BASS ENTERPRISES PRODUCTION CO
P.O. BOX 2760
MIDLAND TEXAS 79702-2760
(WELL SITE DIAGRAM) 05-01-96 BGH



POKER LAKE UNIT # 123
1980' FSL & 1980' FWL
SECTION 22, T-24-S, R-31-E, UNIT LTR K
API # 30-015-28526
LEASE # NMLC 0506-A
FIELD: SOUTH SAND DUNES
UNIT NAME: POKER LAKE UNIT
EDDY COUNTY, NEW MEXICO

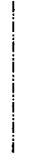
NOTE: ALL PRODUCTION FROM WELL RUNS TO POKER LAKE UNIT #68 BTY LOCATED
IN SECTION 20, T-24-S, R-31-E OF EDDY COUNTY, NEW MEXICO

NORTH



POKER LAKE UNIT #123

FLOWLINE
OIL
GAS
WATER
VALVE
VALVE, SEALED
CHECK VALVE
POSITIVE DISPLACEMENT METER
CIRCULATING PUMP



(rev. 2/25/93)

BUREAU OF LAND MANAGEMENT
CARLSBAD RESOURCE AREA

Off Lease Storage/Measurement

Conditions of Approval

Approval of off lease storage/measurement and sales is subject to the following conditions of approval:

1. This agency be notified of any change in your sales method or location of the sales meter.
2. This agency shall be notified of any spill or discharge as required by NTL-3A.
3. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
4. This approval does not constitute right-of-way approval for any off lease activities. You need to submit within 30 days an application for right-of-way approval to the Realty Section in this office if you have not already done so.