

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
BLM - CRA
February 08, 1996
210-2834
CISP

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 <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Designation and Serial No. NMNM-061705-B
2. Name of Operator Bass Enterprises Production Company	6. If Indian, Allottee or Tribe Name ---
3. Address and Telephone No. P. O. Box 2760 Midland, Texas 79702-2760 (915) 683-2277	7. If Unit or CA, Agreement Designation Poker Lake Unit
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1980' FNL & 660' FEL, Unit Letter H Section 20, T24S-R31E	8. Well Name and No. Poker Lake Unit #129
	9. API Well No. 30-015-29552
	10. Field and Pool, or Exploratory Area Poker Lake (Delaware)
	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	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other <u>Surface Commingling</u> PLC125
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> 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 surface commingling of production into an existing commingling tank battery, Commingling Order PLC125.

Production from the Poker Lake Unit #129 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 surface commingling of production 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 #129 Lease will be 68 BO, 179 BW, 46 MCF per day, Poker Lake Unit #123 Lease will be 9 BO, 8 BW, 4 MCF per day, Poker Lake Unit #68 Lease produces 8 BO, 24 BW, 18 MCF per day. The API oil gravity for the subject leases is 39.3 (sweet). Current posted price is \$19.75 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 10/10/97

(This space for Federal or State office use)

Approved by Les Belyak Title PETROLEUM ENGINEER Date OCT 30 1997

Conditions of approval, if any:

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

CRA BLM FORMAT

APPLICATION FOR SURFACE COMMINGLING
OFF LEASE STORAGE AND MEASUREMENT APPROVAL

This Format Should Be Attached to a Sundry Notice

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

Bass Enterprises Production Company is requesting approval for surface commingling and off-lease storage and measurement of hydrocarbon production from the following formation(s) and well(s) on Federal Lease No. NMNM0506-A & NMLC-061705-B, Lease Name: Poker Lake Unit.

<u>WELL</u> <u>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>Delaware</u>
<u>129</u>	<u>UL H</u>	<u>20</u>	<u>24S</u>	<u>31E</u>	<u>Delaware</u>

with hydrocarbon production from the following formation(s) and well(s) on Federal Lease No. NMLC-061705-B, Lease Name: Poker Lake Unit.

<u>WELL</u> <u>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>

Production from the wells involved is as follows:

<u>Well Name and No.</u>	<u>BOPD</u>	<u>Oil Gravity</u>	<u>MCFD</u>
<u>Poker Lake Unit #129</u>	<u>68</u>	<u>39.3</u>	<u>46</u>
<u>Poker Lake Unit #123</u>	<u>9</u>	<u>39.3</u>	<u>4</u>
<u>Poker Lake Unit #68</u>	<u>8</u>	<u>39.3</u>	<u>18</u>

The proposed operation is described in detail on the attached diagrams.

A map is enclosed showing the lease numbers and location of all leases and wells that will contribute production to the proposed commingling/common storage facility. All unitized/communitized areas, producing zones/pools are also clearly illustrated.

A schematic diagram is also attached which clearly identifies all equipment that will be utilized.

The storage and measuring facility is located at Unit B, Sec. 20, T24S-R31E, on Lease NMLC-061705-B, Eddy County, New Mexico. BLM will be notified if there is any future change in the facility location.

Details of the proposed method for allocating production to contributing sources is as follows:
Production from the Poker Lake Unit #123 & #129 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.

The working interest owners have been notified of the proposal.

The proposed commingling of production is in the interest of conservation and will not result in reduced royalty or improper measurement of production.

The proposed commingling is necessary for continued operation of the above referenced Federal Leases.

We understand that the requested approval will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument. And, we will submit within 30 days in application for right-of-way approval to the BLM's Realty Section in your office if we have not already done so.

Additional wells require additional commingling approvals.

Signature: Tami L. Wilber
Name: Tami L. Wilber
Title: Production Clerk
Date: 10/10/97