N. M. Oil Cons. Division
ARTESIA, NM

dst

Form 3160-3
(July 1992)

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

FORM APPROVED
Expires: February 28, 1995

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL [X] DEEPEN [ ]

b. TYPE OF WELL

Oil Well [XX] Gas Well [ ] Other Single Zone [X] Multiple Zone [ ]

2. Name of Operator
Bass Enterprises Production Co. 1801

3. Address and Telephone No.
P O Box 2760 Midland, Texas 79702-2760 (915) 683-2277

4. Location of Well (Report location clearly and in accordance with any State requirements.*)
At Surface
1980' FNL & 660' FWL, Section 5, T24S, R30E
At proposed BHL
same Unit E Nash Draw; Delaware

5. Lease Designation and Serial No.
NM-068430

6. If Indian, Allottee or Tribe Name

7. Unit agreement name
Poker Lake Unit

8. Farm or Lease Name, Well No.
Poker Lake Unit # 167 1796

9. API Well No.
30-015-31696

10. Field and Pool, or Wildcat
[redacted]

11. Sec., T., R., M., or Blk. and Survey or Area
Sec 5, T24S, R30E

RECEIVED
OCD-ARTESIA

14. Distance in miles and direction from nearest town or Post Office*
14 miles east of Malaga, NM

12. County or Parish: Eddy
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	2479.76	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'	7,700'	Rotary

21. Elevations (Show whether DF, RT, GR, etc.)
3233' 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
*11"	8-5/8"	WC50	24#	550'	135 sx Circ to surface.
**7-7/8"11"	5-1/2"	K-55	15.5# & 17#	7700'	815 sx Circ to surface.

WITNESS
CARLSBAD CONTROLLED WATER BASIN

*Surface casing to be set into Rustler below all fresh water sands.
**Production casing will be cemented using Zone Seal Cement.
Drilling procedure, BOP Diagram, Anticipated Tops & Surface Plans attached.

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

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS

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 /s/ for W. R. Dannels Title Division Drilling Supt. Date 19 Sept 2000

(This space for Federal or State office use)

Permit No. _____ Approval Date _____

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:

Approved by /s/ Richard A Whitley Title Assoc State Dir Date 3-28-01

*See Instruction on Reverse Side

APPROVED FOR 1 YEAR

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 representatives as to any matter within its jurisdiction.

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II
811 South First, Artesia, NM 88210

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

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, New Mexico 87504-2088

RECEIVED
OCD - ARTESIA

Form C-102
Revised March 17, 1999

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
		FORTY-NINER RIDGE (DELAWARE), SW

Property Code	Property Name	Well Number
	POKER LAKE UNIT	167

OGRID No.	Operator Name	Elevation
001801	BASS ENTERPRISES PRODUCTION COMPANY	3233'

Surface Location

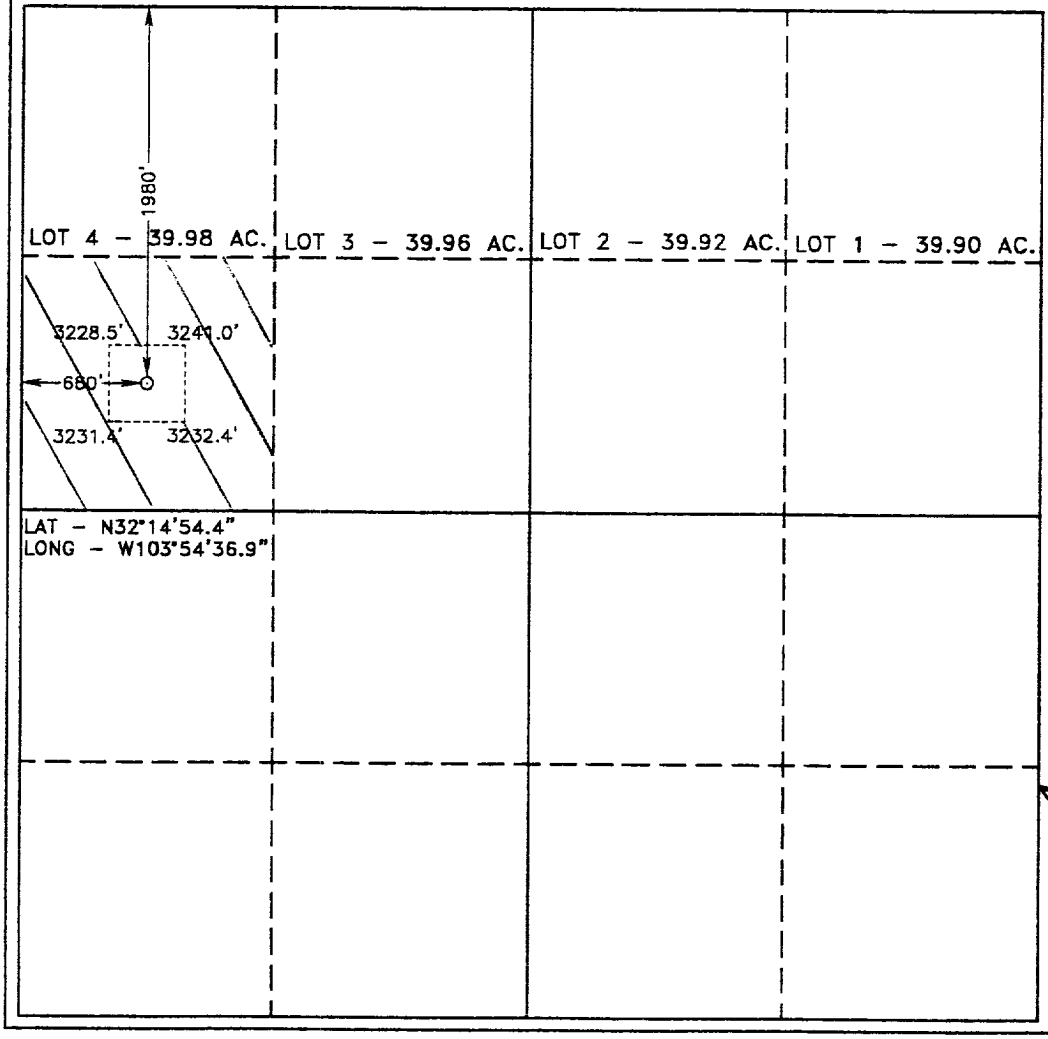
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	5	24 S	30 E		1980	NORTH	660	WEST	EDDY

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



OPERATOR CERTIFICATION

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

Signature

W.R. DANNELS FOR

Printed Name

DIVISION DRILLING SUPT.

Title

11 Sept 2000

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

August 21, 2000

Date Surveyed

Signature & Seal of Professional Surveyor

GARY L. JONES
NEW MEXICO
7977
REGISTERED PROFESSIONAL LAND SURVEYOR

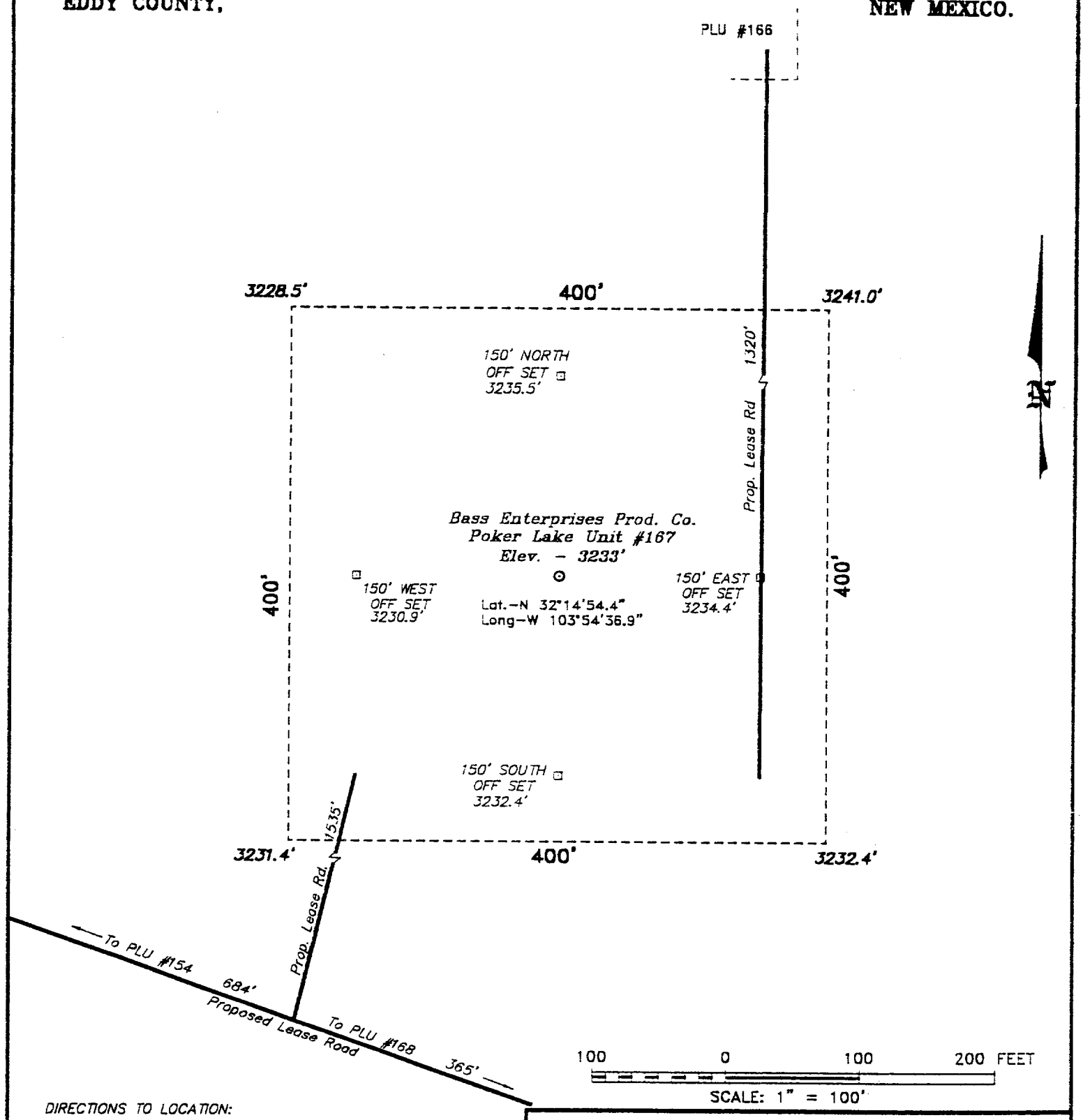
W.O. No. 0460

Certificate No. Gary L. Jones 7977

BASS SURVEY

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. 2.75 MILES TO A POINT WHICH LIES APPROX. 1.0 MILE WEST OF THE PROPOSED WELL LOCATION.

BASIN SURVEYS P.O. BOX 1786 - HOBBS, NEW MEXICO

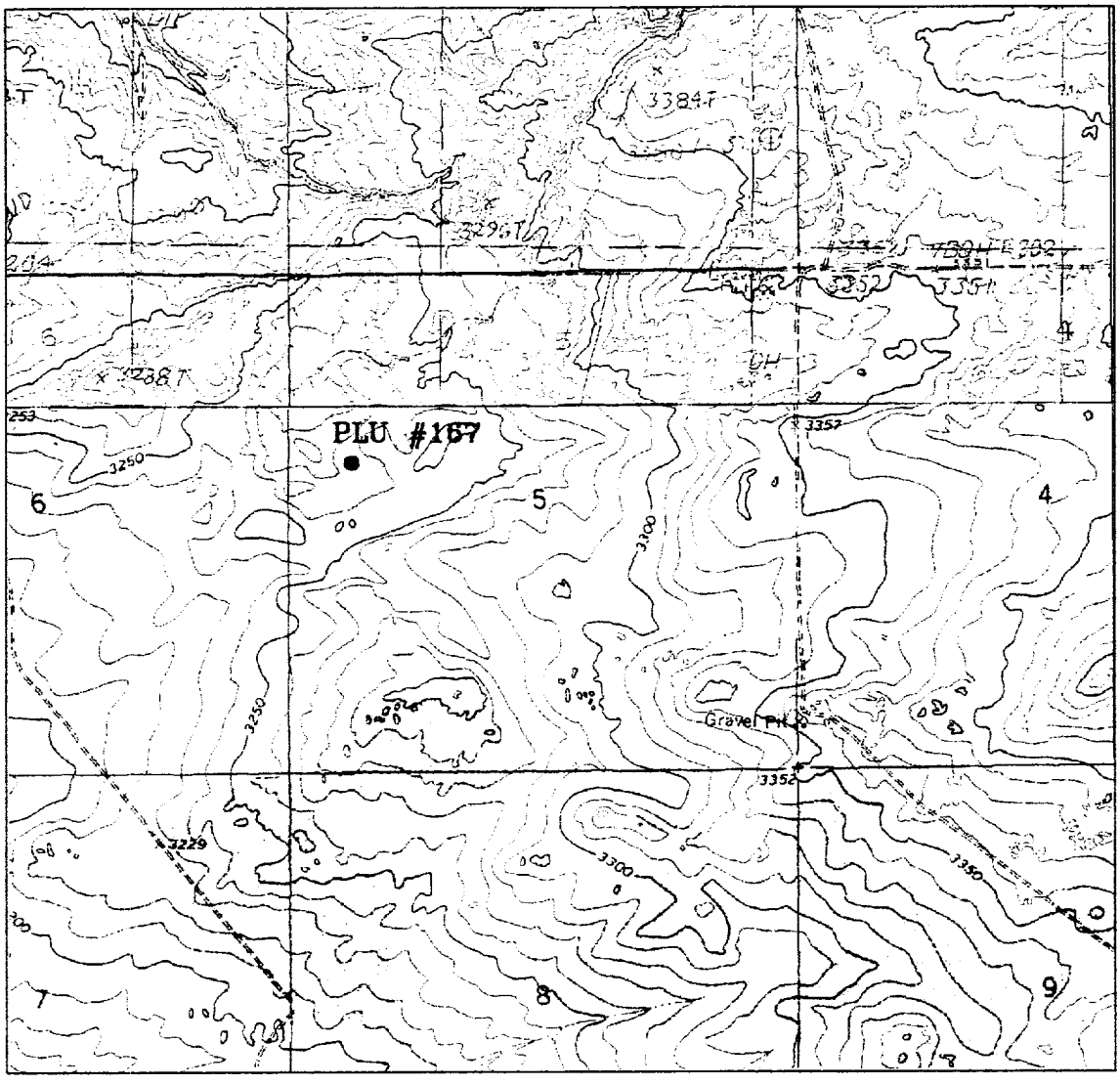
W.O. Number: 0460	Drawn By: **K. GOAD**
Date: 08-23-2000	Disk: KJG #122 - 0460A.DWG

BASS ENTERPRISES PRODUCTION CO.

REF: Poker Lake Unit No. 167 / Well Pad Topo

THE POKER LAKE UNIT No. 167 LOCATED 1980' FROM THE NORTH LINE AND 660' FROM THE WEST LINE OF SECTION 5, TOWNSHIP 24 SOUTH, RANGE 30 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO.

Survey Date: 08-21-2000 | Sheet 1 of 1 Sheets



POKER LAKE UNIT #167

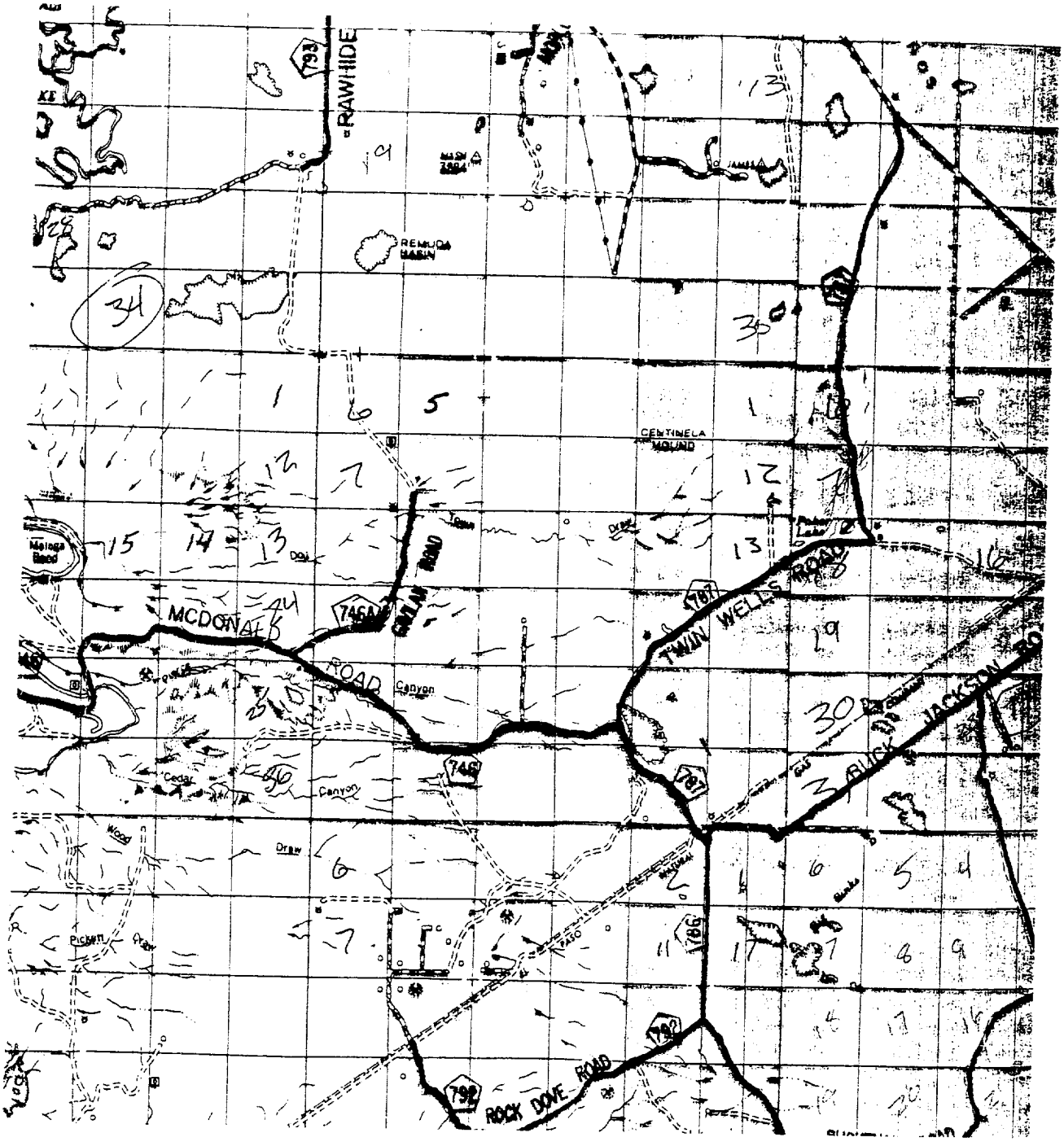
Located at 1980' FNL and 660' FWL
Section 5, Township 24 South, Range 30 East,
N.M.P.M., Eddy County, New Mexico.

basin surveys
focused on excellence in the oilfield

P.O. Box 1786
1120 N. West County Rd.
Hobbs, New Mexico 88241
(505) 393-7316 - Office
(505) 392-3074 - Fax
basinsurveys.com

W.O. Number: 0460AA - KJG #122
Survey Date: 08-21-2000
Scale: 1" = 2000'
Date: 08-23-2000

BASS ENTERPRISES PRODUCTION CO.



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basinsurveys.com

W.O. Number:	0460AA - KJG #122
Survey Date:	08-21-2000
Scale:	1" = 2 MILES
Date:	08-23-2000

BASS ENTERPRISES
PRODUCTION CO.

EIGHT POINT DRILLING PROGRAM
BASS ENTERPRISES PRODUCTION CO.

NAME OF WELL: POKER LAKE UNIT #167

LEGAL DESCRIPTION - SURFACE: 1980' FNL & 660' FWL, 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 3248' (est)
GL 3233'

FORMATION	ESTIMATED TOP FROM KB	ESTIMATED SUBSEA TOP	BEARING
T/Salt	636'	+2,612'	Barren
B/Salt	3,328'	- 80'	Barren
T/Lamar	3,556'	- 308'	Barren
T/Ramsey	3,583'	- 335'	Oil/Gas
T/Lwr Brushy Canyon 8A	7,073'	- 3,825'	Oil/Gas
T/"Y" Sand	7,230'	- 3,982'	Oil/Gas
T/Bone Spring	7,350'	- 4,102'	Oil/Gas
TD	7,700'	- 4,452'	

POINT 3: CASING PROGRAM

TYPE	INTERVALS	PURPOSE	CONDITION
16"	0' - 40'	Conductor	Contractor Discretion
8-5/8", 24#, WC-50, LTC	0' - 550'	Surface	New
5-1/2", 15.50#, K-55, LT&C	0' – 6,500'	Production	New
5-1/2", 17#, K-55, LT&C	6,500' – 7,700'	Production	New

POINT 4: PRESSURE CONTROL EQUIPMENT (SEE ATTACHED DIAGRAM)

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 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

DEPTH	MUD TYPE	WEIGHT	FV	PV	YP	FL	Ph
0' - 550'	FW Spud Mud	8.5 - 9.2	45-35	NC	NC	NC	NC
550' - 6900'	BW	9.8 -10.2	28-30	NC	NC	NC	9.5-10.5
6900' - 7300'	BW/Starch	9.8 -10.2	28-32	NC	NC	<100 cc	9.5-10.5
7300' - TD	BW/Starch	9.8 -10.2	38-42	4	8	<100 cc	9.5-10.5

Will increase vis for logging purposes only.

POINT 6: TECHNICAL STAGES OF OPERATION

A) TESTING

None anticipated.

B) LOGGING

GR-CNL-LDT-LLD from TD to Base of Salt (+/-3,328'). Run GR-CNL from Base of Salt to surface.

C) CONVENTIONAL CORING

None anticipated.

D) CEMENT

INTERVAL	AMOUNT SXS	FT OF FILL	TYPE	GALS/SX	PPG	FT^3/SX
SURFACE:	Circulate cement to surface					
Lead 0 - 350' (100% excess)	65	350	Permian Basin Filler 1 + 1 / 4# Celloflake	17.65	11.4	2.85
Tail 350-550' (100% excess)	70	200	Permian Basin Critical Zone	8.37	13.5	1.63

PRODUCTION: Circulate with Zone Seal Cement.

INTERVAL	AMOUNT SXS	FILL	TYPE	GAL/SX	PPG	FT^3/SX	NITROGEN	COMPRESSIVE STRENGTH
Lead 0-4500' (10% excess)	390	4500'	Premium Plus + 1% Zone Sealant 2000	6.32*	11.9*	2.20*	250/100 scf/bbl	1200
Tail 4500-7700' (10% excess)	380	3200'	Premium Plus + 1% Zone Sealant 2000	6.32*	12.5*	1.65*	250/100 scf/bbl	2500
CAP 0-300'	45	300'	Premium Plus + 2% CaCl2	6.32	14.80	1.32	--	3650

* Average for that interval

E) DIRECTIONAL DRILLING

No directional services anticipated.

POINT 7: ANTICIPATED RESERVOIR CONDITIONS

Normal pressures are anticipated throughout Delaware section. A BHP of 3325 psi (max) or MWE of 8.7 ppg is expected. Lost circulation may exist in the Delaware section from 3,583'-7,350". No H_2S is anticipated.

Estimated BHT is 146° 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

12 days drilling operations

14 days completion operations

SLA
September 19, 2000

MULTI-POINT SURFACE USE PLAN

NAME OF WELL: POKER LAKE UNIT #167

LEGAL DESCRIPTION - SURFACE: 1980' FNL & 660' FWL, Section 5, T-24-S, R-30-E, Eddy County, New Mexico.

POINT 1: EXISTING ROADS

A) Proposed Well Site Location:

See Exhibit "A" , "B" and survey plats.

B) Existing Roads:

From Carlsbad, New Mexico, go 8 miles south on Highway 285 to Highway 31. Turn north and 7 miles on Highway 31. Turn east on Highway 128 and go 4 miles to Rawhide Road (located between mile markers 4 and 5). Turn southeast onto Rawhide Road and go approximately 6.5 miles southerly.

C) Existing Road Maintenance or Improvement Plan:

See Exhibit "A", "B", and survey plats.

POINT 2: NEW PLANNED ACCESS ROUTE

A) Route Location:

See Exhibit "A" and "B".

B) Width

12' wide.

C) Maximum Grade

Not applicable.

D) Turnout Ditches

Spaced per BLM requirements.

E) Culverts, Cattle Guards, and Surfacing Equipment

Access from the north would require a cattle guard between # 165 and #166.

POINT 3: LOCATION OF EXISTING WELLS

Exhibit "A" and "B" indicates existing wells within the surrounding area.

POINT 4: LOCATION OF EXISTING OR PROPOSED FACILITIES

A) Existing facilities owned or controlled by lessee/operator:

Oil/Gas production facilities are located at PLU #140 wellsite.

B) New Facilities in the Event of Production:

Existing production facilities will used via flowlines laid to existing facilities and additional separators/treaters will be added as necessary.

C) Rehabilitation of Disturbed Areas Unnecessary for Production:

Following flowline construction, 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 will be hauled from Diamond and Half Water Station 35 miles east of Carlsbad, New Mexico or other commercial facilities. Brine water will be hauled from Bass' Poker Lake Unit #140 battery or commercial facilities.

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" and "B".

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 electric log analysis indicate potential productive zones. The reserve pit will be fenced and netted 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

The pits will be fenced immediately after construction and shall be maintained until they are backfilled. Previous to backfill operations, any hydrocarbon material on the pits' surfaces shall be removed. The fluids and solids contained in the pits shall be backfilled with soil excavated from the site and soil adjacent to the reserve pits. The restored surface of the pits 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 pits 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 pits 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) Rehabilitation's 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 are no water wells within 1 mile of location.

G) Residences and Buildings

None in the immediate vicinity.

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 access road from the south is on federally owned land while part of the access road from the north would be on state 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
William R. Dannels
Box 2760
Midland, Texas 79702
(915) 683-2277

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

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

POINT 13: CERTIFICATION

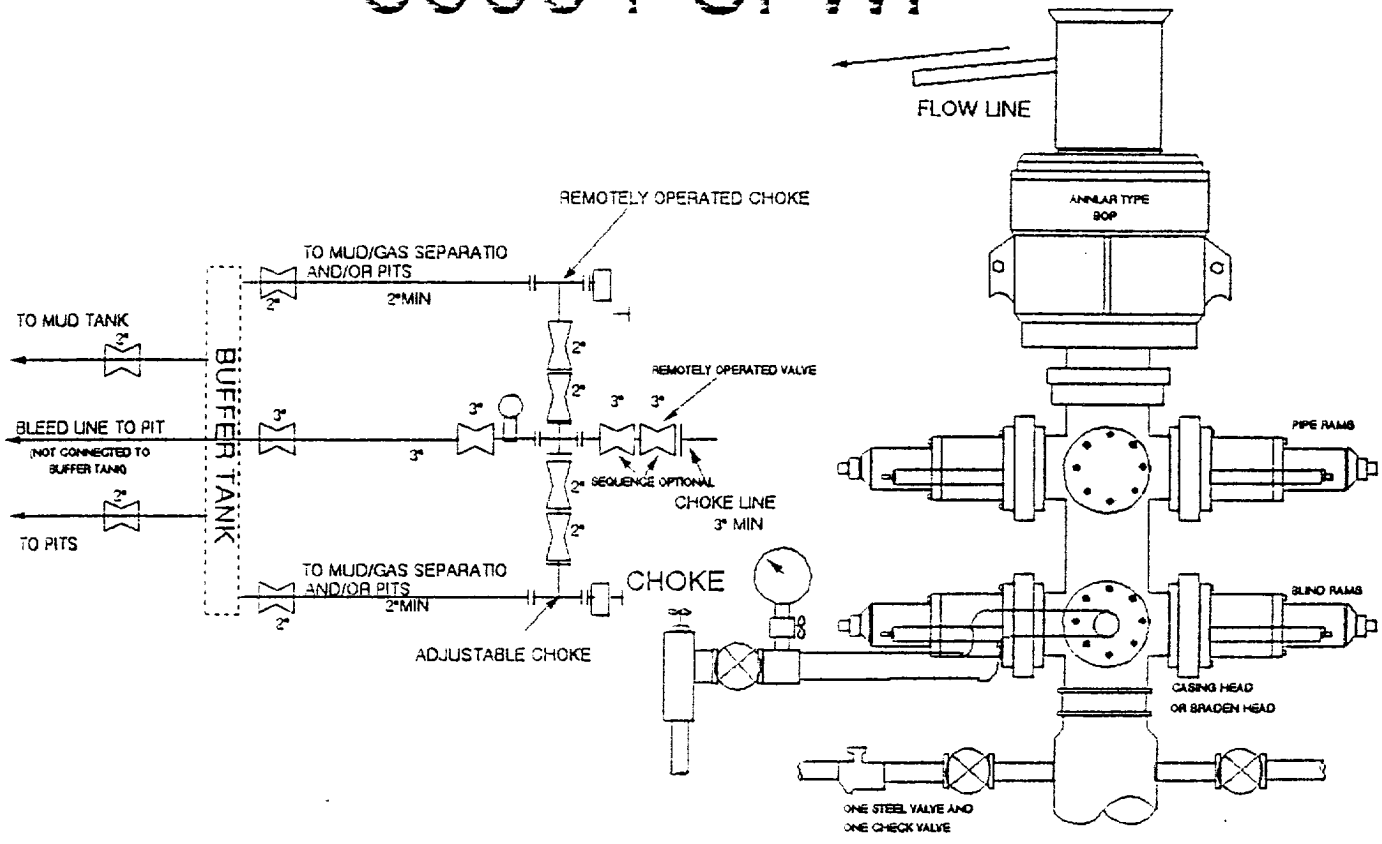
I hereby certify that I, or persons under my direct supervision have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in the plan are, to the best of my knowledge, true and correct; and that the work associated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

19 Sept 2000
Date

FOR William R. Dannels

WRD/SLA

5000 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.

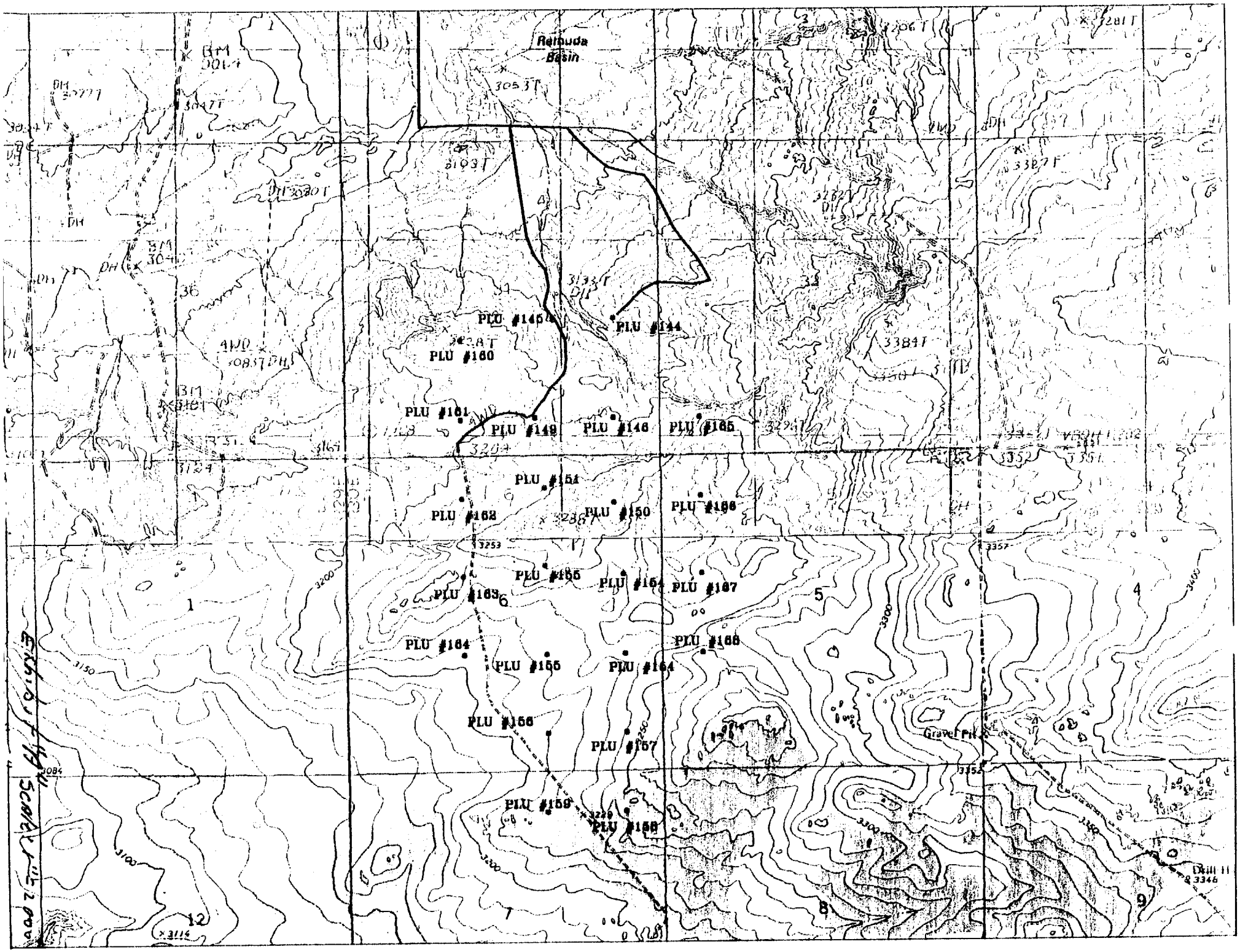
E. All connections to and from preventers to have a pressure rating equivalent to that of the BOP's.

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.

DIAGRAM 1


Reinauda Basin
PLU #145
PLU #144
PLU #160
PLU #161
PLU #149
PLU #146
PLU #165
PLU #154
PLU #162
PLU #150
PLU #166
PLU #155
PLU #164
PLU #167
PLU #163
PLU #164
PLU #155
PLU #164
PLU #168
PLU #166
PLU #167
PLU #159
PLU #158
Gravel Pit
Drill H
3346
Scale 1" = 400'

BASS ENTERPRISES PRODUCTION CO.
POKER LAKE UNIT WELLS

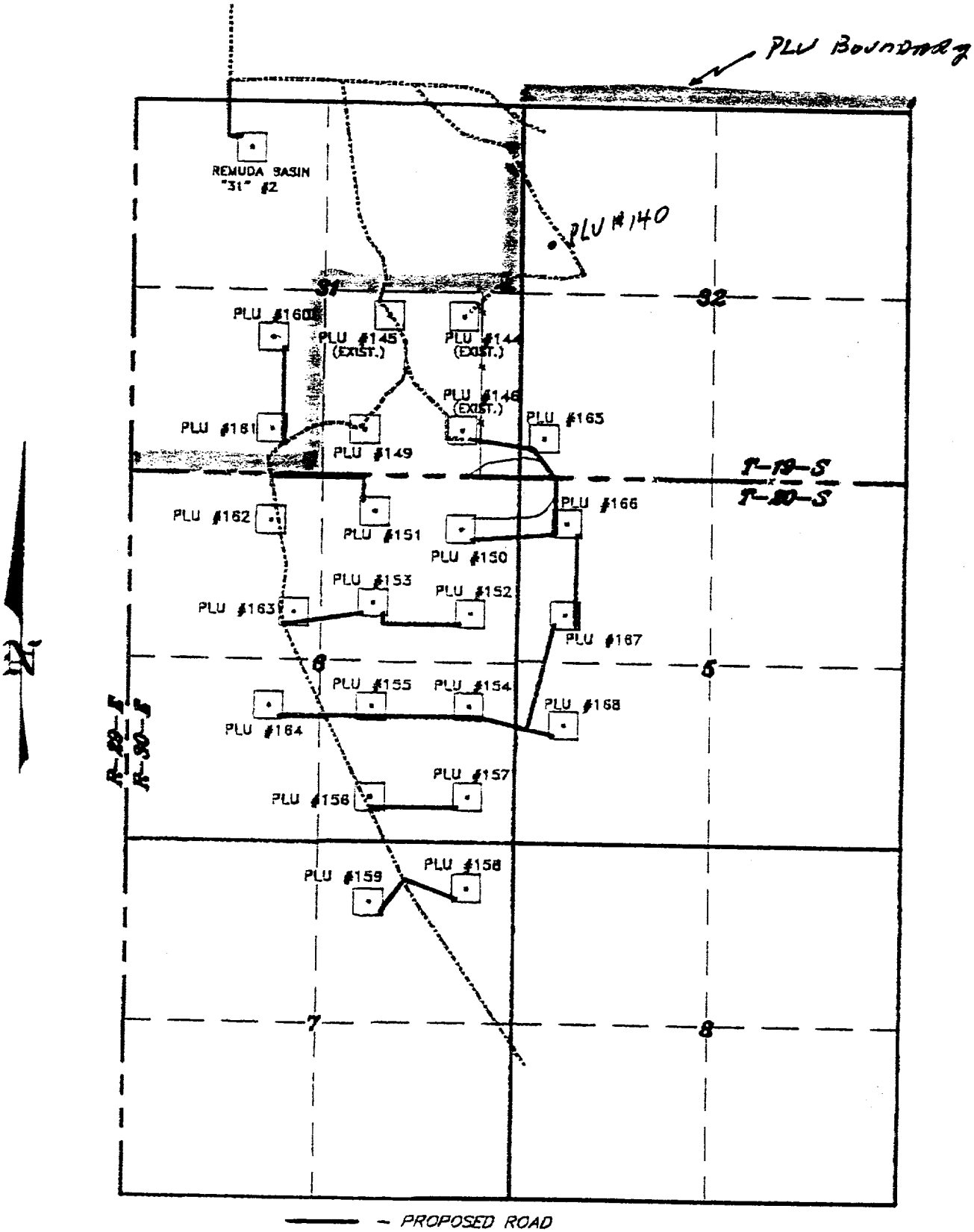


Exhibit 'B'
Scale 1" = 1000'

POKERLAKE UNIT No. 167