

2/22/06

WFO

PWV50605428817

District I
1625 N. French Drive, Hobbs, NM 88240

District II
1301 W. Grand Avenue, Artesia, NM 88210

District III
1000 Rio Grande Road, Aztec, NM 87410

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised June 10, 2003

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

APPLICATION TYPE
 Single Well
Establish Pre-Approved Pools
EXISTING WELLBORE
 Yes No

APPLICATION FOR DOWNHOLE COMMINGLING

DHC-3652

Bass Enterprises Production Co. P. O. Box 2760 Midland, TX 79702
Operator Address
JAMES RANCH UNIT 87 N/ SEC 6, T-23-S,R-31-E EDDY
Lease Well No. Unit Letter-Section-Township-Range County
OGRID No. 001801 Property Code 001786 API No. 30-015-34277 Lease Type: Federal State Fee

DATA ELEMENT	UPPER ZONE SOUTHEAST	INTERMEDIATE ZONE LOTO UNDES	LOWER ZONE LOTA UNDES SOUTH
Pool Name	QUAHADA RIDGE DELAWARE	1.65 WARESS MEDANOS BONE SPRING	LOS MEDANOS WOLFCAMP
Pool Code	50443 ✓	40295 ✓	96336 ✓
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	7396' - 7646'	11,002' - 11,016'	11,200' - 11,210'
Method of Production (Flowing or Artificial Lift)	ARTIFICIAL LIFT	FLOWING	FLOWING
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	N/A	N/A	N/A
Oil Gravity or Gas BTU (Degree API or Gas BTU)	44.2	44.2	44.2
Producing, Shut-In or New Zone	PRODUCING	SI	SI
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: Rates: 80/59/199	Date: 11/24/2005 Rates: 49/31/2	Date: 11/24/2005 Rates: 24/15/1
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas 44 % 48 %	Oil Gas 35 % 31 %	Oil Gas 21 % 21 %

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ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes No
 If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes No
 Are all produced fluids from all commingled zones compatible with each other? Yes No
 Will commingling decrease the value of production? Yes No
 If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes No
 NMOCD Reference Case No. applicable to this well: R-10558

Attachments:
 C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
 Production curve for each zone for at least one year. (If not available, attach explanation.)
 For zones with no production history, estimated production rates and supporting data.
 Data to support allocation method or formula.
 Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
 Any additional statements, data or documents required to support commingling.

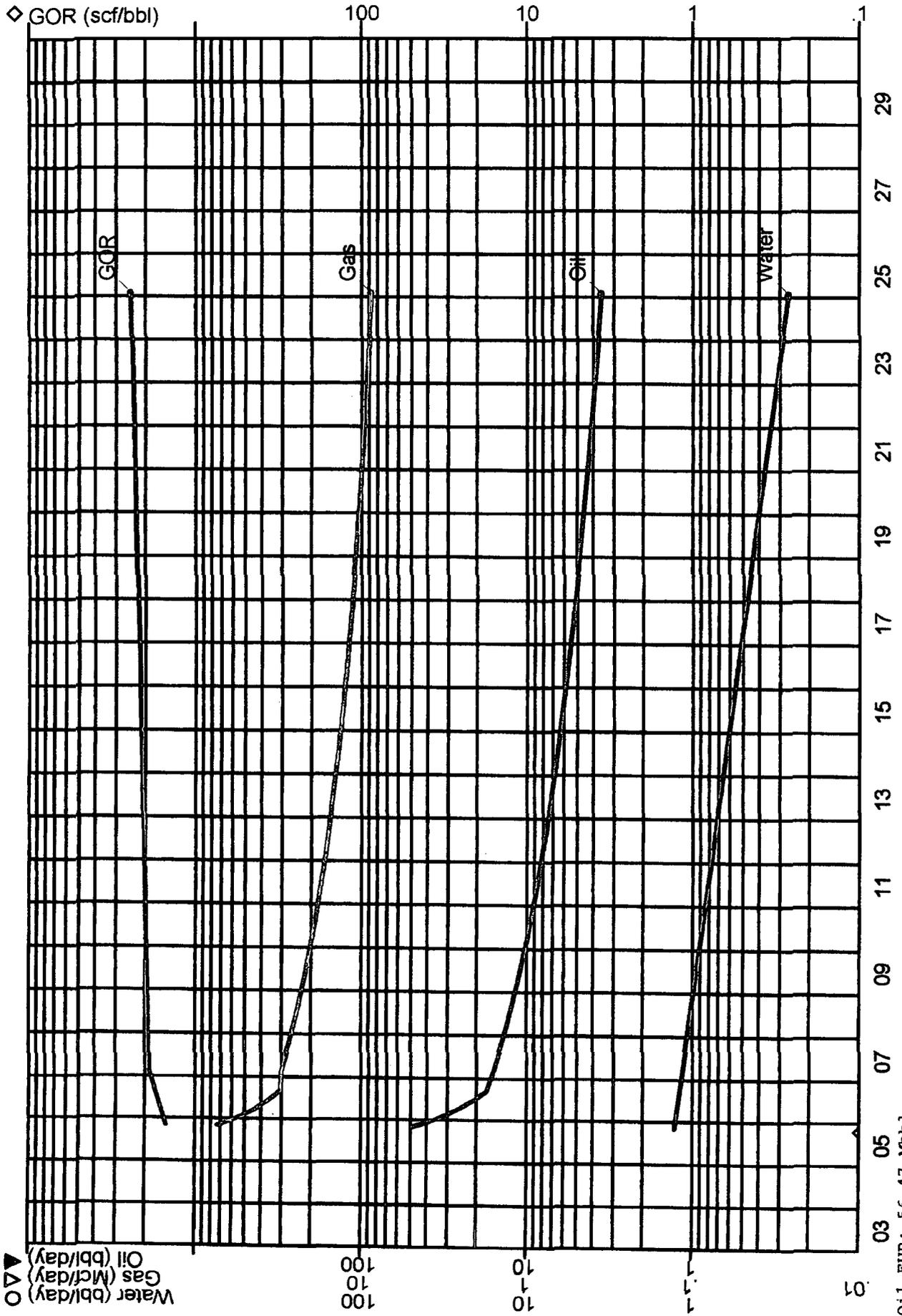
PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:
 List of other orders approving downhole commingling within the proposed Pre-Approved Pools
 List of all operators within the proposed Pre-Approved Pools
 Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
 Bottomhole pressure data.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.
 SIGNATURE Cindi Goodman TITLE Production Clerk DATE 01/20/2006
 TYPE OR PRINT NAME Cindi Goodman TELEPHONE NO. () (432)683-2277
 E-MAIL ADDRESS cdgoodman@basspet.com

BERCO
 LOS MEDANOS (BONE SPRING)
 BONE SPRING

JRU 87 BON -- DHC
 EDDY, NM
 Major Phase: Oil



Oil EUR: 56.47 Mbbl
 Gas EUR: 113.19 MMcf

Input Page

Lease Name: JRU 87 BON - DHC
 Operator : BEPCO
 Field Name : LOS MEDANOS (BONE SPRING)
 Oil Proved Producing

11/1/2005

Case Type : LEASE CASE
 Reservoir : BONE SPRING
 Co., St. : EDDY, NM

Discount Method: C Annual Compoundings: 0

At AsOf Date

	Oil	Gas
Qi (AsOf) =	1.490 Mbbl/month	2.236 MMcf/month
Qf (ECL) =	0.108 Mbbl/month	0.265 MMcf/month
Dec. =	88.000 %	- %
b =	1.000	-
Unit Price =	56.83 /bbl	13.56 /Mcf
Unit Exp. =	0.00	0.00
Hist. Cum	0.000 Mbbl	0.000 MMcf
Proj. Cum	0.000 Mbbl	0.000 MMcf
Reserves	56.470 Mbbl	113.193 MMcf
Ult.	56.470 Mbbl	113.193 MMcf
Abandonment Date:	1/27/2025	

ID Codes List

Id Label	IdCode
Retrieval Code	PHDW00001631
API Number	3001533114
PhdWin ID	00199
RRC Dist Code	NM
Operator Code	
Field Code	
Uniaue ID	AE5D132E74897403275800002
WELL NO	75
IHS PID	
CAT CDE	0.0
WELL NAME	JAMES RANCH UNIT # 75
IDCODE	C%MXBSJS.075
ENGR	MLL
WELL BORE	
COMPLETION SEO	
DATE COMP	2004-08-11 00:00:00.000
STATUS	ACT
STATUS DATE	
SURVEILLANCE	
STWELLID	
PROPERTY	JAMES RANCH UNIT #75 (EXCL DELAW

Input Data

Projection Table

* Segment Volumes Adjusted for Historical Data.

Arps

	Start	End	Life Years	Initial Rate	Final Rate	Decline (%)	b	Min. Decline	Segment Volume
Oil	1	11/1/2005	9/6/2006	0.85	1.5	0.5 mbbl	88.00	1.000	9 mbbl
Oil	2	9/7/2006	1/27/2025	18.39	0.53259	0.10831 mbbl	19.20	1.000	48 mbbl
Water	1	11/1/2005	11/25/2040	35.07	0.03921	0.00220 mbbl	7.89	0.000	5 mbbl
GOR	1	11/1/2005	2/18/2007	1.30	1,500.0	1,896.5 scf/bbl	-19.76	0.000	0 scf/bbl
GOR	2	2/19/2007	8/27/2026	19.52	1,896.5	2,500.0 scf/bbl	-1.43	0.000	0 scf/bbl

Formula

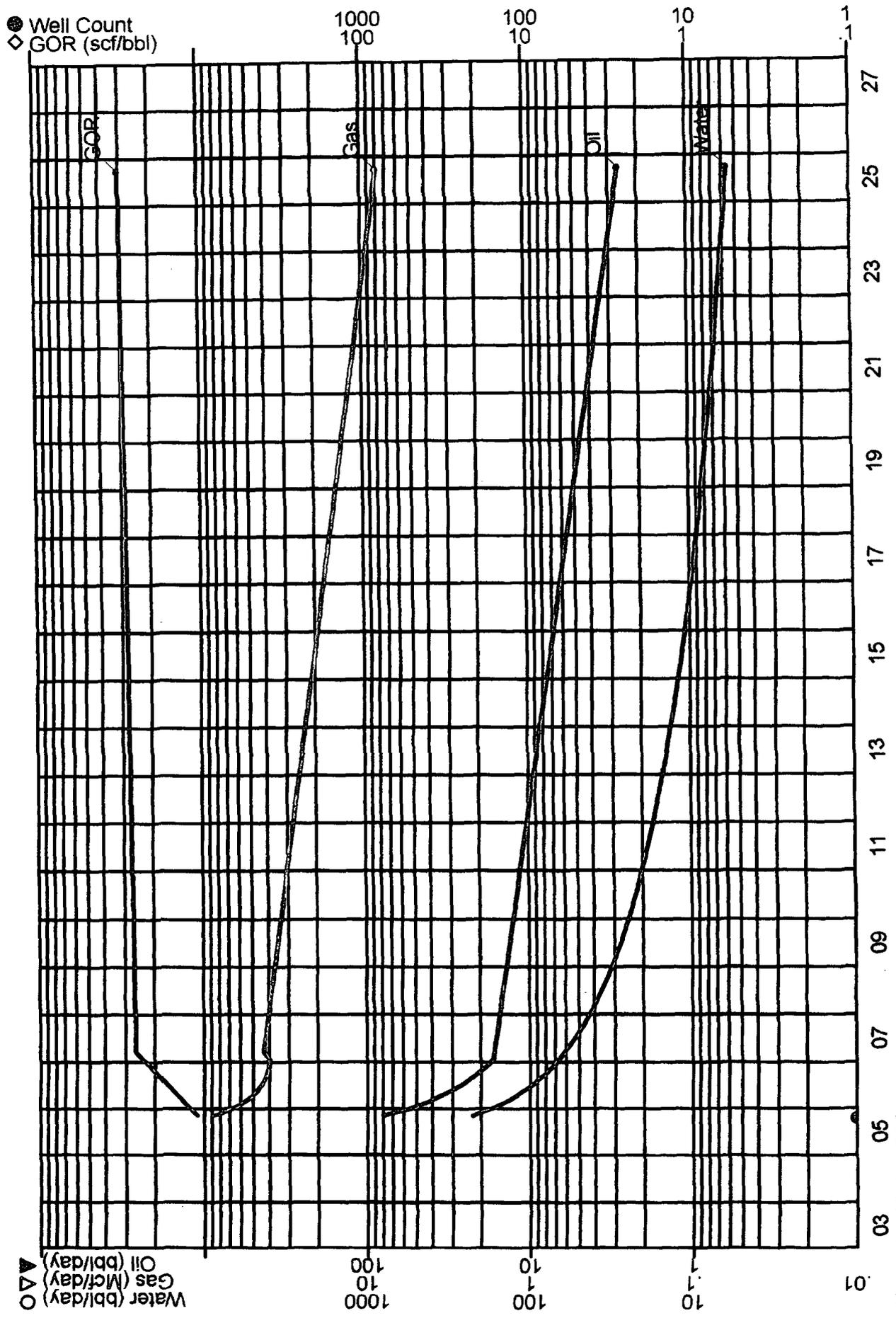
	Formula	Units
Gas	{GOR}*{OIL}/1000	MMcf
Oil Cut	(({OIL} / ({OIL} + {WATER})) X 100	%
Yield	{OIL} / {GAS}	bbl/Mcf
Water Cut	(({WATER} / ({OIL} + {WATER})) X 100	%

Product Model Table

	Base Units	Base Model [AsOf Price]		Model Adjustments			Base Cost Model [AsOf Cost]	
		Escalation Model	Op Cost	BTU	Differential	Shrinkage	Escalation Model	
Gas	Mcf	BASS01052006{13.557 Case Specific	0	1,310	-1.30	0.00 %	Case Specific{0}	n/a
Oil	bbl	BASS01052006{56.83} Case Specific	0		-1.51	0.00	Case Specific{0}	n/a
Water	bbl	n/a	0		0.00	0.00	Case Specific{0.08}	n/a
PRESSURE		n/a	0		0.00	0.00	n/a	n/a
Condensate	bbl	n/a	0		0.00	0.00	n/a	n/a
NGL	gal	n/a	0		0.00	0.00	n/a	n/a
Well Cost		n/a	1,100		0.00	0.00	Case Specific{1100}	n/a
Fixed Cost		n/a	550		0.00	0.00	Case Specific{550}	n/a

JRU87 DEL--DHC
 EDDY, NM
 Major Phase: Oil

BEPCO
 QUAHADA RIDGE (DELAWARE) SE
 DELAWARE



Oil EUR: 66.94 Mbbbl
 Gas EUR: 165.32 MMcf

Input Page

Lease Name: JRUB7 DEL--DHC
 Operator : BEPCO
 Field Name : QUAHADA RIDGE (DELAWARE) SE
 Oil Proved Producing

11/1/2005

Case Type : LEASE CASE
 Reservoir : DELAWARE
 Co., St. : EDDY, NM

Discount Method: C Annual Comounding: 0

At AsOf Date

	Oil	Gas
Qi (AsOf) =	2.433 Mbb/month	2.677 MMcf/month
Qf (ECL) =	0.079 Mbb/month	0.242 MMcf/month
Dec. =	94.000 %	- %
b =	0.900	-
Unit Price =	56.83 /bbl	13.56 /Mcf
Unit Exp. =	0.00	0.00
Hist. Cum	0.000 Mbb	0.000 MMcf
Proj. Cum	0.000 Mbb	0.000 MMcf
Reserves	66.944 Mbb	165.323 MMcf
Ult.	66.944 Mbb	165.323 MMcf

Abandonment Date: 9/23/2025

ID Codes List

Id Label	IdCode
Retrieval Code	PHDW00001630
API Number	3001533114
PhdWin ID	00198
RRC Dist Code	NM
Operator Code	
Field Code	
Unique ID	AE5D132E74897402490500001
WELL NO	75
IHS PID	
CAT CDE	0.0
WELL NAME	JAMES RANCH UNIT # 75
IDCODE	C%MXDLPA.075
ENGR	MLL
WELLBORE	
COMPLETION SEO	
DATE COMP	2004-10-01 00:00:00.000
STATUS	ACT
STATUS DATE	
SURVEILLANCE	
STWELLID	
PROPERTY	JAMES RANCH UNIT DELAWARE PA

Input Data

Projection Table

* Segment Volumes Adjusted for Historical Data.

Arps		Start	End	Life Years	Initial Rate	Final Rate	Decline (%)	Min. b	Decline	Segment Volume
Oil	2	1/18/2007	9/23/2025	18.68	0.51139	0.07922 mbb	9.50	0.000	-	52 mbb
Water	1	11/1/2005	7/6/2072	66.68	6.8	0.1 mbb	86.00	1.000	-	204 mbb
GOR	1	11/1/2005	3/16/2007	1.37	1,100.0	2,602.6 scf/bbl	-87.36	0.000	-	0 scf/bbl
GOR	2	3/17/2007	2/4/2035	27.89	2,602.6	3,302.8 scf/bbl	-0.86	0.000	-	0 scf/bbl

Formula

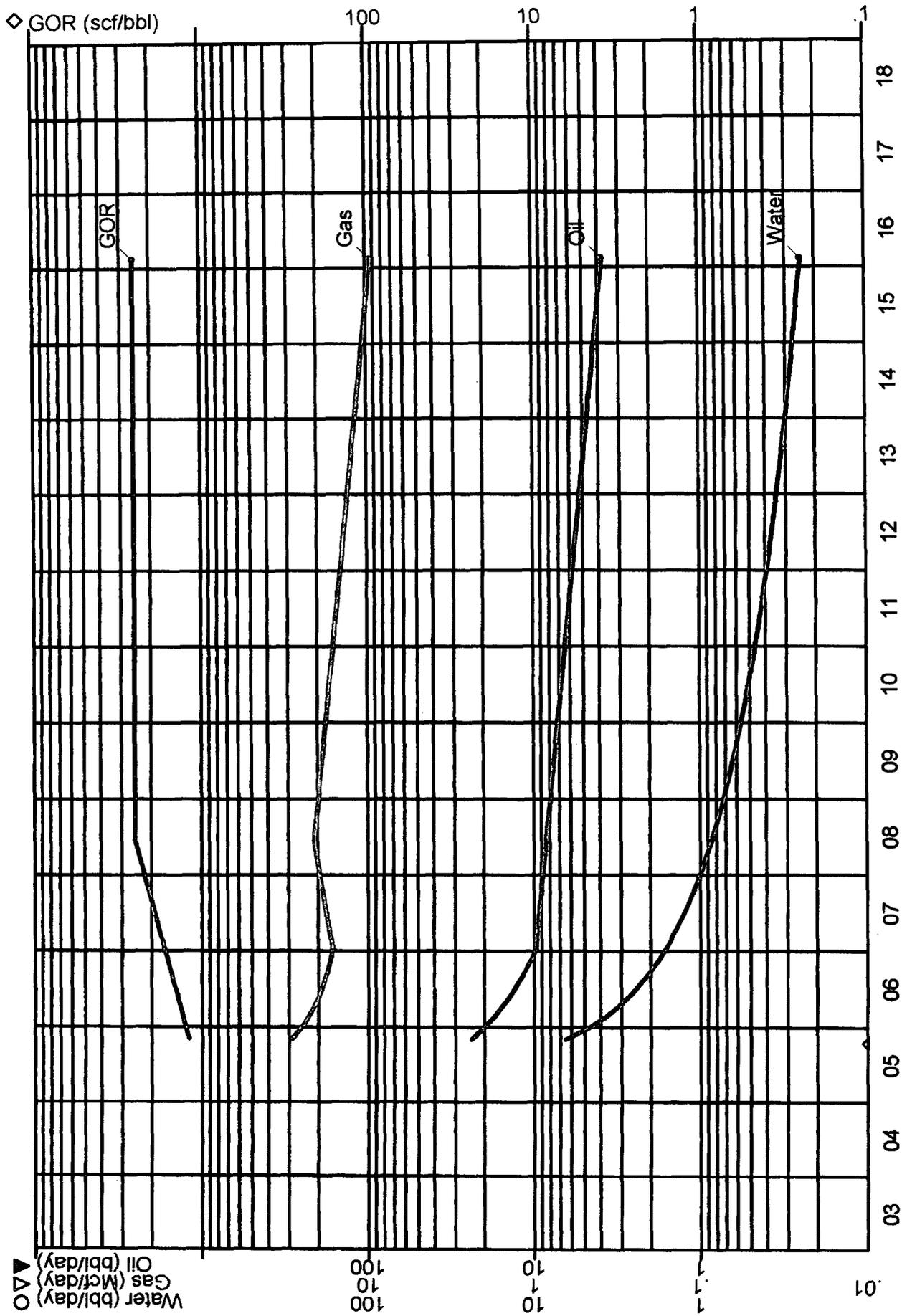
	Formula	Units
Gas	{GOR}*{OIL}/1000	MMcf
Oil Cut	{OIL} / ({OIL} + {WATER}) X 100	%
Yield	{OIL} / {GAS}	bb/Mcf
Water Cut	{WATER} / ({OIL} + {WATER}) X 100	%

Product Model Table

	Base Units	Base Model [AsOf Price]		Model Adjustments			Base Cost Model [AsOf Cost]
		Escalation Model	Op Cost	BTU	Differential	Shrinkage	Escalation Model
Gas	Mcf	BASS01052006[13.557 Case Specific	0	1,310	-1.30	0.00 %	Case Specific[0] n/a
Oil	bbl	BASS01052006[56.83] Case Specific	0		-1.51	0.00	Case Specific[0] n/a
Water	bbl	n/a	0		0.00	0.00	Case Specific[0.1] n/a
PRESSURE		n/a	0		0.00	0.00	n/a
Condensate	bbl	n/a	0		0.00	0.00	n/a
NGL	gal	n/a	0		0.00	0.00	n/a
Well Cost		n/a	1,200		0.00	0.00	Case Specific[1200] n/a
Fixed Cost		n/a	250		0.00	0.00	Case Specific[250] n/a

JRU 87 WOL -- DHC
 EDDY, NM
 Major Phase: Oil

BEPCO
 LOS MEDANOS (WOLFCAMP)
 WOLFCAMP



Oil EUR: 27.30 Mbbbl
 Gas EUR: 59.10 MMcf

Input Page

Lease Name: JRU 87 WOL - DHC
 Operator : BEPCO
 Field Name : LOS MEDANOS (WOLFCAMP)
 Oil Proved Producing

11/1/2005

Case Type : LEASE CASE
 Reservoir : WOLFCAMP
 Co., St. : EDDY, NM

Discount Method: C Annual Compoundings: 0

At AsOf Date

	Oil	Gas
Qi (AsOf) =	0.730 Mbbbl/month	0.876 MMcf/month
Qf (ECL) =	0.114 Mbbbl/month	0.285 MMcf/month
Dec. =	72.500 %	- %
b =	1.100	-
Unit Price =	56.83 /bbl	13.56 /Mcf
Unit Exp. =	0.00	0.00
Hist. Cum	0.000 Mbbbl	0.000 MMcf
Proj. Cum	0.000 Mbbbl	0.000 MMcf
Reserves	27.304 Mbbbl	59.101 MMcf
Ult.	27.304 Mbbbl	59.101 MMcf
Abandonment Date: 2/16/2016		

ID Codes List

Id Label	Id Code
Retrieval Code	PHDW00001632
API Number	3001533114
PhdWin ID	00200
RRC Dist Code	NM
Operator Code	
Field Code	
Unique ID	AE5D132E74897403881300003
WELL_NO	75
IHS PID	
CAT CDE	0.0
WELL_NAME	JAMES RANCH UNIT # 75
IDCODE	C%MKWFJ2.075
ENGR	MLL
WELL.BORE	
COMPLETION SEO	
DATE COMP	2004-08-11 00:00:00.000
STATUS	ACT
STATUS DATE	
SURVEILLANCE	
STWELLID	
PROPERTY	JAMES RANCH UNIT #75 (EXCL DELAY

Input Data

Projection Table

* Segment Volumes Adjusted for Historical Data.

Arps		Start	End	Life Years	Initial Rate	Final Rate	Decline (%)	b	Min. Decline	Segment Volume
Oil	2	1/7/2007	2/16/2016	9.11	0.29797	0.11409 mbbbl	10.00	0.000	-	21 mbbbl
Water	1	11/1/2005	2/13/2016	10.29	0.19905	0.00736 mbbbl	92.09	1.000	-	3 mbbbl
GOR	1	11/1/2005	6/5/2008	2.60	1,200.0	2,500.6 scf/bbl	-32.69	0.000	-	0 scf/bbl
GOR	2	6/6/2008	7/31/2017	9.15	2,500.6	2,500.6 scf/bbl	0.00	0.000	-	0 scf/bbl

Formula

	Formula	Units
Gas	{OIL}*{GOR}/1000	MMcf
Oil Cut	(({OIL} / ({OIL} + {WATER}))) X 100	%
Yield	{OIL} / {GAS}	bbbl/Mcf
Water Cut	(({WATER} / ({OIL} + {WATER}))) X 100	%

Product Model Table

	Base Units	Base Model [AsOf Price]		Model Adjustments			Base Cost Model [AsOf Cost]
		Escalation Model	Op Cost	BTU	Differential	Shrinkage	Escalation Model
Gas	Mcf	BASS01052006[13.557 Case Specific	0	1,310	-1.30	0.00 %	Case Specific[0] n/a
Oil	bbbl	BASS01052006[56.83] Case Specific	0		-1.51	0.00	Case Specific[0] n/a
Water	bbbl	n/a n/a	0		0.00	0.00	Case Specific[0.08] n/a
PRESSURE		n/a n/a	0		0.00	0.00	n/a n/a
Condensate	bbbl	n/a n/a	0		0.00	0.00	n/a n/a
NGL	gal	n/a n/a	0		0.00	0.00	n/a n/a
Well Cost		n/a n/a	0		0.00	0.00	Case Specific[0] n/a
Fixed Cost		n/a n/a	0		0.00	0.00	Case Specific[0] n/a

**JAMES RANCH UNIT #87
DOWNHOLE COMMINGLE ALLOCATION**

	OIL	GAS	WATER
DELAWARE	44%	48%	86%
BONE SPRING	35%	31%	3%
WOLF CAMP	21%	21%	1%
TOTALS	100%	100%	100%

YEAR	DEL MBO	BS MBO	WFC MBO	DEL % OIL	BS % OIL	WFC % OIL	DEL MMCF	BS MMCF	WFC MMCF	DEL % GAS	BS % GAS	WFC % GAS
2005	3,988	2,557	1,326	51%	32%	17%	4,611	3,891	1,628	46%	38%	16%
2006	10,712	8,092	4,976	45%	34%	21%	17,167	13,537	7,118	45%	36%	19%
2007	5,868	5,454	3,398	40%	37%	23%	15,114	10,379	6,535	47%	32%	20%
2008	5,321	4,625	3,066	41%	36%	24%	14,001	8,940	7,466	46%	29%	25%
2009	4,802	3,996	2,751	42%	35%	24%	12,744	7,835	6,880	46%	29%	25%
2010	4,346	3,525	2,476	42%	34%	24%	11,633	7,011	6,193	47%	28%	25%
2011	3,933	3,154	2,229	42%	34%	24%	10,619	6,363	5,574	47%	28%	25%
2012	3,569	2,861	2,011	42%	34%	24%	9,718	5,854	5,030	47%	28%	24%
2013	3,221	2,605	1,805	42%	34%	24%	8,846	5,406	4,514	47%	29%	24%
2014	2,915	2,397	1,625	42%	35%	23%	8,075	5,045	4,063	47%	29%	24%
2015	2,639	2,220	1,462	42%	35%	23%	7,371	4,738	3,657	47%	30%	23%
2016	2,394	2,072	0,177	52%	45%	4%	6,746	4,487	0,444	58%	38%	4%
AVERAGE				44%	35%	21%				48%	31%	21%
Sub-T	59,594	49,021	27,304				143,505	95,646	59,101			
Albert	7,350	7,450	0,000				21,818	17,547	0,000			
Ute	66,944	56,470	27,304				165,323	113,193	59,101			

	TOTAL BW	% WTR
BS	5,406	3%
WFC	3,108	1%
DEL	204,323	86%
TOTAL	212,837	100%

JAMES RANCH UNIT #87
Application for Downhole Commingling

COMPLETION SUMMARY:

The 3rd Bone Spring from 11,002' to 11,016', and the Wolfcamp from 11,200' to 11,210' were perforated broken down with acid and fracture stimulated. The reservoirs were flow tested for a period of 24 days. A Composite BP was then set at 10,950' to isolate the Bone Spring and Wolfcamp. The Delaware from 7,396 to 7,646 was perforated, broken down with acid, and fractured stimulated. The Delaware was placed on pump to test until downhole commingling the zones is approved. When approval is received the Composite BP will be drilled up and the zones produced together.

The 3rd Bone Spring and the Wolfcamp intervals were treated and tested together. in order to determine how much production should be attributed to each of the two an allocation formula based on log calculated pay was developed. The following table shows this breakdown:

	<u>3rd Bone Spring</u>	<u>Wolfcamp</u>
Net Pay	20	10
Average Porosity	10%	10%
ΦH	2	1
Allocation Percentage	67%	33%

DISTRICT I
1925 N. French Dr., Hobbs, NM 88240

DISTRICT II
811 South First, Artesia, NM 88210

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

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised March 17, 1999

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

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, New Mexico 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-34277	Pool Code 50443	Pool Name QUAHADA RIDGE, SE (DELAWARE)
Property Code 001786	Property Name JAMES RANCH UNIT	Well Number 87
UGRID No. 001801	Operator Name BASS ENTERPRISES PRODUCTION COMPANY	Elevation 3301'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	6	23 S	31 E		250	SOUTH	1980	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 40	Joint or Infill N	Consolidation Code	Order No.
-----------------------	----------------------	--------------------	-----------

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

LOT 4 - 40.45 AC.	LOT 3 - 39.90 AC.	LOT 2 - 39.94 AC.	LOT 1 - 39.98 AC.	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>W.R. Dannels</i> Signature</p> <p>Printed Name W.R. DANNELS</p> <p>Title DIVISION DRILLING SUPT. <i>Yalob</i></p> <p>Date</p> <p>SURVEYOR CERTIFICATION</p> <p>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 supervision and that the same is true and correct to the best of my belief.</p> <p>July 28, 2000</p> <p>Date Surveyed</p> <p>Signature Professional Seal of GARY L. JENSEN NEW MEXICO W.07980. 0428A Certificate No. Gary L. Jensen 7977</p>
LOT 5 - 40.79 AC.				
LOT 6 - 40.96 AC.				
LOT 7 - 41.13 AC.	LAT - N32°19'37.6" LONG - W103°49'08.9"			

RECEIVED
JAN 31 2006
OCU-ARTESIA

DISTRICT I
1825 E. French Dr., Hobbs, NM 88249

DISTRICT II
511 South First, Artesia, NM 88219

DISTRICT III
1008 Rio Brazos Rd., Artesia, NM 87410

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised March 17, 1989

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

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-34277	Pool Code 40295	Pool Name LOS MEDANOS (BONE SPRING)
Property Code 001786	Property Name JAMES RANCH UNIT	Well Number 87
OGED No. 001801	Operator Name BASS ENTERPRISES PRODUCTION COMPANY	Elevation 3301'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	6	23 S	31 E		250	SOUTH	1980	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 40	Joint or Infill N	Consolidation Code	Order No.
-----------------------	----------------------	--------------------	-----------

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

LOT 4 - 40.45 AC.	LOT 3 - 39.90 AC.	LOT 2 - 39.94 AC.	LOT 1 - 39.98 AC.	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>William R. Dannels</i> Signature</p> <p>Printed Name W.R. DANNELS</p> <p>Title DMSION DRILLING SUPT.</p> <p>Date 11/29/05</p> <hr/> <p>SURVEYOR CERTIFICATION</p> <p>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 supervision, and that the same is true and correct to the best of my belief.</p> <p>July 28, 2000</p> <p>Date Surveyed</p> <p>Signature <i>Gary L. ...</i></p> <p>Professional No. 7977</p> <p>WLO# 0426A</p> <p>Consolidation No. Gary L. ... 7977</p>
LOT 5 - 40.79 AC.				
LOT 6 - 40.96 AC.				
LOT 7 - 41.13 AC.	<p>LAT - N52°19'37.6"</p> <p>LONG - W103°49'08.9"</p> <p>3300.9'</p> <p>280'</p> <p>3302.8'</p> <p>1980'</p> <p>3301.0'</p> <p>3300.7'</p>			

RECEIVED
JAN 31 2006
JUL-ARTESIA

DISTRICT I
1025 N. French St., Hobbs, NM 88240

DISTRICT II
531 South First, Artesia, NM 88210

DISTRICT III
1000 E. Brazos Rd., Artesia, NM 87410

DISTRICT IV
2049 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised March 17, 1999

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

OIL CONSERVATION DIVISION
2049 South Pacheco
Santa Fe, New Mexico 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-34277	Pool Code 96336 ✓	Pool Name SOUTH LOS MEDANOS (WOLF CAMP)
Property Code 001 786	Property Name JAMES RANCH UNIT	Well Number 87
OGED No. 001801	Operator Name BASS ENTERPRISES PRODUCTION COMPANY	Elevation 3301'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	6	23 S	31 E		250	SOUTH	1980	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 40	Joint or Infill N	Consolidation Code	Order No.
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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

LOT 4 - 40.45 AC.	LOT 3 - 39.90 AC.	LOT 2 - 39.94 AC.	LOT 1 - 39.98 AC.	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>William R. Dannels</i> Signature</p> <p>Printed Name W.R. DANNELS</p> <p>Title DIVISION DRILLING SUPT.</p> <p>Date 11/29/05</p> <p>SURVEYOR CERTIFICATION</p> <p>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 supervision and that the same is true and correct to the best of my belief.</p> <p>July 28, 2000</p> <p>Date Surveyed</p> <p>Signature Professional Seal GARY L. WOODRUFF W.07983 0426A Certificate No. Gary L. 7977</p>
LOT 5 - 40.79 AC.				
LOT 6 - 40.96 AC.				
LOT 7 - 41.13 AC.				
<p>RECEIVED JAN 31 2006 ODDARTESIA</p>				
<p>LAT - N32°19'37.6" LONG - W103°49'08.9"</p> <p>3300.5' 3302.8'</p> <p>1980'</p> <p>3301.0' 3300.7'</p>				

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM04473
2. Name of Operator Bass Enterprises Production Co.		6. If Indian, Allottee or Tribe Name
3a. Address P. O. Box 2760 Midland TX 79702	3b. Phone No. (include area code) (432)683-2277	7. If Unit or CA/Agreement, Name and/or No. NMNM70965
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) SEC 6, T23S, R31E, SESW 250 FSL, 1980 FWL 32.32683 N LAT, 103.81884 W LON		8. Well Name and No. JAMES RANCH UNIT #87
<p style="text-align: center;">RECEIVED JAN 31 2006 OU-ANTER</p>		9. API Well No. 30-015-34277
		10. Field and Pool, or Exploratory Area LOS MEDANOS WOLFCAMP
		11. County or Parish, State EDDY NM

12. CHECK APPROPRIATE BOX(ES) 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"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>DOWNHOLE</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>COMMINGLE</u>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

APPROVAL IS REQUESTED TO DOWNHOLE COMMINGLE THE FOLLOWING ZONES.

QUAHADA RIDGE, SE (DELAWARE) 7,396' - 7,646'
 LOS MEDANOS (BONE SPRING) 11,002' - 11,016'
 LOS MEDANOS (WOLFCAMP) 11,200' - 11,210'

PRODUCTION ALLOCATIONS ARE AS FOLLOWS:

QUAHADA RIDGE, SE (DELAWARE) GAS - 48% WATER - 96% OIL 44%
 LOS MEDANOS (BONE SPRING) GAS - 31% WATER - 3% OIL 35%
 LOS MEDANOS (WOLFCAMP) GAS - 21% WATER - 1% OIL 21%

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Cindi Goodman

Title Production Clerk

Signature

Cindi Goodman

Date 01/20/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____

Title

Date

Conditions of approval, if any, are attached. Approval of this notice 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.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

(Instructions on page 2)