



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

April 14, 2006

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

Bass Enterprises Production Company

c/o **James Bruce**

P. O. Box 1056

Santa Fe, New Mexico 87504

Administrative Order NSL-5361

Dear Mr. Bruce:

Reference is made to the following: (i) your application (*administrative application reference No. pTDS0-607656388*) dated March 17, 2006 filed on behalf of the operator, Bass Enterprises Production Company ("Bass"); and (ii) the records of the New Mexico Oil Conservation Division ("Division") in Artesia and Santa Fe, New Mexico, including the file in Division Case No. 366: all concerning Bass's request to drill its Poker Lake Unit Well No. 246 at an unorthodox oil well location 460 feet from the North line and 1190 feet from the West line (Unit D) of Section 20, Township 24 South, Range 30 East, NMPM, Poker Lake Unit Area (see Division Order No. R-153, issued in Case No. 366 on May 1, 1952), Eddy County, New Mexico. The NW/4 NW/4 of Section 20 is to be dedicated to this well in order to form a standard 40-acre oil spacing and proration unit within the Undesignated Nash Draw-Delaware/Bone Spring (Avalon Sand) Pool (**47545**).

Your application has been duly filed under the provisions of Division Rules 104.F and 1210.A (2).

By the authority granted me under the provisions of Division Rule 104.F (2), the above-described unorthodox Delaware/Bone Spring oil well location is hereby approved.

Sincerely,

Mark E. Fesmire, P. E.

Director

MEF/ms

cc: New Mexico Oil Conservation Division – Artesia
U. S. Bureau of Land Management – Carlsbad