



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

October 23, 2000

Bass Enterprises Production Company
P.O. Box 2760
Midland, Texas 79702-2760

Attention: Ms. Tami Wilber

Re: Form C-107-A
James Ranch Unit No. 79
Lot 1, Section 6, T-23S, R-31E
Eddy County, New Mexico

Dear Ms. Wilber:

I have reviewed your recent application to downhole commingle Los Medanos-Bone Spring and Los Medanos-Wolfcamp Pool production within the James Ranch Unit Well No. 79. Please verify that the interest ownership between the zones to be commingled in the well is common throughout, including working, royalty and overriding royalty interest. In addition, I am concerned that your production allocation, which is based upon porosity feet, may not accurately reflect the true producing capabilities of the commingled zones. I would request that Bass address this issue prior to the Division approving your application.

If you should have any questions, please contact me at (505) 827-8184.

Sincerely,

David Catanach
Engineer

Xc: OCD-Artesia
Bureau of Land Management-Carlsbad