

DATE IN 2/20/98	SUSPENSE 3/2/98	ENGINEER CTEB	LOGGED BY KW	TYPE CTB AMEND
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

[NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
 [DD-Directional Drilling] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Directional Drilling

☐ NSL ☐ NSP ☐ DD ☐ SD

Check One Only for [B] and [C]

[B] Commingling - Storage - Measurement

☐ DHC ☒ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply

[A] ☒ Working, Royalty or Overriding Royalty Interest Owners

[B] ☐ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☒ Notification and/or Concurrent Approval by BLM or SLO

U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☒ For all of the above. Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

[3] INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

Tami L. Wilber
Print or Type Name

Tami L. Wilber
Signature

Production Clerk
Title

12/31/97
Date

Continued P 966 34

BASS ENTERPRISES PRODUCTION CO.

6 DESTA DRIVE, SUITE 3700
P.O. BOX 2760
MIDLAND, TEXAS 79702

FAX (915) 687-0329

December 31, 1997

(915) 683-2277

Re: Add Two New Wells to Existing
Commingling Order No. CTB-399
Poker Lake Unit #128 B10685 (State Well)
Section 36, T24S-R30E; Unit Letter K
Well No. 139 NM 030453
Section 24, T24S-R30E; Unit Letter J
Eddy County, New Mexico
FILE: 400-WF: 97C~CMLG.DLB

William LeMay
New Mexico Oil Conservation
2040 S. Pacheco
Santa Fe, New Mexico 87505

Dear Mr. LeMay:

Bass Enterprises Production Company respectfully requests approval of off-lease storage and/or measurement and surface commingling of production into an existing tank battery, Commingling Order CTB-399. Production from the subject leases will be metered separately prior to being commingled. Approval of this request for off-lease storage and/or measurement and surface commingling will allow for more efficient use of existing facilities. 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 tank and water tank. The gas will be metered via a separate sales meter. Estimated production from the Poker Lake Delaware "B" PA will be 453 BOPD, 1777 BWPD, 904 MCFD. Estimated production from the Poker Lake Unit #128 lease will be 18 BOPD, 43 BWPD, 13 MCFD. Estimated production from the Poker Lake Unit #139 will be 45 BOPD, 305 BWPD, 67 MCFD. The API oil gravity for the subject leases is 39.8 (sweet). Current posted price is \$16.00 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.

If you have any questions please contact Keith Bucy or myself at the letterhead address.

Sincerely,


John R. Smitherman
Division Production Manager


JRS:tlw

FLOWLINE
 GAS
 WATER
 OIL
 VALVE
 VALVE, SEALED
 POSITIVE DISPLACEMENT METER
 CIRCULATING PUMP

EDDY COUNTY, NEW MEXICO
(COMMINGLED)

POKER LAKE DELAWARE "B" BATTERY



Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

DISTRICT I
P. O. Box 1980, Hobbs, NM 88240
DISTRICT II
311 S. 1st Street, Artesia, NM 88210-2834
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

P. O. Box 2088
Santa Fe, New Mexico 87504-2088

WELL API NO. 30-015-29695
5. Indicate Type of Lease State <input checked="" type="checkbox"/> Fee <input type="checkbox"/>
6. State Oil & Gas Lease No. 001796
7. Lease Name or Unit Agreement Name Poker Lake Unit
8. Well No #128
9. Pool Name or Wildcat Poker Lake (Delaware) SW
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3449.2' GL, 3464.4' RF

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT"
(FORM C-101) FOR SUCH PROPOSALS)

1. Type of Well Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	2. Name of Operator Bass Enterprises Production Company	3. Address of Operator P. O. Box 2760 Midland, Texas 79702-2760	4. Well Location Unit Letter K : 1980' Feet From The North Line and 1980' Feet From The West Line Section 36 Township 24S Range 30E NMPM Eddy County
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11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data	
NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>
OTHER: <input type="checkbox"/>	OTHER: Off-Lease Storage and/or Measurement <input checked="" type="checkbox"/>

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Bass Enterprises Production Co. respectfully requests approval of off-lease storage and/or measurement and surface commingling of production into an existing tank battery, Commingling Order CTB-399. Production from the subject lease will be metered separately at the Poker Lake Unit #78 battery prior to being commingled. Approval of this request for off-lease storage and/or measurement and surface commingling will allow for more efficient use of existing facilities. 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 tank and water tank. The gas will be metered via a separate sales meter. Estimated production from the Poker Lake Delaware "B" PA will be 453 BOPD, 1777 BWPD, 904 MCFD. Estimated production from the Poker Lake Unit #128 Lease will be 18 BOPD, 43 BWPD, 13 MCFD. Estimated production from the Poker Lake Unit #139 will be 45 BOPD, 305 BWPD, 67 MCFD. The API oil gravity for the subject leases is 39.8 (Sweet). Current posed price is \$16.00 per barrel.

hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Tami L. Wilber Tami L. Wilber TITLE: Production Clerk DATE: 12/30/97

TYPE OR PRINT NAME _____ TELEPHONE NO. (915) 683-2277

(This space for State Use)

APPROVED BY: _____ TITLE: _____ DATE: _____

CONDITIONS OF APPROVAL, IF ANY:

BASS ENTERPRISES PRODUCTION CO.

6 DESTA DRIVE, SUITE 3700
P.O. BOX 2760
MIDLAND, TEXAS 79702

FAX (915) 687-0329

December 31, 1997

(915) 683-2277

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Commingling Order No. CTB-399
Poker Lake Unit #128 B10685 (State Well)
Section 36, T24S-R30E; Unit Letter K
Well No. 139 NM 030453
Section 24, T24S-R30E; Unit Letter J
Eddy County, New Mexico
FILE: 400-WF: 97C~CMLG.DLB

WAIVER OF OBJECTION

EOTT Energy Corporation does not object to the attached application by Bass Enterprises
production Co. For Surface Commingling and/or Off-Lease Measurement and Storage.

EOTT Energy Corporation

Company or Interest Owner

Michael S. Titmore
Authorized Representative

Senior Area Manager

Title

12/31/97

Date

BASS ENTERPRISES PRODUCTION CO.

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P.O. BOX 2760
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Eddy County, New Mexico
FILE: 400-WF: 97C~CMLG.DLB

INTEREST OWNERS

Ray Powell, Commissioner
New Mexico State Land Office
P. O. Box 1148
Santa Fe, New Mexico 87504

COPY

I, Keith E. Bucy, certify that the Commissioner of Public Lands has been notified of this application.



12/31/97

Bass Enterprises Production Co.
Keith E. Bucy
Division Production Supt.

BASS ENTERPRISES PRODUCTION CO.

6 DESTA DRIVE, SUITE 3700
P.O. BOX 2760
MIDLAND, TEXAS 79702

FAX (915) 687-0329

December 31, 1997

(915) 683-2277


Re: Add Two New Wells to Existing
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Section 24, T24S-R30E; Unit Letter J
Eddy County, New Mexico
FILE: 400-WF: 97C~CMLG.DLB

INTEREST OWNERS

United States Department of the Interior (BLM)
Carlsbad Resource Area Headquarters
620 E. Greene Street
Carlsbad, NM 88220-6292

COPY

I, Keith E. Bucy, certify that the Commissioner of Public Lands has been notified of this application.



12/31/97

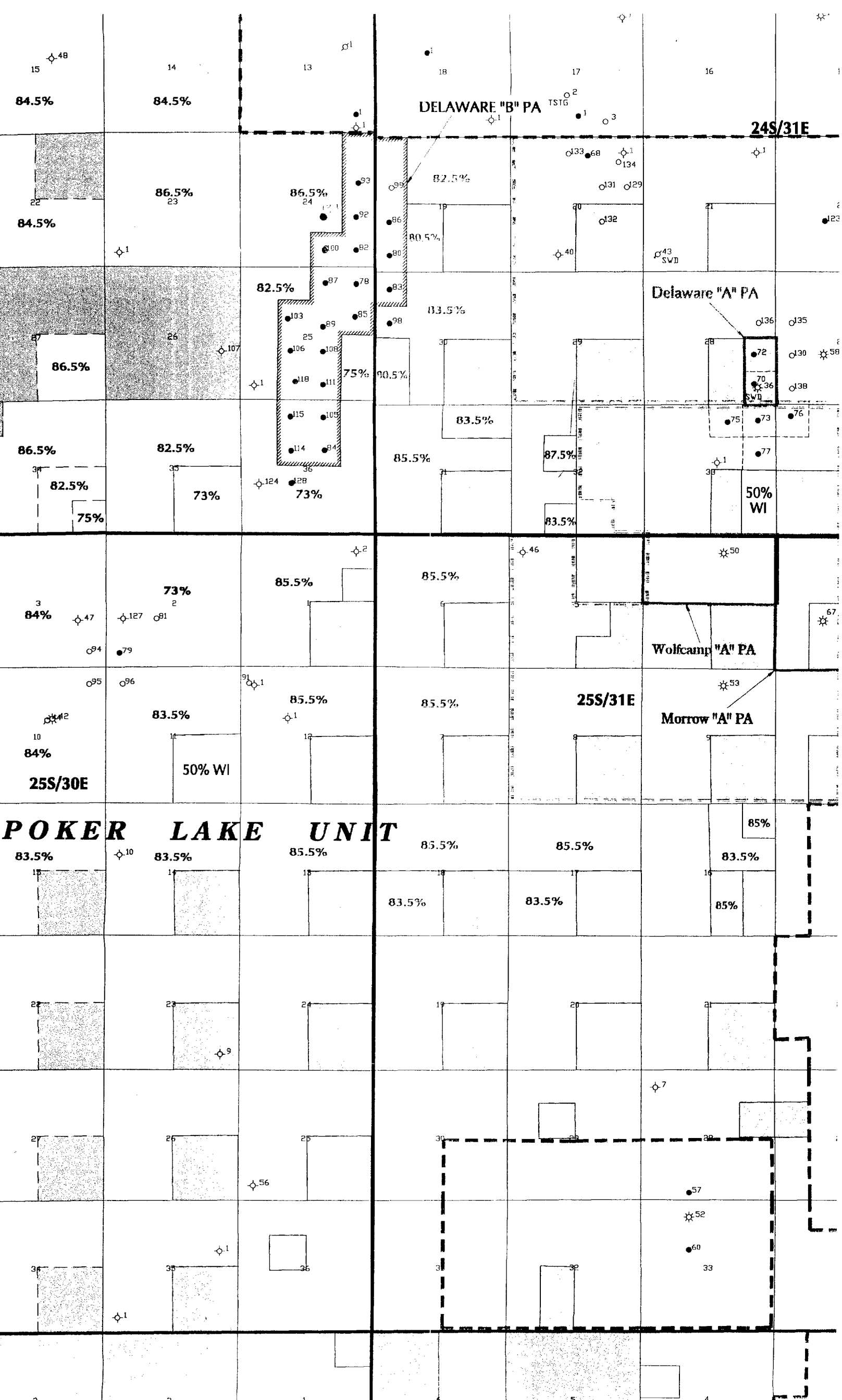
Bass Enterprises Production Co.
Keith E. Bucy
Division Production Supt.

**OFF LEASE STORAGE AND/OR MEASUREMENT
SURFACE COMMINGLING**

Poker Lake Unit #128	<u>B 10685 (State)</u>	<u>Unit Letter K</u>	<u>Section 36, T24S R30E</u>
Poker Lake Unit #139	<u>NM 030453</u>	<u>Unit Letter J</u>	<u>Section 24, T24S-R30E</u>

**Poker Lake Unit Delaware "B" PA Wells
Agreement #891000303E**

Poker Lake Unit #78	<u>LC-061705-B</u>	<u>A</u>	<u>Section 25, T24S-R30E</u>
Poker Lake Unit #80	<u>LC-061705-B</u>	<u>M</u>	<u>Section 19, T24S-R31E</u>
Poker Lake Unit #82	<u>NM-030453</u>	<u>P</u>	<u>Section 24, T24S-R30E</u>
Poker Lake Unit #83	<u>NM-0506-A</u>	<u>D</u>	<u>Section 30, T24S-R30E</u>
Poker Lake Unit #84	<u>B-10685 (State)</u>	<u>G</u>	<u>Section 36, T24S-R30E</u>
Poker Lake Unit #85	<u>LC-061705-B</u>	<u>H</u>	<u>Section 25, T24S-R30E</u>
Poker Lake Unit #86	<u>LC-061705-B</u>	<u>L</u>	<u>Section 19, T24S-R31E</u>
Poker Lake Unit #87	<u>LC-061705-B</u>	<u>B</u>	<u>Section 25, T24S-R30E</u>
Poker Lake Unit #89	<u>LC-061705-B</u>	<u>G</u>	<u>Section 25, T24S-R30E</u>
Poker Lake Unit #92	<u>NM-030453</u>	<u>I</u>	<u>Section 24, T24S-R30E</u>
Poker Lake Unit #93	<u>NM-030453</u>	<u>H</u>	<u>Section 24, T24S-R30E</u>
Poker Lake Unit #100	<u>NM-030456</u>	<u>P</u>	<u>Section 24, T24S-R30E</u>
Poker Lake Unit #103	<u>LC-061705-B</u>	<u>F</u>	<u>Section 25, T24S-R30E</u>
Poker Lake Unit #105	<u>E2206 State</u>	<u>B</u>	<u>Section 26, T24S-R30E</u>
Poker Lake Unit #106	<u>NM-030456</u>	<u>K</u>	<u>Section 25, T24S-R30E</u>
Poker Lake Unit #108	<u>NMNM 157779</u>	<u>J</u>	<u>Section 25, T24S-R30E</u>
Poker Lake Unit #111	<u>NMNM 157779</u>	<u>O</u>	<u>Section 25, T24S-R30E</u>
Poker Lake Unit #114	<u>B-10685 State</u>	<u>F</u>	<u>Section 36, T24S-R30E</u>
Poker Lake Unit #115	<u>B-10685 State</u>	<u>C</u>	<u>Section 26, T24S-R30E</u>
Poker Lake Unit #118	<u>LC-061705-A</u>	<u>N</u>	<u>Section 25, T24S-R30E</u>



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
620 E. Greene Street
Carlsbad, New Mexico 88221-1778

Bass Enterprises Production Company is requesting approval for surface commingling and off-lease storage and/or measurement of hydrocarbon production from the following formation(s) and well(s) on Federal Lease NM-030453 and State Lease B-10685, 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>
State	<u>128</u>	<u>UL K</u>	<u>36</u>	<u>24S</u>	<u>30E</u>	<u>Delaware</u>
Fed.	<u>139</u>	<u>UL J</u>	<u>24</u>	<u>24S</u>	<u>30E</u>	<u>Delaware</u>

with hydrocarbon production from the following formation(s) and well(s) on Federal Lease No. LC-061705-B, Lease Name Poker Lake Unit Delaware "B" PA. Agreement No. 891000303E.

<u>WELL</u> <u>NO.</u>	<u>Loc.</u>	<u>Sec.</u>	<u>Twp.</u>	<u>Rng.</u>	<u>Formation</u>
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See Attached List

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 #128</u>	<u>18</u>	<u>39.8</u>	<u>13</u>
<u>Poker Lake Unit #139</u>	<u>45</u>	<u>39.8</u>	<u>67</u>
<u>Delaware "B" PA</u>	<u>453</u>	<u>39.8</u>	<u>904</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 G, Section 25, T24S-R30E on Lease No. LC-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:

Total wellstream production will be transported via flowline to a three phase heater treater. The gas will be separated and sold through a lease sales meter. The oil will be separated and metered through a positive displacement meter prior to commingling.

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: 12/31/97