

DATE IN 10/31/97	SUSPENSE 11/20/97	ENGINEER BS	LOGGED BY MW	TYPE CTB 982
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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

10/8/97  
Date

BASS ENTERPRISES PRODUCTION CO.

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

FAX (915) 687-0329

October 9, 1997

(915) 683-2277

Re: Proposed Off-Lease Storage and/or  
Measurement and Surface Commingling  
Poker Lake Unit Well #79  
B-10679 (State Lease)  
Section 2, T25S-R30E; Unit Letter M  
Poker Lake Unit Well #91  
NM 030456  
Section 12, T25S-R30E; Unit Letter D  
Eddy County, New Mexico  
FILE: 400-WF: 97AHPL91.OLS

*NE (CHAP) Canyon  
Dew*

William LeMay  
New Mexico Oil Conservation  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Dear Mr. LeMay:

Bass Enterprises Production Company respectfully requests approval of off-lease storage and/or measurement of production into the existing tank battery. Production from the Poker Lake Unit #91 will be metered separately at the Poker Lake Unit #79 battery prior to being commingled with production from the Poker Lake Unit #79 lease. Approval of this request for off-lease storage and measurement will allow for more efficient operations with a consolidated battery by reducing the number of stock tanks (2) and water tanks (1). 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 the vessel. The oil and water will be metered prior to being stored in the commingled stock tanks and water tank. The gas will be metered via a separate sales meter. Estimated production from the Poker lake Unit #91 lease will be 52 BOPD, 186 BWPD, 52 MCFPD. Poker Lake Unit #79 lease produces 14 BOPD, 38 BWPD, 10 MCFPD.

The API oil gravity for the subject leases is 39.0 (sweet). Current posted price is \$19.75 per barrel. The total value will improve by commingling as revenue will increase due to gas sales vs. venting. Operating expenses will be reduced as the existing battery is closer to disposal facilities.

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

Sincerely,

*Keith E. Bucy for*  
John R. Smitherman

Division Production Manager

*HLW*  
JRS:tlw

BASS ENTERPRISES PRODUCTION CO.

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

FAX (915) 687-0329

October 10, 1997

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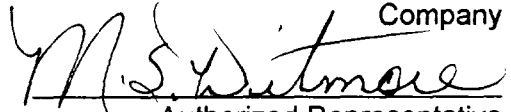
Re: Proposed Off-Lease Storage and/or  
Measurement and Surface Commingling  
Poker Lake Unit Well #79  
B-10679 (State Lease)  
Section 2, T25S-R30E; Unit Letter M  
Poker Lake Unit Well #91  
NM 030456  
Section 12, T25S-R30E; Unit Letter D  
Eddy County, New Mexico  
FILE: 400-WF: 964KOFISM.LTR

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



Authorized Representative

Senior Area Manager

Title

10/10/97

Date

BASS ENTERPRISES PRODUCTION CO.

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

FAX (915) 687-0329

October 8, 1997

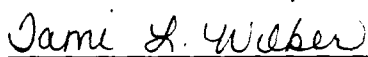
(915) 683-2277

Re: Proposed Off-Lease Storage and/or  
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Poker Lake Unit Well #91  
NM 030456  
Section 12, T25S-R30E; Unit Letter D  
Eddy County, New Mexico  
FILE: 400-WF: 97AHPL91.OLS

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

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

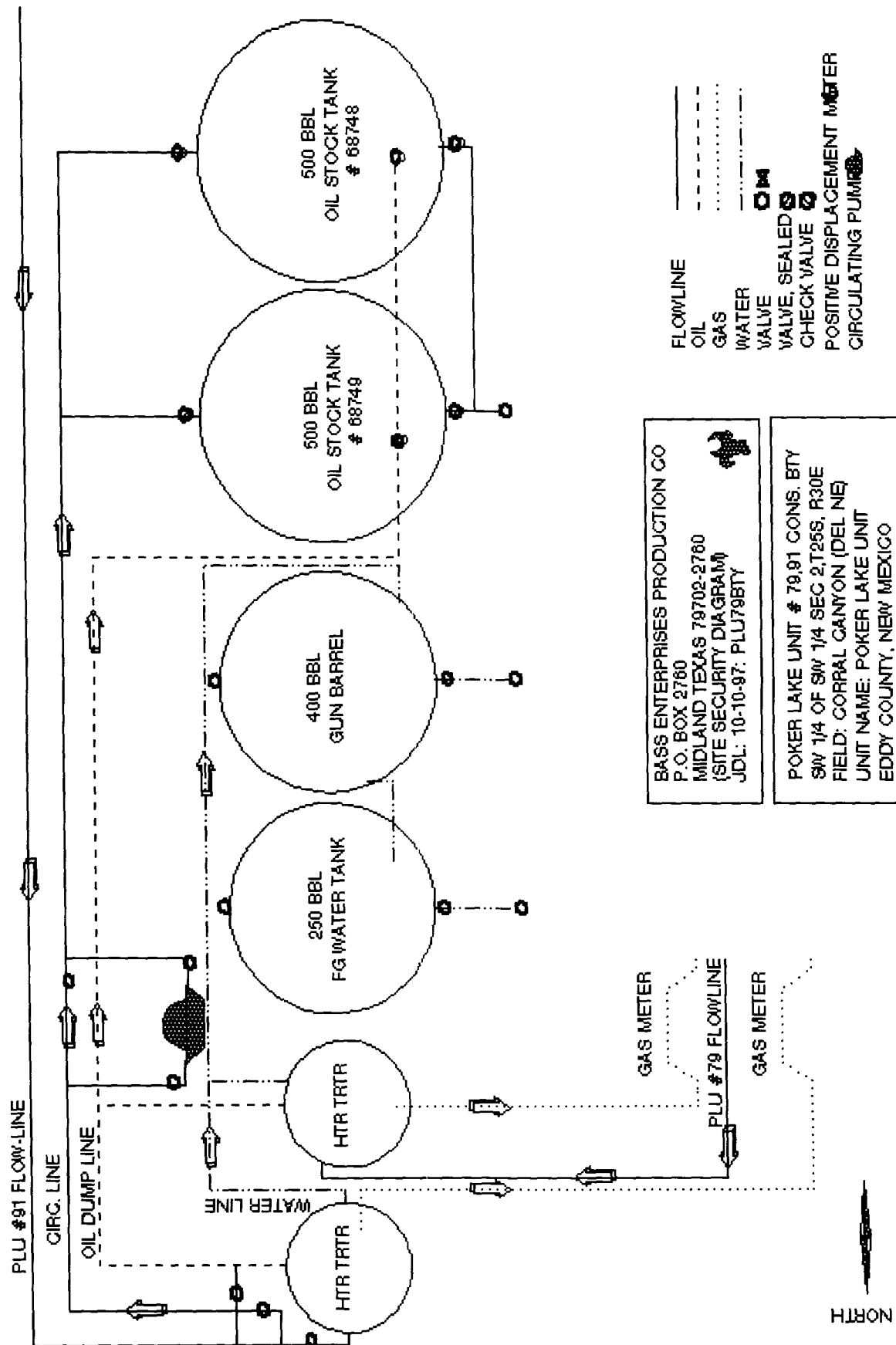
I, Tami L. Wilber, certify that the above Interest Owners have been notified of this application.



Bass Enterprises Production Co.  
Tami L. Wilber  
Production Clerk

10/8/97

<p>27</p> <p>PR Bass et al HBU 03185</p> <p>U.S.</p>	<p>26</p> <p>PR Bass et al HBU 03185</p> <p>U.S.</p>	<p>25</p> <p>PR Bass et al HBU 03185</p> <p>U.S.</p>	<p>30</p> <p>PR Bass et al HBU 03185</p> <p>U.S.</p>	<p>29</p> <p>PR Bass et al HBU 03185</p> <p>U.S.</p>	<p>28</p> <p>PR Bass et al HBU 03185</p> <p>U.S.</p>
<p>34</p> <p>PR Bass et al HBU 03185</p> <p>U.S.</p>	<p>35</p> <p>PR Bass et al HBU 03185</p> <p>U.S.</p>	<p>36</p> <p>PR Bass et al HBU 03185</p> <p>U.S.</p>	<p>31</p> <p>PR Bass et al HBU 03185</p> <p>U.S.</p>	<p>32</p> <p>PR Bass et al HBU 03185</p> <p>U.S.</p>	<p>33</p> <p>PR Bass et al HBU 03185</p> <p>U.S.</p>
<p>POKER LAKE UNIT</p> <p>U.S.</p>					
<p>3</p> <p>PR Bass et al HBU 03185</p> <p>U.S.</p>	<p>2</p> <p>PR Bass et al HBU 03185</p> <p>U.S.</p>	<p>91</p> <p>PR Bass et al HBU 03185</p> <p>U.S.</p>	<p>6</p> <p>PR Bass et al HBU 03185</p> <p>U.S.</p>	<p>5</p> <p>PR Bass et al HBU 03185</p> <p>U.S.</p>	<p>4</p> <p>PR Bass et al HBU 03185</p> <p>U.S.</p>
<p>POKER LAKE UNIT</p> <p>U.S.</p>					
<p>10</p> <p>PR Bass et al HBU 03185</p> <p>U.S.</p>	<p>11</p> <p>PR Bass et al HBU 03185</p> <p>U.S.</p>	<p>12</p> <p>PR Bass et al HBU 03185</p> <p>U.S.</p>	<p>7</p> <p>PR Bass et al HBU 03185</p> <p>U.S.</p>	<p>8</p> <p>PR Bass et al HBU 03185</p> <p>U.S.</p>	<p>9</p> <p>PR Bass et al HBU 03185</p> <p>U.S.</p>
<p>POKER LAKE UNIT</p> <p>U.S.</p>					
<p>15</p> <p>PR Bass et al HBU 03185</p> <p>U.S.</p>	<p>14</p> <p>PR Bass et al HBU 03185</p> <p>U.S.</p>	<p>13</p> <p>PR Bass et al HBU 03185</p> <p>U.S.</p>	<p>18</p> <p>PR Bass et al HBU 03185</p> <p>U.S.</p>	<p>17</p> <p>PR Bass et al HBU 03185</p> <p>U.S.</p>	<p>16</p> <p>PR Bass et al HBU 03185</p> <p>U.S.</p>
<p>POKER LAKE UNIT</p> <p>U.S.</p>					
<p>22</p> <p>PR Bass et al HBU 03185</p> <p>U.S.</p>	<p>23</p> <p>PR Bass et al HBU 03185</p> <p>U.S.</p>	<p>24</p> <p>PR Bass et al HBU 03185</p> <p>U.S.</p>	<p>19</p> <p>PR Bass et al HBU 03185</p> <p>U.S.</p>	<p>20</p> <p>PR Bass et al HBU 03185</p> <p>U.S.</p>	<p>21</p> <p>PR Bass et al HBU 03185</p> <p>U.S.</p>
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UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
BLM - CRA  
February 08, 1996

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir  
Use "APPLICATION FOR PERMIT" for such proposals

**SUBMIT IN TRIPLICATE**

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Bass Enterprises Production Company

3. Address and Telephone No.

P. O. Box 2760

Midland, Texas 79702-2760

(915) 683-2277

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

360' FNL & 330' FWL

Section 12, T25S-R30E

5. Lease Designation and Serial No.

NM 030456

6. If Indian, Allottee or Tribe Name

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7. If Unit or CA, Agreement Designation

Poker Lake Unit

8. Well Name and No.

Poker Lake Unit #91

9. API Well No.

30-015-29509

10. Field and Pool, or Exploratory Area

Corral Canyon (Delaware), NE

11. County or Parish, State

Eddy County, New Mexico

12. CHECK APPROPRIATE BOX(s) 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"/> Abandonment	<input type="checkbox"/> Change of Plans
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Other Off-Lease Storage and/or Measurement	<input type="checkbox"/> Dispose Water
		(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Bass Enterprises Production Company respectfully requests approval of off-lease storage and/or measurement of production into the existing tank battery. Production from the Poker Lake Unit #91 will be metered separately at the Poker Lake Unit #79 battery prior to being commingled with production from the Poker Lake Unit #79 lease. Approval of this request for off-lease storage and measurement will allow for more efficient operations with a consolidated battery by reducing the number of stock tanks (2) and water tanks (1). 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 the vessel. The oil and water will be metered prior to being stored in the commingled stock tanks and water tank. The gas will be metered via a separate sales meter. Estimated production from the Poker Lake Unit #91 lease will be 52 BOPD, 186 BWPD, 52 MCFPD. Poker Lake Unit #79 lease produces 14 BOPD, 38 BWPD, 10 MCFPD.

14. I hereby certify that the foregoing is true and correct

Signed Tami L. Wilber Tami L. Wilber

Title Production Clerk

Date 10/8/97

(This space for Federal or State office use)

Approved by \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

Conditions of approval, if any:

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 88220-6292

Bass Enterprises Production Co. (Operator's Name) is requesting approval for surface commingling and off-lease storage and measurement of hydrocarbon production from the following formation(s) and well(s) on State Lease No. B-10679, Lease Name Poker Lake Unit #79.

<u>WELL</u> <u>NO.</u>	<u>Loc.</u>	<u>Sec.</u>	<u>Twp.</u>	<u>Rng.</u>	<u>Formation</u>
<u>79</u>	<u>UL M</u>	<u>2</u>	<u>25S</u>	<u>30E</u>	<u>Delaware</u>
<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

with hydrocarbon production from the following formation(s) and well(s) on Federal Lease No. NM 030456  
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>
<u>91</u>	<u>UL D</u>	<u>12</u>	<u>25S</u>	<u>30E</u>	<u>Delaware</u>
<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

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 #79</u>	<u>14</u>	<u>39.0</u>	<u>10</u>
<u>Poker Lake Unit #91</u>	<u>52</u>	<u>39.0</u>	<u>52</u>
<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<u>          </u>	<u>          </u>	<u>          </u>	<u>          </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 M, Section 12, T25S, R30E, on lease No. B-10679, 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 and State 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:	<u>Tami L. Wilber</u>
Name:	<u>Tami L. Wilber</u>
Title:	<u>Production Clerk</u>
Date:	<u>10/8/97</u>