

123 5/30/96  
RECEIVED  
MAY 10 1996  
BASS ENTERPRISES PRODUCTION CO.  
6 DESTA DRIVE, SUITE 3700  
P.O. BOX 2760  
MIDLAND, TEXAS 79702

FAX (915) 687-0329

April 23, 1996

(915) 683-2277

Re: Proposed Off-Lease Storage and/or  
Measurement and Surface Commingling  
Poker Lake Unit  
Well No. 123 (NMNM0506-A)  
Section 22, T24S-R31E; Unit Letter K  
Well No. 68 (NMLC-061705-B)  
Section 20, T24S-R31E; Unit Letter B  
Eddy County, New Mexico  
FILE: 400-WF: 964KOF5M.LTR

5 Cotton Draw  
5-28-95 BS 96546  
Poker Lake DEC 50382

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 #123 lease will be metered separately at the Poker Lake Unit #68 battery prior to being commingled with production from the Poker Lake Unit #68 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). 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 tanks and water tank. The gas will be metered via a separate sales meter. Estimated production from the Poker Lake Unit #123 Lease will be 7 BO, 10 BW, 20 MCF per day. Poker Lake Unit #68 Lease produces 16 BO, 35 BW, 32 MCF per day. The API oil gravity for the subject leases is 47 (sweet). Current posted price is \$23.50 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

to the  
JRS:tlw

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)

1980' FSI & 1980' FWL Unit Letter K

Section 22, T24S-R31E

5. Lease Designation and Serial No.

NMNM 0506-A

6. If Indian, Allottee or Tribe Name

—

7. If Unit or CA, Agreement Designation

Poker Lake Unit

8. Well Name and No.

Poker Lake Unit #123

9. API Well No.

30-015-28526

10. Field and Pool, or Exploratory Area

South Sand Dunes (Bone Spring)

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

- ☒ Notice of Intent  
☐ Subsequent Report  
☐ Final Abandonment Notice

TYPE OF ACTION

- |   |  |
|---|--|
| <input type="checkbox"/> Abandonment                              | <input type="checkbox"/> Change of Plans         |
| <input type="checkbox"/> Recompletion                             | <input type="checkbox"/> New Construction        |
| <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 <u>Install Flowline</u> | <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 proposes to install a flowline from the Poker Lake Unit #123 to the Poker Lake Unit #68 Battery located in Block B, Section 20, T24S, R31E, Eddy County, New Mexico. The flowline will be laid on the surface and will follow existing roads to Poker Lake Unit #68. Surface damage will be minimal. No archeological survey is planned.

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

Signed Tami L. Wilber Tami L. Wilber

Title Production Clerk

Date 4/12/96

(This space for Federal or State office use)

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

Title \_\_\_\_\_

Date \_\_\_\_\_

Conditions of approval, if any:

## GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations, and reports of such operations when completed, as indicated, on Federal and Indian lands pursuant to applicable Federal law and regulations, and, if approved or accepted by any State, on all lands in such State, pursuant to applicable State law and regulations. Any necessary special in-

structions concerning the use of this form and the number of copies to be submitted, particularly with regard to local area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office.

## SPECIFIC INSTRUCTIONS

*Item 4* - If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

*Item 13* - Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by local Federal and/or State offices. In addition such proposals and reports should include reasons for the abandonment; data on any former or present productive

zones, or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to top of any left in the hole; method of closing top of well; and date well site conditioned for final inspection looking to approval of the abandonment.

## NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

**AUTHORITY:** 30 U.S.C. 181 et. seq., 351 et. seq., 25 U.S.C. et. seq.; 43 CFR 3160.

**PRINCIPAL PURPOSE** - The information is to be used to evaluate, when appropriate, approve applications, and report completion of secondary well operations, on a Federal or Indian lease.

**ROUTINE USES:**

- (1) Evaluate the equipment and procedures used during the proposed or completed subsequent well operations.
- (2) Request and grant approval to perform those actions covered by 43 CFR 3162.3-2(2).
- (3) Analyze future applications to drill or modify operations in light of data obtained and methods used.
- (4) (5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

**EFFECT OF NOT PROVIDING INFORMATION** - Filing of this notice and report and disclosure of the information is mandatory once an oil or gas well is drilled.

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501, et. seq.) requires us to inform you that:

This information is being collected in order to evaluate proposed and/or complete subsequent well operations on Federal or Indian oil and gas leases.

This information will be used to report subsequent operations once work is completed and when requested, to obtain approval for subsequent operations not previously authorized.

Response to this request is mandatory for the specific types of activities specified in 43 CFR Part 3160.

## BURDEN HOURS STATEMENT

Public reporting burden for this form is estimated to average 25 minutes per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, (Alternate) Bureau Clearance Officer, (WO-771), 18 and C Streets, N.W., Washington, D.C. 20240, and the Office of Management and Budget, Paperwork Reduction Project (1004-0135), Washington, D.C. 20503

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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BLM - CRA  
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P. O. Box 2760

Midland, Texas 79702-2760

(915) 683-2277

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1980' FSL & 1980' FWL, Unit Letter K  
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8. Well Name and No.

Poker Lake Unit #123

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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	<input type="checkbox"/> Dispose Water
	Off-Lease Storage and/or Measurement	(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

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Bass Enterprises Production Company respectfully requests approval of off-lease storage and/or measurement of production into the existing commingling tank battery.

Production from the Poker Lake Unit #123 lease will be metered separately at the Poker Lake Unit #68 battery prior to being commingled with production from the Poker Lake Unit #68 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). Also gas sales and SWD connections are available at the existing battery. Surface disturbance will also be minimized by using the existing facility.

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Date 4/12/96

(This space for Federal or State office use)

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

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**APPLICATION FOR SURFACE COMMINGLING**  
**OFF LEASE STORAGE AND MEASUREMENT APPROVAL**

**This Format Should Be Attached to a Sundry Notice**

**To: Bureau of Land Management  
P. O. Box 1778  
Carlsbad, New Mexico 88221-1778**

Bass Enterprises Production Company is requesting approval for surface commingling and off-lease storage and measurement of hydrocarbon production from the following formation(s) and well(s) on Federal Lease No. NMNM0506-A, 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>123</u>	<u>UL K</u>	<u>22</u>	<u>24S</u>	<u>31E</u>	<u>Bone Spring</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>
<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. NMLC061705-B, 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>68</u>	<u>UL B</u>	<u>20</u>	<u>24S</u>	<u>31E</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 #123</u>	<u>7</u>	<u>47</u>	<u>20</u>
<u>Poker Lake Unit # 68</u>	<u>16</u>	<u>40.7</u>	<u>32</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 Unit B, Section 20, T24S, R31E, on Lease No. NMLC061705-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:**

Production from the Poker Lake Unit #123 lease will be carried via flowline to a three phase heater treater at the Poker Lake Unit #68. Oil and water will be measured through positive displacement meters prior to commingling. Gas will be sold through a separate sales meter.

**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.

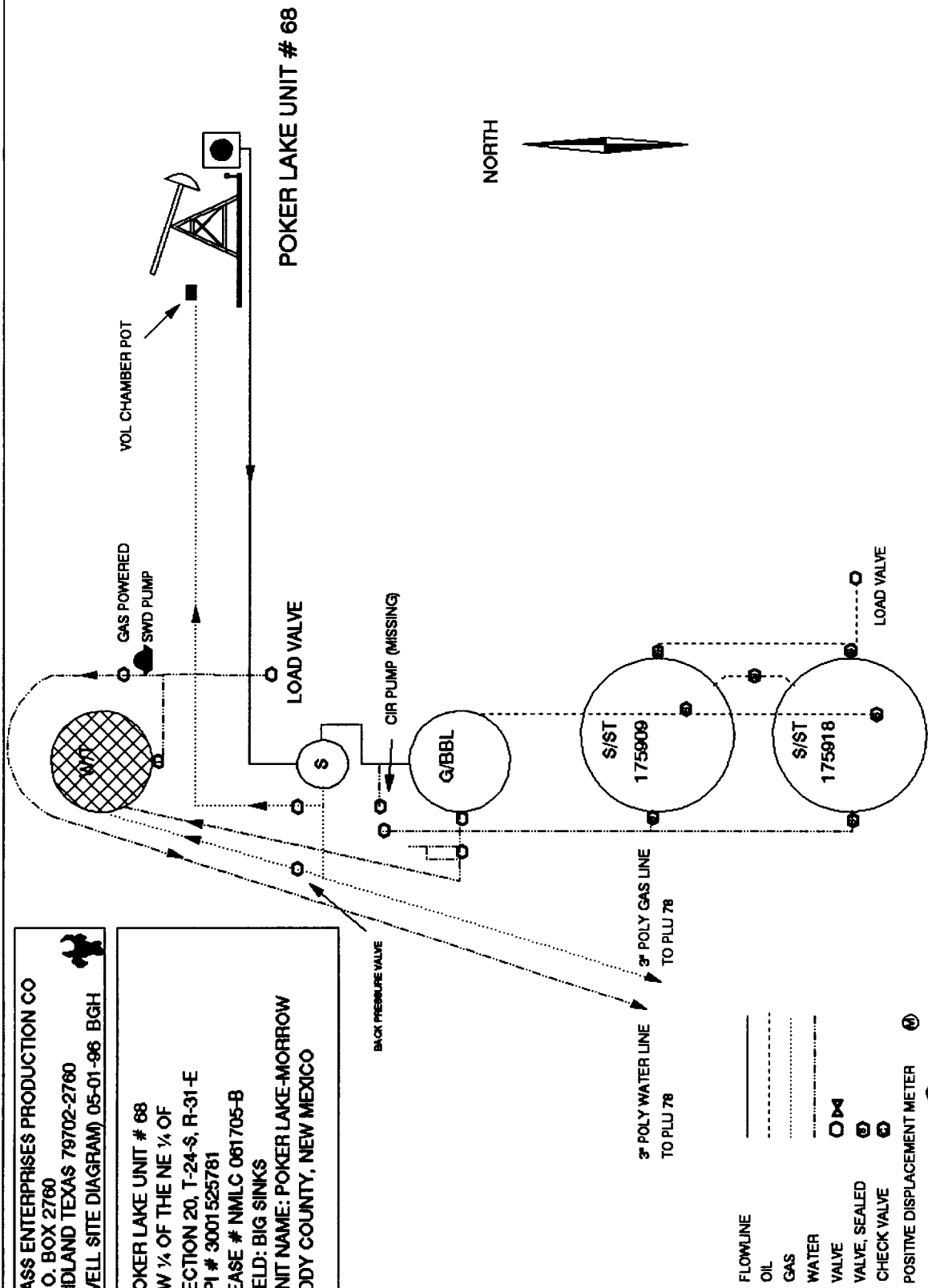
We understand that the requested approval will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument. And, we will submit within 30 days in application for right-of-way approval to the BLM's Realty Section in your office if we have not already done so.

**Additional wells require additional commingling approvals.**

Signature: Tami L. Wilber  
 Name: Tami L. Wilber  
 Title: Production Clerk  
 Date: 4-12-96

BASS ENTERPRISES PRODUCTION CO  
P.O. BOX 2760  
MIDLAND TEXAS 79702-2760  
(WELL SITE DIAGRAM) 05-01-86 BGH

POKER LAKE UNIT # 68  
NW 1/4 OF THE NE 1/4 OF  
SECTION 20, T-24-S, R-31-E  
API # 3001525781  
LEASE # NMLC 061705-B  
FIELD: BIG SINKS  
UNIT NAME: POKER LAKE-MORROW  
EDDY COUNTY, NEW MEXICO



NORTH

NOTE: ALL PRODUCTION FROM WELL RUNS TO POKER LAKE UNIT #68 BTY LOCATED  
IN SECTION 20, T-24-S, R-31-E OF EDDY COUNTY, NEW MEXICO

NORTH



POKER LAKE UNIT #123



BASS ENTERPRISES PRODUCTION CO  
P.O. BOX 2760  
MIDLAND TEXAS 79702-2760  
(WELL SITE DIAGRAM) 05-01-96 BGH



POKER LAKE UNIT # 123  
1980' FSL & 1980' FWL  
SECTION 22, T-24-S, R-31-E. UNIT LTR K  
API # 30-015-28528  
LEASE # NMLC 0506-A  
FIELD: SOUTH SAND DUNES  
UNIT NAME: POKER LAKE UNIT  
EDDY COUNTY, NEW MEXICO

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





11444444