

## BASS ENTERPRISES PRODUCTION CO.

201 MAIN ST.

FORT WORTH, TEXAS 76102-3131

817/390-8400

April 2, 2007

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**EXPRESS MAIL/****Return Receipt Requested**

Bureau of Land Management  
 Roswell District Office  
 2909 W. 2<sup>nd</sup> Street  
 Roswell, New Mexico 88201  
 Attn: Mr. Doug Burger

New Mexico State Land Office  
 Commissioner of Public Lands  
 310 Old Santa Fe Trail  
 Santa Fe, New Mexico 87501  
 Attention: Ms. Jami Bailey

New Mexico Oil Conservation Division  
 1220 St. Francis  
 Santa Fe, New Mexico 87505  
 Attention: Mr. William Jones

Re: 2007 Plan of Development  
 Poker Lake Unit  
 Eddy County, New Mexico

Gentlemen:

In accordance with Section 10 of the Poker Lake Unit Agreement dated March 18, 1952, Bass Enterprises Production Co., Operator of the referenced unit, hereby submits a Plan of Development for the Poker Lake Unit for the year 2007.

**HISTORY OF PAST DEVELOPMENT**

We refer to our previous Plans of Development for a detailed description of the operations conducted in this Unit in prior years.

**2006 ACTIVITY**

Poker Lake Unit Well No. 163, Eddy County, New Mexico – This well was drilled at a location being 1,980' FNL & 2,360' FWL, Section 6, T24S-R30E, Eddy County, New Mexico. This well was completed in the Delaware Formation as an oil well.

Poker Lake Unit Well No. 186, Eddy County, New Mexico – This well was drilled at a location being 1,750' FSL & 1,650' FWL, Eddy County, New Mexico. This well was completed in the Delaware Formation as an oil well.

Poker Lake Unit Well No. 191 A – This well was drilled at a legal location being 1,650' FSL & 1,950' FWL, Section 33 T24S-R31E, Eddy County, New Mexico. This well was completed in the Wolfcamp Formation as an gas well.

Poker Lake Unit Well No. 197 – This well was drilled at a legal location being 1,650' FSL & 1,980' FWL Section 33 T24S-R31E, Eddy County, New Mexico. This well was completed in the Wolfcamp Formation as an gas well.

Poker Lake Unit Well No. 204 – This well was drilled at a legal location being 660' FSL & 1,980' FWL Section 7, T24S-R30E, Eddy County, New Mexico. This well was completed in the Delaware Formation as an oil well.

Poker Lake Unit Well No. 211 – This well was drilled at a legal location being 1,980' FSL & 1,980' FEL Section 18, T24S-R30E, Eddy County, New Mexico. This well was completed in the Delaware Formation as an oil well.

Poker Lake Unit Well No. 241 – This well was drilled at a legal location being 840' FSL & 2,030' FEL Section 30, T24S-R30E, Eddy County, New Mexico. This well was completed in the Delaware Formation as an oil well.

Poker Lake Unit Well No. 247 – This well was drilled at a legal location being 1,805' FNL & 660' FWL Section 20, T24S-R30E, Eddy County, New Mexico. This well was completed in the Delaware Formation as an oil well.

Poker Lake Unit Well No. 251 – This well was drilled at a legal location being 1,980' FSL & 785' FEL Section 30, T24S-R30E, Eddy County, New Mexico. This well was completed in the Delaware Formation as an oil well.

Poker Lake Unit Well No. 260 – This well was drilled at a legal location being 1,830' FSL & 760' FWL Section 17, T24S-R30E, Eddy County, New Mexico. This well was completed in the Delaware Formation as an oil well.

Poker Lake Unit Well No. 261 – This well was drilled at a legal location being 1,980' FSL & 1,880' FEL Section 21, T24S-R30E, Eddy County, New Mexico. This well was completed in the Delaware Formation as an oil well.

Poker Lake Unit Well No. 264 – This well was drilled at a legal location being 1,780' FSL & 660' FWL Section 6, T24S-R30E, Eddy County, New Mexico. This well was completed in the Delaware Formation as an oil well.

Poker Lake Unit Well No. 281 – This well was drilled at a legal location being 1,830' FNL & 660' FWL Section 12 T24S-R30E, Eddy County, New Mexico. This well was completed in the Delaware Formation as an oil well.

#### PARTICIPATING AREAS

The above Delaware wells are included in the proposed Fourth Revision to the Delaware C Participating Area which has been approved by the BLM and other agencies.

Bass has submitted Commercial Determinations for all productive wells for which same have not been prepared in the past and will submit wells drilled to date where adequate information is available for commercial determination and participating areas. In the event you have not received commercial determination for the wells that have been drilled and completed and are currently producing, please advise at your convenience and we will submit same to you.

#### FUTURE DEVELOPMENT

Poker Lake Unit Well No. 162, Eddy County, New Mexico – This well will be drilled at a legal location being 660' FSL & 1,980' FWL, Section 6, T24S-R30E, Eddy County, New Mexico to a proposed depth of 7,550' to test the Delaware Formation.

Poker Lake Unit Well No. 183, Eddy County, New Mexico – This well will be drilled at a legal location being 330' FNL & 1,980' FWL, Section 7, T24S-R30E, Eddy County, New Mexico to a proposed depth of 7,450' to test the Delaware Formation.

Poker Lake Unit Well No. 201, Eddy County, New Mexico – This well will be drilled at a legal location being 2,130' FSL & 2,100' FWL, Section 7, T24S-R30E, Eddy County, New Mexico to a proposed depth of 7,540' to test the Lower Brushy Canyon Formation.

Poker Lake Unit Well No. 234, Eddy County, New Mexico – This well will be drilled at a legal location being 330' FNL, & 2,400' FEL' Section 31, T24S-R30E, Eddy County, New Mexico to a proposed depth of 7,600' to test the Lower Brushy Canyon Formation.

Poker Lake Unit Well No. 267, Eddy County, New Mexico – This well will be drilled at a legal location being 1,980' FSL & 660' FEL, Section 18, T25S-R30E, Eddy County, New Mexico to a proposed depth of 7,760' to test the Delaware Formation.

Poker Lake Unit Well No. 268, Eddy County, New Mexico – This well will be drilled at a legal location being 660' FSL & 660' FEL, Section 18, T25S-R30E, Eddy County, New Mexico to a proposed depth of 7,650' to test the Delaware Formation.

Poker Lake Unit Well No. 279, Eddy County, New Mexico – This well will be drilled at a legal location being 1,650' FNL & 2,310' FWL, Section 19, T24S-R30E, Eddy County, New Mexico to a proposed depth of 7,650' to test the Delaware Formation.

Poker Lake Unit Well No. 289, Eddy County, New Mexico -- This well will be drilled at a legal location being 800' FNL & 2,280' FWL, Section 18, T24S-R30E, Eddy County, New Mexico to a proposed depth of 7,550' to test the Delaware Formation.

Poker Lake Unit Well No. 291, Eddy County, New Mexico -- This well will be drilled at a legal location being 1,650' FSL & 1,980' FWL, Section 21, T24S-R30E, Eddy County, New Mexico to a proposed depth of 7,890' to test the Delaware Formation.

Poker Lake Unit Well No. 294, Eddy County, New Mexico -- This well will be drilled at a legal location being 660' FSL & 660' FEL, Section 21, T24S-R30E, Eddy County, New Mexico to a proposed depth of 15,500' to test the Morrow Formation.

Poker Lake Unit Well No. 295, Eddy County, New Mexico -- This well will be drilled at a legal location being 660' FNL & 660' FEL, Section 33, T24S-R30E, Eddy County, New Mexico to a proposed depth of 15,500' to test the Morrow Formation.

Poker Lake Unit Well No. 296, Eddy County, New Mexico -- This well will be drilled at a legal location being 660' FNL & 660' FWL, Section 29, T25S-R30E, Eddy County, New Mexico to a proposed depth of 15,500' to test the Morrow Formation.

#### OFFSET OBLIGATIONS

Appropriate and adequate measures will be taken to prevent drainage of unitized substances from lands covered by the Poker Lake Unit Agreement or pursuant to applicable regulations.

#### MODIFICATIONS

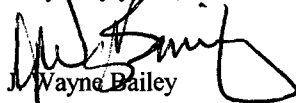
In accordance with the terms and provisions of the Poker Lake Unit Agreement, this Plan of Development may be modified from time to time as a result of changing conditions.

#### EFFECTIVE DATE

This Plan of Development became effective on January 1, 2007.

If this Plan of Development meets with your approval, please so indicate by signing in the appropriate space provided below and return one (1) signed original to the undersigned for our records.

Very truly yours,



J. Wayne Bailey  
Division Landman

JWB:ca

ACCEPTED AND AGREED this \_\_\_\_\_ day of \_\_\_\_\_, 2007.

BUREAU OF LAND MANAGEMENT

By: \_\_\_\_\_

COMMISSIONER OF PUBLIC LANDS

By: \_\_\_\_\_

NEW MEXICO OIL CONSERVATION DIVISION

By:  \_\_\_\_\_