

365

BASS ENTERPRISES PRODUCTION CO.

201 MAIN ST.
FORT WORTH, TEXAS 76102-3131
817/390-8400

April 17, 2007

EXPRESS MAIL/
Return Receipt Requested

Bureau of Land Management
Roswell District Office
2909 W. 2nd 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
Big Eddy Unit
Eddy County, New Mexico

Gentlemen:

In accordance with Section 10 of the Big Eddy Unit Agreement dated April 10, 1952, Bass Enterprises Production Co., Operator of the referenced unit, hereby submits a Plan of Development for the Big Eddy 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

Big Eddy Unit No. 149, Eddy County, New Mexico - This well was drilled at a location being 1,980 FNL and 660' FEL Section 32, T21S-R28E, Eddy County, New Mexico. This well was completed in the Morrow Formation as a gas well.

Big Eddy Unit No. 151, Eddy County, New Mexico - This well was drilled at a location being 1,650' FNL & 990' FEL, Section 30, T21S-R28E, Eddy County, New Mexico. This well was completed in the Morrow Formation as a gas well.

Big Eddy Unit No. 153, Eddy County, New Mexico - This well was drilled at a location being 697" FSL & 2,107' FEL, Section 20, T21S-R29E, Eddy County, New Mexico. This well was completed in the Morrow Formation as a gas well.

Big Eddy Unit No. 154, Eddy County, New Mexico - This well was drilled at a location being 660' FNL & 660' FEL, Section 15, T22S-R28E, Eddy County, New Mexico. This well was completed in the Morrow Formation as a gas well.

Big Eddy Unit No. 155, Eddy County, New Mexico - This well was drilled at a location being 990' FNL & 810' FWL, Section 25, T22S-R28E, Eddy County, New Mexico. This well was completed in the Morrow Formation as a gas well.

PARTICIPATING AREAS

Bass Enterprises Production Co. has submitted all wells drilled to date where adequate information is available for commercial determination and participating areas. In the event you have not received commercial determinations for the wells that have been drilled and completed and are currently producing, please advise at your earliest convenience and we will submit same to you.

FUTURE DEVELOPMENT

Big Eddy Unit Well No. 148, Eddy County, New Mexico - This well will be drilled at a legal location being 1,450' FSL & 1,980' FEL Section 6, T22S-R28E, Eddy County, New Mexico to a proposed depth of 12,500' to test the Morrow Formation.

Big Eddy Unit No. 158 Well, Eddy County, New Mexico - This well will be drilled at a legal location being 1,830' FSL & 1,980' FEL, Section 4, T22S-R28E, Eddy County, New Mexico to a proposed depth of 12,600' to test the Morrow Formation.

Big Eddy Unit Well No. 159, Eddy County, New Mexico - This well will be drilled at a legal location being 1,950' FSL & 660' FEL, Section 9, T22S-R28E, Eddy County, New Mexico to a proposed depth of 12,700' to test the Morrow Formation.

Big Eddy Unit No. 165 Well, Eddy County, New Mexico - This well will be drilled at a legal location being 660' FNL & 660' FEL, Section 15, T22S-R28E, Eddy County, New Mexico to a proposed depth of 12,200' to test the Morrow Formation.

Big Eddy Unit Well No. 169, Eddy County, New Mexico - This well will be drilled at a legal location being 660' FNL & 1,830' FWL, Section 17, T21S-R28E, Eddy County, New Mexico to a proposed depth of 12,700' to test the Morrow Formation.

OFFSET OBLIGATIONS

Appropriate and adequate measures will be taken to prevent drainage of unitized substances from lands within the Big Eddy Unit area, or pursuant to applicable regulations.

MODIFICATIONS

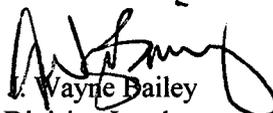
In accordance with the terms and provisions of the Big Eddy Unit Agreement, this Plan of Development may be modified from time to time as a result of changing conditions.

EFFECTIVE DATE

This Plan of Development became effective 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.

Sincerely,


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:  _____