

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

RECEIVED

April 7, 2009

2009 APR 8 AM 9 52

**FEDERAL EXPRESS**

Bureau of Land Management  
Carlsbad District Office  
620 E. Green St.  
Carlsbad, New Mexico 88220  
Attn: Mr. Wesley Ingram

New Mexico State Land Office  
Commissioner of Public Lands  
310 Old Santa Fe Trail  
Santa Fe, New Mexico 87501  
Attention: Mr. Pete Martinez

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

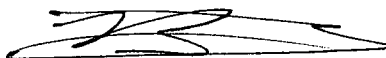
Re: Commercial Determination  
James Ranch Unit Well No. 30  
Wolfcamp Formation  
Eddy County, New Mexico

Gentlemen:

Please find attached hereto one (1) copy of Bass' commercial determination worksheets and exhibits which indicate that the subject well is a commercial well in the Wolfcamp Formation. Please indicate your concurrence to the above Commercial Determination. Upon your execution hereof, Bass will submit a participating area for the well.

Thank you very much and should you have any questions or comments in regard to the attached commercial determination, please do not hesitate to contact the undersigned.

Very truly yours,



Brad Glasscock

Bureau of Land Management

New Mexico State Land Office

New Mexico Oil Conservation Division

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

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

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

Its: \_\_\_\_\_

Its: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

# **WORKSHEET FOR COMMERCIAL DETERMINATION AND PARTICIPATING AREA IN FEDERAL UNITS**

## **WELL DATA**

WELL \_\_\_\_\_ JAMES RANCH UNIT NO. 30 \_\_\_\_\_ FORMATION \_\_\_\_\_ WOLFCAMP \_\_\_\_\_

LOCATION \_\_\_\_\_ J \_\_\_\_\_ UNIT, \_\_\_\_\_ 1980 \_\_\_\_\_ FEET FROM \_\_\_\_\_ S \_\_\_\_\_ LINE & \_\_\_\_\_ 2310 \_\_\_\_\_ FEET FROM \_\_\_\_\_ E \_\_\_\_\_ LINE

SECTION \_\_\_\_\_ 6 \_\_\_\_\_ TOWNSHIP \_\_\_\_\_ 23S \_\_\_\_\_ RANGE \_\_\_\_\_ 31E \_\_\_\_\_ COUNTY \_\_\_\_\_ EDDY \_\_\_\_\_, NEW MEXICO

SPUD DATE \_\_\_\_\_ 10/13/93 \_\_\_\_\_ COMPLETION DATE \_\_\_\_\_ 12/21/95 \_\_\_\_\_ INITIAL PRODUCTION \_\_\_\_\_ 12/21/95 \_\_\_\_\_

PERFORATIONS \_\_\_\_\_ 11,209-11,223' \_\_\_\_\_

### **STIMULATION:**

**ACID** \_\_\_\_\_ 200 GALS 15% HCL + ADDITIVES. \_\_\_\_\_

**FRACTURE** \_\_\_\_\_ 34,020 GALS YF-140D, 172,000# 20/40 OTTAWA SAND, & 30,327# ECONO PROP WITH \_\_\_\_\_  
 \_\_\_\_\_ PROPNETT II. \_\_\_\_\_

POTENTIAL \_\_\_\_\_ 12/24/95 116 BOPD, 47 BWPD, 311 MCFPD. \_\_\_\_\_

(Attach Copy of C-105. Attach Copy of Wellbore Sketch of Completed Well.)

## **VOLUMETRIC CALCULATION**

|                                        | SANDS PERFORATED | SANDS NOT PERFORATED BUT<br>POTENTIALLY PRODUCTIVE |
|----------------------------------------|------------------|----------------------------------------------------|
| Area (A) proration unit size, acres    | 40               |                                                    |
| Porosity (por), %                      | 11.5%            |                                                    |
| Water saturation (Sw), %               | 43%              |                                                    |
| Net Thickness (h), ft.                 | 19.5             |                                                    |
| Temperature (T), Fahrenheit            | 170              |                                                    |
| Bottom Hole pressure (P), psia         | 6,057            |                                                    |
| Recovery factor (RF), %                | 27%              |                                                    |
| Recoverable oil, BBLS *(See eq. below) | 76,498           |                                                    |

\*Sometimes unable to match performance due to volumetric uncertainty.

Formula = (7758) (A) (h) (por) (1-Sw) (1/Boi) (RF)

Boi = 1.40

### PERFORMANCE DATA

(If sufficient history exists, attach plot of oil production rate v time.)

|                          |                                      |               |      |
|--------------------------|--------------------------------------|---------------|------|
| CUMULATIVE PRODUCTION TO | <u>11/1/99</u>                       | <u>26,700</u> | BBLs |
| INITIAL RATE (qi)        | <u>356</u>                           |               |      |
| ECONOMIC LIMIT (ql)      | <u>30</u>                            |               |      |
| DECLINE RATE, dy         | <u>Hyperbolic d = 17.04% n = .98</u> |               |      |
| REMAINING OIL (Q) =      | <u>35,400</u>                        |               |      |
| ULTIMATE RECOVERABLE OIL | <u>62,100</u>                        |               |      |

(Attach plat showing proration unit and participating area.)

### ECONOMIC

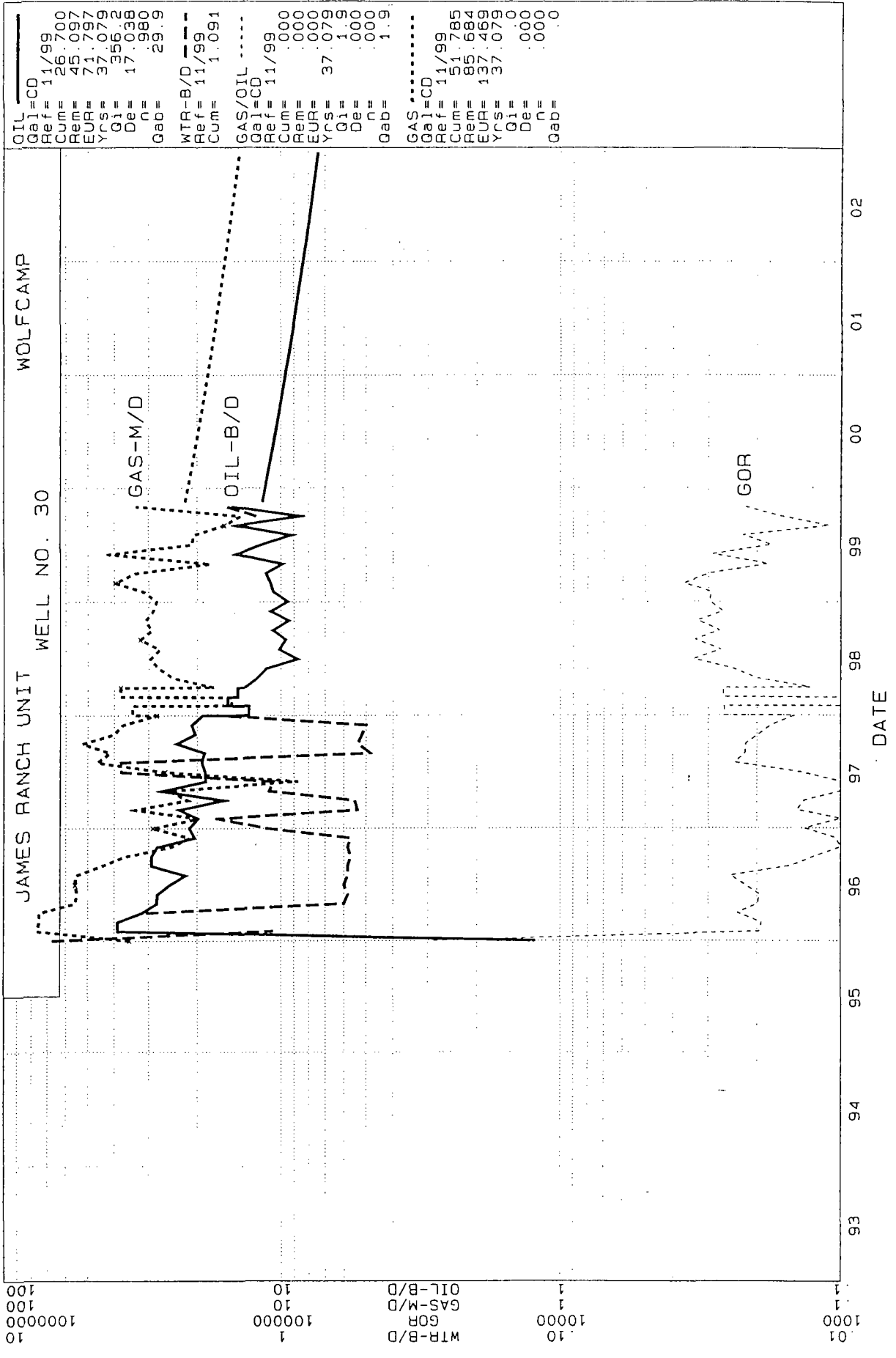
WELL COST \$ 825,000 (to the depth of formation completed)

RECOMPLETION COST \$ 0

TOTAL COST \$ 825,000

| YEAR      | GROSS OIL     | REVENUE        | OPERATING COST | 10% NET 8FIT<br>DISCOUNTED<br>CASH FLOW |
|-----------|---------------|----------------|----------------|-----------------------------------------|
| ZERO      | <u>0</u>      | <u>0</u>       | <u>0</u>       | <u>-825,000</u>                         |
| 1         | <u>0</u>      | <u>2,300</u>   | <u>1,400</u>   | <u>900</u>                              |
| 2         | <u>10,300</u> | <u>232,900</u> | <u>31,500</u>  | <u>190,100</u>                          |
| 3         | <u>7,500</u>  | <u>154,300</u> | <u>25,600</u>  | <u>109,800</u>                          |
| 4         | <u>4,600</u>  | <u>71,500</u>  | <u>19,600</u>  | <u>40,100</u>                           |
| 5         | <u>4,000</u>  | <u>84,100</u>  | <u>20,500</u>  | <u>44,400</u>                           |
| 6         | <u>3,800</u>  | <u>96,700</u>  | <u>21,500</u>  | <u>47,600</u>                           |
| 7         | <u>3,300</u>  | <u>69,700</u>  | <u>19,400</u>  | <u>28,800</u>                           |
| 8         | <u>2,900</u>  | <u>57,200</u>  | <u>18,600</u>  | <u>20,100</u>                           |
| 9         | <u>2,500</u>  | <u>48,600</u>  | <u>17,900</u>  | <u>14,400</u>                           |
| 10        | <u>2,300</u>  | <u>43,600</u>  | <u>17,600</u>  | <u>11,100</u>                           |
| REMAINDER | <u>20,900</u> | <u>400,300</u> | <u>259,400</u> | <u>37,700</u>                           |

**WELL IS NOT COMMERCIAL**



|                |         |
|----------------|---------|
| <b>OIL</b>     |         |
| Gal=CD         | 11/99   |
| Ref=           | 26.700  |
| Cum=           | 45.097  |
| EUR=           | 71.797  |
| Yrs=           | 37.079  |
| Qi=            | 356.2   |
| De=            | 17.038  |
| n=             | .980    |
| Gab=           | 29.9    |
| <b>WTR-B/D</b> |         |
| Ref=           | 11/99   |
| Cum=           | 1.091   |
| <b>GAS/OIL</b> |         |
| Gal=CD         | 11/99   |
| Ref=           | .000    |
| Cum=           | .000    |
| EUR=           | .000    |
| Yrs=           | 37.079  |
| Qi=            | 1.9     |
| De=            | .000    |
| n=             | .000    |
| Gab=           | 1.9     |
| <b>GAS</b>     |         |
| Gal=CD         | 11/99   |
| Ref=           | 51.785  |
| Cum=           | 85.684  |
| EUR=           | 137.469 |
| Yrs=           | 37.079  |
| Qi=            | 0       |
| De=            | .000    |
| n=             | .000    |
| Gab=           | 0       |

JRU #30 WOLFCAMP

DATE : 02/07/00  
TIME : 13:34:08  
DBS FILE : JRUPA  
SETUP FILE : CD  
SEQ NUMBER : 36

| ITEM        | INPUT DATA       |                |            |          | CALCULATED DATA |           |            |            |
|-------------|------------------|----------------|------------|----------|-----------------|-----------|------------|------------|
|             | SCHEDULING RATES | SCHEDULE UNTIL | PROCEDURE  | ULTIMATE | LAST            | EFF. DECL | INIT. RATE | FINAL RATE |
| 405 START   | 11/99            |                |            |          |                 |           |            |            |
| 410 OIL     | 356.24           | X B/M          | 05/2014 AD | H/0.980  | 17.04           | 56.567    | 4/14       | 356.       |
| 415 "       | 95.00            | X B/M          | 15.23 IMU  | EXP      | 5.00            | 71.797    | 11/36      | 95.        |
| 420 GAS/OIL | 1.90             | 1.90 M/B       | 01/2097 AD | LIN      | TIME            |           | 12/96      |            |
| 425 WTR     | 5.13             | 1.00 B/M       | X IMU      | H/0.995  | 22.27           | .398      | 2/16       | 5.         |
| 430 START   | 12/95            |                |            |          |                 |           |            | 1.         |
| 516 PRI/OIL | 16.8800          | X \$/B         | 1/95 MM/YY | PC       | .00             |           | 11/36      | 16.880     |
| 517 "       | 18.39            | X \$/B         | 1/96 AD    | PC       | .00             |           | 11/36      | 18.390     |
| 518 "       | 22.26            | X \$/B         | 1/97 AD    | PC       | .00             |           | 11/36      | 22.260     |
| 519 "       | 20.74            | X \$/B         | 1/98 AD    | PC       | .00             |           | 12/97      | 20.740     |
| 520 "       | 14.43            | X \$/B         | 1/99 AD    | PC       | .00             |           | 12/98      | 14.430     |
| 521 "       | 19.25            | X \$/B         | 1/2000 AD  | PC       | .00             |           | 12/99      | 19.250     |
| 522 "       | 24.94            | X \$/B         | 1/2001 AD  | PC       | .00             |           | 12/00      | 24.940     |
| 523 "       | 20.67            | X \$/B         | 1/2002 AD  | PC       | .00             |           | 12/01      | 20.670     |
| 524 "       | 19.20            | X \$/B         | 1/2003 AD  | PC       | .00             |           | 12/02      | 19.200     |
| 525 "       | 18.18            | X \$/B         | 1/2004 AD  | PC       | .00             |           | 12/03      | 18.180     |
| 526 "       | 18.13            | X \$/B         | TO LIFE    | PC       | .00             |           | 11/36      | 18.130     |
| 531 PRI/GAS | 1.8900           | X \$/M         | 1/95 MM/YY | PC       | .00             |           | 11/36      | 1.890      |
| 532 "       | 1.94             | X \$/M         | 1/96 AD    | PC       | .00             |           | 12/95      | 1.940      |
| 533 "       | 2.61             | X \$/M         | 1/97 AD    | PC       | .00             |           | 12/96      | 2.610      |
| 534 "       | 2.59             | X \$/M         | 1/98 AD    | PC       | .00             |           | 12/97      | 2.590      |
| 535 "       | 2.11             | X \$/M         | 1/99 AD    | PC       | .00             |           | 12/98      | 2.110      |
| 536 "       | 2.27             | X \$/M         | 1/2000 AD  | PC       | .00             |           | 12/99      | 2.270      |
| 537 "       | 2.60             | X \$/M         | 1/2001 AD  | PC       | .00             |           | 12/00      | 2.600      |
| 538 "       | 2.58             | X \$/M         | 1/2002 AD  | PC       | .00             |           | 12/01      | 2.580      |
| 539 "       | 2.57             | X \$/M         | TO LIFE    | PC       | .00             |           | 11/36      | 2.570      |
| 544 OPC/T   | 1190.00          | X \$/M         | TO LIFE    | SCH      | OPC             |           | 11/36      | 1190.000   |
| 549 STX/OIL | 7.08             | X \$           | TO LIFE    | PC       | .00             |           | 11/36      | .071       |
| 554 STX/GAS | 7.93             | X \$           | TO LIFE    | PC       | .00             |           | 11/36      | .079       |
| 559 ATX     | .17              | X \$           | TO LIFE    | PC       | .00             |           | 11/36      | .002       |
| 564 PRI/OIL | -.9100           | -.9100 \$/B    | TO LIFE    | PC       | .00             |           | 11/36      | -.910      |
| 569 PRI/GAS | -.1300           | -.1300 \$/M    | TO LIFE    | PC       | .00             |           | 11/36      | -.130      |
| 700 LSE/WI  | 100.0000         | D \$           | TO LIFE    | FLAT     | .00             |           | 11/36      | 1.000      |
| 701 OWN/WI  | 100.0000         | D \$           | TO LIFE    | FLAT     | .00             |           | 11/36      | 1.000      |
| 720 LSE/RIC | 12.5000          | D \$           | TO LIFE    | FLAT     | .00             |           | 11/36      | .125       |
| 721 OWN/RIC | .0000            | D \$           | TO LIFE    | FLAT     | .00             |           | 11/36      | .125       |
| 740 LSE/RIG | 12.5000          | D \$           | TO LIFE    | FLAT     | .00             |           | 11/36      | .125       |
| 760 LSE/ORR | .0000            | D \$           | TO LIFE    | FLAT     | .00             |           | 11/36      | .125       |

761 OWN/ORR .0000 D \$ TO LIFE FLAT .00 11/36

| OVERLAYS | SCHEDULING RATES | PROCEDURE | ULTIMATE | LAST | EFF. DECL | INIT. RATE | FINAL RATE |
|----------|------------------|-----------|----------|------|-----------|------------|------------|
| 905 LOAD | P. OIL OIL #     |           | 27.150   | 2/00 |           |            |            |
| 910 LOAD | P. GAS GAS #     |           | 52.787   | 2/00 |           |            |            |
| 915 LOAD | P. WATER WTR #   |           | 1.091    | 2/00 |           |            |            |

| INVESTMENT  | TANGIBLES & INTANGIBLES | TIME       | PROCEDURE | TOTAL T&I | MONTH | RISK INV. | TOT. T&I&R | ESC. T&I&R |
|-------------|-------------------------|------------|-----------|-----------|-------|-----------|------------|------------|
| 800 DRILL   | 330.00                  | 495.00 MSG | 12/95 AD  | 825.000   | 12/95 |           | 825.0      | 825.0      |
| 801 SALVAGE | -33.00                  | .00 MSG    | TO LIFE   | -33.000   | 11/36 |           | -33.0      | -33.0      |

| RESERVE PARAMETERS | ITEM      |
|--------------------|-----------|
| 201 LOSS NO        |           |
| 205 CUMO, MB       | 26.70     |
|                    | CUMG, MMF |
|                    | 51.78     |
|                    | CUML, MB  |

PROJECT ASSUMPTIONS

BASE DATE : 12/95 TIME FRAMES : 1\*1 38\*12 1\*600  
P.W. DATE : 12/95 PW & AGE : 10.0 DISC. FREQUENCY : 365.  
REPORT DATE : 12/95 PROD QUAL : CD OWNER QUAL : CD

OTHER QUAL : CD

JRU #10 WOLFCAMP

DATE : 02/07/00  
TIME : 13:34:08  
DBS FILE : JRUPA  
SETUP FILE : CD  
SEQ NUMBER : 36

# RESERVES AND ECONOMICS

EFFECTIVE DATE: 12/95

| PERIOD ENDING | 12/95 | 12/96 | 12/97 | 12/98 | 12/99 | 12/00 | 12/01 | 12/02 | 12/03 | 12/04 | S TOT | AFTER | 25.2 YR TOTAL |
|---------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|---------------|
|---------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|---------------|

## OWNERSHIP

|                         |         |         |         |         |         |         |         |         |         |         |         |         |         |
|-------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| 1) WORKING INTEREST, \$ | 100.000 | 100.000 | 100.000 | 100.000 | 100.000 | 100.000 | 100.000 | 100.000 | 100.000 | 100.000 | 100.000 | 100.000 | 100.000 |
| 2) REVENUE INTEREST, \$ | 87.500  | 87.500  | 87.500  | 87.500  | 87.500  | 87.500  | 87.500  | 87.500  | 87.500  | 87.500  | 87.500  | 87.500  | 87.500  |

## INVESTMENTS, M\$

|                       |       |    |    |    |    |    |    |    |    |       |       |       |    |
|-----------------------|-------|----|----|----|----|----|----|----|----|-------|-------|-------|----|
| 3) BORROWED CAPITAL   | .0    | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0    | .0    | .0    | .0 |
| 4) EQUITY INVESTMENTS | 825.0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | 825.0 | -33.0 | 792.0 | .0 |
| 5) RISK               | .0    | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0    | .0    | .0    | .0 |
| 7) TOTAL              | 825.0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | 825.0 | -33.0 | 792.0 | .0 |

## OIL PHASE

|                      |       |       |       |       |       |       |       |       |       |       |       |       |        |
|----------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|--------|
| 8) GROSS OIL, MB     | .0    | 10.3  | 7.5   | 4.6   | 4.0   | 3.8   | 3.3   | 2.9   | 2.5   | 2.3   | 41.2  | 20.9  | 62.1   |
| 9) NET OIL, MB       | .0    | 9.1   | 6.5   | 4.0   | 3.5   | 3.4   | 2.9   | 2.5   | 2.2   | 2.0   | 36.1  | 18.3  | 54.4   |
| 10) OIL REVENUE, M\$ | .6    | 193.2 | 129.4 | 53.9  | 64.8  | 80.8  | 56.4  | 45.7  | 38.3  | 34.3  | 697.4 | 315.4 | 1012.8 |
| 11) OIL PRICE, \$/B  | 17.48 | 21.35 | 19.83 | 13.52 | 18.34 | 24.03 | 19.76 | 18.29 | 17.27 | 17.22 | 19.34 | 17.22 | 18.63  |

## GAS PHASE

|                       |       |       |       |       |       |       |       |       |       |       |       |       |       |
|-----------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 12) GROSS GAS, MMF    | 1.1   | 18.3  | 11.6  | 10.1  | 10.3  | 7.4   | 6.2   | 5.4   | 4.8   | 4.3   | 79.5  | 39.8  | 119.3 |
| 13) NET GAS, MMF      | 1.0   | 16.0  | 10.1  | 8.9   | 9.0   | 6.5   | 5.4   | 4.7   | 4.2   | 3.8   | 69.6  | 34.8  | 104.4 |
| 14) GAS REVENUE, M\$  | 1.7   | 39.7  | 24.9  | 17.6  | 19.2  | 16.0  | 13.3  | 11.6  | 10.3  | 9.2   | 163.4 | 84.9  | 248.3 |
| 15) GAS PRICE, \$/MCF | 1.810 | 2.480 | 2.460 | 1.980 | 2.140 | 2.470 | 2.450 | 2.440 | 2.440 | 2.440 | 2.350 | 2.440 | 2.380 |

## WATER PHASE

|                       |      |      |      |      |      |      |      |      |      |      |      |      |      |
|-----------------------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| 16) GROSS WATER, MB   | .2   | .3   | .5   | .0   | .0   | .1   | .0   | .0   | .0   | .0   | 1.3  | .2   | 1.5  |
| 17) NET WATER, MB     | .2   | .3   | .5   | .0   | .0   | .1   | .0   | .0   | .0   | .0   | 1.3  | .2   | 1.5  |
| 18) WATER PRICE, \$/B | .000 | .000 | .000 | .000 | .000 | .000 | .000 | .000 | .000 | .000 | .000 | .000 | .000 |

## ECONOMICS, M\$

|                         |        |       |       |      |      |      |      |      |      |      |        |       |        |
|-------------------------|--------|-------|-------|------|------|------|------|------|------|------|--------|-------|--------|
| 19) GROSS REV. TO INTR. | 2.3    | 232.9 | 154.3 | 71.5 | 84.1 | 96.7 | 69.7 | 57.2 | 48.6 | 43.6 | 860.9  | 400.3 | 1261.2 |
| 20) - SEV. TAX          | .2     | 16.8  | 11.1  | 5.2  | 6.1  | 7.0  | 5.0  | 4.2  | 3.5  | 3.2  | 62.3   | 29.1  | 91.4   |
| 22) - AD VALOREM TAX    | .0     | .4    | .2    | .1   | .1   | .2   | .1   | .1   | .1   | .1   | 1.4    | .6    | 2.0    |
| 23) - OPERATING COSTS   | 1.2    | 14.3  | 14.3  | 14.3 | 14.3 | 14.3 | 14.3 | 14.3 | 14.3 | 14.3 | 129.7  | 229.7 | 359.4  |
| 24) - SWD               | .0     | .0    | .0    | .0   | .0   | .0   | .0   | .0   | .0   | .0   | .0     | .0    | .0     |
| 25) - CAPITAL REPAYMENT | .0     | .0    | .0    | .0   | .0   | .0   | .0   | .0   | .0   | .0   | .0     | .0    | .0     |
| 26) - INTEREST PAID     | .0     | .0    | .0    | .0   | .0   | .0   | .0   | .0   | .0   | .0   | .0     | .0    | .0     |
| 27) - NPI OWNED - PAID  | .0     | .0    | .0    | .0   | .0   | .0   | .0   | .0   | .0   | .0   | .0     | .0    | .0     |
| 28) = NET INCOME        | .9     | 201.4 | 128.6 | 51.9 | 63.6 | 75.3 | 50.3 | 38.7 | 30.7 | 26.1 | 667.5  | 140.9 | 808.4  |
| 29) - INVESTMENTS & RSK | 825.0  | .0    | .0    | .0   | .0   | .0   | .0   | .0   | .0   | .0   | 825.0  | -33.0 | 792.0  |
| 30) = BFIT NET          | -824.1 | 201.4 | 128.6 | 51.9 | 63.6 | 75.3 | 50.3 | 38.7 | 30.7 | 26.1 | -157.5 | 173.9 | 16.4   |

PRESENT WORTH @ 10.00 %

|                        |        |        |        |        |        |        |        |        |        |        |        |        |        |
|------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| 31) NET INCOME         | .9     | 190.1  | 109.8  | 40.1   | 44.4   | 47.6   | 28.8   | 20.1   | 14.4   | 11.1   | 507.3  | 37.7   | 545.0  |
| 32) INVESTMENTS & RISK | 825.0  | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | 825.0  | -2.7   | 822.3  |
| 33) BFIT NET           | -824.1 | 190.1  | 109.8  | 40.1   | 44.4   | 47.6   | 28.8   | 20.1   | 14.4   | 11.1   | -317.7 | 40.4   | -277.3 |
| 34) CUM BFIT NET       | -824.1 | -634.0 | -524.2 | -484.1 | -439.6 | -392.0 | -363.2 | -343.1 | -328.8 | -317.7 | -317.7 | -277.3 | -277.3 |

DATE : 02/07/00  
 TIME : 13:34:08  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 36

## AFTER TAX ECONOMICS

| PERIOD ENDING                     | 12/95  | 12/96  | 12/97  | 12/98  | 12/99  | 12/00  | 12/01  | 12/02  | 12/03  | 12/04  | S TOT  | AFTER  | 25.2 YR<br>TOTAL |
|-----------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|------------------|
| EFFECTIVE DATE: 12/95             |        |        |        |        |        |        |        |        |        |        |        |        |                  |
| TAX TREATMENT OF INVESTMENTS, M\$ |        |        |        |        |        |        |        |        |        |        |        |        |                  |
| 1) EXP, RISK & CAP INT            | 495.0  | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | 495.0  | .0     | 495.0            |
| 2) DEPLETABLE                     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0               |
| 3) DEPRECIABLE                    | 330.0  | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | 330.0  | -33.0  | 297.0            |
| TAX CALCULATIONS, M\$             |        |        |        |        |        |        |        |        |        |        |        |        |                  |
| 4) GROSS REV. TO INTR.            | 2.3    | 232.9  | 154.3  | 71.5   | 84.1   | 96.7   | 69.7   | 57.2   | 48.6   | 43.6   | 860.9  | 400.3  | 1261.2           |
| 5) - SEVERANCE TAX                | .2     | 16.8   | 11.1   | 5.2    | 6.1    | 7.0    | 5.0    | 4.2    | 3.5    | 3.2    | 62.3   | 29.1   | 91.4             |
| 6) - WPT TAX NET                  | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0               |
| 7) - OPR. COSTS & ATX             | 1.2    | 14.6   | 14.5   | 14.4   | 14.4   | 14.4   | 14.4   | 14.4   | 14.4   | 14.3   | 131.1  | 230.3  | 361.4            |
| 8) + NPI OWNED - PAID             | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0               |
| 9) - OVERHEAD                     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0               |
| 10) - EXPENSED INV.               | 495.0  | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | 495.0  | .0     | 495.0            |
| 11) - DEPRECIATION                | 3.9    | 49.9   | 78.9   | 56.3   | 40.2   | 29.5   | 29.5   | 29.5   | 12.3   | .0     | 330.0  | .0     | 330.0            |
| 12) = NET                         | -498.0 | 151.5  | 49.7   | -4.4   | 23.3   | 45.8   | 20.8   | 9.2    | 18.4   | 26.1   | -157.5 | 140.9  | -16.6            |
| 13) - DEPLETION                   | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0               |
| 14) - INTEREST PD & CAP           | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0               |
| 15) = TAXABLE                     | -498.0 | 151.5  | 49.7   | -4.4   | 23.3   | 45.8   | 20.8   | 9.2    | 18.4   | 26.1   | -157.5 | 140.9  | -16.6            |
| 16) * TAX RATE, %                 | 35.0   | 35.0   | 35.0   | 35.0   | 35.0   | 35.0   | 35.0   | 35.0   | 35.0   | 35.0   | 35.0   | 35.0   | 35.0             |
| 17) - TAX CREDIT                  | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0               |
| 18) - WPT REFUND                  | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0               |
| 19) = F.I.T.                      | -174.3 | 53.0   | 17.4   | -1.6   | 8.2    | 16.0   | 7.3    | 3.2    | 6.4    | 9.1    | -55.1  | 49.3   | -5.8             |
| 20) REVENUE-SEV-WPT               | 2.1    | 216.1  | 143.1  | 66.3   | 78.0   | 89.7   | 64.7   | 53.1   | 45.0   | 40.4   | 798.5  | 371.2  | 1169.8           |
| 21) - OPR. COSTS & ATX            | 1.2    | 14.6   | 14.5   | 14.4   | 14.4   | 14.4   | 14.4   | 14.4   | 14.4   | 14.3   | 131.1  | 230.3  | 361.4            |
| 22) + NPI OWNED - PAID            | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0               |
| 23) - F.I.T.                      | -174.3 | 53.0   | 17.4   | -1.6   | 8.2    | 16.0   | 7.3    | 3.2    | 6.4    | 9.1    | -55.1  | 49.3   | -5.8             |
| 24) = A.F.I.T.                    | 175.2  | 148.4  | 111.2  | 53.5   | 55.4   | 59.3   | 43.0   | 35.5   | 24.2   | 16.9   | 722.6  | 91.6   | 814.2            |
| 25) - LOAN REPAYMENT              | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0               |
| 26) - INTEREST PAID               | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0               |
| 27) = NET INCOME                  | 175.2  | 148.4  | 111.2  | 53.5   | 55.4   | 59.3   | 43.0   | 35.5   | 24.2   | 16.9   | 722.6  | 91.6   | 814.2            |
| 28) - INVESTMENTS & RSK           | 825.0  | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | 825.0  | -33.0  | 792.0            |
| 29) = A.F.I.T. NET                | -649.8 | 148.4  | 111.2  | 53.5   | 55.4   | 59.3   | 43.0   | 35.5   | 24.2   | 16.9   | -102.4 | 124.6  | 22.2             |
| PRESENT WORTH @ 10.00 %           |        |        |        |        |        |        |        |        |        |        |        |        |                  |
| 30) NET INCOME                    | 174.5  | 140.0  | 95.0   | 41.3   | 38.7   | 37.5   | 24.6   | 18.4   | 11.4   | 7.2    | 588.6  | 24.5   | 613.1            |
| 31) INVESTMENTS & RISK            | 825.0  | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | .0     | 825.0  | -2.7   | 822.3            |
| 32) A.F.I.T. NET                  | -650.5 | 140.0  | 95.0   | 41.3   | 38.7   | 37.5   | 24.6   | 18.4   | 11.4   | 7.2    | -236.4 | 27.2   | -209.2           |
| 33) CUM. A.F.I.T. NET             | -650.5 | -510.4 | -415.5 | -374.2 | -335.4 | -298.0 | -273.3 | -255.0 | -243.6 | -236.4 | -209.2 | -209.2 | -209.2           |



JRU #30 WOLFCAMP

DATE : 02/07/00  
TIME : 13:34:08  
DBS FILE : JRUPA  
SETUP FILE : CD  
SEQ NUMBER : 36

ECONOMIC INDICATORS

AS OF DATE: 12/95

| B.F.I.T.<br>WORTH<br>M\$----- | A.F.I.T.<br>WORTH<br>M\$----- | A.F.I.T.<br>BONUS<br>M\$----- |
|-------------------------------|-------------------------------|-------------------------------|
|-------------------------------|-------------------------------|-------------------------------|

PRESENT WORTH PROFILE AND  
RATE-OF-RETURN VS. BONUS TABLE

|      |          |          |          |
|------|----------|----------|----------|
| 0.   | 16.387   | 22.202   | 34.157   |
| 2.   | -68.744  | -44.733  | -64.237  |
| 5.   | -165.756 | -120.973 | -161.894 |
| 6.   | -192.138 | -141.755 | -186.377 |
| 8.   | -238.255 | -178.198 | -227.494 |
| 10.  | -277.279 | -209.203 | -260.896 |
| 20.  | -408.704 | -315.518 | -367.236 |
| 30.  | -485.594 | -379.564 | -426.934 |
| 40.  | -537.009 | -423.182 | -466.160 |
| 50.  | -574.227 | -455.079 | -494.163 |
| 60.  | -602.651 | -479.578 | -515.294 |
| 70.  | -625.222 | -499.095 | -531.901 |
| 80.  | -643.681 | -515.093 | -545.371 |
| 90.  | -659.123 | -528.502 | -556.570 |
| 100. | -672.275 | -539.947 | -566.068 |

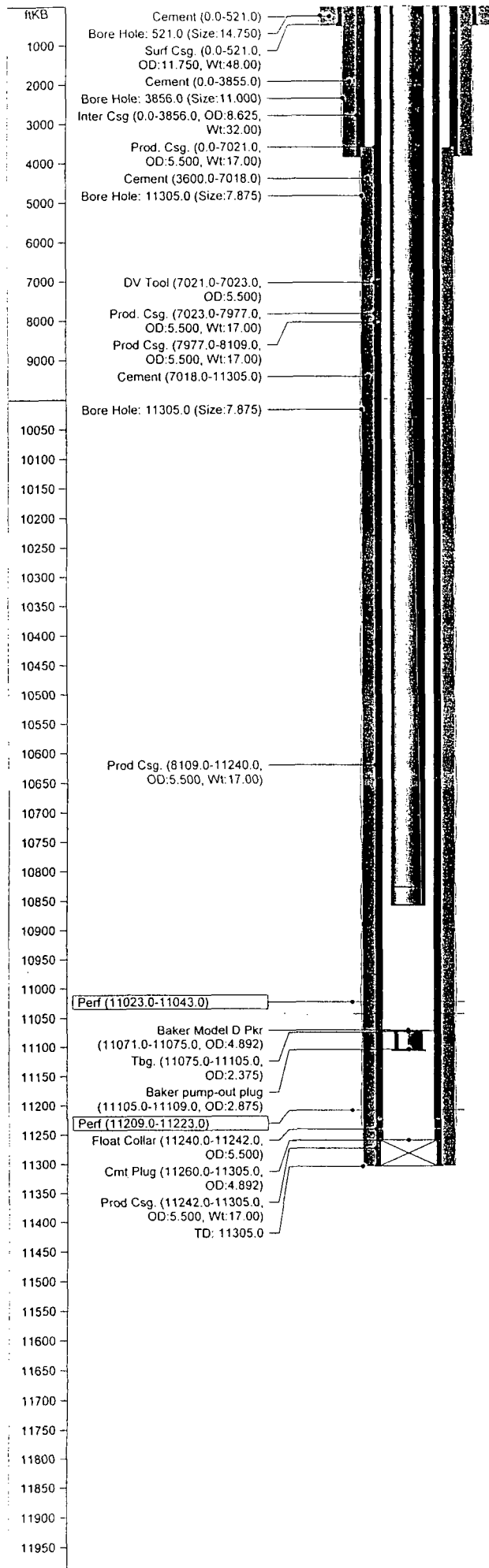
RATE OF RETURN, PCT. .4 .7

UNDISCOUNTED PAYOUT, YRS. 25.13 25.11

DISCOUNTED PAYOUT, YRS. 25.17 25.17

UNDISCOUNTED NET/INVEST. 1.02 1.03

DISCOUNTED NET/INVEST. .66 .75



## JAMES RANCH UNIT #30

|              |              |            |          |
|--------------|--------------|------------|----------|
| API No.      | 3001527704   | Status     | ACT OIL  |
| TD           | 11305.0 ftKB | Engineer   | KAA      |
| PBTD         | 11260.0 ftKB |            |          |
| Operator     | BEPCO        | Permit     |          |
| Well No.     | 30           | Spud       | 10/13/93 |
| ID Code      | CHMXBSV8.030 | RR         | 11/12/93 |
| Field        | LOS MEDANOS  | Completion | 11/25/93 |
| Author       | RAS          | Last Act.  |          |
| Date Updated | 1/20/98      | Abandoned  |          |

## Comments

## Location

|           |            |                  |             |
|-----------|------------|------------------|-------------|
| Township  | S023       | Top Latitude     | 0           |
|           |            | Top Longitude    | 0           |
| Range     | E031       | Top NS Distance  | 1980.0 ft S |
|           |            | Top EW Distance  | 2310.0 ft E |
| Section   | 6          | Bottom Latitude  | 0           |
| Unit Ltr. | J          | Bottom Longitude | 0           |
| State     | New Mexico | Btm NS Distance  | 0.0 ft      |
| County    | Eddy       | Btm EW Distance  | 0.0 ft      |

## Elevations

|        |           |          |        |
|--------|-----------|----------|--------|
| KB     | 3329.9 ft | Cas Flng | 0.0 ft |
| Grd    | 3310.7 ft | Tub Head | 0.0 ft |
| KB-Grd | 19.2 ft   |          |        |

## Casing String - Surface Casing

| Item (in)           | Top (ftKB) | Btm (ftKB) | Jnts | ID     | Wt    | Grd  | Thd |
|---------------------|------------|------------|------|--------|-------|------|-----|
| 11 3/4 in Surf Csg. | 0.0        | 521.0      | 12   | 11.080 | 48.00 | H-40 | STC |

## Casing String - Intermediate Casing

| Item (in)           | Top (ftKB) | Btm (ftKB) | Jnts | ID    | Wt    | Grd  | Thd |
|---------------------|------------|------------|------|-------|-------|------|-----|
| 8 5/8 in Inter Csg. | 0.0        | 3856.0     | 90   | 7.921 | 32.00 | K-55 | LTC |

## Casing String - Production Casing

| Item (in)             | Top (ftKB) | Btm (ftKB) | Jnts | ID    | Wt    | Grd  | Thd |
|-----------------------|------------|------------|------|-------|-------|------|-----|
| 5 1/2 in Prod. Csg.   | 0.0        | 7021.0     | 163  | 4.892 | 17.00 | K-55 | LTC |
| 5 1/2 in DV Tool Csg. | 7021.0     | 7023.0     |      | 0.000 | 0.00  |      |     |
| 5 1/2 in Prod. Csg.   | 7023.0     | 7977.0     | 23   | 4.892 | 17.00 | K-55 | LTC |
| 5 1/2 in Prod Csg.    | 7977.0     | 8109.0     | 3    | 4.892 | 17.00 | S-95 | LTC |
| 5 1/2 in Prod Csg.    | 8109.0     | 1240.0     | 79   | 4.892 | 17.00 | N-80 | LTC |
| 5 1/2 in Float Collar | 1240.0     | 1242.0     |      | 4.892 | 0.00  |      |     |
| 5 1/2 in Prod Csg.    | 1242.0     | 1305.0     | 2    | 4.892 | 17.00 | N-80 | LTC |

## Casing Cement

| Casing String       | Top (ftKB) | Amount (sx) | Comments              |
|---------------------|------------|-------------|-----------------------|
| Surface Casing      | 0.0        | 390         |                       |
| Intermediate Casing | 0.0        | 1135        |                       |
| Production Casing   | 3600.0     | 780         | TOC Est.              |
| Production Casing   | 7018.0     | 960         | Circ 170 out DV Tool. |

## Tubing String - Primary Tubing

| Item (in)                   | Top (ftKB) | Btm (ftKB) | Jnts | ID (in) | Wt   | Grd  | Thd |
|-----------------------------|------------|------------|------|---------|------|------|-----|
| 2 7/8 in Tbg.               | 0.0        | 10827.0    | 353  | 2.441   | 6.50 | N-80 | 8rd |
| 2 7/8 in SN                 | 10827.0    | 10828.0    |      | 0.000   | 0.00 |      |     |
| 2 7/8 in Tbg.               | 10828.0    | 10857.0    |      | 0.000   | 0.00 |      |     |
| 2 7/8 in Baker Seal Assemb. | 10857.0    | 10860.0    |      | 0.000   | 0.00 |      |     |

## Other (plugs, equip., etc.) - Plug Backs

| Date     | Item                | Int (ftKB)        |
|----------|---------------------|-------------------|
| 12/7/95  | Baker Model D Pkr   | 11071.0 - 11075.0 |
| 12/7/95  | Tbg.                | 11075.0 - 11105.0 |
| 12/7/95  | Baker pump-out plug | 11105.0 - 11109.0 |
| 11/10/93 | Cmt Plug            | 11260.0 - 11305.0 |

## Perforations

| Date     | Int               | Shots (/ft) | Status |
|----------|-------------------|-------------|--------|
| 11/18/93 | 11023.0 - 11043.0 | 4.0         |        |
| 12/7/95  | 11209.0 - 11223.0 | 2.0         |        |

## Stimulations &amp; Treatments

| Date    | Type      | Interval          | Fluid | Sand | Comments |
|---------|-----------|-------------------|-------|------|----------|
| 2/20/93 | Sand Frac | 11023.0 - 11043.0 |       |      |          |
| 2/19/95 | Sand Frac | 11209.0 - 11223.0 |       |      |          |

## WELL HISTORY

WELL NAME: James Ranch Unit No. 30

FIELD NAME: Los Medanos (Bone Spring)

LOCATION: 1980' FSL & 2310' FEL, SEC 6, T23S, R31E, Unit J  
Eddy County, New Mexico

ELEVATION: GL 3310.7', DF 3327.9', KB 3329.9'

SPUD DATE: 1/13/93

COMP DATE: 11/25/93

ORIG TD: 11,305'

ORIG PBTD: 11,260'

CASING: 11-3/4" 42# H-40 ST&C CSA 521' W/390 SX, cmt circ, 14-3/4" hole 0-520'.  
8-5/8" 32# K-55 LT&C CSA 3856' w/1135 SX, cmt circ, 11" hole 520-3855'.  
5-1/2" 17# K-55 & N-80 LT&C CSA 11,305'. Cmt 1st stage W/960 sx, circ 170 sx  
off DV tool @ 7018'. Cmt 2nd stage W/780 SX. Est TOC 3600'. 7-7/8" hole 3855-  
11,305'.

TUBING: 2-7/8" 6.5#/FT N-80

DST: NONE

CORES & LOGS: 11/11/93: CNL/LDL, DIL/SFL  
11/18/93: GR-CCL 11,250' TO 8,500'.

### INITIAL COMPLETION:

11/15/93-2/2/94

#### COMPLETE IN BONE SPRING

11/18/93

Drill FC & cmt to 11,250' PBTD. Run GR/CCL 8500-11,250'.  
**Perf 11,023-43'**, 4 SPF. Set pkr @ 10,950'. **Acidize** w/1500 gals  
7-1/2% HCL + additives 11,023-43'. Swab well. Run BHP survey.  
71 hr dead weight SITP 3368 psi. Flwg - 24 hr test: 8 BO, 0 BW,  
11 MCF on 8/64" chk. Rel pkr @ 10,950'. **Frac 11,023-43'**  
w/45,000 gals 40# x-link gel, 403,500# 20/40 Ottawa sd, 16,500#  
Econo-Prop. Flow well. SI for battery modifications. Swab  
well. Set pkr @ 8072'. **Perf tbg @ 8138'**. Place well on prod.  
IP: 2/2/94 24 hrs F 65 BO, 12 BW, 107 MCF on 24/64" chk.

### WORKOVERS

12/4/95-1/6/96

#### RECOMPLETION TO ADD WOLFCAMP ZONE

12/7/95

Tag fill @ 10,979'. DO sd 10,976-11,250' (PBTD). **Spot** 200 gals  
15% HCL acid + additives.  
**Perf 11,209-223'**, 2 SPF. Set Baker Mod "D" perm pkr @ 11,071'.  
Attempted to sting latch seal assembly into perm pkr - no  
success. Appears to be frac sd on top of pkr. Using 1-1/4"  
coiled tbg wash to pump out plug @ 11,112'. Latch into perm pkr  
@ 11,071'. Pull tension into pkr latch assembly. At 150,000-  
155,000# tension, top section of unit derrick failed & scoped  
together. Entire derrick then fell forward onto unit along

JAMES RANCH UNIT #30  
WELL HISTORY

12/4/05-1/6/96

CONTINUED

w/356 jts of 2-7/8" prod tbg in derrick. No major injuries. Baker Oil Tool hand on floor slightly injured. Workstring dropped approx. 10' & 3-1/2" tbg hung on slip type elevators. Use crane to untangle 2-7/8" prod tbg & misc. equip. Clean loc & inspect tbg. Visual inspection showed 15-20 jts severely bent & +20% of remainder bowed & warped. MIRU replacement PU. Unsting from pkr assembly. Break dwn Wolfcamp perfs w/6600 psi (CP 220 psi). Pump spot acid away. **Frac** Wolfcamp perfs 11,209-223' w/34,020 gals YF-140D, 172,000# 20/40 Ottawa sd, & 30,327# 20/40 Econoprop w/Propnett II. Flowed well. Put well on test. Tag top of sd @ +11,223'. Wash sd to PBD @ 11,260'. Unsting from pkr assembly @ 11,071'. Re-dress seal assembly, tag pkr, & latch in w/seal assembly. Rel seal assembly. **Pump** 300 gals 15% HCL + additives across 11,023-43'. Swab well. Place well on prod.

**AWO:** 3/19/96 24 hrs F 61 BO, 0 BW, 133 MCF on 12/64" chk. FTP 360#, SICP 1380#.

1/24/00  
LAH

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT I

P.O. Box 1960, Hobbs, NM 88240

DISTRICT II

P.O. Drawer 08, Artesia, NM 88210

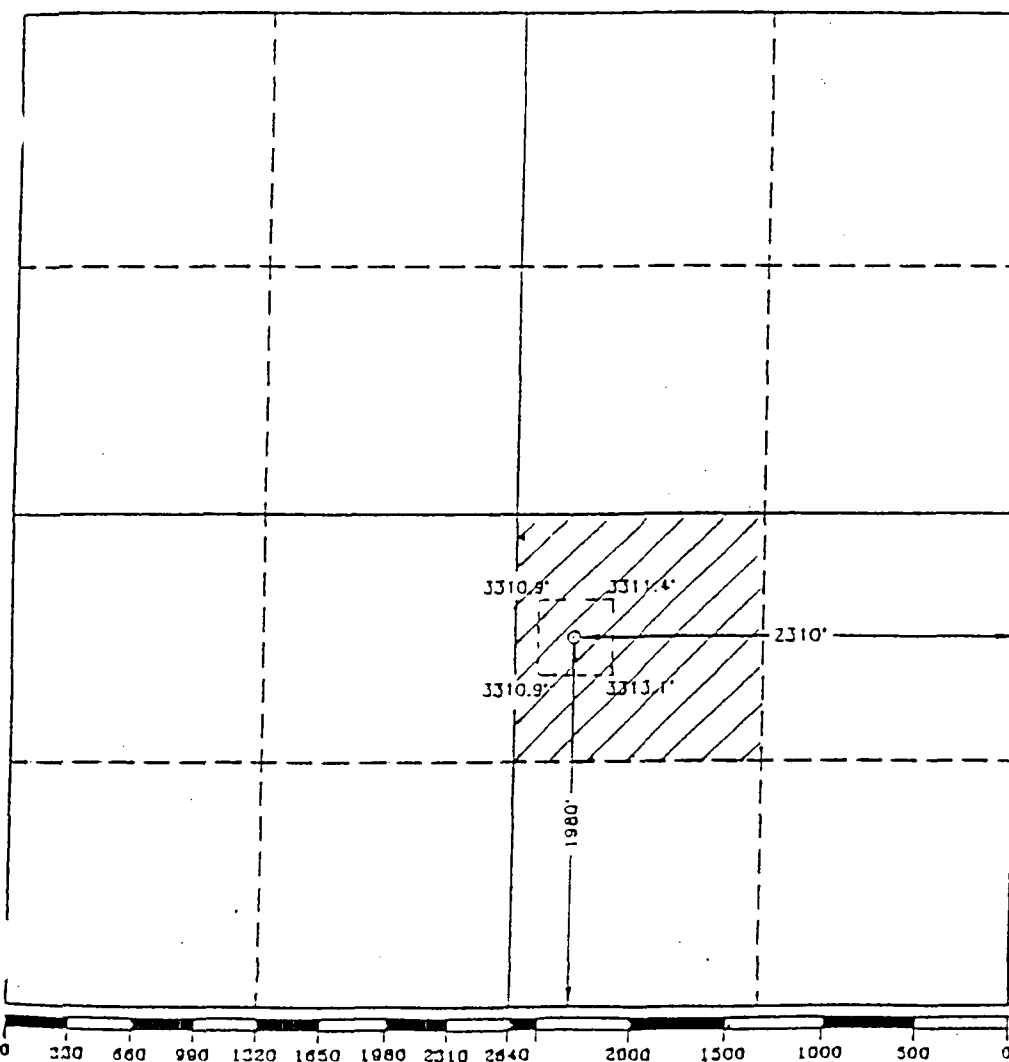
DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                           |                             |                                  |                                       |                       |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|-----------------------------|----------------------------------|---------------------------------------|-----------------------|
| Operator<br><b>BASS ENTERPRISES PRODUCTION COMPANY</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                           |                             | Lease<br><b>JAMES RANCH UNIT</b> |                                       | Well No.<br><b>30</b> |
| Unit Letter<br><b>J</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Section<br><b>6</b>                       | Township<br><b>23 SOUTH</b> | Range<br><b>31 EAST</b>          | NMPN                                  | County<br><b>EDDY</b> |
| Actual Footage Location of Well:<br><b>1980</b> feet from the <b>SOUTH</b> line and <b>2310</b> feet from the <b>EAST</b> line                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                           |                             |                                  |                                       |                       |
| Ground Level Elev.<br><b>3312.4'</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Producing Formation<br><b>Bone Spring</b> | Pool<br><b>Los Medanos</b>  |                                  | Dedicated Acreage:<br><b>40</b> Acres |                       |
| <p>1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.</p> <p>2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).</p> <p>3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?<br/><input type="checkbox"/> Yes <input type="checkbox"/> No If answer is "yes" type of consolidation _____</p> <p>If answer is "no" list of owners and tract descriptions which have actually been consolidated. (Use reverse side of this form necessary.) _____</p> <p>No allowable will be assigned to the well unit all interests have been consolidated (by communitization, unitization, forced-pooling, otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.</p> |                                           |                             |                                  |                                       |                       |



OPERATOR CERTIFICATION

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

Signature

*Keith E. Bucy*

Printed Name

Keith E. Bucy

Position

Div. Dir. & Prod. Supt.  
Company

Bass Enterprises Prod. Co

Date

4/20/93

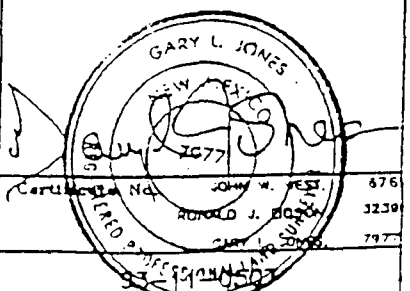
SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

MARCH 25, 1993

Signature & Seal of  
Professional Surveyor



UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTOPERATOR'S COPY  
Expires: February 28, 1995

## WELL COMPLETION OR RECOMPLETION REPORT AND LOG \*

|                                                                                                                                                                                                                                                       |                           |                                                                                         |                              |                                                                           |                                                 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|-----------------------------------------------------------------------------------------|------------------------------|---------------------------------------------------------------------------|-------------------------------------------------|
| 1. TYPE OF WELL:<br>OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input type="checkbox"/> OTHER <input type="checkbox"/>                                                                                        |                           | 2. NAME OF OPERATOR<br>Bass Enterprises Production Company                              |                              | 3. LEASE DESIGNATION AND SERIAL NO.<br>NMNH-04473                         |                                                 |
| 4. TYPE OF COMPLETION:<br>NEW WELL <input type="checkbox"/> WORK OVER <input type="checkbox"/> REPERFORATE <input type="checkbox"/> PLUG BACK <input type="checkbox"/> REPERFORATE <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> |                           | 5. ADDRESS AND TELEPHONE NO.<br>P. O. Box 2760 Midland, Texas 79702-2760 (915) 683-2277 |                              | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME                                      |                                                 |
| 7. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*<br>At surface 1980' FSL & 2310' FEL of Unit Letter J<br>At top prod. interval reported below<br>At total depth Same as above                             |                           | 8. UNIT AGREEMENT NAME<br>James Ranch Unit                                              |                              | 9. FARM OR LEASE NAME, WELL NO.<br>James Ranch Unit #30                   |                                                 |
| 10. PERMIT NO.                                                                                                                                                                                                                                        |                           | 11. DATE ISSUED                                                                         |                              | 12. API WELL NO.<br>30-015-27704                                          |                                                 |
| 13. DATE STUDDERED<br>10-13-93                                                                                                                                                                                                                        |                           | 14. DATE T.D. REACHED<br>11-11-93                                                       |                              | 15. DATE COMPL. (Ready to prod.)<br>11-25-93                              |                                                 |
| 16. ELEVATION (OF. RMB, RT. OR, ETC.)<br>3312' FL                                                                                                                                                                                                     |                           | 17. FIELD AND POOL, OR WILDCAT<br>Los Medanos (Wolfcamp)                                |                              | 18. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA<br>Section 6, T23S-R31E |                                                 |
| 19. TOTAL DEPTH, MD & TYD<br>11,305'                                                                                                                                                                                                                  |                           | 20. PLUG BACK T.D., MD & TYD<br>11,260'                                                 |                              | 21. IF MULTIPLE COMPL., HOW MANY?<br>2                                    |                                                 |
| 22. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TYD)*<br>11,209-11,223' (28 Holes) Wolfcamp                                                                                                                                   |                           | 23. INTERVALS DRILLED BY<br>0-11,305'                                                   |                              | 24. ROTARY TOOLS<br>CABLE TOOLS                                           |                                                 |
| 25. TYPE ELECTRIC AND OTHER LOGS RUN<br>NA                                                                                                                                                                                                            |                           | 26. WAS DIRECTIONAL SURVEY MADE<br>No                                                   |                              | 27. WAS WELL CORRED<br>No                                                 |                                                 |
| 28. CASING RECORD (Report all strings set in well)                                                                                                                                                                                                    |                           |                                                                                         |                              |                                                                           |                                                 |
| CASING SIZE/GRADE                                                                                                                                                                                                                                     | WEIGHT, LB./FT.           | DEPTH SET (MD)                                                                          | HOLE SIZE                    | TOP OF CEMENT, CEMENTING RECORD                                           | AMOUNT FULLED                                   |
| 11-3/4"                                                                                                                                                                                                                                               | 42#                       | 520'                                                                                    | 14-3/4"                      | Circ 390 sx Class "C"                                                     | None                                            |
| 8-5/8"                                                                                                                                                                                                                                                | 32#                       | 3855'                                                                                   | 11"                          | Circ 1135 sx Class "C"                                                    | None                                            |
| 5-1/2"                                                                                                                                                                                                                                                | 17#                       | 11305'                                                                                  | 7-7/8"                       | TOC 3600' 1840 sx Class "C"                                               | None                                            |
| 29. LINER RECORD                                                                                                                                                                                                                                      |                           |                                                                                         |                              |                                                                           |                                                 |
| SIZE                                                                                                                                                                                                                                                  | TOP (MD)                  | BOTTOM (MD)                                                                             | SACKS CEMENT*                | SCREEN (MD)                                                               |                                                 |
| None                                                                                                                                                                                                                                                  |                           |                                                                                         |                              |                                                                           |                                                 |
| 30. TUBING RECORD                                                                                                                                                                                                                                     |                           |                                                                                         |                              |                                                                           |                                                 |
| SIZE                                                                                                                                                                                                                                                  | DEPTH SET (MD)            | PACKER SET (MD)                                                                         |                              |                                                                           |                                                 |
| 2-7/8"                                                                                                                                                                                                                                                | 11,040'                   | 11,071'                                                                                 |                              |                                                                           |                                                 |
| 31. PERFORATION RECORD (Interval, size and number)                                                                                                                                                                                                    |                           |                                                                                         |                              |                                                                           |                                                 |
| 4" casing gun loaded w/ 4 JSPF @ 90 Degree phased 80 holes 11,023-11,043'.                                                                                                                                                                            |                           |                                                                                         |                              |                                                                           |                                                 |
| 4" casing gun loaded w/ 2 JSPF @ 180 Degree phased 28 holes 11,209-11,223'                                                                                                                                                                            |                           |                                                                                         |                              |                                                                           |                                                 |
| 32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.                                                                                                                                                                                                        |                           |                                                                                         |                              |                                                                           |                                                 |
| DEPTH INTERVAL (MD)                                                                                                                                                                                                                                   |                           | AMOUNT AND KIND OF MATERIAL USED                                                        |                              |                                                                           |                                                 |
| 11,023-11,043'                                                                                                                                                                                                                                        |                           | 1500 gals 7-1/2% HCl acid with additives                                                |                              |                                                                           |                                                 |
| 11,209-11,223'                                                                                                                                                                                                                                        |                           | Frac with 34,020 gals 40# gel 172,000# 20/40 Ottawa Sand                                |                              |                                                                           |                                                 |
| 33. PRODUCTION                                                                                                                                                                                                                                        |                           |                                                                                         |                              |                                                                           |                                                 |
| DATE FIRST PRODUCTION<br>3/19/96                                                                                                                                                                                                                      |                           | PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)<br>Flowing         |                              |                                                                           | WELL STATUS (Producing or shut-in)<br>Producing |
| DATE OF TEST<br>3/19/96                                                                                                                                                                                                                               | HOURS TESTED<br>24        | CHOKE SIZE<br>12/64"                                                                    | PROD'N. FOR TEST PERIOD<br>→ | OIL—BBL.<br>61                                                            | GAS—MCF.<br>133                                 |
| WATER—BBL.<br>0                                                                                                                                                                                                                                       | GAS-OIL RATIO<br>2180     |                                                                                         |                              |                                                                           |                                                 |
| FLOW, TUBING PRESS.<br>360                                                                                                                                                                                                                            | CASING PRESSURE<br>Packer | CALCULATED 24-HOUR RATE<br>→                                                            | OIL—BBL.<br>61               | GAS—MCF.<br>133                                                           | WATER—BBL.<br>0                                 |
| OIL GRAVITY-API (CORR.)<br>47.8                                                                                                                                                                                                                       |                           |                                                                                         |                              |                                                                           |                                                 |
| 34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)<br>Sales & Lease Use                                                                                                                                                                       |                           |                                                                                         |                              |                                                                           |                                                 |
| 35. LIST OF ATTACHMENTS<br>None                                                                                                                                                                                                                       |                           |                                                                                         |                              |                                                                           |                                                 |
| 36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records<br>SIGNED <u>Wm L. Wilbert</u> TITLE <u>Production Clerk</u> DATE <u>6/18/96</u>                                    |                           |                                                                                         |                              |                                                                           |                                                 |

\*(See Instructions and Spaces for Additional Data on Reverse Side)

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY

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<br><input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other       | 5. Lease Designation and Serial No.<br>NMNM04473                     |
| 2. Name of Operator<br>Bass Enterprises Production Company                                                                             | 6. If Indian, Allottee or Tribe Name<br>—                            |
| 3. Address and Telephone No.<br>P. O. Box 2760<br>Midland, Texas 79702-2760 (915) 683-2277                                             | 7. If Unit or CA, Agreement Designation<br>James Ranch Unit          |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)<br>1980' FSL & 2310' FEL<br>Section 6, T23S-R31E, Unit Letter J | 8. Well Name and No.<br>James Ranch Unit #30                         |
|                                                                                                                                        | 9. API Well No.<br>30-015-27704                                      |
|                                                                                                                                        | 10. Field and Pool, or Exploratory Area<br>Los Medanos (Bone Spring) |
|                                                                                                                                        | 11. County or Parish, State<br>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 type="checkbox"/> Notice of Intent             | <input type="checkbox"/> Abandonment                                                      | <input type="checkbox"/> Change of Plans         |
| <input checked="" 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 <u>Perf Wolfcamp Commingle with Bone Spring</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.)

1. Perforated Wolfcamp perfs with 4" casing gun loaded with 2 JSPF @180° phased 28 holes 11,209-11,223'.
2. Permanent packer assembly set @ 11,071'.
3. Frac Wolfcamp with 34,020 gals 40# gel, 172,000# 20/40 Ottawa Sand.
4. Recovered 709 bbls.

Requests authority to downhole commingle the Bone Spring (11,023-11,043') and Wolfcamp (11,209-11,223') formations.  
All produced fluids are compatible with each other. The value of production will not be decreased by commingling.  
Application for downhole commingling has been filed with the NMOCDC. The following method of allocation will be used for produced fluids.

|             | Feb-Apr | May-Jul | Aug-Oct | Nov-Dec |
|-------------|---------|---------|---------|---------|
| Bone Spring | 39.1%   | 40.7%   | 42.2%   | 43.7%   |
| Wolfcamp    | 60.9%   | 59.3%   | 57.8%   | 56.3%   |

Subject to  
Like Approval  
by State and

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

Signed Tami L. Wilber Tami L. Wilber Title Production Clerk Date 5-9-96

(This space for Federal or State office use)

Approved by Lee J. Lara PETROLEUM ENGINEER Date 6/4/96

Conditions of approval, if any: