# District I 1625 N. French Drive, Hobbs, NM 88240

## District II

District III
1000 Rio Brazos Road, Aziec, NM 87410

District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

## State of New Mexico Energy, Minerals and Natural Resources Department

1220 South St. Francis Dr.

Form C-107A Revised June 10, 2003

# Oil Conservation Division

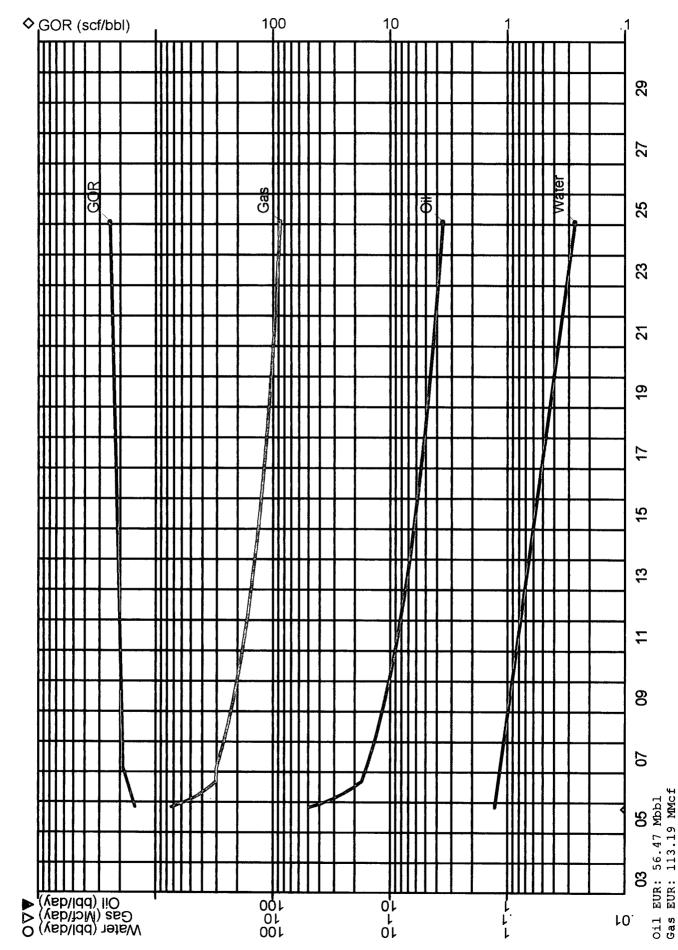
Santa Fe, New Mexico 87505

APPLICATION TYPE \_\_X Single Well \_Establish Pre-Approved Pools EXISTING WELLBORE

## APPLICATION FOR DOWNHOLE COMMINGLING

X Yes No

| Bass Enterprises Production Co.  |  |                        |                                       | P.                              | O. Box 2'                            | 760 Mid            | land, TX 7   | 9702    |             |            |              |          |
|--|--|------------------------|---------------------------------------|---------------------------------|--------------------------------------|--------------------|--------------|---------|-------------|------------|--------------|----------|
| Operator   |  |                        | _                                     |                                 | ddress                               | 21 -               |              |         |             |            |              |          |
| JAMES RANCH UNIT Lease   | 87<br>Well No.   |                        |                                       |                                 | T-23-S,R                             |                    |              |         |             | EDD        |              |          |
| OGRID No. 001801 Property Co   |  | A                      |                                       |                                 | -Section-To                          | •                  | Lease Typ    | oe:     | X Federa    |            | State        | _Fee     |
| DATA ELEMENT   | UPI  | PER Z                  | ONE                                   |                                 | INTE                                 | RMEDI              | ATE ZON      | Е       | ]           | LOWER      | ZONE         |          |
| Pool Name  | QUAHADA  | A RID                  | GE DE                                 | LAW                             | LOS<br>AR <b>EO</b> S N              | /EDAN              | OS BONE      | SPRI    | V<br>LOS M  | EDANC      | S WOLF       | CAM      |
| Pool Code  | 50443  |                        |                                       |                                 | 40295                                |                    |              |         | 96336       |            |              |          |
| Top and Bottom of Pay Section (Perforated or Open-Hole Interval)   | 7396' - 7646   | 6'                     |                                       |                                 | 11,002'                              | - 11,016           |              |         | 11,200'     | - 11,210   | '            |          |
| Method of Production<br>(Flowing or Artificial Lift)   | ARTIFICIA  | L LII                  | FT                                    |                                 | FLOWI                                | NG                 | <del></del>  |         | FLOWI       | NG         |              |          |
| Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)  | N/A  |                        |                                       |                                 | N/A                                  |                    |              |         | N/A         |            | ECEIVE       |          |
| Oil Gravity or Gas BTU<br>(Degree API or Gas BTU)  | 44.2   |                        |                                       |                                 | 44.2                                 |                    |              |         | 44.2        |            | J-AFITE      |          |
| Producing, Shut-In or<br>New Zone  | PRODUCIN   | ١G                     |                                       |                                 | SI                                   |                    |              |         | SI          |            |              |          |
| Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history,  | Date:  |                        |                                       |                                 | Date:                                | 11/24/2            | 2005         |         | Date:       | 11/24/2    | :005         |          |
| applicant shall be required to attach production estimates and supporting data.)   | Rates: 80/5  | 59/199                 | )                                     |                                 | Rates:                               | 49/31/2            | 2            |         | Rates:      | 24/15/1    |              |          |
| Fixed Allocation Percentage (Note: If allocation is based upon something other   | Oil  |                        | Gas                                   |                                 | Oil                                  |                    | Gas          |         | Oil         |            | Gas          |          |
| than current or past production, supporting data or<br>explanation will be required.)  | 44   | %                      | 48                                    | %                               | 35                                   | %                  | 31           | %       | 21          | %          | 21           | %        |
|  |  |                        | ADD                                   | ITIO                            | NAL DA                               | <u> </u>           |              |         |             |            |              |          |
| Are all working, royalty and overriding If not, have all working, royalty and ov   |  |                        |                                       |                                 |                                      |                    | ed mail?     |         |             | Yes<br>Yes | X_No<br>No   |          |
| Are all produced fluids from all commi   | ngled zones c  | ompat                  | ible with                             | each o                          | other?                               |                    |              |         |             | Yes        | X_No_        |          |
| Will commingling decrease the value of   | f production?  |                        |                                       |                                 |                                      |                    |              |         |             | Yes        | No           | <u>X</u> |
| If this well is on, or communitized with or the United States Bureau of Land M   | anagement be   | en not                 | ified in v                            |                                 |                                      |                    | Public Land  | ds      |             | Yes        | <u>X</u> No_ |          |
| NMOCD Reference Case No. applicab  | e to this well:  | _R-                    | 10558                                 |                                 |                                      |                    |              |         |             |            |              |          |
| Attachments:  C-102 for each zone to be comming Production curve for each zone for For zones with no production histo Data to support allocation method Notification list of working, royalty Any additional statements, data or | at least one yory, estimated or formula.  y and overriding | ear. (In<br>production | f not ava<br>ction rate<br>alty inter | ilable,<br>es and s<br>rests fo | attach exp<br>supporting<br>r uncomm | anation.)<br>data. |              |         |             |            |              |          |
|  |  |                        | PRE-A                                 | PPRO                            | VED PO                               | OLS                |              |         |             |            |              |          |
| If application is  | to establish P   | re-Ap                  | proved F                              | Pools, t                        | he followi                           | ng additio         | onal informa | tion wi | ill be requ | ired:      |              |          |
| List of other orders approving downhol<br>List of all operators within the propose<br>Proof that all operators within the prop<br>Bottomhole pressure data.  | d Pre-Approve  | ed Poo                 | ls                                    |                                 |                                      |                    |              | ·····   |             | 74         |              |          |
| I hereby certify that the information  | above is tru   | e and                  | comple                                | te to t                         | he best of                           | my kno             | wledge and   | belie   |             |            |              |          |
| SIGNATURE Cind   | 1000   | <del></del> -          | TIT                                   | LE_P                            | roduction                            | Clerk              |              |         | _DATE_      | 01/20/20   | 006          |          |
| TYPE OR PRINT NAME Cindi Go  | odman  |                        |                                       |                                 |                                      | TELEPI             | HONE NO      |         |             | 132)683-   | 2277         |          |
| E-MAIL ADDRESS cdgoodma  | ı@basspet.   | com                    |                                       |                                 | <u> </u>                             | _                  |              |         |             |            |              |          |



1/20/2006 1:46:08PM

# **Input Page**

Lease Name:

JRU 87 BON -- DHC

Operator: Field Name:

BEPCO LOS MEDANOS (BONE SPRING)

Proved Producing

11/1/2005

Case Type: LEASE CASE Reservoir: BONE SPRING Co., St.: EDDY, NM

<u>IdCode</u>

Discount Method: C Annual Compoundings: 0

## At AsOf Date

| _            | (      | )il        |         | as         |
|--------------|--------|------------|---------|------------|
| Qi (AsOf) =  | 1.490  | Mbbl/month | 2.236   | MMcf/month |
| Qf(ECL) =    | 0.108  | Mbbl/month | 0.265   | MMcf/month |
| Dec. =       | 88.000 | %          | -       | %          |
| b =          | 1.000  |            | -       |            |
| Unit Price = | 56.83  | /bbl       | 13.56   | /Mcf       |
| Unit Exp. =  | 0.00   |            | 0.00    |            |
| Hist. Cum    | 0.000  | Mbbl       | 0.000   | MMcf       |
| Proj. Cum    | 0.000  | Mbbl       | 0.000   | MMcf       |
| Reserves     | 56.470 | Mbbl       | 113.193 | MMcf       |
| Ult.         | 56.470 | Mbbl       | 113.193 | MMcf       |

Abandonment Date: 1/27/2025

## **ID Codes List**

Id Label
Retrieval Code
API Number
PhdWin ID
RRC Dist Code
Operator Code
Field Code
Unique ID
WELL NO
IHS PID
CAT CDE
WELL NAME
IDCODE
ENGR
WELL BORE
COMPLETION SEO
DATE COMP
STATUS
STATUS
STATUS
STATUS
STATUS
STWELLID
PROPERTY Id Label

PHDW00001631 3001533114 00199 NM

AE5D132E74897403275800002

0.0 JAMES RANCH UNIT # 75 C%MXBSJS.075 MLL

2004-08-11 00:00:00.000 ACT

#### **Input Data**

## **Projection Table**

\* Segment Volumes Adjusted for Historical Data.

Units

MMcf

bbl/Mcf

%

JAMES RANCH UNIT #75 (EXCL DELAW

| Arps  |   | Start     | End        | Life<br>Years | Initial<br>Rate | Final<br>Rate |         | Decline<br>(%) | b     | Min.<br>Decline | Segment<br>Volume |         |
|-------|---|-----------|------------|---------------|-----------------|---------------|---------|----------------|-------|-----------------|-------------------|---------|
| Oil   | 1 | 11/1/2005 | 9/6/2006   | 0.85          | 1.5             | 0.5 r         | mbbl    | 88.00          | 1.000 |                 | 9                 | mbbl    |
| Oil   | 2 | 9/7/2006  | 1/27/2025  | 18.39         | 0.53259         | 0.10831 r     | mbbl    | 19.20          | 1.000 | -               | 48                | mbbl    |
| Water | 1 | 11/1/2005 | 11/25/2040 | 35.07         | 0.03921         | 0.00220 г     | mbbl    | 7.89           | 0.000 | -               | 5                 | mbbl    |
| GOR   | 1 | 11/1/2005 | 2/18/2007  | 1.30          | 1,500.0         | 1,896.5 s     | scf/bbl | -19.76         | 0.000 | -               | 0                 | scf/bbl |
| GOR   | 2 | 2/19/2007 | 8/27/2026  | 19.52         | 1,896.5         | 2,500.0 s     | scf/bbl | -1.43          | 0.000 | -               | 0                 | scf/bbl |

#### Formula

Gas Oil Cut Yield Water Cut

Formula {GOR}\*{OIL}/1000  $({OIL} / ({OIL} + {WATER})) \times 100$ {OIL} / {GAS} ({WATER} / ({OIL} + {WATER})) X 100

## **Product Model Table**

|            |            | Base Model [AsOf Price]              |         |       | Model Adjustm | ents      | Base Cost Model [AsOf Cost] |
|------------|------------|--------------------------------------|---------|-------|---------------|-----------|-----------------------------|
|            | Base Units | Escalation Model                     | Op Cost | BTU   | Differential  | Shrinkage | Escalation Model            |
| Gas        | Mcf        | BASS01052006[13.557<br>Case Specific | 0       | 1,310 | -1.30         | 0.00%     | Case Specific[0]<br>n/a     |
| Oil        | bbi        | BASS01052006[56.83]<br>Case Specific | 0       |       | -1.51         | 0.00      | Case Specific[0]<br>n/a     |
| Water      | bbl        | n/a<br>n/a                           | 0       |       | 0.00          | 0.00      | Case Specific[0.08]<br>n/a  |
| PRESSURE   |            | n/a<br>n/a                           | 0       |       | 0.00          | 0.00      | n/a<br>n/a                  |
| Condensate | bbl        | n/a<br>n/a                           | 0       |       | 0.00          | 0.00      | n/a<br>n/a                  |
| NGL        | gal        | n/a<br>n/a                           | 0       |       | 0.00          | 0.00      | n/a<br>n/a                  |
| Well Cost  |            | n/a<br>n/a                           | 1,100   |       | 0.00          | 0.00      | Case Specific[1100]<br>n/a  |
| Fixed Cost |            | n/a<br>n/a                           | 550     |       | 0.00          | 0.00      | Case Specific[550] n/a      |

♦ Well Count♦ GOR (scf/bbl)

   BEPCO QUAHADA RIDGE (DELAWARE) SE DELAWARE

1/20/2006 1:45:38PM

# **Input Page**

Lease Name:

JRU87 DEL-DHC

Operator: Field Name: BEPCO QUAHADA RIDGE (DELAWARE) SE

Oil

Proved Producing

11/1/2005

Case Type: LEASE CASE Reservoir: DELAWARE Co., St.: EDDY, NM

Discount Method: C

Annual Compoundings: 0

## **At AsOf Date**

|              | (      | )il        |         | Sas        |
|--------------|--------|------------|---------|------------|
| Qi (AsOf) =  | 2.433  | Mbbl/month | 2.677   | MMcf/month |
| Qf(ECL) =    | 0.079  | Mbbl/month | 0.242   | MMcf/month |
| Dec. =       | 94.000 | %          | -       | %          |
| <b>b</b> =   | 0.900  |            | •       |            |
| Unit Price = | 56.83  | /bbl       | 13.56   | /Mcf       |
| Unit Exp. =  | 0.00   |            | 0.00    |            |
| Hist. Cum    | 0.000  | Mbbl       | 0.000   | MMcf       |
| Proj. Cum    | 0.000  | Mbbl       | 0.000   | MMcf       |
| Reserves     | 66.944 | Mbbl       | 165.323 | MMcf       |
| Ult.         | 66.944 | Mbbl       | 165.323 | MMcf       |

Abandonment Date: 9/23/2025

## **ID Codes List**

Id Label
Retrieval Code
API Number
PhdWin ID
RRC Dist Code
Onerator Code
Field Code
Unique ID
WELL NO
HS PID
CAT CDE
WELL NAME
IDCODE
ENGR
WELL BORE
COMPLETION SEO
DATE COMP
STATUS
STA Id Label

IdCode PHDW00001630 3001533114 00198 NM

AE5D132E74897402490500001

0.0 JAMES RANCH UNIT # 75 C%MXDLPA.075 MLL

2004-10-01 00:00:00.000 ACT

## **Input Data**

## **Projection Table**

\* Segment Volumes Adjusted for Historical Data.

JAMES RANCH UNIT DELAWARE PA

| Arps  |   | Start     | End       | Life<br>Years | Initial<br>Rate | Final<br>Rate |         | Decline<br>(%) | b     | Min.<br>Decline | Segment<br>Volume |         |
|-------|---|-----------|-----------|---------------|-----------------|---------------|---------|----------------|-------|-----------------|-------------------|---------|
| Oil   | 1 | 11/1/2005 | 1/17/2007 | 1.21          | 2.4             | 0.5           | mbbl    | 94.00          | 0.900 | •               | 15                | mbbl    |
| Oil   | 2 | 1/18/2007 | 9/23/2025 | 18.68         | 0.51139         | 0.07922       | mbbl    | 9.50           | 0.000 | -               | 52                | mbbl    |
| Water | 1 | 11/1/2005 | 7/6/2072  | 66.68         | 6.8             | 0.1           | mbbl    | 86.00          | 1.000 | -               | 204               | mbbl    |
| GOR   | 1 | 11/1/2005 | 3/16/2007 | 1.37          | 1,100.0         | 2,602.6       | scf/bbl | -87.36         | 0.000 | -               | 0                 | scf/bbl |
| GOR   | 2 | 3/17/2007 | 2/4/2035  | 27.89         | 2,602.6         | 3,302.8       | scf/bbl | -0.86          | 0.000 | -               | 0                 | scf/bbl |

## **Formula**

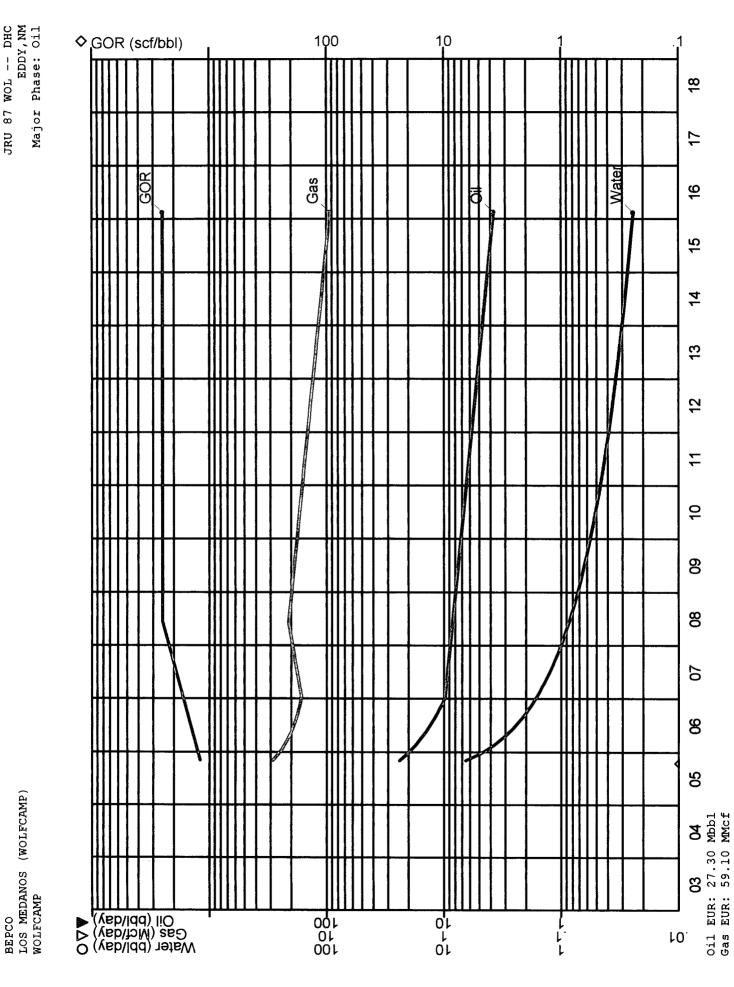
Gas Oil Cut Yield Water Cut Formula {GOR}\*{OIL}/1000

({OIL} / ({OIL} + {WATER})) X 100 {OIL} / {GAS} ({WATER} / ({OIL} + {WATER})) X 100 Units MMcf % bbl/Mcf

%

## **Product Model Table**

|            |            | Base Model [AsOf Price]              |         |       | Model Adjustm | ents      | Base Cost Model [AsOf Cost] |
|------------|------------|--------------------------------------|---------|-------|---------------|-----------|-----------------------------|
|            | Base Units | Escalation Model                     | Op Cost | BTU   | Differential  | Shrinkage | Escalation Model            |
| Gas        | Mcf        | BASS01052006[13.557<br>Case Specific | 0       | 1,310 | -1.30         | 0.00 %    | Case Specific[0] n/a        |
| Oil        | bbl        | BASS01052006[56.83]<br>Case Specific | 0       |       | -1.51         | 0.00      | Case Specific[0] n/a        |
| Water      | bbl        | n/a<br>n/a                           | 0       |       | 0.00          | 0.00      | Case Specific[0.1] n/a      |
| PRESSURE   |            | n/a<br>n/a                           | 0       |       | 0.00          | 0.00      | n/a<br>n/a                  |
| Condensate | bbi        | n/a<br>n/a                           | 0       |       | 0.00          | 0.00      | n/a<br>n/a                  |
| NGL        | gal        | n/a<br>n/a                           | 0       |       | 0.00          | 0.00      | n/a<br>n/a                  |
| Well Cost  |            | n/a<br>n/a                           | 1,200   |       | 0.00          | 0.00      | Case Specific[1200] n/a     |
| Fixed Cost |            | n/a<br>n/a                           | 250     |       | 0.00          | 0.00      | Case Specific[250]<br>n/a   |



1/20/2006 1:46:28PM

# **Input Page**

Lease Name:

JRU 87 WOL - DHC

Operator: Field Name:

BEPCO LOS MEDANOS (WOLFCAMP)

Oil Proved Producing

> Discount Method: C Annual Compoundings: 0

11/1/2005

Case Type: LEASE CASE Reservoir: WOLFCAMP Co., St.: EDDY, NM

IdCode PHDW00001632 3001533114 00200 NM

| At | A: | sOf | D | ate |
|----|----|-----|---|-----|
|    |    |     |   |     |

| _            | (      | )il        |        | Gas        |
|--------------|--------|------------|--------|------------|
| Qi (AsOf) =  | 0.730  | Mbbl/month | 0.876  | MMcf/month |
| Qf(ECL) =    | 0.114  | Mbbl/month | 0.285  | MMcf/month |
| Dec. =       | 72.500 | %          | -      | %          |
| <b>b</b> =   | 1.100  |            | •      |            |
| Unit Price = | 56.83  | /bbl       | 13.56  | /Mcf       |
| Unit Exp. =  | 0.00   |            | 0.00   |            |
| Hist. Cum    | 0.000  | Mbbl       | 0.000  | MMcf       |
| Proj. Cum    | 0.000  | Mbbl       | 0.000  | MMcf       |
| Reserves     | 27.304 | Mbbi       | 59.101 | MMcf       |
| Ult.         | 27.304 | Mbbl       | 59.101 | MMcf       |

Abandonment Date: 2/16/2016

## **ID Codes List**

Id Label
Retrieval Code
API Number
PhdWin ID
RRC Dist Code
Operator Code
Field Code
Unique ID
WELL, NO
IHS PID
CAT CDE
WELL, NAME
IDCODE
ENGR
WELL, BORE
COMPLETION SEO
DATE COMP
STATUS
STATUS
STATUS
STATUS
DATE
SURVEILLANCE
STWELLID
PROPERTY Id Label

0.0 JAMES RANCH UNIT # 75 C%MXWFJ2.075 MLL

AE5D132E74897403881300003

2004-08-11 00:00:00.000 ACT

## **Input Data**

## **Projection Table**

\* Segment Volumes Adjusted for Historical Data.

JAMES RANCH UNIT #75 (EXCL DELAW

Units

MMcf

% bbl/Mcf

%

| Arps  |   | Start     | End       | Life<br>Years | Initial<br>Rate | Final<br>Rate   | Decline<br>(%) | ь     | Min.<br>Decline | Segment<br>Volume |
|-------|---|-----------|-----------|---------------|-----------------|-----------------|----------------|-------|-----------------|-------------------|
| Oil   | 1 | 11/1/2005 | 1/6/2007  | 1.18          | 0.73000         | 0.29797 mbbl    | 72.50          | 1.100 | •               | 6 mbbl            |
| Oil   | 2 | 1/7/2007  | 2/16/2016 | 9.11          | 0.29797         | 0.11409 mbbl    | 10.00          | 0.000 | -               | 21 mbbl           |
| Water | 1 | 11/1/2005 | 2/13/2016 | 10.29         | 0.19905         | 0.00736 mbbl    | 92.09          | 1.000 | -               | 3 mbbl            |
| GOR   | 1 | 11/1/2005 | 6/5/2008  | 2.60          | 1,200.0         | 2,500.6 scf/bbl | -32.69         | 0.000 | -               | 0 scf/bbl         |
| COR   | 2 | 6/6/2008  | 7/31/2017 | 9.15          | 2,500.6         | 2.500.6 scf/bbl | 0.00           | 0.000 | -               | 0 sef/bbl         |

## **Formula**

Gas Oil Cut **Vield** Water Cut Formula {OIL}\*{GOR}/1000 ({OIL} / ({OIL} + {WATER})) X 100 {OIL} / {GAS} ({WATER} / ({OIL} + {WATER})) X 100

# **Product Model Table**

|            |            | Base Model [AsOf Price]              |         |       | Model Adjustm | ents      | Base Cost Model [AsOf Cost] |
|------------|------------|--------------------------------------|---------|-------|---------------|-----------|-----------------------------|
|            | Base Units | Escalation Model                     | Op Cost | BTU   | Differential  | Shrinkage | Escalation Model            |
| Gas        | Mcf        | BASS01052006[13.557<br>Case Specific | 0       | 1,310 | -1.30         | 0.00 %    | Case Specific[0] n/a        |
| Oil        | bbl        | BASS01052006[56.83]<br>Case Specific | 0       |       | -1.51         | 0.00      | Case Specific[0] n/a        |
| Water      | bbl        | n/a<br>n/a                           | 0       |       | 0.00          | 0.00      | Case Specific[0.08]<br>n/a  |
| PRESSURE   |            | n/a<br>n/a                           | 0       |       | 0.00          | 0.00      | n/a<br>n/a                  |
| Condensate | bbl        | n/a<br>n/a                           | 0       |       | 0.00          | 0.00      | n/a<br>n/a                  |
| NGL        | gal        | n/a<br>n/a                           | 0       |       | 0.00          | 0.00      | n/a<br>n/a                  |
| Well Cost  |            | n/a<br>n/a                           | 0       |       | 0.00          | 0.00      | Case Specific[0]            |
| Fixed Cost |            | n/a<br>n/a                           | 0       |       | 0.00          | 0.00      | Case Specific[0]<br>n/a     |

# JAMES RANCH UNIT #87 DOWNHOLE COMMINGLE ALLOCATION

|             | OIL  | GAS         | WATER      |
|-------------|------|-------------|------------|
| DELAWARE    | 44%  | <b>%8</b> 7 | <b>%96</b> |
| BONE SPRING | 35%  | 31%         | <b>%</b> Е |
| LFCAMP      | 21%  | 21%         | 1%         |
| TOTALS      | 100% | 100%        | 100%       |

|           | DEL    | BS     | WFC    | DEL   | BS    | WFC   | DEL     | BS      | WFC    | DEL   | 88          |
|-----------|--------|--------|--------|-------|-------|-------|---------|---------|--------|-------|-------------|
| YEAR      | MBO    | MBO    | MBO    | % OIL | % OIF | % OIL | MMCF    | MMCF    | MMCF   | % GAS | % GAS       |
| 2005      | 3.988  | 2.557  | 1.326  | %15   | 32%   | 17%   | 4.611   | 3.891   | 1.628  | 46%   | <b>%8</b> E |
| 2006      | 10.712 | 8.092  | 4.976  | 45%   | 34%   | 21%   | 17.167  | 13.537  | 7.118  | 45%   | 36%         |
| 2007      | 5.868  | 5.454  | 3.398  | 40%   | 37%   | 23%   | 15.114  | 10.379  | 6.535  | 47%   | 32%         |
| 2008      | 5.321  | 4.625  | 3.066  | 41%   | 36%   | 24%   | 14.001  | 8.940   | 7.466  | 46%   | 73%         |
| 2009      | 4.802  | 3.996  | 2.751  | 42%   | 35%   | 24%   | 12.744  | 7.835   | 6.880  | 46%   | 75%         |
| 2010      | 4.346  | 3.525  | 2.476  | 42%   | 34%   | 24%   | 11.633  | 7.011   | 6.193  | 47%   | 28%         |
| 2011      | 3.933  | 3.154  | 2.229  | 42%   | 34%   | 24%   | 10.619  | 6.363   | 5.574  | 47%   | 28%         |
| 2012      | 3.569  | 2.861  | 2.011  | 42%   | 34%   | 24%   | 9.718   | 5.854   | 5.030  | 47%   | 28%         |
| 2013      | 3.221  | 2.605  | 1.805  | 45%   | 34%   | 24%   | 8.846   | 5.406   | 4.514  | 47%   | 75%         |
| 2014      | 2.915  | 2.397  | 1.625  | 42%   | 35%   | 23%   | 8.075   | 5.045   | 4.063  | 47%   | 75%         |
| 2015      | 2.639  | 2.220  | 1.462  | 45%   | 35%   | 23%   | 7.371   | 4.738   | 3.657  | 47%   | 30%         |
| 2016      | 2.394  | 2.072  | 0.177  | 52%   | 45%   | 4%    | 6.746   | 4.487   | 0.444  | 28%   | 38%         |
| AVERAGE   |        |        |        | 44%   | 35%   | 21%   |         |         |        | 48%   | 31%         |
| Sub-T     | 59.594 | 49.021 | 27.304 |       |       |       | 143.505 | 95.646  | 59.101 |       |             |
| After     | 7.350  | 7.450  | 0.000  |       |       |       | 21.818  | 17.547  | 0.000  |       |             |
| jt<br>Čit | 66.944 | 56.470 | 27.304 |       |       |       | 165.323 | 113.193 | 59.101 |       |             |

WFC % GAS 16% 19% 23% 25% 25% 24% 24% 44% 44% 21%

|       | TOTAL BIA   | OTAN VO   |
|-------|-------------|-----------|
|       | I O I AL BW | 70 VV I R |
| BS    | 5,406       | %E        |
| WFC   | 3,108       | 1%        |
| DEL   | 204,323     | %96       |
| TOTAL | 212,837     | 4001      |

## **JAMES RANCH UNIT #87**

**Application for Downhole Commingling** 

## **COMPLETION SUMMARY:**

The 3<sup>rd</sup> Bone Spring from 11,002' to 11,016', and the Wolfcamp from 11,200' to 11,210' were perforated broken down with acid and fracture stimulated. The reservoirs were flow tested for a period of 24 days. A Composite BP was then set at 10,950' to isolate the Bone Spring and Wolfcamp. The Delaware from 7,396 to 7,646 was perforated, broken down with acid, and fractured stimulated. The Delaware was placed on pump to test until downhole commingling the zones is approved. When approval is received the Composite BP will be drilled up and the zones produced together.

The 3<sup>rd</sup> Bone Spring and the Wolfcamp intervals were treated and tested together. in order to determine how much production should be attributed to each of the two an allocation formula based on log calculated pay was developed. The following table shows this breakdown:

|                       | 3rd Bone Spring | Wolfcamp |
|-----------------------|-----------------|----------|
| Net Pay               | 20              | 10       |
| Average Porosity      | 10%             | 10%      |
| ФН                    | 2               | 1        |
| Allocation Percentage | 67%             | 33%      |

DISTRICT I 1625 N. Prench Dr., Hobbs, NM 88240 DISTRICT II 811 South First, Artesia, NM 88210

## State of New Mexico Energy, Minerals and Natural Resources Department

Form C-102 Revised March 17, 1999

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DISTRICT III 1000 Rio Brazos Rd., Axtec, NM 87410 DISTRICT IV

2040 South Pacheco, Santa Fe, NM 87505

OIL CONSERVATION DIVISION

2040 South Pacheco Santa Fe, New Mexico 87504-2088

AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

| API           | Number           |          | 1      | Pool Code |                 |                  | Pool Name     |                |        |  |
|---------------|------------------|----------|--------|-----------|-----------------|------------------|---------------|----------------|--------|--|
| 30-015-       | 34277            |          | 501    | 143       | QUA             | HADA RIDGE, S    | SE (DELAWARE  | )              |        |  |
| Property (    | Code             | I        |        |           | Property Nam    | 16               |               | Well No        | ımber  |  |
| _001786       |                  |          |        | JA        | MES RANCH       | UNIT             |               | 87             | ,<br>  |  |
| OGRID N       | D.               |          |        |           | Operator Nam    | re               |               | Eleva          | tion   |  |
| 001801        |                  |          | BASS   | ENTERP    | RISES PROD      | UCTION COMP      | ANY           | 330            | 1'     |  |
|               | Surface Location |          |        |           |                 |                  |               |                |        |  |
| UL or lot No. | Section          | Township | Range  | Lot Idn   | Feet from the   | North/South line | Feet from the | East/West line | County |  |
| N             | 6                | 23 S     | 31 E   |           | 250             | SOUTH            | 1980          | WEST           | EDDY   |  |
|               |                  |          | Bottom | Hole Loc  | eation If Diffe | erent From Sur   | face          |                |        |  |
| UL or lot No. | Section          | Township | Range  | Lot ldn   | Feet from the   | North/South line | Feet from the | East/West line | County |  |

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED

|                   | OR A NON-STAN     | DARD UNIT HAS BEEN APPROVED BY TH   | E DIAISION   |
|-------------------|-------------------|-------------------------------------|--|
| LOT 4 - 40.45 AC. | LOT 3 - 39.90 AC. | LOT 2 - 39.94 AC. LOT 1 - 39.98 AC. | OPERATOR CERTIFICATION  I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.   |
| LOT 5 - 40.79 AC. | <br>              | RECEIVED  JAN 3 1 2006  OCU-ANTESIM | W.R. Dannels  Signature  Circle Jobs  Printed Name  W.R. DANNELS  Title  DIVISION DRILLING SUPT. Yabloo  |
| LOT 6 - 40.96 AC. | <br>              |                                     | 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 supervison, and that the same is true and correct to the best of my belief. |
| LOT 7 — 41.13 AC. | <br>              |                                     | July 28, 2000  Date Surveyed  Signature  Professional Surveyor  CALLER MEXAGE  |
| 1980*             | 3300.9' 3302.8'   |                                     | Cestificate N Gary L. Jon. 7977  |

DISTRICT I
1005 E. Princh Dr., Bobbs, EN 80210
DISTRICT II

511 South First, Artesia, NM 88210

# State of New Mexico

nergy, Minerals and Natural Resources Department

Form C-102 Revised March 17, 1999

Submit to Appropriate District Office

SURVEYOR CERTIFICATION

on this plot was plotted from field noise of actual surveys made by me or under my supervison, and that the same is true and correct to the best of my belief.

July 28, 2000

7977

Date Surveyed

State Lease - 4 Copies Fee Lease - 3 Copies

DISTRICT III 1009 Rio Brazos Rd., Artec, NM 67410

DISTRICT IV 2040 South Pacheco, Santa Pe, NM 87505

ADT Number

LOT 6 - 40.96 AC.

LOT 7 - 41.13 AC.

-1980

LAT - N3219'37.6" LONG - W103'49'08.9

3302.8

2300.9°

3301.6

## OIL CONSERVATION DIVISION

2040 South Pacheco Santa Fe, New Mexico 87504-2088

D AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

| API  | Number             |             | 1           | Pool Code |          |          |                  |                 |  |        | Pool Name |  |  |  |
|--|--------------------|-------------|-------------|-----------|----------|----------|------------------|-----------------|--|--------|-----------|--|--|--|
| 30-015-  | 34277              |             | 40295       |           |          | LO       | s medanos (Boi   | NE SPRING)      |  |        |           |  |  |  |
| Property (   | ode                |             |             |           | _        | erty Nam |                  |                 | Well No                                      |        |           |  |  |  |
| 001786   |                    |             |             | JA        | MES F    | MANCH    | UNIT             |                 | 87   | •      |           |  |  |  |
| OGRID No   | ».                 |             |             |           | Oper     | ator Nam | e                |                 | Elevat                                       |        |           |  |  |  |
| 001801   |                    |             | BASS        | ENTERP    | RISES    | PROD     | UCTION COMP      | ANY             | 330  | 1'     |           |  |  |  |
|  |                    |             |             |           | Surfa    | ce Loca  | ation            |                 |  |        |           |  |  |  |
| UL or lot No.  | Section            | Township    | Range       | Lot Idn   | Feet fre | m the    | North/South line | Feet from the   | Rest/West line                               | County |           |  |  |  |
| N  | 6                  | 23 S        | 31 E        |           | 25       | 0        | SOUTH            | 1980            | WEST   | EDDY   |           |  |  |  |
|  |                    |             | Bottom      | Hole Loc  | eation l | f Diffe  | rent From Sur    | face            |  |        |           |  |  |  |
| UL or lot No.  | Section            | Township    | Range       | Lot Idn   | Feet fre | on the   | North/South line | Feet from the   | East/West line                               | County |           |  |  |  |
|  |                    | ł           |             |           |          |          |                  |                 |  |        |           |  |  |  |
| Dedicated Acre   | Joint o            | r Infill Co | neolidation | Code Or   | der No.  |          | I                |                 | · · · · · · · · · · · · · · · · · · ·        | L      |           |  |  |  |
| 40   | N                  |             |             |           |          |          |                  |                 |  |        |           |  |  |  |
| NO ALLO  | WABLE V            | TILL BE AS  | SSIGNED '   | TO THIS   | COMPLE   | TION U   | NTIL ALL INTER   | ESTS HAVE BE    | EN CONSOLIDA                                 | ATED   |           |  |  |  |
| OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION |                    |             |             |           |          |          |                  |                 |  |        |           |  |  |  |
| LOT 4 - 40   | ).45 AC.           | LOT 3 - 3   | 9,90 AC.    | LOT 2     | - 39.94  | AC.      | LOT 1 - 39.98 AC | OPERATO         | R CERTIFICAT                                 | TON    |           |  |  |  |
|  | ļ                  |             |             |           |          | į        |                  | 11              |  |        |           |  |  |  |
| 1  |                    |             |             |           |          | ļ        |                  | 3 1             | y certify the the inj<br>n is true and compl |        |           |  |  |  |
| ł  | ;                  |             |             |           |          | Į        |                  | best of my know | virige and belief.                           |        |           |  |  |  |
| 1  | 1                  |             |             |           |          | 1        |                  |                 | $\alpha$ $\Omega$                            |        |           |  |  |  |
|  | j<br>I             |             |             | 1         |          | 1        |                  | Will            | iam R. Wann                                  | (1)    |           |  |  |  |
| L  | ر<br>4۔ ۔۔۔ ۔۔۔ ۔۔ |             |             | L         |          |          |                  | Signature       |  |        |           |  |  |  |
| LOT 5 - 40   | 0.79 AC.           |             |             |           |          | - 7 -    |                  |                 |  |        |           |  |  |  |
| 1  | 1                  |             |             |           |          |          |                  | Printed Nam     | e  |        |           |  |  |  |
|  | ,<br>1             |             |             |           |          | · I      |                  | W.R. DAN        | NELS   |        |           |  |  |  |
|  |                    |             |             |           |          | i        |                  | Title           | DRILLING SUPT.                               |        |           |  |  |  |
| .1   | ,                  |             |             | I         |          |          |                  |                 | 129/05 SUP1.                                 |        |           |  |  |  |
| }  | ,                  |             |             | 1         |          | hr       | =NED             |                 | C710 V                                       |        |           |  |  |  |

RECEIVED

JAN 3 1 2006

UUU-AMTESIA

DISTRICT I 1625 M. Prench Dr., Bobbs, NK 88240

State of New Mexico

Form C-102

Revised March 17, 1999 Berry, Electric and Ratural Resources Departme

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DISTRICT II 811 South First, Artesia, NM 88210

DISTRICT III 1000 Rio Brazos Rd., Artec, NM 87410

DISTRICT IV 2040 South Pacheco, Santa Fe, NK 87505

# OIL CONSERVATION DIVISION

2040 South Pacheco Santa Fe, New Mexico 87504-2088

AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

| API            | Number   |               |             | Pool Code     |               |  | Pool Name     |                |        |  |  |  |
|----------------|--|---------------|-------------|---------------|---------------|--|---------------|----------------|--------|--|--|--|
| 30-015-3       | 34277  |               | 9633        | 36            | · ] L         | os medanos(w                                 | OLF CAMP)     |                |        |  |  |  |
| Property (     | Code   |               | <del></del> |               | Property Nam  | ıe   |               | Well No        | umber  |  |  |  |
| <b>001</b> 786 |  | }             |             | JA            | MES RANCH     | UNIT   |               | 87             | •      |  |  |  |
| ogrid n        | 0.   |               |             |               | Operator Nam  | ıe   |               | Eleva          | tion   |  |  |  |
| 001801         |  |               | BASS        | <b>ENTERP</b> | RISES PROD    | UCTION COMP                                  | ANY           | 330            | 1'     |  |  |  |
|                |  |               |             |               | Surface Loc   | ation  |               |                |        |  |  |  |
| UL or lot No.  | Section  | Township      | Range       | Lot Idn       | Feet from the | North/South line                             | Feet from the | East/West line | County |  |  |  |
| N              | 6  | 23 S          | 31 E        |               | 250           | SOUTH  | 1980          | WEST           | EDDY   |  |  |  |
|                | Bottom Hole Location If Different From Surface |               |             |               |               |  |               |                |        |  |  |  |
| UL or lot No.  | Section  | Township      | Range       | Lot Idn       | Feet from the | Feet from the North/South line Feet from the |               |                | County |  |  |  |
| Dedicated Acre | B Joint o                                      | or Infill   C | neolidation | Code Or       | der No.       | L  |               |                | L      |  |  |  |
| 40             | N  | 1             |             |               |               |  | ·             |                |        |  |  |  |
| NO ALL         | OWABLE V                                       |               |             |               | <del>-</del>  | INTIL ALL INTER                              |               | EEN CONSOLIDA  | ATED   |  |  |  |

|                   | OR A HON-SIAN                                    | DAKU UNII HAS BEI | M ATTROVED DI III               | B DIVIDION  |
|-------------------|--|-------------------|---------------------------------|---|
| LOT 5 - 40.79 AC. | LOT 3 - 39.90 AC.                                | LOT 2 - 39.94 AC. | RECEIVED  JAN 3 1 2006  DATESIA | OPERATOR CERTIFICATION  I heroby certify the the information contained herein is true and complete to the best of my knowledge and belief.  When he have best of my knowledge and belief.  Printed Name  W.R. DANNELS  TRUE  DMISION DRILLING SUPT.  Date |
| 1980*             | 3500.9 3502.8 3500.9 3500.9 3500.9 3500.9 3500.9 |                   |                                 | Column I Light 7977   |

Form 3160-5 (April2004)

# . UNITEDSTATES DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

FORMAPPROVED OM B No. 1004-0137 Expires: March 31, 2007

| 5. Lease | Serial No. |
|----------|------------|
| NMNN     | 104473     |

| SUNDRY | NOTICES | AND | REPORTS | ON | WELLS |
|--------|---------|-----|---------|----|-------|
|--------|---------|-----|---------|----|-------|

6. If Indian, Allottee or Tribe Name

|  | ell. Use Form 3160 - 3 (APD) for s   |  |   |
|--|--|--|---|
| SUBMIT IN TRI  | PLICATE - Other instructions of  | n reverse side.  | 7. If Unit or CA/Agreement, Name and/or No. NMNM70965 |
| 1. Type of Well Oil Well   | Gas Well Other   |  |   |
|  | J das well   |  | 8. Well Name and No.  JAMES RANCH UNIT #87            |
| <ol><li>Name of Operator</li><li>Bass Enterprises Product</li></ol>  | tion Co  |  | 9. API Well No.                                       |
| 3a. Address  |  | o.(include area code)  | 30-015-34277  |
| P. O. Box 2760 Midland   | <del></del>  | 683-22ZCEIVED  | 10. Field and Pool, or Exploratory Area               |
|  | c., T., R., M., or Survey Description)   | 0 1 2000   | LOS MEDANOS WOLFCAMP                                  |
| SEC 6, T23S, R31E, SES<br>32.32683 N LAT, 103.818  | SW 250 FSL, 1980 FWL<br>384 W LON  | JAN 3 1 2006<br>OCU-ANTERNA  | 11. County or Parish, State EDDY NM                   |
| 12. CHECK AI   | PPROPRIATE BOX(ES)TO INDICATE  | NATURE OF NOTICE, R  |   |
| TYPE OF SUBMISSION   |  | TYPE OF ACTION   |   |
| Notice of Intent  Subsequent Report  | Acidize Deepen AlterCasing FractureT Casing Repair New Conc Change Plans Plug and A  | struction Recomplete   | Well Integrity  TherDOWNHOLE                          |
| Final Abandonment Notice   | Change Plans Plug and A  |  |   |
| following completion of the investing has been completed. Fir determined that the site is ready APPROVAL IS REQUESTIONES.  QUAHADA RIDGE, SEILOS MEDANOS (BONELOS MEDANOS (WOLF PRODUCTION ALLOCATION ALLOCATION MEDANOS (BONELOS MEDANOS (BONELOS MEDANOS (WOLF LOS MEDANOS (WOLF MEDANOS MEDANOS (WOLF MEDANOS (WOLF MEDANOS (WOLF MEDANOS MEDANOS MEDANOS MEDANOS MEDANOS (WOLF MEDANOS MED | volved operations. If the operation results in a munal Abandonment Notices shall be filed only after by for final inspection.)  STED TO DOWNHOLE COMMINION  (DELAWARE) 7,396' - 7,646  SPRING) 11,002' - 11,016  FCAMP) 11,200' - 11,216  ATIONS ARE AS FOLLOWS: (DELAWARE) GAS - 48% WAS SPRING) GAS - 31% WAS FCAMP) GAS - 21% WAS | Itiple completion or recompletion rall requirements, including reclar IGLE THE FOLLOWING |   |
| <ol> <li>I hereby certify that the fore<br/>Name (Printed/Typed)</li> <li>Cindi Goodman</li> </ol>   | going is true and correct  | Title Production Cler  | 1.  |
| 1  |  | The Floddelion Clei  | N .   |
| Signature (in In   | 4000   | Date 01/20/2006  |   |
|  | THIS SPACE FOR FEDERAL   | OR STATE OFFICE  | USE   |
| Approved by  |  | Tial -   | D-4-  |
| certify that the applicant holds lega<br>which would entitle the applicant   |  | lease Office   | Date  |
| Title 18 U.S.C. Section 1001 and Ti<br>States any false, fictitious or frauc   | tle 43 U.S.C. Section 1212, make it a crime for a<br>fulent statements or representations as to any  | ny person knowingly and willfully matter within its jurisdiction.                        | to make to any department or agency of the United     |