

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

RECEIVED

Form C-101
May 27, 2004

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

SEP 14 2005
OCD-ARTESIA

Submit to appropriate District Office

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address Bass Enterprises Production Co. P. O. Box 2760 Midland, TX 79702		² OGRID Number 001801
³ Property Code 35100	⁴ Property Name HORNED TOAD 36 STATE	⁵ API Number 30-015-34764
⁶ Well No. 1		
⁷ Proposed Pool 1 Unders. DELAWARE 13360		⁸ Proposed Pool 2

⁷ Surface Location									
UL or lot no. H	Section 36	Township 24S	Range 29E	Lot Idn	Feet from the 1625'	North/South line NORTH	Feet from the 660'	East/Westline EAST	County EDDY

⁸ Proposed Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/Westline	County

Additional Well Information

¹¹ Work Type Code N	¹² Well Type Code O	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3130' GL
¹⁶ Multiple NO	¹⁷ Proposed Depth 7800'	¹⁸ Formation DELAWARE	¹⁹ Contractor ADOBE DRILLING	²⁰ Spud Date 11/01/2005
Depth to Groundwater 150'		Distance from nearest fresh water well 2-1/2 miles		Distance from nearest surface water 6 miles
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 mil thick Clay <input type="checkbox"/> Pit Volume: 11500 bbls Drilling Method: Closed-Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input checked="" type="checkbox"/> Diesel/Oil-based <input checked="" type="checkbox"/> Gas/Air <input type="checkbox"/>				

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
14-3/4"	11-3/4"	42#	790'	480	SURFACE*
11"	8-5/8"	32#	3340'	1026	1000'
7-7/8"	5-1/2"	15.5 & 17#	7800'	750	3040'

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

SURFACE IS OWNED BY THE STATE OF NEW MEXICO. ATTACHED IS A DRILLING PROGNOSIS AND A BOP DIAGRAM. This is an unorthodox location.

*Bass proposes to drill 10' into the salt section to insure all zones above the salt are penetrated. The casing will be set 10'-20' above the total depth and cemented to surface.

**This intermediate casing is a contingency string to be installed only if we encounter "free flowing sand" as was found in our Poker Lake Unit #217 located in section 19, T24S, R30E. In Poker Lake Unit #217 this sand occurred at several depths (+ 1500', + 1800', + 1950', + 2300') and we were only able to control it by "Mudding Up" with a high vis drilling fluid which with the resultant mud weight exceeded the low frac gradient in the Delaware Lower Brushy Canyon Sands. Therefore, the 11" casing is proposed in order to put this problem behind pipe and thereby allow for the drilling of the Delaware Sands with a fresh water low weight drilling fluid. If the flowing sand problem is not encountered the intermediate casing will not be run. Hole size will be reduced to 7-7/8" and the production hole drilled with a brine water/diesel emulsion mud. This drilling fluid has been used successfully by Bass in the (Nash Draw) Delaware Field.

5. h 29.5

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOC guidelines ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Printed name: Cindi Goodman

Title: Production Clerk

E-mail Address: cdgoodman@basspet.com

Date: 09/08/2005

Phone: (432)683-2277

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date: APR 05 2006

Expiration Date: APR 05 2007

Conditions of Approval Attached ☐

NSL - 5358

DISTRICT I
1825 N. French Dr., Hobbs, NM 88240
DISTRICT II
811 South First, Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410
DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised March 17, 1999

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 47545	Pool Name NASH DRAW - DELAWARE
Property Code	Property Name HORND TOAD "36" STATE	Well Number 1
OGRID No. 001801	Operator Name BASS ENTERPRISES PRODUCTION COMPANY	Elevation 3130'

Surface Location

UL or lot No. H	Section 36	Township 24 S	Range 29 E	Lot Idn	Feet from the 1625	North/South line NORTH	Feet from the 660	East/West line EAST	County EDDY
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Bottom Hole Location If Different From Surface

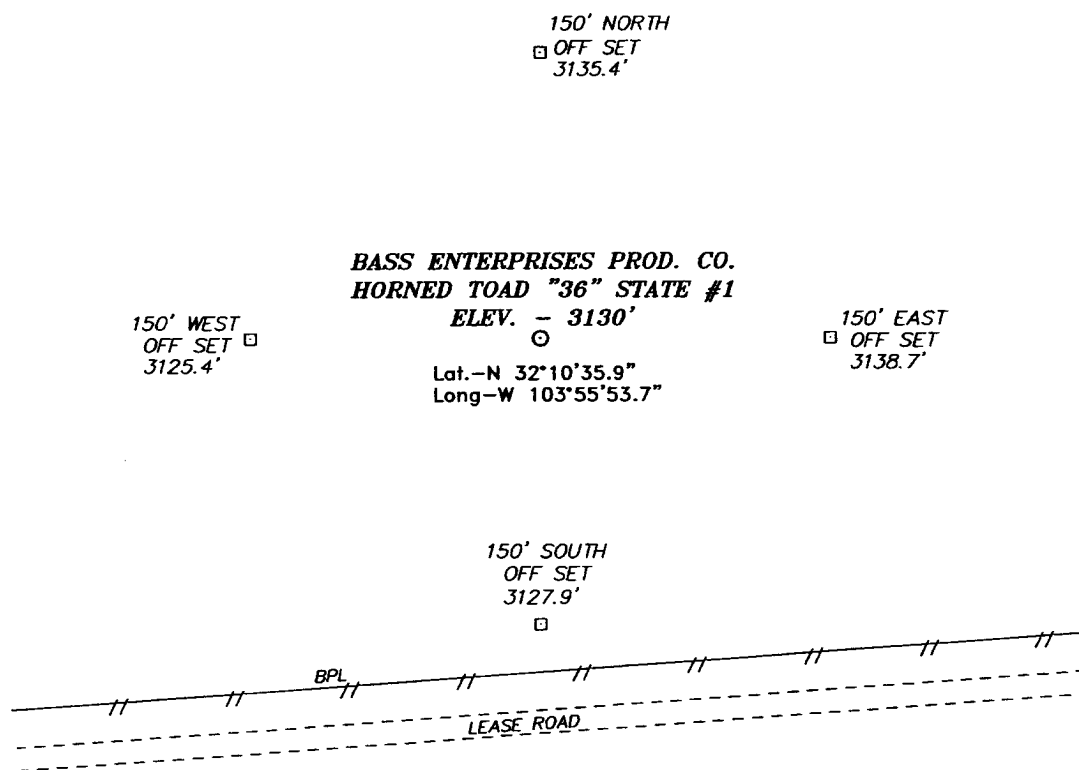
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

				<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>W.R. Dannels</i> Signature W.R. DANNELS Printed Name DIVISION DRILLING SUPT. Title 9/8/05 Date</p> <p>SURVEYOR CERTIFICATION</p> <p>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 belief.</p> <p>AUGUST 19, 2005 Date Surveyed <i>Gary L. Jones</i> Signature & Seal of Professional Surveyor W.O. No. 5768 Certificate No. Gary L. Jones 7977 BASIN SURVEYS</p>
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SECTION 36, TOWNSHIP 24 SOUTH, RANGE 29 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.



DIRECTIONS TO LOCATION:

FROM THE JUNCTION OF CO. RD. 748 AND CO. RD. 746A, GO SOUTHEAST 1.2 MILE TO LEASE ROAD; THENCE SOUTH FOR 0.6 MILE TO CATTLE GUARD; THENCE GO WEST FOR 1.5 MILE TO PROPOSED WELL PAD.

BASIN SURVEYS P.O. BOX 1786-HOBBS, NEW MEXICO

W.O. Number: 5768 Drawn By: K. GOAD

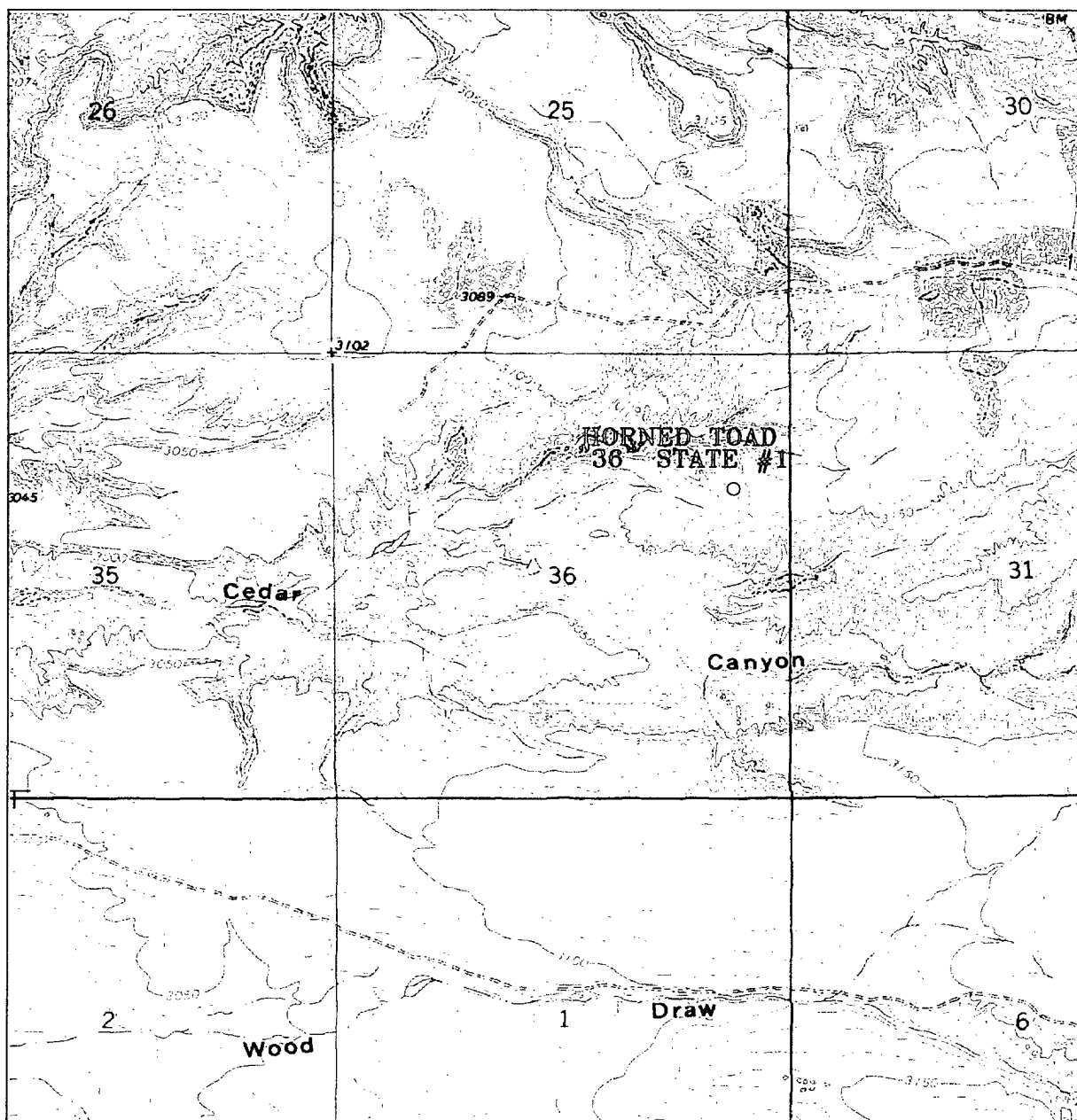
Date: 08-25-2005 Disk: KJG CD#7 - 5768A.DWG

BASS ENTERPRISES PRODUCTION CO.

REF: HORNED TOAD "36" STATE No. 1 / Well Pad Topo

THE HORNED TOAD "36" STATE No. 1 LOCATED 1625' FROM
THE NORTH LINE AND 660' FROM THE EAST LINE OF
SECTION 36, TOWNSHIP 24 SOUTH, RANGE 29 EAST,
N.M.P.M., EDDY COUNTY, NEW MEXICO.

Survey Date: 08-19-2005 Sheet 1 of 1 Sheets



HORNE TOAD "36" STATE #1
 Located at 1625' FNL and 660' FEL
 Section 36, Township 24 South, Range 29 East,
 N.M.P.M., Eddy County, New Mexico.

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 in the oilfield

P.O. Box 1786
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (505) 393-7316 - Office
 (505) 392-3074 - Fax
 basinsurveys.com

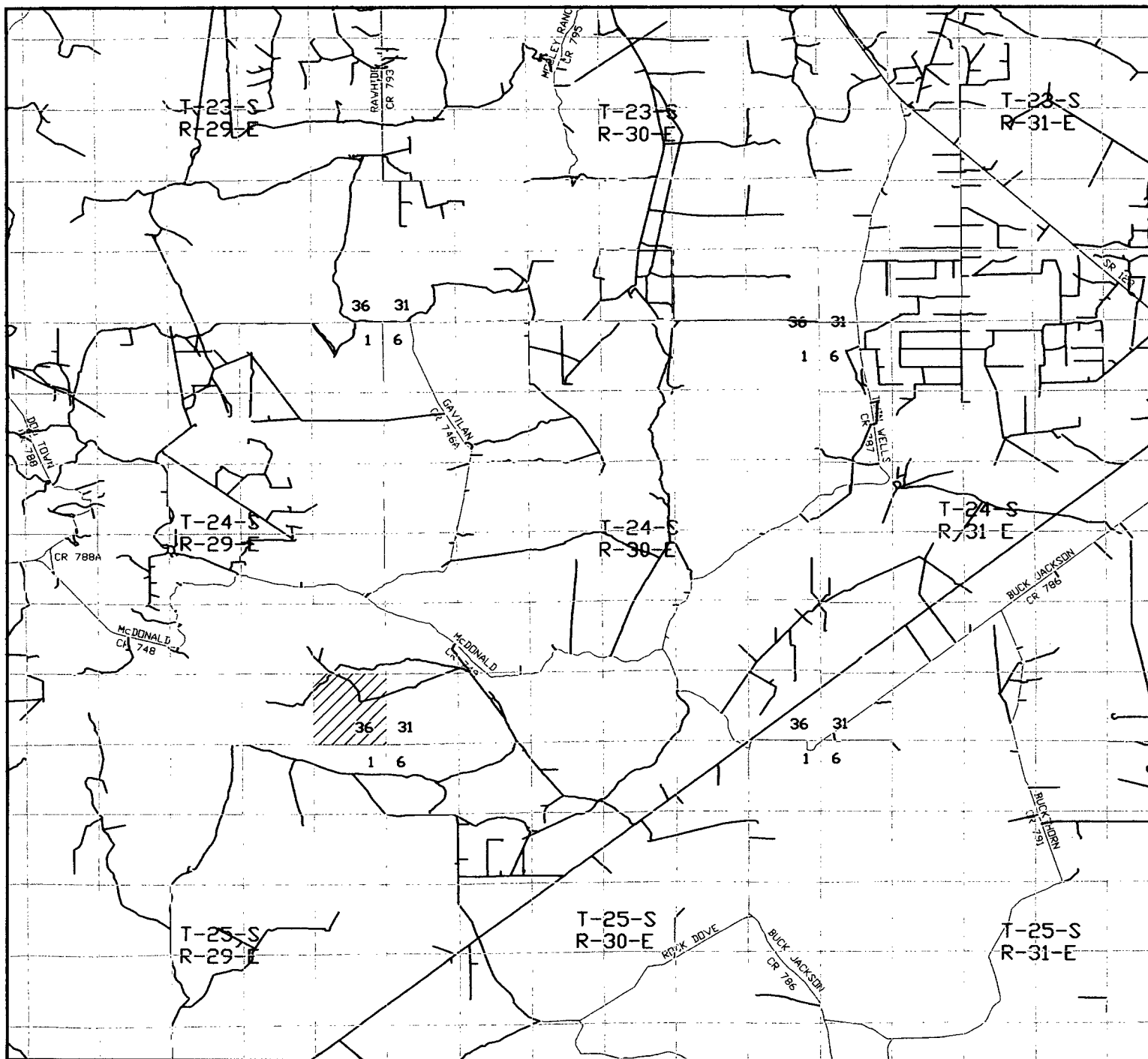
W.O. Number: 5768AA - KJG #7

Survey Date: 08-19-2005

Scale: 1" = 2000'

Date: 08-25-2005

**BASS ENTERPRISES
 PRODUCTION CO.**



HORNED TOAD "36" STATE #1
 Located at 1625' FNL and 660' FEL
 Section 36, Township 24 South, Range 29 East,
 N.M.P.M., Eddy County, New Mexico.

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 (505) 392-3074 - Fax
 basinsurveys.com

W.O. Number: 5768AA - KJG #7

Survey Date: 08-19-2005

Scale: 1" = 2 MILES

Date: 08-25-2005

BASS ENTERPRISES
PRODUCTION CO.

**EIGHT POINT DRILLING PROGRAM
BASS ENTERPRISES PRODUCTION CO.**

NAME OF WELL: HORNE TOAD 36 STATE #1

LEGAL DESCRIPTION - SURFACE: 1625' FNL & 660' FEL, Section 36, T-24-S, R-29-E, Eddy County, New Mexico.

POINT 1: ESTIMATED FORMATION TOPS

(See No. 2 Below)

POINT 2: WATER, OIL, GAS AND/OR MINERAL BEARING FORMATIONS

Anticipated Formation Tops: KB 3150' (est)
GL 3130'

<u>FORMATION</u>	<u>ESTIMATED TOP FROM KB</u>	<u>ESTIMATED SUBSEA TOP</u>	<u>BEARING</u>
T/Salt	800'	+ 2,350'	Barren
T/Lamar	3,330'	- 180'	Barren
T/Lwr Brushy Canyon	6,900'	- 3,750'	Oil/Gas
TD	7,800'	- 4,650'	

POINT 3: CASING PROGRAM

<u>TYPE</u>	<u>INTERVALS</u>	<u>PURPOSE</u>	<u>CONDITION</u>
16"	0' – 60'	Conductor	Contractor Discretion
11-3/4", 42#, J-55, ST&C	0' – 790'	Surface	New
8-5/8", 32#, J-55, LT&C	0' – 3,340'	Intermediate	New
5-1/2", 15.50#, K-55, LT&C	0' – 6,300'	Production	New
5-1/2", 17#, K-55, LT&C	6,300' – 7,800'	Production	New

POINT 4: PRESSURE CONTROL EQUIPMENT

A BOPE consistant with API RP-53 will be nipped up on the surface casing head. The BOP stack, choke, kill lines, kelly cocks, inside BOP, etc. when installed on the surface casing head will be hydro-tested to 70% of internal yield pressure of casing or 1000 psig whichever is less with the rig pump. The BOPE when rigged up on the intermediate casing spool will be tested to 3000 psig by independent tester. In addition to the high pressure test, a low pressure (200 psig) test will be required. These tests will be performed:

- a) Upon installation
- b) After any component changes
- c) As required by well conditions

A function test to insure that the preventers are operating correctly will be performed on each trip.

POINT 5: MUD PROGRAM

DEPTH	MUD TYPE	WEIGHT	FV	PV	YP	FL	Ph
0' – 800'	FW Spud Mud	8.5 - 9.2	45-35	NC	NC	NC	10.0
800' – 3340'	BW	10.0	28-30	NC	NC	NC	9.5-10.5
3340' – 6000'	Fresh Water	8.4 - 8.9	28-30	NC	NC	NC	9.5-10.5
6000' – 6900'	FW/Starch	8.7 - 8.9	30-35	4	8	<100	9.5-10.5
6900' – 7800'	FW/Starch/Gel	8.7 - 8.9	40-45	4	8	<25	9.5-10.5

**Will increase vis for logging purposes only.*

POINT 6: TECHNICAL STAGES OF OPERATION

A) TESTING

None anticipated.

B) LOGGING

GR-CNL-LDT-LLD from TD to Base of Salt (+/-3,322'). Run GR-CNL from Base of Salt to surface.

C) CONVENTIONAL CORING

None anticipated.

D) CEMENT

INTERVAL	AMOUNT SXS	FT OF FILL	TYPE	GALS/SX	PPG	FT ³ /SX	
<u>SURFACE:</u> Circulate cement to surface.							
Lead 0'-500' (100% excess)	228	500	Permian Basin Critical Zone	10.40	12.8	1.90	
Tail 500' – 800 (100% excess)	250	300	Premium Plus+2% CaCl ₂ ½# Flocele	6.33	14.8	1.35	
<u>INTERMEDIATE:</u>							
Lead 1000'-3040' (200% excess)	650	2040	Interfill C+0.3% Halad R-322	14.11	11.9	2.45	
Tail 3040' – 3340 (200% excess)	376	500	Premium Plus+2% CaCl ₂	6.33	14.8	1.35	
<u>PRODUCTION:</u>							
Lead 3040'-7800' (50% excess)	750	4760	Premium Plus + 1% Zone Sealant 2000	6.32	11.9	1.65	<div> <div>COMPRESSIVE</div> <div> Nitrogen 300/600 scf/bbl </div> <div> Strength 1200 </div> </div>

E) DIRECTIONAL DRILLING

No directional services anticipated.

POINT 7: ANTICIPATED RESERVOIR CONDITIONS

Normal pressures are anticipated throughout Delaware section. A BHP of 3483 psi (max) or MWE of 8.7 ppg is expected. Lost circulation may exist in the Delaware section from 3,340'-7,800'. No H₂S is anticipated.

Estimated BHT is 140° F.

POINT 8: OTHER PERTINENT INFORMATION**A) Auxiliary Equipment**

Upper and lower kelly cocks. Full opening stab in valve on the rig floor.

B) Anticipated Starting Date

Upon approval

12 days drilling operations

14 days completion operations

OCL/cdg