Form 3160-5 (April2004)

UNITEDSTATES DEPARTMENT OF THE INTEROGD-ARTESIA **BUREAU OF LAND MANAGEMENT**

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

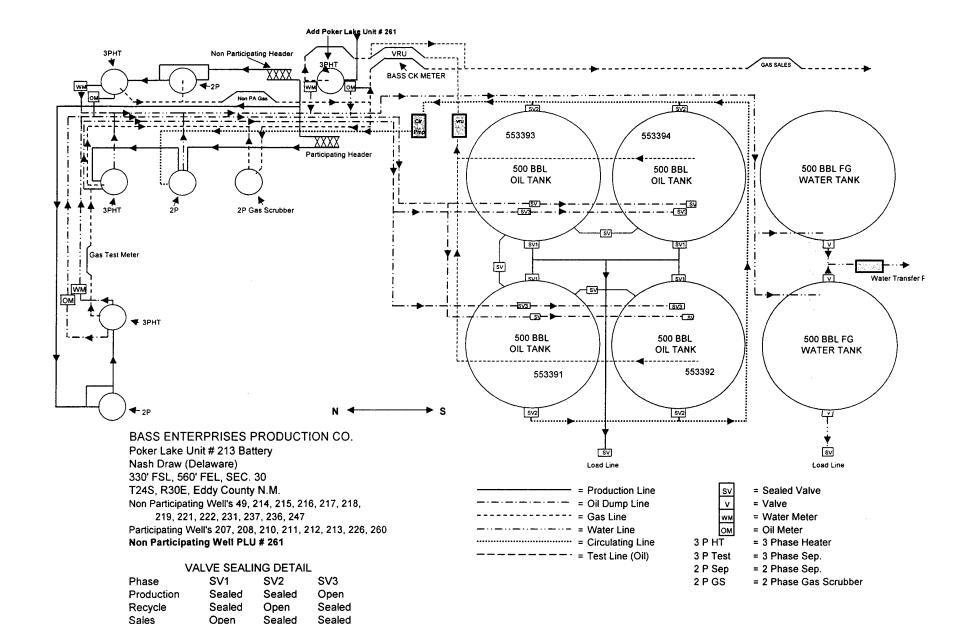
SUNDRY NOTICES AND REPORTS ON WELLS

5. Lease Serial No. NMLC068431

	nis form for proposa ell. Use Form 3160 -			6. If indian, Allottee or Tribe Name
SUBMIT IN TRI	IPLICATE - Other in	nstructions on re	erse side	7. If Unit or CA/Agreement, Name and/or No. NMNM71016 X
1. Type of Well X Oil Well	Gas Well Oth	1	(i) (i)	
A On Wen		\ ~~	AUTESIA, NIM	8. Well Name and No.
2. Name of Operator		1000		POKER LAKE UNIT #261
BEPCO, L.P.		2h DhanaNa G		9. API Well No. 30-015-34877
3a. Address P.O. BOX 2760 MIDLAN	D TX 70702-2760	3b. PhoneNo. (inc.) (432)683-	,	10. Field and Pool, or Exploratory Area
4. Location of Well (Footage, Se		······································	<u> </u>	NASH DRAW- DEL/BS/AVALON SAND
UL J, 1980 FSL, 1880 FE LAT 32.201250, LON 10	EL, SEC 21, T24S, F	. ,		11. County or Parish, State EDDY NM
12. CHECK A	PPROPRIATE BOX(ES)TO INDICATE NAT	URE OF NOTICE, R	EPORT, OR OTHER DATA
TYPE OF SUBMISSION		•	TYPE OF ACTION	
	Acidize	Deepen	Production (St	art/Resume) Water Shut-Off
Notice of Intent	AlterCasing	FractureTreat	Reclamation	Well Integrity
[V]	Casing Repair	New Constructi		Other
X Subsequent Report	Change Plans	Plug and Aband	= =	
Final Abandonment Notice			Water Disposal	
testing has been completed. Findetermined that the site is read SPECIAL STIPULATION 1) INFORMATION ON INFORMATION ON INFORMATION ON INFORMATION ON INFORMATION OF SPECIAL STIPULATION 2) SITE DIAGRAM. (SEE STIPULATION OF SWD PER SWD PER SWD PER SWD ANALYSIS. (SIE S) ANY ALLOCATION SWD ANALYSIS.	inal Abandonment Notices ship for final inspection.) NS REQUESTS: PRESSURE RATING EXPOSED TO. 2- EE ATTACHED) RMIT & WATER AND EE ATTACHED) SCENARIO. SEPAF	aall be filed only after all red GS OF THE FLOV -7/8" 6.5# J-55, ID ALYSIS. (SEE AT	vuirements, including reclar VLINES AND THE 2.441", OD 3.668	PRESSURES THAT THE LINES ARE ", BURST 7260#, FLOWLINE WILL
14. I hereby certify that the fore Name (Printed/Typed)	going is true and correct	1		
CINDI GOODMAN		Title	PRODUCTION	CLERK
Signature Cenido	- 4000	Dat	e 01/19/2007	FOR RECORD
	THIS SPACE FO	OR FEDERAL OF	STATE OFFICE	WSECEPTED FOR RECORD
Approved by			Title	Date 3 1 2007
Conditions of approval, if any, are certify that the applicant holds leg which would entitle the applican	gal or equitable title to those in to conduct operations then	rights in the subject lease reon.	Office	UAIT O , T
Title 18 U.S.C. Section 1001 and T States any false, fictitious or frau	itle 43 U.S.C. Section 1212, radulent statements or repres	make it a crime for any per centations as to any matte	son knowingly and willfull r within its jurisdiction.	y to make 18 ary department/orangemy & the Pinited

(Instructions on page 2)

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NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

BEPCO - WID PRODUCTION		Mark E. Fesmire, P.E Director
JUN 1 6 2005 RECEIVED	1001	Oil Conservation Divisio
The state of the s	DMINISTRATIVE	ORDER SWD-983

APPLICATION OF BASS ENTERPRISES PRODUCTION COMPANY FOR PRODUCED WATER DISPOSAL, EDDY COUNTY, NEW MEXICO

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

Under the provisions of Rule 701(B), Bass Enterprises Production Company made application to the New Mexico Oil Conservation Division on May 27, 2005, for permission to utilize for produced water disposal its Poker Lake Unit Well No. 71A (API No. 30-015-26084-01-00) located 660 feet from the North line and 1,980 feet from the West line of Section 33, Township 23 South, Range 30 East, NMPM, Eddy County, New Mexico.

THE DIVISION DIRECTOR FINDS THAT:

- (1) The application has been duly filed under the provisions of Rule 701(B) of the Division Rules and Regulations;
- (2) Satisfactory information has been provided that all offset operators and surface owners have been duly notified;
- (3) The applicant has presented satisfactory evidence that all requirements prescribed in Rule 701 will be met; and
 - (4) No objections have been received within the waiting period prescribed by said rule.

IT IS THEREFORE ORDERED THAT:

The applicant is hereby authorized to utilize its Poker Lake Unit Well No. 71A (API No. 30-015-26084-01-00) located 660 feet from the North line and 1,980 feet from the West line of Section 33, Township 23 South, Range 30 East, NMPM, Eddy County, New Mexico, in such manner as to permit the injection of produced water for disposal purposes into the Delaware Mountain Group formation through perforations from 4,470 feet to 7,558 feet and through plastic-lined tubing set with a packer located within 100 feet of the top of the injection interval.

IT IS FURTHER ORDERED THAT:

The operator shall take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface.

The operator shall swab test all sets of perforations and report swab test results to the Division along with recovered water analysis. The operator shall also estimate the initial reservoir pressure (i.e. from static fluid levels) of the injection interval and send this estimate by letter to the Division (referencing SWD-983).

After installing injection tubing, the casing shall be pressure tested from the surface to the packer setting depth to assure casing integrity.

The casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge or an approved leak detection device in order to determine leakage in the casing, tubing, or packer.

The wellhead injection pressure on the well shall be limited to no more than 894 psi. In addition, the injection well or system shall be equipped with a pressure limiting device in workable condition which shall, at all times, limit surface injection pressure to the maximum allowable pressure for this well.

The Director of the Division may authorize an increase in injection pressure upon a proper showing by the operator of said well that such higher pressure will not result in migration of the injected fluid from the injection formation. Such proper showing shall consist of a valid step-rate test run in accordance with and acceptable to this office.

The operator shall notify the supervisor of the Artesia district office of the Division of the date and time of the installation of disposal equipment and of any mechanical integrity test so that the same may be inspected and witnessed.

The operator shall immediately notify the supervisor of the Artesia district office of the Division of the failure of the tubing, casing, or packer in said well and shall take such steps as may be timely and necessary to correct such failure or leakage.

PROVIDED FURTHER THAT, jurisdiction is retained by the Division for the entry of such further orders as may be necessary for the prevention of waste and/or protection of correlative rights or upon failure of the operator to conduct operations (1) to protect fresh water or (2) consistent with the requirements in this order, whereupon the Division may, after notice and hearing, terminate the injection authority granted herein.

The operator shall provide written notice of the date of commencement of injection to the Artesia district office of the Division.

The operator shall submit monthly reports of the disposal operations on Division Form C-115, in accordance with Rule Nos. 706 and 1120 of the Division Rules and Regulations.

The injection authority granted herein shall terminate one year after the effective date of this order if the operator has not commenced injection operations into the subject well, provided however, the Division, upon written request by the operator, may grant an extension thereof for good cause shown.

Approved at Santa Fe, New Mexico, on this 10th day of June 2005.

MARK E. FESMIRE, P.E.

Director

MEF/wvjj

cc: Oil Conservation Division - Artesia

Bureau of Land Management - Carlsbad



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor
Betty Rivera
Cabinet Secretary

BEPCO - WID PRODUCTION

Lori Wrotenbery
Director
Oil Conservation Division

NOV 0 4 2002

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AMENDED ADMINISTRATIVE ORDER SWD-828-A

APPLICATION OF BASS ENTERPRISES PRODUCTION COMPANY FOR SALT WATER DISPOSAL, EDDY COUNTY, NEW MEXICO.

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

Under the provisions of Rule 701(B), Bass Enterprises Production Company made application to the New Mexico Oil Conservation Division on January 22, 2002, for permission to complete for produced water disposal its Poker Lake Unit Well No. 170 (API No. 30-015-31744) located 2180 feet from the South line and 1980 feet from the West line (Unit K) of Section 33, Township 23 South, Range 30 East, NMPM, Eddy County, New Mexico. On October 24th, 2002, Bass Enterprises requested the existing permit SWD-828 be amended by adding perforations up hole to 4,227 feet.

THE DIVISION DIRECTOR FINDS THAT:

- (1) The application has been duly filed under the provisions of Rule 701(B) of the Division Rules and Regulations;
- (2) Satisfactory information has been provided that all offset operators and surface owners have been duly notified;
- (3) The applicant has presented satisfactory evidence that all requirements prescribed in Rule 701 will be met; and
- (4) No objections have been received within the waiting period prescribed by said rule.



Amended Administrative Order SWD-828-A Bass Enterprises Production Company October 28, 2002 Page 2

IT IS THEREFORE ORDERED THAT:

Bass Enterprises Production Company is hereby authorized to complete its Poker Lake Unit Well No. 170 (API No. 30-015-31744) located 2180 feet from the South line and 1980 feet from the West line (Unit K) of Section 33, Township 23 South, Range 30 East, NMPM, Eddy County, New Mexico, in such a manner as to permit the injection of produced water for disposal purposes into the Delaware formation from approximately 4,227 feet to 6,760 feet through 2 7/8 inch plastic-lined tubing set in a packer located at approximately 4,150 feet.

IT IS FURTHER ORDERED THAT:

The operator shall take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface.

Prior to commencing injection operations into the well, the casing shall be pressure tested from the surface to the packer setting depth to assure the integrity of said casing.

The casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge at the surface or left open to the atmosphere to facilitate detection of leakage in the casing, tubing, or packer.

The injection well or system shall be equipped with a pressure limiting device which will limit the wellhead pressure on the injection well to no more than 846 psi.

The Director of the Division may authorize an increase in injection pressure upon a proper showing by the operator of said well that such higher pressure will not result in migration of the injected fluid from the Delaware formation. Such proper showing shall consist of a valid step-rate test run in accordance with and acceptable to this office.

The operator shall notify the supervisor of the Artesia District Office of the Division of the date and time of the installation of disposal equipment and of any mechanical integrity test so that the same may be inspected and witnessed.

The operator shall immediately notify the supervisor of the Artesia District Office of the Division of the failure of the tubing, casing, or packer in said well and shall take such steps as may be timely and necessary to correct such failure or leakage.

Amended Administrative Order SWD-828-A Bass Enterprises Production Company October 28, 2002 Page 3

PROVIDED FURTHER THAT, jurisdiction is retained by the Division for the entry of such further orders as may be necessary for the prevention of waste and/or protection of correlative rights or upon failure of the operator to conduct operations (1) to protect fresh water or (2) consistent with the requirements in this order, whereupon the Division may, after notice and hearing, terminate the injection authority granted herein.

The operator shall submit monthly reports of the disposal operations on Division Form C-115, in accordance with Rule Nos. 706 and 1120 of the Division Rules and Regulations.

The injection authority granted herein shall terminate one year after the effective date of this order if the operator has not commenced injection operations into the subject well, provided however, the Division, upon written request by the operator, may grant an extension thereof for good cause shown.

Original permit approved at Santa Fe, New Mexico, on the 11th day of February 2002. Amended at Santa Fe, New Mexico, on this 28th day of October 2002.

LORI WROTENBERY, Director

LW/wvjj

cc: Oil Conservation Division - Artesia
Bureau of Land Management-Carlsbad



BEPCO - WID PRODUCTION

Martin Water Laboratories Inc.

DEC 2 9 2006 709 V. INDIANA MIDLAND TEXAS 79701 FAX (4)2) 682-8819

RESULT OF WATER ANALYSES

RECEIVED 107-76 LABORATORY NO. 12-20-06 TO: Messrs. Michael Lyon, Ben Chen, and Bill Franks SAMPLE RECEIVED 12-27-06 P.O. Box 2760, Midland, TX 79702 RESULTS REPORTED____ Poker Lake Unit #261 COMPANY Bass LEASE __ Nash Draw FIELD OR POOL NM Eddu _ COUNTY _ SECTION _____ BLOCK ____ SURVEY _ ___ STATE ___ SOURCE OF SAMPLE AND DATE TAKEN: NO.1 Submitted water sample - taken 12-18-06. NO. 2 _____ NO:3 ___ NO. 4 ___

Perfs 7 418'-7 428' (LBC "V") 7.528'-7.538' (LBC "Y") and 7,752'-7,762' (Avalon)

	CHEMICAL AND PHYSICAL	PROPERTIES		
	NO. 1	NO. 2	NO. 3	NO. 4
Specific Gravity at 60° F.	1.1880			
pH When Sampled				
pH When Received	5.59			
Bicarbonate as HCO ₃	317			
Supersaturation as CaCO ₃				
Undersaturation as CaCO ₃				
Total Hardness as CaCO,	77,000			
Calcium as Ca	23,600			
Magnesium as Mg	4,374			
Sodium and/or Potassium	83,769			
Sylfate as SO.	539			
Chloride as CI	183,180			
Iron as Fe	319			
Barium as Ba	0			
Turbidity, Electric				
Color as Pt				
Total Solids, Calculated	295,779			
Temperature *F.				
Carbon Dioxide, Calculated				
Dissolved Oxygen,				
Hydrogen Sulfide	0.0			
Resistivity, ohms/m at 77° F.	0.046			
Suspended Oil				
Fittrable Solids as mg/l				
Volume Filtered, ml				
	Results Reported As Milligran			
Additional Determinations And Remarks	The undersigned cert	ifies the above to	be true and correct	to the best of
his knowledge and belief.				

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Form No. 3

P.O. BOX 98 MIDLAND, TX. 79702 PHONE (432) 683-4521

Greg Ogden, B.S.

ODESSA, TEXAS 79760 7-1166 E-MAIL: MANLEYGAST@AOL.COM DATE SAMPLED
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SULPHUR DETERMINATION
GRAINS/100 SCF
* HYDROGEN SULFIDE 0.000
MERCAPTANS 0.000
SULFIDES 0.000
RESIDUAL SULPHUR 0.000 TOTAL 0.000
TOTAL 0.000
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LIQUEFIABLE HYDROCARBONS- GPM
ETHANE PLUS 6.271
PROPANE PLUS 3.501
ETHANE PLUS 6.271 PROPANE PLUS 3.501 BUTANES PLUS 1.855
PENTANES PLUS 0.912
'Z' FACTOR = 0.9959
4 FACTOR = 0.9939
MIXTURE SPECIFIC GRAVITY
ALCULATED FROM ANALYSIS 0.812
ETERMINED BY RANAREX 0.000
RY 1248 WET 1227 BTU

B. FRANKS / L. HANNA / M. SNELSON

APPROVED:

MC

ANALYZED BY: JT