

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD - ARTESIA

FORM APPROVED  
OMB No. 1004-0136  
Expires November 30, 2000

## APPLICATION FOR PERMIT TO DRILL OR REENTER

|  |  |   |   |
|--|--|---|---|
| 1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER   |  | <b>CONFIDENTIAL</b>   | 5. Lease Serial No.<br>NMLC059365   |
| 1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone |  |   | 6. If Indian, Allottee or Tribe Name                                      |
| 2. Name of Operator<br>BASS ENTERPRISES PRODUCTION CO  |  | Contact: TAMI WILBER<br>E-Mail: twilber@basspet.com                       | 7. If Unit or CA Agreement, Name and No.<br>NMNM68294X <b>1776</b>        |
| 3a. Address<br>P O BOX 2760<br>MIDLAND, TX 79702   |  | 3b. Phone No. (include area code)<br>Ph: 915.683.2277<br>Fx: 915.687.0329 | 8. Lease Name and Well No.<br>BIG EDDY UNIT 140                           |
| 4. Location of Well (Report location clearly and in accordance with any State requirements.)<br>At surface SESE 660FSL 1980FEL 1780 FEL<br>At proposed prod. zone SESE 660FSL 1980FEL 1780 FEL                         |  |   | 9. API Well No.<br><b>30-015-32633</b>                                    |
| 14. Distance in miles and direction from nearest town or post office<br>9 MILES EAST OF CARLSBAD, NM   |  |   | 10. Field and Pool, or Exploratory<br>UNKNOWN Undes.<br>Bass: Mernew      |
| 15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)<br>1980'  |  | 16. No. of Acres in Lease<br>1780   | 11. Sec., T, R, M., or Bk. and Survey or Area<br>Sec 19 T21S R28E Mer NMP |
| 18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.<br>5800'   |  | 19. Proposed Depth<br>12500 MD  | 12. County or Parish<br>EDDY  |
| 21. Elevations (Show whether DF, KB, RT, GL, etc.)<br>3198 GL  |  | 22. Approximate date work will start<br>04/01/2003                        | 13. State<br>NM   |
|  |  |   | 17. Spacing Unit dedicated to this well<br>320.00                         |
|  |  |   | 20. BLM/BIA Bond No. on file  |
|  |  |   | 23. Estimated duration<br>45 DAYS   |

## 24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer.

|  |   |                            |
|--|---|----------------------------|
| 25. Signature<br>(Electronic Submission)               | Name (Printed/Typed)<br>TAMI WILBER                 | Date<br>11/06/2002         |
| Title<br>AUTHORIZED REPRESENTATIVE                     |   |                            |
| Approved by (Signature)<br><b>/s/ LESLIE A. THEISS</b> | Name (Printed/Typed)<br><b>/s/ LESLIE A. THEISS</b> | Date<br><b>FEB 07 2003</b> |
| Title<br><b>FIELD MANAGER</b>                          | Office<br><b>CARLSBAD FIELD OFFICE</b>              |                            |

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

Additional Operator Remarks (see next page)

Electronic Submission #15846 verified by the BLM Well Information System  
For BASS ENTERPRISES PRODUCTION CO, sent to the Carlsbad  
Committed to AFMSS for processing by Armando Lopez on 11/07/2002 (03AL0039AE)

Carlsbad Controlled Water Basin

APPROVAL FOR 1 YEAR  
SUBJECT TO  
GENERAL REQUIREMENTS AND  
SPECIAL STIPULATIONS  
ATTACHED

\*\* REVISED \*\* REVISED \*\* REVISED \*\* REVISED \*\* REVISED \*\* REVISED \*\* REVISED \*\*

DISTRICT I  
1625 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                           | Pool Name        |
|               |                                     | Wildcat (Morrow) |
| Property Code | Property Name                       | Well Number      |
|               | BIG EDDY UNIT                       | 140              |
| GRID No.      | Operator Name                       | Elevation        |
| 001801        | BASS ENTERPRISES PRODUCTION COMPANY | 3178'            |

Surface Location

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| 0             | 19      | 21 S     | 28 E  |         | 660           | SOUTH            | 1780          | EAST           | EDDY   |

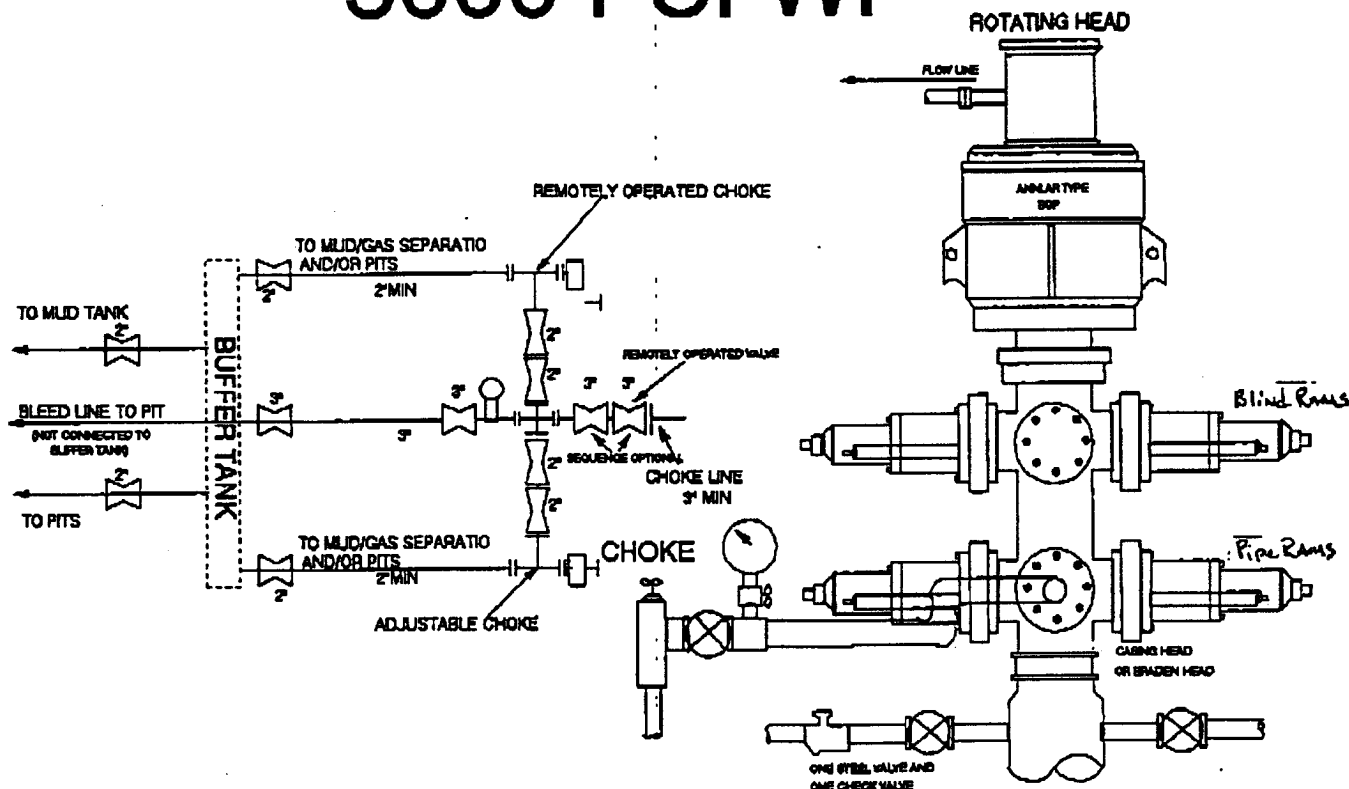
Bottom Hole Location If Different From Surface

|                 |                 |                    |           |         |               |                  |               |                |        |
|-----------------|-----------------|--------------------|-----------|---------|---------------|------------------|---------------|----------------|--------|
| UL or lot No.   | Section         | Township           | Range     | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|                 |                 |                    |           |         |               |                  |               |                |        |
| Dedicated Acres | Joint or Infill | Consolidation Code | Order No. |         |               |                  |               |                |        |
| 320             | N               |                    |           |         |               |                  |               |                |        |

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>William R. Dannels</i><br/>Signature</p> <p>W.R. DANNELS<br/>Printed Name</p> <p>DIVISION DRILLING SUPT.<br/>Title</p> <p>12-14-02<br/>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>DECEMBER 10, 2002<br/>Date Surveyed</p> <p><i>[Signature]</i><br/>Signature &amp; Seal of Professional Surveyor</p> <p>7977<br/>W.O. No. 2908</p> <p>Certificate No. 7977<br/>Cory L. Jones</p> <p>BASIN SURVEYS</p> |

# 5000 PSI WP



## THE FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

- A. One double gate blowout preventer with lower rams for pipe and upper rams blind, all hydraulically controlled.
- B. Opening on preventers between rams to be flanged, studded or clamped and at least two inches in diameter.
- C. All connections from operating manifold to preventers to be all steel hose or tube a minimum of one inch in diameter.
- D. The available closing pressure shall be at least 15% in excess of that required with sufficient volume to operate (close, open, and re-close) the preventers.
- E. All connections to and from preventers to have a pressure rating equivalent to that of the BOP's.
- F. Manual controls to be installed before drilling cement plug.
- G. Valve to control flow through drill pipe to be located on rig floor.
- H. All chokes will be adjustable. Choke spool may be used between rams.

DIAGRAM 1

28-24-31

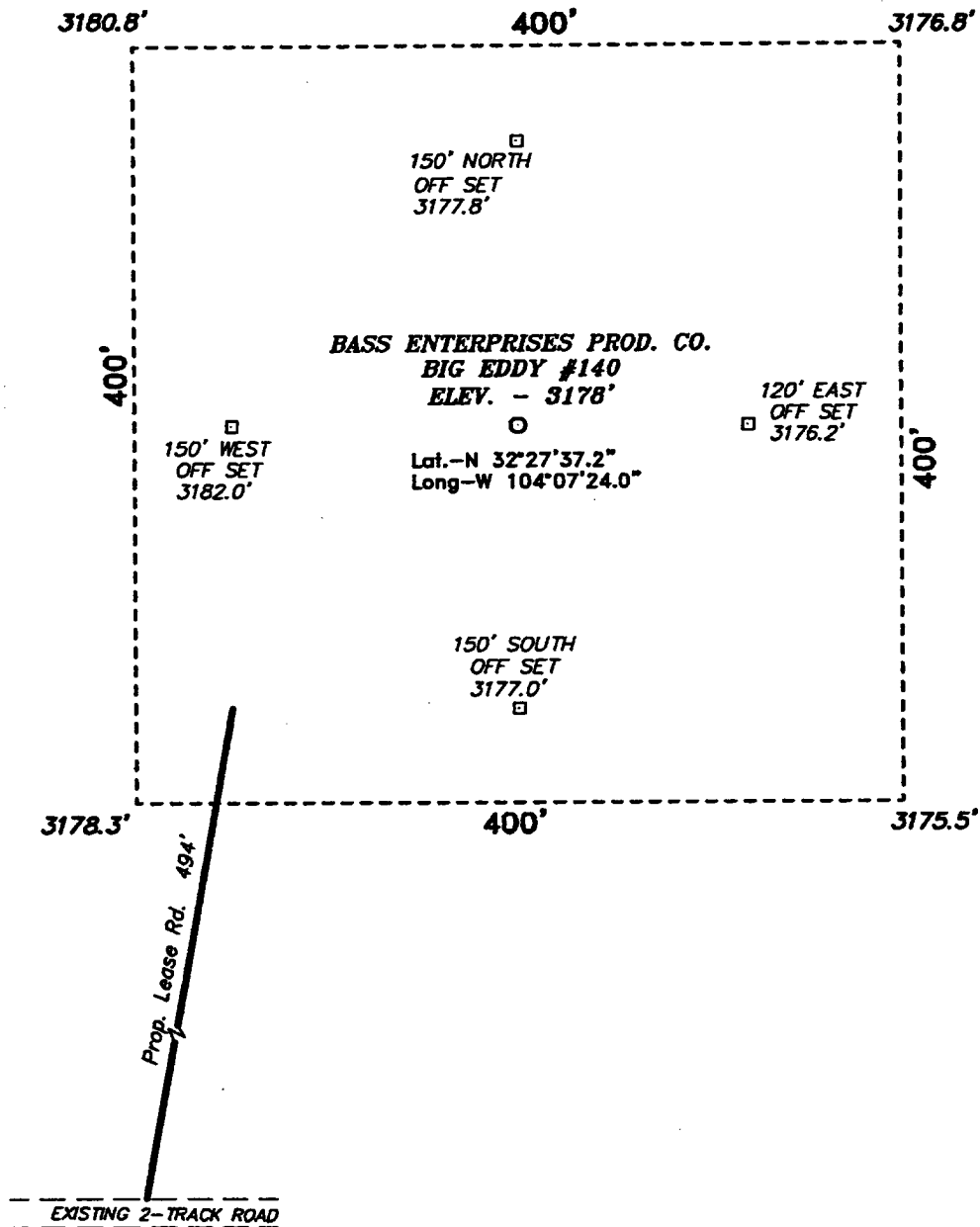
-(871)-

4-24-31

625  $\frac{1}{2}$  816  
280-340

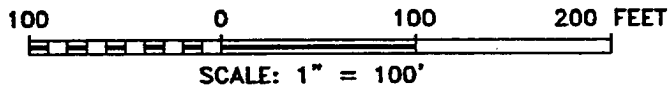
25' above  
Sat

**SECTION 19, TOWNSHIP 21 SOUTH, RANGE 28 EAST, N.M.P.M.,  
EDDY COUNTY, NEW MEXICO.**



**DIRECTIONS TO LOCATION:**

FROM THE JUNCTION OF US HWY 62/180 AND CO. RD. 603A, GO EAST ON 603A FOR APPROX. 0.5 MILE TO LEASE ROAD; THENCE SOUTHWESTERLY FOR 1.3 MILES TO A 2-TRACK ROAD; THENCE EAST FOR 0.4 MILES TO THE PROPOSED LEASE ROAD.



**BASS ENTERPRISES PRODUCTION CO.**

REF: BIG EDDY UNIT No. 140 / Well Pad Topo

THE BIG EDDY UNIT No. 140 LOCATED 660' FROM  
THE SOUTH LINE AND 1780' FROM THE EAST LINE OF  
SECTION 19, TOWNSHIP 21 SOUTH, RANGE 28 EAST,

N.M.P.M., EDDY COUNTY, NEW MEXICO.

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

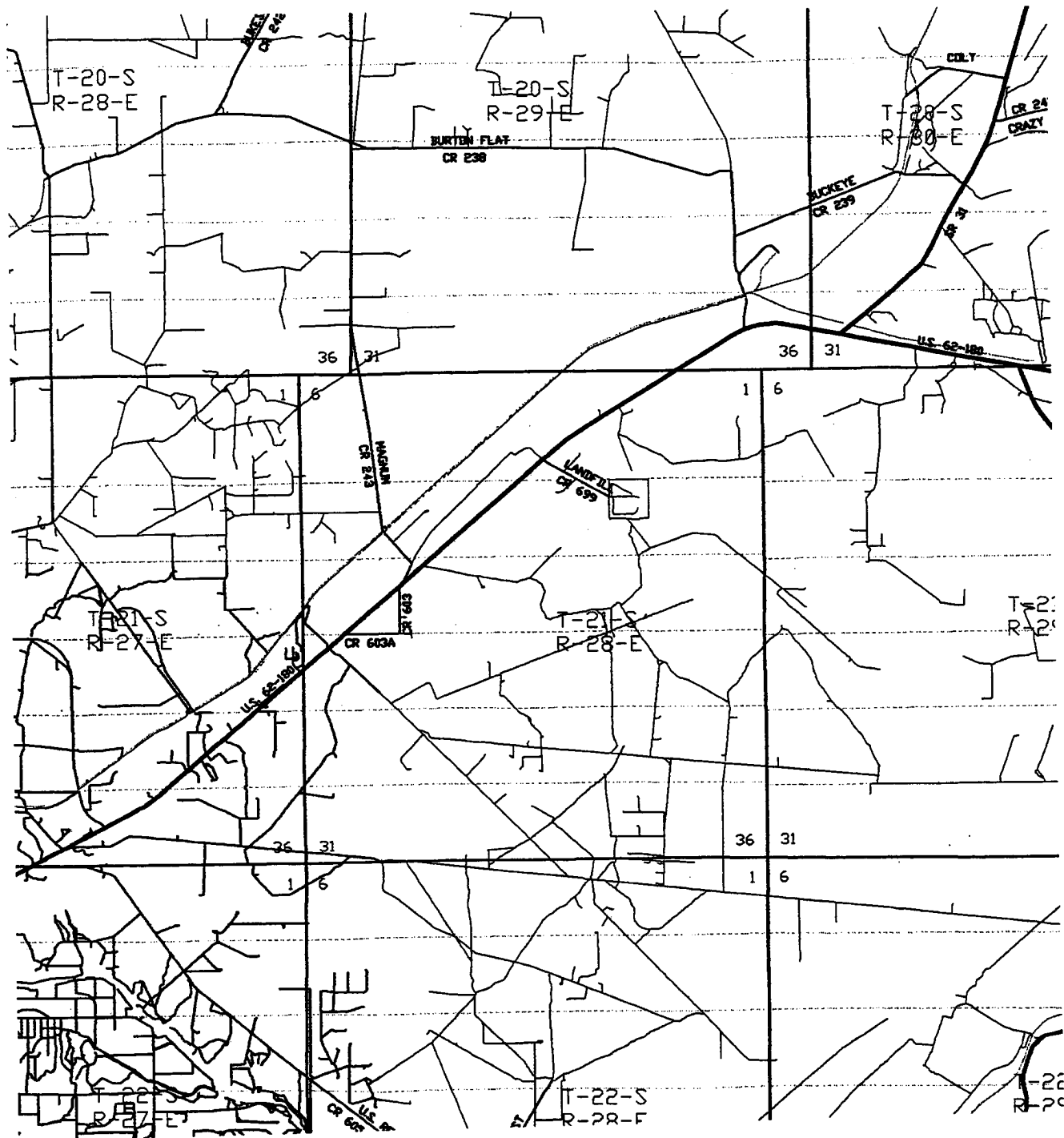
W.O. Number: 2908

Drawn By: K. GOAD

Survey Date: 12-10-2007

Sheet 1 of 1 Sheets





# **BIG EDDY UNIT #140**

Located at 660' FSL and 1780' FEL  
 Section 19, Township 21 South, Range 28 East,  
 N.M.P.M., Eddy County, New Mexico.

**basin**  
**surveys**

focused on excellence  
 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: 2908AA - KJG #7

Survey Date: 12-10-2002

Scale: 1" = 2 MILES

Date: 12-11-2002

**BASS ENTERPRISES  
 PRODUCTION CO.**

District I

1625 N. French Dr., Hobbs, NM 88249

District II

811 South First, Artesia, NM 88210

District III

1000 Rio Grande Rd., Aztec, NM 87410

District IV

2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural ResourcesOIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505Form C-102  
Revised March 17, 1999Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

|                       |  |  |  |                                 |                         |
|-----------------------|--|--|--|---------------------------------|-------------------------|
| * APT Number          |  | * Pool Code  |  | * Pool Name<br>Wildcat (Morrow) |                         |
| * Property Code       |  | * Property Name<br>Big Eddy Unit                   |  |                                 | * Well Number<br>140    |
| * OGRID No.<br>001801 |  | * Operator Name<br>Bass Enterprises Production Co. |  |                                 | * Elevation<br>3198' GL |

## 10 Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| P             | 19      | 21S      | 28E   |         | 660'          | South            | 1980'         | East           | Eddy   |

## 11 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 |
|-------------------|---------|-------------------|-------|----------------------|---------------|------------------|---------------|----------------|--------|
|                   |         |                   |       |                      |               |                  |               |                |        |
| * Dedicated Acres |         | * Joint or Infill |       | * Consolidation Code |               | * Order No.      |               |                |        |

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

|   |  |  |
|---|--|--|
|   | 16 OPERATOR CERTIFICATION  |  |
|   | I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief |  |
|   | Signature <u>William R. Dannels</u>  |  |
|   | Printed Name <u>WILLIAM R. DANNELS</u>   |  |
| Title <u>DIVISION DRILLING SUPT.</u>  |  |  |
| Date <u>11/06/02</u>  |  |  |
| 18 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 belief. |  |  |
| Date of Survey  |  |  |
| Signature and Seal of Professional Surveyor:  |  |  |
| Certificate Number  |  |  |



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

**NAME OF WELL: BIG EDDY UNIT #140**

**LEGAL DESCRIPTION - SURFACE: 660' FSL & 1980' FEL, Section 19, T21S, R28E, 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 3220' (est)  
GL 3198' (est)

| <u>FORMATION</u> | <u>ESTIMATED<br/>TOP FROM KB</u> | <u>ESTIMATED<br/>SUBSEA TOP</u> | <u>BEARING</u> |
|------------------|----------------------------------|---------------------------------|----------------|
| T/Lamar Lime     | 3,100'                           | - 120'                          | Barren         |
| T/Delaware Sands | 3,154'                           | - 66'                           | Oil/Gas        |
| T/Bone Spring    | 5,736'                           | + 2,516'                        | Barren         |
| T/Wolfcamp       | 9,429'                           | + 6,209'                        | Oil/Gas        |
| T/Canyon         | 10,512'                          | + 7,292'                        | Oil/Gas        |
| T/Strawn         | 10,982'                          | + 7,762'                        | Oil/Gas        |
| T/Atoka          | 11,201'                          | + 7,981'                        | Oil/Gas        |
| T/Morrow         | 11,624'                          | + 8,484'                        | Oil/Gas        |
| TD               | 12,500'                          | + 9,280'                        |                |

## **POINT 3: CASING PROGRAM**

| <u>TYPE</u>               | <u>INTERVALS</u>  | <u>PURPOSE</u>   | <u>CONDITION</u>      |
|---------------------------|-------------------|------------------|-----------------------|
| 20"                       | 0' - 40'          | Conductor        | Contractor Discretion |
| 13-3/8", 54.5#, J-55, STC | 0' - 500'         | Surface          | New                   |
| 9-5/8", 40#, N80, LTC     | 0' - 1,000'       | Intermediate     | New                   |
| 9-5/8", 40#, K-55, LTC    | 1,000' - 3,125'   | Intermediate     | New                   |
| 7", 26#, P-110, LTC       | 0' - 11,000'      | Intermediate     | New                   |
| 7", 26#, S-95, LTC        | 11,000' - 11,500' | Intermediate     | New                   |
| 5", 18#, P110, STL        | 11,100' - 12,500' | Production Liner | New                   |

**POINT 4: PRESSURE CONTROL EQUIPMENT (SEE ATTACHED DIAGRAM)**

A rotating head will be nipped up on the surface casing. The rotating head will not be hydro-tested.

A BOP equivalent to Diagram 1 will be nipped up on the first and second intermediate casings. The BOP stack, choke, kill lines, kelly cocks, inside BOP, etc. will be hydro-tested to 5,000 psi on the first intermediate and the second intermediate casing. The annular will be tested to 2500 psi. In addition to the rated working pressure test, a low pressure (250 psi) test will be required. These tests will be performed:

- a) Upon installation
- b) After any component changes
- c) Twenty-one days after a previous test
- d) As required by well conditions

A function test to insure that the preventers are operating correctly will be performed on each trip. See the attached Diagram 1 for the minimum criteria for the choke manifold.

**POINT 5: MUD PROGRAM**

| DEPTH            | MUD TYPE    | WEIGHT     | FV    | PV    | YP    | FL    | Ph       |
|------------------|-------------|------------|-------|-------|-------|-------|----------|
| 0' - 500'        | FW          | 8.5 - 9.2  | 45-35 | NC    | NC    | NC    | 9.5      |
| 500' - 3,125'    | CBW FW      | 9.2 - 10.0 | 28-30 | NC    | NC    | NC    | 9.5      |
| 3,125' - 9,300'  | FW          | 8.6 - 8.9  | 28-30 | 4     | 2     | NC    | 9.5      |
| 9,300' - 11,500' | CBW         | 8.9 - 11.5 | 28-30 | 8     | 4     | <20   | 9.5      |
| 11,500' - TD     | CBW/Polymer | 9.0 - 9.5  | 32-55 | 12-20 | 12-22 | 10-15 | 9.5-10.0 |

**POINT 6: TECHNICAL STAGES OF OPERATION****A) TESTING**

Drill stem tests may be performed on significant shows in zones of interest, but none are anticipated.

**B) LOGGING**

Run #1:

GR-CNL-LDT-LLD run from 11,500' to TD to first ICP, GR-CNL to surface. May run logging suite across Delaware prior to drilling below 6000' if mud log shows warrant.

## Con't... POINT 6: TECHNICAL STAGES OF OPERATION

## B) LOGGING

Run #2:

GR-CNL-LDT-LLD run from TD to second ICP, FMI as required.

## C) CORING

No cores are anticipated.

## D) CEMENT

| <u>INTERVAL</u><br><u>SURFACE</u>   | <u>AMOUNT SX</u>  | <u>FT OF</u><br><u>FILL</u> | <u>TYPE</u>  | <u>GALS/SX</u> | <u>PPG</u> | <u>FT<sup>3</sup>/SX</u> |
|---|-------------------|-----------------------------|--|----------------|------------|--------------------------|
| Lead<br>0' - 200'<br>(100% excess)  | 170               | 200                         | Permian Basin Critical +<br>Zone + Pol-e-flake                                       | 10.30          | 12.80      | 1.89                     |
| Tail<br>200'-500'<br>(100% Excess)  | 340               | 300                         | Premium Plus + 2% CaCl <sub>2</sub><br>+ 1/8#/sx Pol-e-flake                         | 6.32           | 14.80      | 1.34                     |
| <u>INTERMEDIATE</u>   |                   |                             |  |                |            |                          |
| <u>INTERVAL</u>   | <u>AMOUNT SXS</u> | <u>FT OF</u><br><u>FILL</u> | <u>TYPE</u>  | <u>GALS/SX</u> | <u>PPG</u> | <u>FT<sup>3</sup>/SX</u> |
| Lead<br>0' - 2690'<br>(100% Excess)   | 700               | 2690                        | Interfill C + 1/8#/sx +<br>Pol-e-flake   | 14.10          | 11.90      | 2.45                     |
| Tail<br>2690' - 3125'<br>(100% Excess)  | 235               | 435                         | Premium Plus + 2%<br>CaCl <sub>2</sub>   | 6.34           | 14.80      | 1.34                     |
| <u>PRODUCTION</u> (Two stage w/DV tool @ 8000' and circulate cement to 3000') |                   |                             |  |                |            |                          |
| <u>INTERVAL</u>   | <u>AMOUNT SXS</u> | <u>FILL</u>                 | <u>TYPE</u>  | <u>GALS/SX</u> | <u>PPG</u> | <u>FT<sup>3</sup>/SX</u> |
| <u>1<sup>st</sup> Stage</u>   |                   |                             |  |                |            |                          |
| LEAD<br>8000'-10,800'<br>(50% excess)   | 250               | 2800                        | Interfill H + 5pps Gilsomite<br>+ 0.5% Halad 9 + 1/8 pps<br>Pol-e-flake              | 13.51          | 11.90      | 2.45                     |
| TAIL<br>10,800'-11,500'<br>(50% excess)                                       | 100               | 700                         | Super H + 0.5% Halad 344<br>+ 0.4% CFR3 + 5 pps Gilsomite<br>+ 1 pps Salt + 0.2% HRT | 8.20           | 13.00      | 1.67                     |
| <u>2<sup>nd</sup> Stage</u>   |                   |                             |  |                |            |                          |
| LEAD<br>3000'-7,300'<br>(50% excess)  | 400               | 4300                        | Interfill H + 1/8 pps<br>Pol-e-flake + 0.5% Halad 9                                  | 14.00          | 11.90      | 2.45                     |
| TAIL<br>7,300'-8,000'<br>(50% excess)   | 100               | 700                         | Super H + 0.5% Halad 344<br>+ 0.4% CFR3 + 5 pps Gilsomite<br>+ 1 pps Salt + 0.2% HRT | 8.20           | 13.00      | 1.67                     |
| <u>PRODUCTION LINER</u>   |                   |                             |  |                |            |                          |
| 11,100'-12,500'<br>(25% excess)   | 120               | 1400                        | Class H + 0.8% Halad 322<br>+ 0.6% Halad 344 + 0.2%<br>HR-7 + 5pps Microbond M       | 5.68           | 15.40      | 1.28                     |

**E) DIRECTIONAL DRILLING**

4

No directional services anticipated. A straight hole will be drilled to 12,500' TD.

**POINT 7: ANTICIPATED RESERVOIR CONDITIONS**

Normal pressures are anticipated throughout the Delaware, Bone Spring & Wolfcamp sections. The Canyon may be abnormally pressured with expected BHP of 5280 psi (max) or an equivalent mud weight of 9.6 ppg. The Strawn expected BHP is 5565 (max) or an equivalent mud weight of 10.0 ppg. The Morrow will be normally pressured. Due to the tight nature of the reservoir rock (high pressure, low volume), the well will be drilled under balanced utilizing a rotating head. The expected BHT at TD is 200°F. No H<sub>2</sub>S is anticipated.

**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

45 days drilling operations

20 days completion operations

November 6, 2002  
Date

William R. Dannels  
William R. Dannels

WRD/tlw

**MULTI-POINT SURFACE USE PLAN****NAME OF WELL: BIG EDDY UNIT #140****LEGAL DESCRIPTION – SURFACE:** 660' FSL & 1980' FEL, Section 19, T21S-R28E, Eddy County, NM**POINT 1: EXISTING ROADS****A) Proposed Well Site Location**

See Exhibit "B".

**B) Existing Roads:**

Turn off Hwy 62-180 between mile markers 42 and 43 south and go 2.0 miles. Turn left 0.3 mile, turn left to new location.

**C) Existing Road Maintenance or Improve Plan:**

See Exhibit "B"

**POINT 2: NEW PLANNED ACCESS ROUTE****A) Route Location:**

See Exhibit "B". The new road will be 12' wide and approximately 300' long from Big Eddy Unit #2 location (abandoned) road. The road will be constructed of watered and compacted caliche.

**B) Width**

12' Wide.

**C) Maximum Grade**

Not Applicable.

**D) Turnouts**

As required by BLM stipulations

**E) Culverts, Cattle Guards, and Surfacing Equipment**

None

**POINT 3: LOCATION OF EXISTING WELLS**

Exhibit "A" indicates existing wells within the surrounding area.

**POINT 4: LOCATION OF EXSITING OR PROPOSED FACILITIES****A) Existing facilities within one mile owned or controlled by lessee/operator:**

Bass production facilities are located at Bass Big Eddy Unit #39 wellsite.

**B) New Facilities in the Event of Production:**

New production facilities will be installed at the new location.

**C) Rehabilitation of Disturbed Areas Unnecessary for Production:**

Following the construction of production facilities, those access areas required for continued production will be graded to provide drainage and minimize erosion. The areas necessary for use will be graded to blend in the surrounding topography – See Point 10.

**POINT 5: LOCATION AND TYPE OF WATER SUPPLY**

**A) Location and Type of Water Supply**

Fresh water and brine will be hauled from the City of Carlsbad. Brine water will be hauled from Champion Brine Water Station, 3.5 miles east and 2.5 miles south of Carlsbad.

**B) Water Transportation System**

Water hauling to the location will be over the existing and proposed roads.

**POINT 6: SOURCE OF CONSTRUCTION MATERIALS**

**A) Materials**

Exhibit "B" shows location of caliche source.

**B) Land Ownership**

Federally Owned.

**C) Materials Foreign to the Site**

No construction materials foreign to this area are anticipated for this drill site.

**D) Access Roads**

No additional access roads are required.

**POINT 7: METHODS FOR HANDLING WASTE MATERIAL**

**A) Cuttings**

Cuttings will be contained in the reserve pit.

**B) Drilling Fluids**

Drilling fluids will be contained in the reserve pit.

**C) Produced Fluids**

Water Production will be contained in the reserve pit.

Hydrocarbon fluid or other fluids that may be produced during testing will be retained in the test tanks. Prior to cleanup operations, any hydrocarbon material in the reserve pit will be removed by skimming or burning as the situation would dictate.

**D) Sewage**

Current laws and regulations pertaining to the disposal of human waste will be complied with.

**E) Garbage**

Portable containers will be utilized for garbage disposal during the drilling of this well.

**F) Cleanup of Well Site**

Upon release of the drilling rig, the surface of the drilling pad will be graded to accommodate a completion rig if testing indicates potential productive zones. In any case, the "mouse" hole and the "rat" hole will be covered. The reserve pit will be fenced and the fence maintained until the pit is backfilled. Reasonable cleanup will be performed prior to the final restoration of the site.

**POINT 8: ANCILLARY FACILITIES**

None Required.

**POINT 9: WELL SITE LAYOUT****A) Rig Orientation and Layout**

Exhibit "C" & "D" show the dimensions of the well pad and reserve pits and the location of major rig components. Only minor leveling of the well site will be required. No significant cuts or fills will be necessary.

**B) Locations of Pits and Access Road**

See Exhibits "B" and "C"

**C) Lining of the Pits**

The reserve pit will be lined with plastic.

**POINT 10: PLANS FOR RESTORATION OF THE SERVICE****A) Reserve Pit Cleanup**

A pit will be fenced at the time of rig release and shall be maintained until the pit is backfilled. Previous to backfill operations, any hydrocarbon material on the pit surface shall be removed. The fluids and solids contained in the pit shall be backfilled with soil excavated from the site and soil adjacent to the reserve pit. The restored surface of the pit shall be contoured to prevent impoundment of surface water flow. Water - bars will be constructed as needed to prevent excessive erosion. Topsoil, as available, shall be placed over the restored surface in a uniform layer. The area will be seeded according to the BLM stipulations during the appropriate season following restoration.

**B) Restoration Plans - Production Developed**

The reserve pit will be backfilled and restored as described above under Item A. In addition, those areas not required for production will be graded to blend with the surrounding topography. Topsoil, as available, will be placed upon those areas and seeded. The portion of the site required for production will be graded to minimize erosion and provide access during inclement conditions. Following depletion and abandonment of the site, restoration procedures will be those that follow under Item C.

**C) Restoration Plans – No Production Developed**

The reserve pit will be restored as described above. With no production developed, the entire surface disturbed by construction of the well site will be restored. The site will be contoured to blend with the surrounding topography and provide drainage of surface water. The topsoil, as available, shall be replaced in a uniform layer and seeded according to the BLM stipulations.

**D) Rehabilitation Timetable**

Upon completion of drilling operations, the initial cleanup of the site will be performed as soon as weather and site conditions allow economic execution of the work.

**POINT 11: OTHER INFORMATION****A) Terrain**

Relatively Flat

**B) Soil**

Caliche and sand.

**C) Vegetation**

Sparse, primarily grasses and mesquite with very little grass.

**D) Surface Use**

Primarily grazing.

**E) Surface Water**

There are no ponds, lakes, streams, or rivers within several miles of the wellsite.

**F) Water Wells**

There are no water wells within 1 mile of location.

**G) Residences and Buildings**

None in the immediate vicinity.

**H) Historical Sites**

None observed.

**I) Archeological Resources**

An archeological survey will be obtained for this area. Before any construction begins, a full and complete archeological survey will be submitted to the BLM. Any location or construction conflicts will be resolved before construction begins.

**J) Surface Ownership**

The well site and access road are both on federally owned land.

**K) Well signs will be posted at the drilling site.**



## L) Open Pits

All pits containing liquid or mud will be fenced and bird-netted.

**POINT 12: OPERATOR'S FIELD REPRESENTATIVE**

(Field personnel responsible for compliance with development plan for surface use).

**DRILLING**

William R. Dannels  
Box 2760  
Midland, Texas 79702  
(915) 683-2277

**PRODUCTION**

Mike Waygood  
3104 East Green Street  
Carlsbad, New Mexico 88220  
(505) 887-7329

Kent A. Adams  
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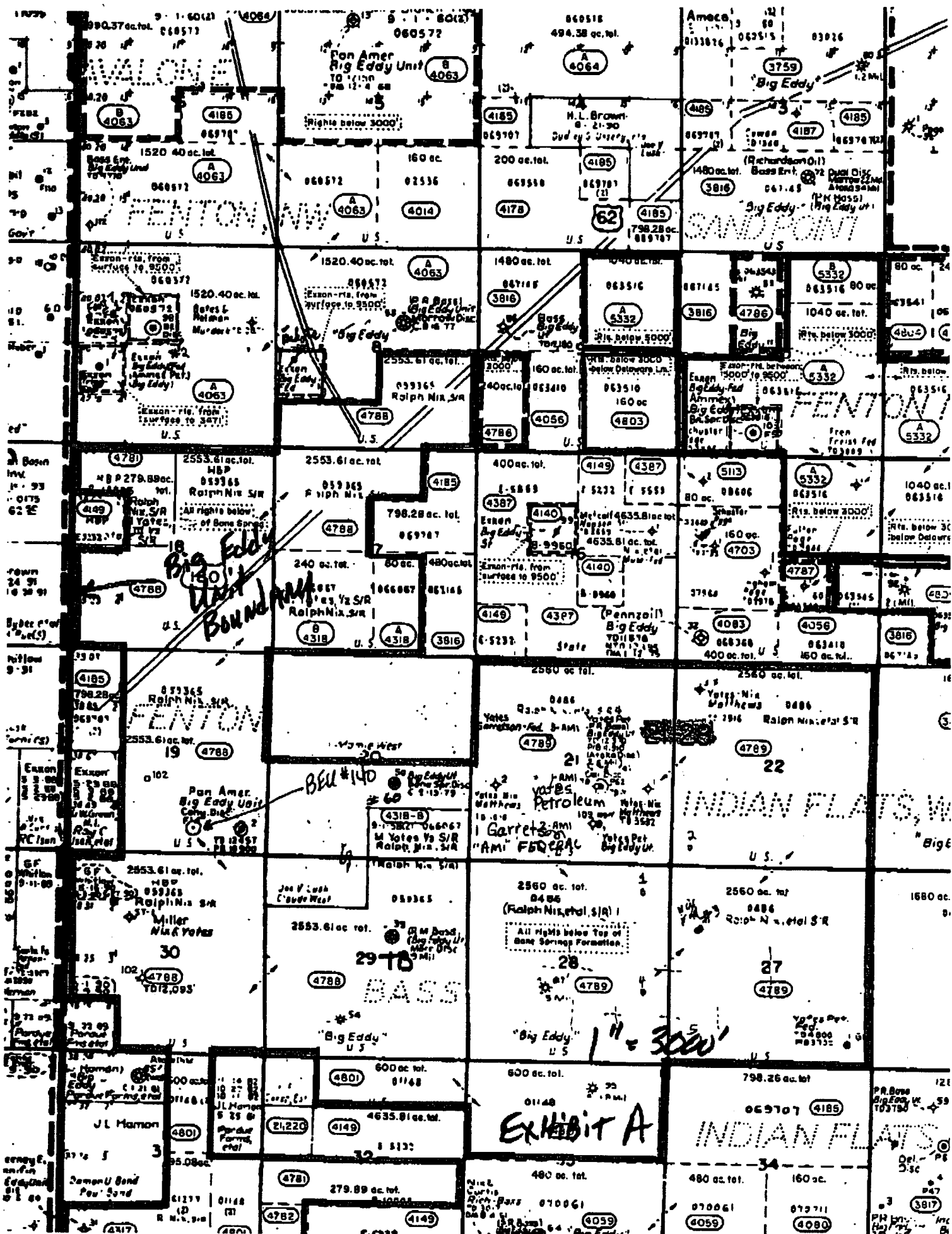
**POINT 13: CERTIFICATION**

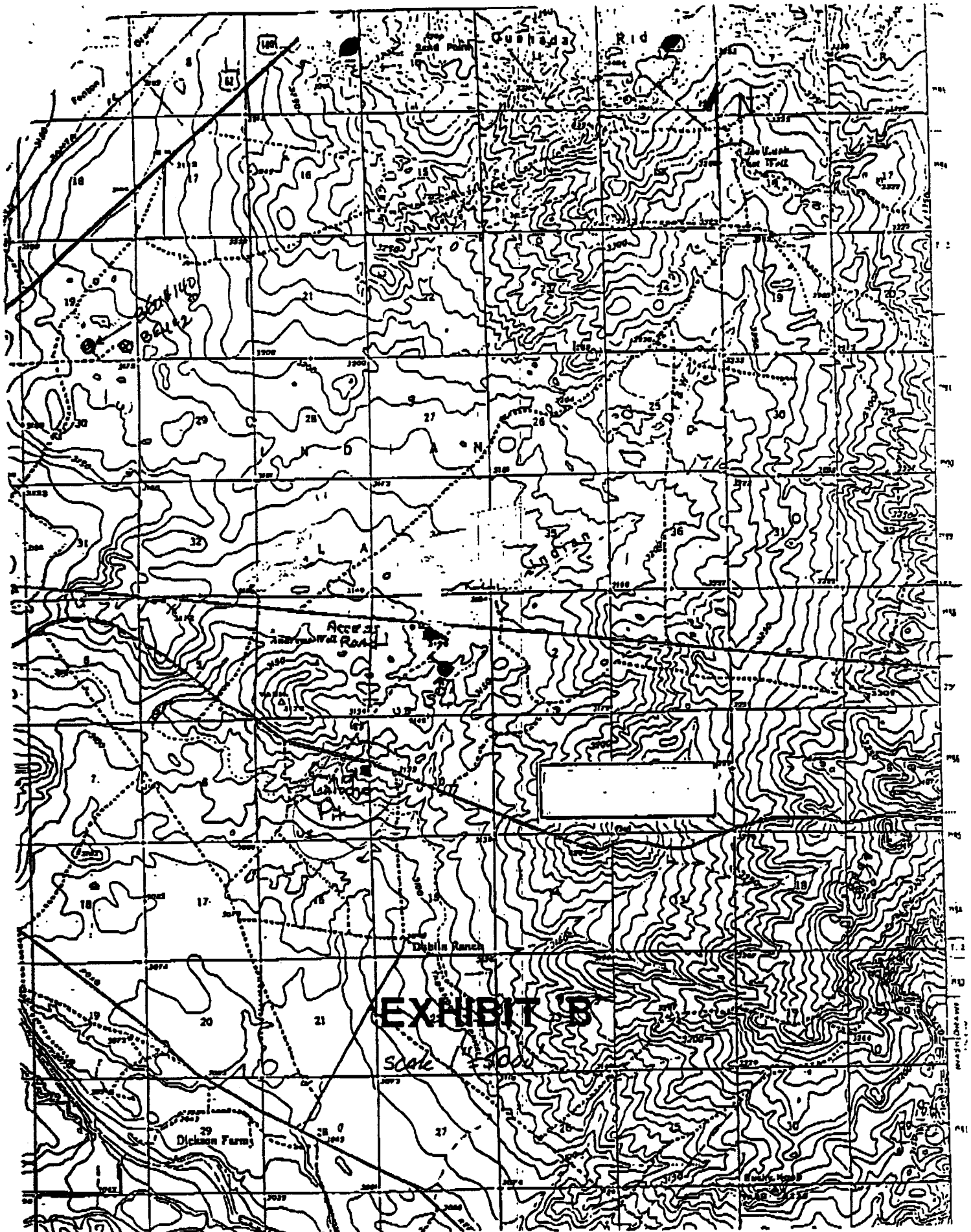
I hereby certify that I, or persons under my direct supervision have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in the plan are, to the best of my knowledge, true and correct; and that the work associated with operations proposed herein will be performed by Bass Enterprises Production Co. and it's contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

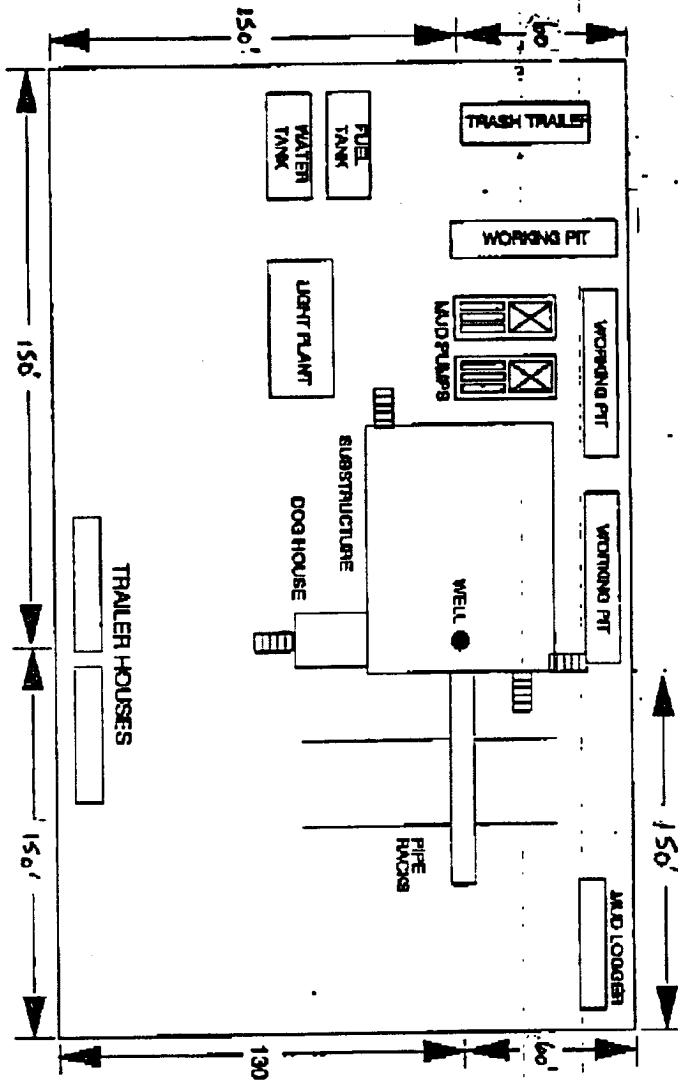
November 6, 2002  
Date

William R. Dannels  
William R. Dannels

FDC:thw







RESERVE PIT

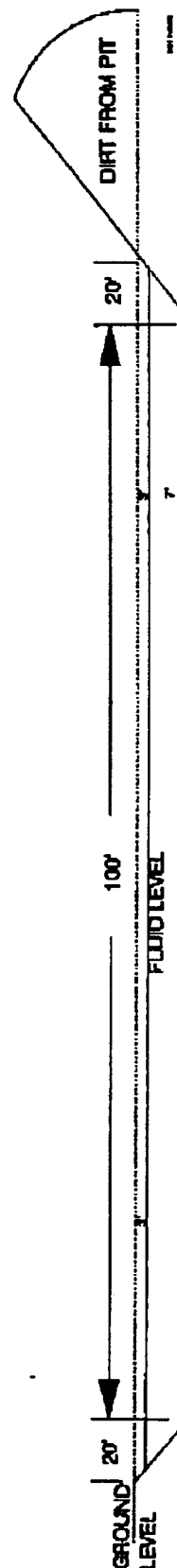
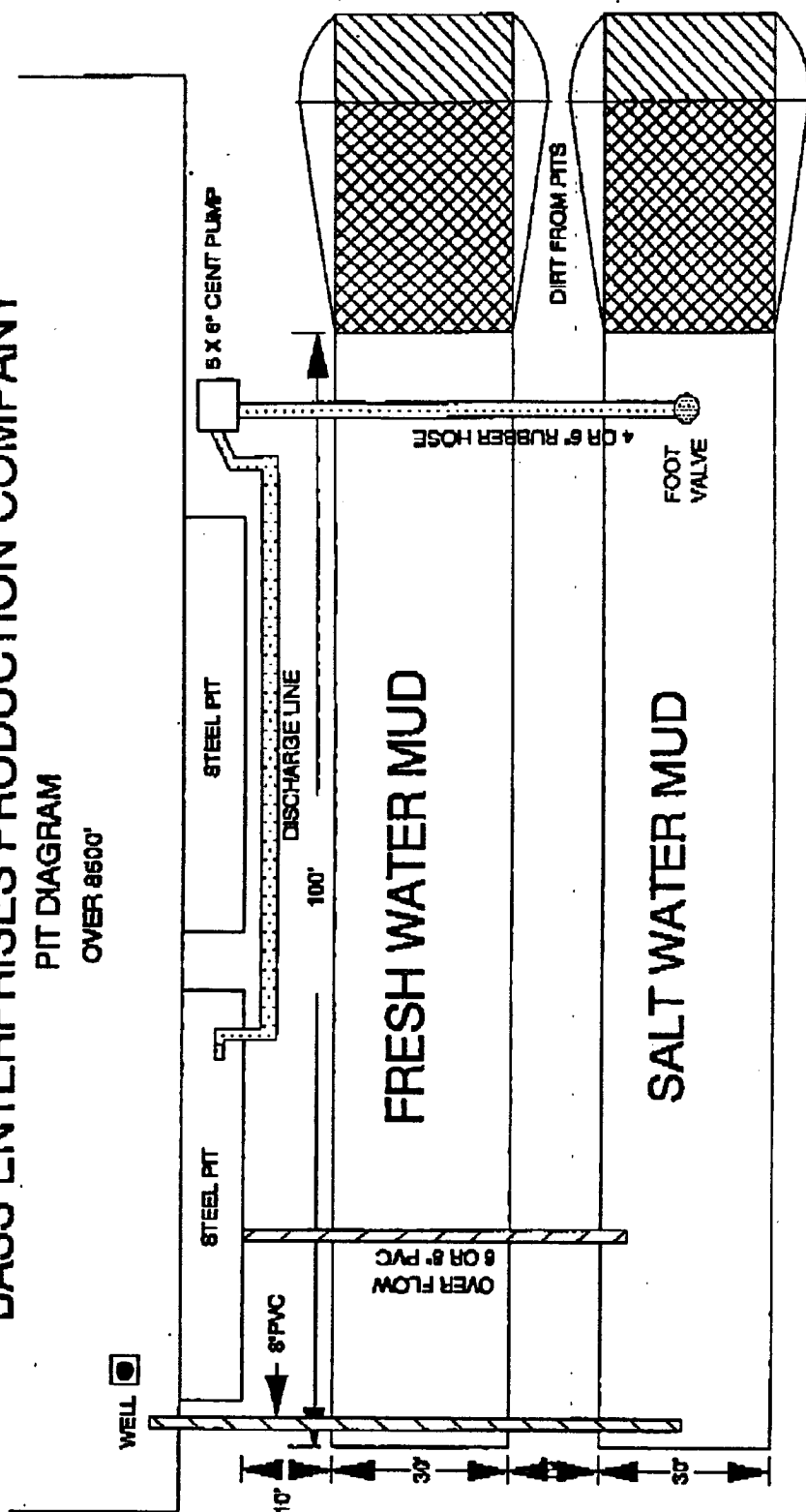
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EXHIBIT "C"

# BASS ENTERPRISES PRODUCTION COMPANY

## PIT DIAGRAM

OVER 8500'



LINE PITS WITH 20 MILL PLASTIC

Exhibit D