# <u>District I</u> 1625 N. French Drive, Hobbs, NM 68240

Form C-107A Revised May 15, 2000

## District II

811 South First Street, Artesia, NM 88210

<u>District III</u> 1000 Rio Brazos Road, Aztec, NM 87410

District IV

2040 South Pacheco, Santa Fe, NM 87505

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

## OIL CONSERVATION DIVISION

2040 South Pacheco Santa Fe, New Mexico 87505

APPLICATION TYPE \_\_X\_Single Well
\_Established Pre-Approved Pools
EXISTING WELLBORE
\_\_X\_Yes \_\_\_\_No

APPLICATION FOR DOWNHOLE COMMINGLING

| Bass Enterprises Production Co.   |  |  |                       |                      |   |  |
|---|--|--|-----------------------|----------------------|---|--|
| Operator  | P. O<br>Add  | . Box 2760 Midland   | 1 TX 79702            |                      |   |  |
| James Ranch Unit 4  | 4 Unit Letter L Section 6 T23S-R31E Eddy   |  |                       |                      |   |  |
| Lease Well  |  | Section-Township-Rang                                      |                       | Cou                  | •                                       |  |
| OGRID No. 001801 Property Code NM   | 04473 API No. 30-015   | 5-20803 Lo   | ease Type X           | _FederalSt           | ateFee                                  |  |
| DATA ELEMENT  | UPPER ZONE   | INTERMEDIATE ZONE  |                       | LOWER                | R ZONE                                  |  |
| Pool Name Los Me  | danos (Atoka)  |  |                       | Los Medanos (Morrow) |   |  |
| Pool Code 80520   |  |  |                       | 80560                |   |  |
| Top and Bottom of Pay Section (Perforated or Open-Hole Interval)  | 12,920 Perfs   |  | 11311-1-1             | 13,865-14,114 P      | erfs                                    |  |
| Method of Production (Flowing of Artificial Lift)  Artificial   | l Lift   | RECEIVED   |                       | Artificial Lift      |   |  |
| 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)   | 3  | 1:04 - 7 2003  | ^                     | 800 psig             |   |  |
| Oil Gravity or Gas BTU (Degree API or Gas BTU)  Dry BT  | U 1090   | OCD-ARTESI   |                       | Dry BTU 1012         |   |  |
| Producing, Shut-in or<br>New Zone New Zo  | ne   |  |                       | Producing            |   |  |
| Date and Oil/Gas/Water Rates of Last Production (Note: For new zones with no production history,  Date: 1   | 0/29/2003  | Date:  |                       | Date: 10/29/20       | 03                                      |  |
| applicant shall be required to attach production astimates and supporting data.)  | 72 mcfpd   | Rates:   |                       | Rates: 476 mcfpd     |   |  |
| Fixed Allocation Percentage (Note: If allocation is based upon someting other   | Gas  | Oil  | Gas                   | Oil                  | Gas                                     |  |
|   | 6 13 %   | %  | %                     | %                    | 87 %                                    |  |
|   | ADDITION   | NAL DATA   |                       |                      | *************************************** |  |
| Are all working, royalty and overriding royalt If not, have all working royalty and overriding  | y interests identical in all cor<br>groyalty interest owners bee                                     | mmingling zones?<br>n notified by certified                | mail?                 | YesYes               | X No                                    |  |
| Are all produced fluids from all commingling  | zones compatible with each   | other?   |                       | Yes                  | XNo                                     |  |
| Will commingling decrease the value of produ  | action?  |  |                       | Yes                  | NoX_                                    |  |
| If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application?  Yes X No  |  |  |                       |                      |   |  |
| NMOCD Reference Case No. applicable to th   | is well:   |  |                       |                      |   |  |
| Attachments:  C-102 for each zone to be commingled sh Production curve for each zone for at leas For zones with no production history, esti Data to support allocation method or form Notification list of working, royalty and o Any additional statements, data or documents. | t one year. (If not available,<br>mated production rates and sula.<br>verriding royalty interests fo | attach explanation.) supporting data. or uncommon interest | cases.                |                      |   |  |
|   | Pre-Appro  | oved Pools   |                       |                      |   |  |
| If application is to establi  | sh Pre-Approved Pools, the foll  | owing additional inform                                    | ation will be require | ed:                  |   |  |
| List of other orders approving downhole commingl<br>List of all operators within the proposed Pre-Appro<br>Proof that all operators within the proposed Pre-Ap<br>Bottomhole pressure data.   | ved Pools  | •  |                       |                      |   |  |
| I hereby certify that the information abov  | e is true and complete to l  | he best of my know   | ledge and belief      | •                    |   |  |
| SIGNATURE Vani 40 L   | ber TITLE Pr   | oduction Clerk   |                       | DATE 11/04/20        | 003                                     |  |
| TYPE OR PRINT NAME Tami Wilber  |  | TELEPH   | HONE NO. (43:         | 2)683-2277           |   |  |

District I 1625 N. French Dr., Hobbs, NM 88240 District II State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised August 15, 2000

811 South First, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION 2040 South Pacheco Santa Fe, NM 87505

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

District IV 2040 South Pacheco, Santa Fe, NM 87505

AMENDED REPORT

| 1,7                | API Numb    | er  | WELL LO                   | )CATIO   |                | REAGE DEDI         | CATION PL        |   |   |
|--------------------|-------------|---|---------------------------|--|----------------|--------------------|------------------|---|---|
| 30-015-2080        |             |   | 80520 Los Medanos (Atoka) |  |                |                    |                  |   |   |
| 4 Property (       |             |   | <b>-</b>                  | 6  | Well Number    |                    |                  |   |   |
| 001786             |             | James   | Ranch Unit                |  |                |                    |                  | 4   |   |
| 7 OGRID N          | No.         |   |                           |  | Operato        | r Name             |                  | ,   | • Elevation                             |
| 001801             |             | Bass F  | Enterprises Pr            | oduction   |                |                    |                  | 3296'   |   |
|                    |             |   |                           |  |                | Location           |                  |   | r                                       |
| UL or lot no.      | Section     | 1   | -   -                     | Lot Id   |                |                    |                  |   | 1                                       |
| L                  | 6           | 23S   | 31E                       |  | 2180'          | South              | 330              | West  | Eddy                                    |
|                    |             |   |                           |  |                | If Different From  |                  |   |   |
| UL or lot no.      | Section     | Townshi   | p Range                   | Lot Id   | n Feet from th | e North/South line | Feet from the    | East/West line                                      | County                                  |
|                    |             |   |                           |  |                |                    |                  |   |   |
| 12 Dedicated Acres | 13 Joint    | or Infill   | 14 Consolidation          | Code 15 (  | Order No.      |                    |                  |   |   |
| 320                |             |   |                           |  |                |                    |                  |   |   |
| 16                 |             | <del>,</del>                                      | NON-STA                   | NDARI  | UNIT HAS B     | EEN APPROVED       |                  | ISION<br>RATOR CER                                  | TIFICATION                              |
| 16                 | <del></del> | <del>, , , , , , , , , , , , , , , , , , , </del> | NUN-STA                   | INDAKI   | OUNII HAS B    | EEN APPROVED       |                  |   | TIPICATION                              |
| -                  | 4 4 75,71   | 1   |                           |  |                |                    | ll .             | tify that the information                           |   |
|                    | as .        |   |                           |  |                |                    | II               | mplete to the best of m                             |   |
|                    |             |   |                           |  |                |                    | belief.          |   | ,                                       |
|                    | ĺ           |   |                           | 1  |                |                    | Deliej.          |   | , 1                                     |
|                    |             |   |                           |  |                |                    | Signature        | ne Wi   | lber                                    |
|                    |             |   |                           |  |                |                    | Tami Wil         | ber   |   |
|                    |             |   |                           |  |                |                    | Printed Name     | · · · · · · · · · · · · · · · · · · ·               |   |
|                    |             |   |                           | l  |                |                    | Production       | n Clerk   |   |
|                    | 1           |   |                           | i  |                |                    | Title            |   | *************************************** |
|                    | 1           |   |                           |  |                |                    | 11/05/200        | 03  |   |
|                    |             |   |                           |  |                |                    | Date             |   |   |
|                    |             |   |                           | ļ  |                |                    | 1907 175 7       | EVOD OPPT   | TETCATION                               |
| <b>3.</b> '        |             |   |                           |  |                |                    | ll .             | EYOR CERT tify that the well local                  |   |
| 30                 |             |   |                           |  |                |                    | 13               | tijy inat the wett tocat<br>from field notes of act | -                                       |
| Y                  | ŀ           |   |                           | 1  | RECEIVE        | D                  |                  | my supervision, and                                 | -                                       |
|                    | 1           |   |                           |  | HEUL!          |                    | 11               | to the best of my bel                               |   |
|                    | 1           |   |                           |  | NOV - 7 70     | RU.                | ana correct      | to the vest of my bet                               | iej.                                    |
|                    |             |   |                           |  | OCD-ARTI       | ESIA               | D-44-2           |   |   |
|                    |             |   |                           | <del>                                     </del> | OCU-ACT        |                    | Date of Sur      | vey<br>nd Seal of Profession:                       | al Surveyor                             |
|                    |             |   |                           |  |                |                    | Signature a      | na scar of Profession                               | ai Surveyor;                            |
| 1.5                |             |   |                           | 1  |                |                    |                  | •   |   |
| 2180               | }           |   |                           |  |                |                    | Į.               |   |   |
| 14                 |             |   |                           |  |                |                    | John Wes         | st-676  |   |
|                    | 1           |   |                           | ł  |                |                    | Gertification 20 |   |   |

District I 1625 N. French Dr., Hobbs, NM 88240

State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised August 15, 2000

811 South First, Artesia, NM 88210 OIL CONSERVATION DIVISION 2040 South Pacheco District III 1000 Rio Brazos Rd., Aztec, NM 87410

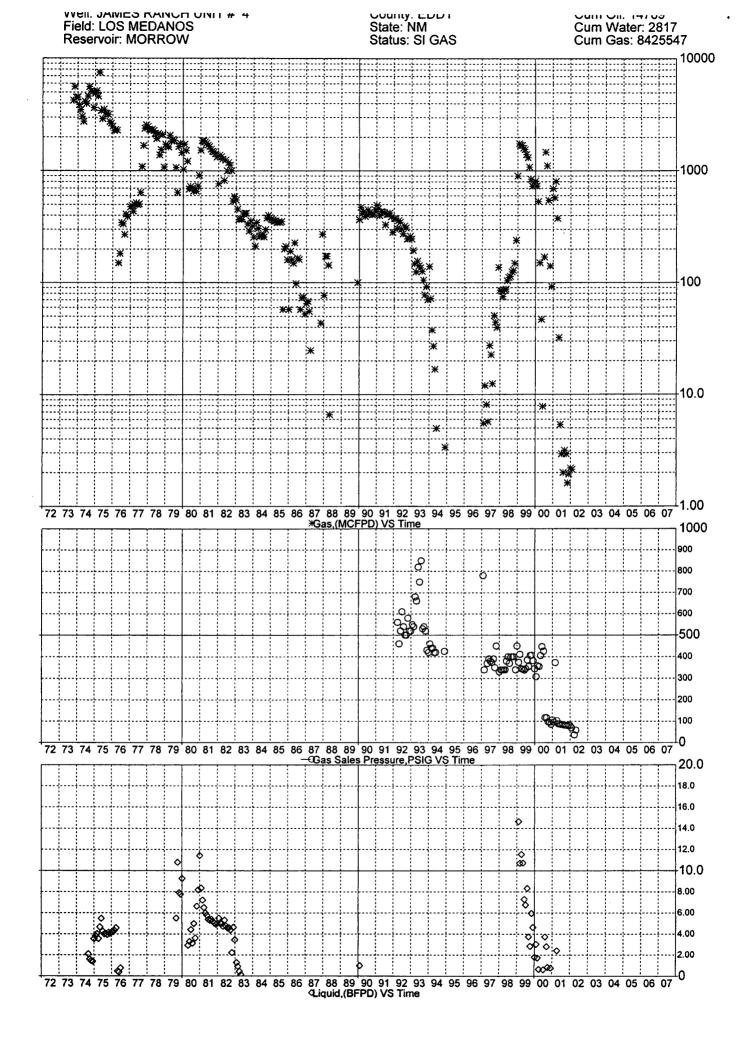
Submit to Appropriate District Office State Lease - 4 Copies

Date of Survey

John West-676 Certificate Number

Signature and Seal of Professional Surveyor:

| District IV       | u., . 1100, 111 | 10,410           |   |                     | Santa F     | e, NM 87505          |                                       |               | Fee          | Lease - 3 Copies       |
|-------------------|-----------------|------------------|---|---------------------|-------------|----------------------|---------------------------------------|---------------|--------------|------------------------|
| 2040 South Pachec | o, Santa Fe, 1  | NM 87505         |   |                     |             |                      |                                       | ۲-            | 7 4 14 1     | ENDED REPORT           |
|                   |                 | W                | ELL LO                                  | CAT                 | ION AND     | ACREAGE DED          | ICATION PL                            | AT L          | _] Alvii     | ENDED REFORT           |
| <u> </u>          | API Numbe       |                  | T DEED D                                | <sup>2</sup> Pool C |             | TOTAL TOL DED        | <sup>3</sup> Pool Na                  |               |              |                        |
| 30-015-208        | 03              |                  | 80560 Los Medanos (Morrow)              |                     |             |                      |                                       |               |              |                        |
| * Property        |                 |                  | 1 0000                                  |                     | 5 Pro       | perty Name           | J.,,                                  |               | 6.1          | Well Number            |
| 001786            |                 | James Ranch Unit |   |                     |             |                      |                                       |               |              |                        |
| 7 OGRID           | No.             |                  |   |                     | • Ope       | erator Name          |                                       | ;             |              | • Elevation            |
| 001801            |                 | Bass Ente        | rprises P                               | roductio            | on Co.      |                      |                                       |               | 3296'        |                        |
|                   |                 |                  |   |                     | 10 Surf     | face Location        | · · · · · · · · · · · · · · · · · · · |               | J            |                        |
| UL or lot no.     | Section         | Township         | Range                                   | Lot                 |             |                      | Feet from the                         | Eas           | t/West line  | County                 |
| L                 | 6               | 23S              | 31E                                     |                     | 2180'       | South                | 330                                   | West          |              | Eddy                   |
|                   | L               | 1                |   | ottom               |             | on If Different Fron |                                       |               |              |                        |
| UL or lot no.     | Section         | Township         | Range                                   | Lot                 |             |                      |                                       | Eas           | t/West line  | County                 |
|                   |                 |                  |   |                     |             |                      |                                       |               |              | 3                      |
| 12 Dedicated Acre | s 13 Joint o    | r Infill 4 C     | onsolidation                            | Code                | 5 Order No. |                      |                                       |               |              |                        |
|                   | Jugunia         |                  | onsonaanon                              | Cour                | oruci mo.   |                      |                                       |               |              |                        |
| 320               |                 |                  |   |                     |             |                      |                                       |               |              |                        |
|                   |                 |                  |   |                     |             |                      |                                       |               |              |                        |
| NO ALLO           | WABLE           | WILL BE          | ASSIGN                                  | ED TO               | THIS COMPI  | LETION UNTIL ALL     | INTERESTS H                           | AVE BE        | EN CON       | SOLIDATED OR           |
|                   |                 | 1                | NON-STA                                 | ANDAR               | AH TINU CL  | S BEEN APPROVEI      | BY THE DIV                            | ISION         |              |                        |
| 16                |                 |                  | , |                     |             |                      | <sup>17</sup> OPE                     | RATO          | R CER        | TIFICATION             |
|                   |                 |                  |   |                     | \$          |                      | I hereby cer                          | tify that the | informatio   | on contained herein is |
|                   |                 |                  |   |                     | •           |                      | true and co                           | mplete to th  | e best of m  | y knowledge and        |
|                   |                 |                  |   | I                   |             |                      | belief.                               |               |              |                        |
|                   | }               |                  |   | 1                   |             |                      |                                       |               | . 1 .        | 1                      |
|                   |                 |                  |   |                     |             |                      | 1 Jan                                 | ri Y          | UU           | ber                    |
|                   | 1               |                  |   | 1                   |             |                      | Signature                             |               |              |                        |
|                   |                 |                  |   | -                   |             |                      | —— Tami Wil                           | ber           |              |                        |
|                   |                 |                  |   |                     |             |                      | Printed Name                          |               |              |                        |
|                   |                 |                  |   | l                   |             |                      | Production                            | n Clerk       |              |                        |
|                   |                 |                  |   | 1                   |             |                      | Title                                 |               |              |                        |
|                   |                 |                  |   | 1                   |             |                      | 11/05/00                              | 2             |              |                        |
|                   |                 |                  |   | 1                   |             |                      | 11/05/200                             | JS            |              |                        |
|                   |                 |                  |   | 1                   |             |                      | Date                                  |               |              |                        |
|                   |                 |                  |   | <u> </u>            |             |                      |                                       |               |              |                        |
|                   |                 |                  |   |                     |             |                      | 18SURV                                | EYOR          | CERT         | IFICATION              |
| 3 <b>3</b> 0'     | -               |                  |   | 1                   |             |                      | I hereby cer                          | tify that the | well locat   | ion shown on this plat |
| <del></del>       |                 |                  |   | I                   |             |                      | was plotted                           | from field r  | notes of act | ual surveys made by    |
|                   |                 |                  |   | 1                   | REC         | EIVED                | me or under                           | my superv     | ision, and i | that the same is true  |
| 1                 |                 |                  |   | 1                   |             |                      | and correct                           | to the best   | of my beli   | ief.                   |



### JAMES RANCH UNIT #4 DOWNHOLE COMMINGLE APPLICATION **DETERMINATION OF BASIS FOR ALLOCATION** BASED ON GAS ANALYSIS DATA

GAS ANALYSIS #1: James Ranch Unit #14

Morrow

Nearby (closest) Morrow well to James Ranch Unit #4

GAS ANALYSIS #2: James Ranch Unit #13

Atoka

Nearby (closest) Atoka well to James Ranch Unit #4

GAS ANALYSIS #3: James Ranch Unit #4

Combined Atoka/Morrow

Recent gas analysis after returning well to production

| GAS ANALYSIS<br>COMPONENT OR<br>INDICATOR | GAS ANALYSIS #1<br>MORROW<br>JRU #14 | GAS ANALYSIS #2<br>ATOKA<br>JRU #13 | GAS ANALYSIS #3<br>ATOKA/MORROW<br>JRU #4 | CALCULATED<br>ALLOCATION<br>TO MORROW |
|---|--------------------------------------|-------------------------------------|---|---------------------------------------|
| DRY BTU                                   | 1012                                 | 1090                                | 1017                                      | 93.59%                                |
| SPECIFIC GRAVITY                          | 0.575                                | 0.625                               | 0.582                                     | 86.00%                                |
| C1: METHANE                               | 0.9737                               | 0.9194                              | 0.9652                                    | 84.35%                                |
| C2: ETHANE                                | 0.0103                               | 0.0413                              | 0.0154                                    | 83.55%                                |
|   |                                      |                                     | AVEDAGE:                                  | 96 97%                                |

**RESULTS:** 86.87% Allocated to Morrow

13.13% Allocated to Atoka

13.13%

## CORPORATE MEASUREMENT SYSTEM GPM CERTIFICATE REPORT

#### 04/25/2002 16:18:21

Prod Date: 11/01/2001 00:00:00

Page 1 of 1

SP FIELD SERVICES-PERMIAN

ertificate of Gas Analysis

Sample Desc: ENRON JAMES RANCH #14

Sample 1d: 68356

Effective Date: 11/1/01 00:00:00

Sample Date: 9/26/01 00:00:00

Sample Type: Spot

Sampled By:

Chromatograph Id: N/A

Analyzed Date:

alvzed Date:

Analyzed By: FSLAB

Analysis ld:

Sample Frequency: SEMIANNUALLY

GPA Version: GPA 2145-97

Pressure:

Temperature:

Pressure Base: 14.73

 Component
 Mole %
 GPM

 Methane:
 97.3700

 Ethane:
 1.0300
 0,2755

 Propane:
 0.1300
 0,0358

lso Butane: 0.0100 0.0033 Butane; 0.0200 0.0063

Iso Pentane: 0.0100 0.0037
Pentane: 0.0000 0.0000

Neo Pentane: 0,0000 0.0000 Hexane: 0,0200 0,0087

 Heptane:
 0.0000
 0.0000

 Nonane:
 0.0000
 0.0000

 Octane:
 0.0000
 0.0000

0,0000

0.0000

H2s: 0,0000

Decane:

Sub Total GPM: 98.5900 0,3333

Inerts Mole % Carbon Dioxide: 1.2500 Nitrogen: 0.1600 Hydrogen: 0.0000 Oxygen: 0,0000 Helium: 0.0000 0.0000 Argon: 0.0000 Carbon Monoxide;

Total Mole %:

Gravity: 0.5750

100.0000

BTU: 1012.0

Saturated BTU; 994.1

Remarks:

| P.O.<br>OFFICE(915)36                              | MANLEY<br>DRAWER 193<br>57-3024 | Cas                     |                         | ODESS.        | INC.<br>A, Texas 79760<br>Ail: Manleygas | T@AOL.COM |
|--|---------------------------------|-------------------------|-------------------------|---------------|--|-----------|
| HARGE  | 0                               | 1                       | r                       | DATE RUN      | PLED 09                                  | -10 -03   |
| STATION NO AREA SAMPLE NAME RECEIVED FROM LOCATION | BASS ENTERPR                    |                         |                         |               | :  |           |
| SAMPLE CONDITION                                   | NS PRESSURE                     | PSIG                    | 65.0                    | . FLOWI       | NG TEMP                                  | 102.0 F   |
| SAMPLED BY:  | DC                              |                         |                         |               |  |           |
|  |                                 | FRACTIONA<br>LATED at 1 | L ANALYSIS<br>4.650 PSI | S<br>A AND 60 |  |           |

|                        | MOL %  | GPM   | SULPHUR DETERMINATION                   |
|------------------------|--------|-------|---|
| HYDROGEN SULFIDE.      | 0.00   |       | GRAINS/100 SCF                          |
| NITROGEN               |        |       | GRAINS/100 SCF * HYDROGEN SULFIDE 0.000 |
|                        | 0.49   |       | MERCAPTANS 0.000                        |
| METHANE                |        |       | SULFIDES 0.000                          |
| BTHANE                 |        | 1.098 | RESIDUAL SULPHUR 0.000                  |
| PROPANE                |        |       | TOTAL 0.000                             |
|                        |        | 0.072 |   |
| NOR-BUTANE             |        | 0.091 | LIQUEFIABLE HYDROCARBONS- GPM           |
| ISO-PENTANE            | 0.13   | 0.047 | <del>-</del>                            |
| NOR-PENTANE            |        | 0.036 | ETHANE PLUS 1.969                       |
| HEXANES                | 0.19   |       | PROPANE PLUS 0.871                      |
| HEPTANES+              |        |       | BUTANES PLUS 0.570                      |
|                        |        |       | PENTANES PLUS 0.407                     |
| TOTAL                  | 100.00 | 1.969 |   |
|                        |        |       | 'Z' FACTOR = 0.9974                     |
| REID VAPOR PRESSUF     |        |       |   |
|                        |        |       |   |
| 26 LB 0.6<br>12 LB 0.4 | 004    |       | CALCULATED FROM ANALYSIS 0.625          |
| 12 LB 0.4              | 104    |       | DETERMINED BY RANAREX 0.000             |
|                        |        |       | DRY 1090 WET 1072 BTU                   |

DISTRIBUTION AND REMARKS:

\* H2S PPM =

Λ

DENNY MCCOMBS / M. SNELSON

JT

ANALYZED BY:

APPROVED:

: M. Cawm

| MANLEY              | gas testi        | ng, inc.                   |
|---------------------|------------------|----------------------------|
| P.O. DRAWER 193     |                  | ODESSA, TEXAS 79760        |
| OFFICE(915)367-3024 | FAX(915)367-1166 | E-MAIL: MANLEYGAST@AOL.COM |

DATE SAMPLED..... 09 -04 -03 CHARGE..... 13 - 1 - 1 REC. NO. .... 0 TEST NUMBER.. 44205 DATE RUN..... 09 -10 -03 EFF DATE..... - -

STATION NO. ...

ARBA ......

SAMPLE NAME.... JRU #4

RECEIVED FROM.. BASS ENTERPRISES LOCATION..... CARLSBAD NEW MEXICO

SAMPLE CONDITIONS PRESSURE PSIG.. 68.0 ... FLOWING TEMP...... 82.0 F

SAMPLED BY: DC

### FRACTIONAL ANALYSIS CALCULATED at 14.650 PSIA AND 60F

|                   | MOL %  | GPM   | SULPHUR DETERMINATION         |
|-------------------|--------|-------|-------------------------------|
| HYDROGEN SULFIDE. | 0.00   |       | GRAINS/100 SCF                |
| NITROGEN          | 0.32   |       | * HYDROGEN SULFIDE 0.000      |
| CARBON DIOXIDE    | 1.15   |       | MERCAPTANS 0.000              |
| METHANE           | 96.52  |       | SULFIDES 0.000                |
| ETHANE            | 1.54   | 0.409 | RESIDUAL SULPHUR 0.000        |
| PROPANE           | 0.18   | 0.049 | TOTAL 0.000                   |
| ISO-BUTANE        | 0.03   | 0.010 |                               |
| NOR-BUTANE        | 0.04   | 0.013 | LIQUEFIABLE HYDROCARBONS- GPM |
| ISO-PENTANE       | 0.02   | 0.007 |                               |
| NOR-PENTANE       | 0.01   | 0.004 | ETHANE PLUS 0.574             |
| HEXANES           | 0.03   | 0.013 | PROPANE PLUS 0.165            |
| HEPTANES+         | 0.16   | 0.069 | BUTANES PLUS 0.116            |
|                   |        |       | PENTANES PLUS 0.093           |
| TOTAL             | 100.00 | 0.574 |                               |
|                   |        |       | 'Z' FACTOR = 0.9979           |

REID VAPOR PRESSURE

MIXTURE SPECIFIC GRAVITY

26 LB..... 0.124 12 LB..... 0.109 CALCULATED FROM ANALYSIS..... 0.582 DETERMINED BY RANAREX..... 0.000

MIXTURE HEATING VALUE..... DRY..... 1017 WET.... 1000 BTU

DISTRIBUTION AND REMARKS:

\* H2S PPM = 0

DENNY MCCOMBS / M. SNELSON

APPROVED: ANALYZED BY: JT