BASS ENTERPRISES PRODUCTION CO. 3700 CLAYDESTA NATIONAL BANK, 6 DESTA DRIVE P. O. BOX 2760 MIDLAND, TEXAS 79702

(915) 688-3300

July 31, 1987

Re: Application for Water Disposal Pit State of New Mexico Well No. 2 Lea County, New Mexico File: NM-GF

Oil Conservation Division District 1 P.O. Box 1980 Hobbs, New Mexico 88240

Attention: Mr. Jerry Sexton

Dear Mr. Sexton:

Perry R. Bass hereby submits application for a water disposal pit on the subject well. State of New Mexico Well No. 2 (Lease Serial No. E-5014) is located in Section 8, T-18-S, R-34-E, Lea County, New Mexico. The pit will measure approximately 30' x 38' x 4' and will be located in the SE/4 of the SW/4 of the above mentioned section. State of New Mexico No. 2 produces less than 1 BWPD. All water is produced into a tank for measurement, then bled into the disposal pit. The pit is fenced to avoid hazard to livestock and wildlife in the area.

Feel free to contact me or John Smitherman at the letterhead address if any additional information is required.

Very truly yours,

George A. Teer Division Production Manager

GAT:RCH/gp