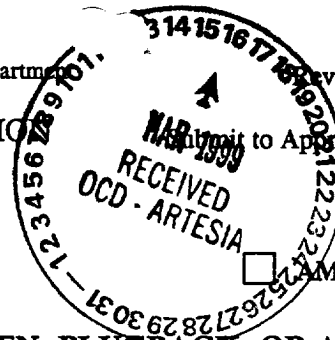


State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505



Form C-101

Revised October 18, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
811 S. 1st Street, Artesia, NM 88210-2834
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

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 79702-2760		2 OGRID Number 001801
4 Property Code 24228	5 Property Name HAT MESA "31" STATE	3 API Number 30-0 25-34594
		6 Well No. 2

7 Surface Location									
UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
A	31	20S	33E		660'	NORTH	660'	EAST	LEA

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/West line	County

9 Proposed Pool 1 HAT MESA (DELAWARE)	10 Proposed Pool 2
--	--------------------

11 Work Type Code N	12 Well Type Code O	13 Cable/Rotary R	14 Lease Type Code STATE	15 Ground Level Elevation 3605
16 Multiple N	17 Proposed Depth 8500'	18 Formation BONE SPRING	19 Contractor UNKNOWN	20 Spud Date ASAP

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#	1250'	615	SURFACE
11"	8-5/8"	28#	3250'	665	SURFACE
7-7/8"	5-1/2"	15.5# & 17#	8500'	785	2950' (300' INSIDE INTERMEDIATE CASING)

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

THIS WELL IS INSIDE THE R-111 POTASH AREA.
THE SURFACE CASING WILL BE SET INTO THE RUSTLER BELOW ALL FRESH WATER SANDS.
THE INTERMEDIATE WILL BE SET THROUGH THE SALT.
CEMENT WILL TIE 300' INTO THE INTERMEDIATE CASING.

Permit Expires 1 Year From Approval
Date of Last Drilling Indenture

23 I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature: *William R. Dannels*

Printed name: WILLIAM R. DANNELS

Title: DIVISION DRILLING SUPERINTENDENT

OIL CONSERVATION DIVISION

Approved by: *ORIGINAL SIGNED BY CURTIS WILLIAMS*

Title:

Approval Date: APR 05 1999

Expiration Date:

52

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Instruction on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT III
1000 Rio Brazos Rd., Antec, NM 87410

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 3D-025-34594	Pool Code 30214	Pool Name HAT MESA (DELAWARE)
Property Code 24228	Property Name HAT MESA "31" STATE	Well Number 2
OGRID No. 001801	Operator Name BASS ENTERPRISES PRODUCTION COMPANY	Elevation 3605'

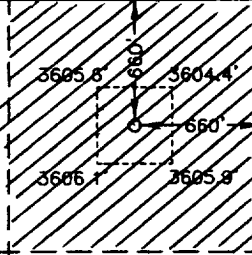
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	31	20 S	33 E		660	NORTH	660	EAST	LEA

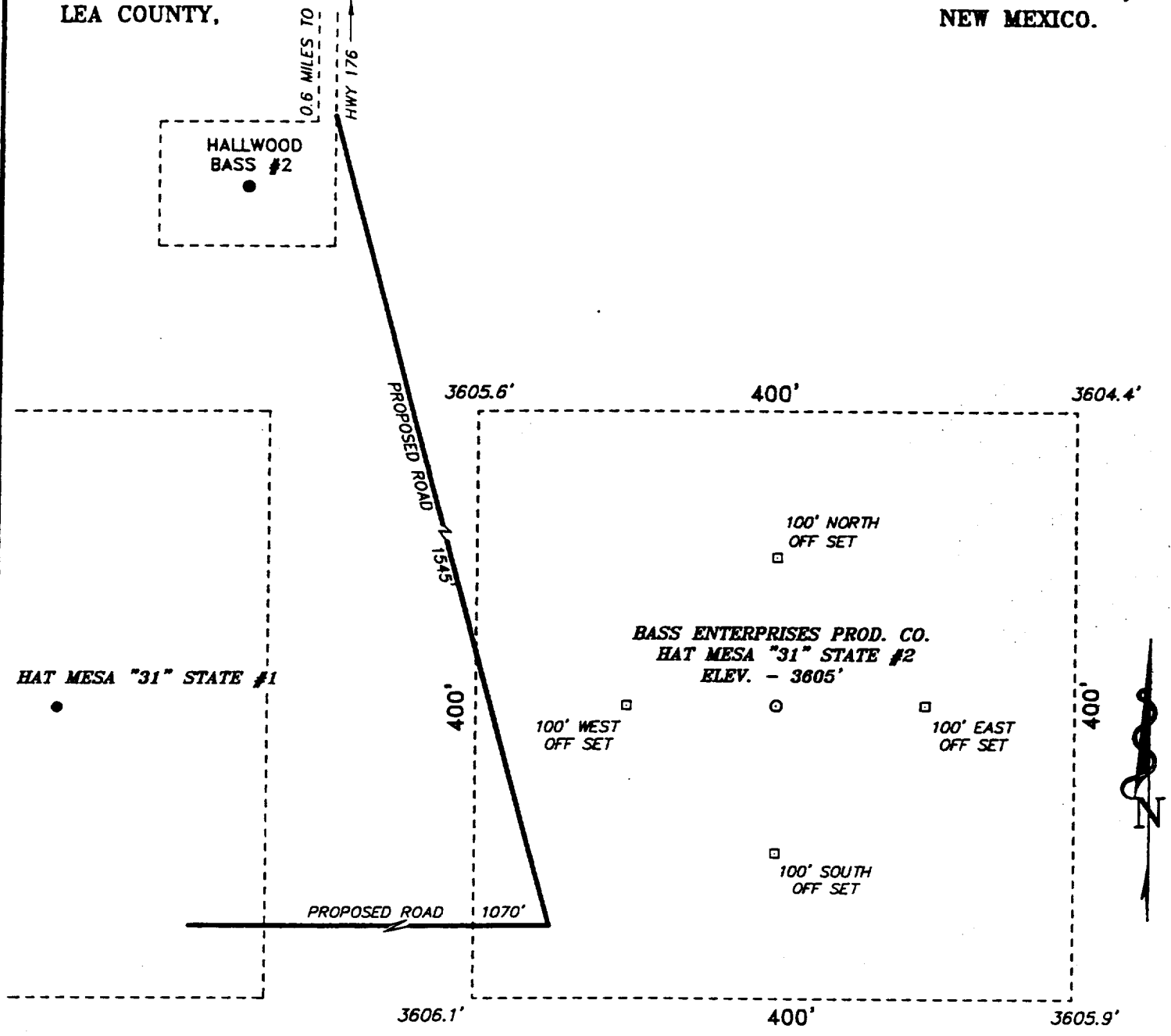
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 40	Joint or Infill N	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

LOT 1				OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. <u>William R. Dannels</u> Signature William R. Dannels Printed Name Division Drlg. Supt. Title <u>2-22-99</u> Date
LOT 2				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. <u>January 11, 1999</u> Date Surveyed <u>GARY L. JONES</u> Signature Professional Surveyor <u>7977</u> W.O. No. 9050 Certificate BASSIN SURVEYS
LOT 3				
LOT 4				

SECTION 31, TOWNSHIP 20 SOUTH, RANGE 33 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.



BASS ENTERPRISES PROD. CO.

REF: Hat Mesa "31" State No. 2 / Well Pad Topo

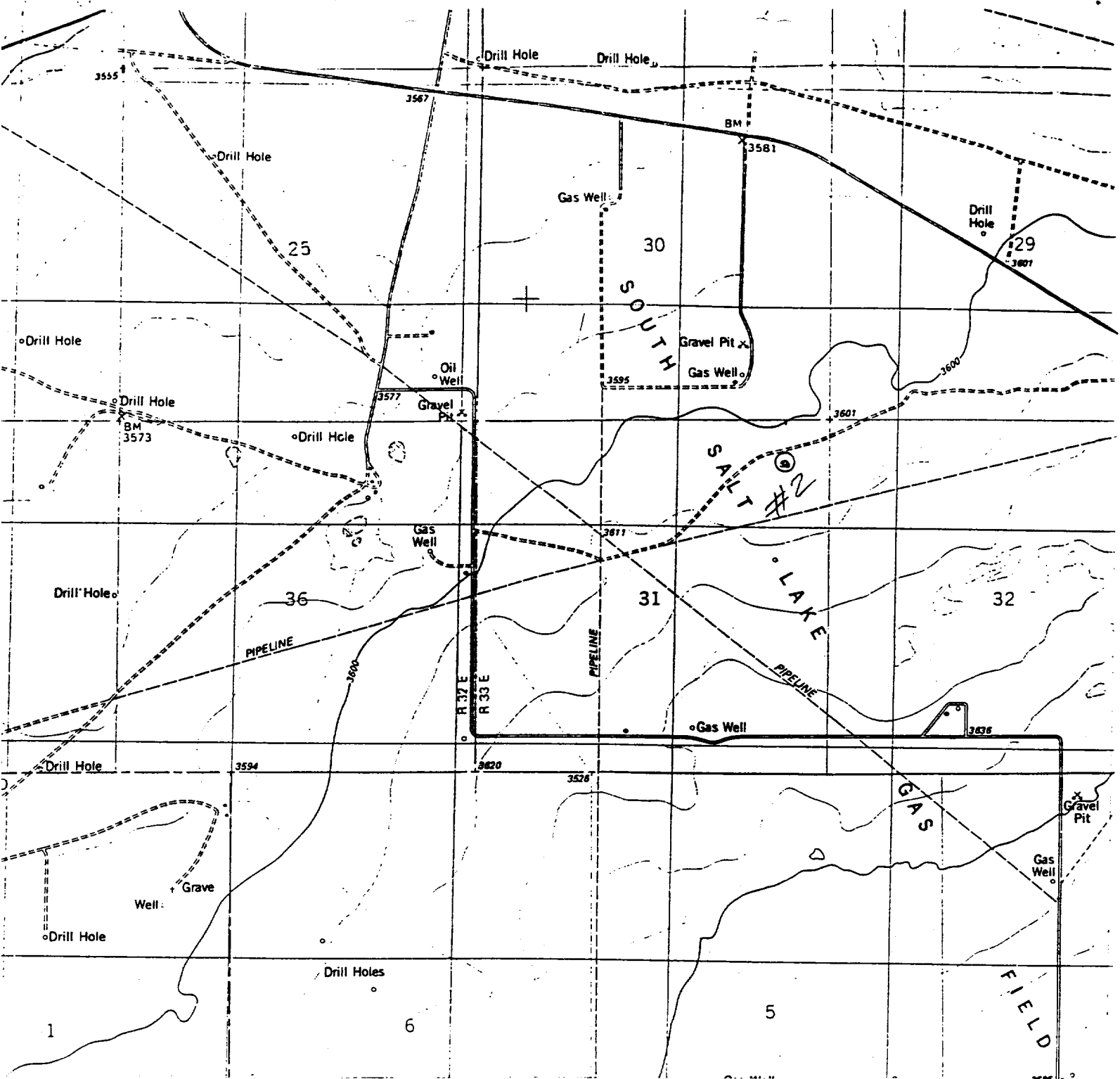
THE HAT MESA "31" STATE No. 2 LOCATED 660' FROM THE
NORTH LINE AND 660' FROM THE EAST LINE OF
SECTION 31, TOWNSHIP 20 SOUTH, RANGE 33 EAST,
N.M.P.M., LEA COUNTY, NEW MEXICO.

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

W.O. Number: 9050 Drawn By: K. GOAD

Date: 01-11-99 Disk: KJG #119 - 9050A.DWG

Survey Date: 01-11-99 Sheet 1 of 1 Sheets



BASS ENTERPRISES PROD. CO.
 HAT MESA "31" STATE #2
 660' FNL & 660' FEL
 Sec. 31, T-20-S, R-33-E,
 Lea County, New Mexico.



SCALE: 1"=2000'

2000' 0 2000' 4000 Feet

BASIN SURVEYS

P.O. BOX 1786-HOBBS, NEW MEXICO

W O Number: 9050 Drawn By: K. GOAD Survey Date: 01-11-99 Sheet 1 of 1 Sheets

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

NAME OF WELL: HAT MESA "31" STATE #2

LEGAL DESCRIPTION - SURFACE: 660' FNL & 660' FEL, Section 31, T-20-S, R-33-E, Lea 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 3621' (est)
GL 3605'

<u>FORMATION</u>	<u>ESTIMATED TOP FROM KB</u>	<u>ESTIMATED SUBSEA TOP</u>	<u>BEARING</u>
T/Rustler	1219'	+2402'	Barren
T/Salt	1454'	+2167'	Barren
B/Salt	3129'	+ 492'	Barren
T/Yates	3319'	+ 302'	Barren
T/Capitan	3563'	+ 58'	Barren
T/Delaware	4908'	- 1287'	Oil/Gas
T/Brushy Canyon	6388'	- 2767'	Oil/Gas
T/1" Sand	6978'	- 3357'	Oil/Gas
T/Shell Marker	7193'	- 3572'	Oil/Gas
T/8A Lower Brushy	7926'	- 4305'	Oil/Gas
T/Bone Spring	8201'	- 4580'	Oil/Gas
TD	8500'	- 4879'	

POINT 3: CASING PROGRAM

<u>TYPE</u>	<u>INTERVALS</u>	<u>PURPOSE</u>	<u>CONDITION</u>
11-3/4", 42#, WC-40, STC	0-1250'	Surface	New
8-5/8", 28#, WC-50, STC	1250-3250'	Intermediate	New
5-1/2", 15.50# & 17#, K-55, LTC	3250-8500'	Production	New

POINT 4: PRESSURE CONTROL EQUIPMENT (SEE ATTACHED DIAGRAM)

A BOP equivalent to Diagram 1 will be nipped up on the surface casing head. When testing, the BOP stack, choke, kill lines, kelly cocks, inside BOP, etc. will be hydro-tested to the lowest rated working pressure of the equipment being tested. In addition to the rated working pressure test, a low pressure (200 psi) test will be required. These tests will be performed:

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

Con't...

POINT 4: PRESSURE CONTROL EQUIPMENT (SEE ATTACHED DIAGRAM)

A function test of pipe and blind rams to insure that the preventers are operating correctly will be performed on each trip. A function test is required only a minimum of once every 24 hours. See the attached diagram #1 for the minimum criteria for the choke manifold.

POINT 5: MUD PROGRAM

<u>DEPTH</u>	<u>MUD TYPE</u>	<u>WEIGHT</u>	<u>FV</u>	<u>PV</u>	<u>YP</u>	<u>FL</u>	<u>Ph</u>
0' - 1250'	FW Spud	8.4 - 9.0	45-38	NC	NC	NC	9.5
1250' - 3250'	Brine	9.8 - 10.0	28-30	NC	NC	NC	9.5
3250' - 6000'	FW	8.4 - 8.6	28-30	NC	NC	NC	9.5
6000' - 8100'	FW/Starch	8.4 - 8.6	28-30	NC	NC	<100	9.5
8100' - TD	FW/Gel/Starch	8.4 - 8.6	32-42	NC	NC	<100	9.5

POINT 6: TECHNICAL STAGES OF OPERATION

A) TESTING

None anticipated.

B) LOGGING

GR-CNL from Intermediate casing point to surface.

GR-CNL-LDT-AIT from TD to Intermediate casing point.

C) CONVENTIONAL CORING

None anticipated.

D) CEMENT

SURFACE

<u>INTERVAL</u>	<u>AMOUNT SX</u>	<u>FT OF FILL</u>	<u>TYPE</u>	<u>GALS/SX</u>	<u>PPG</u>	<u>FT³/SX</u>
0-1250'	475	950	Class "C" + 4% gel + 2% CaCl ₂	9.09	13.5	1.74
(100% excess circ to surface)	140	300	Class C + 2% CaCl ₂	6.32	14.8	1.32

INTERMEDIATE

<u>INTERVAL</u>	<u>AMOUNT SX</u>	<u>FT OF FILL</u>	<u>TYPE</u>	<u>GALS/SX</u>	<u>PPG</u>	<u>FT³/SX</u>
Lead						
0-2950'	550	2950	35/65 Poz + 6% gel + 5% Salt	10.2	12.4	2.14
Tail						
2950'-3250'	115	300	Class C Neat	6.32	14.8	1.32
(100% excess in open hole)						

Con't...

POINT 6: TECHNICAL STAGES OF OPERATION

D) CEMENT Con't...

PRODUCTION (Two stage w/DV tool @ 6800')

<u>INTERVAL</u>	<u>AMOUNT SX</u>	<u>FT OF FILL</u>	<u>TYPE</u>	<u>GALS/SX</u>	<u>PPG</u>	<u>FT³/SX</u>
1 st Stage 6800'-8500' (50% excess)	270	1700	Class H + 1.4 gps Silica+ 3% Salt + 0.3% Retarder	8.8	14.0	1.66
2 nd Stage LEAD 2950-5743' (50% excess)	305	2793	35/65 Poz C + 6% Gel	10.2	12.4	2.14
TAIL 5743-6800' (50% excess)	210	1057	Class C Neat	6.32	14.8	1.32

E) DIRECTIONAL DRILLING

No directional services anticipated.

POINT 7: ANTICIPATED RESERVOIR CONDITIONS

Normal pressured formations are anticipated throughout this well. No H₂S is expected.

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

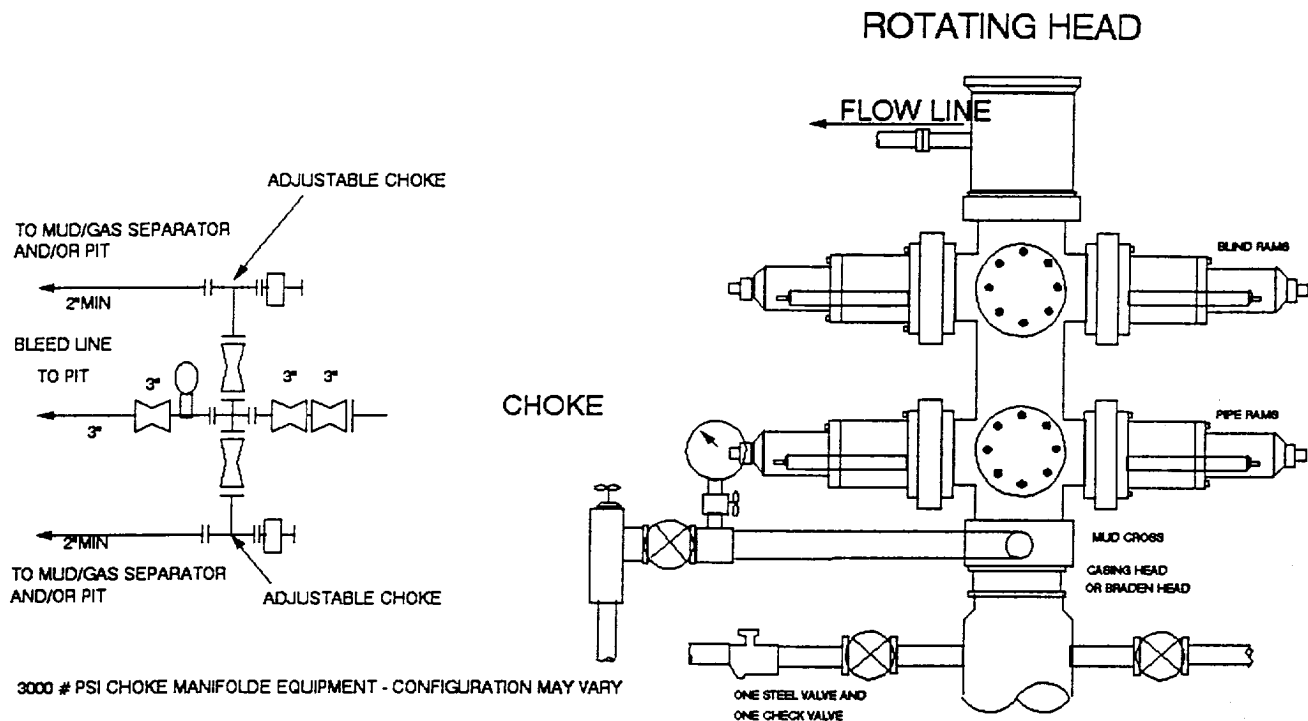
Upon approval

22 days drilling operations

14 days completion operations

FDC/mac
1/18/99

3000 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.