

• = White Sulphur / mixed Rws

All Data

Rw

Distance

0.01

0.02

0.03

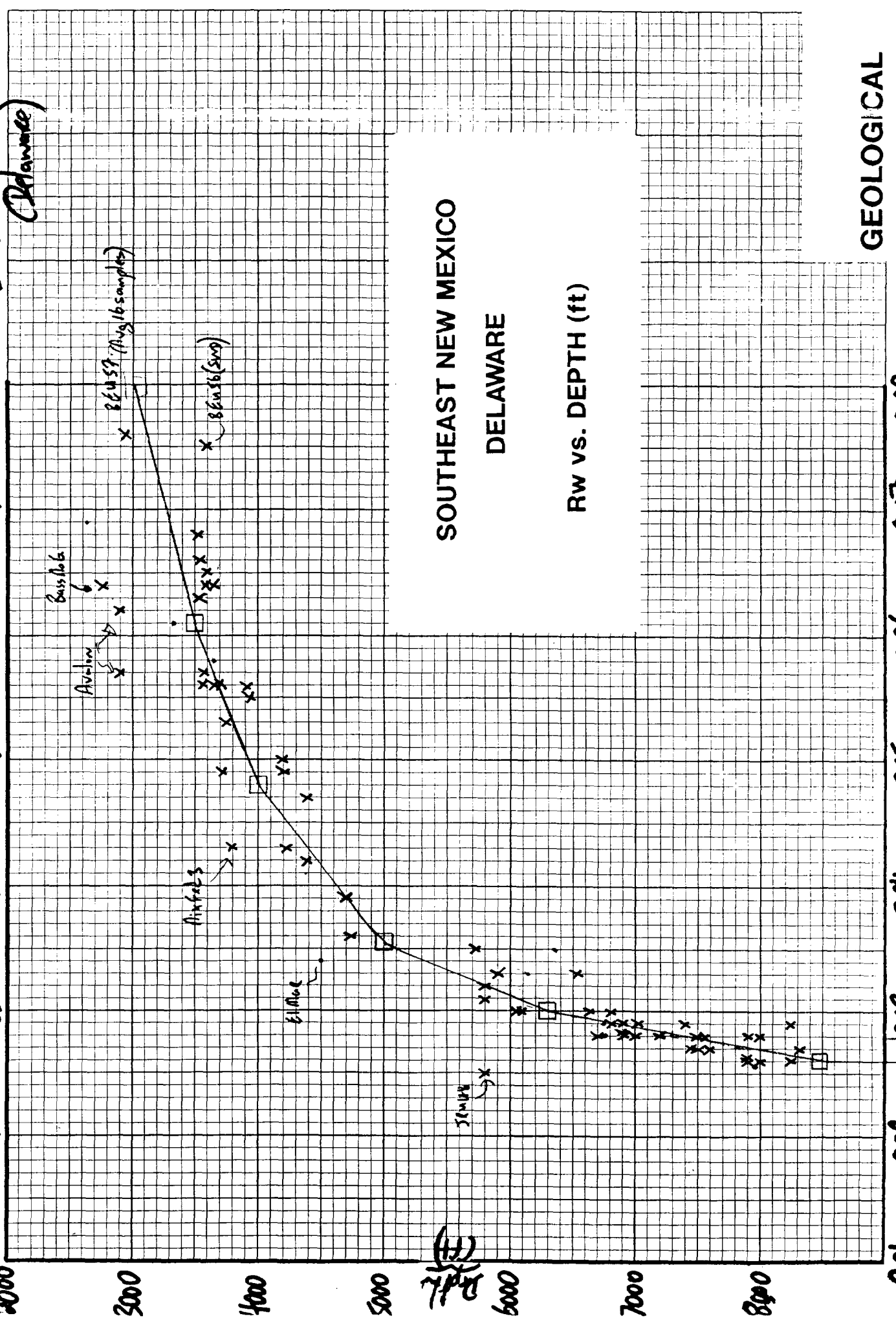
0.04

0.05

0.06

0.07

0.08



SOUTHEAST NEW MEXICO  
DELAWARE

Rw vs. DEPTH (ft)

# DELAWARE WELLS

ORIGINAL OPERATOR -- WELL NAME-NUMBER -- LOG DATE -- COMPLETION DATE

Original Operator	Well Name	Log Date	Completion Date
Enron	JRU 16	01/15/96	02/12/96
Enron	JRU 17	01/07/94	02/08/96
Enron	JRU 19	04/03/93	04/24/93
Enron	JRU 29	01/28/94	02/24/94
BEPCo	JRU 31	12/22/99	01/21/00
BEPCo	JRU 32	03/10/00	04/03/00
Enron	JRU 36	12/11/93	01/23/94
Enron	JRU 37	11/07/93	12/09/93
BEPCo	JRU 38	01/22/00	02/10/00
BEPCo	JRU 41	07/18/94	08/01/94
BEPCo	JRU 48	02/16/94	04/14/94
Santa Fe	JRU 55	03/10/94	04/06/94
Santa Fe	JRU 56	05/27/94	06/15/94
Santa Fe	JRU 57	06/22/94	07/07/94
BEPCo	JRU 63	01/07/00	02/01/00
Enron	JRU 65	08/01/96	03/09/97
BEPCo	JRU 67	04/10/00	
Enron	JRU 71	10/08/94	11/25/96
Enron	JRU 73	07/14/96	12/17/96
Enron	JRU 76	10/13/96	12/04/96






**Geological Attachment #6**

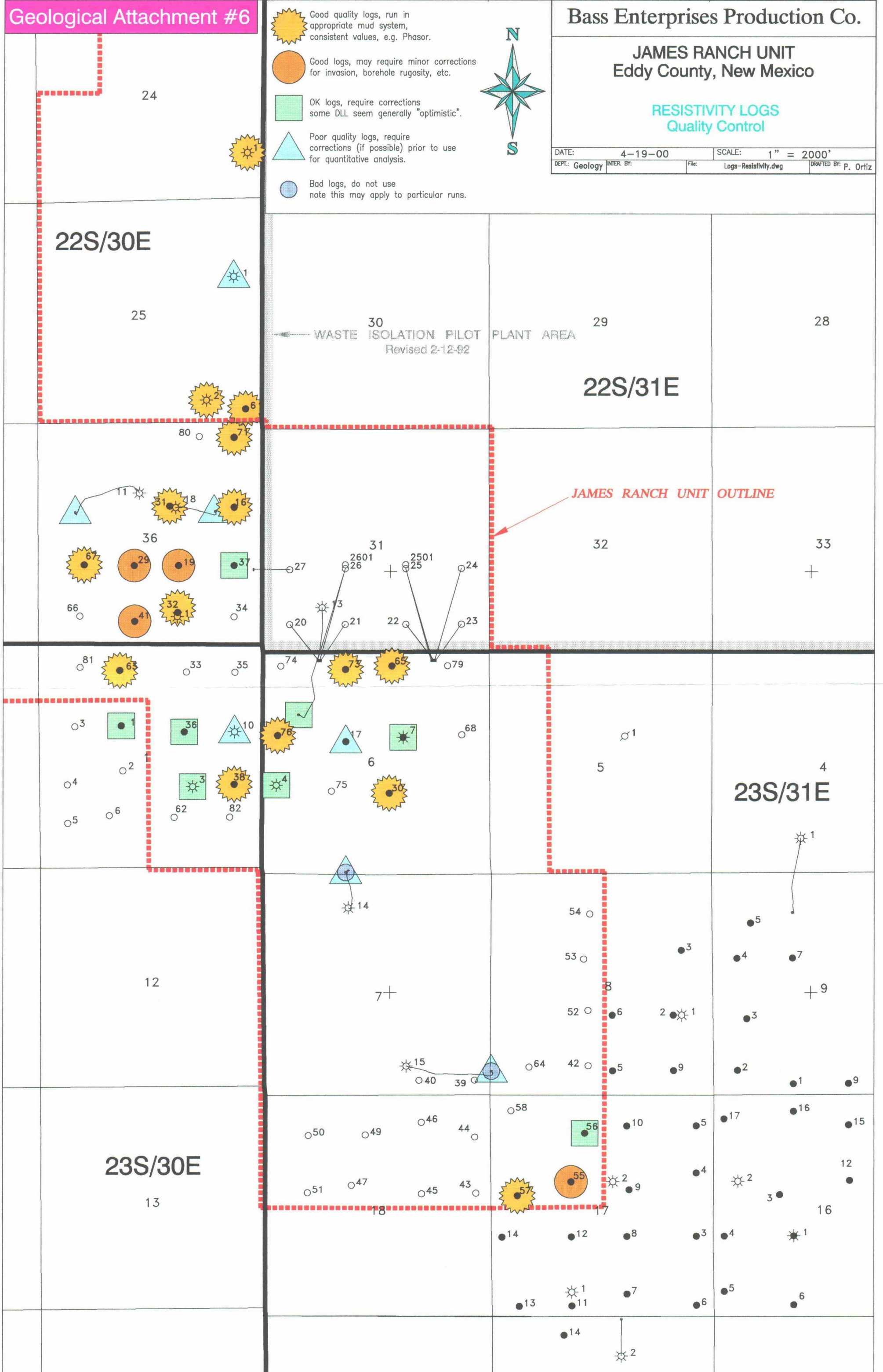
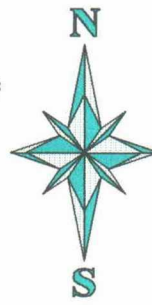
**Bass Enterprises Production Co.**

**JAMES RANCH UNIT**  
Eddy County, New Mexico

**RESISTIVITY LOGS**  
Quality Control

DATE: 4-19-00 SCALE: 1" = 2000'  
DEPT.: Geology INTER. BY: File: Logs-Resistivity.dwg DRAFTED BY: P. Ortiz

-  Good quality logs, run in appropriate mud system, consistent values, e.g. Phasor.
-  Good logs, may require minor corrections for invasion, borehole rugosity, etc.
-  OK logs, require corrections some DLL seem generally "optimistic".
-  Poor quality logs, require corrections (if possible) prior to use for quantitative analysis.
-  Bad logs, do not use note this may apply to particular runs.









**Geological Attachment #5**

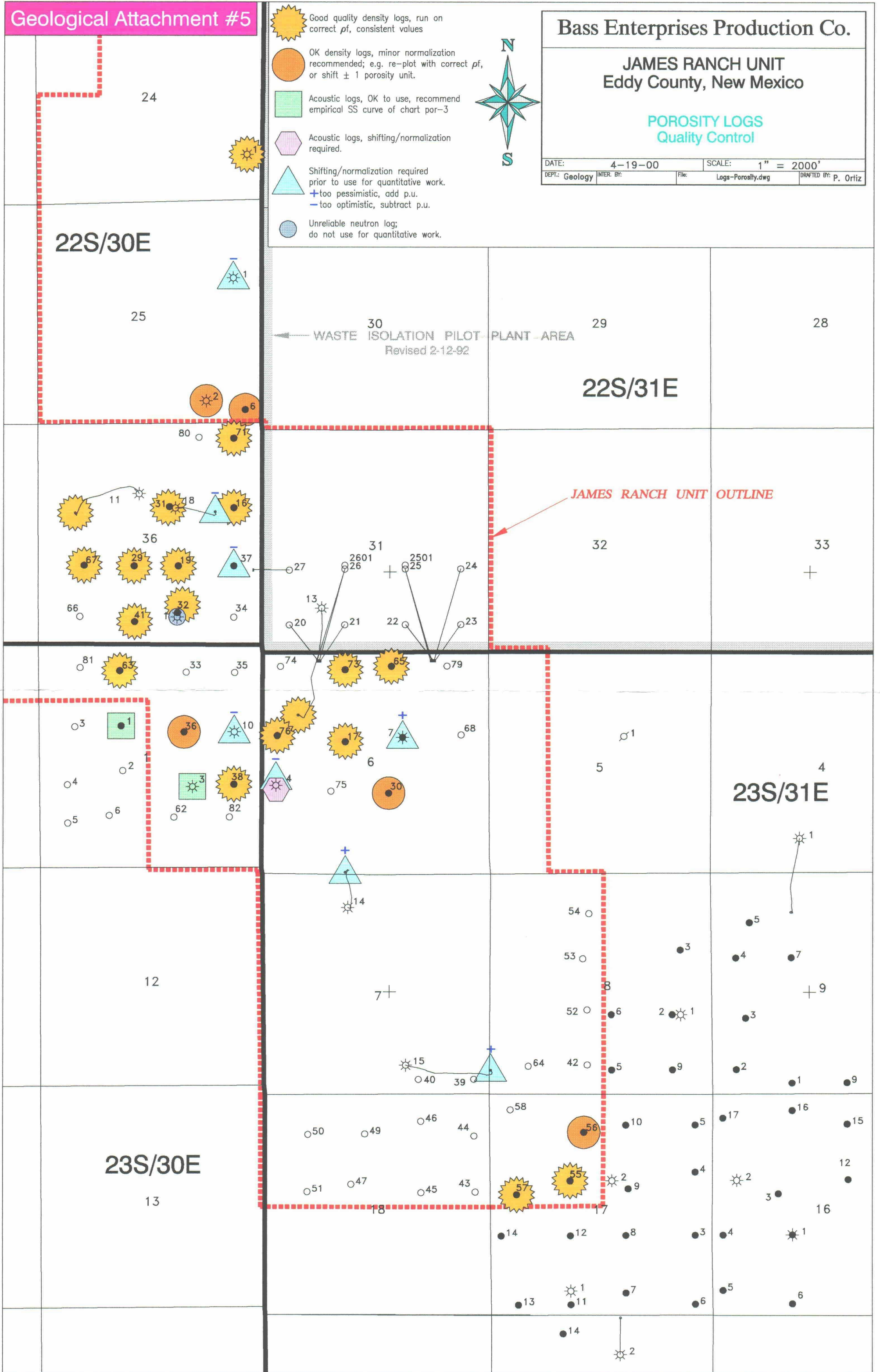
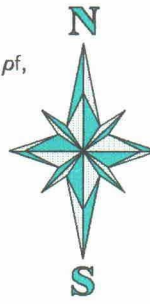
**Bass Enterprises Production Co.**

**JAMES RANCH UNIT**  
Eddy County, New Mexico

**POROSITY LOGS**  
Quality Control

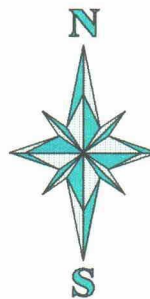
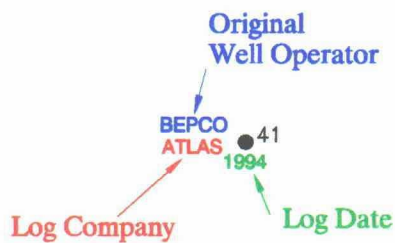
DATE: 4-19-00 SCALE: 1" = 2000'  
DEPT.: Geology INTER. BY: File: Logs-Porosity.dwg DRAFTED BY: P. Ortiz

-  Good quality density logs, run on correct  $\rho_f$ , consistent values
-  OK density logs, minor normalization recommended; e.g. re-plot with correct  $\rho_f$ , or shift  $\pm 1$  porosity unit.
-  Acoustic logs, OK to use, recommend empirical SS curve of chart por-3
-  Acoustic logs, shifting/normalization required.
-  Shifting/normalization required prior to use for quantitative work.  
+ too pessimistic, add p.u.  
- too optimistic, subtract p.u.
-  Unreliable neutron log; do not use for quantitative work.



Geological Attachment #4

LEGEND

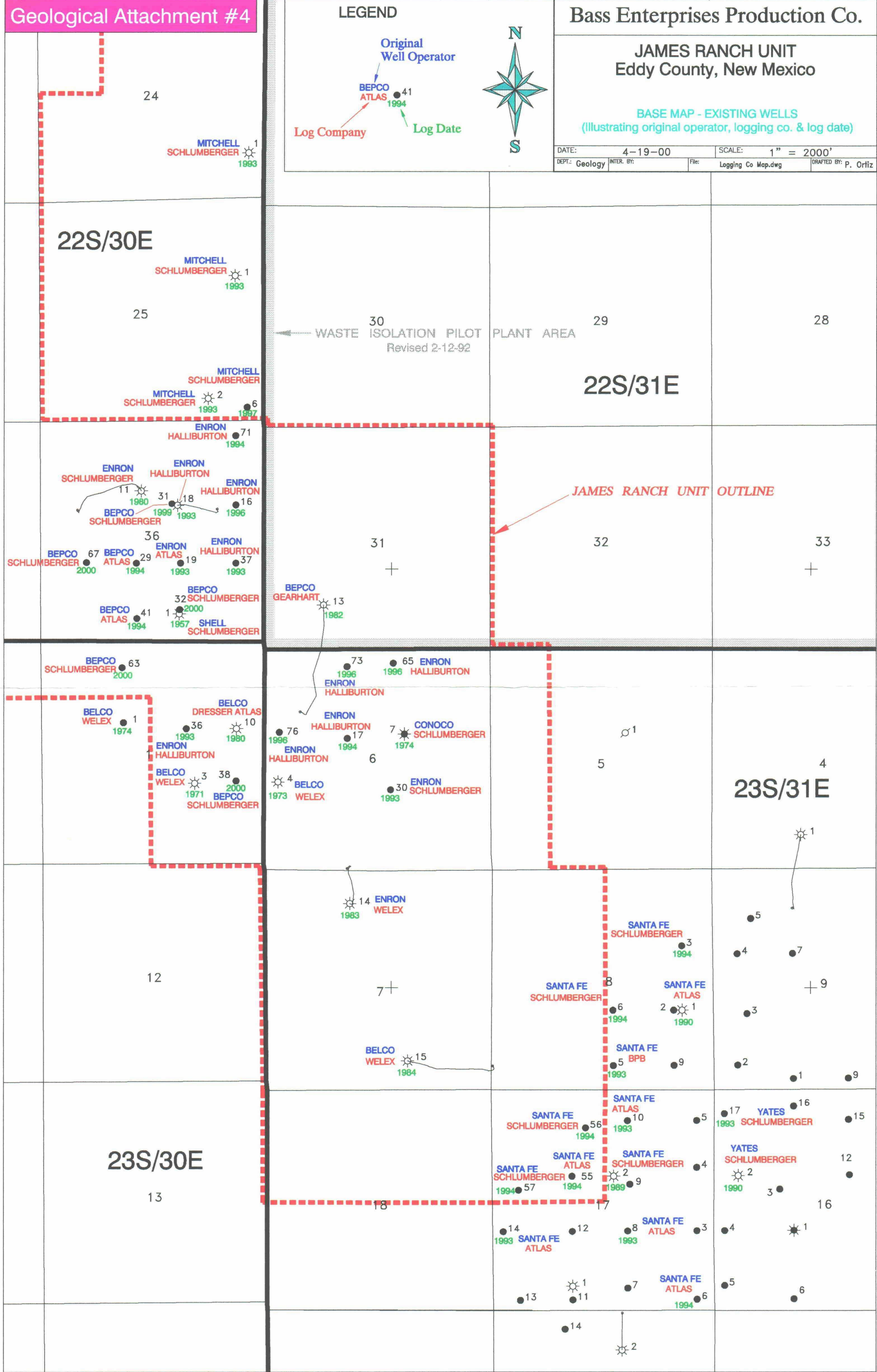


Bass Enterprises Production Co.

JAMES RANCH UNIT  
Eddy County, New Mexico

BASE MAP - EXISTING WELLS  
(Illustrating original operator, logging co. & log date)

DATE: 4-19-00	SCALE: 1" = 2000'
DEPT.: Geology	INTER. BY:
FILE: Logging Co Map.dwg	DRAFTED BY: P. Ortiz



BASS ENTERPRISES PRODUCTION CO.

201 MAIN ST.  
FORT WORTH, TEXAS 76102-3131  
817/390-8400

April 20, 2000

Bureau of Land Management  
P. O. Box 1397  
Roswell, New Mexico 8820-2019  
Attention: Ed Roberson

New Mexico Oil Conservation Division  
2040 S. Pacheco Street  
Santa Fe, New Mexico 87505  
Attention: Lori Wrotenbery

Commissioner of Public Lands  
State of New Mexico  
P. O. Box 1148  
Santa Fe, New Mexico 87504-1148  
Attention: Jami Bailey

Re: Application for Approval of the First Revision  
of the Initial Delaware Participating Area  
James Ranch Unit, No. 14-08-001-558  
Eddy County, New Mexico

Ladies and Gentlemen:

Bass Enterprises Production Co., as unit operator of the James Ranch Unit Agreement, pursuant to the provisions of Section 11 thereof, respectfully submits for your approval the selection of the following described lands to constitute the first revision to the Initial Delaware Participating Area. The revised participating area consists of 2,326.28 acres to be comprised of the lands indicated on the plat attached hereto and further described as follows:

T22S-R30E

Section 35: SE/4 NE/4, E/2 SE/4  
Section 36: S/2, NE/4, S/2 NW/4

T22S-R31E

Section 31: Lots 1, 2, 3, 4, E/2 SW/4, SE/4

T23S-R30E

Section 1: Lots 1, 2, 3, 4, S/2 NE/4, SE/4  
Section 2: Lot 1

T23S-R31E

Section 5: Lot 4, SW/4 NW/4, W/2 SW/4  
Section 6: All

All in Eddy County, New Mexico and containing exactly 2,326.28 acres of land.

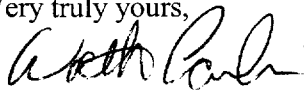
In support of this application, the following numbered items are attached hereto and made a part hereof:

1. An ownership map (Exhibit "A") depicting the boundaries of the proposed first revision to the Initial Delaware Participating Area.
2. A schedule (Exhibit "B") identifying the lands entitled to participation in the revised participating area with the percentage of participation of each lease or tract indicated thereon.
3. A geological report with accompanying geological maps supporting and justifying the proposed selection of the revised area based on the results obtained from the James Ranch Unit Well No. 36.

This proposed first revision to the Initial Delaware Participating Area is predicated upon the knowledge and information first obtained from the James Ranch Unit Well No. 36 in January, 1994. It should be noted that James Ranch Unit Well No. 36 has been previously determined as capable of producing in commercial quantities. According to Section 11 of the Unit Agreement, the effective date of the subject revision should be the first of the month in which the above information was obtained or January 1, 1994. Therefore, Bass respectfully requests your approval of the hereinabove described 2,326.28 acres of land to constitute the first revision of the Initial Delaware Participating Area, to be effective January 1, 1994.

Thank you very much for your cooperation in this regard and should you have any questions or comments concerning same, please do not hesitate to contact the undersigned.

Very truly yours,



Worth Carlin

WWC:ca

ACCEPTED AND AGREED this \_\_\_\_\_ day of \_\_\_\_\_, 2000.

BUREAU OF LAND MANAGEMENT

By: \_\_\_\_\_

COMMISSIONER OF PUBLIC LANDS

By: \_\_\_\_\_

NEW MEXICO OIL CONSERVATION DIVISION


By: \_\_\_\_\_


Bass Enterprises Production Co.

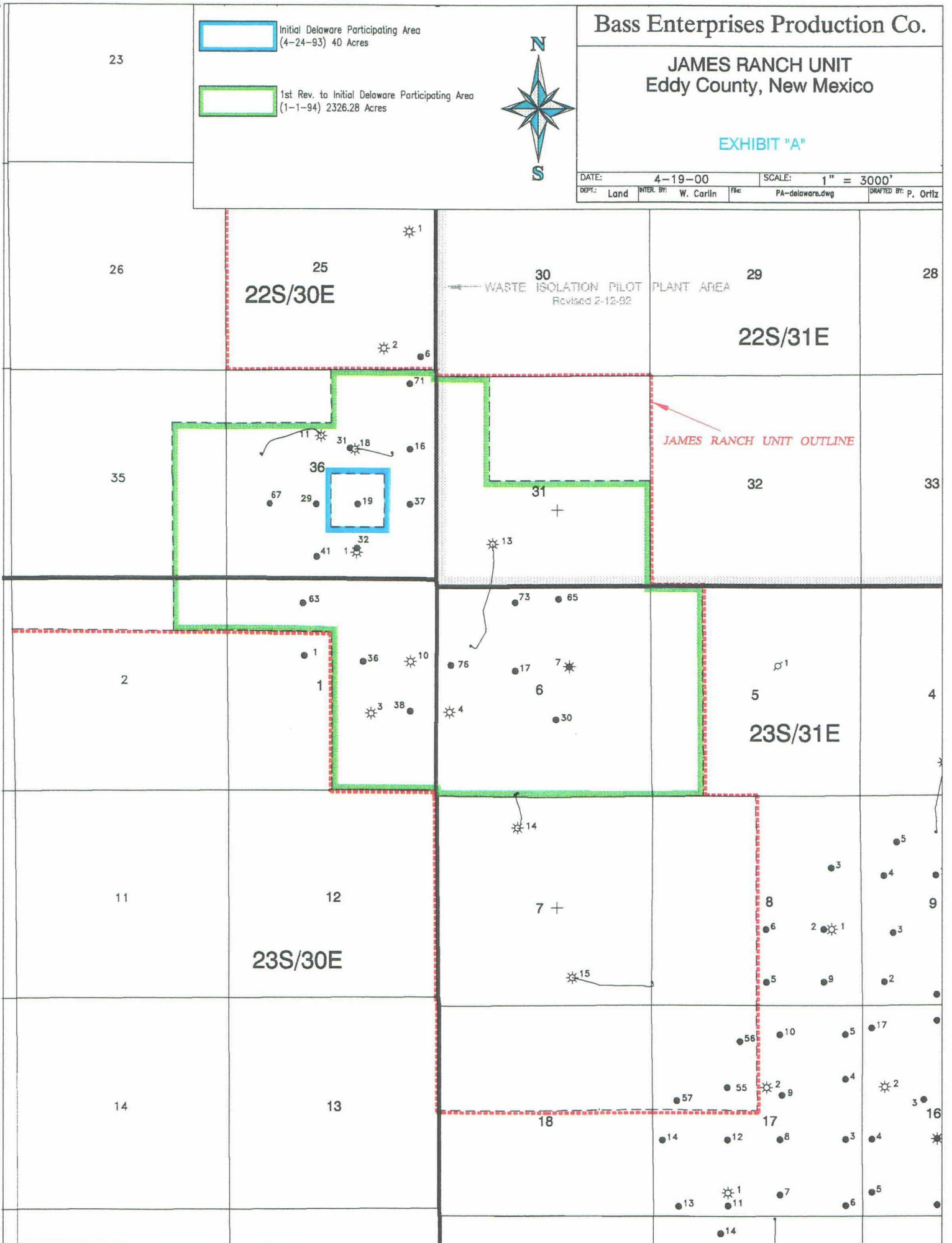
JAMES RANCH UNIT  
Eddy County, New Mexico

EXHIBIT "A"

DATE: 4-19-00 SCALE: 1" = 3000'  
DEPT: Land INTER. BY: W. Carlin FILE: PA-delaware.dwg DRAFTED BY: P. Ortiz

 Initial Delaware Participating Area  
(4-24-93) 40 Acres

 1st Rev. to Initial Delaware Participating Area  
(1-1-94) 2326.28 Acres





**EXHIBIT "B"**  
**First Revision to Initial Delaware Participating Area**  
**James Ranch Federal Unit**  
**Eddy County, New Mexico**

<u>Tract Lease No.</u>	<u>No.</u>	<u>Description</u>	<u>Participating Acres</u>	<u>Percentage of Participation</u>	<u>Working Interest Owners</u>
2	NM 02883-A	Section 5, T23S-R31E; SW/4 NW/4, W/2 SW/4,	120.00	5.15845	Bass Enterprises Production Co. - 100%
3	NM 02884-A	Section 1, T23S-R30E; Lots 3, 4	80.72	3.46992	Bass Enterprises Production Co. - 100%
3-A	NM 02884-B	Section 1, T23S-R30E; Lots 1, 2, S/2 NE/4, SE/4	320.24	13.76618	Bass Enterprises Production Co. - 100%
4	NM 02887-A	Section 6, T23S-R31E; Lots 1, 2, S/2 NE/4, NE/4 SE/4	199.92	8.59398	Bass Enterprises Production Co. - 100%
4	NM 02887-D	Section 6, T23S-R31E; Lots 3, 4, 5, SE/4 NW/4	161.08	6.92436	Bass Enterprises Production Co. - 100%
4-A	NM 02887-B	Section 5, T23S-R31E; Lot 4	39.98	1.71862	Bass Enterprises Production Co. - 100%
6	NM 02952-C	Section 35, T22S-R30E; SE/4 NE/4	40.00	1.71948	Bass Enterprises Production Co. - 100%
6-A	NM 02952-A	Section 35, T22S-R30E; E/2 SE/4	80.00	3.43897	Bass Enterprises Production Co. - 100%

**EXHIBIT "B"**  
**First Revision to Initial Delaware Participating Area**  
**Page 2**

<u>Tract No.</u>	<u>Lease No.</u>	<u>Description</u>	<u>Participating Acres</u>	<u>Percentage of Participation</u>	<u>Working Interest Owners</u>	
7	NM 02953	Section 31, T22S-R31E; Lots 1, 2,	80.86	3.47594	Conoco, Inc. -	100%
7	NM 02953-C	Section 31, T22S-R31E; Lots 3, 4, E/2 SW/4, SE/4	320.98	13.79800	Bass Enterprises Production Co. - Enron Oil & Gas -	33.333% 66.667%
8	NM 04473	Section 6, T23S-R31E; Lots 6, 7, E/2 SW/4, W/2 SE/4, SE/4 SE/4	282.15	12.12881	Bass Enterprises Production Co. -	100%
21	E-5229-1	Section 2, T23S-R30E; Lot 1, Section 36, T22S-R30E; NE/4, SW/4, S/2 NW/4	440.35	18.92936	Bass Enterprises Production Co. -	100%
21	E-5229-2	Section 36, T22S-R30E; SE/4	160.00	6.87793	Bass Enterprises Production Co. -	100%
<b>TOTALS:</b>			<b>2,326.28</b>	<b>100%</b>		
<b>Total Federal Lands:</b>			<b>1,725.93 Acres</b>			
<b>Total State Lands:</b>			<b>600.35 Acres</b>			
<b>Total Fee Lands:</b>			<b>0.00 Acres</b>			
<b>Total:</b>			<b>2,326.28 Acres</b>			

**BASS ENTERPRISES PRODUCTION COMPANY  
JAMES RANCH UNIT (DELAWARE)  
PROPOSED PARTICIPATING AREAS**

**GEOLOGICAL ATTACHMENTS**

1. Type Log: JRU No. 30 (Section 6, T23S-R31E)
2. Wireline Logs/Mudlogs: Data base for 44 wells  
Includes porosity, resistivity, and mudlogs for both producing zones and for uphole, behind-pipe pay intervals
3. Producing Horizons: Map illustrating producing reservoir horizons at James Ranch Unit
4. Base Map – Existing Wells - Logging Date: Base map illustrating by well, the original operator, logging company, and logging date (tabulation includes logging and completion date).
5. Log Quality Control: Porosity logs
6. Log Quality Control: Resistivity logs
7. Rw: Relationship for Rw vs Depth
8. Structure Map: Top Lower Brushy Canyon “D”
9. Net Pay Isopach Map: Lower Brushy Canyon “D”—critical contour @ 25'  $\geq$  10% porosity
10. Commercial Delaware Wells S.E. of JRU: Documentation supporting commerciality in Sections 8 and 17 of T23S-R31E

## INTRODUCTION

Drilling for deeper horizons below the Delaware from the 1950's through the early 1990's at James Ranch Unit essentially identified that a significant hydrocarbon reservoir existed within the Cherry and Brushy Canyon sections of the Delaware formation. This identification was based primarily from drill stem tests, mudlog shows and log evaluation. For example, as early as 1954 the Richardson and Bass Legg No. 1 (Section 27, T22S-R30E) potentialized for 67 BOPD (6112'-6118') from the Lower Brushy Canyon and in 1957, Shell's No. 1 James Ranch Unit (Section 36, T22S-R30E) recovered 450' oil on a Brushy Canyon drillstem test (6719'-6758'). Continued deep drilling through the 1980's confirmed the Delaware potential prior to it becoming a targeted reservoir.

During the 1990's attention became more focused on the Delaware, very much aided by fracture treatment technology. Since drilling became focused on the Delaware, 19 wells have targeted this reservoir in the southeastern sector of the unit. All of these wells are commercial. Around 12 additional locations are currently being permitted. Uphole, behind-pipe pay exists in the majority of the wells drilled to date.

## GEOLOGICAL SETTING

The Delaware sands at James Ranch Unit were deposited as part of an extensive submarine fan complex, with thinly bedded sandstones and siltstones encasing stacked channel sequences of reservoir quality sandstones. The trapping mechanism is primarily stratigraphic with some subtle structural influence.

## PETROPHYSICS

Based upon in-house studies and production experience of the Delaware at James Ranch Unit and elsewhere, the Lower Brushy Canyon is oil-bearing and productive at a density porosity cut-off of  $\geq 10\%$  (sandstone matrix at 2.66 gm/cc). As we climb into the Cherry Canyon, the porosity cut-off increases to 15% sandstone porosity. The log database at James Ranch Unit is a very unique mixture of porosity and resistivity log types and of varying logging companies. For this reason, quality control of the logs has been essential. Typically we like to see the water saturations to be 65% or less. Mudlogs have been a very critical ingredient in pay recognition—it is difficult to question a zone's potential when you have good drilling shows ranging from good sample shows to oil in the trap or on the pits!

## COMPLETIONS WITH UPHOLE PAY

Initial completions have concentrated on the Lower Brushy "D". Perforations are commonly limited to a central pay zone and then large fracture stimulations are made to communicate all the reservoir intervals from the top of the Lower Brushy Canyon "D" to the top of the Bone Spring. Since this has been the initial completion interval to date, and

on its own has been overall commercial, the Lower Brushy "D" is the reservoir interval illustrated in this application. Examination of the log/mudlog database illustrates the higher reserve uphole potential behind-pipe in the majority of the wells. Some of this has been accessed but in many of the wells has yet to be perforated.

## **PROPOSED PARTICIPATING AREAS**

### **1. Initial P.A. (effective date 4/24/93)**

Chronologically, JRU No. 19 (completed 4/24/93) should define the initial P.A. Completed in the Lower Brushy Canyon "B", "C" and "D", the well has produced 85 MBO + 180 MMCF through 11/30/99, with an anticipated ultimate recovery of 181 MBOE.

### **2. First Revision (effective date 1/1/94)**

The JRU No. 19, together with earlier pay identification from deep tests in Section 36, T22S-R30E showed us that Section 36 was a commercial target area. Earlier "deep" tests in Section 6, T23S-R31E (JRU Nos. 4, 7, and 30) and in Section 1 of T23S-R30E (Hudson Federal No. 1 and JRU Nos. 3 and 10) had already indicated the Delaware potential in those areas, but confirmation of this was provided by the JRU No. 36. Completed 1/23/94, the No. 36 has produced 47 MBO + 90 MMCF from the Lower Brushy "D" through 11/30/99, and has an anticipated ultimate recovery of 153 MBOE. Additional pay still exists uphole.

### **3. Second Revision (effective date 4/1/94)**

Delaware mapping during our early Delaware drilling showed us that the reservoir extended southeast outside of the unit into Sand Dunes, West (Sections 8, 9, 16 and 17 of T23S-R31E). Overall unaccessible due to potash mining, two earlier deep tests (JRU Nos. 14 and 15) strongly supported this potential in the Delaware. This potential was officially confirmed within the unit by the JRU No. 55 (completed 4/6/94). The JRU No. 55, through 11/30/99, has produced 55 MBO + 182 MMCF, and has an anticipated ultimate recovery of 165 MBOE.

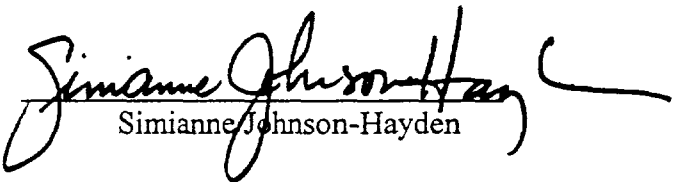
## **SUMMARY**

The proposed initial P.A. and P.A. revisions, in our opinion, define the minimum participating areas for the Delaware at James Ranch Unit. Drilling restrictions, due to potash, are the only reason why more drilling has not been done to substantiate the fact that a much larger area should be placed within a participating area. As previously stated, no non-commercial wells have been drilled. In fact, with our ongoing drilling program, five additional wells (JRU Nos. 31, 32, 38, 63, 67) will need to be filed as commercial wells. This program has also confirmed our earlier mapping that an additional channel complex, trending NW-SE, enters Section 36 (T22S-R30E) and

Section 1 (T23S-R30E) and then joins up with the main N-S complex which incorporates Sand Dunes, West. The Richardson and Bass Legg No. 1 (Section 27, T22S-R30E) is located along this fairway. We are in fact extremely encouraged by this secondary trend. Completed February 2, 2000, the JRU No. 63 (NW/4 Section 1, T23S-R30E) flowed at rates of over 500 BOPD from the Lower Brushy "D" during the first week. Currently, development drilling is going to target this secondary channel complex. There is no doubt that if the area were accessible for drilling, the unit acreage west and northwest of the proposed participating areas would greatly enlarge the P.A. area. We further believe, from subsurface mapping, that the Cabin Lake Cherry Canyon pay zone is present in that area. That reservoir will typically produce over 250 MBO/well. Together with Brushy Canyon pay zones, the reserves of this area within the potash reserves would constitute a significant asset to Bass Enterprises and the Bureau of Land Management.

Finally, please feel free to call either Simianne Hayden (817 390-8664) or George Hillis (817 390-8661) with any questions on this application for Delaware participating areas (initial, first revision, second revision) at James Ranch Unit.

  
George A. Hillis

  
Simianne Johnson-Hayden

GAH:SJH:jp

BASS ENTERPRISES PRODUCTION CO.

201 MAIN ST.  
FORT WORTH, TEXAS 76102-3131  
817/390-8400

April 20, 2000

Bureau of Land Management  
P. O. Box 1397  
Roswell, New Mexico 88201-2019

New Mexico Oil Conservation Division  
2040 S. Pacheco Street  
Santa Fe, New Mexico 87505

Attention: Ed Roberson

Attention: Lori Wrotenbery

Commissioner of Public Lands  
State of New Mexico  
P. O. Box 1148  
Santa Fe, New Mexico 87504-1148

Attention: Jami Bailey

Re: Initial Delaware Participating Area  
NW/4 SE/4 Section 36, T22S-T30E  
James Ranch Unit, No. 14-08-001-558  
Eddy County, New Mexico

Ladies and Gentlemen:

Bass Enterprises Production Co., as Unit Operator of the James Ranch Unit Agreement, pursuant to the provisions of Section 11 thereof, respectfully submits for your approval the selection of the following described lands to comprise the Initial Participating Area for the Delaware Formation:

NW/4 SE/4 Section 36, T22S-R30E containing 40.00 acres of land.

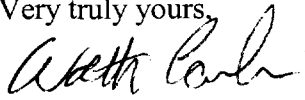
In support of this application the following numbered items are attached hereto and made a part hereof:

1. An ownership map (Exhibit "A") depicting the boundaries of the proposed initial participating area for the Delaware Formation.
2. A schedule (Exhibit "B") identifying the lands entitled to participation in the unitized substances produced from the Delaware Formation with the percentage of participation of each lease or tract indicated thereon.

Initial PA  
April 20, 2000  
Page 2

This proposed initial participating area is predicated upon the knowledge and information first obtained upon the completion of the James Ranch Unit Well No. 19 (located in the NW/4 SE/4 Section 36, T22S-R30E) on April 24, 1993. It should be noted that James Ranch Unit Well No. 19 has been previously determined as capable of producing in commercial quantities. According to the Unit Agreement it is our understanding that the effective date of this initial participating area will be April 24, 1993. Therefore, Bass respectfully requests your approval of the hereinabove selection of lands to constitute the Initial Delaware Participating Area to be effective April 24, 1993. Thank you very much for your cooperation in this regard and should you require additional information concerning same, please don't hesitate to contact the undersigned.

Very truly yours,



Worth Carlin

WWC:ca

ACCEPTED AND AGREED this \_\_\_\_\_ day of \_\_\_\_\_, 2000.

BUREAU OF LAND MANAGEMENT

By: \_\_\_\_\_

COMMISSIONER OF PUBLIC LANDS

By: \_\_\_\_\_

NEW MEXICO OIL CONSERVATION DIVISION

By: \_\_\_\_\_



Initial Delaware Participating Area  
(4-24-93) 40 Acres

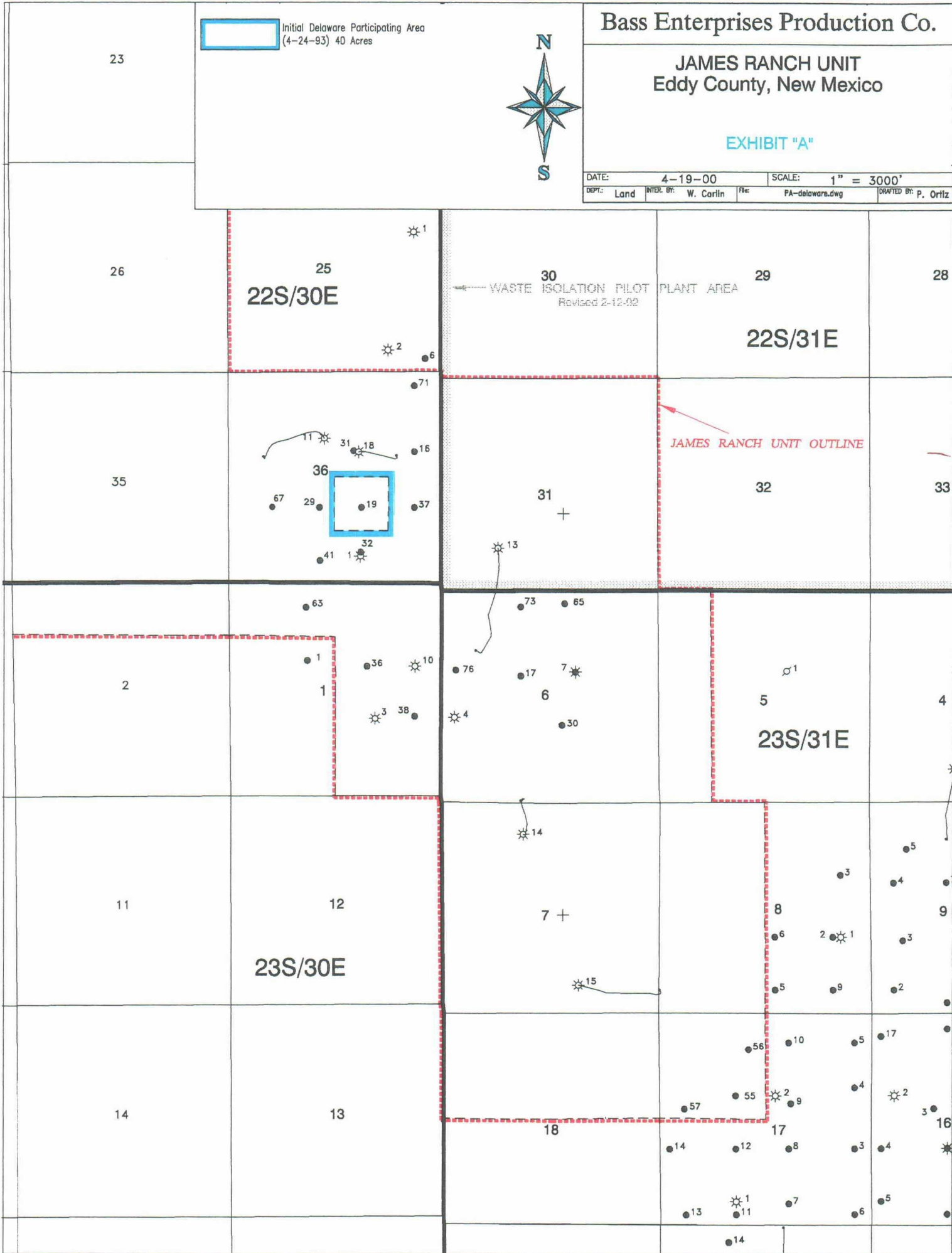


# Bass Enterprises Production Co.

## JAMES RANCH UNIT Eddy County, New Mexico

EXHIBIT "A"

DATE: 4-19-00 SCALE: 1" = 3000'  
DEPT: Land INTER. BY: W. Carlin FILE: PA-delaware.dwg DRAFTED BY: P. Ortiz



**EXHIBIT "B"**

**Initial Delaware Participating Area  
James Ranch Federal Unit  
Eddy County, New Mexico**

<u>Tract No.</u>	<u>Lease No.</u>	<u>Description</u>	<u>Participating Acres</u>	<u>Percentage of Participation</u>	<u>Working Interest Owners</u>
21	E-5229-2	Section 36, T22S-R30E; NW/4 SE/4	40.00	100%	Bass Enterprises Production Co. – 100%
<b>Totals</b>			<b>40.00</b>	<b>100%</b>	
Total Federal Land: 0 Acres					
Total State Lands: 40 Acres					
Total Fee Lands: 0 Acres					
<b>Total</b>			<b>40 Acres</b>		

BASS ENTERPRISES PRODUCTION CO.

201 MAIN ST.  
FORT WORTH, TEXAS 76102-3131  
817/390-8400

April 20, 2000

Bureau of Land Management  
P. O. Box 1397  
Roswell, New Mexico 88201-2019

New Mexico Oil Conservation Division  
2040 S. Pacheco Street  
Santa Fe, New Mexico 87505

Attention: Ed Roberson

Attention: Lori Wrotenbery

Commissioner of Public Lands  
State of New Mexico  
P. O. Box 1148  
Santa Fe, New Mexico 87504-1148

Attention: Jami Bailey

Re: Application for Approval of the Third Revision  
of the Initial Bone Springs Participating Area  
James Ranch Unit, No. 14-08-001-558  
Eddy County, New Mexico

Ladies and Gentlemen:

Bass Enterprises Production Co., as unit operator of the James Ranch Unit Agreement, pursuant to the provisions of Section 11 thereof, respectfully submits for your approval the selection of the following described lands to constitute the third revision to the Initial Bone Springs Participating Area. The revised participating area consists of 1,482.01 acres to be comprised of the lands indicated on the plat attached hereto and further described as follows:

T22S-R30E  
Section 36: N/2 NE/4, SE/4 NE/4

T22S-R31E  
Section 31: Lots 2, 3, E/2 SW/4, SE/4

T23S-R31E  
Section 5: Lot 4, SW/4 NW/4, W/2 SW/4  
Section 6: Lots 1, 2, 7, S/2 NE/4, SE/4, E/2 SW/4  
Section 7: NE/4 NW/4, N/2 NE/4, SE/4 NE/4  
Section 8: NW/4, N/2 SW/4, SE/4 SW/4

All in Eddy County, New Mexico and containing exactly 1,482.01 acres of land.

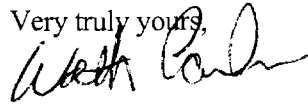
In support of this application, the following numbered items are attached hereto and made a part hereof:

1. An ownership map (Exhibit "A") depicting the boundaries of the proposed third revision to the Initial Bone Springs Participating Area.

2. A schedule (Exhibit "B") identifying the lands entitled to participation in the revised participating area with the percentage of participation of each lease or tract indicated thereon.
3. A geological report with accompanying geological maps supporting and justifying the proposed selection of the revised area based on the results obtained from the James Ranch Unit Well No. 65.

This proposed third revision to the Initial Bone Springs Participating Area is predicated upon the knowledge and information first obtained from the James Ranch Unit Well No. 65 in August, 1996. It should be noted that James Ranch Unit Well No. 65 has been previously determined as capable of producing in commercial quantities. According to Section 11 of the Unit Agreement, the effective date of the subject revision should be the first of the month in which the above information was obtained or August 1, 1996. Therefore, Bass respectfully requests your approval of the hereinabove described 1,482.01 acres of land to constitute the third revision of the Initial Bone Springs Participating Area, to be effective August 1, 1996.

Thank you very much for your cooperation in this regard and should you have any questions or comments concerning same, please do not hesitate to contact the undersigned.

Very truly yours,  
  
Worth Carlin

WWC:ca

ACCEPTED AND AGREED this \_\_\_\_\_ day of \_\_\_\_\_, 2000.

BUREAU OF LAND MANAGEMENT

By: \_\_\_\_\_

COMMISSIONER OF PUBLIC LANDS

By: \_\_\_\_\_

NEW MEXICO OIL CONSERVATION DIVISION





By: \_\_\_\_\_

# Bass Enterprises Production Co.

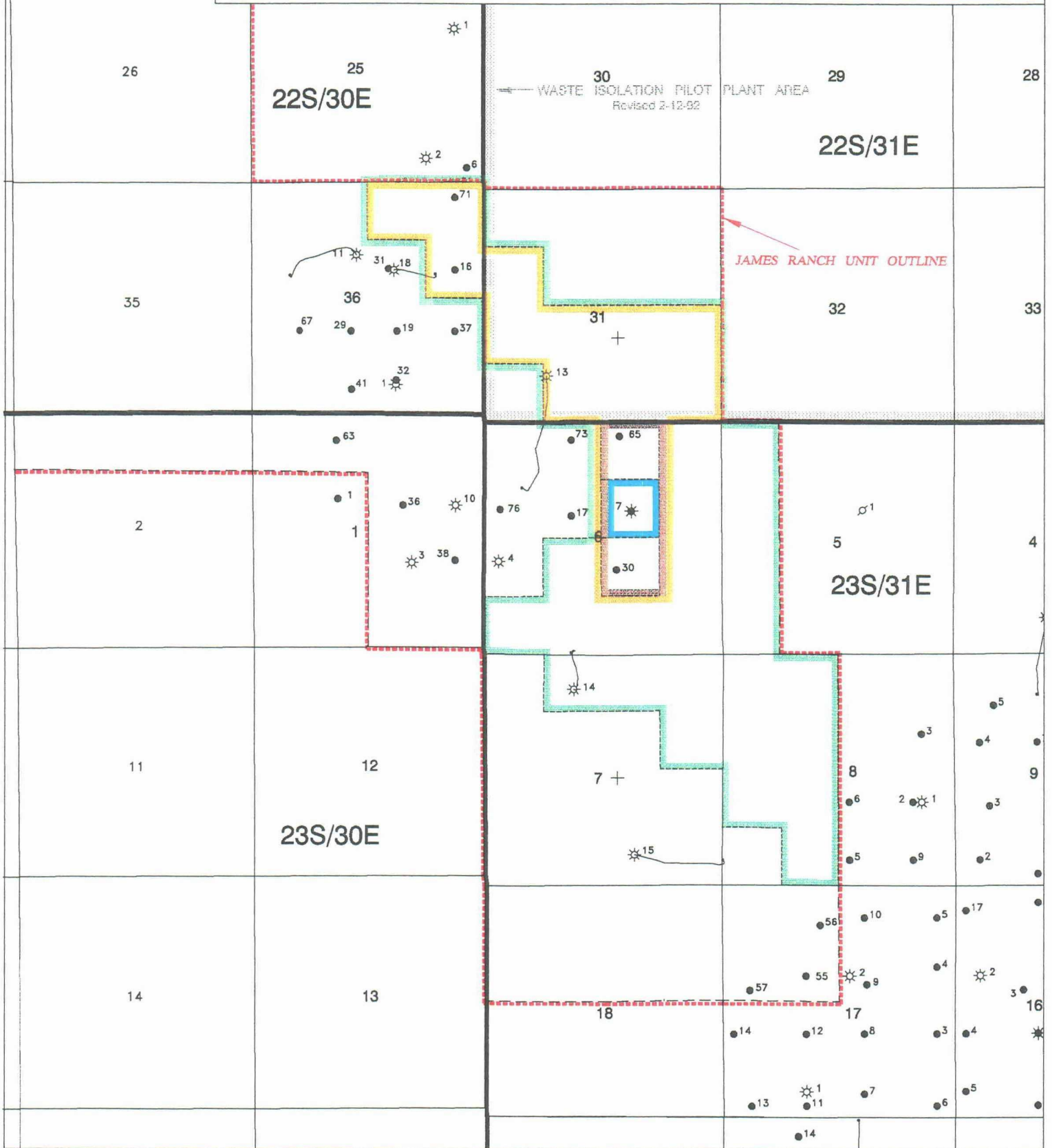
## JAMES RANCH UNIT Eddy County, New Mexico

EXHIBIT "A"



-  Initial Bone Springs Participating Area (10-1-82) 40 Acres
-  1st Rev. to Initial Bone Springs Participating Area (11-1-93) 119.94 Acres
-  2nd Rev. to Initial Bone Springs Participating Area (2-1-96) 560.86 Acres
-  3rd Rev. to Initial Bone Springs Participating Area (8-1-96) 1482.01 Acres

DATE: 4-19-00 SCALE: 1" = 3000'  
DEPT.: Land INTER. BY: W. Carlin FILE: PA-bone springs.dwg DRAFTED BY: P. Ortiz



**EXHIBIT "B"**  
**Third Revision to Initial Bone Springs Participating Area**  
**James Ranch Federal Unit**  
**Eddy County, New Mexico**

<u>Tract</u> <u>No.</u>	<u>Lease</u> <u>No.</u>	<u>Description</u>	<u>Participating</u> <u>Acres</u>	<u>Percentage of</u> <u>Participation</u>	<u>Working Interest</u> <u>Owners</u>
2	NM 02883-A	Section 5, T23S-R31E; SW/4 NW/4, W/2 SW/4,	120.00	8.09711	Bass Enterprises Production Co. - 100%
4	NM 02887-A	Section 6, T23S-R31E; Lots 1, 2, S/2 NE/4, NE/4 SE/4	199.92	13.48979	Bass Enterprises Production Co. - 100%
4	NM 02887-D	Section 7, T23S-R31E; NE/4 NW/4	40.00	2.69904	Bass Enterprises Production Co. - 100%
4-A	NM 02887-B	Section 7, T23S-R31E; NW/4 NE/4, SE/4 NE/4,	119.98	8.09576	Bass Enterprises Production Co. - 100%
7	NM 02953	Section 31, T22S-R31E; Lot 2	40.45	2.72940	Conoco, Inc. - 100%
7	NM 02953-C	Section 31, T22S-R31E; Lot 3, E/2 SW/4, SE/4	280.47	18.92497	Bass Enterprises Production Co. - Enron Oil & Gas Company - 33.333% 66.667%
8	NM 04473	Section 6, T23S-R31E; Lot 7, E/2 SW/4, W/2 SE/4, SE/4 SE/4	241.19	16.27452	Bass Enterprises Production Co. - 100%

**EXHIBIT "B"**  
**Third Revision to Initial Bone Springs Participating Area**  
**Page 2**

<u>Tract Lease No.</u>	<u>No.</u>	<u>Description</u>	<u>Participating Acres</u>	<u>Percentage of Participation</u>	<u>Working Interest Owners</u>
20	LC 071988-B	Section 8, T23S-R31E; NW/4, N/2 SW/4, SE/4 SW/4	280	18.89326	Bass Enterprises Production Co. - 100%
21	E-5229-1	Section 36, T22S-R30E; N/2 NE/4, SE/4 NE/4	120	8.09711	Bass Enterprises Production Co. - 100%
25	Fee	Section 7, T23S-R31E; NE/4 NE/4	40.00	2.69904	Bass Enterprises Production Co. - 100%
<b>TOTALS:</b>			<b>1,482.01</b>	<b>100%</b>	
<b>Total Federal Lands:</b>			<b>1,322.01Acres</b>		
<b>Total State Lands:</b>			<b>120.00Acres</b>		
<b>Total Fee Lands:</b>			<b>40.00 Acres</b>		
<b>Total:</b>			<b>1,482.01Acres</b>		

**BASS ENTERPRISES PRODUCTION COMPANY  
JAMES RANCH UNIT (BONE SPRING)  
PROPOSED PARTICIPATING AREA REVISIONS**

**GEOLOGICAL ATTACHMENTS**

1. Type Log: JRU No. 30 (Section 6, T23S-R31E)
2. Wireline Logs/Mudlogs: Data base for 24 wells  
Includes porosity, resistivity, and mudlogs for key wells
3. Producing Horizons: Map illustrating producing reservoir horizons at James Ranch Unit
4. Base Map – Existing Wells - Logging Date: Base map illustrating by well, the original operator, logging company, and logging date (tabulation includes logging and completion date). Bone Spring penetrations are highlighted.
5. Log Quality Control: Porosity logs
6. Log Quality Control: Resistivity logs
7. Structure Map: Top Wolfcamp/Base Bone Spring III
8. Net Pay Isopach Map: Bone Spring III—critical contour @ 25'  $\geq$  10% porosity



## INTRODUCTION

The initial participating area for the Bone Spring III reservoir, and its first revision, was applied for and approved in October, 1994 (effective dates 10/1/82 and 11/1/93 respectively). This area of 120 acres is located in Section 6, T23S-R31E (W/2 of NE/4 and NW/4 of SE/4).

Subsequent drilling in the unit has substantiated expansion of the participating area to the north and south.

## GEOLOGICAL SETTING AND PETROPHYSICS

The Bone Spring III reservoir at James Ranch Unit is made up of several clastic turbidite flows. Originally mapped using a 12% porosity cut-off, a NW-SE channel complex was identified. Subsequent drilling and workovers are now supportive of a 10% porosity cut-off for net pay and shows that in addition to the previously recognized NW-SE complex we have a secondary channel trend, traversing Section 1, T23S-R30E, which enjoins with the earlier known channel trend. Key wells substantiating this secondary trend include a workover in the Hudson Federal No. 1 (SE of NW/4, Section 1, T23S-R30E) which established, though it be non-commercial, production from the reservoir. Weak drilling shows and possible behind pipe by logs in the JRU Nos. 3 and 4 respectively have also been supportive. The JRU No. 14 is a key well in confirming the secondary channel-trend (NE/4 of NW/4 Section 7, T23S-R31E). Originally believed to be located on the originally presented channel, drilling (JRU Nos. 17, 73, 76) in the NW/4 of Section 6, T23S-R31E has shown that the No. 14 is in fact part of this secondary channel. Examination of the logs and mudlog on the No. 14 illustrate that the Bone Spring III reservoir is behind-pipe pay in the well, which currently is producing from the Morrow. This data has greatly helped in explaining why the original NW-SE channel, as it came through Section 36 (22S-30E) and the northerly sector of Section 6 (23S-31E) widens out before continuing southeast toward the Sand Dunes area, as confirmed by the Pure Gold 8 No. 1 (NE/4 of SW/4, Section 8, T23S-R31E), which has the Bone Spring III pay zone existing behind-pipe (pay @ 11,160-11,222 gross—very good drilling show including oil in the trap).

## PROPOSED REVISIONS TO THE PARTICIPATING AREA

### 1. Second Revision (effective date 2/1/96)

The drilling of JRU 71 (completed 10/15/94) and the JRU 16 (completed 2/4/96) confirmed the original channel trend extending northwest from the original participating areas. The log data from the Mitchell Apache Federal 25-2 (25-23S-30E) led to the drilling of these wells but it was not until the No. 16 was completed that we could confirm the commerciality in the northeastern sector of Section 36 (T22S-R30E). Plans are ongoing (with an approved drilling permit for the JRU No. 80) to develop this

participating area revision which extends across sectors of Section 31 and enjoins with the original participating area.

2. Third Revision (effective date 8/1/96)

Based upon subsequent drilling and map updates, this revision is proposed to the south, east, and southeast of the original participating areas. In addition to the JRU Nos. 7 and 30, the JRU No. 14 and the Pure Gold 8 No. 1, both discussed earlier, are key wells to this revision. Although drilled in 1983 and 1990 respectively, it was not until the subsequent drilling in the N/2 of Section 6 (23S-31E) that we became aware of the two depositional trends existing and thus the logging date for JRU 65 (8/1/96) is the recommended date for the third revision. Development of the revised area is unfortunately going to be very difficult due to potash reserves. We have had three drilling applications denied to date (JRU 68 and 69 in Section 6 and JRU 53 in Section 8). At this time only one drilling application, the JRU 79 (NE of NE/4, Section 6, T23S-R31E) has been approved.

Finally, please feel free to call either Simianne Hayden (817 390-8664) or George Hillis (817 390-8661) with any questions on this application for the Bone Spring III participating area extensions at James Ranch Unit.

  
George A. Hillis

  
Simianne Johnson-Hayden

GAH:SJH:jp

## BONE SPRING WELLS

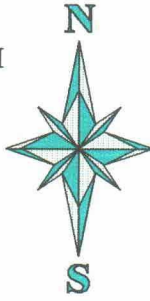
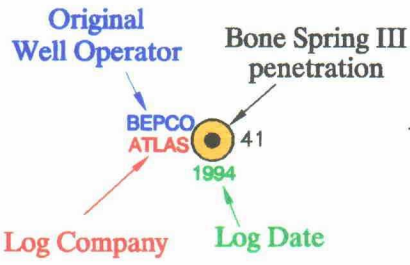
ORIGINAL OPERATOR -- WELL NAME-NUMBER -- LOG DATE -- COMPLETION DATE

Original Operator	Well Name	Log Date	Completion Date
Enron	JRU 16	01/15/96	02/04/96
Enron	JRU 17	01/07/94	01/21/94
Enron	JRU 30	11/11/93	12/09/93
Enron	JRU 65	08/01/96	11/27/96
Enron	JRU 71	10/08/94	10/15/94
Enron	JRU 73	07/14/96	09/28/96
Enron	JRU 76	10/13/96	11/25/96

**KEY MAP**  
**James Ranch Unit**  
**Bone Spring**  
**Proposed Participating Area**

<b>SEC-TWN-RNG</b>	<b>KEY #</b>	<b>WELL NAME/#</b>
Section 24-T22S-R30E	<b>#1</b>	Apache "24" Federal #1
Section 25-T22S-R30E	<b>#2</b>	Apache "25" Federal #1
	<b>#3</b>	Apache "25 Federal Com. #2
Section 36-T22S-R30E	<b>#4</b>	James Ranch Unit #71
	<b>#5</b>	James Ranch Unit #11
	<b>#6</b>	James Ranch Unit #18
	<b>#7</b>	James Ranch Unit #16
	<b>#8</b>	James Ranch Unit #1
Section 1-T23S-R30E	<b>#9</b>	Hudson Federal #1
	<b>#10</b>	James Ranch Unit #10
	<b>#11</b>	James Ranch Unit #3
Section 6-T23S-R31E	<b>#12</b>	James Ranch Unit #73
	<b>#13</b>	James Ranch Unit #65
	<b>#14</b>	James Ranch Unit #76
	<b>#15</b>	James Ranch Unit #13
	<b>#16</b>	James Ranch Unit #17
	<b>#17</b>	James Ranch Unit #7
	<b>#18</b>	James Ranch Unit #4
	<b>#19</b>	James Ranch Unit #30
	<b>#20</b>	James Ranch Unit #14
Section 8-T23S-R31E	<b>#21</b>	James Ranch Unit #15
	<b>#22</b>	North Pure Gold "8" Federal #1
Section 17-T23S-R31E	<b>#23</b>	Pure Gold "C-17" Federal #2
Section 16-T23S-R31E	<b>#24</b>	Medano "VA" State #2

LEGEND



Bass Enterprises Production Co.

JAMES RANCH UNIT  
Eddy County, New Mexico

BASE MAP - EXISTING WELLS  
(Illustrating original operator, logging co. & log date)

DATE:	4-19-00	SCALE:	1" = 2000'
DEPT.:	Geology	INTER. BY:	File: Logging Co Map Bspg.dwg
		DRAFTED BY:	P. Ortiz









**Geological Attachment #5**

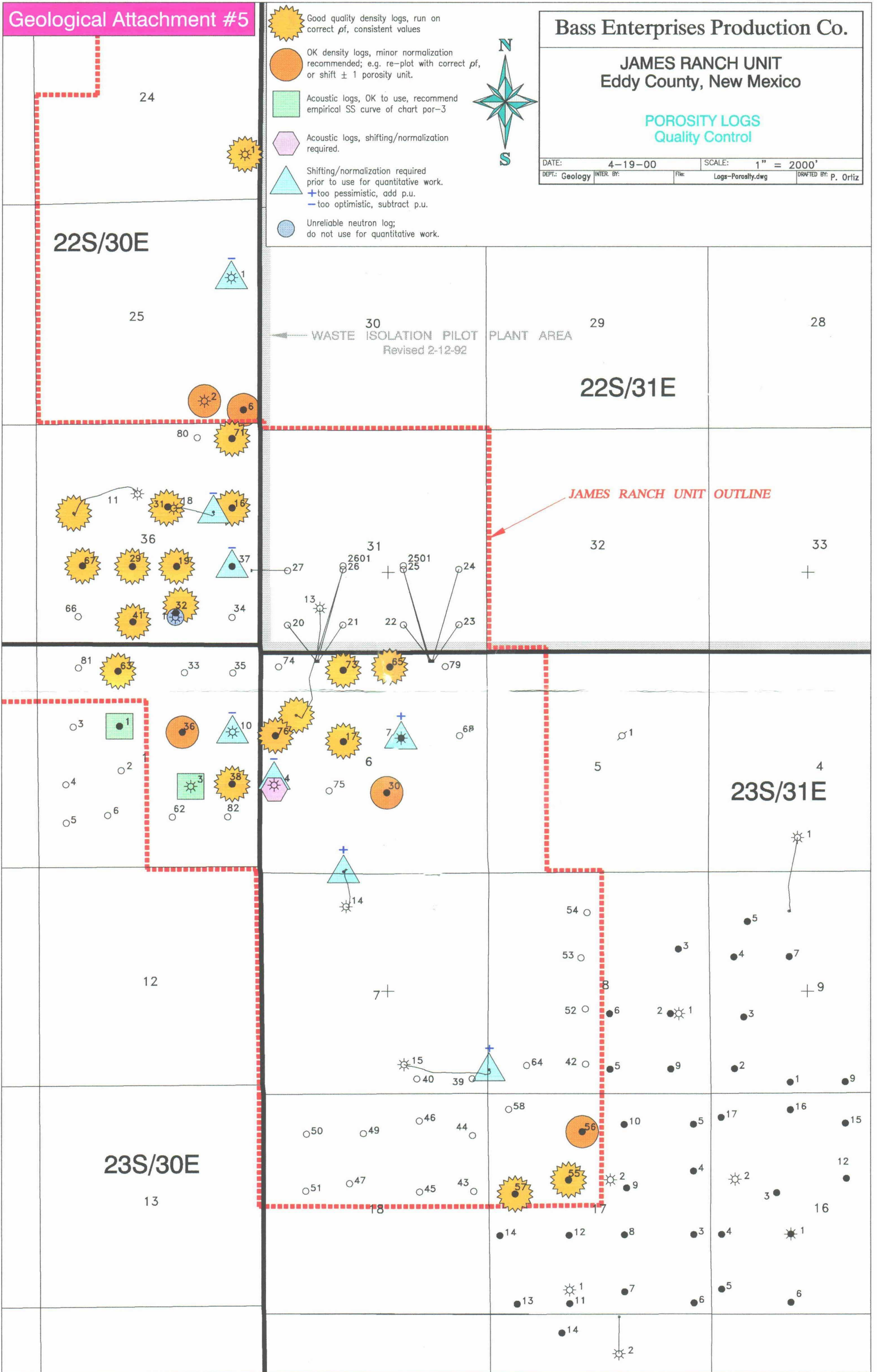
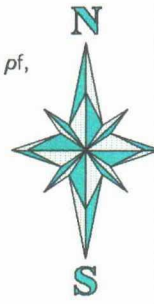
**Bass Enterprises Production Co.**

**JAMES RANCH UNIT**  
Eddy County, New Mexico

**POROSITY LOGS**  
Quality Control

DATE: 4-19-00 SCALE: 1" = 2000'  
DEPT.: Geology INTER. BY: File: Logs-Porosity.dwg DRAFTED BY: P. Ortiz

-  Good quality density logs, run on correct  $\rho_f$ , consistent values
-  OK density logs, minor normalization recommended; e.g. re-plot with correct  $\rho_f$ , or shift  $\pm 1$  porosity unit.
-  Acoustic logs, OK to use, recommend empirical SS curve of chart por-3
-  Acoustic logs, shifting/normalization required.
-  Shifting/normalization required prior to use for quantitative work.  
+ too pessimistic, add p.u.  
- too optimistic, subtract p.u.
-  Unreliable neutron log; do not use for quantitative work.

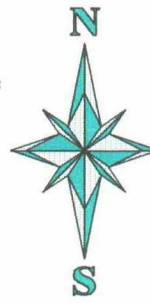


**Geological Attachment #6**

**Bass Enterprises Production Co.**

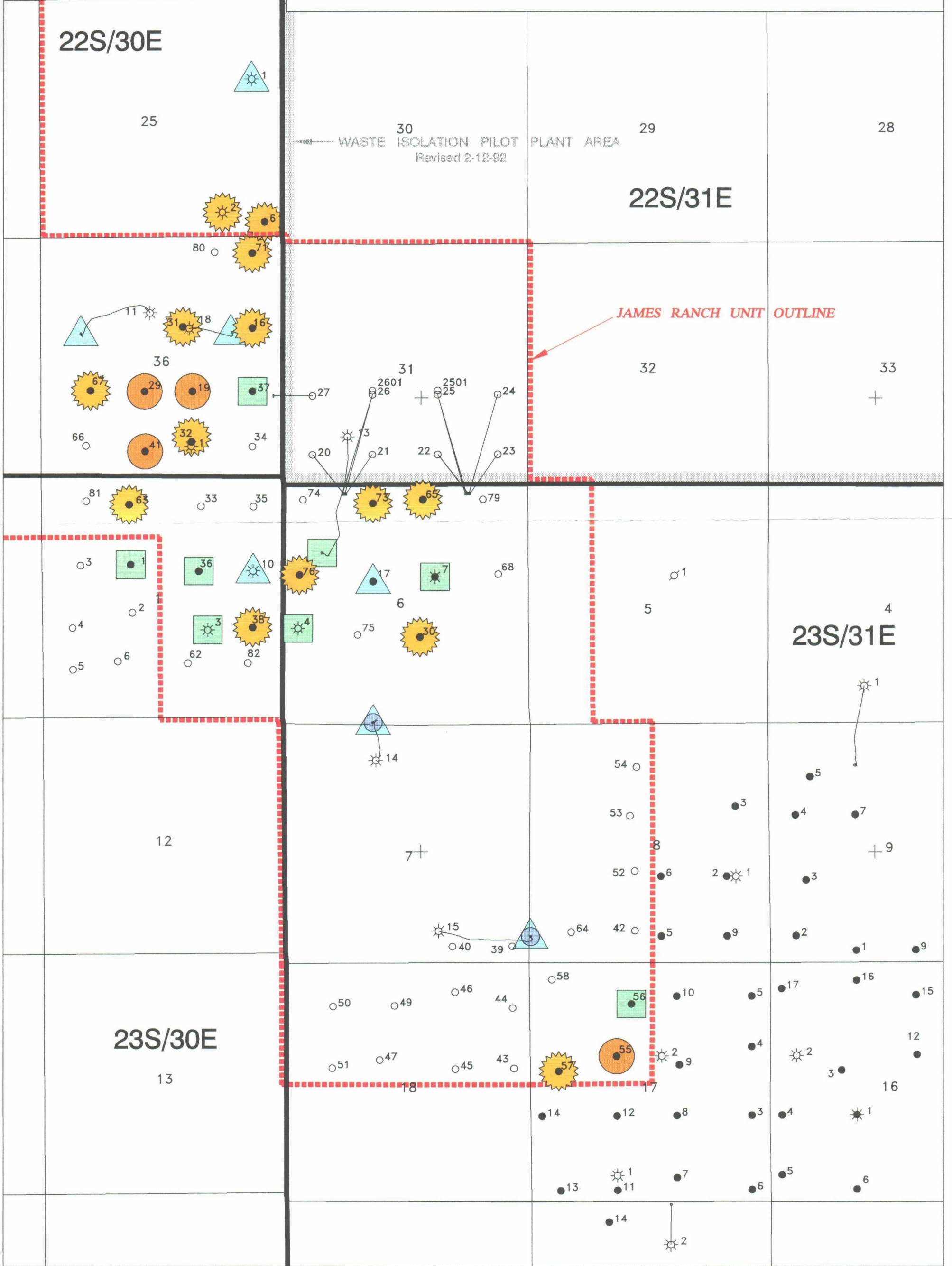
**JAMES RANCH UNIT**  
Eddy County, New Mexico

**RESISTIVITY LOGS**  
Quality Control



- Good quality logs, run in appropriate mud system, consistent values, e.g. Phasor.
- Good logs, may require minor corrections for invasion, borehole rugosity, etc.
- OK logs, require corrections some DLL seem generally "optimistic".
- Poor quality logs, require corrections (if possible) prior to use for quantitative analysis.
- Bad logs, do not use note this may apply to particular runs.

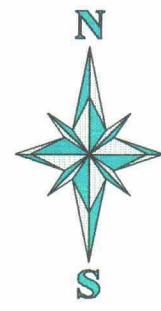
DATE: 4-19-00 SCALE: 1" = 2000'  
DEPT.: Geology INTER. BY: File: Logs-Resistivity.dwg DRAFTED BY: P. Ortiz







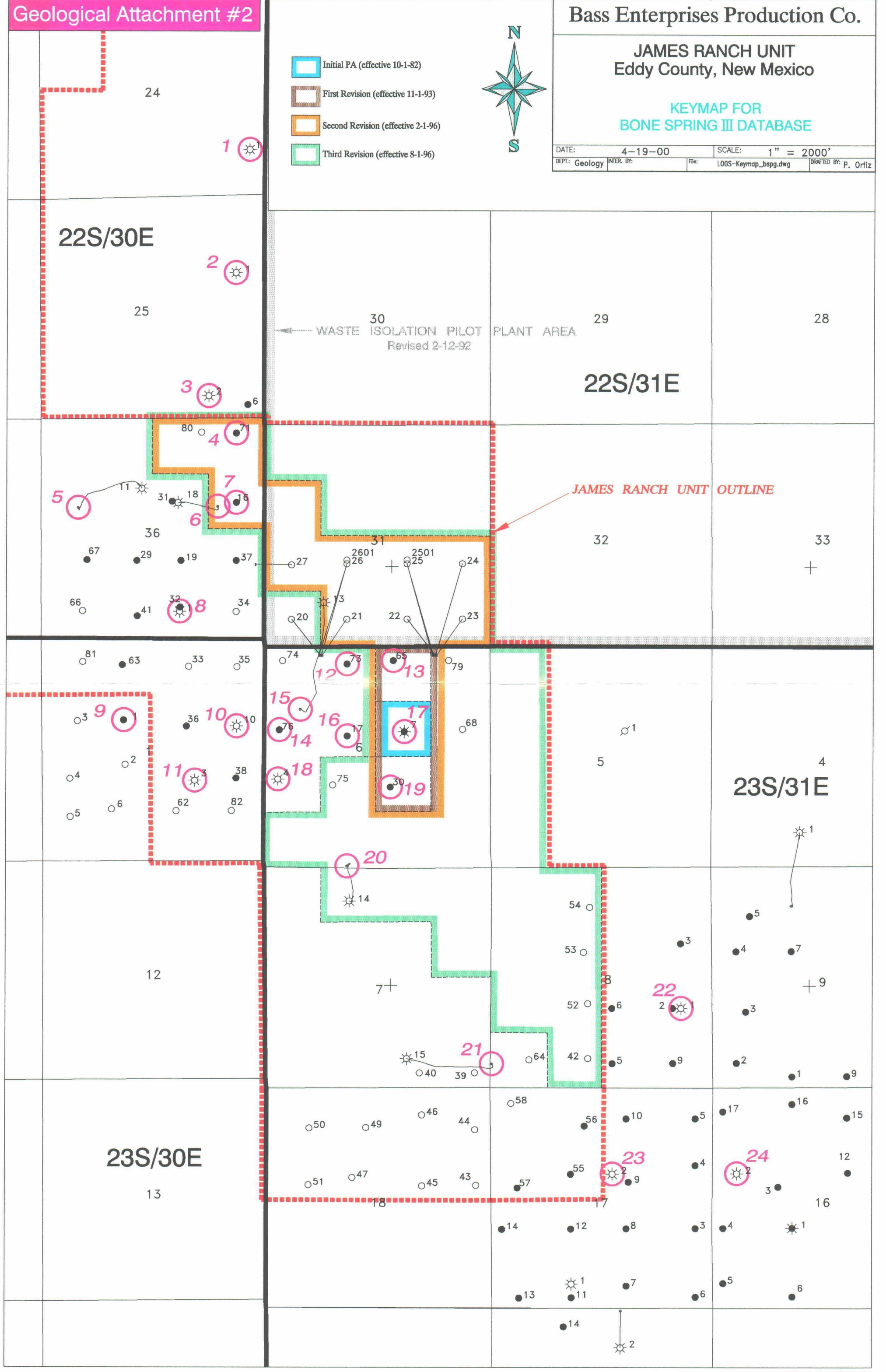
JAMES RANCH UNIT  
Eddy County, New Mexico

KEYMAP FOR  
BONE SPRING III DATABASE

DATE:	4-19-00	SCALE:	1" = 2000'
DEPT.: Geology	INTER. BY:	FILE:	LOGS-Keymap_bspg.dwg
		DRAFTED BY:	P. Ortiz



-  Initial PA (effective 10-1-82)
-  First Revision (effective 11-1-93)
-  Second Revision (effective 2-1-96)
-  Third Revision (effective 8-1-96)





**BASS ENTERPRISES PRODUCTION COMPANY  
JAMES RANCH UNIT (BONE SPRING)  
PROPOSED PARTICIPATING AREA REVISIONS**

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Simianne Johnson-Hayden

GAH:SJH:jp

BASS ENTERPRISES PRODUCTION CO.

201 MAIN ST.  
FORT WORTH, TEXAS 76102-3131  
817/390-8400

April 20, 2000

Bureau of Land Management  
P. O. Box 1397  
Roswell, New Mexico 8820-2019  
Attention: Ed Roberson

New Mexico Oil Conservation Division  
2040 S. Pacheco Street  
Santa Fe, New Mexico 87505  
Attention: Lori Wrotenbery

Commissioner of Public Lands  
State of New Mexico  
P. O. Box 1148  
Santa Fe, New Mexico 87504-1148  
Attention: Jami Bailey

Re: Application for Approval of the Second Revision  
of the Initial Bone Springs Participating Area  
James Ranch Unit, No. 14-08-001-558  
Eddy County, New Mexico

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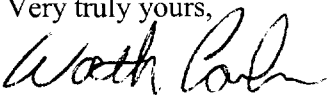
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Worth Carlin

WWC:ca

ACCEPTED AND AGREED this \_\_\_\_\_ day of \_\_\_\_\_, 2000.

BUREAU OF LAND MANAGEMENT

By: \_\_\_\_\_

COMMISSIONER OF PUBLIC LANDS

By: \_\_\_\_\_

NEW MEXICO OIL CONSERVATION DIVISION




By: \_\_\_\_\_

# Bass Enterprises Production Co.

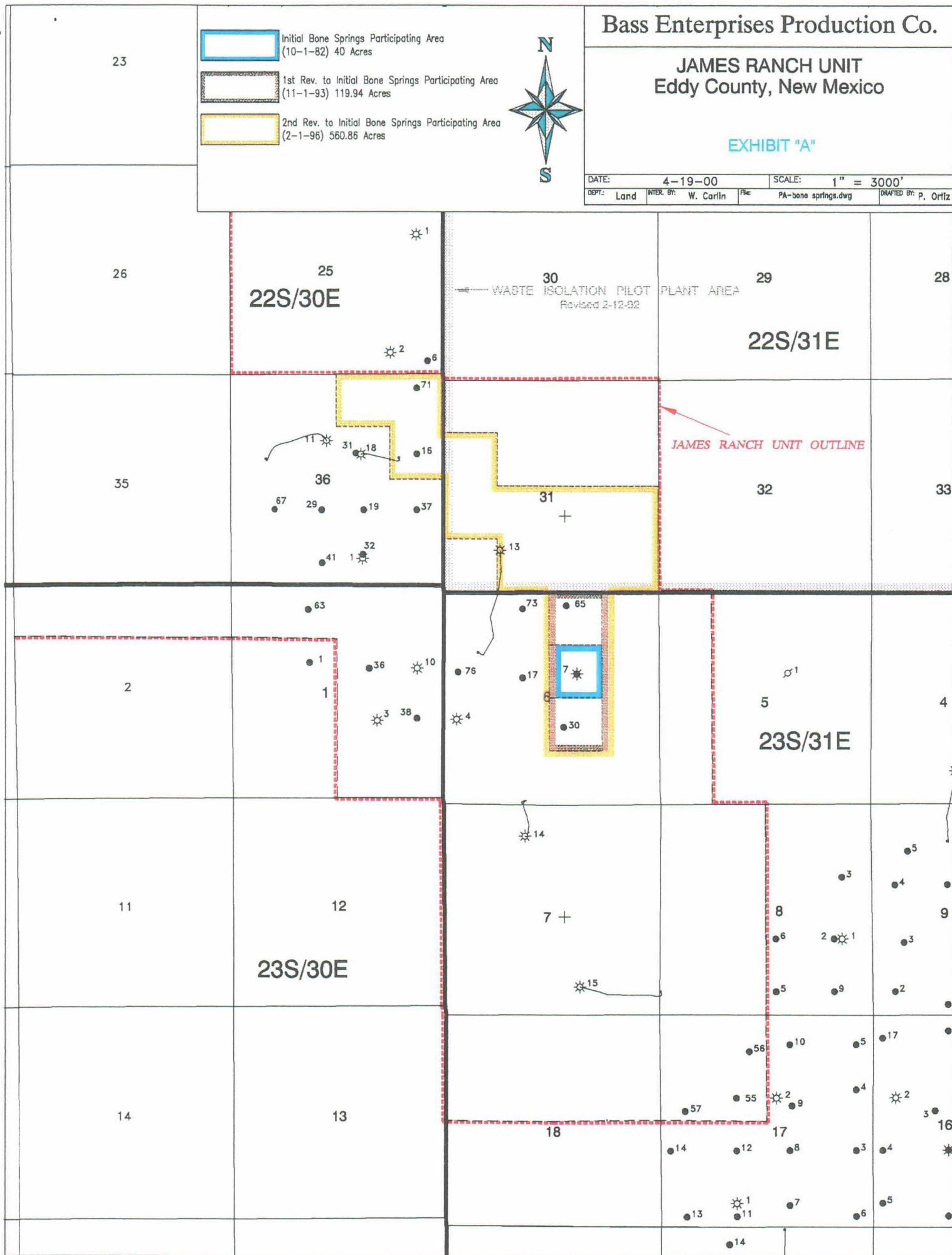
## JAMES RANCH UNIT Eddy County, New Mexico

EXHIBIT "A"



-  Initial Bone Springs Participating Area (10-1-82) 40 Acres
-  1st Rev. to Initial Bone Springs Participating Area (11-1-93) 119.94 Acres
-  2nd Rev. to Initial Bone Springs Participating Area (2-1-96) 560.86 Acres

DATE: 4-19-00 SCALE: 1" = 3000'  
DEPT: Land INTER. BY: W. Carlin FILE: PA-bone springs.dwg DRAFTED BY: P. Ortiz



**EXHIBIT "B"**  
**Second Revision to Initial Bone Springs Participating Area**  
**James Ranch Federal Unit**  
**Eddy County, New Mexico**

<u>Tract</u> <u>No.</u>	<u>Lease</u> <u>No.</u>	<u>Description</u>	<u>Participating</u> <u>Acres</u>	<u>Percentage of</u> <u>Participation</u>	<u>Working Interest</u> <u>Owners</u>	
4	NM 02887-A	Section 6, T23S-R31E; Lot 2, SW/4 NE/4,	79.94	14.25311	Bass Enterprises Production Co. -	100%
7	NM 02953	Section 31, T22S-R31E; Lot 2	40.45	7.21214	Conoco, Inc. -	100%
7	NM 02953-C	Section 31, T22S-R31E; Lot 3, E/2 SW/4, SE/4	280.47	50.00713	Bass Enterprises Production Co. - Emron Oil & Gas -	33.3333% 66.667%
8	NM 04473	Section 6, T23S-R31E; NW/4 SE/4	40.00	7.13191	Bass Enterprises Production Co. -	100%
21	E-5229-1	Section 36, T22S-R30E; N/2 NE/4, SE/4 NE/4	120	21.39571	Bass Enterprises Production Co. -	100%
<b>TOTALS:</b>			<b>560.86</b>	<b>100%</b>		
<b>Total Federal Lands:</b>			<b>440.86</b>	<b>Acres</b>		
<b>Total State Lands:</b>			<b>120.00</b>	<b>Acres</b>		
<b>Total Fee Lands:</b>			<b>0.00</b>	<b>Acres</b>		
<b>Total:</b>			<b>560.86</b>	<b>Acres</b>		

**BASS ENTERPRISES PRODUCTION COMPANY  
JAMES RANCH UNIT (BONE SPRING)  
PROPOSED PARTICIPATING AREA REVISIONS**

**GEOLOGICAL ATTACHMENTS**

1. Type Log: JRU No. 30 (Section 6, T23S-R31E)
2. Wireline Logs/Mudlogs: Data base for 24 wells  
Includes porosity, resistivity, and mudlogs for key wells
3. Producing Horizons: Map illustrating producing reservoir horizons at James Ranch Unit
4. Base Map – Existing Wells - Logging Date: Base map illustrating by well, the original operator, logging company, and logging date (tabulation includes logging and completion date). Bone Spring penetrations are highlighted.
5. Log Quality Control: Porosity logs
6. Log Quality Control: Resistivity logs
7. Structure Map: Top Wolfcamp/Base Bone Spring III
8. Net Pay Isopach Map: Bone Spring III—critical contour @ 25'  $\geq$  10% porosity



## INTRODUCTION

The initial participating area for the Bone Spring III reservoir, and its first revision, was applied for and approved in October, 1994 (effective dates 10/1/82 and 11/1/93 respectively). This area of 120 acres is located in Section 6, T23S-R31E (W/2 of NE/4 and NW/4 of SE/4).

Subsequent drilling in the unit has substantiated expansion of the participating area to the north and south.

## GEOLOGICAL SETTING AND PETROPHYSICS

The Bone Spring III reservoir at James Ranch Unit is made up of several clastic turbidite flows. Originally mapped using a 12% porosity cut-off, a NW-SE channel complex was identified. Subsequent drilling and workovers are now supportive of a 10% porosity cut-off for net pay and shows that in addition to the previously recognized NW-SE complex we have a secondary channel trend, traversing Section 1, T23S-R30E, which enjoins with the earlier known channel trend. Key wells substantiating this secondary trend include a workover in the Hudson Federal No. 1 (SE of NW/4, Section 1, T23S-R30E) which established, though it be non-commercial, production from the reservoir. Weak drilling shows and possible behind pipe by logs in the JRU Nos. 3 and 4 respectively have also been supportive. The JRU No. 14 is a key well in confirming the secondary channel-trend (NE/4 of NW/4 Section 7, T23S-R31E). Originally believed to be located on the originally presented channel, drilling (JRU Nos. 17, 73, 76) in the NW/4 of Section 6, T23S-R31E has shown that the No. 14 is in fact part of this secondary channel. Examination of the logs and mudlog on the No. 14 illustrate that the Bone Spring III reservoir is behind-pipe pay in the well, which currently is producing from the Morrow. This data has greatly helped in explaining why the original NW-SE channel, as it came through Section 36 (22S-30E) and the northerly sector of Section 6 (23S-31E) widens out before continuing southeast toward the Sand Dunes area, as confirmed by the Pure Gold 8 No. 1 (NE/4 of SW/4, Section 8, T23S-R31E), which has the Bone Spring III pay zone existing behind-pipe (pay @ 11,160-11,222 gross—very good drilling show including oil in the trap).

## PROPOSED REVISIONS TO THE PARTICIPATING AREA

### 1. Second Revision (effective date 2/1/96)

The drilling of JRU 71 (completed 10/15/94) and the JRU 16 (completed 2/4/96) confirmed the original channel trend extending northwest from the original participating areas. The log data from the Mitchell Apache Federal 25-2 (25-23S-30E) led to the drilling of these wells but it was not until the No. 16 was completed that we could confirm the commerciality in the northeastern sector of Section 36 (T22S-R30E). Plans are ongoing (with an approved drilling permit for the JRU No. 80) to develop this

participating area revision which extends across sectors of Section 31 and enjoins with the original participating area.

2. Third Revision (effective date 8/1/96)

Based upon subsequent drilling and map updates, this revision is proposed to the south, east, and southeast of the original participating areas. In addition to the JRU Nos. 7 and 30, the JRU No. 14 and the Pure Gold 8 No. 1, both discussed earlier, are key wells to this revision. Although drilled in 1983 and 1990 respectively, it was not until the subsequent drilling in the N/2 of Section 6 (23S-31E) that we became aware of the two depositional trends existing and thus the logging date for JRU 65 (8/1/96) is the recommended date for the third revision. Development of the revised area is unfortunately going to be very difficult due to potash reserves. We have had three drilling applications denied to date (JRU 68 and 69 in Section 6 and JRU 53 in Section 8). At this time only one drilling application, the JRU 79 (NE of NE/4, Section 6, T23S-R31E) has been approved.

Finally, please feel free to call either Simianne Hayden (817 390-8664) or George Hillis (817 390-8661) with any questions on this application for the Bone Spring III participating area extensions at James Ranch Unit.

  
George A. Hillis

  
Simianne Johnson-Hayden

GAH:SJH:jp

**BASS ENTERPRISES PRODUCTION COMPANY  
JAMES RANCH UNIT (DELAWARE)  
PROPOSED PARTICIPATING AREAS**

**GEOLOGICAL ATTACHMENTS**

1. Type Log: JRU No. 30 (Section 6, T23S-R31E)
2. Wireline Logs/Mudlogs: Data base for 44 wells  
Includes porosity, resistivity, and mudlogs for both producing zones and for uphole, behind-pipe pay intervals
3. Producing Horizons: Map illustrating producing reservoir horizons at James Ranch Unit
4. Base Map – Existing Wells - Logging Date: Base map illustrating by well, the original operator, logging company, and logging date (tabulation includes logging and completion date).
5. Log Quality Control: Porosity logs
6. Log Quality Control: Resistivity logs
7. Rw: Relationship for Rw vs Depth
8. Structure Map: Top Lower Brushy Canyon “D”
9. Net Pay Isopach Map: Lower Brushy Canyon “D”—critical contour @ 25'  $\geq$  10% porosity
10. Commercial Delaware Wells S.E. of JRU: Documentation supporting commerciality in Sections 8 and 17 of T23S-R31E

## **INTRODUCTION**

Drilling for deeper horizons below the Delaware from the 1950's through the early 1990's at James Ranch Unit essentially identified that a significant hydrocarbon reservoir existed within the Cherry and Brushy Canyon sections of the Delaware formation. This identification was based primarily from drill stem tests, mudlog shows and log evaluation. For example, as early as 1954 the Richardson and Bass Legg No. 1 (Section 27, T22S-R30E) potentialized for 67 BOPD (6112'-6118') from the Lower Brushy Canyon and in 1957, Shell's No. 1 James Ranch Unit (Section 36, T22S-R30E) recovered 450' oil on a Brushy Canyon drillstem test (6719'-6758'). Continued deep drilling through the 1980's confirmed the Delaware potential prior to it becoming a targeted reservoir.

During the 1990's attention became more focused on the Delaware, very much aided by fracture treatment technology. Since drilling became focused on the Delaware, 19 wells have targeted this reservoir in the southeastern sector of the unit. All of these wells are commercial. Around 12 additional locations are currently being permitted. Uphole, behind-pipe pay exists in the majority of the wells drilled to date.

## **GEOLOGICAL SETTING**

The Delaware sands at James Ranch Unit were deposited as part of an extensive submarine fan complex, with thinly bedded sandstones and siltstones encasing stacked channel sequences of reservoir quality sandstones. The trapping mechanism is primarily stratigraphic with some subtle structural influence.

## **PETROPHYSICS**

Based upon in-house studies and production experience of the Delaware at James Ranch Unit and elsewhere, the Lower Brushy Canyon is oil-bearing and productive at a density porosity cut-off of  $\geq 10\%$  (sandstone matrix at 2.66 gm/cc). As we climb into the Cherry Canyon, the porosity cut-off increases to 15% sandstone porosity. The log database at James Ranch Unit is a very unique mixture of porosity and resistivity log types and of varying logging companies. For this reason, quality control of the logs has been essential. Typically we like to see the water saturations to be 65% or less. Mudlogs have been a very critical ingredient in pay recognition—it is difficult to question a zone's potential when you have good drilling shows ranging from good sample shows to oil in the trap or on the pits!

## **COMPLETIONS WITH UPHOLE PAY**

Initial completions have concentrated on the Lower Brushy "D". Perforations are commonly limited to a central pay zone and then large fracture stimulations are made to communicate all the reservoir intervals from the top of the Lower Brushy Canyon "D" to the top of the Bone Spring. Since this has been the initial completion interval to date, and

on its own has been overall commercial, the Lower Brushy "D" is the reservoir interval illustrated in this application. Examination of the log/mudlog database illustrates the higher reserve uphole potential behind-pipe in the majority of the wells. Some of this has been accessed but in many of the wells has yet to be perforated.

## **PROPOSED PARTICIPATING AREAS**

### **1. Initial P.A. (effective date 4/24/93)**

Chronologically, JRU No. 19 (completed 4/24/93) should define the initial P.A. Completed in the Lower Brushy Canyon "B", "C" and "D", the well has produced 85 MBO + 180 MMCF through 11/30/99, with an anticipated ultimate recovery of 181 MBOE.

### **2. First Revision (effective date 1/1/94)**

The JRU No. 19, together with earlier pay identification from deep tests in Section 36, T22S-R30E showed us that Section 36 was a commercial target area. Earlier "deep" tests in Section 6, T23S-R31E (JRU Nos. 4, 7, and 30) and in Section 1 of T23S-R30E (Hudson Federal No. 1 and JRU Nos. 3 and 10) had already indicated the Delaware potential in those areas, but confirmation of this was provided by the JRU No. 36. Completed 1/23/94, the No. 36 has produced 47 MBO + 90 MMCF from the Lower Brushy "D" through 11/30/99, and has an anticipated ultimate recovery of 153 MBOE. Additional pay still exists uphole.

### **3. Second Revision (effective date 4/1/94)**

Delaware mapping during our early Delaware drilling showed us that the reservoir extended southeast outside of the unit into Sand Dunes, West (Sections 8, 9, 16 and 17 of T23S-R31E). Overall unaccessible due to potash mining, two earlier deep tests (JRU Nos. 14 and 15) strongly supported this potential in the Delaware. This potential was officially confirmed within the unit by the JRU No. 55 (completed 4/6/94). The JRU No. 55, through 11/30/99, has produced 55 MBO + 182 MMCF, and has an anticipated ultimate recovery of 165 MBOE.

## **SUMMARY**

The proposed initial P.A. and P.A. revisions, in our opinion, define the minimum participating areas for the Delaware at James Ranch Unit. Drilling restrictions, due to potash, are the only reason why more drilling has not been done to substantiate the fact that a much larger area should be placed within a participating area. As previously stated, no non-commercial wells have been drilled. In fact, with our ongoing drilling program, five additional wells (JRU Nos. 31, 32, 38, 63, 67) will need to be filed as commercial wells. This program has also confirmed our earlier mapping that an additional channel complex, trending NW-SE, enters Section 36 (T22S-R30E) and

Section 1 (T23S-R30E) and then joins up with the main N-S complex which incorporates Sand Dunes, West. The Richardson and Bass Legg No. 1 (Section 27, T22S-R30E) is located along this fairway. We are in fact extremely encouraged by this secondary trend. Completed February 2, 2000, the JRU No. 63 (NW/4 Section 1, T23S-R30E) flowed at rates of over 500 BOPD from the Lower Brushy "D" during the first week. Currently, development drilling is going to target this secondary channel complex. There is no doubt that if the area were accessible for drilling, the unit acreage west and northwest of the proposed participating areas would greatly enlarge the P.A. area. We further believe, from subsurface mapping, that the Cabin Lake Cherry Canyon pay zone is present in that area. That reservoir will typically produce over 250 MBO/well. Together with Brushy Canyon pay zones, the reserves of this area within the potash reserves would constitute a significant asset to Bass Enterprises and the Bureau of Land Management.

Finally, please feel free to call either Simianne Hayden (817 390-8664) or George Hillis (817 390-8661) with any questions on this application for Delaware participating areas (initial, first revision, second revision) at James Ranch Unit.

  
George A. Hillis

  
Simianne Johnson-Hayden

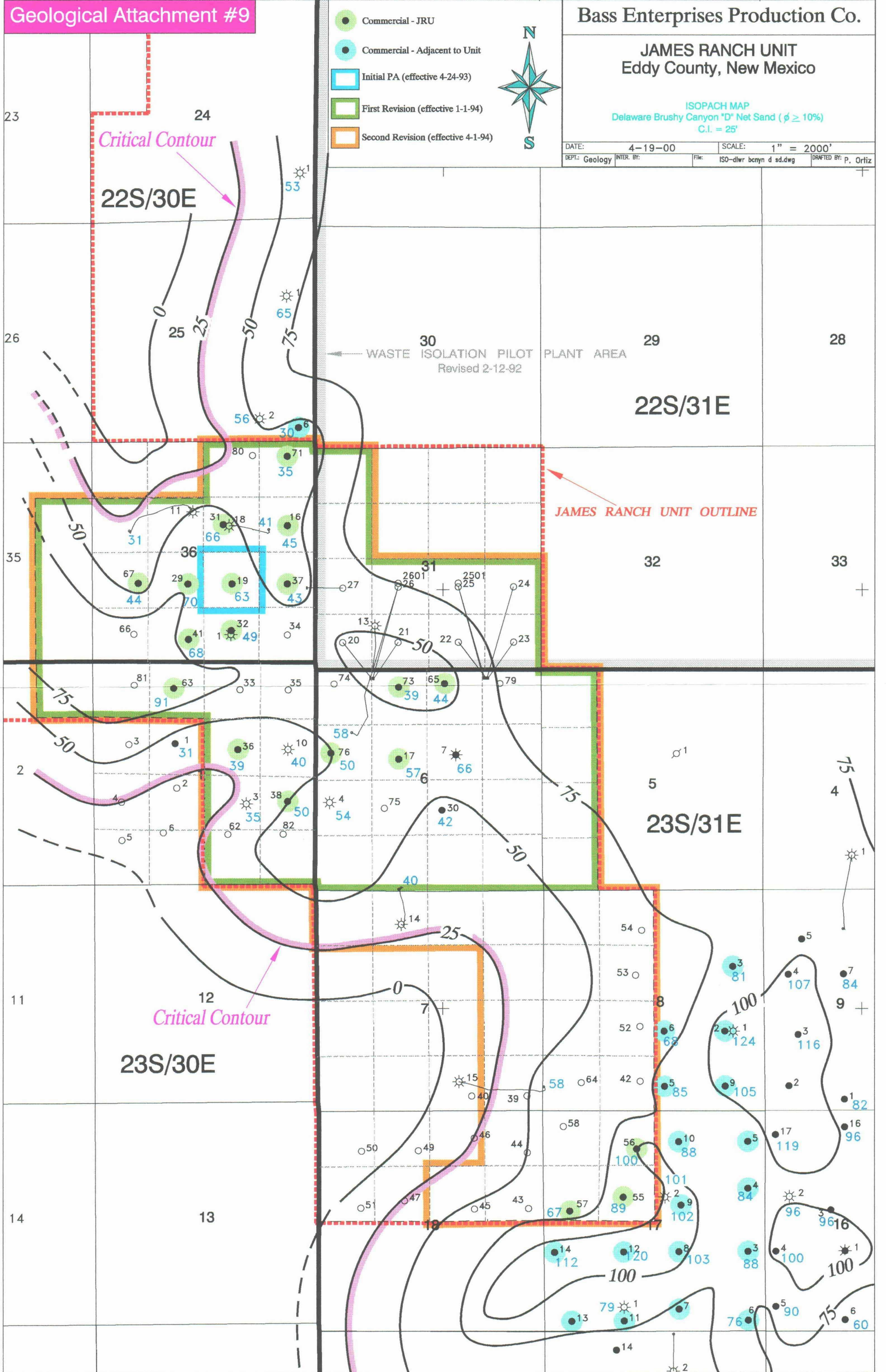
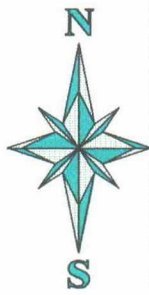
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JAMES RANCH UNIT  
Eddy County, New Mexico

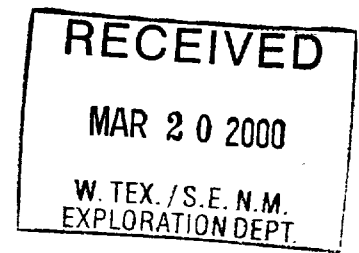
ISOPACH MAP  
Delaware Brushy Canyon "D" Net Sand ( $\phi \geq 10\%$ )  
C.I. = 25'

DATE: 4-19-00 SCALE: 1" = 2000'  
DEPT: Geology INTER. BY: File: ISO-dlwr bcbyn d sd.dwg DRAFTED BY: P. Ortiz

- Commercial - JRU
- Commercial - Adjacent to Unit
- Initial PA (effective 4-24-93)
- First Revision (effective 1-1-94)
- Second Revision (effective 4-1-94)



**INTER-OFFICE MEMORANDUM  
MIDLAND OFFICE**



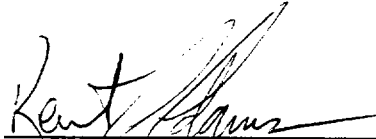
March 14, 2000

**FOR:** FORT WORTH; FILE  
**TO:** GEORGE HILLIS  
**FROM:** KENT ADAMS  
**RE:** JRU OFFSET PRODUCTION  
SANTA FE ENERGY WELLS  
EDDY COUNTY, NEW MEXICO  
FILE: ESF; CD\_SANTAFE.DOC

Per your request, I have generated and attached forecasts for the Santa Fe Energy wells immediately offsetting the James Ranch Unit. For your use in determining their commerciality, I have also included a table summarizing the oil and gas EUR per well as well as plots of EUR vs BFIT NPV and EUR vs BFIT ROR taken from the JRU CD information forwarded previously.

Please advise if you have any questions or require additional information.

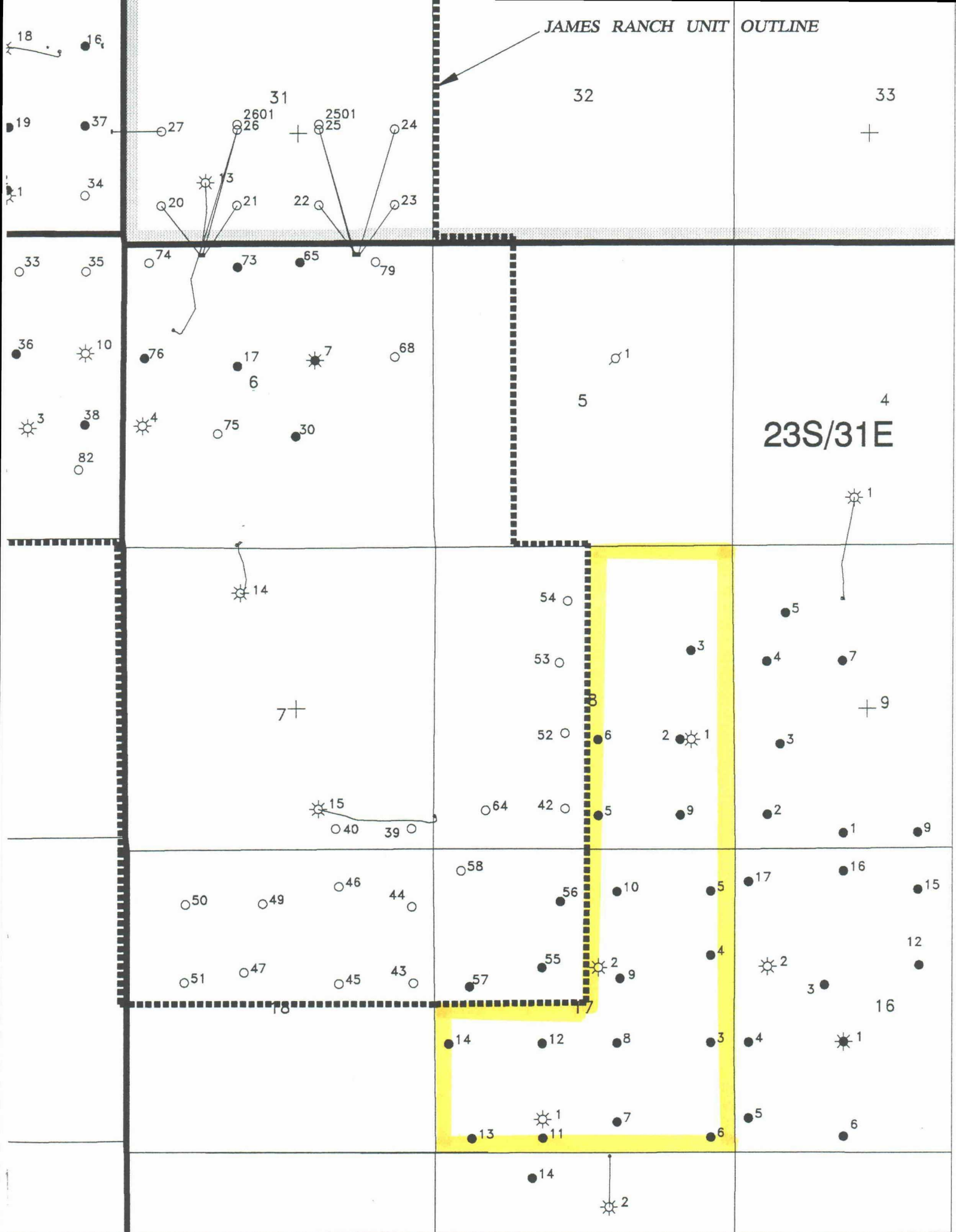
*kaa*  
kaa

  
Kent Adams

**GEOLOGICAL  
ATTACHMENT # 10**



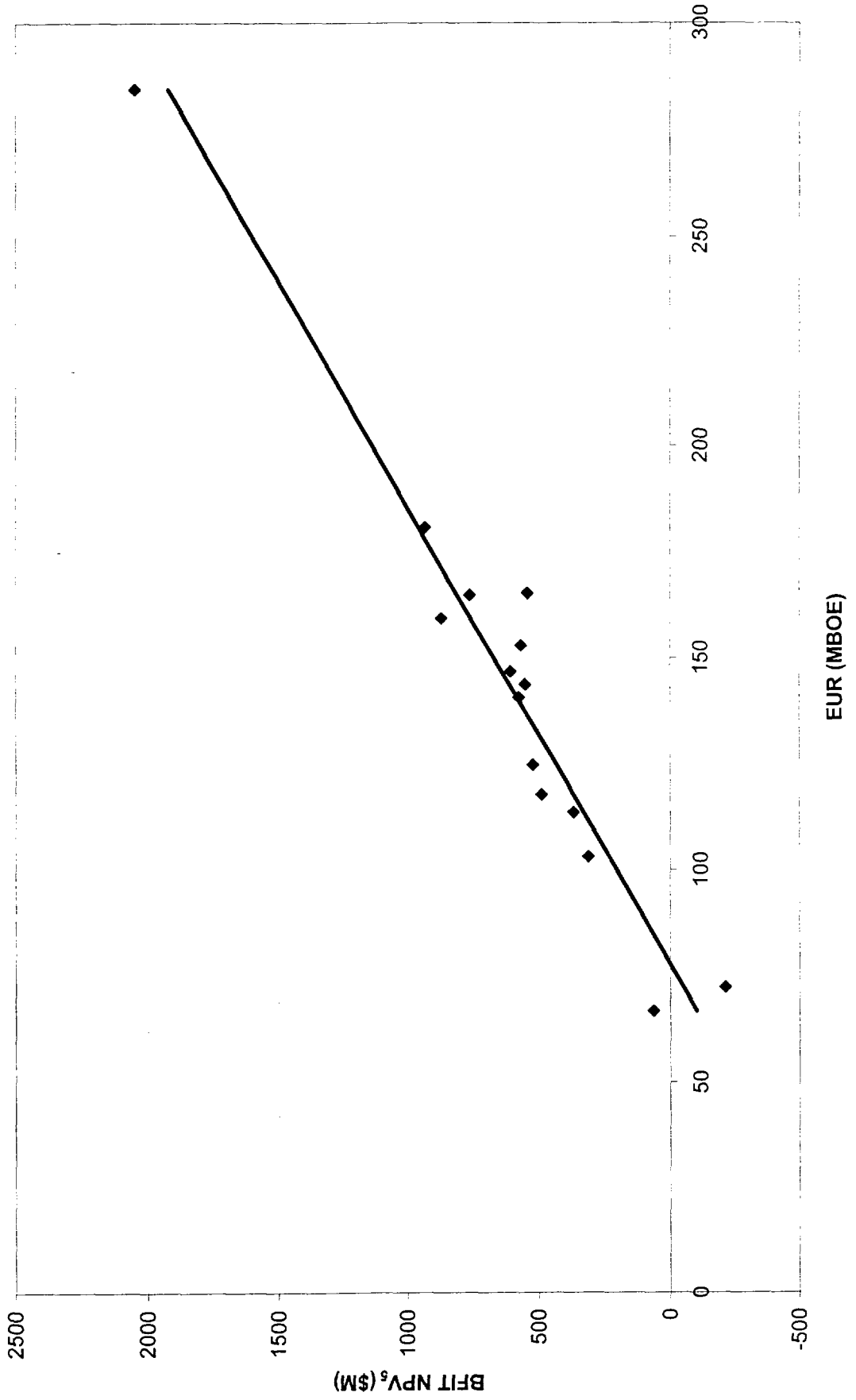
JAMES RANCH UNIT OUTLINE



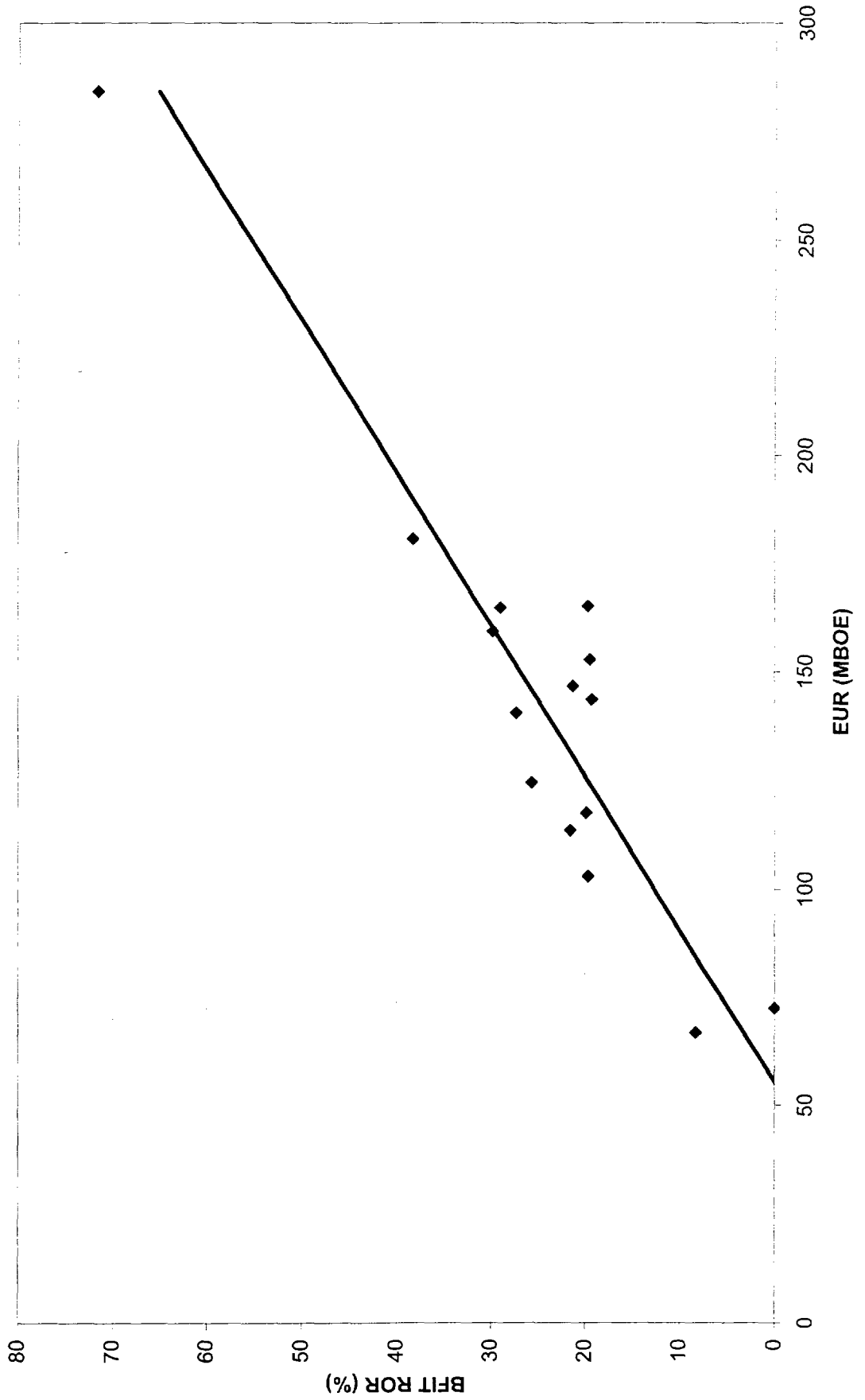
**JRU Offset Production**  
**Pure Gold Leases - Santa Fe Energy Operator**  
**Los Medanos Field; Eddy Co, NM**

Well Name	EUR (MBO)	EUR (MMCF)	EUR (MBOE)
Pure Gold C-17 Federal #3	123	633	186
Pure Gold C-17 Federal #4	119	657	185
Pure Gold C-17 Federal #5	132	852	217
Pure Gold C-17 Federal #6	173	738	247
Pure Gold C-17 Federal #7	200	1516	352
Pure Gold C-17 Federal #8	184	827	267
Pure Gold C-17 Federal #9	199	1944	393
Pure Gold C-17 Federal #10	87	640	151
Pure Gold C-17 Federal #11	82	348	117
Pure Gold C-17 Federal #12	123	636	187
Pure Gold C-17 Federal #13	125	456	171
Pure Gold C-17 Federal #14	116	383	154
North Pure Gold 8 Federal #2	155	926	248
North Pure Gold 8 Federal #3	161	1027	264
North Pure Gold 8 Federal #5	80	334	113
North Pure Gold 8 Federal #6	87	352	122
North Pure Gold 8 Federal #9	123	678	191
Average	133	762	210

# DELAWARE BFIT NPV<sub>5</sub> VS EUR

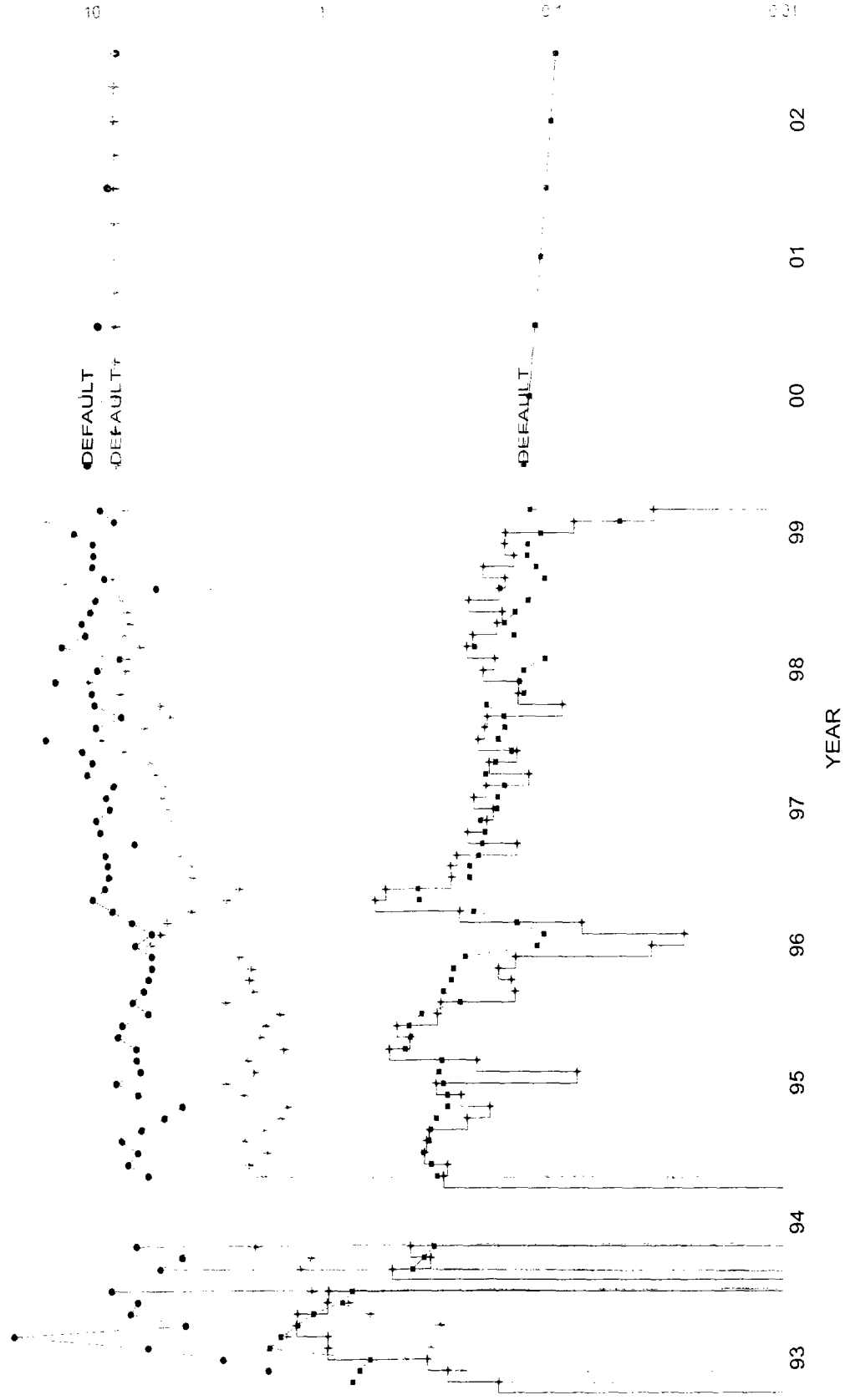


# DELAWARE BFIT ROR VS EUR



PURE GOLD C-17 FEDERAL 3  
 LOS MEDANOS  
 EDDY COUNTY, NM

WATER-BWPD 1000  
 GAS - MCFD 100  
 OIL-BOPD 1000



Year	Oil Day	Gas Day	Water Day	GOR	Default
93	1000	100	1000	1000	1/2000
94	1000	100	1000	1000	1/2000
95	1000	100	1000	1000	1/2000
96	1000	100	1000	1000	1/2000
97	1000	100	1000	1000	1/2000
98	1000	100	1000	1000	1/2000
99	1000	100	1000	1000	1/2000
00	1000	100	1000	1000	1/2000
01	1000	100	1000	1000	1/2000
02	1000	100	1000	1000	1/2000

Series	Qual	Ref	Cum	Rem	EUR	Yrs	Qref	De	b	Qab
Oil Day	1000	71143	52227	123370	23.249	13.3	11.121833	1.000000	b	3.0
Gas Day	100	171646	460933	632579	23.247	104.9	0.000000	0.000000	b	0.0
Water Day	1000	65106	52227	117333	23.249	13.3	11.121833	1.000000	b	3.0
GOR	1000	65106	52227	117333	23.249	13.3	11.121833	1.000000	b	3.0
Default	1/2000	65106	52227	117333	23.249	13.3	11.121833	1.000000	b	3.0

PURE GOLD C-17 FEDERAL 4  
LOS MEDANOS  
EDDY COUNTY, NM

DEFAULT

DEFAULT

Year	Oil Day	Gas Day	Water Day	Default	Qual	Ref	Cum	Rem	EUR	Yrs	Qref	De	b	Qab
93	1000	100	1000	1/2000	83042	36325	119367	18.168	11.3	12.758728	1.000000	3.0		
94	1000	100	1000	1/2000	83042	36325	119367	18.168	11.3	12.758728	1.000000	3.0		
95	1000	100	1000	1/2000	83042	36325	119367	18.168	11.3	12.758728	1.000000	3.0		
96	1000	100	1000	1/2000	83042	36325	119367	18.168	11.3	12.758728	1.000000	3.0		
97	1000	100	1000	1/2000	243233	413841	657074	18.085	100.1	0.000000	0.000000	0.0		
98	1000	100	1000	1/2000	243233	413841	657074	18.085	100.1	0.000000	0.000000	0.0		
99	1000	100	1000	1/2000	243233	413841	657074	18.085	100.1	0.000000	0.000000	0.0		
00	1000	100	1000	1/2000	57958	36325	94283	18.168	11.3	12.758728	1.000000	3.0		
01	1000	100	1000	1/2000	57958	36325	94283	18.168	11.3	12.758728	1.000000	3.0		
02	1000	100	1000	1/2000	57958	36325	94283	18.168	11.3	12.758728	1.000000	3.0		

OIL-BOPD

1000

GAS-MCFD

100

WATER-BWPD

1000

100

10

100

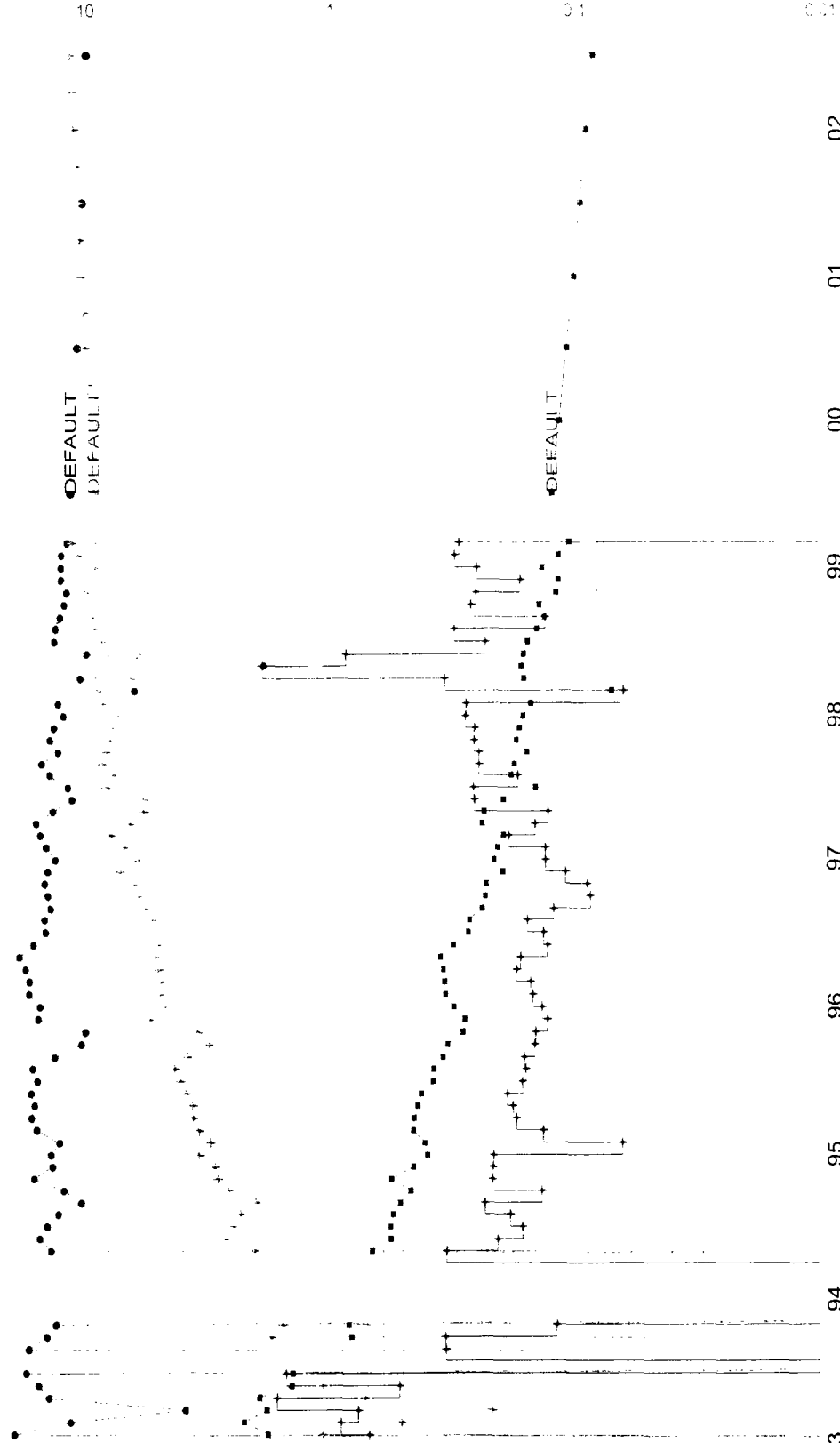
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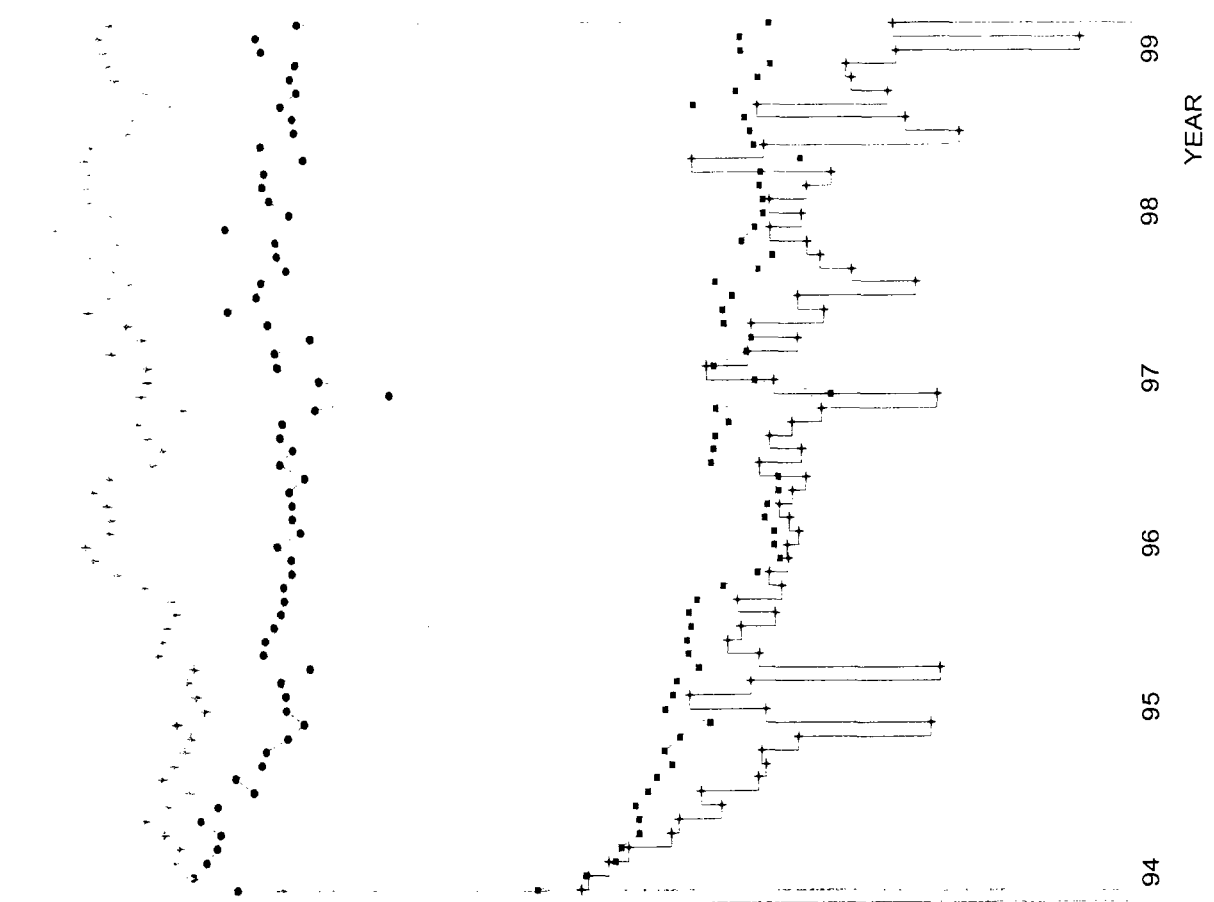
PURE GOLD C-17 FEDERAL 5  
LOS MEDANOS  
EDDY COUNTY, NM

WATER-BWPD 1000  
GAS - MCFD 100  
OIL-BOPD 1000



KAAS	OIL_DAY	GAS_DAY	WATER_DAY	GOR
Qual	Qual	Qual	Qual	Qual
Ref	Ref	Ref	Ref	Ref
Cum	Cum	Cum	Cum	Cum
EUR	EUR	EUR	EUR	EUR
Yrs	Yrs	Yrs	Yrs	Yrs
Qref	Qref	Qref	Qref	Qref
De	De	De	De	De
b	b	b	b	b
Qab	Qab	Qab	Qab	Qab
1/2000	1/2000	1/2000	1/2000	1/2000
61644	88191	279174	61644	61644
43685	43685	852002	43685	43685
105329	131876	1131176	105329	105329
21.417	21.417	21.414	21.417	21.417
12.4	12.4	114.3	12.4	12.4
12.844527	12.844527	0.000000	12.844527	12.844527
1.010000	1.010000	0.000000	1.010000	1.010000
3.0	3.0	0.0	3.0	3.0
0	0	0.0	0	0
0	0	0.0	0	0
21.417	21.417	114.3	21.417	21.417
9.2	9.2	114.3	9.2	9.2
-7.907681	-7.907681	0.000000	-7.907681	-7.907681
0.000000	0.000000	0.000000	0.000000	0.000000
47.8	47.8	0.0	47.8	47.8

PURE GOLD C-17 FEDERAL 6  
 LOS MEDANOS  
 EDDY COUNTY, NM



WATER-BWPD 1000  
 GAS - MCFD 100  
 OIL-BOPD 1000

YEAR	KAAS OIL_DAY	KAAS GAS_DAY	KAAS WATER_DAY	KAAS GOR	DEFAULT 1/2000	DEFAULT 1/2000
94	1000	100	1000	1000	1000	1000
95	1000	100	1000	1000	1000	1000
96	1000	100	1000	1000	1000	1000
97	1000	100	1000	1000	1000	1000
98	1000	100	1000	1000	1000	1000
99	1000	100	1000	1000	1000	1000
00	1000	100	1000	1000	1000	1000
01	1000	100	1000	1000	1000	1000
02	1000	100	1000	1000	1000	1000
03	1000	100	1000	1000	1000	1000

KAAS OIL_DAY	KAAS GAS_DAY	KAAS WATER_DAY	KAAS GOR	DEFAULT 1/2000	DEFAULT 1/2000
Qual=	Qual=	Qual=	Qual=	Qual=	Qual=
Ref=	Ref=	Ref=	Ref=	Ref=	Ref=
Cum=	Cum=	Cum=	Cum=	Cum=	Cum=
Rem=	Rem=	Rem=	Rem=	Rem=	Rem=
EUR=	EUR=	EUR=	EUR=	EUR=	EUR=
Yrs=	Yrs=	Yrs=	Yrs=	Yrs=	Yrs=
Qref=	Qref=	Qref=	Qref=	Qref=	Qref=
De=	De=	De=	De=	De=	De=
b=	b=	b=	b=	b=	b=
Qab=	Qab=	Qab=	Qab=	Qab=	Qab=



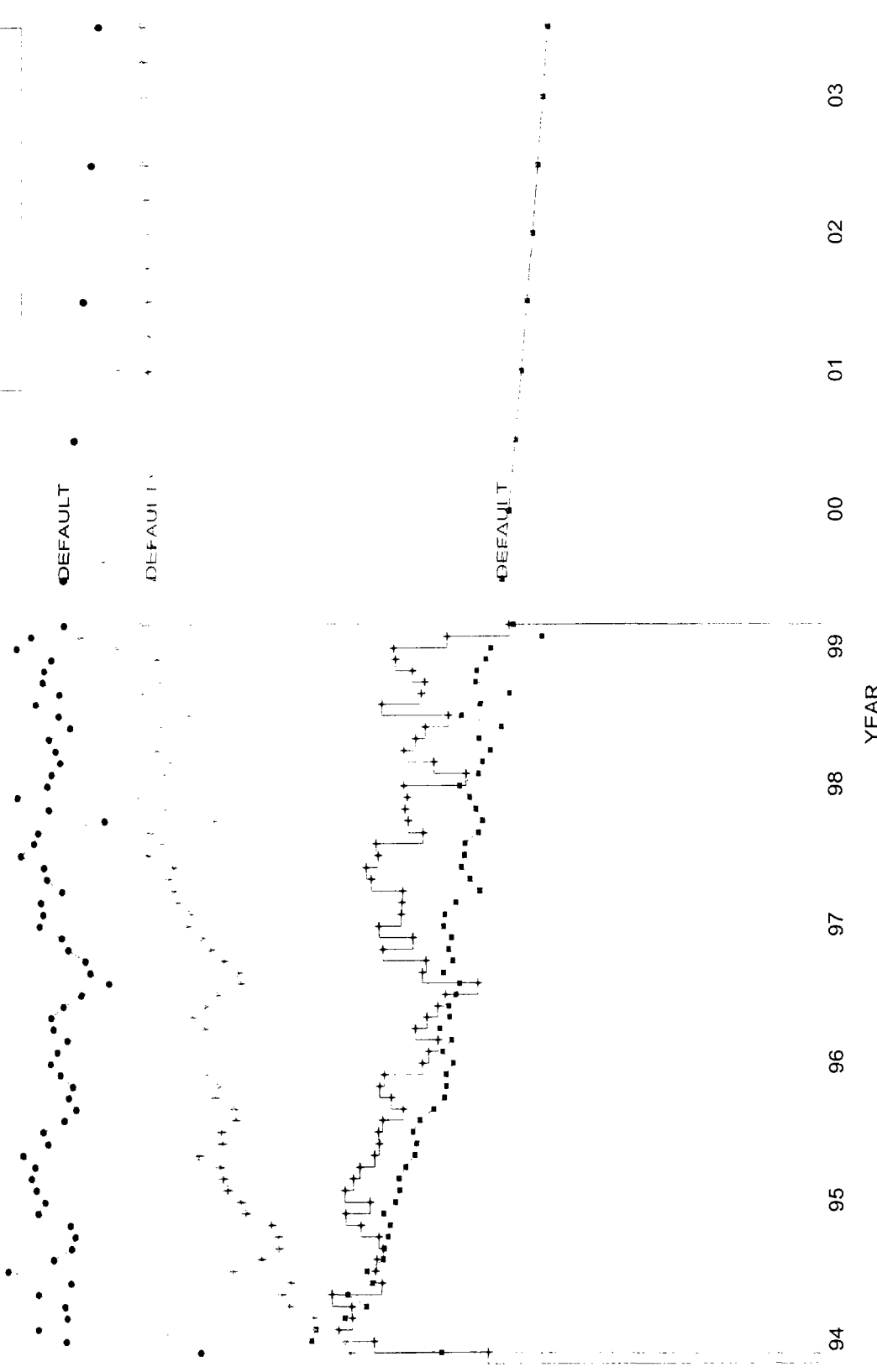
PURE GOLD C-17 FEDERAL 7  
LOS MEDANOS  
EDDY COUNTY, NM



WATER-BWPD 1000

GAS - MCFD 100

OIL-BOPD 1000

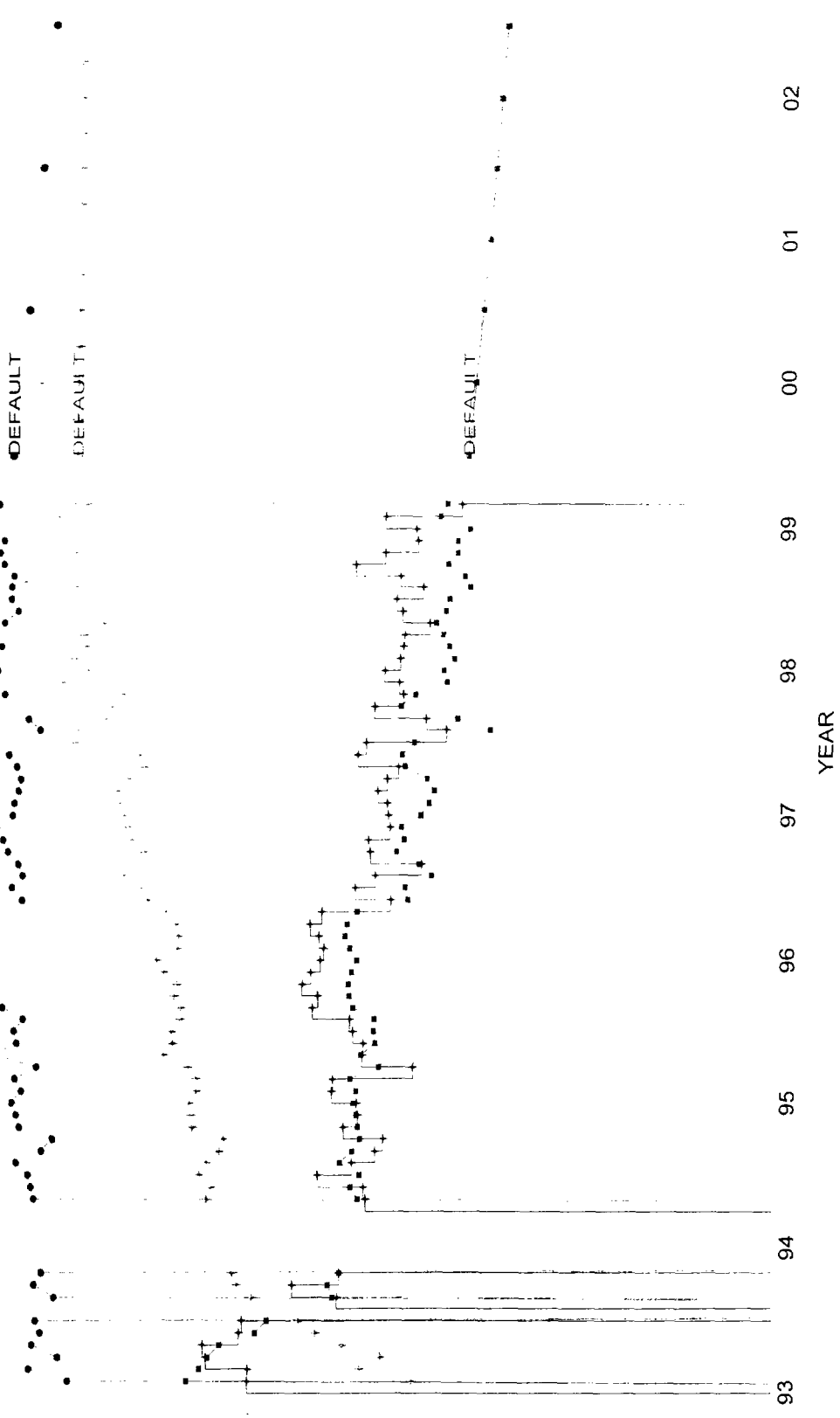


Year	Oil-BOPD	Gas-MCFD	Water-BWPD	Default
94	~100	~10	~100	
95	~800	~100	~1000	
96	~600	~150	~1000	
97	~400	~200	~1000	
98	~200	~250	~1000	
99	~100	~300	~1000	
00	~100	~350	~1000	DEFAULT
01	~100	~400	~1000	DEFAULT
02	~100	~450	~1000	DEFAULT
03	~100	~500	~1000	

Year	Oil	Gas	Water	Default	
94	Qual= 98344, Ref= 101613, Cum= 199957, EUR= 33.000, Qref= 23.9, De= 12.621439, b= 1.000000, Qab= 3.0	Qual= 101613, Ref= 101613, Cum= 199957, EUR= 33.000, Qref= 23.9, De= 12.621439, b= 1.000000, Qab= 3.0	Qual= 186.6, Ref= 0.000000, Cum= 0.000000, EUR= 0.000000, Yrs= 33.000, Qref= 23.9, De= 12.621439, b= 1.000000, Qab= 3.0	Qual= 12.621439, Ref= 1.000000, Cum= 23.9, EUR= 33.000, Yrs= 23.9, De= 12.621439, b= 1.000000, Qab= 3.0	
95	Qual= 98344, Ref= 101613, Cum= 199957, EUR= 33.000, Qref= 23.9, De= 12.621439, b= 1.000000, Qab= 3.0	Qual= 101613, Ref= 101613, Cum= 199957, EUR= 33.000, Qref= 23.9, De= 12.621439, b= 1.000000, Qab= 3.0	Qual= 186.6, Ref= 0.000000, Cum= 0.000000, EUR= 0.000000, Yrs= 33.000, Qref= 23.9, De= 12.621439, b= 1.000000, Qab= 3.0	Qual= 12.621439, Ref= 1.000000, Cum= 23.9, EUR= 33.000, Yrs= 23.9, De= 12.621439, b= 1.000000, Qab= 3.0	
96	Qual= 98344, Ref= 101613, Cum= 199957, EUR= 33.000, Qref= 23.9, De= 12.621439, b= 1.000000, Qab= 3.0	Qual= 101613, Ref= 101613, Cum= 199957, EUR= 33.000, Qref= 23.9, De= 12.621439, b= 1.000000, Qab= 3.0	Qual= 186.6, Ref= 0.000000, Cum= 0.000000, EUR= 0.000000, Yrs= 33.000, Qref= 23.9, De= 12.621439, b= 1.000000, Qab= 3.0	Qual= 12.621439, Ref= 1.000000, Cum= 23.9, EUR= 33.000, Yrs= 23.9, De= 12.621439, b= 1.000000, Qab= 3.0	
97	Qual= 98344, Ref= 101613, Cum= 199957, EUR= 33.000, Qref= 23.9, De= 12.621439, b= 1.000000, Qab= 3.0	Qual= 101613, Ref= 101613, Cum= 199957, EUR= 33.000, Qref= 23.9, De= 12.621439, b= 1.000000, Qab= 3.0	Qual= 186.6, Ref= 0.000000, Cum= 0.000000, EUR= 0.000000, Yrs= 33.000, Qref= 23.9, De= 12.621439, b= 1.000000, Qab= 3.0	Qual= 12.621439, Ref= 1.000000, Cum= 23.9, EUR= 33.000, Yrs= 23.9, De= 12.621439, b= 1.000000, Qab= 3.0	
98	Qual= 405751, Ref= 1110686, Cum= 1516437, EUR= 33.000, Qref= 186.6, De= 0.000000, b= 0.000000, Qab= 0.0	Qual= 101613, Ref= 101613, Cum= 199957, EUR= 33.000, Qref= 23.9, De= 12.621439, b= 1.000000, Qab= 3.0	Qual= 186.6, Ref= 0.000000, Cum= 0.000000, EUR= 0.000000, Yrs= 33.000, Qref= 23.9, De= 12.621439, b= 1.000000, Qab= 3.0	Qual= 12.621439, Ref= 1.000000, Cum= 23.9, EUR= 33.000, Yrs= 23.9, De= 12.621439, b= 1.000000, Qab= 3.0	
99	Qual= 405751, Ref= 1110686, Cum= 1516437, EUR= 33.000, Qref= 186.6, De= 0.000000, b= 0.000000, Qab= 0.0	Qual= 101613, Ref= 101613, Cum= 199957, EUR= 33.000, Qref= 23.9, De= 12.621439, b= 1.000000, Qab= 3.0	Qual= 186.6, Ref= 0.000000, Cum= 0.000000, EUR= 0.000000, Yrs= 33.000, Qref= 23.9, De= 12.621439, b= 1.000000, Qab= 3.0	Qual= 12.621439, Ref= 1.000000, Cum= 23.9, EUR= 33.000, Yrs= 23.9, De= 12.621439, b= 1.000000, Qab= 3.0	
00	Qual= 405751, Ref= 1110686, Cum= 1516437, EUR= 33.000, Qref= 186.6, De= 0.000000, b= 0.000000, Qab= 0.0	Qual= 101613, Ref= 101613, Cum= 199957, EUR= 33.000, Qref= 23.9, De= 12.621439, b= 1.000000, Qab= 3.0	Qual= 186.6, Ref= 0.000000, Cum= 0.000000, EUR= 0.000000, Yrs= 33.000, Qref= 23.9, De= 12.621439, b= 1.000000, Qab= 3.0	Qual= 12.621439, Ref= 1.000000, Cum= 23.9, EUR= 33.000, Yrs= 23.9, De= 12.621439, b= 1.000000, Qab= 3.0	
01	Qual= 137463, Ref= 101613, Cum= 239076, EUR= 33.000, Qref= 23.9, De= 12.621439, b= 1.000000, Qab= 3.0	Qual= 101613, Ref= 101613, Cum= 199957, EUR= 33.000, Qref= 23.9, De= 12.621439, b= 1.000000, Qab= 3.0	Qual= 186.6, Ref= 0.000000, Cum= 0.000000, EUR= 0.000000, Yrs= 33.000, Qref= 23.9, De= 12.621439, b= 1.000000, Qab= 3.0	Qual= 12.621439, Ref= 1.000000, Cum= 23.9, EUR= 33.000, Yrs= 23.9, De= 12.621439, b= 1.000000, Qab= 3.0	
02	Qual= 137463, Ref= 101613, Cum= 239076, EUR= 33.000, Qref= 23.9, De= 12.621439, b= 1.000000, Qab= 3.0	Qual= 101613, Ref= 101613, Cum= 199957, EUR= 33.000, Qref= 23.9, De= 12.621439, b= 1.000000, Qab= 3.0	Qual= 186.6, Ref= 0.000000, Cum= 0.000000, EUR= 0.000000, Yrs= 33.000, Qref= 23.9, De= 12.621439, b= 1.000000, Qab= 3.0	Qual= 12.621439, Ref= 1.000000, Cum= 23.9, EUR= 33.000, Yrs= 23.9, De= 12.621439, b= 1.000000, Qab= 3.0	
03	Qual= 137463, Ref= 101613, Cum= 239076, EUR= 33.000, Qref= 23.9, De= 12.621439, b= 1.000000, Qab= 3.0	Qual= 101613, Ref= 101613, Cum= 199957, EUR= 33.000, Qref= 23.9, De= 12.621439, b= 1.000000, Qab= 3.0	Qual= 186.6, Ref= 0.000000, Cum= 0.000000, EUR= 0.000000, Yrs= 33.000, Qref= 23.9, De= 12.621439, b= 1.000000, Qab= 3.0	Qual= 12.621439, Ref= 1.000000, Cum= 23.9, EUR= 33.000, Yrs= 23.9, De= 12.621439, b= 1.000000, Qab= 3.0	

PURE GOLD C-17 FEDERAL 8  
LOS MEDANOS  
EDDY COUNTY, NM

WATER-BWPD 1000  
GAS - MCFD 100  
OIL-BOPD 1000

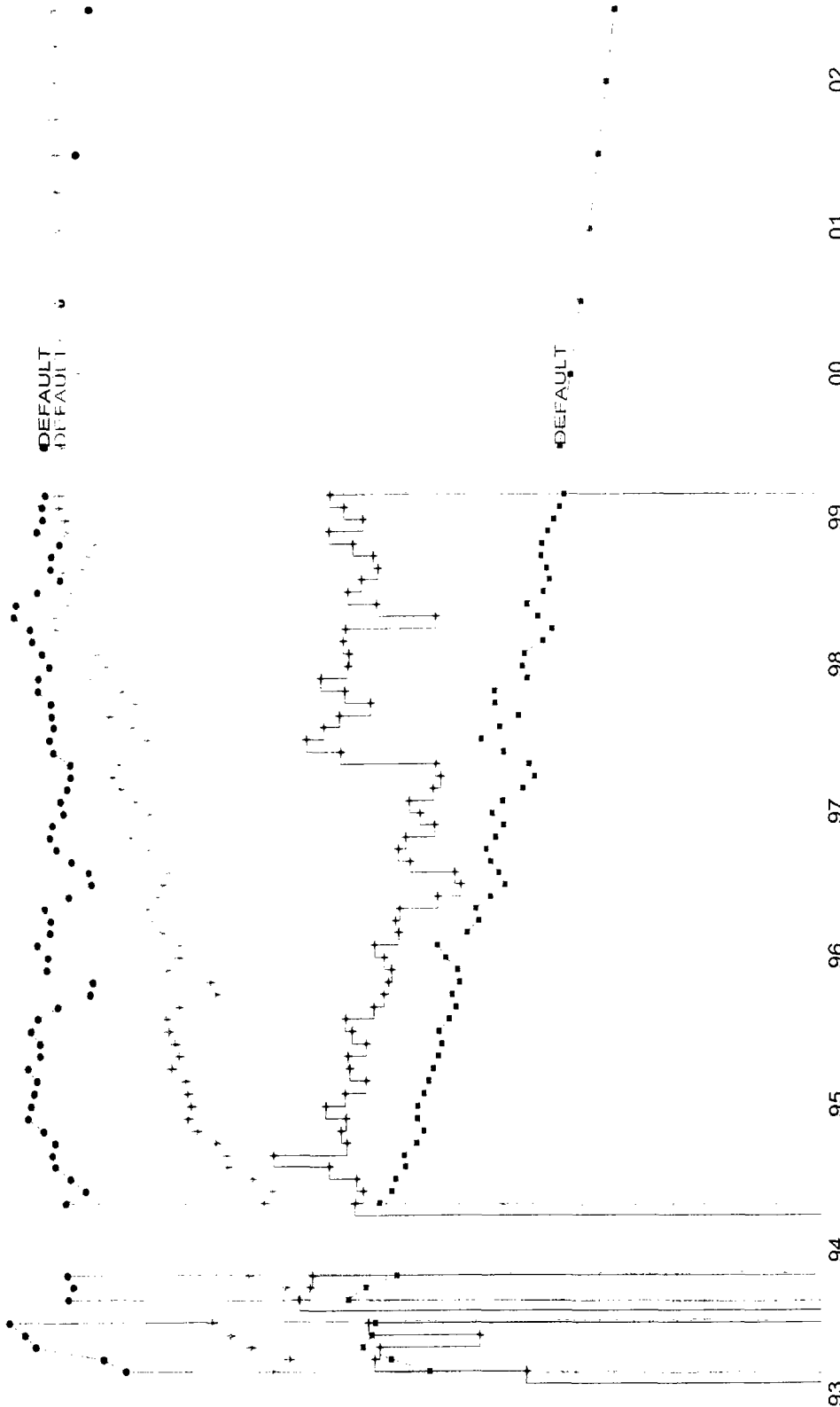


Year	Oil Day	Gas Day	Water Day	GOR
93	1000	100	1000	1/2000
94	1000	100	1000	1/2000
95	1000	100	1000	1/2000
96	1000	100	1000	1/2000
97	1000	100	1000	1/2000
98	1000	100	1000	1/2000
99	1000	100	1000	1/2000
00	1000	100	1000	1/2000
01	1000	100	1000	1/2000
02	1000	100	1000	1/2000

Parameter	Value
KAAS Qual	12.634093
KAAS Ref	1.000000
KAAS Cum	12.634093
KAAS Rem	0.000000
KAAS EUR	12.634093
KAAS Yrs	18.5
KAAS Qref	18.5
KAAS De	12.634093
KAAS b	1.000000
KAAS Qab	3.0



PURE GOLD C-17 FEDERAL 10  
LOS MEDANOS  
EDDY COUNTY, NM



OIL-BOPD

1000

100

10

1

GAS - MCFD

100

10

1

01

WATER-BWPD

1000

100

10

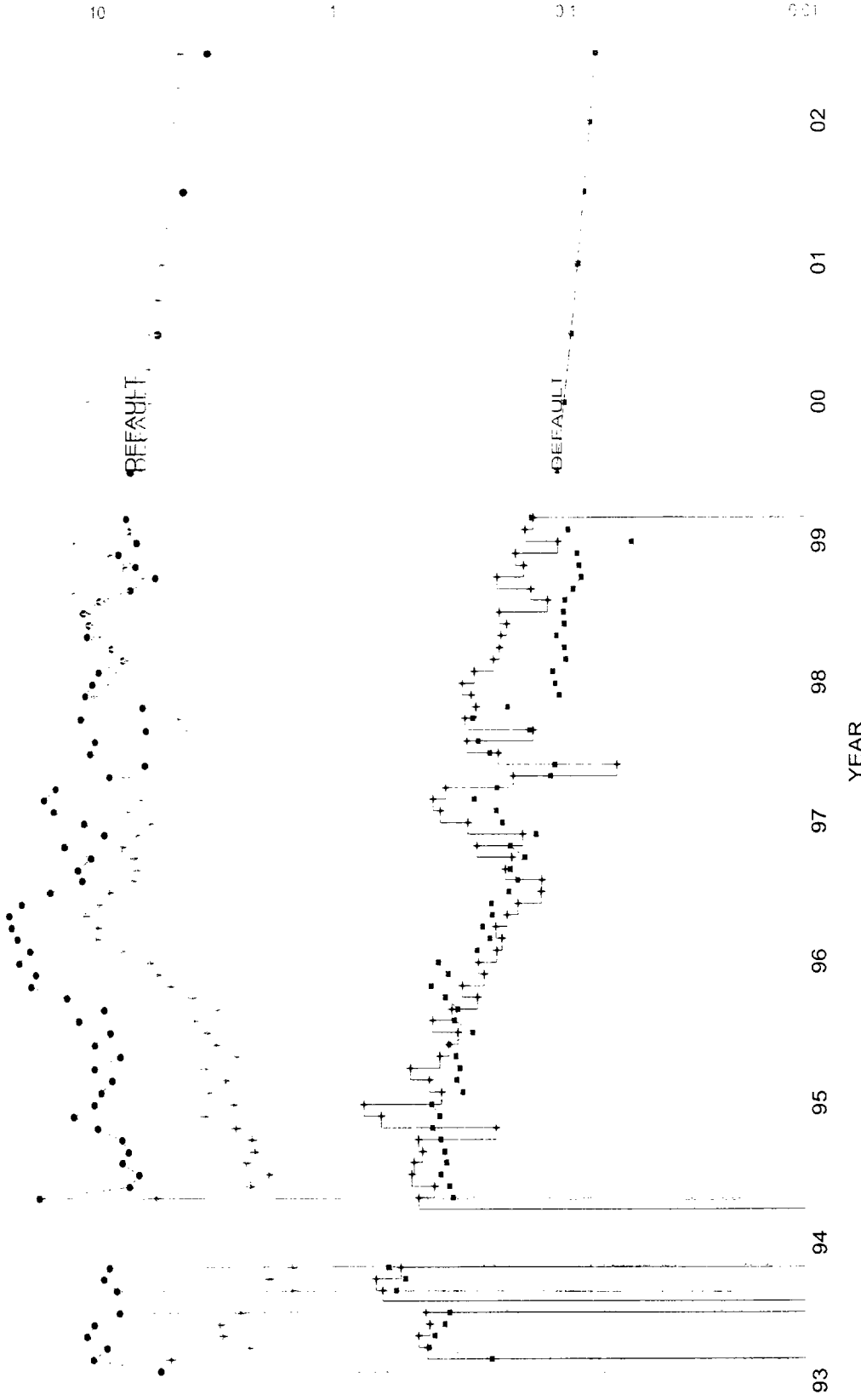
1

Year	Oil Day	Gas Day	Water Day	GOR	Default
93	1000	100	100	10	1000
94	1000	100	100	10	1000
95	1000	100	100	10	1000
96	1000	100	100	10	1000
97	1000	100	100	10	1000
98	1000	100	100	10	1000
99	1000	100	100	10	1000
00	1000	100	100	10	1000
01	1000	100	100	10	1000
02	1000	100	100	10	1000

Qual	Ref	Cum	Rem	EUR	Yrs	Qref	De	b	Qab
1/2000	63552	23290	86842	11.250	11.6	16.998045	0.644400	2.9	
1/2000	289189	350508	639697	11.247	151.0	0.000000	0.000000	0.0	
1/2000	151997	23290	175287	11.250	11.6	16.998045	0.644400	2.9	
1/2000	0	0	0	0	0	-3.013383	0.000000	18.2	

PURE GOLD C-17 FEDERAL 11  
LOS MEDANOS  
EDDY COUNTY, NM

WATER-BWPD 1000  
GAS - MCFD 100  
OIL-BOPD 1000



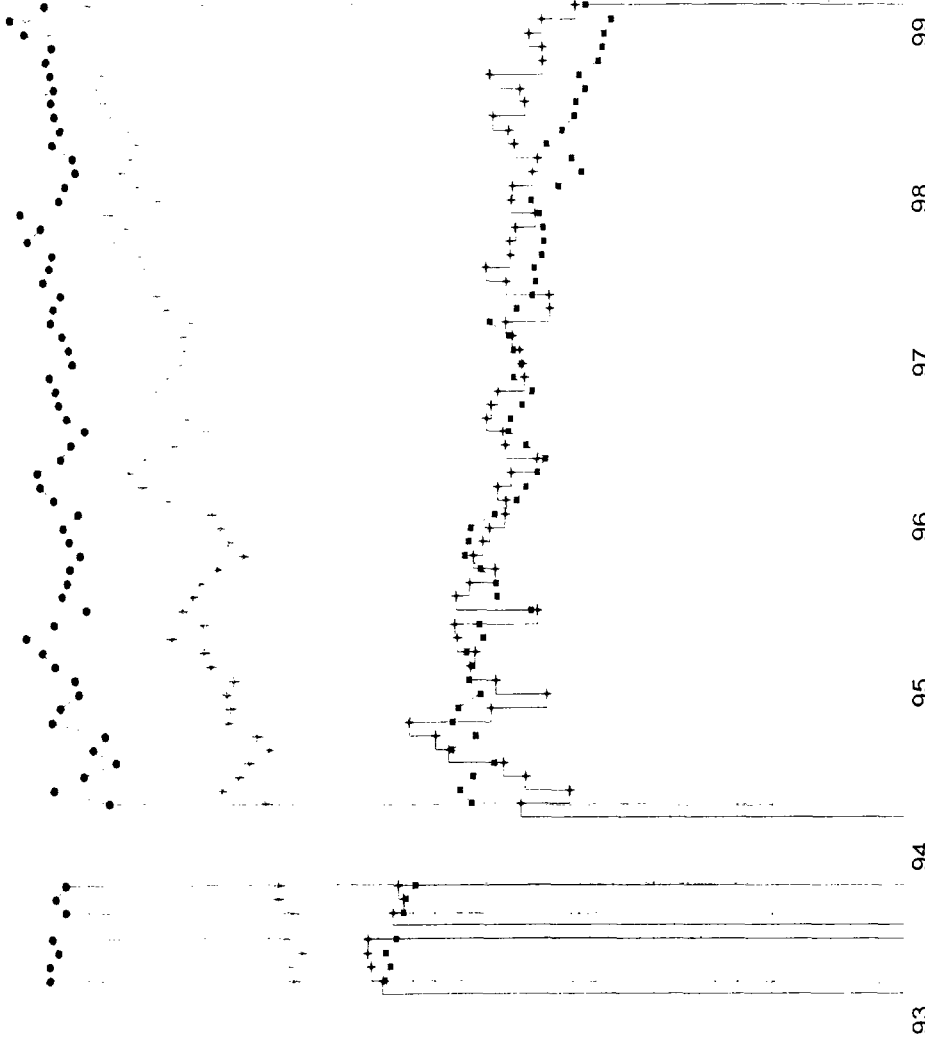
KAAS	DEFAULT	KAAS	DEFAULT	KAAS	DEFAULT
OIL_DAY	1/2000	GAS_DAY	1/2000	WATER_DAY	1/2000
Qual=	48739	Qual=	234024	Qual=	58274
Ref=	33238	Ref=	113517	Ref=	33238
Cum=	81977	Cum=	347541	Cum=	91512
Rem=	16.836	Rem=	16.833	Rem=	16.836
EUR=	11.0	EUR=	72.6	EUR=	11.0
Yrs=	13.479316	Yrs=	0.000000	Yrs=	13.479316
Qref=	1.000000	Qref=	0.000000	Qref=	1.000000
De=	b=	De=	b=	De=	b=
b=	3.0	b=	0.0	b=	3.0
Qab=	3.0	Qab=	0.0	Qab=	3.0

PURE GOLD C-17 FEDERAL 12  
LOS MEDANOS  
EDDY COUNTY, NM

WATER-BWPD 1000  
GAS - MCFD 100  
OIL-BOPD 1000

● DEFAULT

■ DEFAULT



● DEFAULT

02

01

00

99

98

97

96

95

94

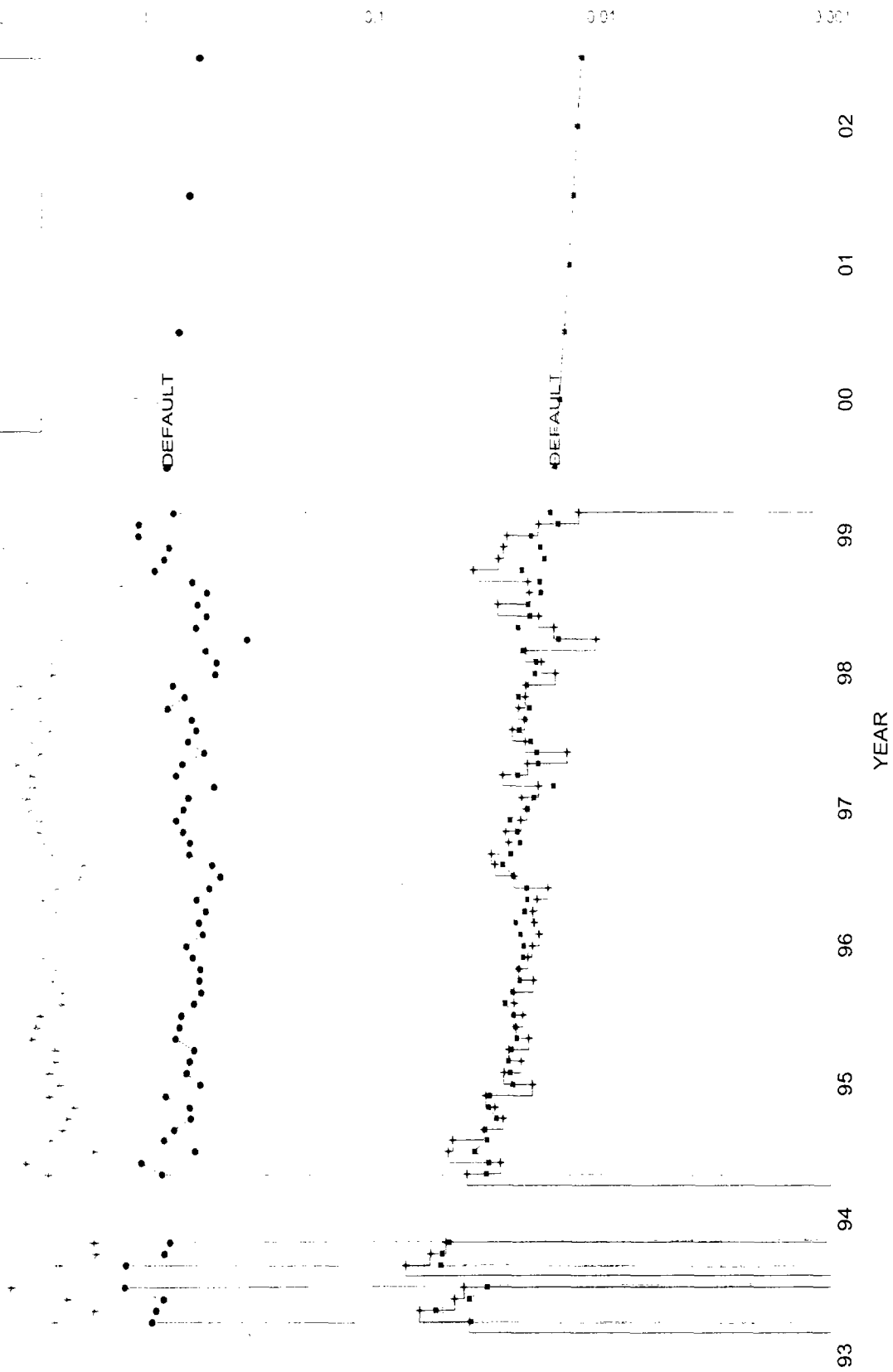
93

YEAR

KAAs	Oil Day	Gas Day	Water Day	GOR	Default
Qual=	11.406764	11.406764	11.406764	11.406764	11.406764
Ref=	1.000000	1.000000	1.000000	1.000000	1.000000
Cum=	15.4	15.4	15.4	15.4	15.4
EUR=	25.668	25.668	25.668	25.668	25.668
Yrs=	9.6	9.6	9.6	9.6	9.6
Qref=	15.4	15.4	15.4	15.4	15.4
De=	4.601473	4.601473	4.601473	4.601473	4.601473
b=	0.000000	0.000000	0.000000	0.000000	0.000000
Qab=	3.0	3.0	3.0	3.0	3.0

PURE GOLD C-17 FEDERAL 13  
LOS MEDANOS  
EDDY COUNTY, NM

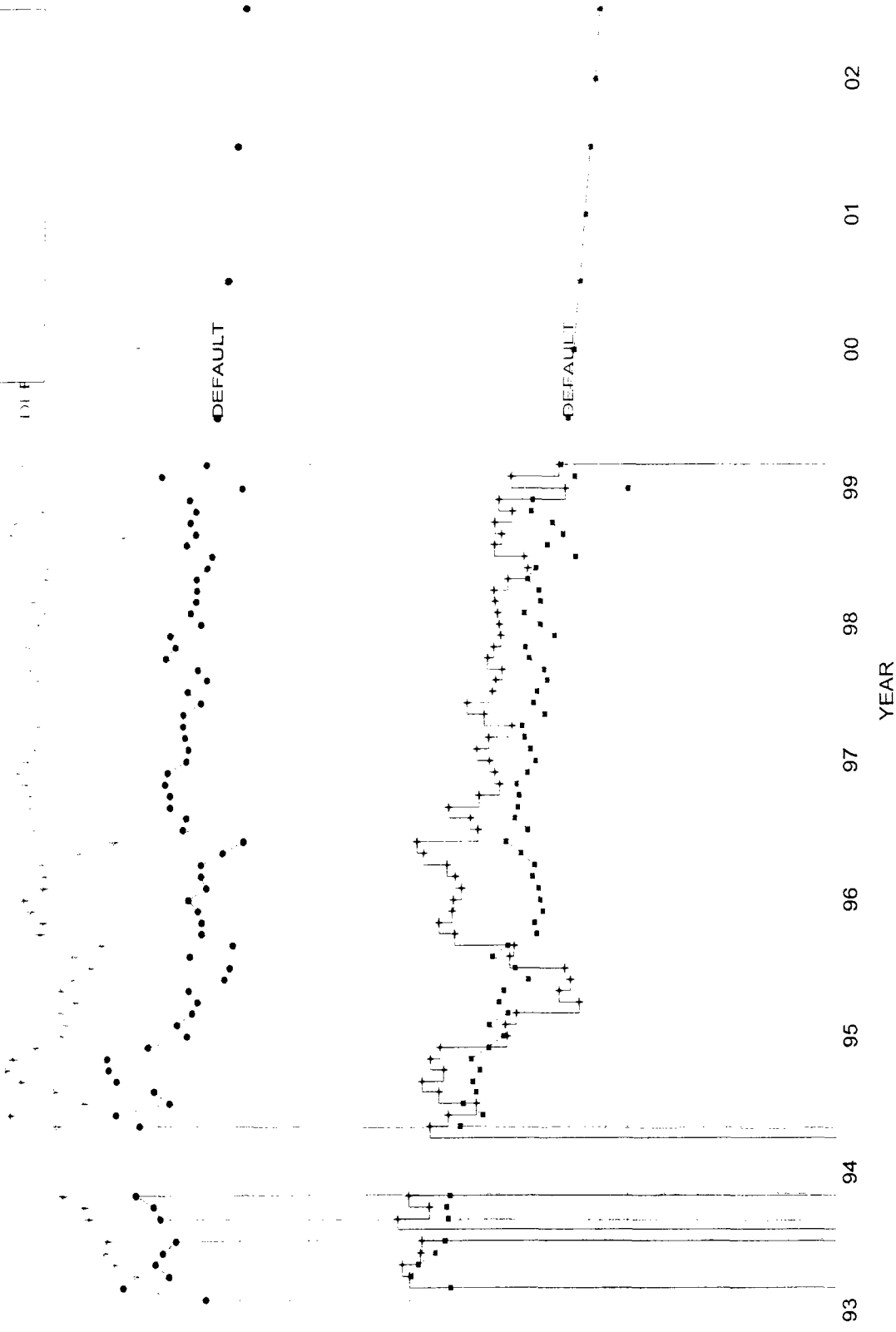
WATER-BWPD 1000  
GAS - MCFD 100  
OIL-BOPD 1000



Year	Oil Day	Gas Day	Water Day	GOR
93	1000	100	1000	1.000000
94	1000	100	1000	1.000000
95	1000	100	1000	1.000000
96	1000	100	1000	1.000000
97	1000	100	1000	1.000000
98	1000	100	1000	1.000000
99	1000	100	1000	1.000000
00	1000	100	1000	1.000000
01	1000	100	1000	1.000000
02	1000	100	1000	1.000000

Parameter	Value
KAAS OIL_DAY	1000
KAAS GAS_DAY	100
KAAS WATER_DAY	1000
KAAS GOR	1.000000
DEFAULT 1/2000 Qual	1000
DEFAULT 1/2000 Ref	100
DEFAULT 1/2000 Cum	1000
DEFAULT 1/2000 Rem	100
DEFAULT 1/2000 EUR	1000
DEFAULT 1/2000 Yrs	1000
DEFAULT 1/2000 Qref	1000
DEFAULT 1/2000 De	1000
DEFAULT 1/2000 b	1000
DEFAULT 1/2000 Qab	1000

PURE GOLD C-17 FEDERAL 14  
LOS MEDANOS  
EDDY COUNTY, NM



Year	Oil	Gas	Water	Default	Qual	Ref	Cum	Rem	EUR	Yrs	Qref	De	b	Qab
93	1000	100	100	1/2000	55720	60740	116460	25.498	14.6	10.798113	1.000000	3.0		
94	1000	100	100	1/2000	55720	60740	116460	25.498	14.6	10.798113	1.000000	3.0		
95	1000	100	100	1/2000	55720	60740	116460	25.498	14.6	10.798113	1.000000	3.0		
96	1000	100	100	1/2000	55720	60740	116460	25.498	14.6	10.798113	1.000000	3.0		
97	1000	100	100	1/2000	153234	229739	382973	25.414	50.6	0.000000	0.000000	0.0		
98	1000	100	100	1/2000	153234	229739	382973	25.414	50.6	0.000000	0.000000	0.0		
99	1000	100	100	1/2000	153234	229739	382973	25.414	50.6	0.000000	0.000000	0.0		
00	1000	100	100	1/2000	78058	60740	138798	25.498	14.6	10.798113	1.000000	3.0		
01	1000	100	100	1/2000	78058	60740	138798	25.498	14.6	10.798113	1.000000	3.0		
02	1000	100	100	1/2000	78058	60740	138798	25.498	14.6	10.798113	1.000000	3.0		

WATER-BWPD 1000

GAS - MCFD 100

OIL\_80PD 1000

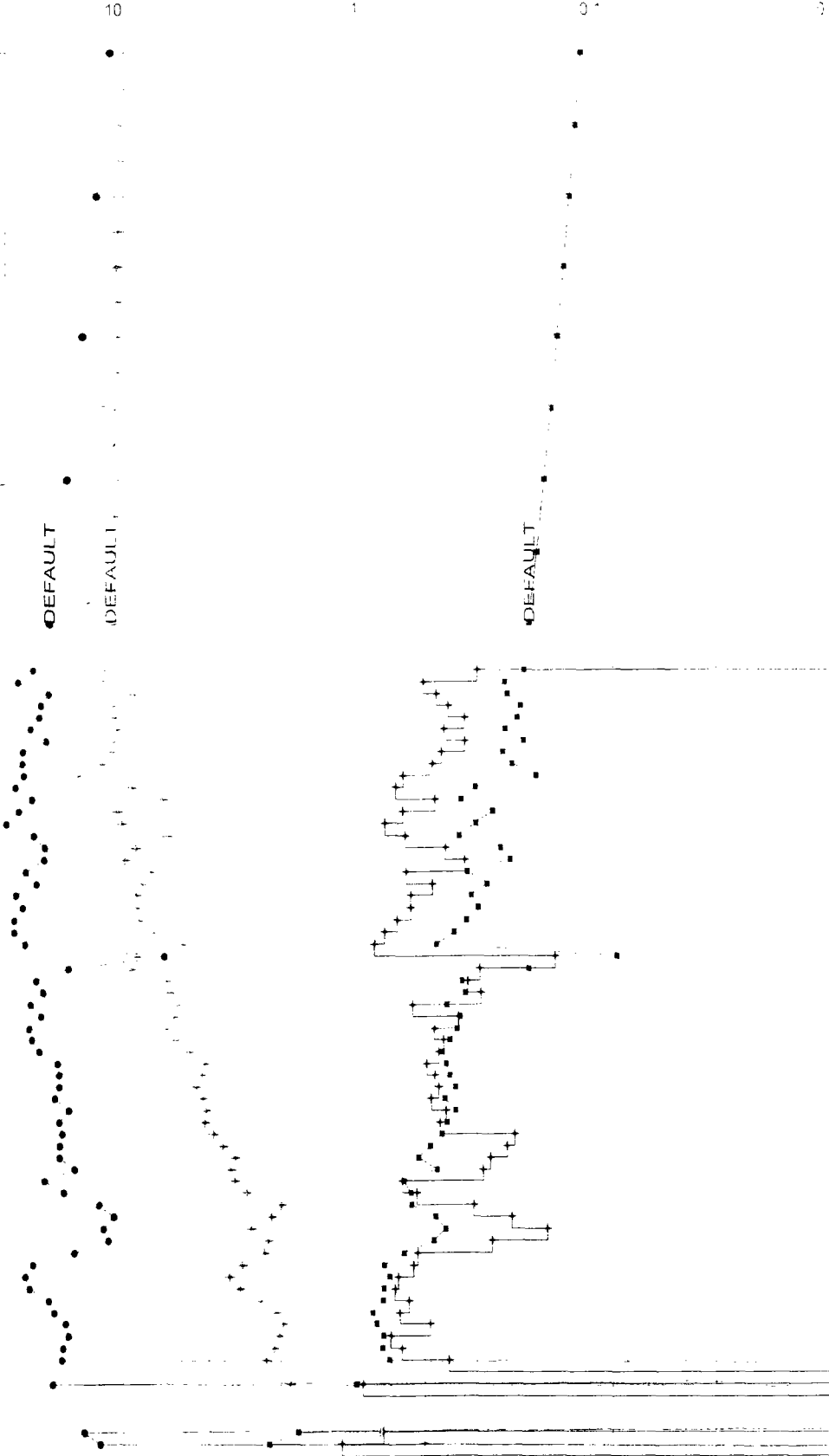
100

100



NORTH PURE GOLD 8 FEDERAL 2  
 LOS MEDANOS  
 EDDY COUNTY, NM

WATER-BWPD 1000  
 GAS - MCFD 100  
 OIL-BOPD 1000

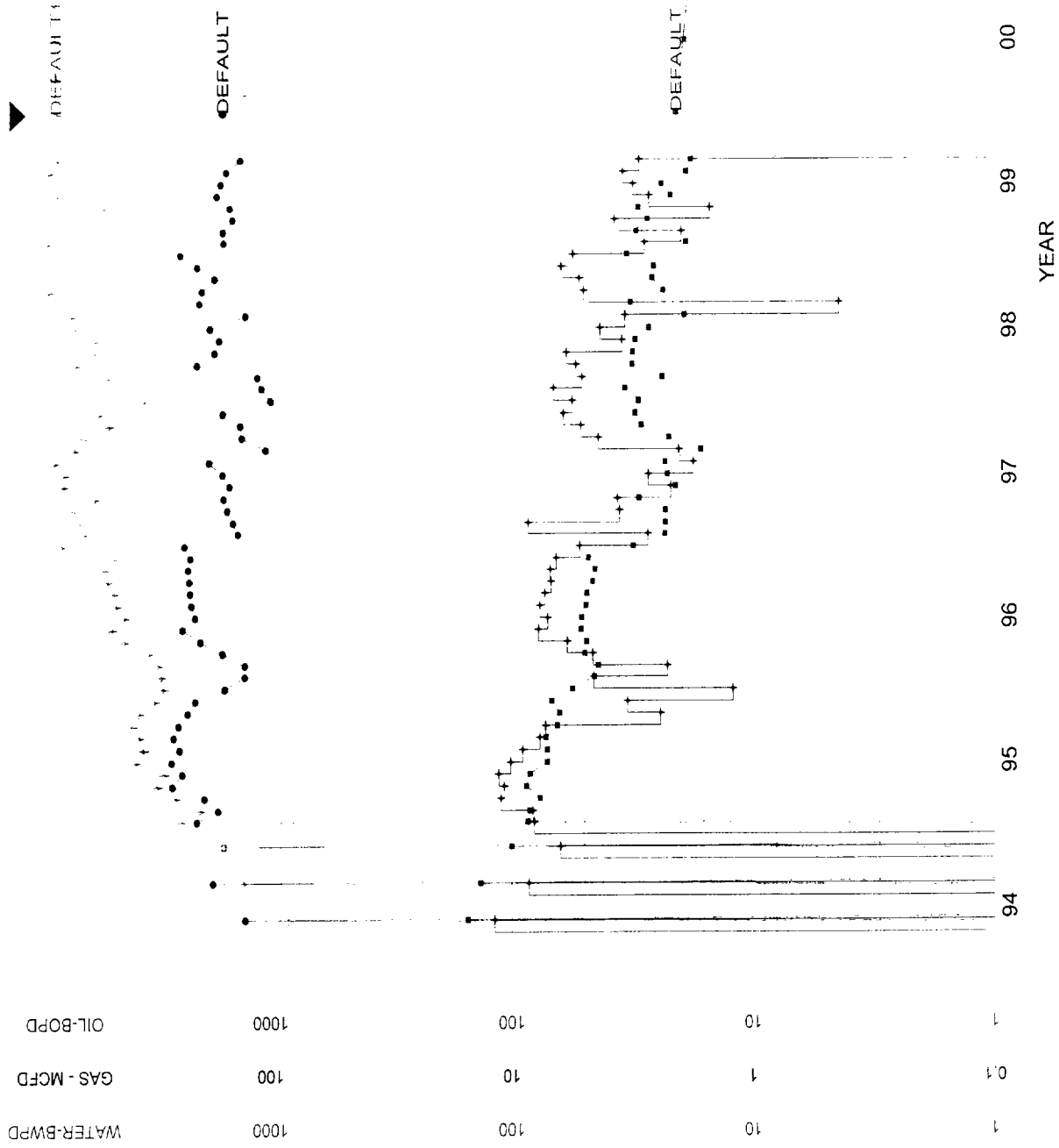


YEAR	WATER-BWPD	GAS - MCFD	OIL-BOPD
94	1000	100	1000
95	1000	100	1000
96	1000	100	1000
97	1000	100	1000
98	1000	100	1000
99	1000	100	1000
00	1000	100	1000
01	1000	100	1000
02	1000	100	1000
03	1000	100	1000

YEAR	WATER-BWPD	GAS - MCFD	OIL-BOPD
94	1000	100	1000
95	1000	100	1000
96	1000	100	1000
97	1000	100	1000
98	1000	100	1000
99	1000	100	1000
00	1000	100	1000
01	1000	100	1000
02	1000	100	1000
03	1000	100	1000

YEAR	WATER-BWPD	GAS - MCFD	OIL-BOPD
94	1000	100	1000
95	1000	100	1000
96	1000	100	1000
97	1000	100	1000
98	1000	100	1000
99	1000	100	1000
00	1000	100	1000
01	1000	100	1000
02	1000	100	1000
03	1000	100	1000

**NORTH PURE GOLD 8 FEDERAL 3  
LOS MEDANOS  
EDDY COUNTY, NM**



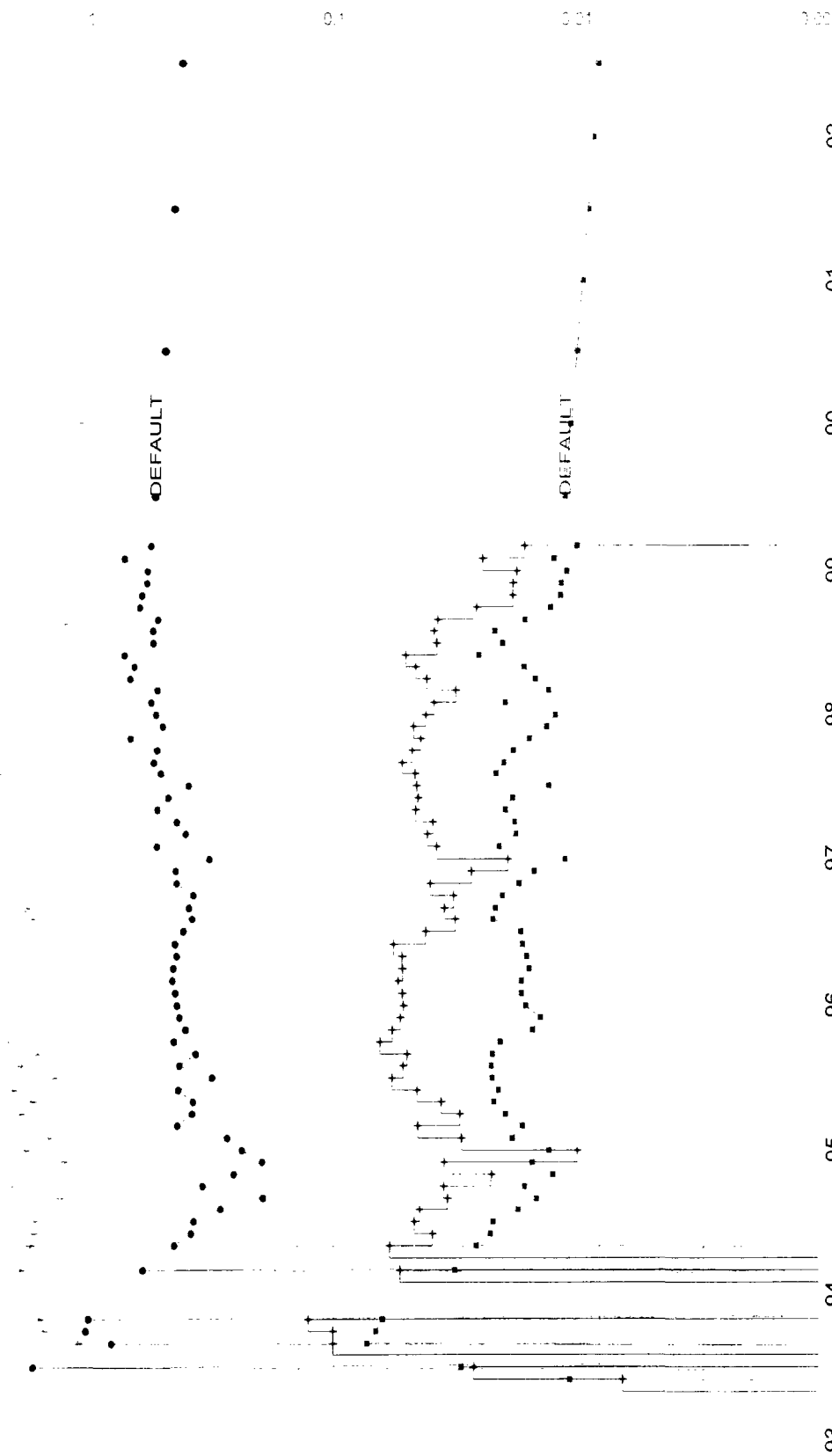
Year	Oil Day	Gas Day	Water Day	GOR
94	1000	100	1000	1000
95	1000	100	1000	1000
96	1000	100	1000	1000
97	1000	100	1000	1000
98	1000	100	1000	1000
99	1000	100	1000	1000
00	1000	100	1000	1000
01	1000	100	1000	1000
02	1000	100	1000	1000
03	1000	100	1000	1000

Parameter	Value
KAAS OIL_DAY	1000
KAAS GAS_DAY	100
KAAS WATER_DAY	1000
KAAS GOR	1000
DEFAULT 1/2000	1000
QUAL	1000
REF	1000
CUM	1000
REM	1000
EUR	1000
YRS	1000
QREF	1000
DE	1000
B	1000
QAB	1000

NORTH PURE GOLD 8 FEDERAL 5  
LOS MEDANOS  
EDDY COUNTY, NM

WATER-BWPD 1000  
GAS - MCFD 100  
OIL-BOPD 1000



YEAR

Year	Oil Day	Gas Day	Water Day	GOR
93	1000	100	1000	0
94	1000	100	1000	0
95	1000	100	1000	0
96	1000	100	1000	0
97	1000	100	1000	0
98	1000	100	1000	0
99	1000	100	1000	0
00	1000	100	1000	0
01	1000	100	1000	0
02	1000	100	1000	0

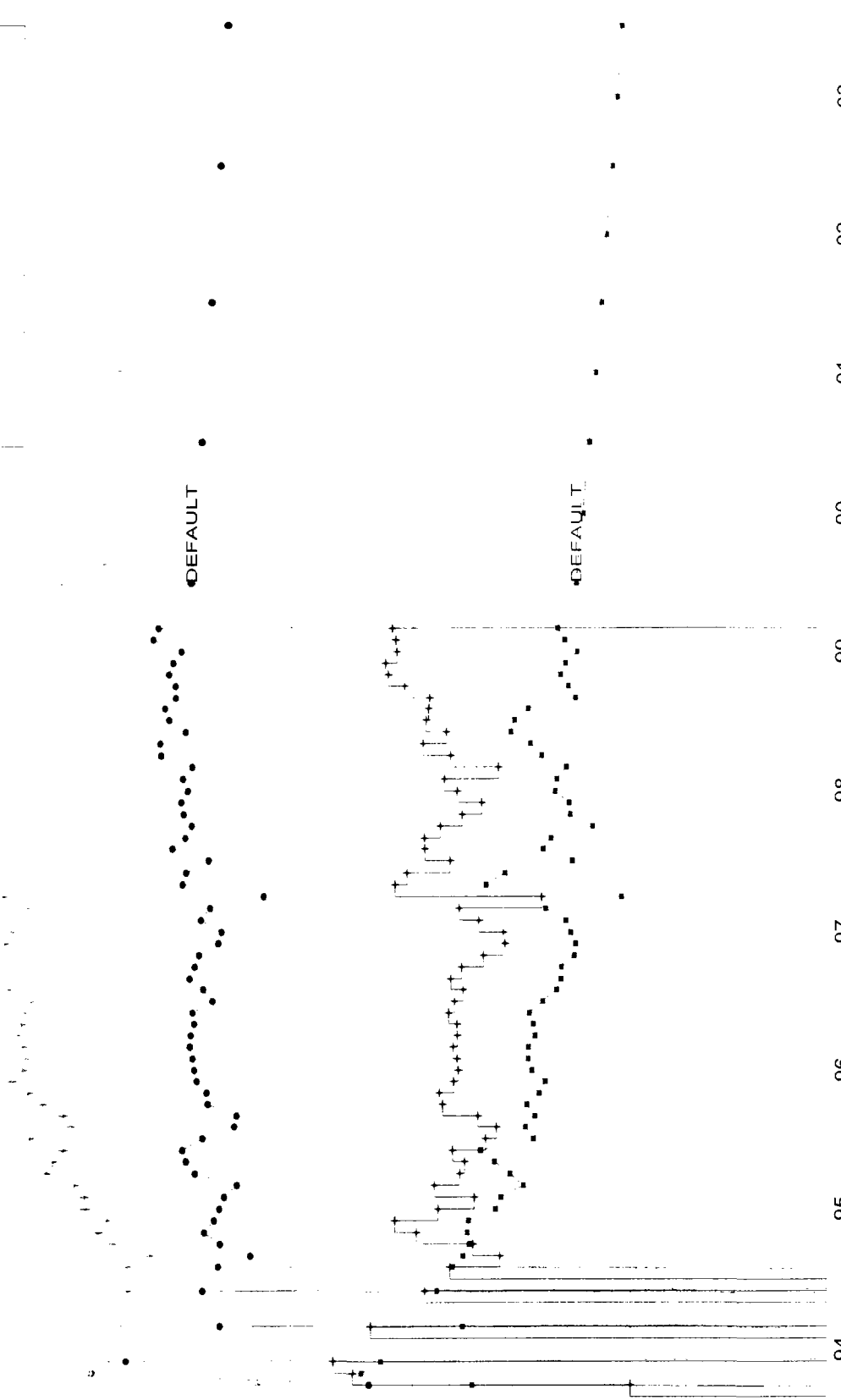
Parameter	Value
KAAS OIL_DAY	1000
KAAS GAS_DAY	100
KAAS WATER_DAY	1000
KAAS GOR	0
DEFAULT 1/2000	1000
QUAL	1000
REF	100
CUM	1000
REM	100
EUR	1000
YRS	1000
QREF	1000
DE	1000
B	1000
QAB	1000

NORTH PURE GOLD 8 FEDERAL 6  
LOS MEDANOS  
EDDY COUNTY , NM

DEFAULT



WATER-BWPD 1000  
GAS - MCFD 100  
OIL-BOPD 1000



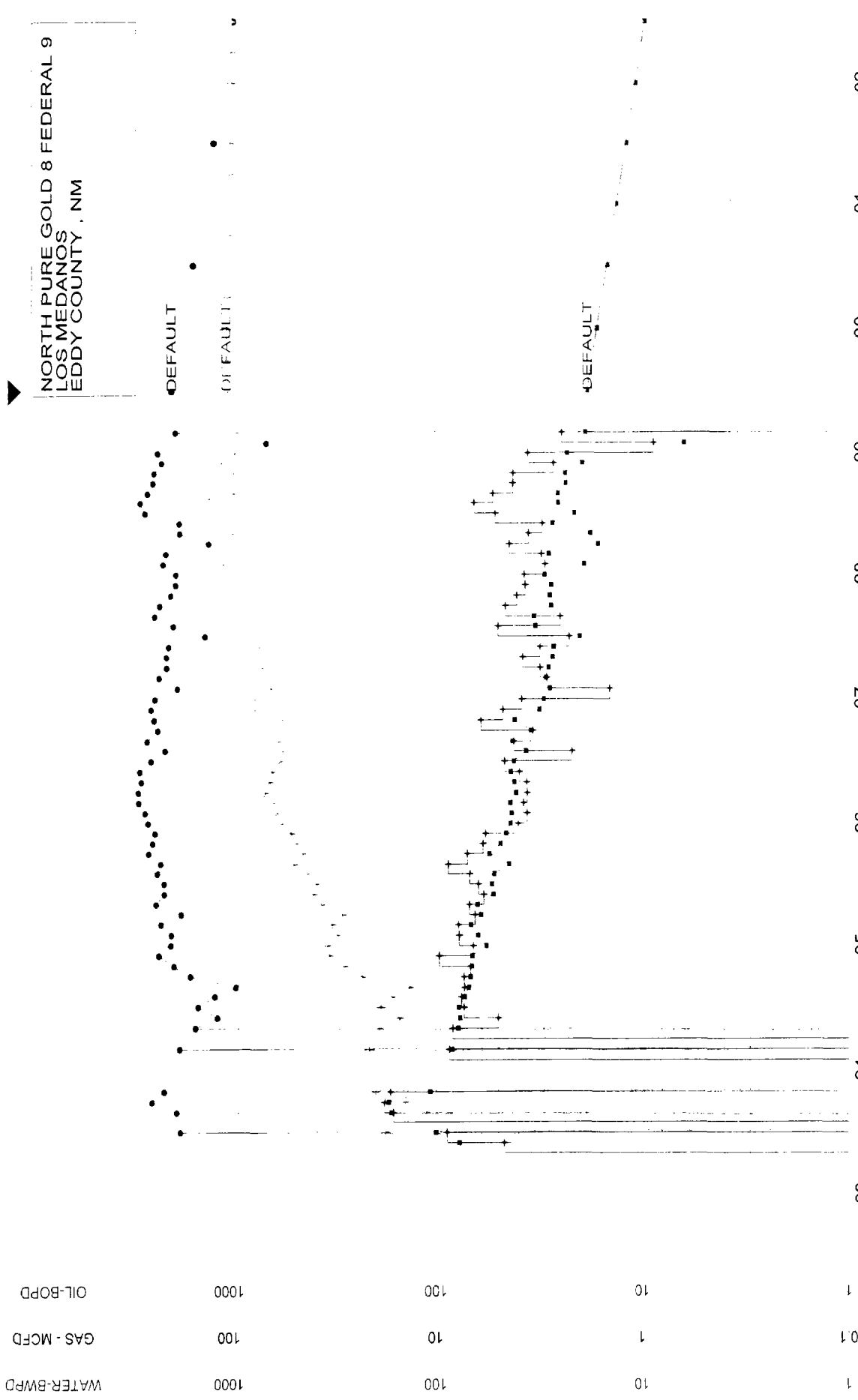
DEFAULT

DEFAULT

YEAR

KAAS OIL_DAY	KAAS GAS_DAY	KAAS WATER_DAY	KAAS GOR
QUAL=	QUAL=	QUAL=	QUAL=
REF=	REF=	REF=	REF=
CUM=	CUM=	CUM=	CUM=
REM=	REM=	REM=	REM=
EUR=	EUR=	EUR=	EUR=
YRS=	YRS=	YRS=	YRS=
QREF=	QREF=	QREF=	QREF=
DE=	DE=	DE=	DE=
B=	B=	B=	B=
QAB=	QAB=	QAB=	QAB=
DEFAULT	DEFAULT	DEFAULT	DEFAULT
1/2000	1/2000	1/2000	1/2000
41359	100018	87733	87733
46158	252471	46158	46158
87517	352489	133891	133891
22.833	22.833	22.833	22.833
12.2	54.3	12.2	12.2
11.969830	0.000000	11.969830	11.969830
1.010000	0.000000	1.010000	1.010000
3.0	0.0	3.0	3.0
QAB=	QAB=	QAB=	QAB=
1/2000	1/2000	1/2000	1/2000
0	0	0	0
0	0	0	0
22.833	22.833	22.833	22.833
4.5	4.5	4.5	4.5
-2.151911	-2.151911	-2.151911	-2.151911
0.000000	0.000000	0.000000	0.000000
7.3	7.3	7.3	7.3

NORTH PURE GOLD 8 FEDERAL 9  
 LOS MEDANOS  
 EDDY COUNTY, NM



WATER-BWPD 1000  
 GAS - MCFD 100  
 OIL-BOPD 1000

YEAR

Year	Oil-BOPD	Gas-MCFD	Water-BWPD	KAASummary
93	1000	100	1000	KAASummary
94	1000	100	1000	KAASummary
95	1000	100	1000	KAASummary
96	1000	100	1000	KAASummary
97	1000	100	1000	KAASummary
98	1000	100	1000	KAASummary
99	1000	100	1000	KAASummary
00	1000	100	1000	KAASummary
01	1000	100	1000	KAASummary
02	1000	100	1000	KAASummary

KAASummary  
 Qual= 1/2000  
 Ref= 93632  
 Cum= 28936  
 Rem= 122568  
 EUR= 10.000  
 Yrs= 18.5  
 Qref= 20.080439  
 De= 0.240000  
 b= 3.0  
 Qab= 3.0

KAASummary  
 Qual= 1/2000  
 Ref= 395080  
 Cum= 283185  
 Rem= 678265  
 EUR= 10.000  
 Yrs= 190.1  
 Qref= 0.000000  
 De= 0.000000  
 b= 0.0  
 Qab= 0.0

KAASummary  
 Qual= 1/2000  
 Ref= 108223  
 Cum= 28936  
 Rem= 137159  
 EUR= 10.000  
 Yrs= 18.5  
 Qref= 20.080439  
 De= 0.240000  
 b= 3.0  
 Qab= 3.0

KAASummary  
 Qual= 1/2000  
 Ref= 108223  
 Cum= 28936  
 Rem= 137159  
 EUR= 10.000  
 Yrs= 18.5  
 Qref= 20.080439  
 De= 0.240000  
 b= 3.0  
 Qab= 3.0

KAASummary  
 Qual= 1/2000  
 Ref= 108223  
 Cum= 28936  
 Rem= 137159  
 EUR= 10.000  
 Yrs= 18.5  
 Qref= 20.080439  
 De= 0.240000  
 b= 3.0  
 Qab= 3.0

KAASummary  
 Qual= 1/2000  
 Ref= 108223  
 Cum= 28936  
 Rem= 137159  
 EUR= 10.000  
 Yrs= 18.5  
 Qref= 20.080439  
 De= 0.240000  
 b= 3.0  
 Qab= 3.0

KAASummary  
 Qual= 1/2000  
 Ref= 108223  
 Cum= 28936  
 Rem= 137159  
 EUR= 10.000  
 Yrs= 18.5  
 Qref= 20.080439  
 De= 0.240000  
 b= 3.0  
 Qab= 3.0

KAASummary  
 Qual= 1/2000  
 Ref= 108223  
 Cum= 28936  
 Rem= 137159  
 EUR= 10.000  
 Yrs= 18.5  
 Qref= 20.080439  
 De= 0.240000  
 b= 3.0  
 Qab= 3.0

KAASummary  
 Qual= 1/2000  
 Ref= 108223  
 Cum= 28936  
 Rem= 137159  
 EUR= 10.000  
 Yrs= 18.5  
 Qref= 20.080439  
 De= 0.240000  
 b= 3.0  
 Qab= 3.0

KAASummary  
 Qual= 1/2000  
 Ref= 108223  
 Cum= 28936  
 Rem= 137159  
 EUR= 10.000  
 Yrs= 18.5  
 Qref= 20.080439  
 De= 0.240000  
 b= 3.0  
 Qab= 3.0

KAASummary  
 Qual= 1/2000  
 Ref= 108223  
 Cum= 28936  
 Rem= 137159  
 EUR= 10.000  
 Yrs= 18.5  
 Qref= 20.080439  
 De= 0.240000  
 b= 3.0  
 Qab= 3.0

KAASummary  
 Qual= 1/2000  
 Ref= 108223  
 Cum= 28936  
 Rem= 137159  
 EUR= 10.000  
 Yrs= 18.5  
 Qref= 20.080439  
 De= 0.240000  
 b= 3.0  
 Qab= 3.0

KAASummary  
 Qual= 1/2000  
 Ref= 108223  
 Cum= 28936  
 Rem= 137159  
 EUR= 10.000  
 Yrs= 18.5  
 Qref= 20.080439  
 De= 0.240000  
 b= 3.0  
 Qab= 3.0

KAASummary  
 Qual= 1/2000  
 Ref= 108223  
 Cum= 28936  
 Rem= 137159  
 EUR= 10.000  
 Yrs= 18.5  
 Qref= 20.080439  
 De= 0.240000  
 b= 3.0  
 Qab= 3.0

KAASummary  
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KAASummary  
 Qual= 1/2000  
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 Rem= 137159  
 EUR= 10.000  
 Yrs= 18.5  
 Qref= 20.080439  
 De= 0.240000  
 b= 3.0  
 Qab= 3.0

BASS ENTERPRISES PRODUCTION CO.

201 MAIN ST.  
FORT WORTH, TEXAS 76102-3131  
817/390-8400

April 20, 2000

Bureau of Land Management  
P. O. Box 1397  
Roswell, New Mexico 88201-2019

New Mexico Oil Conservation Division  
2040 S. Pacheco Street  
Santa Fe, New Mexico 87505

Attention: Ed Roberson

Attention: Lori Wrotenbery

Commissioner of Public Lands  
State of New Mexico  
P. O. Box 1148  
Santa Fe, New Mexico 87504-1148

Attention: Jami Bailey

Re: Application for Approval of the Second Revision  
of the Initial Delaware Participating Area  
James Ranch Unit, No. 14-08-001-558  
Eddy County, New Mexico

Ladies and Gentlemen:

Bass Enterprises Production Co., as unit operator of the James Ranch Unit Agreement, pursuant to the provisions of Section 11 thereof, respectfully submits for your approval the selection of the following described lands to constitute the second revision to the Initial Delaware Participating Area. The revised participating area consists of 3,207.52 acres to be comprised of the lands indicated on the plat attached hereto and further described as follows:

T22S-R30E

Section 35: SE/4 NE/4, E/2 SE/4  
Section 36: S/2, NE/4, S/2 NW/4

T22S-R31E

Section 31: Lots 1, 2, 3, 4, E/2 SW/4, SE/4

T23S-R30E

Section 1: Lots 1, 2, 3, 4, S/2 NE/4, SE/4  
Section 2: Lot 1

T23S-R31E

Section 5: Lot 4, SW/4 NW/4, W/2 SW/4  
Section 6: All  
Section 7: Lot 1, NE/4 NW/4, N/2 NE/4, SE/4 NE/4, E/2 SE/4  
Section 8: W/2  
Section 17: NW/4  
Section 18: E/2 NE/4, SW/4 NE/4

All in Eddy County, New Mexico and containing exactly 3,207.52 acres of land.

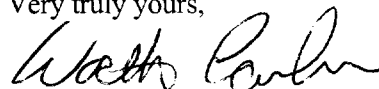
In support of this application, the following numbered items are attached hereto and made a part hereof:

1. An ownership map (Exhibit "A") depicting the boundaries of the proposed second revision to the Initial Delaware Participating Area.
2. A schedule (Exhibit "B") identifying the lands entitled to participation in the revised participating area with the percentage of participation of each lease or tract indicated thereon.
3. A geological report with accompanying geological maps supporting and justifying the proposed selection of the revised area based on the results obtained from the James Ranch Unit Well No. 55.

This proposed second revision to the Initial Delaware Participating Area is predicated upon the knowledge and information first obtained from the James Ranch Unit Well No. 55 in April, 1994. It should be noted that James Ranch Unit Well No. 55 has been previously determined as capable of producing in commercial quantities. According to Section 11 of the Unit Agreement, the effective date of the subject revision should be the first of the month in which the above information was obtained or April 1, 1994. Therefore, Bass respectfully requests your approval of the hereinabove described 3,207.52 acres of land to constitute the second revision of the Initial Delaware Participating Area, to be effective April 1, 1994.

Thank you very much for your cooperation in this regard and should you have any questions or comments concerning same, please do not hesitate to contact the undersigned.

Very truly yours,



Worth Carlin

WWC:ca

ACCEPTED AND AGREED this \_\_\_\_\_ day of \_\_\_\_\_, 2000.

BUREAU OF LAND MANAGEMENT

By: \_\_\_\_\_

COMMISSIONER OF PUBLIC LANDS

By: \_\_\_\_\_

NEW MEXICO OIL CONSERVATION DIVISION


By: \_\_\_\_\_


# Bass Enterprises Production Co.


## JAMES RANCH UNIT Eddy County, New Mexico

### EXHIBIT "A"

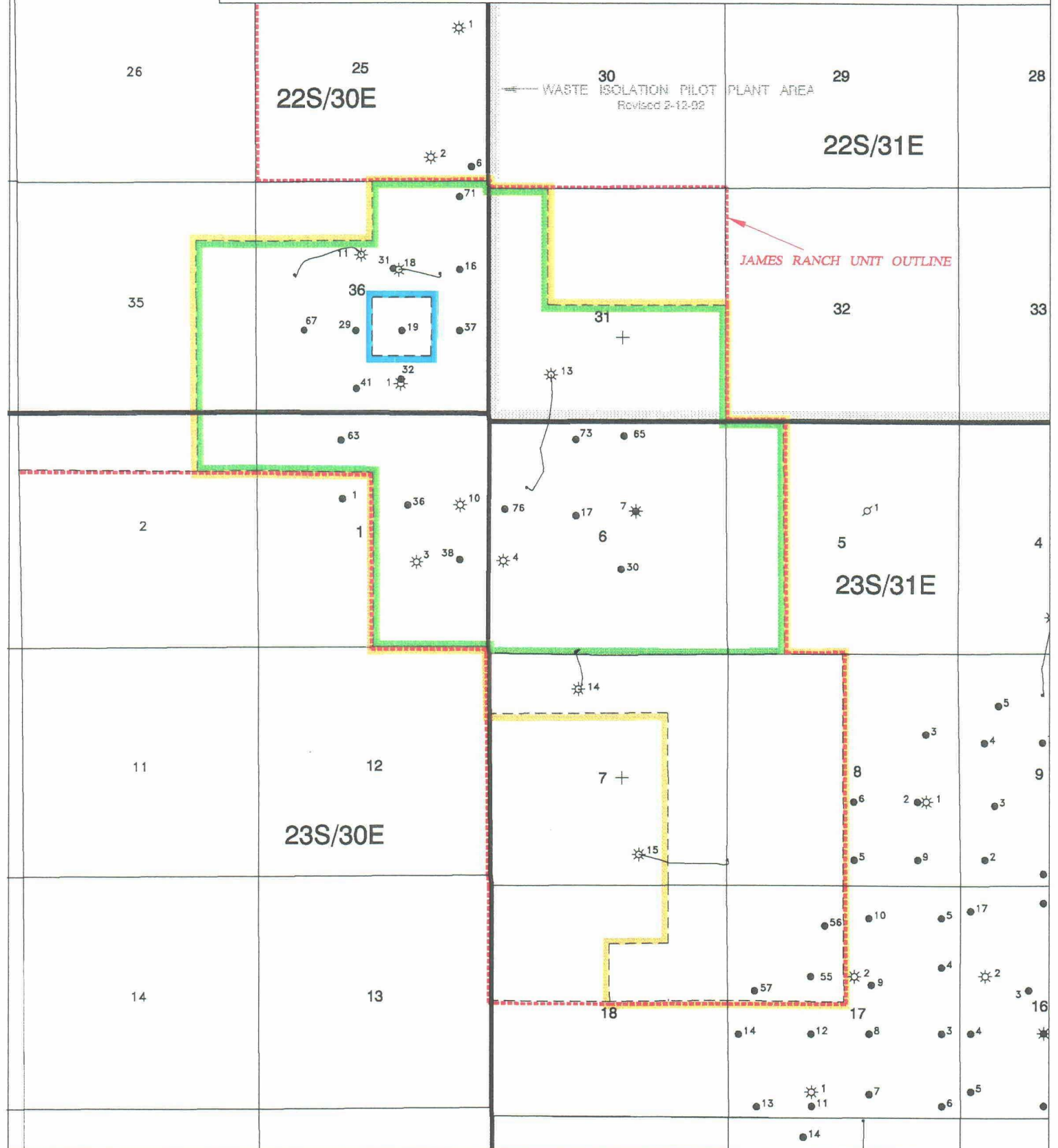


 Initial Delaware Participating Area  
(4-24-93) 40 Acres

 1st Rev. to Initial Delaware Participating Area  
(1-1-94) 2326.28 Acres

 2nd Rev. to Initial Delaware Participating Area  
(4-1-94) 3207.52 Acres

DATE: 4-19-00 SCALE: 1" = 3000'  
DEPT.: Land INTER. BY: W. Carlin FILE: PA-delaware.dwg DRAFTED BY: P. Ortiz





**EXHIBIT "B"**  
**Second Revision to Initial Delaware Participating Area**  
**James Ranch Federal Unit**  
**Eddy County, New Mexico**

<u>Tract No.</u>	<u>Lease No.</u>	<u>Description</u>	<u>Participating Acres</u>	<u>Percentage of Participation</u>	<u>Working Interest Owners</u>	
2	NM 02883-A	Section 5, T23S-R31E; SW/4 NW/4, W/2 SW/4,	120.00	3.74121	Bass Enterprises Production Co. -	100%
3	NM 02884-A	Section 1, T23S-R30E; Lots 3, 4	80.72	2.51659	Bass Enterprises Production Co. -	100%
3-A	NM 02884-B	Section 1, T23S-R30E; Lots 1, 2, S/2 NE/4, SE/4	320.24	9.98404	Bass Enterprises Production Co. -	100%
4	NM 02887-A	Section 6, T23S-R31E; Lots 1, 2, S/2 NE/4, NE/4 SE/4 Section 18, T23S-R31E; E/2 NE/4, SW/4 NE/4	319.92	9.97406	Bass Enterprises Production Co. -	100%
4	NM 02887-D	Section 6, T23S-R31E; Lots 3, 4, 5, SE/4 NW/4 Section 7, T23S-R31E; Lot 1, NE/4 NW/4	242.32	7.55475	Bass Enterprises Production Co. -	100%
4-A	NM 02887-B	Section 5, T23S-R31E; Lot 4 Section 7, T23S-R31E; NW/4 NE/4, SE/4 NE/4, E/2 SE/4	199.98	6.23473	Bass Enterprises Production Co. -	100%
6	NM 02952-C	Section 35, T22S-R30E; SE/4 NE/4	40.00	1.24707	Bass Enterprises Production Co. -	100%
6-A	NM 02952-A	Section 35, T22S-R30E; E/2 SE/4	80.00	2.49412	Bass Enterprises Production Co. -	100%

**EXHIBIT "B"**  
**Second Revision to Initial Delaware Participating Area**  
**Page 2**

<u>Tract Lease No.</u>	<u>No.</u>	<u>Description</u>	<u>Participating Acres</u>	<u>Percentage of Participation</u>	<u>Working Interest Owners</u>
7	NM 02953	Section 31, T22S-R31E; Lots 1, 2	80.86	2.52095	Conoco, Inc. - 100%
7	NM 02953-C	Section 31, T22S-R31E; Lots 3, 4, E/2 SW/4, SE/4	320.98	10.00711	Bass Enterprises Production Co. - Enron Oil & Gas Company - 33.333% 66.667%
8	NM 04473	Section 6, T23S-R31E; Lots 6, 7, E/2 SW/4, W/2 SE/4, SE/4 SE/4	282.15	8.79652	Bass Enterprises Production Co. - 100%
20	LC 071988-B	Section 8, T23S-R31E; W/2 Section 17, T23S-R31E; NW/4	480	14.96483	Bass Enterprises Production Co. - 100%
21	E-5229-1	Section 2, T23S-R30E; Lot 1, Section 36, T22S-R30E; NE/4, SW/4, S/2 NW/4	440.35	13.72868	Bass Enterprises Production Co. - 100%
21	E-5229-2	Section 36, T22S-R30E; SE/4	160.00	4.98828	Bass Enterprises Production Co. - 100%
25	Fec	Section 7, T23S-R31E; NE/4 NE/4	40.00	1.24707	Bass Enterprises Production Co. - 100%
<b>TOTALS:</b>			<b>3,207.52</b>	<b>100%</b>	
<b>Total Federal Lands:</b>		<b>2,567.17 Acres</b>			
<b>Total State Lands:</b>		<b>600.35 Acres</b>			
<b>Total Fee Lands:</b>		<b>40.00 Acres</b>			
<b>Total:</b>		<b>3,207.52 Acres</b>			

**BASS ENTERPRISES PRODUCTION COMPANY  
JAMES RANCH UNIT (DELAWARE)  
PROPOSED PARTICIPATING AREAS**

**GEOLOGICAL ATTACHMENTS**

1. Type Log: JRU No. 30 (Section 6, T23S-R31E)
2. Wireline Logs/Mudlogs: Data base for 44 wells  
Includes porosity, resistivity, and mudlogs for both producing zones and for uphole, behind-pipe pay intervals
3. Producing Horizons: Map illustrating producing reservoir horizons at James Ranch Unit
4. Base Map – Existing Wells - Logging Date: Base map illustrating by well, the original operator, logging company, and logging date (tabulation includes logging and completion date).
5. Log Quality Control: Porosity logs
6. Log Quality Control: Resistivity logs
7. Rw: Relationship for Rw vs Depth
8. Structure Map: Top Lower Brushy Canyon “D”
9. Net Pay Isopach Map: Lower Brushy Canyon “D”—critical contour @ 25'  $\geq$  10% porosity
10. Commercial Delaware Wells S.E. of JRU: Documentation supporting commerciality in Sections 8 and 17 of T23S-R31E

## INTRODUCTION

Drilling for deeper horizons below the Delaware from the 1950's through the early 1990's at James Ranch Unit essentially identified that a significant hydrocarbon reservoir existed within the Cherry and Brushy Canyon sections of the Delaware formation. This identification was based primarily from drill stem tests, mudlog shows and log evaluation. For example, as early as 1954 the Richardson and Bass Legg No. 1 (Section 27, T22S-R30E) potentialized for 67 BOPD (6112'-6118') from the Lower Brushy Canyon and in 1957, Shell's No. 1 James Ranch Unit (Section 36, T22S-R30E) recovered 450' oil on a Brushy Canyon drillstem test (6719'-6758'). Continued deep drilling through the 1980's confirmed the Delaware potential prior to it becoming a targeted reservoir.

During the 1990's attention became more focused on the Delaware, very much aided by fracture treatment technology. Since drilling became focused on the Delaware, 19 wells have targeted this reservoir in the southeastern sector of the unit. All of these wells are commercial. Around 12 additional locations are currently being permitted. Uphole, behind-pipe pay exists in the majority of the wells drilled to date.

## GEOLOGICAL SETTING

The Delaware sands at James Ranch Unit were deposited as part of an extensive submarine fan complex, with thinly bedded sandstones and siltstones encasing stacked channel sequences of reservoir quality sandstones. The trapping mechanism is primarily stratigraphic with some subtle structural influence.

## PETROPHYSICS

Based upon in-house studies and production experience of the Delaware at James Ranch Unit and elsewhere, the Lower Brushy Canyon is oil-bearing and productive at a density porosity cut-off of  $\geq 10\%$  (sandstone matrix at 2.66 gm/cc). As we climb into the Cherry Canyon, the porosity cut-off increases to 15% sandstone porosity. The log database at James Ranch Unit is a very unique mixture of porosity and resistivity log types and of varying logging companies. For this reason, quality control of the logs has been essential. Typically we like to see the water saturations to be 65% or less. Mudlogs have been a very critical ingredient in pay recognition—it is difficult to question a zone's potential when you have good drilling shows ranging from good sample shows to oil in the trap or on the pits!

## COMPLETIONS WITH UPHOLE PAY

Initial completions have concentrated on the Lower Brushy "D". Perforations are commonly limited to a central pay zone and then large fracture stimulations are made to communicate all the reservoir intervals from the top of the Lower Brushy Canyon "D" to the top of the Bone Spring. Since this has been the initial completion interval to date, and

on its own has been overall commercial, the Lower Brushy "D" is the reservoir interval illustrated in this application. Examination of the log/mudlog database illustrates the higher reserve uphole potential behind-pipe in the majority of the wells. Some of this has been accessed but in many of the wells has yet to be perforated.

## **PROPOSED PARTICIPATING AREAS**

### **1. Initial P.A. (effective date 4/24/93)**

Chronologically, JRU No. 19 (completed 4/24/93) should define the initial P.A. Completed in the Lower Brushy Canyon "B", "C" and "D", the well has produced 85 MBO + 180 MMCF through 11/30/99, with an anticipated ultimate recovery of 181 MBOE.

### **2. First Revision (effective date 1/1/94)**

The JRU No. 19, together with earlier pay identification from deep tests in Section 36, T22S-R30E showed us that Section 36 was a commercial target area. Earlier "deep" tests in Section 6, T23S-R31E (JRU Nos. 4, 7, and 30) and in Section 1 of T23S-R30E (Hudson Federal No. 1 and JRU Nos. 3 and 10) had already indicated the Delaware potential in those areas, but confirmation of this was provided by the JRU No. 36. Completed 1/23/94, the No. 36 has produced 47 MBO + 90 MMCF from the Lower Brushy "D" through 11/30/99, and has an anticipated ultimate recovery of 153 MBOE. Additional pay still exists uphole.

### **3. Second Revision (effective date 4/1/94)**

Delaware mapping during our early Delaware drilling showed us that the reservoir extended southeast outside of the unit into Sand Dunes, West (Sections 8, 9, 16 and 17 of T23S-R31E). Overall unaccessible due to potash mining, two earlier deep tests (JRU Nos. 14 and 15) strongly supported this potential in the Delaware. This potential was officially confirmed within the unit by the JRU No. 55 (completed 4/6/94). The JRU No. 55, through 11/30/99, has produced 55 MBO + 182 MMCF, and has an anticipated ultimate recovery of 165 MBOE.

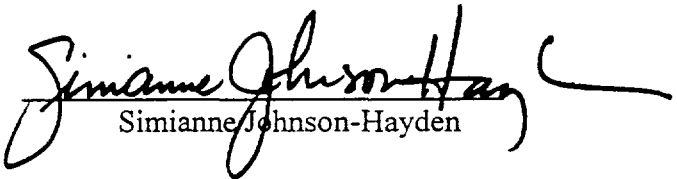
## **SUMMARY**

The proposed initial P.A. and P.A. revisions, in our opinion, define the minimum participating areas for the Delaware at James Ranch Unit. Drilling restrictions, due to potash, are the only reason why more drilling has not been done to substantiate the fact that a much larger area should be placed within a participating area. As previously stated, no non-commercial wells have been drilled. In fact, with our ongoing drilling program, five additional wells (JRU Nos. 31, 32, 38, 63, 67) will need to be filed as commercial wells. This program has also confirmed our earlier mapping that an additional channel complex, trending NW-SE, enters Section 36 (T22S-R30E) and

Section 1 (T23S-R30E) and then joins up with the main N-S complex which incorporates Sand Dunes, West. The Richardson and Bass Legg No. 1 (Section 27, T22S-R30E) is located along this fairway. We are in fact extremely encouraged by this secondary trend. Completed February 2, 2000, the JRU No. 63 (NW/4 Section 1, T23S-R30E) flowed at rates of over 500 BOPD from the Lower Brushy "D" during the first week. Currently, development drilling is going to target this secondary channel complex. There is no doubt that if the area were accessible for drilling, the unit acreage west and northwest of the proposed participating areas would greatly enlarge the P.A. area. We further believe, from subsurface mapping, that the Cabin Lake Cherry Canyon pay zone is present in that area. That reservoir will typically produce over 250 MBO/well. Together with Brushy Canyon pay zones, the reserves of this area within the potash reserves would constitute a significant asset to Bass Enterprises and the Bureau of Land Management.

Finally, please feel free to call either Simianne Hayden (817 390-8664) or George Hillis (817 390-8661) with any questions on this application for Delaware participating areas (initial, first revision, second revision) at James Ranch Unit.

  
George A. Hillis

  
Simianne Johnson-Hayden

GAH:SJH:jp

BASS ENTERPRISES PRODUCTION CO.

201 MAIN ST.  
FORT WORTH, TEXAS 76102-3131  
817/390-8400

April 20, 2000

Bureau of Land Management  
P. O. Box 1397  
Roswell, New Mexico 8820-2019  
Attention: Ed Roberson

New Mexico Oil Conservation Division  
2040 S. Pacheco Street  
Santa Fe, New Mexico 87505  
Attention: Lori Wrotenbery

Commissioner of Public Lands  
State of New Mexico  
P. O. Box 1148  
Santa Fe, New Mexico 87504-1148  
Attention: Jami Bailey

Re: Application for Approval of the First Revision  
of the Initial Delaware Participating Area  
James Ranch Unit, No. 14-08-001-558  
Eddy County, New Mexico

Ladies and Gentlemen:

Bass Enterprises Production Co., as unit operator of the James Ranch Unit Agreement, pursuant to the provisions of Section 11 thereof, respectfully submits for your approval the selection of the following described lands to constitute the first revision to the Initial Delaware Participating Area. The revised participating area consists of 2,326.28 acres to be comprised of the lands indicated on the plat attached hereto and further described as follows:

T22S-R30E

Section 35: SE/4 NE/4, E/2 SE/4

Section 36: S/2, NE/4, S/2 NW/4

T22S-R31E

Section 31: Lots 1, 2, 3, 4, E/2 SW/4, SE/4

T23S-R30E

Section 1: Lots 1, 2, 3, 4, S/2 NE/4, SE/4

Section 2: Lot 1

T23S-R31E

Section 5: Lot 4, SW/4 NW/4, W/2 SW/4

Section 6: All

All in Eddy County, New Mexico and containing exactly 2,326.28 acres of land.

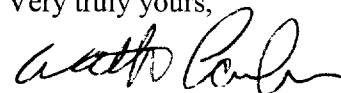
In support of this application, the following numbered items are attached hereto and made a part hereof:

1. An ownership map (Exhibit "A") depicting the boundaries of the proposed first revision to the Initial Delaware Participating Area.
2. A schedule (Exhibit "B") identifying the lands entitled to participation in the revised participating area with the percentage of participation of each lease or tract indicated thereon.
3. A geological report with accompanying geological maps supporting and justifying the proposed selection of the revised area based on the results obtained from the James Ranch Unit Well No. 36.

This proposed first revision to the Initial Delaware Participating Area is predicated upon the knowledge and information first obtained from the James Ranch Unit Well No. 36 in January, 1994. It should be noted that James Ranch Unit Well No. 36 has been previously determined as capable of producing in commercial quantities. According to Section 11 of the Unit Agreement, the effective date of the subject revision should be the first of the month in which the above information was obtained or January 1, 1994. Therefore, Bass respectfully requests your approval of the hereinabove described 2,326.28 acres of land to constitute the first revision of the Initial Delaware Participating Area, to be effective January 1, 1994.

Thank you very much for your cooperation in this regard and should you have any questions or comments concerning same, please do not hesitate to contact the undersigned.

Very truly yours,



Worth Carlin

WWC:ca

ACCEPTED AND AGREED this \_\_\_\_\_ day of \_\_\_\_\_, 2000.

BUREAU OF LAND MANAGEMENT

By: \_\_\_\_\_

COMMISSIONER OF PUBLIC LANDS

By: \_\_\_\_\_

NEW MEXICO OIL CONSERVATION DIVISION

By: \_\_\_\_\_





Bass Enterprises Production Co.

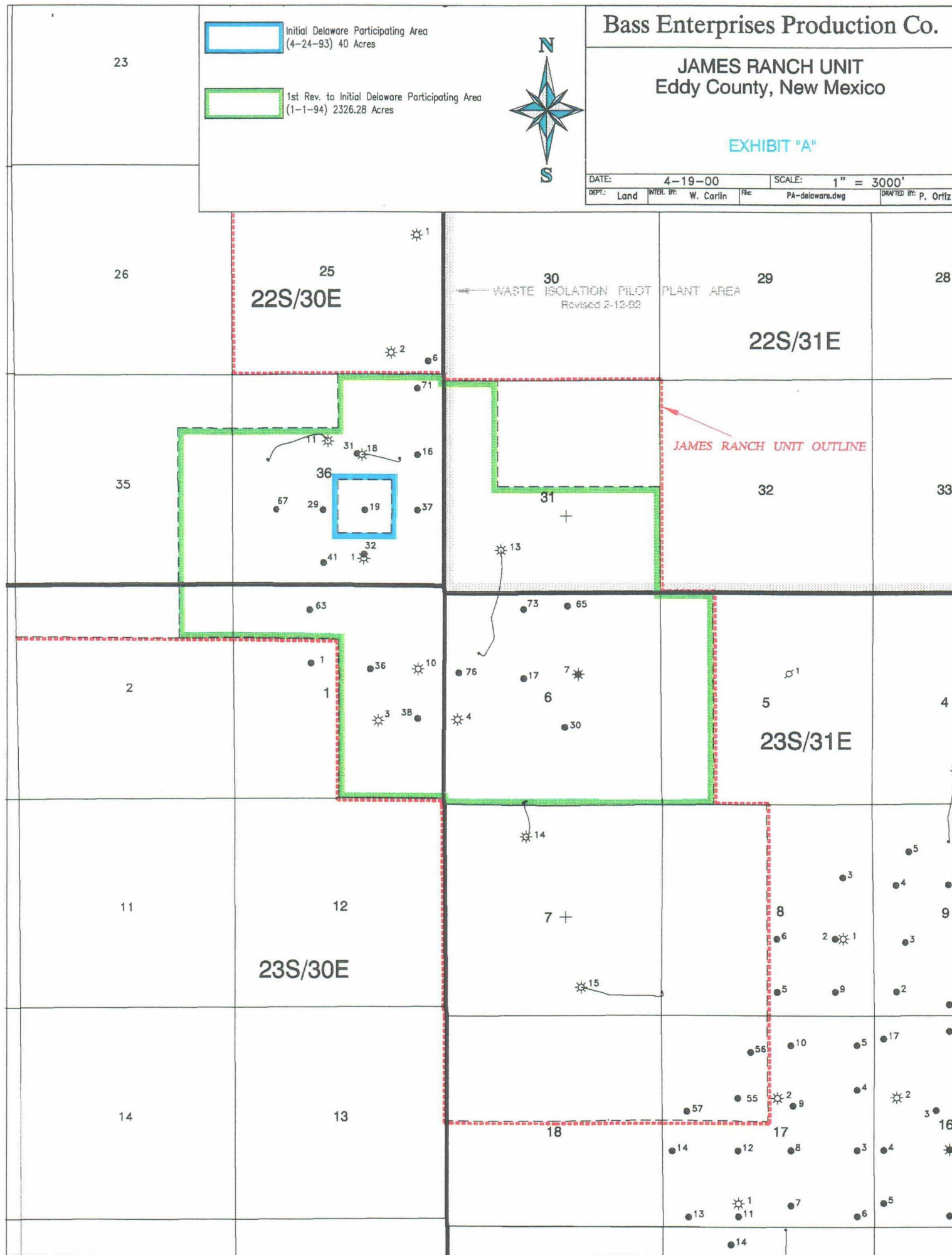
JAMES RANCH UNIT  
Eddy County, New Mexico

EXHIBIT "A"

DATE: 4-19-00 SCALE: 1" = 3000'  
DEPT.: Land INTER. BY: W. Carlin FILE: PA-delaware.dwg DRAFTED BY: P. Ortiz

 Initial Delaware Participating Area  
(4-24-93) 40 Acres

 1st Rev. to Initial Delaware Participating Area  
(1-1-94) 2326.28 Acres



**EXHIBIT "B"**  
**First Revision to Initial Delaware Participating Area**  
**James Ranch Federal Unit**  
**Eddy County, New Mexico**

<u>Tract Lease No.</u>	<u>No.</u>	<u>Description</u>	<u>Participating Acres</u>	<u>Percentage of Participation</u>	<u>Working Interest Owners</u>
2	NM 02883-A	Section 5, T23S-R31E; SW/4 NW/4, W/2 SW/4,	120.00	5.15845	Bass Enterprises Production Co. - 100%
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3-A	NM 02884-B	Section 1, T23S-R30E; Lots 1, 2, S/2 NE/4, SE/4	320.24	13.76618	Bass Enterprises Production Co. - 100%
4	NM 02887-A	Section 6, T23S-R31E; Lots 1, 2, S/2 NE/4, NE/4 SE/4	199.92	8.59398	Bass Enterprises Production Co. - 100%
4	NM 02887-D	Section 6, T23S-R31E; Lots 3, 4, 5, SE/4 NW/4	161.08	6.92436	Bass Enterprises Production Co. - 100%
4-A	NM 02887-B	Section 5, T23S-R31E; Lot 4	39.98	1.71862	Bass Enterprises Production Co. - 100%
6	NM 02952-C	Section 35, T22S-R30E; SE/4 NE/4	40.00	1.71948	Bass Enterprises Production Co. - 100%
6-A	NM 02952-A	Section 35, T22S-R30E; E/2 SE/4	80.00	3.43897	Bass Enterprises Production Co. - 100%

**EXHIBIT "B"**  
**First Revision to Initial Delaware Participating Area**  
 Page 2

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<b>TOTALS:</b>			<b>2,326.28</b>	<b>100%</b>		
<b>Total Federal Lands:</b>			<b>1,725.93 Acres</b>			
<b>Total State Lands:</b>			<b>600.35 Acres</b>			
<b>Total Fee Lands:</b>			<b>0.00 Acres</b>			
<b>Total:</b>			<b>2,326.28 Acres</b>			

**BASS ENTERPRISES PRODUCTION COMPANY  
JAMES RANCH UNIT (DELAWARE)  
PROPOSED PARTICIPATING AREAS**

**GEOLOGICAL ATTACHMENTS**

1. Type Log: JRU No. 30 (Section 6, T23S-R31E)
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Includes porosity, resistivity, and mudlogs for both producing zones and for uphole, behind-pipe pay intervals
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## INTRODUCTION

Drilling for deeper horizons below the Delaware from the 1950's through the early 1990's at James Ranch Unit essentially identified that a significant hydrocarbon reservoir existed within the Cherry and Brushy Canyon sections of the Delaware formation. This identification was based primarily from drill stem tests, mudlog shows and log evaluation. For example, as early as 1954 the Richardson and Bass Legg No. 1 (Section 27, T22S-R30E) potentialed for 67 BOPD (6112'-6118') from the Lower Brushy Canyon and in 1957, Shell's No. 1 James Ranch Unit (Section 36, T22S-R30E) recovered 450' oil on a Brushy Canyon drillstem test (6719'-6758'). Continued deep drilling through the 1980's confirmed the Delaware potential prior to it becoming a targeted reservoir.

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## **PROPOSED PARTICIPATING AREAS**

### **1. Initial P.A. (effective date 4/24/93)**

Chronologically, JRU No. 19 (completed 4/24/93) should define the initial P.A. Completed in the Lower Brushy Canyon "B", "C" and "D", the well has produced 85 MBO + 180 MMCF through 11/30/99, with an anticipated ultimate recovery of 181 MBOE.

### **2. First Revision (effective date 1/1/94)**

The JRU No. 19, together with earlier pay identification from deep tests in Section 36, T22S-R30E showed us that Section 36 was a commercial target area. Earlier "deep" tests in Section 6, T23S-R31E (JRU Nos. 4, 7, and 30) and in Section 1 of T23S-R30E (Hudson Federal No. 1 and JRU Nos. 3 and 10) had already indicated the Delaware potential in those areas, but confirmation of this was provided by the JRU No. 36. Completed 1/23/94, the No. 36 has produced 47 MBO + 90 MMCF from the Lower Brushy "D" through 11/30/99, and has an anticipated ultimate recovery of 153 MBOE. Additional pay still exists uphole.

### **3. Second Revision (effective date 4/1/94)**

Delaware mapping during our early Delaware drilling showed us that the reservoir extended southeast outside of the unit into Sand Dunes, West (Sections 8, 9, 16 and 17 of T23S-R31E). Overall unaccessible due to potash mining, two earlier deep tests (JRU Nos. 14 and 15) strongly supported this potential in the Delaware. This potential was officially confirmed within the unit by the JRU No. 55 (completed 4/6/94). The JRU No. 55, through 11/30/99, has produced 55 MBO + 182 MMCF, and has an anticipated ultimate recovery of 165 MBOE.

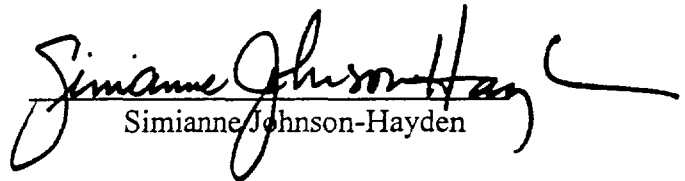
## **SUMMARY**

The proposed initial P.A. and P.A. revisions, in our opinion, define the minimum participating areas for the Delaware at James Ranch Unit. Drilling restrictions, due to potash, are the only reason why more drilling has not been done to substantiate the fact that a much larger area should be placed within a participating area. As previously stated, no non-commercial wells have been drilled. In fact, with our ongoing drilling program, five additional wells (JRU Nos. 31, 32, 38, 63, 67) will need to be filed as commercial wells. This program has also confirmed our earlier mapping that an additional channel complex, trending NW-SE, enters Section 36 (T22S-R30E) and

Section 1 (T23S-R30E) and then joins up with the main N-S complex which incorporates Sand Dunes, West. The Richardson and Bass Legg No. 1 (Section 27, T22S-R30E) is located along this fairway. We are in fact extremely encouraged by this secondary trend. Completed February 2, 2000, the JRU No. 63 (NW/4 Section 1, T23S-R30E) flowed at rates of over 500 BOPD from the Lower Brushy "D" during the first week. Currently, development drilling is going to target this secondary channel complex. There is no doubt that if the area were accessible for drilling, the unit acreage west and northwest of the proposed participating areas would greatly enlarge the P.A. area. We further believe, from subsurface mapping, that the Cabin Lake Cherry Canyon pay zone is present in that area. That reservoir will typically produce over 250 MBO/well. Together with Brushy Canyon pay zones, the reserves of this area within the potash reserves would constitute a significant asset to Bass Enterprises and the Bureau of Land Management.

Finally, please feel free to call either Simianne Hayden (817 390-8664) or George Hillis (817 390-8661) with any questions on this application for Delaware participating areas (initial, first revision, second revision) at James Ranch Unit.

  
George A. Hillis

  
Simianne Johnson-Hayden

GAH:SJH:jp

BASS ENTERPRISES PRODUCTION CO.

201 MAIN ST.  
FORT WORTH, TEXAS 76102-3131  
817/390-8400

April 20, 2000

Bureau of Land Management  
P. O. Box 1397  
Roswell, New Mexico 88201-2019

New Mexico Oil Conservation Division  
2040 S. Pacheco Street  
Santa Fe, New Mexico 87505

Attention: Ed Roberson

Attention: Lori Wrotenbery

Commissioner of Public Lands  
State of New Mexico  
P. O. Box 1148  
Santa Fe, New Mexico 87504-1148

Attention: Jami Bailey

Re: Initial Delaware Participating Area  
NW/4 SE/4 Section 36, T22S-T30E  
James Ranch Unit, No. 14-08-001-558  
Eddy County, New Mexico

Ladies and Gentlemen:

Bass Enterprises Production Co., as Unit Operator of the James Ranch Unit Agreement, pursuant to the provisions of Section 11 thereof, respectfully submits for your approval the selection of the following described lands to comprise the Initial Participating Area for the Delaware Formation:

NW/4 SE/4 Section 36, T22S-R30E containing 40.00 acres of land.

In support of this application the following numbered items are attached hereto and made a part hereof:

1. An ownership map (Exhibit "A") depicting the boundaries of the proposed initial participating area for the Delaware Formation.
2. A schedule (Exhibit "B") identifying the lands entitled to participation in the unitized substances produced from the Delaware Formation with the percentage of participation of each lease or tract indicated thereon.



BASS ENTERPRISES PRODUCTION CO.

201 MAIN ST.

FORT WORTH, TEXAS 76102-3131

817/390-8400

Initial PA  
April 20, 2000  
Page 2

This proposed initial participating area is predicated upon the knowledge and information first obtained upon the completion of the James Ranch Unit Well No. 19 (located in the NW/4 SE/4 Section 36, T22S-R30E) on April 24, 1993. It should be noted that James Ranch Unit Well No. 19 has been previously determined as capable of producing in commercial quantities. According to the Unit Agreement it is our understanding that the effective date of this initial participating area will be April 24, 1993. Therefore, Bass respectfully requests your approval of the hereinabove selection of lands to constitute the Initial Delaware Participating Area to be effective April 24, 1993. Thank you very much for your cooperation in this regard and should you require additional information concerning same, please don't hesitate to contact the undersigned.

Very truly yours,



Worth Carlin

WWC:ca

ACCEPTED AND AGREED this \_\_\_\_\_ day of \_\_\_\_\_, 2000.

BUREAU OF LAND MANAGEMENT

By: \_\_\_\_\_

COMMISSIONER OF PUBLIC LANDS

By: \_\_\_\_\_

NEW MEXICO OIL CONSERVATION DIVISION

By: \_\_\_\_\_



Initial Delaware Participating Area  
(4-24-93) 40 Acres

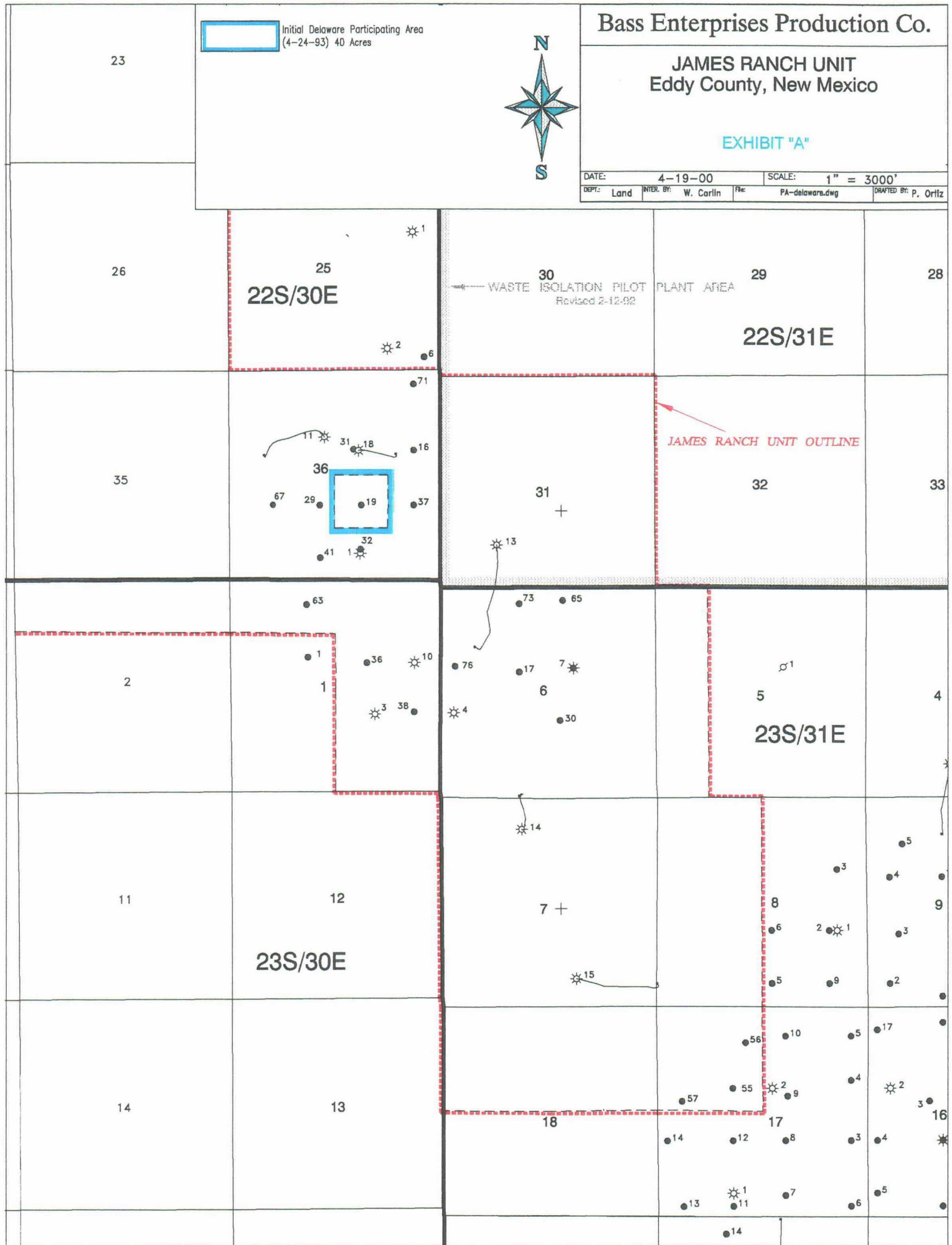


# Bass Enterprises Production Co.

## JAMES RANCH UNIT Eddy County, New Mexico

EXHIBIT "A"

DATE:	4-19-00	SCALE:	1" = 3000'
DEPT:	Land	INTER. BY:	W. Carlin
FILE:	PA-delaware.dwg	DRAFTED BY:	P. Ortiz



**EXHIBIT "B"**

**Initial Delaware Participating Area  
James Ranch Federal Unit  
Eddy County, New Mexico**

<u>Tract No.</u>	<u>Lease No.</u>	<u>Description</u>	<u>Participating Acres</u>	<u>Percentage of Participation</u>	<u>Working Interest Owners</u>
21	E-5229-2	Section 36, T22S-R30E; NW/4 SE/4	40.00	100%	Bass Enterprises Production Co. – 100%
<b>Totals</b>			<b>40.00</b>	<b>100%</b>	

Total Federal Land: 0 Acres  
 Total State Lands: 40 Acres  
 Total Fee Lands: 0 Acres  
**Total 40 Acres**

Delaware

**PERFORMANCE DATA**

(If sufficient history exists, attach plot of oil production rate v time.)

CUMULATIVE PRODUCTION TO	<u>11/30/99</u> ; <u>38,048</u>	BBLs
INITIAL RATE (qi)	<u>508</u>	
ECONOMIC LIMIT (ql)	<u>60</u>	
DECLINE RATE, dy	<u>Hyperbolic d = 16.48% n = .995</u>	
REMAINING OIL (Q) =	<u>54,352</u>	
ULTIMATE RECOVERABLE OIL	<u>92,400</u>	

(Attach plot showing proration unit and participating area.)

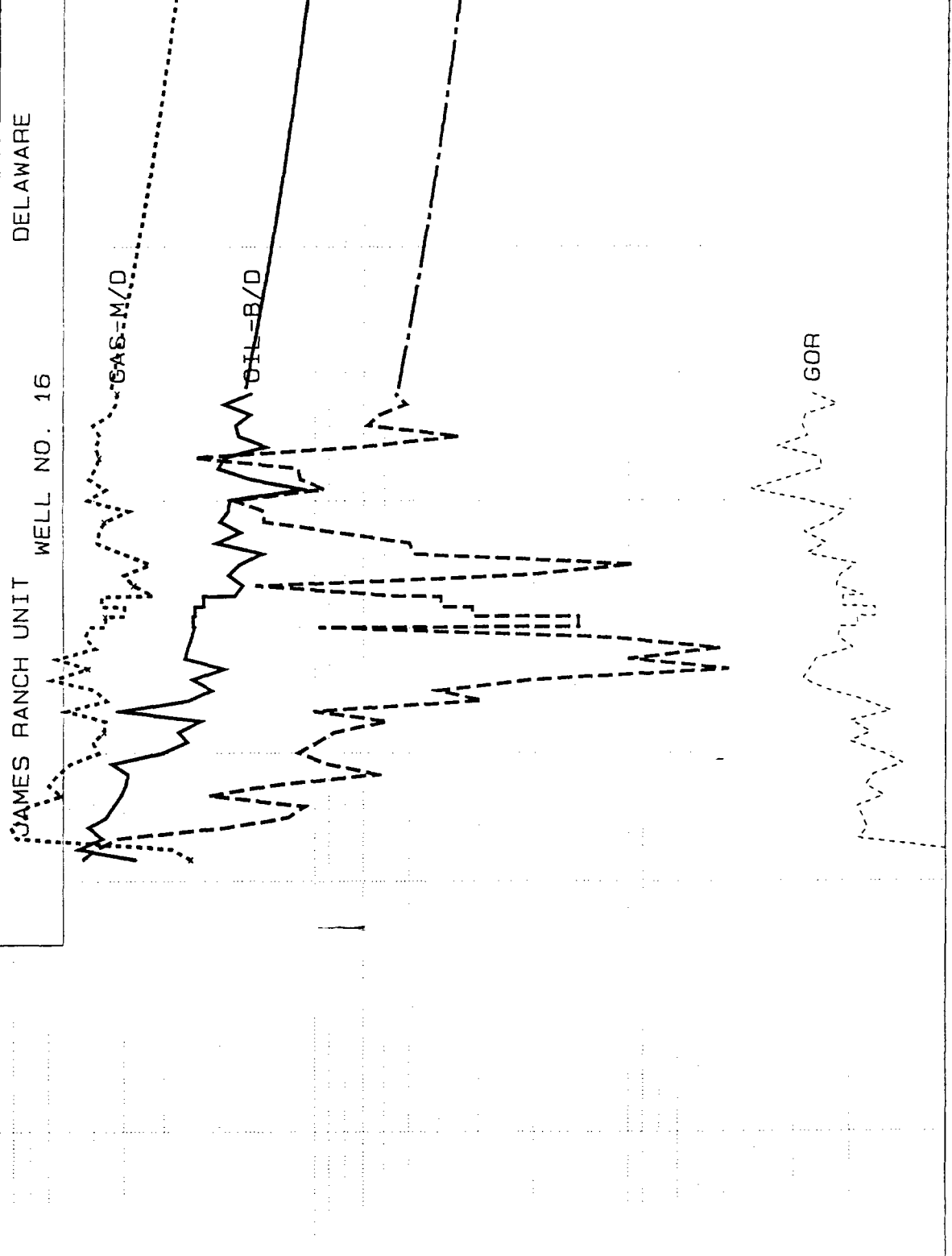
**ECONOMIC**

WELL COST \$	<u>570,000</u>	(to the depth of formation completed)
RECOMPLETION COST \$	<u>0</u>	
TOTAL COST \$	<u>570,000</u>	

YEAR	GROSS OIL	REVENUE	OPERATING COST	10% NET BIT DISCOUNTED CASH FLOW
ZERO	<u>0</u>	<u>0</u>	<u>0</u>	<u>-570,000</u>
1	<u>14,400</u>	<u>315,400</u>	<u>44,500</u>	<u>258,800</u>
2	<u>9,300</u>	<u>203,200</u>	<u>35,100</u>	<u>145,900</u>
3	<u>7,500</u>	<u>114,300</u>	<u>28,500</u>	<u>67,400</u>
4	<u>6,300</u>	<u>133,600</u>	<u>31,200</u>	<u>72,800</u>
5	<u>5,600</u>	<u>148,000</u>	<u>30,200</u>	<u>75,700</u>
6	<u>4,700</u>	<u>107,500</u>	<u>27,000</u>	<u>46,700</u>
7	<u>4,100</u>	<u>88,800</u>	<u>25,900</u>	<u>33,100</u>
8	<u>3,700</u>	<u>75,700</u>	<u>24,900</u>	<u>24,200</u>
9	<u>3,300</u>	<u>68,000</u>	<u>24,400</u>	<u>18,800</u>
10	<u>3,000</u>	<u>61,800</u>	<u>23,900</u>	<u>14,800</u>
REMAINDER	<u>30,500</u>	<u>617,500</u>	<u>384,400</u>	<u>55,200</u>

**WELL IS COMMERCIAL**

OIL		WTR		GAS/OIL		GAS	
Gal=CD	Ref= 11/99	Gal=CD	Ref= 11/99	Gal=CD	Ref= 11/99	Gal=CD	Ref= 11/99
Cum= 38.048	EUR= 62.024	Cum= 0.00	EUR= 20.365	Cum= 0.00	EUR= 0.00	Cum= 74.612	EUR= 150.149
Yrs= 100.072	Q1= 30.832	Yrs= 0.00	Q1= 0.00	Yrs= 29.252	Q1= 2.6	Yrs= 29.252	Q1= 0.00
De= 16.482	n= .995	De= 0.00	n= .000	De= 0.00	n= .000	De= 0.00	n= .000
Qab= 60.8		Qab= .0		Qab= 2.1		Qab= .0	
WTR-B/D		GAS-M/D		GOR			
Ref= 11/99	Cum= 15.173	Ref= 11/99	Cum= 15.173	Ref= 11/99	Cum= 15.173	Ref= 11/99	Cum= 15.173



100	100	100	100	100	100	100	100
1000000	1000000	1000000	1000000	1000000	1000000	1000000	1000000
10	10	10	10	10	10	10	10
1	1	1	1	1	1	1	1

JRU #16 DELAWARE  
 PREPARED BY: KENT ADAMS

DATE : 02/09/00  
 TIME : 10:31:31  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 40

I N P U T   D A T A				C A L C U L A T E D   D A T A			
ITEM	SCHEDULING RATES	SCHEDULE UNTIL	PROCEDURE	ULTIMATE	LAST EFF. DECL	INIT. RATE	FINAL RATE
405 START	11/99						
410 OIL	X B/M	12/2013 AD	H/0.995	16.48	80.772	11/13	16.48
415 "	X B/M	19.30 IMU	EXP	5.00	100.072	8/30	5.00
420 START	11/99						
425 GAS/OIL	2.65	02/2029 AD	LOG	TIME		1/29	
430 START	11/99						
435 WTR/OIL	.33	X U/B	LIN	TIME		8/30	
440 START	02/96						
516 PRI/OIL	16.8800	X \$/B	PC	.00		8/30	16.880
517 "	18.39	X \$/B	PC	.00		8/30	18.390
518 "	22.26	X \$/B	PC	.00		8/30	22.260
519 "	20.74	X \$/B	PC	.00		12/97	20.740
520 "	14.43	X \$/B	PC	.00		12/98	14.430
521 "	19.25	X \$/B	PC	.00		12/99	19.250
522 "	24.94	X \$/B	PC	.00		12/00	24.940
523 "	20.67	X \$/B	PC	.00		12/01	20.670
524 "	19.20	X \$/B	PC	.00		12/02	19.200
525 "	18.18	X \$/B	PC	.00		12/03	18.180
526 "	18.13	X \$/B	PC	.00		8/30	18.130
531 PRI/GAS	1.8900	X \$/M	PC	.00		8/30	1.890
532 "	1.94	X \$/M	PC	.00		1/96	1.940
533 "	2.61	X \$/M	PC	.00		12/96	2.610
534 "	2.59	X \$/M	PC	.00		12/97	2.590
535 "	2.11	X \$/M	PC	.00		12/98	2.110
536 "	2.27	X \$/M	PC	.00		12/99	2.270
537 "	2.60	X \$/M	PC	.00		12/00	2.600
538 "	2.58	X \$/M	PC	.00		12/01	2.580
539 "	2.57	X \$/M	PC	.00		8/30	2.570
544 PRI/WTR	.5000	.5000 \$/U	PC	.00		1/96	.500
545 "	.08	X \$/U	PC	.00		1/96	.080
550 OPC/T	1600.00	X \$/M	SCH	OPC		8/30	1600.000
555 STX/OIL	7.08	X \$	PC	.00		8/30	.071
560 STX/GAS	7.93	X \$	PC	.00		8/30	.079
565 ATX	.17	X \$	PC	.00		8/30	.002
570 PRI/OIL	-.9100	-.9100 \$/B	PC	.00		8/30	-.910
575 PRI/GAS	-.1300	-.1300 \$/M	PC	.00		8/30	-.130
700 LSE/WI	100.0000	D \$	FLAT	.00		8/30	1.000
701 OWH/WI	100.0000	D \$	FLAT	.00		8/30	1.000

720 LSE/RIC	12.5000	D	FLAT	.00	8/30	.125	.125
721 OWN/RI	.0000	D	FLAT	.00	8/30		
740 LSE/RIG	12.5000	D	FLAT	.00	8/30	.125	.125
760 LSE/ORR	.0000	D	FLAT	.00	8/30		
761 OWN/ORR	.0000	D	FLAT	.00	8/30		

OVERLAYS SCHEDULING RATES

ULTIMATE	LAST	EFF. DECL	INIT. RATE	FINAL RATE
38.525	2/00			
75.872	2/00			
15.173	2/00			

905 LOAD P.OIL OIL #  
 910 LOAD P.GAS GAS #  
 915 LOAD P.WATER WTR #

INVESTMENT TANGIBLES & INTANGIBLES

ITEM	TIME	PROCEDURE	TOTAL T&I	MONTH	RISK INV.	TOT. T&I&R	ESC. T&I&R
800 DRILL	02/96 AD		570.000	2/96		570.0	570.0
801 WORKOVER	10/2000 AD	PC	65.000	10/0		65.0	65.0
802 SALVAGE	TO LIFE		-24.000	8/30		-24.0	-24.0

RESERVE PARAMETERS

ITEM	ITEM
201 LOSS NO	
205 CUMO, MB	CUM, MB
210 LOSS NO	

PROJECT ASSUMPTIONS

BASE DATE : 2/96 TIME FRAMES : 1\*11 38\*12 1\*600  
 P.W. DATE : 2/96 PW \$-AGE : 10.0 DISC. FREQUENCY : 365.  
 REPORT DATE : 2/96 PROD QUAL : CD OWNER QUAL : CD OTHER QUAL : CD

JRU #16 DELAWARE  
 PREPARED BY: KENT ADAMS

DATE : 02/09/00  
 TIME : 10:31:31  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 40

RESERVES AND ECONOMICS  
 EFFECTIVE DATE: 2/96

PERIOD ENDING	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	12/04	12/05	S TOT	AFTER	TOTAL
OWNERSHIP													27.5 YR
1) WORKING INTEREST, \$	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000
2) REVENUE INTEREST, \$	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500
INVESTMENTS, M\$													
3) BORROWED CAPITAL	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4) EQUITY INVESTMENTS	570.0	.0	.0	.0	65.0	.0	.0	.0	.0	635.0	-24.0	611.0	611.0
5) RISK	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) TOTAL	570.0	.0	.0	.0	65.0	.0	.0	.0	.0	635.0	-24.0	611.0	611.0
OIL PHASE													
8) GROSS OIL, MB	14.4	9.3	7.5	6.3	5.6	4.7	4.1	3.7	3.3	3.0	61.8	30.5	92.4
9) NET OIL, MB	12.6	8.1	6.5	5.5	4.9	4.1	3.6	3.2	2.9	2.6	54.1	26.7	80.8
10) OIL REVENUE, M\$	268.9	161.3	88.3	101.1	116.9	81.2	66.0	55.5	49.9	45.5	1034.5	460.3	1494.8
11) OIL PRICE, \$/B	21.35	19.83	13.52	18.34	24.03	19.76	18.29	17.27	17.22	17.22	19.12	17.22	18.49
GAS PHASE													
12) GROSS GAS, MMF	21.5	19.5	15.0	17.4	14.4	12.3	10.7	9.5	8.5	7.7	136.3	73.5	209.8
13) NET GAS, MMF	18.8	17.0	13.2	15.2	12.6	10.7	9.4	8.3	7.4	6.7	119.3	64.3	183.5
14) GAS REVENUE, M\$	46.5	41.9	26.0	32.5	31.1	26.3	22.9	20.2	18.1	16.4	281.9	156.9	438.8
15) GAS PRICE, \$/MCF	2.480	2.460	1.980	2.140	2.470	2.450	2.440	2.440	2.440	2.440	2.364	2.440	2.391
WATER PHASE													
16) GROSS WATER, MB	7.5	1.7	1.5	4.1	1.8	1.5	1.4	1.2	1.1	1.0	22.8	10.0	32.9
17) NET WATER, MB	7.5	1.7	1.5	4.1	1.8	1.5	1.4	1.2	1.1	1.0	22.8	10.0	32.9
18) WATER PRICE, \$/B	.500	.500	.500	.500	.080	.080	.080	.080	.080	.080	.353	.080	.270
ECONOMICS, M\$													
19) GROSS REV. TO INTR.	315.4	203.2	114.3	133.6	148.0	107.5	88.8	75.7	68.0	61.8	1316.4	617.2	1933.6
20) - SEV. TAX	22.7	14.7	8.3	9.7	10.7	7.8	6.5	5.5	5.0	4.5	95.6	45.0	140.6
22) - AD VALOREM TAX	.5	.3	.2	.2	.2	.2	.1	.1	.1	.1	2.1	1.0	3.0
23) - OPERATING COSTS	17.6	19.2	19.2	19.2	19.2	19.2	19.2	19.2	19.2	19.2	337.6	528.0	528.0
24) - SWD	3.7	.9	.8	2.1	.1	.1	.1	.1	.1	.1	8.1	.8	8.9
25) - CAPITAL REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
28) = NET INCOME	270.8	168.1	85.8	102.4	117.6	80.2	62.9	50.8	43.7	37.9	1020.3	232.8	1253.1
29) - INVESTMENTS & RSK	570.0	.0	.0	.0	65.0	.0	.0	.0	.0	.0	635.0	-24.0	611.0
30) = BFIT NET	-299.2	168.1	85.8	102.4	52.6	80.2	62.9	50.8	43.7	37.9	385.3	256.8	642.1
PRESENT WORTH @ 10.00 %													
31) NET INCOME	258.8	145.9	67.4	72.8	75.7	46.7	33.1	24.2	18.8	14.8	758.3	55.2	813.5
32) INVESTMENTS & RISK	570.0	.0	.0	.0	40.8	.0	.0	.0	.0	.0	610.8	-1.5	609.2
33) BFIT NET	-311.2	145.9	67.4	72.8	34.9	46.7	33.1	24.2	18.8	14.8	147.5	56.7	204.2
34) CUM BFIT NET	-311.2	-165.3	-97.8	-25.0	9.9	56.6	89.7	113.9	132.7	147.5	147.5	204.2	204.2



JRU #16 DELAWARE  
 PREPARED BY: KENT ADAMS

DATE : 02/09/00  
 TIME : 10:31:31  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 40

A F T E R T A X E C O N O M I C S

PERIOD ENDING	EFFECTIVE DATE: 2/96										27.5 YR		
	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	12/04	12/05	S TOT	AFTER	TOTAL
TAX TREATMENT OF INVESTMENTS, M\$													
1) EXP, RISK & CAP INT	330.0	.0	.0	.0	65.0	.0	.0	.0	.0	.0	395.0	.0	395.0
2) DEPLETABLE	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
3) DEPRECIABLE	240.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	240.0	-24.0	216.0
TAX CALCULATIONS, M\$													
4) GROSS REV. TO INTR.	315.4	203.2	114.3	133.6	148.0	107.5	88.8	75.7	68.0	61.8	1316.4	617.2	1933.6
5) - SEVERANCE TAX	22.7	14.7	8.3	9.7	10.7	7.8	6.5	5.5	5.0	4.5	95.6	45.0	140.6
6) - WPT TAX NET	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) - OPR. COSTS & ATX	21.8	20.4	20.2	21.5	19.6	19.5	19.4	19.4	19.4	19.4	200.5	339.4	539.9
8) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
9) - OVERHEAD	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
10) - EXPENSED INV.	330.0	.0	.0	.0	65.0	.0	.0	.0	.0	.0	395.0	.0	395.0
11) - DEPRECIATION	31.4	56.7	43.4	31.0	22.1	21.4	21.4	12.5	.0	.0	240.0	.0	240.0
12) - NET	-90.6	111.4	42.5	71.4	30.5	58.8	41.5	38.3	43.7	37.9	385.3	232.8	618.1
13) - DEPLETION	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
14) - INTEREST PD & CAP	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
15) - TAXABLE	-90.6	111.4	42.5	71.4	30.5	58.8	41.5	38.3	43.7	37.9	385.3	232.8	618.1
16) * TAX RATE, %	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0
17) - TAX CREDIT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
18) - WPT REFUND	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
19) = F.I.T.	-31.7	39.0	14.9	25.0	10.7	20.6	14.5	13.4	15.3	13.3	134.9	81.5	216.3
20) REVENUE-SEV-WPT	292.7	188.5	106.0	123.9	137.2	99.7	82.4	70.2	63.1	57.3	1220.8	572.1	1793.0
21) - OPR. COSTS & ATX	21.8	20.4	20.2	21.5	19.6	19.5	19.4	19.4	19.4	19.4	200.5	339.4	539.9
22) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
23) - F.I.T.	-31.7	39.0	14.9	25.0	10.7	20.6	14.5	13.4	15.3	13.3	134.9	81.5	216.3
24) = A.F.I.T.	302.5	129.1	71.0	77.4	107.0	59.6	48.4	37.4	28.4	24.7	885.4	151.3	1036.7
25) - LOAN REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) = NET INCOME	302.5	129.1	71.0	77.4	107.0	59.6	48.4	37.4	28.4	24.7	885.4	151.3	1036.7
28) - INVESTMENTS & RSK	570.0	.0	.0	.0	65.0	.0	.0	.0	.0	.0	635.0	-24.0	611.0
29) = A.F.I.T. NET	-267.5	129.1	71.0	77.4	42.0	59.6	48.4	37.4	28.4	24.7	250.4	175.3	425.7
PRESENT WORTH @ 10.00 %													
30) NET INCOME	289.1	112.1	55.8	55.0	68.8	34.7	25.5	17.8	12.2	9.6	680.7	35.9	716.5
31) INVESTMENTS & RISK	570.0	.0	.0	.0	40.8	.0	.0	.0	.0	.0	610.8	-1.5	609.2
32) A.F.I.T. NET	-280.9	112.1	55.8	55.0	28.0	34.7	25.5	17.8	12.2	9.6	69.9	37.4	107.3
33) CUM. A.F.I.T. NET	-280.9	-168.8	-113.0	-58.0	-30.0	4.7	30.2	48.0	60.3	69.9	69.9	107.3	107.3

JRU #16 DELAWARE  
 PREPARED BY: KENT ADAMS

DATE : 02/09/00  
 TIME : 10:31:31  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 40

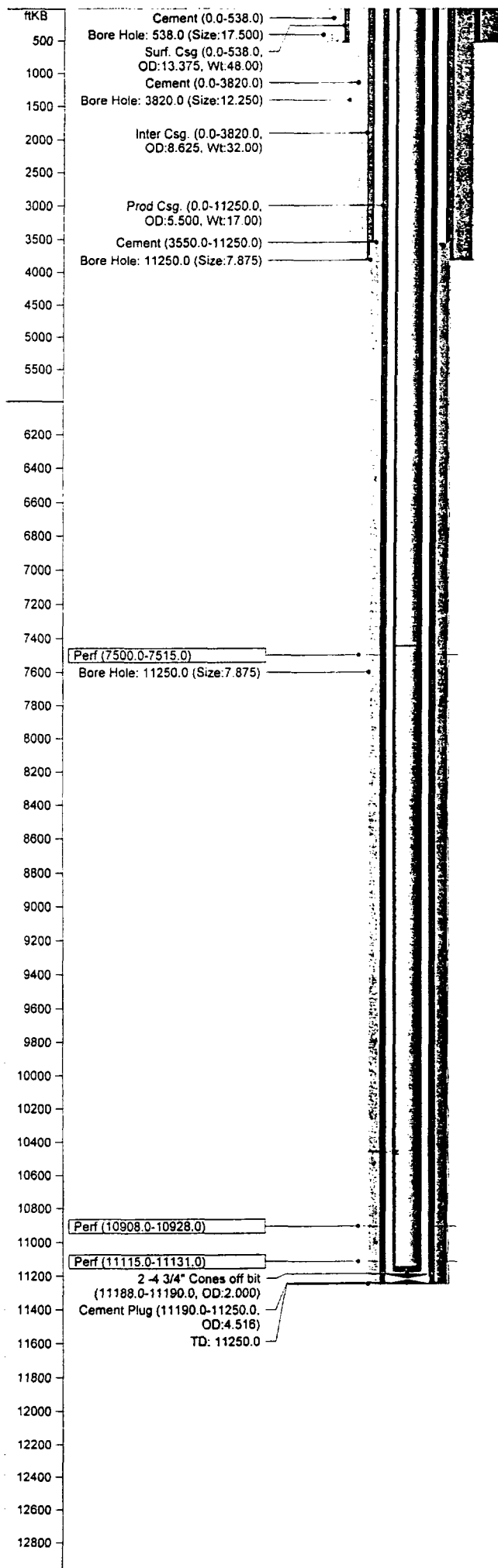
ECONOMIC INDICATORS

AS OF DATE: 2/96

	B.F.I.T. WORTH M\$-----	A.F.I.T. WORTH M\$-----	A.F.I.T. BONUS M\$-----
0.	642.068	425.745	654.992
2.	513.539	332.689	475.863
5.	368.354	227.427	302.563
6.	329.206	198.933	259.972
8.	261.229	149.245	189.391
10.	204.247	107.304	133.060
20.	17.153	-33.582	-38.950
30.	-86.311	-116.393	-130.671
40.	-157.387	-172.543	-189.919
50.	-206.917	-213.948	-232.337
60.	-244.619	-246.209	-264.738
70.	-274.547	-272.340	-290.611
80.	-299.046	-294.114	-311.944
90.	-319.574	-312.655	-329.960
100.	-337.092	-328.710	-345.459

PRESENT WORTH PROFILE AND  
 RATE-OF-RETURN VS. BONUS TABLE

RATE OF RETURN, PCT.	21.6	17.6
UNDISCOUNTED PAYOUT, YRS.	3.36	3.79
DISCOUNTED PAYOUT, YRS.	4.63	5.78
UNDISCOUNTED NET/INVEST.	2.05	1.70
DISCOUNTED NET/INVEST.	1.34	1.18



**JAMES RANCH UNIT #16**

API No.	3001528623	Status	ACT OIL
TD	11250.0 ftKB	Engineer	KAA
PBTD	11190.0 ftKB		
Operator	BEPCO	Permit	
Well No.	16	Spud	12/31/95
ID Code		RR	1/17/96
Field	Los Medanos (Delaware)	Completion	3/9/96
Author	RAS	Last Act.	
Date Updated	12/22/97	Abandoned	
Comments	Drilled by Enron		

**Location**

Township	S022	Top Latitude	0
		Top Longitude	0
Range	E030	Top NS Distance	1980.0 ft N
		Top EW Distance	330.0 ft E
Section	36	Bottom Latitude	0
Unit Ltr.	H	Bottom Longitude	0
State	NEW MEXICO	Btm NS Distance	0.0 ft
County	EDDY	Btm EW Distance	0.0 ft

**Elevations**

KB	3331.5 ft	Cas Fing	0.0 ft
Grd	3313.0 ft	Tub Head	0.0 ft
KB-Grd	18.5 ft		

**Casing String - Surface Casing**

Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID	Wt	Grd	Thd
13 3/8 in Surf. Csg	0.0	538.0	11	12.715	48.00	H-40	STC

**Casing String - Intermediate Casing**

Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID	Wt	Grd	Thd
8 5/8 in Inter Csg.	0.0	3820.0	85	7.920	32.00	J-55	STC

**Casing String - Production Casing**

Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID	Wt	Grd	Thd
5 1/2 in Prod Csg.	0.0	1250.0		4.890	17.00		

**Casing Cement**

Casing String	Top (ftKB)	Amount (sx)	Comments
Surface Casing	0.0	390	
Intermediate Casing	0.0	3159	
Production Casing	3550.0	1650	TOC by Temp Sur.

**Tubing String - Primary Tubing**

Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
2 7/8 in Tbg.	0.0	7445.0	224	2.441	6.50	N-80	8rc
2 7/8 in TAC	7445.0	7448.0		0.000	0.00		
2 7/8 in Tbg.	7448.0	11145.0	113	0.000	0.00	N-80	8rc
2 7/8 in SN	11145.0	11146.0		0.000	0.00		
2 7/8 in PS	11146.0	11150.0		0.000	0.00		
2 7/8 in MA	11150.0	11182.0		0.000	0.00		

**Other (plugs, equip., etc.) - Plug Back**

Date	Item	Int (ftKB)
1/17/96	Cement Plug	11190.0 - 11250.0

**Perforations**

Date	Int	Shots (/ft)	Status
1/26/96	11115.0 - 11131.0	2.0	
2/2/96	10908.0 - 10928.0	2.0	
2/8/96	7500.0 - 7515.0	4.0	

**Stimulations & Treatments**

Date	Type	Interval	Fluid	Sand	Comment
1/30/96	Sand Frac	11115.0 - 11131.0			
2/3/96	Sand Frac	10908.0 - 10928.0			
2/10/96	Sand Frac	7500.0 - 7515.0			

**Fish - Primary Fish**

Date	Item	Int (ftKB)	OD (in)	Comment
3/12/96	2 - 4 3/4" Cones off bit	11188.0 - 11190.0	2	

## WELL HISTORY

WELL NAME: JAMES RANCH UNIT #16  
FIELD NAME: LOS MEDANOS  
LOCATION: 1980' FNL & 330' FEL  
SEC 36, T22S, R30E  
EDD CO. NM  
ELEV: 3313' GL  
SPUD DATE: 12/31/95  
COMP DATE: 3/9/96  
ORIG TD: 11,250'  
ORIG PBTD: 11,190'  
CASING: 13 3/8", 48#, CSA 538', CMT W/390 SXS, CMT CIRC TO SURFACE  
8 5/8", 32#, CSA 3820', CMT W/3159 SXS, CMT CIRC TO SURFACE  
5 1/2", 17# CSA 11,250', CMT W/1650 SXS, TOC @ 3550' (TEMP SUR)  
TUBING: 2 7/8" TBG @ 11, 172'  
DST: NONE  
CORES & LOGS: 28 SIDEWALL CORES (1/16/96)  
LOGS ??

### INITIAL COMPLETION

1/26/96 TO 2/2/96 **PERF, ACIDIZE & FRAC WOLFCAMP**

**Perf** 11,115-11,131 (16'-2SPF @ 60° phasing). **Acidize** w/1500 gals 15% HCL. **Frac** w/53,000 gals Spectra Frac G-4000 + 301,000 # 20/40 Ottawa sand + 20,350# 20/40 Econoprop. SI 4 hrs for break, flow back well 3 days.

2-3-96 TO 2-7-96 **PERF, ACIDIZE & FRAC 3<sup>RD</sup> BONE SPRING**

Tagged **sand plug** @ 11,006', tested to 4000# using methanol, no leak-off. **Perf** Bone Spring Fm @ 10,908-28' (20'-40 shots). **Acidize** w/1000 gals 15% HCL. **Frac** w/48,000 gals Spectra Frac G-4000 + 350,000# 20/40 sand + 30,000# 20/40 Econoprop. Flow well back 5 days.

2-8-96 TO 2-11-96 **PERF, ACIDIZE & FRAC DELAWARE (BRUSHY CANYON "V" SAND)**

Set **CIBP** @ 10,796', tested to 4000#. **Perf** 7500-15' (15' 61 SHOTS 0° phasing. Acidized w/2,000 gals 15% HCL. **Frac** w/24,500 gals Spectra-Frac G-3000 + 52,000# 20/40 Brady sand + 20,000# 20/40 ACFRAC CR-4000 (RCS). Flow well back, well died, swabbed well.

2-23-96 RU Apollo Wireline, run after frac survey. RD, left flowing, 77  
BO, 36 BW on 64/64" ck., 10 psi FTP.

2-27-96 to 3-6-96 **Attempt to put on Artificial Lift**

Attempt to run tbg, rods and pump. Parted tbg and had to fish.  
Caught fish & LD. Well KO & flowed.

3-8-96 to 3-12-96 **Drill Out CIBP and Commingle Wolfcamp, Bone Spring &  
Delaware Perfs**

Drilled CIBP @ 10,796. Top sand plug @ 11,006, wash and rotate,  
chased CIBP to 11,095'. Drilled CIBP, wsh & rotate to 11,190',  
circ hole clean. Left well flowing 2 days. POH w/BHA, lost 2  
cones off 4 3/4" bit. RIH w 226 jts 2 7/8", 6.5#, N-80 tbg, @ 7411'.  
RIH w/ rods, POH & LD rods. Left well flowing.

3-24-96 RIH w/rods and pump. Hung well on production.

4-12-96 TO 4-18-96 MIRU PU, TOH w/rods & pump. TOH w/112 jts 2 7/8" tbg,  
PU TAC & TIH w/tbg. PU additional 112 jts. 2 7/8" 6.5# N-80 tbg,  
total 337 jts. SN landed @ 11,145' KB. RIH w/rods and pump. Start  
well pumping. Well is pumping 120 BOPD, 250 MCFPD, 64 BWPD.

**DISTRICT II**  
 P. O. Drawer 00  
 Artesia, NM 88211-0719

**OIL CONSERVATION DIVISION**

Submit to the Appropriate  
 District Office  
 State Lease - 4 copies  
 Fee Lease - 3 copies

**DISTRICT III**  
 1000 Rio Brazos Rd.  
 AZ NM 87410

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

AMENDED REPORT

**DISTRICT IV**  
 P. O. Box 2088  
 Santa Fe, NM 87507-2088

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1 APT Number	2 Pool Code	3 Pool Name
4 Property Code	5 Property Name <b>JAMES RANCH UNIT</b>	6 Well Number <b>16</b>
7 OGDID No.	8 Operator Name <b>ENRON OIL &amp; GAS COMPANY</b>	9 Elevation <b>3316'</b>

**10 SURFACE LOCATION**

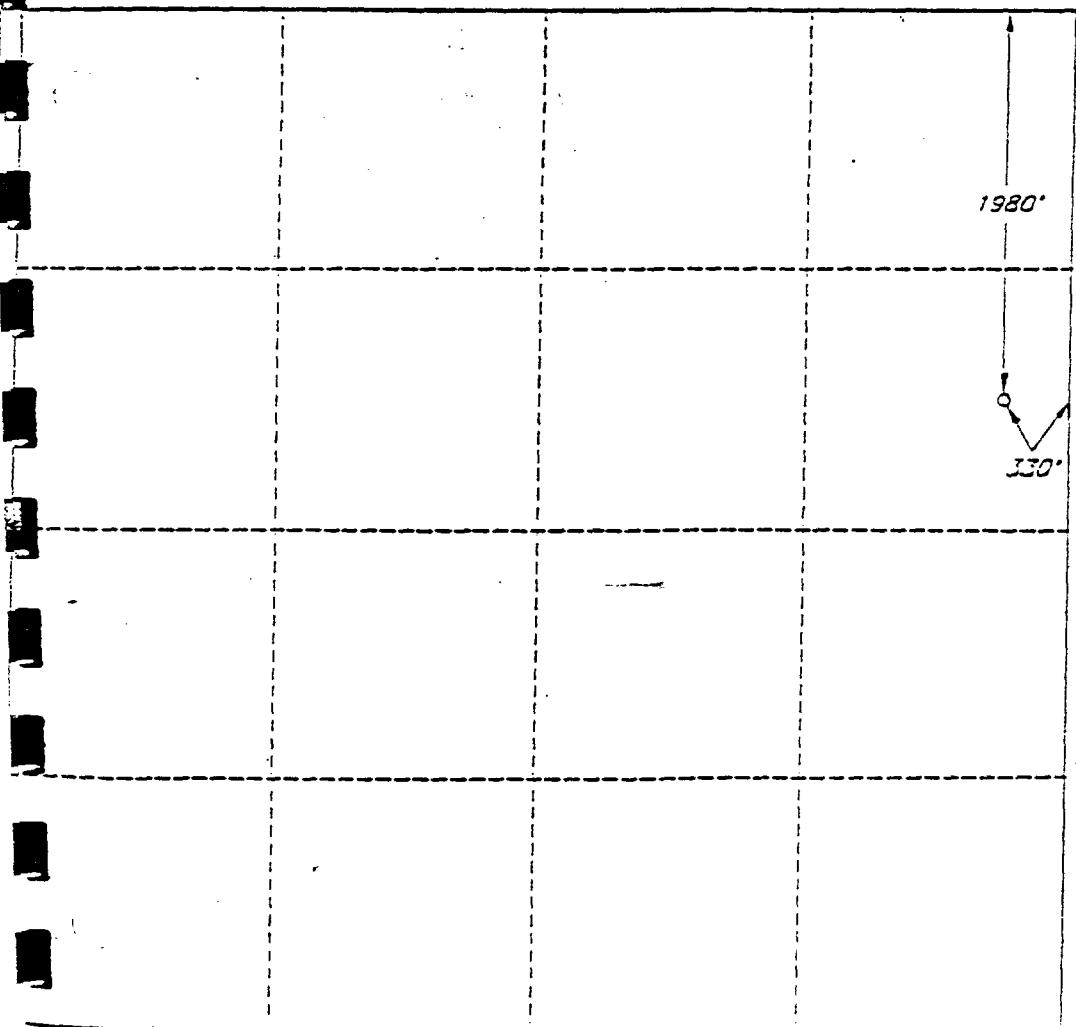
11 Lot or lot no.	12 Section	13 Township	14 Range	15 Lot Id.	16 Feet from the North/South line	17 Feet from the East/West line	18 County
H	38	22 SOUTH	30 EAST, N.M.P.M.		1980'	330'	EDDY

**19 BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE**

20 Lot or lot no.	21 Section	22 Township	23 Range	24 Lot Id.	25 Feet from the North/South line	26 Feet from the East/West line	27 County

28 Dedicated Acres	29 Joint or Infill	30 Consolidation Code	31 Order No.
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**NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION**



**OPERATOR CERTIFICATION**  
 I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature \_\_\_\_\_  
 Printed Name \_\_\_\_\_  
 Title \_\_\_\_\_  
 Date \_\_\_\_\_

**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  
**OCTOBER 25, 1995**

Signature and Seal of Professional Surveyor  
  
 V. LYNN BEZNER  
 No. 7920  
 V.L. BEZNER  
 No. 7920

JOHN W. BARNES / V.P.E.

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

DISTRICT OFFICE  
 1000 Rio Grande Rd., Aztec, NM 87410

WELL API NO.  
 30 015 28623

5. Indicate Type of Lease  
 STATE  FEE

6. State Oil & Gas Lease No.  
 E-4229-4

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG**

a. Type of Well:  
 OIL WELL  GAS WELL  DRY  OTHER

b. Type of Completion:  
 NEW WELL  WORK OVER  DEEPEN  PLUG BACK  DRY RESERVE  OTHER

7. Lease Name or Unit Agreement Name  
 Oe!  
 James Ranch Unit (4060)

Name of Operator  
 Enron Oil & Gas Company

8. Well No.  
 16

Address of Operator  
 P. O. Box 2267, Midland, Texas 79702

9. Pool Name or Wyo. Pool  
 Los Medanos Delaware (40297)

Well Location  
 Unit Letter H : 1980 Feet From The north Line and 330 Feet From The east Line

Section 36 Township 22S Range 30E NMPM Eddy County

10. Date Spudded 12-31-95 11. Date T.D. Reached 1-14-96 12. Date Compl. (Ready to Prod.) 2-9-96 13. Elevations (DF & RKB, RT, GR, etc.) 3313' GR 14. Elev. Casings 3313'

15. Total Depth 11250 16. Plug Back T.D. 11214 17. If Multiple Comps. How Many Zones? 1 18. Intervals Drilled By: Rotary Tools  Cable Tools

19. Producing Intervals, of this completion - Top, Bottom, Name  
7500-7515 20. Was Directional Survey Made  
No

21. Electric and Other Logs Run  
D - Ind Laterolog, Spec. Density Dual Saped Neutron 22. Was Well Cased  
No

**CASING RECORD (Report all strings set in well)**

CASING SIZE	WEIGHT LB/FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
17-1/8	48	538	17-1/2	390 sx Prem Plus	Circulated
12-1/4	32	3820	12-1/4	1639 sx Prem Plus & 1500 Prem 50/50 Poz	Circulated
8-1/2	17	11250	7-7/8	1650 sx Prem 50/50 poz	TOG 3550 1 per comp surface

**LINER RECORD**

**TUBING RECORD**

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2-7/8	7401	

Perforation record (interval size, and number)

11,115-11,131	(.32" 32)
10,908-10,928	(.32" 40)
7500-7515	(.30" 61)

27. ACID, SHOT, FRACTURE CEMENT, SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
11115-11131	Sand plug & 11,006
10908-10928	CTBP & 10,796
**7500-7515	300 gal linear gel, 45760 gal

**PRODUCTION** Spectra frac G-3000 w/52,000# 20/40 Brad: san

Date First Production	Production Method (Flowing, gas lift, pumping - Size and type pump)	Well Status (Prod. or Shut-in)					
3-10-96	Flowing	Producing					
Date of Test	Hours Tested	Core Size	Prod's For Test Period	Oil - bbl.	Gas - MCF	Water - bbl.	Gas - Oil Ratio
2-13-96	24	64/64		205	100	121	488
Flow Testing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - bbl.	Gas - MCF	Water - bbl.	Oil Gravity - API - (Curr.)	
20	400					40.5	

28. Direction of Gas (Sand, used for fuel, vented, etc.)  
 Test Witnessed By

29. Log Attachments  
 Fracture # and 2500 gals AC frac GR 4000 w/52,000# 20-40 Basin-Coated Sand

30. I hereby certify that the information shown on our files of this form is true and complete to the best of my knowledge and belief.

Signature Betty Gildon Printed Name Betty Gildon Title Regulatory Analyst Date 2/14/96

**WORKSHEET FOR COMMERCIAL DETERMINATION  
AND PARTICIPATING AREA IN FEDERAL UNITS**

**WELL DATA**

WELL JAMES RANCH UNIT NO. 16 FORMATION WOLFCAMP  
 LOCATION H UNIT, 1980 FEET FROM N LINE & 330 FEET FROM E LINE  
 SECTION 36 TOWNSHIP 22S, RANGE 30E, COUNTY EDDY, NEW MEXICO  
 SPUD DATE 12/31/95 COMPLETION DATE 1/31/96 INITIAL PRODUCTION 1/31/96  
 PERFORATIONS 11,115-11,131'

STIMULATION:

**ACID** 1500 GALS 15% HCL ACID.

**FRACTURE** 53,000 GALS SPECTRA FRAC G-4000, 301,000# 20/40 OTTAWA SAND, & 20,350# 20/40 ECONOPROP.

POTENTIAL 1/31/96 213 BOPD, 507 BWPD

(Attach Copy of C-105. Attach Copy of Wellbore Sketch of Completed Well.)

**VOLUMETRIC CALCULATION**

	SANDS PERFORATED	SANDS NOT PERFORATED BUT POTENTIALLY PRODUCTIVE
Area (A) proration unit size, acres	<u>40</u>	
Porosity (por), %	<u>12.3%</u>	
Water saturation (Sw), %	<u>41%</u>	
Net Thickness (h), ft.	<u>20.5</u>	
Temperature (T), Fahrenheit	<u>170</u>	
Bottom Hole pressure (P), psia	<u>6,006</u>	
Recovery factor (RF), %	<u>27%</u>	
Recoverable oil, BBLs *(See eq. below)	<u>88,431</u>	

Sometimes unable to match performance due to volumetric uncertainty.

Formula = (7758) (A) (h) (por) (1-Sw) (1/Bol) (RF)

Bol = 1.40



**PERFORMANCE DATA**

(If sufficient history exists, attach plot of oil production rate v time.)

CUMULATIVE PRODUCTION TO	<u>11/30/99</u> ; <u>17,280</u> BBLs
INITIAL RATE (qi)	<u>226</u>
ECONOMIC LIMIT (qi)	<u>30</u>
DECLINE RATE, dy	<u>Hyperbolic d = 17.19% n = .98</u>
REMAINING OIL (Q) =	<u>17,220</u>
ULTIMATE RECOVERABLE OIL	<u>34,500</u>

(Attach plot showing proration unit and participating area.)

**ECONOMIC**

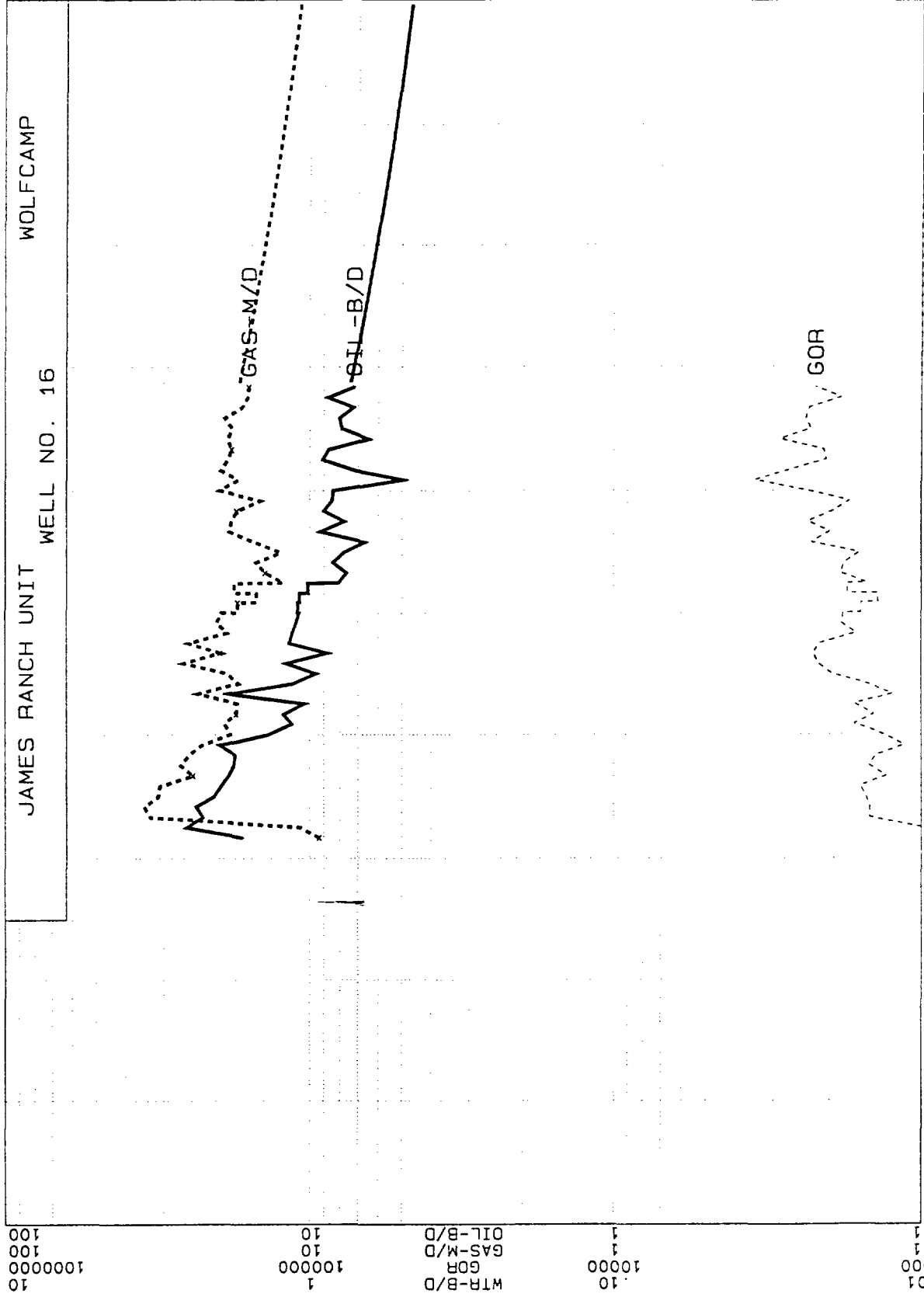
WELL COST \$	<u>825,000</u> (to the depth of formation completed)
RECOMPLETION COST \$	<u>0</u>
TOTAL COST \$	<u>825,000</u>

YEAR	GROSS OIL	REVENUE	OPERATING COST	10% NET BFIT DISCOUNTED CASH FLOW
ZERO	<u>0</u>	<u>0</u>	<u>0</u>	<u>-825,000</u>
1	<u>6,500</u>	<u>139,900</u>	<u>23,400</u>	<u>111,400</u>
2	<u>4,200</u>	<u>89,400</u>	<u>20,900</u>	<u>59,500</u>
3	<u>3,400</u>	<u>49,800</u>	<u>18,000</u>	<u>25,000</u>
4	<u>2,800</u>	<u>58,000</u>	<u>18,600</u>	<u>28,000</u>
5	<u>2,500</u>	<u>64,000</u>	<u>19,000</u>	<u>28,900</u>
6	<u>2,100</u>	<u>46,000</u>	<u>17,700</u>	<u>16,500</u>
7	<u>1,800</u>	<u>37,800</u>	<u>17,200</u>	<u>10,900</u>
8	<u>1,600</u>	<u>32,100</u>	<u>16,700</u>	<u>7,400</u>
9	<u>1,400</u>	<u>28,800</u>	<u>16,400</u>	<u>5,300</u>
10	<u>1,300</u>	<u>26,200</u>	<u>16,200</u>	<u>3,900</u>
REMAINDER	<u>6,800</u>	<u>136,100</u>	<u>109,400</u>	<u>7,900</u>

**WELL IS NOT COMMERCIAL**

JAMES RANCH UNIT WELL NO. 16 WOLFCAMP

<b>OIL</b>		<b>GAS</b>	
Qal=CD	Qal=CD	Qal=CD	Qal=CD
Ref= 11/99	Ref= 12/99	Ref= 11/99	Ref= 11/99
Cum= 17.280	Cum= .000	Cum= .000	Cum= 28.235
Rem= 25.936	Rem= .000	Rem= .000	Rem= 59.754
EUR= 43.216	EUR= .000	EUR= .000	EUR= 87.989
Yrs= 28.079	Yrs= 28.079	Yrs= 28.079	Yrs= 28.079
G1= 226.5	G1= 2.3	G1= .0	G1= .0
De= 17.196	De= .000	De= .000	De= .000
n= .980	n= .000	n= .000	n= .000
Qab= 29.9	Qab= 2.3	Qab= .0	Qab= .0



WTR-B/D 10 100  
 GAS-M/D 10 100  
 GOR 10 100  
 DATE 93 94 95 96 97 98 99 00 01 02

JRU #16 WOLFCAMP  
 PREPARED BY: KENT ADAMS

DATE : 02/07/00  
 TIME : 13:37:12  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 41

I N P U T D A T A				C A L C U L A T E D D A T A			
ITEM	SCHEDULING RATES	SCHEDULE UNTIL	PROCEDURE	ULTIMATE	LAST EFF. DECL	INIT. RATE	FINAL RATE
405 START	11/99						
410 OIL	X B/M 226.48	05/2014 AD	H/0.980	36.182	4/14	17.20	226.60.
415 "	X B/M 59.92	7.03 IMU	EXP	43.216	11/27	5.00	60.30.
420 GAS/OIL	2.30 M/B	01/2097 AD	LIN		12/96		
425 START	2/96						
516 PRI/OIL	X \$/B 16.8800	1/95 MM/YY	PC		11/27		16.880
517 "	X \$/B 18.39	1/96 AD	PC		11/27		18.390
518 "	X \$/B 22.26	1/97 AD	PC		11/27		22.260
519 "	X \$/B 20.74	1/98 AD	PC		12/97		20.740
520 "	X \$/B 14.43	1/99 AD	PC		12/98		14.430
521 "	X \$/B 19.25	1/2000 AD	PC		12/99		19.250
522 "	X \$/B 24.94	1/2001 AD	PC		12/00		24.940
523 "	X \$/B 20.67	1/2002 AD	PC		12/01		20.670
524 "	X \$/B 19.20	1/2003 AD	PC		12/02		19.200
525 "	X \$/B 18.18	1/2004 AD	PC		12/03		18.180
526 "	X \$/B 18.13	TO LIFE	PC		11/27		18.130
531 PRI/GAS	X \$/M 1.8900	1/95 MM/YY	PC		11/27		1.890
532 "	X \$/M 1.94	1/96 AD	PC		1/96		1.940
533 "	X \$/M 2.61	1/97 AD	PC		12/96		2.610
534 "	X \$/M 2.59	1/98 AD	PC		12/97		2.590
535 "	X \$/M 2.11	1/99 AD	PC		12/98		2.110
536 "	X \$/M 2.27	1/2000 AD	PC		12/99		2.270
537 "	X \$/M 2.60	1/2001 AD	PC		12/00		2.600
538 "	X \$/M 2.58	1/2002 AD	PC		12/01		2.580
539 "	X \$/M 2.57	TO LIFE	PC		11/27		2.570
544 OPC/T	X \$/M 1190.00	TO LIFE	SCH		11/27	1190.000	1190.000
549 STX/OIL	X \$ 7.08	TO LIFE	PC		11/27	.071	.071
554 STX/GAS	X \$ 7.93	TO LIFE	PC		11/27	.079	.079
559 ATX	X \$ .17	TO LIFE	PC		11/27	.002	.002
564 PRI/OIL	X \$/B -.9100	TO LIFE	PC		11/27	-.910	18.130
569 PRI/GAS	X \$/M -.1300	TO LIFE	PC		11/27	-.130	2.570
700 LSE/WI	D \$ 100.0000	TO LIFE	FLAT		11/27	1.000	1.000
701 OMN/WI	D \$ 100.0000	TO LIFE	FLAT		11/27	1.000	1.000
720 LSE/RIC	D \$ 12.5000	TO LIFE	FLAT		11/27	.125	.125
721 OMN/RIC	D \$ .0000	TO LIFE	FLAT		11/27	.125	.125
740 LSE/RIG	D \$ 12.5000	TO LIFE	FLAT		11/27	.125	.125
760 LSE/ORR	D \$ .0000	TO LIFE	FLAT		11/27	.125	.125
761 OMN/ORR	D \$ .0000	TO LIFE	FLAT		11/27	.125	.125

OVERLAYS	SCHEDULING RATES	SCHEDULE UNTIL	PROCEDURE	ULTIMATE	LAST	EFF. DECL	INIT. RATE	FINAL RATE
905 LOAD	P.OIL OIL #			17.496	2/00			
910 LOAD	P.GAS GAS #			28.712	2/00			
915 LOAD	P.WATER WTR #			.000	2/00			

INVESTMENT	TANGIBLES & INTANGIBLES	TIME	PROCEDURE	TOTAL T&I	MONTH	RISK INV.	TOT. T&I&R	ESC. T&I&R
800 DRILL	330.00	02/96 AD		825.000	2/96		825.0	825.0
801 SALVAGE	-33.00	TO LIFE		-33.000	11/27		-33.0	-33.0

RESERVE PARAMETERS	ITEM	ITEM
201 LOSS	NO	
205 CUMO, MB	17.28	CUMG, MMF 28.24
		CUML, MB

PROJECT ASSUMPTIONS

BASE DATE : 2/96 TIME FRAMES : 1\*11 38\*12 1\*600

P.W. DATE : 2/96 PW &-AGE : 10.0 DISC. FREQUENCY : 365.

REPORT DATE : 2/96 PROD QUAL : CD OWNER QUAL : CD OTHER QUAL : CD

JRU #16 WOLF CAMP  
 PREPARED BY: KENT ADAMS

DATE : 02/07/00  
 TIME : 13:37:12  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 41

RESERVES AND ECONOMICS  
 EFFECTIVE DATE: 2/96

PERIOD ENDING	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	12/04	12/05	S TOT	AFTER	TOTAL
OWNERSHIP													16.9 YR
1) WORKING INTEREST, \$	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000
2) REVENUE INTEREST, \$	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500
INVESTMENTS, M\$													
3) BORROWED CAPITAL	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4) EQUITY INVESTMENTS	825.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0	-33.0	-33.0	792.0
5) RISK	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) TOTAL	825.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0	-33.0	-33.0	792.0
OIL PHASE													
8) GROSS OIL, MB	6.5	4.2	3.4	2.8	2.5	2.1	1.8	1.6	1.4	1.3	27.7	6.8	34.5
9) NET OIL, MB	5.7	3.7	3.0	2.5	2.2	1.8	1.6	1.4	1.3	1.1	24.3	6.0	30.2
10) OIL REVENUE, M\$	122.3	73.5	39.9	45.7	52.0	35.8	28.9	24.2	21.7	19.7	463.9	102.6	566.5
11) OIL PRICE, \$/B	21.35	19.83	13.52	18.34	24.03	19.76	18.29	17.27	17.22	17.22	19.13	17.22	18.75
GAS PHASE													
12) GROSS GAS, MMF	8.1	7.4	5.7	6.6	5.6	4.8	4.2	3.7	3.3	3.0	52.3	15.7	67.9
13) NET GAS, MMF	7.1	6.4	5.0	5.8	4.9	4.2	3.6	3.2	2.9	2.6	45.7	13.7	59.5
14) GAS REVENUE, M\$	17.6	15.8	9.9	12.3	12.0	10.2	8.9	7.9	7.1	6.4	108.2	33.5	141.7
15) GAS PRICE, \$/MCF	2.480	2.460	1.980	2.140	2.470	2.450	2.440	2.440	2.440	2.440	2.365	2.440	2.383
ECONOMICS, M\$													
19) GROSS REV. TO INTR.	139.9	89.4	49.8	58.0	64.0	46.0	37.8	32.1	28.8	26.2	572.0	136.1	708.2
20) - SEV. TAX	10.1	6.5	3.6	4.2	4.6	3.3	2.8	2.3	2.1	1.9	41.4	9.9	51.3
22) - AD VALOREM TAX	.2	.1	.1	.1	.1	.1	.1	.1	.0	.0	.9	.2	1.1
23) - OPERATING COSTS	13.1	14.3	14.3	14.3	14.3	14.3	14.3	14.3	14.3	14.3	141.6	100.0	241.6
24) - SWD	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
25) - CAPITAL REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
28) = NET INCOME	116.6	68.5	31.8	39.4	45.0	28.3	20.7	15.5	12.4	9.9	388.1	26.0	414.2
29) - INVESTMENTS & RSK	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0	-33.0	792.0
30) = BFIT NET	-708.4	68.5	31.8	39.4	45.0	28.3	20.7	15.5	12.4	9.9	-436.9	59.0	-377.8
PRESENT WORTH @ 10.00 %													
31) NET INCOME	111.4	59.5	25.0	28.0	28.9	16.5	10.9	7.4	5.3	3.9	296.8	7.9	304.7
32) INVESTMENTS & RISK	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0	-6.1	818.9
33) BFIT NET	-713.6	59.5	25.0	28.0	28.9	16.5	10.9	7.4	5.3	3.9	-528.2	14.0	-514.2
34) CUM BFIT NET	-713.6	-654.2	-629.1	-601.1	-572.2	-555.7	-544.8	-537.4	-532.1	-528.2	-528.2	-514.2	-514.2

AFTER TAX ECONOMICS

EFFECTIVE DATE: 2/96

PERIOD ENDING	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	12/04	12/05	S TOT	AFTER	16.9 YR TOTAL
TAX TREATMENT OF INVESTMENTS, M\$													
1) EXP, RISK & CAP INT	495.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	495.0	.0	495.0
2) DEPLETABLE	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
3) DEPRECIABLE	330.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	330.0	-33.0	297.0
TAX CALCULATIONS, M\$													
4) GROSS REV. TO INTR.	139.9	89.4	49.8	58.0	64.0	46.0	37.8	32.1	28.8	26.2	572.0	136.1	708.2
5) - SEVERANCE TAX	10.1	6.5	3.6	4.2	4.6	3.3	2.8	2.3	2.1	1.9	41.4	9.9	51.3
6) - WPT TAX NET	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) - OPR. COSTS & ATX	13.3	14.4	14.4	14.4	14.4	14.4	14.3	14.3	14.3	14.3	142.5	100.2	242.7
8) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
9) - OVERHEAD	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
10) - EXPENSED INV.	495.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	495.0	.0	495.0
11) - DEPRECIATION	43.2	78.0	59.6	42.6	30.4	29.5	29.5	17.2	.0	.0	330.0	.0	330.0
12) = NET	-421.6	-9.5	-27.8	-3.2	14.6	-1.2	-8.7	-1.7	12.4	9.9	-436.9	26.0	-410.8
13) - DEPLETION	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
14) - INTEREST PD & CAP	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
15) = TAXABLE	-421.6	-9.5	-27.8	-3.2	14.6	-1.2	-8.7	-1.7	12.4	9.9	-436.9	26.0	-410.8
16) * TAX RATE, %	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0
17) - TAX CREDIT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
18) - WPT REFUND	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
19) = F.I.T.	-147.6	-3.3	-9.7	-1.1	5.1	-4	-3.1	-6	4.3	3.5	-152.9	9.1	-143.8
20) REVENUE-SEV-WPT	129.9	82.9	46.2	53.8	59.4	42.7	35.1	29.8	26.7	24.3	530.6	126.2	656.8
21) - OPR. COSTS & ATX	13.3	14.4	14.4	14.4	14.4	14.4	14.3	14.3	14.3	14.3	142.5	100.2	242.7
22) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
23) - F.I.T.	-147.6	-3.3	-9.7	-1.1	5.1	-4	-3.1	-6	4.3	3.5	-152.9	9.1	-143.8
24) = A.F.I.T.	264.1	71.8	41.6	40.5	39.9	28.7	23.8	16.1	8.1	6.5	541.0	16.9	558.0
25) - LOAN REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) = NET INCOME	264.1	71.8	41.6	40.5	39.9	28.7	23.8	16.1	8.1	6.5	541.0	16.9	558.0
28) - INVESTMENTS & RSK	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0	-33.0	792.0
29) = A.F.I.T. NET	-560.9	71.8	41.6	40.5	39.9	28.7	23.8	16.1	8.1	6.5	-284.0	49.9	-234.0
PRESENT WORTH @ 10.00 %													
30) NET INCOME	252.4	62.4	32.7	28.8	25.7	16.7	12.5	7.7	3.5	2.5	444.8	5.1	449.9
31) INVESTMENTS & RISK	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0	-6.1	818.9
32) A.F.I.T. NET	-572.6	62.4	32.7	28.8	25.7	16.7	12.5	7.7	3.5	2.5	-380.2	11.2	-369.0
33) COM. A.F.I.T. NET	-572.6	-510.2	-477.6	-448.8	-423.1	-406.4	-393.9	-386.2	-382.7	-380.2	-380.2	-369.0	-369.0

JRU #16 WOLF CAMP  
 PREPARED BY: KENT ADAMS

DATE : 02/07/00  
 TIME : 13:37:12  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 41

E C O N O M I C I N D I C A T O R S

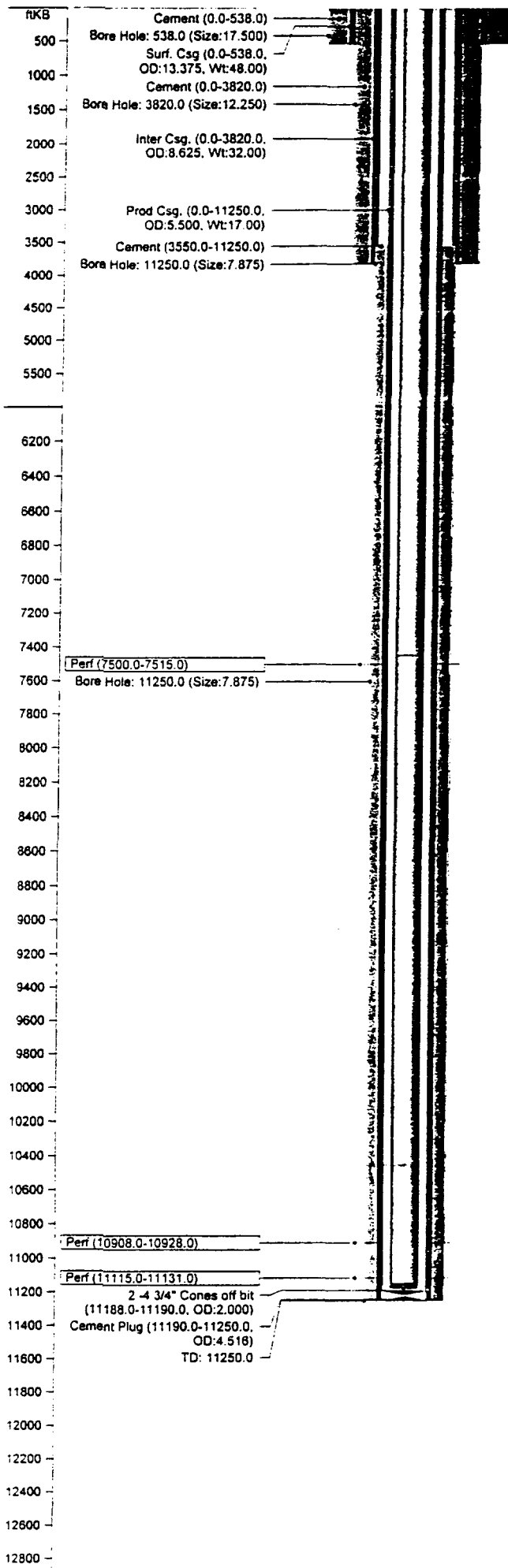
AS OF DATE: 2/96

B.F.I.T. WORTH M\$-----	A.F.I.T. WORTH M\$-----	A.F.I.T. BONUS M\$-----
-------------------------------	-------------------------------	-------------------------------

PRESENT WORTH PROFILE AND  
 RATE-OF-RETURN VS. BONUS TABLE

0.	-377.846	-2341.050	-360.076
2.	-414.898	-269.913	-394.319
5.	-459.584	-313.829	-432.310
6.	-472.198	-326.397	-442.544
8.	-494.706	-349.063	-460.435
10.	-514.189	-368.972	-475.656
20.	-582.303	-441.551	-528.952
30.	-623.555	-488.799	-563.213
40.	-651.582	-522.992	-588.258
50.	-672.034	-549.360	-607.778
60.	-687.711	-570.593	-623.643
70.	-700.180	-588.244	-636.942
80.	-710.386	-603.279	-648.357
90.	-718.933	-616.329	-658.339
100.	-726.225	-627.826	-667.193

RATE OF RETURN, PCT.	.0	.0
UNDISCOUNTED PAYOUT, YRS.	16.92	16.92
DISCOUNTED PAYOUT, YRS.	16.92	16.92
UNDISCOUNTED NET/INVEST.	.52	.70
DISCOUNTED NET/INVEST.	.37	.55



**JAMES RANCH UNIT #16**

API No.	3001528623	Status	ACT CIL
TD	11250.0 ftKB	Engineer	CAA
PBTD	11190.0 ftKB		
Operator	BEPCO	Permit	
Well No.	16	Spud	12/31/95
ID Code		RR	1/17/96
Field	Los Medanos (Delaware)	Completion	3/9/96

Author	RAS	Last Act.	
Date Updated	12/22/97	Abandoned	
Comments	Drilled by Enron		

**Location**

Township	S022	Top Latitude	0
		Top Longitude	0
Range	E030	Top NS Distance	1980.0 ft N
		Top EW Distance	330.0 ft E
Section	36	Bottom Latitude	0
Unit Ltr.	H	Bottom Longitude	0
State	NEW MEXICO	Btm NS Distance	0.0 ft
County	EDDY	Btm EW Distance	0.0 ft

**Elevations**

KB	3331.5 ft	Cas Flng	0.0 ft
Grd	3313.0 ft	Tub Head	0.0 ft
KB-Grd	18.5 ft		

**Casing String - Surface Casing**

Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
13 3/8 in Surf. Csg	0.0	538.0	11	12.715	48.00	H-40	STC

**Casing String - Intermediate Casing**

Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
8 5/8 in Inter Csg.	0.0	3820.0	85	7.920	32.00	J-55	STC

**Casing String - Production Casing**

Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
5 1/2 in Prod Csg.	0.0	1250.0		4.890	17.00		

**Casing Cement**

Casing String	Top (ftKB)	Amount (sx)	Comments
Surface Casing	0.0	390	
Intermediate Casing	0.0	3159	
Production Casing	3550.0	1650	TOC by Temp Sur.

**Tubing String - Primary Tubing**

Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
2 7/8 in Tbg.	0.0	7445.0	224	2.441	6.50	N-80	8rc
2 7/8 in TAC	7445.0	7448.0		0.000	0.00		
2 7/8 in Tbg.	7448.0	11145.0	113	0.000	0.00	N-80	8rc
2 7/8 in SN	11145.0	11146.0		0.000	0.00		
2 7/8 in PS	11146.0	11150.0		0.000	0.00		
2 7/8 in MA	11150.0	11182.0		0.000	0.00		

**Other (plugs, equip., etc.) - Plug Back**

Date	Item	Int (ftKB)
1/17/96	Cement Plug	11190.0 - 11250.0

**Perforations**

Date	Int	Shots (/ft)	Status
1/26/96	11115.0 - 11131.0	2.0	
2/2/96	10908.0 - 10928.0	2.0	
2/8/96	7500.0 - 7515.0	4.0	

**Stimulations & Treatments**

Date	Type	Interval	Fluid	Sand	Comments
1/30/96	Sand Frac	11115.0 - 11131.0			
2/3/96	Sand Frac	10908.0 - 10928.0			
2/10/96	Sand Frac	7500.0 - 7515.0			

**Fish - Primary Fish**

Date	Item	Int (ftKB)	OD (in)	Comment
3/12/96	2 - 4 3/4" Cones off bit	11188.0 - 11190.0	2	



## WELL HISTORY

WELL NAME: JAMES RANCH UNIT #16  
FIELD NAME: LOS MEDANOS  
LOCATION: 1980' FNL & 330' FEL  
SEC 36, T22S, R30E  
EDD CO. NM  
ELEV: 3313' GL  
SPUD DATE: 12/31/95  
COMP DATE: 3/9/96  
ORIG TD: 11,250'  
ORIG PBTD: 11,190'  
CASING: 13 3/8", 48#, CSA 538', CMT W/390 SXS, CMT CIRC TO SURFACE  
8 5/8", 32#, CSA 3820', CMT W/3159 SXS, CMT CIRC TO SURFACE  
5 1/2", 17# CSA 11,250', CMT W/1650 SXS, TOC @ 3550' (TEMP SUR)  
TUBING: 2 7/8" TBG @ 11, 172'  
DST: NONE  
CORES & LOGS: 28 SIDEWALL CORES (1/16/96)  
LOGS ??

### INITIAL COMPLETION

1/26/96 TO 2/2/96 **PERF, ACIDIZE & FRAC WOLFCAMP**

**Perf** 11,115-11,131 (16'-2SPF @ 60° phasing). **Acidize** w/1500 gals 15% HCL. **Frac** w/53,000 gals Sprecra Frac G-4000 + 301,000 # 20/40 Ottawa sand + 20,350# 20/40 Econoprop. SI 4 hrs for break, flow back well 3 days.

2-3-96 TO 2-7-96 **PERF, ACIDIZE & FRAC 3<sup>RD</sup> BONE SPRING**

Tagged **sand plug** @ 11,006', tested to 4000# using methanol, no leak-off. **Perf**- Bone Spring Fm @ 10,908-28' (20'-40 shots). **Acidize** w/1000 gals 15% HCL. **Frac** w/48,000 gals Sprecra Frac G-4000 + 350,000# 20/40 sand + 30,000# 20/40 Econoprop. Flow well back 5 days.

2-8-96 TO 2-11-96 **PERF, ACIDIZE & FRAC DELAWARE (BRUSHY CANYON "V" SAND)**

Set **CIBP** @ 10,796', tested to 4000#. **Perf** 7500-15' (15' 61 SHOTS 0° phasing. Acidized w/2,000 gals 15% HCL. **Frac** w/24,500 gals Spectra-Frac G-3000 + 52,000# 20/40 Brady sand + 20,000# 20/40 ACFRAC CR-4000 (RCS). Flow well back, well died, swabbed well.

WELL HISTORY  
JAMES RANCH UNIT #16  
PAGE 2

2-23-96 RU Apollo Wireline, run after frac survey. RD, left flowing, 77  
BO, 36 BW on 64/64" ck., 10 psi FTP.

2-27-96 to 3-6-96 **Attempt to put on Artificial Lift**

Attempt to run tbg, rods and pump. Parted tbg and had to fish.  
Caught fish & LD. Well KO & flowed.

3-8-96 to 3-12-96 **Drill Out CIBP and Commingle Wolfcamp, Bone Spring &  
Delaware Perfs**

Drilled CIBP @ 10,796. Top sand plug @ 11,006, wash and rotate,  
chased CIBP to 11,095'. Drilled CIBP, wsh & rotate to 11,190',  
circ hole clean. Left well flowing 2 days. POH w/BHA, lost 2  
cones off 4 3/4" bit. RIH w 226 jts 2 7/8", 6.5#, N-80 tbg, @ 7411'.  
RIH w/ rods, POH & LD rods. Left well flowing.

3-24-96 RIH w/rods and pump. Hung well on production.

4-12-96 TO 4-18-96 MIRU PU, TOH w/rods & pump. TOH w/112 jts 2 7/8" tbg,  
PU TAC & TIH w/tbg. PU additional 112 jts. 2 7/8" 6.5# N-80 tbg,  
total 337 jts. SN landed @ 11,145' KB. RIH w/rods and pump. Start  
well pumping. Well is pumping 120 BOPD, 250 MCFPD, 64 BWPD.

DISTRICT II  
P. O. Drawer DD  
Artesia, NM 88211-0719

# OIL CONSERVATION DIVISION

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

DISTRICT III  
1000 Rio Brazos Rd.  
AZ - NM 87410

AMENDED REPORT

DISTRICT IV  
P. O. Box 2088  
Santa Fe, NM 87507-2088

## WELL LOCATION AND ACREAGE DEDICATION PLAT

1 APT Number		2 Pool Code		3 Pool Name			
4 Property Code		5 Property Name <b>JAMES RANCH UNIT</b>				6 Well Number <b>16</b>	
7 OGRIN No.		8 Operator Name <b>ENRON OIL &amp; GAS COMPANY</b>				9 Elevation <b>3315'</b>	

### 10 SURFACE LOCATION

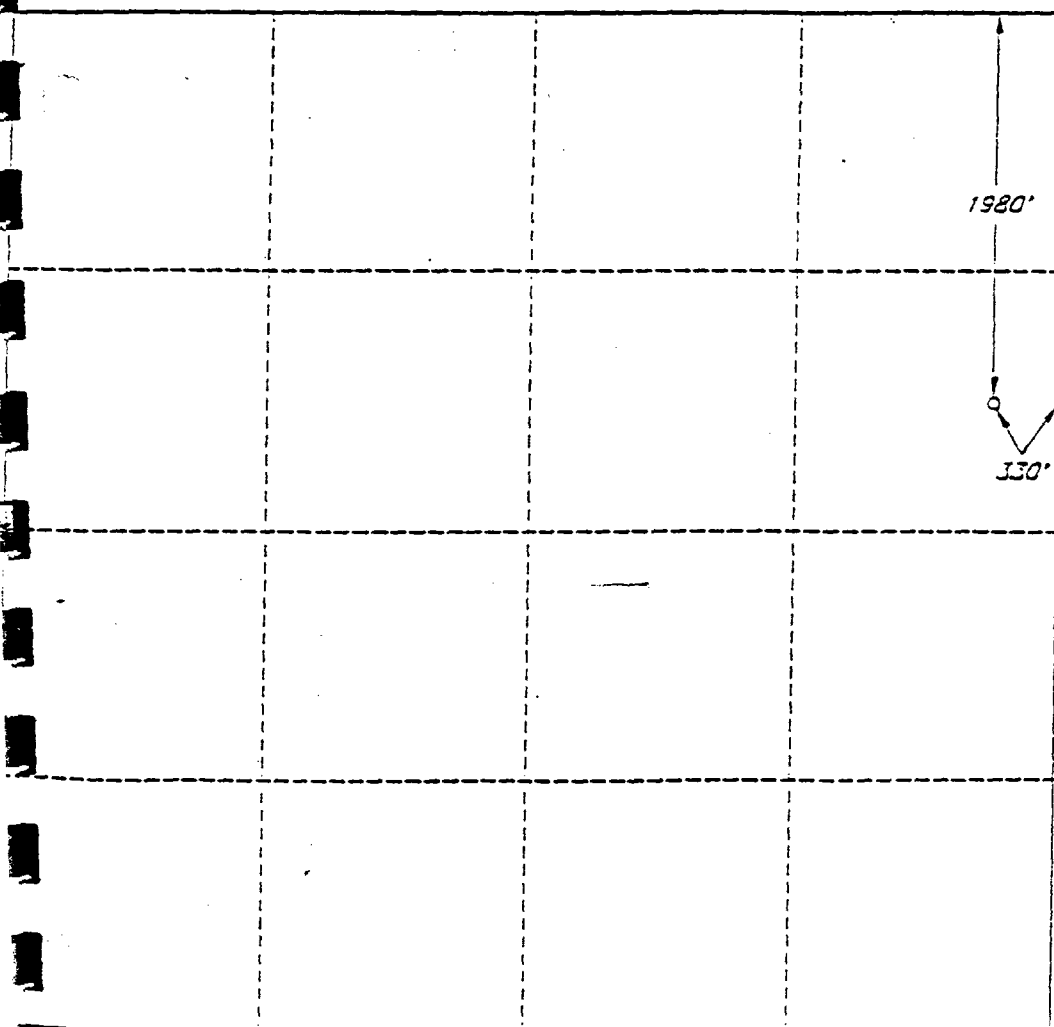
11 Lot or lot no.	12 Section	13 Township	14 Range	15 Lot Ids.	16 Feet from the North/South line	17 Feet from the East/West line	18 County
H	36	22 SOUTH	30 EAST, N.M.P.M.		1980'	NORTH 330'	EAST EDDY

### "BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE"

11 Lot or lot no.	12 Section	13 Township	14 Range	15 Lot Ids.	16 Feet from the North/South line	17 Feet from the East/West line	18 County

19 Dedicated Acres	20 Joint or Infill	21 Consolidation Code	22 Order No.
--------------------	--------------------	-----------------------	--------------

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



### OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature

Printed Name

Title

Date

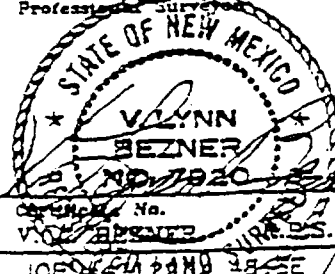
### SURVEYOR CERTIFICATION

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

OCTOBER 25, 1985

Signature and Seal of Professional Surveyor



Surveyor No.

LYNN BEZNER SURV. NO. 1920

JOHN R. HAMB / V.H.E.

1000 Rio Grande Rd., Alamogordo, NM 87410

WELL API NO.  
 30 015 28623

5. Indicate Type of Lease  
 STATE  FEE

6. State Oil & Gas Lease No.  
 E-4229-4

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG**

a. Type of Well: OIL WELL  GAS WELL  DRY  OTHER \_\_\_\_\_

b. Type of Completion: NEW WELL  WORK OVER  DEEPEN  PLUG BACK  DOWN HOLE  OTHER \_\_\_\_\_

Name of Operator: Enron Oil & Gas Company

Address of Operator: P. O. Box 2267, Midland, Texas 79702

7. Lease Name or Unit Agreement Name: James Ranch Unit (4060)

8. Well No.: 16

9. Foot State or Wyo. Loc.: Los Medanos Delaware (40297)

Unit Letter: H; 1980 Feet From The north Line and 330 Feet From The east Line

Section: 36 Township: 22S Range: 30E NMPM Eddy County

10. Date Spudded: 12-31-95

11. Date T.D. Reached: 1-14-96

12. Date Comm. (Ready to Prod.): 2-9-96

13. Elevations (DF & RKB, RT, GR, etc.): 3313' GR

14. Elev. Casings: 3313'

15. Total Depth: 11250

16. Plug Back T.D.: 11214

17. If Multiple Comps. How Many Zones? \_\_\_\_\_

18. Intervals Drilled By: Rotary Tools  Cable Tools \_\_\_\_\_

19. Fr. Intervals, of this completion - Top, Bottom, Name: 7500-7515

20. Was Directional Survey Made: No

21. Type Electric and Other Logs Run: Dual Ind Lacerolog, Spec. Density Dual Spaced Neutron

22. Was Well Cased: No

**CASING RECORD (Report all strings set in well)**

CASING SIZE	WEIGHT LB/FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
12-3/8	48	338	17-1/2	390 sk Prem Plus	Circulated
12-3/8	32	3820	12-1/4	1659 sk Prem Plus &	
8-1/2	17	11250	7-7/8	1500 sk Prem 50/50 Poz	Circulated
				1650 sk Prem 50/50 poz TOC	3550

**LINER RECORD**

**TUBING RECORD**

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2-7/8	7401	

Performance record (Interval size and number):

11,115-11,131	(.32" 32)
10,908-10,928	(.32" 40)
7500-7515	(.30" 61)

27. ACID SHOT, FRACTURE CEMENT, SQUEEZE ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
11115-11131	1 Sand plug @ 11,000
10908-10928	1 GISP @ 10,796
7500-7515	1500 gal linear gel, 45760 gal

**PRODUCTION** Spacera frac G-3000 w/52,000# 20/40 Brady sand

Date First Production	Production Method (Flowing, gas lift, pumping - size and type pump)	Well Status (Prod. or Shut-in)
2-10-96	Flowing	Producing

Date of Test	Hours Per Test	Choke Size	Prod. Per Test Period	Oil - bbl	Gas - MCF	Water - bbl	Gas - Oil Ratio
2-13-96	24	64/64	205	100	121	438	

Flow Per Test	Choke Pressure	Calculated 24-Hour Rate	Oil - bbl	Gas - MCF	Water - bbl	Oil Gravity - API - (Corr.)
	400					40.5

28. Description of Gas (Said used for fuel, vented, etc.):

29. Test Withheld By:

30. Remarks: Pressure 77 and 1500 gals AG frac GR 4000 w/52,000# 20-40 Brady-Coated Sand

I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief.

Signature: \_\_\_\_\_ Date: 2/14/96

**WORKSHEET FOR COMMERCIAL DETERMINATION  
AND PARTICIPATING AREA IN FEDERAL UNITS**

**WELL DATA**

WELL \_\_\_\_\_ JAMES RANCH UNIT NO. 16 \_\_\_\_\_ FORMATION \_\_\_\_\_ BONE SPRING \_\_\_\_\_  
 LOCATION \_\_\_\_\_ H \_\_\_\_\_ UNIT, \_\_\_\_\_ 1980 FEET FROM \_\_\_\_\_ N LINE & \_\_\_\_\_ 330 FEET FROM \_\_\_\_\_ E LINE  
 SECTION \_\_\_\_\_ 36 TOWNSHIP \_\_\_\_\_ 22S , RANGE \_\_\_\_\_ 30E , COUNTY \_\_\_\_\_ EDDY \_\_\_\_\_ , NEW MEXICO  
 SPUD DATE \_\_\_\_\_ 12/31/95 \_\_\_\_\_ COMPLETION DATE \_\_\_\_\_ 2/4/96 \_\_\_\_\_ INITIAL PRODUCTION \_\_\_\_\_ 2/4/96 \_\_\_\_\_  
 PERFORATIONS \_\_\_\_\_ 10,908-10,928' \_\_\_\_\_

STIMULATION:

**ACID** \_\_\_\_\_ 1000 GALS 15% HCL ACID. \_\_\_\_\_

**FRACTURE** \_\_\_\_\_ 48,000 GALS SPECTRA FRAC G-4000, 350,000# 20/40 OTTAWA SAND, & 30,000# 20/40 ECONOPROP. \_\_\_\_\_

POTENTIAL \_\_\_\_\_ 2/7/96 133 BOPD, 155 BWPD, 350 MCFPD. \_\_\_\_\_

(Attach Copy of C-105. Attach Copy of Wellbore Sketch of Completed Well.)

**VOLUMETRIC CALCULATION**

	SANDS PERFORATED	SANDS NOT PERFORATED BUT POTENTIALLY PRODUCTIVE
Area (A) proration unit size, acres	<u>40</u>	_____
Porosity (por), %	<u>12.0%</u>	_____
Water saturation (Sw), %	<u>50%</u>	_____
Net Thickness (h), ft.	<u>37</u>	_____
Temperature (T), Fahrenheit	<u>170</u>	_____
Bottom Hole pressure (P), psia	<u>5,896</u>	_____
Recovery factor (RF), %	<u>17%</u>	_____
Recoverable oil, BBLS *(See eq. below)	<u>83,653</u>	_____

\*sometimes unable to match performance due to volumetric uncertainty.

Formula = (7758) (A) (h) (por) (1-Sw) (1/Bol) (RF)

Bol = 1.40

**PERFORMANCE DATA**

(If sufficient history exists, attach plot of oil production rate v time.)

CUMULATIVE PRODUCTION TO	<u>11/30/99</u>	;	<u>35,324</u>	BBLs
INITIAL RATE (qi)	<u>454</u>			
ECONOMIC LIMIT (qi)	<u>30</u>			
DECLINE RATE, dy	<u>Hyperbolic d = 18.59% n = .98</u>			
REMAINING OIL (Q) =	<u>48,976</u>			
ULTIMATE RECOVERABLE OIL	<u>84,300</u>			

(Attach plot showing proration unit and participating area.)

**ECONOMIC**

WELL COST \$ 825,000 (to the depth of formation completed)

RECOMPLETION COST \$ 0

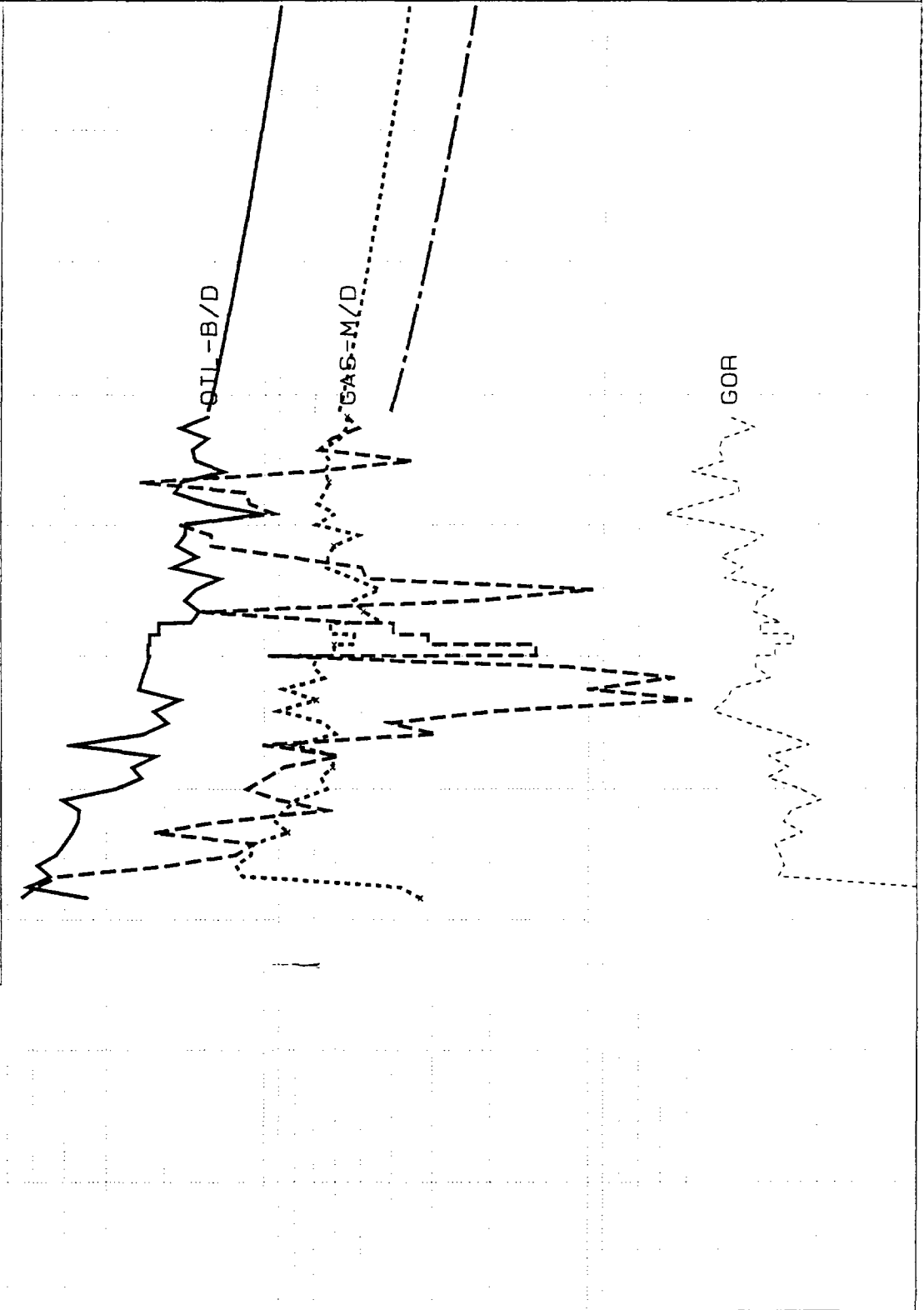
TOTAL COST \$ 825,000

YEAR	GROSS OIL	REVENUE	OPERATING COST	10% NET BFIT DISCOUNTED CASH FLOW
ZERO	<u>0</u>	<u>0</u>	<u>0</u>	<u>-825,000</u>
1	<u>13,400</u>	<u>311,700</u>	<u>36,200</u>	<u>263,300</u>
2	<u>8,600</u>	<u>204,700</u>	<u>29,600</u>	<u>152,100</u>
3	<u>6,900</u>	<u>116,500</u>	<u>23,000</u>	<u>73,400</u>
4	<u>5,800</u>	<u>136,300</u>	<u>24,600</u>	<u>79,900</u>
5	<u>4,900</u>	<u>145,100</u>	<u>25,100</u>	<u>77,200</u>
6	<u>4,100</u>	<u>104,900</u>	<u>22,200</u>	<u>48,200</u>
7	<u>3,500</u>	<u>86,300</u>	<u>20,800</u>	<u>34,500</u>
8	<u>3,100</u>	<u>73,400</u>	<u>19,800</u>	<u>25,500</u>
9	<u>2,800</u>	<u>65,500</u>	<u>19,200</u>	<u>20,000</u>
10	<u>2,500</u>	<u>59,300</u>	<u>18,800</u>	<u>15,800</u>
REMAINDER	<u>28,600</u>	<u>683,300</u>	<u>378,900</u>	<u>65,500</u>

**WELL IS COMMERCIAL**

JAMES RANCH UNIT WELL NO. 16 BONE SPRING

<b>OIL</b>	
Gal=CD	Ref= 11/99
Cum= 55.324	Rem= 55.769
EUR= 91.093	Yrs= 40.417
Q1= 454.0	De= 18.591
N= .980	Qab= 29.9
<b>WTR-B/D</b>	
Ref= 11/99	Cum= 15.173
<b>WTR</b>	
Gal=CD	Ref= 11/99
Cum= .000	Rem= 12.922
EUR= 13.922	Yrs= 33.496
Q1= 125.0	De= 22.546
N= .995	Qab= 10.0
<b>GAS/OIL</b>	
Gal=CD	Ref= 11/99
Cum= .000	Rem= .000
EUR= .000	Yrs= 40.417
Q1= 4.0	De= .000
N= .000	Qab= 5.0
<b>GAS</b>	
Gal=CD	Ref= 11/99
Cum= 98.817	Rem= 227.972
EUR= 326.789	Yrs= 40.417
Q1= .0	De= .000
N= .000	Qab= .0



DATE 93 94 95 96 97 98 99 00 01 02

JRU #16 BONE SPRING

DATE : 02/07/00  
 TIME : 13:37:27  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 42

I N P U T D A T A				C A L C U L A T E D D A T A				
ITEM	SCHEDULING RATES	SCHEDULE UNTIL	PROCEDURE	ULTIMATE	LAST	EFF. DECL	INIT. RATE	FINAL RATE
405 START	11/99							
410 OIL	454.03 X B/M	11/2014 AD	H/0.980	72.424	10/14	18.59	454.	110.
415 "	109.68 X B/M	18.67 IMU	EXP	91.093	3/40	5.00	110.	30.
420 GAS/OIL	3.97 5.00 M/B	01/2097 AD	LOG		12/96			
425 WTR	125.00 X B/M	07/2015 AD	H/0.995	9.438	6/15	22.55	125.	25.
430 "	24.89 X B/M	3.48 IMU	EXP	12.922	4/33	5.00	25.	10.
435 START	02/96							
516 PRI/OIL	16.8800 X \$/B	1/96 MM/YY	PC		3/40		16.880	
517 "	18.39 X \$/B	1/96 AD	PC		3/40		18.390	
518 "	22.26 X \$/B	1/97 AD	PC		3/40		22.260	22.260
519 "	20.74 X \$/B	1/98 AD	PC		12/97		20.740	20.740
520 "	14.43 X \$/B	1/99 AD	PC		12/98		14.430	14.430
521 "	19.25 X \$/B	1/2000 AD	PC		12/99		19.250	19.250
522 "	24.94 X \$/B	1/2001 AD	PC		12/00		24.940	24.940
523 "	20.67 X \$/B	1/2002 AD	PC		12/01		20.670	20.670
524 "	19.20 X \$/B	1/2003 AD	PC		12/02		19.200	19.200
525 "	18.18 X \$/B	1/2004 AD	PC		12/03		18.180	18.180
526 "	18.13 X \$/B	TO LIFE	PC		3/40		18.130	18.130
531 PRI/GAS	1.8900 X \$/M	1/95 MM/YY	PC		3/40		1.890	
532 "	1.94 X \$/M	1/96 AD	PC		1/96		1.940	
533 "	2.61 X \$/M	1/97 AD	PC		12/96		2.610	2.610
534 "	2.59 X \$/M	1/98 AD	PC		12/97		2.590	2.590
535 "	2.11 X \$/M	1/99 AD	PC		12/98		2.110	2.110
536 "	2.27 X \$/M	1/2000 AD	PC		12/99		2.270	2.270
537 "	2.60 X \$/M	1/2001 AD	PC		12/00		2.600	2.600
538 "	2.58 X \$/M	1/2002 AD	PC		12/01		2.580	2.580
539 "	2.57 X \$/M	TO LIFE	PC		3/40		2.570	2.570
544 OPC/T	1190.00 X \$/M	TO LIFE	SCH		3/40		1190.000	1190.000
549 STX/OIL	7.08 X \$	TO LIFE	PC		3/40		.071	.071
554 STX/GAS	7.93 X \$	TO LIFE	PC		3/40		.079	.079
559 ATX	.17 X \$	TO LIFE	PC		3/40		.002	.002
564 PRI/OIL	-.9100 X \$/B	TO LIFE	PC		3/40		-.910	18.130
569 PRI/GAS	-.1300 X \$/M	TO LIFE	PC		3/40		-.130	2.570
700 LSE/WI	100.0000 D \$	TO LIFE	FLAT		3/40		1.000	1.000
701 OMN/WI	100.0000 D \$	TO LIFE	FLAT		3/40		1.000	1.000
720 LSE/RIC	12.5000 D \$	TO LIFE	FLAT		3/40		.125	.125
721 OMN/RIC	.0000 D \$	TO LIFE	FLAT		3/40		.125	.125
740 LSE/RIG	12.5000 D \$	TO LIFE	FLAT		3/40		.125	.125
760 LSE/ORR	.0000 D \$	TO LIFE	FLAT		3/40		.125	.125



761 OWN/ORR .0000 D \$ TO LIFE FLAT .00 3/40  
 OVERLAYS SCHEDULING RATES PROCEDURE ULTIMATE LAST EFF. DECL INIT. RATE FINAL RATE  
 905 LOAD P.OIL OIL # 35.767 2/00  
 910 LOAD P.GAS GAS # 100.485 2/00  
 915 LOAD P.WATER WTR # 15.173 2/00

INVESTMENT TANGIBLES & INTANGIBLES TIME PROCEDURE TOTAL T&I MONTH RISK INV. TOT. T&I&R ESC. T&I&R  
 800 DRILL 330.00 495.00 M\$G 02/96 AD 825.000 2/96 825.0 825.0  
 801 SALVAGE -33.00 .00 M\$G TO LIFE -33.000 3/40 -33.0 -33.0

RESERVE PARAMETERS ITEM  
 201 LOSS NO  
 205 CUMO, MB 35.32 CUMG, MMF 98.82 CUML, MB

PROJECT ASSUMPTIONS  
 BASE DATE : 2/96 TIME FRAMES : 1\*11 38\*12 1\*600  
 P.W. DATE : 2/96 PW \$-AGE : 10.0 DISC. FREQUENCY : 365.  
 REPORT DATE : 2/96 PROD QUAL : CD OMNER QUAL : CD OTHER QUAL : CD

JRU #16 BONE SPRING

DATE : 02/07/00  
 TIME : 13:37:27  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 42

RESERVES AND ECONOMICS

EFFECTIVE DATE: 2/96

PERIOD ENDING	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	12/04	12/05	S TOT	AFTER	TOTAL
---------------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------

1) WORKING INTEREST, \$	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000
2) REVENUE INTEREST, \$	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500

INVESTMENTS, M\$

3) BORROWED CAPITAL	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4) EQUITY INVESTMENTS	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0	-33.0	792.0
5) RISK	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) TOTAL	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0	-33.0	792.0

OIL PHASE

8) GROSS OIL, MB	13.4	8.6	6.9	5.8	4.9	4.1	3.5	3.1	2.8	2.5	55.7	28.6	84.3
9) NET OIL, MB	11.7	7.5	6.1	5.1	4.3	3.6	3.1	2.7	2.4	2.2	48.7	25.1	73.8
10) OIL REVENUE, M\$	250.1	149.3	82.0	93.8	103.8	70.2	56.3	46.9	41.8	37.8	932.0	431.6	1363.5
11) OIL PRICE, \$/B	21.35	19.83	13.52	18.34	24.03	19.76	18.29	17.27	17.22	17.22	19.13	17.22	18.48

GAS PHASE

12) GROSS GAS, MMF	28.4	25.8	19.9	23.0	19.1	16.2	14.1	12.4	11.1	10.1	180.0	117.9	297.9
13) NET GAS, MMF	24.9	22.5	17.4	20.1	16.7	14.2	12.3	10.9	9.7	8.8	157.5	103.2	260.7
14) GAS REVENUE, M\$	61.6	55.5	34.5	43.1	41.2	34.7	30.0	26.5	23.8	21.5	372.4	251.7	624.1
15) GAS PRICE, \$/MCF	2.480	2.460	1.980	2.140	2.470	2.450	2.440	2.440	2.440	2.440	2.364	2.440	2.394

WATER PHASE

16) GROSS WATER, MB	7.5	1.7	1.5	4.1	1.4	1.1	.9	.8	.7	.6	20.2	3.9	24.1
17) NET WATER, MB	7.5	1.7	1.5	4.1	1.4	1.1	.9	.8	.7	.6	20.2	3.9	24.1
18) WATER PRICE, \$/B	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000

ECONOMICS, M\$

19) GROSS REV. TO INTR.	311.7	204.7	116.5	136.9	145.1	104.9	86.3	73.4	65.5	59.3	1304.4	683.3	1987.7
20) - SEV. TAX	22.6	15.0	8.5	10.1	10.6	7.7	6.4	5.4	4.8	4.4	95.5	50.5	146.0
22) - AD VALOREM TAX	.5	.3	.2	.2	.2	.1	.1	.1	.1	.1	2.1	1.1	3.1
23) - OPERATING COSTS	13.1	14.3	14.3	14.3	14.3	14.3	14.3	14.3	14.3	14.3	141.6	327.3	468.9
24) - SWD	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
25) - CAPITAL REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
28) = NET INCOME	275.6	175.2	93.5	112.4	119.9	82.8	65.5	53.6	46.3	40.5	1065.2	304.5	1369.7
29) - INVESTMENTS & RSK	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0	-33.0	792.0
30) = BFIT NET	-549.4	175.2	93.5	112.4	119.9	82.8	65.5	53.6	46.3	40.5	240.2	337.5	577.7

PRESENT WORTH @ 10.00 %

31) NET INCOME	263.3	152.1	73.4	79.9	77.2	48.2	34.5	25.5	20.0	15.8	789.9	65.5	855.4
32) INVESTMENTS & RISK	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0	-1.2	823.8
33) BFIT NET	-561.7	152.1	73.4	79.9	77.2	48.2	34.5	25.5	20.0	15.8	-35.1	66.8	31.6
34) CUM BFIT NET	-561.7	-409.6	-336.2	-256.3	-179.1	-131.0	-96.4	-70.9	-50.9	-35.1	-35.1	31.6	31.6

JRU #16 BONE SPRING

DATE : 02/07/00  
 TIME : 13:37:27  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 42

AFTER TAX ECONOMICS

EFFECTIVE DATE: 2/96

PERIOD ENDING	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	12/04	12/05	S TOT	AFTER	32.8 YR TOTAL
TAX TREATMENT OF INVESTMENTS, M\$													
1) EXP, RISK & CAP INT	495.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	495.0	.0	495.0
2) DEPLETABLE	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
3) DEPRECIABLE	330.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	330.0	-33.0	297.0
TAX CALCULATIONS, M\$													
4) GROSS REV. TO INTR.	311.7	204.7	116.5	136.9	145.1	104.9	86.3	73.4	65.5	59.3	1304.4	683.3	1987.7
5) - SEVERANCE TAX	22.6	15.0	8.5	10.1	10.6	7.7	6.4	5.4	4.8	4.4	95.5	50.5	146.0
6) - WPT TAX NET	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) - OPR. COSTS & ATX	13.6	14.6	14.5	14.5	14.5	14.4	14.4	14.4	14.4	14.4	143.7	328.3	472.0
8) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
9) - OVERHEAD	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
10) - EXPENSED INV.	495.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	495.0	.0	495.0
11) - DEPRECIATION	43.2	78.0	59.6	42.6	30.4	29.5	29.5	17.2	17.2	17.2	330.0	.0	330.0
12) = NET	-262.6	97.2	33.8	69.8	89.5	53.3	36.1	36.4	46.3	40.5	240.2	304.5	544.7
13) - DEPLETION	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
14) - INTEREST PD & CAP	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
15) = TAXABLE	-262.6	97.2	33.8	69.8	89.5	53.3	36.1	36.4	46.3	40.5	240.2	304.5	544.7
16) * TAX RATE, %	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0
17) - TAX CREDIT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
18) - WPT REFUND	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
19) = F.I.T.	-91.9	34.0	11.8	24.4	31.3	18.7	12.6	12.7	16.2	14.2	84.1	106.6	190.6
20) REVENUE-SEV-WPT	289.1	189.8	107.9	126.9	134.5	97.2	79.9	68.0	60.7	54.9	1208.9	632.8	1841.7
21) - OPR. COSTS & ATX	13.6	14.6	14.5	14.5	14.5	14.4	14.4	14.4	14.4	14.4	143.7	328.3	472.0
22) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
23) - F.I.T.	-91.9	34.0	11.8	24.4	31.3	18.7	12.6	12.7	16.2	14.2	84.1	106.6	190.6
24) = A.F.I.T.	367.5	141.2	81.6	87.9	88.6	64.1	52.9	40.8	30.1	26.3	981.1	197.9	1179.0
25) - LOAN REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) = NET INCOME	367.5	141.2	81.6	87.9	88.6	64.1	52.9	40.8	30.1	26.3	981.1	197.9	1179.0
28) - INVESTMENTS & RSK	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0	-33.0	792.0
29) = A.F.I.T. NET	-457.5	141.2	81.6	87.9	88.6	64.1	52.9	40.8	30.1	26.3	156.1	230.9	387.0
PRESENT WORTH @ 10.00 %													
30) NET INCOME	351.1	122.6	64.1	62.5	57.0	37.3	27.9	19.5	13.0	10.3	765.3	42.6	807.9
31) INVESTMENTS & RISK	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0	-1.2	823.8
32) A.F.I.T. NET	-473.9	122.6	64.1	62.5	57.0	37.3	27.9	19.5	13.0	10.3	-59.7	43.8	-15.9
33) CUM. A.F.I.T. NET	-473.9	-351.3	-287.2	-224.6	-167.6	-130.3	-102.4	-83.0	-70.0	-59.7	-59.7	-15.9	-15.9

JRU #16 BONE SPRING

DATE : 02/07/00  
TIME : 13:37:27  
DBS FILE : JRUPA  
SETUP FILE : CD  
SEQ NUMBER : 42

E C O N O M I C I N D I C A T O R S

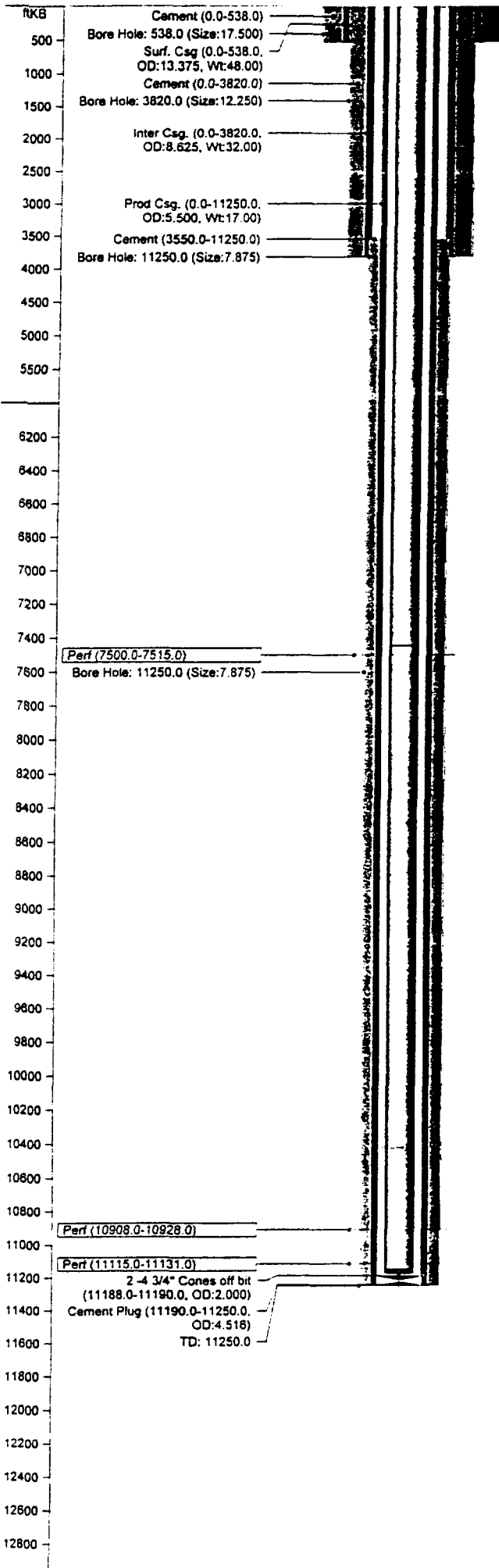
AS OF DATE: 2/96

B.F.I.T. WORTH M\$-----	A.F.I.T. WORTH M\$-----	A.F.I.T. BONUS M\$-----
-------------------------------	-------------------------------	-------------------------------

PRESENT WORTH PROFILE AND  
RATE-OF-RETURN VS. BONUS TABLE

0.	577.662	387.031	595.432
2.	410.032	264.043	376.155
5.	228.624	130.775	173.144
6.	180.962	95.569	124.325
8.	99.253	34.847	44.054
10.	31.628	-15.900	-19.658
20.	-186.835	-184.879	-214.401
30.	-308.548	-284.118	-319.236
40.	-387.528	-351.370	-387.187
50.	-443.460	-400.789	-435.750
60.	-485.440	-439.118	-472.706
70.	-518.303	-470.025	-502.106
80.	-544.865	-495.691	-526.279
90.	-566.880	-517.495	-546.662
100.	-585.496	-536.352	-564.190

RATE OF RETURN, PCT.	11.4	9.4
UNDISCOUNTED PAYOUT, YRS.	5.50	5.82
DISCOUNTED PAYOUT, YRS.	13.54	32.83
UNDISCOUNTED NET/INVEST.	1.73	1.49
DISCOUNTED NET/INVEST.	1.04	.98



**JAMES RANCH UNIT #16**

API No.	3001528623	Status	ACT OIL
TD	11250.0 ftKB	Engineer	KA
PBTD	11190.0 ftKB		
Operator	BEPCO	Permit	
Well No.	16	Spud	12/31/95
ID Code		RR	1/17/96
Field	Los Medanos (Delaware)	Completion	3/9/96
Author	RAS	Last Act.	
Date Updated	12/22/97	Abandoned	
Comments	Drilled by Enron		

**Location**

Township	S022	Top Latitude	0
		Top Longitude	0
Range	E030	Top NS Distance	1980.0 ft N
		Top EW Distance	330.0 ft E
Section	36	Bottom Latitude	0
Unit Ltr.	H	Bottom Longitude	0
State	NEW MEXICO	Btm NS Distance	0.0 ft
County	EDDY	Btm EW Distance	0.0 ft

**Elevations**

KB	3331.5 ft	Cas Flng	0.0 ft
Grd	3313.0 ft	Tub Head	0.0 ft
KB-Grd	18.5 ft		

**Casing String - Surface Casing**

Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
13 3/8 in Surf. Csg	0.0	538.0	11	12.715	48.00	H-40	STC

**Casing String - Intermediate Casing**

Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
8 5/8 in Inter Csg.	0.0	3820.0	85	7.920	32.00	J-55	STC

**Casing String - Production Casing**

Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
5 1/2 in Prod Csg.	0.0	1250.0		4.890	17.00		

**Casing Cement**

Casing String	Top (ftKB)	Amount (sx)	Comments
Surface Casing	0.0	390	
Intermediate Casing	0.0	3159	
Production Casing	3550.0	1650	TOC by Temp Sur.

**Tubing String - Primary Tubing**

Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
2 7/8 in Tbg.	0.0	7445.0	224	2.441	6.50	N-80	3rd
2 7/8 in TAC	7445.0	7448.0		0.000	0.00		
2 7/8 in Tbg.	7448.0	11145.0	113	0.000	0.00	N-80	3rd
2 7/8 in SN	11145.0	11146.0		0.000	0.00		
2 7/8 in PS	11146.0	11150.0		0.000	0.00		
2 7/8 in MA	11150.0	11182.0		0.000	0.00		

**Other (plugs, equip., etc.) - Plug Back**

Date	Item	Int (ftKB)
1/17/96	Cement Plug	11190.0 - 11250.0

**Perforations**

Date	Int	Shots (/ft)	Status
1/26/96	11115.0 - 11131.0	2.0	
2/2/96	10908.0 - 10928.0	2.0	
2/8/96	7500.0 - 7515.0	4.0	

**Stimulations & Treatments**

Date	Type	Interval	Fluid	Sand	Comments
1/30/96	Sand Frac	11115.0 - 11131.0			
2/3/96	Sand Frac	10908.0 - 10928.0			
2/10/96	Sand Frac	7500.0 - 7515.0			

**Fish - Primary Fish**

Date	Item	Int (ftKB)	OD (in)	Comment
3/12/96	2 - 4 3/4" Cones off bit	11188.0 - 11190.0	2	

## WELL HISTORY

WELL NAME: JAMES RANCH UNIT #16  
FIELD NAME: LOS MEDANOS  
LOCATION: 1980' FNL & 330' FEL  
SEC 36, T22S, R30E  
EDD CO. NM  
ELEV: 3313' GL  
SPUD DATE: 12/31/95  
COMP DATE: 3/9/96  
ORIG TD: 11,250'  
ORIG PBD: 11,190'  
CASING: 13 3/8", 48#, CSA 538', CMT W/390 SXS, CMT CIRC TO SURFACE  
8 5/8", 32#, CSA 3820', CMT W/3159 SXS, CMT CIRC TO SURFACE  
5 1/2", 17# CSA 11,250', CMT W/1650 SXS, TOC @ 3550' (TEMP SUR)  
TUBING: 2 7/8" TBG @ 11, 172'  
DST: NONE  
CORES & LOGS: 28 SIDEWALL CORES (1/16/96)  
LOGS ??

### INITIAL COMPLETION

1/26/96 TO 2/2/96 **PERF, ACIDIZE & FRAC WOLFCAMP**

**Perf** 11,115-11,131 (16'-2SPF @ 60° phasing). **Acidize** w/1500 gals 15% HCL. **Frac** w/53,000 gals Sprecra Frac G-4000 + 301,000 # 20/40 Ottawa sand + 20,350# 20/40 Econoprop. SI 4 hrs for break, flow back well 3 days.

2-3-96 TO 2-7-96 **PERF, ACIDIZE & FRAC 3<sup>RD</sup> BONE SPRING**

Tagged **sand plug** @ 11,006', tested to 4000# using methanol, no leak-off. **Perf** Bone Spring Fm @ 10,908-28' (20'-40 shots). **Acidize** w/1000 gals 15% HCL. **Frac** w/48,000 gals Sprecra Frac G-4000 + 350,000# 20/40 sand + 30,000# 20/40 Econoprop. Flow well back 5 days.

2-8-96 TO 2-11-96 **PERF, ACIDIZE & FRAC DELAWARE (BRUSHY CANYON "V" SAND)**

Set **CIBP** @ 10,796', tested to 4000#. **Perf** 7500-15' (15' 61 SHOTS 0° phasing. **Acidized** w/2,000 gals 15% HCL. **Frac** w/24,500 gals Spectra-Frac G-3000 + 52,000# 20/40 Brady sand + 20,000# 20/40 ACFRAC CR-4000 (RCS). Flow well back, well died, swabbed well.

2-23-96 RU Apollo Wireline, run after frac survey. RD, left flowing, 77  
BO, 36 BW on 64/64" ck., 10 psi FTP.

2-27-96 to 3-6-96 **Attempt to put on Artificial Lift**

Attempt to run tbg, rods and pump. Parted tbg and had to fish.  
Caught fish & LD. Well KO & flowed.

3-8-96 to 3-12-96 **Drill Out CIBP and Commingle Wolfcamp, Bone Spring &  
Delaware Perfs**

Drilled CIBP @ 10,796. Top sand plug @ 11,006, wash and rotate,  
chased CIBP to 11,095'. Drilled CIBP, wsh & rotate to 11,190',  
circ hole clean. Left well flowing 2 days. POH w/BHA, lost 2  
cones off 4 3/4" bit. RIH w 226 jts 2 7/8", 6.5#, N-80 tbg, @ 7411'.  
RIH w/ rods, POH & LD rods. Left well flowing.

3-24-96 RIH w/rods and pump. Hung well on production.

4-12-96 TO 4-18-96 MIRU PU, TOH w/rods & pump. TOH w/112 jts 2 7/8" tbg,  
PU TAC & TIH w/tbg. PU additional 112 jts. 2 7/8" 6.5# N-80 tbg,  
total 337 jts. SN landed @ 11,145' KB. RIH w/rods and pump. Start  
well pumping. Well is pumping 120 BOPD, 250 MCFPD, 64 BWPD.

**DISTRICT II**  
P. O. Drawer 00  
Artesia, NM 88211-0719

**OIL CONSERVATION DIVISION**  
P. O. Box 2088  
Santa Fe, New Mexico 87504-2088

Submit to the Appropriate  
District Office  
State Lease - 4 copies  
Fee Lease - 3 copies

**DISTRICT III**  
Rio Brazos Rd.  
NM 87410

AMENDED REPORT

**DISTRICT IV**  
P. O. Box 2088  
Santa Fe, NM 87507-2088

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1 API Number		2 Pool Code		3 Pool Name			
4 Property Code		5 Property Name <b>JAMES RANCH UNIT</b>				6 Well Number <b>16</b>	
7 OGRM No.		8 Operator Name <b>ENRON OIL &amp; GAS COMPANY</b>				9 Elevation <b>3316'</b>	

**10 SURFACE LOCATION**

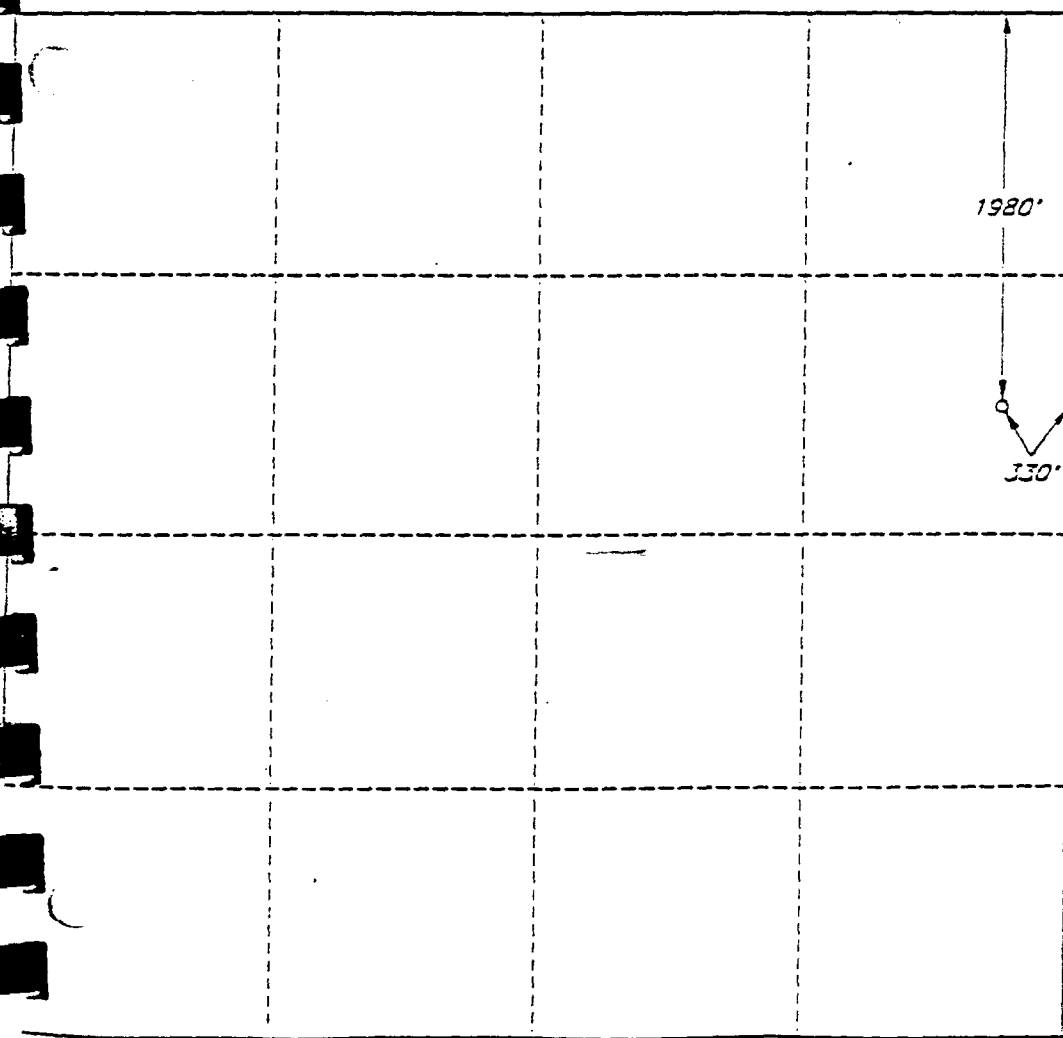
11 Lot or lot no.	12 Section	13 Township	14 Range	15 Lot Ids	16 Feet from the North/South line	17 Feet from the East/West line	18 County
H	36	22 SOUTH	30 EAST, N.M.P.M.		1980'	NORTH 330'	EDDY

**"BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE**

19 Lot or lot no.	20 Section	21 Township	22 Range	23 Lot Ids	24 Feet from the North/South line	25 Feet from the East/West line	26 County

27 Dedicated Acres	28 Joint or Infill	29 Consolidation Code	30 Order No.

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



**OPERATOR CERTIFICATION**

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature

Printed Name

Title

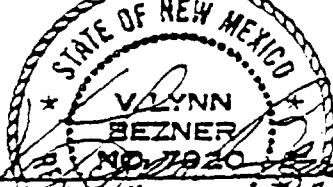
Date

**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  
**OCTOBER 25, 1985**

Signature and Seal of Professional Surveyor



Certificate No.  
**V. LYNN BEZNER, N.M.S. #7920**  
JOHN S. HARRIS / V.H.B.



WELL API NO.  
 30 015 28623

1. Indicate Type of Lease  
 STATE  FEE

2. State Oil & Gas Lease No.  
 E-4229-4

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG**

3. Type of Well: OIL WELL  GAS WELL  DRY  OTHER

4. Type of Completion: NEW WELL  WORK OVER  DEEPEN  PLUG BACK  JOFF REVEAL  OTHER

5. Name of Operator: Enron Oil & Gas Company

6. Address of Operator: P. O. Box 2267, Midland, Texas 79702

7. Lease Name or Unit Agreement Name: BS  
 James Ranch Unit (4060)

8. Well No.: 16

9. Pool Name or Wuidal: Los Medanos Delaware (40297)

Well Location: Unit Lease H : 1980 Feet From The north Line and 330 Feet From The east Line

Section 36 Township 22S Range 30E NMPM Eddy County

10. Date Spudded: 12-31-95

11. Date T.D. Reached: 1-14-96

12. Date Comm. (Ready to Prod.): 2-9-96

13. Elevations (D.F. & R.K.B. AT GR. etc.): 3313' GR

14. Elev. Casingshead: 3313'

15. Total Depth: 11250

16. Plug Back T.D.: 11214

17. If Multiple Comms. How Many Zones: 1

18. Intervals Drilled By: Rotary Tools X Cable Tools

19. Producing Intervals, of this completion - Top, Bottom, Name: 7500-7515

20. Was Directional Survey Made: No

21. Type of Log and Other Logs Run: Dual Ind Lactarolog, Spec. Density Dual Sapped Neutron

22. Was Well Cased: No

**CASING RECORD (Report all strings set in well)**

CASING SIZE	WEIGHT LB/FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
12-3/8	48	538	17-1/2	390 sx Prem Plus	Circulated
9-5/8	32	3820	12-1/4	1659 sx Prem Plus & 1500 Prem 50/50 Poz	Circulated
8-1/2	17	11250	7-7/8	1650 sx Prem 50/50 poz TOG	3550 per ramp survey

**LINER RECORD**      **TUBING RECORD**

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2-7/8	7401	

23. Performance record (interval size and number)

11,115-11,131	(.32" 32)
10,908-10,928	(.32" 48)
7500-7515	(.30" 61)

24. ACID, SHOT, FRACTURE CEMENT, SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
11115-11131	Sand plug @ 11,000
10908-10928	CEEP @ 10,796
**7500-7515	1300 gal linear gel, 45760 gal

**PRODUCTION** Spacers Frac G-3000 w/52,000# 20/40 Brady

Date First Production	Production Method (Flowing, gas lift, pressure - Size and type pump)	Well Status (Prod. or Shut-in)
2-10-96	Flowing	Producing

Date of Test	Hourly Test	Core Size	Prod. For Test Period	Oil - BBL	Gas - MCF	Water - BBL	Gas - Oil Ratio
2-13-96	24	64/64		205	100	121	488

Flow Testing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - BBL	Gas - MCF	Water - BBL	Oil Gravity - API - (Corr.)
20	400					40.5

25. Disposition of Gas (Send used for fuel, vented, etc.): Test Witnessed By

26. This well is a Fracture \*\* and 2500 gals AC frac GR 4000 w/20,000# 20-40 Resin-Coated Sand

27. I hereby certify that the information shown on this form is true and complete to the best of my knowledge and belief.

Signature: Betty Gildon      Title: Regulatory Analyst      Date: 2/14/96

BASS ENTERPRISES PRODUCTION CO.

201 MAIN ST.  
FORT WORTH, TEXAS 76102-3131  
817/390-8400

February 14, 2000

Bureau of Land Management  
2909 W. 2nd Street  
Roswell, New Mexico 88201  
Attention: Mr. Armando Lopez

Commissioner of Public Lands  
310 Old Santa Fe Trail  
Santa Fe, New Mexico 87504  
Attention: Pete Martinez

New Mexico Oil Conservation Division  
2040 S. Pacheco  
Santa Fe, New Mexico 87504  
Attention: Roy Johnson

Re: Commercial Well Determinations  
James Ranch Unit  
Eddy County, New Mexico

Dear Mr. Lopez:

Please reference the letter from the Bureau of Land Management, Roswell Field Office dated January 10, 2000, requesting commercial well determinations for various intervals in the James Ranch Nos., 30, 65, 76, 73, 55, 56, 48, 16, 19, 29, 37, 41 and 71. Accordingly, please find attached hereto a package containing commercial well determinations for the following wells in the James Ranch Unit.

<u>Well</u>	<u>Zone</u>	<u>Commercial (Y/N)</u>
JRU # 16	Delaware	Y
JRU # 16	Bone Spring	Y
JRU # 16	Wolfcamp	N
JRU # 17	Delaware	Y
JRU # 19	Delaware	Y
JRU #29	Delaware	Y
JRU # 30	Wolfcamp	N
JRU # 36	Delaware	Y
JRU # 37	Delaware	Y
JRU #41	Delaware	Y
JRU#65	Delaware	Y

<u>Well</u>	<u>Zone</u>	<u>Commercial (Y/N)</u>
JRU#65	Bone Spring	N
JRU#65	Wolfcamp	N
JRU#71	Delaware	Y
JRU# 71	Bone Spring	N
JRU#71	Wolfcamp	N
JRU #73	Delaware	Y
JRU#73	Bone Spring	N
JRU#73	Wolfcamp	N
JRU #76	Delaware	Y
JRU# 76	Bone Spring	N
JRU#76	Wolfcamp	N
JRU#48	Delaware	N
JRU#55	Delaware	Y
JRU#56	Delaware	Y
JRU#57	Delaware	Y

It should be noted that Bass is continuing to conduct additional drilling operations in the area at this time. As a result thereof, the James Ranch Nos. 63, 31 and 38 are currently being completed in the Delaware Formation and further wells both Delaware and Delaware/Bone Springs/Wolfcamp Wells are planned. Bass will combine the information from the existing and future wells for the submittal of participating areas in the James Ranch Unit. Please provide your approval of the above commercial determinations in the space provided below. Thank you very and should you have any questions or comments in the above regard, please contact the undersigned.

Very truly yours,

  
J. Wayne Bailey

JWB:ca

BUREAU OF LAND MANAGEMENT

By: \_\_\_\_\_

COMMISSIONER OF PUBLIC LANDS

By: \_\_\_\_\_

NEW MEXICO OIL CONSERVATION DIVISION

By:  \_\_\_\_\_

**PERFORMANCE DATA**

(If sufficient history exists, attach plot of oil production rate v time.)

CUMULATIVE PRODUCTION TO	<u>11/30/99</u> ; <u>38,048</u> BBLs
INITIAL RATE (qi)	<u>508</u>
ECONOMIC LIMIT (qi)	<u>60</u>
DECLINE RATE, dy	<u>Hyperbolic d = 16.48% n = .995</u>
REMAINING OIL (Q) =	<u>54,352</u>
ULTIMATE RECOVERABLE OIL	<u>92,400</u>

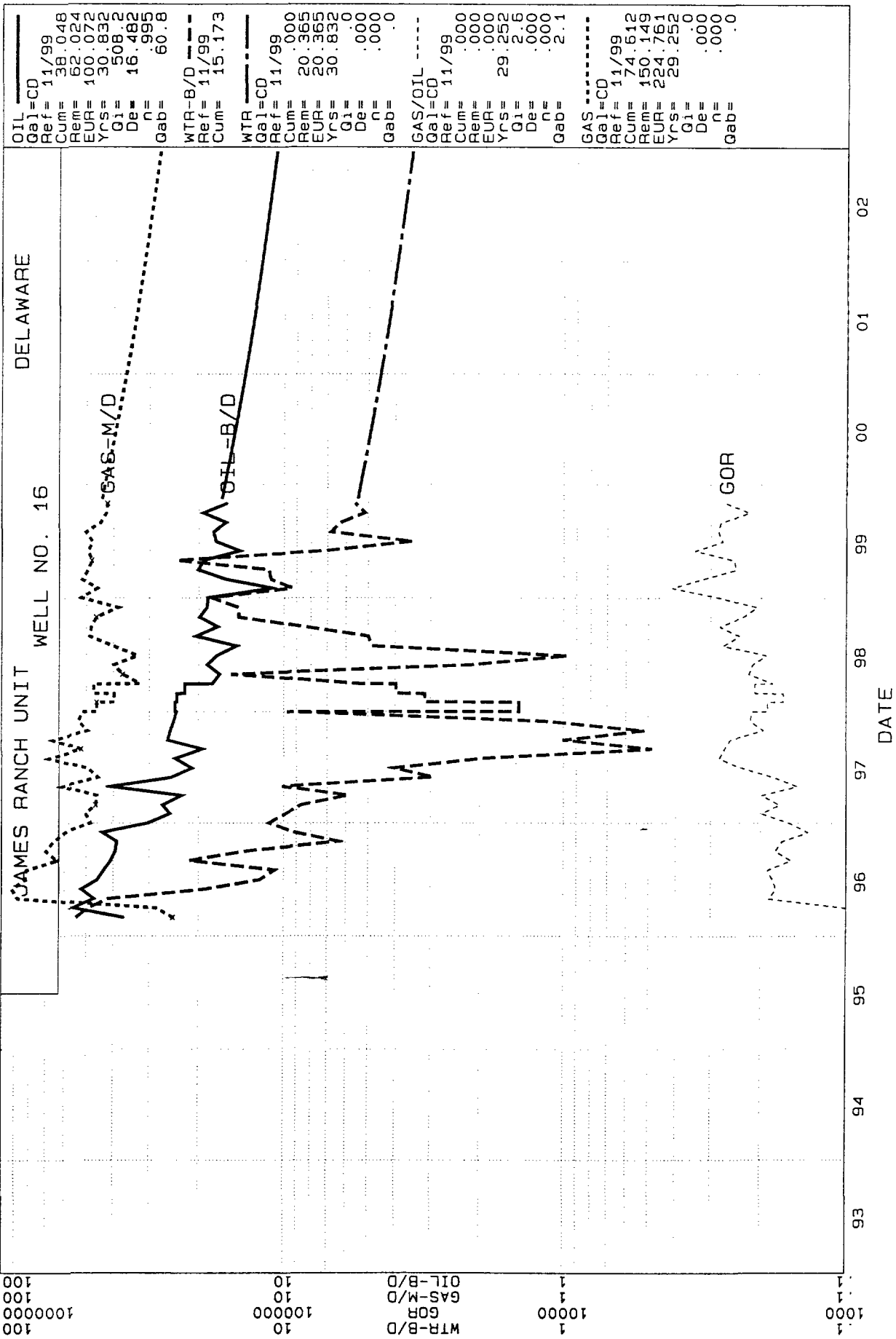
(Attach plot showing proration unit and participating area.)

**ECONOMIC**

WELL COST \$	<u>570,000</u> (to the depth of formation completed)
RECOMPLETION COST \$	<u>0</u>
TOTAL COST \$	<u>570,000</u>

YEAR	GROSS OIL	REVENUE	OPERATING COST	10% NET BFIT DISCOUNTED CASH FLOW
ZERO	<u>0</u>	<u>0</u>	<u>0</u>	<u>-570,000</u>
1	<u>14,400</u>	<u>315,400</u>	<u>44,500</u>	<u>258,800</u>
2	<u>9,300</u>	<u>203,200</u>	<u>35,100</u>	<u>145,900</u>
3	<u>7,500</u>	<u>114,300</u>	<u>28,500</u>	<u>67,400</u>
4	<u>6,300</u>	<u>133,600</u>	<u>31,200</u>	<u>72,800</u>
5	<u>5,600</u>	<u>148,000</u>	<u>30,200</u>	<u>75,700</u>
6	<u>4,700</u>	<u>107,500</u>	<u>27,000</u>	<u>46,700</u>
7	<u>4,100</u>	<u>88,800</u>	<u>25,900</u>	<u>33,100</u>
8	<u>3,700</u>	<u>75,700</u>	<u>24,900</u>	<u>24,200</u>
9	<u>3,300</u>	<u>68,000</u>	<u>24,400</u>	<u>18,800</u>
10	<u>3,000</u>	<u>61,800</u>	<u>23,900</u>	<u>14,800</u>
REMAINDER	<u>30,500</u>	<u>617,500</u>	<u>384,400</u>	<u>55,200</u>

**WELL IS COMMERCIAL**



<b>OIL</b>	<b>WTR-B/D</b>	<b>GAS/OIL</b>
Qal=CD	Qal=CD	Qal=CD
Ref= 11/99	Ref= 11/99	Ref= 11/99
Cum= 38.048	Cum= 20.365	Cum= .000
Rem= 62.024	EUR= 20.365	Rem= .000
EUR= 100.072	YCS= 30.832	EUR= .000
YCS= 30.832	Q1= .000	YCS= 29.252
Q1= 508.2	n= .000	Q1= 2.6
De= 16.482	n= .000	De= .000
n= .995	n= .000	n= .000
Qab= 60.8	Qab= .0	Qab= 2.1



720 LSE/RIC	12.5000	D	%	TO	LIFE	FLAT	.00	8/30	.125	.125
721 OWN/RI	.0000	D	%	TO	LIFE	FLAT	.00	8/30	.125	.125
740 LSE/RIG	12.5000	D	%	TO	LIFE	FLAT	.00	8/30	.125	.125
760 LSE/ORR	.0000	D	%	TO	LIFE	FLAT	.00	8/30	.125	.125
761 OWN/ORR	.0000	D	%	TO	LIFE	FLAT	.00	8/30	.125	.125

OVERLAYS SCHEDULING RATES

ULTIMATE	LAST	MONTH	RISK INV.	TOT. T&I	ESC. T&I
38.525	2/00	2/96	570.000	570.000	570.0
75.872	2/00	10/0	65.000	65.000	65.0
15.173	2/00	8/30	-24.000	-24.000	-24.0

INVESTMENT TANGIBLES & INTANGIBLES

PROCEDURE	TIME	AD	AD	AD
800 DRILL	240.00	330.00	MSG	02/96
801 WORKOVER	.00	65.00	MSG	10/2000
802 SALVAGE	-24.00	.00	MSG	TO

RESERVE PARAMETERS

ITEM	ITEM
201 LOSS NO	CUMUL, MB
205 CUMG, MB	38.05
210 LOSS NO	CUMG, MMF
	74.61

PROJECT ASSUMPTIONS

BASE DATE : 2/96 TIME FRAMES : 1\*11 38\*12 1\*600

P.W. DATE : 2/96 PW &-AGE : 10.0 DISC. FREQUENCY : 365.

REPORT DATE : 2/96 PROD QUAL : CD OWNER QUAL : CD OTHER QUAL : CD

JRU #16 DELAWARE  
 PREPARED BY: KENT ADAMS

DATE : 02/09/00  
 TIME : 10:31:31  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 40

R E S E R V E S A N D E C O N O M I C S  
 EFFECTIVE DATE: 2/96

PERIOD ENDING	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	12/04	12/05	S TOT	AFTER	27.5 YR TOTAL
1) WORKING INTEREST, \$	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000
2) REVENUE INTEREST, \$	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500
INVESTMENTS, M\$													
3) BORROWED CAPITAL	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4) EQUITY INVESTMENTS	570.0	.0	.0	.0	65.0	.0	.0	.0	.0	.0	635.0	-24.0	611.0
5) RISK	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) TOTAL	570.0	.0	.0	.0	65.0	.0	.0	.0	.0	.0	635.0	-24.0	611.0
OIL PHASE													
8) GROSS OIL, MB	14.4	9.3	7.5	6.3	5.6	4.7	4.1	3.7	3.3	3.0	61.8	30.5	92.4
9) NET OIL, MB	12.6	8.1	6.5	5.5	4.9	4.1	3.6	3.2	2.9	2.6	54.1	26.7	80.8
10) OIL REVENUE, M\$	268.9	161.3	88.3	101.1	116.9	81.2	66.0	55.5	49.9	45.5	1034.5	460.3	1494.8
11) OIL PRICE, \$/B	21.35	19.83	13.52	18.34	24.03	19.76	18.29	17.27	17.22	17.22	19.12	17.22	18.49
GAS PHASE													
12) GROSS GAS, MMF	21.5	19.5	15.0	17.4	14.4	12.3	10.7	9.5	8.5	7.7	136.3	73.5	209.8
13) NET GAS, MMF	18.8	17.0	13.2	15.2	12.6	10.7	9.4	8.3	7.4	6.7	119.3	64.3	183.5
14) GAS REVENUE, M\$	46.5	41.9	26.0	32.5	31.1	26.3	22.9	20.2	18.1	16.4	281.9	156.9	438.8
15) GAS PRICE, \$/MCF	2.480	2.460	1.980	2.140	2.470	2.450	2.440	2.440	2.440	2.440	2.364	2.440	2.391
WATER PHASE													
16) GROSS WATER, MB	7.5	1.7	1.5	4.1	1.8	1.5	1.4	1.2	1.1	1.0	22.8	10.0	32.9
17) NET WATER, MB	7.5	1.7	1.5	4.1	1.8	1.5	1.4	1.2	1.1	1.0	22.8	10.0	32.9
18) WATER PRICE, \$/B	.500	.500	.500	.500	.080	.080	.080	.080	.080	.080	.353	.080	.270
ECONOMICS, M\$													
19) GROSS REV. TO INTR.	315.4	203.2	114.3	133.6	148.0	107.5	88.8	75.7	68.0	61.8	1316.4	617.2	1933.6
20) - SEV. TAX	22.7	14.7	8.3	9.7	10.7	7.8	6.5	5.5	5.0	4.5	95.6	45.0	140.6
22) - AD VALOREM TAX	.5	.3	.2	.2	.2	.2	.1	.1	.1	.1	2.1	1.0	3.0
23) - OPERATING COSTS	17.6	19.2	19.2	19.2	19.2	19.2	19.2	19.2	19.2	19.2	190.4	337.6	528.0
24) - SWD	3.7	.9	.8	2.1	.1	.1	.1	.1	.1	.1	8.1	.8	8.9
25) - CAPITAL REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
28) = NET INCOME	270.8	168.1	85.8	102.4	117.6	80.2	62.9	50.8	43.7	37.9	1020.3	232.8	1253.1
29) - INVESTMENTS & RSK	570.0	.0	.0	.0	65.0	.0	.0	.0	.0	.0	635.0	-24.0	611.0
30) = BFIT NET	-299.2	168.1	85.8	102.4	52.6	80.2	62.9	50.8	43.7	37.9	385.3	256.8	642.1
PRESENT WORTH @ 10.00 %													
31) NET INCOME	258.8	145.9	67.4	72.8	75.7	46.7	33.1	24.2	18.8	14.8	758.3	55.2	813.5
32) INVESTMENTS & RISK	570.0	.0	.0	.0	40.8	.0	.0	.0	.0	.0	610.8	-1.5	609.2
33) BFIT NET	-311.2	145.9	67.4	72.8	34.9	46.7	33.1	24.2	18.8	14.8	147.5	56.7	204.2
34) CUM BFIT NET	-311.2	-165.3	-97.8	-25.0	9.9	56.6	89.7	113.9	132.7	147.5	147.5	204.2	204.2



AFTER TAX ECONOMICS

EFFECTIVE DATE: 2/96

PERIOD ENDING	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	12/04	12/05	S TOT	AFTER	27.5 YR TOTAL
TAX TREATMENT OF INVESTMENTS, M\$													
1) EXP, RISK & CAP INT	330.0	.0	.0	.0	65.0	.0	.0	.0	.0	.0	395.0	.0	395.0
2) DEPLETABLE	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
3) DEPRECIABLE	240.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	240.0	-24.0	216.0
TAX CALCULATIONS, M\$													
4) GROSS REV. TO INTR.	315.4	203.2	114.3	133.6	148.0	107.5	88.8	75.7	68.0	61.8	1316.4	617.2	1933.6
5) - SEVERANCE TAX	22.7	14.7	8.3	9.7	10.7	7.8	6.5	5.5	5.0	4.5	95.6	45.0	140.6
6) - WPT TAX NET	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) - OPR. COSTS & ATX	21.8	20.4	20.2	21.5	19.6	19.5	19.4	19.4	19.4	19.4	200.5	339.4	539.9
8) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
9) - OVERHEAD	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
10) - EXPENSED INV.	330.0	.0	.0	.0	65.0	.0	.0	.0	.0	.0	395.0	.0	395.0
11) - DEPRECIATION	31.4	56.7	43.4	31.0	22.1	21.4	21.4	12.5	.0	.0	240.0	.0	240.0
12) = NET	-90.6	111.4	42.5	71.4	30.5	58.8	41.5	38.3	43.7	37.9	385.3	232.8	618.1
13) - DEPLETION	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
14) - INTEREST PD & CAP	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
15) = TAXABLE	-90.6	111.4	42.5	71.4	30.5	58.8	41.5	38.3	43.7	37.9	385.3	232.8	618.1
16) * TAX RATE, %	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0
17) - TAX CREDIT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
18) - WPT REFUND	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
19) = F.I.T.	-31.7	39.0	14.9	25.0	10.7	20.6	14.5	13.4	15.3	13.3	134.9	81.5	216.3
20) REVENUE-SEV-WPT	292.7	188.5	106.0	123.9	137.2	99.7	82.4	70.2	63.1	57.3	1220.8	572.1	1793.0
21) - OPR. COSTS & ATX	21.8	20.4	20.2	21.5	19.6	19.5	19.4	19.4	19.4	19.4	200.5	339.4	539.9
22) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
23) - F.I.T.	-31.7	39.0	14.9	25.0	10.7	20.6	14.5	13.4	15.3	13.3	134.9	81.5	216.3
24) = A.F.I.T.	302.5	129.1	71.0	77.4	107.0	59.6	48.4	37.4	28.4	24.7	885.4	151.3	1036.7
25) - LOAN REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) = NET INCOME	302.5	129.1	71.0	77.4	107.0	59.6	48.4	37.4	28.4	24.7	885.4	151.3	1036.7
28) - INVESTMENTS & RSK	570.0	.0	.0	.0	65.0	.0	.0	.0	.0	.0	635.0	-24.0	611.0
29) = A.F.I.T. NET	-267.5	129.1	71.0	77.4	42.0	59.6	48.4	37.4	28.4	24.7	250.4	175.3	425.7
PRESENT WORTH @ 10.00 %													
30) NET INCOME	289.1	112.1	55.8	55.0	68.8	34.7	25.5	17.8	12.2	9.6	680.7	35.9	716.5
31) INVESTMENTS & RISK	570.0	.0	.0	.0	40.8	.0	.0	.0	.0	.0	610.8	-1.5	609.2
32) A.F.I.T. NET	-280.9	112.1	55.8	55.0	28.0	34.7	25.5	17.8	12.2	9.6	69.9	37.4	107.3
33) CUM. A.F.I.T. NET	-280.9	-168.8	-113.0	-58.0	-30.0	4.7	30.2	48.0	60.3	69.9	69.9	107.3	107.3

JRU #16 DELAWARE  
 PREPARED BY: KENT ADAMS

DATE : 02/09/00  
 TIME : 10:31:31  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 40

E C O N O M I C I N D I C A T O R S

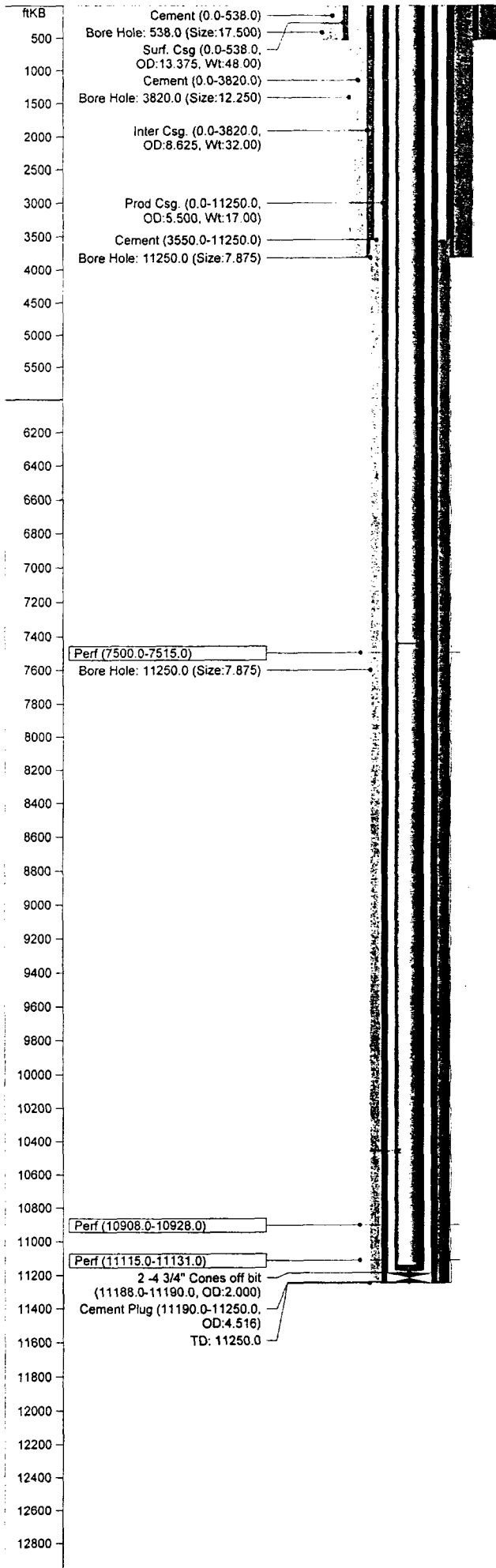
AS OF DATE: 2/96

B.F.I.T. WORTH M\$-----	A.F.I.T. WORTH M\$-----	A.F.I.T. BONUS M\$-----
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PRESENT WORTH PROFILE AND  
 RATE-OF-RETURN VS. BONUS TABLE

0.	642.068	425.745	654.992
2.	513.539	332.689	475.863
5.	368.354	227.427	302.563
6.	329.206	198.933	259.972
8.	261.229	149.245	189.391
10.	204.247	107.304	133.060
20.	17.153	-33.582	-38.950
30.	-88.311	-116.393	-130.671
40.	-157.387	-172.543	-189.919
50.	-206.917	-213.948	-232.337
60.	-244.619	-246.209	-264.738
70.	-274.547	-272.340	-290.611
80.	-299.046	-294.114	-311.944
90.	-319.574	-312.655	-329.960
100.	-337.092	-328.710	-345.459

RATE OF RETURN, PCT.	21.6	17.6
UNDISCOUNTED PAYOUT, YRS.	3.36	3.79
DISCOUNTED PAYOUT, YRS.	4.63	5.78
UNDISCOUNTED NET/INVEST.	2.05	1.70
DISCOUNTED NET/INVEST.	1.34	1.18



**JAMES RANCH UNIT #16**

API No.	3001528623	Status	ACT OIL
TD	11250.0 ftKB	Engineer	CAA
PBTD	11190.0 ftKB		
Operator	BEPCO	Permit	
Well No.	16	Spud	12/31/95
ID Code		RR	1/17/96
Field	Los Medanos (Delaware)	Completion	3/9/96
Author	RAS	Last Act.	
Date Updated	12/22/97	Abandoned	
Comments	Drilled by Enron		

**Location**

Township	S022	Top Latitude	0
		Top Longitude	0
Range	E030	Top NS Distance	1980.0 ft N
		Top EW Distance	330.0 ft E
Section	36	Bottom Latitude	0
Unit Ltr.	H	Bottom Longitude	0
State	NEW MEXICO	Btm NS Distance	0.0 ft
County	EDDY	Btm EW Distance	0.0 ft

**Elevations**

KB	3331.5 ft	Cas Flng	0.0 ft
Grd	3313.0 ft	Tub Head	0.0 ft
KB-Grd	18.5 ft		

**Casing String - Surface Casing**

Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID	Wt	Grd	Thd
13 3/8 in Surf. Csg	0.0	538.0	11	12.715	48.00	H-40	STC

**Casing String - Intermediate Casing**

Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID	Wt	Grd	Thd
8 5/8 in Inter Csg.	0.0	3820.0	85	7.920	32.00	J-55	STC

**Casing String - Production Casing**

Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID	Wt	Grd	Thd
5 1/2 in Prod Csg.	0.0	1250.0		4.890	17.00		

**Casing Cement**

Casing String	Top (ftKB)	Amount (sx)	Comments
Surface Casing	0.0	390	
Intermediate Casing	0.0	3159	
Production Casing	3550.0	1650	TOC by Temp Sur.

**Tubing String - Primary Tubing**

Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
2 7/8 in Tbg.	0.0	7445.0	224	2.441	6.50	N-80	8rd
2 7/8 in TAC	7445.0	7448.0		0.000	0.00		
2 7/8 in Tbg.	7448.0	11145.0	113	0.000	0.00	N-80	8rd
2 7/8 in SN	11145.0	11146.0		0.000	0.00		
2 7/8 in PS	11146.0	11150.0		0.000	0.00		
2 7/8 in MA	11150.0	11182.0		0.000	0.00		

**Other (plugs, equip., etc.) - Plug Back**

Date	Item	Int (ftKB)
1/17/96	Cement Plug	11190.0 - 11250.0

**Perforations**

Date	Int	Shots (/ft)	Status
1/26/96	11115.0 - 11131.0	2.0	
2/2/96	10908.0 - 10928.0	2.0	
2/8/96	7500.0 - 7515.0	4.0	

**Stimulations & Treatments**

Date	Type	Interval	Fluid	Sand	Comments
1/30/96	Sand Frac	11115.0 - 11131.0			
2/3/96	Sand Frac	10908.0 - 10928.0			
2/10/96	Sand Frac	7500.0 - 7515.0			

**Fish - Primary Fish**

Date	Item	Int (ftKB)	OD (in)	Comment
3/12/96	2 - 4 3/4" Cones off bit	11188.0 - 11190.0	2	

## WELL HISTORY

WELL NAME: JAMES RANCH UNIT #16  
FIELD NAME: LOS MEDANOS  
LOCATION: 1980' FNL & 330' FEL  
SEC 36, T22S, R30E  
EDD CO. NM  
ELEV: 3313' GL  
SPUD DATE: 12/31/95  
COMP DATE: 3/9/96  
ORIG TD: 11,250'  
ORIG PBTD: 11,190'  
CASING: 13 3/8", 48#, CSA 538', CMT W/390 SXS, CMT CIRC TO SURFACE  
8 5/8", 32#, CSA 3820', CMT W/3159 SXS, CMT CIRC TO SURFACE  
5 1/2", 17# CSA 11,250', CMT W/1650 SXS, TOC @ 3550' (TEMP SUR)  
TUBING: 2 7/8" TBG @ 11, 172'  
DST: NONE  
CORES & LOGS: 28 SIDEWALL CORES (1/16/96)  
LOGS ??

### INITIAL COMPLETION

1/26/96 TO 2/2/96 **PERF, ACIDIZE & FRAC WOLFCAMP**

**Perf** 11,115-11,131 (16'-2SPF @ 60° phasing). **Acidize** w/1500 gals 15% HCL. **Frac** w/53,000 gals Sprecra Frac G-4000 + 301,000 # 20/40 Ottawa sand + 20,350# 20/40 Econoprop. SI 4 hrs for break, flow back well 3 days.

2-3-96 TO 2-7-96 **PERF, ACIDIZE & FRAC 3<sup>RD</sup> BONE SPRING**

Tagged **sand plug** @ 11,006', tested to 4000# using methanol, no leak-off. **Perf** Bone Spring Fm @ 10,908-28' (20'-40 shots). **Acidize** w/1000 gals 15% HCL. **Frac** w/48,000 gals Sprecra Frac G-4000 + 350,000# 20/40 sand + 30,000# 20/40 Econoprop. Flow well back 5 days.

2-8-96 TO 2-11-96 **PERF, ACIDIZE & FRAC DELAWARE (BRUSHY CANYON "V" SAND)**

Set **CIBP** @ 10,796', tested to 4000#. **Perf** 7500-15' (15' 61 SHOTS 0° phasing. Acidized w/2,000 gals 15% HCL. **Frac** w/24,500 gals Spectra-Frac G-3000 + 52,000# 20/40 Brady sand + 20,000# 20/40 ACFRAC CR-4000 (RCS). Flow well back, well died, swabbed well.

2-23-96 RU Apollo Wireline, run after frac survey. RD, left flowing, 77  
BO, 36 BW on 64/64" ck., 10 psi FTP.

2-27-96 to 3-6-96 **Attempt to put on Artificial Lift**

Attempt to run tbg, rods and pump. Parted tbg and had to fish.  
Caught fish & LD. Well KO & flowed.

3-8-96 to 3-12-96 **Drill Out CIBP and Commingle Wolfcamp, Bone Spring &  
Delaware Perfs**

Drilled CIBP @ 10,796. Top sand plug @ 11,006, wash and rotate,  
chased CIBP to 11,095'. Drilled CIBP, wsh & rotate to 11,190',  
circ hole clean. Left well flowing 2 days. POH w/BHA, lost 2  
cones off 4 3/4" bit. RIH w 226 jts 2 7/8", 6.5#, N-80 tbg, @ 7411'.  
RIH w/ rods, POH & LD rods. Left well flowing.

3-24-96 RIH w/rods and pump. Hung well on production.

4-12-96 TO 4-18-96 MIRU PU, TOH w/rods & pump. TOH w/112 jts 2 7/8" tbg,  
PU TAC & TIH w/tbg. PU additional 112 jts. 2 7/8" 6.5# N-80 tbg,  
total 337 jts. SN landed @ 11,145' KB. RIH w/rods and pump. Start  
well pumping. Well is pumping 120 BOPD, 250 MCFPD, 64 BWPD.

**DISTRICT II**  
 P. O. Drawer DD  
 Artesia, NM 88211-0719

**OIL CONSERVATION DIVISION**  
 P. O. Box 2088  
 Santa Fe, New Mexico 87504-2088

Submit to the Appropriate District Office  
 State Lease - 4 copies  
 Fee Lease - 3 copies

**DISTRICT III**  
 1000 Rio Brazos Rd.  
 A7 NM 87410

AMENDED REPORT

**DISTRICT IV**  
 P. O. Box 2088  
 Santa Fe, NM 87507-2088

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1 APL Number	2 Pool Code	3 Pool Name
4 Property Code	5 Property Name <b>JAMES RANCH UNIT</b>	6 Well Number <b>16</b>
7 OGRM No.	8 Operator Name <b>ENRON OIL &amp; GAS COMPANY</b>	9 Elevation <b>3316'</b>

**10 SURFACE LOCATION**

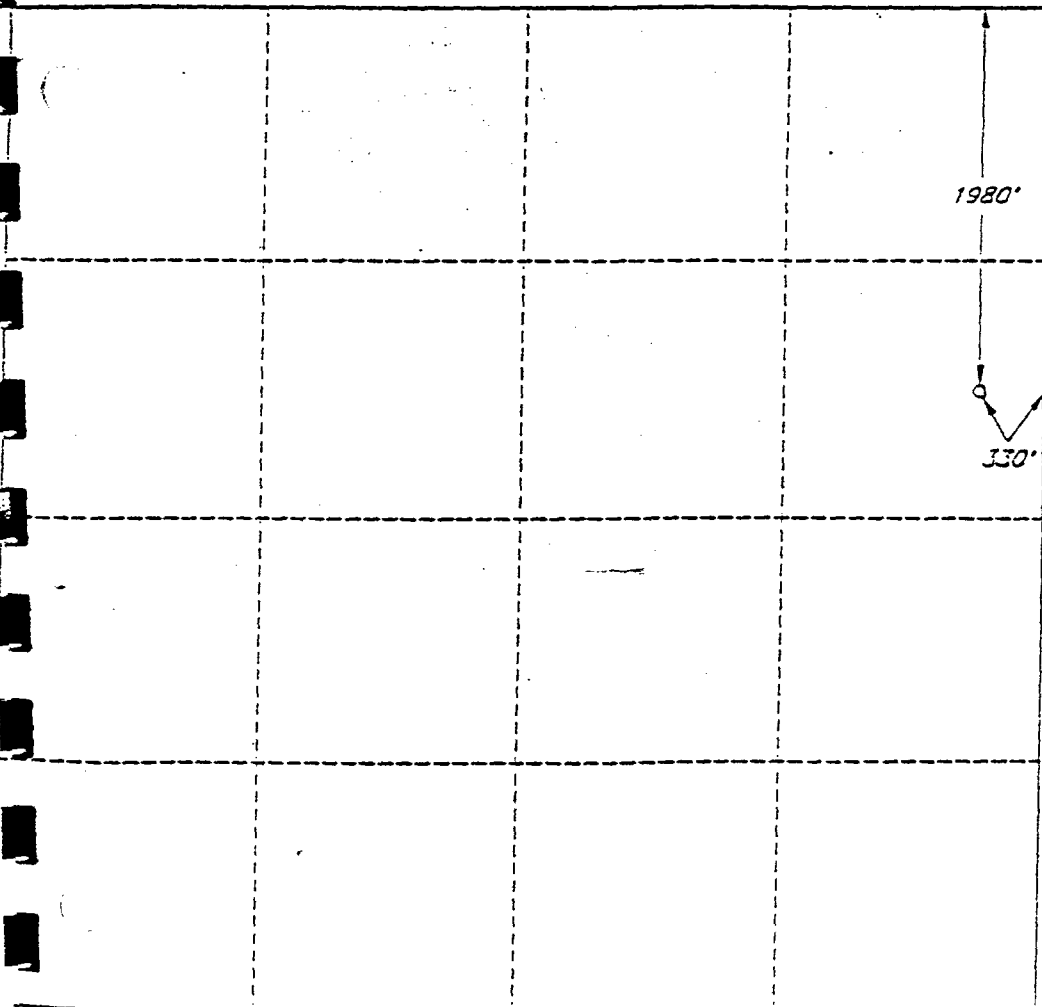
11 Lot or lot no.	12 Section	13 Township	14 Range	15 Lot Ids.	16 Feet from the North/South line	17 Feet from the East/West line	18 County
H	38	22 SOUTH	30 EAST, N.M.P.M.	1980'	NORTH	330'	EDDY

**"BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE"**

11 Lot or lot no.	12 Section	13 Township	14 Range	15 Lot Ids.	16 Feet from the North/South line	17 Feet from the East/West line	18 County

19 Dedicated Acres	20 Joint or Infill	21 Consolidation Code	22 Order No.
--------------------	--------------------	-----------------------	--------------

**NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION**



**OPERATOR CERTIFICATION**

*I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.*

Signature \_\_\_\_\_  
 Printed Name \_\_\_\_\_  
 Title \_\_\_\_\_  
 Date \_\_\_\_\_

**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  
**OCTOBER 25, 1995**

Signature and Seal of Professional Surveyor

Certification No. **7920**

JOE [unclear] / V.H.B.

DISTRICT 1  
 P.O. Drawer DD, Aztec, NM 88210

DISTRICT 11  
 1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO.  
 30 015 28623

5. Indicate Type of Lease  
 STATE  FEE

6. State Oil & Gas Lease No.  
 E-4229-4

**WELL COMPLETION OR RECOMPLETION REPORT AND LCG**

1. Type of Well: OIL WELL  GAS WELL  DRY  OTHER \_\_\_\_\_

2. Type of Completion:  
 NEW WELL  WORK OVER  DEEPEN  PLUG BACK  OIL RESERV  OTHER \_\_\_\_\_

7. Lease Name or Unit Agreement Name  
 Oel  
 James Ranch Unit (4060)

3. Name of Operator  
 Enron Oil & Gas Company

4. Well No.  
 16

5. Address of Operator  
 P. O. Box 2267, Midland, Texas 79702

6. Foot Name or Wagon  
 Los Medanos Delaware (40297)

Well Location  
 Unit Letter H : 1980 Feet From The north Line and 330 Feet From The east Line

Section 36 Township 22S Range 30E NMPM Eddy County

10. Date Spudded 12-31-95	11. Date T.D. Reached 1-14-96	12. Date Compl. (Ready to Prod.) 2-9-96	13. Elevations (DF & RKB, RT, GR, etc.) 3313' GR	14. Elev. Casingshead 3313'
15. Total Depth 11250	16. Plug Back T.D. 11214	17. If Multiple Compl. How Many Zones?	18. Intervals Drilled By Rotary Tools - X Cable Tools	
19. Producing Interval(s), of this completion - Top, Bottom, Name 7500-7515			20. Was Directional Survey Made No	
21. Electric and Other Logs Run D - Ind Laterolog, Spec. Density Dual Spaced Neutron			22. Was Well Cased No	

**CASING RECORD (Report all strings set in well)**

CASING SIZE	WEIGHT LB/FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
12-1/8	48	538	17-1/2	390 sx Prem Plus	Circulated
8-5/8	32	3820	12-1/4	1659 sx Prem Plus & 1500 Prem 50/50 Poz	Circulated
8-1/2	17	11250	7-7/8	1650 sx Prem 50/50 poz TOC	3550 per temp survey

**LINER RECORD**

**TUBING RECORD**

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2-7/8	7401	

Performance record (interval, size, and number)	27. ACID, SHOT, FRACTURE, CEMENT, SOUFFEZE, ETC.
11,115-11,131 (.32" 32)	DEPTH INTERVAL : AMOUNT AND KIND MATERIAL USED
10,908-10,923 (.32" 40)	11115-11131 1 Sand plug @ 11,006
7500-7515 (.30" 61)	10908-10923 1 CTBP @ 10,796
	**7500-7515 1300 gal linear gel, 45760 gal

**PRODUCTION Spectra frac G-3000 w/52,000# 20/40 Brad: san**

Date First Production: 2-10-96  
 Production Method (Flowing, gas lift, pumping - Size and type pump): Flowing  
 Well Status (Prod. or Shut-in): Producing

Date of Test	Hours Tested	Choke Size	Prod'n For Test Period	Oil - Bbl	Gas - MCF	Water - Bbl	Gas - Oil Ratio
2-13-96	24	64/64		205	100	121	488
Flow Testing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl	Gas - MCF	Water - Bbl	Oil Gravity - API - (Corr.)	
20	400					40.5	

28. Disposition of Gas (Sold, used for fuel, vented, etc.):  
 Test Witnessed By: \_\_\_\_\_

29. List Alterations: Procedure \*\* and 2500 gals AC frac GR 4000 w/20,000# 20-40 Resin-Coated Sand

30. I hereby certify that the information shown on our files of this form is true and complete to the best of my knowledge and belief.

Signature: Betty Gildon Printed Name: Betty Gildon Title: Regulatory Analyst Date: 2/14/96

**WORKSHEET FOR COMMERCIAL DETERMINATION  
AND PARTICIPATING AREA IN FEDERAL UNITS**

**WELL DATA**

WELL \_\_\_\_\_ JAMES RANCH UNIT NO. 16 \_\_\_\_\_ FORMATION \_\_\_\_\_ WOLFCAMP \_\_\_\_\_  
 LOCATION \_\_\_\_\_ H \_\_\_\_\_ UNIT, \_\_\_\_\_ 1980 FEET FROM \_\_\_\_\_ N \_\_\_\_\_ LINE & \_\_\_\_\_ 330 FEET FROM \_\_\_\_\_ E \_\_\_\_\_ LINE  
 SECTION \_\_\_\_\_ 36 \_\_\_\_\_ TOWNSHIP \_\_\_\_\_ 22S \_\_\_\_\_, RANGE \_\_\_\_\_ 30E \_\_\_\_\_, COUNTY \_\_\_\_\_ EDDY \_\_\_\_\_, NEW MEXICO  
 SPUD DATE \_\_\_\_\_ 12/31/95 \_\_\_\_\_ COMPLETION DATE \_\_\_\_\_ 1/31/96 \_\_\_\_\_ INITIAL PRODUCTION \_\_\_\_\_ 1/31/96 \_\_\_\_\_  
 PERFORATIONS \_\_\_\_\_ 11,115-11,131' \_\_\_\_\_

**STIMULATION:**

**ACID** \_\_\_\_\_ 1500 GALS 15% HCL ACID. \_\_\_\_\_

**FRACTURE** \_\_\_\_\_ 53,000 GALS SPECTRA FRAC G-4000, 301,000# 20/40 OTTAWA SAND, & 20,350# 20/40 ECONOPROP. \_\_\_\_\_

POTENTIAL \_\_\_\_\_ 1/31/96 213 BOPD, 507 BWPD \_\_\_\_\_

(Attach Copy of C-105. Attach Copy of Wellbore Sketch of Completed Well.)

**VOLUMETRIC CALCULATION**

	SANDS PERFORATED	SANDS NOT PERFORATED BUT POTENTIALLY PRODUCTIVE
Area (A) proration unit size, acres	40	
Porosity (por), %	12.3%	
Water saturation (Sw), %	41%	
Net Thickness (h), ft.	20.5	
Temperature (T), Fahrenheit	170	
Bottom Hole pressure (P), psia	6,006	
Recovery factor (RF), %	27%	
Recoverable oil, BBLS *(See eq. below)	88,431	

Sometimes unable to match performance due to volumetric uncertainty.

Formula = (7758) (A) (h) (por) (1-Sw) (1/Boi) (RF)

Boi = 1.40



**PERFORMANCE DATA**

(If sufficient history exists, attach plot of oil production rate v time.)

CUMULATIVE PRODUCTION TO	<u>11/30/99</u> ; <u>17,280</u> BBLs
INITIAL RATE (qi)	<u>226</u>
ECONOMIC LIMIT (ql)	<u>30</u>
DECLINE RATE, dy	<u>Hyperbolic d = 17.19% n = .98</u>
REMAINING OIL (Q) =	<u>17,220</u>
ULTIMATE RECOVERABLE OIL	<u>34,500</u>

(Attach plat showing proration unit and participating area.)

**ECONOMIC**

WELL COST \$ 825,000 (to the depth of formation completed)

RECOMPLETION COST \$ 0

TOTAL COST \$ 825,000

YEAR	GROSS OIL	REVENUE	OPERATING COST	10% NET BFIT DISCOUNTED CASH FLOW
ZERO	<u>0</u>	<u>0</u>	<u>0</u>	<u>-825,000</u>
1	<u>6,500</u>	<u>139,900</u>	<u>23,400</u>	<u>111,400</u>
2	<u>4,200</u>	<u>89,400</u>	<u>20,900</u>	<u>59,500</u>
3	<u>3,400</u>	<u>49,800</u>	<u>18,000</u>	<u>25,000</u>
4	<u>2,800</u>	<u>58,000</u>	<u>18,600</u>	<u>28,000</u>
5	<u>2,500</u>	<u>64,000</u>	<u>19,000</u>	<u>28,900</u>
6	<u>2,100</u>	<u>46,000</u>	<u>17,700</u>	<u>16,500</u>
7	<u>1,800</u>	<u>37,800</u>	<u>17,200</u>	<u>10,900</u>
8	<u>1,600</u>	<u>32,100</u>	<u>16,700</u>	<u>7,400</u>
9	<u>1,400</u>	<u>28,800</u>	<u>16,400</u>	<u>5,300</u>
10	<u>1,300</u>	<u>26,200</u>	<u>16,200</u>	<u>3,900</u>
REMAINDER	<u>6,800</u>	<u>136,100</u>	<u>109,400</u>	<u>7,900</u>

**WELL IS NOT COMMERCIAL**

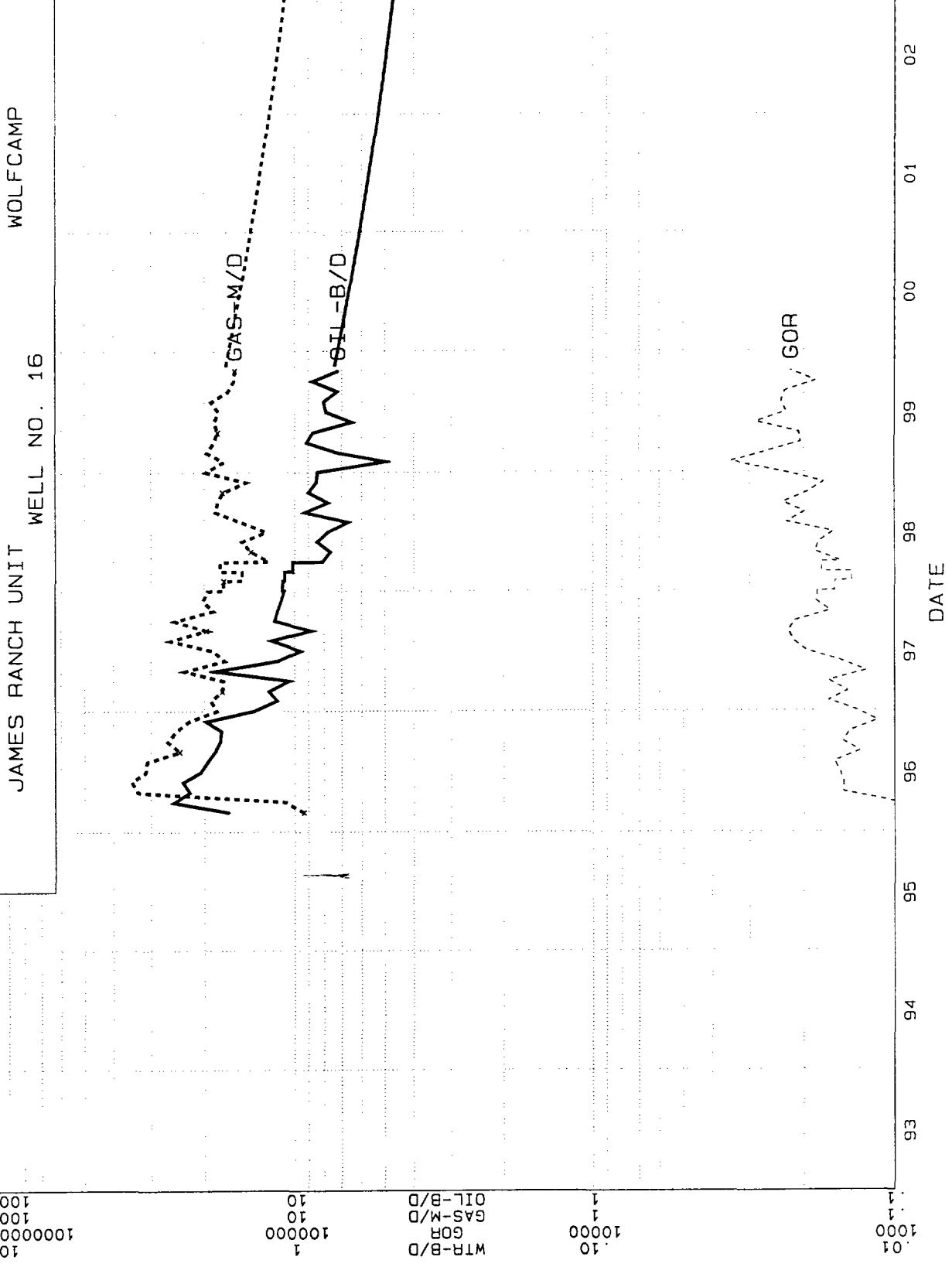
JAMES RANCH UNIT WELL NO. 16 WOLFCAMP

OIL=CD  
 Gal=CD  
 Ref= 11/99  
 Cum= 17.280  
 Rem= 25.936  
 EUR= 43.216  
 Yrs= 28.079  
 Qi= 226.5  
 De= 17.196  
 n= .980  
 Gab= 29.9

WTR-B/D ---  
 Ref= 12/99  
 Cum= .000

GAS/OIL -----  
 Gal=CD  
 Ref= 11/99  
 Cum= .000  
 Rem= .000  
 EUR= .000  
 Yrs= 28.079  
 Qi= 2.3  
 De= .000  
 n= .000  
 Gab= 2.3

GAS -----  
 Gal=CD  
 Ref= 11/99  
 Cum= 28.235  
 Rem= 59.754  
 EUR= 87.989  
 Yrs= 28.079  
 Qi= .0  
 De= .000  
 n= .000  
 Gab= .0





OVERLAYS SCHEDULING RATES SCHEDULE UNTIL PROCEDURE ULTIMATE LAST EFF. DECL INIT. RATE FINAL RATE

905 LOAD P.OIL OIL # 17.496 2/00  
 910 LOAD P.GAS GAS # 28.712 2/00  
 915 LOAD P.WATER WTR # .000 2/00

INVESTMENT TANGIBLES & INTANGIBLES TIME PROCEDURE TOTAL T&I MONTH RISK INV. TOT. T&I&R ESC. T&I&R

800 DRILL 330.00 495.00 MSG 02/96 AD 825.000 2/96 825.0 825.0  
 801 SALVAGE -33.00 .00 MSG TO LIFE -33.000 11/27 -33.0 -33.0

RESERVE PARAMETERS ITEM

201 LOSS NO CUMG, MMF 28.24 CUML, MB

205 CUMO, MB 17.28

PROJECT ASSUMPTIONS

BASE DATE : 2/96 TIME FRAMES : 1\*11 38\*12 1\*600  
 P.W. DATE : 2/96 PW &-AGE : 10.0 DISC. FREQUENCY : 365.  
 REPORT DATE : 2/96 PROD QUAL : CD OWNER QUAL : CD OTHER QUAL : CD

JRU #16 WOLFCAMP  
 PREPARED BY: KENT ADAMS

DATE : 02/07/00  
 TIME : 13:37:12  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 41

R E S E R V E S A N D E C O N O M I C S

EFFECTIVE DATE: 2/96

PERIOD ENDING	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	12/04	12/05	S TOT	AFTER	TOTAL
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OWNERSHIP

1) WORKING INTEREST, \$	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000
2) REVENUE INTEREST, \$	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500

INVESTMENTS, M\$

3) BORROWED CAPITAL	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4) EQUITY INVESTMENTS	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0	-33.0	792.0
5) RISK	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) TOTAL	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0	-33.0	792.0

OIL PHASE

8) GROSS OIL, MB	6.5	4.2	3.4	2.8	2.5	2.1	1.8	1.6	1.4	1.3	27.7	6.8	34.5
9) NET OIL, MB	5.7	3.7	3.0	2.5	2.2	1.8	1.6	1.4	1.3	1.1	24.3	6.0	30.2
10) OIL REVENUE, M\$	122.3	73.5	39.9	45.7	52.0	35.8	28.9	24.2	21.7	19.7	463.9	102.6	566.5
11) OIL PRICE, \$/B	21.35	19.83	13.52	18.34	24.03	19.76	18.29	17.27	17.22	17.22	19.13	17.22	18.75

GAS PHASE

12) GROSS GAS, MMF	8.1	7.4	5.7	6.6	5.6	4.8	4.2	3.7	3.3	3.0	52.3	15.7	67.9
13) NET GAS, MMF	7.1	6.4	5.0	5.8	4.9	4.2	3.6	3.2	2.9	2.6	45.7	13.7	59.5
14) GAS REVENUE, M\$	17.6	15.8	9.9	12.3	12.0	10.2	8.9	7.9	7.1	6.4	108.2	33.5	141.7
15) GAS PRICE, \$/MCF	2.480	2.460	1.980	2.140	2.470	2.450	2.440	2.440	2.440	2.440	2.365	2.440	2.363

ECONOMICS, M\$

19) GROSS REV. TO INTR.	139.9	89.4	49.8	58.0	64.0	46.0	37.8	32.1	28.8	26.2	572.0	136.1	708.2
20) - SEV. TAX	10.1	6.5	3.6	4.2	4.6	3.3	2.8	2.3	2.1	1.9	41.4	9.9	51.3
22) - AD VALOREM TAX	.2	.1	.1	.1	.1	.1	.1	.1	.0	.0	.9	.2	1.1
23) - OPERATING COSTS	13.1	14.3	14.3	14.3	14.3	14.3	14.3	14.3	14.3	14.3	141.6	100.0	241.6
24) - SWD	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
25) - CAPITAL REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
28) = NET INCOME	116.6	68.5	31.8	39.4	45.0	28.3	20.7	15.5	12.4	9.9	388.1	26.0	414.2
29) - INVESTMENTS & RSK	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0	-33.0	792.0
30) = BFIT NET	-708.4	68.5	31.8	39.4	45.0	28.3	20.7	15.5	12.4	9.9	-436.9	59.0	-377.8

PRESENT WORTH @ 10.00 %

31) NET INCOME	111.4	59.5	25.0	28.0	28.9	16.5	10.9	7.4	5.3	3.9	296.8	7.9	304.7
32) INVESTMENTS & RISK	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0	-6.1	818.9
33) BFIT NET	-713.6	59.5	25.0	28.0	28.9	16.5	10.9	7.4	5.3	3.9	-528.2	14.0	-514.2
34) CUM BFIT NET	-713.6	-654.2	-629.1	-601.1	-572.2	-555.7	-544.8	-537.4	-532.1	-528.2	-528.2	-514.2	-514.2

JRU #16 WOLFPCAMP  
 PREPARED BY: KENT ADAMS

DATE : 02/07/00  
 TIME : 13:37:12  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 41

AFTER TAX ECONOMICS

EFFECTIVE DATE: 2/96

PERIOD ENDING	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	12/04	12/05	S TOT	AFTER	16.9 YR TOTAL
TAX TREATMENT OF INVESTMENTS, M\$													
1) EXP, RISK & CAP INT	495.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	495.0	.0	495.0
2) DEPLETABLE	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
3) DEPRECIABLE	330.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	330.0	-33.0	297.0
TAX CALCULATIONS, M\$													
4) GROSS REV. TO INTR.	139.9	89.4	49.8	58.0	64.0	46.0	37.8	32.1	28.8	26.2	572.0	136.1	708.2
5) - SEVERANCE TAX	10.1	6.5	3.6	4.2	4.6	3.3	2.8	2.3	2.1	1.9	41.4	9.9	51.3
6) - WPT TAX NET	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) - OPR. COSTS & ATX	13.3	14.4	14.4	14.4	14.4	14.4	14.3	14.3	14.3	14.3	142.5	100.2	242.7
8) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
9) - OVERHEAD	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
10) - EXPENSED INV.	495.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	495.0	.0	495.0
11) - DEPRECIATION	43.2	78.0	59.6	42.6	30.4	29.5	29.5	17.2	.0	.0	330.0	.0	330.0
12) = NET	-421.6	-9.5	-27.8	-3.2	14.6	-1.2	-8.7	-1.7	12.4	9.9	-436.9	26.0	-410.8
13) - DEPLETION	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
14) - INTEREST PD & CAP	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
15) = TAXABLE	-421.6	-9.5	-27.8	-3.2	14.6	-1.2	-8.7	-1.7	12.4	9.9	-436.9	26.0	-410.8
16) * TAX RATE, %	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0
17) - TAX CREDIT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
18) - WPT REFUND	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
19) = F.I.T.	-147.6	-3.3	-9.7	-1.1	5.1	-4.4	-3.1	-6.6	4.3	3.5	-152.9	9.1	-143.8
20) REVENUE-SEV-WPT	129.9	82.9	46.2	53.8	59.4	42.7	35.1	29.8	26.7	24.3	530.6	126.2	656.8
21) - OPR. COSTS & ATX	13.3	14.4	14.4	14.4	14.4	14.4	14.3	14.3	14.3	14.3	142.5	100.2	242.7
22) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
23) - F.I.T.	-147.6	-3.3	-9.7	-1.1	5.1	-4.4	-3.1	-6.6	4.3	3.5	-152.9	9.1	-143.8
24) = A.F.I.T.	264.1	71.8	41.6	40.5	39.9	28.7	23.8	16.1	8.1	6.5	541.0	16.9	558.0
25) - LOAN REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) = NET INCOME	264.1	71.8	41.6	40.5	39.9	28.7	23.8	16.1	8.1	6.5	541.0	16.9	558.0
28) - INVESTMENTS & RSK	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0	-33.0	792.0
29) = A.F.I.T. NET	-560.9	71.8	41.6	40.5	39.9	28.7	23.8	16.1	8.1	6.5	-284.0	49.9	-234.0
PRESENT WORTH @ 10.00 %													
30) NET INCOME	252.4	62.4	32.7	28.8	25.7	16.7	12.5	7.7	3.5	2.5	444.8	5.1	449.9
31) INVESTMENTS & RISK	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0	-6.1	818.9
32) A.F.I.T. NET	-572.6	62.4	32.7	28.8	25.7	16.7	12.5	7.7	3.5	2.5	-380.2	11.2	-369.0
33) CUM. A.F.I.T. NET	-572.6	-510.2	-477.6	-448.8	-423.1	-406.4	-393.9	-386.2	-382.7	-380.2	-380.2	-369.0	-369.0

JRU #16 WOLF CAMP  
 PREPARED BY: KENT ADAMS

DATE : 02/07/00  
 TIME : 13:37:12  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 41

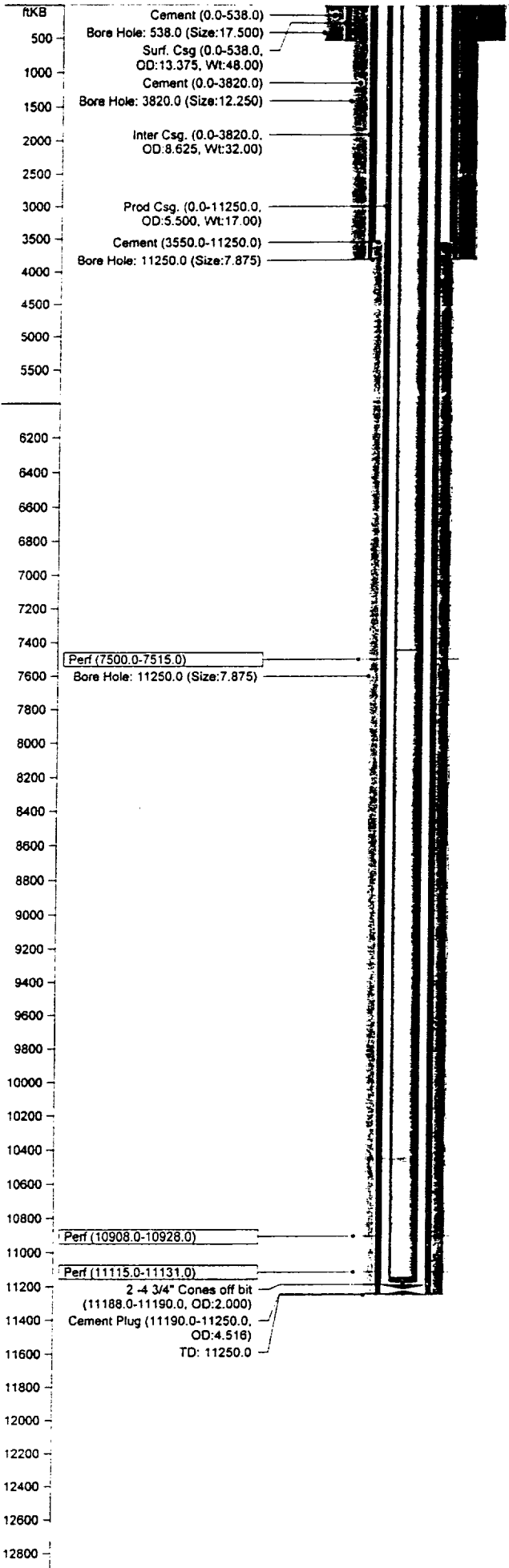
E C O N O M I C I N D I C A T O R S

AS OF DATE: 2/96

	B.F.I.T. WORTH M\$-----	A.F.I.T. WORTH M\$-----	A.F.I.T. BONUS M\$-----
0.	-377.846	-234.050	-360.076
2.	-414.898	-269.913	-394.319
5.	-459.584	-313.829	-432.310
6.	-472.198	-326.397	-442.544
8.	-494.706	-349.063	-460.435
10.	-514.189	-368.972	-475.656
20.	-582.303	-441.551	-528.952
30.	-623.555	-488.799	-563.213
40.	-651.582	-522.992	-588.258
50.	-672.034	-549.360	-607.778
60.	-687.711	-570.593	-623.643
70.	-700.180	-588.244	-636.942
80.	-710.386	-603.279	-648.357
90.	-718.933	-616.329	-658.339
100.	-726.225	-627.826	-667.193

PRESENT WORTH PROFILE AND  
 RATE-OF-RETURN VS. BONUS TABLE

RATE OF RETURN, PCT.	.0	.0
UNDISCOUNTED PAYOUT, YRS.	16.92	16.92
DISCOUNTED PAYOUT, YRS.	16.92	16.92
UNDISCOUNTED NET/INVEST.	.52	.70
DISCOUNTED NET/INVEST.	.37	.55



**JAMES RANCH UNIT #16**

API No.	3001528623	Status	ACT OIL
TD	11250.0 ftKB	Engineer	KA
PBTD	11190.0 ftKB		
Operator	BEPCO	Permit	
Well No.	16	Spud	12/31/95
ID Code		RR	1/17/96
Field	Los Medanos (Delaware)	Completion	3/9/96
Author	RAS	Last Act.	
Date Updated	12/22/97	Abandoned	
Comments	Drilled by Enron		

**Location**

Township	S022	Top Latitude	0
		Top Longitude	0
Range	E030	Top NS Distance	1980.0 ft N
		Top EW Distance	330.0 ft E
Section	36	Bottom Latitude	0
Unit Ltr.	H	Bottom Longitude	0
State	NEW MEXICO	Btm NS Distance	0.0 ft
County	EDDY	Btm EW Distance	0.0 ft

**Elevations**

KB	3331.5 ft	Cas Flng	0.0 ft
Grd	3313.0 ft	Tub Head	0.0 ft
KB-Grd	18.5 ft		

**Casing String - Surface Casing**

Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt (lb/ft)	Grd	Thd
13 3/8 in Surf. Csg	0.0	538.0	11	12.715	48.00	H-40	STC

**Casing String - Intermediate Casing**

Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt (lb/ft)	Grd	Thd
8 5/8 in Inter Csg.	0.0	3820.0	85	7.920	32.00	J-55	STC

**Casing String - Production Casing**

Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt (lb/ft)	Grd	Thd
5 1/2 in Prod Csg.	0.0	1250.0		4.890	17.00		

**Casing Cement**

Casing String	Top (ftKB)	Amount (sx)	Comments
Surface Casing	0.0	390	
Intermediate Casing	0.0	3159	
Production Casing	3550.0	1650	TOC by Temp Sur.

**Tubing String - Primary Tubing**

Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt (lb/ft)	Grd	Thd
2 7/8 in Tbg.	0.0	7445.0	224	2.441	6.50	N-80	8rd
2 7/8 in TAC	7445.0	7448.0		0.000	0.00		
2 7/8 in Tbg.	7448.0	11145.0	113	0.000	0.00	N-80	8rd
2 7/8 in SN	11145.0	11146.0		0.000	0.00		
2 7/8 in PS	11146.0	11150.0		0.000	0.00		
2 7/8 in MA	11150.0	11182.0		0.000	0.00		

**Other (plugs, equip., etc.) - Plug Back**

Date	Item	Int (ftKB)
1/17/96	Cement Plug	11190.0 - 11250.0

**Perforations**

Date	Int	Shots (/ft)	Status
1/26/96	11115.0 - 11131.0	2.0	
2/2/96	10908.0 - 10928.0	2.0	
2/8/96	7500.0 - 7515.0	4.0	

**Stimulations & Treatments**

Date	Type	Interval	Fluid	Sand	Comments
1/30/96	Sand Frac	11115.0 - 11131.0			
2/3/96	Sand Frac	10908.0 - 10928.0			
2/10/96	Sand Frac	7500.0 - 7515.0			

**Fish - Primary Fish**

Date	Item	Int (ftKB)	OD (in)	Comment
3/12/96	2 - 4 3/4" Cones off bit	11188.0 - 11190.0	2	



## WELL HISTORY

WELL NAME: JAMES RANCH UNIT #16  
FIELD NAME: LOS MEDANOS  
LOCATION: 1980' FNL & 330' FEL  
SEC 36, T22S, R30E  
EDD CO. NM  
ELEV: 3313' GL  
SPUD DATE: 12/31/95  
COMP DATE: 3/9/96  
ORIG TD: 11,250'  
ORIG PBTD: 11,190'  
CASING: 13 3/8", 48#, CSA 538', CMT W/390 SXS, CMT CIRC TO SURFACE  
8 5/8", 32#, CSA 3820', CMT W/3159 SXS, CMT CIRC TO SURFACE  
5 1/2", 17# CSA 11,250', CMT W/1650 SXS, TOC @ 3550' (TEMP SUR)  
TUBING: 2 7/8" TBG @ 11, 172'  
DST: NONE  
CORES & LOGS: 28 SIDEWALL CORES (1/16/96)  
LOGS ??

### INITIAL COMPLETION

1/26/96 TO 2/2/96 **PERF, ACIDIZE & FRAC WOLFCAMP**

**Perf** 11,115-11,131 (16'-2SPF @ 60° phasing). **Acidize** w/1500 gals 15% HCL. **Frac** w/53,000 gals Sprecra Frac G-4000 + 301,000 # 20/40 Ottawa sand + 20,350# 20/40 Econoprop. SI 4 hrs for break, flow back well 3 days.

2-3-96 TO 2-7-96 **PERF, ACIDIZE & FRAC 3<sup>RD</sup> BONE SPRING**

Tagged **sand plug** @ 11,006', tested to 4000# using methanol, no leak-off. **Perf**- Bone Spring Fm @ 10,908-28' (20'-40 shots). **Acidize** w/1000 gals 15% HCL. **Frac** w/48,000 gals Sprecra Frac G-4000 + 350,000# 20/40 sand + 30,000# 20/40 Econoprop. Flow well back 5 days.

2-8-96 TO 2-11-96 **PERF, ACIDIZE & FRAC DELAWARE (BRUSHY CANYON "V" SAND)**

Set **CIBP** @ 10,796', tested to 4000#. **Perf** 7500-15' (15' 61 SHOTS 0° phasing. **Acidized** w/2,000 gals 15% HCL. **Frac** w/24,500 gals Spectra-Frac G-3000 + 52,000# 20/40 Brady sand + 20,000# 20/40 ACFRAC CR-4000 (RCS). Flow well back, well died, swabbed well.

WELL HISTORY  
JAMES RANCH UNIT #16  
PAGE 2

2-23-96 RU Apollo Wireline, run after frac survey. RD, left flowing, 77 BO, 36 BW on 64/64" ck., 10 psi FTP.

2-27-96 to 3-6-96 **Attempt to put on Artificial Lift**

Attempt to run tbg, rods and pump. Parted tbg and had to fish. Caught fish & LD. Well KO & flowed.

3-8-96 to 3-12-96 **Drill Out CIBP and Commingle Wolfcamp, Bone Spring & Delaware Perfs**

Drilled CIBP @ 10,796. Top sand plug @ 11,006, wash and rotate, chased CIBP to 11,095'. Drilled CIBP, wsh & rotate to 11,190', circ hole clean. Left well flowing 2 days. POH w/BHA, lost 2 cones off 4 3/4" bit. RIH w 226 jts 2 7/8", 6.5#, N-80 tbg, @ 7411'. RIH w/ rods, POH & LD rods. Left well flowing.

3-24-96 RIH w/rods and pump. Hung well on production.

4-12-96 TO 4-18-96 MIRU PU, TOH w/rods & pump. TOH w/112 jts 2 7/8" tbg, PU TAC & TIH w/tbg. PU additional 112 jts. 2 7/8" 6.5# N-80 tbg, total 337 jts. SN landed @ 11,145' KB. RIH w/rods and pump. Start well pumping. Well is pumping 120 BOPD, 250 MCFPD, 64 BWPD.

DISTRICT II  
P. O. Drawer DD  
Artesia, NM 88211-0719

# OIL CONSERVATION DIVISION

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

Submit to the Appropriate District Office  
State Lease - 4 copies  
Fee Lease - 3 copies

DISTRICT III  
1000 Rio Brazos Rd.  
Aztec, NM 87410

AMENDED REPORT

DISTRICT IV  
P. O. Box 2088  
Santa Fe, NM 87507-2088

## WELL LOCATION AND ACREAGE DEDICATION PLAT

1 APE Number		2 Pool Code		3 Pool Name			
4 Property Code		5 Property Name <b>JAMES RANCH UNIT</b>				6 Well Number <b>16</b>	
7 OGRM No.		8 Operator Name <b>ENRON OIL &amp; GAS COMPANY</b>				9 Elevation <b>3316'</b>	

### 10 SURFACE LOCATION

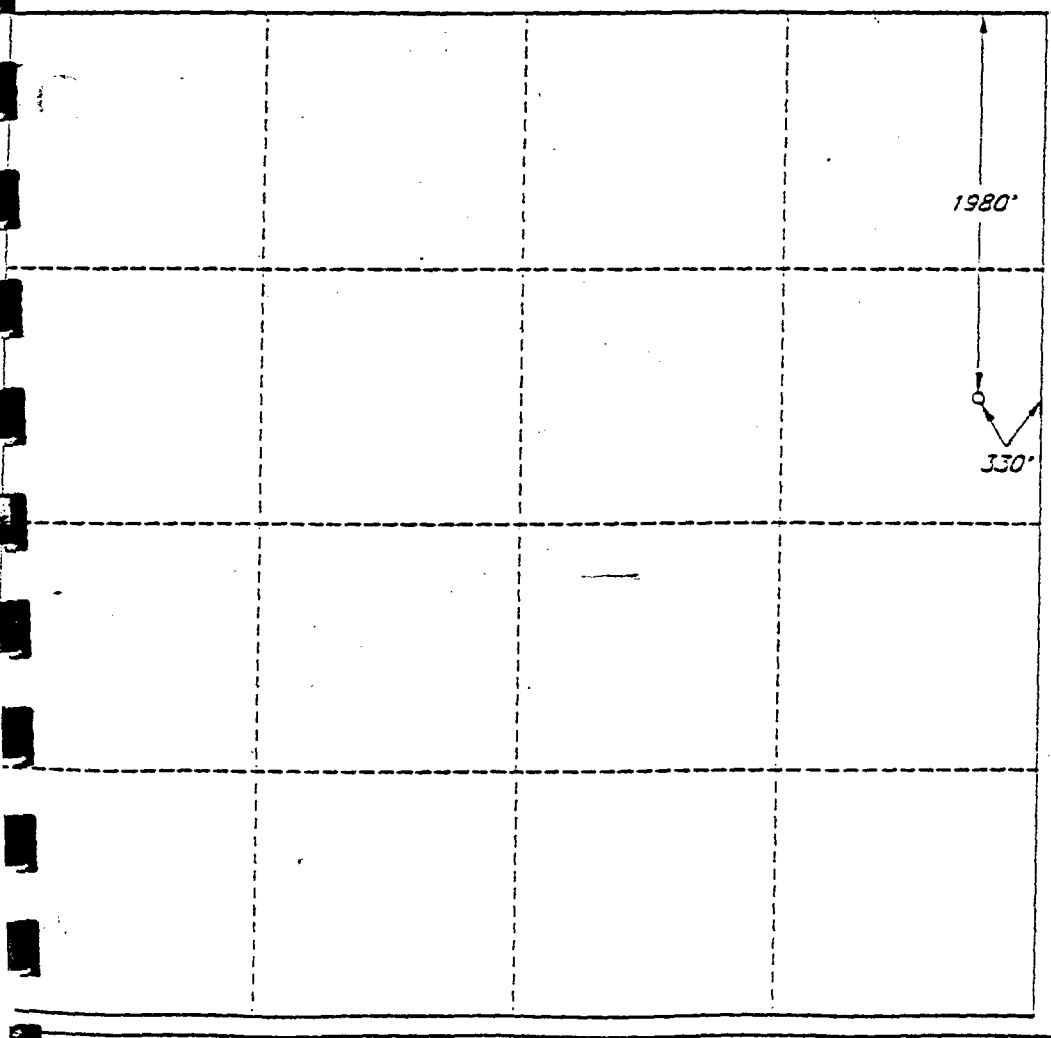
11 Lot or lot no.	12 Section	13 Township	14 Range	15 Lot Ids.	16 Feet from the North/South line	17 Feet from the East/West line	18 County
H	36	22 SOUTH	30 EAST, N.M.P.M.		1980'	330'	EDDY

### "BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE"

11 Lot or lot no.	12 Section	13 Township	14 Range	15 Lot Ids.	16 Feet from the North/South line	17 Feet from the East/West line	18 County

19 Dedicated Acres	20 Joint or Infill	21 Consolidation Code	22 Order No.
--------------------	--------------------	-----------------------	--------------

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



### OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature \_\_\_\_\_

Printed Name \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

### 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  
**OCTOBER 25, 1995**

Signature and Seal of Professional Surveyor

Certification No. **7920**

**VLYNN BEZNER**

JOE [unclear] [unclear] / V.H.S.

State of New Mexico  
 Energy, Minerals and Natural Resources Department  
**WELL OIL CONSERVATION DIVISION**  
 P.O. Box 2088  
 Santa Fe, New Mexico 87504-2088

Form C-105  
 Revised 1-1-89

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

DISTRICT OFFICE  
 1000 Rio Grande Rd., Aztec, NM 87410

WELL API NO.  
 30 015 28623

5. Indicate Type of Lease  
 STATE  FEE

6. State Oil & Gas Lease No.  
 E-4229-4

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG**

1. Type of Well:  
 OIL WELL  GAS WELL  DRY  OTHER \_\_\_\_\_

2. Type of Completion:  
 NEW WELL  WORK OVER  DEEPEN  PLUG BACK  OIL RESERVE  OTHER \_\_\_\_\_

3. Name of Operator  
 Enron Oil & Gas Company

4. Address of Operator  
 P. O. Box 2267, Midland, Texas 79702

7. Lease Name or Unit Agreement Name  
 WC  
 James Ranch Unit (4060)

8. Well No.  
 16

9. Pool Name or WU Code  
 Los Medanos Delaware (40297)

Well Location  
 Unit Letter H : 1980 Feet From The north Line and 330 Feet From The east Line

Section 36 Township 22S Range 30E NMPM Eddy County

10. Date Spudded 12-31-95 11. Date TD Reached 1-14-96 12. Date Comm. (Ready to Prod.) 2-9-96 13. Elevations (DF & RKB, RT, GR, etc.) 3313' GR 14. Elev. Casings 3313'

15. Total Depth 11250 16. Plug Back TD. 11214 17. If Multiple Compl. How Many Zones? \_\_\_\_\_ 18. Intervals Drilled By Rotary Tools  Cable Tools \_\_\_\_\_

19. Perfor. Intervals (if any) of this completion - Top, Bottom, Name 7500-7515 20. Was Directional Survey Made  No

21. Type Electric and Other Logs Run Dual Ind Laterolog, Spec. Density Dual Spaced Neutron 22. Was Well Cased  No

**CASING RECORD (Report all strings set in well)**

CASING SIZE	WEIGHT LB/FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
12-7/8	48	538	17-1/2	390 sk Prem Plus	Circulated
8-5/8	32	3820	12-1/4	1659 sk Prem Plus &	Circulated
6-1/2	27	11250	7-7/8	1500 Prem 50/50 Poz	Circulated
				1650 sk Prem 50/50 poz TOC	3550

**LINER RECORD**

**TUBING RECORD**

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2-7/8	7401	

Performance record (interval, size, and number)

11,115-11,131	(.32" 32)
10,903-10,923	(.32" 40)
7500-7515	(.30" 61)

27. ACID, SHOT, FRACTURE CEMENT, SQUEEZE ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
11115-11131	1 Sand plug @ 11,000
10903-10923	1 CTBP @ 10,796
**7500-7515	1300 gal linear zel, 45760 gal

**PRODUCTION** Spec frac G-3000 w/52,000# 20/40 Brady

Date First Production	Production Method (Flowing, gas lift, pumping - Size and type pump)	Well Status (Prod. or Shut-in)					
2-10-96	Flowing	Producing					
Date of Test	Hours Tested	Choke Size	Prod. For Test Period	Oil - Bbl.	Gas - MCF	Water - Bbl.	Gas - Oil Ratio
2-13-96	24	64/64		205	100	121	488
Flow P. - Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API - (Corr.)	
	400					40.5	

28. Disposition of Gas (Sold, used for fuel, vented, etc.) \_\_\_\_\_ Test Witnessed By \_\_\_\_\_

29. Air Accumulation \_\_\_\_\_

30. Logs, Inclination Survey, & Form C-100 \_\_\_\_\_

31. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief.

\_\_\_\_\_  
 Regulatory Analyst Date 2/14/96

**WORKSHEET FOR COMMERCIAL DETERMINATION  
AND PARTICIPATING AREA IN FEDERAL UNITS**

**WELL DATA**

WELL \_\_\_\_\_ JAMES RANCH UNIT NO. 16 \_\_\_\_\_ FORMATION \_\_\_\_\_ BONE SPRING \_\_\_\_\_  
 LOCATION \_\_\_\_\_ H \_\_\_\_\_ UNIT, \_\_\_\_\_ 1980 FEET FROM \_\_\_\_\_ N \_\_\_\_\_ LINE & \_\_\_\_\_ 330 FEET FROM \_\_\_\_\_ E \_\_\_\_\_ LINE  
 SECTION \_\_\_\_\_ 36 \_\_\_\_\_ TOWNSHIP \_\_\_\_\_ 22S \_\_\_\_\_, RANGE \_\_\_\_\_ 30E \_\_\_\_\_, COUNTY \_\_\_\_\_ EDDY \_\_\_\_\_, NEW MEXICO  
 SPUD DATE \_\_\_\_\_ 12/31/95 \_\_\_\_\_ COMPLETION DATE \_\_\_\_\_ 2/4/96 \_\_\_\_\_ INITIAL PRODUCTION \_\_\_\_\_ 2/4/96 \_\_\_\_\_  
 PERFORATIONS \_\_\_\_\_ 10,908-10,928' \_\_\_\_\_

**STIMULATION:**

**ACID** \_\_\_\_\_ 1000 GALS 15% HCL ACID. \_\_\_\_\_

**FRACTURE** \_\_\_\_\_ 48,000 GALS SPECTRA FRAC G-4000, 350,000# 20/40 OTTAWA SAND, & 30,000# 20/40 ECONOPROP. \_\_\_\_\_

POTENTIAL \_\_\_\_\_ 2/7/96 133 BOPD, 155 BWPD, 350 MCFPD. \_\_\_\_\_

(Attach Copy of C-105. Attach Copy of Wellbore Sketch of Completed Well.)

**VOLUMETRIC CALCULATION**

	SANDS PERFORATED	SANDS NOT PERFORATED BUT POTENTIALLY PRODUCTIVE
Area (A) proration unit size, acres	40	
Porosity (por), %	12.0%	
Water saturation (Sw), %	50%	
Net Thickness (h), ft.	37	
Temperature (T), Fahrenheit	170	
Bottom Hole pressure (P), psia	5,896	
Recovery factor (RF), %	17%	
Recoverable oil, BBLS *(See eq. below)	83,653	

\*Sometimes unable to match performance due to volumetric uncertainty.

Formula =  $(7758) (A) (h) (por) (1-Sw) (1/Boi) (RF)$

Boi = 1.40

**PERFORMANCE DATA**

(If sufficient history exists, attach plot of oil production rate v time.)

CUMULATIVE PRODUCTION TO	<u>11/30/99</u>	;	<u>35,324</u>	BBLs
INITIAL RATE (qi)	<u>454</u>			
ECONOMIC LIMIT (qi)	<u>30</u>			
DECLINE RATE, dy	<u>Hyperbolic d = 18.59% n = .98</u>			
REMAINING OIL (Q) =	<u>48,976</u>			
ULTIMATE RECOVERABLE OIL	<u>84,300</u>			

(Attach plot showing proration unit and participating area.)

**ECONOMIC**

WELL COST \$	<u>825,000</u>	(to the depth of formation completed)
RECOMPLETION COST \$	<u>0</u>	
TOTAL COST \$	<u>825,000</u>	

YEAR	GROSS OIL	REVENUE	OPERATING COST	10% NET BFIT DISCOUNTED CASH FLOW
ZERO	<u>0</u>	<u>0</u>	<u>0</u>	<u>-825,000</u>
1	<u>13,400</u>	<u>311,700</u>	<u>36,200</u>	<u>263,300</u>
2	<u>8,600</u>	<u>204,700</u>	<u>29,600</u>	<u>152,100</u>
3	<u>6,900</u>	<u>116,500</u>	<u>23,000</u>	<u>73,400</u>
4	<u>5,800</u>	<u>136,300</u>	<u>24,600</u>	<u>79,900</u>
5	<u>4,900</u>	<u>145,100</u>	<u>25,100</u>	<u>77,200</u>
6	<u>4,100</u>	<u>104,900</u>	<u>22,200</u>	<u>48,200</u>
7	<u>3,500</u>	<u>86,300</u>	<u>20,800</u>	<u>34,500</u>
8	<u>3,100</u>	<u>73,400</u>	<u>19,800</u>	<u>25,500</u>
9	<u>2,800</u>	<u>65,500</u>	<u>19,200</u>	<u>20,000</u>
10	<u>2,500</u>	<u>59,300</u>	<u>18,800</u>	<u>15,800</u>
REMAINDER	<u>28,600</u>	<u>683,300</u>	<u>378,900</u>	<u>65,500</u>

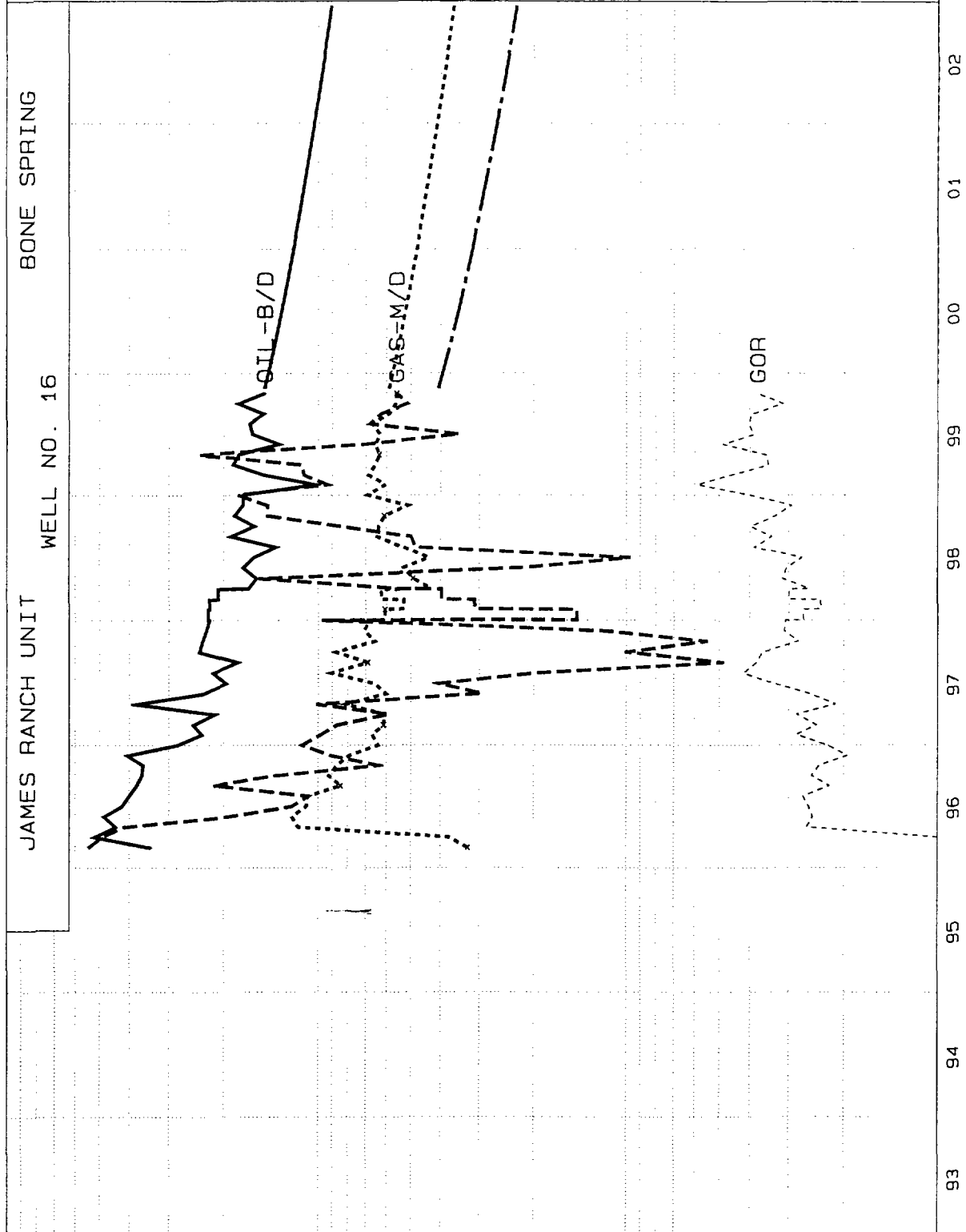
**WELL IS COMMERCIAL**

JAMES RANCH UNIT

WELL NO. 16

BONE SPRING

OIL=CD  
 Ref= 11/99  
 Cum= 35.324  
 Rem= 55.769  
 EUR= 91.093  
 YCS= 40.417  
 G1= 454.0  
 De= 18.591  
 n= .980  
 Gab= 29.9  
 WTR-B/D  
 Ref= 11/99  
 Cum= 15.173  
 WTR  
 Gal=CD  
 Ref= 11/99  
 Cum= .000  
 Rem= 12.922  
 EUR= 12.922  
 YCS= 33.496  
 G1= 125.0  
 De= 22.546  
 n= .995  
 Gab= 10.0  
 GAS/OIL  
 Gal=CD  
 Ref= 11/99  
 Cum= .000  
 Rem= .000  
 EUR= .000  
 YCS= 40.417  
 G1= 4.0  
 De= .000  
 n= .000  
 Gab= 5.0  
 GAS=CD  
 Ref= 11/99  
 Cum= 98.817  
 Rem= 227.972  
 EUR= 326.789  
 YCS= 40.417  
 G1= .0  
 De= .000  
 n= .000  
 Gab= .0



JRU #16 BONE SPRING

DATE : 02/07/00  
 TIME : 13:37:27  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 42

I N P U T   D A T A				C A L C U L A T E D   D A T A			
ITEM	SCHEDULING RATES	SCHEDULE UNTIL	PROCEDURE	ULTIMATE	LAST EFF. DECL	INIT. RATE	FINAL RATE
405 START	11/99						
410 OIL	454.03 X B/M	11/2014 AD	H/0.980	18.59	72.424 10/14	18.59	454. 110.
415 "	109.68 X B/M	18.67 IMU	EXP	5.00	91.093 3/40	5.00	110. 30.
420 GAS/OIL	3.97 5.00 M/B	01/2097 AD	LOG	TIME	12/96		
425 WTR	125.00 X B/M	07/2015 AD	H/0.995	22.55	9.438 6/15	22.55	25. 25.
430 "	24.89 X B/M	3.48 IMU	EXP	5.00	12.922 4/33	5.00	25. 10.
435 START	02/96						
516 PRI/OIL	16.8800 X \$/B	1/96 MM/YY	PC	.00	3/40		16.880
517 "	18.39 X \$/B	1/96 AD	PC	.00	3/40		18.390
518 "	22.26 X \$/B	1/97 AD	PC	.00	3/40		22.260
519 "	20.74 X \$/B	1/98 AD	PC	.00	12/97		20.740
520 "	14.43 X \$/B	1/99 AD	PC	.00	12/98		14.430
521 "	19.25 X \$/B	1/2000 AD	PC	.00	12/99		19.250
522 "	24.94 X \$/B	1/2001 AD	PC	.00	12/00		24.940
523 "	20.67 X \$/B	1/2002 AD	PC	.00	12/01		20.670
524 "	19.20 X \$/B	1/2003 AD	PC	.00	12/02		19.200
525 "	18.18 X \$/B	1/2004 AD	PC	.00	12/03		18.180
526 "	18.13 X \$/B	TO LIFE	PC	.00	3/40		18.130
531 PRI/GAS	1.8900 X \$/M	1/95 MM/YY	PC	.00	3/40		1.890
532 "	1.94 X \$/M	1/96 AD	PC	.00	1/96		1.940
533 "	2.61 X \$/M	1/97 AD	PC	.00	12/96		2.610
534 "	2.59 X \$/M	1/98 AD	PC	.00	12/97		2.590
535 "	2.11 X \$/M	1/99 AD	PC	.00	12/98		2.110
536 "	2.27 X \$/M	1/2000 AD	PC	.00	12/99		2.270
537 "	2.60 X \$/M	1/2001 AD	PC	.00	12/00		2.600
538 "	2.58 X \$/M	1/2002 AD	PC	.00	12/01		2.580
539 "	2.57 X \$/M	TO LIFE	PC	.00	3/40		2.570
544 OPC/T	1190.00 X \$/M	TO LIFE	SCH	OPC	3/40		1190.000
549 STX/OIL	7.08 X \$	TO LIFE	PC	.00	3/40		.071
554 STX/GAS	7.93 X \$	TO LIFE	PC	.00	3/40		.079
559 ATX	.17 X \$	TO LIFE	PC	.00	3/40		.002
564 PRI/OIL	-.9100 X \$/B	TO LIFE	PC	.00	3/40		18.130
569 PRI/GAS	-.1300 X \$/M	TO LIFE	PC	.00	3/40		2.570
700 LSE/WI	100.0000 D \$	TO LIFE	FLAT	.00	3/40		1.000
701 OWN/WI	100.0000 D \$	TO LIFE	FLAT	.00	3/40		1.000
720 LSE/RIC	12.5000 D \$	TO LIFE	FLAT	.00	3/40		.125
721 OWN/RIC	.0000 D \$	TO LIFE	FLAT	.00	3/40		.125
740 LSE/RIG	12.5000 D \$	TO LIFE	FLAT	.00	3/40		.125
760 LSE/ORR	.0000 D \$	TO LIFE	FLAT	.00	3/40		.125



761 OWN/ORR .0000 D \$ TO LIFE FLAT .00 3/40

OVERLAYS SCHEDULING RATES PROCEDURE ULTIMATE LAST MONTH RISK INV. TOT. T&I R ESC. T&I R

905 LOAD P.OIL OIL # 35.767 2/00

910 LOAD P.GAS GAS # 100.485 2/00

915 LOAD P.WATER WTR # 15.173 2/00

INVESTMENT TANGIBLES & INTANGIBLES TIME PROCEDURE TOTAL T&I MONTH RISK INV. TOT. T&I R ESC. T&I R

800 DRILL 330.00 495.00 M\$G 02/96 AD 825.000 2/96 825.0 825.0

801 SALVAGE -33.00 .00 M\$G TO LIFE -33.000 3/40 -33.0 -33.0

RESERVE PARAMETERS ITEM

201 LOSS NO CUMG, MMF 98.82 CUML, MB

205 CUMG, MB 35.32

PROJECT ASSUMPTIONS

BASE DATE : 2/96 TIME FRAMES : 1\*11 38\*12 1\*600

P.W. DATE : 2/96 PW \$-AGE : 10.0 DISC. FREQUENCY : 365.

REPORT DATE : 2/96 PROD QUAL : CD OWNER QUAL : CD OTHER QUAL : CD

JRU #16 BONE SPRING

DATE : 02/07/00  
 TIME : 13:37:27  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 42

RESERVES AND ECONOMICS  
 EFFECTIVE DATE: 2/96

PERIOD ENDING	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	12/04	12/05	S TOT	AFTER	TOTAL
OWNERSHIP													32.8 YR
1) WORKING INTEREST, \$	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000
2) REVENUE INTEREST, \$	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500
INVESTMENTS, M\$													
3) BORROWED CAPITAL	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4) EQUITY INVESTMENTS	825.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0	-33.0	792.0	792.0
5) RISK	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) TOTAL	825.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0	-33.0	792.0	792.0
OIL PHASE													
8) GROSS OIL, MB	13.4	8.6	6.9	5.8	4.9	4.1	3.5	3.1	2.8	2.5	55.7	28.6	84.3
9) NET OIL, MB	11.7	7.5	6.1	5.1	4.3	3.6	3.1	2.7	2.4	2.2	48.7	25.1	73.8
10) OIL REVENUE, M\$	250.1	149.3	82.0	93.8	103.8	70.2	56.3	46.9	41.8	37.8	932.0	431.6	1363.5
11) OIL PRICE, \$/B	21.35	19.83	13.52	18.34	24.03	19.76	18.29	17.27	17.22	17.22	19.13	17.22	18.48
GAS PHASE													
12) GROSS GAS, MMF	28.4	25.8	19.9	23.0	19.1	16.2	14.1	12.4	11.1	10.1	180.0	117.9	297.9
13) NET GAS, MMF	24.9	22.5	17.4	20.1	16.7	14.2	12.3	10.9	9.7	8.8	157.5	103.2	260.7
14) GAS REVENUE, M\$	61.6	55.5	34.5	43.1	41.2	34.7	30.0	26.5	23.8	21.5	372.4	251.7	624.1
15) GAS PRICE, \$/MCF	2.480	2.460	1.980	2.140	2.470	2.450	2.440	2.440	2.440	2.440	2.364	2.440	2.394
WATER PHASE													
16) GROSS WATER, MB	7.5	1.7	1.5	4.1	1.4	1.1	.9	.8	.7	.6	20.2	3.9	24.1
17) NET WATER, MB	7.5	1.7	1.5	4.1	1.4	1.1	.9	.8	.7	.6	20.2	3.9	24.1
18) WATER PRICE, \$/B	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000
ECONOMICS, M\$													
19) GROSS REV. TO INTR.	311.7	204.7	116.5	136.9	145.1	104.9	86.3	73.4	65.5	59.3	1304.4	683.3	1987.7
20) - SEV. TAX	22.6	15.0	8.5	10.1	10.6	7.7	6.4	5.4	4.8	4.4	95.5	50.5	146.0
22) - AD VALOREM TAX	.5	.3	.2	.2	.2	.2	.1	.1	.1	.1	2.1	1.1	3.1
23) - OPERATING COSTS	13.1	14.3	14.3	14.3	14.3	14.3	14.3	14.3	14.3	14.3	141.6	327.3	468.9
24) - SWD	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
25) - CAPITAL REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
28) = NET INCOME	275.6	175.2	93.5	112.4	119.9	82.8	65.5	53.6	46.3	40.5	1065.2	304.5	1369.7
29) - INVESTMENTS & RSK	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0	-33.0	792.0
30) = BFIT NET	-549.4	175.2	93.5	112.4	119.9	82.8	65.5	53.6	46.3	40.5	240.2	337.5	577.7
PRESENT WORTH @ 10.00 %													
31) NET INCOME	263.3	152.1	73.4	79.9	77.2	48.2	34.5	25.5	20.0	15.8	789.9	65.5	855.4
32) INVESTMENTS & RISK	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0	-1.2	823.8
33) BFIT NET	-561.7	152.1	73.4	79.9	77.2	48.2	34.5	25.5	20.0	15.8	-35.1	66.8	31.6
34) CUM BFIT NET	-561.7	-409.6	-336.2	-256.3	-179.1	-131.0	-96.4	-70.9	-50.9	-35.1	-35.1	31.6	31.6

DATE : 02/07/00  
 TIME : 13:37:27  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 42

AFTER TAX ECONOMICS

EFFECTIVE DATE: 2/96

PERIOD ENDING	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	12/04	12/05	S TOT	AFTER	32.8 YR TOTAL
TAX TREATMENT OF INVESTMENTS, M\$													
1) EXP, RISK & CAP INT	495.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	495.0	.0	495.0
2) DEPLETABLE	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
3) DEPRECIABLE	330.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	330.0	-33.0	297.0
TAX CALCULATIONS, M\$													
4) GROSS REV. TO INTR.	311.7	204.7	116.5	136.9	145.1	104.9	86.3	73.4	65.5	59.3	1304.4	683.3	1987.7
5) - SEVERANCE TAX	22.6	15.0	8.5	10.1	10.6	7.7	6.4	5.4	4.8	4.4	95.5	50.5	146.0
6) - WPT TAX NET	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) - OPR. COSTS & ATX	13.6	14.6	14.5	14.5	14.5	14.4	14.4	14.4	14.4	14.4	143.7	328.3	472.0
8) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
9) - OVERHEAD	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
10) - EXPENSED INV.	495.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	495.0	.0	495.0
11) - DEPRECIATION	43.2	78.0	59.6	42.6	30.4	29.5	29.5	17.2	.0	.0	330.0	.0	330.0
12) = NET	-262.6	97.2	33.8	69.8	89.5	53.3	36.1	36.4	46.3	40.5	240.2	304.5	544.7
13) - DEPLETION	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
14) - INTEREST PD & CAP	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
15) = TAXABLE	-262.6	97.2	33.8	69.8	89.5	53.3	36.1	36.4	46.3	40.5	240.2	304.5	544.7
16) * TAX RATE, %	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0
17) - TAX CREDIT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
18) - WPT REFUND	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
19) = F.I.T.	-91.9	34.0	11.8	24.4	31.3	18.7	12.6	12.7	16.2	14.2	84.1	106.6	190.6
20) REVENUE-SEV-WPT	289.1	189.8	107.9	126.9	134.5	97.2	79.9	68.0	60.7	54.9	1208.9	632.8	1841.7
21) - OPR. COSTS & ATX	13.6	14.6	14.5	14.5	14.5	14.4	14.4	14.4	14.4	14.4	143.7	328.3	472.0
22) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
23) - F.I.T.	-91.9	34.0	11.8	24.4	31.3	18.7	12.6	12.7	16.2	14.2	84.1	106.6	190.6
24) = A.F.I.T.	367.5	141.2	81.6	87.9	88.6	64.1	52.9	40.8	30.1	26.3	981.1	197.9	1179.0
25) - LOAN REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) = NET INCOME	367.5	141.2	81.6	87.9	88.6	64.1	52.9	40.8	30.1	26.3	981.1	197.9	1179.0
28) - INVESTMENTS & RSK	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0	-33.0	792.0
29) = A.F.I.T. NET	-457.5	141.2	81.6	87.9	88.6	64.1	52.9	40.8	30.1	26.3	156.1	230.9	387.0
PRESENT WORTH @ 10.00 %													
30) NET INCOME	351.1	122.6	64.1	62.5	57.0	37.3	27.9	19.5	13.0	10.3	765.3	42.6	807.9
31) INVESTMENTS & RISK	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0	-1.2	823.8
32) A.F.I.T. NET	-473.9	122.6	64.1	62.5	57.0	37.3	27.9	19.5	13.0	10.3	-59.7	43.8	-15.9
33) CUM. A.F.I.T. NET	-473.9	-351.3	-287.2	-224.6	-167.6	-130.3	-102.4	-83.0	-70.0	-59.7	-59.7	-15.9	-15.9

JRU #16 BONE SPRING

DATE : 02/07/00  
TIME : 13:37:27  
DBS FILE : JRUPA  
SETUP FILE : CD  
SEQ NUMBER : 42

E C O N O M I C I N D I C A T O R S

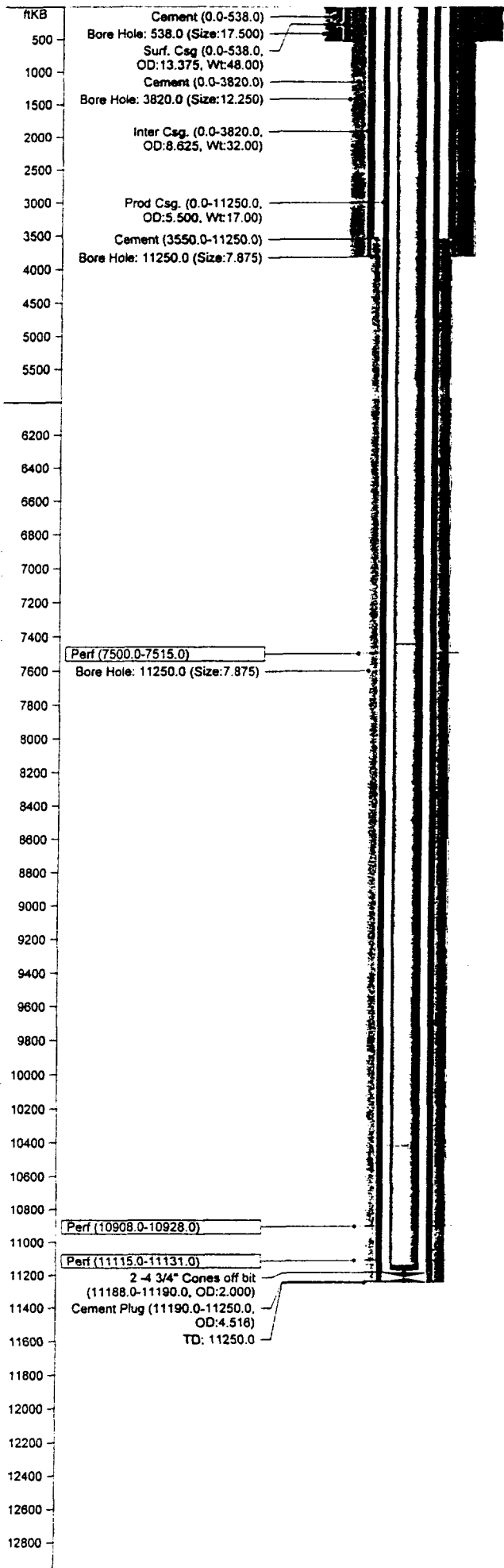
AS OF DATE: 2/96

B.F.I.T. WORTH M\$-----	A.F.I.T. WORTH M\$-----	A.F.I.T. BONUS M\$-----
-------------------------------	-------------------------------	-------------------------------

PRESENT WORTH PROFILE AND  
RATE-OF-RETURN VS. BONUS TABLE

0.	577.662	387.031	595.432
2.	410.032	264.043	376.155
5.	228.624	130.775	173.144
6.	180.962	95.569	124.325
8.	99.253	34.847	44.054
10.	31.628	-15.900	-19.658
20.	-186.835	-184.879	-214.401
30.	-308.548	-284.118	-319.236
40.	-387.528	-351.370	-387.187
50.	-443.460	-400.789	-435.750
60.	-485.440	-439.118	-472.706
70.	-518.303	-470.025	-502.106
80.	-544.865	-495.691	-526.279
90.	-566.880	-517.495	-546.662
100.	-585.496	-536.352	-564.190

RATE OF RETURN, PCT.	11.4	9.4
UNDISCOUNTED PAYOUT, YRS.	5.50	5.82
DISCOUNTED PAYOUT, YRS.	13.54	32.83
UNDISCOUNTED NET/INVEST.	1.73	1.49
DISCOUNTED NET/INVEST.	1.04	.98



JAMES RANCH UNIT #16			
API No.	3001528623	Status	ACT OIL
TD	11250.0 ftKB	Engineer	KAA
PBTD	11190.0 ftKB		
Operator	BEPCO	Permit	
Well No.	16	Spud	12/31/95
ID Code		RR	1/17/96
Field	Los Medanos (Delaware)	Completion	3/9/96
Author	RAS	Last Act.	
Date Updated	12/22/97	Abandoned	
Comments	Drilled by Enron		
Location			
Township	S022	Top Latitude	0
		Top Longitude	0
Range	E030	Top NS Distance	1980.0 ft N
		Top EW Distance	330.0 ft E
Section	36	Bottom Latitude	0
Unit Ltr.	H	Bottom Longitude	0
State	NEW MEXICO	Btm NS Distance	0.0 ft
County	EDDY	Btm EW Distance	0.0 ft
Elevations			
KB	3331.5 ft	Cas Flng	0.0 ft
Grd	3313.0 ft	Tub Head	0.0 ft
KB-Grd	18.5 ft		
Casing String - Surface Casing			
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts
13 3/8 in Surf. Csg	0.0	538.0	11
ID	Wt	Grd	Thd
12.715	48.00	H-40	STC
Casing String - Intermediate Casing			
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts
8 5/8 in Inter Csg.	0.0	3820.0	85
ID	Wt	Grd	Thd
7.920	32.00	J-55	STC
Casing String - Production Casing			
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts
5 1/2 in Prod Csg.	0.0	1250.0	
ID	Wt	Grd	Thd
4.890	17.00		
Casing Cement			
Casing String	Top (ftKB)	Amount (sx)	Comments
Surface Casing	0.0	390	
Intermediate Casing	0.0	3159	
Production Casing	3550.0	1650	TOC by Temp Sur.
Tubing String - Primary Tubing			
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts
2 7/8 in Tbg.	0.0	7445.0	224
2 7/8 in TAC	7445.0	7448.0	
2 7/8 in Tbg.	7448.0	11145.0	113
2 7/8 in SN	11145.0	11146.0	
2 7/8 in PS	11146.0	11150.0	
2 7/8 in MA	11150.0	11182.0	
ID (in)	Wt	Grd	Thd
2.441	6.50	N-80	8rd
0.000	0.00		
0.000	0.00	N-80	8rd
0.000	0.00		
0.000	0.00		
0.000	0.00		
Other (plugs, equip., etc.) - Plug Back			
Date	Item	Int (ftKB)	
1/17/96	Cement Plug	11190.0 - 11250.0	
Perforations			
Date	Int	Shots (/ft)	Status
1/26/96	11115.0 - 11131.0	2.0	
2/2/96	10908.0 - 10928.0	2.0	
2/8/96	7500.0 - 7515.0	4.0	
Stimulations & Treatments			
Date	Type	Interval	Fluid Sand Comments
1/30/96	Sand Frac	11115.0 - 11131.0	
2/3/96	Sand Frac	10908.0 - 10928.0	
2/10/96	Sand Frac	7500.0 - 7515.0	
Fish - Primary Fish			
Date	Item	Int (ftKB)	OD (in) Comment
3/12/96	2 -4 3/4" Cones off bit	11188.0 - 11190.0	2

## WELL HISTORY

WELL NAME: JAMES RANCH UNIT #16  
FIELD NAME: LOS MEDANOS  
LOCATION: 1980' FNL & 330' FEL  
SEC 36, T22S, R30E  
EDD CO. NM  
ELEV: 3313' GL  
SPUD DATE: 12/31/95  
COMP DATE: 3/9/96  
ORIG TD: 11,250'  
ORIG PBD: 11,190'  
CASING: 13 3/8", 48#, CSA 538', CMT W/390 SXS, CMT CIRC TO SURFACE  
8 5/8", 32#, CSA 3820', CMT W/3159 SXS, CMT CIRC TO SURFACE  
5 1/2", 17# CSA 11,250', CMT W/1650 SXS, TOC @ 3550' (TEMP SUR)  
TUBING: 2 7/8" TBG @ 11, 172'  
DST: NONE  
CORES & LOGS: 28 SIDEWALL CORES (1/16/96)  
LOGS ??

### INITIAL COMPLETION

1/26/96 TO 2/2/96 **PERF, ACIDIZE & FRAC WOLFCAMP**

**Perf** 11,115-11,131 (16'-2SPF @ 60° phasing). **Acidize** w/1500 gals 15% HCL. **Frac** w/53,000 gals Sprecra Frac G-4000 + 301,000 # 20/40 Ottawa sand + 20,350# 20/40 Econoprop. SI 4 hrs for break, flow back well 3 days.

2-3-96 TO 2-7-96 **PERF, ACIDIZE & FRAC 3<sup>RD</sup> BONE SPRING**

Tagged **sand plug** @ 11,006', tested to 4000# using methanol, no leak-off. **Perf** Bone Spring Fm @ 10,908-28' (20'-40 shots). **Acidize** w/1000 gals 15% HCL. **Frac** w/48,000 gals Sprecra Frac G-4000 + 350,000# 20/40 sand + 30,000# 20/40 Econoprop. Flow well back 5 days.

2-8-96 TO 2-11-96 **PERF, ACIDIZE & FRAC DELAWARE (BRUSHY CANYON "V" SAND)**

Set **CIBP** @ 10,796', tested to 4000#. **Perf** 7500-15' (15' 61 SHOTS 0° phasing). **Acidized** w/2,000 gals 15% HCL. **Frac** w/24,500 gals Spectra-Frac G-3000 + 52,000# 20/40 Brady sand + 20,000# 20/40 ACFRAC CR-4000 (RCS). Flow well back, well died, swabbed well.

WELL HISTORY  
JAMES RANCH UNIT #16  
PAGE 2

2-23-96 RU Apollo Wireline, run after frac survey. RD, left flowing, 77  
BO, 36 BW on 64/64" ck., 10 psi FTP.

2-27-96 to 3-6-96 **Attempt to put on Artificial Lift**

Attempt to run tbg, rods and pump. Parted tbg and had to fish.  
Caught fish & LD. Well KO & flowed.

3-8-96 to 3-12-96 **Drill Out CIBP and Commingle Wolfcamp, Bone Spring &  
Delaware Perfs**

Drilled CIBP @ 10,796. Top sand plug @ 11,006, wash and rotate,  
chased CIBP to 11,095'. Drilled CIBP, wsh & rotate to 11,190',  
circ hole clean. Left well flowing 2 days. POH w/BHA, lost 2  
cones off 4 3/4" bit. RIH w 226 jts 2 7/8", 6.5#, N-80 tbg, @ 7411'.  
RIH w/ rods, POH & LD rods. Left well flowing.

3-24-96 RIH w/rods and pump. Hung well on production.

4-12-96 TO 4-18-96 MIRU PU, TOH w/rods & pump. TOH w/112 jts 2 7/8" tbg,  
PU TAC & TIH w/tbg. PU additional 112 jts. 2 7/8" 6.5# N-80 tbg,  
total 337 jts. SN landed @ 11,145' KB. RIH w/rods and pump. Start  
well pumping. Well is pumping 120 BOPD, 250 MCFPD, 64 BWPD.

RAS 12-22-97

P. O. Box 1980  
Hobbs, NM 88241-1980

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

Form C-102  
Revised 02-10-94

Instructions on back

**DISTRICT II**  
P. O. Drawer DD  
Artesia, NM 88211-0719

# OIL CONSERVATION DIVISION

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

Submit to the Appropriate  
District Office  
State Lease - 4 copies  
Fee Lease - 3 copies

**DISTRICT III**  
7 Rio Brazos Rd.  
Alamogordo, NM 87410

AMENDED REPORT

**DISTRICT IV**  
P. O. Box 2088  
Santa Fe, NM 87507-2088

## WELL LOCATION AND ACREAGE DEDICATION PLAT

1 APT Number		2 Pool Code		3 Pool Name			
4 Property Code		5 Property Name <b>JAMES RANCH UNIT</b>				6 Well Number <b>16</b>	
7 OGRM No.		8 Operator Name <b>ENRON OIL &amp; GAS COMPANY</b>				9 Elevation <b>3316'</b>	

### 10 SURFACE LOCATION

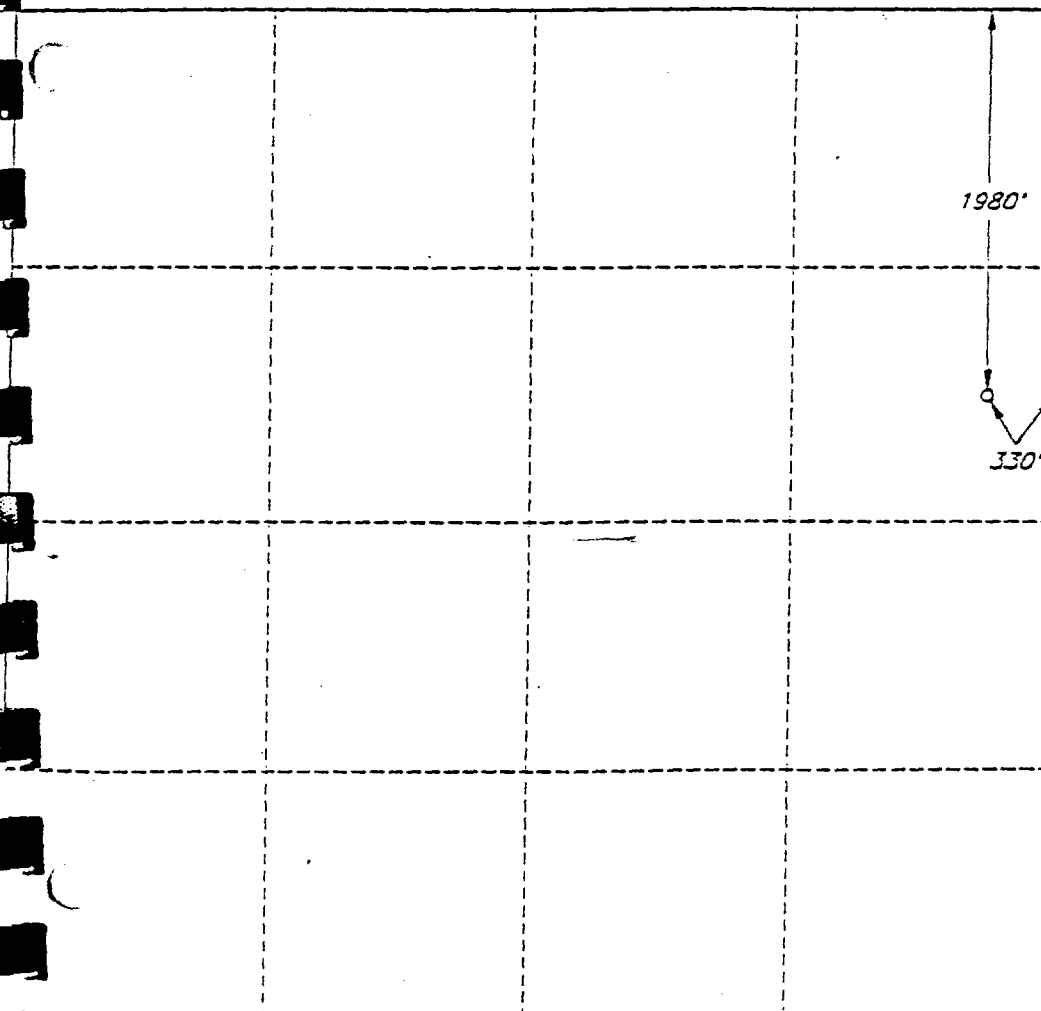
11 Lot or lot no.	12 Section	13 Township	14 Range	15 Lot Ida	16 Feet from the	17 North/South line	18 Feet from the	19 East/West line	20 County
H	36	22 SOUTH	30 EAST, N.M.P.M.		1980'	NORTH	330'	EAST	EDDY

### "BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE

21 Lot or lot no.	22 Section	23 Township	24 Range	25 Lot Ida	26 Feet from the	27 North/South line	28 Feet from the	29 East/West line	30 County

31 Dedicated Acres		32 Joint or Infill		33 Consolidation Code		34 Order No.	
--------------------	--	--------------------	--	-----------------------	--	--------------	--

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



### OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature

Printed Name

Title

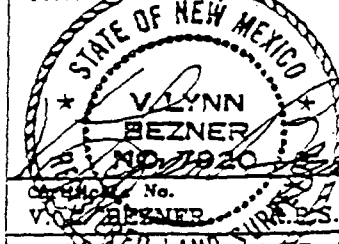
Date

### 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  
**OCTOBER 25, 1995**

Signature and Seal of  
Professional Surveyor



Signature No.  
**VLYNN BEZNER**

Professional Surveyor No. #7920  
JOHN R. BARNES / V.H.B.



Office of Administration  
 1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO.  
 30 015 28623

1. Indicate Type of Lease  
 STATE  FEE

2. State Oil & Gas Lease No.  
 E-4229-4

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG**

1. Type of Well: OIL WELL  GAS WELL  DRY  OTHER

2. Type of Completion:  
 NEW WELL  WORK OVER  DEEPEN  PLUG BACK  DRY REVEAL  OTHER

3. Name of Operator  
 Enron Oil & Gas Company

4. Address of Operator  
 P. O. Box 2267, Midland, Texas 79702

7. Lease Name or Unit Agreement Name  
 BS  
 James Ranch Unit (4060)

3. Well No.  
 16

9. Pool Name or WUGID  
 Los Medanos Delaware (40297)

Well Location  
 Unit Lease H : 1980 Feet From The north Line and 330 Feet From The east Line

Section 36 Township 22S Range 30E NMPM Eddy County

10. Date Spudded 12-31-95 11. Date T.D. Reached 1-14-96 12. Date Comm. (Ready to Prod.) 2-9-96 13. Elevations (DF & RKB, RT, GR, etc.) 3313' GR 14. Elev. Casings 3313'

5. Total Depth 11250 16. Plug Back T.D. 11214 17. If Multiple Comps. How Many Zones? 18. Intervals Drilled By Rotary Tools X Cable Tools

9. Production Interval(s) of this completion - Top, Bottom, Name 7500-7515 20. Was Directional Survey Made No

21. Type of Core and Other Logs Run Dual Ind Lacerolog, Spec. Density Dual Saped Neutron 22. Was Well Cored No

**CASING RECORD (Report all strings set in well)**

CASING SIZE	WEIGHT LB/FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
12-7/8	48	538	17-1/2	390 sx Prem Plus	Circulated
9-5/8	32	3820	12-1/4	1639 sx Prem Plus & 1500 Prem 50/50 Poz	Circulated
8-1/2	17	11250	7-7/8	1650 sx Prem 50/50 poz TOC	3550 per temp survey

**LINER RECORD**      **TUBING RECORD**

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2-7/8	7401	

24. Performance record (Interval, size, and number)

Interval	Size	Number
11,115-11,131	.32"	32
10,908-10,928	.32"	40
7500-7515	.30"	61

27. ACID, SHOT, FRACTURE CEMENT, SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
11115-11131	Sand plug @ 11,000
10908-10928	CEBP @ 10,796
**7500-7515	1300 gal linear rel. 45760 gal

**PRODUCTION** Spectra Frac G-3000 w/52.000# 20/40 Brady sa

25. Date First Production 2-10-96 Production Method (Flowing, gas lift, pumping - Size and type pump) Flowing Well Status (Prod. or Shut-in) Producing

Date of Test	Hours Tested	Core Size	Prod'n For Test Period	Oil - Bbl	Gas - MCF	Water - Bbl	Gas - Oil Ratio
2-13-96	24	64/64		205	100	121	488

Flow Testing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl	Gas - MCF	Water - Bbl	Oil Gravity - API - (Corr.)
20	400					40.5

26. Disposition of Gas (Sold, used for fuel, vented, etc.)  
 Test Witnessed by

28. Well Announcements  
 Fracture \*\* and 2500 gals AC frac GR 4000 w/20.000# 20-40 Resin-Coated Sand

29. Loss, Inclination Survey & Form C-110

30. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature Betty Gildon Printed Name Betty Gildon Title Regulatory Analyst Date 2/14/96

**WORKSHEET FOR COMMERCIAL DETERMINATION  
AND PARTICIPATING AREA IN FEDERAL UNITS**

**WELL DATA**

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WELL JAMES RANCH UNIT NO. 17 FORMATIC DELAWARE

LOCATION F UNIT, 2080 FEET FROM N LINE & 1980 FEET FROM W LINE

SECTION 6 TOWNSHIP 23S, RANGE 31E, COUNTY EDDY, NEW MEXICO

SPUD DATE 12/14/93 COMPLETION DATE 2/8/96 INITIAL PRODUCTION 2/8/96

PERFORATIONS 7547-7557'

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STIMULATION:

**ACID** 1200 GALS 7-1/2% HCL ACID + ADDITIVES & 30 RCN BALL SEALERS.

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**FRACTURE** 18,000 GALS DOWELL 30# XL GEL & 76,000# 20/40 BRADY SAND.

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POTENTIAL 2/23/96 135 BOPD, 66 BWPD, 64 MCFPD.

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(Attach Copy of C-105. Attach Copy of Wellbore Sketch of Completed Well.)

**VOLUMETRIC CALCULATION**

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	SANDS PERFORATED	SANDS NOT PERFORATED BUT POTENTIALLY PRODUCTIVE
Area (A) proration unit size, acres	<u>40</u>	<u>40</u>
Porosity (por), %	<u>12.0%</u>	<u>15.0%</u>
Water saturation (Sw), %	<u>60%</u>	<u>63%</u>
Net Thickness (h), ft.	<u>57</u>	<u>40</u>
Temperature (T), Fahrenheit	<u>120</u>	<u>120</u>
Bottom Hole pressure (P), psia	<u>3,270</u>	<u>3,165</u>
Recovery factor (RF), %	<u>16%</u>	<u>10%</u>
Recoverable oil, BBLS *(See eq. below)	<u>90,564</u>	<u>45,927</u>

\*Sometimes unable to match performance due to volumetric uncertainty.

Formula =  $(7758) (A) (h) (por) (1-Sw) (1/Bol) (RF)$

Bol = 1.50

**PERFORMANCE DATA**

(If sufficient history exists, attach plot of oil production rate v time.)

CUMULATIVE PRODUCTION TO 11/30/99 ; 36,554 BBLs

	PRODUCING	BEHIND PIPE
INITIAL RATE (qi)	<u>482</u>	<u>2,128</u>
ECONOMIC LIMIT (qi)	<u>60</u>	<u>60</u>
DECLINE RATE, dy (Hyperbolic, n = .995)	<u>16.63%</u>	<u>69.15%</u>
REMAINING OIL (Q) =	<u>51,146</u>	<u>38,000</u>
ULTIMATE RECOVERABLE OIL	<u>125,700</u>	

(Attach plot showing proration unit and participating area.)

**ECONOMIC**

WELL COST \$ 570,000 (to the depth of formation completed)

RECOMPLETION COST \$ 65,000 (8/2000)

TOTAL COST \$ 635,000

YEAR	GROSS OIL	REVENUE	OPERATING COST	10% NET BFIT DISCOUNTED CASH FLOW
ZERO	<u>0</u>	<u>0</u>	<u>0</u>	<u>-570,000</u>
1	<u>12,500</u>	<u>280,300</u>	<u>49,900</u>	<u>219,200</u>
2	<u>10,600</u>	<u>235,900</u>	<u>45,200</u>	<u>164,200</u>
3	<u>6,100</u>	<u>96,100</u>	<u>32,600</u>	<u>49,500</u>
4	<u>6,700</u>	<u>142,800</u>	<u>37,400</u>	<u>74,300</u>
5	<u>13,500</u>	<u>369,700</u>	<u>49,700</u>	<u>204,200</u>
6	<u>15,000</u>	<u>351,500</u>	<u>49,700</u>	<u>174,200</u>
7	<u>9,400</u>	<u>208,100</u>	<u>37,300</u>	<u>89,200</u>
8	<u>6,900</u>	<u>145,800</u>	<u>32,000</u>	<u>53,800</u>
9	<u>5,400</u>	<u>114,600</u>	<u>29,300</u>	<u>36,500</u>
10	<u>4,500</u>	<u>94,500</u>	<u>27,400</u>	<u>25,900</u>
REMAINDER	<u>35,200</u>	<u>747,400</u>	<u>424,300</u>	<u>78,300</u>

**WELL IS COMMERCIAL**

JAMES RANCH UNIT  
WELL NO. 17  
DELAWARE

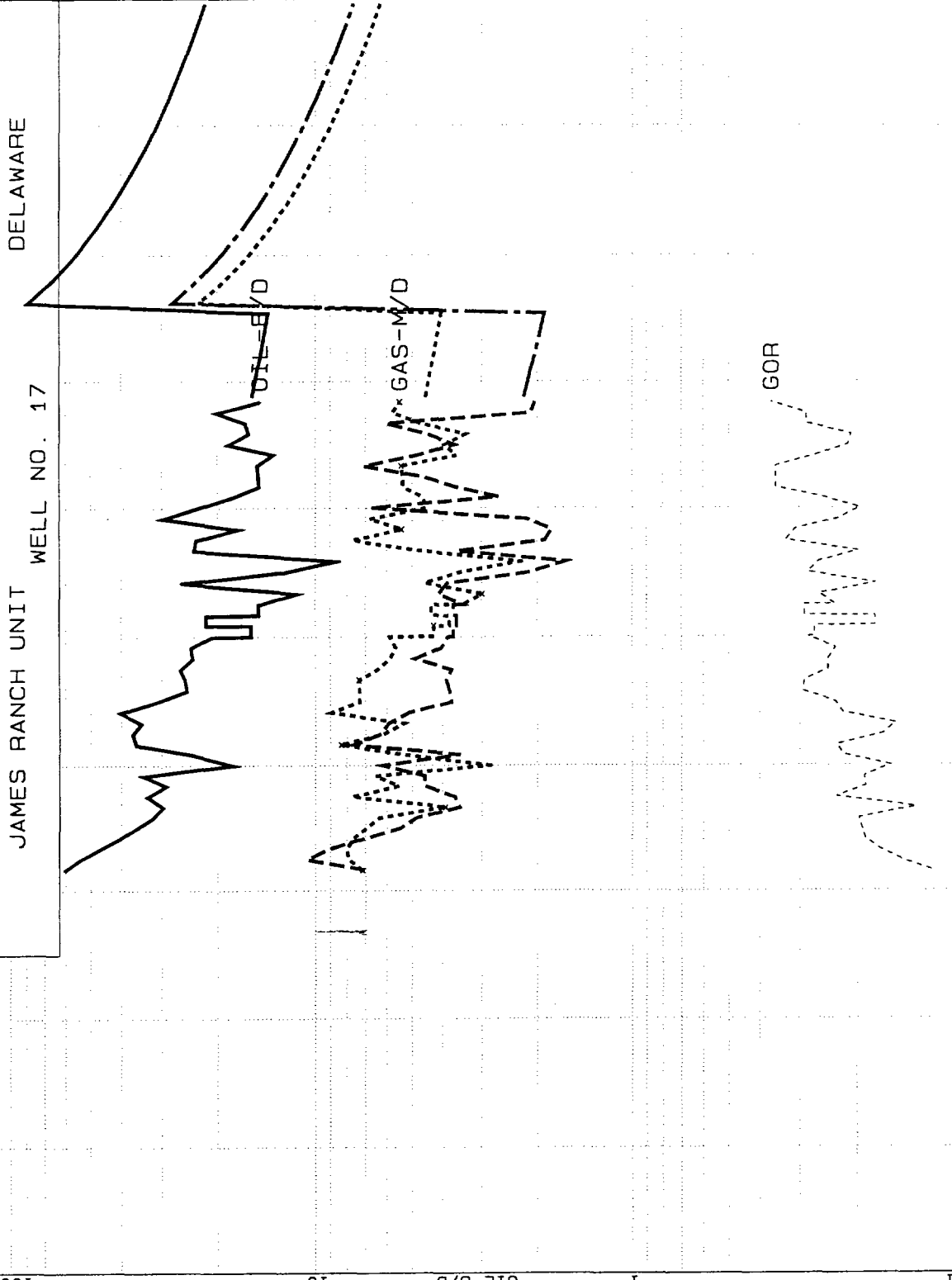
OIL-CD  
Gal= 11/99  
Cum= 36.554  
Rem= 95.663  
EUR= 132.217  
Yrs= 30.829  
Q1= 481.7  
De= 16.628  
n= .995  
Qab= 60.8

WTR-B/D  
Ref= 11/99  
Cum= 66.010

WTR  
Gal=CD  
Ref= 11/99  
Cum= .000  
Rem= 326.201  
EUR= 326.201  
Yrs= 30.829  
Q1= .0  
De= .000  
n= .000  
Qab= .0

GAS/OIL  
Gal=CD  
Ref= 11/99  
Cum= .000  
Rem= .000  
EUR= .000  
Yrs= 28.000  
Q1= 2.9  
De= .000  
n= .000  
Qab= 2.9

GAS  
Gal=CD  
Ref= 11/99  
Cum= 79.847  
Rem= 270.097  
EUR= 349.944  
Yrs= 28.000  
Q1= .0  
De= .000  
n= .000  
Qab= .0



DATE 93 94 95 96 97 98 99 00 01 02

SCHEDULED RATES		SCHEDULE UNTIL		PROCEDURE	ULTIMATE	LAST	EFF. DECL	INT. RATE	FINAL RATE		
ITEM											
405 START	11/99										
410 OIL	481.70	X	B/M	08/2000 AD	H/0.995	16.63	40.618	7/00	16.63	482.	424.
415 "	2524.60	X	B/M	05/2019 AD	H/0.995	69.15	121.100	4/19	69.15	2525.	108.
420 "	108.36	X	B/M	11.12 IMU	EXP	5.00	132.217	8/30	5.00	108.	61.
425 START	11/99										
430 GAS/OIL	2.88		M/B	11/2027 AD	LOG	TIME		10/27			
435 START	11/99										
440 WTR/OIL	1.41	X	U/B	08/2000 AD	EXP	5.30		7/00	5.30	1.407	1.351
445 "	3.50		U/B	TO	LIN	TIME		8/30			
450 START	01/96										
516 PRI/OIL	16.8800	X	\$/B	1/95	MM/YY	PC	.00	8/30	.00	16.880	
517 "	18.39	X	\$/B	1/96	AD	PC	.00	8/30	.00	18.390	
518 "	22.26	X	\$/B	1/97	AD	PC	.00	8/30	.00	22.260	
519 "	20.74	X	\$/B	1/98	AD	PC	.00	12/97	.00	20.740	
520 "	14.43	X	\$/B	1/99	AD	PC	.00	12/98	.00	14.430	
521 "	19.25	X	\$/B	1/2000	AD	PC	.00	12/99	.00	19.250	
522 "	24.94	X	\$/B	1/2001	AD	PC	.00	12/00	.00	24.940	
523 "	20.67	X	\$/B	1/2002	AD	PC	.00	12/01	.00	20.670	
524 "	19.20	X	\$/B	1/2003	AD	PC	.00	12/02	.00	19.200	
525 "	18.18	X	\$/B	1/2004	AD	PC	.00	12/03	.00	18.180	
526 "	18.13	X	\$/B	TO	LIFE	PC	.00	8/30	.00	18.130	
531 PRI/GAS	1.8900	X	\$/M	1/95	MM/YY	PC	.00	8/30	.00	1.890	
532 "	1.94	X	\$/M	1/96	AD	PC	.00	12/95	.00	1.940	
533 "	2.61	X	\$/M	1/97	AD	PC	.00	12/96	.00	2.610	
534 "	2.59	X	\$/M	1/98	AD	PC	.00	12/97	.00	2.590	
535 "	2.11	X	\$/M	1/99	AD	PC	.00	12/98	.00	2.110	
536 "	2.27	X	\$/M	1/2000	AD	PC	.00	12/99	.00	2.270	
537 "	2.60	X	\$/M	1/2001	AD	PC	.00	12/00	.00	2.600	
538 "	2.58	X	\$/M	1/2002	AD	PC	.00	12/01	.00	2.580	
539 "	2.57	X	\$/M	TO	LIFE	PC	.00	8/30	.00	2.570	
544 PRI/WTR	.5000		\$/U	1/2000	AD	PC	.00	12/95	.00	.500	
545 "	.08	X	\$/U	TO	LIFE	PC	.00	12/95	.00	.080	
550 OPC/T	1600.00	X	\$/M	TO	LIFE	SCH	OPC	8/30		1600.000	1600.000
555 STX/OIL	7.08	X	\$	TO	LIFE	PC	.00	8/30	.00	.071	.071
560 STX/GAS	7.93	X	\$	TO	LIFE	PC	.00	8/30	.00	.079	.079
565 ATX	.17	X	\$	TO	LIFE	PC	.00	8/30	.00	.002	.002
570 PRI/OIL	-.9100		\$/B	TO	LIFE	PC	.00	8/30	.00	-.910	18.130
575 PRI/GAS	-.1300		\$/M	TO	LIFE	PC	.00	8/30	.00	-.130	2.570
700 LSE/MI	100.0000	D	\$	TO	LIFE	FLAT	.00	8/30	.00	1.000	1.000

INPUT DATA

CALCULATED DATA

701 OWN/WI	100.0000	D	TO	LIFE	FLAT	.00	8/30	1.000	1.000
720 USE/RIC	12.5000	D	TO	LIFE	FLAT	.00	8/30	.125	.125
721 OWN/RI	.0000	D	TO	LIFE	FLAT	.00	8/30		
740 USE/RIG	12.5000	D	TO	LIFE	FLAT	.00	8/30	.125	.125
760 USE/ORR	.0000	D	TO	LIFE	FLAT	.00	8/30		
761 OWN/ORR	.0000	D	TO	LIFE	FLAT	.00	8/30		

OVERLAYS SCHEDULING RATES SCHEDULE UNITS PROCEDURE ULTIMATE LAST EFF. DECL INIT. RATE FINAL RATE

905 LOAD P.OIL OIL # 37.000 2/00  
 910 LOAD P.GAS GAS # 81.486 2/00  
 915 LOAD P.WATER WTR # 66.010 2/00

INVESTMENT	TANGIBLES & INTANGIBLES	TIME	PROCEDURE	TOTAL T&I	MONTH	RISK INV.	TOT. T&I&R	ESC. T&I&R
800 DRILL	240.00	01/96 AD		570.000	1/96	.	570.0	570.0
801 WORKOVER	.00	8/2000 AD	PC	65.000	8/0	.	65.0	65.0
802 SALVAGE	-24.00	TO LIFE		-24.000	8/30	.	-24.0	-24.0

RESERVE PARAMETERS ITEM  
 201 LOSS NO 36.55 CUMG, MMF 79.85 CUML, MB  
 205 CUMG, MB  
 210 LOSS NO

PROJECT ASSUMPTIONS  
 BASE DATE : 1/96 TIME FRAMES : 1\*12 38\*12 1\*600  
 P.W. DATE : 1/96 PW & AGE : 10.0 DISC. FREQUENCY : 365.  
 REPORT DATE : 1/96 PROD QUAL : CD OWNER QUAL : CD  
 OTHER QUAL : CD

JRU #17 DELAWARE  
 PREPARED BY: KENT ADAMS

DATE : 02/08/00  
 TIME : 07:57:46  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 38

R E S E R V E S A N D E C O N O M I C S  
 EFFECTIVE DATE: 1/96

PERIOD ENDING 12/96 12/97 12/98 12/99 12/00 12/01 12/02 12/03 12/04 12/05 S TOTR AFTER TOTAL 28.7 YR

OWNERSHIP

1) WORKING INTEREST, \$ 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000  
 2) REVENUE INTEREST, \$ 87,500 87,500 87,500 87,500 87,500 87,500 87,500 87,500 87,500 87,500 87,500 87,500

INVESTMENTS, M\$

3) BORROWED CAPITAL .0 .0 .0 .0 .0 .0 .0 .0 .0 .0 .0 .0  
 4) EQUITY INVESTMENTS 570.0 .0 .0 .0 .0 .0 .0 .0 .0 .0 .0 .0  
 5) RISK .0 .0 .0 .0 .0 .0 .0 .0 .0 .0 .0 .0  
 7) TOTAL 570.0 .0 .0 .0 .0 .0 .0 .0 .0 .0 .0 .0

OIL PHASE

8) GROSS OIL, MB 12.5 10.6 6.1 6.7 13.5 15.0 9.4 6.9 5.4 4.5 90.5 35.2 125.7  
 9) NET OIL, MB 11.0 9.3 5.3 5.9 11.8 13.1 8.2 6.0 4.7 3.9 79.2 30.8 110.0  
 10) OIL REVENUE, M\$ 234.0 183.8 71.8 108.2 284.6 258.9 150.3 103.6 81.3 67.1 1543.5 530.2 2073.6  
 11) OIL PRICE, \$/B 21.35 19.83 13.52 18.34 24.03 19.76 18.29 17.27 17.22 17.22 19.49 17.22 18.85

GAS PHASE

12) GROSS GAS, MMF 21.3 24.2 14.0 18.5 39.4 43.2 27.1 19.8 15.6 12.9 236.0 101.8 337.7  
 13) NET GAS, MMF 18.7 21.2 12.2 16.2 34.5 37.8 23.7 17.3 13.6 11.3 206.5 89.0 295.5  
 14) GAS REVENUE, M\$ 46.3 52.1 24.2 34.6 85.1 92.6 57.9 42.2 33.3 27.5 495.9 217.3 713.1  
 15) GAS PRICE, \$/MCF 2.480 2.460 1.980 2.140 2.470 2.450 2.440 2.440 2.440 2.440 2.440 2.440 2.413

WATER PHASE

16) GROSS WATER, MB 20.2 17.1 12.3 15.1 37.2 52.4 32.9 24.0 18.9 15.6 245.7 123.2 368.8  
 17) NET WATER, MB 20.2 17.1 12.3 15.1 37.2 52.4 32.9 24.0 18.9 15.6 245.7 123.2 368.8  
 18) WATER PRICE, \$/B .500 .500 .500 .500 .080 .080 .080 .080 .080 .080 .191 .080 .154

ECONOMICS, M\$

19) GROSS REV. TO INTR. 280.3 235.9 96.1 142.8 369.7 351.5 208.1 145.8 114.6 94.5 2039.3 747.4 2786.8  
 20) - SEV. TAX 20.2 17.1 7.0 10.4 26.9 25.7 15.2 10.7 8.4 6.9 148.6 54.8 203.4  
 22) - AD VALOREM TAX .4 .4 .2 .2 .6 .6 .3 .2 .2 .1 3.2 1.2 4.4  
 23) - OPERATING COSTS 19.2 19.2 19.2 19.2 19.2 19.2 19.2 19.2 19.2 19.2 192.0 358.4 550.4  
 24) - SWD 10.1 8.5 6.2 7.6 3.0 4.2 2.6 1.9 1.5 1.2 46.8 9.9 56.7  
 25) - CAPITAL REPAYMENT .0 .0 .0 .0 .0 .0 .0 .0 .0 .0 .0 .0 .0  
 26) - INTEREST PAID .0 .0 .0 .0 .0 .0 .0 .0 .0 .0 .0 .0 .0  
 27) + NPI OWNED - PAID .0 .0 .0 .0 .0 .0 .0 .0 .0 .0 .0 .0 .0  
 28) = NET INCOME 230.3 190.7 63.6 105.4 320.1 301.9 170.7 113.8 85.3 67.0 1648.7 323.2 1971.9  
 29) - INVESTMENTS & RSK 570.0 .0 .0 .0 .0 .0 .0 .0 .0 .0 635.0 -24.0 611.0  
 30) = BFTT NET -339.7 190.7 63.6 105.4 255.1 301.9 170.7 113.8 85.3 67.0 1013.7 347.2 1360.9

PRESENT WORTH @ 10.00 %

31) NET INCOME 219.2 164.2 49.5 74.3 204.2 174.2 89.2 53.8 36.5 25.9 1091.0 78.3 1169.3  
 32) INVESTMENTS & RISK 570.0 .0 .0 .0 41.1 .0 .0 .0 .0 .0 611.1 -1.4 609.7  
 33) BFTT NET -350.8 164.2 49.5 74.3 163.1 174.2 89.2 53.8 36.5 25.9 479.9 79.7 559.5  
 34) CUM BFTT NET -350.8 -186.7 -137.1 -62.8 100.3 274.5 363.7 417.4 453.9 479.9 559.5 559.5

AFTER TAX ECONOMICS

DATE : 02/08/00  
 TIME : 07:57:46  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 38

EFFECTIVE DATE: 1/96

PERIOD ENDING	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	12/04	12/05	S TOT	AFTER	TOTAL
TAX TREATMENT OF INVESTMENTS, M\$													
1) EXP, RISK & CAP INT	330.0	.0	.0	.0	65.0	.0	.0	.0	.0	.0	395.0	.0	395.0
2) DEPLETABLE	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
3) DEPRECIABLE	240.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	240.0	-24.0	216.0

TAX CALCULATIONS, M\$

4) GROSS REV. TO INTR.	280.3	235.9	96.1	142.8	369.7	351.5	208.1	145.8	114.6	94.5	2039.3	747.4	2786.8
5) - SEVERANCE TAX	20.2	17.1	7.0	10.4	26.9	25.7	15.2	10.7	8.4	6.9	148.6	54.8	203.4
6) - WPT TAX NET	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) - OPR. COSTS & ATX	29.8	28.1	25.5	27.0	22.8	23.9	22.2	21.3	20.9	20.6	242.1	369.4	611.5
8) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
9) - OVERHEAD	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
10) - EXPENSED INV.	330.0	.0	.0	.0	65.0	.0	.0	.0	.0	.0	395.0	.0	395.0
11) - DEPRECIATION	34.3	58.8	42.0	30.0	21.4	21.4	21.4	10.7	.0	.0	240.0	.0	240.0
12) = NET	-134.0	131.9	21.6	75.4	233.6	280.4	149.3	103.1	85.3	67.0	1013.7	323.2	1336.9
13) - DEPLETION	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
14) - INTEREST PD & CAP	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
15) = TAXABLE	-134.0	131.9	21.6	75.4	233.6	280.4	149.3	103.1	85.3	67.0	1013.7	323.2	1336.9
16) * TAX RATE, %	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0
17) - TAX CREDIT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
18) - WPT REFUND	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
19) = F.I.T.	-46.9	46.2	7.6	26.4	81.8	98.1	52.3	36.1	29.9	23.5	354.8	113.1	467.9
20) REVENUE-SEV-WPT	260.1	218.8	89.1	132.4	342.8	325.8	192.9	135.1	106.2	87.6	1890.7	692.7	2583.4
21) - OPR. COSTS & ATX	29.8	28.1	25.5	27.0	22.8	23.9	22.2	21.3	20.9	20.6	242.1	369.4	611.5
22) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
23) - F.I.T.	-46.9	46.2	7.6	26.4	81.8	98.1	52.3	36.1	29.9	23.5	354.8	113.1	467.9
24) = A.F.I.T.	277.2	144.5	56.0	79.0	238.3	203.7	118.5	77.7	55.5	43.6	1293.9	210.1	1504.0
25) - LOAN REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - NET INTEREST PAID	277.2	144.5	56.0	79.0	238.3	203.7	118.5	77.7	55.5	43.6	1293.9	210.1	1504.0
27) = NET INCOME	570.0	.0	.0	.0	65.0	.0	.0	.0	.0	.0	635.0	-24.0	611.0
28) - INVESTMENTS & RSK	-292.8	144.5	56.0	79.0	173.3	203.7	118.5	77.7	55.5	43.6	658.9	234.1	893.0
29) = A.F.I.T. NET													

PRESENT WORTH @ 10.00 %

30) NET INCOME	263.8	124.4	43.6	55.7	152.0	117.6	61.9	36.7	23.7	16.9	896.3	50.9	947.2
31) INVESTMENTS & RISK	570.0	.0	.0	.0	41.1	.0	.0	.0	.0	.0	611.1	-1.4	609.7
32) A.F.I.T. NET	-306.2	124.4	43.6	55.7	110.9	117.6	61.9	36.7	23.7	16.9	285.2	52.3	337.5
33) CUM. A.F.I.T. NET	-306.2	-181.8	-138.1	-82.4	28.5	146.1	207.9	244.6	268.4	285.2	285.2	337.5	337.5



JRU #17 DELAWARE  
 PREPARED BY: KENT ADAMS

DATE : 02/08/00  
 TIME : 07:57:46  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 38

E C O N O M I C I N D I C A T O R S

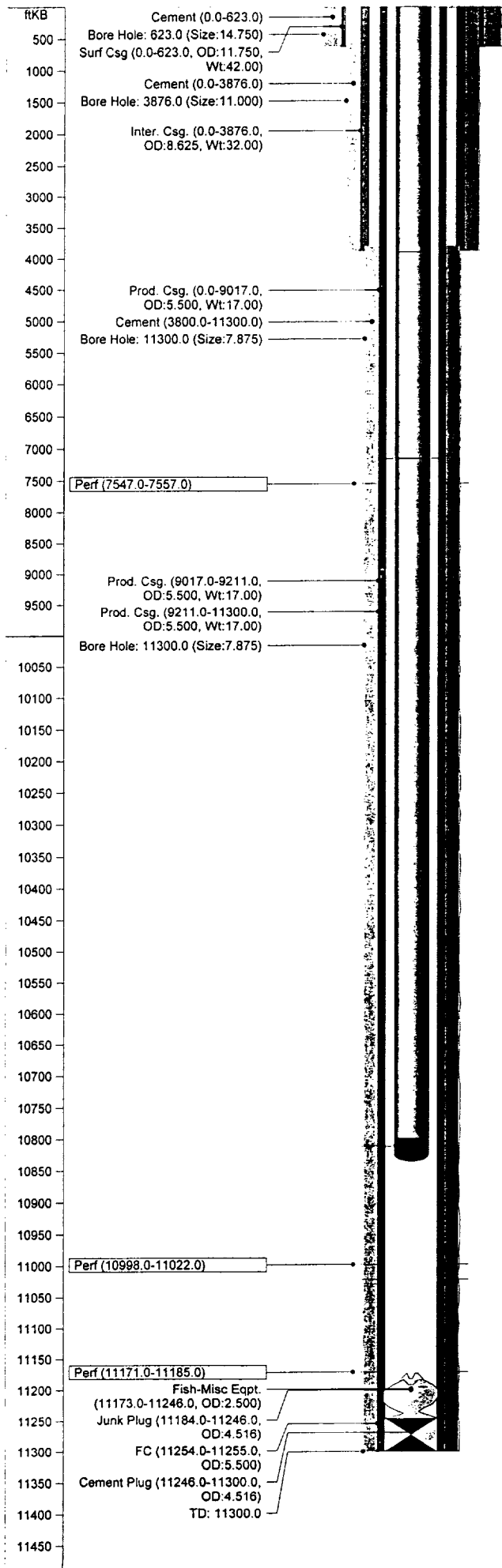
AS OF DATE: 1/96

B.F.I.T. A.F.I.T. A.F.I.T.  
 WORTH WORTH BONUS  
 M\$----- M\$----- M\$-----

PRESENT WORTH PROFILE AND  
 RATE-OF-RETURN VS. BONUS TABLE

0.	1360.910	892.691	1373.833
2.	1134.909	736.306	1052.762
5.	870.580	553.374	734.057
6.	797.539	502.794	654.469
8.	668.936	413.600	521.632
10.	559.532	337.494	415.025
20.	195.325	81.072	92.466
30.	-3.487	-62.750	-68.992
40.	-123.691	-152.402	-164.048
50.	-201.826	-212.623	-225.803
60.	-255.693	-255.582	-268.934
70.	-294.748	-287.810	-300.837
80.	-324.324	-313.028	-325.558
90.	-347.566	-333.456	-345.445
100.	-366.406	-350.475	-361.928

RATE OF RETURN, PCT.	29.8	25.6
UNDISCOUNTED PAYOUT, YRS.	3.81	4.08
DISCOUNTED PAYOUT, YRS.	4.39	4.74
UNDISCOUNTED NET/INVEST.	3.23	2.46
DISCOUNTED NET/INVEST.	1.92	1.55



**Stimulations & Treatments (con't)**

Date	Type	Interval	Fluid	Sand	Comments
10/19/95	Sand Frac	11171.0 - 11185.0			
12/6/95	Sand Frac-Re-frac	10998.0 - 11022.0			
2/6/96	Sand Frac	7547.0 - 7557.0			

**Fish - Primary Fish**

Date	Item	Int (ftKB)	OD (in)	Comment
10/23/95	Fish-Misc Eqpt.	11173.0 - 11246.0	2 1/2	See rpt for 10/16/95-11/19/95

## WELL HISTORY

**WELL NAME:** James Ranch Unit No. 17

**FIELD NAME:** Los Medanos (Bone Spring)

**LOCATION:** 2080' FNL & 1980' FWL, Sec 6, T23S, R31E, Unit F, Eddy County, NM

**ELEV:** 3310.6' GL; 3327.3' KB

**SPUD DATE:** 12/14/93

**COMP DATE:** 1/21/94 (RR 1/9/94)

**ORIG TD:** 11,300'

**ORIG PBTD:** 11,254'

**CURRENT PBTD:** 11,254'

**CASING:** 11-3/4" 42# H-40 ST&C CSA 623' w/425 sx, cmt circ, 14-3/4" hole 0-623'.  
8-5/8" 32# J-55 & K-55 ST&C CSA 3876' w/1195 sx, cmt circ, 11" hole 623-3876'.  
5-1/2" 17# P-110/S-95 & P-110/CF-95 LT&C CSA 11,300' w/1706 sx, TOC 3,800' (TS),  
7-7/8" hole 3876-11,300'.

**TBG:** 2-7/8", 6.5#, N-80

**DST:**

**CORES & LOGS:** 1/7/94 Ran Caliper/Gamma/Spectral, Density/Dual Spaced Neutron/Dual Lateralog/Micro-SFL.  
1/22/94 Ran CBL/GR/CCL 10,900-11,234' & 7,000-8,000'.  
  
1/8/94 Took 20 sidewall cores @ 11195, 11192, 11187, 11183, 11177, 11174, 11021, 11019, 11013, 11007, 11004, 11001, 7670, 7626, 7612, 7592, 7588, 7568, 7557, 7552'.

**INITIAL COMPLETION:**

1/22/94-2/9/194  
Run CBL/GR/CCL 10,900-11,234' & 7,000-8,000'.

1/22/94 **Perf 10,998-11,022'**, 4 SPF. **Frac** w/91,500 gals gel & 116,000# 20/40 Interprop Plus. Ran packer in attempt to stabilize prod.  
**IP:** 4/11/94 24 hr F 28 BO, 6 BLW, & 63 MCF on 1" chk. FTP 40, FCP 60, LP 35.

**WORKOVERS:**

11/26/94-12/20/94 **STIMULATE WELL**  
Pumped E-Z Clean treatment w/5400 gals E-Z clean w/CO<sub>2</sub> w/70 quality foam. Flush w/2800 gals 50 quality foam.  
**AWO:** 12/20/94 24 hr F 50 BO, 44 BW, & 43 MCF on 1" chk. LP 43#.

**JAMES RANCH UNIT NO. 17  
WELL HISTORY**

10/13/95-3/20/96

**RECOMPLETE AND FRACTURE STIMULATE**

Tag fill @ 11,084'. Wash sd 11,084-244'. Spot 200 gals 15% HCL weighted acid + additives 11,212-11,012'.

10/16/95

**Perf 11,171-185'**, 2 SPF. Set Guiberson perm pkr @ 11,080'. **Frac 11,171-185'** w/24,000 gals Spectra Frac G-4000 40# XL gel, 132,280# 20/40 Ottawa sd, & 20,000# 20/40 Econoprop. Flow test well. Test: 24 hrs F 225 BO, 50 BW, 504 MCF on 16/64" chk. Set tbg plug w/no-go in "R" nipple @ 11,108' & attempt to shear off plug, no jar action. Slickline equipment stuck w/sd in the permanent pkr. Fish & mill pkr for 4 weeks at a cost of \$227,000. Did not recover fish. Fish consists of slickline sinker bars, 5' millout ext., cross over, 10' 2-3/8" tbg sub, type "F" profile nipple, 10' 2-3/8" tbg sub, type "R" profile nipple. While running GR/CCL tagged top of fish (slickline sinker bars) @ 11,173'. Using washpipe tagged mill out ext. @ 11,184'. Swab well & it began to flow. Flow test well. Test: 124 BO, 19 BW, 242 MCF on 12/64" chk. Tag fill @ 11,180'. Set 5-1/2" Fas-Drill BP @ 11,130' w/10' sd on top. **Spot** 200 gals 15% HCL acid + additives 10,998-11,022'. BD perfs @ 2250 psi @ 1.7 BPM. **Acidize** w/2000 gals 15% HCL + additives, dropping 120 1.3 SG RCN ball sealers evenly spaced. No ball action. **Frac** 10,998-11,022' w/34,100 gals 40# Spectrofrac, 2900 gals 40# Liner gel, & 100,000# sd. Flow well. Tag sd fill @ 11,018'. Wash sd 11,018-120'. Swab well. Flow test well. Test: 24 hrs F 85 BO, 145 BW, 187 MCF on 16/64" chk. FTP 100#. Set BP @ 10,500' w/20' industrial sd on top.

2/3/96

**Perf 7547-57'**, 2 SPF. **Spot** 200 gals 15% HCL acid + additives across perfs 7547-57'. BD perfs @ 1849 psi tbg & 1689 psi csg. **Acidize** w/1200 gals 7-1/2" HCL acid + additives & 30 1.3 SG RCN ball sealers. **Frac** w/18,000 gals Dowell 30# XL gel & 76,000# 20/40 Brady sd. Swab well. Well kicked off & began to flow. Place well on prod. Well died. Set 640 pmpg unit. Place back on prod. Tag top of fill @ 10,335'. Attempt to wash sd, CP incr to 650 psi & lost 90 to 95% returns. (Lost an additional ±110 bbls to perfs - 210 bbls total). Flush tbg w/±60 bbls 2% KCL to break circ. w/45 bbls gone w/80-90% returns. Displace wellbore conventional w/±220 bbls 10.8 ppg mud mixture, with ±40% returns, losing ±50 bbls mud to perfs. Re-break circ (conventional) w/25 bbls same w/70-80% returns, @ 2 BPM with 650-800 psi. Re-tag top of sd @ 10,335'. Wash sd to BP @ 10,500' w/±70% @ returns @ 2 BPM with 400 to 450 psi @ csg. Just prior to rec sd at surf, Delaware perfs broke down. Lost full returns. Lost an additional 140 bbls mud to perfs (190 bbls total) w/no sd rec. Attempt to flush tbg, found 8 stands plugged w/sd. Tag bridge @ 9715', wash thru bridge conventional (±4'). Re-tag top of fill @ 10,490', wash same & drill BP, fell free after ±35 mins with 450 psi csg and 90% loss of returns. Tag top of fill @ 11,038' (92' of fill on 2nd BP). Lost additional 95 bbls mud mixture to Delaware perfs. (Note: Began mixing small stream of 2% KCL to mud mixture during cleanout, attempting to lower weight to 10.5 ppg). Tag fill @ 10,970' (28' above top BS perf). Attempt to flush tbg, discover tbg plugged. Attempt to unplug, no success. Rec sd & BP material @ X-over from tbg to collars. Pump 46 bbls Magma Fiber pill, spot across perfs (300' above) w/5 bbls BW @ 1200 psi @ 2 BPM. Close csg valve & disp 5 bbls Magma Fiber into perfs. ISIP 700 psi & 535 psi after 30 mins. Rev Magma Fiber pill ±5 additional bbls back onto transport @ 2 BPM w/±250 psi w/90-100% returns. Re-tag top of fill @ 10,933'. Wash ±20' of fill, returns decr losing 90-95% after ±45 bbls w/returns changing to thick mud type fluid @ surf. Re-break circ w/100% + returns, continue w/same for ±135 bbls (mud slurry @ ±6500' on backside) to have returns decr, losing 90-95%. Load tbg w/5 bbls 2% KCL & attempt to break circ to pit, to

10/13/95-3/20/96

**CONTINUED**

1/24/00  
RAS

**JAMES RANCH UNIT NO. 17  
WELL HISTORY**

no avail. Break circ w/35 bbls 2% KCL w/900 to 950 psi @ ±2 BPM w/50% returns, pump ±85 bbls w/circ press decr to ±350 psi w/95% returns. Re-break circ conventional @ 2 BPM w/700-750 psi. Clean up returns to have circ press decr to ±350 psi w/95% returns to rec 45-60 bbls thick mud slurry to pit, cont to disp wellbore w/2% KCL to have circ press once again decr to ±350 psi. Re-tag top of fill @ ±10,933'. Wash fill to 11,030' (100' above BP) @ 2.5 BPM w/500 psi @ tbg & ±30-40 psi @ csg w/95% returns. Clean up same for ±2 hrs to rec sd, BP material, plastic & rubber. Unloading oil & gas. Attempt to circ gas bubble w/±50 bbls 2% KCL, no success. Kill tbg w/35 bbls 10# BW. Re-tag top of fill @ 11,030'. Wash sd (conventional) to BP @ 11,130', disp wellbore w/ ±240 bbls 10 ppg BW. Attempt to break circ reverse w/no success, (650 to 700 psi @ 1.5 BPM for ±20 bbls). Switch to conventional & re-break circ. Drill on BP for ±30 mins. (Made ±8" to 10"). Broke circ with ±30% returns w/±700 psi. Fell free after ±10 mins. Tag top of fish @ 11,180' pump ±40 bbls. Returns began to unload w/good show of gas w/BP material & sd @ 120 psi @ 2.5 BPM w/50% returns. Continue to clean up same for an additional ±45 mins w/gas show decr to weak blow. Re-tag top of fish as before @ 11,180'. Install prod equip & place well on production. **NOTE: No attempt was made to rec Magma Fiber or lost mud from Delaware perms.**

**AWO:** 3/20/96 24 hrs P 170 BO, 74 BW, 230 MCF. 10-31 BOL.  
Turn over well operations to Enron @ 10:00 a.m. MST 3/20/96.

8/1-4/96

**INSTALL PUMPING UNIT**

CO fill 11,170-11,178'. Install pumping equipment.

**AWO:** 9/10/96 24 hrs P 81 BO, 53 BW, 215 MCF.

5/21/98

Fish pump. Plunger stuck open w/sand.

8/17/98

Pump change. Trash in pump.

5/25/98

Clean out frac sand. Drill & bail frac sand from 11,140' to top of fish @ 11,173' +/-.

1/24/00  
RAS

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

DEPARTMENT OF THE INTERIOR

DEC 19 1995

FORM APPROVED  
Budget Bureau No. 100-1127  
Expires March 31, 1997

RECEIVED

5. Lease Designation and Serial No.  
NM 02887-D  
6. If Local, Allotment or Tribe Name

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well  Gas Well  Other

2. Name of Operator

Enron Oil & Gas Company

3. Address and Telephone No.

P. O. Box 2267, Midland, Texas 79702 (915) 686-3714

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

2080' FNL & 1980' FWL  
Section 6, T23S, R31E

7. If State or CA. Agreement Designation

8. Well Name and No.

James Ranch Unit #17

9. API Well No.

30 015 27784

10. Field and Pool, or Exploratory Area

Los Medanos Bone Spring

11. County or Parish, State

Lea County, NM

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

- Notice of Intent
- Subsequent Report
- Final Abandonment Notice

- Abandonment
- Recommendation
- Plugging Back
- Casing Repair
- Altering Casing
- Other Frac Bone Spring

- Change of Plans
- New Construction
- Non-Routine Fracturing
- Water Shut-Off
- Conversion to Injection
- Dispose Water

(Note: Report results of maximum completion on Well Completion or Recommendation Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work, if well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

12-4-95 - Set plug @ 11,130' + 10' sand on top

12-5-95 - Acidize perfs 10,998-11,022 with 2000 gals 15% HCl acid

12-6-95 - Frac 34,100 gals 40# Spectrofrac & 2900 gals 40# liner gel; pumped 100,000# sand in formation.

12-7-95 - Tagged sand fill at 11,108'

12-8-95 - Washed sand from 11,018' to 11,120'.

12-9-95 - Placed well on production to battery @ 3:30 p.m. MST.

12-11-95 - 24 hrs - 38 BOPD, 132 BWPD, 84 MCFD; 240 psi FTP, 1160 psi SICP on 16/64".

14. I hereby certify that the foregoing is true and correct

Signature: Besty Gildon Regulatory Analyst

Date: 12/18/95

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes 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.

\*See instruction on Reverse Side

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SEPCO - TO PRODUCTION  
FORM APPROVED  
OMB NO. 1004-0137  
Expires February 28, 1995  
RECEIVED NM 02887-D

File

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1. TYPE OF WELL: OIL WELL  GAS WELL  DRY  Other \_\_\_\_\_

2. TYPE OF COMPLETION: NEW WELL  WORK OVER  REPAIR  PLUG BACK  DIFF. EXHAUST  Other \_\_\_\_\_

3. NAME OF OPERATOR  
Enron Oil & Gas Company

4. ADDRESS AND TELEPHONE NO.  
P. O. Box 2267, Midland, Texas 79702

5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)\*  
At surface 2080' FNL & 1980' FWL  
At top prod. interval reported below 2080' FNL & 1980' FWL  
At total depth 2080' FNL & 1980' FWL

6. IF INDIAN ALLOTTEE OR TRIBE NAME \_\_\_\_\_  
7. UNIT AGREEMENT NAME \_\_\_\_\_  
8. FARM OR LEASE NAME, WELL NO.  
James Ranch Unit #17  
9. API WELL NO.  
30 015 27784  
10. FIELD AND POOL OR WILDCAT  
Los Medanos Bone Spring  
11. SEC. T. R. M. OR BLOCK AND SURVEY OR AREA  
Sec 6, T23S, R31E  
12. COUNTY OR PARISH  
Eddy  
13. STATE  
NM

14. PERMIT NO. \_\_\_\_\_ DATE ISSUED 10-13-93  
15. DATE SPUDDED 12-14-93  
16. DATE T.D. REACHED 1-2-94  
17. DATE COMPL. (Ready to prod.) 1-21-94  
18. ELEVATIONS (OF. HLL. ET. OR. ETC.)\* 3310.6' GR  
19. SIGHT. CEMENTED 3310.6'

20. TOTAL DEPTH, MD & TVD 11,300'  
21. PLUG BACK T.D. MD & TVD 11,254'  
22. IF MULTIPLE COMPL. HOW MANY? \_\_\_\_\_  
23. INTERVALS DRILLED BY: ROTARY TOOLS \_\_\_\_\_ CABLE TOOLS \_\_\_\_\_  
-X

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)\*  
10,998'-11,022' (Bone Spring)  
25. WAS DIRECTIONAL SURVEY MADE? No

26. TYPE ELECTRIC AND OTHER LOGS RUN  
SDL-DSN, DLL-MSFL  
27. WAS WELL CURED? Yes

CASING RECORD (Report all strings set in well)

CASING SIZE/GRADE	WEIGHT, LB/FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
11-3/4"	42#	623	14-3/4"	425 CI C	Circulated
8-5/8"	32#	3876	11"	970 PSL & 225 CI C	Circulated
5-1/2"	17#	11300	7-7/8"	1576 Super H & 130 CI H	Temp Survey TOC at 3800'

28. LINER RECORD				29. TUBING RECORD			
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SIZE	DEPTH SET (MD)	PACKER SET (MD)	
				N/A			

31. PREPARATION RECORD (Direction, size and amount)	32. ACID, SHOT, FRACTURE CEMENT SQUEEZE, ETC.	
	DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
10,998'-11,022' (.39" 96)	10998-11022	91,500 gals purgel & 116,000# 20/40 Interprop plus

33. PRODUCTION							
DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)	WELL STATUS (Producing or Shut-in)					
1-23-94	Flowing	Producing					
DATE OF TEST	HOURS TESTED	CHOKED SIZE	PROD'N. FOR TEST PERIOD	OIL—GAL.	GAS—MCF.	WATER—GAL.	GAS-OIL RATIO
1-24-94	24 hours	18/64"	→	35	0	120	0
FLOW TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—GAL.	GAS—MCF.	WATER—GAL.	OIL GRAVITY—API (CORR.)	
-	540	→					39.0

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)  
N/A  
TEST WITNESSED BY \_\_\_\_\_

35. LIST OF ATTACHMENTS  
Logs

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records  
SIGNED Rene Lildon TITLE Regulatory Analyst DATE 1-25-94

(See Instructions and Spaces for Additional Data on Reverse Side)

Title 18 U.S.C. Section 1001, makes 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.

**OIL CONSERVATION DIVISION**

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

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

**DISTRICT II**  
 P.O. Box 100, Artesia, NM 88210

**DISTRICT III**  
 P.O. Box 100, Artesia, NM 88210

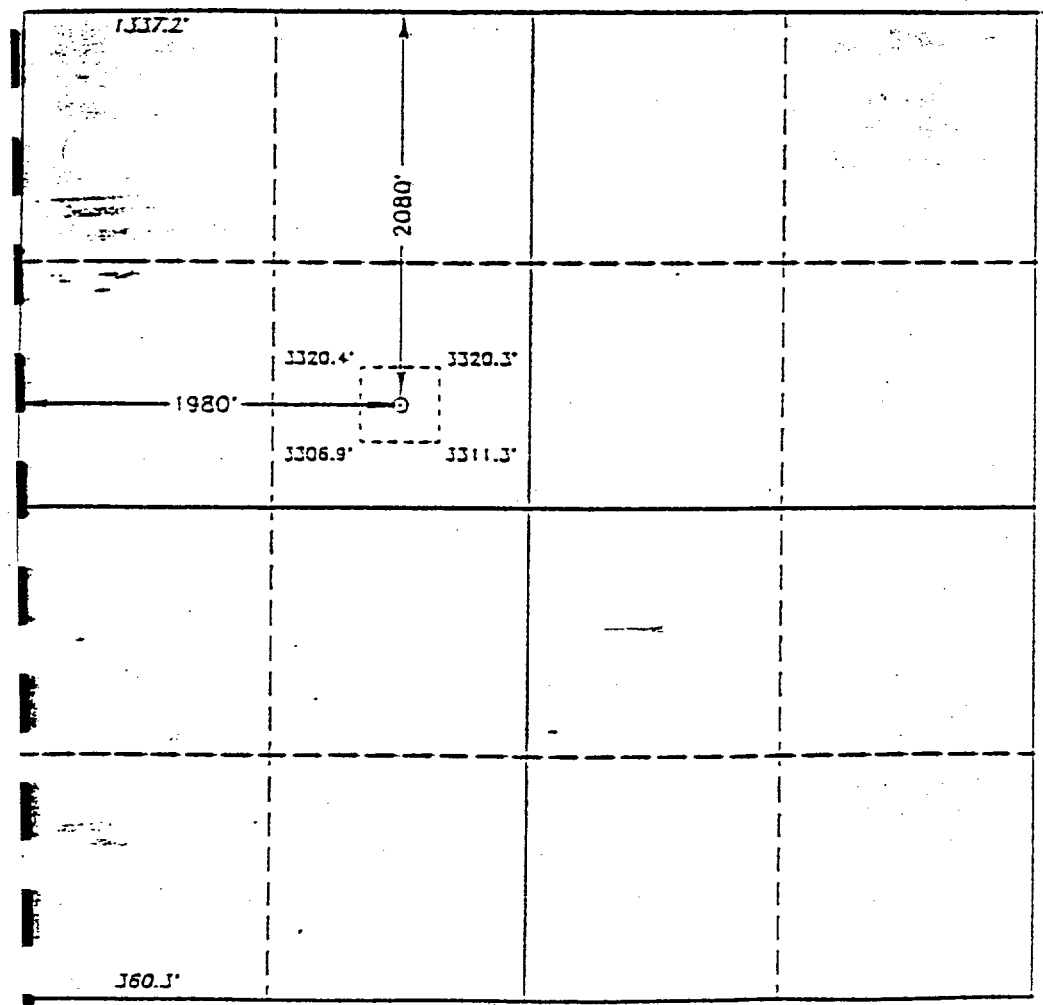
**WELL LOCATION AND ACREAGE DEDICATION PLAT**

All Distances must be from the outer boundaries of the section.

Operator <b>ENRON OIL AND GAS CO.</b>		Lease <b>JAMES RANCH UNIT</b>		Well No. <b>17</b>
Unit Letter <b>F</b>	Section <b>6</b>	Township <b>23 SOUTH</b>	Range <b>31 EAST</b>	County <b>NMPH EDDY</b>
Actual Footage Location of Well: <b>2080</b> feet from the <b>NORTH</b> line and <b>1980</b> feet from the <b>WEST</b> line				
Ground Level Elev. <b>3306.6</b>	Producing Formation <b>Delaware/Bone Spring</b>	Pool <b>Los Medanos</b>	Dedicated Acreage: <b>40</b> Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?  
 Yes  No If answer is "yes" type of consolidation: \_\_\_\_\_

If answer is "no" list of owners and tract descriptions which have actually been consolidated. (Use reverse side of this form necessary.)  
 No allowable will be assigned to the well unit all interests have been consolidated (by communitization, unitization, force-pooling, otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



**OPERATOR CERTIFICATION**

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature: *Betty Gildon*  
 Printed Name: **Betty Gildon**  
 Position: **Regulatory Analyst**  
 Company: **Enron Oil & Gas Company**  
 Date: **7/22/93**

**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 knowledge and belief.

Date Surveyed: **MAY 27, 1993**

Signature & Seal of Professional Surveyor:

Certificate No. **7977**



37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals; and all  
 36. dill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and  
 recoveries);

GEOLOGIC MARKERS

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
					MEAS. DEPTH	TRUE VERT. DEPTH
Delaware Bone Sp. B.S. & Wolfcamp	0 3876 6273 10067	3876 6273 10067 11300	Redbed, Salt, Anhydrite Shale, Sand Sandstone, Shale, Limestone Limestone, Shale	Delaware Bone Spring 3rd B.S. Sand Wolfcamp	3934 7769 10594 11211	

**WORKSHEET FOR COMMERCIAL DETERMINATION  
AND PARTICIPATING AREA IN FEDERAL UNITS**

**WELL DATA**

WELL JAMES RANCH UNIT NO. 17 FORMATION WOLFCAMP  
 LOCATION F UNIT, 2080 FEET FROM N LINE & 1980 FEET FROM W LINE  
 SECTION 6 TOWNSHIP 23S, RANGE 31E, COUNTY EDDY, NEW MEXICO  
 SPUD DATE 12/14/93 COMPLETION DATE 12/11/95 INITIAL PRODUCTION 12/11/95  
 PERFORATIONS 11,171-11,185'

STIMULATION:

**ACID** 10/15/95 - 200 GALS 15% HCL + ADDITIVES.

**FRACTURE** 24,000 GALS SPECTRA FRAC G-4000 40# XL GEL, 132,280# 20/40 OTTAWA SAND, & 20,000#  
20/40 ECONOPROP.

POTENTIAL 1/15/1996 90 BOPD, 22 BWPD, 168 MCFD.

(Attach Copy of C-105. Attach Copy of Wellbore Sketch of Completed Well.)

**VOLUMETRIC CALCULATION**

	SANDS PERFORATED	SANDS NOT PERFORATED BUT POTENTIALLY PRODUCTIVE
Area (A) proration unit size, acres	<u>40</u>	
Porosity (por), %	<u>11.4%</u>	
Water saturation (Sw), %	<u>34%</u>	
Net Thickness (h), ft.	<u>31</u>	
Temperature (T), Fahrenheit	<u>170</u>	
Bottom Hole pressure (P), psia	<u>6,036</u>	
Recovery factor (RF), %	<u>27%</u>	
Recoverable oil, BBLs *(See eq. below)	<u>138,745</u>	

\*Sometimes unable to match performance due to volumetric uncertainty.

Formula =  $(7758) (A) (h) (por) (1-Sw) (1/Boi) (RF)$

Boi = 1.40

**PERFORMANCE DATA**

(If sufficient history exists, attach plot of oil production rate v time.)

CUMULATIVE PRODUCTION TO	<u>11/30/99</u> ; <u>18,435</u>	BBLs
INITIAL RATE (qi)	<u>220</u>	
ECONOMIC LIMIT (qi)	<u>30</u>	
DECLINE RATE, dy	<u>Hyperbolic d = 20.98% n = .98</u>	
REMAINING OIL (Q) =	<u>12,465</u>	
ULTIMATE RECOVERABLE OIL	<u>30,900</u>	

(Attach plot showing proration unit and participating area.)

**ECONOMIC**

WELL COST \$ 825,000 (to the depth of formation completed)

RECOMPLETION COST \$ 0

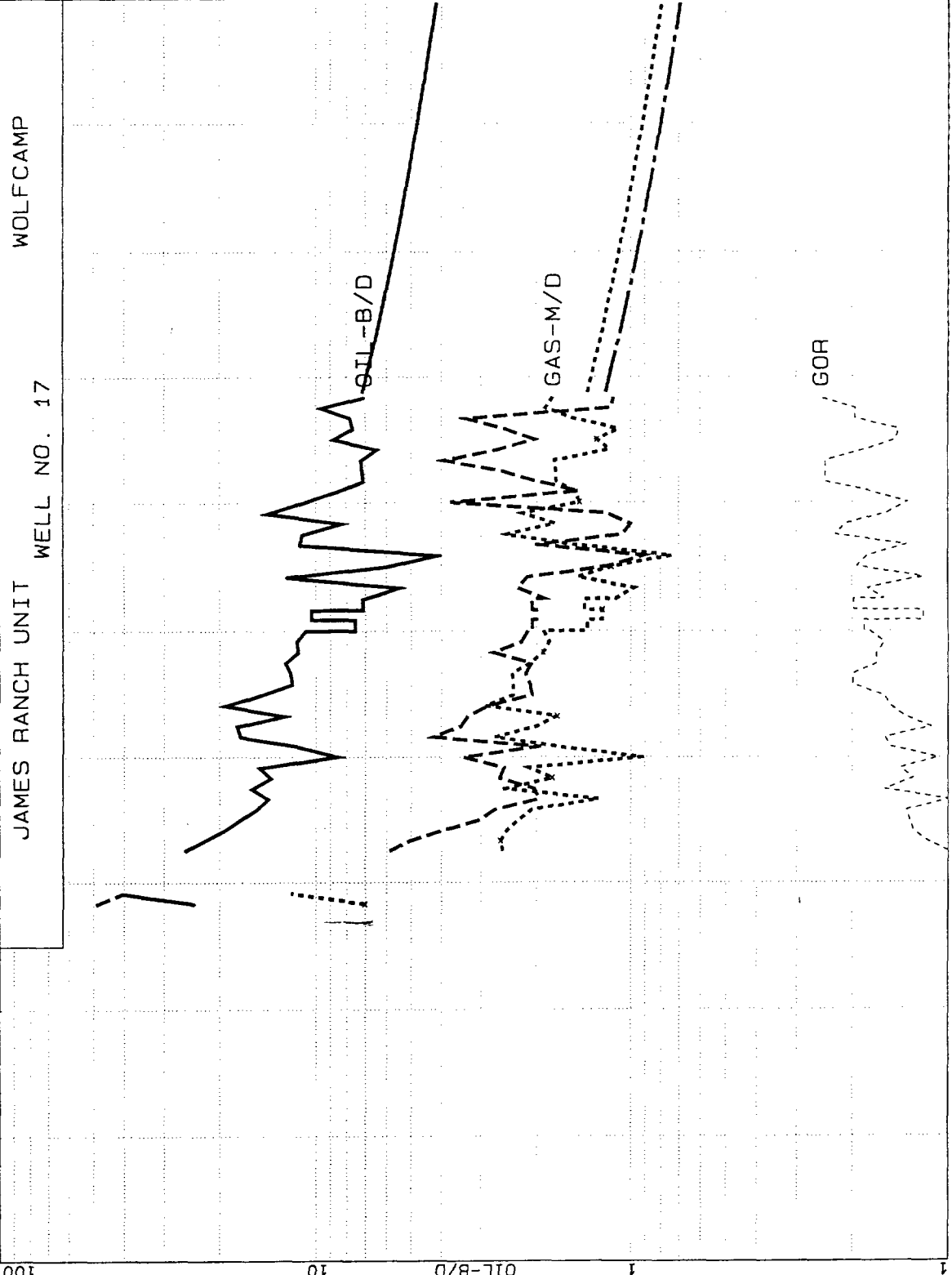
TOTAL COST \$ 825,000

YEAR	GROSS OIL	REVENUE	OPERATING COST	10% NET BFIT DISCOUNTED CASH FLOW
ZERO	<u>0</u>	<u>0</u>	<u>0</u>	<u>-825,000</u>
1	<u>2,000</u>	<u>39,200</u>	<u>6,600</u>	<u>32,300</u>
2	<u>5,100</u>	<u>109,200</u>	<u>22,300</u>	<u>80,700</u>
3	<u>5,000</u>	<u>102,900</u>	<u>21,900</u>	<u>68,100</u>
4	<u>2,900</u>	<u>42,100</u>	<u>17,400</u>	<u>18,800</u>
5	<u>3,200</u>	<u>62,700</u>	<u>18,900</u>	<u>30,100</u>
6	<u>2,400</u>	<u>60,400</u>	<u>18,800</u>	<u>25,900</u>
7	<u>1,900</u>	<u>40,700</u>	<u>17,300</u>	<u>13,200</u>
8	<u>1,600</u>	<u>32,600</u>	<u>16,800</u>	<u>8,100</u>
9	<u>1,400</u>	<u>27,100</u>	<u>16,300</u>	<u>5,000</u>
10	<u>1,300</u>	<u>24,000</u>	<u>16,000</u>	<u>3,300</u>
REMAINDER	<u>4,200</u>	<u>80,500</u>	<u>67,800</u>	<u>4,400</u>

**WELL IS NOT COMMERCIAL**

JAMES RANCH UNIT WELL NO. 17 WOLFCAMP

<b>OIL=CD</b>	
Gal=	11/99
Cum=	18.435
Rem=	21.080
EUR=	39.515
Yrs=	24.247
Q1=	220.2
De=	20.980
n=	.980
Qab=	29.8
<b>WTR-B/D</b>	
Ref=	11/99
Cum=	6.297
<b>WTR</b>	
Gal=	CD
Ref=	11/99
Cum=	.000
Rem=	2.398
EUR=	11.167
Yrs=	37.1
Q1=	21.542
De=	.995
n=	10.0
Qab=	
<b>GAS/OIL</b>	
Gal=	CD
Ref=	11/99
Cum=	.000
Rem=	.000
EUR=	24.247
Yrs=	1.9
Q1=	.000
De=	.000
n=	1.4
Qab=	
<b>GAS</b>	
Gal=	CD
Ref=	11/99
Cum=	31.083
Rem=	39.508
EUR=	70.591
Yrs=	24.247
Q1=	.0
De=	.000
n=	.000
Qab=	.0



DATE 93 94 95 96 97 98 99 00 01 02

INPUT DATA

CALCULATED DATA

ITEM	SCHEDULING RATES	SCHEDULE UNTIL	PROCEDURE	ULTIMATE	LAST	EFF. DATE	DECL.	INIT. RATE	FINAL RATE		
405 START	11/99										
410 OIL	220.19	X	B/M	06/2015 AD	H/0.980	20.98	35.630	5/15	20.98	220.	46.
415 "	46.45	X	B/M	3.88 IMU	EXP	5.00	39.515	1/24	5.00	46.	30.
420 GAS/OIL	1.93	1.37	M/B	01/2097 AD	LOG	TIME		12/96			
425 WTR	37.10	X	B/M	2.40 IMU	H/0.995	21.54	2.398	12/10	21.54	37.	10.
430 START	10/95										
516 PRI/OIL	16.8800	X	\$/B	1/99	PC	.00		1/24		16.880	
517 "	18.39	X	\$/B	1/98	PC	.00		1/24		18.390	
518 "	22.26	X	\$/B	1/97	PC	.00		1/24		22.260	
519 "	20.74	X	\$/B	1/98	PC	.00		12/97		20.740	
520 "	14.43	X	\$/B	1/99	PC	.00		12/98		14.430	
521 "	19.25	X	\$/B	1/2001 AD	PC	.00		12/99		19.250	
522 "	24.94	X	\$/B	1/2000 AD	PC	.00		12/00		24.940	
523 "	20.67	X	\$/B	1/2002 AD	PC	.00		12/01		20.670	
524 "	19.20	X	\$/B	1/2003 AD	PC	.00		12/02		19.200	
525 "	18.18	X	\$/B	1/2004 AD	PC	.00		12/03		18.180	
526 "	18.13	X	\$/B	TO	PC	.00		1/24		18.130	
531 PRI/GAS	1.8900	X	\$/M	1/95	PC	.00		1/24		1.890	
532 "	1.94	X	\$/M	1/96	PC	.00		12/95		1.940	
533 "	2.61	X	\$/M	1/97	PC	.00		12/96		2.610	
534 "	2.59	X	\$/M	1/98	PC	.00		12/97		2.590	
535 "	2.11	X	\$/M	1/99	PC	.00		12/98		2.110	
536 "	2.27	X	\$/M	1/2000 AD	PC	.00		12/99		2.270	
537 "	2.60	X	\$/M	1/2001 AD	PC	.00		12/00		2.600	
538 "	2.58	X	\$/M	1/2002 AD	PC	.00		12/01		2.580	
539 "	2.57	X	\$/M	TO	PC	.00		1/24		2.570	
544 OPC/T	1190.00	X	\$/M	TO	SCH	OPC		1/24		1190.000	1190.000
549 STX/OIL	7.08	X	\$	TO	PC	.00		1/24		.071	.071
554 STX/GAS	7.93	X	\$	TO	PC	.00		1/24		.079	.079
559 ATX	.17	X	\$	TO	PC	.00		1/24		.002	.002
564 PRI/OIL	-.9100	-	\$/B	TO	PC	.00		1/24		-.910	18.130
569 PRI/GAS	-.1300	-	\$/M	TO	PC	.00		1/24		-.130	2.570
700 LSE/MI	100.0000	D	\$	TO	FLAT	.00		1/24		1.000	1.000
701 OMN/MI	100.0000	D	\$	TO	FLAT	.00		1/24		1.000	1.000
720 LSE/RIC	12.5000	D	\$	TO	FLAT	.00		1/24		.125	.125
721 OMN/RI	.0000	D	\$	TO	FLAT	.00		1/24		.125	.125
740 LSE/RIG	12.5000	D	\$	TO	FLAT	.00		1/24		.125	.125
760 LSE/ORR	.0000	D	\$	TO	FLAT	.00		1/24		.125	.125

761 OWN/ORR .0000 D \$ TO LIFE FLAT .00 1/24

OVERLAYS SCHEDULING RATES SCHEDULE UNTIL PROCEDURE ULTIMATE LAST EFF. DECL. INIT. RATE FINAL RATE

905 LOAD	P.OIL OIL #			18.647	2/00				
910 LOAD	P.GAS GAS #			31.616	2/00				
915 LOAD	P.WATER WTR #			6.297	2/00				

INVESTMENT TANGIBLES & INTANGIBLES TIME TIME PROCEDURE TOTAL T&I MONTH RISK INV. TOT. T&I&R ESC. T&I&R

800 DRILL	330.00	495.00 MSG	10/95	AD				825.0	825.0
801 SALVAGE	-33.00	.00 MSG	TO	LIFE				-33.0	-33.0

RESERVE PARAMETERS ITEM ITEM

201 LOSS	NO								
205 CUMO, MB	18.43	CUMG, MMF	31.08					CUML, MB	

PROJECT ASSUMPTIONS

BASE DATE : 10/95 TIME FRAMES : 1\*3 38\*12 1\*600

P.W. DATE : 10/95 PW \$-AGE : 10.0 DISC. FREQUENCY : 365.

REPORT DATE : 10/95 PROD QVAL : CD OWNER QVAL : CD OTHER QVAL : CD

RESERVES AND ECONOMICS  
 EFFECTIVE DATE: 10/95

PERIOD ENDING	12/95	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	12/04	S TOT	AFTER	TOTAL
1) WORKING INTEREST, \$	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000
2) REVENUE INTEREST, \$	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500
INVESTMENTS, M\$													

OWNERSHIP	12/95	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	12/04	S TOT	AFTER	TOTAL
3) BORROWED CAPITAL	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4) EQUITY INVESTMENTS	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0
5) RISK	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) TOTAL	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	792.0

OIL PHASE	12/95	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	12/04	S TOT	AFTER	TOTAL
8) GROSS OIL, MB	2.0	5.1	5.0	2.9	3.2	2.4	1.9	1.6	1.4	1.3	26.7	4.2	30.9
9) NET OIL, MB	1.7	4.5	4.3	2.5	2.8	2.1	1.7	1.4	1.2	1.1	23.4	3.7	27.1
10) OIL REVENUE, M\$	30.1	95.6	86.0	34.2	51.5	50.2	32.9	26.0	21.4	18.9	446.6	63.6	510.1
11) OIL PRICE, \$/B	17.48	21.35	19.83	13.52	18.34	24.03	19.76	18.29	17.27	17.22	19.10	17.22	18.85

GAS PHASE	12/95	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	12/04	S TOT	AFTER	TOTAL
12) GROSS GAS, MMF	5.8	6.3	7.9	4.5	6.0	4.7	3.6	3.1	2.7	2.4	47.1	7.9	55.0
13) NET GAS, MMF	5.1	5.5	6.9	4.0	5.3	4.1	3.2	2.7	2.4	2.1	41.2	6.9	48.1
14) GAS REVENUE, M\$	9.2	13.6	16.9	7.9	11.3	10.2	7.8	6.6	5.8	5.1	94.4	16.9	111.3
15) GAS PRICE, \$/MCF	1.810	2.480	2.460	1.980	2.140	2.470	2.450	2.440	2.440	2.440	2.292	2.440	2.314

WATER PHASE	12/95	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	12/04	S TOT	AFTER	TOTAL
16) GROSS WATER, MB	2.7	1.0	.9	.7	.8	.1	.0	.0	.0	.0	6.3	.0	6.3
17) NET WATER, MB	2.7	1.0	.9	.7	.8	.1	.0	.0	.0	.0	6.3	.0	6.3
18) WATER PRICE, \$/B	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000

ECONOMICS, M\$	12/95	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	12/04	S TOT	AFTER	TOTAL
19) GROSS REV. TO INTR.	39.2	109.2	102.9	42.1	62.7	60.4	40.7	32.6	27.1	24.0	541.0	80.5	621.5
20) - SEV. TAX	2.9	7.8	7.4	3.0	4.5	4.4	2.9	2.4	2.0	1.7	39.1	5.8	44.9
22) - AD VALOREM TAX	.1	.2	.2	.1	.1	.1	.1	.1	.0	.0	.9	.1	1.0
23) - OPERATING COSTS	3.6	14.3	14.3	14.3	14.3	14.3	14.3	14.3	14.3	14.3	132.1	61.9	194.0
24) - SMD	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
25) - CAPITAL REPAIRMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
28) - NET INCOME	32.7	86.9	81.0	24.7	43.8	41.6	23.4	15.9	10.9	7.9	368.9	12.7	381.6
29) - INVESTMENTS & RSK	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0	-33.0	792.0
30) = BFTT NET	-792.3	86.9	81.0	24.7	43.8	41.6	23.4	15.9	10.9	7.9	-456.1	45.7	-410.4

PRESENT WORTH @ 10.00 %	12/95	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	12/04	S TOT	AFTER	TOTAL
31) NET INCOME	32.3	80.7	68.1	18.8	30.1	25.9	13.2	8.1	5.0	3.3	285.5	4.4	289.8
32) INVESTMENTS & RISK	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0	-8.6	816.4
33) BFTT NET	-792.7	80.7	68.1	18.8	30.1	25.9	13.2	8.1	5.0	3.3	-539.5	12.9	-526.6
34) CUM BFTT NET	-792.7	-712.0	-643.9	-625.2	-595.0	-569.1	-556.0	-547.9	-542.9	-539.5	-539.5	-526.6	-526.6

AFTER TAX ECONOMICS

DATE : 02/07/00  
 TIME : 13:36:05  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 39

EFFECTIVE DATE: 10/95

PERIOD ENDING 12/95 12/96 12/97 12/98 12/99 12/00 12/01 12/02 12/03 12/04 S TOT AFTER TOTAL 13.6 YR

TAX TREATMENT OF INVESTMENTS, M\$

1) EXP, RISK & CAP INT	495.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	495.0	.0	495.0
2) DEPLETABLE	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
3) DEPRECIABLE	330.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
TOT	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
AFTER	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
TOTAL	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0

TAX CALCULATIONS, M\$

4) GROSS REV. TO INTR.	39.2	109.2	102.9	42.1	62.7	60.4	40.7	32.6	27.1	24.0	541.0	80.5	621.5
5) - SEVERANCE TAX	2.9	7.8	7.4	3.0	4.5	4.4	2.9	2.4	2.0	1.7	39.1	5.8	44.9
6) - WPT TAX NET	.0	.0	1.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) - OPR. COSTS & ATX	3.6	14.5	14.4	14.3	14.4	14.3	14.3	14.3	14.3	14.3	132.9	62.0	195.0
8) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
9) - OVERHEAD	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
10) - EXPENSED INV.	495.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	495.0	.0	495.0
11) - DEPRECIATION	11.8	55.5	75.0	53.6	38.3	29.5	29.5	29.5	7.4	.0	330.0	.0	330.0
12) = NET	-474.0	31.4	6.0	-28.9	5.5	12.2	-6.1	-13.6	3.5	7.9	-456.1	12.7	-443.4
13) - DEPLETION	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
14) - INTEREST PD & CAP	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
15) = TAXABLE	-474.0	31.4	6.0	-28.9	5.5	12.2	-6.1	-13.6	3.5	7.9	-456.1	12.7	-443.4
16) * TAX RATE, %	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0
17) - TAX CREDIT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
18) - WPT REFUND	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
19) = F.I.T.	-165.9	11.0	2.1	-10.1	1.9	4.3	-2.1	-4.8	1.2	2.8	-159.6	4.4	-155.2
20) REVENUE-SEV-WPT	36.4	101.4	95.5	39.0	58.2	56.0	37.7	30.2	25.2	22.2	501.9	74.7	576.5
21) - OPR. COSTS & ATX	3.6	14.5	14.4	14.3	14.4	14.4	14.3	14.3	14.3	14.3	132.9	62.0	195.0
22) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
23) - F.I.T.	-165.9	11.0	2.1	-10.1	1.9	4.3	-2.1	-4.8	1.2	2.8	-159.6	4.4	-155.2
24) = A.F.I.T.	198.7	75.9	78.9	34.8	41.9	37.4	25.5	20.6	9.6	5.2	528.5	8.2	536.8
25) - LOAN REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) = NET INCOME	198.7	75.9	78.9	34.8	41.9	37.4	25.5	20.6	9.6	5.2	528.5	8.2	536.8
28) - INVESTMENTS & RSK	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0	-33.0	792.0
29) = A.F.I.T. NET	-626.3	75.9	78.9	34.8	41.9	37.4	25.5	20.6	9.6	5.2	-296.5	41.2	-255.2

PRESENT WORTH @ 10.00 %

30) NET INCOME	196.2	70.5	66.3	26.4	28.8	23.3	14.4	10.5	4.4	2.2	443.0	2.9	445.8
31) INVESTMENTS & RISK	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0	-8.6	816.4
32) A.F.I.T. NET	-628.8	70.5	66.3	26.4	28.8	23.3	14.4	10.5	4.4	2.2	-382.0	11.4	-370.6
33) CUM. A.F.I.T. NET	-628.8	-558.3	-492.0	-465.6	-436.8	-413.5	-399.2	-388.6	-384.2	-382.0	-382.0	-370.6	-370.6



JRU #17 WOLFCAMP  
 PREPARED BY: KENT ADAMS

DATE : 02/07/00  
 TIME : 13:36:05  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 39

E C O N O M I C I N D I C A T O R S

AS OF DATE: 10/95

B.F.I.T.                    A.F.I.T.                    A.F.I.T.  
 WORTH                    WORTH                    BONUS  
 M\$-----                M\$-----                M\$-----

PRESENT WORTH PROFILE AND  
 RATE-OF-RETURN VS. BONUS TABLE

0.	-410.428	-255.828	-392.658
2.	-440.456	-284.812	-419.752
5.	-478.152	-322.166	-450.968
6.	-489.105	-333.073	-459.540
8.	-509.006	-352.963	-474.625
10.	-526.604	-370.640	-487.504
20.	-590.768	-435.978	-531.912
30.	-631.379	-478.295	-559.085
40.	-659.550	-508.258	-578.060
50.	-680.322	-530.782	-592.312
60.	-696.311	-548.456	-603.536
70.	-709.018	-562.787	-612.695
80.	-719.374	-574.715	-620.381
90.	-727.986	-584.858	-626.980
100.	-735.267	-593.635	-632.753

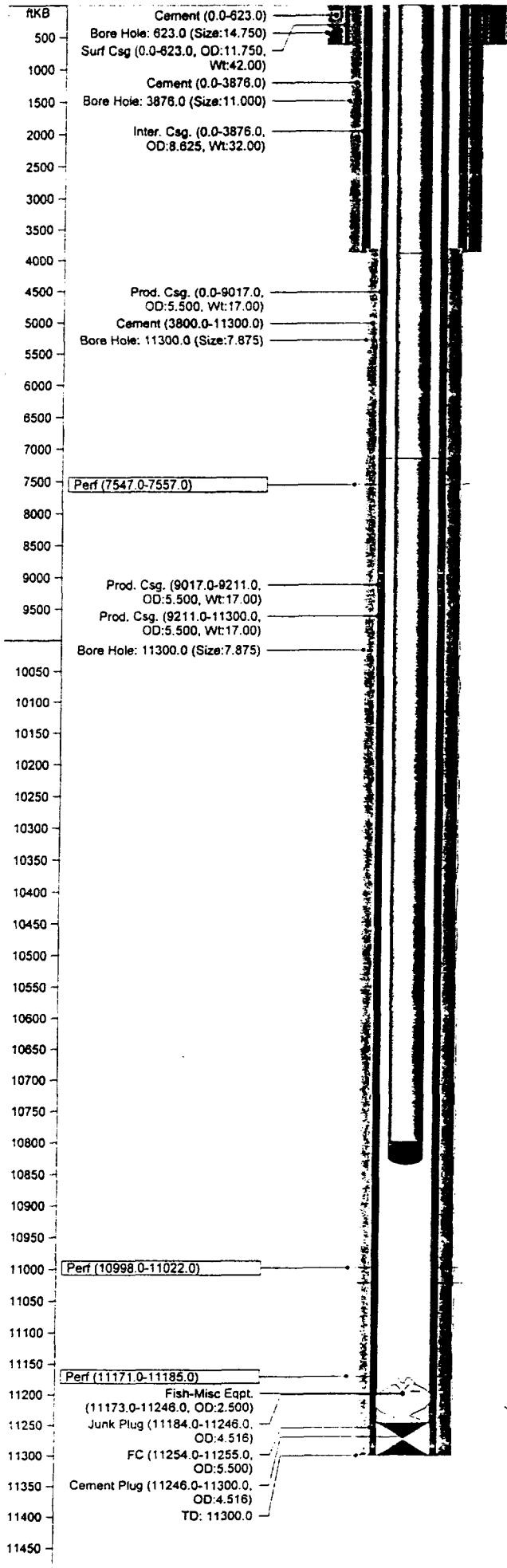
RATE OF RETURN, PCT.                    .0                    .0

UNDISCOUNTED PAYOUT, YRS.                13.58                13.58

DISCOUNTED PAYOUT, YRS.                13.58                13.58

UNDISCOUNTED NET/INVEST.                .48                    .68

DISCOUNTED NET/INVEST.                .36                    .55



JAMES RANCH UNIT #17			
API No.	3001527784	Status	ACT OIL
TD	11300.0 ftKB	Engineer	KA
PBTD	11246.0 ftKB		
Operator	BEPKO	Permit	
Well No.	17	Spud	12/14/93
ID Code		RR	1/9/94
Field	LOS MEDANOS	Completion	1/24/94
Author	RAS	Last Act.	
Date Updated	12/10/98	Abandoned	
Comments	Drilled by Enron		

Location			
Township	S023	Top Latitude	0
		Top Longitude	0
Range	E031	Top NS Distance	2080.0 ft N
		Top EW Distance	1980.0 ft W
Section	6	Bottom Latitude	0
Unit Ltr.	F	Bottom Longitude	0
State	NEW MEXICO	Btm NS Distance	0.0 ft
County	EDDY	Btm EW Distance	0.0 ft

Elevations			
KB	3327.3 ft	Cas Flng	0.0 ft
Grd	3310.6 ft	Tub Head	0.0 ft
KB-Grd	16.7 ft		

Casing String - Surface Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
11 3/4 in Surf Csg	0.0	623.0	14	11.080	42.00	H-40	STC

Casing String - Intermediate Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
8 5/8 in Inter. Csg.	0.0	3876.0	90	7.920	32.00	K-55	STC

Casing String - Production Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
5 1/2 in Prod. Csg.	0.0	9017.0	201	4.890	17.00	110/CF5	LTC
5 1/2 in Prod. Csg.	9017.0	9211.0	5	4.890	17.00	P110	LTC
5 1/2 in Prod. Csg.	9211.0	13000.0	47	4.890	17.00	110/S9	STC
5 1/2 in FC	1254.0	1255.0		0.000	0.00		

Casing Cement			
Casing String	Top (ftKB)	Amount (sx)	Comments
Surface Casing	0.0	425	
Intermediate Casing	0.0	1195	
Production Casing	3800.0	1706	TOC by temp survey.

Tubing String - Primary Tubing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
2 7/8 in Tbg. w/reg colr	0.0	3894.0	118	2.441	6.50	N-80	8rd
2 7/8 in Tbg. w/TD colr	3894.0	7151.0	104	2.441	6.50	N-80	8rd
5 1/2 in Baker TAC	7151.0	7154.0		2.875	0.00		
2 7/8 in Tbg. w/TD colr	7154.0	10799.0	116	2.441	6.50	N-80	8rd
2 7/8 in .5' SN, 4' PS, 32.6' MA	10799.0	10836.0		2.441	0.00		

Other (plugs, equip., etc.) - Plug Back			
Date	Item		Int (ftKB)
11/19/95	Junk Plug		11184.0 - 11246.0
1/9/94	Cement Plug		11246.0 - 11300.0

Perforations			
Date	Int	Shots (/ft)	Status
1/22/94	10998.0 - 11022.0	4.0	
10/16/95	11171.0 - 11185.0	2.0	
2/3/96	7547.0 - 7557.0	2.0	

Stimulations & Treatments					
Date	Type	Interval	Fluid	Sand	Comments
1/23/94	Sand Frac	10998.0 - 11022.0			
11/26/94	CO2 Foam Job	10998.0 - 11022.0			

## WELL HISTORY

**WELL NAME:** James Ranch Unit No. 17

**FIELD NAME:** Los Medanos (Bone Spring)

**LOCATION:** 2080' FNL & 1980' FWL, Sec 6, T23S, R31E, Unit F, Eddy County, NM

**ELEV:** 3310.6' GL; 3327.3' KB

**SPUD DATE:** 12/14/93

**COMP DATE:** 1/21/94 (RR 1/9/94)

**ORIG TD:** 11,300'

**ORIG PBSD:** 11,254'

**CURRENT PBSD:** 11,254'

**CASING:**  
11-3/4" 42# H-40 ST&C CSA 623' w/425 sx, cmt circ, 14-3/4" hole 0-623'.  
8-5/8" 32# J-55 & K-55 ST&C CSA 3876' w/1195 sx, cmt circ, 11" hole 623-3876'.  
5-1/2" 17# P-110/S-95 & P-110/CF-95 LT&C CSA 11,300' w/1706 sx, TOC 3,800' (TS),  
7-7/8" hole 3876-11,300'.

**TBG:** 2-7/8", 6.5#, N-80

**DST:**

**CORES & LOGS:** 1/7/94 Ran Caliper/Gamma/Spectral, Density/Dual Spaced Neutron/Dual Lateralog/Micro-SFL.  
1/22/94 Ran CBL/GR/CCL 10,900-11,234' & 7,000-8,000'.  
  
1/8/94 Took 20 sidewall cores @ 11195, 11192, 11187, 11183, 11177, 11174, 11021, 11019, 11013, 11007, 11004, 11001, 7670, 7626, 7612, 7592, 7588, 7568, 7557, 7552'.

**INITIAL COMPLETION:**

1/22/94-2/9/194  
Run CBL/GR/CCL 10,900-11,234' & 7,000-8,000'.

1/22/94 Perf 10,998-11,022', 4 SPF. Frac w/91,500 gals gel & 116,000# 20/40 Interprop Plus. Ran packer in attempt to stabilize prod.  
IP: 4/11/94 24 hr F 28 BO, 6 BLW, & 63 MCF on 1" chk. FTP 40, FCP 60, LP 35.

**WORKOVERS:**

11/26/94-12/20/94 **STIMULATE WELL**  
Pumped E-Z Clean treatment w/5400 gals E-Z clean w/CO<sub>2</sub> w/70 quality foam. Flush w/2800 gals 50 quality foam.  
AWO: 12/20/94 24 hr F 50 BO, 44 BW, & 43 MCF on 1" chk. LP 43#.

**JAMES RANCH UNIT NO. 17  
WELL HISTORY**

10/13/95-3/20/96

**RECOMPLETE AND FRACTURE STIMULATE**

Tag fill @ 11,084'. Wash sd 11,084-244'. Spot 200 gals 15% HCL weighted acid + additives 11,212-11,012'.

10/16/95

**Perf 11,171-185'**, 2 SPF. Set Guiberson perm pkr @ 11,080'. **Frac 11,171-185'** w/24,000 gals Spectra Frac G-4000 40# XL gel, 132,280# 20/40 Ottawa sd, & 20,000# 20/40 Econoprop. Flow test well. Test: 24 hrs F 225 BO, 50 BW, 504 MCF on 16/64" chk. Set tbg plug w/no-go in "R" nipple @ 11,108' & attempt to shear off plug, no jar action. Slickline equipment stuck w/sd in the permanent pkr. Fish & mill pkr for 4 weeks at a cost of \$227,000. Did not recover fish. Fish consists of slickline sinker bars, 5' millout ext., cross over, 10' 2-3/8" tbg sub, type "F" profile nipple, 10' 2-3/8" tbg sub, type "R" profile nipple. While running GR/CCL tagged top of fish (slickline sinker bars) @ 11,173'. Using washpipe tagged mill out ext. @ 11,184'. Swab well & it began to flow. Flow test well. Test: 124 BO, 19 BW, 242 MCF on 12/64" chk. Tag fill @ 11,180'. Set 5-1/2" Fas-Drill BP @ 11,130' w/10' sd on top. **Spot 200 gals 15% HCL acid + additives 10,998-11,022'**. BD perfs @ 2250 psi @ 1.7 BPM. **Acidize w/2000 gals 15% HCL + additives**, dropping 120 1.3 SG RCN ball sealers evenly spaced. No ball action. **Frac 10,998-11,022'** w/34,100 gals 40# Spectrofrac, 2900 gals 40# Liner gel, & 100,000# sd. Flow well. Tag sd fill @ 11,018'. Wash sd 11,018-120'. Swab well. Flow test well. Test: 24 hrs F 85 BO, 145 BW, 187 MCF on 16/64" chk. FTP 100#. Set BP @ 10,500' w/20' industrial sd on top.

2/3/96

**Perf 7547-57'**, 2 SPF. **Spot 200 gals 15% HCL acid + additives across perfs 7547-57'**. BD perfs @ 1849 psi tbg & 1689 psi csg. **Acidize w/1200 gals 7-1/2" HCL acid + additives & 30 1.3 SG RCN ball sealers**. **Frac w/18,000 gals Dowell 30# XL gel & 76,000# 20/40 Brady sd**. Swab well. Well kicked off & began to flow. Place well on prod. Well died. Set 640 pmpg unit. Place back on prod. Tag top of fill @ 10,335'. Attempt to wash sd, CP incr to 650 psi & lost 90 to 95% returns. (Lost an additional ±110 bbls to perfs - 210 bbls total). Flush tbg w/±60 bbls 2% KCL to break circ w/45 bbls gone w/80-90% returns. Displace wellbore conventional w/±220 bbls 10.8 ppg mud mixture, with ±40% returns, losing ±50 bbls mud to perfs. Re-break circ (conventional) w/25 bbls same w/70-80% returns, @ 2 BPM with 650-800 psi. Re-tag top of sd @ 10,335'. Wash sd to BP @ 10,500' w/±70% @ returns @ 2 BPM with 400 to 450 psi @ csg. Just prior to rec sd at surf, Delaware perfs broke down. Lost full returns. Lost an additional 140 bbls mud to perfs (190 bbls total) w/no sd rec. Attempt to flush tbg, found 8 stands plugged w/sd. Tag bridge @ 9715', wash thru bridge conventional (±4'). Re-tag top of fill @ 10,490', wash same & drill BP, fell free after ±35 mins with 450 psi csg and 90% loss of returns. Tag top of fill @ 11,038' (92' of fill on 2nd BP). Lost additional 95 bbls mud mixture to Delaware perfs. (Note: Began mixing small stream of 2% KCL to mud mixture during cleanout, attempting to lower weight to 10.5 ppg). Tag fill @ 10,970' (28' above top BS perf). Attempt to flush tbg, discover tbg plugged. Attempt to unplug, no success. Rec sd & BP material @ X-over from tbg to collars. Pump 46 bbls Magma Fiber pill, spot across perfs (300' above) w/5 bbls BW @ 1200 psi @ 2 BPM. Close csg valve & disp 5 bbls Magma Fiber into perfs. ISIP 700 psi & 535 psi after 30 mins. Rev Magma-Fiber pill ±5 additional bbls back onto transport @ 2 BPM w/±250 psi w/90-100% returns. Re-tag top of fill @ 10,933'. Wash ±20' of fill, returns decr losing 90-95% after ±45 bbls w/returns changing to thick mud type fluid @ surf. Re-break circ w/100% + returns, continue w/same for ±135 bbls (mud slurry @ ±6500' on backside) to have returns decr, losing 90-95%. Load tbg w/5 bbls 2% KCL & attempt to break circ to pit,

to

10/13/95-3/20/96

**CONTINUED**

1/24/00

RAS

**JAMES RANCH UNIT NO. 17  
WELL HISTORY**

no avail. Break circ w/35 bbls 2% KCL w/900 to 950 psi @ ±2 BPM w/50% returns, pump ±85 bbls w/circ press decr to ±350 psi w/95% returns. Re-break circ conventional @ 2 BPM w/700-750 psi. Clean up returns to have circ press decr to ±350 psi w/95% returns to rec 45-60 bbls thick mud slurry to pit, cont to disp wellbore w/2% KCL to have circ press once again decr to ±350 psi. Re-tag top of fill @ ±10,933'. Wash fill to 11,030' (100' above BP) @ 2.5 BPM w/500 psi @ tbg & ±30-40 psi @ csg w/95% returns. Clean up same for ±2 hrs to rec sd, BP material, plastic & rubber. Unloading oil & gas. Attempt to circ gas bubble w/±50 bbls 2% KCL, no success. Kill tbg w/35 bbls 10# BW. Re-tag top of fill @ 11,030'. Wash sd (conventional) to BP @ 11,130', disp wellbore w/ ±240 bbls 10 ppg BW. Attempt to break circ reverse w/no success, (650 to 700 psi @ 1.5 BPM for ±20 bbls). Switch to conventional & re-break circ. Drill on BP for ±30 mins. (Made ±8" to 10"). Broke circ with ±30% returns w/±700 psi. Fell free after ±10 mins. Tag top of fish @ 11,180' pump ±40 bbls. Returns began to unload w/good show of gas w/BP material & sd @ 120 psi @ 2.5 BPM w/50% returns. Continue to clean up same for an additional ±45 mins w/gas show decr to weak blow. Re-tag top of fish as before @ 11,180'. Install prod equip & place well on production. **NOTE: No attempt was made to rec Magma Fiber or lost mud from Delaware perms.**

**AWO: 3/20/96 24 hrs P 170 BO, 74 BW, 230 MCF. 10-31 BOL.**

Turn over well operations to Enron @ 10:00 a.m. MST 3/20/96.

8/1-4/96

**INSTALL PUMPING UNIT**

CO fill 11,170-11,178'. Install pumping equipment.

**AWO: 9/10/96 24 hrs P 81 BO, 53 BW, 215 MCF.**

5/21/98

Fish pump. Plunger stuck open w/sand.

8/17/98

Pump change. Trash in pump.

5/25/98

Clean out frac sand. Drill & bail frac sand from 11,140' to top of fish @ 11,173' +/-.

1/24/00

RAS

OIL CONSERVATION DIVISION

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

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

DISTRICT II  
 P.O. Box 100, Artesia, NM 88210

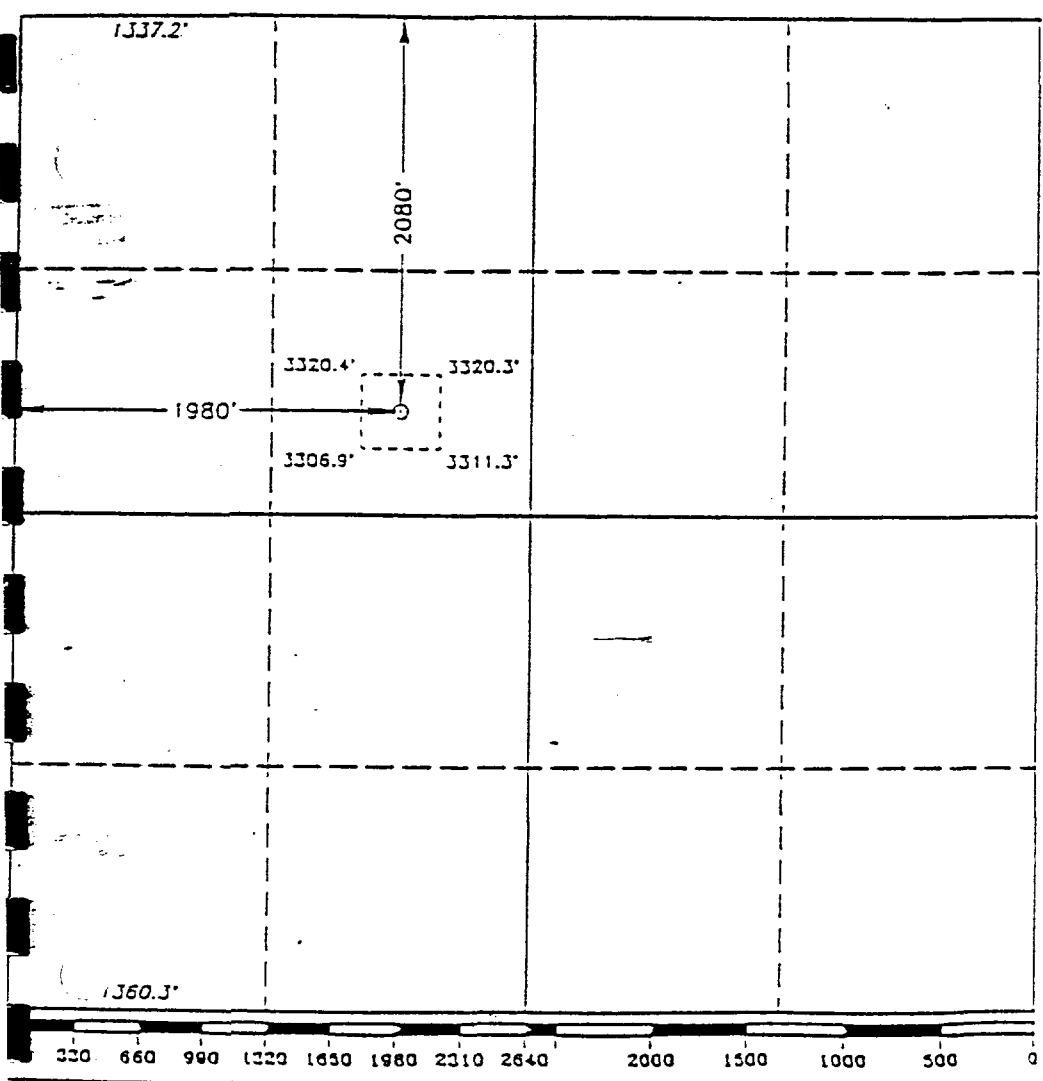
DISTRICT III  
 1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator ENRON OIL AND GAS CO.		Lease JAMES RANCH UNIT		Well No. 17	
Unit Letter F	Section 6	Township 23 SOUTH	Range 31 EAST	County NMPH EDDY	
Actual Footage Location of Well:					
2080 feet from the NORTH line and		1980 feet from the WEST line			
Ground Level Elev. 3310.6'	Producing Formation Delaware/Bone Spring	Pool Los Medanos	Dedicated Acreage: 40 Acres		

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
  - If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
  - If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?
    - Yes  No If answer is "yes" type of consolidation \_\_\_\_\_
- If answer is "no" list of owners and tract descriptions which have actually been consolidated. (Use reverse side of this form necessary.)
- No allowable will be assigned to the well unit all interests have been consolidated (by communitization, unitization, forced-pooling, otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



**OPERATOR CERTIFICATION**

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature: *Betty Gildon*

Printed Name: Betty Gildon

Position: Regulatory Analyst

Company: Enron Oil & Gas Company

Date: 7/22/93

**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 knowledge and belief.

Date Surveyed: MAY 27, 1993

Signature & Title of Professional Surveyor: *[Signature]*

Certification No. 7077

NEW MEXICO SURVEYOR

93-11-0985

SUNDRY NOTICES AND REPORTS ON WELLS

not use this form for proposals to drill or to deepen or identify to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals

5. Lease Designation and Serial No.  
NM 02887-D

6. If Serial, Allotment or Tract Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.  
James Ranch Unit #17

9. API Well No.  
30 015 27784

10. Field and Pool or Exploratory Area  
Los Medanos ~~Bone Spring~~

11. County or Parish, State  
Lea County, NM

SUBMIT IN TRIPLICATE

Type of Well  
 Oil Well     Gas Well     Other

2. Name of Operator  
Enron Oil & Gas Company

Address and Telephone No.  
P. O. Box 2267, Midland, Texas 79702 (915) 686-3714

3. Location of Well (Postage, Sec., T., R., M., or Survey Description)  
2080' FNL & 1980' FWL  
Section 6, T23S, R31E

CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

- Notice of Intent
- Subsequent Report
- Final Abandonment Notice

- Abandonment
- Reconstruction
- Plugging Back
- Casing Repair
- Alarming Casing
- Other Added Wolfcamp Perfs

- Change of Plans
- New Construction
- Non-Routine Fracturing
- Water Shut-Off
- Conversion to Injection
- Dispose Water

(Note: Report results of multiple completion on Well Completion or Abandonment Report and Log form.)

Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work, if well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

10-15-95 - Perforated 11,171'-11,185' (14', 28 shots.)

10-18-95 - Frac Wolfcamp perfs with 24,000 gals Spectra frac G-4000 40# XL gel and 132,280# 20/40 Ottawa sand and 20,000# 20/40 Econoprop.

11-21-95 - 2-7/8" tubing at 10,979'.

11-26-95 - 24 hour test from Bone Spring and Wolfcamp.

148 BOPD, 38 BWP, 257 MCFD, 12/64" choke, 35-100 psi FTP, 1290 psi SICP.

Wolfcamp Production: 141 BOPD, 34 BWP, 240 MCFD.

Bone Spring Production: 7 BOPD, 4 BWP, 17 MCFD.

I hereby certify that the foregoing is true and correct:

Betty Gildon

Regulatory Analyst

Date 12/4/95

(This space for Federal or State office use)

Approved by \_\_\_\_\_  
Conditions of approval, if any:

Title \_\_\_\_\_

Date \_\_\_\_\_

14. Section 1001, makes 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 communications as to any matter within its jurisdiction.

\*See instruction on Reverse Side

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SEPCO TO PRODUCTION FORM APPROVED  
OMB NO. 1004-0137  
EFFECTIVE February 23, 1995  
RECEIVED NM 02887-D

File

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1. TYPE OF WELL: OIL WELL  GAS WELL  DEW  OTHER   
 2. TYPE OF COMPLETION: NEW WELL  WORK OVER  REKIT-EN  PLSB BACK  DIFF. EXHVL  OTHER   
 3. NAME OF OPERATOR: Enron Oil & Gas Company  
 4. ADDRESS AND TELEPHONE NO.: P. O. Box 2267, Midland, Texas 79702  
 5. LOCATION OF WELL (Report location clearly and in accordance with any state requirements):  
 At surface: 2080' FNL & 1980' FWL  
 At the prod. interval reported below: 2080' FNL & 1980' FWL  
 At total depth: 2080' FNL & 1980' FWL  
 6. IF INDIAN ALLOTTEE OR TRIBE NAME:  
 7. UNIT AGREEMENT NAME:  
 8. FARM OR LEASE NAME, WELL NO.: James Ranch Unit #17  
 9. API WELL NO.: 30 015 27784  
 10. FIELD AND POOL OR WILDCAT: Los Medanos Bone Spring  
 11. SEC. T., R., M. OR BLOCK AND SURVEY OR AREA: Sec 6, T23S, R31E  
 12. COUNTY OR PARISH: Eddy  
 13. STATE: NM

14. PERMIT NO.: - DATE ISSUED: 10-13-93  
 15. DATE SPUNNER: 12-14-93 16. DATE T.D. REACHED: 1-2-94 17. DATE COMPL. (Ready to prod.): 1-21-94 18. ELEVATIONS (DP, EMB, ST, OR, ETC.): 3310.6' GR 19. SLT. CAPTURED: 3310.6'  
 20. TOTAL DEPTH, MD & TVD: 11,300' 21. PLUG BACK T.D., MD & TVD: 11,254' 22. IF MULTIPLE COMPL. HOW MANY? -> 23. INTERVALS DRILLED BY: ROTARY TOOLS: -X CABLE TOOLS:  
 24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD): 10,998'-11,022' (Bone Spring) 25. WAS DIRECTIONAL SURVEY MADE: No  
 26. TYPE ELECTRIC AND OTHER LOGS RUN: SDL-DSN, DLL-MSEI 27. WAS WELL COILED: Yes

CASING RECORD (Report all strings set in well)

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
11-3/4"	42#	623	14-3/4"	425 CL C	Circulated
8-5/8"	32#	3876	11"	970 PSL & 225 CL C	Circulated
5-1/2"	17#	11300	7-7/8"	1576 Super H & 130 CL H	Tamp Survey TOC at 3800'

29. LINER RECORD 30. TUBING RECORD

SIZE	TOP (MD)	BOTTOM (MD)	BACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					N/A		

31. PERFORATION RECORD (Direction, size and number) 32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
10998-11022	91.500 gals purgel & 116.000# 20/40 Interdrop plus

10,998'-11,022' (.39" 96)

33. PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping—list kind type of pump)	WELL STATUS (Producing or shut-in)
1-23-94	Flowing	Producing

DATE OF TEST	HOURS TESTED	CHOKER SIZE	PROD'N. FOR TEST PERIOD	OIL—BSL	GAS—MCF	WATER—BSL	GAS-OIL RATIO
1-24-94	24 hours	18/64"		35	0	120	0

FLOW, TUBING PERM.	CASING PERMEABLE	CALCULATED 24-HOUR RATE	OIL—BSL	GAS—MCF	WATER—BSL	OIL GRAVITY—API (CORR.)
-	540				-	39.0

34. DISPOSITION OF GAS (Sold, lease / or fuel, vented, etc.): N/A TEST WITNESSED BY:

35. LIST OF ATTACHMENTS: Logs  
 36. I, hereby certify that the foregoing and attached information is complete and correct as determined from all available records.  
 SIGNED: Ruth Lildon TITLE: Regulatory Analyst DATE: 1-25-94

(See Instructions and Specs for Additional Data on Reverse Side)

Title 18 U.S.C. Section 1001, makes 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.



37. **ARY OF POROUS ZONES:** (Show all important zones of porosity and contents thereof; cored intervals; and all stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries).

36. **GEOLOGIC MARKERS**

FORMATION	TOP		DESCRIPTION, CONTENTS, ETC.	BOTTOM		NAME	TOP	
	3876	6273		3876	6273		MEAS. DEPTH	TRUE VERT. DEPTH
Delaware Bone Sp. B.S. & Wolfcamp	0	10067	Redbed, Salt, Anhy Shale, Sand Sandstone, Shale, Limestone Limestone, Shale	3876 6273 10067 11300		Delaware Bone Spring 3rd B.S. Sand Wolfcamp	3934 7769 10594 11211	

**WORKSHEET FOR COMMERCIAL DETERMINATION  
AND PARTICIPATING AREA IN FEDERAL UNITS**

**WELL DATA**

WELL \_\_\_\_\_ JAMES RANCH UNIT NO. 19 \_\_\_\_\_ FORMATION \_\_\_\_\_ DELAWARE \_\_\_\_\_  
 LOCATION \_\_\_\_\_ ] \_\_\_\_\_ UNIT, \_\_\_\_\_ 1980 FEET FROM \_\_\_\_\_ S LINE & \_\_\_\_\_ 1980 FEET FROM \_\_\_\_\_ E LINE  
 SECTION \_\_\_\_\_ 36 TOWNSHIP \_\_\_\_\_ 22S , RANGE \_\_\_\_\_ 30E , COUNTY \_\_\_\_\_ EDDY \_\_\_\_\_ , NEW MEXICO  
 SPUD DATE \_\_\_\_\_ 3/22/93 \_\_\_\_\_ COMPLETION DATE \_\_\_\_\_ 4/24/93 \_\_\_\_\_ INITIAL PRODUCTION \_\_\_\_\_ 4/24/93 \_\_\_\_\_  
 PERFORATIONS \_\_\_\_\_ 6717-6929', 7216-7234', & 7418-27' \_\_\_\_\_

**STIMULATION:**

**ACID** \_\_\_\_\_ PERFS 6717-6929' - SPOT ACID. PERFS 7216-7234' - 2000 GALS 7-1/2% NEFE HCL + 60 BALL SEALERS. \_\_\_\_\_  
 \_\_\_\_\_ PERFS 7500-11' - 1250 GALS 7-1/2% NEFE HCL + 24 BALL SEALERS. PERFS 7418-7511' - 1250 GALS 7-1/2% NEFE HCL. \_\_\_\_\_  
**FRACTURE** \_\_\_\_\_ PERFS 6717-6929' - 5000 GALS 40# GEL + 1,000# 16/30 SUPER LC SD + 3000# 16/30 SUPER LC RC SAND. \_\_\_\_\_  
 \_\_\_\_\_ PERFS 7216-7234' - 37,000 GALS VIKING I-35 GEL & 100,320# 20/40 OTTAWA SAND. PERFS 7418-7511' - \_\_\_\_\_  
 \_\_\_\_\_ 35,000 GALS VIKING I-35 DLT, 76,000# 20/40 SAND, & 16,000# RC 20/40 SAND. \_\_\_\_\_  
 \_\_\_\_\_  
**POTENTIAL** \_\_\_\_\_ (12/20/93) PERFS 6717-6929' 80 BOPD, 67 BWP, 80 MCFD. (8/26/93) PERFS 7216-7234' 47 BOPD, 83 BWP, 65 MCFD. \_\_\_\_\_  
 \_\_\_\_\_ (5/11/93) PERFS 7418-7511' 150 BOPD, 220 BWP, 85 MCFD. \_\_\_\_\_

(Attach Copy of C-105. Attach Copy of Wellbore Sketch of Completed Well.)

**VOLUMETRIC CALCULATION**

	SANDS PERFORATED			SANDS NOT PERFORATED BUT POTENTIALLY PRODUCTIVE
Area (A) proration unit size, acres	<u>40</u>	<u>40</u>	<u>40</u>	_____
Porosity (por), %	<u>15.5%</u>	<u>16.0%</u>	<u>12.0%</u>	_____
Water saturation (Sw), %	<u>60%</u>	<u>62%</u>	<u>60%</u>	_____
Net Thickness (h), ft.	<u>7.5</u>	<u>15.5</u>	<u>63</u>	_____
Temperature (T), Fahrenheit	<u>120</u>	<u>120</u>	<u>120</u>	_____
Bottom Hole pressure (P), psia	<u>2,954</u>	<u>3,128</u>	<u>3,232</u>	_____
Recovery factor (RF), %	<u>17%</u>	<u>17%</u>	<u>16%</u>	_____
Recoverable oil, BB;S *(See eq. below)	<u>16,517</u>	<u>33,493</u>	<u>100,097</u>	_____

\*Sometimes unable to match performance due to volumetric uncertainty.

Formula = (7758) (A) (h) (por) (1-Sw) (1/Boi) (RF)

Boi = 1.50

**PERFORMANCE DATA**

(If sufficient history exists, attach plot of oil production rate v time.)

CUMULATIVE PRODUCTION TO	<u>11/30/99</u> ; <u>85,437</u>	BBLs
INITIAL RATE (qi)	<u>459</u>	
ECONOMIC LIMIT (qi)	<u>60</u>	
DECLINE RATE, dy (Hyperbolic, n=.98)	<u>13.40%</u>	
REMAINING OIL (Q) =	<u>57,963</u>	
ULTIMATE RECOVERABLE OIL	<u>143,400</u>	

(Attach plot showing proration unit and participating area.)

**ECONOMIC**

WELL COST \$ 570,000 (to the depth of formation completed)

RECOMPLETION COST \$ 30,000

TOTAL COST \$ 600,000

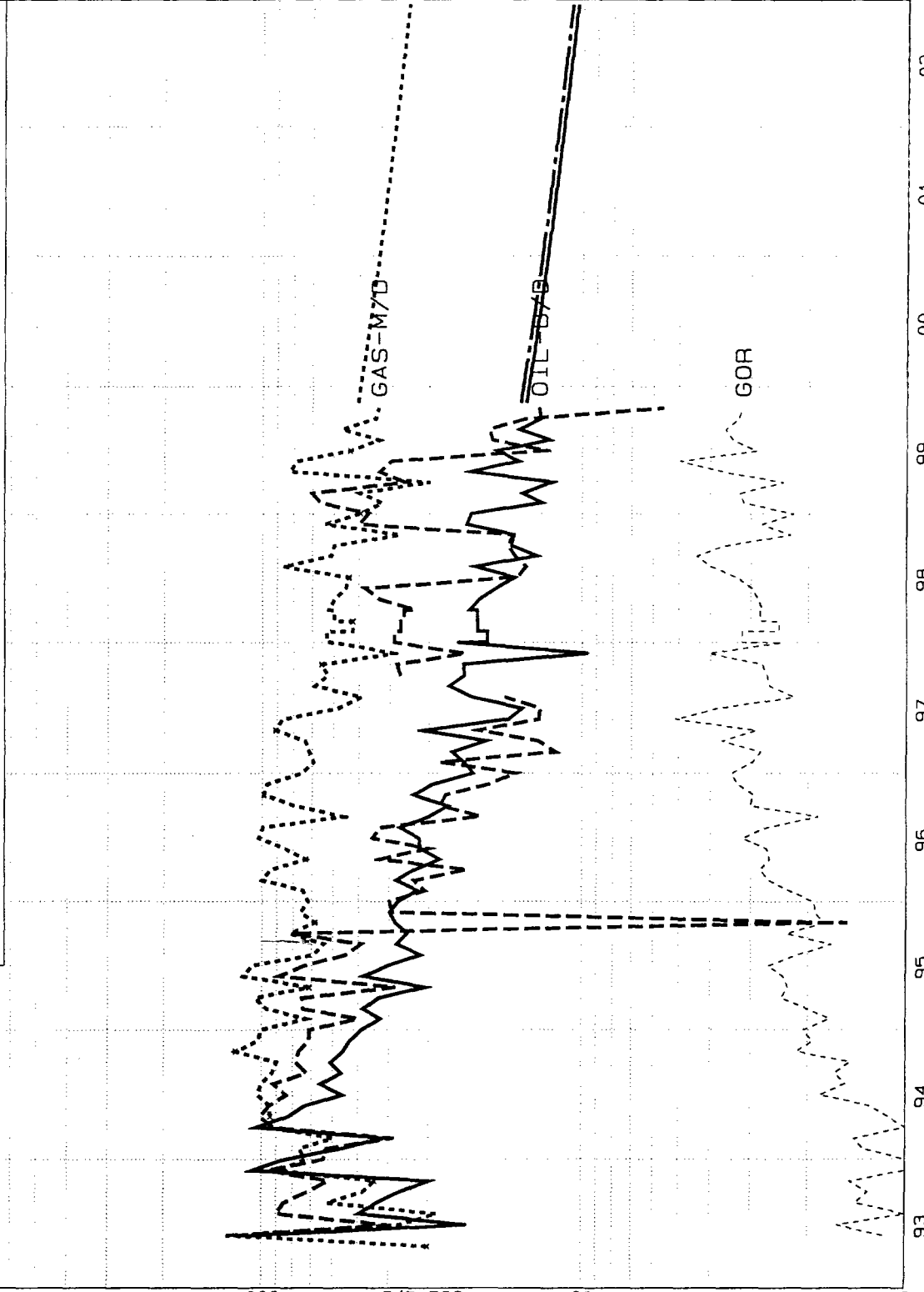
YEAR	GROSS OIL	REVENUE	OPERATING COST	10% NET BFIT DISCOUNTED CASH FLOW
ZERO	<u>0</u>	<u>0</u>	<u>0</u>	<u>-570,000</u>
1	<u>14,800</u>	<u>232,600</u>	<u>41,200</u>	<u>184,500</u>
2	<u>23,000</u>	<u>374,400</u>	<u>61,100</u>	<u>276,700</u>
3	<u>14,400</u>	<u>268,500</u>	<u>110,200</u>	<u>175,300</u>
4	<u>11,400</u>	<u>280,800</u>	<u>45,600</u>	<u>170,000</u>
5	<u>8,000</u>	<u>190,300</u>	<u>37,300</u>	<u>100,000</u>
6	<u>7,200</u>	<u>123,400</u>	<u>34,500</u>	<u>52,600</u>
7	<u>6,200</u>	<u>137,100</u>	<u>36,000</u>	<u>54,100</u>
8	<u>5,000</u>	<u>140,700</u>	<u>30,100</u>	<u>53,600</u>
9	<u>4,400</u>	<u>109,000</u>	<u>27,800</u>	<u>35,600</u>
10	<u>4,000</u>	<u>92,400</u>	<u>26,400</u>	<u>26,100</u>
REMAINDER	<u>45,000</u>	<u>1,001,100</u>	<u>534,900</u>	<u>101,200</u>

**WELL IS COMMERCIAL**

DELAWARE

JAMES RANCH UNIT  
WELL NO. 19

1000	100	10	10	1000
1000000	1000	10	10	1000
10000000	10000	100	10000	10000
100000000	100000	1000	100000	100000



1000	100	10	10	1000
1000000	1000	10	10	1000
10000000	10000	100	10000	10000
100000000	100000	1000	100000	100000

1000	100	10	10	1000
1000000	1000	10	10	1000
10000000	10000	100	10000	10000
100000000	100000	1000	100000	100000

ITEM	SCHEDULING RATES		SCHEDULE UNTIL		PROCEDURE	ULTIMATE	LAST	EFF. DECL	INT. RATE	FINAL RATE
405 START	11/99									
410 OIL	459.32	X	B/M	07/2012 AD	H/O.995	13.43	125.121	6/12	13.43	459.162.
415 "	162.18	X	B/M	23.71 IMU	EXP	5.00	148.833	8/31	5.00	162.61.
420 START	11/99									
425 GAS/OIL	3.37		M/B	09/2031 AD				8/31		
430 START	11/99									
435 WTR/OIL	1.04		U/B					8/31		
440 START	04/93									
516 PRI/OIL	16.8800	X	\$/B	1/95	PC	.00		8/31		16.880
517 "	18.39	X	\$/B	1/96	PC	.00		8/31		18.390
518 "	22.26	X	\$/B	1/97	PC	.00		8/31		22.260
519 "	20.74	X	\$/B	1/98	PC	.00		12/97		20.740
520 "	14.43	X	\$/B	1/99	PC	.00		12/98		14.430
521 "	19.25	X	\$/B	1/2000	PC	.00		12/99		19.250
522 "	24.94	X	\$/B	1/2001	PC	.00		12/00		24.940
523 "	20.67	X	\$/B	1/2002	PC	.00		12/01		20.670
524 "	19.20	X	\$/B	1/2003	PC	.00		12/02		19.200
525 "	18.18	X	\$/B	1/2004	PC	.00		12/03		18.180
526 "	18.13	X	\$/B	TO	PC	.00		8/31		18.130
531 PRI/GAS	1.8900	X	\$/M	1/95	PC	.00		8/31		1.890
532 "	1.94	X	\$/M	1/96	PC	.00		12/95		1.940
533 "	2.61	X	\$/M	1/97	PC	.00		12/96		2.610
534 "	2.59	X	\$/M	1/98	PC	.00		12/97		2.590
535 "	2.11	X	\$/M	1/99	PC	.00		12/98		2.110
536 "	2.27	X	\$/M	1/2000	PC	.00		12/99		2.270
537 "	2.60	X	\$/M	1/2001	PC	.00		12/00		2.600
538 "	2.58	X	\$/M	1/2002	PC	.00		12/01		2.580
539 "	2.57	X	\$/M	TO	PC	.00		8/31		2.570
544 PRI/WTR	.5000		\$/U	1/2000	PC	.00		3/93		.500
545 "	.08	X	\$/U	TO	PC	.00		12/95		.080
550 OPC/T	1600.00	X	\$/M	TO	SCH	OPC		8/31		1600.000
555 STX/OIL	7.08	X	\$	TO	PC	.00		8/31		.071
560 STX/GAS	7.93	X	\$	TO	PC	.00		8/31		.079
565 ATX	.17	X	\$	TO	PC	.00		8/31		.002
570 PRI/OIL	-.9100		\$/B	TO	PC	.00		8/31		-.910
575 PRI/GAS	-.1300		\$/M	TO	PC	.00		8/31		-.130
700 LSE/WI	100.0000	D	\$	TO	FLAT	.00		8/31		1.000
701 OMN/WI	100.0000	D	\$	TO	FLAT	.00		8/31		1.000

I N P U T D A T A

C A L C U L A T E D D A T A

720 LSE/RIC	12.5000	D	%	TO	LIFE	FLAT	.00	8/31	.125	.125
721 OWN/RI	.0000	D	%	TO	LIFE	FLAT	.00	8/31		
740 LSE/RIG	12.5000	D	%	TO	LIFE	FLAT	.00	8/31	.125	.125
760 LSE/ORR	.0000	D	%	TO	LIFE	FLAT	.00	8/31		
761 OWN/ORR	.0000	D	%	TO	LIFE	FLAT	.00	8/31		

OVERLAYS SCHEDULING RATES SCHEDULE UNTIL PROCEDURE ULTIMATE LAST EFF. DECL. INT. RATE FINAL RATE

905 LOAD	P.OIL OIL #	85.847	2/00		
910 LOAD	P.GAS GAS #	181.393	2/00		
915 LOAD	P.WATER WTR #	112.510	2/00		

INVESTMENT TANGIBLES & INTANGIBLES TIME PROCEDURE TOTAL T&I MONTH RISK INV. TOT. T&I&R ESC. T&I&R

800 DRILL	240.00	330.00	M\$G	04/93	AD	570.000	4/93		570.0	570.0
801 WORKOVER	.00	30.00	M\$G	01/94	AD	30.000	1/94		30.0	30.0
802 SALVAGE	-24.00	.00	M\$G	TO	LIFE	-24.000	8/31		-24.0	-24.0

RESERVE PARAMETERS ITEM ITEM

201 LOSS	NO									
205 CUMO, MB	85.44	CUMG, MMF	180.09							
210 LOSS	NO									

PROJECT ASSUMPTIONS

BASE DATE : 4/93 TIME FRAMES : 1\*9 38\*12 1\*600  
 P.W. DATE : 4/93 PW & -AGE : 10.0 DISC. FREQUENCY : 365.  
 REPORT DATE : 4/93 PROD QUAL : CD OWNER QUAL : CD OTHER QUAL : CD

R E S E R V E S A N D E C O N O M I C S  
 EFFECTIVE DATE: 4/93

33.5 YR  
 TOTAL

PERIOD ENDING	12/93	12/94	12/95	12/96	12/97	12/98	12/99	12/00	12/01	12/02	S TOT	AFTER	TOTAL
1) WORKING INTEREST, \$	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
2) REVENUE INTEREST, \$	87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500

OWNERSHIP

3) BORROWED CAPITAL	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4) EQUITY INVESTMENTS	570.0	30.0	.0	.0	.0	.0	.0	.0	.0	.0	600.0	.0	576.0
5) RISK	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) TOTAL	570.0	30.0	.0	.0	.0	.0	.0	.0	.0	.0	600.0	-24.0	576.0

OIL PHASE

8) GROSS OIL, MB	14.8	23.0	14.4	11.4	8.0	7.2	6.2	5.0	4.4	4.0	98.4	45.0	143.4
9) NET OIL, MB	13.0	20.1	12.6	10.0	7.0	6.3	5.5	4.4	3.9	3.5	86.1	39.4	125.5
10) OIL REVENUE, M\$	207.1	321.4	220.4	212.5	138.3	85.1	100.2	104.7	76.9	63.7	1530.4	677.9	2208.3
11) OIL PRICE, \$/B	15.97	15.97	17.48	21.35	19.83	13.52	18.34	24.03	19.76	18.29	17.77	17.22	17.60

GAS PHASE

12) GROSS GAS, MMF	16.5	34.4	30.3	31.5	24.2	22.1	19.7	16.6	15.0	13.4	223.7	151.4	375.1
13) NET GAS, MMF	14.5	30.1	26.6	27.5	21.1	19.3	17.3	14.6	13.1	11.7	195.8	132.5	328.2
14) GAS REVENUE, M\$	25.5	53.0	48.1	68.3	52.0	38.3	36.9	36.0	32.1	28.6	418.7	323.2	741.8
15) GAS PRICE, \$/MCF	1.760	1.760	1.810	2.480	2.460	1.980	2.140	2.470	2.450	2.440	2.139	2.440	2.260

WATER PHASE

16) GROSS WATER, MB	19.3	28.5	20.1	10.9	7.8	11.9	13.2	5.0	4.6	4.1	125.6	46.8	172.4
17) NET WATER, MB	19.3	28.5	20.1	10.9	7.8	11.9	13.2	5.0	4.6	4.1	125.6	46.8	172.4
18) WATER PRICE, \$/B	.500	.500	.500	.500	.500	.500	.500	.080	.080	.080	.454	.080	.353

ECONOMICS, M\$

19) GROSS REV. TO INTR.	232.6	374.4	268.5	280.8	190.3	123.4	137.1	140.7	109.0	92.4	1949.0	1001.1	2950.1
20) - SEV. TAX	16.7	27.0	19.4	20.5	13.9	9.1	10.0	10.3	8.0	6.8	141.5	73.6	215.2
22) - AD VALOREM TAX	.4	.6	.4	.4	.3	.2	.2	.2	.2	.1	3.1	1.6	4.6
23) - OPERATING COSTS	14.4	19.2	19.2	19.2	19.2	19.2	19.2	19.2	19.2	19.2	187.2	456.0	643.2
24) - SMD	9.7	14.3	10.1	5.5	3.9	6.0	6.6	4.4	.4	.3	57.0	3.7	60.8
25) - CAPITAL REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
28) = NET INCOME	191.5	313.4	219.4	235.2	153.0	89.0	101.1	110.6	81.3	65.9	1560.2	466.2	2026.3
29) - INVESTMENTS & RSK	570.0	30.0	.0	.0	.0	.0	.0	.0	.0	.0	600.0	-24.0	576.0
30) = BRIT NET	-378.5	283.4	219.4	235.2	153.0	89.0	101.1	110.6	81.3	65.9	960.2	490.2	1450.3

PRESENT WORTH @ 10.00 %

31) NET INCOME	184.5	276.7	175.3	170.0	100.0	52.6	54.1	53.6	35.6	26.1	1128.6	101.2	1229.9
32) INVESTMENTS & RISK	570.0	27.8	.0	.0	.0	.0	.0	.0	.0	.0	597.8	-1.8	597.0
33) BRIT NET	-385.5	248.8	175.3	170.0	100.0	52.6	54.1	53.6	35.6	26.1	530.8	102.1	632.9
34) CUM BRIT NET	-385.5	-136.7	38.6	208.6	308.6	361.3	415.4	469.0	504.6	530.8	530.8	632.9	632.9

A F T E R T A X E C O N O M I C S

EFFECTIVE DATE: 4/93

33.5 YR

PERIOD ENDING	12/93	12/94	12/95	12/96	12/97	12/98	12/99	12/00	12/01	12/02	S TOT	AFTER	TOTAL
TAX TREATMENT OF INVESTMENTS, M\$													
1) EXP, RISK & CAP INT	330.0	30.0	.0	.0	.0	.0	.0	.0	.0	.0	360.0	.0	360.0
2) DEPLETTABLE	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
3) DEPRECIABLE	240.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	240.0	-24.0	216.0

TAX CALCULATIONS, M\$

4) GROSS REV. TO INTR.	232.6	374.4	268.5	280.8	190.3	123.4	137.1	140.7	109.0	92.4	1949.0	1001.1	2950.1
5) - SEVERANCE TAX	16.7	27.0	19.4	20.5	13.9	9.1	10.0	10.3	8.0	6.8	141.5	73.6	215.2
6) - WPT TAX NET	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) - OPR. COSTS & ATX	24.4	34.1	29.7	25.1	23.4	25.4	26.0	19.8	19.7	19.7	247.3	461.3	708.6
8) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
9) - OVERHEAD	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
10) - EXPENSED INV.	330.0	30.0	.0	.0	.0	.0	.0	.0	.0	.0	360.0	.0	360.0
11) - DEPRECIATION	25.7	52.7	46.2	33.0	23.6	21.4	21.4	16.1	.0	.0	240.0	.0	240.0
12) = NET	-164.2	230.7	173.2	202.2	129.4	67.5	79.6	94.5	81.3	65.9	960.2	466.2	1426.3
13) - DEPLETTION	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
14) - INTEREST PD & CAP	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
15) = TAXABLE	-164.2	230.7	173.2	202.2	129.4	67.5	79.6	94.5	81.3	65.9	960.2	466.2	1426.3
16) * TAX RATE, %	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0
17) - TAX CREDIT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
18) - WPT REFUND	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
19) = F.I.T.	-57.5	80.8	60.6	70.8	45.3	23.6	27.9	33.1	28.4	23.1	336.1	163.2	499.2
20) REVENUE-SEV-WPT	215.9	347.4	249.1	260.3	176.4	114.3	127.1	130.4	101.0	85.6	1807.5	927.5	2735.0
21) - OPR. COSTS & ATX	24.4	34.1	29.7	25.1	23.4	25.4	26.0	19.8	19.7	19.7	247.3	461.3	708.6
22) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
23) - F.I.T.	-57.5	80.8	60.6	70.8	45.3	23.6	27.9	33.1	28.4	23.1	336.1	163.2	499.2
24) = A.F.I.T.	249.0	232.6	158.8	164.4	107.7	65.3	73.2	77.5	52.8	42.8	1224.1	303.0	1527.1
25) - LOAN REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) = NET INCOME	249.0	232.6	158.8	164.4	107.7	65.3	73.2	77.5	52.8	42.8	1224.1	303.0	1527.1
28) - INVESTMENTS & RSK	570.0	30.0	.0	.0	.0	.0	.0	.0	.0	.0	600.0	-24.0	576.0
29) = A.F.I.T. NET	-321.0	202.6	158.8	164.4	107.7	65.3	73.2	77.5	52.8	42.8	624.1	327.0	951.1

PRESENT WORTH @ 10.00 %

30) NET INCOME	239.9	205.4	126.8	118.9	70.4	38.7	39.2	37.6	23.2	17.0	916.9	65.8	982.7
31) INVESTMENTS & RISK	570.0	27.8	.0	.0	.0	.0	.0	.0	.0	.0	597.8	.8	597.0
32) A.F.I.T. NET	-330.1	177.5	126.8	118.9	70.4	38.7	39.2	37.6	23.2	17.0	319.1	66.7	385.7
33) CUM. A.F.I.T. NET	-330.1	-152.6	-25.8	93.1	163.5	202.2	241.4	278.9	302.1	319.1	319.1	385.7	385.7



JRU #19 DELAWARE  
 PREPARED BY: KENT ADAMS

DATE : 02/08/00  
 TIME : 07:55:01  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 9

E C O N O M I C I N D I C A T O R S

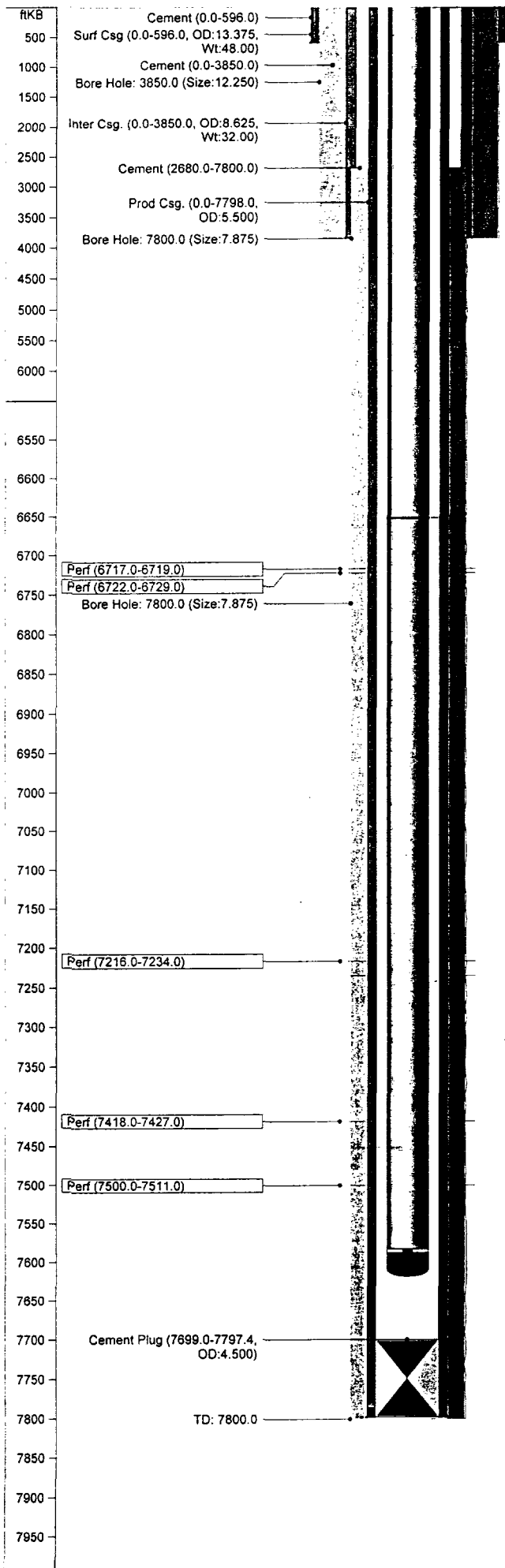
AS OF DATE: 4/93

B.F.I.T. A.F.I.T. A.F.I.T.  
 WORTH WORTH BONUS  
 M\$----- M\$----- M\$-----

PRESENT WORTH PROFILE AND  
 RATE-OF-RETURN VS. BONUS TABLE

0.	1450.342	951.122	1463.265
2.	1204.780	781.430	1117.760
5.	933.594	594.269	792.456
6.	861.403	544.369	713.660
8.	736.780	458.024	583.937
10.	632.875	385.737	481.107
20.	293.536	146.447	171.171
30.	103.062	8.859	10.013
40.	-20.419	-82.156	-90.909
50.	-107.304	-147.348	-160.625
60.	-171.772	-196.538	-211.865
70.	-221.431	-235.058	-251.190
80.	-260.769	-266.080	-282.360
90.	-292.624	-291.621	-307.694
100.	-318.883	-313.030	-328.705

RATE OF RETURN, PCT.	38.3	31.0
UNDISCOUNTED PAYOUT, YRS.	2.18	2.50
DISCOUNTED PAYOUT, YRS.	2.53	2.97
UNDISCOUNTED NET/INVEST.	3.52	2.65
DISCOUNTED NET/INVEST.	2.06	1.65



**JAMES RANCH UNIT #19**

API No.	3001527357	Status	ACT OIL
TD	7800.0 ftKB	Engineer	KA
PBD	7699.0 ftKB		
Operator	BEPCO	Permit	
Well No.	19	Spud	3/22/93
ID Code		RR	4/5/97
Field	LOS MEDANOS	Completion	4/20/93
Author	RAS	Last Act.	
Date Updated	12/29/97	Abandoned	
Comments	Drilled by Enron		

**Location**

Township	S022	Top Latitude	0
		Top Longitude	0
Range	E030	Top NS Distance	1980.0 ft S
		Top EW Distance	1980.0 ft E
Section	36	Bottom Latitude	0
Unit Ltr.	J	Bottom Longitude	0
State	NEW MEXICO	Btm NS Distance	0.0 ft
County	EDDY	Btm EW Distance	0.0 ft

**Elevations**

KB	3323.5 ft	Cas Flng	0.0 ft
Grd	3308.0 ft	Tub Head	0.0 ft
KB-Grd	15.5 ft		

**Casing String - Surface Casing**

Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
13 3/8 in Surf Csg	0.0	596.0	14	12.720	48.00		

**Casing String - Intermediate Casing**

Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
8 5/8 in Inter Csg.	0.0	3850.0	85	7.920	32.00		

**Casing String - Production Casing**

Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
5 1/2 in Prod Csg.	0.0	7798.0	174	4.890	0.00		

**Casing Cement**

Casing String	Top (ftKB)	Amount (sx)	Comments
Surface Casing	0.0	625	
Intermediate Casing	0.0	1525	
Production Casing	2680.0	744	

**Tubing String - Primary Tubing**

Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
2 7/8 in Tbg	0.0	7581.7	245	2.441	6.50	J-55	8RD
4 57/64 in TAC	6650.2	6653.0		0.000	0.00		
2 7/8 in SN	7581.7	7582.8		0.000	0.00		
2 7/8 in PS	7582.8	7586.9		0.000	0.00		
2 7/8 in Tbg w/BP&C	7586.9	7618.8		0.000	0.00		

**Other (plugs, equip., etc.) - Plug Back**

Date	Item	Int (ftKB)
4/5/93	Cement Plug	7699.0 - 7797.4

**Perforations**

Date	Int	Shots (/ft)	Status
4/13/93	7418.0 - 7427.0	2.0	
4/13/93	7500.0 - 7511.0	2.0	
6/11/93	7216.0 - 7234.0	2.0	
10/30/93	6717.0 - 6719.0	2.0	
10/30/93	6722.0 - 6729.0	2.0	

**Stimulations & Treatments**

Date	Type	Interval	Fluid	Sand	Comments
4/17/93	Sand Frac	7418.0 - 7511.0			
6/17/93	Sand Frac	7216.0 - 7234.0			
11/3/93	Sand Frac	6717.0 - 6729.0			

## WELL HISTORY

WELL NAME: James Ranch Unit No. 19  
FIELD NAME: Los Medanos (Cherry Canyon)  
LOCATION: 1980' FSL & 1980' FEL, Sec 36, T22S, R30E, Unit J  
Eddy County, New Mexico  
ELEV: 3308' GL, 3323.5' KB  
SPUD DATE: 3/22/93  
COMP DATE: 4/12/93  
ORIG TD: 7,800'  
CASING: 13-3/8" 48# CSA 596' w/625 sx, cmt circ, 17-1/2" hole 0-596'.  
8-5/8" 32# CSA 3850' w/1525 sx, cmt circ, 12-1/4" hole 596-3850'.  
5-1/2" 17# & 15.5# CSA 7798' w/744 sx, TOC 2680' (TS), 7-7/8" hole 3850-7800'.  
TBG: 2-7/8" tubing.  
DST:  
CORES & LOGS: CNL-GR-DIL-Caliper (4/3/93)

### INITIAL COMPLETION

4/3/93-5/11/93

#### INITIAL COMPLETION

TD 7800'. Ran CNL-GR-DIL-Caliper and CBL-CCL-GR.

4/13/93 **Perf** 7418-27', 1 SPF, 7500-11', 1 SPF. Circ hole w/500 gals Xylene & 500 gals 7-1/2% NEFE HCl acid. **Acidized** 7500-7511' w/1250 gals 7-1/2% NEFE HCl acid & 24 BS. **Spotted** 100 gals acid. **Acidized** all perfs w/1250 gals 7-1/2% NEFE HCl acid. Form broke @ 2700#. **Frac** all perfs w/35,000 gals Viking I-35 DLT w/76,000# 20/40 sd & 16,000# RC 20/40 sd. Tag sd @ 7540'. Wash sd to 7696'. Installed compressor & prod. equip.  
**IP:** 5/11/93 24 hr P 150 BO, 220 BW, & 85 MCF.

### WORKOVERS

6/10/93-8/26/93

#### PERF BRUSHY CANYON "U"

Set RBP @ 7370' w/10' 20/40 sd on top.

6/11/93 **Perf** 7216-7234', 2 SPF. **Pumped** 150 gals 7-1/2% NEFE acid, disp w/41 bbls treated 2% KCl. Acid on spot 7234-7100'. Set pkr @ 7100'. **Pumped** 2000 gals 7-1/2% NEFE HCL, flushed w/44 bbls treated 2% KCl. Rel pkr @ 7100'. **Acidized** 7216-7234' w/2000 gals 7-1/2% NEFE HCl & 60 BS. **Frac** treated w/37,000 gals Viking I-35 gel & 100,320# 20/40 Ottawa sd. Ran 3-5/8" tracer scan log 7318-7000'. TOH w/RBP. **All 3 sands commingled.**  
**AWO:** 8/26/93 24 hr P 47 BO, 83 BW, & 65 MCF.

JAMES RANCH UNIT NO. 19  
WELL HISTORY  
PAGE TWO

10/30/93-12/20/93

**PERFORATE CHERRY CANYON**

10/30/93 **Perf** 6717-19', 6922-29', 2 SPF. **Set RBP @ 6772'**. Spot acid. Break down form w/3125#. **Pump** acid w/50 7/8" BS, flush w/2% KCL. Dump 2 sx 12/20 frac sd on RBP, flush w/30 bbls KCL. PU to 6621'. **Frac** w/2500 gals 40# linear gel pad, 500 gals 40# linear gel w/2 ppg 16/30 Super LC sd, 1000 gals 40# linear gel w/3 ppg 16/30 Super LC resin coated sd, & 1000 gals 40# linear gel.  
**AWO:** 12/20/93 24 hr P 80 BOPD, 67 BW, & 80 MCF.

2/28/94-3/3/94

**COMMINGLED PRODUCTION**

Tagged sd @ 6940'. Bailed sd to RBP @ 6984'. **Rel & TOH w/RBP.**  
Bailed sd to 7701'. Put well back on prod.  
**AWO:** NR.

11/17/97

Lowered pump below perms.

**STRICT I**  
 P. O. Box 1980  
 Bbs. 88240

**OIL CONSERVATION DIVISION**  
 P. O. Box 2088  
 Santa Fe, New Mexico 87504-2088

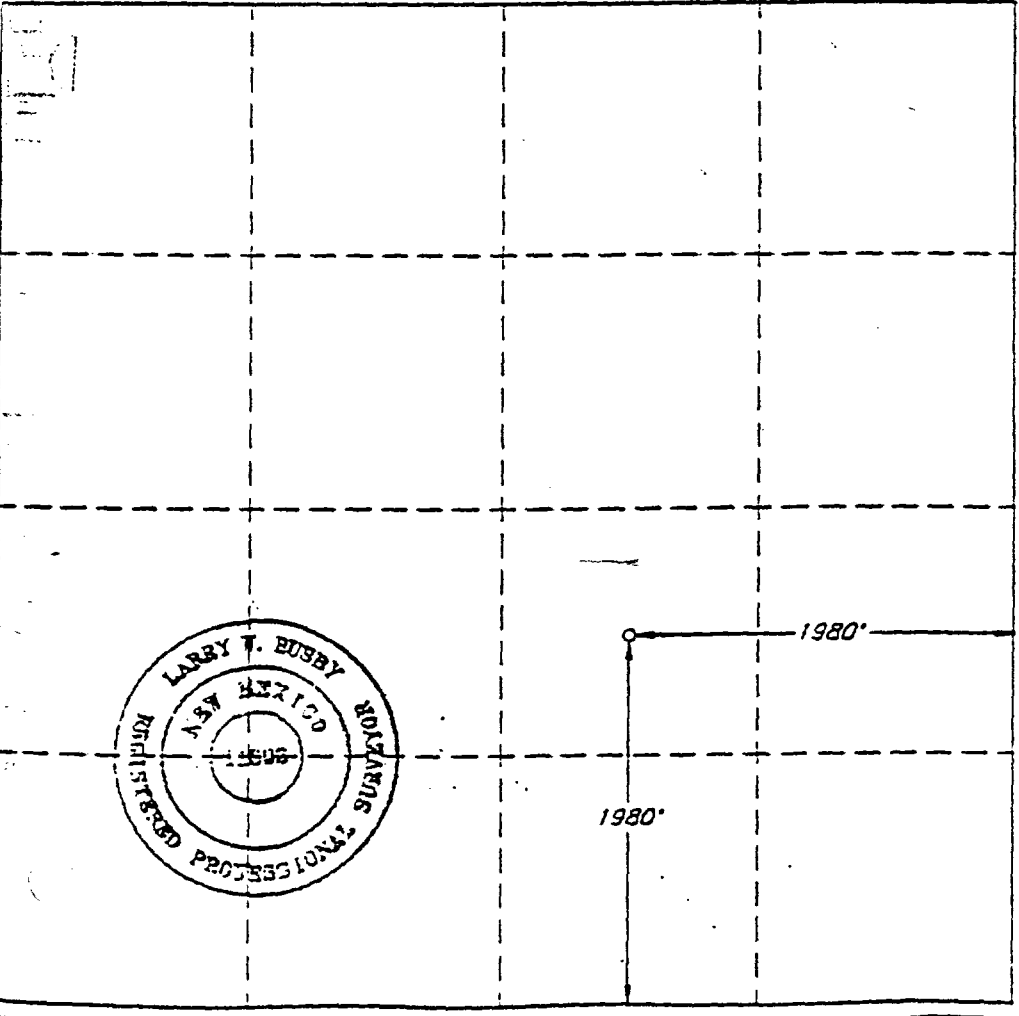
**STRICT II**  
 P. O. Drawer 00  
 Esia, NM 88210

**STRICT III**  
 00 Rio Brazos Rd  
 Soc. NM 87410

**WELL LOCATION AND ACREAGE DEDICATION PLAT**  
 All distances must be from the outer boundaries of the section.

Operator <b>ENRON OIL &amp; GAS COMPANY</b>			Lease <b>JAMES RANCH UNIT</b>			Well No. <b>19</b>		
Section <b>36</b>	Township <b>22-SOUTH</b>	Range <b>30 EAST, N.M.P.M.</b>	County <b>EDDY</b>					
Final Footage Location of Well								
1980' feet from the <b>SOUTH</b> line and			1980' feet from the <b>EAST</b> line					
Sound Level Elev. <b>3308'</b>	Producing Formation <b>Delaware</b>		Pool <b>Wildcat</b>				Acres <b>40</b>	

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all the owners been consolidated by communitization, unitization, forced-pooling, etc.?
  - Yes  No If answer is "yes", type of consolidation \_\_\_\_\_
  - If the answer is "no", list the owners and tract descriptions which have actually been consolidated. (Use the reverse side of this form if necessary.) \_\_\_\_\_
 No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the division.



**OPERATOR CERTIFICATION**

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

Signature: *Betty Gildon*

Printed Name: **Betty Gildon**

Position: **Regulatory Analyst**

Company: **Enron Oil & Gas Company**

Date: **2/17/93**

**SURVEYOR CERTIFICATION**

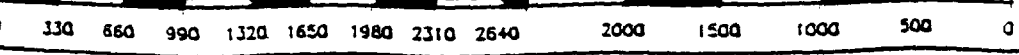
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed: **FEBRUARY 12, 1993**

Signature and Seal of Professional Surveyor: *Larry T. Busby*

Certificate No.: **LARRY W. BUSBY R.P.S. #11398**

JOB NO. 94424 V.H.B.



Submit to Appropriate District Office  
 State Lease - 6 copies  
 Fee Lease - 5 copies  
 DISTRICT I  
 P.O. Box 1980, Hobbs, NM 88240

State of New Mexico  
 Energy, Minerals and Natural Resources Department

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

Well file 3  
 AUG 2 1991  
 Form C-105  
 Revised 1-1-89

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

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

WELL API NO.  
 30 015 27357

5. Indicate Type of Lease  
 STATE  FEE

6. State Oil & Gas Lease No.  
 E-5229-5

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well:  
 OIL WELL  GAS WELL  DRY  OTHER \_\_\_\_\_

b. Type of Completion:  
 NEW WELL  WORK OVER  DEEPEN  PLUG BACK  DUFF RESRV  OTHER \_\_\_\_\_

2. Name of Operator  
 Enron Oil & Gas Company

3. Address of Operator  
 P. O. Box 2267, Midland, Texas 79702

7. Lease Name or Unit Agreement Name  
 James Ranch Unit

8. Well No.  
 19

9. Pool Name or Wildcat  
 Wildcat Delaware

4. Well Location  
 Unit Letter J : 1980 Feet From The south Line and 1980 Feet From The east Line  
 Section 36 Township 22S Range 30E NMPM Eddy County

10. Date Spudded 3-22-93 | 11. Date T.D. Reached 4-2-93 | 12. Date Compl. (Ready to Prod.) 4-12-93 | 13. Elevations (DF & RKB, RT, GR, etc.) 3308' GR | 14. Elev. Casinghead 3308'

15. Total Depth 7800 | 16. Plug Back T.D. 7699 | 17. If Multiple Compl. How Many Zones? | 18. Intervals Drilled By | Rotary Tools X | Cable Tools

19. Producing Interval(s), of this completion - Top, Bottom, Name 7418'-7511' | 20. Was Directional Survey Made No

21. Type Electric and Other Logs Run DIFL/GR/C, LS-BHC-AL/GR, ZDL/CN/GR/C | 22. Was Well Cored No

CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13-3/8	48#	596'	17-1/2	425 pacesetter lite D & 200 Class C	Circulated
8-5/8	32#	3850'	12-1/4	1300 pacesetter lite D & 225 Class C	Circulated
5-1/2	17# & 15.5#	7798'	7-7/8	1398 CI C & 346 CI H	TOC 2680

24. LINER RECORD				25. TUBING RECORD			
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2-7/8	7359'	

26. Perforation record (interval, size, and number)		27. ACID, SHOT, FRACTURE, CEMENT, SOUZZE, ETC.	
DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED	DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
7418-7427 (10 .32")		7418'-7511'	35,000 gals Viking 1 35 OIT
7500-7511 (12 .32")			containing 76,000# 20/40 sand & 16,000# RC 20/40

PRODUCTION

23. Date First Production 4-19-93 | Production Method (Flowing, gas lift, pumping - Size and type pump) Flowing | Well Status (Prod. or Shut-in) Producing

Date of Test	Hours Tested	Choke Size	Prod'n For Test Period	Oil - Bbl	Gas - MCF	Water - Bbl	Gas - Oil Ratio
4-20-93	24	48/64		213	160	240	751

Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl	Gas - MCF	Water - Bbl	Oil Gravity - API - (Corr.)
20	310					40.7

29. Disposition of Gas (Sold, used for fuel, vented, etc.) Vented | Test Witnessed By

30. List Attachments  
 Reports, Inclination Report, C-104

I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature Betty Gildon Printed Name Betty Gildon Title Regulatory Analyst Date 4/21/93

XC: CLARK, MANGAN, M<sup>S</sup> CREIGHT, TECH

# INSTRUCTIONS

NAME  
 ACTION  
 COPY

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all operations conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 25 through 29 shall be reported for each zone. The form is to be filed in quadruplicate except on state land, where six copies are required. See Rule 1105.

## INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

### Southeastern New Mexico

### Northwestern New Mexico

T. Anhy _____	T. Bell Canyon _____ 3865	T. Ojo Alamo _____	T. Penn. "B" _____
T. Salt _____	T. Strawn _____	T. Kirtland-Fruitland _____	T. Penn. "C" _____
B. Salt _____ 3580	T. Atoka _____	T. Picured Cliffs _____	T. Penn. "D" _____
T. Yates _____	T. Miss _____	T. Cliff House _____	T. Leadville _____
T. 7 Rivers _____	T. Devonian _____	T. Menefee _____	T. Madison _____
T. Queen _____	T. Silurian _____	T. Point Lookout _____	T. Elbert _____
T. Grayburg _____	T. Montoya _____	T. Mancos _____	T. McCracken _____
T. San Andres _____	T. Simpson _____	T. Gallup _____	T. Ignacio Otzte _____
T. Glorieta _____	T. McKee _____	Base Greenhorn _____	T. Granite _____
T. Paddock _____	T. Ellenburger _____	T. Dakota _____	T. _____
T. Blinbry _____	T. Gr. Wash _____	T. Morrison _____	T. _____
T. Tubb _____	T. Delaware Sand _____ 3823	T. Todilto _____	T. _____
T. Drinkard _____	T. Bone Springs _____ 7652	T. Entrada _____	T. _____
T. Abo _____	T. C. Canyon Mrkr _____ 4935	T. Wingate _____	T. _____
T. Wolfcamp _____	T. Brushy Canyon _____ 6353	T. Chinle _____	T. _____
T. Penn _____	T. _____	T. Permian _____	T. _____
T. Cisco (Bough C) _____	T. _____	T. Penn "A" _____	T. _____

### OIL OR GAS SANDS OR ZONES

No. 1. from 7418 to 7427  
 2. from 7500 to 7511  
 No. 3. from \_\_\_\_\_ to \_\_\_\_\_  
 No. 4. from \_\_\_\_\_ to \_\_\_\_\_

### IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1. from \_\_\_\_\_ to \_\_\_\_\_ feet  
 No. 2. from \_\_\_\_\_ to \_\_\_\_\_ feet  
 No. 3. from \_\_\_\_\_ to \_\_\_\_\_ feet

### LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness in Feet	Lithology	From	To	Thickness in Feet	Lithology
0	515	515	Surface Rock				
515	4270	3755	Salt, Anhy				
4270	5580	1310	Sand				
5580	7380	1800	Shale, Sandstone				
7380	7800	420	Limestone, Shale				

**WORKSHEET FOR COMMERCIAL DETERMINATION  
AND PARTICIPATING AREA IN FEDERAL UNITS**

**WELL DATA**

WELL \_\_\_\_\_ JAMES RANCH UNIT NO. 29 \_\_\_\_\_ FORMATION \_\_\_\_\_ DELAWARE \_\_\_\_\_  
 LOCATION \_\_\_\_\_ K \_\_\_\_\_ UNIT, \_\_\_\_\_ 2310 FEET FROM \_\_\_\_\_ W LINE & \_\_\_\_\_ 1980 FEET FROM \_\_\_\_\_ S LINE  
 SECTION \_\_\_\_\_ 36 TOWNSHIP \_\_\_\_\_ 22S , RANGE \_\_\_\_\_ 30E , COUNTY \_\_\_\_\_ EDDY \_\_\_\_\_ , NEW MEXICO  
 SPUD DATE \_\_\_\_\_ 1/16/94 \_\_\_\_\_ COMPLETION DATE \_\_\_\_\_ 2/20/94 \_\_\_\_\_ INITIAL PRODUCTION \_\_\_\_\_ 2/20/94 \_\_\_\_\_  
 PERFORATIONS \_\_\_\_\_ 7200-7215' & 7460-7518' \_\_\_\_\_

STIMULATION:

**ACID** \_\_\_\_\_ PERFS 7200-7215' - 1000 GALS 7-1/2% HCL ACID + ADDITIVES & 40 BALL SEALERS. \_\_\_\_\_  
 \_\_\_\_\_ PERFS 7460-7518' - 2000 GALS 7-1/2% HCL ACID + 70 BALL SEALERS. \_\_\_\_\_  
**FRACTURE** \_\_\_\_\_ PERFS 7200-7215' - 19,100 GALS DOWELL GUAR-BASED 30# XL W/BORATE & 104,000# 20/40 BRADY \_\_\_\_\_  
 \_\_\_\_\_ SAND. PERFS 7460-7518' - 39,600 GALS 35# XL FLUID + ADDITIVES W/153,340# 20/40 OTTAWA SAND & \_\_\_\_\_  
 \_\_\_\_\_ 50,000# 20/40 CURABLE RESIN-COATED SAND. \_\_\_\_\_

POTENTIAL \_\_\_\_\_ 2/22/94 PERFS 7460-7518' 248 BOPD, 155 MCFPD, 188 BWPD \_\_\_\_\_

(Attach Copy of C-105. Attach Copy of Wellbore Sketch of Completed Well.)

**VOLUMETRIC CALCULATION**

	SANDS PERFORATED		SANDS NOT PERFORATED BUT POTENTIALLY PRODUCTIVE	
Area (A) proration unit size, acres	<u>40</u>	<u>40</u>	_____	_____
Porosity (por), %	<u>15.9%</u>	<u>12.0%</u>	_____	_____
Water saturation (Sw), %	<u>63%</u>	<u>60%</u>	_____	_____
Net Thickness (h), ft.	<u>9</u>	<u>70</u>	_____	_____
Temperature (T), Fahrenheit	<u>120</u>	<u>120</u>	_____	_____
Bottom Hole pressure (P), psia	<u>3,121</u>	<u>3,243</u>	_____	_____
Recovery factor (RF), %	<u>17%</u>	<u>16%</u>	_____	_____
Recoverable oil, BBLs *(See eq. below)	<u>18,722</u>	<u>111,219</u>	_____	_____

\*Sometimes unable to match performance due to volumetric uncertainty.

Formula = (7758) (A) (h) (por) (1-Sw) (1/Boi) (RF)

Boi = 1.50



**PERFORMANCE DATA**

(If sufficient history exists, attach plot of oil production rate v time.)

CUMULATIVE PRODUCTION TO	<u>11/30/99</u>	;	<u>58,670</u>	BBLs
INITIAL RATE (qi)	<u>581</u>			
ECONOMIC LIMIT (qi)	<u>60</u>			
DECLINE RATE, dy (Hyperbolic, n=.995)	<u>10.40%</u>			
REMAINING OIL (Q) =	<u>86,430</u>			
ULTIMATE RECOVERABLE OIL	<u>145,100</u>			

(Attach plot showing proration unit and participating area.)

**ECONOMIC**

WELL COST \$	<u>570,000</u>	(to the depth of formation completed)
RECOMPLETION COST \$	<u>48,000</u>	
TOTAL COST \$	<u>618,000</u>	

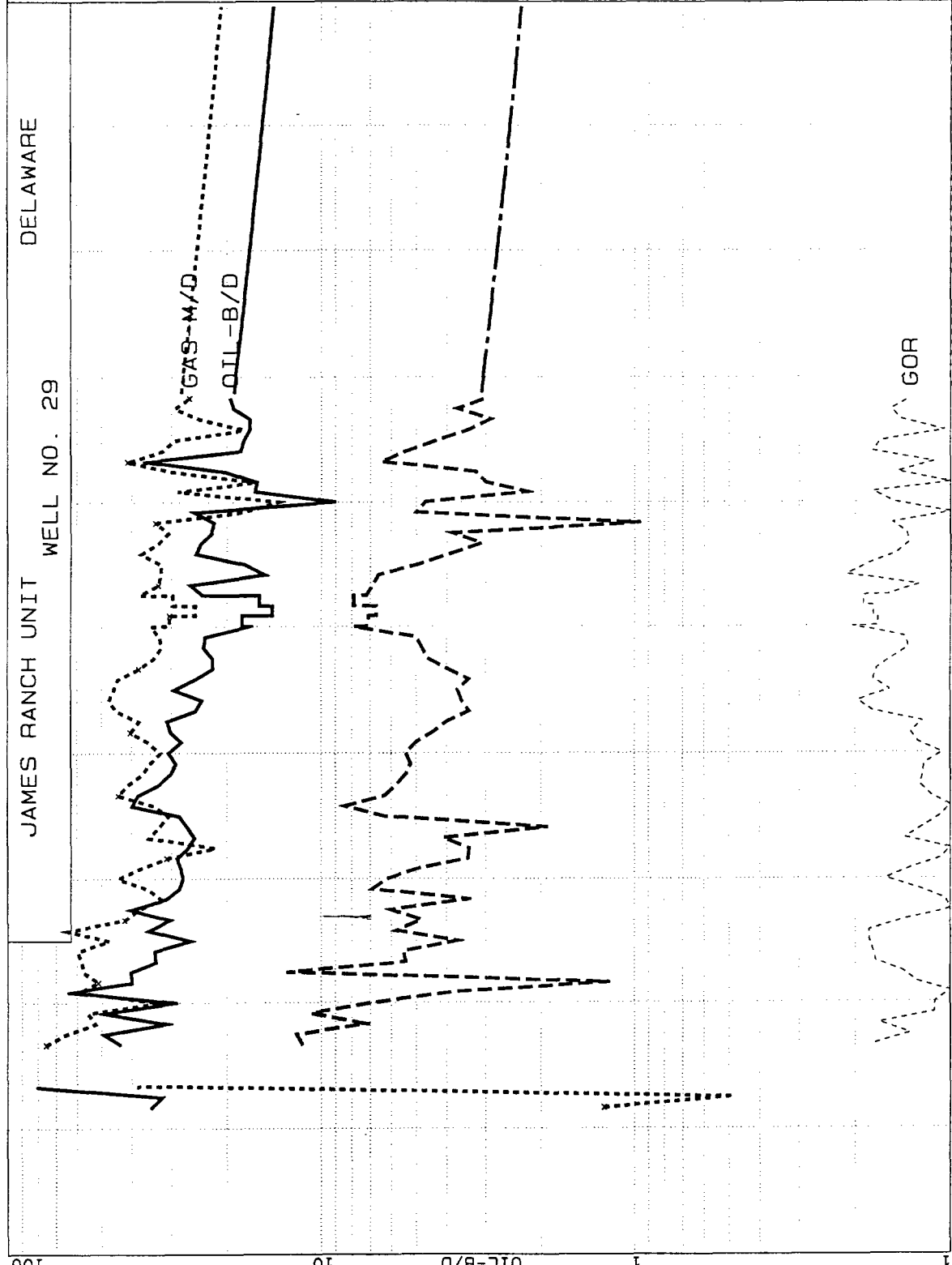
YEAR	GROSS OIL	REVENUE	OPERATING COST	10% NET BFIT DISCOUNTED CASH FLOW
ZERO	<u>0</u>	<u>0</u>	<u>0</u>	<u>-570,000</u>
1	<u>10,600</u>	<u>153,300</u>	<u>37,700</u>	<u>110,400</u>
2	<u>13,100</u>	<u>215,900</u>	<u>45,000</u>	<u>148,300</u>
3	<u>11,100</u>	<u>224,600</u>	<u>44,900</u>	<u>141,200</u>
4	<u>9,200</u>	<u>180,700</u>	<u>40,700</u>	<u>99,500</u>
5	<u>6,900</u>	<u>94,900</u>	<u>37,700</u>	<u>36,800</u>
6	<u>7,200</u>	<u>127,100</u>	<u>35,400</u>	<u>53,400</u>
7	<u>6,600</u>	<u>152,200</u>	<u>31,200</u>	<u>63,700</u>
8	<u>5,900</u>	<u>114,900</u>	<u>28,500</u>	<u>41,200</u>
9	<u>5,400</u>	<u>98,100</u>	<u>27,200</u>	<u>30,600</u>
10	<u>5,000</u>	<u>86,000</u>	<u>26,100</u>	<u>23,300</u>
REMAINDER	<u>64,200</u>	<u>1,107,600</u>	<u>579,700</u>	<u>107,300</u>

**WELL IS COMMERCIAL**

JAMES RANCH UNIT DELAWARE

WELL NO. 29

**OIL** Gal=CD Ref= 11/99 Cum= 58.670 Rem= 97.536 EUR= 156.206 Yrs= 39.579 Qi= 581.3 De= 10.404 n= .995 Gab= 60.8  
**WTR-B/D** Ref= 11/99 Cum= 111.575  
**WTR** Gal=CD Ref= 11/99 Cum= .000 Rem= 158.983 EUR= 158.983 Yrs= 39.579 Qi= 0 De= .000 n= .000 Gab= .0  
**GAS/OIL** Gal=CD Ref= 11/99 Cum= .000 Rem= .000 EUR= .000 Yrs= 39.579 Qi= 1.5 De= .000 n= .000 Gab= 1.5  
**GAS** Gal=CD Ref= 11/99 Cum= 76.455 Rem= 143.304 EUR= 219.759 Yrs= 39.579 Qi= 0 De= .000 n= .000 Gab= .0



**WTR-B/D** 10 10000 100000  
**GAS-M/D** 1 10 100  
**OIL-B/D** 1 10 100  
**GOR** 1 10000 100000

DATE

93 94 95 96 97 98 99 00 01 02

INPUT DATA

CALCULATED DATA

ITEM	SCHEDULING RATES	SCHEDULE UNTIL	PROCEDURE	ULTIMATE	LAST	EFF. DECL	INT. RATE	FINAL RATE
405 START	11/99							
410 OIL	581.26	05/2010 AD	H/O.995	107.355	4/10	10.40	581.	270.
415 "	269.66	48.85 IMU	EXP	156.206	5/39	5.00	270.	61.
420 START	11/99							
425 GAS/OIL	1.47	06/2039 AD	LIN		5/39			
430 START	11/99							
435 WTR/OIL	1.63		LIN		5/39			
440 START	2/94							
516 PRI/OIL	16.8800	1/95	PC		5/39		16.880	16.880
517 "	18.39	1/96	PC		5/39		18.390	18.390
518 "	22.26	1/97	PC		5/39		22.260	22.260
519 "	20.74	1/98	PC		5/39		20.740	20.740
520 "	14.43	1/99	PC		12/99		14.430	14.430
521 "	19.25	1/2000	PC		12/99		19.250	19.250
522 "	24.94	1/2001	PC		12/00		24.940	24.940
523 "	20.67	1/2002	PC		12/01		20.670	20.670
524 "	19.20	1/2003	PC		12/02		19.200	19.200
525 "	18.18	1/2004	PC		12/03		18.180	18.180
526 "	18.13	TO	PC		5/39		18.130	18.130
531 PRI/GAS	1.8900	1/95	PC		5/39		1.890	1.890
532 "	1.94	1/96	PC		5/39		1.940	1.940
533 "	2.61	1/97	PC		12/96		2.610	2.610
534 "	2.59	1/98	PC		12/97		2.590	2.590
535 "	2.11	1/99	PC		12/98		2.110	2.110
536 "	2.27	1/2000	PC		12/99		2.270	2.270
537 "	2.60	1/2001	PC		12/00		2.600	2.600
538 "	2.58	1/2002	PC		12/01		2.580	2.580
539 "	2.57	TO	PC		5/39		2.570	2.570
544 PRI/OIL	-.9100	TO	PC		5/39		-.910	18.130
549 PRI/GAS	-.1300	TO	PC		5/39		-.130	2.570
554 PRI/WTR	.5000	1/2000	PC		1/94		.500	.500
555 "	.08	TO	PC		12/95		.080	1.940
560 OPC/T	1600.00	TO	SCH	OPC	5/39		1600.000	1600.000
565 STX/OIL	7.08	TO	PC		5/39		.071	.071
570 STX/GAS	7.93	TO	PC		5/39		.079	.079
575 ATX	.17	TO	PC		5/39		.002	.002
580 PRI/OIL	-.9100	TO	PC		5/39		-.910	18.130
585 PRI/GAS	-.1300	TO	PC		5/39		-.130	2.570
700 LSE/MI	100.0000	TO	PLAT		5/39		1.000	1.000

NO	DESCRIPTION	UNIT	TO	LIFE	PLAT	ULTIMATE	LAST	EFF. DECL	INIT. RATE	FINAL RATE
701	OWN/WI	100.0000	D	5/39	.00	59.257	2/00		1.000	1.000
720	LSE/RIC	12.5000	D	5/39	.00	77.245	2/00		.125	.125
721	OWN/RI	.0000	D	5/39	.00	111.575	2/00			
740	LSE/RIG	12.5000	D	5/39	.00				.125	.125
760	LSE/ORR	.0000	D	5/39	.00					
761	OWN/ORR	.0000	D	5/39	.00					

NO	DESCRIPTION	UNIT	TO	LIFE	PLAT	ULTIMATE	LAST	EFF. DECL	INIT. RATE	FINAL RATE
905	LOAD	P.OIL, OIL #				59.257	2/00			
910	LOAD	P.GAS GAS #				77.245	2/00			
915	LOAD	P.WATER WTR #				111.575	2/00			

NO	DESCRIPTION	UNIT	TO	LIFE	PLAT	ULTIMATE	LAST	RISK INV.	TOT. T&R	ESC. T&R
800	DRILL	240.00				570.000	2/94		570.0	570.0
801	WORKOVER	.00				48.000	7/96		48.0	48.0
802	SALVAGE	-24.00				-24.000	5/39		-24.0	-24.0

NO	DESCRIPTION	UNIT	TO	LIFE	PLAT	ULTIMATE	LAST	RISK INV.	TOT. T&R	ESC. T&R
201	LOSS	NO								
205	CUMO, MB	58.67								
210	LOSS	NO								

INVESTMENT TANGIBLES & INTANGIBLES TIME PROCEDURE TOTAL T&I MONTH RISK INV. TOT. T&R ESC. T&R  
 800 DRILL 240.00 330.00 MSG 02/94 AD 570.000 2/94 . 570.0 570.0  
 801 WORKOVER .00 48.00 MSG 07/96 AD 48.000 7/96 . 48.0 48.0  
 802 SALVAGE -24.00 .00 MSG TO LIFE -24.000 5/39 . -24.0 -24.0  
 RESERVE PARAMETERS ITEM ITEM  
 201 LOSS NO CUMG, MMF 76.46 CUML, MB  
 205 CUMO, MB 58.67  
 210 LOSS NO  
 PROJECT ASSUMPTIONS  
 BASE DATE : 2/94 TIME FRAMES : 1\*11 38\*12 1\*600  
 P.W. DATE : 2/94 PW %-AGE : 10.0 DISC. FREQUENCY : 365.  
 REPORT DATE : 2/94 PROD QUAL : CD OWNER QUAL : CD OTHER QUAL : CD

R E S E R V E S A N D E C O N O M I C S  
 EFFECTIVE DATE: 2/94

PERIOD ENDING	12/94	12/95	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	S TOT	AFTER	TOTAL
OWNERSHIP													35.4 YR
1) WORKING INTEREST, %	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000
2) REVENUE INTEREST, %	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500

INVESTMENTS, M\$

3) BORROWED CAPITAL	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4) EQUITY INVESTMENTS	570.0	.0	48.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	618.0
5) RISK	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) TOTAL	570.0	.0	48.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	618.0

OIL PHASE

8) GROSS OIL, MB	10.6	13.1	11.1	9.2	6.9	7.2	6.6	5.9	5.4	5.0	80.9	64.2	145.1
9) NET OIL, MB	9.2	11.4	9.7	8.0	6.1	6.3	5.7	5.2	4.7	4.4	70.8	56.2	127.0
10) OIL REVENUE, M\$	139.2	189.6	198.8	151.7	76.4	110.3	132.5	97.3	82.1	71.2	1249.1	916.8	2165.9
11) OIL PRICE, \$/B	15.06	16.57	20.44	18.92	12.61	17.43	23.12	18.85	17.38	16.36	17.65	16.31	17.05

GAS PHASE

12) GROSS GAS, MMF	9.8	17.9	12.6	14.2	11.4	9.6	9.6	8.7	7.9	7.3	109.0	94.4	203.4
13) NET GAS, MMF	8.6	15.7	11.0	12.4	10.0	8.4	8.4	7.6	6.9	6.4	95.4	82.6	178.0
14) GAS REVENUE, M\$	14.0	26.4	25.9	29.0	18.5	16.8	19.6	17.6	16.0	14.8	198.6	190.8	389.4
15) GAS PRICE, \$/MCF	1.630	1.680	2.350	2.330	1.850	2.010	2.340	2.320	2.310	2.310	2.081	2.310	2.187

WATER PHASE

16) GROSS WATER, MB	17.8	20.0	18.4	16.4	23.0	13.9	10.8	9.6	8.8	8.1	146.9	104.7	251.6
17) NET WATER, MB	17.8	20.0	18.4	16.4	23.0	13.9	10.8	9.6	8.8	8.1	146.9	104.7	251.6
18) WATER PRICE, \$/B	.500	.500	.500	.500	.500	.500	.080	.080	.080	.080	.393	.080	.263

ECONOMICS, M\$

19) GROSS REV. TO INTR.	153.3	215.9	224.6	180.7	94.9	127.1	152.2	114.9	98.1	86.0	1447.7	1107.6	2555.3
20) - SEV. TAX	11.0	15.5	16.1	13.0	6.9	9.1	10.9	8.3	7.1	6.2	104.2	80.0	184.2
22) - AD VALOREM TAX	.2	.3	.4	.3	.1	.2	.2	.2	.2	.1	2.3	1.7	4.0
23) - OPERATING COSTS	17.6	19.2	19.2	19.2	19.2	19.2	19.2	19.2	19.2	19.2	190.4	489.6	680.0
24) - SWD	8.9	10.0	9.2	8.2	11.5	6.9	9.9	8.8	7.7	.6	57.8	8.4	66.1
25) - CAPITAL REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
28) = NET INCOME	115.6	170.8	179.8	140.0	57.2	91.7	120.9	86.5	71.0	59.8	1093.1	527.8	1620.9
29) - INVESTMENTS & RSK	570.0	.0	48.0	.0	.0	.0	.0	.0	.0	.0	618.0	-24.0	594.0
30) = BFIT NET	-454.4	170.8	131.8	140.0	57.2	91.7	120.9	86.5	71.0	59.8	475.1	551.8	1026.9

PRESENT WORTH @ 10.00 %

31) NET INCOME	110.4	148.3	141.2	99.5	36.8	53.4	63.7	41.2	30.6	23.3	748.5	107.3	855.7
32) INVESTMENTS & RISK	570.0	.0	37.7	.0	.0	.0	.0	.0	.0	.0	607.7	.7	607.0
33) BFIT NET	-459.6	148.3	103.5	99.5	36.8	53.4	63.7	41.2	30.6	23.3	140.8	108.0	248.7
34) CUM BFIT NET	-459.6	-311.2	-207.7	-108.2	-71.4	-18.1	45.6	86.8	117.4	140.8	140.8	248.7	248.7

A F T E R T A X E C O N O M I C S

DATE : 02/10/00  
 TIME : 11:23:14  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 1

EFFECTIVE DATE: 2/94

PERIOD ENDING	12/94	12/95	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	S TOT	AFTER	35.4 YR
TAX TREATMENT OF INVESTMENTS, M\$	TOTAL												
1) EXP, RISK & CAP INT	330.0	.0	48.0	.0	.0	.0	.0	.0	.0	.0	378.0	.0	378.0
2) DEPLETABLE	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
3) DEPRECIABLE	240.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	240.0	-24.0	216.0

TAX CALCULATIONS, M\$

4) GROSS REV. TO INTR.	153.3	215.9	224.6	180.7	94.9	127.1	152.2	114.9	98.1	86.0	1447.7	1107.6	2555.3
5) - SEVERANCE TAX	11.0	15.5	16.1	13.0	6.9	9.1	10.9	8.3	7.1	6.2	104.2	80.0	184.2
6) - WPT TAX NET	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) - OPR. COSTS & ATX	26.7	29.6	28.8	27.7	30.8	26.3	20.3	20.2	20.1	20.0	250.4	499.7	750.2
8) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
9) - OVERHEAD	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
10) - EXPENSED INV.	330.0	.0	48.0	.0	.0	.0	.0	.0	.0	.0	378.0	.0	378.0
11) - DEPRECIATION	31.4	56.7	43.4	31.0	22.1	21.4	21.4	12.5	.0	.0	240.0	.0	240.0
12) = NET	-245.9	114.1	88.4	109.0	35.0	70.2	99.5	74.0	71.0	59.8	475.1	527.8	1002.9
13) - DEPLETION	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
14) - INTEREST PD & CAP	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
15) = TAXABLE	-245.9	114.1	88.4	109.0	35.0	70.2	99.5	74.0	71.0	59.8	475.1	527.8	1002.9
16) * TAX RATE, %	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0
17) - TAX CREDIT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
18) - WPT REFUND	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
19) = F.I.T.	-86.1	39.9	30.9	38.1	12.3	24.6	34.8	25.9	24.8	20.9	166.3	184.7	351.0
20) REVENUE-SEV-WPT	142.3	200.4	208.5	167.7	88.0	118.0	141.2	106.6	91.0	79.8	1343.5	1027.5	2371.1
21) - OPR. COSTS & ATX	26.7	29.6	28.8	27.7	30.8	26.3	20.3	20.2	20.1	20.0	250.4	499.7	750.2
22) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
23) - F.I.T.	-86.1	39.9	30.9	38.1	12.3	24.6	34.8	25.9	24.8	20.9	166.3	184.7	351.0
24) = A.F.I.T.	201.6	130.9	148.8	101.8	44.9	67.1	86.1	60.6	46.1	38.9	926.8	343.1	1269.9
25) - LOAN REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) = NET INCOME	201.6	130.9	148.8	101.8	44.9	67.1	86.1	60.6	46.1	38.9	926.8	343.1	1269.9
28) - INVESTMENTS & RSK	570.0	.0	48.0	.0	.0	.0	.0	.0	.0	.0	618.0	-24.0	594.0
29) = A.F.I.T. NET	-368.4	130.9	100.8	101.8	44.9	67.1	86.1	60.6	46.1	38.9	308.8	367.1	675.9

PRESENT WORTH @ 10.00 %

30) NET INCOME	192.6	113.7	116.9	72.4	28.9	39.0	45.4	28.9	19.9	15.2	672.8	69.7	742.6
31) INVESTMENTS & RISK	570.0	.0	37.7	.0	.0	.0	.0	.0	.0	.0	607.7	-7.7	607.0
32) A.F.I.T. NET	-377.4	113.7	79.2	-72.4	28.9	39.0	45.4	28.9	19.9	15.2	65.1	70.4	135.6
33) CUM. A.F.I.T. NET	-377.4	-263.7	-184.5	-112.1	-83.2	-44.1	1.2	30.1	50.0	65.1	65.1	135.6	135.6

JAMES RANCH UNIT # 29  
 PREPARED BY: KENT ADAMS

DATE : 02/10/00  
 TIME : 11:23:14  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 1

E C O N O M I C I N D I C A T O R S

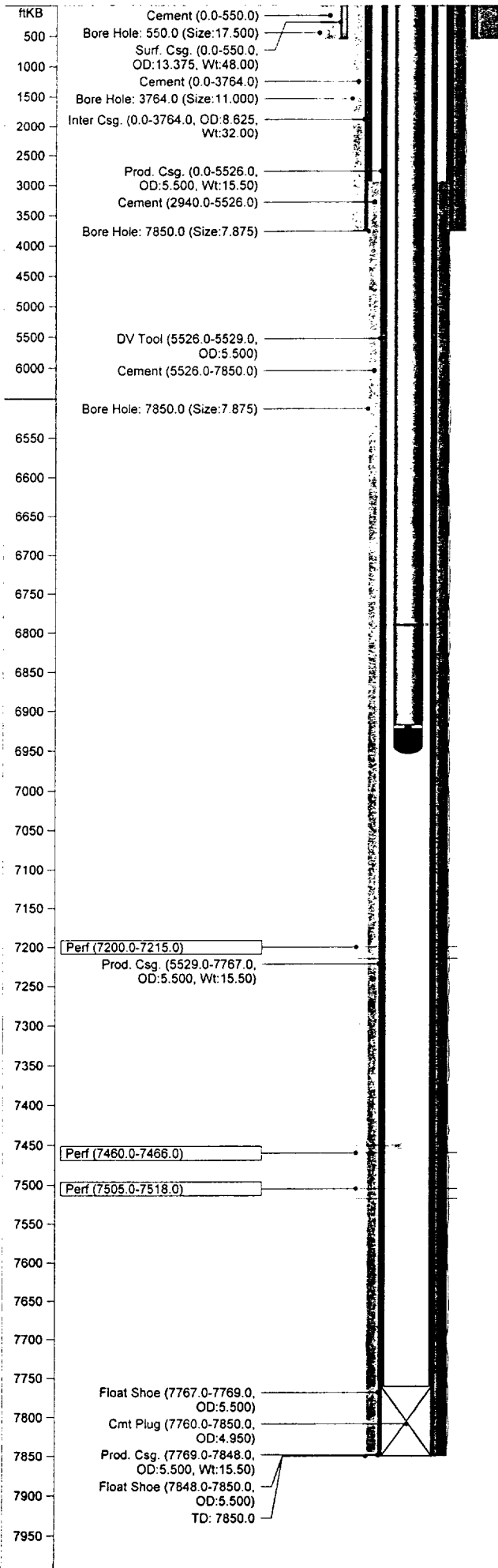
AS OF DATE: 2/94

B.F.I.T.                    A.F.I.T.                    A.F.I.T.  
 WORTH                    WORTH                    BONUS  
 M\$-----                M\$-----                M\$-----

PRESENT WORTH PROFILE AND  
 RATE-OF-RETURN VS. BONUS TABLE

0.	1026.921	675.899	1039.844
2.	779.311	504.626	705.963
5.	518.645	324.192	416.400
6.	451.864	277.787	349.836
8.	339.464	199.341	243.310
10.	248.740	135.566	161.603
20.	-26.360	-62.351	-69.709
30.	-165.138	-166.762	-181.088
40.	-248.779	-232.302	-248.012
50.	-304.714	-277.783	-293.258
60.	-344.764	-311.493	-326.221
70.	-374.856	-337.664	-351.508
80.	-398.282	-358.691	-371.651
90.	-417.019	-376.030	-388.158
100.	-432.327	-390.622	-401.985

RATE OF RETURN, PCT.	19.0	16.8
UNDISCOUNTED PAYOUT, YRS.	4.12	4.69
DISCOUNTED PAYOUT, YRS.	6.20	6.89
UNDISCOUNTED NET/INVEST.	2.73	2.14
DISCOUNTED NET/INVEST.	1.41	1.22



**JAMES RANCH UNIT #29**

API No.	3001527735	Status	ACT OIL
TD	7850.0 ftKB	Engineer	KA
PBTD	7760.0 ftKB		
Operator	BASS	Permit	
	ENTERPRISES		
	PROD		
Well No.	29	Spud	1/16/94
ID Code	C%QGDLV8.029	RR	1/30/94
Field	QUAHADA RIDGE	Completion	2/19/94
	SE		
Author	RAS	Last Act.	
Date Updated	1/19/98	Abandoned	
Comments			

**Location**

Township	S022	Top Latitude	0
		Top Longitude	0
Range	E030	Top NS Distance	1980.0 ft S
		Top EW Distance	2310.0 ft W
Section	36	Bottom Latitude	0
Unit Ltr.	K	Bottom Longitude	0
State	New Mexico	Btm NS Distance	0.0 ft
County	Eddy	Btm EW Distance	0.0 ft

**Elevations**

KB	3326.7 ft	Cas Flng	0.0 ft
Grd	3307.8 ft	Tub Head	0.0 ft
KB-Grd	18.9 ft		

**Casing String - Surface Casing**

Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
13 3/8 in Surf. Csg.	0.0	550.0	12	12.720	48.00	WC-40	ST&C

**Casing String - Intermediate Casing**

Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
8 5/8 in Inter Csg.	0.0	3764.0	84	7.921	32.00	WC-50	LTC

**Casing String - Production Casing**

Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
5 1/2 in Prod. Csg.	0.0	5526.0	125	4.950	15.50	K-55	LTC
5 1/2 in DV Tool	5526.0	5529.0		0.000	0.00		
5 1/2 in Prod. Csg.	5529.0	7767.0	54	4.950	15.50	K-55	LTC
5 1/2 in Float Shoe	7767.0	7769.0		0.000	0.00		
5 1/2 in Prod. Csg.	7769.0	7848.0	2	4.950	15.50	K-55	LTC
5 1/2 in Float Shoe	7848.0	7850.0		0.000	0.00		

**Casing Cement**

Casing String	Top (ftKB)	Amount (sx)	Comments
Surface Casing	0.0	545	
Intermediate Casing	0.0	1195	
Production Casing	2940.0	455	TOC by TS
Production Casing	5526.0	450	

**Tubing String - Primary Tubing**

Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
2 7/8 in Tubing	0.0	6917.0	220	2.441	6.50	J-55	8rd
4 61/64 in TAC	6789.0	6792.0		0.000	0.00		
2 7/8 in SN	6917.0	6918.0		0.000	0.00		
2 7/8 in Perf Sub	6918.0	6922.0		0.000	0.00		
2 7/8 in Mud Anchor	6922.0	6954.0		0.000	0.00		

**Other (plugs, equip., etc.) - Plug Backs**

Date	Item	Int (ftKB)
1/30/94	Cmt Plug	7760.0 - 7850.0

**Perforations**

Date	Int	Shots (/ft)	Status
2/16/94	7460.0 - 7466.0	2.0	
2/16/94	7505.0 - 7518.0	2.0	
5/29/96	7200.0 - 7215.0	2.0	

**Stimulations & Treatments**

Date	Type	Interval	Fluid	Sand	Comments
2/17/94	Sand Frac	7460.0 - 7518.0			
5/30/96	Sand Frac	7200.0 - 7215.0			



JAMES RANCH UNIT NO. 29  
WELL HISTORY

WELL NAME: James Ranch Unit No. 29  
FIELD NAME: Quahada Ridge (Delaware) S.E.  
LOCATION: 2310' FWL & 1980' FSL, Sec 36, T22S, R30E, Ut K  
Eddy County, New Mexico  
ELEV: 3307.8' GL, 3326.7' KB  
SPUD DATE: 1/16/94  
COMP DATE: 2/20/94  
ORIG TD: 7850'  
ORIG PBTD: 7760'  
CSG: 13-3/8" 48# WC-40 ST&C CSA 550' w/545 sx, cmt circ, 17-1/2" hole 0-550'.  
8-5/8" 32# WC-50 LT&C CSA 3764' w/1195 sx, cmt circ, 11" hole 550-3764'.  
5-1/2" 15.5# K-55 LT&C CSA 7850', cmtd 1st stage w/450 sx, circ 48 sx off DV tool @ 5526',  
cmtd 2nd stage w/455 sx, TOC 2940' (TS), 7-7/8" hole 3764-7850'.  
TBG: 2-7/8" EUE 8RD 6.5# J-55  
DST: None  
CORES & LOGS: IDFL/GR/C, ZDL/CN/GR/C

INITIAL COMPLETION

1/16/94-2/20/94

TD 7850'. Tag PBTD @ 7760'. Spot 500 gals 7-1/2% HCL + additives from 7020-7520'. Run GR-CCL 7752-5700'.

2/16/94 Perf 7505-7518' & 7460-66', 2 SPF. Spot 2000 gals 7-1/2% HCL acid. Drop 70 1.3 SG ball sealers @ 2 balls every 1.4 bbls acid. Frac w/39,600 gals 35# X-linked fluid + additives w/153,340# 20/40 Ottawa sd & 50,000# 20/40 curable resin-coated sd. Install prod equip. Put on prod 4/15/94.

IP: 6/15/94 24 hr P 58 BO, 117 BW, & 91 MCF.

WORKOVERS

7/28/94 ROD PUMP FAILURE.  
9/6/94 ROD PUMP FAILURE.  
10/31/94 ROD PUMP FAILURE.  
11/23/94 ROD PUMP FAILURE.  
12/6/94 RODS BUCKING - PARTED PUMP.  
12/28/94 ROD PART.

**JAMES RANCH UNIT #29  
WELL HISTORY**

1/3/95 LONGSTROKE PUMP.

3/13/95 ROD FAILURE.

3/27-29/95 Replace Lufkin 640 pmpg unit with Bethlehem 320 pmpg unit.

5/10/95 ROD PUMP FAILURE.

6/28/95 Install Nabla pump-off controller.

5/28/96 to 6/8/96 **ADD DELAWARE PAY**  
Tag PBDT @ 7760'. Set CIBP @ 7430' w/10' cmt on top. (Note: Found large paraffin plug @ 200'.)

5/29/96 **Perf 7200-15'**, 2 SPF. **Spot** 200 gals 15% HCL acid + additives across perfs. BD perfs @ 2925 psi & pump away acid. **Acidize** w/1000 gals 7-1/2% HCL acid + additives & drop 40 1.3 SG ball sealers evenly spaced in acid. **Frac** w/19,100 gals Dowell Guar-based 30# XL w/borate & 104,000# 20/40 Brady sd. Flow back. Swab well. Tag sd fill @ 7175'. Bail sd to CIBP @ 7430'. Run prod equip. Put well on prod. Test: 6/9/96 24 hrs P 20 BO, 92 BW, 17 MCF.

7/10/96 to 7/12/96 **DRILL OUT CIBP & COMMINGLE**  
POH w/BHA. Tag sand @ 7293'. Bailed sand from 7293' to CIBP @ 7430'. RIH & mill on CIBP, did not move. POH & RIH w/ power swivel. Rotate & drill on CIBP, no progress. Change out BHA and rotate & drill on CIBP. Push CIBP to PBDT 7760', POH & recovered CIBP in shoe. Place well on Prod.  
Test: 10 day average: 48 BO + 73 BW +44 MCF.

1/24/00  
RAS

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

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2080  
Santa Fe, New Mexico 87504-2080

District I  
P.O. Box 1980, Hobbs, NM 88210

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

District III  
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator BASS ENTERPRISES			Lease JAMES RANCH UNIT		Well No. 29
Unit Letter K	Section 36	Township 22 SOUTH	Range 30 EAST	County NMPM EDDY	

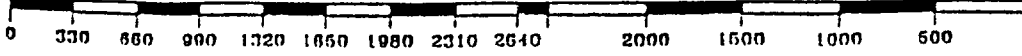
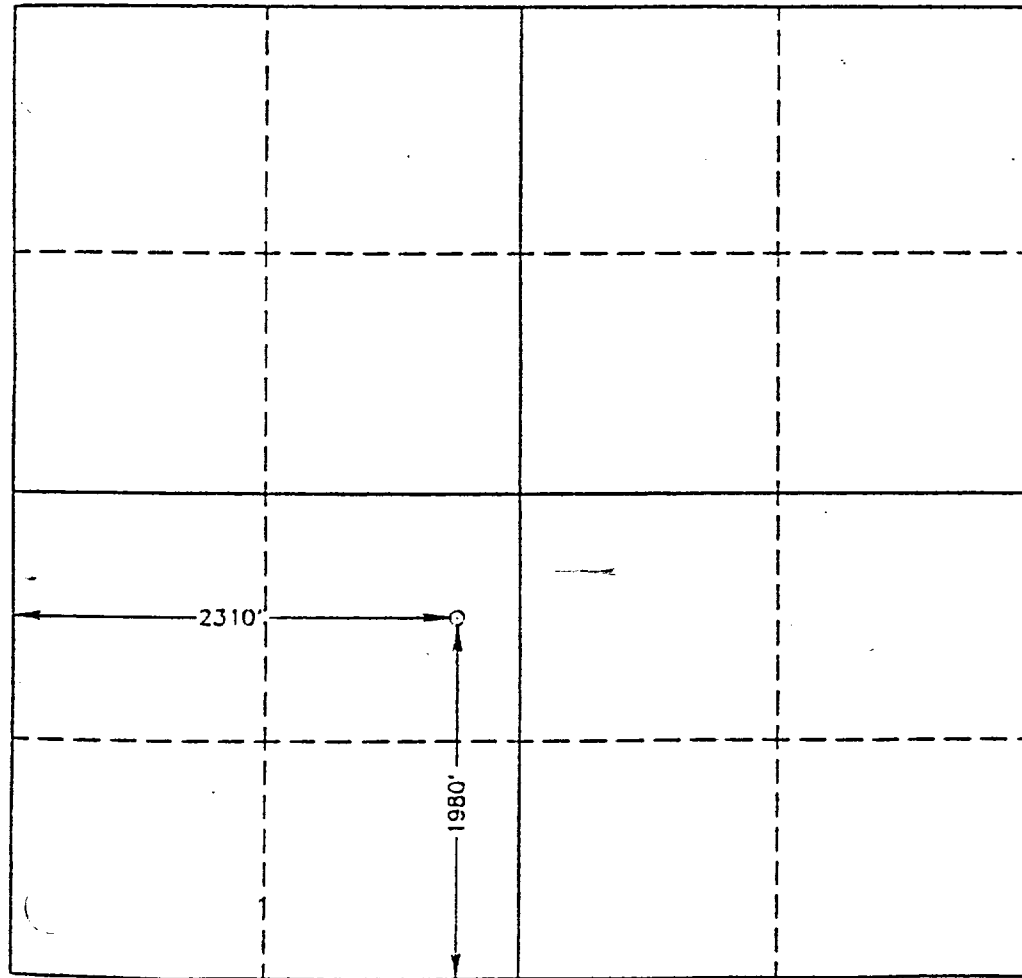
Actual Footage Location of Well:  
1980 feet from the SOUTH line and 2310 feet from the WEST line

Ground Level Elev. 3306.8'	Producing Formation DELAWARE	Pool UND. GUADAJARA RIDGE, SE	Dedicated Acreage: 40 Acres
-------------------------------	---------------------------------	----------------------------------	--------------------------------

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?
  - Yes       No      If answer is "yes" type of consolidation \_\_\_\_\_

If answer is "no" list of owners and tract descriptions which have actually been consolidated. (Use reverse side of this form necessary.)

No allowable will be assigned to the well unit if all interests have been consolidated (by communitization, unitization, forced-pooling, otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.

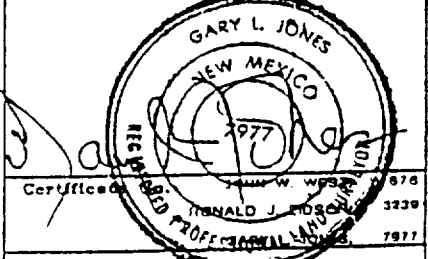
Signature <i>William R. Dannels</i>
Printed Name W.R. Dannels
Position Div. Drilling Specialist
Company Bass Enterprises Prod. Co.
Date 9-24-93

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 knowledge and belief.

Date Surveyed  
SEPTEMBER 09, 1993

Signature & Seal of Professional Surveyor



Certified by  
RONALD J. ROSEN  
3229  
7977

93-11-1791

Submit to Appropriate District Office  
State Leases - 6 copies  
For Leases - 5 copies  
DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240  
DISTRICT II  
P.O. Box 17 DD, Artesia, NM 88210  
DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

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

WELL API NO.  
30-015-27735  
5. Indicate Type of Lease  
STATE  FEE   
6. State Oil & Gas Lease No.  
E-5229

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well: OIL WELL  GAS WELL  DRY  OTHER \_\_\_\_\_  
1b. Type of Completion: NEW WELL  WORK OVER  DEEPEN  PLUG BACK  DDP RESVR  OTHER \_\_\_\_\_  
2. Name of Operator  
BASS ENTERPRISES PRODUCTION CO.  
3. Address of Operator  
P O BOX 2760; MIDLAND, TX 79702-2760  
4. Well Location  
Unit Letter K: 2310 Feet From The WEST Line and 1980 Feet From The SOUTH Line  
Section 36 Township 22S Range 30E NMPM EDDY County

7. Lease Name or Unit Agreement Name  
JAMES RANCH UNIT  
8. Well No.  
29  
9. Pool Name or Wuidge  
UND. QUAHADA RIDGE; DELAWARE, S.

10. Date Spudded 1-16-94 11. Date T.D. Reached 1-29-94 12. Date Compl. (Ready to Prod.) 2-20-94 13. Elevations (DF & RKB, RT, GR, etc.) 3309' GR 14. Elev. Casinghead -----  
15. Total Depth 7850' 16. Plug Back T.D. 7760' 17. If Multiple Compl. How Many Zones? SINGLE 18. Intervals Drilled By Rotary Tools Cable Tools 0'-7850' -----  
19. Producing Interval(s), of this completion - Top, Bottom, Name 7460'-7518' (46 HOLES) DELAWARE 20. Was Directional Survey Made NC  
21. Type Electric and Other Logs Run GR-CNL/LDT, GR-DIL/SFL 22. Was Well Cored NO

CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB/FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13 3/8"	48#	550'	17 1/2"	545SX CLASS "C"	NONE
9 5/8"	38#	2768'	12"	1195SX CLASS "C"	NONE
5 7/8"	15.8#	2850'	7 7/8"	905SX CLASS "H"	NONE

24. LINER RECORD 25. TUBING RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2 7/8"	7388'	7388'

26. Perforation record (interval, size, and number)  
4: CSG GUN PERF 2 USPF @ 180° PHASED  
7460'-7466' (13 HOLES)  
7505'-7518' (33 HOLES)  
27. ACID, SHOT, FRACTURE CEMENT, SQUEEZE, ETC.  
DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED  
7460'-7518' 2000 GALS 7 1/2% HCL ACID  
W/70 7/8" 1.3 SG BALL SEALERS  
FRAC W/39,600 GALS VIKING #35

PRODUCTION

28. Date First Production 2-18-94 Production Method (Flowing, gas lift, pumping - Size and type pump) FLOWING Well Status (Prod. or Shut-in) SHUT-IN  
29. Date of Test 2-22-94 Hours Tested 24 Choke Size 15/64 Prod'n For Test Period 248 Oil - Bbl 248 Gas - MCF 155 Water - Bbl 186 Gas - Oil Ratio 605  
30. Flow Tubing Press. 240 Casing Pressure PACKER Calculated 24-Hour Rate 248 Oil - Bbl 248 Gas - MCF 155 Water - Bbl 186 Oil Gravity - API - (Corr.) 44.0  
31. Disposition of Gas (Sold, used for fuel, vented, etc.) Text Witnessed By

32. SALES & LEASE USE  
33. List Attachments  
34. E ABOVE LOGS

I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature [Signature] Printed Name R.C. HOUTCHENS Title SR. PROD CLERK Date 3-01-94

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals

5. Lease Designation and Serial No.

LC - 071938 - B

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

James Ranch Unit

8. Well Name and No.

James Ranch Unit #29

9. API Well No.

30-015-27735

10. Field and Pool, or Exploratory Area

Quahada Ridge (Delaware)

11. County or Parish, State

Eddy County, New Mexico

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well  Gas Well  Other

2. Name of Operator

Bass Enterprises Production Co.

3. Address and Telephone No.

P.O. Box 2760 Midland, Texas 79702-2760

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1980' FSL & 2310' FWL  
Section 36, T22S-R30E

CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

Notice of Intent  
 Subsequent Report  
 Final Abandonment Notice

TYPE OF ACTION

Abandonment  
 Recompletion  
 Plugging Back  
 Casing Repair  
 Altering Casing  
 Other Add Pay  
 Change of Plans  
 New Construction  
 Non-Routine Fracturing  
 Water Shut-Off  
 Conversion to Injection  
 Dispose Water

Note: Report results of multiple completion on Well Completion or Recompletion Report and Log (form 1)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work, if well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

1. MIRUPU and pull rods and tubing.
2. Set RBP @ 7430'.
3. Perf Delaware @ 7200-7215'.
4. Acidize with 1000 gal 7-1/2% HCl + additives.
5. Frac with 19,100 gal gel and 104,000# 20/40 brady.
6. Swab and clean up.
7. RDMOPU.
8. Place on production for 30 days to test.
9. MIRUPU and retrieve RBP and produce both zones, RDMOPU.

CERTIFIED #Z 112 327 816 - <sup>GTL</sup> :SRL:PGO

I hereby certify that the foregoing is true and correct

Signed Keith Bucy Title Division Production Supt. Date 5/10/96

(This space for Federal or State office use)

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_  
is of approval, if any:

Title 18 U.S.C. Section 1001, makes 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.

\*See Instruction on Reverse Side.

to Appropriate

Energy Minerals and Natural Resources Department

Revised 1-1-89

District Office

DISTRICT I

P. O. Box 1980, Hobbs, NM 88240

DISTRICT II

811st Street, Artesia, NM 88210-2834

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

P. O. Box 2088

Santa Fe, New Mexico 87504-2088

WELL API NO.  
30-015-27735

5. Indicate Type of Lease  
State  Fee

6. State Oil & Gas Lease No.  
E-5229

7. Lease Name or Unit Agreement Name  
James Ranch Unit

8. Well No.  
29

9. Pool Name or Wildcat  
Los Medanos (Delaware)

**BEPCO - WTD PRODUCTION**  
SEP 24 1996  
RECEIVED

SUNDRY NOTICES AND REPORTS ON WELLS  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO REOPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS)

1. Type of Well  
Oil Well  Gas Well  Other

2. Name of Operator  
Bass Enterprises Production Company

3. Address of Operator  
P. O. Box 2760 Midland, Texas 79702-2760

4. Well Location  
Unit Letter K : 2310 Feet From The West Line and 1980 Feet From The South Line  
Section 36 Township 22S Range 30E NMPM Eddy County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)  
3309' GR

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PLUG & ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <u>Add Perfs &amp; Frac</u> <input checked="" type="checkbox"/>	

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Set CIBP @ 7430' and dump bail 10' sand on top 5/29/96.  
RIH w/ 4" casing gun loaded with 2 JSPF and 1800 phasing with GOEX 19 gram HSC XIX PML (0.44" EH) and perforate the following interval  
7200-15' (15', 30 shots)  
Acidize perfs with 1000 gals 7-1/2% HCl with additives.  
Frac 19,100 gals of Dowell Guar-based 30# gel XL with Borate and 104,000 lbs 20/40 Brady 5/20/96.  
Clean out sand. Drill out CIBP @ 7430' 7/12/96.  
Place well on production

**RECEIVED**  
AUG 28 1996  
OIL CONSERV. DIV.  
DISTRICT II

Certified P 916 976 216

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

SIGNATURE: Tami L. Wilber TITLE: Production Clerk DATE: 8/25/96

TYPE OR PRINT NAME: Tami L. Wilber TELEPHONE NO. (915) 683-2277

APPROVED BY: ORIGINAL SIGNED BY TIM W. GUM TITLE: DISTRICT II SUPERVISOR DATE: SEP 5

CONDITIONS OF APPROVAL, IF ANY:

**WORKSHEET FOR COMMERCIAL DETERMINATION  
AND PARTICIPATING AREA IN FEDERAL UNITS**

**WELL DATA**

WELL \_\_\_\_\_ JAMES RANCH UNIT NO. 30 \_\_\_\_\_ FORMATION \_\_\_\_\_ WOLFCAMP \_\_\_\_\_  
 LOCATION \_\_\_\_\_ J \_\_\_\_\_ UNIT, \_\_\_\_\_ 1980 FEET FROM \_\_\_\_\_ S LINE & \_\_\_\_\_ 2310 FEET FROM \_\_\_\_\_ E LINE  
 SECTION \_\_\_\_\_ 6 \_\_\_\_\_ TOWNSHIP \_\_\_\_\_ 23S \_\_\_\_\_, RANGE \_\_\_\_\_ 31E \_\_\_\_\_, COUNTY \_\_\_\_\_ EDDY \_\_\_\_\_, NEW MEXICO  
 SPUD DATE \_\_\_\_\_ 10/13/93 \_\_\_\_\_ COMPLETION DATE \_\_\_\_\_ 12/21/95 \_\_\_\_\_ INITIAL PRODUCTION \_\_\_\_\_ 12/21/95  
 PERFORATIONS \_\_\_\_\_ 11,209-11,223' \_\_\_\_\_

**STIMULATION:**

**ACID** \_\_\_\_\_ 200 GALS 15% HCL + ADDITIVES. \_\_\_\_\_

**FRACTURE** \_\_\_\_\_ 34,020 GALS YF-140D, 172,000# 20/40 OTTAWA SAND, & 30,327# ECONO PROP WITH  
 \_\_\_\_\_ PROPNETT II. \_\_\_\_\_

POTENTIAL \_\_\_\_\_ 12/24/95 116 BOPD, 47 BWPD, 311 MCFPD. \_\_\_\_\_

(Attach Copy of C-105. Attach Copy of Wellbore Sketch of Completed Well.)

**VOLUMETRIC CALCULATION**

	SANDS PERFORATED	SANDS NOT PERFORATED BUT POTENTIALLY PRODUCTIVE
Area (A) proration unit size, acres	40	
Porosity (por), %	11.5%	
Water saturation (Sw), %	43%	
Net Thickness (h), ft.	<del>19.5</del>	
Temperature (T), Fahrenheit	170	
Bottom Hole pressure (P), psia	6,057	
Recovery factor (RF), %	27%	
Recoverable oil, BBLs *(See eq. below)	76,498	

\*Sometimes unable to match performance due to volumetric uncertainty.

Formula = (7758) (A) (h) (por) (1-Sw) (1/Boi) (RF)

Boi = 1.40

**PERFORMANCE DATA**

(If sufficient history exists, attach plot of oil production rate v time.)

CUMULATIVE PRODUCTION TO	<u>11/1/99</u>	<u>26,700</u>	BBLs
INITIAL RATE (qi)	<u>356</u>		
ECONOMIC LIMIT (ql)	<u>30</u>		
DECLINE RATE, dy	<u>Hyperbolic d = 17.04% n = .98</u>		
REMAINING OIL (Q) =	<u>35,400</u>		
ULTIMATE RECOVERABLE OIL	<u>62,100</u>		

(Attach plot showing proration unit and participating area.)

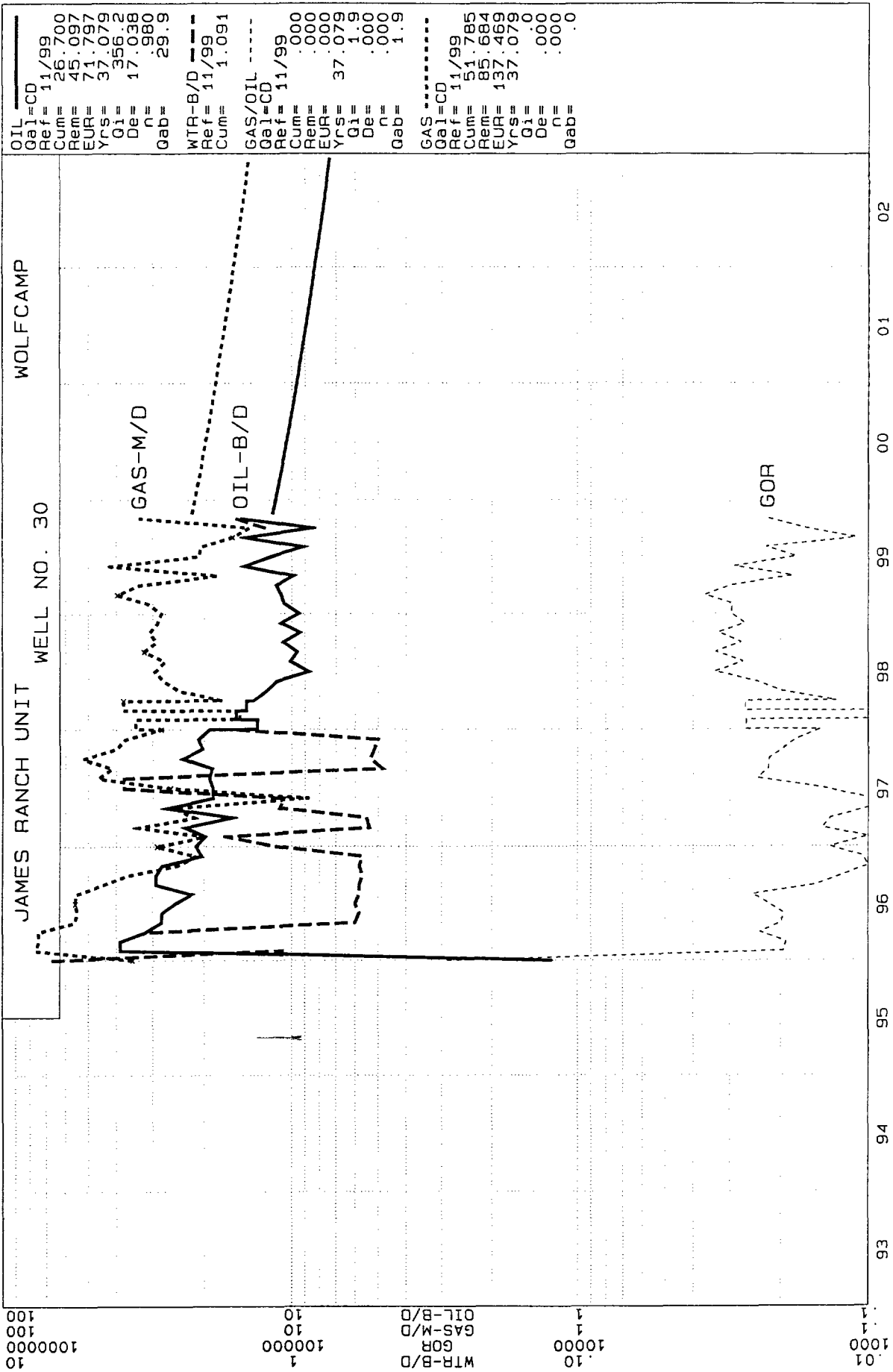
**ECONOMIC**

WELL COST \$	<u>825,000</u>	(to the depth of formation completed)
RECOMPLETION COST \$	<u>0</u>	
TOTAL COST \$	<u>825,000</u>	

YEAR	GROSS OIL	REVENUE	OPERATING COST	10% NET BFIT DISCOUNTED CASH FLOW
ZERO	<u>0</u>	<u>0</u>	<u>0</u>	<u>-825,000</u>
1	<u>0</u>	<u>2,300</u>	<u>1,400</u>	<u>900</u>
2	<u>10,300</u>	<u>232,900</u>	<u>31,500</u>	<u>190,100</u>
3	<u>7,500</u>	<u>154,300</u>	<u>25,600</u>	<u>109,800</u>
4	<u>4,600</u>	<u>71,500</u>	<u>19,600</u>	<u>40,100</u>
5	<u>4,000</u>	<u>84,100</u>	<u>20,500</u>	<u>44,400</u>
6	<u>3,800</u>	<u>96,700</u>	<u>21,500</u>	<u>47,600</u>
7	<u>3,300</u>	<u>69,700</u>	<u>19,400</u>	<u>28,800</u>
8	<u>2,900</u>	<u>57,200</u>	<u>18,600</u>	<u>20,100</u>
9	<u>2,500</u>	<u>48,600</u>	<u>17,900</u>	<u>14,400</u>
10	<u>2,300</u>	<u>43,600</u>	<u>17,600</u>	<u>11,100</u>
REMAINDER	<u>20,900</u>	<u>400,300</u>	<u>259,400</u>	<u>37,700</u>

**WELL IS NOT COMMERCIAL**





**OIL=CD**

Ref= 11/99  
 Cum= 26.700  
 Rem= 45.097  
 EUR= 71.797  
 Yrs= 37.079  
 Qi= 356.2  
 De= 17.038  
 n= 980  
 Gab= 29.9

**WTR-B/D**

Ref= 11/99  
 Cum= 1.091

**GAS/OIL**

Oil=CD  
 Ref= 11/99  
 Cum= .000  
 Rem= .000  
 EUR= .000  
 Yrs= 37.079  
 Qi= 1.9  
 De= .000  
 n= .000  
 Gab= 1.9

**GAS**

Oil=CD  
 Ref= 11/99  
 Cum= 51.785  
 Rem= 85.684  
 EUR= 137.469  
 Yrs= 37.079  
 Qi= 0  
 De= .000  
 n= .000  
 Gab= .0

INPUT DATA

CALCULATED DATA

ITEM	SCHEDULING RATES	SCHEDULE UNTIL	PROCEDURE	ULTIMATE	LAST	EFF. DECL	INIT. RATE	FINAL RATE					
405 START	11/99												
410 OIL	356.24	X	B/M	05/2014 AD	H/0.980	17.04	56.567	4/14	17.04	356.	95.		
415 "	95.00	X	B/M	15.23 IMU	EXP	5.00	71.797	11/36	5.00	95.	30.		
420 GAS/OIL	1.90	1.90 M/B		01/2097 AD	LIN	TIME		12/96					
425 WTR	5.13	1.00 B/M		X	IMU	H/0.995	22.27		.398	2/16	22.27	5.	1.
430 START	12/95												
516 PRI/OIL	16.8800	X	\$/B	1/95	MM/YY	PC	.00	11/36		16.880	18.390		
517 "	18.39	X	\$/B	1/96	AD	PC	.00	11/36		18.390	22.260		
518 "	22.26	X	\$/B	1/97	AD	PC	.00	11/36		22.260	20.740		
519 "	20.74	X	\$/B	1/98	AD	PC	.00	12/97		20.740	14.430		
520 "	14.43	X	\$/B	1/99	AD	PC	.00	12/98		14.430	19.250		
521 "	19.25	X	\$/B	1/2000	AD	PC	.00	12/99		19.250	24.940		
522 "	24.94	X	\$/B	1/2001	AD	PC	.00	12/00		24.940	20.670		
523 "	20.67	X	\$/B	1/2002	AD	PC	.00	12/01		20.670	19.200		
524 "	19.20	X	\$/B	1/2003	AD	PC	.00	12/02		19.200	18.180		
525 "	18.18	X	\$/B	1/2004	AD	PC	.00	12/03		18.180	18.130		
526 "	18.13	X	\$/B	TO	LIFE	PC	.00	11/36		18.130	1.890		
531 PRI/GAS	1.8900	X	\$/M	1/95	MM/YY	PC	.00	11/36		1.890	1.940		
532 "	1.94	X	\$/M	1/96	AD	PC	.00	12/95		1.940	2.610		
533 "	2.61	X	\$/M	1/97	AD	PC	.00	12/96		2.610	2.590		
534 "	2.59	X	\$/M	1/98	AD	PC	.00	12/97		2.590	2.110		
535 "	2.11	X	\$/M	1/99	AD	PC	.00	12/98		2.110	2.270		
536 "	2.27	X	\$/M	1/2000	AD	PC	.00	12/99		2.270	2.600		
537 "	2.60	X	\$/M	1/2001	AD	PC	.00	12/00		2.600	2.580		
538 "	2.58	X	\$/M	1/2002	AD	PC	.00	12/01		2.580	2.570		
539 "	2.57	X	\$/M	TO	LIFE	PC	.00	11/36		2.570	1190.000		
544 OPC/T	1190.00	X	\$/M	TO	LIFE	OPC		11/36		1190.000	1190.000		
549 STX/OIL	7.08	X	\$	TO	LIFE	PC	.00	11/36		.071	.071		
554 STX/GAS	7.93	X	\$	TO	LIFE	PC	.00	11/36		.079	.079		
559 ATX	.17	X	\$	TO	LIFE	PC	.00	11/36		.002	.002		
564 PRI/OIL	-.9100	-	\$/B	TO	LIFE	PC	.00	11/36		-.910	18.130		
569 PRI/GAS	-.1300	-	\$/M	TO	LIFE	PC	.00	11/36		-.130	2.570		
700 LSE/WI	100.0000	D	\$	TO	LIFE	FLAT	.00	11/36		1.000	1.000		
701 OMN/WI	100.0000	D	\$	TO	LIFE	FLAT	.00	11/36		1.000	1.000		
720 LSE/RIC	12.5000	D	\$	TO	LIFE	FLAT	.00	11/36		.125	.125		
721 OMN/RI	.0000	D	\$	TO	LIFE	FLAT	.00	11/36		.125	.125		
740 LSE/RIG	12.5000	D	\$	TO	LIFE	FLAT	.00	11/36		.125	.125		
760 LSE/ORR	.0000	D	\$	TO	LIFE	FLAT	.00	11/36		.125	.125		

OVERLAYS	SCHEDULING RATES	TO	LIFE	FLAT	.00	11/36
905 LOAD	P.OIL OIL #					27.150
910 LOAD	P.GAS GAS #					52.787
915 LOAD	P.WATER WTR #					1.091

INVESTMENT	TANGIBLES & INTANGIBLES	TIME	PROCEDURE	TOTAL T&I	MONTH	RISK INV.	TOT. T&I&R	ESC. T&I&R
800 DRILL	330.00	495.00 MSG	12/95 AD	825.000	12/95	.	825.0	825.0
801 SALVAGE	-33.00	.00 MSG	TO LIFE	-33.000	11/36	.	-33.0	-33.0

RESERVE PARAMETERS	ITEM	ITEM
201 LOSS	NO	
205 CUMO, MB	26.70	CUMG, MMF 51.78 CUML, MB

PROJECT ASSUMPTIONS

BASE DATE : 12/95 TIME FRAMES : 1\*1 38\*12 1\*600  
 P.W. DATE : 12/95 PM & AGE : 10.0 DISC. FREQUENCY : 365.  
 REPORT DATE : 12/95 PROD QUAL : CD OWNER QUAL : CD OTHER QUAL : CD

R E S E R V E S A N D E C O N O M I C S  
 EFFECTIVE DATE: 12/95

25.2 YR

PERIOD ENDING	12/95	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	12/04	S TOT	AFTER	TOTAL
1) WORKING INTEREST, \$	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000
2) REVENUE INTEREST, \$	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500

INVESTMENTS, M\$

3) BORROWED CAPITAL	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4) EQUITY INVESTMENTS	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0
5) RISK	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) TOTAL	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0

OIL PHASE

8) GROSS OIL, MB	.0	10.3	7.5	4.6	4.0	3.8	3.3	2.9	2.5	2.3	41.2	20.9	62.1
9) NET OIL, MB	.0	9.1	6.5	4.0	3.5	3.4	2.9	2.5	2.2	2.0	36.1	18.3	54.4
10) OIL REVENUE, M\$	.6	193.2	129.4	53.9	64.8	80.8	56.4	45.7	38.3	34.3	697.4	315.4	1012.8
11) OIL PRICE, \$/B	17.48	21.35	19.83	13.52	18.34	24.03	19.76	18.29	17.27	17.22	19.34	17.22	18.63

GAS PHASE

12) GROSS GAS, MMF	1.1	18.3	11.6	10.1	10.3	7.4	6.2	5.4	4.8	4.3	79.5	39.8	119.3
13) NET GAS, MMF	1.0	16.0	10.1	8.9	9.0	6.5	5.4	4.7	4.2	3.8	69.6	34.8	104.4
14) GAS REVENUE, M\$	1.7	39.7	24.9	17.6	19.2	16.0	13.3	11.6	10.3	9.2	163.4	84.9	248.3
15) GAS PRICE, \$/MCF	1.810	2.480	2.450	1.980	2.140	2.470	2.450	2.440	2.440	2.440	2.350	2.440	2.380

WATER PHASE

16) GROSS WATER, MB	.2	.3	.5	.0	.0	.1	.0	.0	.0	.0	1.3	.2	1.5
17) NET WATER, MB	.2	.3	.5	.0	.0	.1	.0	.0	.0	.0	1.3	.2	1.5
18) WATER PRICE, \$/B	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000

ECONOMICS, M\$

19) GROSS REV. TO INTR.	2.3	232.9	154.3	71.5	84.1	96.7	69.7	57.2	48.6	43.6	860.9	400.3	1261.2
20) - SEV. TAX	.2	16.8	11.1	5.2	6.1	7.0	5.0	4.2	3.5	3.2	62.3	29.1	91.4
22) - AD VALOREM TAX	.0	.4	.2	.1	.1	.2	.1	.1	.1	.1	1.4	.6	2.0
23) - OPERATING COSTS	1.2	14.3	14.3	14.3	14.3	14.3	14.3	14.3	14.3	14.3	129.7	229.7	359.4
24) - SMD	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
25) - CAPITAL REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
28) = NET INCOME	.9	201.4	128.6	51.9	63.6	75.3	50.3	38.7	30.7	26.1	667.5	140.9	808.4
29) - INVESTMENTS & RSK	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0	-33.0	792.0
30) = BPIT NET	-824.1	201.4	128.6	51.9	63.6	75.3	50.3	38.7	30.7	26.1	-157.5	173.9	16.4

PRESENT WORTH @ 10.00 %

31) NET INCOME	.9	190.1	109.8	40.1	44.4	47.6	28.8	20.1	14.4	11.1	507.3	37.7	545.0
32) INVESTMENTS & RISK	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0	-2.7	822.3
33) BPIT NET	-824.1	190.1	109.8	40.1	44.4	47.6	28.8	20.1	14.4	11.1	-317.7	40.4	-277.3
34) CUM BPIT NET	-824.1	-634.0	-524.2	-484.1	-439.6	-392.0	-363.2	-343.1	-328.8	-317.7	-317.7	-277.3	-277.3

A F T E R T A X E C O N O M I C S

EFFECTIVE DATE: 12/95

PERIOD ENDING	12/95	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	12/04	S TOT	AFTER	TOTAL
TAX TREATMENT OF INVESTMENTS, M\$													25.2 YR
1) EXP, RISK & CAP INT	495.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	495.0	.0	495.0
2) DEPRECIABLE	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
3) DEPRECIABLE	330.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	330.0	-33.0	297.0

TAX CALCULATIONS, M\$

4) GROSS REV. TO INTR.	2.3	232.9	154.3	71.5	84.1	96.7	69.7	57.2	48.6	43.6	860.9	400.3	1261.2
5) - SEVERANCE TAX	.2	16.8	11.1	5.2	6.1	7.0	5.0	4.2	3.5	3.2	62.3	29.1	91.4
6) - WPT TAX NET	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) - OPR. COSTS & ATX	1.2	14.6	14.5	14.4	14.4	14.4	14.4	14.4	14.4	14.3	131.1	230.3	361.4
8) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
9) - OVERHEAD	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
10) - EXPENSED INV.	495.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	495.0	.0	495.0
11) - DEPRECIATION	3.9	49.9	78.9	56.3	40.2	29.5	29.5	29.5	12.3	.0	330.0	.0	330.0
12) = NET	-498.0	151.5	49.7	-4.4	23.3	45.8	20.8	9.2	18.4	26.1	-157.5	140.9	-16.6
13) - DEPLETION	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
14) - INTEREST PD & CAP	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
15) = TAXABLE	-498.0	151.5	49.7	-4.4	23.3	45.8	20.8	9.2	18.4	26.1	-157.5	140.9	-16.6
16) * TAX RATE, %	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0
17) - TAX CREDIT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
18) - WPT REFUND	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
19) = F.I.T.	-174.3	53.0	17.4	-1.6	8.2	16.0	7.3	3.2	6.4	9.1	-55.1	49.3	-5.8
20) REVENUE-SEV-WPT	2.1	216.1	143.1	66.3	78.0	89.7	64.7	53.1	45.0	40.4	798.5	371.2	1169.8
21) - OPR. COSTS & ATX	1.2	14.6	14.5	14.4	14.4	14.4	14.4	14.4	14.4	14.3	131.1	230.3	361.4
22) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
23) - F.I.T.	-174.3	53.0	17.4	-1.6	8.2	16.0	7.3	3.2	6.4	9.1	-55.1	49.3	-5.8
24) = A.F.I.T.	175.2	148.4	111.2	53.5	55.4	59.3	43.0	35.5	24.2	16.9	722.6	91.6	814.2
25) - LOAN REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) = NET INCOME	175.2	148.4	111.2	53.5	55.4	59.3	43.0	35.5	24.2	16.9	722.6	91.6	814.2
28) - INVESTMENTS & RSK	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0	-33.0	792.0
29) = A.F.I.T. NET	-649.8	148.4	111.2	53.5	55.4	59.3	43.0	35.5	24.2	16.9	-102.4	124.6	22.2

PRESENT WORTH @ 10.00 %

30) NET INCOME	174.5	140.0	95.0	41.3	38.7	37.5	24.6	18.4	11.4	7.2	588.6	24.5	613.1
31) INVESTMENTS & RISK	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0	-2.7	822.3
32) A.F.I.T. NET	-650.5	140.0	95.0	41.3	38.7	37.5	24.6	18.4	11.4	7.2	-236.4	27.2	-209.2
33) CUM. A.F.I.T. NET	-650.5	-510.4	-415.5	-374.2	-335.4	-298.0	-273.3	-255.0	-243.6	-236.4	-236.4	-209.2	-209.2

DATE : 02/07/00  
 TIME : 13:34:08  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 36

E C O N O M I C I N D I C A T O R S

AS OF DATE: 12/95

B.F.I.T.	A.F.I.T.	A.F.I.T.
WORTH	WORTH	BONUS
M\$-----	M\$-----	M\$-----

PRESENT WORTH PROFILE AND  
 RATE-OF-RETURN VS. BONUS TABLE

0.	16.387	22.802	34.157
2.	-68.744	-44.733	-64.237
5.	-165.756	-120.973	-161.894
6.	-192.138	-141.755	-186.377
8.	-238.255	-178.198	-227.494
10.	-277.279	-209.203	-260.896
20.	-408.704	-315.518	-367.236
30.	-485.594	-379.564	-426.934
40.	-537.009	-423.182	-466.160
50.	-574.227	-455.079	-494.163
60.	-602.651	-479.578	-515.294
70.	-625.232	-499.095	-531.901
80.	-643.681	-515.093	-545.371
90.	-659.123	-528.502	-556.570
100.	-672.275	-539.947	-566.068

RATE OF RETURN, PCT.

.4

.7

UNDISCOUNTED PAYOUT, YRS. 25.13

25.11

DISCOUNTED PAYOUT, YRS. 25.17

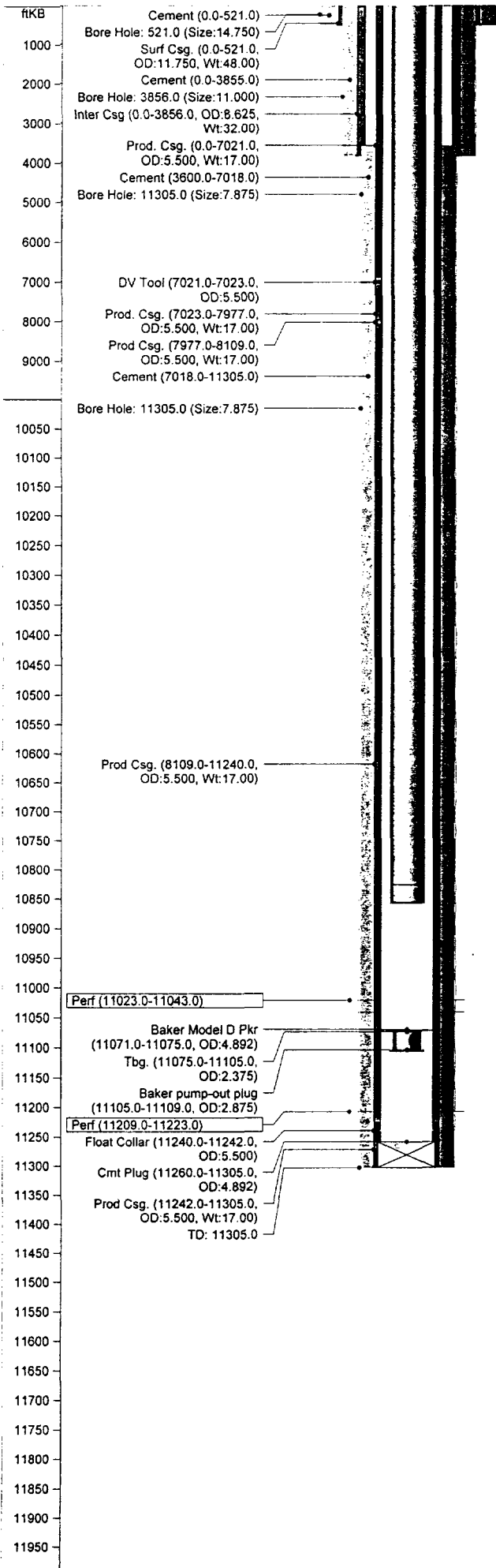
25.17

UNDISCOUNTED NET/INVEST. 1.02

1.03

DISCOUNTED NET/INVEST. .66

.75



**JAMES RANCH UNIT #30**

API No.	3001527704	Status	ACT OIL
TD	11305.0 ftKB	Engineer	KAJ
PBTD	11260.0 ftKB		
Operator	BEPCO	Permit	
Well No.	30	Spud	10/13/93
ID Code	CHMXBSV8.030	RR	11/12/93
Field	LOS MEDANOS	Completion	11/25/93
Author	RAS	Last Act.	
Date Updated	1/20/98	Abandoned	
Comments			

**Location**

Township	S023	Top Latitude	0
		Top Longitude	0
Range	E031	Top NS Distance	1980.0 ft S
		Top EW Distance	2310.0 ft E
Section	6	Bottom Latitude	0
Unit Ltr.	J	Bottom Longitude	0
State	New Mexico	Btm NS Distance	0.0 ft
County	Eddy	Btm EW Distance	0.0 ft

**Elevations**

KB	3329.9 ft	Cas Flng	0.0 ft
Grd	3310.7 ft	Tub Head	0.0 ft
KB-Grd	19.2 ft		

**Casing String - Surface Casing**

Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID	Wt	Grd	Thd
11 3/4 in Surf Csg.	0.0	521.0	12	11.080	48.00	H-40	STC

**Casing String - Intermediate Casing**

Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID	Wt	Grd	Thd
8 5/8 in Inter Csg	0.0	3856.0	90	7.921	32.00	K-55	LTC

**Casing String - Production Casing**

Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID	Wt	Grd	Thd
5 1/2 in Prod. Csg.	0.0	7021.0	163	4.892	17.00	K-55	LTC
5 1/2 in DV Tool	7021.0	7023.0		0.000	0.00		
5 1/2 in Prod. Csg.	7023.0	7977.0	23	4.892	17.00	K-55	LTC
5 1/2 in Prod Csg.	7977.0	8109.0	3	4.892	17.00	S-95	LTC
5 1/2 in Prod Csg.	8109.0	1240.0	79	4.892	17.00	N-80	LTC
5 1/2 in Float Collar	1240.0	1242.0		4.892	0.00		
5 1/2 in Prod Csg.	1242.0	1305.0	2	4.892	17.00	N-80	LTC

**Casing Cement**

Casing String	Top (ftKB)	Amount (sx)	Comments
Surface Casing	0.0	390	
Intermediate Casing	0.0	1135	
Production Casing	3600.0	780	TOC Est.
Production Casing	7018.0	960	Circ 170 out DV Tool.

**Tubing String - Primary Tubing**

Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
2 7/8 in Tbg	0.0	10827.0	353	2.441	6.50	N-80	8rd
2 7/8 in SN	10827.0	10828.0		0.000	0.00		
2 7/8 in Tbg	10828.0	10857.0		0.000	0.00		
2 7/8 in Baker Seal Assemb.	10857.0	10860.0		0.000	0.00		

**Other (plugs, equip., etc.) - Plug Backs**

Date	Item	Int (ftKB)
12/7/95	Baker Model D Pkr	11071.0 - 11075.0
12/7/95	Tbg.	11075.0 - 11105.0
12/7/95	Baker pump-out plug	11105.0 - 11109.0
11/10/93	Cmt Plug	11260.0 - 11305.0

**Perforations**

Date	Int	Shots (ft)	Status
11/18/93	11023.0 - 11043.0	4.0	
12/7/95	11209.0 - 11223.0	2.0	

**Stimulations & Treatments**

Date	Type	Interval	Fluid	Sand	Comments
12/20/93	Sand Frac	11023.0 - 11043.0			
12/19/93	Sand Frac	11209.0 - 11223.0			

## WELL HISTORY

**WELL NAME:** James Ranch Unit No. 30

**FIELD NAME:** Los Medanos (Bone Spring)

**LOCATION:** 1980' FSL & 2310' FEL, SEC 6, T23S, R31E, Unit J  
Eddy County, New Mexico

**ELEVATION:** GL 3310.7', DF 3327.9', KB 3329.9'

**SPUD DATE:** 1/13/93

**COMP DATE:** 11/25/93

**ORIG TD:** 11,305'

**ORIG PBTB:** 11,260'

**CASING:** 11-3/4" 42# H-40 ST&C CSA 521' W/390 SX, cmt circ, 14-3/4" hole 0-520'.  
8-5/8" 32# K-55 LT&C CSA 3856' w/1135 SX, cmt circ, 11" hole 520-3855'.  
5-1/2" 17# K-55 & N-80 LT&C CSA 11,305'. Cmt 1st stage W/960 sx, circ 170 sx  
off DV tool @ 7018'. Cmt 2nd stage W/780 SX. Est TOC 3600'. 7-7/8" hole 3855-  
11,305'.

**TUBING:** 2-7/8" 6.5#/FT N-80

**DST:** NONE

**CORES & LOGS:** 11/11/93: CNL/LDL, DIL/SFL  
11/18/93: GR-CCL 11,250' TO 8,500'.

### INITIAL COMPLETION:

11/15/93-2/2/94

#### COMPLETE IN BONE SPRING

Drill FC & cmt to 11,250' PBTB. Run GR/CCL 8500-11,250'.

11/18/93

**Perf 11,023-43'**, 4 SPF. Set pkr @ 10,950'. **Acidize** w/1500 gals  
7-1/2% HCL + additives 11,023-43'. Swab well. Run BHP survey.  
71 hr dead weight SITP 3368 psi. Flwg - 24 hr test: 8 BO, 0 BW,  
11 MCF on 8/64" chk. Rel pkr @ 10,950'. **Frac 11,023-43'**  
w/45,000 gals 40# x-link gel, 403,500# 20/40 Ottawa sd, 16,500#  
Econo-Prop. Flow well. SI for battery modifications. Swab  
well. Set pkr @ 8072'. **Perf tbg @ 8138'**. Place well on prod.  
**IP:** 2/2/94 24 hrs F 65 BO, 12 BW, 107 MCF on 24/64" chk.

### WORKOVERS

12/4/95-1/6/96

#### RECOMPLETION TO ADD WOLFCAMP ZONE

Tag fill @ 10,979'. DO sd 10,976-11,250' (PBTB). **Spot** 200 gals  
15% HCL acid + additives.

12/7/95

**Perf 11,209-223'**, 2 SPF. Set Baker Mod "D" perm pkr @ 11,071'.  
Attempted to sting latch seal assembly into perm pkr - no  
success. Appears to be frac sd on top of pkr. Using 1-1/4"  
coiled tbg wash to pump out plug @ 11,112'. Latch into perm pkr  
@ 11,071'. Pull tension into pkr latch assembly. At 150,000-  
155,000# tension, top section of unit derrick failed & scoped  
together. Entire derrick then fell forward onto unit along



JAMES RANCH UNIT #30  
WELL HISTORY

12/4/05-1/6/96

CONTINUED

w/356 jts of 2-7/8" prod tbg in derrick. No major injuries. Baker Oil Tool hand on floor slightly injured. Workstring dropped approx. 10' & 3-1/2" tbg hung on slip type elevators. Use crane to untangle 2-7/8" prod tbg & misc. equip. Clean loc & inspect tbg. Visual inspection showed 15-20 jts severely bent & +20% of remainder bowed & warped. MIRU replacement PU. Unsting from pkr assembly. Break dwn Wolfcamp perms w/6600 psi (CP 220 psi). Pump spot acid away. **Frac** Wolfcamp perms 11,209-223' w/34,020 gals YF-140D, 172,000# 20/40 Ottawa sd, & 30,327# 20/40 Econoprop w/Propnett II. Flowed well. Put well on test. Tag top of sd @ +11,223'. Wash sd to PBD @ 11,260'. Unsting from pkr assembly @ 11,071'. Re-dress seal assembly, tag pkr, & latch in w/seal assembly. Rel seal assembly. **Pump** 300 gals 15% HCL + additives across 11,023-43'. Swab well. Place well on prod.

**AWO:** 3/19/96 24 hrs F 61 BO, 0 BW, 133 MCF on 12/64" chk. FTP 360#, SICP 1380#.

1/24/00  
LAH

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT I

P.O. Box 1960, Hobbs, NM 88240

DISTRICT II

P.O. Drawer 00, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator <b>BASS ENTERPRISES PRODUCTION COMPANY</b>		Lease <b>JAMES RANCH UNIT</b>		Well No. <b>30</b>
Unit Letter <b>J</b>	Section <b>6</b>	Township <b>23 SOUTH</b>	Range <b>31 EAST</b>	County <b>EDDY</b>
Actual Footage Location of Well:				
1980 feet from the <b>SOUTH</b> line and		2310 feet from the <b>EAST</b> line		
Ground Level Elev. <b>3312.4'</b>	Producing Formation <b>Bone Spring</b>	Pool <b>Los Medanos</b>	Dedicated Acreage: <b>40</b> Acres	

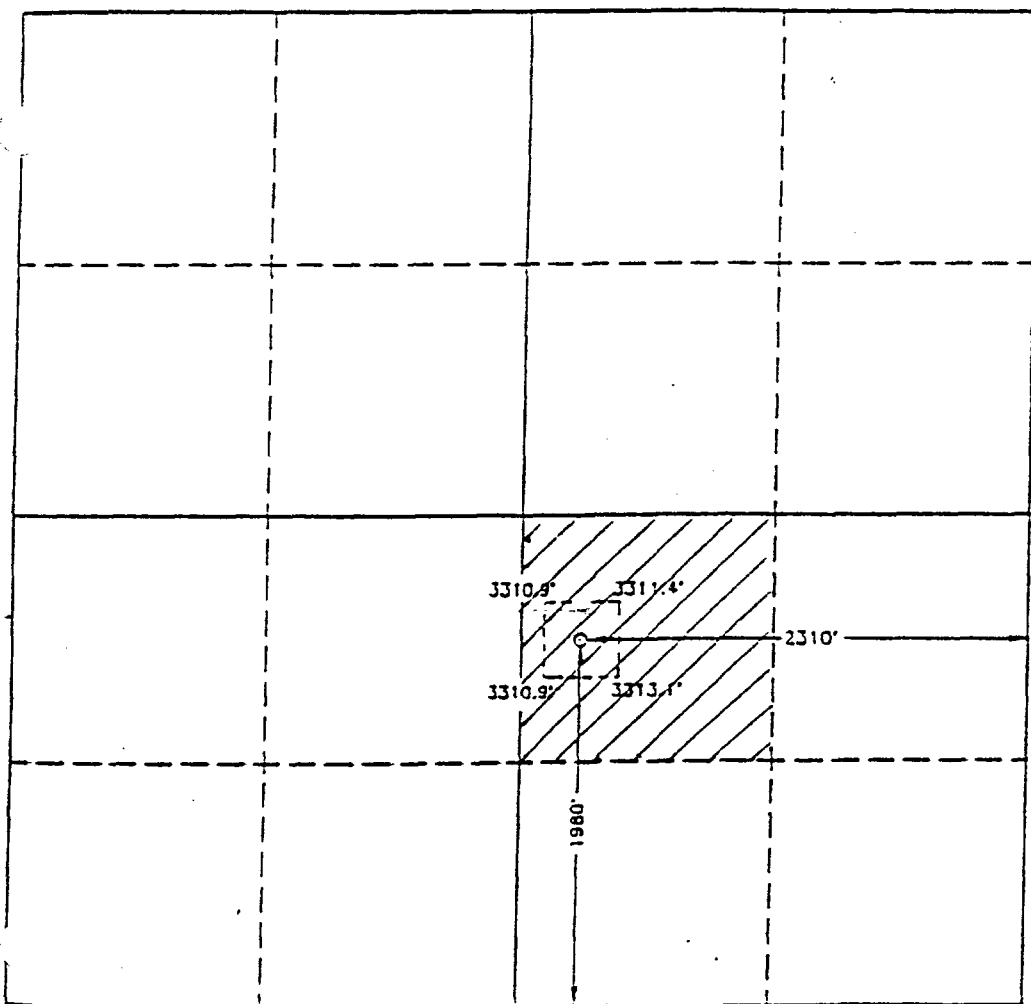
1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.

2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communization, unitization, force-pooling, etc.?  
 Yes     No    If answer is "yes" type of consolidation \_\_\_\_\_

If answer is "no" list of owners and tract descriptions which have actually been consolidated. (Use reverse side of this form necessary.) \_\_\_\_\_

No allowable will be assigned to the well unit all interests have been consolidated (by communization, unitization, forced-pooling, otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



**OPERATOR CERTIFICATION**

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature: *Keith E. Bucy*

Printed Name: **Keith E. Bucy**

Position: **Div. Dirg. & Prod. Supt. Company**

Company: **Bass Enterprises Prod. Co.**

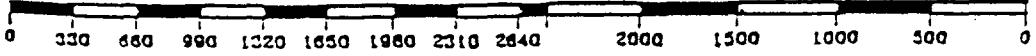
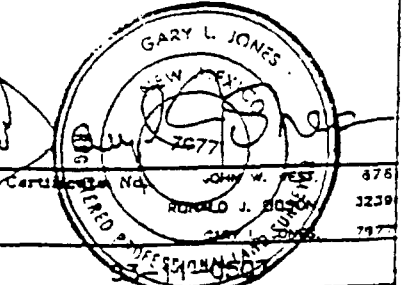
Date: **4/20/93**

**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 knowledge and belief.

Date Surveyed: **MARCH 25, 1993**

Signature & Seal of Professional Surveyor



UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**OPERATOR'S COPY**  
Expires: February 28, 1995

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG \***

**1. TYPE OF WELL:** OIL WELL  GAS WELL  DRY  OTHER   
**2. TYPE OF COMPLETION:** NEW WELL  WORK OVER  REPAIR  PLUG BACK  DIFF. BEVER  OTHER

**2. NAME OF OPERATOR:** Bass Enterprises Production Company  
**3. ADDRESS AND TELEPHONE NO.:** P. O. Box 2760 Midland, Texas 79702-2760 (915) 683-2277

**4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements):**  
 At surface 1980' FSL & 2310' FEL of Unit Letter J  
 At top prod. interval reported below  
 At total depth Same as above

**14. PERMIT NO.:** \_\_\_\_\_ **DATE ISSUED:** \_\_\_\_\_

**15. DATE SPUDDING:** 10-13-93 **16. DATE T.D. REACHED:** 11-11-93 **17. DATE COMPL. (Ready to prod.):** 11-25-93 **18. ELEVATIONS (DF, RKB, RT, GB, ETC.):** 3312' FL

**20. TOTAL DEPTH, MD & TVD:** 11,305' **21. PLUG BACK T.D., MD & TVD:** 11,260' **22. IF MULTIPLE COMPL., HOW MANY?:** 2 **23. INTERVALS DRILLED BY:** ROTARY TOOLS 10-11,305' CABLE TOOLS \_\_\_\_\_

**24. PRODUCING INTERVAL(S) OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD):** 11,209-11,223' (28 Holes) Wolfcamp **25. WAS DIRECTIONAL SURVEY MADE:** No

**26. TYPE ELECTRIC AND OTHER LOGS RUN:** NA **27. WAS WELL CORDED:** No

**28. CASING RECORD (Report all strings set in well)**

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
11-3/4"	42#	520'	14-3/4"	Circ 390 sx Class "C"	None
9-5/8"	32#	3855'	11"	Circ 1135 sx Class "C"	None
5-1/2"	17#	11305'	7-7/8"	TOC 3600' 1840 sx Class "C"	None

**29. LINER RECORD**

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)
None				

**30. TUBING RECORD**

SIZE	DEPTH SET (MD)	PACKER SET (MD)
2-7/8"	11,040'	11,071'

**31. PERFORATION RECORD (Interval, size and number)**

4" casing gun loaded w/ 4 JSPF @ 90 Degree phased 80 holes 11,023-11,043'.  
 4" casing gun loaded w/ 2 JSPF @ 180 Degree phased 28 holes 11,209-11,223'

**32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.**

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
11,023-11,043'	1500 gals 7-1/2% HCl acid with additives
11,209-11,223'	Frac with 34,020 gals 40# gel 172,000# 20/40 Ottawa Sand

**33. PRODUCTION**

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)	WELL STATUS (Producing or (AWI-IN))					
-3/19/96	Flowing	Producing					
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
3/19/96	24	12/64"	→	61	133	0	2180
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)	
360	Packer	→	61	133	0	47.8	

**34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)**

Sales & Lease Use

**35. LIST OF ATTACHMENTS**

None

**36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records**

GNED Ann L. Wilbert Title Production Clerk DATE 6/18/96

\* (See Instructions and Spaces for Additional Data on Reverse Side)  
 Title 18 U.S.C. Section 1001, makes 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.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**OPERATOR'S COPY**

FORM APPROVED  
BLM - CRA  
February 08, 1996

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir  
Use "APPLICATION FOR PERMIT" for such proposals

**SUBMIT IN TRIPLICATE**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Designation and Serial No. NMNM04473
2. Name of Operator Bass Enterprises Production Company	6. If Indian, Allottee or Tribe Name —
3. Address and Telephone No. P. O. Box 2760 Midland, Texas 79702-2760      (915) 683-2277	7. If Unit or CA, Agreement Designation James Ranch Unit
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1980' FSL & 2310' FEL Section 6, T23S-R31E, Unit Letter J	8. Well Name and No. James Ranch Unit #30
	9. API Well No. 30-015-27704
	10. Field and Pool, or Exploratory Area Los Medanos (Bone Spring)
	11. County or Parish, State Eddy County, New Mexico

**12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other <u>Perf Wolfcamp Commingle</u> with Bone Spring
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

1. Perforated Wolfcamp perms with 4" casing gun loaded with 2 JSPF @180° phased 28 holes 11,209-11,223'.
2. Permanent packer assembly set @ 11,071'.
3. Frac Wolfcamp with 34,020 gals 40# gel, 172,000# 20/40 Ottawa Sand.
4. Recovered 709 bbls.

Requests authority to downhole commingle the Bone Spring (11,023-11,043') and Wolfcamp (11,209-11,223') formations. All produced fluids are compatible with each other. The value of production will not be decreased by commingling. Application for downhole commingling has been filed with the NMCCD. The following method of allocation will be used for produced fluids.

	Feb-Apr	May-Jul	Aug-Oct	Nov-Dec
Bone Spring	39.1%	40.7%	42.2%	43.7%
Wolfcamp	60.9%	59.3%	57.8%	56.3%

Subject to  
Like Approval  
by State *o.d.*

14. I hereby certify that the foregoing is true and correct

Signed Tami L. Wilber Tami L. Wilber Title Production Clerk Date 5-9-96

(This space for Federal or State office use)

Approved by [Signature] **PETROLEUM ENGINEER** Date 6/4/96

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes 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.

\*See instruction on Reverse Side

**WORKSHEET FOR COMMERCIAL DETERMINATION  
AND PARTICIPATING AREA IN FEDERAL UNITS**

**WELL DATA**

WELL JAMES RANCH UNIT #36 FORMATIC DELAWARE  
 LOCATION G UNIT, 1980 FEET FROM NORTH LINE & 1860 FEET FROM EAST LINE  
 SECTION 1 TOWNSHIP 23S, RANGE 30E, COUNTY EDDY, NEW MEXICO  
 SPUD DATE 11/26/93 COMPLETION DATE 1/23/94 INITIAL PRODUCTION 1/23/94  
 PERFORATIONS 7445', 47', 62', 92', 94', 96', 7501', 03', 05, 07', 13', 91', 93'

STIMULATION:

**ACID** \_\_\_\_\_

**FRACTURE** 7445-7593' 23,500 GALS 35# GEL + 56,000# 20/40 BRADY SAND + 20,000# 16/30 RCS

POTENTIAL 1/22/94 33 BOPD, 275 BWPD, 0 MCFPD

(Attach Copy of C-105. Attach Copy of Wellbore Sketch of Completed Well.)

**VOLUMETRIC CALCULATION**

	SANDS PERFORATED	SANDS NOT PERFORATED BUT POTENTIALLY PRODUCTIVE
Area (A) proration unit size, acres	<u>40</u>	<u>40</u>
Porosity (por), %	<u>12.0%</u>	<u>15.0%</u>
Water saturation (Sw), %	<u>60%</u>	<u>63%</u>
Net Thickness (h), ft.	<u>39</u>	<u>13</u>
Temperature (T), Fahrenheit	<u>120</u>	<u>120</u>
Bottom Hole pressure (P), psia	<u>3,256</u>	<u>3,122</u>
Recovery factor (RF), %	<u>16%</u>	<u>10%</u>
Recoverable oil, Bbls *(See eq. below)	<u>61,965</u>	<u>14,926</u>

\*Sometimes unable to match performance due to volumetric uncertainty.

Formula =  $(7758) (A) (h) (por) (1-Sw) (1/Boi) (RF)$

Boi = 1.50

**PERFORMANCE DATA**

(If sufficient history exists, attach plot of oil production rate v time.)

CUMULATIVE PRODUCTION TO 11/30/99 ; 46,680 BBLs

	PRODUCING	BEHIND PIPE
INITIAL RATE (qi)	<u>478</u>	<u>699</u>
ECONOMIC LIMIT (ql)	<u>60</u>	<u>60</u>
DECLINE RATE, dy (Hyperbolic, n=.995)	<u>8.11%</u>	<u>31.10%</u>
REMAINING OIL (Q) =	<u>74,720</u>	<u>12,000</u>
ULTIMATE RECOVERABLE OIL	<u>133,400</u>	

(Attach plat showing proration unit and participating area.)

**ECONOMIC**

WELL COST \$ 570,000 (to the depth of formation completed)

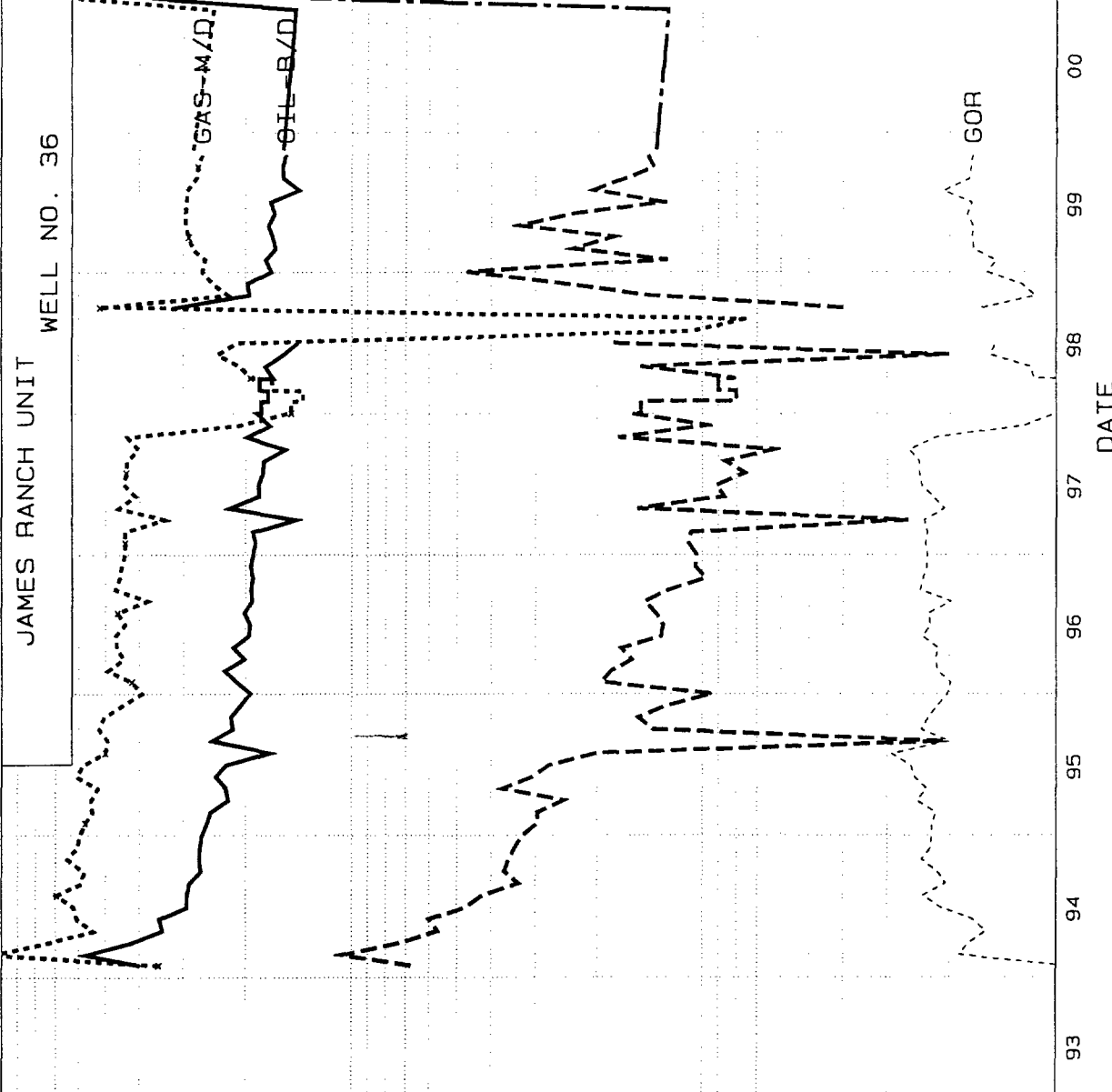
RECOMPLETION COST \$ 65,000 (12/2000)

TOTAL COST \$ 635,000

YEAR	GROSS OIL	REVENUE	OPERATING COST	10% NET BFIT DISCOUNTED CASH FLOW
ZERO	<u>0</u>	<u>0</u>	<u>0</u>	<u>-570,000</u>
1	<u>12,200</u>	<u>206,400</u>	<u>43,900</u>	<u>154,700</u>
2	<u>8,200</u>	<u>154,800</u>	<u>34,400</u>	<u>103,600</u>
3	<u>7,300</u>	<u>172,400</u>	<u>34,600</u>	<u>107,400</u>
4	<u>6,600</u>	<u>145,100</u>	<u>31,800</u>	<u>79,800</u>
5	<u>5,200</u>	<u>70,600</u>	<u>26,000</u>	<u>28,400</u>
6	<u>6,700</u>	<u>127,500</u>	<u>32,400</u>	<u>54,900</u>
7	<u>6,100</u>	<u>151,400</u>	<u>32,100</u>	<u>62,300</u>
8	<u>11,200</u>	<u>232,800</u>	<u>39,600</u>	<u>91,300</u>
9	<u>8,500</u>	<u>164,900</u>	<u>33,800</u>	<u>56,100</u>
10	<u>6,900</u>	<u>125,900</u>	<u>30,500</u>	<u>36,900</u>
REMAINDER	<u>54,500</u>	<u>935,800</u>	<u>476,200</u>	<u>109,500</u>

**WELL IS COMMERCIAL**

JAMES RANCH UNIT  
WELL NO. 36  
DELAWARE



**OIL=CD**  
 Ref= 11/99  
 Cum= 46.680  
 Rem= 99.491  
 EUR= 146.171  
 YRS= 36.083  
 G1= 478.1  
 De= 8.112  
 n= .995  
 Gab= 60.8  
  
**WTR-B/D**  
 Ref= 11/99  
 Cum= 47.215  
  
**WTR**  
 Gal=CD  
 Ref= 11/99  
 Cum= 337.236  
 Rem= 337.236  
 EUR= 337.236  
 YRS= 36.083  
 G1= 0  
 De= .000  
 n= .000  
 Gab= .0  
  
**GAS/OIL**  
 Gal=CD  
 Ref= 11/99  
 Cum= .000  
 Rem= .000  
 EUR= .000  
 YRS= 36.083  
 G1= 1.8  
 De= .000  
 n= .000  
 Gab= .0  
  
**GAS**  
 Gal=CD  
 Ref= 11/99  
 Cum= 89.483  
 Rem= 112.157  
 EUR= 201.640  
 YRS= 36.083  
 G1= 0  
 De= .000  
 n= .000  
 Gab= .0

I N P U T D A T A

C A L C U L A T E D D A T A

ITEM	SCHEDULING RATES	SCHEDULE UNTIL	PROCEDURE	ULTIMATE	LAST	EFF. DECL	INIT. RATE	FINAL RATE
405 START	11/99							
410 OIL	478.14	X	B/M	12/2000 AD	H/0.995	8.11	52.627	11/00
415 "	1125.40	X	B/M	11/2017 AD	H/0.995	31.10	124.545	10/17
420 "	153.25	X	B/M	21.63 IMU	EXP	5.00	146.171	11/35
425 GAS/OIL	1.80	.01	M/B	01/2097 AD	LOG	TIME		12/96
430 WTR/OIL	.87	.87	U/B	12/2000 AD	LIN	TIME		11/00
435 WTR/OIL	3.55	3.55	U/B	TO	LIFE	TIME		11/35
440 START	01/94							
516 PRI/OIL	16.8800	X	\$/B	1/95	MM/YY	.00	16.880	11/35
517 "	18.39	X	\$/B	1/96	AD	.00	18.390	11/35
518 "	22.26	X	\$/B	1/97	AD	.00	22.260	11/35
519 "	20.74	X	\$/B	1/98	AD	.00	20.740	12/97
520 "	14.43	X	\$/B	1/99	AD	.00	14.430	12/98
521 "	19.25	X	\$/B	1/2000	AD	.00	19.250	12/99
522 "	24.94	X	\$/B	1/2001	AD	.00	24.940	12/00
523 "	20.67	X	\$/B	1/2002	AD	.00	20.670	12/01
524 "	19.20	X	\$/B	1/2003	AD	.00	19.200	12/02
525 "	18.18	X	\$/B	1/2004	AD	.00	18.180	12/03
526 "	18.13	X	\$/B	TO	LIFE	.00	18.130	11/35
531 PRI/GAS	1.8900	X	\$/M	1/95	MM/YY	.00	1.890	11/35
532 "	1.94	X	\$/M	1/96	AD	.00	1.940	12/95
533 "	2.61	X	\$/M	1/97	AD	.00	2.610	12/96
534 "	2.59	X	\$/M	1/98	AD	.00	2.590	12/97
535 "	2.11	X	\$/M	1/99	AD	.00	2.110	12/98
536 "	2.27	X	\$/M	1/2000	AD	.00	2.270	12/99
537 "	2.60	X	\$/M	1/2001	AD	.00	2.600	12/00
538 "	2.58	X	\$/M	1/2002	AD	.00	2.580	12/01
539 "	2.57	X	\$/M	TO	LIFE	.00	2.570	11/35
544 PRI/WTR	.5000	.5000	\$/U	1/2000	AD	.00	.500	12/93
545 "	.08	X	\$/U	TO	LIFE	.00	.080	12/95
550 OPC/T	1600.00	X	\$/M	TO	LIFE		1600.000	11/35
555 STX/OIL	7.08	X	\$	TO	LIFE	.00	.071	11/35
560 STX/GAS	7.93	X	\$	TO	LIFE	.00	.079	11/35
565 ATX	.17	X	\$	TO	LIFE	.00	.002	11/35
570 PRI/OIL	-.9100	-.9100	\$/B	TO	LIFE	.00	-.910	11/35
575 PRI/GAS	-.1300	-.1300	\$/M	TO	LIFE	.00	-.130	11/35
700 LSE/WI	100.0000	D	\$	TO	LIFE	.00	1.000	11/35
701 OMN/WI	100.0000	D	\$	TO	LIFE	.00	1.000	11/35
720 LSE/RIC	12.5000	D	\$	TO	LIFE	.00	.125	11/35



721 OWN/RI	.0000	D	%	TO	LIFE	PLAT	.00	11/35										
740 USE/RIG	12.5000	D	%	TO	LIFE	PLAT	.00	11/35										
760 USE/ORR	.0000	D	%	TO	LIFE	PLAT	.00	11/35										
761 OWN/ORR	.0000	D	%	TO	LIFE	PLAT	.00	11/35										

OVERLAYS	SCHEDULING RATES	SCHEDULE UNITL	PROCEDURE	ULTIMATE	LAST	EFF. DECL	INIT. RATE	FINAL RATE
905 LOAD	P.OIL OIL #			47.142	2/00			
910 LOAD	P.GAS GAS #			90.277	2/00			
915 LOAD	P.WATER WTR #			47.215	2/00			

INVESTMENT	TANGIBLES & INTANGIBLES	TIME	PROCEDURE	TOTAL T&I	MONTH	RISK INV.	TOT. T&I&R	ESC. T&I&R
800 DRILL	240.00	330.00 MSG	01/94 AD	570.000	1/94		570.0	570.0
801 WORKOVER	.00	65.00 MSG	12/2000 AD	65.000	12/0		65.0	65.0
802 SALVAGE	-24.00	.00 MSG	TO LIFE	-24.000	11/35		-24.0	-24.0

RESERVE PARAMETERS	ITEM	ITEM
201 LOSS	NO	
205 CUMO, MB	46.68	CUMG, MMF 89.48
210 LOSS	NO	CUML, MB

PROJECT ASSUMPTIONS

BASE DATE : 1/94 TIME FRAMES : 1\*12 38\*12 1\*600

P.W. DATE : 1/94 PW %-AGE : 10.0 DISC. FREQUENCY : 365.

REPORT DATE : 1/94 PROD QUAL : CD OWNER QUAL : CD OTHER QUAL : CD

JRU #36 DELAWARE  
 PREPARED BY: KENT ADAMS

DATE : 02/09/00  
 TIME : 10:28:02  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 10

RESERVE AND ECONOMICS  
 EFFECTIVE DATE: 1/94

30.4 YR

PERIOD ENDING	12/94	12/95	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	S TOT	AFTER	TOTAL
OWNERSHIP													
1) WORKING INTEREST, \$	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000
2) REVENUE INTEREST, \$	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500
INVESTMENTS, M\$													
3) BORROWED CAPITAL	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4) EQUITY INVESTMENTS	570.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	611.0
5) RISK	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) TOTAL	570.0	.0	.0	.0	.0	.0	65.0	.0	.0	.0	635.0	-24.0	611.0

OIL PHASE

8) GROSS OIL, MB	12.2	8.2	7.3	6.6	5.2	6.7	6.1	11.2	8.5	6.9	78.9	54.5	133.4
9) NET OIL, MB	10.7	7.1	6.4	5.8	4.5	5.9	5.4	9.8	7.5	6.0	69.1	47.7	116.7
10) OIL REVENUE, M\$	170.8	124.7	136.9	115.0	61.2	107.3	128.6	193.3	136.5	104.2	1278.6	820.8	2099.4
11) OIL PRICE, \$/B	15.97	17.48	21.35	19.83	13.52	18.34	24.03	19.76	18.29	17.27	18.52	17.22	17.99

GAS PHASE

12) GROSS GAS, MMF	23.2	19.0	16.3	14.0	5.4	10.8	10.5	18.4	13.3	10.2	141.1	53.9	194.9
13) NET GAS, MMF	20.3	16.6	14.3	12.2	4.7	9.4	9.2	16.1	11.6	8.9	123.4	47.1	170.6
14) GAS REVENUE, M\$	35.7	30.1	35.5	30.1	9.3	20.2	22.8	39.5	28.4	21.7	273.2	115.0	388.2
15) GAS PRICE, \$/MCF	1.760	1.810	2.480	2.460	1.980	2.140	2.470	2.450	2.440	2.440	2.213	2.440	2.276

WATER PHASE

16) GROSS WATER, MB	18.9	7.6	5.1	3.7	3.3	7.7	22.7	39.7	30.3	24.5	163.5	193.4	356.9
17) NET WATER, MB	18.9	7.6	5.1	3.7	3.3	7.7	22.7	39.7	30.3	24.5	163.5	193.4	356.9
18) WATER PRICE, \$/B	.500	.500	.500	.500	.500	.500	.080	.080	.080	.080	.199	.080	.135

ECONOMICS, M\$

19) GROSS REV. TO INTR.	206.4	154.8	172.4	145.1	70.6	127.5	151.4	232.8	164.9	125.9	1551.8	935.8	2487.6
20) - SEV. TAX	14.9	11.2	12.5	10.5	5.1	9.2	10.9	16.8	11.9	9.1	112.2	67.2	179.4
22) - AD VALOREM TAX	.3	.2	.3	.2	.1	.2	.2	.4	.3	.2	2.4	1.5	3.9
23) - OPERATING COSTS	19.2	19.2	19.2	19.2	19.2	19.2	19.2	19.2	19.2	19.2	192.0	392.0	584.0
24) - SMD	9.5	3.8	2.6	1.9	1.6	3.8	1.8	3.2	2.4	2.0	32.6	15.5	48.0
25) - CAPITAL REPAIRMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
28) = NET INCOME	162.5	120.3	137.8	113.2	44.6	95.1	119.3	193.2	131.1	95.5	1212.6	459.6	1672.2
29) - INVESTMENTS & RSK	570.0	.0	.0	.0	.0	.0	65.0	.0	.0	.0	635.0	-24.0	611.0
30) = BIT NET	-407.5	120.3	137.8	113.2	44.6	95.1	54.3	193.2	131.1	95.5	577.6	483.6	1061.2

PRESENT WORTH @ 10.00 %

31) NET INCOME	154.7	103.6	107.4	79.8	28.4	54.9	62.3	91.3	56.1	36.9	775.4	109.5	884.9
32) INVESTMENTS & RISK	570.0	.0	.0	.0	.0	.0	32.6	.0	.0	.0	602.6	-1.2	601.4
33) BIT NET	-415.3	103.6	107.4	79.8	28.4	54.9	29.7	91.3	56.1	36.9	172.8	110.7	283.5
34) CUM BIT NET	-415.3	-311.8	-204.4	-124.5	-96.1	-41.2	-11.5	79.8	135.9	172.8	172.8	283.5	283.5

A F T E R T A X E C O N O M I C S

DATE : 02/09/00  
 TIME : 10:28:02  
 DBS FILE : JRUBA  
 SETUP FILE : CD  
 SEQ NUMBER : 10

EFFECTIVE DATE: 1/94

PERIOD ENDING	12/94	12/95	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	S TOT	AFTER	TOTAL
TAX TREATMENT OF INVESTMENTS, M\$													30.4 YR
1) EXP, RISK & CAP INT	330.0	.0	.0	.0	.0	.0	65.0	.0	.0	.0	.0	.0	395.0
2) DEPLETABLE	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
3) DEPRECIABLE	240.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	240.0
TOTAL	570.0	.0	.0	.0	.0	.0	65.0	.0	.0	.0	.0	.0	635.0

TAX CALCULATIONS, M\$

4) GROSS REV. TO INTR.	206.4	154.8	172.4	145.1	70.6	127.5	151.4	232.8	164.9	125.9	1551.8	935.8	2487.6
5) - SEVERANCE TAX	14.9	11.2	12.5	10.5	5.1	9.2	10.9	16.8	11.9	9.1	112.2	67.2	179.4
6) - WPT TAX NET	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) - OPR. COSTS & ATX	29.0	23.3	22.0	21.3	20.9	23.2	21.3	22.7	21.9	21.4	227.0	408.9	635.9
8) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
9) - OVERHEAD	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
10) - EXPENSED INV.	330.0	.0	.0	.0	.0	.0	65.0	.0	.0	.0	.0	.0	395.0
11) - DEPRECIATION	34.3	58.8	42.0	30.0	21.4	21.4	21.4	10.7	.0	.0	240.0	.0	240.0
12) = NET	-201.8	61.5	95.9	83.3	23.1	73.7	32.8	182.5	131.1	95.5	577.6	459.6	1037.2
13) - DEPLETION	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
14) - INTEREST PD & CAP	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
15) = TAXABLE	-201.8	61.5	95.9	83.3	23.1	73.7	32.8	182.5	131.1	95.5	577.6	459.6	1037.2
16) * TAX RATE, %	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0
17) - TAX CREDIT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
18) - WPT REFUND	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
19) = F.I.T.	-70.6	21.5	33.6	29.1	8.1	25.8	11.5	63.9	45.9	33.4	202.2	160.9	363.0
20) REVENUE-SEV-WPT	191.5	143.6	159.9	134.5	65.5	118.3	140.5	216.0	153.0	116.8	1439.6	868.6	2308.1
21) - OPR. COSTS & ATX	29.0	23.3	22.0	21.3	20.9	23.2	21.3	22.7	21.9	21.4	227.0	408.9	635.9
22) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
23) - F.I.T.	-70.6	21.5	33.6	29.1	8.1	25.8	11.5	63.9	45.9	33.4	202.2	160.9	363.0
24) = A.F.I.T.	233.1	98.8	104.3	84.1	36.5	69.3	107.8	129.3	85.2	62.1	1010.4	298.7	1309.2
25) - LOAN REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) = NET INCOME	233.1	98.8	104.3	84.1	36.5	69.3	107.8	129.3	85.2	62.1	1010.4	298.7	1309.2
28) - INVESTMENTS & RSK	570.0	.0	.0	.0	.0	.0	65.0	.0	.0	.0	.0	.0	611.0
29) = A.F.I.T. NET	-336.9	98.8	104.3	84.1	36.5	69.3	42.8	129.3	85.2	62.1	375.4	322.7	698.2

PRESENT WORTH @ 10.00 %

30) NET INCOME	221.9	85.0	81.3	59.3	23.3	40.0	56.3	61.1	36.4	24.0	688.6	71.2	759.8
31) INVESTMENTS & RISK	570.0	.0	.0	.0	.0	.0	32.6	.0	.0	.0	602.6	-1.2	601.4
32) A.F.I.T. NET	-348.1	85.0	81.3	59.3	23.3	40.0	23.7	61.1	36.4	24.0	86.0	72.3	158.4
33) CUM. A.F.I.T. NET	-348.1	-263.1	-181.8	-122.6	-99.3	-59.3	-35.6	25.6	62.0	86.0	86.0	158.4	158.4

JRU #36 DELAWARE  
 PREPARED BY: KENT ADAMS

DATE : 02/09/00  
 TIME : 10:28:02  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 10

ECONOMIC INDICATORS

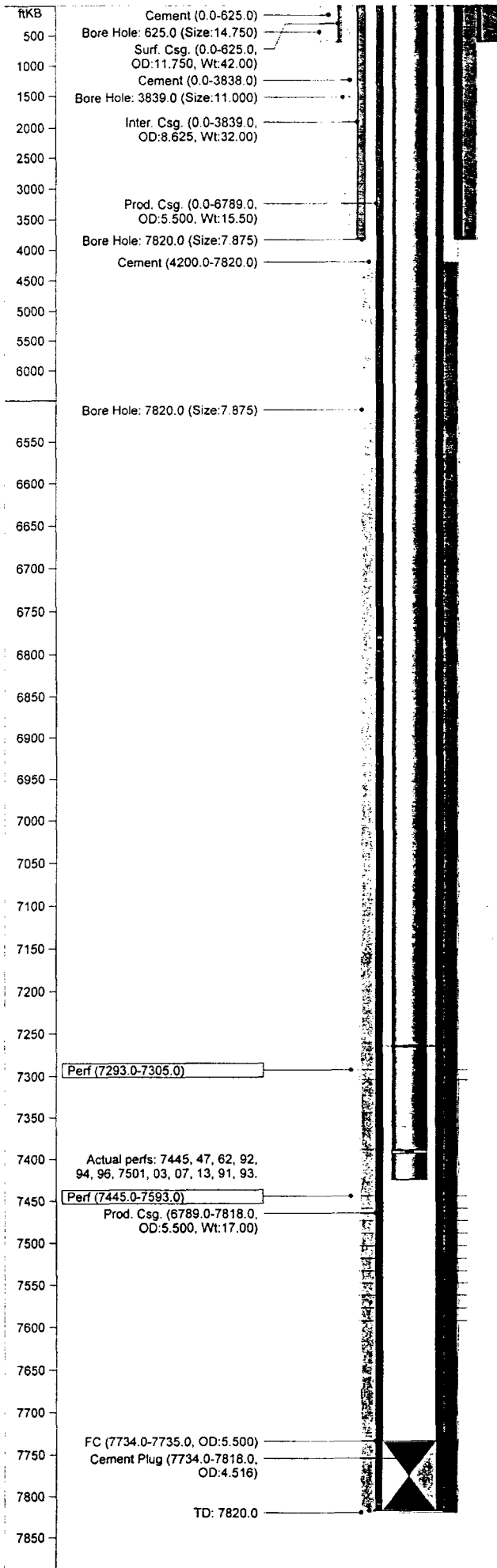
AS OF DATE: 1/94

B.F.I.T.            A.F.I.T.            A.F.I.T.  
 WORTH            WORTH            BONUS  
 M\$-----        M\$-----        M\$-----

PRESENT WORTH PROFILE AND  
 RATE-OF-RETURN VS. BONUS TABLE

0.	1061.191	698.074	1074.114
2.	827.908	536.723	755.230
5.	568.143	356.885	461.028
6.	499.135	308.975	391.031
8.	380.812	226.546	277.342
10.	283.519	158.371	188.988
20.	-16.180	-56.077	-62.398
30.	-163.763	-166.706	-179.961
40.	-248.615	-233.481	-247.940
50.	-303.112	-278.406	-292.643
60.	-341.092	-311.080	-324.713
70.	-369.201	-336.214	-349.160
80.	-390.945	-356.349	-368.618
90.	-408.326	-372.969	-384.602
100.	-422.570	-386.999	-398.044

RATE OF RETURN, PCT.            19.5            17.4  
 UNDISCOUNTED PAYOUT, YRS.        4.81            5.19  
 DISCOUNTED PAYOUT, YRS.        7.13            7.58  
 UNDISCOUNTED NET/INVEST.        2.74            2.14  
 DISCOUNTED NET/INVEST.        1.47            1.26



JAMES RANCH UNIT #36							
API No.	3001527686	Status	ACT OIL				
TD	7820.0 ftKB	Engineer	KAA				
PBTD	7734.0 ftKB						
Operator	BEPCO	Permit					
Well No.	36	Spud	11/26/93				
ID Code		RR	12/12/93				
Field	QUAHADA RIDGE, S.E. (DEL)	Completion	1/23/94				
Author	RAS	Last Act.					
Date Updated	12/29/97	Abandoned					
Comments	Drilled by Enron						
Location							
Township	S023	Top Latitude	0				
		Top Longitude	0				
Range	E030	Top NS Distance	1980.0 ft N				
		Top EW Distance	1860.0 ft E				
Section	1	Bottom Latitude	0				
Unit Ltr.	G	Bottom Longitude	0				
State	NEW MEXICO	Btm NS Distance	0.0 ft				
County	EDDY	Btm EW Distance	0.0 ft				
Elevations							
KB	3309.6 ft	Cas Flng	0.0 ft				
Grd	3292.9 ft	Tub Head	0.0 ft				
KB-Grd	16.7 ft						
Casing String - Surface Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID	Wt	Grd	Thd
11 3/4 in Surf. Csg.	0.0	625.0	13	11.080	42.00	H-40	STC
Casing String - Intermediate Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID	Wt	Grd	Thd
8 5/8 in Inter. Csg.	0.0	3839.0	88	7.920	32.00	K-55	STC
Casing String - Production Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID	Wt	Grd	Thd
5 1/2 in Prod. Csg.	0.0	6789.0	165	4.950	15.50	J-55	LTC
5 1/2 in Prod. Csg.	6789.0	7818.0	25	4.890	17.00	J-55	LTC
5 1/2 in FC	7734.0	7735.0		0.000	0.00		
Casing Cement							
Casing String	Top (ftKB)	Amount (sx)	Comments				
Surface Casing	0.0	425					
Intermediate Casing	0.0	1290					
Production Casing	4200.0	845	TOC by temp sur.				
Tubing String - Primary Tubing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
2 7/8 in Tbg	0.0	7389.6	238	2.411	6.50	J-55	8rd
4 57/64 in TAC	7263.9	7266.6		0.000	0.00		
2 7/8 in SN	7389.6	7390.7		0.000	0.00		
2 7/8 in PS	7390.7	7393.8		0.000	0.00		
2 7/8 in Tbg	7393.8	7425.0	1	2.411	6.50	J-55	8rd
2 7/8 in Purge Valve	7425.0	7425.6		0.000	0.00		
Other (plugs, equip., etc.) - Plug Back							
Date	Item	Int (ftKB)					
12/12/93	Cement Plug	7734.0 - 7818.0					
Perforations							
Date	Int	Shots (/ft)	Status				
12/30/93	7445.0 - 7593.0	0.1					
1/5/94	7293.0 - 7305.0	1.0	Sqzd				
Stimulations & Treatments							
Date	Type	Interval	Fluid	Sand	Comments		
1/9/94	Cmt Sqz	7293.0 - 7305.0					
1/14/94	Sand Frac	7445.0 - 7593.0					

## WELL HISTORY

WELL NAME: James Ranch Unit #36  
FIELD NAME: Quahada Ridge, S.E.  
LOCATION: 1980' FNL & 1860' FEL, Sec 1, T23S, R30E, Unit G  
Eddy County, New Mexico  
ELEV: 3292.9' GL, 3309.6' KB  
SPUD DATE: 11/26/93, RR 12/12/93  
COMP DATE: 1/23/94  
ORIG TD: 7820'  
ORIG PBD: 7734'  
CASING: 11 3/4" 42# H-40 CSA 625' w/425 sx, cmt circ, 14 3/4" hole.  
8 5/8" 32#, K-55, CSA 3839' w/1290 sx, cmt circ, 11' hole.  
5 1/2" 15.5 & 17#, J-55, CSA 7818' w/845 sx, TOC 4200' (TS).  
TUBING: 2 7/8", 6.5# J-55, 8 RD  
DST: None  
CORES & LOGS: Sidewall cores (26): 6190, 96, 6201, 08, 18, 6312, 14, 18,  
7284', 90, 7302, 08, 58, 62, 7418, 20, 42, 46, 48, 62, 64,  
94, 96, 7502, 06, 92, 94.  
Dual LaterLog/Micro SFL 3833-7821'  
Spectral Density Dual Spaced Neutron Log 0-7676'.

### INITIAL COMPLETION

12/30/93 to 1/23/94

### INITIAL COMPLETION

TD 7820', PBD 7734'. Ran CCL/GR log.  
12/30/93 **Perf:** 7445, 7447, 7462, 7492, 7494, 7496, 7501, 7503, 7505, 7507,  
7513, 7591, 7593', total 13 holes. Breakdown fm @ 1800 psi. **Pumped**  
3500 gals 7 1/2% NEFE HCL + 26 BS, ball out. Avg TP 2800 psi @ 5  
BPM. Flowback and swab well. Well kicked off & flowed 10 bbls oil  
in 1 hr., no water. Kill well, set RBP @ 7360'.  
1/5/94 **Perf:** 7293-7305', total 13 holes. Set pkr @ 7160'. Breakdown fm @  
2200 psi. **Pumped** 3500 gal 7 1/2% NEFE HCL w/26 BS, ball out. ISIP  
800, 15 min 800 psi. Swabbed well, zone wet. Set RBP @ 7360' w/2  
sx frac sand on top. PU & set cmt ret @ 7220'. **Squeezed perfs** 7293-  
7305 w/175 sxs cmt. Drill out cmt 7222-7310'. Circ on RBP @ 7360'.  
Test csg to 1000 psi, OK. Retrieve RBP. **Frac** treated 7445-7593'  
w/23,500 gals 35# XL borate and 56,000# 20/40 brown sand + 20,000#  
16/30 RCS. Flowback and swabbed well, all load recovered. Place  
well on pump.  
**IP:** 1/24/94 24 hr P 33 BO, 0 MCFG, 275 BW.

7/14/98

Run BH pressure buildup.

Submit to Appropriate District Office  
 State Lease - 4 copies  
 Free Lease - 3 copies

State of New Mexico  
 Energy, Minerals and Natural Resources Department

Form C-102  
 Revised 1-1-89

OIL CONSERVATION DIVISION

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

DISTRICT I  
 P.O. Box 180, Hobbs, NM 88240

DISTRICT II  
 P.O. Drawer 80, Artesia, NM 88210

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

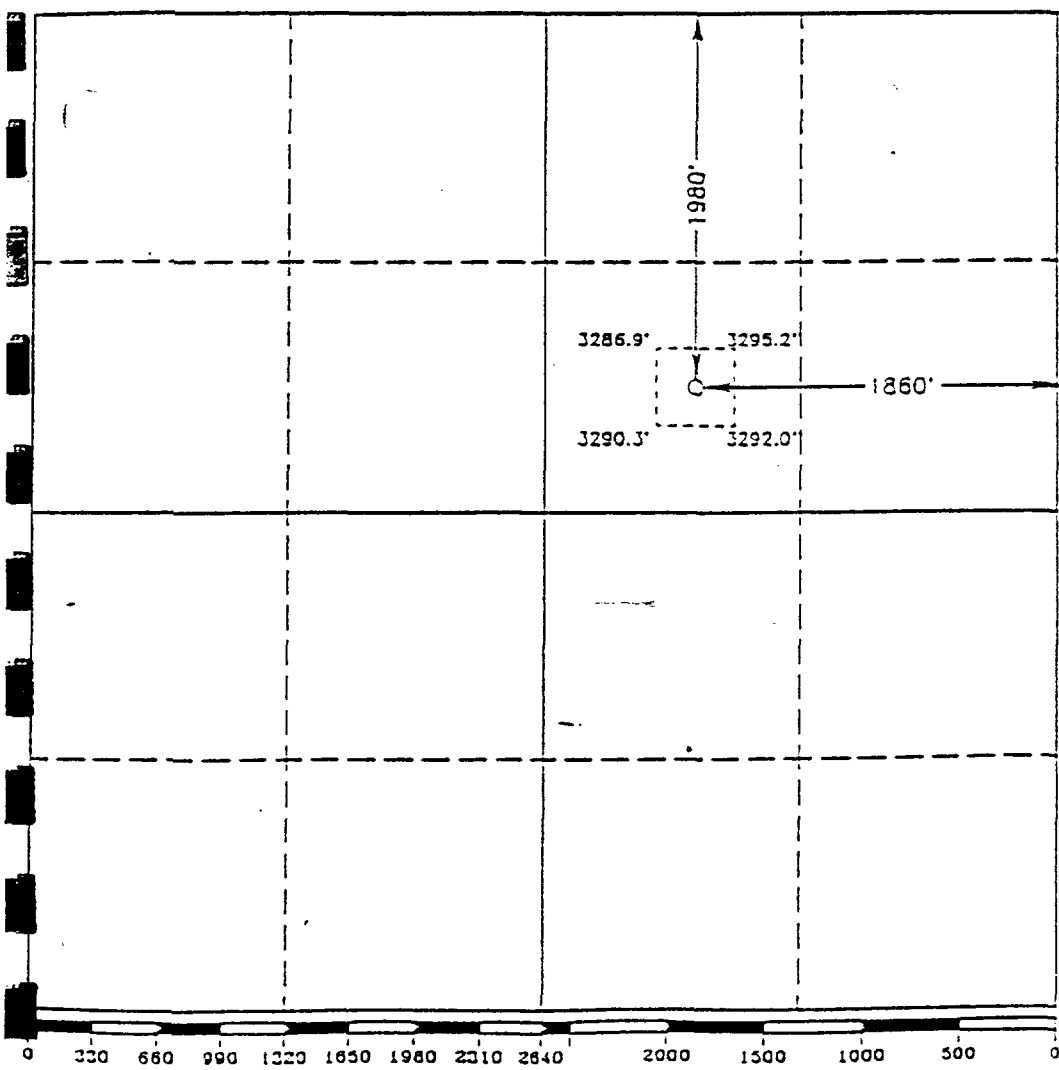
All Distances must be from the outer boundaries of the section

Operator ENRON OIL AND GAS COMPANY		Lease JAMES RANCH UNIT		Well No. 36	
Unit Letter G	Section 1	Township 23 SOUTH	Range 30 EAST	County NMPH EDDY	

Actual Footage Location of Well:  
 1980 feet from the NORTH line and 1860 feet from the EAST line

Ground Level Elev. 3292.9'	Producing Formation Bone Spring/Delaware	Pool Undesignated	Dedicated Acreage: 40 Acres
-------------------------------	---	----------------------	--------------------------------

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
  - If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
  - If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communization, unitization, force-pooling, etc.?
    - Yes
    - No
 If answer is "yes" type of consolidation \_\_\_\_\_
- If answer is "no" list of owners and tract descriptions which have actually been consolidated. (Use reverse side of this form necessary.)
- No allowable will be assigned to the well unit all interests have been consolidated (by communization, unitization, forced-pooling, otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



**OPERATOR CERTIFICATION**

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature: *Betty Gildon*  
 Printed Name: Betty Gildon  
 Position: Regulatory Analyst  
 Company: Enron Oil & Gas Company  
 Date: 6/3/93

**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 knowledge and belief.

Date Surveyed: MAY 27, 1993

Signature & Seal of Professional Surveyor: *Gary L. Jones*

Certificate No. 1707  
 JOHN W. WEST 1710  
 RONALD J. EIDSON 1720  
 1730

93-



UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE

(See other instructions on reverse side)

FORM APPROVED OMB NO. 1004-0137 Expires: February 28, 1995

File

LEASE DESIGNATION AND SERIAL NO. NM 02884-B

IF INDIAN ALLOTTEE OR TRIBE NAME

UNIT AGREEMENT NAME

FARM OR LEASE NAME, WELL NO. James Ranch Unit #36

API WELL NO. 30 015 27686

UND. BONE SPRING/DELAWARE

SEC. T. S. M. OR BLOCK AND SURVEY OR AREA

Unit G, Sec 1, T23S, R30E

COUNTY OR PARISH Eddy STATE NM

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1. TYPE OF WELL: OIL WELL [X] GAS WELL [ ] DRY [ ] Other [ ]

2. TYPE OF COMPLETION: NEW WELL [ ] WORK OVER [ ] REVD. [ ] FLGR BACK [ ] DIFF. REVD. [ ] Other [ ]

3. NAME OF OPERATOR: Enron Oil & Gas Company

4. ADDRESS AND TELEPHONE NO.: P. O. Box 2267, Midland, Texas 79702

5. LOCATION OF WELL (Report location clearly and in accordance with any state requirements): At surface 1980' FNL & 1860' FEL At top prod. interval reported below 1980' FNL & 1860' FEL At total depth 1980' FNL & 1860' FEL

14. PERMIT NO. DATE ISSUED 9-20-93

15. DATE SPUDDED 11-26-93 16. DATE T.D. REACHED 12-11-93 17. DATE COMPL. (Ready to prod.) 1-21-94 18. ELEVATION (OF. HKB. RT. OR. ETC.) 3292.9' GR 19. ELEV. CASINGHEAD 3292.9'

20. TOTAL DEPTH, MD & TVD 7820 21. FLUG. BACK T.D., MD & TVD 7734 22. IF MULTIPLE COMPL., HOW MANY? 23. INTERVALS DRILLED BY 24. ROTARY TOOLS X 25. CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD) 7293-7305 (Bone Spring) 25. WAS DIRECTIONAL SURVEY MADE No

26. TYPE ELECTRIC AND OTHER LOGS RUN DLL-MSFL RSCT, SDL-DSN RSCT 27. WAS WELL CORRED Yes

Table with 6 columns: CASING SIZE/GRADE, WEIGHT, LB./FT., DEPTH SET (MD), HOLE SIZE, TOP OF CEMENT, CEMENTING RECORD, AMOUNT PULLED. Rows include 1-3/4, 3-5/8, 5-1/2.

Table with 8 columns: SIZE, TOP (MD), BOTTOM (MD), SACKS CEMENT, SCREEN (MD), SIZE, DEPTH SET (MD), PACKER SET (MD). Rows include 2-7/8" and 7426.

Table with 2 columns: DEPTH INTERVAL (MD), AMOUNT AND KIND OF MATERIAL USED. Rows include 7293-7305 (23,500 gals 35# XL borate & 76,000# of 20/40 brown sand) and 7445-7493 (sq with 175 sx Cl H).

Table with 8 columns: DATE FIRST PRODUCTION, PRODUCTION METHOD, WELL STATUS, DATE OF TEST, HOURS TESTED, CROCK SIZE, PROD'N. FOR TEST PERIOD, OIL—BSL, GAS—MCF, WATER—BSL, GAS-OIL RATIO, FLOW, TUBING PRESS., CASING PRESSURE, CALCULATED 24-HOUR RATE, OIL—BSL, GAS—MCF, WATER—BSL, OIL GRAVITY-API (CORE).

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) N/A TEST WITNESSED BY

35. LIST OF ATTACHMENTS: Logs

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records. SIGNED: [Signature] TITLE: Regulatory Analyst DATE: 1/25/94

(See Instructions and Spaces for Additional Data on Reverse Side)

Title 18 U.S.C. Section 1001, makes 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. XC: MANGAN CLARK, M-CREIGHT WHITE, TEER

35. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents of; cased intervals; and all drill-stem tests, including depth interval tested, cushion used, time tool open, flow log and shut-in pressures, and recovery.)

38. GEOLOGIC MARKERS

FORMATION	FORMATION		DESCRIPTION, CONTENTS, ETC.	TOP		BOTTOM		TOP	
	TOP	BOTTOM		MEAS. DEPTH	TRUE VERT. DEPTH	NAME	MEAS. DEPTH	TRUE VERT. DEPTH	
Delaware	0	625	Surface Rock			Salado	500		
Cherry Canyon	625	3305	Salt & Anhy			Base Salt	3617		
	3305	3835	Anhy, Limestone, Dolomite			Delaware	3867		
	3835	4315	Limestone			Cherry Canyon	4960		
	4315	5080	Sand, Shale			Bone Spring	7670		
	5080	5900	Sand; Limestone						
	5900	7265	Sand						
	7265	7820	Limestone, Shale						
Cherry Canyon	7820	TD							

**WORKSHEET FOR COMMERCIAL DETERMINATION  
AND PARTICIPATING AREA IN FEDERAL UNITS**

**WELL DATA**

WELL JAMES RANCH UNIT # 37 FORMATIC DELAWARE  
 LOCATION 1 UNIT, 1980 FEET FROM SOUTH LINE & 660 FEET FROM EAST LINE  
 SECTION 36 TOWNSHIP 22S, RANGE 30E, COUNTY EDDY, NEW MEXICO  
 SPUD DATE 10/23/93 COMPLETION DATE 12/9/93 INITIAL PRODUCTION 12/9/93  
 PERFORATIONS 7529', 30', 31', 32', 33', 34', 35', 36', 37', 38', 39', 40', 7652', 54', 56', 58', 60'

STIMULATION:

**ACID** \_\_\_\_\_

**FRACTURE** 7529-7660', 41,000 GALS VIKING 135D + 120,000#, 20/40 BROWN SAND + 20,000# RCS

POTENTIAL 11-22-93 199 BOPD, 244 BWPD, 563 MCFD

(Attach Copy of C-105. Attach Copy of Wellbore Sketch of Completed Well.)

**VOLUMETRIC CALCULATION**

	SANDS PERFORATED	SANDS NOT PERFORATED BUT POTENTIALLY PRODUCTIVE
Area (A) proration unit size, acres	<u>40</u>	<u>40</u>
Porosity (por), %	<u>12.0%</u>	<u>15.0%</u>
Water saturation (Sw), %	<u>60%</u>	<u>63%</u>
Net Thickness (h), ft.	<u>30</u>	<u>21</u>
Temperature (T), Fahrenheit	<u>120</u>	<u>120</u>
Bottom Hole pressure (P), psia	<u>3,289</u>	<u>3,165</u>
Recovery factor (RF), %	<u>16%</u>	<u>10%</u>
Recoverable oil, Bbls *(See eq. below)	<u>47,665</u>	<u>24,112</u>

\*Sometimes unable to match performance due to volumetric uncertainty.

Formula =  $(7758) (A) (h) (por) (1-Sw) (1/Boi) (RF)$

Boi = 1.50

**PERFORMANCE DATA**

(If sufficient history exists, attach plot of oil production rate v time.)

CUMULATIVE PRODUCTION TO 11/30/99 ; 44730 BBLs

	PRODUCING	BEHIND PIPE
INITIAL RATE (qi)	<u>353</u>	<u>450</u>
ECONOMIC LIMIT (ql)	<u>60</u>	<u>60</u>
DECLINE RATE, dy (Hyperbolic, n=.995)	<u>11.08%</u>	<u>54.30%</u>
REMAINING OIL (Q) =	<u>46270</u>	<u>21000</u>
ULTIMATE RECOVERABLE OIL	<u>112000</u>	

(Attach plot showing proration unit and participating area.)

**ECONOMIC**

WELL COST \$ \$ 570,000 (to the depth of formation completed)

RECOMPLETION COST \$ 65,000 (11/2000)

TOTAL COST \$ 635,000

YEAR	GROSS OIL	REVENUE	OPERATING COST	10% NET BFIT DISCOUNTED CASH FLOW
ZERO	<u>0</u>	<u>0</u>	<u>0</u>	<u>-570,000</u>
1	<u>2,700</u>	<u>42,600</u>	<u>6,900</u>	<u>35,600</u>
2	<u>11,900</u>	<u>210,700</u>	<u>42,500</u>	<u>158,800</u>
3	<u>7,700</u>	<u>160,400</u>	<u>34,800</u>	<u>107,300</u>
4	<u>5,900</u>	<u>144,700</u>	<u>31,700</u>	<u>87,300</u>
5	<u>6,200</u>	<u>153,300</u>	<u>32,000</u>	<u>84,700</u>
6	<u>5,700</u>	<u>95,400</u>	<u>30,400</u>	<u>41,200</u>
7	<u>4,300</u>	<u>93,300</u>	<u>30,700</u>	<u>35,800</u>
8	<u>6,100</u>	<u>172,000</u>	<u>32,800</u>	<u>72,100</u>
9	<u>11,800</u>	<u>285,700</u>	<u>43,900</u>	<u>113,300</u>
10	<u>7,700</u>	<u>175,900</u>	<u>24,500</u>	<u>60,000</u>
REMAINDER	<u>42,100</u>	<u>927,100</u>	<u>454,200</u>	<u>130,100</u>

**WELL IS COMMERCIAL**

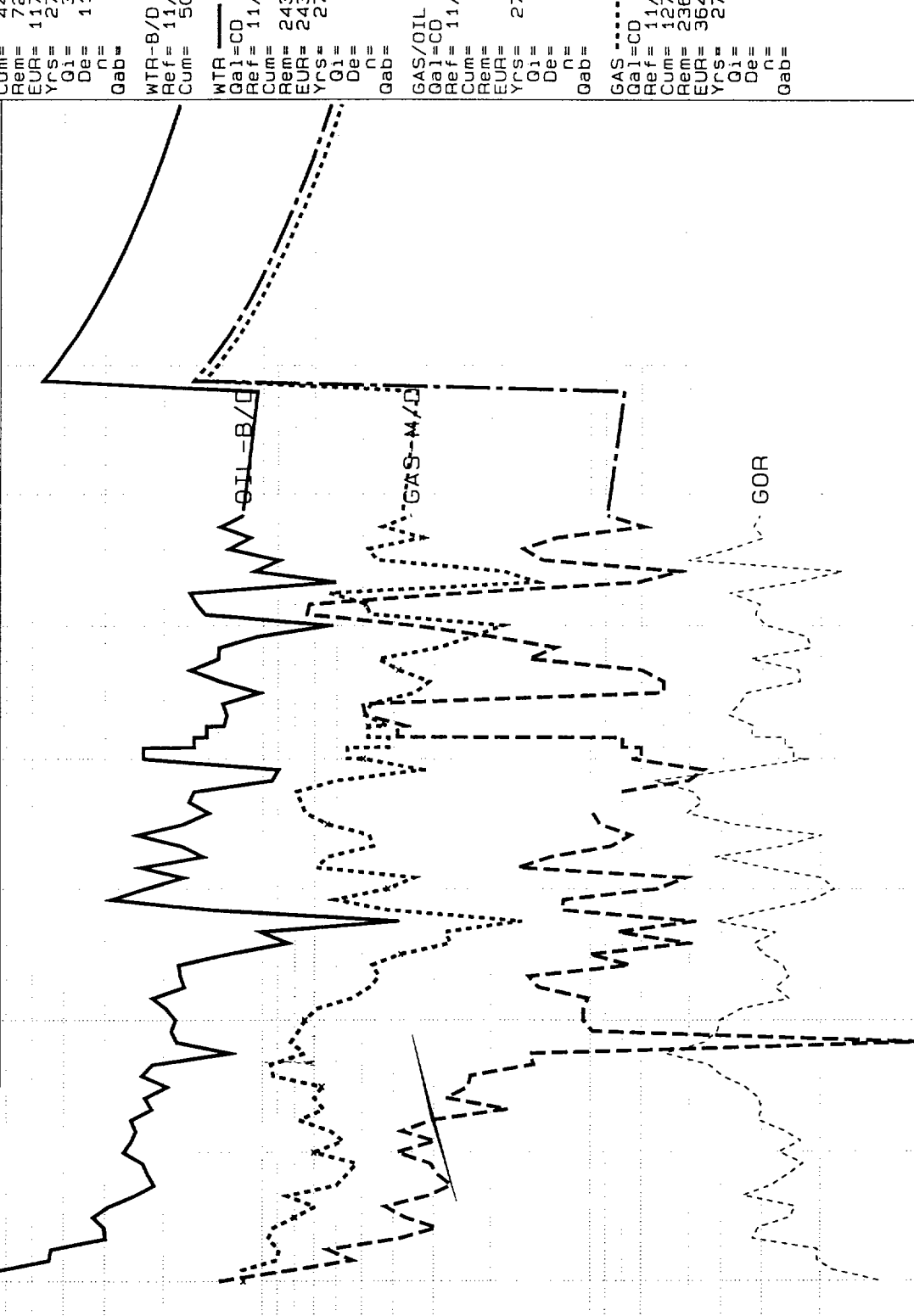
JAMES RANCH UNIT  
WELL NO. 37  
DELAWARE

1000  
100000  
10000  
100

1000  
100000  
10000  
100

1000  
100000  
10000  
100

1000  
100000  
10000  
100



OIL = CD  
Ref = 11/99  
Cum = 44.730  
Rem = 72.723  
EUR = 117.453  
Yrs = 27.912  
G1 = 353.3  
De = 11.080  
n = .995  
Gab = 60.8

WTR-B/D  
Ref = 11/99  
Cum = 50.997

WTR = CD  
Ref = 11/99  
Cum = 243.559  
Rem = 243.559  
EUR = 243.559  
Yrs = 27.912  
G1 = .0  
De = .000  
n = .000  
Gab = .0

GAS/OIL  
Ref = 11/99  
Cum = .000  
Rem = .000  
EUR = .000  
Yrs = 27.912  
G1 = 3.3  
De = .000  
n = .000  
Gab = 3.3

GAS = CD  
Ref = 11/99  
Cum = 127.396  
Rem = 236.786  
EUR = 354.182  
Yrs = 27.912  
G1 = .0  
De = .000  
n = .000  
Gab = .0

1000  
100000  
10000  
100

1000  
100000  
10000  
100

1000  
100000  
10000  
100

1000  
100000  
10000  
100

DATE : 02/08/00  
 TIME : 07:56:19  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 11

INPUT DATA

CALCULATED DATA

ITEM	SCHEDULING RATES	SCHEDULE UNTIL	PROCEDURE	ULTIMATE	LAST	EFF. DECL	INIT. RATE	FINAL RATE
405 START	11/99							
410 OIL	353.32	X	B/M	11/2000 AD	H/0.995	11.08	48.739	10/00
415 "	1460.00	X	B/M	03/2019 AD	H/0.995	54.30	109.635	2/19
420 "	94.24	X	B/M	7.82 IMU	EXP	5.00	117.453	9/27
425 START	11/99							
430 GAS/OIL	3.26		M/B	06/2031 AD	LIN	TIME		5/31
435 START	11/99							
440 WTR/OIL	.77	X	U/B	11/2000 AD	EXP	1.18		10/00
445 "	3.50		U/B	TO	LIFE	TIME		9/27
450 START	12/93							
516 PRI/OIL	16.8800	X	\$/B	1/95	MM/YY	PC	.00	9/27
517 "	18.39	X	\$/B	1/96	AD	PC	.00	9/27
518 "	22.26	X	\$/B	1/97	AD	PC	.00	9/27
519 "	20.74	X	\$/B	1/98	AD	PC	.00	12/97
520 "	14.43	X	\$/B	1/99	AD	PC	.00	12/98
521 "	19.25	X	\$/B	1/2000 AD	AD	PC	.00	12/99
522 "	24.94	X	\$/B	1/2001 AD	AD	PC	.00	12/00
523 "	20.67	X	\$/B	1/2002 AD	AD	PC	.00	12/01
524 "	19.20	X	\$/B	1/2003 AD	AD	PC	.00	12/02
525 "	18.18	X	\$/B	1/2004 AD	AD	PC	.00	12/03
526 "	18.13	X	\$/B	TO	LIFE	PC	.00	9/27
531 PRI/GAS	1.8900	X	\$/M	1/95	MM/YY	PC	.00	9/27
532 "	1.94	X	\$/M	1/96	AD	PC	.00	12/95
533 "	2.61	X	\$/M	1/97	AD	PC	.00	12/96
534 "	2.59	X	\$/M	1/98	AD	PC	.00	12/97
535 "	2.11	X	\$/M	1/99	AD	PC	.00	12/98
536 "	2.27	X	\$/M	1/2000 AD	AD	PC	.00	12/99
537 "	2.60	X	\$/M	1/2001 AD	AD	PC	.00	12/00
538 "	2.58	X	\$/M	1/2002 AD	AD	PC	.00	12/01
539 "	2.57	X	\$/M	TO	LIFE	PC	.00	9/27
544 PRI/WTR	.5000		\$/U	1/2000	AD	PC	.00	11/93
545 "	.08	X	\$/U	TO	LIFE	PC	.00	12/95
550 OPC/T	1600.00	X	\$/M	TO	LIFE	SCH	OPC	9/27
555 STX/OIL	7.08	X	\$	TO	LIFE	PC	.00	9/27
560 STX/GAS	7.93	X	\$	TO	LIFE	PC	.00	9/27
565 ATX	.17	X	\$	TO	LIFE	PC	.00	9/27
570 PRI/OIL	-.9100		\$/B	TO	LIFE	PC	.00	9/27
575 PRI/GAS	-.1300		\$/M	TO	LIFE	PC	.00	9/27
700 LSE/MI	100.0000	D	\$	TO	LIFE	FLAT	.00	9/27

NO	LOSS	CUMC, MB	CUMG, MMF	127.40	CUML, MB	NO	LOSS				
701	OWN/MI	100.0000	D	%	TO	LIFE	FLAT	.00	9/27	1.000	1.000
720	LSE/RIC	12.5000	D	%	TO	LIFE	FLAT	.00	9/27	.125	.125
721	OWN/RI	.0000	D	%	TO	LIFE	FLAT	.00	9/27		
740	LSE/RIG	12.5000	D	%	TO	LIFE	FLAT	.00	9/27	.125	.125
760	LSE/ORR	.0000	D	%	TO	LIFE	FLAT	.00	9/27		
761	OWN/ORR	.0000	D	%	TO	LIFE	FLAT	.00	9/27		

OVERLAYS	SCHEDULING RATES	SCHEDULE UNTIL	PROCEDURE	ULTIMATE	LAST	EFF. DECL	INIT. RATE	FINAL RATE
905 LOAD	P. OIL OIL #			45.077	2/00			
910 LOAD	P. GAS GAS #			128.460	2/00			
915 LOAD	P. WATER WTR #			50.997	2/00			

INVESTMENT	TANGIBLES & INTANGIBLES	TIME	PROCEDURE	TOTAL T&I	MONTH	RISK INV.	TOT. T&I&R	ESC. T&I&R
800 DRILL	240.00	330.00 MSG	12/93 AD	570.000	12/93		570.0	570.0
801 WORKOVER	.00	65.00 MSG	11/2000 AD	65.000	11/0		65.0	65.0
802 SALVAGE	-24.00	.00 MSG	TO LIFE	-24.000	9/27		-24.0	-24.0

RESERVE PARAMETERS	ITEM	ITEM
201 LOSS	NO	
205 CUMC, MB	44.73	
210 LOSS	NO	

PROJECT ASSUMPTIONS

BASE DATE : 12/93 TIME FRAMES : 1\*1 38\*12 1\*600

P.M. DATE : 12/93 PW %-AGE : 10.0 DISC. FREQUENCY : 365.

REPORT DATE : 12/93 PROD QUAL : CD OWNER QUAL : CD OTHER QUAL : CD

RESERVES AND ECONOMICS  
 EFFECTIVE DATE: 12/93

28.5 YR

PERIOD ENDING	12/93	12/94	12/95	12/96	12/97	12/98	12/99	12/00	12/01	12/02	S TOT	AFTER	TOTAL
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1) WORKING INTEREST, \$	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000
2) REVENUE INTEREST, \$	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500

INVESTMENTS, M\$

3) BORROWED CAPITAL	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4) EQUITY INVESTMENTS	570.0	.0	.0	.0	.0	.0	.0	65.0	.0	.0	.0	.0	611.0
5) RISK	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) TOTAL	570.0	.0	.0	.0	.0	.0	.0	65.0	.0	.0	.0	.0	611.0

OIL PHASE

8) GROSS OIL, MB	2.7	11.9	7.7	5.9	6.2	5.7	4.3	6.1	11.8	7.7	69.9	42.1	112.0
9) NET OIL, MB	2.3	10.4	6.7	5.2	5.4	5.0	3.7	5.4	10.3	6.7	61.1	36.8	98.0
10) OIL REVENUE, M\$	37.1	166.0	117.2	110.8	107.6	67.4	68.7	129.0	203.5	122.7	1130.0	634.5	1764.5
11) OIL PRICE, \$/B	15.97	15.97	17.48	21.35	19.83	13.52	18.34	24.03	19.76	18.29	18.48	17.23	18.01

GAS PHASE

12) GROSS GAS, MMF	3.5	29.1	27.3	15.6	21.2	16.2	13.2	19.9	38.3	25.0	209.2	137.1	346.3
13) NET GAS, MMF	3.1	25.4	23.9	13.7	18.6	14.1	11.5	17.4	33.5	21.8	183.1	119.9	303.0
14) GAS REVENUE, M\$	5.5	44.7	43.2	33.9	45.7	28.0	24.7	43.0	82.2	53.3	404.0	292.6	696.7
15) GAS PRICE, \$/MCF	1.760	1.760	1.810	2.480	2.460	1.980	2.140	2.470	2.450	2.440	2.207	2.440	2.299

WATER PHASE

16) GROSS WATER, MB	4.2	15.3	7.3	3.5	2.9	8.0	9.3	10.1	41.2	26.8	128.6	147.3	276.0
17) NET WATER, MB	4.2	15.3	7.3	3.5	2.9	8.0	9.3	10.1	41.2	26.8	128.6	147.3	276.0
18) WATER PRICE, \$/B	.500	.500	.500	.500	.500	.500	.500	.080	.080	.080	.245	.080	.157

ECONOMICS, M\$

19) GROSS REV. TO INTR.	42.6	210.7	160.4	144.7	153.3	95.4	93.3	172.0	285.7	175.9	1534.0	927.1	2461.1
20) - SEV. TAX	3.1	15.3	11.7	10.5	11.2	7.0	6.8	12.5	20.9	12.9	112.0	68.1	180.2
22) - AD VALOREM TAX	.1	.3	.3	.2	.2	.2	.1	.3	.5	.3	2.4	1.5	3.9
23) - OPERATING COSTS	1.6	19.2	19.2	19.2	19.2	19.2	19.2	19.2	19.2	174.4	372.8	547.2	1118.8
24) - SWD	2.1	7.7	3.6	1.8	1.4	4.0	4.6	.8	3.3	2.1	31.5	11.8	43.3
25) - CAPITAL REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) + NET OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
28) - NET INCOME	35.8	168.2	125.6	113.0	121.2	65.1	62.5	139.1	241.8	141.4	1213.6	472.9	1686.6
29) - INVESTMENTS & RSK	570.0	.0	.0	.0	.0	.0	.0	65.0	.0	.0	635.0	-24.0	611.0
30) = BRIT NET	-534.2	168.2	125.6	113.0	121.2	65.1	62.5	74.1	241.8	141.4	578.6	496.9	1075.6

PRESENT WORTH @ 10.00 %

31) NET INCOME	35.6	158.8	107.3	87.3	84.7	41.2	35.8	72.1	113.3	60.0	796.0	130.1	926.1
32) INVESTMENTS & RISK	570.0	.0	.0	.0	.0	.0	.0	32.6	.0	.0	602.6	-1.4	601.2
33) BRIT NET	-534.4	158.8	107.3	87.3	84.7	41.2	35.8	39.5	113.3	60.0	193.4	131.5	324.9
34) CUM BRIT NET	-534.4	-375.6	-268.3	-181.1	-96.3	-55.2	-19.4	20.1	133.4	193.4	193.4	324.9	324.9



A F T E R T A X E C O N O M I C S

EFFECTIVE DATE: 12/93

28.5 YR

PERIOD ENDING	12/93	12/94	12/95	12/96	12/97	12/98	12/99	12/00	12/01	12/02	S TOT	AFTER	TOTAL
TAX TREATMENT OF INVESTMENTS, M\$													
1) EXP, RISK & CAP INT	330.0	.0	.0	.0	.0	.0	.0	65.0	.0	.0	.0	395.0	.0
2) DEPLETABLE	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
3) DEPRECIABLE	240.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	240.0	-24.0
TOTAL	570.0	.0	.0	.0	.0	.0	.0	65.0	.0	.0	.0	635.0	-24.0

TAX CALCULATIONS, M\$

4) GROSS REV. TO INTR.	42.6	210.7	160.4	144.7	153.3	95.4	93.3	172.0	285.7	175.9	1534.0	927.1	2461.1
5) - SEVERANCE TAX	3.1	15.3	11.7	10.5	11.2	7.0	6.8	12.5	20.9	12.9	112.0	68.1	180.2
6) - WPT TAX NET	.0	.0	1.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) - OPR. COSTS & ATX	3.8	27.2	23.1	21.2	20.9	23.4	24.0	20.3	22.9	21.6	208.3	386.0	594.4
8) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
9) - OVERHEAD	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
10) - EXPENSED INV.	330.0	.0	.0	.0	.0	.0	.0	65.0	.0	.0	.0	.0	395.0
11) - DEPRECIATION	2.9	36.3	57.4	41.0	29.3	21.4	21.4	21.4	8.9	.0	240.0	.0	240.0
12) = NET	-297.1	131.9	68.2	72.0	91.9	43.6	41.1	52.7	232.9	141.4	578.6	472.9	1051.6
13) - DEPLETION	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
14) - INTEREST PD & CAP	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
15) = TAXABLE	-297.1	131.9	68.2	72.0	91.9	43.6	41.1	52.7	232.9	141.4	578.6	472.9	1051.6
16) * TAX RATE, %	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0
17) - TAX CREDIT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
18) - WPT REFUND	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
19) = F.I.T.	-104.0	46.2	23.9	25.2	32.2	15.3	14.4	18.4	81.5	49.5	202.5	165.5	368.1
20) REVENUE-SEV-WPT	39.5	195.4	148.7	134.1	142.0	88.4	86.5	159.4	264.7	163.0	1422.0	859.0	2281.0
21) - OPR. COSTS & ATX	3.8	27.2	23.1	21.2	20.9	23.4	24.0	20.3	22.9	21.6	208.3	386.0	594.4
22) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
23) - F.I.T.	-104.0	46.2	23.9	25.2	32.2	15.3	14.4	18.4	81.5	49.5	202.5	165.5	368.1
24) = A.F.I.T.	139.7	122.1	101.7	87.8	89.0	49.8	48.1	120.7	160.3	91.9	1011.1	307.4	1318.5
25) - LOAN REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) = NET INCOME	139.7	122.1	101.7	87.8	89.0	49.8	48.1	120.7	160.3	91.9	1011.1	307.4	1318.5
28) - INVESTMENTS & RSK	570.0	.0	.0	.0	.0	.0	.0	65.0	.0	.0	635.0	-24.0	611.0
29) = A.F.I.T. NET	-430.3	122.1	101.7	87.8	89.0	49.8	48.1	55.7	160.3	91.9	376.1	331.4	707.5

PRESENT WORTH @ 10.00 %

30) NET INCOME	139.2	115.2	86.9	67.8	62.2	31.5	27.6	62.5	75.1	39.0	706.9	84.6	791.5
31) INVESTMENTS & RISK	570.0	.0	.0	.0	.0	.0	.0	32.6	.0	.0	602.6	-1.4	601.2
32) A.F.I.T. NET	-430.8	115.2	86.9	67.8	62.2	31.5	27.6	30.0	75.1	39.0	104.4	86.0	190.4
33) CUM. A.F.I.T. NET	-430.8	-315.6	-228.8	-160.9	-98.7	-67.2	-39.7	-9.7	65.4	104.4	104.4	190.4	190.4

E C O N O M I C I N D I C A T O R S

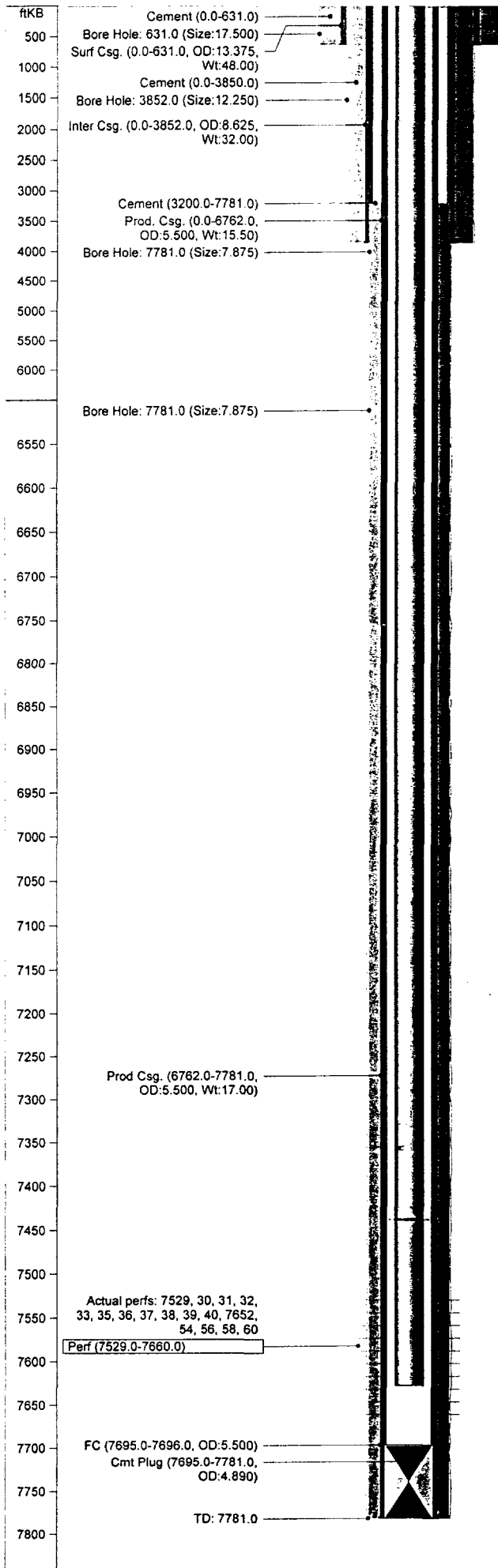
AS OF DATE: 12/93

B.F.I.T.                    A.F.I.T.                    A.F.I.T.  
 WORTH                    WORTH                    BONUS  
 M\$-----                M\$-----                M\$-----

PRESENT WORTH PROFILE AND  
 RATE-OF-RETURN VS. BONUS TABLE

0.	1075.582	707.1529	1088.506
2.	856.319	556.385	791.421
5.	606.419	384.475	505.488
6.	538.932	338.034	435.837
8.	422.093	257.519	321.504
10.	324.942	190.383	231.741
20.	19.908	-22.859	-25.888
30.	-132.521	-132.192	-144.894
40.	-220.026	-196.539	-211.565
50.	-275.858	-238.467	-253.800
60.	-314.527	-267.992	-283.000
70.	-343.033	-290.039	-304.522
80.	-365.055	-307.240	-321.149
90.	-382.671	-321.114	-334.452
100.	-397.140	-332.591	-345.385

RATE OF RETURN, PCT.	21.3	18.9
UNDISCOUNTED PAYOUT, YRS.	4.18	4.68
DISCOUNTED PAYOUT, YRS.	6.57	7.21
UNDISCOUNTED NET/INVEST.	2.76	2.16
DISCOUNTED NET/INVEST.	1.54	1.32



JAMES RANCH UNIT #37			
API No.	3001527703	Status	ACT OIL
TD	7781.0 ftKB	Engineer	KAA
PBTD	7695.0 ftKB		
Operator	BEPCO	Permit	
Well No.	37	Spud	10/23/93
ID Code		RR	11/8/93
Field	QUAHADA RIDGE, S.E. (DEL)	Completion	12/9/93
Author	RAS	Last Act.	
Date Updated	12/30/97	Abandoned	
Comments	Drilled by Enron		

Location			
Township	S022	Top Latitude	0
		Top Longitude	0
Range	E030	Top NS Distance	1980.0 ft S
		Top EW Distance	660.0 ft E
Section	36	Bottom Latitude	0
Unit Ltr.	I	Bottom Longitude	0
State	NEW MEXICO	Btm NS Distance	0.0 ft
County	EDDY	Btm EW Distance	0.0 ft

Elevations			
KB	3327.2 ft	Cas Fling	0.0 ft
Grd	3310.2 ft	Tub Head	0.0 ft
KB-Grd	17.0 ft		

Casing String - Surface Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
13 3/8 in Surf Csg.	0.0	631.0	14	12.720	48.00	H-40	STC

Casing String - Intermediate Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
8 5/8 in Inter Csg.	0.0	3852.0	87	7.920	32.00	K-55	TC&STC

Casing String - Production Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
5 1/2 in Prod. Csg.	0.0	6762.0	165	4.950	15.50	J-55	LTC
5 1/2 in Prod Csg.	6762.0	7781.0	25	4.890	17.00	J-55	LTC
5 1/2 in FC	7695.0	7696.0		0.000	0.00		

Casing Cement			
Casing String	Top (ftKB)	Amount (sx)	Comments
Surface Casing	0.0	513	
Intermediate Casing	0.0	1625	
Production Casing	3200.0	815	TOC by temp sur.

Tubing String - Primary Tubing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
2 7/8 in Tbg.	0.0	7626.0	246	2.441	6.50	J-55	8rd
4 57/64 in TAC	7436.0	7439.0		2.875	0.00		
2 7/8 in SN	7626.0	7627.0		2.250	0.00		

Other (plugs, equip., etc.) - Plug Backs		
Date	Item	Int (ftKB)
11/3/93	Cmt Plug	7695.0 - 7781.0

Perforations			
Date	Int	Shots (/ft)	Status
11/16/93	7529.0 - 7660.0	0.1	

Stimulations & Treatments					
Date	Type	Interval	Fluid	Sand	Comments
11/20/93	Sand Frac	7529.0 - 7660.0			

## WELL HISTORY

WELL NAME: James Ranch Unit #37  
FIELD NAME: Quahada Ridge, S.E. (Del)  
LOCATION: 1980' FSL & 660' FEL, Sec, 36, T22S,R30E, Unit I  
Eddy County, New Mexico  
ELEV: 3310.2' GL, 3327.2' KB  
SPUD DATE: 10/23/93, RR 11/8/93  
COMP DATE: 12/9/93  
ORIG TD: 7781'  
ORIG PBD: 7695'  
CASING: 13 3/8" 48#, H-40 CSA 631', cmt w/513 sx, cmt circ, 17 1/4" hole  
8 5/8" 32#, K-55 CSA 3850', cmt w/1625 sx, cmt circ, 12 1/4" hole  
5 1/2" 15.5 & 17# CSA 7781', cmt w/815 sx, TOC 3200' (TS) 7 7/8" hole  
TUBING: 2 7/8", 6.5#, 8rd, J-55  
DST: None  
CORES & LOGS: Dual Laterlog Micro SFL 3842-7767'  
Spectral Denisty Dual Spaced Neutron Log 100-7769'

### INITIAL COMPLETION

11/16/93 to 12/8/93

### INITIAL COMPLETION

TD 7781, PBD 7695'. Ran GR-CCL log.

11/16/97 **Perf:** 7529, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 7652, 54, 56, 58 & 60'. **Acidize** perfs w/3700 gals 7 1/2% NEFE HCl + 34 BS. FM broke @ 2900 psi, Treated @ 4.5 BPM @ 2000 psi. Ball out. **Frac** perfs w/41,000 gals Viking 135D w/120,000# sd + 10,000# 16/30 RCS. Well started flowing, flowed 10 days. Killed well, ran 2 7/8" tbg and rods. Placed on pump.

**IP:** 11/22/93 24 hr 199 BO, 563 MCFG, 244 BW on 24/64" CK.

11/20/97 Pump failure. Lower tbg, SN @ 7627'.

7/15/98 Run BH pressure buildup.

OIL CONSERVATION DIVISION

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

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

DISTRICT II  
 P.O. Drawer 88, Artesia, NM 88210

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator ENRON OIL AND GAS CO.		Lease JAMES RANCH UNIT		Well No. 37
Unit Letter I	Section 36	Township 22 SOUTH	Range 30 EAST NMPM	County EDDY

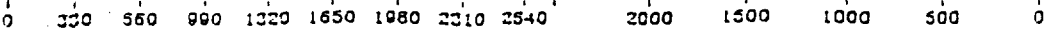
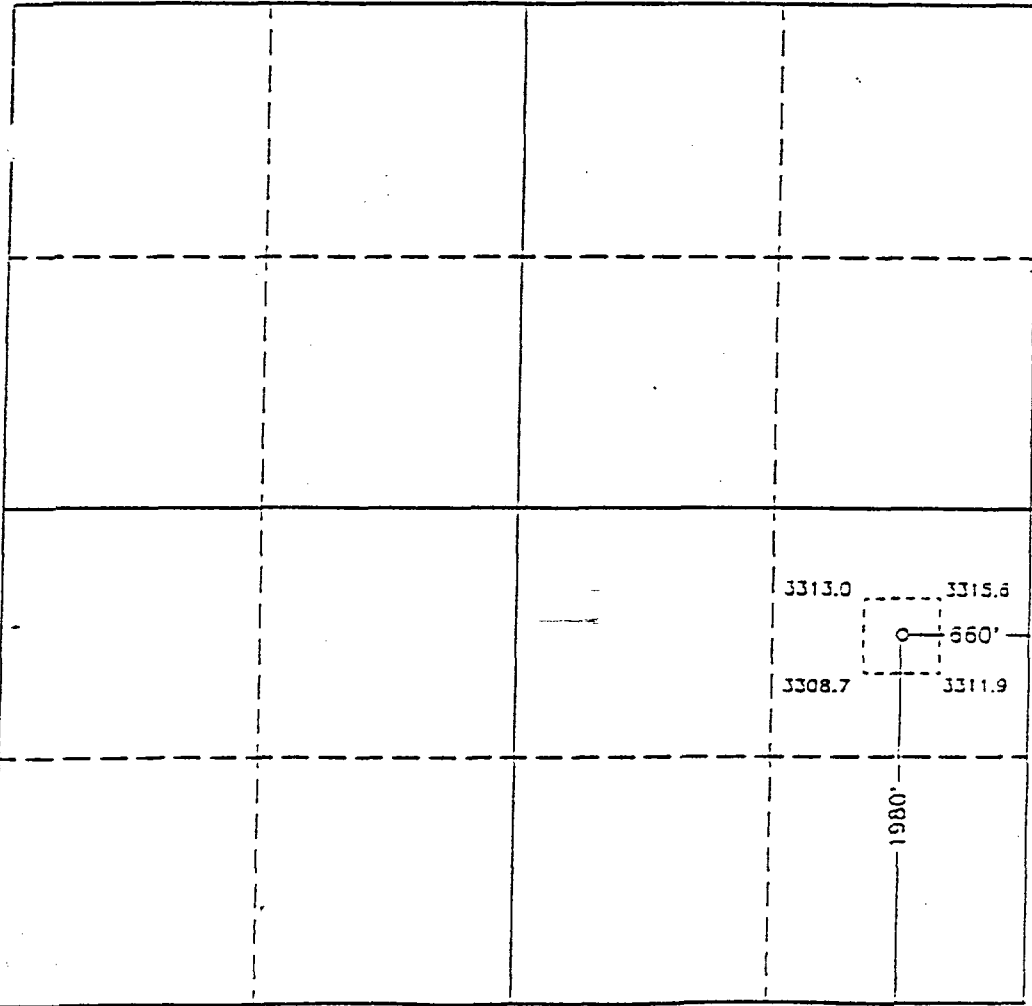
Actual Footage Location of Well:  
 1980 feet from the SOUTH line and 660 feet from the EAST line

Ground Level Elev. 3310.2	Producing Formation Bone Spring/Delaware	Pool Unit QUAHADA POOL, SE	Dedicated Acreage: 40 Acres
------------------------------	---	-------------------------------	--------------------------------

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?
  - Yes       No      If answer is "yes" type of consolidation \_\_\_\_\_

If answer is "no" list of owners and tract descriptions which have actually been consolidated. (Use reverse side of this form necessary.)

No allowable will be assigned to the well unit all interests have been consolidated (by communitization, unitization, forced-pooling, otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature: *Betty Gildon*  
 Printed Name: Betty Gildon  
 Position: Regulatory Analyst  
 Company: Enron Oil & Gas Company  
 Date: 5/20/93

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 knowledge and belief.

Date Surveyed: MAY 1, 1993  
 Signature & Seal of Professional Surveyor

*Gary L. Jones*  
 GARY L. JONES  
 7077  
 Certificate To: JOHN W. WESTER 5791  
 RONALD J. BOSTON 3230  
 GARY L. JONES 7077

Submit to Appropriate District Office  
 State Leases - 6 copies  
 Fee Leases - 5 copies  
 DISTRICT OFFICE  
 P.O. Box 1980, Hobbs, NM 88240

State of New Mexico  
 Minerals and Natural Resources Department  
 SEP 11 1993

Form C-105  
 Revised 1-1-89

**OIL CONSERVATION DIVISION**  
 P.O. Box 20881  
 Santa Fe, New Mexico 87504-2088

VICTORY  
 Tower DD, Arizona, NM 88210

DISTRICT OFFICE  
 1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO. 30 015 27703  
 5. Indicate Type of Lease  
 STATE  FEE   
 6. State Oil & Gas Lease No. E-5229-6

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG**

1a. Type of Well: OIL WELL  GAS WELL  DRY  OTHER \_\_\_\_\_  
 1b. Type of Completion: NEW WELL  WORK OVER  DEEPEN  PLUG BACK  DRY RESERV  OTHER \_\_\_\_\_  
 7. Lease Name or Unit Agreement Name: James Ranch Unit

Name of Operator: Enron Oil & Gas Company  
 3. Well No. 37

Address of Operator: P. O. Box 2267, Midland, Texas 79702  
 9. Foot Name or WU Code: Ouahoda Rio Delaware, SE

4. Well Location  
 Unit Letter I : 1980 Feet From The south Line and 660 Feet From The east Line  
 Section 36 Township 22S Range 30E NMPM Eddy County

10. Date Spudded 10-23-93	11. Date T.D. Reached 11-6-93	12. Date Compl. (Ready to Prod.) 11-18-93	13. Elevations (DF & RKB, RT, GR, etc.) 3310.2' GR	14. Elev. Casingshead 3310.2'
15. Total Depth 7781	16. Plug Back T.D. 7778	17. If Multiple Complet. How Many Zones?	18. Intervals Drilled By Rotary Tools X Cable Tools	20. Was Directional Survey Made No

Producing Interval(s), of this completion - Top, Bottom, Name: 7529-7660 (Delaware)  
 21. Type Electric and Other Logs Run: GIL - MSEI - 432 SMI - DSN - 32  
 22. Was Well Cased: No

**CASING RECORD (Report all strings set in well)**

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13-3/8	48#	631	17-1/2	313 PSL C & 200 CI C	Circulated
8-5/8	32#	3853	12-1/4	1400 PSL C & 225 CI C	Circulated
5-1/2	17# & 15.5#	7778	7-7/8	400 PSL C & 415 CI H	TQC 3200'

**LINER RECORD**

**TUBING RECORD**

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2-7/8"	7400	

19. Perforation record (interval, size, and number): 7529-7660 (.54" 17)  
 27. ACID, SHOT, FRACTURE CEMENT, SQUEEZE, ETC.  
 DEPTH INTERVAL: 7529-7660  
 AMOUNT AND KIND MATERIAL USED: 141 000 gals. Viking 1350 with 120 000# 20/40 sand

**PRODUCTION**

Date	First Production	Production Method (Flowing, gas lift, pressure - Size and type pump)	Well Status (Prod. or Shut-in)
1-21-93		Flowing	Producing
11-22-93	Hours Tested: 24	Core Size: 2 1/4" 6 1/2"	Prod & For Test Period: Oil - 8bl. 199 Gas - MCF 563 Water - 8bl. 244 Gas - Oil Ratio 2929
1c	Flowing Pressure: 180	Calculated 24-Hour Rate: 790	Oil Gravity - API - (Corr.): 40.0

2. Description of Gas (Solid, acid, or fuel, vented, etc.):  
 3. Test Witnessed By:

4. Log Inclinometer Report, C-104  
 5. I, the undersigned, certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief.

Signature: Betty Gildon Printed Name: Betty Gildon  
 Regulatory Analyst Date: 12/1/93

**WORKSHEET FOR COMMERCIAL DETERMINATION  
AND PARTICIPATING AREA IN FEDERAL UNITS**

**WELL DATA**

WELL JAMES RANCH UNIT #41 FORMATIC DELAWARE  
 LOCATION N UNIT, 660 FEET FROM SOUTH LINE & 2310 FEET FROM WEST LINE  
 SECTION 36 TOWNSHIP 22S, RANGE 30E, COUNTY EDDY, NEW MEXICO  
 SPUD DATE 7/5/94 COMPLETION DATE 8/1/94 INITIAL PRODUCTION 8/1/94  
 PERFORATIONS 7384-7404'

STIMULATION:

**ACID** 7384-7404' W/2000 GALS 7 1/2% HCL

**FRACTURE** 7384-7404' W/47,500 GALS VIKING XL GEL + 280,000# 20/40 OTTAWA SAND

POTENTIAL 8/4/94 189 BOPD, 135 MCFPD, 91 BWPD

(Attach Copy of C-105. Attach Copy of Wellbore Sketch of Completed Well.)

**VOLUMETRIC CALCULATION**

	SANDS PERFORATED	SANDS NOT PERFORATED BUT POTENTIALLY PRODUCTIVE
Area (A) proration unit size, acres	<u>40</u>	<u>40</u>
Porosity (por), %	<u>12.0%</u>	<u>15.0%</u>
Water saturation (Sw), %	<u>60%</u>	<u>63%</u>
Net Thickness (h), ft.	<u>68</u>	<u>28</u>
Temperature (T), Fahrenheit	<u>120</u>	<u>120</u>
Bottom Hole pressure (P), psia	<u>3,202</u>	<u>3,118</u>
Recovery factor (RF), %	<u>16%</u>	<u>10%</u>
Recoverable oil, Bbls *(See eq. below)	<u>108,851</u>	<u>32,149</u>

\*Sometimes unable to match performance due to volumetric uncertainty.

Formula =  $(7758) (A) (h) (por) (1-Sw) (1/Boi) (RF)$

Boi = 1.50

**PERFORMANCE DATA**

(If sufficient history exists, attach plot of oil production rate v time.)

CUMULATIVE PRODUCTION TO 11/30/99 ; 40243 BBLs

	PRODUCING	BEHIND PIPE
INITIAL RATE (qi)	<u>297</u>	<u>1550</u>
ECONOMIC LIMIT (qi)	<u>60</u>	<u>60</u>
DECLINE RATE, dy (Hyperbolic, n=.995)	<u>13.23%</u>	<u>57.79%</u>
REMAINING OIL (Q) =	<u>55,707</u>	<u>27,000</u>
ULTIMATE RECOVERABLE OIL	<u>123,000</u>	

(Attach plot showing proration unit and participating area.)

**ECONOMIC**

WELL COST \$ 570,000 (to the depth of formation completed)

RECOMPLETION COST \$ 65,000 (6/2000)

TOTAL COST \$ 635,000

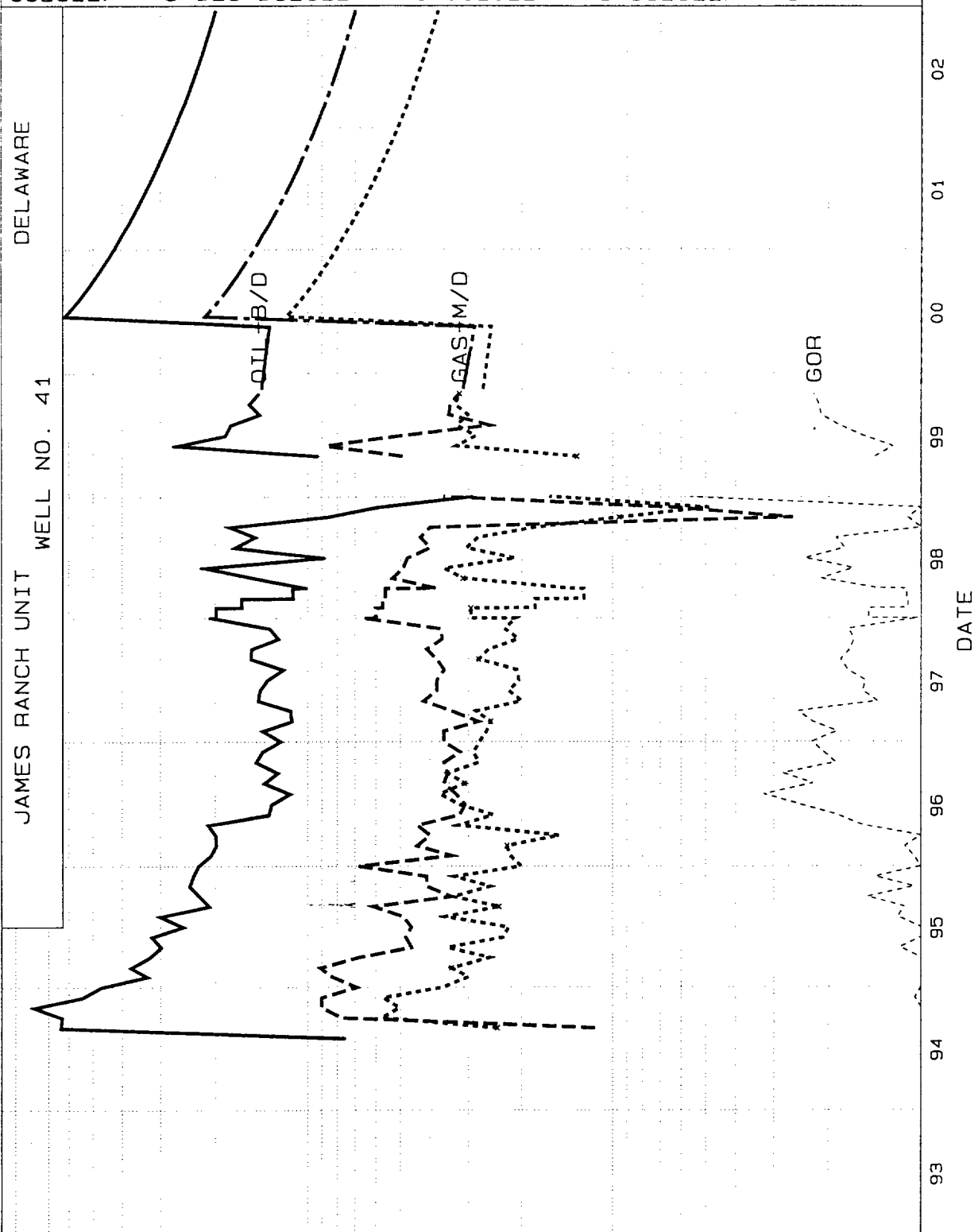
YEAR	GROSS OIL	REVENUE	OPERATING COST	10% NET BFIT DISCOUNTED CASH FLOW
ZERO	<u>0</u>	<u>0</u>	<u>0</u>	<u>-570,000</u>
1	<u>9,600</u>	<u>144,900</u>	<u>25,200</u>	<u>116,600</u>
2	<u>10,100</u>	<u>171,600</u>	<u>42,100</u>	<u>117,300</u>
3	<u>5,700</u>	<u>128,000</u>	<u>35,300</u>	<u>76,000</u>
4	<u>5,100</u>	<u>106,900</u>	<u>34,300</u>	<u>53,800</u>
5	<u>5,500</u>	<u>80,000</u>	<u>34,400</u>	<u>30,500</u>
6	<u>3,700</u>	<u>70,600</u>	<u>29,500</u>	<u>24,900</u>
7	<u>13,200</u>	<u>331,700</u>	<u>46,900</u>	<u>156,300</u>
8	<u>12,300</u>	<u>262,000</u>	<u>42,000</u>	<u>109,300</u>
9	<u>8,400</u>	<u>168,300</u>	<u>34,100</u>	<u>60,400</u>
10	<u>6,400</u>	<u>122,300</u>	<u>30,100</u>	<u>37,500</u>
REMAINDER	<u>43,000</u>	<u>816,300</u>	<u>432,500</u>	<u>99,800</u>

**WELL IS COMMERCIAL**



JAMES RANCH UNIT WELL NO. 41 DELAWARE

**OIL**  
 Gal=CD  
 Ref= 11/99  
 Cum= 40.243  
 Rem= 91.575  
 EUR= 131.918  
 Yrs= 31.332  
 Gi= 431.6  
 De= 11.560  
 n= .995  
 Gab= 60.8  
**WTR-B/D**  
 Ref= 11/99  
 Cum= 89.154  
**WTR**  
 Gal=CD  
 Ref= 11/99  
 Cum= .000  
 Rem= 317.027  
 EUR= 317.027  
 Yrs= 31.332  
 Gi= .000  
 De= .000  
 n= .000  
 Gab= .0  
**GAS/OIL**  
 Gal=CD  
 Ref= 11/99  
 Cum= .000  
 Rem= .000  
 EUR= .000  
 Yrs= 31.329  
 Gi= 1.9  
 De= .000  
 n= .000  
 Gab= 1.7  
**GAS**  
 Gal=CD  
 Ref= 11/99  
 Cum= 51.260  
 Rem= 169.559  
 EUR= 220.929  
 Yrs= 31.329  
 Gi= .0  
 De= .000  
 n= .000  
 Gab= .0



JAMES RANCH UNIT #41

DATE : 02/08/00  
 TIME : 07:51:39  
 DBS FILE : JRUBA  
 SETUP FILE : CD  
 SEQ NUMBER : 2

INPUT DATA

CALCULATED DATA

ITEM	SCHEDULING RATES	SCHEDULE UNTIL	PROCEDURE	ULTIMATE	LAST	EPF. DECL	INIT. RATE	FINAL RATE
405 START	11/99							
410 OIL	431.60	X	B/M	H/0.995	11.56	43.161	5/00	11.56
415 "	1946.70	X	B/M	H/0.995	57.79	119.543	11/18	57.79
420 "	113.73	X	B/M	EXP	5.00	131.918	2/31	5.00
425 START	11/99							
430 GAS/OIL	1.91	1.70 M/B	LOG				2/31	
435 START	11/99							
440 WTR/OIL	2.22	X	U/B					
445 "	3.50	X	U/B					
450 START	7/94							
516 PRI/OIL	16.8800	X	\$/B	1/95	MM/YY	PC	2/31	16.880
517 "	18.39	X	\$/B	1/96	AD	PC	2/31	18.390
518 "	22.26	X	\$/B	1/97	AD	PC	2/31	22.260
519 "	20.74	X	\$/B	1/98	AD	PC	12/97	20.740
520 "	14.43	X	\$/B	1/99	AD	PC	12/98	14.430
521 "	19.25	X	\$/B	1/2000	AD	PC	12/99	19.250
522 "	24.94	X	\$/B	1/2001	AD	PC	12/00	24.940
523 "	20.67	X	\$/B	1/2002	AD	PC	12/01	20.670
524 "	19.20	X	\$/B	1/2003	AD	PC	12/02	19.200
525 "	18.18	X	\$/B	1/2004	AD	PC	12/03	18.180
526 "	18.13	X	\$/B	TO	LIFE	PC	2/31	18.130
531 PRI/GAS	1.8900	X	\$/M	1/95	MM/YY	PC	2/31	1.890
532 "	1.94	X	\$/M	1/96	AD	PC	12/95	1.940
533 "	2.61	X	\$/M	1/97	AD	PC	12/96	2.610
534 "	2.59	X	\$/M	1/98	AD	PC	12/97	2.590
535 "	2.11	X	\$/M	1/99	AD	PC	12/98	2.110
536 "	2.27	X	\$/M	1/2000	AD	PC	12/99	2.270
537 "	2.60	X	\$/M	1/2001	AD	PC	12/00	2.600
538 "	2.58	X	\$/M	1/2002	AD	PC	12/01	2.580
539 "	2.57	X	\$/M	TO	LIFE	PC	2/31	2.570
544 PRI/WTR	.5000	X	\$/U	1/2000	AD	PC	6/94	.500
545 "	.08	X	\$/U	TO	LIFE	PC	12/95	.080
550 OPC/T	1600.00	X	\$/M	TO	LIFE	SCH	2/31	1600.000
555 STX/OIL	7.08	X	\$	TO	LIFE	PC	2/31	.071
560 STX/GAS	7.93	X	\$	TO	LIFE	PC	2/31	.079
565 ATX	.17	X	\$	TO	LIFE	PC	2/31	.002
570 PRI/OIL	-.9100	-	\$/B	TO	LIFE	PC	2/31	-.910
575 PRI/GAS	-.1300	-	\$/M	TO	LIFE	PC	2/31	-.130
700 LSE/WI	100.0000	D	\$	TO	LIFE	PLAT	2/31	1.000

NO	DESCRIPTION	UNIT	TO	LIFE	PLAT	0.00	2/31	1.000	1.000
701	OWN/WI	100.0000	D	TO	LIFE	PLAT	.00	2/31	1.000
720	LSE/RIC	12.5000	D	TO	LIFE	PLAT	.00	2/31	.125
721	OWN/RI	.0000	D	TO	LIFE	PLAT	.00	2/31	.125
740	LSE/RIG	12.5000	D	TO	LIFE	PLAT	.00	2/31	.125
760	LSE/ORR	.0000	D	TO	LIFE	PLAT	.00	2/31	.125
761	OWN/ORR	.0000	D	TO	LIFE	PLAT	.00	2/31	.125

OVERLAYS SCHEDULING RATES SCHEDULE UNTIL PROCEDURE ULTIMATE LAST EFF. DECL. INIT. RATE FINAL RATE

905	LOAD	P.OIL OIL #				40.675	2/00		
910	LOAD	P.GAS GAS #				52.223	2/00		
915	LOAD	P.WATER WTR #				89.154	2/00		

NO	DESCRIPTION	UNIT	TO	TIME	PROCEDURE	TOTAL TEL	MONTH	RISK INV.	TOF. T&R	ESC. T&R
800	DRILL	240.00		07/94	AD	570.000	7/94		570.0	570.0
801	WORKOVER	.00		06/2000	AD	65.000	6/0		65.0	65.0
802	SALVAGE	-24.00		TO	LIFE	-24.000	2/31		-24.0	-24.0

RESERVE PARAMETERS ITEM ITEM  
 201 LOSS NO 40.24 CUMG, MMF 51.26 CUML, MB  
 210 LOSS NO

PROJECT ASSUMPTIONS  
 BASE DATE : 7/94 TIME FRAMES : 1\*6 38\*12 1\*600  
 P.W. DATE : 7/94 PW \$-AGE : 10.0 DISC. FREQUENCY : 365.  
 REPORT DATE : 7/94 PROD QUAL : CD OWNER QUAL : CD  
 OTHER QUAL : CD

R E S E R V E S A N D E C O N O M I C S  
 EFFECTIVE DATE: 7/94

PERIOD ENDING	12/94	12/95	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	S TOT	AFTER	TOTAL
1) WORKING INTEREST, \$	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
2) REVENUE INTEREST, \$	87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500
INVESTMENTS, M\$													
3) BORROWED CAPITAL	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4) EQUITY INVESTMENTS	570.0	.0	.0	.0	.0	.0	65.0	.0	.0	.0	635.0	-24.0	611.0
5) RISK	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) TOTAL	570.0	.0	.0	.0	.0	.0	65.0	.0	.0	.0	635.0	-24.0	611.0

28.3 YR

OWNERSHIP

INVESTMENTS, M\$

OIL PHASE

GAS PHASE

WATER PHASE

ECONOMICS, M\$

PRESENT WORTH @ 10.00 %

NET INCOME

INVESTMENTS & RISK

BIT NET

CUM BIT NET

A F T E R T A X E C O N O M I C S

EFFECTIVE DATE: 7/94

PERIOD ENDING	12/94	12/95	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	S TOT	AFTER	28.3 YR
TAX TREATMENT OF INVESTMENTS, M\$	TOTAL												
1) EXP, RISK & CAP INT	330.0	.0	.0	.0	.0	.0	65.0	.0	.0	.0	395.0	.0	395.0
2) DEPLETABLE	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
3) DEPRECIABLE	240.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	240.0	-24.0	216.0
TAX CALCULATIONS, M\$	-----												
4) GROSS REV. TO INTR.	144.9	171.6	128.0	106.9	80.0	70.6	311.7	262.0	168.3	122.3	1586.2	816.3	2402.5
5) - SEVERANCE TAX	10.3	12.3	9.3	7.7	5.8	5.1	23.9	19.0	12.2	8.9	114.5	59.2	173.7
6) - WPT TAX NET	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) - OPR. COSTS & ATX	15.0	29.7	26.0	26.5	28.6	24.4	23.0	23.0	21.8	21.2	239.3	373.3	612.6
8) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
9) - OVERHEAD	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
10) - EXPENSED INV.	330.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	395.0	.0	395.0
11) - DEPRECIATION	17.1	46.5	50.4	36.0	25.7	21.4	21.4	21.4	.0	.0	240.0	.0	240.0
12) = NET	-227.6	83.0	42.4	36.6	19.8	19.6	198.3	198.6	134.3	92.2	597.4	383.7	981.1
13) - DEPLETION	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
14) - INTEREST PD & CAP	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
15) = TAXABLE	-227.6	83.0	42.4	36.6	19.8	19.6	198.3	198.6	134.3	92.2	597.4	383.7	981.1
16) * TAX RATE, %	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0
17) - TAX CREDIT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
18) - WPT REFUND	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
19) = F.I.T.	-79.7	29.1	14.8	12.8	6.9	6.9	69.4	69.5	47.0	32.3	209.1	134.3	343.4
20) REVENUE-SEV-WPT	134.5	159.3	118.8	99.2	74.2	65.5	307.7	243.0	156.1	113.4	1471.7	757.1	2228.8
21) - OPR. COSTS & ATX	15.0	29.7	26.0	26.5	28.6	24.4	23.0	23.0	21.8	21.2	239.3	373.3	612.6
22) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
23) - F.I.T.	-79.7	29.1	14.8	12.8	6.9	6.9	69.4	69.5	47.0	32.3	209.1	134.3	343.4
24) = A.F.I.T.	199.2	100.5	77.9	59.8	38.6	34.2	215.3	150.5	87.3	60.0	1023.3	249.4	1272.7
25) - LOAN REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) = NET INCOME	199.2	100.5	77.9	59.8	38.6	34.2	215.3	150.5	87.3	60.0	1023.3	249.4	1272.7
28) - INVESTMENTS & RSK	570.0	.0	.0	.0	.0	.0	65.0	.0	.0	.0	635.0	-24.0	611.0
29) = A.F.I.T. NET	-370.8	100.5	77.9	59.8	38.6	34.2	150.3	150.5	87.3	60.0	388.3	273.4	661.7
PRESENT WORTH @ 10.00 %	-----												
30) NET INCOME	194.3	91.0	63.8	44.3	25.9	20.8	118.2	74.8	39.2	24.4	696.7	64.8	761.6
31) INVESTMENTS & RISK	570.0	.0	.0	.0	.0	.0	36.0	.0	.0	.0	606.0	-1.4	604.5
32) A.F.I.T. NET	-375.7	91.0	63.8	44.3	25.9	20.8	82.3	74.8	39.2	24.4	90.7	66.3	157.0
33) CUM. A.F.I.T. NET	-375.7	-284.7	-220.9	-176.6	-150.7	-129.9	-47.7	27.1	66.3	90.7	90.7	157.0	157.0

DATE : 02/08/00  
 TIME : 07:51:39  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 2

E C O N O M I C I N D I C A T O R S

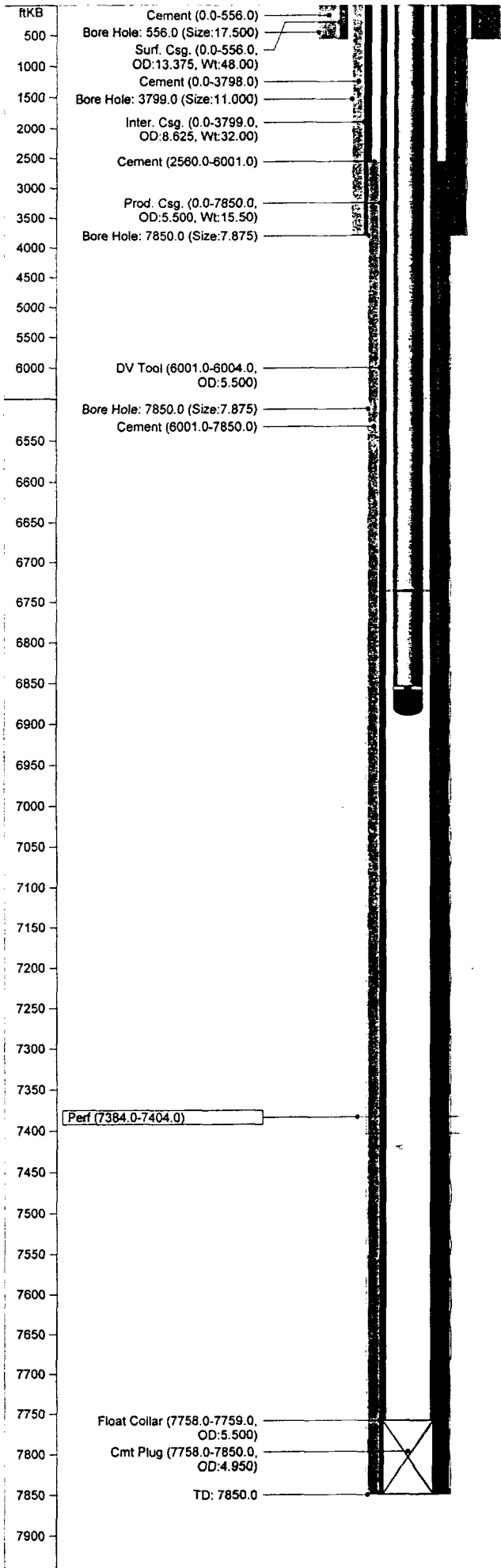
AS OF DATE: 7/94

B.F.I.T.                    A.F.I.T.                    A.F.I.T.  
 WORTH                    WORTH                    BONUS  
 M\$-----                M\$-----                M\$-----

PRESENT WORTH PROFILE AND  
 RATE-OF-RETURN VS. BONUS TABLE

	B.F.I.T. WORTH M\$-----	A.F.I.T. WORTH M\$-----	A.F.I.T. BONUS M\$-----
0.	1005.141	661.942	1018.064
2.	793.863	515.175	732.219
5.	551.988	347.606	456.286
6.	486.444	302.149	388.872
8.	372.727	223.128	277.977
10.	277.941	157.019	190.673
20.	-20.417	-54.174	-61.163
30.	-168.231	-162.566	-177.622
40.	-250.986	-225.784	-242.333
50.	-302.068	-266.526	-282.936
60.	-336.349	-295.050	-310.904
70.	-361.038	-316.417	-331.633
80.	-379.867	-333.294	-347.884
90.	-394.880	-347.170	-361.176
100.	-407.261	-358.929	-372.392

RATE OF RETURN, PCT.	UNDISCOUNTED PAYOUT, YRS.	DISCOUNTED PAYOUT, YRS.	UNDISCOUNTED NET/INVEST.	DISCOUNTED NET/INVEST.
19.3	5.81	5.90	2.65	1.46
	6.78	7.14	2.08	1.26



JAMES RANCH UNIT #41							
API No.	3001527734	Status	ACT OIL				
TD	7850.0 ftKB	Engineer	GTL				
PBTD	7758.0 ftKB						
Operator	BEPCO	Permit					
Well No.	41	Spud	7/5/94				
ID Code	CHQGDLV8.030	RR	7/19/94				
Field	QUAHADA RIDGE SE	Completion	7/30/94				
Author	RAS	Last Act.					
Date Updated	1/22/98	Abandoned					
Comments							
Location							
Township	S022	Top Latitude	0				
		Top Longitude	0				
Range	E030	Top NS Distance	660.0 ft S				
		Top EW Distance	2310.0 ft W				
Section	36	Bottom Latitude	0				
Unit Ltr.	N	Bottom Longitude	0				
State	New Mexico	Btm NS Distance	0.0 ft				
County	Eddy	Btm EW Distance	0.0 ft				
Elevations							
KB	3310.0 ft	Cas Fing	0.0 ft				
Grd	3292.6 ft	Tub Head	0.0 ft				
KB-Grd	17.4 ft						
Casing String - Surface Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID	Wt	Grd	Thd
13 3/8 in Surf. Csg.	0.0	556.0	12	12.720	48.00	WC-40	STC
Casing String - Intermediate Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID	Wt	Grd	Thd
8 5/8 in Inter. Csg.	0.0	3799.0	87	7.921	32.00	WC-50	LTC
Casing String - Production Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID	Wt	Grd	Thd
5 1/2 in Prod. Csg.	0.0	7850.0	186	4.950	15.50	K-55	LTC
5 1/2 in DV Tool	6001.0	6004.0		0.000	0.00		
5 1/2 in Float Collar	7758.0	7759.0		0.000	0.00		
Casing Cement							
Casing String	Top (ftKB)	Amount (sx)	Comments				
Surface Casing	0.0	465					
Intermediate Casing	0.0	940					
Production Casing	2560.0	470	TOC by temp sur.				
Production Casing	6001.0	365					
Tubing String - Primary Tubing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
2 7/8 in Tbg	0.0	6854.0	228	2.441	6.50	WC-50	8rd
4 61/64 in TAC	6735.0	6738.0		0.000	0.00		
2 7/8 in SN	6854.0	6855.0		0.000	0.00		
2 7/8 in Perf Sub	6855.0	6859.0		0.000	0.00		
2 7/8 in Mud Anch	6859.0	6891.0		0.000	0.00		
Other (plugs, equip., etc.) - Plug Backs							
Date	Item	Int (ftKB)					
7/19/94	Cmt Plug	7758.0 - 7850.0					
Perforations							
Date	Int	Shots (/ft)	Status				
7/26/94	7384.0 - 7404.0	2.0					
Stimulations & Treatments							
Date	Type	Interval	Fluid	Sand	Comments		
7/27/94	Sand Frac	7384.0 - 7404.0					

**JAMES RANCH UNIT NO. 41  
WELL HISTORY**

**WELL NAME:** James Ranch Unit No. 41

**FIELD NAME:** Quahada Ridge (Delaware) S.E.

**LOCATION:** 2310' FWL & 660' FSL, SECTION 36, T22S, R30E, UNIT N, EDDY COUNTY, NM

**ELEV:** GL 3298.6'

**SPUD DATE:** 7/5/94

**COMP DATE:** 7/30/94

**ORIG TD:** 7850'

**ORIG PBTD:** 7757'

**CASING:** 13-3/8" 48# WC-40 ST&C CSA 555' w/465 sx, cmt circ, 17-1/2" hole 0-556'.  
8-5/8" 32# WC-50 LT&C CSA 3799' w/940 sx, cmt circ, 12-1/4" & 11" hole 556-3800'.  
5-1/2" 15.5# K-55 LT&C CSA 7850', cmtd 1st stage w/365 sx, open DV tool @ 6001' & circ 83 sx out, cmtd 2nd stage w/470 sx, TOC 2560' (TS), 7-7/8" HOLE 3800-7850'.

**TBG:** 2-7/8" EUE 8RD 6.5# J-55

**DST:** NONE

**LOGS:** 7/18/94: GR-CNL-LTD, GR-DIL-SFL

**INITIAL COMPLETION:**  
7/25/94-9/1/94 **PERF & FRAC DELAWARE (7384-7404')**  
TD 7850'. Tag DV tool @ 6010' & DO. Tag PBTD @ 7757'. Spot 500 gals 7-1/2% HCl + additives 7424-6924'.

7/26/94 **Perf 7384-7404'**, 2 SPF. **Acidized** w/2000 gals 7-1/2% HCl + additives & 60 7/8" 1.3 SG BS. **Frac 7384-7404'** w/47,500 gals Viking-I XL gel & 280,000# 30/40 Ottawa sd. Tag sd @ 7407'. Bail out sd to 7624'. Swab well. Put on prod. Well prod sd. Tag top of sd @ 7285'. Bail sd to 7555'. Put on prod. Well sanded up. Tag top of sd @ 7245'. Bail sd to 7475'. **Spot** 500 gals linear gel, followed by 1000 gals 25# Spectra frac gel w/10 ppg 16/30 RC sd (10,000#) + additives. Tag top of sd @ 7232'. CO sd to 7374'. Put well on prod.  
**IP:** 10/19/94 24 hr F 85 BO, 83 BW, & 48 MCF.

4/25/95 Convert to elect. motor.

7/16/98 Run BH pressure buildup.



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

State of New Mexico  
 Energy, Minerals and Natural Resources Department

Form C-102  
 Revised 1-1-89

OIL CONSERVATION DIVISION

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

DISTRICT I  
 P.O. Box 1900, Hobbs, NM 88240

DISTRICT II  
 P.O. Drawer 88, Artesia, NM 88210

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator BASS ENTERPRISES		Lease JAMES RANCH UNIT		Well No. 41
Unit Letter N	Section 36	Township 22 SOUTH	Range 30 EAST NMPM	County EDDY

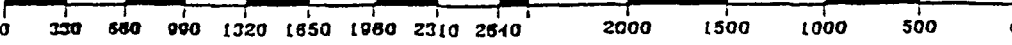
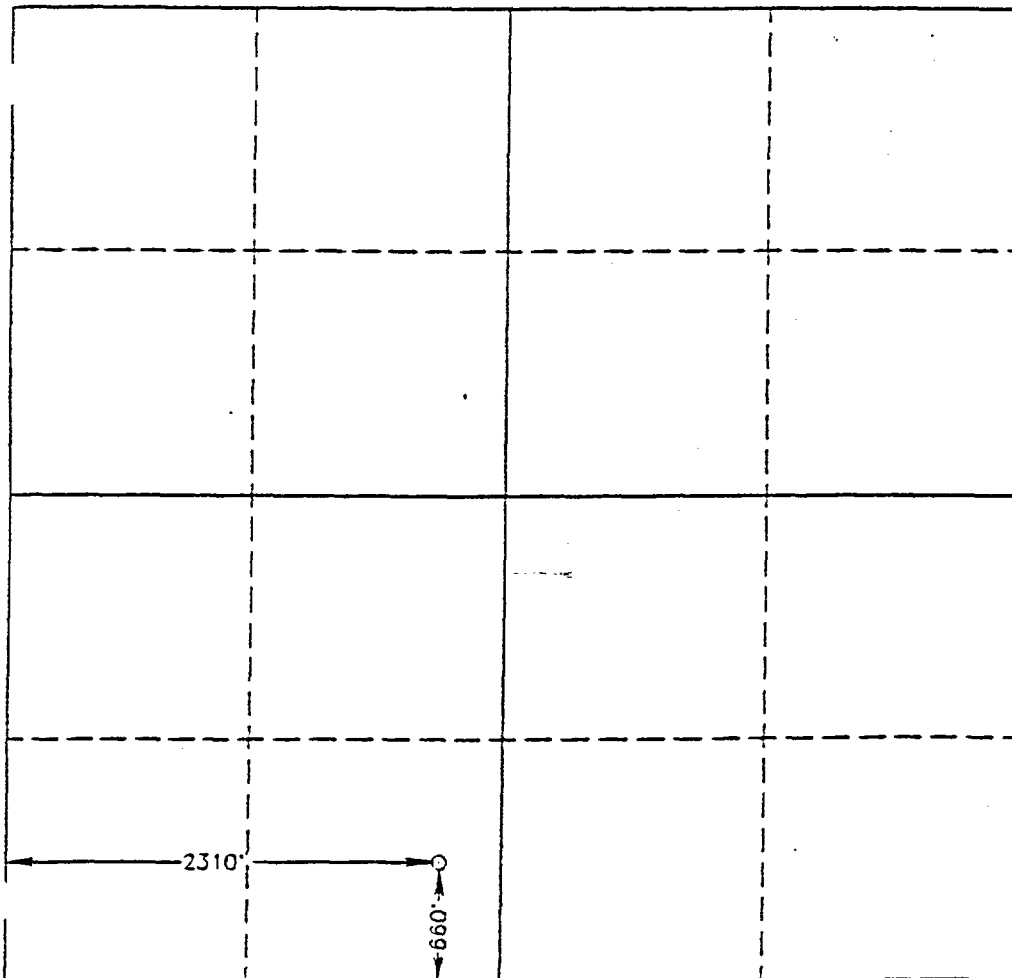
Actual Footage Location of Well:  
 660 feet from the SOUTH line and 2310 feet from the WEST line

Ground Level Elev. 3297.4'	Producing Formation DELAWARE	Pool U.N.D. QUAHADA RIDGE SE	Dedicated Acreage: 40 Acres
-------------------------------	---------------------------------	---------------------------------	--------------------------------

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communization, unitization, force-pooling, etc.?  
 Yes     No    If answer is "yes" type of consolidation \_\_\_\_\_

If answer is "no" list of owners and tract descriptions which have actually been consolidated. (Use reverse side of this form necessary.)

No allowable will be assigned to the well unit all interests have been consolidated (by communization, unitization, forced-pooling, otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature  
*William R. Dannels*  
 Printed Name  
 W.R. Dannels  
 Position  
 Div. Drilling Specialist  
 Company  
 Bass Enterprises Prod. Co.  
 Date  
 9-24-93

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 knowledge and belief.

Date Surveyed  
 SEPTEMBER 09, 1993

Signature & Seal of  
 Professional Surveyor

Certificate

93-11-1752

Submit to Appropriate District Office  
State Leases - 6 copies  
Fee Leases - 5 copies  
P.O. Box 1980, Hobbs, NM 88240

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

DISTRICT II  
Drawer DD, Artesia, NM 88210  
DISTRICT III  
1000 Rio Grande Rd., Aztec, NM 87410

WELL API NO.  
30-015-27734  
5. Indicate Type of Lease  
STATE  FEE   
6. State Oil & Gas Lease No.  
E-5229

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well: OIL WELL  GAS WELL  DRY  OTHER \_\_\_\_\_  
b. Type of Completion: NEW WELL  WORK OVER  DEEPEN  PLUG BACK  DEEP RELIEF  OTHER \_\_\_\_\_

7. Lease Name or Unit Agreement Name  
James Ranch Unit

2. Name of Operator  
Bass Enterprises Production Co.

3. Well No.  
41

3. Address of Operator  
P O Box 2760; Midland, Tx 79702-2760

9. Pool Name or Wuidcat  
Quahada Ridge (Delaware) S.E.

4. Well Location  
Unit Letter N ; 2310 Feet From The West Line and 660 Feet From The South Line  
Section 36 Township 22S Range 30E NMPM Eddy County

10. Date Spudded 7-5-94  
11. Date T.D. Reached 7-19-94  
12. Date Compl. (Ready to Prod.) 8-4-94  
13. Elevations (DF & RKB, RT, GR, etc.) 3298.6' GR  
14. Elev. Casinghead

15. Total Depth 7850'  
16. Plug Back T.D. 7757'  
17. If Multiple Compl. How Many Zones? Single  
18. Intervals Drilled By Rotary Tools 0'-7850'  
Cable Tools

19. Producing Interval(s), of this completion - Top, Bottom, Name  
7384'-7404' Delaware  
20. Was Directional Survey Made  
No

21. Type Electric and Other Logs Run  
GR-CNL-LDT, GR-DIL-SFL  
22. Was Well Cored  
No

CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB/FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13 3/8"	48#	555'	17 1/2"	1465 sx 50/50 Pz&C1"C"	None
8 5/8"	32#	3799'	11"	1940sx 50/50 Pz&C1"C"	None
5 1/2"	15.5#	7850'	7 7/8"	1835sx P.S. Lita & C1"C"	None
		D.V.T. @ 600'			

LINER RECORD				TUBING RECORD			
SIZE	TOP	BOTTOM	SACS/CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2 7/8"	7280'	7280'

24. Perforation record (interval, size, and number)  
4" Csg gun 2 JSPF @ 120 deg phased  
Perfs 7384-7404' (41 holes)  
27. ACID, SHOT, FRACTURE CEMENT, SQUEEZE, ETC.  
DEPTH INTERVAL | AMOUNT AND KIND MATERIAL USED  
7384-7404 | 2000 gal / 1 1/2" Hcl acid & 150 7/8" 1.3 SG ball sealers.  
Frac w/47,500 gal gel & 280,000-20/40 Ottawa sand.

PRODUCTION

Date First Production 7-30-94  
Production Method (Flowing, gas lift, pumping - Size and type pump) Flowing  
Well Status (Prod. or Shut-in) Producing

Date of Test	Hours Tested	Choke Size	Prod'n For Test Period	Oil - Bbl	Gas - MCF	Water - Bbl	Gas - Oil Ratio
8-4-94	24	16/64		189	135	91	714

Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl	Gas - MCF	Water - Bbl	Oil Gravity - API - (Corr.)
300#	Packer		189	135	91	40.0

29. Disposition of Gas (Sold, used for fuel, vented, etc.)  
Sales & Lease use  
Test Witnessed By

30. See Attachments  
(one each above log)

31. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief  
Signature L.C. Houtchens Printed Name R.C. Houtchens Title Sr. Production Date 8-8-94

# INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 25 through 29 shall be reported for each zone. The form is to be filed in quadruplicate except on state land, where six copies are required. See Rule 1105.

## INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

### Southeastern New Mexico

### Northwestern New Mexico

T. Anhy _____ 210'	T. Canyon _____	T. Ojo Alamo _____	T. Penn. "B" _____
T. Salt _____ 632'	T. Strawn _____	T. Kirtland-Fruitland _____	T. Penn. "C" _____
B. Salt _____ 3559'	T. Atoka _____	T. Picured Cliffs _____	T. Penn. "D" _____
T. Yates _____	T. Miss _____	T. Cliff House _____	T. Leadville _____
T. 7 Rivers _____	T. Devonian _____	T. Menefee _____	T. Madison _____
T. Queen _____	T. Silurian _____	T. Point Lookout _____	T. Elbert _____
T. Grayburg _____	T. Monroya _____	T. Mancos _____	T. McCracken _____
T. San Andres _____	T. Simpson _____	T. Gallup _____	T. Ignacio Ozona _____
T. Gicrietz _____	T. McKee _____	Base Greenhorn _____	T. Granite _____
T. Paddock _____	T. Ellenburger _____	T. Dakota _____	T. _____
T. Blinberry _____	T. Gr. Wash _____	T. Morrison _____	T. _____
T. Tubb _____	T. Delaware Sand _____ 3845'	T. Todilto _____	T. _____
T. Drinkard _____	T. Bone Springs _____ 7644'	T. Entrada _____	T. _____
T. Abo _____	T. _____	T. Wingate _____	T. _____
T. Wolfcamp _____	T. _____	T. Chinle _____	T. _____
T. Penn _____	T. _____	T. Permian _____	T. _____
T. Cisco (Bough C) _____	T. _____	T. Penn "A" _____	T. _____

### OIL OR GAS SANDS OR ZONES

No. 1, from 7192' to 7212' No. 3, from 7444' to 7452'  
 No. 2, from 7365' to 7414' No. 4, from 7476' to 7492'

### IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.  
 No. 1, from \_\_\_\_\_ to \_\_\_\_\_ feet  
 No. 2, from \_\_\_\_\_ to \_\_\_\_\_ feet  
 No. 3, from \_\_\_\_\_ to \_\_\_\_\_ feet

### LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness in Feet	Lithology	From	To	Thickness in Feet	Lithology
0	210'	210'	Medium grained red sand w/interbedded sandy shales.				
210'	632'	422'	Anhydrite				
632'	3559'	2927'	Salt interbedded w/ anhydrite.				
3559'	3802'	243'	Banded anhydrite w/ limestone.				
3802'	3845'	43'	Shale limestone.				
3845'	7644'	3799'	Sandstone w/some carbonate beds.				
7644'	7850'	206'	Limestone and shale.				

**WORKSHEET FOR COMMERCIAL DETERMINATION  
AND PARTICIPATING AREA IN FEDERAL UNITS**

**WELL DATA**

WELL \_\_\_\_\_ JAMES RANCH UNIT #48 \_\_\_\_\_ FORMATION \_\_\_\_\_ DELAWARE \_\_\_\_\_  
 LOCATION \_\_\_\_\_ M \_\_\_\_\_ UNIT, \_\_\_\_\_ 990 FEET FROM \_\_\_\_\_ SOUTH LINE & \_\_\_\_\_ 330 FEET FROM \_\_\_\_\_ WEST LINE  
 SECTION \_\_\_\_\_ 12 TOWNSHIP \_\_\_\_\_ 22S, RANGE \_\_\_\_\_ 30E, COUNTY \_\_\_\_\_ EDDY, NEW MEXICO  
 SPUD DATE \_\_\_\_\_ 2/3/94 COMPLETION DATE \_\_\_\_\_ 4/14/94 INITIAL PRODUCTION \_\_\_\_\_ 4/14/94  
 PERFORATIONS \_\_\_\_\_ 7210-22', 7021-41', 6659-71', 5786-5806'

**STIMULATION:**

**ACID** \_\_\_\_\_ 7210-22', 1000 GALS 7 1/2% HCL; 7021-41', 1000 GALS 7 1/2% HCL; 6659-71', 500 GALS 7 1/2% HCL;  
 \_\_\_\_\_ 5786-5806' 500 GALS 7 1/2% HCL

**FRACTURE** \_\_\_\_\_ 7210-22', 32,500 GALS 30# XL GEL + 200,000# 20/40 OTTAWA SAND  
 \_\_\_\_\_ 7021-41', 12,500 GALS 30# XL GEL + 80,000# 20/40 OTTAWA SAND  
 \_\_\_\_\_ 6659-71', 12,500 GALS 39# XL GEL + 80,000# 20/40 OTTAWA SAND

POTENTIAL \_\_\_\_\_ 4/19/94 PERFS 6659-7222' 120 BOPD, 420 BWPD, 119 MCFPD

(Attach Copy of C-105. Attach Copy of Wellbore Sketch of Completed Well.)

**VOLUMETRIC CALCULATION**

SANDS PERFORATED

Area (A) proration unit size, acres	40	40	40	40
Porosity (por), %	16.0%	18.0%	16.0%	21.0%
Water saturation (Sw), %	63%	50%	50%	55%
Net Thickness (h), ft.	20	18	11	11
Temperature (T), Fahrenheit	120	120	115	110
Bottom Hole pressure (P), psia	3,124	3,044	2,886	2,509
Recovery factor (RF), %	17%	17%	17%	17%
Recoverable oil, Bbls. *(See eq. below)	42,782	58,536	31,797	37,560

\*Sometimes unable to match performance due to volumetric uncertainty.

Formula =  $(7758) (A) (h) (por) (1-Sw) (1/Bol) (RF)$

Bol = 1.46

**PERFORMANCE DATA**

(If sufficient history exists, attach plot of oil production rate v time.)

CUMULATIVE PRODUCTION TO	<u>11/30/99</u> ;	<u>29806</u> BBLs
INITIAL RATE (qi)	<u>297</u>	
ECONOMIC LIMIT (ql)	<u>60</u>	
DECLINE RATE, dy (Hyperbolic, n=.98)	<u>13.23%</u>	
REMAINING OIL (Q) =	<u>29494</u>	
ULTIMATE RECOVERABLE OIL	<u>59300</u>	

(Attach plot showing proration unit and participating area.)

**ECONOMIC**

WELL COST \$	<u>570,000</u>	(to the depth of formation completed)
RECOMPLETION COST \$	<u>41,000</u>	
TOTAL COST \$	<u>611,000</u>	

YEAR	GROSS OIL	REVENUE	OPERATING COST	10% NET BFIT DISCOUNTED CASH FLOW
ZERO	<u>0</u>	<u>0</u>	<u>0</u>	<u>-611,000</u>
1	<u>7,500</u>	<u>118,200</u>	<u>56,600</u>	<u>59,100</u>
2	<u>6,600</u>	<u>124,000</u>	<u>62,300</u>	<u>54,100</u>
3	<u>5,300</u>	<u>124,900</u>	<u>55,300</u>	<u>55,100</u>
4	<u>5,000</u>	<u>113,700</u>	<u>49,200</u>	<u>46,300</u>
5	<u>3,800</u>	<u>65,100</u>	<u>37,400</u>	<u>18,000</u>
6	<u>1,300</u>	<u>25,200</u>	<u>46,700</u>	<u>-12,600</u>
7	<u>3,300</u>	<u>85,200</u>	<u>29,200</u>	<u>29,800</u>
8	<u>2,900</u>	<u>64,700</u>	<u>26,800</u>	<u>18,200</u>
9	<u>2,600</u>	<u>54,600</u>	<u>25,900</u>	<u>12,500</u>
10	<u>2,300</u>	<u>47,400</u>	<u>25,200</u>	<u>8,800</u>
REMAINDER	<u>18,700</u>	<u>377,000</u>	<u>277,600</u>	<u>26,300</u>

**WELL IS NOT COMMERCIAL**

JAMES RANCH UNIT  
WELL NO. 48  
DELAWARE

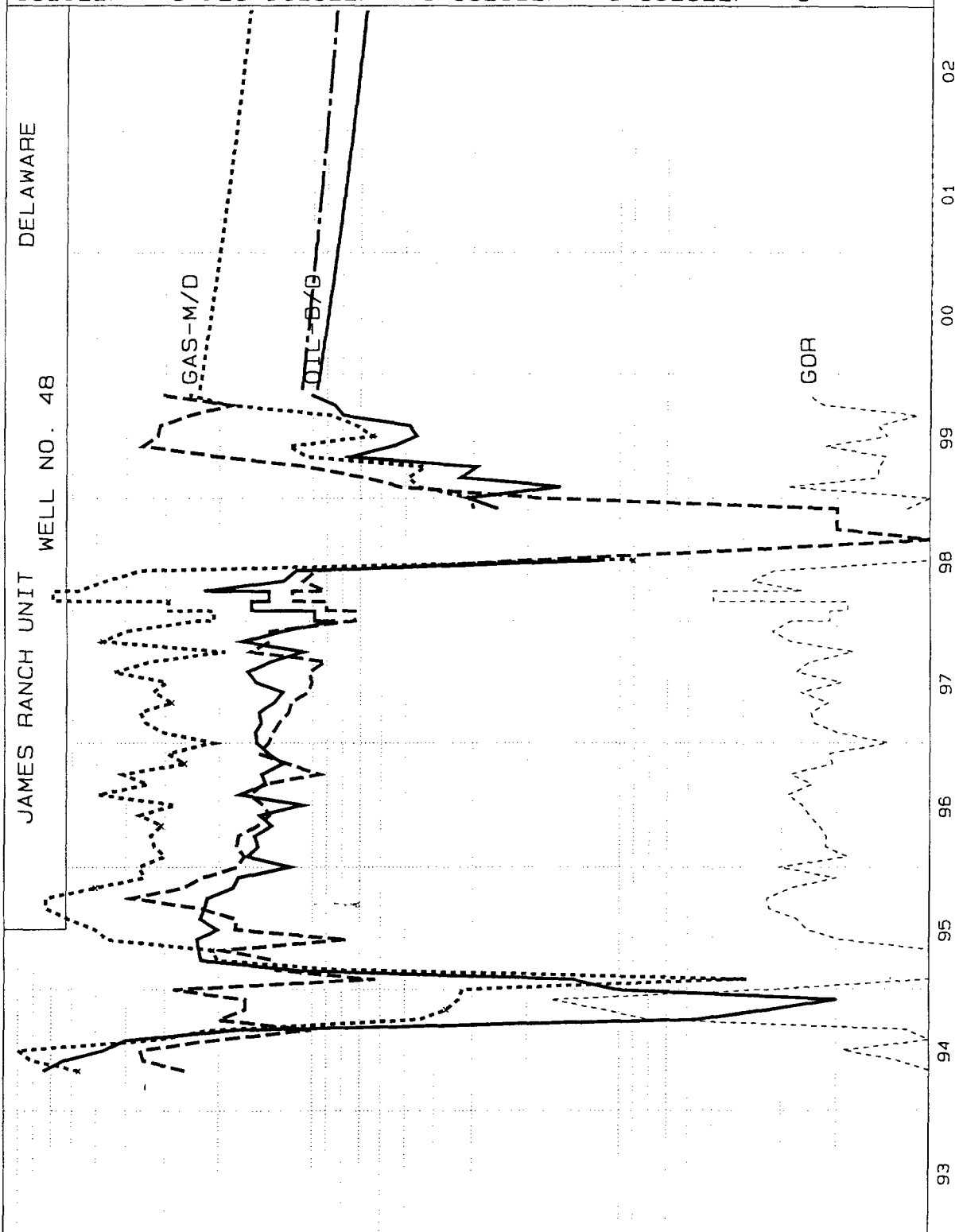
OIL  
Gal=CD  
Ref= 11/99  
Cum= 29.806  
Rem= 36.431  
EUR= 66.237  
YRS= 23.749  
G1= 297.2  
De= 13.229  
n= .980  
Gab= 59.9

WTR-B/D  
Ref= 11/99  
Cum= 321.075

WTR  
Gal=CD  
Ref= 11/99  
Cum= .000  
Rem= 483.968  
EUR= 483.968  
YRS= 23.749  
G1= 3326.2  
De= 8.962  
n= .995  
Gab= 845.4

GAS/OIL  
Gal=CD  
Ref= 11/99  
Cum= .000  
Rem= .000  
EUR= .000  
YRS= 23.749  
G1= 2.4  
De= .000  
n= .000  
Gab= 2.4

GAS  
Gal=CD  
Ref= 11/99  
Cum= 61.894  
Rem= 87.070  
EUR= 148.964  
YRS= 23.749  
G1= .0  
De= .000  
n= .000  
Gab= .0



1000  
100  
10  
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10000  
100000  
1000000  
10000000

WTR-B/D  
GAS-M/D  
OIL-B/D

10  
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10000  
100000

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10  
1

DATE

93 94 95 96 97 98 99 00 01 02

JAMES RANCH UNIT #48  
 PREPARED BY: KENT ADAMS

DATE : 02/08/00  
 TIME : 07:52:24  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 3

ITEM	SCHEDULING RATES		SCHEDULE UNITS		PROCEDURE	ULTIMATE	LAST		EPP	DECL	INIT.	RATE	FINAL RATE
405 START	11/99												
410 OIL	297.22	X	B/M	08/2012 AD	H/0.980	13.23	55.695	7/12	13.23		297.	105.	
415 "	105.00	X	B/M	10.54 IMU	EXP	5.00	66.237	7/23	5.00		105.	60.	
420 GAS/OIL	2.39		M/B	01/2097 AD	LIN								
425 WTR	3326.20	X	B/M	10/2008 AD	H/0.995	8.96	258.501	9/08	8.96		3326.	1809.	
430 "	1809.10	X	B/M	225.47 IMU	EXP	5.00	483.968	7/23	5.00		1809.	845.	
435 START	3/94												
516 PRI/OIL	16.8800	X	\$/B	1/95	MM/YY			7/23			16.880	16.880	
517 "	18.39	X	\$/B	1/96	AD			7/23			16.390	18.390	
518 "	22.26	X	\$/B	1/97	AD			7/23			22.260	22.260	
519 "	20.74	X	\$/B	1/98	AD			12/97			20.740	20.740	
520 "	14.43	X	\$/B	1/99	AD			12/98			14.430	14.430	
521 "	19.25	X	\$/B	1/2000	AD			12/99			19.250	19.250	
522 "	24.94	X	\$/B	1/2001	AD			12/00			24.940	24.940	
523 "	20.67	X	\$/B	1/2002	AD			12/01			20.670	20.670	
524 "	19.20	X	\$/B	1/2003	AD			12/02			19.200	19.200	
525 "	18.18	X	\$/B	1/2004	AD			12/03			18.180	18.180	
526 "	18.13	X	\$/B	TO	LIFE			7/23			18.130	18.130	
531 PRI/GAS	1.8900	X	\$/M	1/95	MM/YY			7/23			1.890	1.890	
532 "	1.94	X	\$/M	1/96	AD			12/95			1.940	1.940	
533 "	2.61	X	\$/M	1/97	AD			12/96			2.610	2.610	
534 "	2.59	X	\$/M	1/98	AD			12/97			2.590	2.590	
535 "	2.11	X	\$/M	1/99	AD			12/98			2.110	2.110	
536 "	2.27	X	\$/M	1/2000	AD			12/99			2.270	2.270	
537 "	2.60	X	\$/M	1/2001	AD			12/00			2.600	2.600	
538 "	2.58	X	\$/M	1/2002	AD			12/01			2.580	2.580	
539 "	2.57	X	\$/M	TO	LIFE			7/23			2.570	2.570	
544 PRI/WTR	.5000		\$/U	1/2000	AD			2/94			.500	.500	
545 "	.08	X	\$/U	TO	LIFE			12/95			.080	1.940	
550 OPC/T	1600.00	X	\$/M	TO	LIFE			7/23			1600.000	1600.000	
555 STX/OIL	7.08	X	\$	TO	LIFE			7/23			.071	.071	
560 STX/GAS	7.93	X	\$	TO	LIFE			7/23			.079	.079	
565 ATX	.17	X	\$	TO	LIFE			7/23			.002	.002	
570 PRI/GAS	-.1300		\$/M	TO	LIFE			7/23			-.130	2.570	
575 PRI/OIL	-.9100		\$/B	TO	LIFE			7/23			-.910	18.130	
700 LSE/WI	100.0000	D	\$	TO	LIFE			7/23			1.000	1.000	
701 OWN/WI	100.0000	D	\$	TO	LIFE			7/23			1.000	1.000	
720 LSE/RIC	12.5000	D	\$	TO	LIFE			7/23			.125	.125	
721 OWN/RI	.0000	D	\$	TO	LIFE			7/23			.000	.125	

INPUT DATA

CALCULATED DATA

740 USE/RIG	12.5000	D	%	TO	LIFE	PLAT	.00	7/23	.125	.125
760 USE/DR	.0000	D	%	TO	LIFE	PLAT	.00	7/23		
761 OWN/DR	.0000	D	%	TO	LIFE	PLAT	.00	7/23		

OVERLAYS	SCHEDULING RATES	SCHEDULE UNTIL	PROCEDURE	ULTIMATE	LAST	EFF. DECL	INTT. RATE	FINAL RATE
905 LOAD	P.OIL OIL #			30.110	2/00			
910 LOAD	P.GAS GAS #			62.649	2/00			
915 LOAD	P.WATER WTR #			321.075	2/00			

INVESTMENT	TANGIBLES & INTANGIBLES	TIME	PROCEDURE	TOTAL TEI	MONTH	RISK INV.	TOT. T&I&R	ESC. T&I&R
800 DRILL	240.00	330.00 MSG	03/94 AD	570.000	3/94	.	570.0	570.0
801 WORKOVER	.00	41.00 MSG	03/94 AD	41.000	3/94	.	41.0	41.0
802 SALVAGE	-24.00	.00 MSG	TO LIFE	-24.000	7/23	.	-24.0	-24.0

RESERVE PARAMETERS	ITEM	ITEM
201 LOSS	NO	
205 CUMO, MB	29.81	CUMG, MMF 61.89
210 LOSS	NO	CUMI, MB

PROJECT ASSUMPTIONS

BASE DATE : 3/94 TIME FRAMES : 1\*10 38\*12 1\*600

P.W. DATE : 3/94 PW &-AGE : 10.0 DISC. FREQUENCY : 365.

REPORT DATE : 3/94 PROD QUAL : CD OWNER QUAL : CD OTHER QUAL : CD



R E S E R V E S A N D E C O N O M I C S  
 EFFECTIVE DATE: 3/94

PERIOD ENDING	12/94	12/95	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	S TOT	AFTER	TOTAL
OWNERSHIP													22.3 YR

1) WORKING INTEREST, \$	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
2) REVENUE INTEREST, \$	87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500

INVESTMENTS, M\$													
3) BORROWED CAPITAL	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4) EQUITY INVESTMENTS	611.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	611.0
5) RISK	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) TOTAL	611.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	611.0

OIL PHASE													
8) GROSS OIL, MB	7.5	6.6	5.3	5.0	3.8	1.3	3.3	2.9	2.6	2.3	40.6	18.7	59.3
9) NET OIL, MB	6.5	5.8	4.6	4.4	3.3	1.2	2.8	2.5	2.3	2.1	35.5	16.4	51.9
10) OIL REVENUE, M\$	104.3	101.1	99.0	87.3	44.9	21.6	68.5	49.9	41.4	35.4	653.3	281.6	935.0
11) OIL PRICE, \$/B	15.97	17.48	21.35	19.83	13.52	18.34	24.03	19.76	18.29	17.27	18.38	17.22	18.02

GAS PHASE													
12) GROSS GAS, MMF	9.0	14.5	11.9	12.3	11.6	2.0	7.8	6.9	6.2	5.6	87.8	44.7	132.4
13) NET GAS, MMF	7.9	12.7	10.4	10.7	10.2	1.7	6.8	6.0	5.4	4.9	76.8	39.1	115.9
14) GAS REVENUE, M\$	13.9	23.0	25.9	26.4	20.1	3.7	16.8	14.8	13.2	12.0	169.7	95.4	265.1
15) GAS PRICE, \$/MCF	1.760	1.810	2.480	2.460	1.980	2.140	2.470	2.450	2.440	2.440	2.210	2.440	2.287

WATER PHASE													
16) GROSS WATER, MB	63.9	67.7	53.6	42.9	26.6	51.3	46.1	34.5	31.9	29.7	448.3	118.2	566.5
17) NET WATER, MB	63.9	67.7	53.6	42.9	26.6	51.3	46.1	34.5	31.9	29.7	448.3	118.2	566.5
18) WATER PRICE, \$/B	.500	.500	.500	.500	.500	.500	.080	.080	.080	.080	.367	.080	.307

ECONOMICS, M\$													
19) GROSS REV. TO INTR.	118.2	124.0	124.9	113.7	65.1	25.2	85.2	64.7	54.6	47.4	823.0	377.0	1200.0
20) - SEV. TAX	8.5	9.0	9.1	8.3	4.8	1.8	6.2	4.7	4.0	3.5	59.7	27.5	87.2
22) - AD VALOREM TAX	.2	.2	.2	.2	.1	.0	.1	.1	.1	.1	1.3	.6	1.9
23) - OPERATING COSTS	16.0	19.2	19.2	19.2	19.2	19.2	19.2	19.2	19.2	19.2	188.8	240.0	428.8
24) - SMD	31.9	33.9	26.8	21.5	13.3	25.7	3.7	2.8	2.6	2.4	164.4	9.5	173.9
25) - CAPITAL REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
28) = NET INCOME	61.6	61.8	69.6	64.6	27.7	-21.5	56.0	37.9	28.8	22.3	408.8	99.5	508.3
29) - INVESTMENTS & RSK	611.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	611.0	-24.0	587.0
30) = BFIT NET	-549.4	61.8	69.6	64.6	27.7	-21.5	56.0	37.9	28.8	22.3	-202.2	123.5	-78.7

PRESENT WORTH @ 10.00 %													
31) NET INCOME	59.1	54.1	55.1	46.3	18.0	-12.6	29.8	18.2	12.5	8.8	289.3	26.3	315.5
32) INVESTMENTS & RISK	611.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	611.0	-2.6	608.4
33) BFIT NET	-551.9	54.1	55.1	46.3	18.0	-12.6	29.8	18.2	12.5	8.8	-321.7	28.9	-292.9
34) CUM BFIT NET	-551.9	-497.8	-442.7	-396.4	-378.4	-391.0	-361.2	-343.0	-330.5	-321.7	-321.7	-292.9	-292.9

AFTER TAX ECONOMICS

DATE : 02/08/00  
 TIME : 07:52:24  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 3

EFFECTIVE DATE: 3/94

PERIOD ENDING	12/94	12/95	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	S TOT	AFTER	22.3 YR
TAX TREATMENT OF INVESTMENTS, M\$	TOTAL												
1) EXP, RISK & CAP INT	371.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	371.0	.0	371.0
2) DEPLETABLE	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
3) DEPRECIABLE	240.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	240.0	-24.0	216.0

TAX CALCULATIONS, M\$

4) GROSS REV. TO INTR.	118.2	124.0	124.9	113.7	65.1	25.2	85.2	64.7	54.6	47.4	823.0	377.0	1200.0
5) - SEVERANCE TAX	8.5	9.0	9.1	8.3	4.8	1.8	6.2	4.7	4.0	3.5	59.7	27.5	87.2
6) - WPT TAX NET	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) - OPR. COSTS & ATX	48.1	53.3	46.2	40.8	32.6	44.9	23.0	22.1	21.8	21.7	354.5	250.0	604.6
8) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
9) - OVERHEAD	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
10) - EXPENSED INV.	371.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	371.0	.0	371.0
11) - DEPRECIATION	28.6	54.7	44.8	32.0	22.9	21.4	21.4	14.3	.0	.0	240.0	.0	240.0
12) = NET	-338.0	7.1	24.8	32.6	4.8	-42.9	34.6	23.6	28.8	22.3	-202.2	99.5	-102.7
13) - DEPLETION	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
14) - INTEREST PD & CAP	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
15) = TAXABLE	-338.0	7.1	24.8	32.6	4.8	-42.9	34.6	23.6	28.8	22.3	-202.2	99.5	-102.7
16) * TAX RATE, %	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0
17) - TAX CREDIT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
18) - WPT REFUND	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
19) = F.I.T.	-118.3	2.5	8.7	11.4	1.7	-15.0	12.1	8.3	10.1	7.8	-70.8	34.8	-36.0
20) REVENUE-SEV-WPT	109.7	115.1	115.8	105.4	60.3	23.4	79.1	60.0	50.6	43.9	763.3	349.5	1112.8
21) - OPR. COSTS & ATX	48.1	53.3	46.2	40.8	32.6	44.9	23.0	22.1	21.8	21.7	354.5	250.0	604.6
22) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
23) - F.I.T.	-118.3	2.5	8.7	11.4	1.7	-15.0	12.1	8.3	10.1	7.8	-70.8	34.8	-36.0
24) = A.F.I.T.	179.9	59.3	60.9	53.2	26.0	-6.5	43.9	29.6	18.7	14.5	479.6	64.7	544.2
25) - LOAN REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) = NET INCOME	179.9	59.3	60.9	53.2	26.0	-6.5	43.9	29.6	18.7	14.5	479.6	64.7	544.2
28) - INVESTMENTS & RSK	611.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	611.0	-24.0	587.0
29) = A.F.I.T. NET	-431.1	59.3	60.9	53.2	26.0	-6.5	43.9	29.6	18.7	14.5	-131.4	88.7	-42.8

PRESENT WORTH @ 10.00 %

30) NET INCOME	172.6	51.9	48.3	38.1	16.9	-3.8	23.3	14.2	8.1	5.7	375.4	17.1	392.5
31) INVESTMENTS & RISK	611.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	611.0	-2.6	608.4
32) A.F.I.T. NET	-438.4	51.9	48.3	38.1	16.9	-3.8	23.3	14.2	8.1	5.7	-235.6	19.7	-215.9
33) CUM. A.F.I.T. NET	-438.4	-386.5	-338.2	-300.1	-283.2	-287.0	-263.7	-249.5	-241.3	-235.6	-235.6	-215.9	-215.9

JAMES RANCH UNIT #48  
 PREPARED BY: KENT ADAMS

DATE : 02/08/00  
 TIME : 07:52:24  
 DBS FILE : JRUFA  
 SETUP FILE : CD  
 SEQ NUMBER : 3

E C O N O M I C I N D I C A T O R S

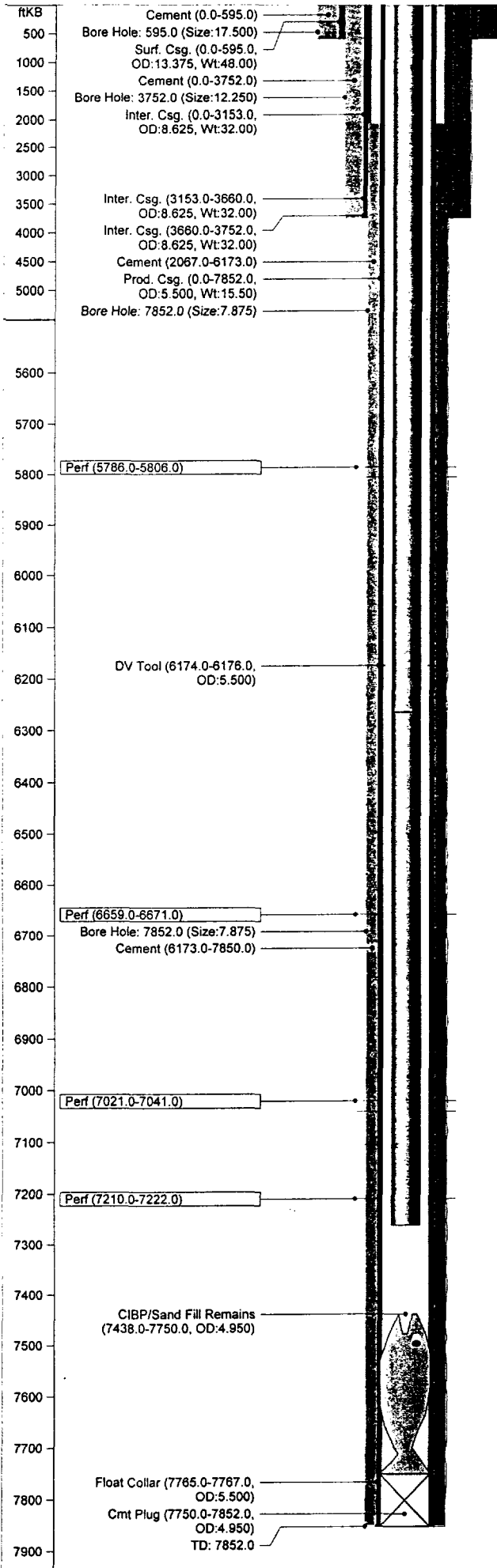
AS OF DATE: 3/94

B.F.I.T.	A.F.I.T.	A.F.I.T.
WORTH	WORTH	BONUS
M\$-----	M\$-----	M\$-----

PRESENT WORTH PROFILE AND  
 RATE-OF-RETURN VS. BONUS TABLE

0.	-78.725	-42.771	-65.802
2.	-140.715	-92.177	-132.520
5.	-211.791	-149.331	-200.018
6.	-231.096	-165.013	-217.079
8.	-264.689	-192.547	-245.788
10.	-292.862	-215.948	-269.105
20.	-384.450	-295.310	-342.785
30.	-434.510	-342.306	-383.844
40.	-466.245	-374.297	-411.120
50.	-488.333	-397.969	-431.044
60.	-504.683	-416.470	-446.502
70.	-517.307	-431.492	-459.005
80.	-527.354	-444.031	-469.422
90.	-535.530	-454.717	-478.298
100.	-542.301	-463.976	-485.993

RATE OF RETURN, PCT.	.0	.0
UNDISCOUNTED PAYOUT, YRS.	22.33	22.33
DISCOUNTED PAYOUT, YRS.	22.33	22.33
UNDISCOUNTED NET/INVEST.	.87	.93
DISCOUNTED NET/INVEST.	.52	.65



JAMES RANCH UNIT #48			
API No.	3001527791	Status	ACT OIL
TD	7852.0 ftKB	Engineer	GTL
PBTD	7750.0 ftKB		
Operator	BEPKO	Permit	
Well No.	48	Spud	2/3/94
ID Code	CHCLDLVD.048	RR	2/18/94
Field	CABIN LAKE (DEL)	Completion	6/23/94
Author	RAS	Last Act.	
Date Updated	1/23/98	Abandoned	
Comments			

Location			
Township	S022	Top Latitude	0
		Top Longitude	0
Range	E030	Top NS Distance	990.0 ft S
		Top EW Distance	330.0 ft W
Section	12	Bottom Latitude	0
Unit Ltr.	M	Bottom Longitude	0
State	New Mexico	Btm NS Distance	0.0 ft
County	Eddy	Btm EW Distance	0.0 ft

Elevations			
KB	3344.5 ft	Cas Flng	0.0 ft
Grd	3325.2 ft	Tub Head	0.0 ft
KB-Grd	19.3 ft		

Casing String - Surface Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID	Wt	Grd	Thd
13 3/8 in Surf.	0.0	595.0	13	12.720	48.00	H-40	STC

Casing String - Intermediate Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID	Wt	Grd	Thd
8 5/8 in Inter.	0.0	3153.0	71	7.921	32.00	WC-50	LTC
8 5/8 in Inter.	3153.0	3660.0	12	7.921	32.00	K-55	LTC
8 5/8 in Inter.	3660.0	3752.0	2	7.921	32.00	WC-50	LTC

Casing String - Production Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID	Wt	Grd	Thd
5 1/2 in Prod.	0.0	7852.0	188	4.950	15.50	K-55	LTC
5 1/2 in DV Tool	6174.0	6176.0		0.000	0.00		
5 1/2 in Float	7765.0	7767.0		0.000	0.00		

Casing Cement			
Casing String	Top (ftKB)	Amount (sx)	Comments
Surface Casing	0.0	545	
Intermediate Casing	0.0	1625	
Production Casing	2067.0	575	TOC by temp sur
Production Casing	6173.0	300	

Tubing String - Primary Tubing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
2 7/8 in Tbg.	0.0	7262.0	234	2.441	6.50	J-55	8rd
2 7/8 in TAC	6263.0	6266.0		0.000	0.00		
2 7/8 in SN	7262.0	7263.0		0.000	0.00		

Other (plugs, equip., etc.) - Plug Backs		
Date	Item	Int (ftKB)
10/8/96	CIBP/Sand Fill Remains	7438.0 - 7750.0
2/17/94	Cmt Plug	7750.0 - 7852.0

Perforations			
Date	Int	Shots (/ft)	Status
3/22/94	7210.0 - 7222.0	2.0	
3/23/94	7021.0 - 7041.0	2.0	
3/24/94	6659.0 - 6671.0	2.0	
6/23/94	5786.0 - 5806.0	4.0	

Stimulations & Treatments					
Date	Type	Interval	Fluid	Sand	Comments
3/23/94	Sand Frac	7210.0 - 7222.0			
3/24/94	Sand Frac	6659.0 - 6671.0			
3/24/94	Sand Frac	7021.0 - 7041.0			

**JAMES RANCH UNIT #48  
WELL HISTORY**

**WELL NAME:** James Ranch Unit No. 48

**FIELD NAME:** Cabin Lake (Delaware)

**LOCATION:** 330' FWL & 990' FSL, SEC 12, T22S, R30E, UNIT M,  
Eddy County, NM

**ELEV:** 3328.4' GL

**SPUD DATE:** 2/3/94

**COMP DATE:** 2/18/94 (RR)

**ORIG TD:** 7852'

**ORIG PBTB:** 7750' (Tag 3/22/94)

**CASING:** 13-3/8" 48# H-40 ST&C CSA 595' w/545 sx, TOC 224' (TS), cmtd w/295 SX, cmt circ, 17-1/2" hole 0-595'.  
8-5/8" 32# WC-50 & K-55 LT&C CSA 3752' w/1625 sx, cmt circ. 12-1/4" 595-3752'.  
5-1/2" 15.5# K-55 LT&C CSA 7852', cmtd 1st stage w/300 sx, DV Tool @ 6174', circ 70 sx off DV tool, cmtd 2nd stage w/375 sx, est TOC @ 2067', 7-7/8" hole 3752-7852'.

**TBG:** 2-7/8" 6.5#/FT J-55

**DST:**

**CORES & LOGS:**

**INITIAL COMPLETION**

3/22/94-6/24/94	INITIAL COMPLETION
3/22/94	Tag PBTB @ 7750'. Rev circ w/200 bbls 2% KCL FW. <b>Perf</b> 7210-22', 2 SPF. <b>Acidize</b> w/1000 gals 7-1/2% HCL acid & additives w/friction reducer. Disp w/42 bbls 2% KCL FW & BD perfs 7210-22'. Form broke @ 2393#. <b>Frac</b> perfs 7210-22' w/32,500 gals 30# x-linked fluid & additives & 200,000# 20/40 Ottawa sd.
3/23/94	<b>Perf</b> 7021-41', 2 SPF (41 holes). Set RBP @ 7159'. <b>Acidize</b> w/1000 gal 7-1/2% HCL acid & additives & friction reducer. Disp w/41 bbls 2% KCL FW. Form break @ 2500#. <b>Frac</b> perfs w/2500 gal x-linked pad, 2000 gals x-linked & sd, but blender malfunctioned & could not monitor sd concentrations. Attempt to rev tbg clean. Pmpd 2 BPM w/little or no returns. Disp 65 bbls 2% KCL FW into form to clear tbg. <b>Frac</b> perfs 7021-41' w/12,500 gals 30# x-linked fluid + additives & 80,000# 20/40 Ottawa sd.
3/24/94	<b>Perf</b> 6659-6671', 2 SPF (25 holes). Set RBP @ 6816'. Set pkr @ 6738'. <b>Spot</b> 500 gals 7-1/2% HCL + additives & friction reducer. Disp w/2% KCL FW. Form broke @ 2600#. <b>Frac</b> perfs 6659-71' w/12,500 gals x-linked 30# fluid + additives & 80,000# 20/40 Ottawa sd. Bail sd from RBP @ 6816', latch onto same & POH. Bail sd from RBP @ 7159' & latch onto same. POH w/RBP. Install prod. equip. Test: 4-15-94 P 110 BOPD, 558 BWPD, 282 MCFPD. Set RBP @ 7148' & top dump 1-1/2 sx sd for 10' of fill on RBP. Place well on prod. Bail sd to top of RBP @ 7148'. Rel RBP & reset @ 6806'

**JAMES RANCH UNIT NO. 48  
WELL HISTORY**

**INITIAL COMPLETION (CONT.)**

w/1-1/2 sx sd for 10' of sand fill on top. Bail sd from RBP @ 6806'. Rel & POH w/RBP. **Set CIBP @ 6700'**. Top dump 15 sx 12/20 frac sd for **105' of fill on CIBP. New PBD 6595'**. **Spot** 500 gals 7-1/2% HCl acid & additives across interval 5819-5319'.  
6/23/94 **Perf** 5786-5806', 4 SPF (20 shots). Pump spot acid away. Swab well. Run prod equip & place on prod.  
**IP:** 08-17-94 24 hr P 27 BO, 182 BW, 27 MCF.

**WORKOVERS**

02-07-95 **INSTALLED SW TRANSFER LINE**  
Installed ±22,000' 3" poly pipe to JRU #29 for disposal to Legg Federal #1. Set & tie in transfer pump. Install electrical power. SWD transfer on @ 2:00 p.m. on 2/7/95.

04-07-95 HOLE IN POLISH ROD LINER.

04-12-95 ROD PUMP FAILURE.

5/31/95-8/1/95 **CLEAN OUT SAND FILL**  
Tag sd fill @ +6570'. Bail sd or fill to 6604'. Hit hard spot & progress stopped. Drill, wash & ream very hard sd 6604-6676' (btm perf interval 6659-71'). Drill & bail sd 6676' to CIBP @ 6700'. Run prod. equip. Place well on prod.  
**AWO:** 8/1/95 24 hrs P 24 BO, 200 BW, 73 MCF.

8/30/95 HOLE IN POLISH ROD LINER.

10/16/95 ROD PART.

12/7/95 ROD PART.

12/21/95 ROD PART.

1/24/96 ROD PART

5/14/96 ROD PART

10/3/96 to 10/10/96 **DRILL OUT CIBP & COMMINGLE ZONES**  
Tag fill @ 6659' (41' above CIBP). Bail fill to tag CIBP @ 6700'. Bail and mill on CIBP w/no progress. POH & RIH w/re-dressed mill shoe w/cutrite on ID and btm w/bull dog bailer. Attempt to rotate and drill on CIBP w/no progress. Continue to work on CIBP w/no progress. POH & RIH w/re-dressed mill shoe & bull dog bailer. Tag CIBP @ 6700'. Rotate on CIBP and came free. Push CIBP to sand fill @ 7438' (PBD @ 7750', btm perf @ 7722'. RIH w/prod eqpt & hang on. Avg rate after work: 16 BOPD, 258 BW & 29 MCF.

RAS 2/9/00

DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

(See other instructions on reverse side)

FOR APPROVED  
OMB NO. 1004-0137  
Expires: December 31, 1991

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG \***

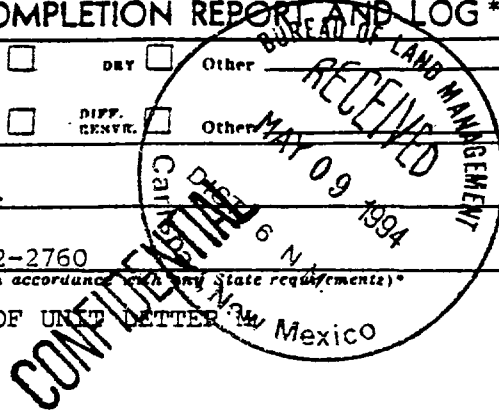
1a. TYPE OF WELL: OIL WELL  GAS WELL  DRY  Other

1b. TYPE OF COMPLETION: NEW WELL  WORK OVER  DEEP-EN  PLUG BACK  DIFF. REVER.  Other

2. NAME OF OPERATOR  
A BASS ENTERPRISES PRODUCTION CO.

3. ADDRESS AND TELEPHONE NO.  
P O BOX 2760; MIDLAND, TX 79702-2760

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)\*  
At surface 330' FWL & 990' FSL OF UNIT LETTER M, Mexico  
At top prod. interval reported below  
At total depth SAME AS ABOVE



5. LEASE DESIGNATION AND SERIAL NO.  
NMNM-0300

6. IF INDIAN, ALLOTTEE OR TRIBE NAME  
-----

7. UNIT AGREEMENT NAME  
JAMES RANCH UNIT

8. FARM OR LEASE NAME, WELL NO.  
JAMES RANCH UNIT #48

9. API WELL NO.  
30-015-27791

10. FIELD AND POOL, OR WILDCAT  
CABIN LAKE (DELAWARE)

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA  
SECTION 12, T22S, R30E

14. PERMIT NO. \_\_\_\_\_ DATE ISSUED \_\_\_\_\_

12. COUNTY OR PARISH  
EDDY

13. STATE  
NM

15. DATE SPUDDED 2-3-94 16. DATE T.D. REACHED 2-18-94 17. DATE COMPL. (Ready to prod.) 4-13-94 18. ELEVATIONS (DF, R&B, RT, GR, ETC.)\* 3328 4'

19. ELEV. CASINGHEAD \_\_\_\_\_

20. TOTAL DEPTH, MD & TVD 7852' 21. PLUG. BACK T.D., MD & TVD 7750' 22. IF MULTIPLE COMPL., HOW MANY\* SINGLE 23. INTERVALS DRILLED BY ROTARY TOOLS 10'-7852' CABLE TOOLS \_\_\_\_\_

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)\*  
6659'-7222' (91 HOLES)

25. WAS DIRECTIONAL SURVEY MADE  
NO

26. TYPE ELECTRIC AND OTHER LOGS RUN  
GR-CNL/LDT, GR-PIL/SFL

27. WAS WELL CORED  
NO

28. CASING RECORD (Report all strings set in well)

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
13 3/8" -A-	48#	595'	17 1/2"	CIRC-620sx CLASS "C"	NONE
8 5/8" -A-	32#	3752'	12 1/4"	CIRC-1625sx CLASS "C"	NONE
5 1/2" -A-	15.5#	7852'	7 7/8"	T.S. 2067'-575sx CLASS "C"	NONE

29. NONE LINER RECORD 30. TUBING RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2 7/8"	7311'	SN-5004'

31. PERFORATION RECORD (Interval, size and number)  
PERF W/4" CSG GUN 2 JSPF @ 90° PHASED  
(25 HOLES) 7210'-7222'; (41 HOLES) 7021'-7041'; (25 HOLES) 6659'-6671' IN 3 STAGES  
TOTAL (91 HOLES)

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
6659'-7222'	2,500 GALS 7 1/2% HCL ACID & 47.500 GALS # 30X-LINKED HW/ ADDITIVES & 360,000 # 20-40 OTTAWA SAND.

33. PRODUCTION

DATE FIRST PRODUCTION 4-14-94 PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) PUMPING 2 1/2"X1 3/4"X24' RHBC WELL STATUS (Producing or shut-in) PRODUCING

DATE OF TEST	HOURS TESTED	CHOKER SIZE	PROD'N. FOR TEST PERIOD	OIL—BSL.	GAS—MCF.	WATER—BSL.	GAS-OIL RATIO
4-19-94	24	--	→	120	119	420	992

FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BSL.	GAS—MCF.	WATER—BSL.	OIL GRAVITY-API (CORR.)
30	30	→	120	119	420	39.1

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)  
SALES & LEASE USE

35. LIST OF ATTACHMENTS

2. EACH OF ABOVE LOGS  
I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

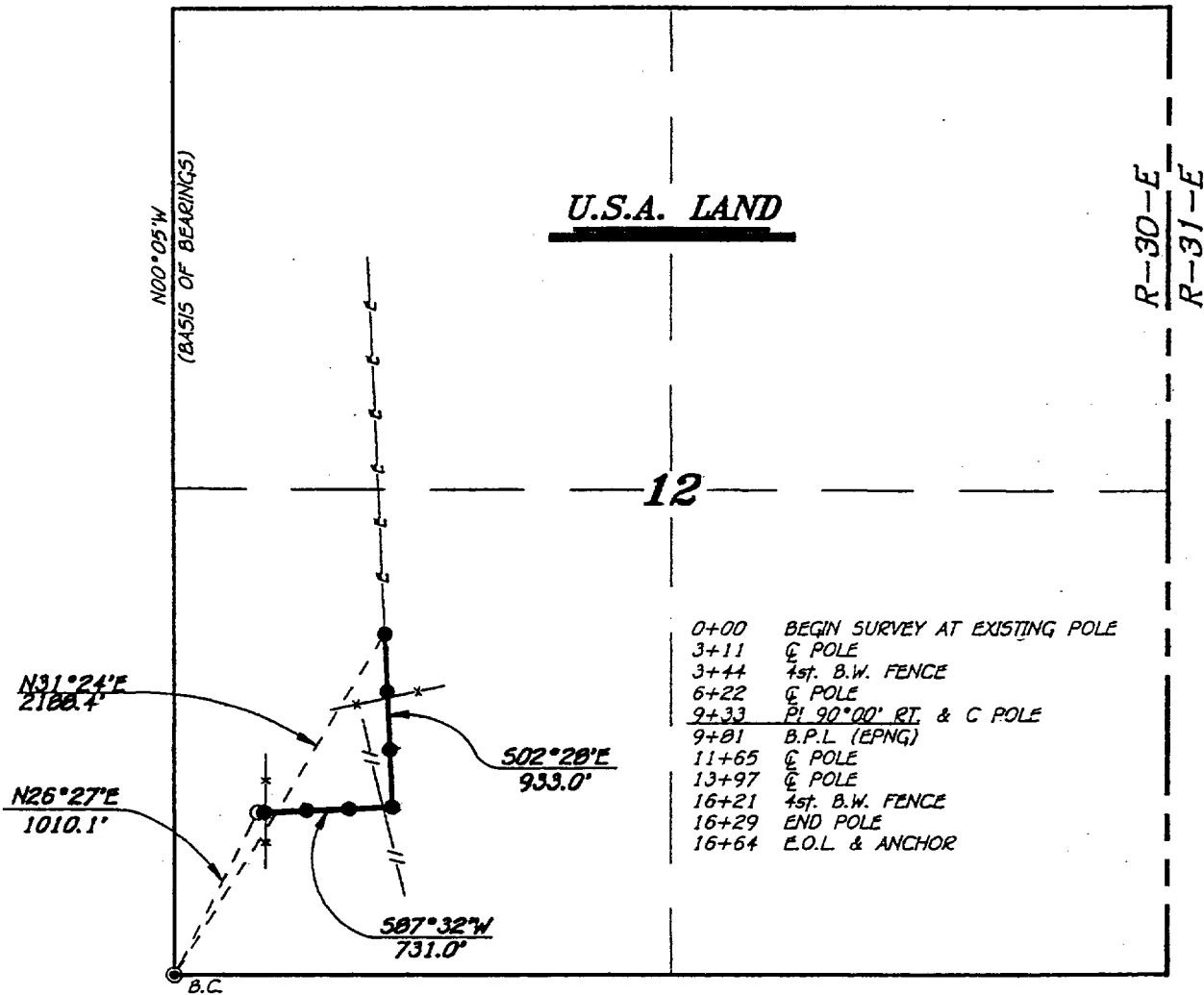
ACCEPTED FOR RECORD

J. Lara  
MAY 23 1994

SIGNED R.C. Houtchens TITLE SR. PRODUCTION CLERK DATE 5-5-94

\*(See Instructions and Spaces for Additional Data on Reverse Side)

SECTION 12, TOWNSHIP 22 SOUTH, RANGE 30 EAST, N.M.P.M.,  
 EDDY COUNTY, NEW MEXICO.



- 0+00 BEGIN SURVEY AT EXISTING POLE
- 3+11 C POLE
- 3+44 1st. B.W. FENCE
- 6+22 C POLE
- 9+33 PL 90°00' RT. & C POLE
- 9+81 B.P.L. (EPNG)
- 11+65 C POLE
- 13+97 C POLE
- 16+21 1st. B.W. FENCE
- 16+29 END POLE
- 16+64 E.O.L. & ANCHOR

LEGAL DESCRIPTION

A STRIP OF LAND 50.0 FEET WIDE, 1664.0 FEET OR 0.32 MILES IN LENGTH AND BEING 25.0 FEET LEFT AND RIGHT OF THE ABOVE PLATTED CENTERLINE SURVEY.



I HEREBY CERTIFY THAT THIS PLAT WAS PREPARED FROM FIELD NOTES OF AN ACTUAL SURVEY AND MEETS OR EXCEEDS ALL REQUIREMENTS FOR LAND SURVEYS AS SPECIFIED BY THIS STATE.

JOHN W. WEST	N.M. P.S.	No. 677
	TEXAS P.L.S.	No. 1138
RONALD J. EIDSON	N.M. P.S.	No. 3239
	TEXAS P.L.S.	No. 1883
GARY L. JONES	N.M. P.S.	No. 7977
	TEXAS P.L.S.	No. 5074
GARY G. EIDSON	TEXAS P.L.S.	No. 4735

**BASS ENTERPRISES PRODUCTION CO.**

A PROPOSED ELECTRIC LINE CROSSING UNITED STATES OF AMERICA LAND IN SECTION 12, TOWNSHIP 22 SOUTH, RANGE 30 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO.

JOHN W. WEST ENGINEERING COMPANY  
 CONSULTING ENGINEERS & SURVEYORS - HOBBS, NEW MEXICO

Survey Date: 03-25-94	Sheet 1 of 1 Sheets
W.O. Number: 94-11-0534	Drawn By: S.C. NICHOLS
Date: 03-28-94	BASS0534\#94-11 Scale: 1" = 1000'



**WORKSHEET FOR COMMERCIAL DETERMINATION  
AND PARTICIPATING AREA IN FEDERAL UNITS**

**WELL DATA**

WELL \_\_\_\_\_ JAMES RANCH UNIT #55 \_\_\_\_\_ FORMATION \_\_\_\_\_ DELAWARE \_\_\_\_\_  
 LOCATION \_\_\_\_\_ F \_\_\_\_\_ UNIT, \_\_\_\_\_ 1980 FEET FROM \_\_\_\_\_ NORTH LINE & \_\_\_\_\_ 1980 FEET FROM \_\_\_\_\_ WEST LINE  
 SECTION \_\_\_\_\_ 17 TOWNSHIP \_\_\_\_\_ 23S , RANGE \_\_\_\_\_ 31E \_\_\_\_\_, COUNTY \_\_\_\_\_ EDDY \_\_\_\_\_, NEW MEXICO  
 SPUD DATE \_\_\_\_\_ 2/25/94 \_\_\_\_\_ COMPLETION DATE \_\_\_\_\_ 4/6/94 \_\_\_\_\_ INITIAL PRODUCTION \_\_\_\_\_ 4/7/94 \_\_\_\_\_  
 PERFORATIONS \_\_\_\_\_ 7820-60' \_\_\_\_\_

**STIMULATION:**

**ACID** \_\_\_\_\_ 7820-60; 1500 GALS 7 1/2% HCL W/80 BS \_\_\_\_\_

**FRACTURE** \_\_\_\_\_ 7820-60', 64,200 GALS GEL + 122,750# 16/30 OTTAWA SAND + 15,000# RCS \_\_\_\_\_

POTENTIAL \_\_\_\_\_ 4/13/94 189 BOPD, 57 BWPD, 172 MCFPD \_\_\_\_\_

(Attach Copy of C-105. Attach Copy of Wellbore Sketch of Completed Well.)

**VOLUMETRIC CALCULATION**

	SANDS PERFORATED	SANDS NOT PERFORATED BUT POTENTIALLY PRODUCTIVE
Area (A) proration unit size, acres	<u>40</u>	_____
Porosity (por), %	<u>12.0%</u>	_____
Water saturation (Sw), %	<u>60%</u>	_____
Net Thickness (h), ft.	<u>89'</u>	_____
Temperature (T), Fahrenheit	<u>120</u>	_____
Bottom Hole pressure (P), psia	<u>3,395</u>	_____
Recovery factor (RF), %	<u>16%</u>	_____
Recoverable oil, Bbls *(See eq. below)	<u>141,407</u>	_____

\* Sometimes unable to match performance due to volumetric uncertainty.

Formula =  $(7758) (A) (h) (por) (1-Sw) (1/Bol) (RF)$

Bol = 1.50

**PERFORMANCE DATA**

(If sufficient history exists, attach plot of oil production rate v time.)

CUMULATIVE PRODUCTION TO	<u>11/1/99</u>	<u>54449</u> BBLs
INITIAL RATE (qi)		<u>424</u>
ECONOMIC LIMIT (ql)		<u>60</u>
DECLINE RATE, dy		<u>Hyperbolic d = 12.21% n = .98</u>
REMAINING OIL (Q) =		<u>58851</u>
ULTIMATE RECOVERABLE OIL		<u>113300</u>

(Attach plot showing proration unit and participating area.)

**ECONOMIC**

WELL COST \$ 570,000 (to the depth of formation completed)

RECOMPLETION COST \$ \_\_\_\_\_

TOTAL COST \$ 570,000

YEAR	GROSS OIL	REVENUE	OPERATING COST	10% NET BFIT DISCOUNTED CASH FLOW
ZERO	<u>0</u>	<u>0</u>	<u>0</u>	<u>-570,000</u>
1	<u>15,100</u>	<u>243,100</u>	<u>41,000</u>	<u>194,700</u>
2	<u>12,000</u>	<u>227,400</u>	<u>46,300</u>	<u>159,900</u>
3	<u>8,300</u>	<u>217,700</u>	<u>41,900</u>	<u>140,400</u>
4	<u>7,200</u>	<u>192,400</u>	<u>40,400</u>	<u>109,800</u>
5	<u>5,200</u>	<u>116,200</u>	<u>34,700</u>	<u>53,400</u>
6	<u>6,300</u>	<u>171,800</u>	<u>39,500</u>	<u>78,400</u>
7	<u>4,700</u>	<u>160,000</u>	<u>32,300</u>	<u>68,500</u>
8	<u>4,200</u>	<u>123,100</u>	<u>29,300</u>	<u>45,400</u>
9	<u>3,800</u>	<u>106,100</u>	<u>28,000</u>	<u>34,200</u>
10	<u>3,400</u>	<u>93,600</u>	<u>27,000</u>	<u>16,400</u>
REMAINDER	<u>43,200</u>	<u>1,174,500</u>	<u>596,600</u>	<u>118,600</u>

**WELL IS COMMERCIAL**

JAMES RANCH UNIT  
 WELL NO. 55  
 DELAWARE

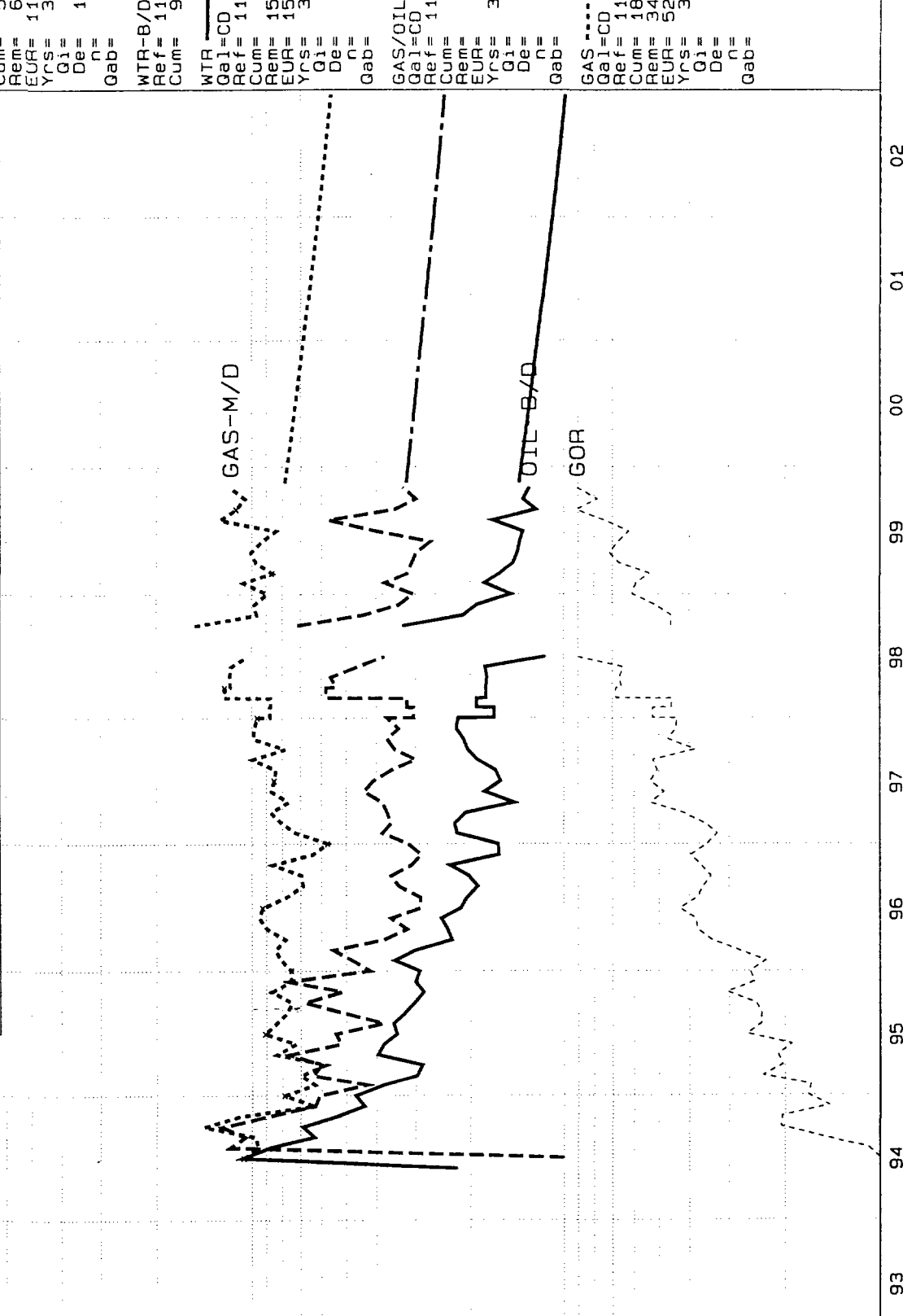
**OIL**  
 Gal=CD  
 Ref= 11/99  
 Cum= 54.449  
 Rem= 61.102  
 EUR= 115.551  
 Yrs= 31.749  
 Qi= 423.9  
 De= 12.211  
 n= .980  
 Gab= 59.9

**WTR-B/D**  
 Ref= 11/99  
 Cum= 93.823

**WTR**  
 Gal=CD  
 Ref= 11/99  
 Cum= 155.955  
 Rem= 155.955  
 EUR= 155.955  
 Yrs= 31.832  
 Qi= 983.0  
 De= 9.968  
 n= .995  
 Gab= 157.0

**GAS/OIL**  
 Gal=CD  
 Ref= 11/99  
 Cum= .000  
 Rem= .000  
 EUR= .000  
 Yrs= 31.749  
 Qi= 5.7  
 De= .000  
 n= .000  
 Gab= 5.7

**GAS**  
 Gal=CD  
 Ref= 11/99  
 Cum= 181.907  
 Rem= 346.151  
 EUR= 528.058  
 Yrs= 31.749  
 Qi= .0  
 De= .000  
 n= .000  
 Gab= .0



I N P U T D A T A

C A L C U L A T E D D A T A

ITEM	SCHEDULING RATES	SCHEDULE UNTIL	PROCEDURE	ULTIMATE	LAST	EPP. DECL	INIT. RATE	FINAL RATE			
405 START	11/99										
410 OIL	423.85	X	B/M	12/2011 AD	H/0.980	12.21	91.280	11/11	12.21	424.	164.
415 "	163.60	X	B/M	24.27 IMU	EXP	5.00	115.551	7/31	5.00	164.	60.
420 GAS/OIL	5.67	5.67	M/B	01/2097 AD	LIN	TIME		12/96			
425 WTR	982.98	X	B/M	12/2009 AD	H/0.995	9.97	81.090	11/09	9.97	983.	477.
430 "	476.98	X	B/M	74.86 IMU	EXP	5.00	155.955	8/31	5.00	477.	157.
435 START	4/94										
516 PRI/OIL	16.8800	X	\$/B	1/95	MM/YY	PC	.00	7/31		16.880	16.880
517 "	18.39	X	\$/B	1/96	AD	PC	.00	7/31		18.390	18.390
518 "	22.26	X	\$/B	1/97	AD	PC	.00	7/31		22.260	22.260
519 "	20.74	X	\$/B	1/98	AD	PC	.00	12/97		20.740	20.740
520 "	14.43	X	\$/B	1/99	AD	PC	.00	12/98		14.430	14.430
521 "	19.25	X	\$/B	1/2000	AD	PC	.00	12/99		19.250	19.250
522 "	24.94	X	\$/B	1/2001	AD	PC	.00	12/00		24.940	24.940
523 "	20.67	X	\$/B	1/2002	AD	PC	.00	12/01		20.670	20.670
524 "	19.20	X	\$/B	1/2003	AD	PC	.00	12/02		19.200	19.200
525 "	18.18	X	\$/B	1/2004	AD	PC	.00	12/03		18.180	18.180
526 "	18.13	X	\$/B	TO	LIFE	PC	.00	7/31		18.130	18.130
531 PRI/GAS	1.8900	X	\$/M	1/95	MM/YY	PC	.00	7/31		1.890	1.890
532 "	1.94	X	\$/M	1/96	AD	PC	.00	12/95		1.940	1.940
533 "	2.61	X	\$/M	1/97	AD	PC	.00	12/96		2.610	2.610
534 "	2.59	X	\$/M	1/98	AD	PC	.00	12/97		2.590	2.590
535 "	2.11	X	\$/M	1/99	AD	PC	.00	12/98		2.110	2.110
536 "	2.27	X	\$/M	1/2000	AD	PC	.00	12/99		2.270	2.270
537 "	2.60	X	\$/M	1/2001	AD	PC	.00	12/00		2.600	2.600
538 "	2.58	X	\$/M	1/2002	AD	PC	.00	12/01		2.580	2.580
539 "	2.57	X	\$/M	TO	LIFE	PC	.00	7/31		2.570	2.570
544 PRI/WTR	.5000	.5000	\$/U	1/2000	AD	PC	.00	3/94		.500	.500
545 "	.08	X	\$/U	TO	LIFE	PC	.00	12/95		.080	1.940
550 OPC/T	1600.00	X	\$/M	TO	LIFE	SCH	OPC	7/31		1600.000	1600.000
555 STX/OIL	7.08	X	\$	TO	LIFE	PC	.00	7/31		.071	.071
560 STX/GAS	7.93	X	\$	TO	LIFE	PC	.00	7/31		.079	.079
565 ATX	.17	X	\$	TO	LIFE	PC	.00	7/31		.002	.002
570 PRI/OIL	-.9100	-.9100	\$/B	TO	LIFE	PC	.00	7/31		-.910	18.130
575 PRI/GAS	-.1300	-.1300	\$/M	TO	LIFE	PC	.00	7/31		-.130	2.570
700 LSE/MI	100.0000	D	\$	TO	LIFE	FLAT	.00	7/31		1.000	1.000
701 OMN/MI	100.0000	D	\$	TO	LIFE	FLAT	.00	7/31		1.000	1.000
720 LSE/RIC	12.5000	D	\$	TO	LIFE	FLAT	.00	7/31		.125	.125
721 OMN/RI	.0000	D	\$	TO	LIFE	FLAT	.00	7/31		.000	.000

740 LSE/RIG	12.5000	D	‡	TO	LIFE	FLAT	.00	7/31	EFF. DECL	INIT. RATE	FINAL RATE
760 LSE/ORR	.0000	D	‡	TO	LIFE	FLAT	.00	7/31			.125
761 OWN/ORR	.0000	D	‡	TO	LIFE	FLAT	.00	7/31			.125

OVERLAYS	SCHEDULING RATES	SCHEDULE UNTIL	PROCEDURE	ULTIMATE	LAST	EFF. DECL	INIT. RATE	FINAL RATE
905 LOAD	P. OIL OIL #			54.835	2/00			
910 LOAD	P. GAS GAS #			185.403	2/00			
915 LOAD	P. WATER WTR #			93.823	2/00			

INVESTMENT	TANGIBLES & INTANGIBLES	TIME	PROCEDURE	TOTAL TEL	MONTH	RISK INV.	TOT. TEL&R	ESC. TEL&R
800 DRILL	240.00	330.00 MSG	04/94 AD	570.000	4/94		570.0	570.0
801 SALVAGE	-24.00	.00 MSG	TO LIFE	-24.000	7/31		-24.0	-24.0

RESERVE PARAMETERS

201 LOSS	NO							
205 CUMO, MB	54.45	CUMG, MMF	181.91	CUML, MB				
210 LOSS	NO							

PROJECT ASSUMPTIONS

BASE DATE	: 4/94	TIME FRAMES	: 1*9 38*12 1*600	DISC. FREQUENCY	: 365.
P.W. DATE	: 4/94	PM & AGE	: 10.0	OWNER QUAL	: CD
REPORT DATE	: 4/94	PROD QUAL	: CD	OTHER QUAL	: CD

JAMES RANCH UNIT #55  
 PREPARED BY: KENT ADAMS

DATE : 02/08/00  
 TIME : 07:53:03  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 4

R E S E R V E S A N D E C O N O M I C S  
 EFFECTIVE DATE: 4/94

PERIOD ENDING	12/94	12/95	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	S TOT	AFTER	TOTAL
OWNERSHIP													36.0 YR
1) WORKING INTEREST, %	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000
2) REVENUE INTEREST, %	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500

INVESTMENTS, M\$

3) BORROWED CAPITAL	570.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4) EQUITY INVESTMENTS	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
5) RISK	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) TOTAL	570.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	546.0

OIL PHASE

8) GROSS OIL, MB	15.1	12.0	8.3	7.2	5.2	6.3	4.7	4.2	3.8	3.4	70.1	43.2	113.3
9) NET OIL, MB	13.2	10.5	7.3	6.3	4.5	5.5	4.1	3.7	3.3	3.0	61.3	37.8	99.2
10) OIL REVENUE, M\$	210.6	183.6	155.5	124.1	61.4	101.2	98.1	72.3	60.4	52.0	1119.0	651.5	1770.5
11) OIL PRICE, \$/B	15.97	17.48	21.35	19.83	13.52	18.34	24.03	19.76	18.29	17.27	18.24	17.22	17.85

GAS PHASE

12) GROSS GAS, MMF	21.1	27.7	28.7	31.7	31.7	37.7	28.6	23.7	21.4	19.5	271.9	245.0	516.8
13) NET GAS, MMF	18.5	24.2	25.1	27.8	27.7	33.0	25.1	20.7	18.7	17.1	237.9	214.3	452.2
14) GAS REVENUE, M\$	32.6	43.8	62.2	68.3	54.9	70.6	61.9	50.8	45.7	41.6	532.4	523.0	1055.4
15) GAS PRICE, \$/MCF	1.760	1.810	2.480	2.460	1.980	2.140	2.470	2.450	2.440	2.440	2.238	2.440	2.334

WATER PHASE

16) GROSS WATER, MB	17.4	20.5	13.0	13.5	13.2	14.3	11.0	10.0	9.2	8.5	130.7	40.3	171.0
17) NET WATER, MB	17.4	20.5	13.0	13.5	13.2	14.3	11.0	10.0	9.2	8.5	130.7	40.3	171.0
18) WATER PRICE, \$/B	.500	.500	.500	.500	.500	.500	.080	.080	.080	.080	.375	.080	.306

ECONOMICS, M\$

19) GROSS REV. TO INTR.	243.1	227.4	217.7	192.4	116.2	171.8	160.0	123.1	106.1	93.6	1651.4	1174.5	2825.9
20) - SEV. TAX	17.5	16.5	15.9	14.2	8.7	12.8	11.9	9.1	7.9	7.0	121.4	87.6	209.0
22) - AD VALOREM TAX	.4	.4	.3	.3	.2	.3	.3	.2	.2	.1	2.6	1.8	4.4
23) - OPERATING COSTS	14.4	19.2	19.2	19.2	19.2	19.2	19.2	19.2	19.2	19.2	187.2	504.0	691.2
24) - SWD	8.7	10.2	6.5	6.7	6.6	7.2	.9	.8	.7	.7	49.1	3.2	52.3
25) - CAPITAL REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
28) = NET INCOME	202.1	181.1	175.7	151.9	81.6	132.4	127.8	93.7	78.1	66.6	1291.1	577.8	1868.9
29) - INVESTMENTS & RSK	570.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	570.0	-24.0	546.0
30) = BFIT NET	-367.9	181.1	175.7	151.9	81.6	132.4	127.8	93.7	78.1	66.6	721.1	601.8	1322.9

PRESENT WORTH @ 10.00 %

31) NET INCOME	194.7	159.9	140.4	109.8	53.4	78.4	68.5	45.4	34.2	26.4	911.1	118.6	1029.7
32) INVESTMENTS & RISK	570.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	570.0	-.7	569.3
33) BFIT NET	-375.3	159.9	140.4	109.8	53.4	78.4	68.5	45.4	34.2	26.4	341.1	119.3	460.4
34) CUM BFIT NET	-375.3	-215.4	-75.0	34.8	88.2	166.6	235.0	280.5	314.7	341.1	341.1	460.4	460.4

A F T E R T A X E C O N O M I C S

DATE : 02/08/00  
 TIME : 07:53:03  
 DBS FILE : JRUPA  
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EFFECTIVE DATE: 4/94

PERIOD ENDING	12/94	12/95	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	S TOT	AFTER	TOTAL
TAX TREATMENT OF INVESTMENTS, M\$													36.0 YR
1) EXP, RISK & CAP INT	330.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	330.0	.0	330.0
2) DEPLETABLE	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
3) DEPRECIABLE	240.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	240.0	-24.0	216.0

TAX CALCULATIONS, M\$

4) GROSS REV. TO INTR.	243.1	227.4	217.7	192.4	116.2	171.8	160.0	123.1	106.1	93.6	1651.4	1174.5	2825.9
5) - SEVERANCE TAX	17.5	16.5	15.9	14.2	8.7	12.8	11.9	9.1	7.9	7.0	121.4	87.6	209.0
6) - WPT TAX NET	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) - OPR. COSTS & ATX	23.5	29.8	26.0	26.3	26.0	26.6	20.3	20.2	20.1	20.0	238.9	509.1	747.9
8) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
9) - OVERHEAD	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
10) - EXPENSED INV.	330.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	330.0	.0	330.0
11) - DEPRECIATION	25.7	52.7	46.2	33.0	23.6	21.4	21.4	16.1	.0	.0	240.0	.0	240.0
12) = NET	-153.6	128.5	129.5	119.0	58.0	111.0	106.4	77.7	78.1	66.6	721.1	577.8	1298.9
13) - DEPLETION	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
14) - INTEREST PD & CAP	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
15) = TAXABLE	-153.6	128.5	129.5	119.0	58.0	111.0	106.4	77.7	78.1	66.6	721.1	577.8	1298.9
16) * TAX RATE, %	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0
17) - TAX CREDIT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
18) - WPT REFUND	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
19) = F.I.T.	-53.8	45.0	45.3	41.6	20.3	38.8	37.2	27.2	27.3	23.3	252.4	202.2	454.6
20) REVENUE-SEV-WPT	225.6	210.9	201.7	178.2	107.5	159.1	148.2	113.9	98.2	86.6	1530.0	1086.9	2616.9
21) - OPR. COSTS & ATX	23.5	29.8	26.0	26.3	26.0	26.6	20.3	20.2	20.1	20.0	238.9	509.1	747.9
22) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
23) - F.I.T.	-53.8	45.0	45.3	41.6	20.3	38.8	37.2	27.2	27.3	23.3	252.4	202.2	454.6
24) = A.F.I.T.	255.9	136.2	130.4	110.3	61.3	93.6	90.6	66.6	50.7	43.3	1038.7	375.6	1414.3
25) - LOAN REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) = NET INCOME	255.9	136.2	130.4	110.3	61.3	93.6	90.6	66.6	50.7	43.3	1038.7	375.6	1414.3
28) - INVESTMENTS & RSK	570.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	570.0	-24.0	546.0
29) = A.F.I.T. NET	-314.1	136.2	130.4	110.3	61.3	93.6	90.6	66.6	50.7	43.3	468.7	399.6	868.3

PRESENT WORTH @ 10.00 %

30) NET INCOME	246.5	120.2	104.1	79.7	40.1	55.4	48.5	32.2	22.3	17.2	766.3	77.1	843.4
31) INVESTMENTS & RISK	570.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	570.0	-7.7	569.3
32) A.F.I.T. NET	-323.5	120.2	104.1	79.7	40.1	55.4	48.5	32.2	22.3	17.2	196.3	77.8	274.0
33) CUM. A.F.I.T. NET	-323.5	-203.3	-99.1	-19.4	20.7	76.1	124.6	156.8	179.1	196.3	196.3	274.0	274.0

JAMES RANCH UNIT #55  
 PREPARED BY: KENT ADAMS

DATE : 02/08/00  
 TIME : 07:53:03  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 4

ECONOMIC INDICATORS

AS OF DATE: 4/94

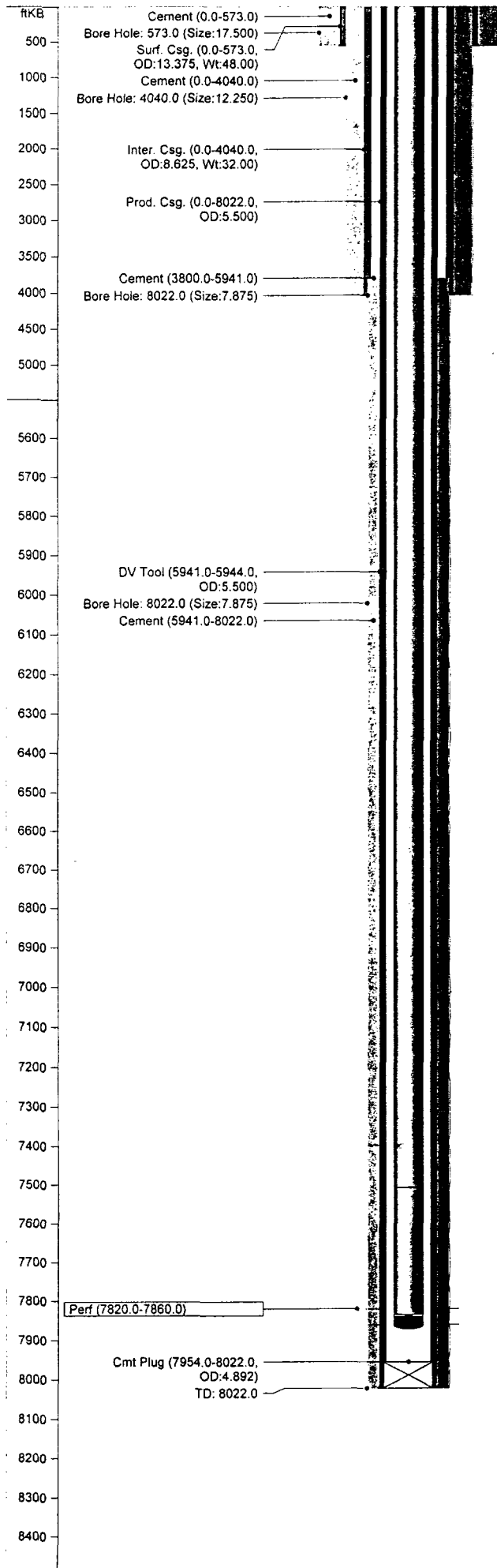
B.F.I.T. WORTH M\$-----	A.F.I.T. WORTH M\$-----	A.F.I.T. BONUS M\$-----
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PRESENT WORTH PROFILE AND  
 RATE-OF-RETURN VS. BONUS TABLE

0.	1322.941	868.312	1335.864
2.	1050.507	681.045	963.432
5.	762.168	482.905	632.645
6.	687.891	431.724	555.527
8.	562.340	344.918	431.229
10.	460.384	274.024	335.127
20.	146.182	51.510	59.223
30.	-16.653	-67.815	-75.695
40.	-116.847	-143.467	-157.279
50.	-184.957	-196.285	-212.540
60.	-234.414	-235.595	-252.792
70.	-272.059	-266.222	-283.646
80.	-301.746	-290.919	-308.209
90.	-325.807	-311.369	-328.338
100.	-345.734	-328.659	-345.213

RATE OF RETURN, PCT.	29.0	24.3
UNDISCOUNTED PAYOUT, YRS.	2.82	3.18
DISCOUNTED PAYOUT, YRS.	3.43	4.23
UNDISCOUNTED NET/INVEST.	3.42	2.59
DISCOUNTED NET/INVEST.	1.81	1.48





JAMES RANCH UNIT #55			
API No.	3001527589	Status	ACT OIL
TD	8022.0 ftKB	Engineer	KA
PBTD	7954.0 ftKB		
Operator	BEPCO	Permit	
Well No.	55	Spud	2/25/94
ID Code	CHMXDLVE.055	RR	3/11/94
Field	LOS MEDANOS (DELAWARE)	Completion	4/6/94
Author	RAS	Last Act.	
Date Updated	1/23/98	Abandoned	
Comments	Drilled by Santa Fe Energy		

Location			
Township	S023	Top Latitude	0
		Top Longitude	0
Range	E031	Top NS Distance	1980.0 ft N
		Top EW Distance	1980.0 ft W
Section	17	Bottom Latitude	0
Unit Ltr.	F	Bottom Longitude	0
State	New Mexico	Btm NS Distance	0.0 ft
County	Eddy	Btm EW Distance	0.0 ft

Elevations			
KB	3308.0 ft	Cas Flng	0.0 ft
Grd	3295.0 ft	Tub Head	0.0 ft
KB-Grd	13.0 ft		

Casing String - Surface Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID	Wt	Grd	Thd
13 3/8 in Surf. Csg.	0.0	573.0	13	12.720	48.00	H-40	STC

Casing String - Intermediate Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID	Wt	Grd	Thd
8 5/8 in Inter. Csg.	0.0	4040.0	93	7.921	32.00	K-55	STC

Casing String - Production Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID	Wt	Grd	Thd
5 1/2 in Prod. Csg.	0.0	8022.0	226	4.892	0.00	J-55	LTC
5 1/2 in DV Tool	5941.0	5944.0		0.000	0.00		

Casing Cement			
Casing String	Top (ftKB)	Amount (sx)	Comments
Surface Casing	0.0	650	
Intermediate Casing	0.0	1700	
Production Casing	3800.0	525	TOC by CBL
Production Casing	5941.0	525	

Tubing String - Primary Tubing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
2 7/8 in Tbg.	0.0	7834.0	240	2.441	6.50	J-55	8rd
2 7/8 in TAC	7506.0	7509.0		0.000	0.00		
2 7/8 in SN	7834.0	7835.0		0.000	0.00		
2 7/8 in PS	7835.0	7840.0		0.000	0.00		
2 7/8 in Mud Anchor	7840.0	7872.0		0.000	0.00		

Other (plugs, equip., etc.) - Plug Backs		
Date	Item	Int (ftKB)
3/11/94	Cmt Plug	7954.0 - 8022.0

Perforations			
Date	Int	Shots (/ft)	Status
3/31/94	7820.0 - 7860.0	1.0	

Stimulations & Treatments				
Date	Type	Interval	Fluid	Sand
4/1/94	Sand Frac	7820.0 - 7860.0		

## WELL HISTORY

WELL NAME: James Ranch Unit No. 55  
FIELD NAME: Los Medanos (Delaware)  
LOCATION: 1980' FNL & 1980' FWL, Sec 17, T23S, R31E, Ut F  
Eddy County, New Mexico  
ELEV: 3295' GL, 3308' KB  
SPUD DATE: 2/25/94  
COMP DATE: 4/6/94  
ORIG TD: 8022'  
ORIG PBTD: 7954'  
CASING: 13-3/8" 48# H-40 ST&C CSA 573' w/650 sx, cmt circ, 17-1/2" hole 0-576'.  
8-5/8" 32# K-55 ST&C CSA 4040' w/1700 sx, cmt circ, 12-1/4" hole 576-4041'.  
5-1/2" 17# & 15.5# J-55 LT&C CSA 8022', cmtd 1st stage w/525 sx, circ 68 sx out DV  
tool @ 5941', cmtd 2nd stage w/525 sx, TOC 3800' (CBL), 7-7/8" hole 4041-8022'.  
TUBING: 2-7/8" J-55  
DST: None  
CORES & LOGS: 3/10/94 - DIFL/GR, ZDL/CN/GR/CAL  
3/30/94 - CBL 3700-7951'

### INITIAL COMPLETION

3/29/94-4/6/94  
Run CBL 7951-3700', good cmt bond. TOC 3800'.  
3/31/94 **Perf Lower Brushy Canyon 7820-60'**, 1 SPF. **Spot** 2 bbls 7-1/2" HCL @  
7865'. **Acidized** w/1500 gals 7-1/2" HCL w/80 1.3 ball sealers.  
**Frac** w/64,200 gals gel, 122,750# 16/30 Ottawa sd, 15,000# 16/30  
resin coated sd. Flow well. TIH, tag sd bridge @ 6408', circ sd  
to 7951'. Swab well.  
4/11/94 Bass Enterprises took over operations from Santa Fe Energy. F 285  
BO, 197 BW, 313 MCF on 22/64" chk. FTP 390#, CP 1000#. Flwg well.  
**IP:** 4/13/94 24 hrs F 189 BO, 57 BW, & 172 MCF on 18/64" chk. FTP  
360#, SICP 1000#.

### WORKOVERS

5/11/94-7/14/94 **INSTALL PUMPING EQUIPMENT**  
5/11/94 Well dead. SI for 72 hr build up. Place well back on prod. on  
18/64" chk. Flow well.  
5/17/94 Well dead. SI for build up. Installed 456 pmpg unit. Cont. to  
flow well.  
6/8/94 Installed pmpg equipment. Tagged PBTD @ 7885'. Placed well on  
prod.  
**AWO:** 7/14/94 P 93 BO, 117 BW, & 106 MCF.

**JAMES RANCH UNIT #55  
WELL HISTORY**

11/21/96 Pump change - pump stuck in tbg w/frac sand.  
12/16/96 POH w/tbg & rods, pump hold down broken off in SN.  
1/11/97 Rod pump failure  
4/22/97 Rod pump failure  
7/9/98 Run BH pressure buildup.

RAS 1/23/98

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

**OIL CONSERVATION DIVISION**  
 P. O. Box 2088  
 Santa Fe, New Mexico 87504-2088

**DISTRICT II**  
 P. O. Box 100  
 Aztec, NM 87410

**DISTRICT III**  
 1000 Rio Brazos Rd  
 Aztec, NM 87410

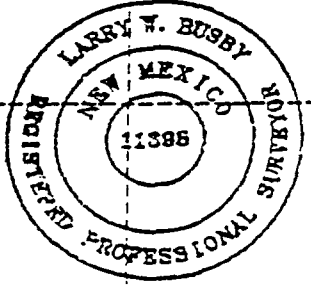
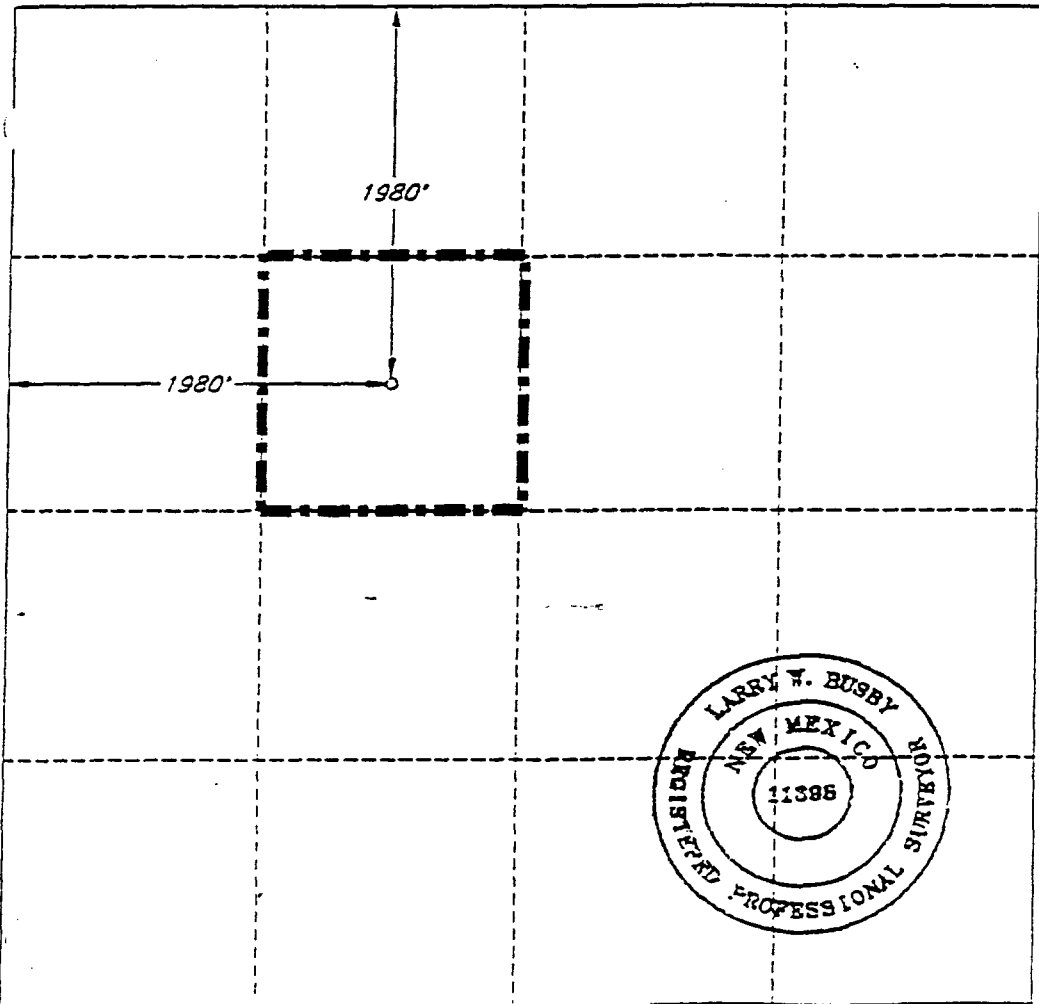
**WELL LOCATION AND ACREAGE DEDICATION PLAT**  
 All distances must be from the outer boundaries of the section.

JRU#55

Operator <b>SANTA FE ENERGY OPER. PARTNERS, L.P.</b>		Lease <b>PURE GOLD 'C-17' FEDERAL</b>		Well No. <b>15</b>
Unit Letter <b>F</b>	Section <b>17</b>	Township <b>23 SOUTH</b>	Range <b>31 EAST, N.M.P.M.</b>	County <b>EDDY</b>

Actual Footage Location of Well				
1980	feet from the	<b>NORTH</b>	line and	1980
				feet from the
				<b>WEST</b>
Ground Level Elev. <b>3295'</b>	Producing Formation <b>Delaware</b>		Pool <b>Sand Dunes, West (Delaware)</b>	line <b>40</b>
				Acres

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
  - If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
  - If more than one lease of different ownership is dedicated to the well, have the interest of all the owners been consolidated by communitization, unitization, forced-pooling, etc.?
    - Yes  No If answer is "yes", type of consolidation \_\_\_\_\_
    - If the answer is "no", list the owners and tract descriptions which have actually been consolidated. (Use the reverse side of this form if necessary.) \_\_\_\_\_
- No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the division.



**OPERATOR CERTIFICATION**

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

Signature  
*Darrell Roberts*

Printed Name  
 Darrell Roberts

Position  
 Sr. Drilling Engineer

Company  
 Santa Fe Energy Operating Partners, L.P.

Date  
 April 30, 1993

**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 knowledge and belief.

Date Surveyed  
 MARCH 11, 1993

Signature and Seal of Professional Surveyor  
*Larry W. Busby*

Certificate No.  
**LARRY W. BUSBY R.P.S. #11398**

JOB NO. 94831 V.H.B.

172530

0 330 560 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**CONFIDENTIAL**

FOR APPROVED  
OMB NO. 1004-0137  
Expires December 31, 1991

WELL DESIGNATION AND SERIAL NO.

LC - 071988-B

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

6. IF INDIAN ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

James Ranch Unit

8. FARM OR LEASE NAME, WELL NO.

James Ranch Unit # 55

9. API WELL NO.

30-015-27589

10. FIELD AND POOL OR WILDCAT

Los Medanos (Delaware)

11. SEC., T., R., S. OR BLOCK AND SURVEY OR AREA

Section 17, T23S, R31E

12. COUNTY OR PARISH  
Eddy

13. STATE  
NM

A. TYPE OF WELL: OIL WELL  GAS WELL  DRY  Other

B. TYPE OF COMPLETION: NEW WELL  WORK OVER  REKEY-CK  PLUG BACK  DIFF. REKEY  Other

2. NAME OF OPERATOR  
Bass Enterprises Production Co.

3. ADDRESS AND TELEPHONE NO.  
P.O. Box 2760 Midland, Tx. 79702-2760 (915) 683-2277

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)  
At surface 1980' FNL & 1980' FWL Unit Letter F  
At top prod. interval reported below  
At total depth same as above

14. PERMIT NO. DATE ISSUED

15. DATE SPUDDED 2-25-94 16. DATE T.D. REACHED 3-11-94 17. DATE COMPL. (Ready to prod.) 4-6-94 18. ELEVATIONS (OF. RKB, RT, CR, ETC.) 3295' GR 19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD 8022' 21. PLUG BACK T.D., MD & TVD 7978' 22. IF MULTIPLE COMPL. HOW MANY? single 23. INTERVALS DRILLED BY 10-8022' ROTARY TOOLS CABLE TOOLS

24. PRODUCING INTERVAL(S) OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD) 7820'-7860' (40) holes 25. WAS DIRECTIONAL SURVEY MADE no

26. TYPE ELECTRIC AND OTHER LOGS RUN GR-CNL/LDT, GR-DIL/SFL 27. WAS WELL COILED no

28. CASING RECORD (Report all strings set in well)

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
3 3/8" A	48#	573'	17 1/2"	circ-650 sx Class "C"	none
8 5/8" A	32#	4040'	12 1/4"	circ-1700 sx Class "C"	none
5 1/2" A	17 & 15.5#	8027'	7 7/8"	TOC 3800'-1050 sx Class "C"	none
DV Tool 5941'					

29. none LINER RECORD				30. TUBING RECORD DN			
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2 7/8"	7799'	7799'

31. PERFORATION RECORD (Interval, size and number)		32. ACID, SHOT, FRACTURE CEMENT SQUEEZE, ETC.	
PERF. INTERVAL (MD)	NUMBER	DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
7820' - 7860'	1 JSPF	7820-7860'	1500 gal 7 1/2% HCl acid w/ 80 1.3 ball sealers. frac using 64,200 gal ael & 122,750# 16/30 Ottawa Sand.
4" csg gun	(40 holes)		

33. PRODUCTION

DATE FIRST PRODUCTION 4-7-94 PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) Flowing WELL STATUS (Producing or shut-in) Producing

DATE OF TEST 4-13-94 HOURS TESTED 24 CHOKER SIZE 18/64 PROD'N. FOR TEST PERIOD 189 OIL—BSL 189 GAS—MCF. 172 WATER—BSL 57 GAS-OIL RATIO 910

FLOW. TUBING PERM. 550# CASING PRESSURE 1120# CALCULATED 24-HOUR RATE 189 OIL—BSL 189 GAS—MCF. 172 WATER—BSL 57 OIL GRAVITY-APT (CORR.) 46.0

34. DISPOSITION OF GAS (Sold, used for heat, vented, etc.) Sales & Lease use TEST WITNESSED BY

35. LIST OF ATTACHMENTS 2 each of above logs

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records  
SIGNED [Signature] TITLE Senior Production Clerk DATE 4-15-94

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem, tests, including depth interval tested, cushion used, lime tool open, flowing and shut-in pressures, and recoveries):

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	GEOLOGIC MARKERS		
				NAME	MEAS. DEPTH	TOP TRUF VERT. DEP'
			No DST's No Cores	T/Rustler T/Salt B/Salt T/Delaware Mtn. Group T/Cherry Canyon T/Brushy Canyon T/Bone Spring Lime	370' 715' 3792' 4029' 4981' 6284' 7919'	370' 715' 3792' 4029' 4981' 6284' 7919'

**CONFIDENTIAL**

**WORKSHEET FOR COMMERCIAL DETERMINATION  
AND PARTICIPATING AREA IN FEDERAL UNITS**

**WELL DATA**

WELL \_\_\_\_\_ JAMES RANCH UNIT #56 \_\_\_\_\_ FORMATION \_\_\_\_\_ DELAWARE \_\_\_\_\_  
 LOCATION \_\_\_\_\_ C \_\_\_\_\_ UNIT, \_\_\_\_\_ 830 FEET FROM \_\_\_\_\_ NORTH LINE & \_\_\_\_\_ 2310 FEET FROM \_\_\_\_\_ WEST LINE  
 SECTION \_\_\_\_\_ 17 \_\_\_\_\_ TOWNSHIP \_\_\_\_\_ 23S \_\_\_\_\_, RANGE \_\_\_\_\_ 31E \_\_\_\_\_, COUNTY \_\_\_\_\_ EDDY \_\_\_\_\_, NEW MEXICO  
 SPUD DATE \_\_\_\_\_ 5/13/94 \_\_\_\_\_ COMPLETION DATE \_\_\_\_\_ 6/15/94 \_\_\_\_\_ INITIAL PRODUCTION \_\_\_\_\_ 6/15/94  
 PERFORATIONS \_\_\_\_\_ 7830-70' \_\_\_\_\_

STIMULATION:

**ACID** \_\_\_\_\_

**FRACTURE** \_\_\_\_\_ 7830-70', 66,700 GALS GEL + 125,000# 16/30 OTTAWA SAND + 15,000# RCS \_\_\_\_\_

POTENTIAL \_\_\_\_\_ 6/19/1994 330 BOPD, 280 MCFPD, 201 BWPD \_\_\_\_\_

(Attach Copy of C-105. Attach Copy of Wellbore Sketch of Completed Well.)

**VOLUMETRIC CALCULATION**

	SANDS PERFORATED	SANDS NOT PERFORATED BUT POTENTIALLY PRODUCTIVE
Area (A) proration unit size, acres	40	
Porosity (por), %	12.0%	
Water saturation (Sw), %	60%	
Net Thickness (h), ft.	100'	
Temperature (T), Fahrenheit	120	
Bottom Hole pressure (P), psia	3,399	
Recovery factor (RF), %	16%	
Recoverable oil, Bbls. *(See eq. below)	158,884	

\*Sometimes unable to match performance due to volumetric uncertainty.

Formula = (7758) (A) (h) (por) (1-Sw) (1/Bol) (RF)

Bol = 1.50

**PERFORMANCE DATA**

(If sufficient history exists, attach plot of oil production rate v time.)

CUMULATIVE PRODUCTION TO	<u>11/1/99</u>	<u>50896</u>	BBLs
INITIAL RATE (qi)		<u>350</u>	
ECONOMIC LIMIT (qi)		<u>60</u>	
DECLINE RATE, dy		<u>Hyperbolic d = 11.62% n = .98</u>	
REMAINING OIL (Q) =		<u>47504</u>	
ULTIMATE RECOVERABLE OIL		<u>98400</u>	

(Attach plot showing proration unit and participating area.)

**ECONOMIC**

WELL COST \$ 570,000 (to the depth of formation completed)

RECOMPLETION COST \$ \_\_\_\_\_

TOTAL COST \$ 570,000

YEAR	GROSS OIL	REVENUE	OPERATING COST	10% NET BFIT DISCOUNTED CASH FLOW
ZERO	<u>0</u>	<u>0</u>	<u>0</u>	<u>-570,000</u>
1	<u>13,400</u>	<u>218,500</u>	<u>37,900</u>	<u>175,400</u>
2	<u>12,800</u>	<u>244,700</u>	<u>46,400</u>	<u>178,000</u>
3	<u>8,200</u>	<u>208,100</u>	<u>42,200</u>	<u>134,700</u>
4	<u>6,700</u>	<u>184,000</u>	<u>42,000</u>	<u>104,300</u>
5	<u>5,200</u>	<u>108,700</u>	<u>35,100</u>	<u>49,000</u>
6	<u>4,200</u>	<u>112,100</u>	<u>33,900</u>	<u>47,100</u>
7	<u>3,900</u>	<u>128,400</u>	<u>29,700</u>	<u>53,700</u>
8	<u>3,500</u>	<u>101,100</u>	<u>27,600</u>	<u>36,200</u>
9	<u>3,200</u>	<u>87,400</u>	<u>26,500</u>	<u>27,200</u>
10	<u>2,900</u>	<u>77,400</u>	<u>25,700</u>	<u>20,800</u>
REMAINDER	<u>34,400</u>	<u>919,700</u>	<u>513,200</u>	<u>89,500</u>

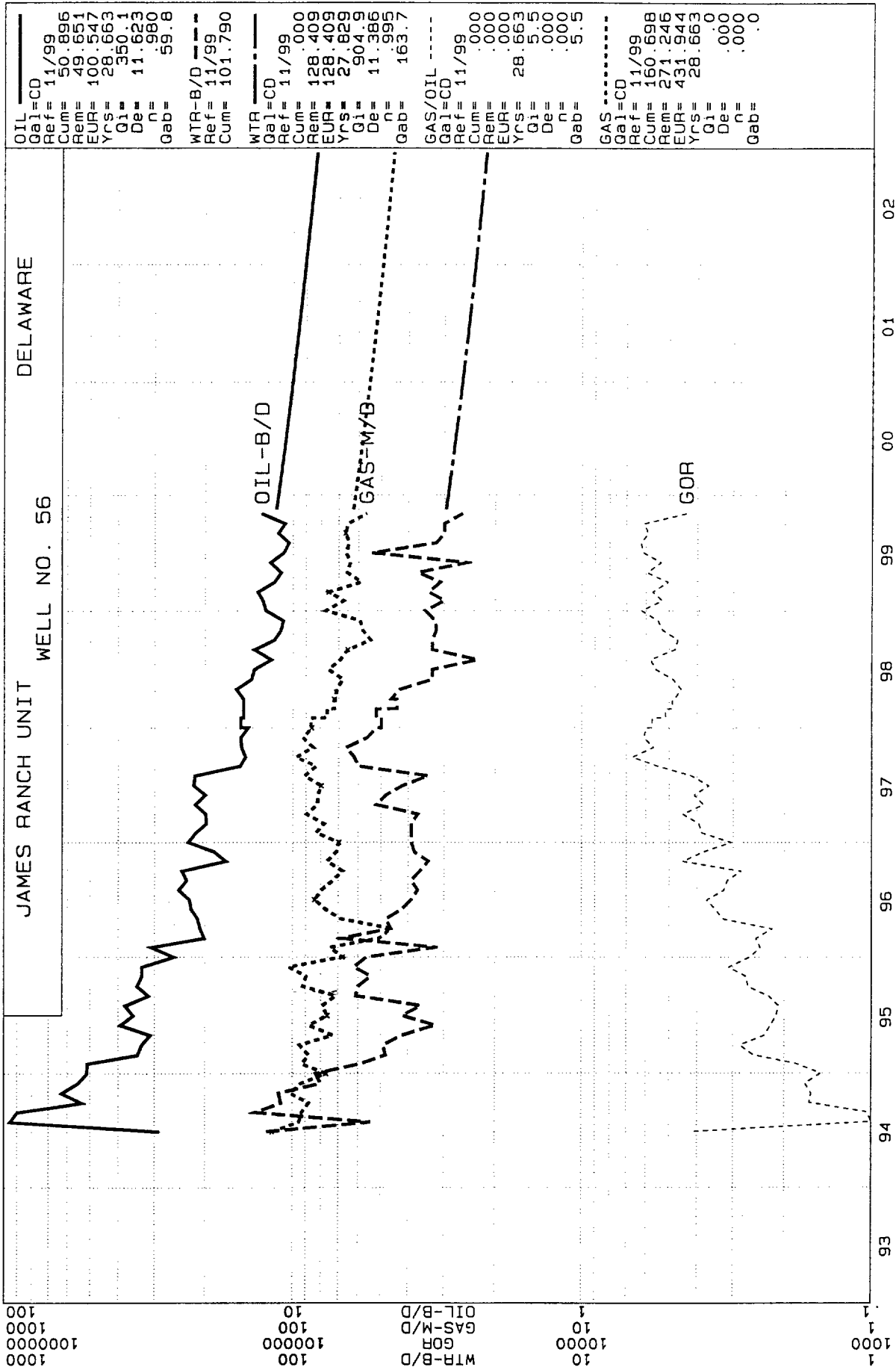
**WELL IS COMMERCIAL**



JAMES RANCH UNIT

WELL NO. 56

DELAWARE



ITEM	SCHEDULING RATES	INPUT DATA		PROCEDURE	ULTIMATE	CALCULATED DATA				
		SCHEDULE UNTIL	PROCEDURE			LAST	EFF. DECL	INIT. RATE	FINAL RATE	
405 START	11/99									
410 OIL	350.13	X	B/M	H/0.980	11.62	81.183	6/11	11.62	350.	143.
415 "	142.60	X	B/M	EXP	5.00	100.547	6/28	5.00	143.	60.
420 GAS/OIL	5.46		M/B	LIN			12/96			
425 WTR	904.93	X	B/M	H/0.995	11.39	77.477	2/11	11.39	905.	381.
430 "	381.38	X	B/M	EXP	5.00	128.409	8/27	5.00	381.	164.
435 START	6/94									
516 PRI/OIL	16.8800	X	\$/B	PC	.00		6/28		16.880	16.880
517 "	18.39	X	\$/B	PC	.00		6/28		18.390	18.390
518 "	22.26	X	\$/B	PC	.00		6/28		22.260	22.260
519 "	20.74	X	\$/B	PC	.00		12/97		20.740	20.740
520 "	14.43	X	\$/B	PC	.00		12/98		14.430	14.430
521 "	19.25	X	\$/B	PC	.00		12/99		19.250	19.250
522 "	24.94	X	\$/B	PC	.00		12/00		24.940	24.940
523 "	20.67	X	\$/B	PC	.00		12/01		20.670	20.670
524 "	19.20	X	\$/B	PC	.00		12/02		19.200	19.200
525 "	18.18	X	\$/B	PC	.00		12/03		18.180	18.180
526 "	18.13	X	\$/B	PC	.00		6/28		18.130	18.130
531 PRI/GAS	1.8900	X	\$/M	PC	.00		6/28		1.890	1.890
532 "	1.94	X	\$/M	PC	.00		12/95		1.940	1.940
533 "	2.61	X	\$/M	PC	.00		12/96		2.610	2.610
534 "	2.59	X	\$/M	PC	.00		12/97		2.590	2.590
535 "	2.11	X	\$/M	PC	.00		12/98		2.110	2.110
536 "	2.27	X	\$/M	PC	.00		12/99		2.270	2.270
537 "	2.60	X	\$/M	PC	.00		12/00		2.600	2.600
538 "	2.58	X	\$/M	PC	.00		12/01		2.580	2.580
539 "	2.57	X	\$/M	PC	.00		6/28		2.570	2.570
544 PRI/WTR	.5000		\$/U	PC	.00		5/94		.500	.500
545 "	.08	X	\$/U	PC	.00		12/95		.080	1.940
550 OPC/T	1600.00	X	\$/M	SCH	OPC		6/28		1600.000	1600.000
555 STX/OIL	7.08	X	\$	PC	.00		6/28		.071	.071
560 STX/GAS	7.93	X	\$	PC	.00		6/28		.079	.079
565 ATX	.17	X	\$	PC	.00		6/28		.002	.002
570 PRI/OIL	-.9100		\$/B	PC	.00		6/28		-.910	18.130
575 PRI/GAS	-.1300		\$/M	PC	.00		6/28		-.130	2.570
700 LSE/WI	100.0000	D	\$	FLAT	.00		6/28		1.000	1.000
701 OWN/WI	100.0000	D	\$	FLAT	.00		6/28		1.000	1.000
720 LSE/RIC	12.5000	D	\$	FLAT	.00		6/28		.125	.125
721 OWN/RIC	.0000	D	\$	FLAT	.00		6/28			

740 LSE/RIG	12.5000	D	‡	TO	LIFE	FLAT	.00	6/28	.125	.125
760 LSE/HR	.0000	D	‡	TO	LIFE	FLAT	.00	6/28		
761 OWN/HR	.0000	D	‡	TO	LIFE	FLAT	.00	6/28		
OVERLAYS	SCHEDULING RATES			SCHEDULE UNTIL	PROCEDURE	ULTIMATE	LAST	EFF. DECL	INIT. RATE	FINAL RATE
905 LOAD	P.OIL OIL #					51.282	2/00			
910 LOAD	P.GAS GAS #					162.388	2/00			
915 LOAD	P.WATER WTR #					101.790	2/00			

INVESTMENT	TANGIBLES & INTANGIBLES	TIME	PROCEDURE	TOTAL T&I	MONTH	RISK INV.	TOT. T&I&R	ESC. T&I&R
800 DRILL	240.00	330.00 M\$G	06/94 AD	570.000	6/94	.	570.0	570.0
801 SALVAGE	-24.00	.00 M\$G	TO LIFE	-24.000	6/28	.	-24.0	-24.0
RESERVE PARAMETERS		ITEM	ITEM					
201 LOSS	NO							
205 CUMO, MB	50.90	CUMG, MMF	160.70					
210 LOSS	NO							

PROJECT ASSUMPTIONS

BASE DATE : 6/94 TIME FRAMES : 1\*7 38\*12 1\*600

P.W. DATE : 6/94 PW &-AGE : 10.0 DISC. FREQUENCY : 365.

REPORT DATE : 6/94 PROD QUAL : CD OWNER QUAL : CD OTHER QUAL : CD

JAMES RANCH UNIT #56  
 PREPARED BY: KENT ADAMS

DATE : 02/08/00  
 TIME : 07:53:43  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 5

RESERVE S AND ECONOMICS  
 EFFECTIVE DATE: 6/94

PERIOD ENDING	12/94	12/95	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	S TOT	AFTER	TOTAL
32.5 YR													

OWNERSHIP													
1) WORKING INTEREST, %	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000
2) REVENUE INTEREST, %	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500

INVESTMENTS, M\$

3) BORROWED CAPITAL	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4) EQUITY INVESTMENTS	570.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	570.0
5) RISK	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) TOTAL	570.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	570.0

OIL PHASE

8) GROSS OIL, MB	13.4	12.8	8.2	6.7	5.2	4.2	3.9	3.5	3.2	2.9	64.0	34.4	98.4
9) NET OIL, MB	11.7	11.2	7.2	5.9	4.6	3.7	3.4	3.1	2.8	2.5	56.0	30.1	86.1
10) OIL REVENUE, M\$	187.2	195.9	152.7	116.5	62.0	67.8	82.5	60.3	50.6	43.7	1019.2	518.4	1537.6
11) OIL PRICE, \$/B	15.97	17.48	21.35	19.83	13.52	18.34	24.03	19.76	18.29	17.27	18.19	17.22	17.85

GAS PHASE

12) GROSS GAS, MMF	20.3	30.9	25.6	31.3	27.0	23.6	21.2	19.0	17.3	15.8	232.0	188.0	420.0
13) NET GAS, MMF	17.8	27.0	22.4	27.4	23.6	20.7	18.6	16.7	15.1	13.8	203.0	164.5	367.5
14) GAS REVENUE, M\$	31.3	48.9	55.5	67.5	46.7	44.3	45.9	40.8	36.9	33.7	451.3	401.3	852.6
15) GAS PRICE, \$/MCF	1.760	1.810	2.480	2.460	1.980	2.140	2.470	2.450	2.440	2.440	2.223	2.440	2.320

WATER PHASE

16) GROSS WATER, MB	21.3	18.3	15.1	17.9	15.2	12.4	10.0	9.0	8.2	7.5	134.9	40.8	175.7
17) NET WATER, MB	21.3	18.3	15.1	17.9	15.2	12.4	10.0	9.0	8.2	7.5	134.9	40.8	175.7
18) WATER PRICE, \$/B	.500	.500	.500	.500	.500	.500	.080	.080	.080	.080	.392	.080	.319

ECONOMICS, M\$

19) GROSS REV. TO INTR.	218.5	244.7	208.1	184.0	108.7	112.1	128.4	101.1	87.4	77.4	1470.5	919.7	2390.2
20) - SEV. TAX	15.7	17.7	15.2	13.6	8.1	8.3	9.5	7.5	6.5	5.8	107.9	68.5	176.5
22) - AD VALOREM TAX	.3	.4	.3	.3	.2	.2	.2	.2	.1	.1	2.3	1.4	3.8
23) - OPERATING COSTS	11.2	19.2	19.2	19.2	19.2	19.2	19.2	19.2	19.2	19.2	184.0	440.0	624.0
24) - SMD	10.7	9.1	7.5	8.9	7.6	6.2	.8	.7	.7	.6	52.8	3.3	56.1
25) - CAPITAL REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
28) = NET INCOME	180.6	198.2	165.9	142.0	73.7	78.2	98.7	73.5	60.9	51.7	1123.4	406.4	1529.9
29) - INVESTMENTS & RSK	570.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	570.0	-24.0	546.0
30) = BFIT NET	-399.4	198.2	165.9	142.0	73.7	78.2	98.7	73.5	60.9	51.7	553.4	430.4	983.9

PRESENT WORTH @ 10.00 %

31) NET INCOME	175.4	178.0	134.7	104.3	49.0	47.1	53.7	36.2	27.2	20.8	826.6	89.5	916.1
32) INVESTMENTS & RISK	570.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	570.0	-.9	569.1
33) BFIT NET	-394.6	178.0	134.7	104.3	49.0	47.1	53.7	36.2	27.2	20.8	256.6	90.5	347.0
34) CUM BFIT NET	-394.6	-216.6	-81.9	22.5	71.5	118.6	172.3	208.5	235.7	256.6	256.6	347.0	347.0

AFTER TAX ECONOMICS

DATE : 02/08/00  
 TIME : 07:53:43  
 DBS FILE : JRU0A  
 SETUP FILE : CD  
 SEQ NUMBER : 5

EFFECTIVE DATE: 6/94

32.5 YR  
 TOTAL

PERIOD ENDING	12/94	12/95	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	S TOT	AFTER	TOTAL
TAX TREATMENT OF INVESTMENTS, M\$													
1) EXP, RISK & CAP INT	330.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	330.0
2) DEPLETABLE	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
3) DEPRECIABLE	240.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	240.0
TAX CALCULATIONS, M\$													
4) GROSS REV. TO INTR.	218.5	244.7	208.1	184.0	108.7	112.1	128.4	101.1	87.4	77.4	1470.5	919.7	2390.2
5) - SEVERANCE TAX	15.7	17.7	15.2	13.6	8.1	8.3	9.5	7.5	6.5	5.8	107.9	68.5	176.5
6) - WPT TAX NET	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) - OPR. COSTS & ATX	22.2	28.7	27.1	28.4	27.0	25.6	20.2	20.1	20.0	19.9	239.1	444.7	683.9
8) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
9) - OVERHEAD	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
10) - EXPENSED INV.	330.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	330.0	.0	330.0
11) - DEPRECIATION	20.0	48.6	49.0	35.0	25.0	21.4	21.4	19.6	.0	.0	240.0	.0	240.0
12) = NET	-169.4	149.7	116.9	107.0	48.7	56.8	77.3	53.9	60.9	51.7	553.4	406.4	959.9
13) - DEPLETION	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
14) - INTEREST PD & CAP	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
15) = TAXABLE	-169.4	149.7	116.9	107.0	48.7	56.8	77.3	53.9	60.9	51.7	553.4	406.4	959.9
16) * TAX RATE, %	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0
17) - TAX CREDIT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
18) - WPT REFUND	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
19) = F.I.T.	-59.3	52.4	40.9	37.4	17.0	19.9	27.0	18.9	21.3	18.1	193.7	142.3	336.0
20) REVENUE-SEV-WPT	202.8	227.0	192.9	170.4	100.7	103.8	118.9	93.6	80.9	71.6	1362.6	851.1	2213.7
21) - OPR. COSTS & ATX	22.2	28.7	27.1	28.4	27.0	25.6	20.2	20.1	20.0	19.9	239.1	444.7	683.9
22) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
23) - F.I.T.	-59.3	52.4	40.9	37.4	17.0	19.9	27.0	18.9	21.3	18.1	193.7	142.3	336.0
24) = A.F.I.T.	239.9	145.9	124.9	104.5	56.7	58.4	71.6	54.7	39.6	33.6	929.7	264.2	1193.9
25) - LOAN REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) = NET INCOME	239.9	145.9	124.9	104.5	56.7	58.4	71.6	54.7	39.6	33.6	929.7	264.2	1193.9
28) - INVESTMENTS & RSK	570.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	570.0	-24.0	546.0
29) = A.F.I.T. NET	-330.1	145.9	124.9	104.5	56.7	58.4	71.6	54.7	39.6	33.6	359.7	288.2	647.9
PRESENT WORTH @ 10.00 %													
30) NET INCOME	233.0	130.9	101.5	76.8	37.7	35.1	39.0	26.9	17.7	13.6	712.2	58.2	770.4
31) INVESTMENTS & RISK	570.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	570.0	-.9	569.1
32) A.F.I.T. NET	-337.0	130.9	101.5	76.8	37.7	35.1	39.0	26.9	17.7	13.6	142.2	59.1	201.4
33) CUM. A.F.I.T. NET	-337.0	-206.0	-104.5	-27.7	10.0	45.1	84.1	111.0	128.7	142.2	142.2	201.4	201.4

JAMES RANCH UNIT #56  
 PREPARED BY: KENT ADAMS

DATE : 02/08/00  
 TIME : 07:53:43  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 5

E C O N O M I C I N D I C A T O R S

AS OF DATE: 6/94

B.F.I.T.            A.F.I.T.  
 WORTH            WORTH  
 M\$-----        M\$-----  
                   BONUS  
                   M\$-----

PRESENT WORTH PROFILE AND  
 RATE-OF-RETURN VS. BONUS TABLE

0.	983.863	647.911	996.786
2.	788.366	511.146	729.219
5.	576.124	362.723	481.694
6.	520.449	323.687	422.546
8.	425.309	256.757	325.978
10.	347.023	201.370	250.206
20.	98.768	22.474	26.254
30.	-35.641	-77.610	-87.951
40.	-121.448	-143.206	-159.250
50.	-181.690	-190.265	-208.804
60.	-226.663	-226.074	-245.657
70.	-261.704	-254.476	-274.378
80.	-289.879	-277.707	-297.546
90.	-313.084	-297.165	-316.731
100.	-332.560	-313.771	-332.949

RATE OF RETURN, PCT.

27.3

22.2

UNDISCOUNTED PAYOUT, YRS.

2.76

3.15

DISCOUNTED PAYOUT, YRS.

3.37

4.32

UNDISCOUNTED NET/INVEST.

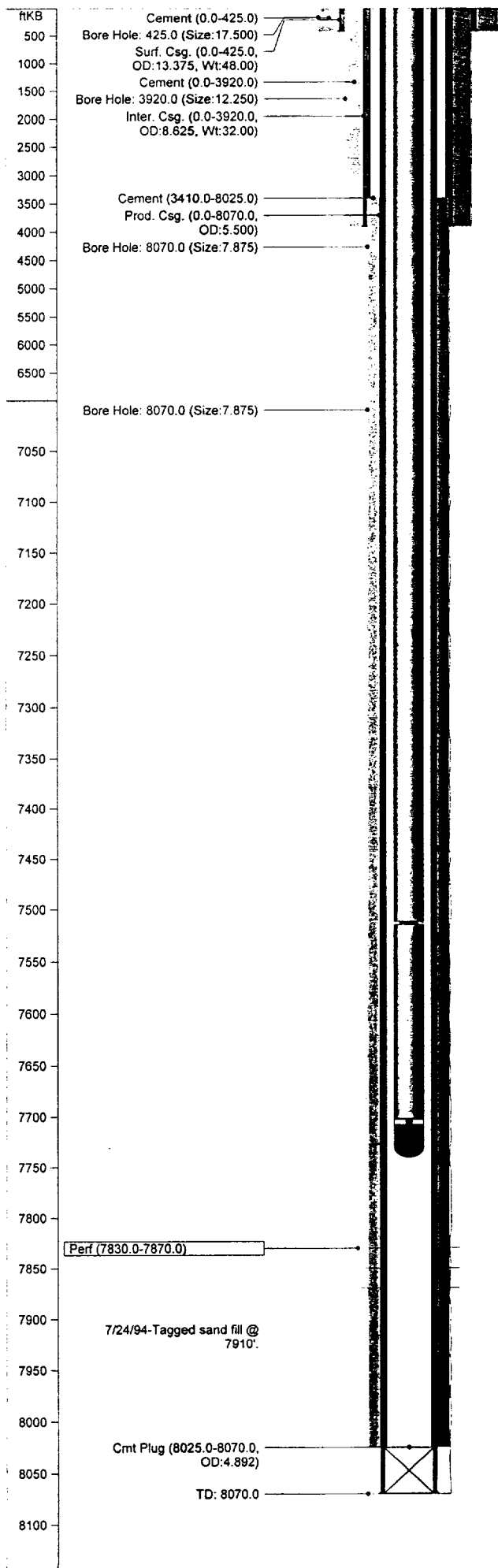
2.80

2.19

DISCOUNTED NET/INVEST.

1.61

1.35



JAMES RANCH UNIT #56			
API No.	3001527886	Status	ACT OIL
TD	8070.0 ftKB	Engineer	CAA
PBTD	8025.0 ftKB		
Operator	BEPCO	Permit	
Well No.	56	Spud	5/13/94
ID Code	CHMXDLVE.056	RR	5/28/94
Field	LOS MEDANOS	Completion	6/19/94
Author	RAS	Last Act.	
Date Updated	1/27/98	Abandoned	
Comments	Drilled by Santa Fe		

Location			
Township	S023	Top Latitude	0
		Top Longitude	0
Range	E031	Top NS Distance	830.0 ft N
		Top EW Distance	2310.0 ft W
Section	17	Bottom Latitude	0
Unit Ltr.	C	Bottom Longitude	0
State	New Mexico	Btm NS Distance	0.0 ft
County	Eddy	Btm EW Distance	0.0 ft

Elevations			
KB	3334.0 ft	Cas Fing	0.0 ft
Grd	3321.0 ft	Tub Head	0.0 ft
KB-Grd	13.0 ft		

Casing String - Surface Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt (lb/ft)	Grd	Thd
13 3/8 in Surf.	0.0	425.0	10	12.720	48.00	H-40	STC

Casing String - Intermediate Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt (lb/ft)	Grd	Thd
8 5/8 in Inter.	0.0	3920.0	90	7.921	32.00	J-55	STC

Casing String - Production Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt (lb/ft)	Grd	Thd
5 1/2 in Prod.	0.0	8070.0	187	4.892	0.00	J-55 & K-55	LTC

Casing Cement			
Casing String	Top (ftKB)	Amount (sx)	Comments
Surface Casing	0.0	350	
Intermediate Casing	0.0	1000	
Production Casing	3410.0	750	TOC by CBL

Tubing String - Primary Tubing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt (lb/ft)	Grd	Thd
2 7/8 in Tbg	0.0	7512.0		2.441	6.50	J-55	8rd
2 7/8 in TAC	7512.0	7515.0		0.000	0.00		
2 7/8 in Tbg.	7515.0	7702.0		2.441	6.50	J-55	8rd
2 7/8 in SN	7702.0	7703.0		0.000	0.00		
2 7/8 in PS	7703.0	7708.0		0.000	0.00		
2 7/8 in Mud Anchor	7708.0	7741.0		0.000	0.00		

Other (plugs, equip., etc.) - Plug Backs		
Date	Item	Int (ftKB)
7/12/94	Cmt Plug	8025.0 - 8070.0

Perforations			
Date	Int	Shots (/ft)	Status
6/4/94	7830.0 - 7870.0	1.0	

Stimulations & Treatments					
Date	Type	Interval	Fluid	Sand	Comments
6/7/94	Sand Frac	7830.0 - 7870.0			

## WELL HISTORY

WELL NAME: James Ranch Unit No. 56  
FIELD NAME: Los Medanos (Delaware)  
LOCATION: 830' FNL & 2310' FWL, Sec 17, T23S, R31E, Ut C,  
Eddy County, New Mexico  
ELEV: 3321' GL, 3334' KB  
SPUD DATE: 5/13/94  
COMP DATE: 6/15/94  
ORIG TD: 8070'  
ORIG PBTD: 8025'  
CASING: 13-3/8" 48# H-40 ST&C CSA 425' w/350 sx, cmt circ, 17-1/2" hole 0-425'.  
8-5/8" 32# J-55 ST&C CSA 3920' w/1000 sx, cmt circ, 12-1/4" hole 425-3920'.  
5-1/2" 15.5# & 17# K-55 & J-55 LT&C CSA 8070' w/750 sx, TOC 3410' (CBL), 7-7/8" hole  
3920-8070'.  
TUBING: 2 7/8", 6.5#, J-55  
DST: None  
CORES: Core #1 7680-7740' - rec 59'.  
Core #2 7740-7800' - rec 60'.  
Core #3 7800-7860' - rec 60'.  
Core #4 7860-7914' - rec 54'.  
LOGS: 5/27/94: CNL/LDT/GR/CAL/RIT/Sonic.

### INITIAL COMPLETION

6/4/94-6/15/94

Run CCL/CBL/GR log.

6/4/94 **Perf 7848-70' & 7830-47'**, 1 SPF.

6/7/94 **Frac'd 7830-70'** w/66,700 gals gel w/125,000# 16/30 Ottawa sd &  
15,000# resin sd. Flowed well. CO sd to 7938'. Swab & flow well.  
**IP:** 6/18/94 24 hrs F 330 BO, 201 BW, & 280 MCF on 17/64" chk. FTP  
260#, CP 1100#.

6/21/94 **Bass Enterprises took over operations.**



JAMES RANCH UNIT NO. 56  
WELL HISTORY

WORKOVERS

7/12/94-7/14/94

**PLACE ON ARTIFICIAL LIFT**

Set pmpg unit. POH w/tbg. Tally showed PBDT 7910'. Run prod.  
equip. Put well on prod 7/14/94.

**AWO:** 8/30/94 24 hrs P 87 BO, 78 BW, & 103 MCF.

6/19/95 Rod Part

8/22/95 Rod pump failure.

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

# OIL CONSERVATION DIVISION

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

DISTRICT II  
 P. O. Drawer 00  
 Artesia, NM 88210

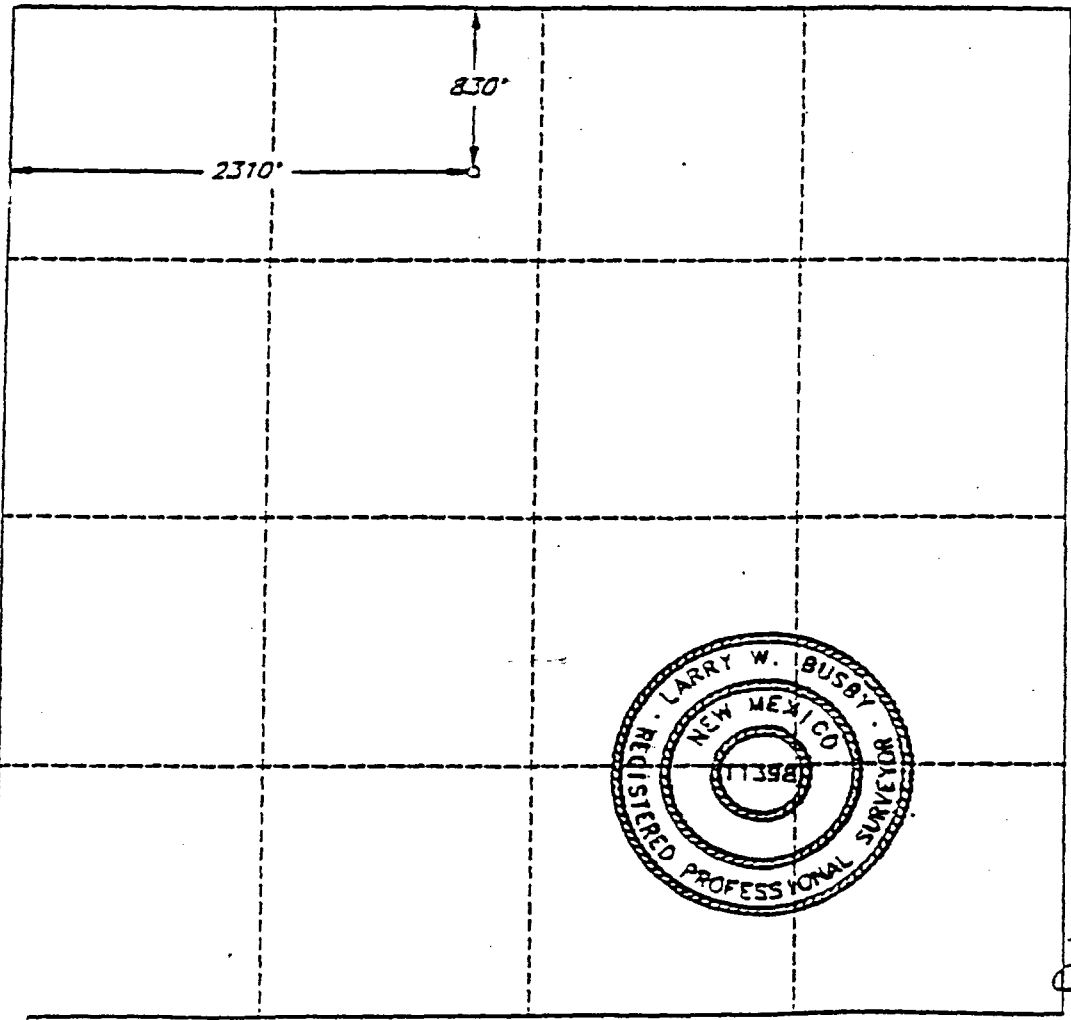
DISTRICT III  
 1000 Rio Brazos Rd  
 Aztec, NM 87410

## WELL LOCATION AND ACREAGE DEDICATION PLAT

All distances must be from the outer boundaries of the section.

Operator <b>SANTA FE ENERGY OPER. PARTNERS, L.P.</b>			Lease <b>James Ranch Unit</b>		Well No. <b>56</b>
Unit Letter <b>C</b>	Section <b>17</b>	Township <b>23 SOUTH</b>	Range <b>31 EAST, N.M.P.M.</b>	County <b>EDDY</b>	
Actual Footage Location of Well					
<b>830</b> feet from the <b>NORTH</b> line and		<b>2310</b> feet from the <b>WEST</b> line			
Ground Level Elev. <b>3321'</b>	Producing Formation <b>Delaware</b>	Pool <b>LOS MEDANOS Sand Dunes, West (Delaware)</b>	<b>40</b>		

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
  - If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
  - If more than one lease of different ownership is dedicated to the well, have the interest of all the owners been consolidated by communitization, unitization, forced-pooling, etc.?
    - Yes  No If answer is "yes", type of consolidation \_\_\_\_\_
    - If the answer is "no", list the owners and tract descriptions which have actually been consolidated. (Use the reverse side of this form if necessary.) \_\_\_\_\_
- No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the division.



### OPERATOR CERTIFICATION

I hereby certify that information herein is true complete to the best of knowledge and belief.

Signature  
*Darrell Roberts*  
 Printed Name  
**Darrell Roberts**

Position  
**Senior Drilling Engineer**  
 Company  
**Santa Fe Energy Oper. P.**

Date  
**November 11, 1993**

### SURVEYOR CERTIFICATION

I hereby certify that well location shown on this was plotted from field notes actual surveys made by me under my supervision, and the same is true and correct to the best of my knowledge and belief.

Date Surveyed  
**SEPTEMBER 29, 1993**

Signature and Seal of Professional Surveyor

Cartridge No.  
**LARRY W. BUSBY R.P.S. #1**  
**JOB NO. 99306 / 485E**

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**CONFIDENTIAL**

FOR APPROVED  
OMB NO. 1004-0137  
Expires December 31, 1991

NOV 8 1994 C-071988-8

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1. TYPE OF WELL: OIL WELL  GAS WELL  DRY  Other \_\_\_\_\_

2. TYPE OF COMPLETION: NEW WELL  WORK OVER  REEXPAN  PLUG BACK  DIFF. REINFR.  Other \_\_\_\_\_

3. NAME OF OPERATOR: Bass Enterprises Production Co.

4. ADDRESS AND TELEPHONE NO.: P.O. Box 2760 Midland, Tx. 79702 (915) 683-2277

5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements):  
At surface 830' FNL & 2310' FWL of Unit Letter C

At top prod. interval reported below  
At total depth same as above

14. PERMIT NO. \_\_\_\_\_ DATE ISSUED 8/8/94  
12. COUNTY OR PARISH: Eddy 13. STATE: NM

15. DATE SPUDDED: 5-13-94 16. DATE T.D. REACHED: 5-28-94 17. DATE COMPL. (Ready to prod.): 6-15-94  
18. ELEVATIONS (OP. RMB. AT. OR. ETC.): 3321' GL - 3333' DF 19. ELEV. CASINGHEAD: \_\_\_\_\_

20. TOTAL DEPTH, MD & TVD: 8070' 21. PLUG. BACK T.D., MD & TVD: 8025' 22. IF MULTIPLE COMPL. HOW MANY?: SINGLE  
23. INTERVALS DRILLED BY: ROTARY TOOLS: 0'-8070' CABLE TOOLS: \_\_\_\_\_

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD): 7830'-7870' (40 HOLES) DELAWARE  
25. WAS DIRECTIONAL SURVEY MADE: NO

26. TYPE ELECTRIC AND OTHER LOGS RUN: DUAL LATEROLOG/MICRO-SFL GR - COMPENSATED NEUTRON LITHO-DENSITY GR  
27. WAS WELL CORRED: YES

28. CASING RECORD (Report all strings set in well)

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
13 3/8"	48#	425'	17 1/2"	CIRC 110SX-350SX CL "C"	NONE
8 5/8"	32#	3920'	12 1/4"	CIRC 64SX-1000SX CL "C"	NONE
5 1/2"	15.5 & 17#	8070'	7 7/8"	T.O.C. 3410'-750SX "C"&"H"	NONE

29. LINER RECORD 30. TUBING RECORD SEATING NIPPLE

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	SEATING INT (MD)
					2 7/8"	7905'	7905'

31. PREPARATION RECORD (Interval, size and number)

PERFS: 7830'-7847'; 7848'-7870' USING 4" CSG GUN (40 HOLES)

32. ACID, SHOT, FRACTURE CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
7830'-7870'	FRAC W/66,700 GALS GEL W/125,000# 16/30 OTTAWA SAND & 15,000# RESIN SAND

33. PRODUCTION

DATE FIRST PRODUCTION: 6-15-94 PRODUCTION METHOD: FLOWING WELL STATUS: PRODUCING

DATE OF TEST: 6-19-94 HOURS TESTED: 24 CHOSE SIZE: 17/64 PROD'N. FOR TEST PERIOD: 330 OIL—BSL: 330 GAS—MCF: 280 WATER—BSL: 201 GAS-OIL RATIO: 848

FLOW. TUBING PRESS. CASING PRESSURE CALCULATED 24-HOUR RATE OIL—BSL: 330 GAS—MCF: 280 WATER—BSL: 201 OIL GRAVITY-API (CORR.) API 42.5

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.): SALES AND L.U.G. TEST WITNESSED BY: [Signature]

35. LIST OF ATTACHMENTS: 2 EACH ABOVE LOGS

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records  
SIGNED: [Signature] TITLE: SENIOR PRODUCTION CLERK DATE: 6-23-94

\*(See Instructions and Spaces for Additional Data on Reverse Side)

Title 18 U.S.C. Section 1001, makes 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.

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries):

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
					MEAS. DEPTH	TRUP VERT. DEPT
			NO DST'S	T/RUSTLER	370'	370'
			CORE NO. 1 7680'-7740' (60')	T/SALT	835'	835'
			CORE NO. 2 7740'-7700' (60')	B/SALT	3790'	3790'
			CORE NO. 3 7800'-7860' (60')	T/LANAR	4020'	4020'
			CORE NO. 4 7860'-7914' (54')	T/DELAWARE		
				MTN. GROUP	4080'	4080'
				T/BONE SPRING	7937'	7937'

38. GEOLOGIC MARKERS

**CONFIDENTIAL**

**WORKSHEET FOR COMMERCIAL DETERMINATION  
AND PARTICIPATING AREA IN FEDERAL UNITS**

**WELL DATA**

WELL \_\_\_\_\_ JAMES RANCH UNIT #57 \_\_\_\_\_ FORMATION \_\_\_\_\_ DELAWARE \_\_\_\_\_  
 LOCATION \_\_\_\_\_ E \_\_\_\_\_ UNIT, \_\_\_\_\_ 2110 FEET FROM \_\_\_\_\_ NORTH LINE & \_\_\_\_\_ 700 FEET FROM \_\_\_\_\_ WEST LINE  
 SECTION \_\_\_\_\_ 17 \_\_\_\_\_ TOWNSHIP \_\_\_\_\_ 23S \_\_\_\_\_, RANGE \_\_\_\_\_ 31E \_\_\_\_\_, COUNTY \_\_\_\_\_ EDDY \_\_\_\_\_, NEW MEXICO  
 SPUD DATE \_\_\_\_\_ 6/12/94 \_\_\_\_\_ COMPLETION DATE \_\_\_\_\_ 7/7/94 \_\_\_\_\_ INITIAL PRODUCTION \_\_\_\_\_ 7/7/94  
 PERFORATIONS \_\_\_\_\_ 7803-43' \_\_\_\_\_

STIMULATION:

ACID \_\_\_\_\_

FRACTURE \_\_\_\_\_ 7803-43', 64,200 GALS GEL + 131,300# 16/30 OTTAWA SAND + 15,160# 16/30 RCS. \_\_\_\_\_

POTENTIAL \_\_\_\_\_ 7/8/94 239 BOPD, 305 MCFPD, 268 BWPD \_\_\_\_\_

(Attach Copy of C-105. Attach Copy of Wellbore Sketch of Completed Well.)

**VOLUMETRIC CALCULATION**

	SANDS PERFORATED	SANDS NOT PERFORATED BUT POTENTIALLY PRODUCTIVE
Area (A) proration unit size, acres	<u>40</u>	_____
Porosity (por), %	<u>12.0%</u>	_____
Water saturation (Sw), %	<u>60%</u>	_____
Net Thickness (h), ft.	<u>67</u>	_____
Temperature (T), Fahrenheit	<u>120</u>	_____
Bottom Hole pressure (P), psia	<u>3,387</u>	_____
Recovery factor (RF), %	<u>16%</u>	_____
Recoverable oil, Bbls *(See eq. below)	<u>106,452</u>	_____

\*Sometimes unable to match performance due to volumetric uncertainty.

Formula =  $(7758) (A) (h) (por) (1-Sw) (1/Bol) (RF)$

Bol = 1.50

**PERFORMANCE DATA**

(If sufficient history exists, attach plot of oil production rate v time.)

CUMULATIVE PRODUCTION TO	<u>11/1/99</u>	<u>44474</u>	BBLs
INITIAL RATE (qi)		<u>299</u>	
ECONOMIC LIMIT (qi)		<u>60</u>	
DECLINE RATE, dy		<u>Hyberbollic d = 14.45% n = .98</u>	
REMAINING OIL (Q) =		<u>31026</u>	
ULTIMATE RECOVERABLE OIL		<u>75500</u>	

(Attach plat showing proration unit and participating area.)

**ECONOMIC**

WELL COST \$ 570,000 (to the depth of formation completed)

RECOMPLETION COST \$ \_\_\_\_\_

TOTAL COST \$ 570,000

YEAR	GROSS OIL	REVENUE	OPERATING COST	10% NET BFIT DISCOUNTED CASH FLOW
ZERO	<u>0</u>	<u>0</u>	<u>0</u>	<u>-570,000</u>
1	<u>10,700</u>	<u>174,400</u>	<u>29,900</u>	<u>141,000</u>
2	<u>11,000</u>	<u>213,600</u>	<u>46,100</u>	<u>151,600</u>
3	<u>8,500</u>	<u>215,900</u>	<u>43,200</u>	<u>141,400</u>
4	<u>5,800</u>	<u>160,800</u>	<u>38,400</u>	<u>90,800</u>
5	<u>4,600</u>	<u>87,600</u>	<u>31,000</u>	<u>38,000</u>
6	<u>3,600</u>	<u>84,600</u>	<u>29,900</u>	<u>33,200</u>
7	<u>3,200</u>	<u>99,500</u>	<u>27,300</u>	<u>39,700</u>
8	<u>2,900</u>	<u>77,100</u>	<u>25,600</u>	<u>25,600</u>
9	<u>2,500</u>	<u>65,100</u>	<u>24,600</u>	<u>18,200</u>
10	<u>2,300</u>	<u>56,600</u>	<u>24,000</u>	<u>13,300</u>
REMAINDER	<u>20,500</u>	<u>506,700</u>	<u>337,000</u>	<u>44,200</u>

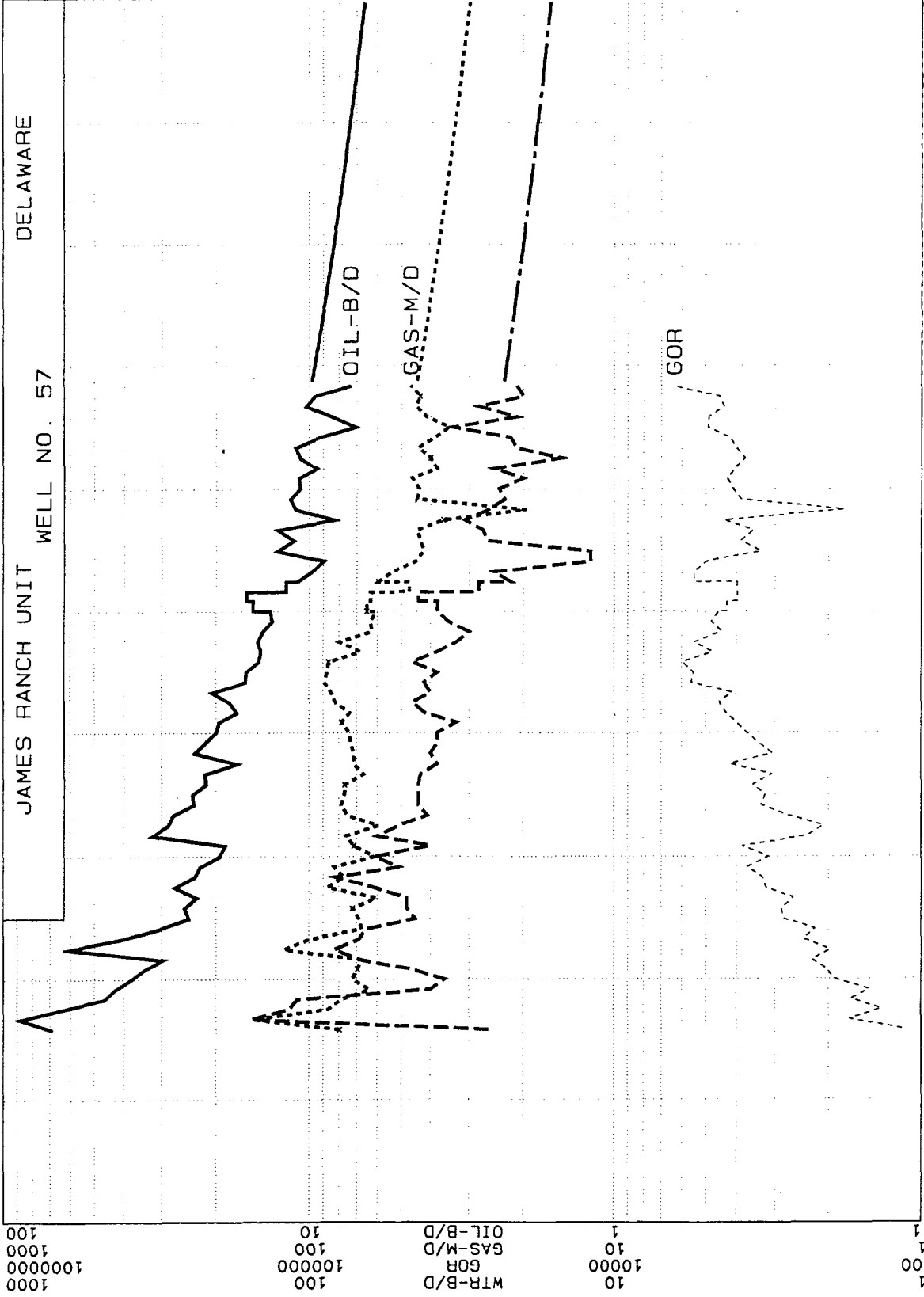
**WELL IS COMMERCIAL**

DELAWARE

WELL NO. 57

JAMES RANCH UNIT

<b>OIL</b>		<b>WTR</b>		<b>GAS/OIL</b>	
Gal=CD	Gal=CD	Gal=CD	Gal=CD	Gal=CD	Gal=CD
Ref= 11/99	Ref= 11/99	Ref= 11/99	Ref= 11/99	Ref= 11/99	Ref= 11/99
Cum= 44.474	Cum= 87.168	Cum= .000	Cum= 83.890	Cum= .000	Cum= 134.074
Rem= 34.340	Rem= 87.168	Rem= 83.890	Rem= 21.084	Rem= .000	Rem= 155.665
EUR= 78.814	EUR= 22.664	EUR= 21.084	EUR= 705.9	EUR= 22.664	EUR= 289.739
Yrs= 22.664	Yrs= 14.445	Yrs= 12.609	Yrs= .995	Yrs= 4.5	Yrs= 22.664
G1= 299.3	G1= .980	G1= 12.609	G1= .995	G1= .000	G1= .0
De= 14.445	De= .59.9	De= 12.609	De= .995	De= .000	De= .000
n= .980	n= .59.9	n= 12.609	n= .995	n= .000	n= .000
gab= .59.9	gab= .59.9	gab= 169.0	gab= 169.0	gab= 4.5	gab= .0



DATE

1000  
100  
10  
1

1000  
100  
10  
1

1000  
100  
10  
1

JAMES RANCH UNIT #57  
 PREPARED BY: KENT ADAMS

DATE : 02/08/00  
 TIME : 07:54:18  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 6

ITEM	SCHEDULING RATES	INPUT DATA		PROCEDURE	ULTIMATE	CALCULATED DATA				
		SCHEDULE UNTIL	PROCEDURE			LAST	EFF. DECL.	INT. RATE	FINAL RATE	
405 START	11/99									
410 OIL	299.34	X	B/M	H/0.980	14.44	70.387	3/13	14.44	299.	96.
415 "	95.90	X	B/M	EXP	5.00	78.814	6/22	5.00	96.	60.
420 GAS/OIL	4.53		M/B	LN	TIME		12/96			
425 WTR	705.93	X	B/M	H/0.995	12.61	60.973	12/11	12.61	706.	267.
430 "	266.94	X	B/M	EXP	5.00	83.890	11/20	5.00	267.	169.
435 START	7/94									
516 PRI/OIL	16.8800	X	\$/B	PC	.00		1/95		16.880	16.880
517 "	18.39	X	\$/B	PC	.00		1/96		18.390	18.390
518 "	22.26	X	\$/B	PC	.00		1/97		22.260	22.260
519 "	20.74	X	\$/B	PC	.00		1/98		20.740	20.740
520 "	14.43	X	\$/B	PC	.00		1/99		14.430	14.430
521 "	19.25	X	\$/B	PC	.00		1/2000		19.250	19.250
522 "	24.94	X	\$/B	PC	.00		1/2001		24.940	24.940
523 "	20.67	X	\$/B	PC	.00		1/2002		20.670	20.670
524 "	19.20	X	\$/B	PC	.00		1/2003		19.200	19.200
525 "	18.18	X	\$/B	PC	.00		1/2004		18.180	18.180
526 "	18.13	X	\$/B	PC	.00		TO		18.130	18.130
531 PRI/GAS	1.8900	X	\$/M	PC	.00		1/95		1.890	1.890
532 "	1.94	X	\$/M	PC	.00		1/96		1.940	1.940
533 "	2.61	X	\$/M	PC	.00		1/97		2.610	2.610
534 "	2.59	X	\$/M	PC	.00		1/98		2.590	2.590
535 "	2.11	X	\$/M	PC	.00		1/99		2.110	2.110
536 "	2.27	X	\$/M	PC	.00		1/2000		2.270	2.270
537 "	2.60	X	\$/M	PC	.00		1/2001		2.600	2.600
538 "	2.58	X	\$/M	PC	.00		1/2002		2.580	2.580
539 "	2.57	X	\$/M	PC	.00		TO		2.570	2.570
544 PRI/WTR	.5000		\$/U	PC	.00		1/2000		.500	.500
545 "	.08	X	\$/U	PC	.00		TO		.080	1.940
550 OPC/T	1600.00	X	\$/M	SCH	OPC		6/22		1600.000	1600.000
555 STX/OIL	7.08	X	\$	PC	.00		6/22		.071	.071
560 STX/GAS	7.93	X	\$	PC	.00		6/22		.079	.079
565 ATX	.17	X	\$	PC	.00		6/22		.002	.002
570 PRI/OIL	-.9100		\$/B	PC	.00		6/22		-.910	18.130
575 PRI/GAS	-.1300		\$/M	PC	.00		6/22		-.130	2.570
700 LSE/WI	100.0000	D	\$	FLAT	.00		6/22		1.000	1.000
701 OWM/WI	100.0000	D	\$	FLAT	.00		6/22		1.000	1.000
720 LSE/RIC	12.5000	D	\$	FLAT	.00		6/22		.125	.125
721 OWM/RI	.0000	D	\$	FLAT	.00		6/22			



740 LSE/RIG	12.5000	D	TO	LIFE	PLAT	.00	6/22	.125	.125
760 LSE/RRR	.0000	D	TO	LIFE	PLAT	.00	6/22		
761 OWN/RRR	.0000	D	TO	LIFE	PLAT	.00	6/22		

OVERLAYS	SCHEDULING RATES	SCHEDULE UNTIL	PROCEDURE	ULTIMATE	LAST	EFP. DECL	INIT. RATE	FINAL RATE
905 LOAD	P.OIL OIL #			44.694	2/00			
910 LOAD	P.GAS GAS #			135.472	2/00			
915 LOAD	P.WATER WTR #			87.168	2/00			

INVESTMENT	TANGIBLES & INTANGIBLES	TIME	PROCEDURE	TOTAL T&I	MONTH	RISK INV.	TOT. T&I&R	ESC. T&I&R
800 DRILL	240.00	330.00 M\$G	07/94 AD	570.000	7/94		570.0	570.0
801 SALVAGE	-24.00	.00 M\$G	TO LIFE	-24.000	6/22		-24.0	-24.0

RESERVE PARAMETERS	ITEM	ITEM
201 LOSS	NO	
205 CUMO, MB	44.47	CUMG, MMF 134.07
210 LOSS	NO	CUML, MB

PROJECT ASSUMPTIONS

BASE DATE : 7/94 TIME FRAMES : 1\*6 38\*12 1\*600

P.W. DATE : 7/94 PW & -AGR : 10.0 DISC. FREQUENCY : 365.

REPORT DATE : 7/94 PROD QUAL : CD OWNER QUAL : CD OTHER QUAL : CD

R E S E R V E S A N D E C O N O M I C S  
 EFFECTIVE DATE: 7/94

24.9 YR  
 TOTAL

PERIOD ENDING	12/94	12/95	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	S TOT	AFTER	TOTAL
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OWNERSHIP													
1) WORKING INTEREST, \$	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
2) REVENUE INTEREST, \$	87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500

INVESTMENTS, M\$

3) BORROWED CAPITAL	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4) EQUITY INVESTMENTS	570.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	570.0
5) RISK	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) TOTAL	570.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	570.0

OIL PHASE

8) GROSS OIL, MB	10.7	11.0	8.5	5.8	4.6	3.6	3.2	2.9	2.5	2.3	55.0	20.5	75.5
9) NET OIL, MB	9.3	9.6	7.4	5.1	4.0	3.1	2.8	2.5	2.2	2.0	48.2	17.9	66.1
10) OIL REVENUE, M\$	149.2	168.5	158.5	100.9	54.2	57.7	67.3	49.3	40.6	34.5	880.8	308.5	1189.3
11) OIL PRICE, \$/B	15.97	17.48	21.35	19.83	13.52	18.34	24.03	19.76	18.29	17.27	18.29	17.22	18.00

GAS PHASE

12) GROSS GAS, MMF	16.3	28.4	26.5	27.9	19.3	14.4	14.9	12.9	11.5	10.3	182.4	92.8	275.2
13) NET GAS, MMF	14.3	24.9	23.1	24.4	16.9	12.6	13.0	11.3	10.1	9.1	159.6	81.2	240.8
14) GAS REVENUE, M\$	25.2	45.1	57.4	60.0	33.4	26.9	32.2	27.7	24.5	22.1	354.4	198.2	552.6
15) GAS PRICE, \$/MCF	1.760	1.810	2.480	2.460	1.980	2.140	2.470	2.450	2.440	2.440	2.221	2.440	2.295

WATER PHASE

16) GROSS WATER, MB	14.8	22.1	15.8	14.0	10.3	8.8	7.7	6.9	6.2	5.7	112.4	33.0	145.4
17) NET WATER, MB	14.8	22.1	15.8	14.0	10.3	8.8	7.7	6.9	6.2	5.7	112.4	33.0	145.4
18) WATER PRICE, \$/B	.500	.500	.500	.500	.500	.500	.080	.080	.080	.080	.401	.080	.328

ECONOMICS, M\$

19) GROSS REV. TO INTR.	174.4	213.6	215.9	160.8	87.6	84.6	99.5	77.1	65.1	56.6	1235.2	506.7	1741.9
20) - SEV. TAX	12.6	15.5	15.8	11.9	6.5	6.2	7.3	5.7	4.8	4.2	90.5	37.6	128.0
22) - AD VALOREM TAX	.3	.3	.3	.3	.1	.1	.2	.1	.1	.1	1.9	.8	2.7
23) - OPERATING COSTS	9.6	19.2	19.2	19.2	19.2	19.2	19.2	19.2	19.2	19.2	182.4	296.0	478.4
24) - SMD	7.4	11.1	7.9	7.0	5.2	4.4	.6	.6	.5	.5	45.1	2.6	47.7
25) - CAPITAL REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
28) = NET INCOME	144.6	167.4	172.7	122.5	56.6	54.6	72.2	51.5	40.5	32.7	915.3	169.7	1085.0
29) - INVESTMENTS & RSK	570.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	570.0	-24.0	546.0
30) = BFIT NET	-425.4	167.4	172.7	122.5	56.6	54.6	72.2	51.5	40.5	32.7	345.3	193.7	539.0

PRESENT WORTH @ 10.00 %

31) NET INCOME	141.0	151.6	141.4	90.8	38.0	33.2	39.7	25.6	18.2	13.3	692.7	44.2	736.8
32) INVESTMENTS & RISK	570.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	570.0	-2.0	568.0
33) BFIT NET	-429.0	151.6	141.4	90.8	38.0	33.2	39.7	25.6	18.2	13.3	122.7	46.2	168.8
34) CUM BFIT NET	-429.0	-277.4	-136.0	-45.2	-7.2	25.9	65.6	91.2	109.4	122.7	122.7	168.8	168.8

A F T E R T A X E C O N O M I C S

DATE : 02/08/00  
 TIME : 07:54:18  
 DBS FILE : JRUDA  
 SETUP FILE : CD  
 SEQ NUMBER : 6

EFFECTIVE DATE: 7/94

PERIOD ENDING	12/94	12/95	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	S TOT	AFTER	TOTAL
24.9 YR													
TAX TREATMENT OF INVESTMENTS, M\$													
1) EXP. RISK & CAP INT	330.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	330.0	.0	330.0
2) DEPLETABLE	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
3) DEPRECIABLE	240.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	240.0	-24.0	216.0

TAX CALCULATIONS, M\$

4) GROSS REV. TO INTR.	174.4	213.6	215.9	160.8	87.6	84.6	99.5	77.1	65.1	56.6	1235.2	506.7	1741.9
5) - SEVERANCE TAX	12.6	15.5	15.8	11.9	6.5	6.2	7.3	5.7	4.8	4.2	90.5	37.6	128.0
6) - WPT TAX NET	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) - OPR. COSTS & ATX	17.3	30.6	27.4	26.5	24.5	23.8	20.0	19.9	19.8	19.7	229.4	299.4	528.9
8) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
9) - OVERHEAD	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
10) - EXPENSED INV.	330.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	330.0	.0	330.0
11) - DEPRECIATION	17.1	46.5	50.4	36.0	25.7	21.4	21.4	21.4	21.4	.0	240.0	.0	240.0
12) = NET	-202.6	120.9	122.3	86.5	30.9	33.2	50.8	30.1	40.5	32.7	345.3	169.7	515.0
13) - DEPLETION	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
14) - INTEREST PD & CAP	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
15) = TAXABLE	-202.6	120.9	122.3	86.5	30.9	33.2	50.8	30.1	40.5	32.7	345.3	169.7	515.0
16) * TAX RATE, %	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0
17) - TAX CREDIT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
18) - WPT REFUND	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
19) = F.I.T.	-70.9	42.3	42.8	30.3	10.8	11.6	17.8	10.5	14.2	11.4	120.9	59.4	180.2
20) REVENUE-SEV-WPT	161.8	198.1	200.1	149.0	81.1	78.4	92.2	71.4	60.3	52.4	1144.8	469.1	1613.9
21) - OPR. COSTS & ATX	17.3	30.6	27.4	26.5	24.5	23.8	20.0	19.9	19.8	19.7	229.4	299.4	528.9
22) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
23) - F.I.T.	-70.9	42.3	42.8	30.3	10.8	11.6	17.8	10.5	14.2	11.4	120.9	59.4	180.2
24) = A.F.I.T.	215.5	125.1	129.9	92.2	45.8	43.0	54.4	41.0	26.3	21.2	794.5	110.3	904.7
25) - LOAN REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) = NET INCOME	215.5	125.1	129.9	92.2	45.8	43.0	54.4	41.0	26.3	21.2	794.5	110.3	904.7
28) - INVESTMENTS & RSK	570.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	570.0	-24.0	546.0
29) = A.F.I.T. NET	-354.5	125.1	129.9	92.2	45.8	43.0	54.4	41.0	26.3	21.2	224.5	134.3	358.7

PRESENT WORTH @ 10.00 %

30) NET INCOME	210.2	113.3	106.4	68.3	30.7	26.1	29.9	20.4	11.8	8.6	625.7	28.7	654.4
31) INVESTMENTS & RISK	570.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	570.0	-2.0	568.0
32) A.F.I.T. NET	-359.8	113.3	106.4	68.3	30.7	26.1	29.9	20.4	11.8	8.6	55.7	30.7	86.4
33) CUM. A.F.I.T. NET	-359.8	-246.6	-140.2	-71.8	-41.1	-15.0	14.9	35.2	47.1	55.7	55.7	86.4	86.4

JAMES RANCH UNIT #57  
 PREPARED BY: KENT ADAMS

DATE : 02/08/00  
 TIME : 07:54:18  
 DBS FILE : CRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 6

ECONOMIC INDICATORS

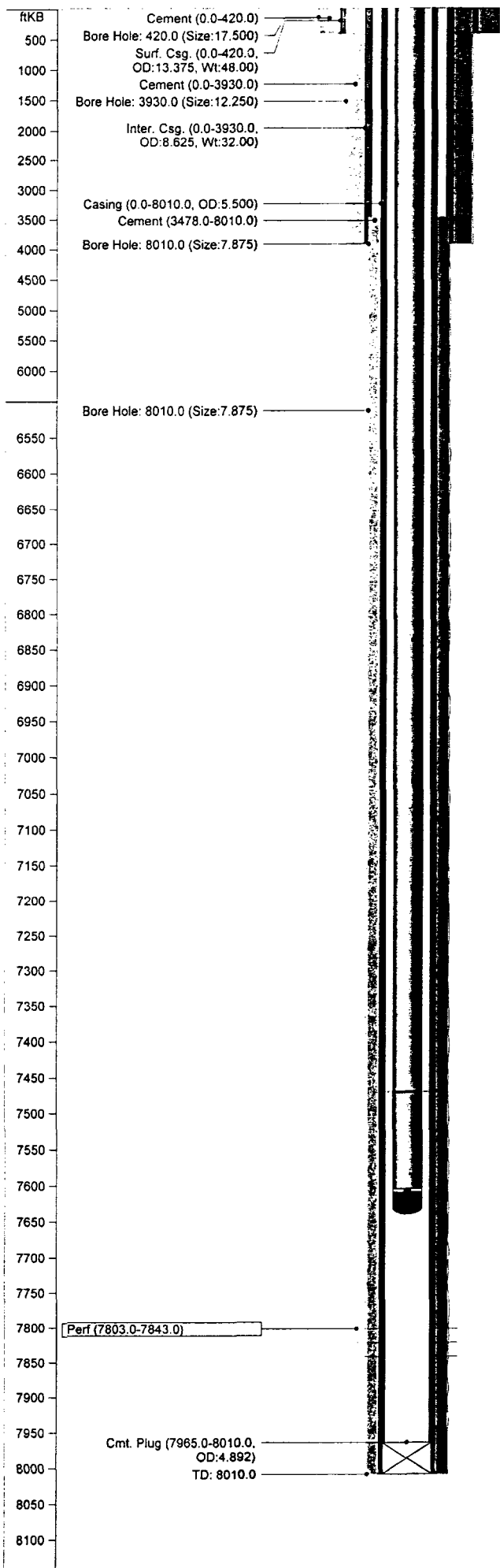
AS OF DATE: 7/94

B.F.I.T. WORTH M\$-----	A.F.I.T. WORTH M\$-----	A.F.I.T. BONUS M\$-----
-------------------------------	-------------------------------	-------------------------------

PRESENT WORTH PROFILE AND  
 RATE-OF-RETURN VS. BONUS TABLE

0.	538,998	358,749	551,921
2.	434,682	282,071	408,661
5.	312,834	192,596	262,080
6.	279,139	167,821	224,747
8.	219,681	124,008	161,678
10.	168,842	86,402	110,242
20.	-5,286	-44,207	-52,825
30.	-108,635	-123,745	-142,918
40.	-178,128	-178,370	-201,614
50.	-228,513	-218,678	-243,444
60.	-266,920	-249,899	-275,035
70.	-297,255	-274,945	-299,891
80.	-321,860	-295,582	-320,058
90.	-342,232	-312,945	-336,814
100.	-359,381	-327,804	-351,007

RATE OF RETURN, PCT.	19.7	16.6
UNDISCOUNTED PAYOUT, YRS.	3.20	3.66
DISCOUNTED PAYOUT, YRS.	4.72	6.00
UNDISCOUNTED NET/INVEST.	1.99	1.66
DISCOUNTED NET/INVEST.	1.30	1.15



JAMES RANCH UNIT #57			
API No.	3001527887	Status	ACT OIL
TD	8010.0 ftKB	Engineer	CAA
PBTD	7965.0 ftKB		
Operator	BEPCO	Permit	
Well No.	57	Spud	6/12/94
ID Code	CHMXDLVE.057	RR	6/24/94
Field	LOS MEDANOS	Completion	7/7/94
Author	RAS	Last Act.	
Date Updated	1/27/98	Abandoned	
Comments	Drilled by Santa Fe		

Location			
Township	S023	Top Latitude	0
		Top Longitude	0
Range	E031	Top NS Distance	2110.0 ft N
		Top EW Distance	700.0 ft W
Section	17	Bottom Latitude	0
Unit Ltr.	E	Bottom Longitude	0
State	New Mexico	Btm NS Distance	0.0 ft
County	Eddy	Btm EW Distance	0.0 ft

Elevations			
KB	3327.0 ft	Cas Flng	0.0 ft
Grd	3314.0 ft	Tub Head	0.0 ft
KB-Grd	13.0 ft		

Casing String - Surface Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt (lb/ft)	Grd	Thd
13 3/8 in Surf. Csg.	0.0	420.0	10	12.720	48.00	H-40	STC

Casing String - Intermediate Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt (lb/ft)	Grd	Thd
8 5/8 in Inter. Csg.	0.0	3930.0	90	7.921	32.00	K-55	STC

Casing String - Production Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt (lb/ft)	Grd	Thd
5 1/2 in Casing	0.0	8010.0	189	4.892	0.00		LTC

Casing Cement			
Casing String	Top (ftKB)	Amount (sx)	Comments
Surface Casing	0.0	325	
Intermediate Casing	0.0	800	
Production Casing	3478.0	675	

Tubing String - Primary Tubing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt (lb/ft)	Grd	Thd
2 7/8 in Tbg.	0.0	7470.0		2.441	6.50	J-55	
4 57/64 in TAC	7470.0	7473.0		0.000	0.00		
2 7/8 in Tbg.	7473.0	7605.0		2.441	6.50	J-55	
2 7/8 in SN	7605.0	7606.0		0.000	0.00		
2 7/8 in PS	7606.0	7610.0		0.000	0.00		
2 7/8 in Mud Anchor	7610.0	7642.0		0.000	0.00		

Other (plugs, equip., etc.) - Plug Backs		
Date	Item	Int (ftKB)
6/23/94	Cmt. Plug	7965.0 - 8010.0

Perforations			
Date	Int	Shots (/ft)	Status
6/28/94	7803.0 - 7843.0	1.0	

Stimulations & Treatments					
Date	Type	Interval	Fluid	Sand	Comments
6/30/94	Sand Frac	7803.0 - 7843.0			

## WELL HISTORY

WELL NAME: James Ranch Unit No. 57  
FIELD NAME: Los Medanos (Delaware)  
LOCATION: 2110' FNL & 700' FWL, Sec 17, T23S, R31E, Ut E,  
Eddy County, New Mexico  
ELEV: 3314' GL, 3327' KB  
SPUD DATE: 6/12/94  
COMP DATE: 7/7/94  
ORIG TD: 8010'  
ORIG PBTD: 7965'  
CASING: 13-3/8" 48# H-40 ST&C CSA 420' w/325 sx, cmt circ, 17-1/2" hole 0-425'.  
8-5/8" 32# K-55 ST&C CSA 3930' w/800 sx, cmt circ, 11" hole 425-3930'.  
5-1/2" 15.5# & 17# CSA 8010' w/675 sx, TOC 3478' (CBL), 7-7/8" hole 3930-8010'.  
TUBING: 2-7/8" 6.5# J-55  
DST: None  
CORES & LOGS: 6/23/94 - CNL/LDT/GR/DIL/SFL

### INITIAL COMPLETION

6/28/94-7/21/94

Ran CBL. TOC 3478'.  
6/28/94 **Perf 7803-43'**, 1 SPF. **Frac'd 7803-43'** w/64,200 gals gel, 131,310#  
16/30 Ottawa ad & 15,160# 16/30 resin coated sd, flush w/185 bbls  
gel. Flwd well. Tag sd @ 7850', CO to 7965'. Swab & flow well.  
**IP:** 7/8/94 24 hr F 239 BO, 268 BW, 305 MCF on 30/64" chk. FTP  
120#, CP 340#.

### WORKOVERS

7/9/94 **Turn operations over to Bass Enterprises.** Flwd well. Tag PBTD @  
7898'. Install pmpg equip. Put well on prod.  
**IP:** 8/30/94 24 hrs P 76 BO, 118 BW, & 67 MCF.  
1/6/95 ROD FAILURE.  
3/14/95 ROD PUMP FAILURE.  
6/2/95 ROD PUMP FAILRUE.  
1/5/96 ROD PUMP FAILURE.  
8/15/96 ROD PUMP FAILURE.

# CONFIDENTIAL OPERATOR'S COPY

UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED  
(See other instructions on reverse side)

FOR APPROVED  
OMB NO. 1004-0117  
Expires: December 31, 1991

1. LEASE DESIGNATION AND SERIAL NO.  
LC - 071988-B

2. IF INDIAN, ALLOTTEE OR TRIBE NAME

3. UNIT AGREEMENT NAME  
James Ranch Unit

4. FARM OR LEASE NAME, WELL NO.  
James Ranch Unit #57

5. API WELL NO.  
30-015-27887

6. FIELD AND POOL OR WILDCAT  
Los Medanos (Delaware)

7. SEC. T., R. M., OR BLOCK AND SURVEY OR AREA  
Sec. 17, T23S, R31E

8. COUNTY OR PARISH  
Eddy

9. STATE  
N.M.

## WELL COMPLETION OR RECOMPLETION REPORT AND LOG \*

1a. TYPE OF WELL. OIL WELL  GAS WELL  DRY  OIL WELL 9 52 AM '91

1b. TYPE OF COMPLETION:  
NEW WELL  WORK OVER  DEEP-EN  PLUG BACK  DIFF. REPAIR  Other GARI

2. NAME OF OPERATOR  
Bass Enterprises Production Co.

3. ADDRESS AND TELEPHONE NO.  
P.O. Box 2760 Midland, Tx. 79702-2760 (915) 683-2277

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)  
At surface 2110' FNL & 700' FWL Unit E

At top prod. interval reported below

At total depth same as above

14. PERMIT NO. \_\_\_\_\_ DATE ISSUED \_\_\_\_\_

15. DATE SPUNDED 6-12-94 16. DATE T.D. REACHED 6-23-94 17. DATE COMPL. (Ready to prod.) 7-7-94 18. ELEVATIONS (DP, RKB, RT, GE, ETC.)\* 3314' GR 19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD 8010' 21. PLUG. BACK T.D., MD & TVD 7965' 22. IF MULTIPLE HOW MANY? single 23. INTERVALS DRILLED BY p-8010' ROTARY TOOLS CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD):  
7803'-7843' (Delaware) 40 holes

25. WAS DIRECTIONAL SURVEY MADE no

26. TYPE ELECTRIC AND OTHER LOGS R/C/M  
GR-CNL-LDT, GR-DIL-SFL

27. WAS WELL CORED no

28. CASING RECORD (Report all strings set in well)

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
13 3/8"	48#	420'	17 1/2"	Circ-325 sx Class C	none
8 5/8"	32#	3930'	11"	Circ-1000 sx Class C	none
5 1/2"	15.5# & 17#	8010'	7 7/8"	CBL 3478'-675 sx CI C & H	none

29. none LINER RECORD 30. TUBING RECORD seating nipple

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	X BACKS X MD (MD)
					2 7/8"	7862	7862

31. PREPARATION RECORD (Interval, size and number)  
4" casing gun 1 JSPF 120 deg phased  
7803'-7843' (40 holes)

32. ACID. SHOT. FRACTURE CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
7803'-7843'	Frac: 64,200 gal gel & 131,310# 16/30 Ottawa Sand 15,160# 16/30 resin coated sand

33. PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)	WELL STATUS (Producing or shut-in)					
7-7-94	pumping 2 1/2" x 1 1/2" x 24' RHBC	producing					
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
7-8-94	24			239	305	268	1276
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)	
120	340		239	305	268	42.5	

34. DISPOSITION OF GAS (Bold, used for fuel, vented, etc.)  
Sales & Lease use

TEST WITNESSED BY \_\_\_\_\_

35. LIST OF ATTACHMENTS  
2 each of above logs

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED [Signature] TITLE Sr. Production Clerk DATE 7-14-94

SJS  
1994  
CARLSBAD, NEW MEXICO

\*(See Instructions and Spaces for Additional Data on Reverse Side)

Title 18 U.S.C. Section 1001, makes 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.

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

**OIL CONSERVATION DIVISION**  
 P. O. Box 2088  
 Santa Fe, New Mexico 87504-2088

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

**DISTRICT III**  
 7000 Rio Arcos Rd  
 Aztec, NM 87410

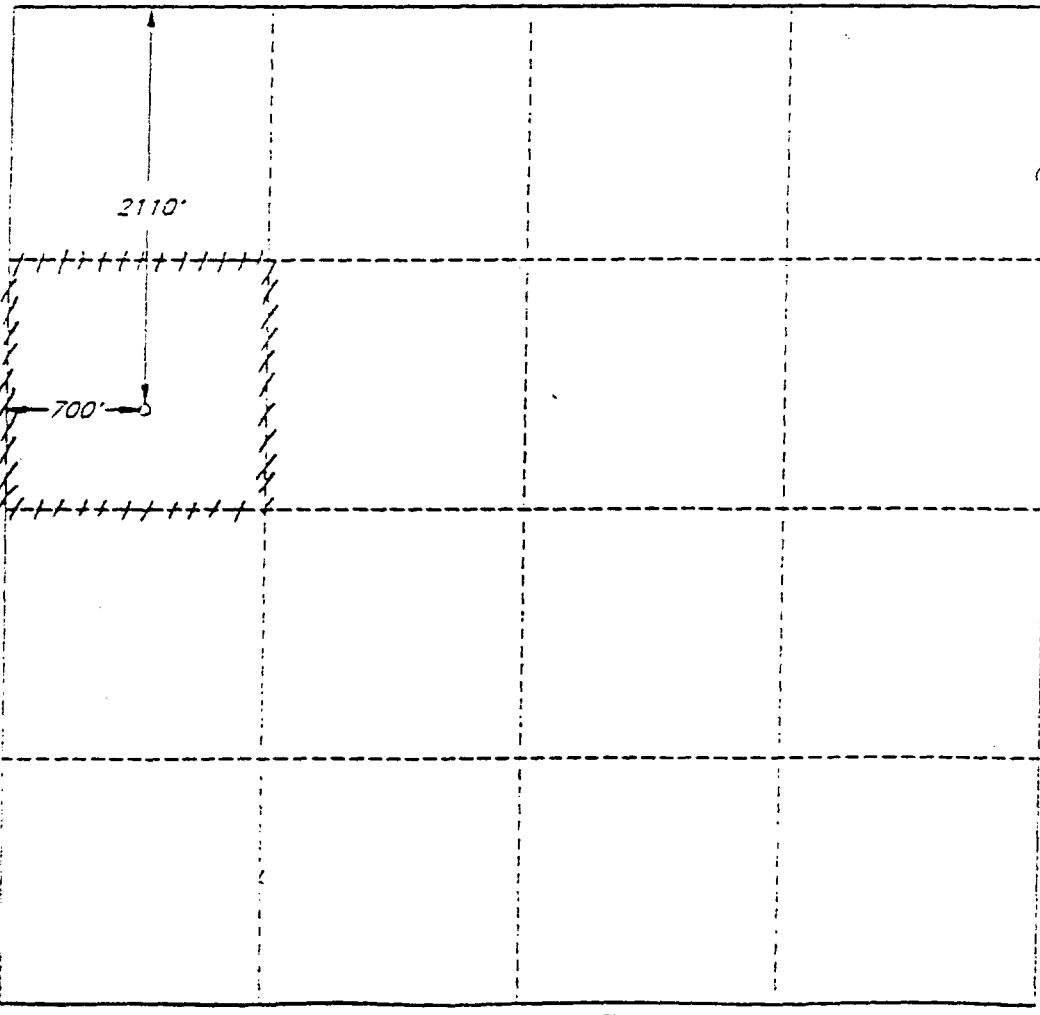
**WELL LOCATION AND ACREAGE DEDICATION PLAT**  
 All distances must be from the outer boundaries of the section.

Operator <b>SANTA FE ENERGY OPER. PARTNERS, L.P.</b>		Lease <b>JAMES RANCH UNIT FEDERAL</b>		Well No. <b>57</b>
Unit Letter <b>E</b>	Section <b>17</b>	Township <b>23 SOUTH</b>	Range <b>31 EAST, N.M.P.M.</b>	County <b>EDDY</b>

Actual Footage Location of Well				
<b>2110</b>	feet from the	<b>NORTH</b>	line and	<b>700</b>
				feet from the
				<b>WEST</b>
				line

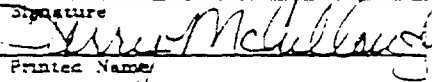
Ground Level Elev. <b>3312'</b>	Producing Formation <b>Delaware</b>	Pool <b>Sand Dunes, W. (Delaware)</b>	<b>40</b>	Acres
------------------------------------	--	--	-----------	-------

- Outline the acreage dedicated to the subject well by colored pencil or natchure marks on the plat below.
  - If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
  - If more than one lease of different ownership is dedicated to the well, have the interest of all the owners been consolidated by communitization, unitization, forced-pooling, etc.?
    - Yes  No. If answer is "yes", type of consolidation \_\_\_\_\_
    - If the answer is "no", list the owners and tract descriptions which have actually been consolidated. (Use the reverse side of this form if necessary.) \_\_\_\_\_
- No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the division.



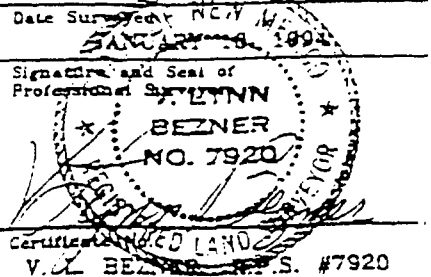
**OPERATOR CERTIFICATION**

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

Signature  
  
 Printed Name  
**Terry McCullough**  
 Position  
**Sr. Production Clerk**  
 Company  
**Santa Fe Energy Operating Partners, L.P.**  
 Date  
**February 10, 1994**

**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 knowledge and belief.

Date Surveyed  
**FEBRUARY 10, 1994**  
 Signature and Seal of Professional Surveyor  
  
**V.L. BEZNAR P.S. #7920**



37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries):

38. GEOLOGIC MARKERS

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
					MEAS. DEPTH	TRUE VERT. DEPTH
			No DST's	T/Rustler	350'	350'
			No Cores	T/Salt	816'	816'
				B/Salt	3782'	3782'
				T/Lamar	4011'	4011'
				T/Delaware	4038'	4038'
				Mtn. Group		
				T/Bone Spring		
				Lime	7900'	7900'

**CONFIDENTIAL**

**WORKSHEET FOR COMMERCIAL DETERMINATION  
AND PARTICIPATING AREA IN FEDERAL UNITS**

**WELL DATA**

WELL JAMES RANCH UNIT NO. 65 FORM# DELAWARE

LOCATION B UNIT, 330 FEET FROM N LINE & 2310 FEET FROM E LINE

SECTION 6 TOWNSHIP 23S, RANGE 31E, COUN' EDDY, NEW MEXICO

SPUD DATE 7/8/96 COMPLETION DATE 3/9/97 INITIAL PRODUCTION 3/17/97

PERFORATIONS 7626-36'

STIMULATION:

**ACID** 200 GALS 15% HCL

**FRACTURE** 14,085 GALS YF 130 + 61,000# 20/40 OTTAWA SAND + 15,000# 20/40 SB ULTRA.

POTENTIAL 3/23/97 142 BO + 16 BW + 161 MCFG

(Attach Copy of C-105. Attach Copy of Wellbore Sketch of Completed Well.)

**VOLUMETRIC CALCULATION**

	SANDS PERFORATED	SANDS NOT PERFORATED BUT POTENTIALLY PRODUCTIVE
Area (A) proration unit size, acres	<u>40</u>	<u>40</u>
Porosity (por), %	<u>12.0%</u>	<u>15.0%</u>
Water saturation (Sw), %	<u>60%</u>	<u>63%</u>
Net Thickness (h), ft.	<u>44</u>	<u>11</u>
Temperature (T), Fahrenheit	<u>120</u>	<u>120</u>
Bottom Hole pressure (P), psia	<u>3,305</u>	<u>3,191</u>
Recovery factor (RF), %	<u>16%</u>	<u>10%</u>
Recoverable oil, BBLS *(See eq. below)	<u>69,909</u>	<u>12,630</u>

\*Sometimes unable to match performance due to volumetric uncertainty.

Formula =  $(7758) (A) (h) (por) (1-Sw) (1/Boi) (RF)$

Boi = 1.50

**PERFORMANCE DATA**

(If sufficient history exists, attach plot of oil production rate v time.)

CUMULATIVE PRODUCTION TO	<u>11/30/99</u> ; <u>30736</u> BBLs	
	PRODUCING	BEHIND PIPE
INITIAL RATE (q <sub>i</sub> )	<u>570</u>	<u>578</u>
ECONOMIC LIMIT (q <sub>e</sub> )	<u>60</u>	<u>60</u>
DECLINE RATE, d <sub>y</sub> (Hyperbolic, n = .995)	<u>22.57%</u>	<u>43.12%</u>
REMAINING OIL (Q) =	<u>50,964</u>	<u>10,000</u>
ULTIMATE RECOVERABLE OIL	<u>91,700</u>	

(Attach plot showing proration unit and participating area.)

**ECONOMIC**

WELL COST \$ 570,000 (to the depth of formation completed)

RECOMPLETION COST \$ 65,000 (9/2000)

TOTAL COST \$ 635,000

YEAR	GROSS OIL	REVENUE	OPERATING COST	10% NET BFIT DISCOUNTED CASH FLOW
ZERO	<u>0</u>	<u>0</u>	<u>0</u>	<u>-570,000</u>
1	<u>11,900</u>	<u>260,700</u>	<u>36,200</u>	<u>215,400</u>
2	<u>11,100</u>	<u>167,100</u>	<u>32,300</u>	<u>118,100</u>
3	<u>7,400</u>	<u>166,900</u>	<u>32,200</u>	<u>106,700</u>
4	<u>7,500</u>	<u>224,700</u>	<u>37,200</u>	<u>134,500</u>
5	<u>8,500</u>	<u>222,200</u>	<u>38,300</u>	<u>119,300</u>
6	<u>6,100</u>	<u>151,600</u>	<u>32,300</u>	<u>70,000</u>
7	<u>4,800</u>	<u>114,100</u>	<u>29,100</u>	<u>45,100</u>
8	<u>3,900</u>	<u>93,600</u>	<u>27,300</u>	<u>31,800</u>
9	<u>3,300</u>	<u>79,400</u>	<u>26,100</u>	<u>23,200</u>
10	<u>2,900</u>	<u>69,000</u>	<u>25,200</u>	<u>17,200</u>
REMAINDER	<u>24,200</u>	<u>584,700</u>	<u>367,800</u>	<u>54,400</u>

**WELL IS COMMERCIAL**

JAMES RANCH UNIT  
 WELL NO. 65  
 DELAWARE

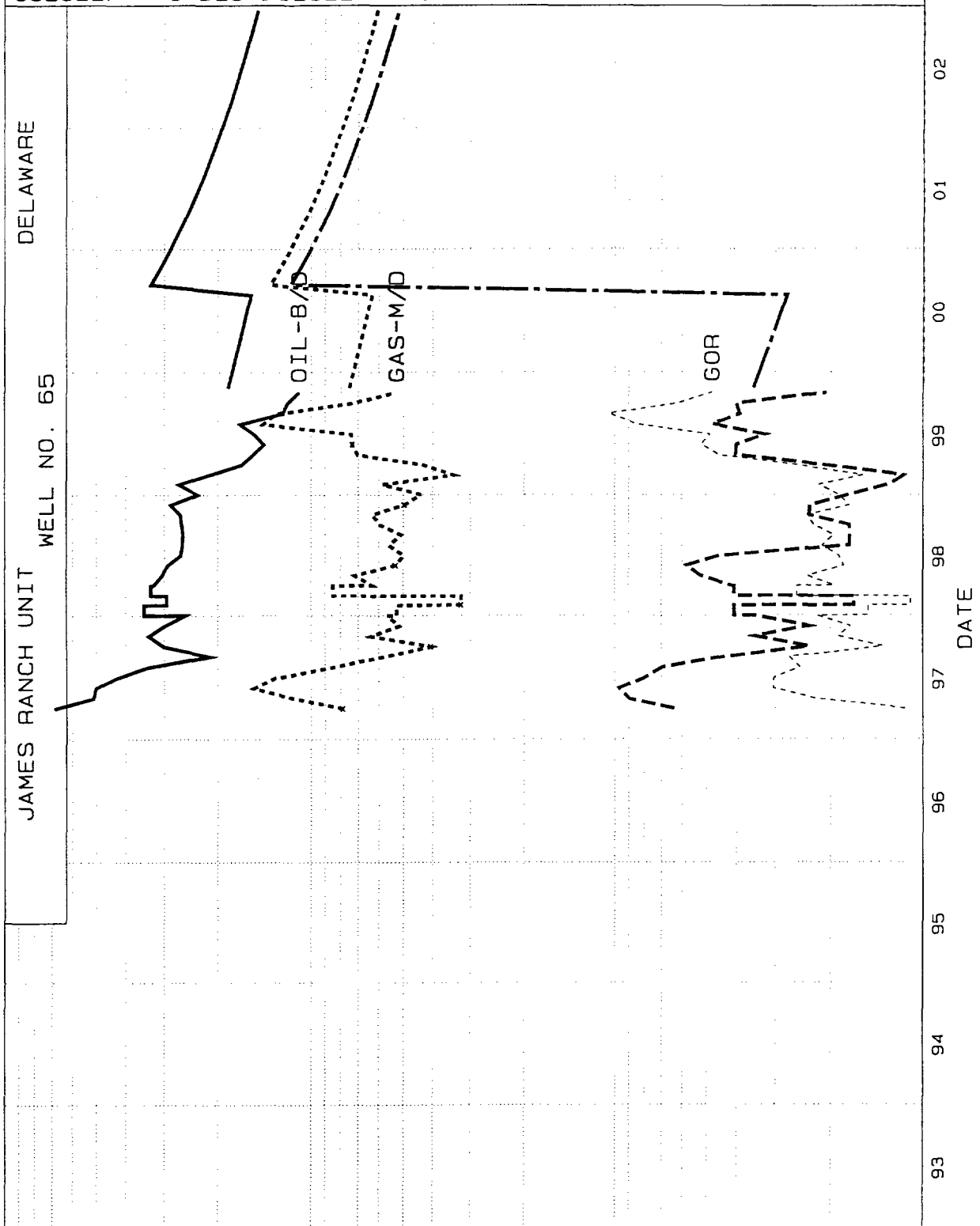
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 Gal=CD  
 Ref= 11/99  
 Cum= 30.736  
 Rem= 65.367  
 EUR= 96.103  
 Yrs= 26.913  
 Qi= 570.5  
 De= 22.571  
 n= .995  
 Gab= 60.8

WTR-B/D  
 Ref= 11/99  
 Cum= 4.199

WTR  
 Gal=CD  
 Ref= 11/99  
 Cum= .000  
 Rem= 211.635  
 EUR= 211.635  
 Yrs= 26.913  
 Qi= .0  
 De= .000  
 n= .000  
 Gab= .0

GAS/OIL  
 Gal=CD  
 Ref= 11/99  
 Cum= .000  
 Rem= .000  
 EUR= .000  
 Yrs= 26.913  
 Qi= 4.0  
 De= .000  
 n= .000  
 Gab= 4.5

GAS  
 Gal=CD  
 Ref= 11/99  
 Cum= 74.079  
 Rem= 271.643  
 EUR= 345.722  
 Yrs= 26.913  
 Qi= .0  
 De= .000  
 n= .000  
 Gab= .0



JRU #65 DELAWARE  
 PREPARED BY: KENT ADAMS

DATE : 02/08/00  
 TIME : 08:00:59  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 50

INPUT DATA

CALCULATED DATA

ITEM	SCHEDULING RATES	SCHEDULE UNIT/	PROCEDURE	ULTIMATE	LAST	EFF. DECL	INIT. RATE	FINAL RATE			
405 START	11/99										
410 OIL	570.49	X	B/M	09/2000 AD	H/0.995	22.57	35.907	8/00	22.57	570.	470.
415 "	1034.20	X	B/M	07/2018 AD	H/0.995	43.12	88.618	6/18	43.12	1034.	93.
420 "	92.81	X	B/M	7.49 IMU	EXP	5.00	96.103	9/26	5.00	93.	61.
425 START	11/99										
430 GAS/OIL	4.04		M/B	05/2031 AD	LOG	TIME		4/31			
435 START	11/99										
440 WTR/OIL	.19	X	U/B	09/2000 AD	EXP	9.47		8/00	9.47	.191	.176
445 "	3.50	X	U/B	TO	LIFE	TIME		9/26			
450 START	03/97										
516 PRI/OIL	16.8800	X	\$/B	1/95	MM/YY	.00		9/26		16.880	
517 "	18.39	X	\$/B	1/96	AD	.00		9/26		18.390	
518 "	22.26	X	\$/B	1/97	AD	.00		9/26		22.260	
519 "	20.74	X	\$/B	1/98	AD	.00		12/97		20.740	20.740
520 "	14.43	X	\$/B	1/99	AD	.00		12/98		14.430	14.430
521 "	19.25	X	\$/B	1/2000 AD	PC	.00		12/99		19.250	19.250
522 "	24.94	X	\$/B	1/2001 AD	PC	.00		12/00		24.940	24.940
523 "	20.67	X	\$/B	1/2002 AD	PC	.00		12/01		20.670	20.670
524 "	19.20	X	\$/B	1/2003 AD	PC	.00		12/02		19.200	19.200
525 "	18.18	X	\$/B	1/2004 AD	PC	.00		12/03		18.180	18.180
526 "	18.13	X	\$/B	TO	LIFE	.00		9/26		18.130	18.130
531 PRI/GAS	1.8900	X	\$/M	1/95	MM/YY	.00		9/26		1.890	
532 "	1.94	X	\$/M	1/96	AD	.00		2/97		1.940	
533 "	2.61	X	\$/M	1/97	AD	.00		2/97		2.610	
534 "	2.59	X	\$/M	1/98	AD	.00		12/97		2.590	2.590
535 "	2.11	X	\$/M	1/99	AD	.00		12/98		2.110	2.110
536 "	2.27	X	\$/M	1/2000 AD	PC	.00		12/99		2.270	2.270
537 "	2.60	X	\$/M	1/2001 AD	PC	.00		12/00		2.600	2.600
538 "	2.58	X	\$/M	1/2002 AD	PC	.00		12/01		2.580	2.580
539 "	2.57	X	\$/M	TO	LIFE	.00		9/26		2.570	2.570
544 PRI/WTR	.5000	X	\$/U	1/2000	AD	.00		2/97		.500	.500
545 "	.08	X	\$/U	TO	LIFE	.00		2/97		.080	
550 OPC/T	1600.00	X	\$/M	TO	LIFE		1600.000	9/26		1600.000	1600.000
555 STX/OIL	7.08	X	\$	TO	LIFE	.00		9/26		.071	.071
560 STX/GAS	7.93	X	\$	TO	LIFE	.00		9/26		.079	.079
565 ATX	.17	X	\$	TO	LIFE	.00		9/26		.002	.002
570 PRI/OIL	-.9100		\$/B	TO	LIFE	.00		9/26		-.910	18.130
575 PRI/GAS	-.1300		\$/M	TO	LIFE	.00		9/26		-.130	2.570
700 LSE/WI	100.0000	D	\$	TO	LIFE	.00		9/26		1.000	1.000

NO	DESCRIPTION	UNIT	QTY	UNIT PRICE	TOTAL	DATE	RISK	INIT. RATE	FINAL RATE
701	OWN/WI	D	100.0000					1.000	1.000
720	LSE/RIC	D	12.5000					.125	.125
721	OWN/RI	D	.0000						
740	LSE/RIG	D	12.5000					.125	.125
760	LSE/OKR	D	.0000						
761	OWN/OKR	D	.0000						

NO	DESCRIPTION	UNIT	QTY	UNIT PRICE	TOTAL	DATE	RISK	INIT. RATE	FINAL RATE
905	LOAD	P.OIL OIL #			31.065	2/00			
910	LOAD	P.GAS GAS #			75.660	2/00			
915	LOAD	P.WATER WTR #			4.199	2/00			

NO	DESCRIPTION	UNIT	QTY	UNIT PRICE	TOTAL	DATE	RISK	INIT. RATE	FINAL RATE
800	DRILL	M\$G	240.00	330.00	570.000	3/97		570.0	570.0
801	WROKOVER	M\$G	.00	65.00	65.000	9/0		65.0	65.0
802	SALVAGE	M\$G	-24.00	.00	-24.000	9/26		-24.0	-24.0

RESERVE PARAMETERS

201 LOSS NO 30.74 CUMG, MMF 74.08 CUML, MB

205 CUMG, MB

210 LOSS NO

PROJECT ASSUMPTIONS

BASE DATE : 3/97 TIME FRAMES : 1\*10 38\*12 1\*600

P.W. DATE : 3/97 PW &-AGE : 10.0 DISC. FREQUENCY : 365.

REPORT DATE : 3/97 PROD QUAL : CD OWNER QUAL : CD OTHER QUAL : CD

JRU #65 DELAWARE  
 PREPARED BY: KENT ADAMS

DATE : 02/08/00  
 TIME : 08:00:59  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 50

R E S E R V E S A N D E C O N O M I C S  
 EFFECTIVE DATE: 3/97

PERIOD ENDING	12/97	12/98	12/99	12/00	12/01	12/02	12/03	12/04	12/05	12/06	S TOT	AFTER	26.3 YR
1) WORKING INTEREST, \$	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
2) REVENUE INTEREST, \$	87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500
INVESTMENTS, M\$													
3) BORROWED CAPITAL	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4) EQUITY INVESTMENTS	570.0	.0	.0	65.0	.0	.0	.0	.0	.0	.0	.0	.0	635.0
5) RISK	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	-24.0
7) TOTAL	570.0	.0	.0	65.0	.0	.0	.0	.0	.0	.0	.0	.0	611.0

OIL PHASE

8) GROSS OIL, MB	11.9	11.1	7.4	7.5	8.5	6.1	4.8	3.9	3.3	2.9	67.4	24.2	91.7
9) NET OIL, MB	10.4	9.7	6.5	6.5	7.5	5.4	4.2	3.4	2.9	2.5	59.0	21.2	80.2
10) OIL REVENUE, M\$	206.0	131.1	119.0	157.1	147.7	98.2	72.3	59.1	50.1	43.5	1084.1	365.1	1449.1
11) OIL PRICE, \$/B	19.83	13.52	18.34	24.03	19.76	18.29	17.27	17.22	17.22	17.22	18.37	17.22	18.07

GAS PHASE

12) GROSS GAS, MMF	25.4	20.8	25.6	31.3	34.7	25.0	19.6	16.1	13.7	11.9	224.2	102.9	327.1
13) NET GAS, MMF	22.2	18.2	22.4	27.4	30.4	21.9	17.1	14.1	12.0	10.4	196.2	90.0	286.2
14) GAS REVENUE, M\$	54.6	36.1	47.9	67.6	74.4	53.4	41.8	34.4	29.3	25.5	465.1	219.6	684.7
15) GAS PRICE, \$/MCF	2.460	1.980	2.140	2.470	2.450	2.440	2.440	2.440	2.440	2.440	2.371	2.440	2.393

WATER PHASE

16) GROSS WATER, MB	1.7	1.3	1.0	13.5	29.9	21.5	16.8	13.7	11.6	10.1	121.1	84.8	205.9
17) NET WATER, MB	1.7	1.3	1.0	13.5	29.9	21.5	16.8	13.7	11.6	10.1	121.1	84.8	205.9
18) WATER PRICE, \$/B	.500	.500	.500	.080	.080	.080	.080	.080	.080	.080	.094	.080	.088

ECONOMICS, M\$

19) GROSS REV. TO INTR.	260.7	167.1	166.9	224.7	222.2	151.6	114.1	93.6	79.4	69.0	1549.2	584.7	2133.9
20) - SEV. TAX	18.9	12.1	12.2	16.5	16.4	11.2	8.4	6.9	5.9	5.1	113.6	43.3	156.9
22) - AD VALOREM TAX	.4	.3	.3	.4	.3	.2	.2	.1	.1	.1	2.4	.9	3.4
23) - OPERATING COSTS	16.0	19.2	19.2	19.2	19.2	19.2	19.2	19.2	19.2	19.2	188.8	316.8	505.6
24) - SMD	.9	.7	.5	1.1	2.4	1.7	1.3	1.1	.9	.8	11.4	6.8	18.2
25) - CAPITAL REPAIRMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
28) = NET INCOME	224.5	134.9	134.7	187.6	183.9	119.2	85.0	66.2	53.3	43.8	1233.0	216.9	1449.9
29) - INVESTMENTS & RSK	570.0	.0	.0	65.0	.0	.0	.0	.0	.0	.0	635.0	-24.0	611.0
30) = BIT NET	-345.5	134.9	134.7	122.6	183.9	119.2	85.0	66.2	53.3	43.8	598.0	240.9	838.9

PRESENT WORTH @ 10.00 %

31) NET INCOME	215.4	118.1	106.7	134.5	119.3	70.0	45.1	31.8	23.2	17.2	881.2	54.4	935.7
32) INVESTMENTS & RISK	570.0	.0	.0	45.8	.0	.0	.0	.0	.0	.0	615.8	-1.7	614.1
33) BIT NET	-354.6	118.1	106.7	88.7	119.3	70.0	45.1	31.8	23.2	17.2	265.4	56.2	321.6
34) CUM BIT NET	-354.6	-236.5	-129.8	-41.1	78.1	148.1	193.3	225.1	248.2	265.4	265.4	321.6	321.6

A F T E R T A X E C O N O M I C S

DATE : 02/08/00  
 TIME : 08:00:59  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 50

EFFECTIVE DATE: 3/97

26.3 YR

PERIOD ENDING	12/97	12/98	12/99	12/00	12/01	12/02	12/03	12/04	12/05	12/06	S TOT	AFTER	TOTAL
TAX TREATMENT OF INVESTMENTS, M\$													
1) EXP, RISK & CAP INT	330.0	.0	.0	65.0	.0	.0	.0	.0	.0	.0	.0	.0	395.0
2) DEPLETABLE	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
3) DEPRECIABLE	240.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	240.0
TOTAL	570.0	.0	.0	65.0	.0	.0	.0	.0	.0	.0	.0	.0	395.0
TOTAL	-309.6	93.5	81.8	111.7	82.7	49.9	33.3	23.1	15.1	11.2	762.7	35.4	798.1

TAX CALCULATIONS, M\$

4) GROSS REV. TO INTR.	260.7	167.1	166.9	224.7	222.2	151.6	114.1	93.6	79.4	69.0	1549.2	584.7	2133.9
5) - SEVERANCE TAX	18.9	12.1	12.2	16.5	16.4	11.2	8.4	6.9	5.9	5.1	113.6	43.3	156.9
6) - WPT TAX NET	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) - OPR. COSTS & ATX	17.3	20.1	20.0	20.6	21.9	21.2	20.7	20.4	20.3	20.1	202.6	324.5	527.1
8) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
9) - OVERHEAD	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
10) - EXPENSED INV.	330.0	.0	.0	65.0	.0	.0	.0	.0	.0	.0	.0	.0	395.0
11) - DEPRECIATION	28.6	54.7	44.8	32.0	22.9	21.4	21.4	14.3	.0	.0	240.0	.0	240.0
12) = NET	-134.1	80.2	89.9	90.6	161.0	97.8	63.6	51.9	53.3	43.8	598.0	216.9	814.9
13) - DEPLETION	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
14) - INTEREST PD & CAP	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
15) = TAXABLE	-134.1	80.2	89.9	90.6	161.0	97.8	63.6	51.9	53.3	43.8	598.0	216.9	814.9
16) * TAX RATE, %	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0
17) - TAX CREDIT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
18) - WPT REFUND	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
19) = F.I.T.	-46.9	28.1	31.5	31.7	56.4	34.2	22.2	18.2	18.6	15.3	209.3	75.9	285.2
20) REVENUE-SEV-WPT	241.7	155.0	154.7	208.2	205.8	140.4	105.7	86.6	73.5	63.9	1435.6	541.4	1977.0
21) - OPR. COSTS & ATX	17.3	20.1	20.0	20.6	21.9	21.2	20.7	20.4	20.3	20.1	202.6	324.5	527.1
22) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
23) - F.I.T.	-46.9	28.1	31.5	31.7	56.4	34.2	22.2	18.2	18.6	15.3	209.3	75.9	285.2
24) = A.F.I.T.	271.4	106.8	103.2	155.9	127.5	85.0	62.7	48.0	34.6	28.4	1023.7	141.0	1164.7
25) - LOAN REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) = NET INCOME	271.4	106.8	103.2	155.9	127.5	85.0	62.7	48.0	34.6	28.4	1023.7	141.0	1164.7
28) - INVESTMENTS & RSK	570.0	.0	.0	65.0	.0	.0	.0	.0	.0	.0	635.0	-24.0	611.0
29) = A.F.I.T. NET	-298.6	106.8	103.2	90.9	127.5	85.0	62.7	48.0	34.6	28.4	388.7	165.0	553.7
PRESENT WORTH @ 10.00 %													
30) NET INCOME	260.4	93.5	81.8	111.7	82.7	49.9	33.3	23.1	15.1	11.2	762.7	35.4	798.1
31) INVESTMENTS & RISK	570.0	.0	.0	45.8	.0	.0	.0	.0	.0	.0	615.8	-1.7	614.1
32) A.F.I.T. NET	-309.6	93.5	81.8	65.9	82.7	49.9	33.3	23.1	15.1	11.2	146.9	37.1	184.0
33) CUM. A.F.I.T. NET	-309.6	-216.1	-134.3	-68.3	14.4	64.3	97.6	120.7	135.7	146.9	146.9	184.0	184.0



JRU #65 DELAWARE  
PREPARED BY: KENT ADAMS

DATE : 02/08/00  
TIME : 08:00:59  
DBS FILE : JRUPA  
SETUP FILE : CD  
SEQ NUMBER : 50

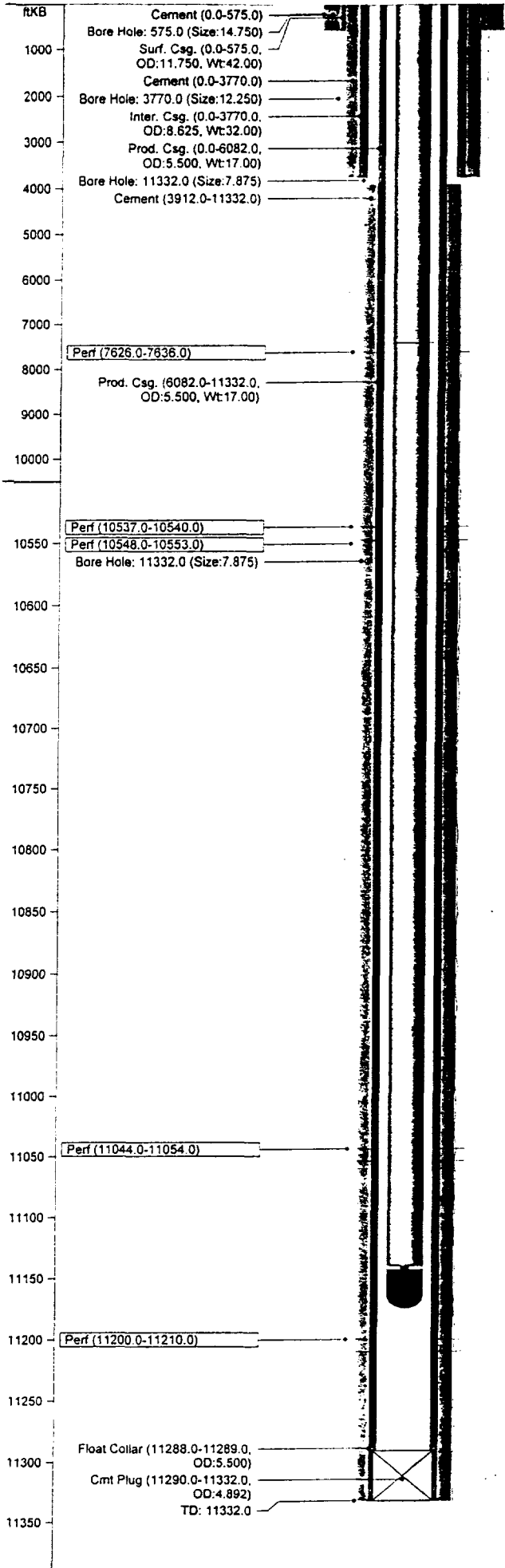
ECONOMIC INDICATORS

AS OF DATE: 3/97

B.F.I.T.                    A.F.I.T.                    A.F.I.T.  
WORTH                    WORTH                    BONUS  
M\$-----                M\$-----                M\$-----

PRESENT WORTH PROFILE AND  
RATE-OF-RETURN VS. BONUS TABLE

0.	838.861	553.660	851.794
2.	693.764	450.011	648.858
5.	523.523	328.579	442.837
6.	476.316	294.874	390.628
8.	392.924	235.217	302.712
10.	321.594	184.006	231.345
20.	78.958	7.384	8.648
30.	-60.752	-97.278	-109.844
40.	-150.619	-166.568	-183.917
50.	-212.703	-215.809	-234.684
60.	-257.889	-252.660	-271.740
70.	-292.145	-281.373	-300.096
80.	-318.994	-304.483	-322.611
90.	-340.624	-323.581	-341.025
100.	-358.458	-339.710	-356.451
RATE OF RETURN, PCT.	25.7	20.7	
UNDISCOUNTED PAYOUT, YRS.	3.45	3.81	
DISCOUNTED PAYOUT, YRS.	4.18	4.66	
UNDISCOUNTED NET/INVEST.	2.37	1.91	
DISCOUNTED NET/INVEST.	1.52	1.30	



JAMES RANCH UNIT #65			
API No.	3001527995	Status	ACT OIL
TD	11332.0 ftKB	Engineer	CAA
PBTD	11290.0 ftKB		
Operator	BEPCO	Permit	
Well No.	65	Spud	7/18/96
ID Code		RR	8/4/96
Field	LOS MEDANOS	Completion	9/2/96
Author	RAS	Last Act.	
Date Updated	1/27/98	Abandoned	
Comments	Drilled by Enron		

Location			
Township	S023	Top Latitude	0
		Top Longitude	0
Range	E031	Top NS Distance	330.0 ft N
		Top EW Distance	2310.0 ft E
Section	6	Bottom Latitude	0
Unit Ltr.	B	Bottom Longitude	0
State	New Mexico	Btm NS Distance	0.0 ft
County	Eddy	Btm EW Distance	0.0 ft

Elevations			
KB	3331.0 ft	Cas Flng	0.0 ft
Grd	3318.0 ft	Tub Head	0.0 ft
KB-Grd	13.0 ft		

Casing String - Surface Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
11 3/4 in Surf. Csg.	0.0	575.0	15	11.084	42.00	H-40	STC

Casing String - Intermediate Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
8 5/8 in Inter. Csg.	0.0	3770.0		7.921	32.00	J-55	STC

Casing String - Production Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
5 1/2 in Prod. Csg.	0.0	6082.0	144	4.892	17.00	P-110	LTC
5 1/2 in Prod. Csg.	6082.0	1332.0	121	4.892	17.00	CF-95	LTC
5 1/2 in Float Collar	1288.0	1289.0		0.000	0.00		

Casing Cement			
Casing String	Top (ftKB)	Amount (sx)	Comments
Surface Casing	0.0	360	
Intermediate Casing	0.0	975	
Production Casing	3912.0	1725	TOC by Temp. Sur.

Tubing String - Primary Tubing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
2 7/8 in Tbg	0.0	7421.0	237	2.441	6.50	N-80	8rd
4 57/64 in TAC	7421.0	7424.0		0.000	0.00		8rd
2 7/8 in Tbg.	7424.0	11139.0	117	2.441	6.50	N-80	8rd
2 7/8 in SN	11139.0	11140.0		0.000	0.00		
2 7/8 in Perf Sub	11140.0	11143.0		0.000	0.00		
2 7/8 in Mud Anchor	11143.0	11175.0		0.000	0.00		

Other (plugs, equip., etc.) - Plug Backs		
Date	Item	Int (ftKB)
8/3/96	Cmt Plug	11290.0 - 11332.0

Perforations			
Date	Int	Shots (/ft)	Status
8/26/96	11200.0 - 11210.0	2.0	
11/22/96	11044.0 - 11054.0	2.0	
2/25/97	10537.0 - 10540.0	2.0	
2/25/97	10548.0 - 10553.0	2.0	
3/11/97	7626.0 - 7636.0	2.0	

Stimulations & Treatments					
Date	Type	Interval	Fluid	Sand	Comments
8/29/96	Sand Frac	11200.0 - 11210.0			
11/26/96	Sand Frac	11044.0 - 11054.0			
3/12/97	Sand Frac	7626.0 - 7636.0			

## WELL HISTORY

WELL NAME: JAMES RANCH UNIT #65

FIELD NAME: LOS MEDANOS (WOLFCAMP)

LOCATION: 330' FNL & 2310' FEL  
SEC 6, T-23-S, R-31-E  
EDDY CO., NM

ELEV: 3318' GL, 3331.2' KB

SPUD DATE: 7/8/96

COMP DATE: 9/2/96

ORIG TD: 11,332'

ORIG PBTD: 11,290'

CASING: 16" CONDUCTOR SET @ 40'  
11 3/4" 42#, H-40, ST&C CSA 575', CMT W/360 SXS CL H, CMT CIRC TO SURFACE  
8 5/8" 32#, J-55, ST&C CSA 3770', CMT W/975 SXS, CMT CIRC TO SURFACE  
5 1/2", 122 JTS, 17# CF95, LT&C AND 145 JTS 5 1/2 17# P-110 & CF-95, LT&C CSA 11,332',  
CMT W/1725 SXS PREM 50/50 POZ A. TOC @ 3912' BY TEMP SURVEY

TUBING:

DST: NONE

CORES & LOGS: NO CORES  
LOGS: HALLIBURTON, DILL-SGRD/SDL-DSN; 8-1-96

## INITIAL COMPLETION

8-24-96 through 8-30-96 INITIAL COMPLETION

8-24-96 Bass to complete well.

8-26-96 RIH W/GR-CCL tool & log intervals 11,283-10,283', 8000-7000', and 6050'-5850'. PERF 11,200'-11,210' (Wolfcamp) w/2 JSPF/180 deg phased, 20 shots.

8-29-96 Load hole w 136 bbls 2% KCL, pump 18 bbls 15% HCL w/additives across WC perfs, break fm @ 3900# psi, pump @ 4000 psi, ISIP 3950 PSI and 3720 PSI after 10 min. RU Dowell and frac well with 28,960 gals YF-140 gel + 144,000# 20/40 Ottawa sand + 5,000# 20/40 econo prop. Well screened out

10/18/96 to 10/29/96 Tag up @ 11,212' on soft fill (frac sand) Run flowing gradient pressure tests. Set BHP bomb, SI 5 days for BU. Attempt to retrieve BHP tools, stuck w/frac sand. Bailed sand, recovered BHP tools. Return well to prod.

WELL HISTORY  
JAMES RANCH UNIT #65  
PAGE 2

- 11/21/96 to 11/27/96      **Perf & Frac 3<sup>rd</sup> Bone Spring FM**  
RIH w/CIBP, attempt to set at 11,180', BP stuck in csg collar @ 11,153'. Set CIBP @ 11,153'. Perf Bone Spring fm @ 11,044-54' (10'-2JSPF -180° phased. Tag CIBP @ 11,153, dump cmt on top. Acidize perfs 11,044-54' w/350 gals 15% HCL. Frac 11,044-54' w/59,500 gals YF140D + 272,000# 20/40 Ottawa Sd + 60,000# 20/40 SB Ultra sd. Flowed well back. Left flowing.
- 12/26/96      POH w/3 1/2" tbg & LD, RIH w/2 7/8" tbg, EOT @ 10,943'. Swabbed and left well flowing to battery. AWO: 1-7-97 F 96 BOPD + 94 BWPD + 146 MCF on 16/64" ck. 80# FTP, no sand.
- 2/8/97      Run BHP test.
- 2/24/97 to 2/27/97      **Perf & Acidize Bone Spring Carbonate**  
Set CIBP @ 10,750'. Perf 10,537-40' (3'-6 holes-180° phased) and 10,548-53' (5'-10 holes-180° phased). Acidize w/1150 gals 20% HCL + 32 BS. Test: 0 BO, 3 BW, 0 MCF.
- 3/9/97 to 3/14/97      **Perf & Frac Delaware**  
Set CIBP @ 7900'. Perf 7626-36' (10'-20 holes-180° phased). Acidize w/200 gals 15% HCL. Frac w/14,085 gals YF130 and 61,000# 20/40 Ottawa sand + 15,000# 20/40 SB Ultra. Flow well back, turn to battery. Kill well, tag sand fill @ 7856' (44' fill above CIBP @ 7900'). RIH w/2 7/8" N-80 Tbg, EOT @ 7452'. RIH w/pump & rods. Place well on prod. Test: 3-25-97 110 BOPD, 9 BWPD, 222 MCFGPD.
- 8/11/97 to 8/19/97      **DO CIBP'S & COMMINGLE ALL ZONES**  
DO CIPB @ 7900', DO CIPB @ 10,750', DO CIPB @ 11,153'. Drill out fill to 11,332' PBTD (new). Flow and clean up well. Tag fill @ 11,284'. RIH w/tbg, rods & pump. Place well on prod. AWO: 9/2/97 99 BO, 5 BW, 217 MCF.

DISTRICT I  
P.O. Box 1900, Hobbs, NM 58241-1900

State of New Mexico  
Energy, Minerals and Natural Resources Department

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

DISTRICT II  
P.O. Drawer 88, Artesia, NM 88211-0719

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

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code		Pool Name	
Property Code		Property Name JAMES RANCH UNIT			Well Number 65
OGRID No.		Operator Name BASS ENTERPRISES PRODUCTION CO.			Elevation 3318

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
LOT 2	6	23 S	31 E		330	NORTH	2310	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.

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><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p>Signature _____</p> <p>Printed Name _____</p> <p>Title _____</p> <p>Date _____</p>	
LOT 4 40.45 AC.	LOT 3 39.90 AC.	LOT 2 39.94 AC.	LOT 1 39.98 AC.	<p><b>SURVEYOR CERTIFICATION</b></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>JANUARY 22, 1995</p> <p>Date Surveyed _____ JLP</p> <p>Signature &amp; Seal of Professional Surveyor    W.O. Num. 96-11-0093</p>	
LOT 5 40.79 AC.				<p>Certificate No. JOHN W. WEST 676  RONALD J. EIDSON 3239  GARY C. EIDSON 12641</p>	
LOT 6 40.96 AC.					
LOT 7 41.15 AC.					

**UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT**

SUBMIT IN DUPLICATE\*

(See other  
instructions on  
reverse side)

**OPERATOR FORM APPROVED**  
OMB NO. 1004-0137  
Expires: February 28, 1995

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG\***

1. TYPE OF WELL: OIL WELL  GAS WELL  DRY  Other \_\_\_\_\_  
 b. TYPE OF COMPLETION: NEW WELL  WORK OVER  DEEP-EN  PLUG BACK  DIFF. RESVR.  Other \_\_\_\_\_  
 1997 JUL 18 A 10:20

2. NAME OF OPERATOR: **Bass Enterprises Production Co.**  
 3. ADDRESS AND TELEPHONE NO.: **P.O. Box 2760 Midland, TX 79702-2760**  
 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements):  
 At surface: **330' FNL & 2310' FEL**  
 At top prod. interval reported below: **Same**  
 At total depth: **Same**

**ACCEPTED FOR RECORD**  
JUL 29 1997  
14. PERMIT NO. act

**RECEIVED**  
BEP (915) 683-2777  
JUL 30 1997

5. LEASE DESIGNATION AND SERIAL NO.: **NM 02887-A**  
 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: \_\_\_\_\_  
 7. UNIT AGREEMENT NAME: **James Ranch Unit**  
 8. FARM OR LEASE NAME, WELL NO.: **James Ranch Unit #65**  
 9. API WELL NO.: **30-015-27995**  
 10. FINDER AND POOL, OR WILDCAT: **Los Medanos (Delaware)**  
 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: **Section 6, T23S-R31E**  
 12. COUNTY OR PARISH: **Eddy**  
 13. STATE: **New Mexico**

15. DATE SPUDDED: **3/11/97** 16. DATE T.D. REACHED: **3/11/97** 17. DATE COMPLETED (Flow to pump): **3/16/97**  
 18. ELEVATIONS (DF, RKB, RT, GR, ETC.): **3318' GL, 3331.2' KB** 19. ELEV. CASINGHEAD: **---**

20. TOTAL DEPTH, MD & TVD: **11,332'** 21. PLUG BACK T.D., MD & TVD: **7900'** 22. IF MULTIPLE COMPL., HOW MANY\*: **Single**  
 23. INTERVALS DRILLED BY: **Rotary Tools** 24. ROTARY TOOLS: **0-11,332'** 25. CABLE TOOLS: \_\_\_\_\_

24. PRODUCING INTERVAL(S), OF THIS COMPLETION - TOP, BOTTOM, NAME (MD AND TVD)\*: **7626-36' (Delaware)**  
 25. WAS DIRECTIONAL SURVEY MADE: **No**

26. TYPE ELECTRIC AND OTHER LOGS RUN: **NA** 27. WAS WELL CORED: **No**

**28. CASING RECORD (Report all strings set in well)**

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
1"	42#	575'	14-3/4"	310 sx Prem Plus H Surface	---
8-5/8"	32#	3770'	11"	975 sx Prem Plus Poz Circ	---
2-1/2"	17#	11,332'	7-7/8"	1725 sx Prem H 3912' (TS)	---

**29. LINER RECORD**      **30. TUBING RECORD**

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
None					2-7/8"	10,943'	---

31. PERFORATION RECORD (Interval, size and number): **CIBP set @ 7900'**  
 Perf'd w/ 4" csg gun loaded w/ 2 JSPF @ 180 degree phasing. 7626-36' (10', 20 shots)  
 32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.:  
 DEPTH INTERVAL (MD): **7626-36'** AMOUNT AND KIND OF MATERIAL USED: **Frac w/ 17,682 gals YF130 guar based gel & 74,901# 20/40 Brady sand.**

33. PRODUCTION  
 DATE FIRST PRODUCTION: **3/17/97** PRODUCTION METHOD (Flowing, gas lift, pumping - size and type of pump): **Pumping 2-1/2" x 1-1/4" x 24' RHBC** WELL STATUS (Producing or shut-in): **Producing**  
 DATE OF TEST: **3/29/97** HOURS TESTED: **24** CHOKE SIZE: **NA** PROD'N. FOR TEST PERIOD: **93** OIL - BBL: **93** GAS - MCF: **111** WATER - BBL: **9** GAS - OIL RATIO: **1193**  
 LOW. TUBING PRESS.: **---** CASING PRESSURE: **---** CALCULATED 24-HOUR RATE: **93** GAS - MCF: **111** WATER - BBL: **9** OIL GRAVITY - API (CORR.): **44.0**

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.): **Sales, Lease Use** TEST WITNESSED BY: \_\_\_\_\_

35. LIST OF ATTACHMENTS: **C-104**

36. I certify that the foregoing and attached information is complete and correct as determined from all available records.  
 SIGNED: James L. Wilcox TITLE: **Production Clerk** DATE: **7/22/97 7/17/97**

\*(See instructions and Spaces for Additional Data on Reverse Side)

**WORKSHEET FOR COMMERCIAL DETERMINATION  
AND PARTICIPATING AREA IN FEDERAL UNITS**

**WELL DATA**

WELL \_\_\_\_\_ JAMES RANCH UNIT NO. 65 \_\_\_\_\_ FORMATION \_\_\_\_\_ BONE SPRING \_\_\_\_\_  
 LOCATION \_\_\_\_\_ B \_\_\_\_\_ UNIT, \_\_\_\_\_ 330 \_\_\_\_\_ FEET FROM \_\_\_\_\_ N \_\_\_\_\_ LINE & \_\_\_\_\_ 2310 \_\_\_\_\_ FEET FROM \_\_\_\_\_ E \_\_\_\_\_ LINE  
 SECTION \_\_\_\_\_ 6 \_\_\_\_\_ TOWNSHIP \_\_\_\_\_ 23S \_\_\_\_\_, RANGE \_\_\_\_\_ 31E \_\_\_\_\_, COUNTY \_\_\_\_\_ EDDY \_\_\_\_\_, NEW MEXICO  
 SPUD DATE \_\_\_\_\_ 7/18/96 \_\_\_\_\_ COMPLETION DATE \_\_\_\_\_ 11/27/96 \_\_\_\_\_ INITIAL PRODUCTION \_\_\_\_\_ 11/27/96 \_\_\_\_\_  
 PERFORATIONS \_\_\_\_\_ 11,044-11,054' \_\_\_\_\_

**STIMULATION:**

**ACID** \_\_\_\_\_ 350 GALS 15% HCL ACID + ADDITIVES. \_\_\_\_\_

**FRACTURE** \_\_\_\_\_ 67,998 GALS YF-140 D, 279,820# 20/40 OTTAWA SAND, & 61,035# SB ULTRA. \_\_\_\_\_

POTENTIAL \_\_\_\_\_ 12/23/96 30 BOPD, 43 BWPD, 52 MCFD. \_\_\_\_\_

(Attach Copy of C-105. Attach Copy of Wellbore Sketch of Completed Well.)

**VOLUMETRIC CALCULATION**

	SANDS PERFORATED	SANDS NOT PERFORATED BUT POTENTIALLY PRODUCTIVE
Area (A) proration unit size, acres	40	
Porosity (por), %	13.0%	
Water saturation (Sw), %	63%	
Net Thickness (h), ft.	4.5	
Temperature (T), Fahrenheit	170	
Bottom Hole pressure (P), psia	5,966	
Recovery factor (RF), %	27%	
Recoverable oil, BBLs *(See eq. below)	9,495	

Sometimes unable to match performance due to volumetric uncertainty.

Formula =  $(7758) (A) (h) (por) (1-Sw) (1/Boi) (RF)$

Boi = 1.91

**PERFORMANCE DATA**

(If sufficient history exists, attach plot of oil production rate v time.)

CUMULATIVE PRODUCTION TO	<u>11/1/99</u>	<u>7,877</u>	BBL5
INITIAL RATE (qi)	<u>210</u>		
ECONOMIC LIMIT (ql)	<u>60</u>		
DECLINE RATE, dy	<u>6.19%</u>		
REMAINING OIL (Q) =	<u>26,923</u>		
ULTIMATE RECOVERABLE OIL	<u>34,800</u>		

(Attach plat showing proration unit and participating area.)

**ECONOMIC**

WELL COST \$ 825,000 (to the depth of formation completed)

RECOMPLETION COST \$ 0

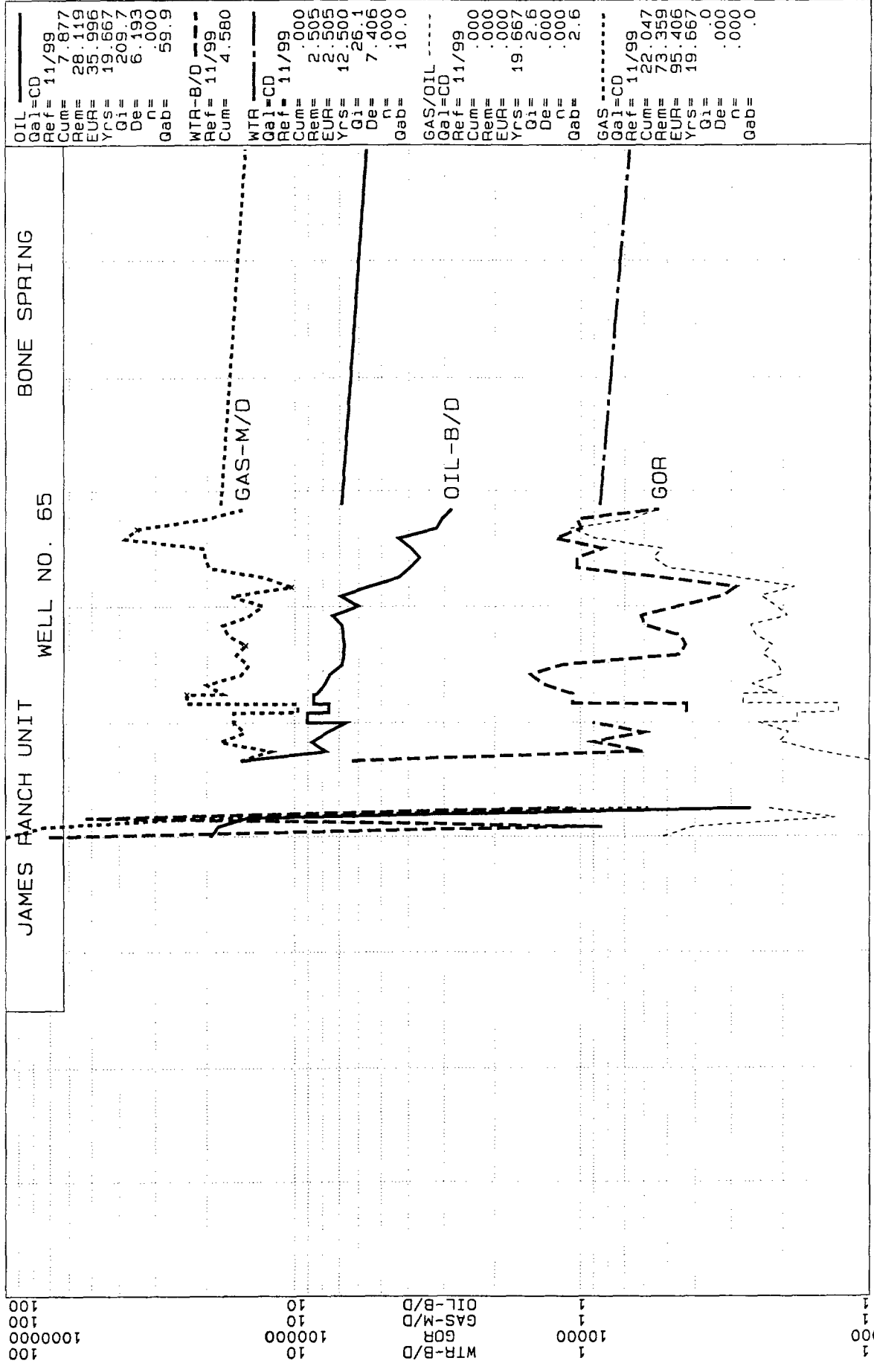
TOTAL COST \$ 825,000

YEAR	GROSS OIL	REVENUE	OPERATING COST	10% NET BFIT DISCOUNTED CASH FLOW
ZERO	<u>0</u>	<u>0</u>	<u>0</u>	<u>-825,000</u>
1	<u>600</u>	<u>18,000</u>	<u>2,500</u>	<u>15,400</u>
2	<u>2,400</u>	<u>52,700</u>	<u>18,200</u>	<u>32,600</u>
3	<u>2,900</u>	<u>44,300</u>	<u>17,600</u>	<u>22,800</u>
4	<u>1,900</u>	<u>44,100</u>	<u>17,600</u>	<u>20,500</u>
5	<u>2,200</u>	<u>59,400</u>	<u>18,700</u>	<u>28,500</u>
6	<u>2,300</u>	<u>51,800</u>	<u>18,200</u>	<u>21,300</u>
7	<u>2,100</u>	<u>45,800</u>	<u>17,700</u>	<u>16,100</u>
8	<u>2,000</u>	<u>41,200</u>	<u>17,400</u>	<u>12,300</u>
9	<u>1,900</u>	<u>38,500</u>	<u>17,200</u>	<u>10,000</u>
10	<u>1,800</u>	<u>36,200</u>	<u>17,000</u>	<u>8,100</u>
REMAINDER	<u>14,900</u>	<u>306,600</u>	<u>206,200</u>	<u>28,300</u>

**WELL IS NOT COMMERCIAL**



JAMES HANCH UNIT WELL NO. 65 BONE SPRING



OIL  
 Gal=CD  
 Ref= 11/99  
 Cum= 7.877  
 Rem= 28.119  
 EUR= 35.996  
 Yrs= 19.667  
 G1= 209.7  
 De= 6.193  
 n= .000  
 Gab= 59.9

WTR-B/D  
 Ref= 11/99  
 Cum= 4.580

WTR  
 Gal=CD  
 Ref= 11/99  
 Cum= .000  
 Rem= 2.505  
 EUR= 2.505  
 Yrs= 12.500  
 G1= 26.1  
 De= 7.406  
 n= .000  
 Gab= 10.0

GAS/OIL  
 Gal=CD  
 Ref= 11/99  
 Cum= .000  
 Rem= .000  
 EUR= .000  
 Yrs= 19.667  
 G1= 2.6  
 De= .000  
 n= .000  
 Gab= 2.6

GAS  
 Gal=CD  
 Ref= 11/99  
 Cum= 22.047  
 Rem= 73.359  
 EUR= 95.406  
 Yrs= 19.667  
 G1= .0  
 De= .000  
 n= .000  
 Gab= .0

100  
1000000  
100

10  
100000  
10

1  
10000  
1

1  
1000  
1

DATE  
93 94 95 96 97 98 99 00 01 02

ITEM	SCHEDULING RATES		SCHEDULE UNTIL		PROCEDURE	ULTIMATE	LAST	EFF. DECL.	INIT. RATE	FINAL RATE		
405 START	11/99											
410 OIL	209.70	X	B/M	28.12	IMU	EXP	6.19	35.996	6/19	6.19	210.	60.
415 GAS/OIL	2.61	2.61	M/B	01/2097	AD	LIN	TIME		12/96			
420 WTR	26.10	X	B/M	2.51	IMU	EXP	7.41	2.505	4/12	7.41	26.	10.
425 START	12/96											
516 PRI/OIL	16.8800	X	\$/B	1/95	MM/YY	PC	.00		6/19		16.880	
517 "	18.39	X	\$/B	1/96	AD	PC	.00		6/19		18.390	
518 "	22.26	X	\$/B	1/97	AD	PC	.00		6/19		22.260	22.260
519 "	20.74	X	\$/B	1/98	AD	PC	.00		12/97		20.740	20.740
520 "	14.43	X	\$/B	1/99	AD	PC	.00		12/98		14.430	14.430
521 "	19.25	X	\$/B	1/2000	AD	PC	.00		12/99		19.250	19.250
522 "	24.94	X	\$/B	1/2001	AD	PC	.00		12/00		24.940	24.940
523 "	20.67	X	\$/B	1/2002	AD	PC	.00		12/01		20.670	20.670
524 "	19.20	X	\$/B	1/2003	AD	PC	.00		12/02		19.200	19.200
525 "	18.18	X	\$/B	1/2004	AD	PC	.00		12/03		18.180	18.180
526 "	18.13	X	\$/B	TO	LIFE	PC	.00		6/19		18.130	18.130
531 PRI/GAS	1.8900	X	\$/M	1/95	MM/YY	PC	.00		6/19		1.890	
532 "	1.94	X	\$/M	1/96	AD	PC	.00		11/96		1.940	
533 "	2.61	X	\$/M	1/97	AD	PC	.00		12/96		2.610	2.610
534 "	2.59	X	\$/M	1/98	AD	PC	.00		12/97		2.590	2.590
535 "	2.11	X	\$/M	1/99	AD	PC	.00		12/98		2.110	2.110
536 "	2.27	X	\$/M	1/2000	AD	PC	.00		12/99		2.270	2.270
537 "	2.60	X	\$/M	1/2001	AD	PC	.00		12/00		2.600	2.600
538 "	2.58	X	\$/M	1/2002	AD	PC	.00		12/01		2.580	2.580
539 "	2.57	X	\$/M	TO	LIFE	PC	.00		6/19		2.570	2.570
544 OPC/T	1190.00	X	\$/M	TO	LIFE	SCH	OPC		6/19		1190.000	1190.000
549 STX/OIL	7.08	X	\$	TO	LIFE	PC	.00		6/19		.071	.071
554 STX/GAS	7.93	X	\$	TO	LIFE	PC	.00		6/19		.079	.079
559 ATX	.17	X	\$	TO	LIFE	PC	.00		6/19		.002	.002
564 PRI/OIL	-.9100	-	\$/B	TO	LIFE	PC	.00		6/19		-.910	18.130
569 PRI/GAS	-.1300	-	\$/M	TO	LIFE	PC	.00		6/19		-.130	2.570
700 LSE/WT	100.0000	D	\$	TO	LIFE	FLAT	.00		6/19		1.000	1.000
701 OWN/MI	100.0000	D	\$	TO	LIFE	FLAT	.00		6/19		1.000	1.000
720 LSE/RIC	12.5000	D	\$	TO	LIFE	FLAT	.00		6/19		.125	.125
721 OWN/RI	.0000	D	\$	TO	LIFE	FLAT	.00		6/19			
740 LSE/RIG	12.5000	D	\$	TO	LIFE	FLAT	.00		6/19		.125	.125
760 LSE/ORR	.0000	D	\$	TO	LIFE	FLAT	.00		6/19			
761 OWN/ORR	.0000	D	\$	TO	LIFE	FLAT	.00		6/19			

OVERLAYS	SCHEDULING RATES	SCHEDULE UNTIL	PROCEDURE	ULTIMATE	LAST	EFF. DECL	INIT. RATE	FINAL RATE
905 LOAD	P.OIL OIL #			7.962	2/00			
910 LOAD	P.GAS GAS #			22.499	2/00			
915 LOAD	P.WATER WTR #			4.580	2/00			

INVESTMENT	TANGIBLES & INTANGIBLES	TIME	PROCEDURE	TOTAL T&I	MONTH	RISK INV.	TOT. T&I&R	ESC. T&I&R
800 DRILL	330.00	495.00 MSG	12/96 AD	825.000	12/96	.	825.0	825.0
801 SALVAGE	-33.00	.00 MSG	TO LIFE	-33.000	6/19	.	-33.0	-33.0

RESERVE PARAMETERS

NO	ITEM	ITEM
201 LOSS		
205 CUMO, MB	7.88	CUMG, MNP 22.05
		CUML, MB

PROJECT ASSUMPTIONS

BASE DATE	: 12/96	TIME FRAMES	: 1*1 38*12 1*600
P.W. DATE	: 12/96	PW %-AGE	: 10.0
REPORT DATE	: 12/96	PROD QUAL	: CD
		DISC. FREQUENCY	: 365.
		OWNER QUAL	: CD
		OTHER QUAL	: CD

R E S E R V E S A N D E C O N O M I C S  
 EFFECTIVE DATE: 12/96

PERIOD ENDING	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	12/04	12/05	S TOT	AFTER	TOTAL
OWNERSHIP													21.9 YR
1) WORKING INTEREST, %	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000
2) REVENUE INTEREST, %	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500

INVESTMENTS, M\$

3) BORROWED CAPITAL	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4) EQUITY INVESTMENTS	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0
5) RISK	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) TOTAL	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0

OIL PHASE

8) GROSS OIL, MB	.6	2.4	2.9	1.9	2.2	2.3	2.1	2.0	1.9	1.8	20.0	14.9	34.8
9) NET OIL, MB	.5	2.1	2.5	1.7	1.9	2.0	1.9	1.7	1.6	1.5	17.5	13.0	30.5
10) OIL REVENUE, M\$	11.3	41.6	33.9	30.8	45.8	39.1	34.0	30.1	28.1	26.4	321.0	223.8	544.9
11) OIL PRICE, \$/B	21.35	19.83	13.52	18.34	24.03	19.76	18.29	17.27	17.22	17.22	18.38	17.22	17.89

GAS PHASE

12) GROSS GAS, MMF	3.1	5.2	6.0	7.1	6.3	5.9	5.5	5.2	4.9	4.6	53.8	38.8	92.5
13) NET GAS, MMF	2.7	4.5	5.2	6.2	5.5	5.2	4.8	4.5	4.3	4.0	47.1	33.9	81.0
14) GAS REVENUE, M\$	6.8	11.1	10.4	13.4	13.6	12.7	11.8	11.1	10.4	9.8	111.0	82.7	193.7
15) GAS PRICE, \$/MCF	2.480	2.460	1.980	2.140	2.470	2.450	2.440	2.440	2.440	2.440	2.358	2.440	2.392

WATER PHASE

16) GROSS WATER, MB	2.2	1.8	.3	.3	.0	.0	.0	.0	.0	.0	4.6	.0	4.6
17) NET WATER, MB	2.2	1.8	.3	.3	.0	.0	.0	.0	.0	.0	4.6	.0	4.6
18) WATER PRICE, \$/B	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000

ECONOMICS, M\$

19) GROSS REV. TO INTR.	18.0	52.7	44.3	44.1	59.4	51.8	45.8	41.2	38.5	36.2	432.0	306.6	738.6
20) - SEV. TAX	1.3	3.8	3.2	3.2	4.3	3.8	3.3	3.0	2.8	2.6	31.5	22.4	53.9
22) - AD VALOREM TAX	.0	.1	.1	.1	.1	.1	.1	.1	.1	.1	.7	.5	1.2
23) - OPERATING COSTS	1.2	14.3	14.3	14.3	14.3	14.3	14.3	14.3	14.3	14.3	129.7	183.3	313.0
24) - SMD	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
25) - CAPITAL REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
28) = NET INCOME	15.5	34.5	26.7	26.5	40.7	33.6	28.1	23.8	21.4	19.2	270.1	100.4	370.5
29) - INVESTMENTS & RSK	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0	-33.0	792.0
30) = BFIT NET	-809.5	34.5	26.7	26.5	40.7	33.6	28.1	23.8	21.4	19.2	-554.9	133.4	-421.5

PRESENT WORTH @ 10.00 %

31) NET INCOME	15.4	32.6	22.8	20.5	28.5	21.3	16.1	12.3	10.0	8.1	187.6	28.3	215.9
32) INVESTMENTS & RISK	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0	-3.7	821.3
33) BFIT NET	-809.6	32.6	22.8	20.5	28.5	21.3	16.1	12.3	10.0	8.1	-637.4	32.0	-605.3
34) CUM BFIT NET	-809.6	-777.0	-754.2	-733.7	-705.2	-683.9	-667.9	-655.5	-645.5	-637.4	-637.4	-605.3	-605.3

A F T E R T A X E C O N O M I C S

DATE : 02/07/00  
 TIME : 13:42:16  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 45

EFFECTIVE DATE: 12/96

21.9 YR

PERIOD ENDING	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	12/04	12/05	S TOT	AFTER	TOTAL
TAX TREATMENT OF INVESTMENTS, M\$													
1) EXP. RISK & CAP INT	495.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	495.0
2) DEPLETABLE	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
3) DEPRECIABLE	330.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	330.0
TAX CALCULATIONS, M\$													
4) GROSS REV. TO INTR.	18.0	52.7	44.3	44.1	59.4	51.8	45.8	41.2	38.5	36.2	432.0	306.6	738.6
5) - SEVERANCE TAX	1.3	3.8	3.2	3.2	4.3	3.8	3.3	3.0	2.8	2.6	31.5	22.4	53.9
6) - WPT TAX NET	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) - OPR. COSTS & ATX	1.2	14.4	14.3	14.3	14.4	14.4	14.4	14.3	14.3	14.3	130.4	183.7	314.1
8) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
9) - OVERHEAD	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
10) - EXPENSED INV.	495.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	495.0	.0	495.0
11) - DEPRECIATION	3.9	49.9	78.9	56.3	40.2	29.5	29.5	29.5	12.3	.0	330.0	.0	495.0
12) = NET	-483.5	-15.4	-52.2	-29.8	4.2	4.2	-1.4	-5.6	9.1	19.2	-554.9	100.4	-454.5
13) - DEPLETION	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
14) - INTEREST PD & CAP	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
15) = TAXABLE	-483.5	-15.4	-52.2	-29.8	4.2	4.2	-1.4	-5.6	9.1	19.2	-554.9	100.4	-454.5
16) * TAX RATE, %	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0
17) - TAX CREDIT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
18) - WPT REFUND	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
19) = F.I.T.	-169.2	-5.4	-18.3	-10.4	.2	1.5	-.5	-2.0	3.2	6.7	-194.2	35.1	-159.1
PRESENT WORTH @ 10.00 %													
20) REVENUE-SEV-WPT	16.7	48.9	41.0	40.9	55.1	48.0	42.4	38.2	35.7	33.5	400.5	284.2	684.6
21) - OPR. COSTS & ATX	1.2	14.4	14.3	14.3	14.4	14.4	14.4	14.3	14.3	14.3	130.4	183.7	314.1
22) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
23) - F.I.T.	-169.2	-5.4	-18.3	-10.4	.2	1.5	-.5	-2.0	3.2	6.7	-194.2	35.1	-159.1
24) = A.F.I.T.	184.7	39.9	45.0	37.0	40.6	32.2	28.6	25.8	18.2	12.5	464.3	65.3	529.6
25) - LOAN REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) = NET INCOME	184.7	39.9	45.0	37.0	40.6	32.2	28.6	25.8	18.2	12.5	464.3	65.3	529.6
28) - INVESTMENTS & RSK	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0	-33.0	792.0
29) = A.F.I.T. NET	-640.3	39.9	45.0	37.0	40.6	32.2	28.6	25.8	18.2	12.5	-360.7	98.3	-262.4
NET INCOME													
30) NET INCOME	183.9	37.7	38.4	28.6	28.4	20.4	16.4	13.4	8.5	5.3	380.8	18.4	399.2
31) INVESTMENTS & RISK	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0	-3.7	821.3
32) A.F.I.T. NET	-641.1	37.7	38.4	28.6	28.4	20.4	16.4	13.4	8.5	5.3	-444.2	22.1	-422.1
33) CUM. A.F.I.T. NET	-641.1	-603.4	-585.0	-536.4	-508.1	-487.7	-471.4	-458.0	-449.5	-444.2	-444.2	-422.1	-422.1

E C O N O M I C I N D I C A T O R S

AS OF DATE: 12/96

B.F.I.T.                    A.F.I.T.  
 WORTH                    WORTH  
 M\$-----                M\$-----

PRESENT WORTH PROFILE AND  
 RATE-OF-RETURN VS. BONUS TABLE

	B.F.I.T. WORTH M\$-----	A.F.I.T. WORTH M\$-----	A.F.I.T. BONUS M\$-----
0.	-421.504	-262.428	-403.735
2.	-476.417	-309.251	-439.644
5.	-537.819	-362.233	-474.945
6.	-554.162	-376.519	-483.775
8.	-582.218	-401.313	-498.636
10.	-605.336	-422.078	-510.780
20.	-677.390	-490.094	-550.477
30.	-714.127	-528.100	-573.781
40.	-735.937	-552.483	-589.391
50.	-750.161	-569.436	-600.530
60.	-760.059	-581.893	-608.849
70.	-767.290	-591.440	-615.297
80.	-772.779	-599.007	-620.453
90.	-777.078	-605.173	-624.689
100.	-780.535	-610.316	-628.251

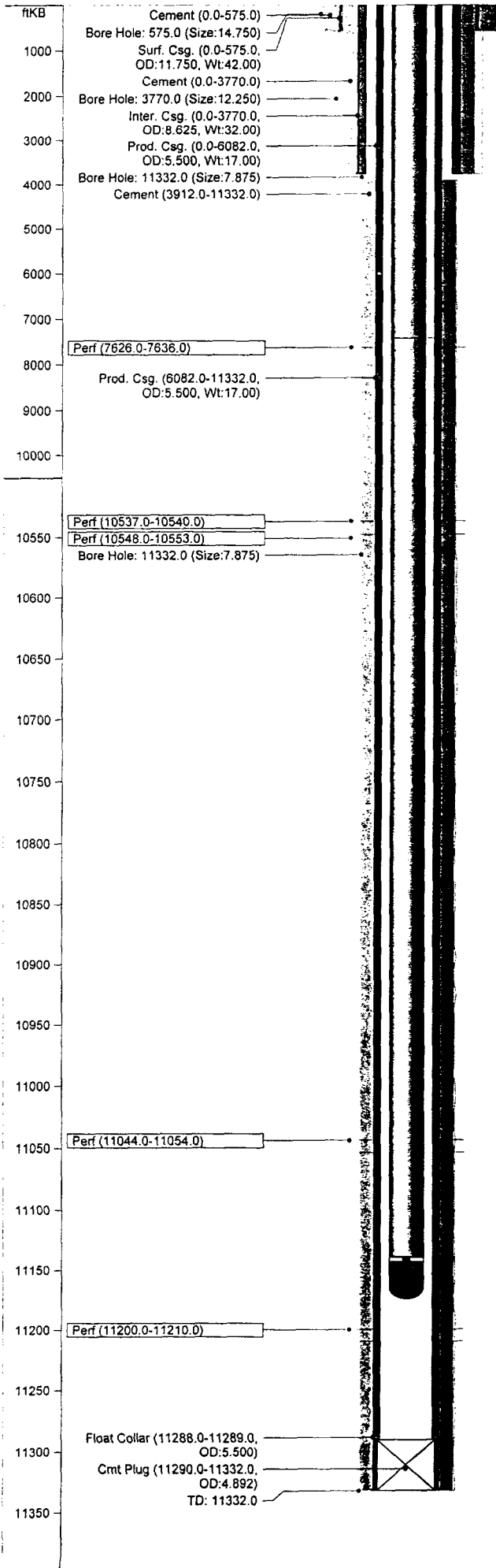
RATE OF RETURN, PCT.                    .0                    .0

UNDISCOUNTED PAYOUT, YRS.                21.92                21.92

DISCOUNTED PAYOUT, YRS.                21.92                21.92

UNDISCOUNTED NET/INVEST.                .47                    .67

DISCOUNTED NET/INVEST.                .26                    .49



**JAMES RANCH UNIT #65**

API No.	3001527995	Status	ACT OIL
TD	11332.0 ftKB	Engineer	CAA
PBTD	11290.0 ftKB		
Operator	BEPCO	Permit	
Well No.	65	Spud	7/18/96
ID Code		RR	8/4/96
Field	LOS MEDANOS	Completion	9/2/96
Author	RAS	Last Act.	
Date Updated	1/27/98	Abandoned	
Comments	Drilled by Enron		

**Location**

Township	S023	Top Latitude	0
		Top Longitude	0
Range	E031	Top NS Distance	330.0 ft N
		Top EW Distance	2310.0 ft E
Section	6	Bottom Latitude	0
Unit Ltr.	B	Bottom Longitude	0
State	New Mexico	Btm NS Distance	0.0 ft
County	Eddy	Btm EW Distance	0.0 ft

**Elevations**

KB	3331.0 ft	Cas Flng	0.0 ft
Grd	3318.0 ft	Tub Head	0.0 ft
KB-Grd	13.0 ft		

**Casing String - Surface Casing**

Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID	Wt	Grd	Thd
11 3/4 in Surf. Csg.	0.0	575.0	15	11.084	42.00	H-40	STC

**Casing String - Intermediate Casing**

Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID	Wt	Grd	Thd
8 5/8 in Inter. Csg.	0.0	3770.0		7.921	32.00	J-55	STC

**Casing String - Production Casing**

Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID	Wt	Grd	Thd
5 1/2 in Prod. Csg.	0.0	6082.0	144	4.892	17.00	P-110	LTC
5 1/2 in Prod. Csg.	6082.0	1332.0	121	4.892	17.00	CF-95	LTC
5 1/2 in Float Collar	1288.0	1289.0		0.000	0.00		

**Casing Cement**

Casing String	Top (ftKB)	Amount (sx)	Comments
Surface Casing	0.0	360	
Intermediate Casing	0.0	975	
Production Casing	3912.0	1725	TOC by Temp. Sur.

**Tubing String - Primary Tubing**

Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
2 7/8 in Tbg	0.0	7421.0	237	2.441	6.50	N-80	8rd
4 57/64 in TAC	7421.0	7424.0		0.000	0.00		8rd
2 7/8 in Tbg	7424.0	11139.0	117	2.441	6.50	N-80	8rd
2 7/8 in SN	11139.0	11140.0		0.000	0.00		
2 7/8 in Perf Sub	11140.0	11143.0		0.000	0.00		
2 7/8 in Mud Anchor	11143.0	11175.0		0.000	0.00		

**Other (plugs, equip., etc.) - Plug Backs**

Date	Item	Int (ftKB)
8/3/96	Cmt Plug	11290.0 - 11332.0

**Perforations**

Date	Int	Shots (/ft)	Status
8/26/96	11200.0 - 11210.0	2.0	
11/22/96	11044.0 - 11054.0	2.0	
2/25/97	10537.0 - 10540.0	2.0	
2/25/97	10548.0 - 10553.0	2.0	
3/11/97	7626.0 - 7636.0	2.0	

**Stimulations & Treatments**

Date	Type	Interval	Fluid	Sand	Comments
8/29/96	Sand Frac	11200.0 - 11210.0			
11/26/96	Sand Frac	11044.0 - 11054.0			
3/12/97	Sand Frac	7626.0 - 7636.0			

## WELL HISTORY

WELL NAME: JAMES RANCH UNIT #65  
FIELD NAME: LOS MEDANOS (WOLFCAMP)  
LOCATION: 330' FNL & 2310' FEL  
SEC 6, T-23-S, R-31-E  
EDDY CO., NM  
ELEV: 3318' GL, 3331.2' KB  
SPUD DATE: 7/8/96  
COMP DATE: 9/2/96  
ORIG TD: 11,332'  
ORIG PBTD: 11,290'  
CASING: 16" CONDUCTOR SET @ 40'  
11 3/4" 42#, H-40, ST&C CSA 575', CMT W/360 SXS CL H, CMT CIRC TO SURFACE  
8 5/5" 32#, J-55, ST&C CSA 3770', CMT W/975 SXS, CMT CIRC TO SURFACE  
5 1/2", 122 JTS, 17# CF95, LT&C AND 145 JTS 5 1/2 17# P-110 & CF-95, LT&C CSA 11,332',  
CMT W/1725 SXS PREM 50/50 POZ A. TOC @ 3912' BY TEMP SURVEY  
TUBING:  
DST: NONE  
CORES & LOGS: NO CORES  
LOGS: HALLIBURTON, DILL-SGRD/SDL-DSN; 8-1-96

## INITIAL COMPLETION

8-24-96 through 8-30-96 INITIAL COMPLETION

8-24-96 Bass to complete well.

8-26-96 RIH W/GR-CCL tool & log intervals 11,283-10,283', 8000-7000', and 6050'-5850'. PERF 11,200'-11,210' (Wolfcamp) w/2 JSPF/180 deg phased, 20 shots.

8-29-96 Load hole w 136 bbls 2% KCL, pump 18 bbls 15% HCL w/additives across WC perfs, break fm @ 3900# psi, pump @ 4000 psi, ISIP 3950 PSI and 3720 PSI after 10 min. RU Dowell and frac well with 28,960 gals YF-140 gel + 144,000# 20/40 Ottawa sand + 5,000# 20/40 econo prop. Well screened out

10/18/96 to 10/29/96 Tag up @ 11,212' on soft fill (frac sand) Run flowing gradient pressure tests. Set BHP bomb, SI 5 days for BU. Attempt to retrieve BHP tools, stuck w/frac sand. Bailed sand, recovered BHP tools. Return well to prod.



WELL HISTORY  
JAMES RANCH UNIT #65  
PAGE 2

- 11/21/96 to 11/27/96      **Perf & Frac 3<sup>rd</sup> Bone Spring FM**  
RIH w/CIBP, attempt to set at 11,180', BP stuck in csg collar @ 11,153'. Set CIBP @ 11,153'. Perf Bone Spring fm @ 11,044-54' (10'-2JSPF -180° phased. Tag CIBP @ 11,153, dump cmt on top. Acidize perfs 11,044-54' w/350 gals 15% HCL. Frac 11,044-54' w/59,500 gals YF140D + 272,000# 20/40 Ottawa Sd + 60,000# 20/40 SB Ultra sd. Flowed well back. Left flowing.
- 12/26/96      POH w/3 1/2" tbg & LD, RIH w/2 7/8" tbg, EOT @ 10,943'. Swabbed and left well flowing to battery. AWO: 1-7-97 F 96 BOPD + 94 BWPD + 146 MCF on 16/64" ck. 80# FTP, no sand.
- 2/8/97      Run BHP test.
- 2/24/97 to 2/27/97      **Perf & Acidize Bone Spring Carbonate**  
Set CIBP @ 10,750'. Perf 10,537-40' (3'-6 holes-180° phased) and 10,548-53' (5'-10 holes-180° phased). Acidize w/1150 gals 20% HCL + 32 BS. Test: 0 BO, 3 BW, 0 MCF.
- 3/9/97 to 3/14/97      **Perf & Frac Delaware**  
Set CIBP @ 7900'. Perf 7626-36' (10'-20 holes-180° phased). Acidize w/200 gals 15% HCL. Frac w/14,085 gals YF130 and 61,000# 20/40 Ottawa sand + 15,000# 20/40 SB Ultra. Flow well back, turn to battery. Kill well, tag sand fill @ 7856' (44' fill above CIBP @ 7900'). RIH w/2 7/8" N-80 Tbg, EOT @ 7452'. RIH w/pump & rods. Place well on prod. Test: 3-25-97 110 BOPD, 9 BWPD, 222 MCFGPD.
- 8/11/97 to 8/19/97      **DO CIBP'S & COMMINGLE ALL ZONES**  
DO CIBP @ 7900', DO CIBP @ 10,750', DO CIBP @ 11,153'. Drill out fill to 11,332' PBDT (new). Flow and clean up well. Tag fill @ 11,284'. RIH w/tbg, rods & pump. Place well on prod. AWO: 9/2/97 99 BO, 5 BW, 217 MCF.

DISTRICT I  
P.O. Box 1000, Hobbs, NM 88241-1000

State of New Mexico  
Energy, Minerals and Natural Resources Department

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

DISTRICT II  
P.O. Drawer 32, Artesia, NM 88211-0719

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

DISTRICT III  
P.O. Box 2088, Santa Fe, NM 87504-2088

DISTRICT IV  
P.O. Box 2088, Santa Fe, NM 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-27995	Pool Code	Pool Name LOS MEDANOS (WOLFCAMP)
Property Code	Property Name JAMES RANCH UNIT	Well Number 65
OGRID No. 001801	Operator Name BASS ENTERPRISES PRODUCTION CO.	Elevation 3318

Surface Location

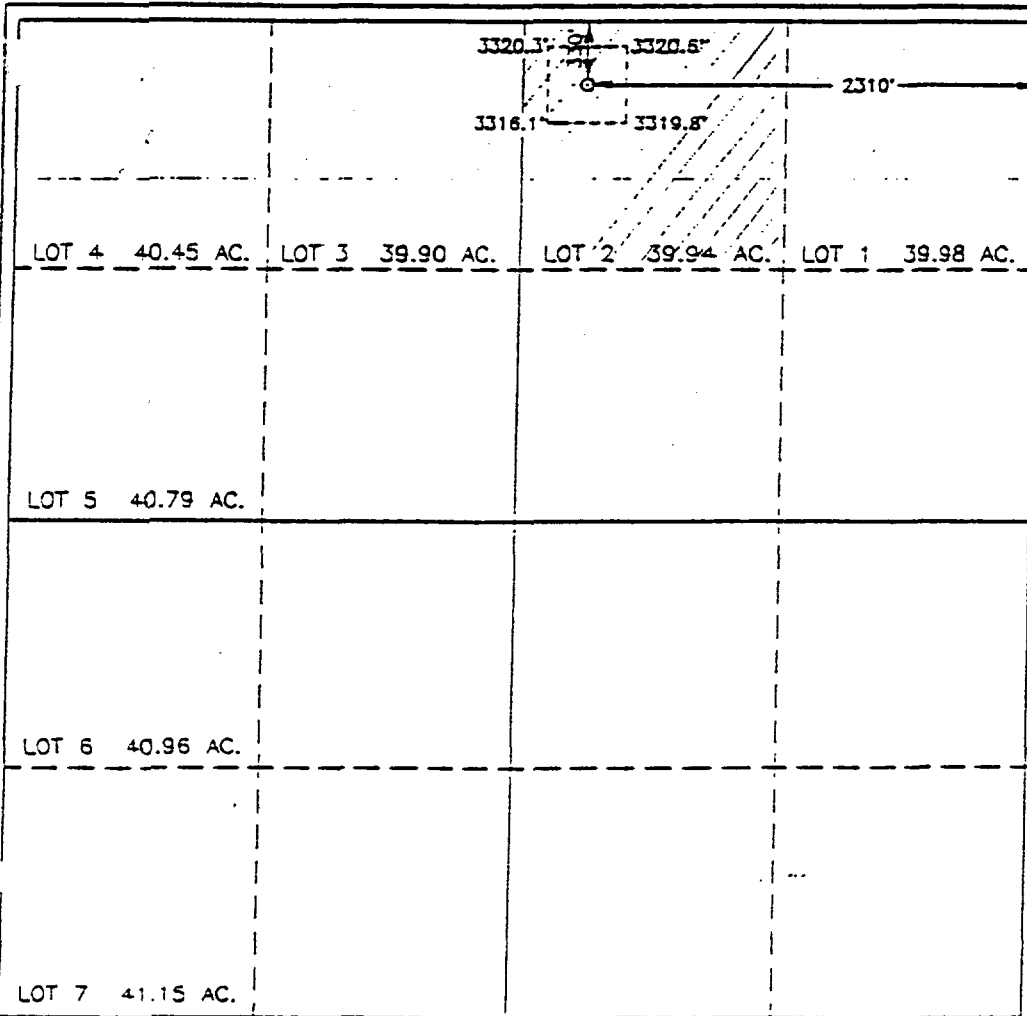
UL or lot No.	Section	Township	Range	Lot Idn.	Feet from the	North/South line	Feet from the	East/West line	County
LOT 2	6	23 S	31 E		330	NORTH	2310	EAST	EDDY

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 40	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



**OPERATOR CERTIFICATION**

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

*William R. Dannels*  
Signature  
William R. Dannels  
Printed Name  
Division Drilling Supt.  
Title  
February 2, 1996  
Date

**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.

JANUARY 22, 1995  
Date Surveyed JLP

*Ronald E. Eidson*  
Signature  
Professional Surveyor  
Professional Surveyor  
MEXICO  
1-30-95  
W.S.O. No. 96-15-2093

Certificate No. JOHN W. WEST. 676  
3014 W. EIDSON. 3239  
PROFESSIONAL SURVEYOR EIDSON. 12641

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

(See other instructions on reverse side)

BEPOS - WTD PRODUCTION

3. LEASE DESIGNATION AND SERIAL NO.

WM 02897-A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

James Ranch Unit

8. FARM OR LEASE NAME, WELL NO.

James Ranch Unit #65

9. API WELL NO.

30-015-27995

10. FIELD AND POOL, OR WILDCAT

Los Medanos (Bone Spring)

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA

Section 6, T23S-R31E

12. COUNTY OR PARISH

Eddy

13. STATE

New Mexico

WELL COMPLETION OR RECOMPLETION REPORT AND LOG\*

a. TYPE OF WELL: OIL WELL  GAS WELL   
b. TYPE OF COMPLETION: NEW WELL  WORK OVER  DEEP EN  PLUG BACK

2. NAME OF OPERATOR

Bass Enterprises Production Co.

3. ADDRESS AND TELEPHONE NO.

P.O. Box 2760 Midland, TX 79702-2760

(915) 683-2277

4. LOCATION OF WELL (Report location clearly and in accordance with state requirements)\*

At surface

330' FNL & 2310' FEL

At top prod. interval reported below

Same

At total depth

Same

14. PERMIT NO.

DATE ISSUED

15. DATE SPUNDED

11/22/96

16. DATE T.D. REACHED

11/23/96

17. DATE COMPL. (Ready to prod.)

11/27/96

18. ELEVATIONS (DF, RKB, RT, GR, ETC.)\*

3318' GL, 3331.02' KB

19. ELEV. CASINGHEAD

- - -

20. TOTAL DEPTH, MD & TVD

11,332'

21. PLUG, BACK T.D., MD & TVD

11,153'

22. IF MULTIPLE COMPL., HOW MANY\*

Single

23. INTERVALS DRILLED BY

→

ROTARY TOOLS

0-11,332'

CABLE TOOLS

- - -

24. PRODUCING INTERVAL(S), OF THIS COMPLETION - TOP, BOTTOM, NAME (MD AND TVD)\*

11,044-54' (Bone Spring)

25. WAS DIRECTIONAL SURVEY MADE

No

26. TYPE ELECTRIC AND OTHER LOGS RUN

NA

27. WAS WELL CORED

No

28. CASING RECORD (Report all strings set in well)

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
4"	42#	575'	14-3/4"	310 sx Prem Plus H Surface	- - -
8-5/8"	32#	3770'	11"	975 sx Prem Plus Poz Circ	- - -
5-1/2"	17#	11,332'	7-7/8"	1725 sx Prem H 3912' (TS)	- - -

29. LINER RECORD				30. TUBING RECORD			
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
None					2-7/8"	10,943'	- - -

31. PERFORATION RECORD (Interval, size and number)  
CIBP set @ 11,153', dump ball 10' cement on top.  
  
Perf'd w/ 4" csg gun loaded w/ 2 JSPF @ 180 degree phasing. 11,044-54' (10', 20 shots)

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.	
DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
11,044-54'	Spot 3,878' gals 15% HCl acid.
	Frac w/ 63,329 gals YF140D guar based 40# gel & 332,000#'s 20/40 Ottawa Sand.

33.\* PRODUCTION  
DATE FIRST PRODUCTION: \_\_\_\_\_  
PRODUCTION METHOD (Flowing, gas lift, pumpjack, etc.): Flowing  
WELL STATUS (Producing or shut-in): Producing

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. POR TEST PERIOD	OIL - BBL.	GAS - MCF.	WATER - BBL.	GAS - OIL RATIO
12/11/96	24	16/64"	→	59	37	70	627
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL - BBL.	GAS - MCF.	WATER - BBL.	OIL GRAVITY - API (CORR.)	
50	- - -	→	59	37	70	48.4	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.): Sales, Lease Use

35. LIST OF ATTACHMENTS: NA

I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED: Jami L. Wilber TITLE: Production Clerk DATE: 1/22/97

\*(See Instructions and Spaces for Additional Data on Reverse Side)

**WORKSHEET FOR COMMERCIAL DETERMINATION  
AND PARTICIPATING AREA IN FEDERAL UNITS**

**WELL DATA**

---

WELL \_\_\_\_\_ JAMES RANCH UNIT #65 \_\_\_\_\_ FORMATION \_\_\_\_\_ WOLFCAMP \_\_\_\_\_

LOCATION \_\_\_\_\_ B \_\_\_\_\_ UNIT, \_\_\_\_\_ 330 \_\_\_\_\_ FEET FROM \_\_\_\_\_ NORTH \_\_\_\_\_ LINE & \_\_\_\_\_ 2310 \_\_\_\_\_ FEET FROM \_\_\_\_\_ EAST \_\_\_\_\_ LINE

SECTION \_\_\_\_\_ 6 \_\_\_\_\_ TOWNSHIP \_\_\_\_\_ 23S \_\_\_\_\_, RANGE \_\_\_\_\_ 31E \_\_\_\_\_, COUNTY \_\_\_\_\_ EDDY \_\_\_\_\_, NEW MEXICO

SPUD DATE \_\_\_\_\_ 7/18/96 \_\_\_\_\_ COMPLETION DATE \_\_\_\_\_ 8/30/96 \_\_\_\_\_ INITIAL PRODUCTION \_\_\_\_\_ 8/31/96 \_\_\_\_\_

PERFORATIONS \_\_\_\_\_ 11200-210' \_\_\_\_\_

---

STIMULATION:

**ACID** \_\_\_\_\_ 11200-210', 336 GALS. 15% HCL \_\_\_\_\_

**FRACTURE** \_\_\_\_\_ 11200-210', 28,960 GALS YF 140 GEL + 144,000# 20/40 OTTAWA SAND + 5000# 20/40 ECONO-PROP \_\_\_\_\_

POTENTIAL \_\_\_\_\_ 9/5/96 141 BOPD, 0 BWPD, 289 MCFPD \_\_\_\_\_

(Attach Copy of C-105. Attach Copy of Wellbore Sketch of Completed Well.)

**VOLUMETRIC CALCULATION**

---

	SANDS PERFORATED	SANDS NOT PERFORATED BUT POTENTIALLY PRODUCTIVE
Area (A) proration unit size, acres	40	
Porosity (por), %	12.1%	
Water saturation (Sw), %	43%	
Net Thickness (h), ft.	31.5	
Temperature (T), Fahrenheit	170	
Bottom Hole pressure (P), psia	6,051	
Recovery factor (RF), %	27%	
Recoverable oil, Bbls *(See eq. below)	129,566	

\*sometimes unable to match performance due to volumetric uncertainty.

Formula = (7758) (A) (h) (por) (1-Sw) (1/Boi) (RF)

Boi = 1.40

**PERFORMANCE DATA**

(If sufficient history exists, attach plot of oil production rate v time.)

CUMULATIVE PRODUCTION TO	<u>11/1/99</u> ; <u>15227</u> BBLs
INITIAL RATE (qi)	<u>287</u>
ECONOMIC LIMIT (qi)	<u>30</u>
DECLINE RATE, dy	<u>Hyperbolic d = 19.96% n = .98</u>
REMAINING OIL (Q) =	<u>22073</u>
ULTIMATE RECOVERABLE OIL	<u>37300</u>

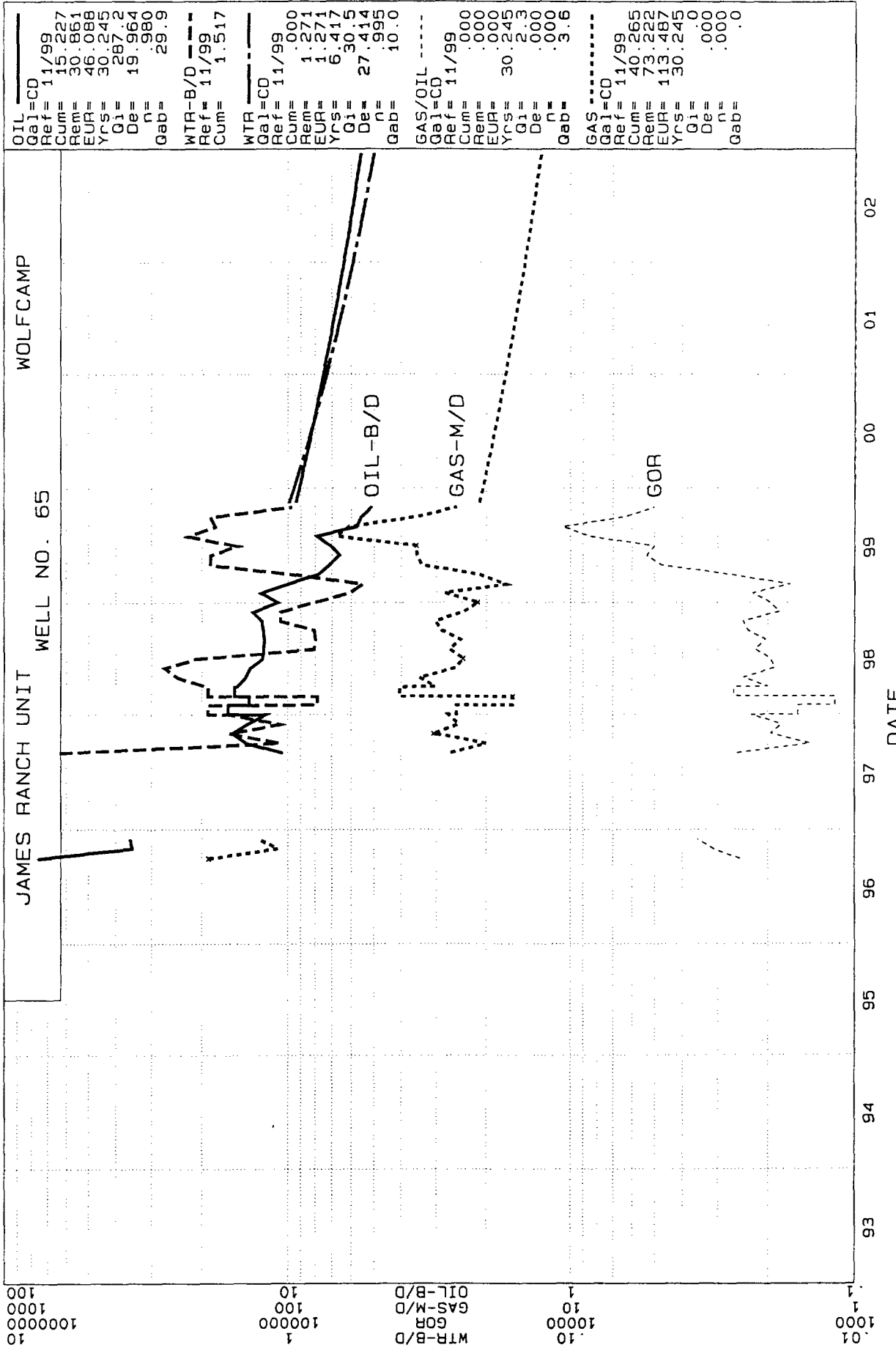
(Attach plot showing proration unit and participating area.)

**ECONOMIC**

WELL COST \$	<u>825,000</u> (to the depth of formation completed)
RECOMPLETION COST \$	<u>                    </u>
TOTAL COST \$	<u>825,000</u>

YEAR	GROSS OIL	REVENUE	OPERATING COST	10% NET BFIT DISCOUNTED CASH FLOW
ZERO	<u>0</u>	<u>0</u>	<u>0</u>	<u>-825,000</u>
1	<u>4,400</u>	<u>112,300</u>	<u>13,200</u>	<u>97,500</u>
2	<u>2,000</u>	<u>56,800</u>	<u>18,600</u>	<u>35,200</u>
3	<u>5,200</u>	<u>77,200</u>	<u>20,000</u>	<u>47,600</u>
4	<u>3,500</u>	<u>72,600</u>	<u>19,700</u>	<u>39,900</u>
5	<u>2,800</u>	<u>73,400</u>	<u>19,700</u>	<u>36,600</u>
6	<u>2,500</u>	<u>55,800</u>	<u>18,500</u>	<u>23,100</u>
7	<u>2,200</u>	<u>45,200</u>	<u>17,700</u>	<u>15,400</u>
8	<u>1,900</u>	<u>37,900</u>	<u>17,200</u>	<u>10,500</u>
9	<u>1,700</u>	<u>33,700</u>	<u>16,900</u>	<u>7,700</u>
10	<u>1,500</u>	<u>30,400</u>	<u>16,500</u>	<u>5,700</u>
REMAINDER	<u>9,600</u>	<u>194,100</u>	<u>147,800</u>	<u>14,100</u>

**WELL IS NOT COMMERCIAL**



**OIL=CD**  
 Gal= 11/99  
 Ref= 15.227  
 Cum= 30.861  
 EUR= 46.088  
 YRS= 30.245  
 Q1= 287.2  
 De= 19.964  
 n= 980  
 Qab= 29.9

**WTR-B/D**  
 Ref= 11/99  
 Cum= 1.517

**WTR**  
 Gal=CD  
 Ref= 11/99  
 Cum= .000  
 EUR= 1.271  
 YRS= 6.417  
 Q1= 30.5  
 De= 27.414  
 n= .995  
 Qab= 10.0

**GAS/OIL**  
 Gal=CD  
 Ref= 11/99  
 Cum= .000  
 EUR= .000  
 YRS= 30.245  
 Q1= 2.3  
 De= .000  
 n= .000  
 Qab= 3.6

**GAS**  
 Gal=CD  
 Ref= 11/99  
 Cum= 40.265  
 EUR= 73.222  
 YRS= 113.487  
 Q1= .0  
 De= .000  
 n= .000  
 Qab= .0

JRU # 65 WOLFPCAMP  
 PREPARED BY: KENT ADAMS

DATE : 02/07/00  
 TIME : 13:29:49  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 7

INPUT DATA

CALCULATED DATA

ITEM	SCHEDULING RATES	SCHEDULE UNTIL	PROCEDURE	ULTIMATE	LAST	EFF. DECL	INIT. RATE	FINAL RATE
405 START	11/99							
410 OIL	287.21	03/2015 AD	H/0.980	38.087	2/15	19.96	287.	64.
415 "	64.10	8.00 IMU	EXP 5.00	46.088	1/30	5.00	64.	30.
420 GAS/OIL	2.26	01/2097 AD	LOG		12/96			
425 WTR	30.50		H/0.995	27.41				
430 START	9/96			1.271	3/06	27.41	31.	10.
516 PRI/OIL	16.8800	1/95	PC	.00	1/30		16.880	
517 "	18.39	1/96	PC	.00	1/30		18.390	
518 "	22.26	1/97	PC	.00	1/30		22.260	
519 "	20.74	1/98	PC	.00	12/97		20.740	
520 "	14.43	1/99	PC	.00	12/98		14.430	
521 "	19.25	1/2000	PC	.00	12/99		19.250	
522 "	24.94	1/2001	PC	.00	12/00		24.940	
523 "	20.67	1/2002	PC	.00	12/01		20.670	
524 "	19.20	1/2003	PC	.00	12/02		19.200	
525 "	18.18	1/2004	PC	.00	12/03		18.180	
526 "	18.13	TO	PC	.00	1/30		18.130	
531 PRI/GAS	1.8900	1/95	PC	.00	1/30		1.890	
532 "	1.94	1/96	PC	.00	8/96		1.940	
533 "	2.61	1/97	PC	.00	12/96		2.610	
534 "	2.59	1/98	PC	.00	12/97		2.590	
535 "	2.11	1/99	PC	.00	12/98		2.110	
536 "	2.27	1/2000	PC	.00	12/99		2.270	
537 "	2.60	1/2001	PC	.00	12/00		2.600	
538 "	2.58	1/2002	PC	.00	12/01		2.580	
539 "	2.57	TO	PC	.00	1/30		2.570	
544 OPC/T	1190.00	TO	SCH	OPC	1/30		1190.000	1190.000
549 STX/OIL	7.08	TO	PC	.00	1/30		.071	.071
554 STX/GAS	7.93	TO	PC	.00	1/30		.079	.079
559 ATX	.17	TO	PC	.00	1/30		.002	.002
564 PRI/OIL	-.9100	TO	PC	.00	1/30		-.910	18.130
569 PRI/GAS	-.1300	TO	PC	.00	1/30		-.130	2.570
700 LSE/WI	100.0000	TO	FLAT	.00	1/30		1.000	1.000
701 OWM/WI	100.0000	TO	FLAT	.00	1/30		1.000	1.000
720 LSE/RIC	12.5000	TO	FLAT	.00	1/30		.125	.125
721 OWM/RI	.0000	TO	FLAT	.00	1/30			
740 LSE/RIG	12.5000	TO	FLAT	.00	1/30		.125	.125
760 LSE/ORR	.0000	TO	FLAT	.00	1/30			

761 OMM/ORR .0000 D \$ TO LIFE FLAT .00 1/30

OVERLAYS SCHEDULING RATES SCHEDULE UNTIL PROCEDURE ULTIMATE LAST EFF. DECL. INIT. RATE FINAL RATE

905 LOAD P.OIL OIL # 15.380 2/00

910 LOAD P.GAS GAS # 41.032 6/99

915 LOAD P.WATER WTR # 1.517 6/99

INVESTMENT TANGIBLES & INTANGIBLES TIME PROCEDURE TOTAL T&I MONTH RISK INV. TOT. T&IAR ESC. T&IAR

800 DRILL 330.00 495.00 M\$G 09/96 AD 825.000 9/96 . 825.0 825.0

801 SALVAGE -33.00 .00 M\$G TO LIFE -33.000 1/30 . -33.0 -33.0

RESERVE PARAMETERS ITEM ITEM

201 LOSS NO 15.23 CUMG, MMF 40.26 CUML, MB

205 CUMG, MB 15.23 CUMG, MMF 40.26 CUML, MB

PROJECT ASSUMPTIONS

BASB DATE : 9/96 TIME FRAMES : 1\*4 38\*12 1\*600

P.W. DATE : 9/96 PW %-AGE : 10.0 DISC. FREQUENCY : 365.

REPORT DATE : 9/96 PROD QUAL : CD OMMR QUAL : CD OTHER QUAL : CD



JRU # 65 WOLFPCAMP  
 PREPARED BY: KENT ADAMS

DATE : 02/07/00  
 TIME : 13:29:49  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 7

R E S E R V E S A N D E C O N O M I C S  
 EFFECTIVE DATE: 9/96

PERIOD ENDING	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	12/04	12/05	S TOT	AFTER	TOTAL
1) WORKING INTEREST, \$	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
2) REVENUE INTEREST, \$	87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500
INVESTMENTS, M\$													
3) BORROWED CAPITAL	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4) EQUITY INVESTMENTS	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0
5) RISK	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) TOTAL	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0

18.7 YR

OWNERSHIP

OIL PHASE

8) GROSS OIL, MB	4.4	2.0	5.2	3.5	2.8	2.5	2.2	1.9	1.7	1.5	27.6	9.6	37.3
9) NET OIL, MB	3.9	1.8	4.5	3.0	2.4	2.2	1.9	1.7	1.5	1.3	24.2	8.4	32.6
10) OIL REVENUE, M\$	82.7	35.1	61.0	55.4	58.7	43.5	34.6	28.6	25.4	22.9	447.8	145.2	593.0
11) OIL PRICE, \$/B	21.35	19.83	13.52	18.34	24.03	19.76	18.29	17.27	17.22	17.22	18.53	17.22	18.19

GAS PHASE

12) GROSS GAS, MMF	13.7	10.1	9.3	9.2	6.8	5.7	5.0	4.4	3.9	3.5	71.6	22.9	94.5
13) NET GAS, MMF	12.0	8.9	8.2	8.1	6.0	5.0	4.3	3.8	3.4	3.1	62.7	20.0	82.7
14) GAS REVENUE, M\$	29.6	21.8	16.2	17.2	14.8	12.3	10.6	9.3	8.3	7.5	147.6	48.9	196.5
15) GAS PRICE, \$/MCF	2.480	2.460	1.980	2.140	2.470	2.450	2.440	2.440	2.440	2.440	2.356	2.440	2.376

WATER PHASE

16) GROSS WATER, MB	.2	.6	.4	.3	.0	.0	.0	.0	.0	.0	1.5	.0	1.5
17) NET WATER, MB	.2	.6	.4	.3	.0	.0	.0	.0	.0	.0	1.5	.0	1.5
18) WATER PRICE, \$/B	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000

ECONOMICS, M\$

19) GROSS REV. TO INTR.	112.3	56.8	77.2	72.6	73.4	55.8	45.2	37.9	33.7	30.4	595.4	194.1	789.5
20) - SEV. TAX	8.2	4.2	5.6	5.3	5.3	4.1	3.3	2.8	2.5	2.2	43.4	14.2	57.6
22) - AD VALOREM TAX	.2	.1	.1	.1	.1	.1	.1	.1	.1	.0	.9	.3	1.2
23) - OPERATING COSTS	4.8	14.3	14.3	14.3	14.3	14.3	14.3	14.3	14.3	14.3	133.3	133.3	266.6
24) - SMD	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
25) - CAPITAL REPAIRMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
28) = NET INCOME	99.2	38.3	57.2	53.0	53.7	37.4	27.5	20.8	16.9	13.8	417.8	46.4	464.1
29) - INVESTMENTS & RSK	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0	-33.0	792.0
30) = BFIT NET	-725.8	38.3	57.2	53.0	53.7	37.4	27.5	20.8	16.9	13.8	-407.2	79.4	-327.9
PRESENT WORTH @ 10.00 %													
31) NET INCOME	97.5	35.2	47.6	39.9	36.6	23.1	15.4	10.5	7.7	5.7	319.3	14.1	333.4
32) INVESTMENTS & RISK	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0	-5.1	819.9
33) BFIT NET	-727.5	35.2	47.6	39.9	36.6	23.1	15.4	10.5	7.7	5.7	-505.7	19.2	-486.5
34) CUM BFIT NET	-727.5	-692.2	-644.6	-604.7	-568.1	-545.0	-529.7	-519.1	-511.4	-505.7	-505.7	-486.5	-486.5

A F T E R T A X E C O N O M I C S

EFFECTIVE DATE: 9/96

PERIOD ENDING	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	12/04	12/05	S TOT	AFTER	18.7 YR
TAX TREATMENT OF INVESTMENTS, M\$													TOTAL
1) EXP, RISK & CAP INT	495.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	495.0	.0	495.0
2) DEPLETABLE	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
3) DEPRECIABLE	330.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	330.0	.0	297.0

TAX CALCULATIONS, M\$

4) GROSS REV. TO INTR.	112.3	56.8	77.2	72.6	73.4	55.8	45.2	37.9	33.7	30.4	595.4	194.1	789.5
5) - SEVERANCE TAX	8.2	4.2	5.6	5.3	5.3	4.1	3.3	2.8	2.5	2.2	43.4	14.2	57.6
6) - WPT TAX NET	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) - OPR. COSTS & ATX	4.9	14.4	14.4	14.4	14.4	14.4	14.4	14.3	14.3	14.3	134.2	133.6	267.8
8) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
9) - OVERHEAD	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
10) - EXPENSED INV.	495.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	495.0	.0	495.0
11) - DEPRECIATION	15.7	58.4	73.1	52.2	37.3	29.5	29.5	29.5	4.9	.0	330.0	.0	330.0
12) = NET	-411.5	-20.1	-16.0	.0	16.4	7.9	-1.9	-8.6	12.0	13.8	-407.2	46.4	-360.9
13) - DEPLETION	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
14) - INTEREST PD & CAP	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
15) = TAXABLE	-411.5	-20.1	-16.0	.7	16.4	7.9	-1.9	-8.6	12.0	13.8	-407.2	46.4	-360.9
16) * TAX RATE, %	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0
17) - TAX CREDIT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
18) - WPT REFUND	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
19) = F.I.T.	-144.0	-7.0	-5.6	.3	5.7	2.8	-7	-3.0	4.2	4.8	-142.5	16.2	-126.3
20) REVENUE-SEV-WPT	104.1	52.6	71.6	67.3	68.1	51.8	41.9	35.2	31.2	28.2	552.0	180.0	731.9
21) - OPR. COSTS & ATX	4.9	14.4	14.4	14.4	14.4	14.4	14.4	14.3	14.3	14.3	134.2	133.6	267.8
22) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
23) - F.I.T.	-144.0	-7.0	-5.6	.3	5.7	2.8	-7	-3.0	4.2	4.8	-142.5	16.2	-126.3
24) = A.F.I.T.	243.2	45.3	62.7	52.7	48.0	34.6	28.2	23.8	12.7	9.0	560.3	30.1	590.4
25) - LOAN REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) = NET INCOME	243.2	45.3	62.7	52.7	48.0	34.6	28.2	23.8	12.7	9.0	560.3	30.1	590.4
28) - INVESTMENTS & RSK	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0	-33.0	792.0
29) = A.F.I.T. NET	-581.8	45.3	62.7	52.7	48.0	34.6	28.2	23.8	12.7	9.0	-264.7	63.1	-201.6

PRESENT WORTH @ 10.00 %

30) NET INCOME	239.2	41.7	52.3	39.7	32.7	21.4	15.7	12.0	5.8	3.7	464.3	9.1	473.4
31) INVESTMENTS & RISK	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0	-5.1	819.9
32) A.F.I.T. NET	-585.8	41.7	52.3	39.7	32.7	21.4	15.7	12.0	5.8	3.7	-360.7	14.3	-346.4
33) CUM. A.F.I.T. NET	-585.8	-544.1	-491.8	-452.1	-419.4	-398.1	-382.3	-370.3	-364.5	-360.7	-360.7	-346.4	-346.4

JRU # 65 WOLFECAMP  
 PREPARED BY: KENT ADAMS

DATE : 02/07/00  
 TIME : 13:29:49  
 DBS FILE : JRUDA  
 SETUP FILE : CD  
 SEQ NUMBER : 7

E C O N O M I C I N D I C A T O R S

AS OF DATE: 9/96

B.F.I.T.                    A.F.I.T.  
 WORTH                    WORTH  
 M\$-----                M\$-----

PRESENT WORTH PROFILE AND  
 RATE-OF-RETURN VS. BONUS TABLE

0.	-327.873	-201.568	-310.104
2.	-371.810	-241.186	-350.283
5.	-423.969	-288.619	-393.303
6.	-438.527	-301.970	-404.614
8.	-464.327	-325.796	-424.106
10.	-486.475	-346.451	-440.410
20.	-562.527	-419.497	-495.376
30.	-607.314	-464.842	-528.687
40.	-636.884	-496.226	-551.757
50.	-657.801	-519.410	-568.864
60.	-673.321	-537.345	-582.168
70.	-685.266	-551.731	-592.914
80.	-694.738	-563.614	-601.870
90.	-702.439	-573.674	-609.530
100.	-708.837	-582.368	-616.224

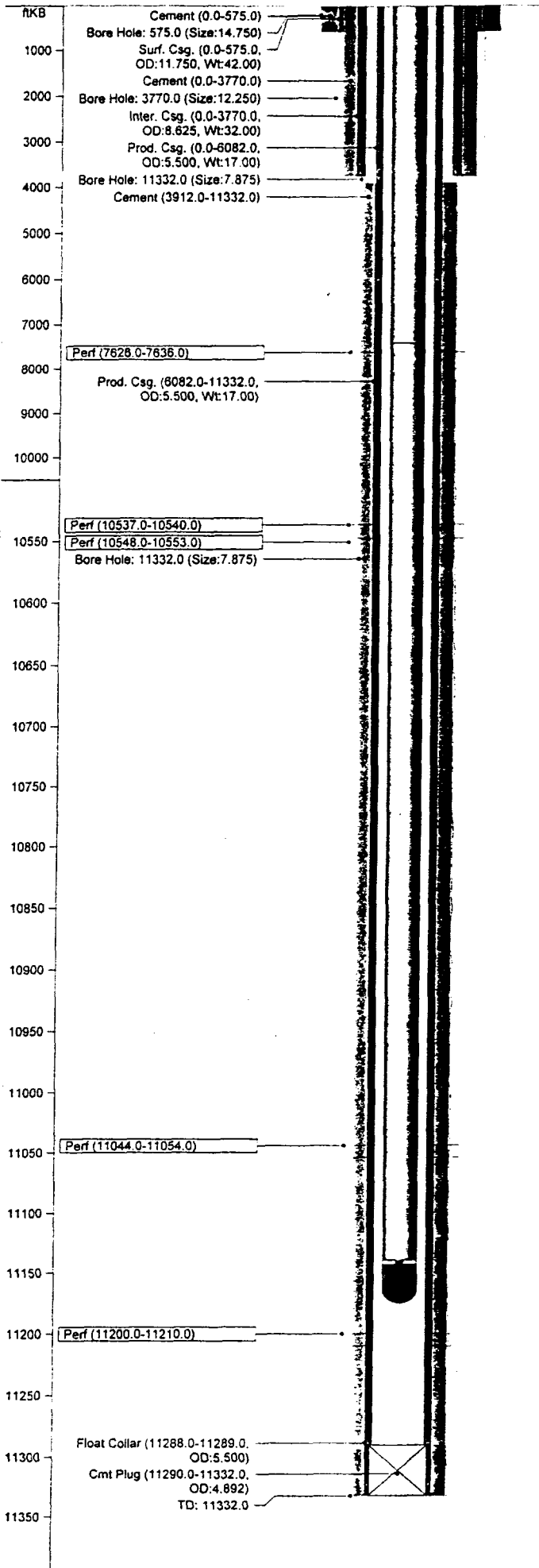
RATE OF RETURN, PCT.                    .0

UNDISCOUNTED PAYOUT, YRS.                18.67

DISCOUNTED PAYOUT, YRS.                18.67

UNDISCOUNTED NET/INVEST.                .59

DISCOUNTED NET/INVEST.                .41



JAMES RANCH UNIT #65			
API No.	3001527995	Status	ACT OIL
TD	11332.0 ftKB	Engineer	KA
PBTD	11290.0 ftKB		
Operator	BEPCO	Permit	
Well No.	65	Spud	7/18/96
ID Code		RR	8/4/96
Field	LOS MEDANOS	Completion	9/2/96
Author	RAS	Last Act.	
Date Updated	1/27/98	Abandoned	
Comments	Drilled by Enron		
<b>Location</b>			
Township	S023	Top Latitude	0
		Top Longitude	0
Range	E031	Top NS Distance	330.0 ft N
		Top EW Distance	2310.0 ft E
Section	6	Bottom Latitude	0
Unit Ltr.	B	Bottom Longitude	0
State	New Mexico	Btm NS Distance	0.0 ft
County	Eddy	Btm EW Distance	0.0 ft
<b>Elevations</b>			
KB	3331.0 ft	Cas Flng	0.0 ft
Grd	3318.0 ft	Tub Head	0.0 ft
KB-Grd	13.0 ft		
<b>Casing String - Surface Casing</b>			
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts
11 3/4 in Surf. Csg.	0.0	575.0	15
ID	Wt	Grd	Thd
11.084	42.00	H-40	STC
<b>Casing String - Intermediate Casing</b>			
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts
8 5/8 in Inter. Csg.	0.0	3770.0	
ID	Wt	Grd	Thd
7.921	32.00	J-55	STC
<b>Casing String - Production Casing</b>			
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts
5 1/2 in Prod. Csg.	0.0	6082.0	144
5 1/2 in Prod. Csg.	6082.0	1332.0	121
5 1/2 in Float Collar	1288.0	1289.0	
ID	Wt	Grd	Thd
4.892	17.00	P-110	LTC
4.892	17.00	CF-95	LTC
0.000	0.00		
<b>Casing Cement</b>			
Casing String	Top (ftKB)	Amount (sx)	Comments
Surface Casing	0.0	360	
Intermediate Casing	0.0	975	
Production Casing	3912.0	1725	TOC by Temp. Sur.
<b>Tubing String - Primary Tubing</b>			
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts
2 7/8 in Tbg	0.0	7421.0	237
4 57/64 in TAC	7421.0	7424.0	
2 7/8 in Tbg	7424.0	11139.0	117
2 7/8 in SN	11139.0	11140.0	
2 7/8 in Perf Sub	11140.0	11143.0	
2 7/8 in Mud Anchor	11143.0	11175.0	
ID	Wt	Grd	Thd
2.441	6.50	N-80	8rd
0.000	0.00		8rd
2.441	6.50	N-80	8rd
0.000	0.00		
0.000	0.00		
0.000	0.00		
<b>Other (plugs, equip., etc.) - Plug Backs</b>			
Date	Item	Int (ftKB)	
8/3/96	Cmt Plug	11290.0 - 11332.0	
<b>Perforations</b>			
Date	Int	Shots (/ft)	Status
8/26/96	11200.0 - 11210.0	2.0	
11/22/96	11044.0 - 11054.0	2.0	
2/25/97	10537.0 - 10540.0	2.0	
2/25/97	10548.0 - 10553.0	2.0	
3/11/97	7626.0 - 7636.0	2.0	
<b>Stimulations &amp; Treatments</b>			
Date	Type	Interval	Fluid Sand Comments
8/29/96	Sand Frac	11200.0 - 11210.0	
11/26/96	Sand Frac	11044.0 - 11054.0	
3/12/97	Sand Frac	7626.0 - 7636.0	

## WELL HISTORY

WELL NAME: JAMES RANCH UNIT #65

FIELD NAME: LOS MEDANOS (WOLFCAMP)

LOCATION: 330' FNL & 2310' FEL  
SEC 6, T-23-S, R-31-E  
EDDY CO., NM

ELEV: 3318' GL, 3331.2' KB

SPUD DATE: 7/8/96

COMP DATE: 9/2/96

ORIG TD: 11,332'

ORIG PBTD: 11,290'

CASING: 16" CONDUCTOR SET @ 40'  
11 3/4" 42#, H-40, ST&C CSA 575', CMT W/360 SXS CL H, CMT CIRC TO SURFACE  
8 5/5" 32#, J-55, ST&C CSA 3770', CMT W/975 SXS, CMT CIRC TO SURFACE  
5 1/2", 122 JTS, 17# CF95, LT&C AND 145 JTS 5 1/2 17# P-110 & CF-95, LT&C CSA 11,332',  
CMT W/1725 SXS PREM 50/50 POZ A. TOC @ 3912' BY TEMP SURVEY

TUBING:

DST: NONE

CORES & LOGS: NO CORES  
LOGS: HALLIBURTON, DILL-SGRD/SDL-DSN; 8-1-96

## INITIAL COMPLETION

8-24-96 through 8-30-96 INITIAL COMPLETION

8-24-96 Bass to complete well.

8-26-96 RIH W/GR-CCL tool & log intervals 11,283-10,283', 8000-7000', and 6050'-5850'. PERF 11,200'-11,210' (Wolfcamp) w/2 JSPF/180 deg phased, 20 shots.

8-29-96 Load hole w 136 bbls 2% KCL, pump 18 bbls 15% HCL w/additives across WC perms, break fm @ 3900# psi, pump @ 4000 psi, ISIP 3950 PSI and 3720 PSI after 10 min. RU Dowell and frac well with 28,960 gals YF-140 gel + 144,000# 20/40 Ottawa sand + 5,000# 20/40 econo prop. Well screened out

10/18/96 to 10/29/96 Tag up @ 11,212' on soft fill (frac sand) Run flowing gradient pressure tests. Set BHP bomb, SI 5 days for BU. Attempt to retrieve BHP tools, stuck w/frac sand. Bailed sand, recovered BHP tools. Return well to prod.

WELL HISTORY  
JAMES RANCH UNIT #65  
PAGE 2

- 11/21/96 to 11/27/96      **Perf & Frac 3<sup>rd</sup> Bone Spring FM**  
RIH w/CIBP, attempt to set at 11, 180', BP stuck in csg collar @ 11,153'. Set CIBP @ 11,153'. Perf Bone Spring fm @ 11,044-54' (10'-2JSPF -180° phased. Tag CIBP @ 11,153, dump cmt on top. Acidize perfs 11,044-54' w/350 gals 15% HCL. Frac 11,044-54' w/59,500 gals YF140D + 272,000# 20/40 Ottawa Sd + 60,000# 20/40 SB Ultra sd. Flowed well back. Left flowing.
- 12/26/96      POH w/3 1/2" tbg & LD, RIH w/2 7/8" tbg, EOT @ 10,943'. Swabbed and left well flowing to battery. AWO: 1-7-97 F 96 BOPD + 94 BWPD + 146 MCF on 16/64" ck. 80# FTP, no sand.
- 2/8/97      Run BHP test.
- 2/24/97 to 2/27/97      **Perf & Acidize Bone Spring Carbonate**  
Set CIBP @ 10,750'. Perf 10,537-40' (3'-6 holes-180° phased) and 10,548-53' (5'-10 holes-180° phased). Acidize w/1150 gals 20% HCL + 32 BS. Test: 0 BO, 3 BW, 0 MCF.
- 3/9/97 to 3/14/97      **Perf & Frac Delaware**  
Set CIBP @ 7900'. Perf 7626-36' (10'-20 holes-180° phased). Acidize w/200 gals 15% HCL. Frac w/14,085 gals YF130 and 61,000# 20/40 Ottawa sand + 15,000# 20/40 SB Ultra. Flow well back, turn to battery. Kill well, tag sand fill @ 7856' (44' fill above CIBP @ 7900'). RIH w/2 7/8" N-80 Tbg, EOT @ 7452'. RIH w/pump & rods. Place well on prod. Test: 3-25-97 110 BOPD, 9 BWPD, 222 MCFGPD.
- 8/11/97 to 8/19/97      **DO CIBP'S & COMMINGLE ALL ZONES**  
DO CIPB @ 7900', DO CIPB @ 10,750', DO CIPB @ 11,153'. Drill out fill to 11,332' PBSD (new). Flow and clean up well. Tag fill @ 11,284'. RIH w/tbg, rods & pump. Place well on prod. AWO: 9/2/97 99 BO, 5 BW, 217 MCF.

DISTRICT I  
P.O. Box 1988, Hobbs, NM 88241-1988

State of New Mexico

Energy, Minerals and Natural Resources Department

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

DISTRICT II  
P.O. Drawer 20, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

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

DISTRICT IV  
P.O. Box 2088, Santa Fe, NM 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-27995	Pool Code	Pool Name LOS MEDANOS (WOLFCAMP)
Property Code	Property Name JAMES RANCH UNIT	Well Number 65
OGRID No. 001801	Operator Name BASS ENTERPRISES PRODUCTION CO.	Elevation 3318

Surface Location

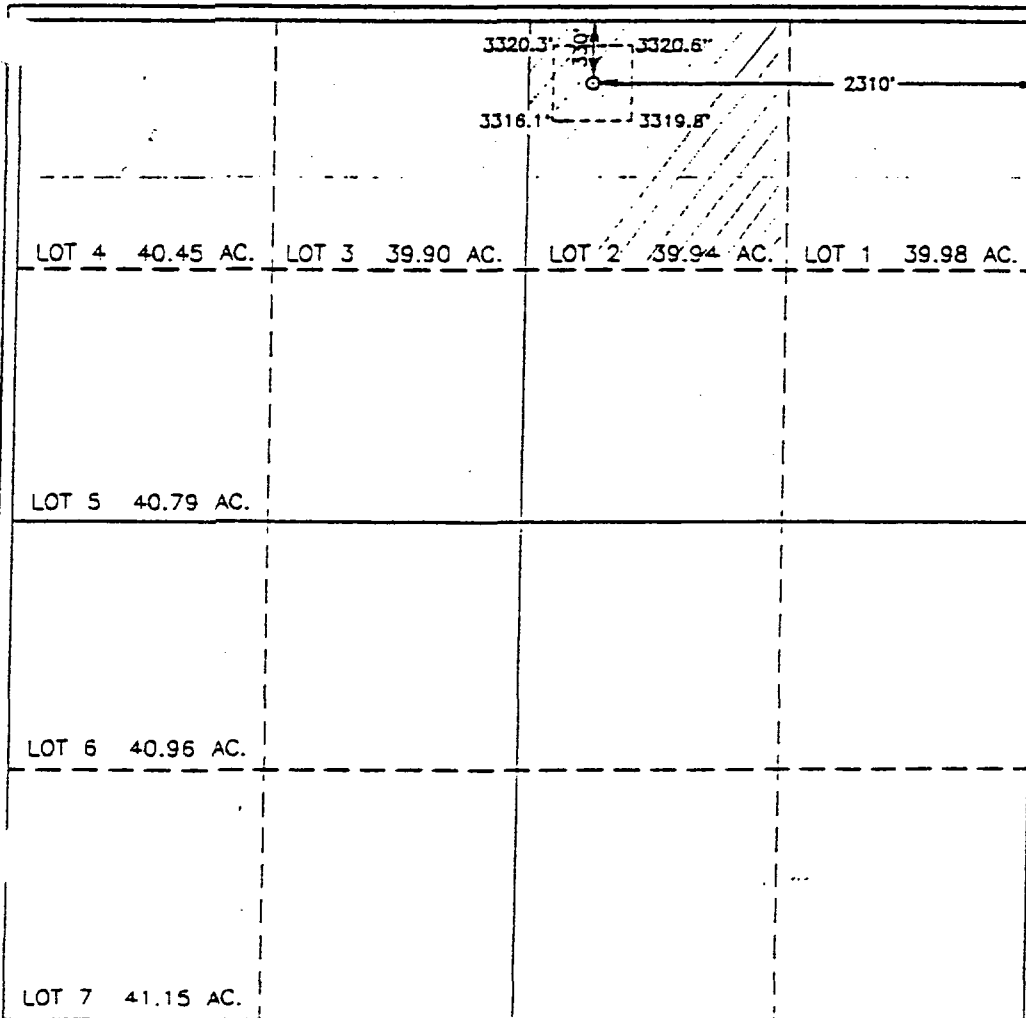
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
LOT 2	6	23 S	31 E		330	NORTH	2310	EAST	EDDY

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.
40			

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



**OPERATOR CERTIFICATION**

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

*William R. Dannels*  
Signature

William R. Dannels  
Printed Name

Division Drilling Supt.  
Title

February 2, 1996  
Date

**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.

JANUARY 22, 1995  
Date Surveyed

*Robert E. Eison*  
Signature of Prof. Surveyor

Professional Surveyor  
MEXICO, N.M. 96-17-0093

Certificate No. JQW 20 WEST, 676  
EIOSON, 3239  
EIOSON, 12841

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

STANDARD FORM NO. 1004-0137 Expires: February 28, 1993

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

LEASE DESIGNATION AND SERIAL NO. NM 02887-A
INDIAN, ALLOTTEE OR TRIBE NAME
UNIT AGREEMENT NAME James Ranch Unit
FARM OR LEASE NAME, WELL NO. James Ranch Unit #65

1a. TYPE OF WELL: OIL WELL [X] GAS WELL [ ] DRY [ ] Other [ ]
b. TYPE OF COMPLETION: NEW WELL [X] WORK OVER [ ] DEEP-FH [ ] PLUG BACK [ ] DIFF. REVR. [ ] Other [ ]

2. NAME OF OPERATOR Bass Enterprises Production Co.

3. ADDRESS AND TELEPHONE NO. P.O. Box 2760 Midland, TX 79702-2760 (915) 683-2277

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)\*
At surface 330' FNL & 2310' FEL
At top prod. interval reported below Same
At total depth Same

9. API WELL NO. 30-015-27995
10. FIELD AND POOL OR WILDCAT Los Medanos (Wolfcamp)
11. SEC., T., R., M., OR BLC AND SURVEY OR AREA Section 6, T23S-R31E

12. PERMIT NO. DATE ISSUED
12. COUNTRY OR PARISH Eddy
13. STATE New Mexico

15. DATE SPUDDED 7/18/96
16. DATE T.D. REACHED 8/2/96
17. DATE COMPL. (Ready to prod.) 8/30/96
18. ELEVATIONS (DF, RKB, RT, GR, ETC.)\* 3318' GL, 3331.02' KB
19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD 11,332'
21. PLUG BACK T.D., MD & TVD 11,290'
22. IF MULTIPLE COMPL. HOW MANY\* Single
23. INTERVALS DRILLED BY
ROTARY TOOLS 0-11,332'
CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION - TOP, BOTTOM, NAME (MD AND TVD)\* 11,200-11,210' (Wolfcamp)
25. WAS DIRECTIONAL SURVEY MADE No

26. TYPE ELECTRIC AND OTHER LOGS RUN Spectral Density Dual Spaced Neutron, Dual Induction Laterolog
27. WAS WELL CORED No

CASING RECORD (Report all strings set in well)

Table with 6 columns: CASING SIZE/GRADE, WEIGHT, LB./FT., DEPTH SET (MD), HOLE SIZE, TOP OF CEMENT, CEMENTING RECORD, AMOUNT PULLED. Rows include 11-3/4", 7/8", and 5-1/2" casing details.

Table with 8 columns: SIZE, TOP (MD), BOTTOM (MD), SACKS CEMENT\*, SCREEN (MD), SIZE, DEPTH SET (MD), PACKER SET (MD). Includes LINER RECORD and TUBING RECORD sections.

Table with 2 main sections: 31. PERFORATION RECORD (Interval, size and number) and 32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC. Includes details on perforation depth and acid treatment.

Table with 8 columns: DATE FIRST PRODUCTION, PRODUCTION METHOD, WELL STATUS, DATE OF TEST, HOURS TESTED, CHOKE SIZE, PROD'N. FOR TEST PERIOD, OIL - BBL, GAS - MCF, WATER - BBL, GAS - OIL RATIO, FLOW. TUBING PRESS., CASING PRESSURE, CALCULATED 24-HOUR RATE, OIL - BBL, GAS - MCF, WATER - BBL, OIL GRAVITY - API (CORR.).

34. DISPOSITION OF GAS (Solid, used for fuel, vented, etc.) Sold
TEST WITNESSED BY

35. LIST OF ATTACHMENTS 2 Sets of Logs

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.
GNERD Jamie L. Wilber TITLE Production Clerk DATE 10/02/96

(See Instructions and Spaces for Additional Data on Reverse Side)



37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and content reformed intervals and all drill weights including depth intervals tested, pushion used, time toolopen, flowing and shut-in pressures and recoveries):

38. GEOLOGIC MARKERS

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	TOP		
				NAME	MEAS. DEPTH	TRUE VERT. DEPTH
				Rustler	288	288
				Salt	716	716
				Bees Salt	3698	3698
				Lamar	3950	3950
				Bone Spring	7810	7810
				Wolfcamp	11,084	11,084

**WORKSHEET FOR COMMERCIAL DETERMINATION  
AND PARTICIPATING AREA IN FEDERAL UNITS**

**WELL DATA**

WELL JAMES RANCH UNIT NO. 71 FORMATIC DELAWARE  
 LOCATION A UNIT, 330 FEET FROM N LINE & 660 FEET FROM E LINE  
 SECTION 36 TOWNSHIP 22S, RANGE 30E, COUNTY EDDY, NEW MEXICO  
 SPUD DATE 9/14/94 COMPLETION DATE 11/25/96 INITIAL PRODUCTION 11/25/96  
 PERFORATIONS 7566-7574'

STIMULATION:

**ACID** 500 GALS 7-1/2% FERCHECK SC ACID.

**FRACTURE** 28,000 GALS DELTA FRAC, 96,500# 20/40 BROWN SAND, & 24,000# 16/30 BROWN SAND  
WITH 0.5% PROP WRAP.

POTENTIAL 1/2/97 144 BOPD, 86 BWPD, 149 MCFPD.

(Attach Copy of C-105. Attach Copy of Wellbore Sketch of Completed Well.)

**VOLUMETRIC CALCULATION**

	SANDS PERFORATED	SANDS NOT PERFORATED BUT POTENTIALLY PRODUCTIVE
Area (A) proration unit size, acres	<u>40</u>	<u>40</u>
Porosity (por), %	<u>12.0%</u>	<u>15.0%</u>
Water saturation (Sw), %	<u>60%</u>	<u>63%</u>
Net Thickness (h), ft.	<u>27</u>	<u>19</u>
Temperature (T), Fahrenheit	<u>120</u>	<u>120</u>
Bottom Hole pressure (P), psia	<u>3,278</u>	<u>3,148</u>
Recovery factor (RF), %	<u>16%</u>	<u>10%</u>
Recoverable oil, BBLS *(See eq. below)	<u>42,899</u>	<u>21,815</u>

\*Sometimes unable to match performance due to volumetric uncertainty.

Formula =  $(7758) (A) (h) (por) (1-Sw) (1/Boi) (RF)$

Boi = 1.50

**PERFORMANCE DATA**

(If sufficient history exists, attach plot of oil production rate v time.)

CUMULATIVE PRODUCTION TO	<u>11/30/99 ;</u>	<u>66,029</u>	BBLs
	PRODUCING		BEHIND PIPE
INITIAL RATE (qi)	<u>1,209</u>		<u>1,034</u>
ECONOMIC LIMIT (qi)	<u>60</u>		<u>60</u>
DECLINE RATE, dy (Hyperbolic, n = .995)	<u>19.57%</u>		<u>36.88%</u>
REMAINING OIL (Q) =	<u>136,971</u>		<u>18,000</u>
ULTIMATE RECOVERABLE OIL	<u>221,000</u>		

(Attach plot showing proration unit and participating area.)

**ECONOMIC**

WELL COST \$ 570,000 (to the depth of formation completed)

RECOMPLETION COST \$ 65,000 (7/2000)

TOTAL COST \$ 635,000

YEAR	GROSS OIL	REVENUE	OPERATING COST	10% NET BFIT DISCOUNTED CASH FLOW
ZERO	<u>0</u>	<u>0</u>	<u>0</u>	<u>-570,000</u>
1	<u>2,100</u>	<u>42,500</u>	<u>4,900</u>	<u>37,500</u>
2	<u>28,100</u>	<u>601,600</u>	<u>72,500</u>	<u>499,300</u>
3	<u>18,300</u>	<u>279,900</u>	<u>44,000</u>	<u>201,400</u>
4	<u>16,500</u>	<u>351,500</u>	<u>49,900</u>	<u>233,000</u>
5	<u>17,800</u>	<u>494,300</u>	<u>59,200</u>	<u>304,200</u>
6	<u>17,100</u>	<u>412,300</u>	<u>54,800</u>	<u>226,100</u>
7	<u>13,000</u>	<u>295,300</u>	<u>44,900</u>	<u>143,300</u>
8	<u>10,400</u>	<u>228,400</u>	<u>39,300</u>	<u>98,000</u>
9	<u>8,700</u>	<u>190,800</u>	<u>35,900</u>	<u>72,600</u>
10	<u>7,500</u>	<u>164,100</u>	<u>33,700</u>	<u>55,300</u>
REMAINDER	<u>81,400</u>	<u>1,786,200</u>	<u>713,600</u>	<u>226,400</u>

**WELL IS COMMERCIAL**

JAMES RANCH UNIT

WELL NO. 71

DELAWARE

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1000  
1000000

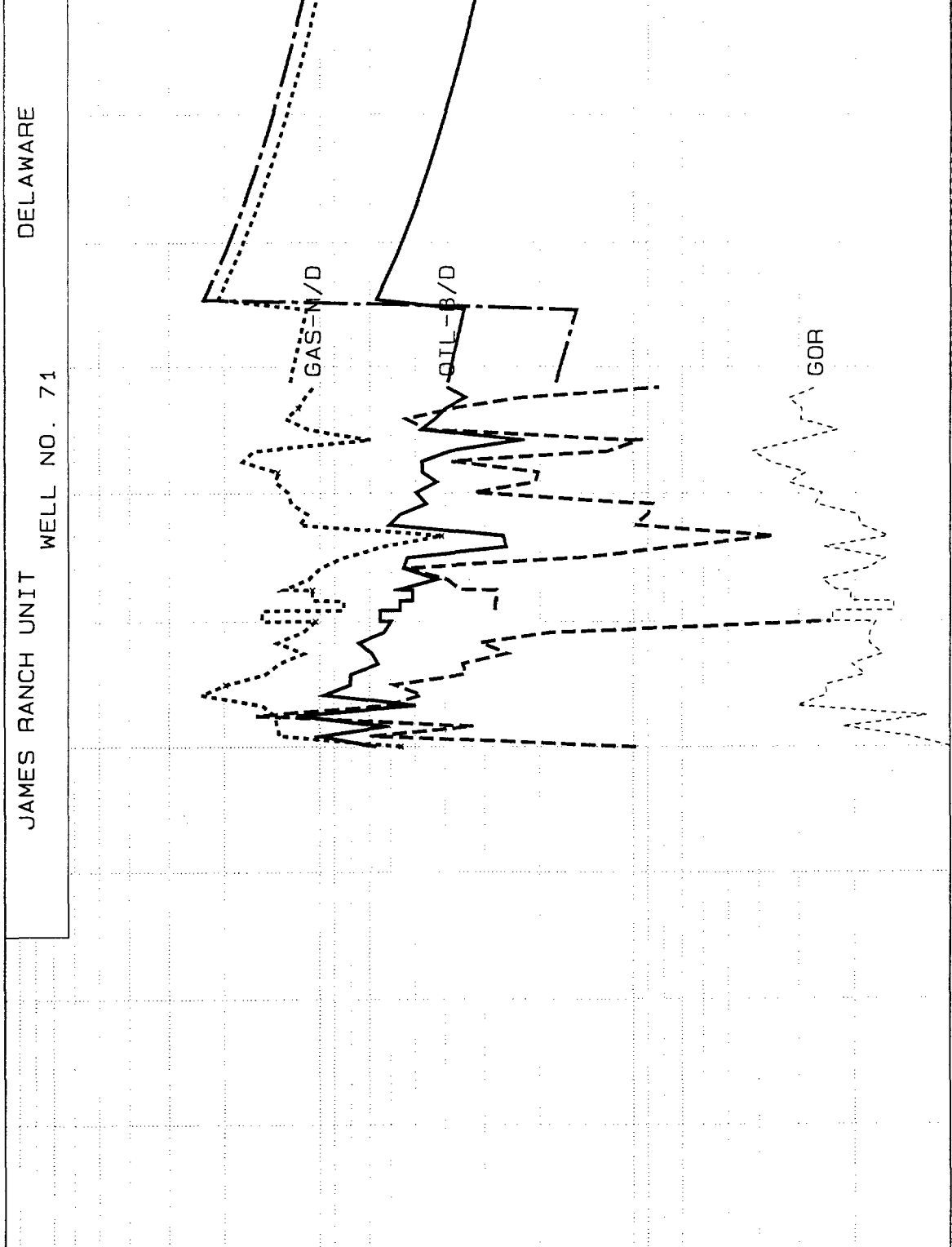
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1000  
100000

10  
10  
10000  
1000  
100000

10  
10  
10000

1  
1  
10000

OIL	
Qal=CD	
Ref= 11/99	
Cum= 66.029	
EUR= 232.447	
YRS= 43.832	
Q1= 1209.3	
De= 19.570	
n= .995	
Qab= 60.9	
WTR-B/D	
Ref= 11/99	
Cum= 35.925	
WTR	
Qal=CD	
Ref= 11/99	
Cum= .000	
EUR= 554.859	
YRS= 43.832	
Q1= .000	
De= .000	
n= .000	
Qab= .0	
GAS/OIL	
Qal=CD	
Ref= 11/99	
Cum= .000	
EUR= .000	
YRS= 35.167	
Q1= 3.2	
De= .000	
n= .000	
Qab= 3.3	
GAS	
Qal=CD	
Ref= 11/99	
Cum= 141.116	
EUR= 505.336	
YRS= 646.454	
Q1= 35.167	
De= .000	
n= .000	
Qab= .0	



93 94 95 96 97 98 99 00 01 02

DATE

INPUT DATA

CALCULATED DATA

ITEM	SCHEDULING RATES	SCHEDULE UNTIL	PROCEDURE	ULTIMATE	LAST	EFF. DECL	INIT. RATE	FINAL RATE
405 START	11/99							
410 OIL	1209.30	X	B/M	07/2000 AD	H/0.995	19.57	75.062	6/00
415 "	2068.30	X	B/M	12/2017 AD	H/0.995	36.88	193.361	11/17
420 "	227.93	X	B/M	39.09 IMU	EXP	5.00	232.447	8/43
425 START	11/99							
430 GAS/OIL	3.15		M/B	01/2035 AD	LOG	TIME		12/34
435 START	11/99							
440 WTR/OIL	.45	X	U/B	07/2000 AD	EXP	5.97		6/00
445 "	3.50		U/B	TO	LIN	TIME		8/43
450 START	12/96							
516 PRI/OIL	16.8800	X	\$/B	1/95	MM/YY	.00		8/43
517 "	18.39	X	\$/B	1/96	AD	.00	16.880	8/43
518 "	22.26	X	\$/B	1/97	AD	.00	18.390	8/43
519 "	20.74	X	\$/B	1/98	AD	.00	22.260	12/97
520 "	14.43	X	\$/B	1/99	AD	.00	20.740	12/97
521 "	19.25	X	\$/B	1/2000	AD	.00	14.430	12/98
522 "	24.94	X	\$/B	1/2001	AD	.00	19.250	12/99
523 "	20.67	X	\$/B	1/2002	AD	.00	24.940	12/00
524 "	19.20	X	\$/B	1/2003	AD	.00	20.670	12/01
525 "	18.18	X	\$/B	1/2004	AD	.00	19.200	12/02
526 "	18.13	X	\$/B	TO	LIFE	.00	18.180	12/03
531 PRI/GAS	1.8900	X	\$/M	1/95	MM/YY	.00		8/43
532 "	1.94	X	\$/M	1/96	AD	.00	1.890	8/43
533 "	2.61	X	\$/M	1/97	AD	.00	1.940	11/96
534 "	2.59	X	\$/M	1/98	AD	.00	2.610	12/96
535 "	2.11	X	\$/M	1/99	AD	.00	2.590	12/97
536 "	2.27	X	\$/M	1/2000	AD	.00	2.110	12/98
537 "	2.60	X	\$/M	1/2001	AD	.00	2.270	12/99
538 "	2.58	X	\$/M	1/2002	AD	.00	2.600	12/00
539 "	2.57	X	\$/M	TO	LIFE	.00	2.580	12/01
544 PRI/WTR	.5000		\$/U	1/2000	AD	.00		8/43
545 "	.08	X	\$/U	TO	LIFE	.00	.500	11/96
550 OPC/T	1600.00	X	\$/M	TO	LIFE	OPC	1600.000	1600.000
555 STX/OIL	7.08	X	\$	TO	LIFE	PC	.071	8/43
560 STX/GAS	7.93	X	\$	TO	LIFE	PC	.079	8/43
565 ATX	.17	X	\$	TO	LIFE	PC	.002	8/43
570 PRI/OIL	-.9100		\$/B	TO	LIFE	PC	-.910	8/43
575 PRI/GAS	-.1300		\$/M	TO	LIFE	PC	-.130	8/43
700 LSE/WI	100.0000	D	\$	TO	LIFE	FIAT	1.000	8/43

NO	DESCRIPTION	UNIT	TO	LIFE	FLAT	.00	8/43	1.000	1.000
701	OWN/WI	100.0000	D	TO	FLAT	.00	8/43	1.000	1.000
720	LSE/RIC	12.5000	D	TO	FLAT	.00	8/43	.125	.125
721	OWN/RI	.0000	D	TO	FLAT	.00	8/43		
740	LSE/RIG	12.5000	D	TO	FLAT	.00	8/43	.125	.125
760	LSE/ORR	.0000	D	TO	FLAT	.00	8/43		
761	OWN/ORR	.0000	D	TO	FLAT	.00	8/43		

NO	DESCRIPTION	UNIT	TO	LIFE	FLAT	.00	8/43	1.000	1.000
905	LOAD	P.OIL OIL #							
910	LOAD	P.GAS GAS #							
915	LOAD	P.WATER WTR #							

NO	DESCRIPTION	UNIT	TO	LIFE	FLAT	.00	8/43	1.000	1.000
800	DRILL	240.00	330.00	M\$G	12/96	AD			
801	WROKOVER	.00	65.00	M\$G	7/2000	AD			
802	SALVAGE	-24.00	.00	M\$G	TO	LIFE			

RESERVE PARAMETERS

201 LOSS NO 66.03 CUMG, MMF 141.12 CUML, MB

205 CUMO, MB

210 LOSS NO

PROJECT ASSUMPTIONS

BASE DATE : 12/96 TIME FRAMES : 1\*1 38\*12 1\*600

P.W. DATE : 12/96 PW \$-AGE : 10.0 DISC. FREQUENCY : 365.

REPORT DATE : 12/96 PROD QUAL : CD OWNER QUAL : CD OTHER QUAL : CD

DATE : 02/08/00  
 TIME : 08:00:12  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 48

RESERVES AND ECONOMICS  
 EFFECTIVE DATE: 12/96

PERIOD ENDING	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	12/04	12/05	S TOT	38.1 YR	AFTER	TOTAL
OWNERSHIP														
1) WORKING INTEREST, %	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000
2) REVENUE INTEREST, %	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500

INVESTMENTS, M\$

3) BORROWED CAPITAL	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4) EQUITY INVESTMENTS	570.0	.0	.0	.0	65.0	.0	.0	.0	.0	.0	.0	.0	635.0	-24.0
5) RISK	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) TOTAL	570.0	.0	.0	.0	65.0	.0	.0	.0	.0	.0	.0	.0	635.0	-24.0

OIL PHASE

8) GROSS OIL, MB	2.1	28.1	18.3	16.5	17.8	17.1	13.0	10.4	8.7	7.5	139.6	81.4	221.0
9) NET OIL, MB	1.8	24.6	16.0	14.5	15.6	15.0	11.4	9.1	7.6	6.6	122.1	71.3	193.4
10) OIL REVENUE, M\$	38.8	487.2	216.0	265.5	374.1	296.3	207.7	157.8	131.7	113.2	2288.2	1227.1	3515.3
11) OIL PRICE, \$/B	21.35	19.83	13.52	18.34	24.03	19.76	18.29	17.27	17.22	17.22	18.74	17.22	18.18

GAS PHASE

12) GROSS GAS, MMF	1.7	53.1	36.9	45.9	55.6	54.1	41.0	33.1	27.7	23.8	373.0	261.8	634.9
13) NET GAS, MMF	1.5	46.5	32.3	40.2	48.7	47.4	35.9	28.9	24.2	20.9	326.4	229.1	555.5
14) GAS REVENUE, M\$	3.7	114.4	63.9	86.0	120.2	116.0	87.6	70.6	59.1	50.9	772.4	559.0	1331.5
15) GAS PRICE, \$/MCF	2.480	2.460	1.980	2.140	2.470	2.450	2.440	2.440	2.440	2.440	2.367	2.440	2.397

WATER PHASE

16) GROSS WATER, MB	.3	17.5	8.0	9.1	40.1	60.0	45.4	36.6	30.6	26.3	273.8	285.0	558.9
17) NET WATER, MB	.3	17.5	8.0	9.1	40.1	60.0	45.4	36.6	30.6	26.3	273.8	285.0	558.9
18) WATER PRICE, \$/B	.500	.500	.500	.500	.080	.080	.080	.080	.080	.080	.134	.080	.106

ECONOMICS, M\$

19) GROSS REV. TO INTR.	42.5	601.6	279.9	351.5	494.3	412.3	295.3	228.4	190.8	164.1	3060.6	1786.2	4846.8
20) - SEV. TAX	3.0	43.6	20.4	25.6	36.0	30.2	21.6	16.8	14.0	12.1	223.3	131.2	354.5
22) - AD VALOREM TAX	.1	.9	.4	.6	.8	.6	.5	.4	.3	.3	4.8	2.8	7.6
23) - OPERATING COSTS	1.6	19.2	19.2	19.2	19.2	19.2	19.2	19.2	2.4	2.1	36.6	22.8	59.4
24) - SMD	.2	8.8	4.0	4.5	3.2	4.8	3.6	2.9	2.4	2.1	36.6	22.8	59.4
25) - CAPITAL REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
28) = NET INCOME	37.6	529.1	235.8	301.6	435.1	357.5	250.3	189.2	154.9	130.5	2621.6	1072.5	3694.1
29) = INVESTMENTS & RSK	570.0	.0	.0	.0	65.0	.0	.0	.0	.0	.0	635.0	-24.0	611.0
30) = BITT NET	-532.4	529.1	235.8	301.6	370.1	357.5	250.3	189.2	154.9	130.5	1986.6	1096.5	3083.1

PRESENT WORTH @ 10.00 %

31) NET INCOME	37.5	499.3	201.4	233.0	304.2	226.1	143.3	98.0	72.6	55.3	1870.8	226.4	2097.2
32) INVESTMENTS & RISK	570.0	.0	.0	.0	45.4	.0	.0	.0	.0	.0	615.4	-5	614.9
33) BITT NET	-532.5	499.3	201.4	233.0	258.8	226.1	143.3	98.0	72.6	55.3	1255.4	226.9	1482.3
34) CUM BITT NET	-532.5	-33.2	168.2	401.2	660.0	886.2	1029.5	1127.4	1200.0	1255.4	1255.4	1482.3	1482.3

AFTER TAX ECONOMICS

EFFECTIVE DATE: 12/96

38.1 YR

PERIOD ENDING	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	12/04	12/05	S TOT	AFTER	TOTAL
TAX TREATMENT OF INVESTMENTS, M\$													
1) EXP, RISK & CAP INT	330.0	.0	.0	.0	65.0	.0	.0	.0	.0	.0	395.0	.0	395.0
2) DEPLETABLE	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
3) DEPRECIABLE	240.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	240.0	-24.0	216.0

TAX CALCULATIONS, M\$

4) GROSS REV. TO INTR.	42.5	601.6	279.9	351.5	494.3	412.3	295.3	228.4	190.8	164.1	3060.6	1786.2	4846.8
5) - SEVERANCE TAX	3.0	43.6	20.4	25.6	36.0	30.2	21.6	16.8	14.0	12.1	223.3	131.2	354.5
6) - WPT TAX NET	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) - OPR. COSTS & ATX	1.8	28.9	23.6	24.3	23.2	24.6	23.3	22.5	21.9	21.6	215.8	582.4	798.2
8) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
9) - OVERHEAD	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
10) - EXPENSED INV.	330.0	.0	.0	.0	65.0	.0	.0	.0	.0	.0	395.0	.0	395.0
11) - DEPRECIATION	2.9	36.3	57.4	41.0	29.3	21.4	21.4	21.4	8.9	.0	240.0	.0	240.0
12) = NET	-295.2	492.8	178.5	260.6	340.9	336.0	228.9	167.7	145.9	130.5	1986.6	1072.5	3059.1
13) - DEPLETION	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
14) - INTEREST PD & CAP	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
15) = TAXABLE	-295.2	492.8	178.5	260.6	340.9	336.0	228.9	167.7	145.9	130.5	1986.6	1072.5	3059.1
16) * TAX RATE, %	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0
17) - TAX CREDIT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
18) - WPT REFUND	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
19) = F.I.T.	-103.3	172.5	62.5	91.2	119.3	117.6	80.1	58.7	51.1	45.7	695.3	375.4	1070.7
20) REVENUE-SEV-WPT	39.5	558.0	259.5	325.9	458.3	382.1	273.6	211.6	176.8	152.0	2837.4	1655.0	4492.3
21) - OPR. COSTS & ATX	1.8	28.9	23.6	24.3	23.2	24.6	23.3	22.5	21.9	21.6	215.8	582.4	798.2
22) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
23) - F.I.T.	-103.3	172.5	62.5	91.2	119.3	117.6	80.1	58.7	51.1	45.7	695.3	375.4	1070.7
24) = A.F.I.T.	141.0	356.6	173.4	210.4	315.8	239.9	170.2	130.5	103.8	84.8	1926.3	697.2	2623.4
25) - LOAN REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) = NET INCOME	141.0	356.6	173.4	210.4	315.8	239.9	170.2	130.5	103.8	84.8	1926.3	697.2	2623.4
28) - INVESTMENTS & RSK	570.0	.0	.0	.0	65.0	.0	.0	.0	.0	.0	635.0	-24.0	611.0
29) = A.F.I.T. NET	-429.0	356.6	173.4	210.4	250.8	239.9	170.2	130.5	103.8	84.8	1291.3	721.2	2012.4

PRESENT WORTH @ 10.00 %

30) NET INCOME	140.4	336.5	148.1	162.6	220.8	151.7	97.4	67.6	48.6	36.0	1409.7	147.2	1556.9
31) INVESTMENTS & RISK	570.0	.0	.0	.0	45.4	.0	.0	.0	.0	.0	615.4	-.5	614.9
32) A.F.I.T. NET	-429.6	336.5	148.1	162.6	175.4	151.7	97.4	67.6	48.6	36.0	794.3	147.7	942.0
33) CUM. A.F.I.T. NET	-429.6	-93.1	55.0	217.5	392.9	544.7	642.1	709.7	758.3	794.3	794.3	942.0	942.0



E C O N O M I C I N D I C A T O R S

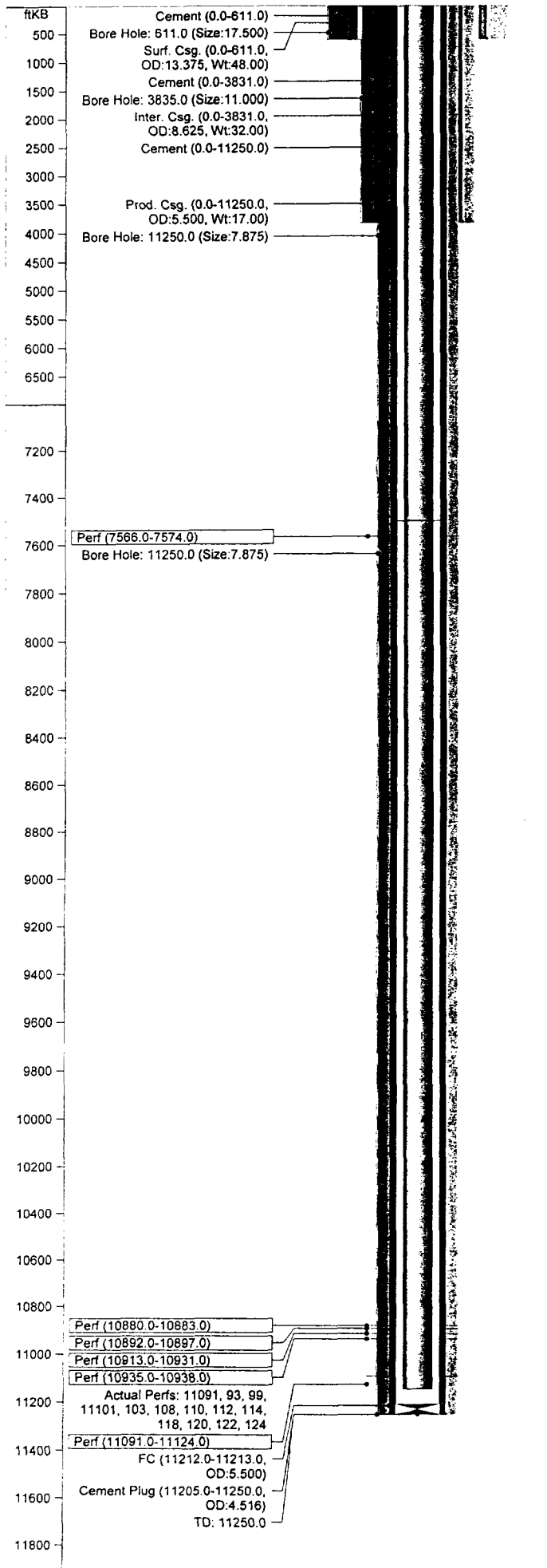
AS OF DATE: 12/96

B.F.I.T.                    A.F.I.T.                    A.F.I.T.  
 WORTH                    WORTH                    BONUS  
 M\$-----                M\$-----                M\$-----

PRESENT WORTH PROFILE AND  
 RATE-OF-RETURN VS. BONUS TABLE

0.	3083.099	2012.414	3096.022
2.	2583.982	1677.754	2377.247
5.	2050.344	1321.983	1735.417
6.	1911.901	1229.493	1584.997
8.	1676.043	1071.772	1341.627
10.	1482.299	941.978	1152.503
20.	867.154	527.442	604.010
30.	535.450	301.704	334.393
40.	328.150	159.597	173.424
50.	187.299	62.486	67.003
60.	85.978	-7.711	-8.190
70.	9.870	-60.665	-63.973
80.	-49.318	-102.007	-106.968
90.	-96.689	-135.213	-141.152
100.	-135.526	-162.526	-169.039

RATE OF RETURN, PCT.	71.7	58.9
UNDISCOUNTED PAYOUT, YRS.	1.10	1.50
DISCOUNTED PAYOUT, YRS.	1.25	1.71
UNDISCOUNTED NET/INVEST.	6.05	4.29
DISCOUNTED NET/INVEST.	3.41	2.53



JAMES RANCH UNIT #71							
API No.	3001527927	Status	ACT OIL				
TD	11250.0 ftKB	Engineer	CAA				
PBTD	11205.0 ftKB						
Operator	BEPCO	Permit					
Well No.	71	Spud	9/14/94				
ID Code		RR	10/10/94				
Field	LOS MEDANOS	Completion	10/28/94				
Author	RAS	Last Act.					
Date Updated	12/28/98	Abandoned					
Comments	Drilled by Enron						
Location							
Township	S022	Top Latitude	0				
		Top Longitude	0				
Range	E030	Top NS Distance	330.0 ft N				
		Top EW Distance	660.0 ft E				
Section	36	Bottom Latitude	0				
Unit Ltr.	A	Bottom Longitude	0				
State	NEW MEXICO	Btm NS Distance	0.0 ft				
County	EDDY	Btm EW Distance	0.0 ft				
Elevations							
KB	3338.7 ft	Cas Flng	0.0 ft				
Grd	3322.0 ft	Tub Head	0.0 ft				
KB-Grd	16.7 ft						
Casing String - Surface Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID	Wt	Grd	Thd
13 3/8 in Surf. Csg.	0.0	611.0	14	12.720	48.00	H-40	
Casing String - Intermediate Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID	Wt	Grd	Thd
8 5/8 in Inter. Csg.	0.0	3831.0	90	7.920	32.00	K-55	STC
Casing String - Production Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID	Wt	Grd	Thd
5 1/2 in Prod. Csg.	0.0	1250.0	262	4.890	17.00	P-110	LTC
5 1/2 in FC	1212.0	1213.0		0.000	0.00		
Casing Cement							
Casing String	Top (ftKB)	Amount (sx)	Comments				
Surface Casing	0.0	625					
Intermediate Casing	0.0	1525					
Production Casing	0.0	2254					
Tubing String - Primary Tubing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
2 7/8 in Tbg	0.0	7499.0	240	2.441	6.50	N-80	8rd
5 1/2 in Baker Model B TAC	7499.0	7502.0		2.875	0.00		
2 7/8 in Tbg	7502.0	11143.0	117	2.441	6.50	N-80	8rd
2 7/8 in Mech. SN w/strainer	11143.0	11144.0		0.000	0.00		
Other (plugs, equip., etc.) - Plug Back							
Date	Item		Int (ftKB)				
10/10/94	Cement Plug		11205.0 - 11250.0				
Perforations							
Date	Int		Shots (/ft)	Status			
10/16/94	11091.0 - 11124.0		0.4				
10/20/94	10880.0 - 10883.0		1.0				
10/20/94	10892.0 - 10897.0		1.0				
10/20/94	10913.0 - 10931.0		1.0				
10/20/94	10935.0 - 10938.0		1.0				
11/15/96	7566.0 - 7574.0		4.0				
Stimulations & Treatments							
Date	Type	Interval	Fluid	Sand	Comments		
10/27/94	Sand Frac	10880.0 - 11124.0					
11/20/96	Sand Frac	7566.0 - 7574.0					

## WELL HISTORY

**WELL NAME:** James Ranch Unit No. 71

**FIELD NAME:** Los Medanos (Bone Spring/Wolfcamp)

**LOCATION:** 330' FNL & 660' FEL, Sec 36, T22S, R30E, Ut A  
Eddy County, New Mexico

**ELEV:** 3322' GL, 3338.7' KB

**SPUD DATE:** 9/14/94

**COMP DATE:** 10/30/94

**ORIG TD:** 11,250'

**ORIG PBTD:** 11,205'

**CASING:** 13-3/8" 48# H-40 ST&C CSA 611' w/625 sx, cmt circ, 17-1/2" hole 0-615'.  
8-5/8" 32# K-55 ST&C CSA 3831' w/1525 sx, cmt circ, 11" hole 615-3835'.  
5-1/2" 17# P-110 LT&C CSA 11,250' w/2254 sx, cmt circ, 7-7/8" hole 3835-11,250'.

**TUBING:** 2-7/8" 6.5# N-80 EUE

**DST:** None

**CORES & LOGS:** 10/08/94: DIL 3831-11,243', SDL/DSN 100-11,243'  
10/16/94: GR/CCL 6800-7912', 8600-9011', 10,650-11,190'

### INITIAL COMPLETION

10/15/94-11/8/94

Run GR/CCL 6800-7912', 8600-9011', 10,650-11,190'. PBTD 11,190'.

10/16/94 **Perf Wolfcamp 11,091', 093', 099', 11,101', 103', 108', 110', 112', 114', 118', 120', 122', 124', 1 SPF.** Set pkr @ 10,945'. **Acidized** perms 11,091-124' w/2000 gals 7-1/2% NEFE HCL + 26 ball sealers. Flow & swab well. Rel pkr & POH.

10/20/94 **Perf 3rd Bone Springs sd 10,880-883', 10,892-897', 10,913-931', 10,935-938', 1 SPF.** Set Loc-set BP @ 11,006' & pkr @ 10,734'. **Acidized** perms 10,880-938' w/2000 gals 7-1/2% NEFE HCL & 66 ball sealers. Flow & swab well. SI for buildup. Ran BHP bombs. Pull BHP bombs. Rel pkr & BP. **Frac Wolfcamp & Bone Spring** perms 10,880-11,124' w/125,000 gals Medallion 3000 fluid containing 2% KCL & 7.5 gals LFC 3B, 1.22 GPT BF-10L, .8 gals XLW 60, .5 GPT GBW-12, 1 GPT NE 15, 1 GPT Cla 6, 3 GPT Xcide 207, & 325,000# 20/40 econo prop sd. Flow well up csg.  
**IP:** 11/8/94 24 hrs F 223 BO, 60 BW, 301 MCF, FCP 400#.

**JAMES RANCH UNIT #71  
WELL HISTORY**

**WORKOVERS**

11/29/94-12/20/94

**CO FRAC SAND**

Tag sd fill @ 10,922'. Circ sd out of hole to 11,204'. Swab test well. Well started flwg. Ran prod logs 10,880-937' & 11,103-11,123'.

**AWO:** 12/20/94 24 hrs F 96 BO, 45 BW, 177 MCF on 22/64" chk. FTP 100#, CP 1600#, LP 47#.

5/18/95-6/4/95

**TEST BONE SPRINGS & WOLFCAMP PERFS**

Tag PBSD @ 11,205'. Set pkr @ 11,023' (between perfs 10,880-930' & 11,091-124'). Swab and flow well. Flow testing Wolfcamp perfs on 30/64" chk. Flwd 33.4 BO, 0 BW, & 22 MCF in 24 hrs. Set Baker FWP blanking plug in SN @ 10,994'. Performed pulse test - 1st pulse: open annulus on 10/64" chk, flwd 45 mins, opened to 15/64" chk for additional 45 mins. Made 17.5 BO + 2 BW. SI annulus for 1-1/2 hrs. SITP static @ 680#, SICP built from 360-495#. 2nd pulse: opened annulus on 12/64" chk, flwd 1-1/2 hrs. Made 18 BO + 1 BW. SI 1-1/2 hrs. SITP static @ 660#, SICP built from 558-640#. 3rd pulse: Open on 22/64" chk for 1-1/2 hrs. Made 64 BO. SI for 1-1/2 hrs. SITP built from 660-890#, annulus built from 745-940#. Open annulus to frac tank overnite on 48/64" chk, made additional 164 BO overnite. During nite SITP fell from 890-660#. POH w/tbg plug. Open well on 40/64" chk. Rel pkr & press gauges. Set Otis "PSL" pkr & 2-7/8" tbg @ 10,840.72'. Swab 30 BO & well flowed. Flwg on 30/64" chk. Turn well to flwg thru prod equip.

**AWO:** 6/8/95 24 hr P 61 BO, 45 BW, & 134 MCF.

11/15/96 to 11/25/96

**PERF & FRAC 7566-7574'(BRUSHY CANYON).**

Set CIPB @ 10,516'. Ran CCL-CBL.

11/15/96

**Perf:** 7566-7574 , 4 SPF 0° phased. **Spotted** 500 gals 7 ½% Fercheck SC acid. Break Fm w/2975 psig, treated @ 2 PBM w/1490 psig. ISIP 1150 psig, 5 min 925 psig. **Frac** 7566-74' w/28,000 gals Delta frac w/96,500# 20/40 Brown sd + 24,000# 16/30 Brown Sd w/0.5% Prop Wrap. Swabbed, kicked off & flowed. Left flowing to tanks.

12/5/96

Well loaded up, swab well to tank, kick well off in 4 runs. Ran radioactive tracer log.

12/20/96 to 12/21/96 PUT WELL ON PUMP.

Kill well, RIH w/tbg & rods. SI well for build-up, well flowed 6 days. Started pumping 1-2-97.

2/25/97 TO 3/6/97

**DRILL OUT CIBP & COMMINGLE.**

**Drill out CIBP** & tag PBSD @ 11, 205'. Open csg to test tank then sales line. Killed well, ran tbg, rods & pump. Place well on pump.

**AWO:** 3/10/97 117 BO, 55 BW, 158 MCFG.

9/14/98 TO 9/18/98

**POLISHED ROD PART/BAIL SAND FILL**

POH & found polished rod thread pulled out of 1<sup>st</sup> cplg. Tag sand fill @ 11,090'. Bailed sand to 11,158', found some rubber and large amount of cast iron metal cutting after POH. RIH w/tbg, pump and rods. Place well on production.

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  
000 Rio Brazos Rd., Aztec, NM 87410

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number <b>30-015-27927</b>	Pool Code <b>66352</b>	Pool Name <b>UWD S.-E. Quahada Ridge (Bone Springs)</b>
Property Code <b>1</b>	Property Name <b>JAMES RANCH UNIT</b>	Well Number <b>71</b>
OGRID No. <b>001801</b>	Operator Name <b>BASS ENTERPRISES PRODUCTION CO.</b>	Elevation <b>3322'</b>

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	36	22S	30E		330	NORTH	660	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 <b>40</b>	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

	<p><b>OPERATOR CERTIFICATION</b></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> Signature</p> <p>William R. Dannels Printed Name</p> <p>Division Drilling Supt. Title</p> <p>4-6-94 Date</p>
	<p><b>SURVEYOR CERTIFICATION</b></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>Date Surveyed <b>March 6, 1994</b></p> <p>Signature &amp; Seal of Professional Surveyor</p> <p><i>[Signature]</i></p> <p>W.C. No. <b>94-11-0558</b></p>
	<p>Certificate No. <b>JOHN W. WEST. 576</b></p> <p><b>RONALD J. EIDSON. 3239</b></p> <p><b>GARY L. JONES. 7977</b></p>

Submit to Appropriate District Office  
 State Lease - 6 copies  
 For Lease - 5 copies  
 DISTRICT I  
 P.O. Box 1980, Hobbs, NM 87401

DISTRICT II  
 P.O. Drawer DD, Aztec, NM 87410

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

State of New Mexico

Energy, Minerals and Natural Resources Department

**CONFIDENTIAL**  
**OIL CONSERVATION DIVISION**  
 P.O. Box 2088  
 Santa Fe, New Mexico 87504-2088

WTD PRODUCTION Form C-105  
 Revised 1-1-89  
 DEC - 5 1994

WELL API NO. 30-015 27927  
 5. Indicate Type of Lease  
 STATE  FEE   
 6. State Oil & Gas Lease No. E-5229-4

**RECEIVED**  
 NOV 14 1994  
 ESS

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG**

1a. Type of Well: OIL WELL  GAS WELL  DRY  OTHER \_\_\_\_\_  
 b. Type of Completion: NEW WELL  WORK OVER  DEEPEN  PLUG BACK  DEEP REDEV  OTHER \_\_\_\_\_  
 7. Lease Name or Unit Agreement Name: James Ranch Unit

2. Name of Operator: Enron Oil & Gas Company  
 8. Well No.: 71

3. Address of Operator: P. O. Box 2267, Midland, Texas 79702  
 9. Pool name or WUID: Und. Bone Spring/Wolfcamp

4. Well Location  
 Unit Letter A : 330 Feet From The north Line and 660 Feet From The east Line  
 Section 36 Township 22S Range 30E NMPM Eddy County

10. Date Spudded: 9-14-94  
 11. Date T.D. Reached: 10-6-94  
 12. Date Compl. (Ready to Prod.): 10-15-94  
 13. Elevations (DF & RKB, RT, GR, etc.): 3322' GR  
 14. Elev. Casinghead: 3322'

15. Total Depth: 11,250  
 16. Plug Back T.D.: 11,205  
 17. If Multiple Complet. How Many Zones? \_\_\_\_\_  
 18. Intervals Drilled By: \_\_\_\_\_ Rotary Tools: X Cable Tools: \_\_\_\_\_

19. Producing interval(s) of this completion - Top, Bottom, Name: 11091-11124 (Wolfcamp) & 10880-10938 (Bone Spring)  
 20. Was Directional Survey Made: No

21. Type Electric and Other Logs Run: SDL-DSN, DIL  
 22. Was Well Cored: No

23. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB/FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13-3/8	48	611	17-1/2	625 C1 C	Circulated
8-5/8	32	3831	11	1300 PSL C & 225 C1 C	Circulated
5-1/2	17	11250	7-7/8	1189 Super H & 1065 C1 H	

24. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	25. TUBING RECORD
					SIZE DEPTH SET PACKER SET
					None

26. Perforation record (interval, size, and number)

Interval	Size	Number
11091-11124	.38"	13
10880-10938	.38"	29

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
11091-11124	2000 gal 7-1/2% NaFe HCL
10880-10938	2000 gal 7-1/2% NaFe HCL
10880-11124	125,000 gal Madallion 3000

28. PRODUCTION Fluid: 325,000# 20/40 Frac Prod  
 Date First Production: 10-27-94  
 Production Method (Flowing, gas lift, pumping - Size and type pump): Flowing  
 Well Status (Prod. or Shut-in): Producing

Date of Test	Hours Tested	Choke Size	Prod's For Test Period	Oil - Bbl	Gas - MCF	Water - Bbl	Gas - Oil Ratio
11-5-94	24	18/64		169	295	127	1746

Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl	Gas - MCF	Water - Bbl	Oil Gravity - API - (Conv.)
-	640					40.0

29. Disposition of Gas (Sold, used for fuel, vented, etc.): Vented  
 Test Witnessed By: \_\_\_\_\_

30. List Attachments: Logs, Inclination Report, C-104

31. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature: Betty Gildon Printed Name: Betty Gildon Title: Regulatory Analyst Date: 11/9/94

XC: MANGAN, McCREIGHT, WHITE, CLARK, SMITHERMAN

# INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

## INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico				Northwestern New Mexico			
T. Rustler	310	T. Canyon	_____	T. Ojo Alamo	_____	T. Perm. "B"	_____
T. Salt	_____	T. Strawn	_____	T. Kirtland-Fruitland	_____	T. Perm. "C"	_____
B. Salt	3610	T. Atoka	_____	T. Picured Cliffs	_____	T. Perm. "D"	_____
T. Yates	_____	T. Miss	_____	T. Cliff House	_____	T. Leadville	_____
T. 7 Rivers	_____	T. Devonian	_____	T. Menefee	_____	T. Madison	_____
T. Queen	_____	T. Silurian	_____	T. Point Lookout	_____	T. Elbert	_____
T. Grayburg	_____	T. Montoya	_____	T. Mancos	_____	T. McCracken	_____
T. San Andres	_____	T. Simpson	_____	T. Gallup	_____	T. Ignacio Otzie	_____
T. Gloriana	_____	T. McKee	_____	Base Greenhorn	_____	T. Granite	_____
T. Paddock	_____	T. Ellenburger	_____	T. Dakota	_____	T.	_____
T. Blinberry	_____	T. Gr. Wash	_____	T. Morrison	_____	T.	_____
T. Tubb	_____	T. Delaware Sand	3858	T. Todilto	_____	T.	_____
T. Drinkard	_____	T. Bone Springs	7700	T. Entrada	_____	T.	_____
T. Abo	_____	T. 3rd B.S. Sand	10545	T. Wingate	_____	T.	_____
T. Wolfcamp	_____	T. Wolfcamp	10980	T. Chinle	_____	T.	_____
T. Perm	_____	T.	_____	T. Permian	_____	T.	_____
T. Cisco (Bough C)	_____	T.	_____	T. Perm "A"	_____	T.	_____

### OIL OR GAS SANDS OR ZONES

No. 1. from 10880 to 10938 Bone Spring No. 3. from \_\_\_\_\_ to \_\_\_\_\_  
 No. 2. from 11091 to 11124 Wolfcamp No. 4. from \_\_\_\_\_ to \_\_\_\_\_

### IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1. from None to \_\_\_\_\_ feet  
 No. 2. from \_\_\_\_\_ to \_\_\_\_\_ feet  
 No. 3. from \_\_\_\_\_ to \_\_\_\_\_ feet

### LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness in Feet	Lithology	From	To	Thickness in Feet	Lithology
0	615	615	Surface Rock				
615	2405	1790	Red Bed				
2405	3665	1260	Salt, Anhyd				
3665	4585	920	Dolo, Anhyd				
4585	11250	6665	Sand, Shale, LS				

**WORKSHEET FOR COMMERCIAL DETERMINATION  
AND PARTICIPATING AREA IN FEDERAL UNITS**

**WELL DATA**

WELL \_\_\_\_\_ JAMES RANCH UNIT NO. 71 \_\_\_\_\_ FORMATION \_\_\_\_\_ BONE SPRING \_\_\_\_\_  
 LOCATION \_\_\_\_\_ A \_\_\_\_\_ UNIT, \_\_\_\_\_ 330 \_\_\_\_\_ FEET FROM \_\_\_\_\_ N \_\_\_\_\_ LINE & \_\_\_\_\_ 660 \_\_\_\_\_ FEET FROM \_\_\_\_\_ E \_\_\_\_\_ LINE  
 SECTION \_\_\_\_\_ 36 \_\_\_\_\_ TOWNSHIP \_\_\_\_\_ 225 \_\_\_\_\_, RANGE \_\_\_\_\_ 30E \_\_\_\_\_, COUNTY \_\_\_\_\_ EDDY \_\_\_\_\_, NEW MEXICO  
 SPUD DATE \_\_\_\_\_ 9/14/94 \_\_\_\_\_ COMPLETION DATE \_\_\_\_\_ 10/15/94 \_\_\_\_\_ INITIAL PRODUCTION \_\_\_\_\_ 10/27/94 \_\_\_\_\_  
 PERFORATIONS \_\_\_\_\_ 10,880-10,938' \_\_\_\_\_

STIMULATION:

**ACID** \_\_\_\_\_ PERFS 10,880-10,938' - 2000 GALS 7-1/2% NEFE HCL & 66 BALL SEALERS \_\_\_\_\_

**FRACTURE** \_\_\_\_\_ PERFS 10,880-11,124' - 125,000 GALS MEDALLION 3000 FLUID + ADDITIVES & 325,000# 20/40  
 \_\_\_\_\_ ECONOPROP. \_\_\_\_\_

POTENTIAL \_\_\_\_\_ PERFS 10,880-11,124' - 11/5/1994 169 BOPD, 127 BWPD, & 295 MCFPD. \_\_\_\_\_

(Attach Copy of C-105. Attach Copy of Wellbore Sketch of Completed Well.)

**VOLUMETRIC CALCULATION**

	SANDS PERFORATED	SANDS NOT PERFORATED BUT POTENTIALLY PRODUCTIVE
Area (A) proration unit size, acres	40	
Porosity (por), %	12.0%	
Water saturation (Sw), %	50%	
Net Thickness (h), ft.	24	
Temperature (T), Fahrenheit	170	
Bottom Hole pressure (P), psia	5,891	
Recovery factor (RF), %	17%	
Recoverable oil, BBLS *(See eq. below)	54,262	

Sometimes unable to match performance due to volumetric uncertainty.

Formula =  $(7758) (A) (h) (por) (1-Sw) (1/Boi) (RF)$

Boi = 1.40



**PERFORMANCE DATA**

(If sufficient history exists, attach plot of oil production rate v time.)

CUMULATIVE PRODUCTION TO	<u>11/1/99</u> ; <u>31,179</u> BBLs
INITIAL RATE (qi)	<u>86</u>
ECONOMIC LIMIT (ql)	<u>60</u>
DECLINE RATE, dy	<u>Hyperbolic d = 19.60% n = .89</u>
REMAINING OIL (Q) =	<u>1,421</u>
ULTIMATE RECOVERABLE OIL	<u>32,600</u>

(Attach plat showing proration unit and participating area.)

**ECONOMIC**

WELL COST \$ 825,000 (to the depth of formation completed)  
 RECOMPLETION COST \$ 0  
 TOTAL COST \$ 825,000

YEAR	GROSS OIL	REVENUE	OPERATING COST	10% NET BFIT DISCOUNTED CASH FLOW
ZERO	<u>0</u>	<u>0</u>	<u>0</u>	<u>-825,000</u>
1	<u>7,900</u>	<u>123,700</u>	<u>11,500</u>	<u>111,300</u>
2	<u>14,700</u>	<u>267,200</u>	<u>34,000</u>	<u>218,300</u>
3	<u>4,500</u>	<u>114,400</u>	<u>22,800</u>	<u>77,500</u>
4	<u>1,700</u>	<u>46,900</u>	<u>17,900</u>	<u>22,300</u>
5	<u>1,200</u>	<u>23,900</u>	<u>34,000</u>	<u>5,400</u>
6	<u>1,100</u>	<u>3,100</u>	<u>16,600</u>	<u>9,000</u>
7	<u>900</u>	<u>29,800</u>	<u>16,500</u>	<u>7,500</u>
8	<u>600</u>	<u>16,900</u>	<u>12,000</u>	<u>2,500</u>
9	<u></u>	<u></u>	<u></u>	<u></u>
10	<u></u>	<u></u>	<u></u>	<u></u>
REMAINDER	<u></u>	<u></u>	<u></u>	<u></u>

**WELL IS NOT COMMERCIAL**

JAMES RANCH UNIT      WELL NO. 71      BONE SPRING

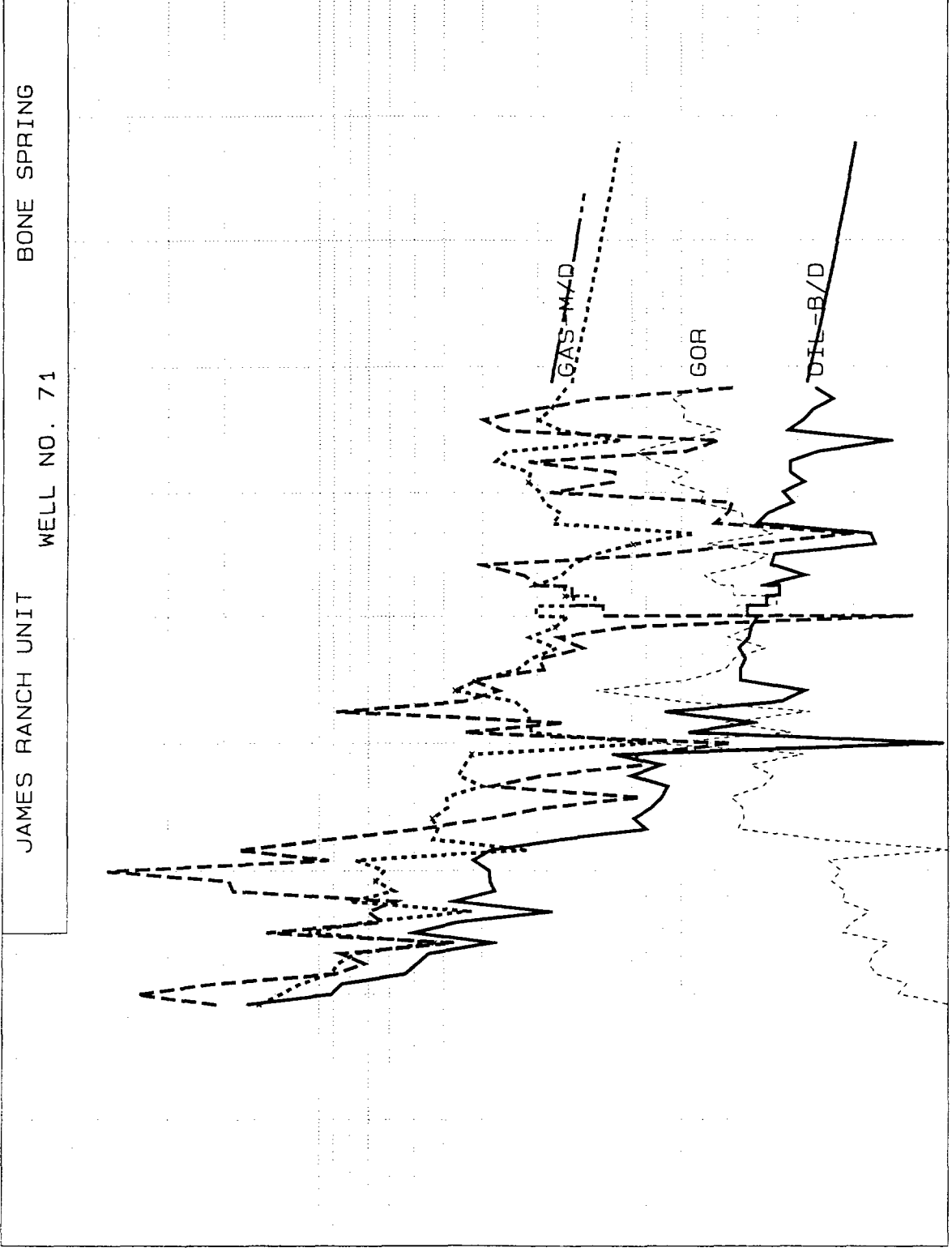
OIL=CD  
 Gal= 11/99  
 Cum= 31.179  
 Rem= 1.667  
 EUR= 32.846  
 Yrs= 2.000  
 Qi= 85.9  
 De= 19.599  
 n= .891  
 Gab= 60.0

WTR-B/D  
 Ref= 11/99  
 Cum= 10.585

WTR  
 Gal=CD  
 Ref= 11/99  
 Cum= .000  
 Rem= .888  
 EUR= .888  
 Yrs= 1.583  
 Qi= 55.5  
 De= 16.991  
 n= .995  
 Gab= 43.3

GAS/OIL  
 Gal=CD  
 Ref= 11/99  
 Cum= .000  
 Rem= .000  
 EUR= .000  
 Yrs= 2.000  
 Qi= 5.6  
 De= .000  
 n= .000  
 Gab= 5.6

GAS  
 Gal=CD  
 Ref= 11/99  
 Cum= 70.738  
 Rem= 9.278  
 EUR= 80.016  
 Yrs= 2.000  
 Qi= .0  
 De= .000  
 n= .000  
 Gab= .0



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93 94 95 96 97 98 99 00 01 02

DATE : 02/07/00  
 TIME : 13:43:06  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 47

I N P U T D A T A

C A L C U L A T E D D A T A

ITEM	SCHEDULING RATES	SCHEDULE UNTIL	PROCEDURE	ULTIMATE	LAST	EFF. DECL	INIT. RATE	FINAL RATE
405 START	11/99							
410 OIL	85.93	X	B/M	1.67	IMU	H/0.891	19.60	32.846
415 GAS/OIL	5.57	5.57	M/B	01/2097	AD	LIN	TIME	12/96
420 WTR	55.54	X	B/M	.89	IMU	H/0.995	16.99	.888
425 START	11/94							
516 PRI/OIL	16.8800	X	\$/B	1/95	MM/YY	PC	.00	10/01
517 "	18.39	X	\$/B	1/96	AD	PC	.00	10/01
518 "	22.26	X	\$/B	1/97	AD	PC	.00	10/01
519 "	20.74	X	\$/B	1/98	AD	PC	.00	12/97
520 "	14.43	X	\$/B	1/99	AD	PC	.00	12/98
521 "	19.25	X	\$/B	1/2000	AD	PC	.00	12/99
522 "	24.94	X	\$/B	1/2001	AD	PC	.00	12/00
523 "	20.67	X	\$/B	1/2002	AD	PC	.00	10/01
524 "	19.20	X	\$/B	1/2003	AD	PC	.00	10/01
525 "	18.18	X	\$/B	1/2004	AD	PC	.00	10/01
526 "	18.13	X	\$/B	TO	LIFE	PC	.00	10/01
531 PRI/GAS	1.8900	X	\$/M	1/95	MM/YY	PC	.00	10/01
532 "	1.94	X	\$/M	1/96	AD	PC	.00	12/95
533 "	2.61	X	\$/M	1/97	AD	PC	.00	12/96
534 "	2.59	X	\$/M	1/98	AD	PC	.00	12/97
535 "	2.11	X	\$/M	1/99	AD	PC	.00	12/98
536 "	2.27	X	\$/M	1/2000	AD	PC	.00	12/99
537 "	2.60	X	\$/M	1/2001	AD	PC	.00	12/00
538 "	2.58	X	\$/M	1/2002	AD	PC	.00	10/01
539 "	2.57	X	\$/M	TO	LIFE	PC	.00	10/01
544 OPC/T	1190.00	X	\$/M	TO	LIFE	SCH	OPC	1190.000
549 STX/OIL	7.08	X	\$	TO	LIFE	PC	.00	10/01
554 STX/GAS	7.93	X	\$	TO	LIFE	PC	.00	10/01
559 ATX	.17	X	\$	TO	LIFE	PC	.00	10/01
564 PRI/OIL	-.9100	-	\$/B	TO	LIFE	PC	.00	10/01
569 PRI/GAS	-.1300	-	\$/M	TO	LIFE	PC	.00	10/01
700 LSE/WI	100.0000	D	\$	TO	LIFE	PLAT	.00	10/01
701 OMN/WI	100.0000	D	\$	TO	LIFE	PLAT	.00	10/01
720 LSE/RIC	12.5000	D	\$	TO	LIFE	PLAT	.00	10/01
721 OMN/RI	.0000	D	\$	TO	LIFE	PLAT	.00	10/01
740 LSE/RIG	12.5000	D	\$	TO	LIFE	PLAT	.00	10/01
760 LSE/ORR	.0000	D	\$	TO	LIFE	PLAT	.00	10/01
761 OMN/ORR	.0000	D	\$	TO	LIFE	PLAT	.00	10/01

OVERLAYS	SCHEDULING RATES	SCHEDULE UNTIL	PROCEDURE	ULTIMATE	LAST	EFF. DECL.	INIT. RATE	FINAL RATE
905 LOAD	P. OIL OIL #			31.258	2/00			
910 LOAD	P. GAS GAS #			71.226	2/00			
915 LOAD	P. WATER WTR #			10.585	2/00			

INVESTMENT	TANGIBLES & INTANGIBLES	TIME	PROCEDURE	TOTAL T&I	MONTH	RISK INV.	TOT. T&I&R	ESC. T&I&R
800 DRILL.	330.00	11/94	AD	825.000	11/94	.	825.0	825.0
801 SALVAGE	-33.00		LIFE	-33.000	10/ 1	.	-33.0	-33.0

RESERVE PARAMETERS	ITEM	ITEM
201 LOSS NO		
205 CUMMO, MB	31.18	CUMMG, MMF 70.74
		CUMML, MB

PROJECT ASSUMPTIONS

BASE DATE : 11/94 TIME FRAMES : 1\*2 38\*12 1\*600

P.W. DATE : 11/94 PW &-AGE : 10.0 DISC. FREQUENCY : 365.

REPORT DATE : 11/94 PROD QUAL : CD OWNER QUAL : CD OTHER QUAL : CD

R E S E R V E S A N D E C O N O M I C S  
 EFFECTIVE DATE: 11/94

PERIOD ENDING	12/94	12/95	12/96	12/97	12/98	12/99	12/00	12/01	TOTAL	6.9 YR
OWNERSHIP										
1) WORKING INTEREST, %	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000
2) REVENUE INTEREST, %	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500

INVESTMENTS, M\$

3) BORROWED CAPITAL	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4) EQUITY INVESTMENTS	825.0	.0	.0	.0	.0	.0	.0	.0	.0	-33.0
5) RISK	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) TOTAL	825.0	.0	.0	.0	.0	.0	.0	.0	.0	-33.0

OIL PHASE

8) GROSS OIL, MB	7.9	14.7	4.5	1.7	1.2	1.1	.9	.6	.9	32.6
9) NET OIL, MB	6.9	12.8	4.0	1.5	1.1	1.0	.8	.5	.8	28.5
10) OIL REVENUE, M\$	110.2	224.4	84.9	29.2	14.4	17.7	18.7	10.0	18.7	509.5
11) OIL PRICE, \$/B	15.97	17.48	21.35	19.83	13.52	18.34	24.03	19.76	17.88	17.88

GAS PHASE

12) GROSS GAS, MMF	8.7	27.0	13.6	8.2	5.5	7.1	5.1	3.2	7.1	78.6
13) NET GAS, MMF	7.7	23.7	11.9	7.2	4.8	6.2	4.5	2.8	6.2	68.7
14) GAS REVENUE, M\$	13.5	42.8	29.5	17.7	9.5	13.3	11.1	6.9	11.1	144.3
15) GAS PRICE, \$/MCF	1.760	1.810	2.480	2.460	1.980	2.140	2.470	2.450	2.450	2.099

WATER PHASE

16) GROSS WATER, MB	1.8	5.1	1.6	1.0	.5	.5	.1	.0	.1	10.6
17) NET WATER, MB	1.8	5.1	1.6	1.0	.5	.5	.1	.0	.1	10.6
18) WATER PRICE, \$/B	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000

ECONOMICS, M\$

19) GROSS REV. TO INTR.	123.7	267.2	114.4	46.9	23.9	31.0	29.8	16.9	653.8
20) - SEV. TAX	8.9	19.3	8.3	3.5	1.8	2.3	2.2	1.3	47.5
22) - AD VALOREM TAX	.2	.4	.2	.1	.0	.0	.0	.0	1.0
23) - OPERATING COSTS	2.4	14.3	14.3	14.3	14.3	14.3	14.3	10.7	98.8
24) - SWD	.0	.0	.0	.0	.0	.0	.0	.0	.0
25) - CAPITAL REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0
28) = NET INCOME	112.2	233.3	91.6	29.1	7.8	14.4	13.3	4.9	506.5
29) - INVESTMENTS & RSK	825.0	.0	.0	.0	.0	.0	.0	-33.0	792.0
30) = BFIF NET	-712.8	233.3	91.6	29.1	7.8	14.4	13.3	37.9	-285.5

PRESENT WORTH @ 10.00 %

31) NET INCOME	111.3	218.3	77.5	22.3	5.4	9.0	7.5	2.5	454.0
32) INVESTMENTS & RISK	825.0	.0	.0	.0	.0	.0	.0	-16.7	808.3
33) BFIF NET	-713.7	218.3	77.5	22.3	5.4	9.0	7.5	19.2	-354.4
34) CUM BFIF NET	-713.7	-495.4	-417.9	-395.6	-390.1	-381.1	-373.6	-354.4	-354.4

AFTER TAX ECONOMICS

EFFECTIVE DATE: 11/94

6.9 YR

PERIOD ENDING	12/94	12/95	12/96	12/97	12/98	12/99	12/00	12/01	TOTAL
TAX TREATMENT OF INVESTMENTS, M\$									
1) EXP, RISK & CAP INT	495.0	.0	.0	.0	.0	.0	.0	.0	495.0
2) DEPLETABLE	.0	.0	.0	.0	.0	.0	.0	.0	.0
3) DEPRECIABLE	330.0	.0	.0	.0	.0	.0	.0	.0	297.0

TAX CALCULATIONS, M\$

4) GROSS REV. TO INTR.	123.7	267.2	114.4	46.9	23.9	31.0	29.8	16.9	653.8
5) - SEVERANCE TAX	8.9	19.3	8.3	3.5	1.8	2.3	2.2	1.3	47.5
6) - WPT TAX NET	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) - OPR. COSTS & ATX	2.6	14.7	14.5	14.4	14.3	14.3	14.3	10.7	99.8
8) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0
9) - OVERHEAD	.0	.0	.0	.0	.0	.0	.0	.0	.0
10) - EXPENSED INV.	495.0	.0	.0	.0	.0	.0	.0	.0	495.0
11) - DEPRECIATION	7.9	52.7	77.0	55.0	39.3	29.5	29.5	39.3	330.0
12) = NET	-390.6	180.5	14.6	-25.9	-31.4	-15.1	-16.2	-34.4	-318.5
13) - DEPLETION	.0	.0	.0	.0	.0	.0	.0	.0	.0
14) - INTEREST PD & CAP	.0	.0	.0	.0	.0	.0	.0	.0	.0
15) = TAXABLE	-390.6	180.5	14.6	-25.9	-31.4	-15.1	-16.2	-34.4	-318.5
16) * TAX RATE, %	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0
17) - TAX CREDIT	.0	.0	.0	.0	.0	.0	.0	.0	.0
18) - WPT REFUND	.0	.0	.0	.0	.0	.0	.0	.0	.0
19) = F.I.T.	-136.7	63.2	5.1	-9.1	-11.0	-5.3	-5.7	-12.0	-111.5
20) REVENUE-SEV-WPT	114.8	248.0	106.0	43.5	22.1	28.7	27.6	15.6	606.3
21) - OPR. COSTS & ATX	2.6	14.7	14.5	14.4	14.3	14.3	14.3	10.7	99.8
22) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0
23) - F.I.T.	-136.7	63.2	5.1	-9.1	-11.0	-5.3	-5.7	-12.0	-111.5
24) = A.F.I.T.	249.0	170.1	86.5	38.2	18.8	19.7	18.9	16.9	618.0
25) - LOAN REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) = NET INCOME	249.0	170.1	86.5	38.2	18.8	19.7	18.9	16.9	618.0
28) - INVESTMENTS & RSK	825.0	.0	.0	.0	.0	.0	.0	.0	792.0
29) = A.F.I.T. NET	-576.0	170.1	86.5	38.2	18.8	19.7	18.9	49.9	-174.0
PRESENT WORTH @ 10.00 %									
30) NET INCOME	246.9	159.2	73.2	29.2	13.1	12.3	10.8	8.8	553.4
31) INVESTMENTS & RISK	825.0	.0	.0	.0	.0	.0	.0	.0	808.3
32) A.F.I.T. NET	-578.1	159.2	73.2	29.2	13.1	12.3	10.8	25.5	-254.9
33) CUM. A.F.I.T. NET	-578.1	-418.9	-345.7	-316.5	-303.4	-291.1	-280.3	-254.9	-254.9

E C O N O M I C I N D I C A T O R S

AS OF DATE: 11/94

B.F.I.T. WORTH M\$-----	A.F.I.T. WORTH M\$-----	A.F.I.T. BONUS M\$-----
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PRESENT WORTH PROFILE AND  
 RATE-OF-RETURN VS. BONUS TABLE

0.	-285.503	-174.027	-267.734
2.	-301.356	-192.906	-292.934
5.	-323.018	-218.463	-325.868
6.	-329.731	-226.322	-335.722
8.	-342.473	-241.149	-353.962
10.	-354.377	-254.889	-370.452
20.	-403.860	-310.666	-433.258
30.	-441.387	-351.259	-474.709
40.	-471.170	-382.276	-503.927
50.	-495.669	-405.977	-525.698
60.	-516.375	-427.319	-542.669
70.	-534.232	-444.519	-556.382
80.	-549.866	-459.362	-567.779
90.	-563.710	-472.376	-577.462
100.	-576.080	-483.933	-585.835

RATE OF RETURN, PCT. .0

UNDISCOUNTED PAYOUT, YRS. 6.92

6.92

DISCOUNTED PAYOUT, YRS. 6.92

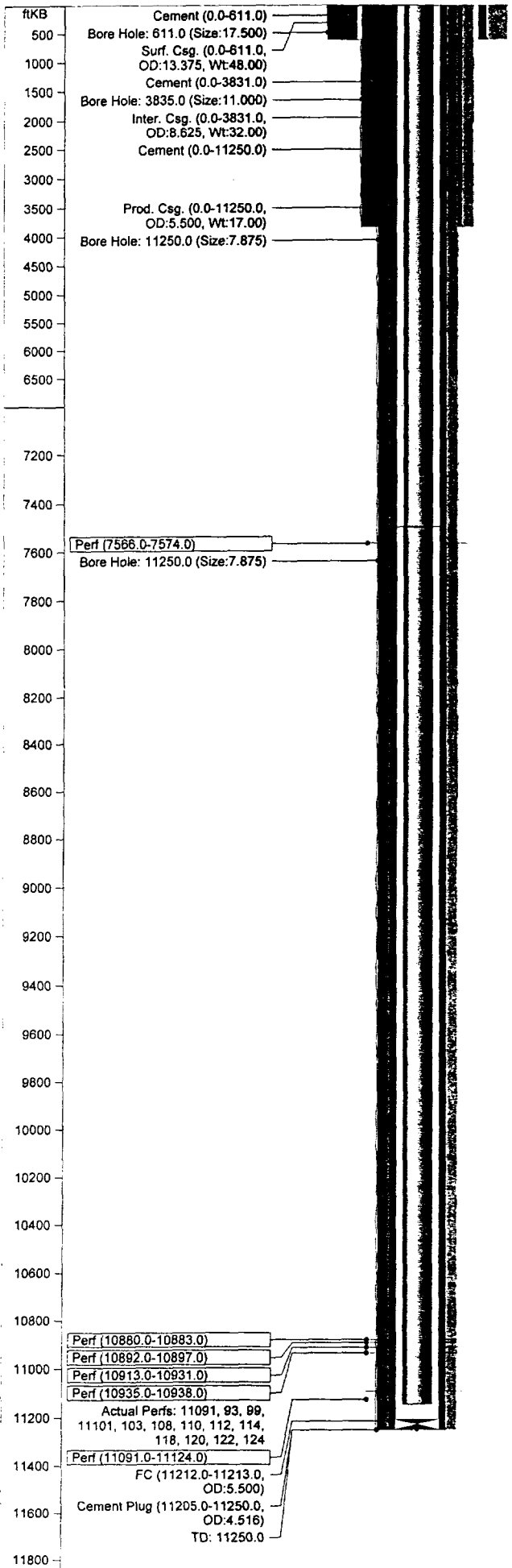
6.92

UNDISCOUNTED NET/INVEST. .64

.78

DISCOUNTED NET/INVEST. .56

.68



JAMES RANCH UNIT #71			
API No.	3001527927	Status	ACT OIL
TD	11250.0 ftKB	Engineer	CAA
PBTD	11205.0 ftKB		
Operator	BEPCO	Permit	
Well No.	71	Spud	9/14/94
ID Code		RR	10/10/94
Field	LOS MEDANOS	Completion	10/28/94
Author	RAS	Last Act.	
Date Updated	12/28/98	Abandoned	
Comments	Drilled by Enron		

Location			
Township	S022	Top Latitude	0
		Top Longitude	0
Range	E030	Top NS Distance	330.0 ft N
		Top EW Distance	660.0 ft E
Section	36	Bottom Latitude	0
Unit Ltr.	A	Bottom Longitude	0
State	NEW MEXICO	Btm NS Distance	0.0 ft
County	EDDY	Btm EW Distance	0.0 ft

Elevations			
KB	3338.7 ft	Cas Flng	0.0 ft
Grd	3322.0 ft	Tub Head	0.0 ft
KB-Grd	16.7 ft		

Casing String - Surface Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID	Wt	Grd	Thd
13 3/8 in Surf. Csg.	0.0	611.0	14	12.720	48.00	H-40	

Casing String - Intermediate Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID	Wt	Grd	Thd
8 5/8 in Inter. Csg.	0.0	3831.0	90	7.920	32.00	K-55	STC

Casing String - Production Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID	Wt	Grd	Thd
5 1/2 in Prod. Csg.	0.0	1250.0	262	4.890	17.00	P-110	LTC
5 1/2 in FC	1212.0	1213.0		0.000	0.00		

Casing Cement			
Casing String	Top (ftKB)	Amount (sx)	Comments
Surface Casing	0.0	625	
Intermediate Casing	0.0	1525	
Production Casing	0.0	2254	

Tubing String - Primary Tubing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
2 7/8 in Tbg	0.0	7499.0	240	2.441	6.50	N-80	8rd
5 1/2 in Baker Model B TAC	7499.0	7502.0		2.875	0.00		
2 7/8 in Tbg	7502.0	11143.0	117	2.441	6.50	N-80	8rd
2 7/8 in Mech. SN w/strainer	11143.0	11144.0		0.000	0.00		

Other (plugs, equip., etc.) - Plug Back		
Date	Item	Int (ftKB)
10/10/94	Cement Plug	11205.0 - 11250.0

Perforations			
Date	Int	Shots (/ft)	Status
10/16/94	11091.0 - 11124.0	0.4	
10/20/94	10880.0 - 10883.0	1.0	
10/20/94	10892.0 - 10897.0	1.0	
10/20/94	10913.0 - 10931.0	1.0	
10/20/94	10935.0 - 10938.0	1.0	
11/15/96	7566.0 - 7574.0	4.0	

Stimulations & Treatments				
Date	Type	Interval	Fluid	Sand Comments
10/27/94	Sand Frac	10880.0 - 11124.0		
11/20/96	Sand Frac	7566.0 - 7574.0		



## WELL HISTORY

**WELL NAME:** James Ranch Unit No. 71  
**FIELD NAME:** Los Medanos (Bone Spring/Wolfcamp)  
**LOCATION:** 330' FNL & 660' FEL, Sec 36, T22S, R30E, Ut A  
Eddy County, New Mexico  
**ELEV:** 3322' GL, 3338.7' KB  
**SPUD DATE:** 9/14/94  
**COMP DATE:** 10/30/94  
**ORIG TD:** 11,250'  
**ORIG PBSD:** 11,205'  
**CASING:** 13-3/8" 48# H-40 ST&C CSA 611' w/625 sx, cmt circ, 17-1/2" hole 0-615'.  
8-5/8" 32# K-55 ST&C CSA 3831' w/1525 sx, cmt circ, 11" hole 615-3835'.  
5-1/2" 17# P-110 LT&C CSA 11,250' w/2254 sx, cmt circ, 7-7/8" hole 3835-11,250'.  
**TUBING:** 2-7/8" 6.5# N-80 EUE  
**DST:** None  
**CORES & LOGS:** 10/08/94: DIL 3831-11,243', SDL/DSN 100-11,243'  
10/16/94: GR/CCL 6800-7912', 8600-9011', 10,650-11,190'

### INITIAL COMPLETION

10/15/94-11/8/94

Run GR/CCL 6800-7912', 8600-9011', 10,650-11,190'. PBSD 11,190'.

10/16/94 **Perf Wolfcamp 11,091', 093', 099', 11,101', 103', 108', 110', 112', 114', 118', 120', 122', 124'**, 1 SPF. Set pkr @ 10,945'. **Acidized** perfs 11,091-124' w/2000 gals 7-1/2% NEFE HCL + 26 ball sealers. Flow & swab well. Rel pkr & POH.

10/20/94 **Perf 3rd Bone Springs sd 10,880-883', 10,892-897', 10,913-931', 10,935-938'**, 1 SPF. Set Loc-set BP @ 11,006' & pkr @ 10,734'. **Acidized** perfs 10,880-938' w/2000 gals 7-1/2% NEFE HCL & 66 ball sealers. Flow & swab well. SI for buildup. Ran BHP bombs. Pull BHP bombs. Rel pkr & BP. **Frac Wolfcamp & Bone Spring** perfs 10,880-11,124' w/125,000 gals Medallion 3000 fluid containing 2% KCL & 7.5 gals LFC 3B, 1.22 GPT BF-10L, .8 gals XLW 60, .5 GPT GBW-12, 1 GPT NE 15, 1 GPT Cla 6, 3 GPT Xcide 207, & 325,000# 20/40 econo prop sd. Flow well up csg.

**IP:** 11/8/94 24 hrs F 223 BO, 60 BW, 301 MCF, FCP 400#.

**JAMES RANCH UNIT #71  
WELL HISTORY**

**WORKOVERS**

11/29/94-12/20/94

**CO FRAC SAND**

Tag sd fill @ 10,922'. Circ sd out of hole to 11,204'. Swab test well. Well started flwg. Ran prod logs 10,880-937' & 11,103-11,123'.

**AWO:** 12/20/94 24 hrs F 96 BO, 45 BW, 177 MCF on 22/64" chk. FTP 100#, CP 1600#, LP 47#.

5/18/95-6/4/95

**TEST BONE SPRINGS & WOLFCAMP PERFS**

Tag PBDT @ 11,205'. Set pkr @ 11,023' (between perfs 10,880-930' & 11,091-124'). Swab and flow well. Flow testing Wolfcamp perfs on 30/64" chk. Flwd 33.4 BO, 0 BW, & 22 MCF in 24 hrs. Set Baker FWP blanking plug in SN @ 10,994'. Performed pulse test - 1st pulse: open annulus on 10/64" chk, flwd 45 mins, opened to 15/64" chk for additional 45 mins. Made 17.5 BO + 2 BW. SI annulus for 1-1/2 hrs. SITP static @ 680#, SICP built from 360-495#. 2nd pulse: opened annulus on 12/64" chk, flwd 1-1/2 hrs. Made 18 BO + 1 BW. SI 1-1/2 hrs. SITP static @ 660#, SICP built from 558-640#. 3rd pulse: Open on 22/64" chk for 1-1/2 hrs. Made 64 BO. SI for 1-1/2 hrs. SITP built from 660-890#, annulus built from 745-940#. Open annulus to frac tank overnite on 48/64" chk, made additional 164 BO overnite. During nite SITP fell from 890-660#. POH w/tbg plug. Open well on 40/64" chk. Rel pkr & press gauges. Set Otis "PSL" pkr & 2-7/8" tbg @ 10,840.72'. Swab 30 BO & well flowed. Flwg on 30/64" chk. Turn well to flwg thru prod equip.

**AWO:** 6/8/95 24 hr P 61 BO, 45 BW, & 134 MCF.

11/15/96 to 11/25/96

**PERF & FRAC 7566-7574'(BRUSHY CANYON).**

Set CIPB @ 10,516'. Ran CCL-CBL.

11/15/96

**Perf:** 7566-7574 , 4 SPF 0° phased. **Spotted** 500 gals 7 ½% Fercheck SC acid. Break Fm w/2975 psig, treated @ 2 PBM w/1490 psig. ISIP 1150 psig, 5 min 925 psig. **Frac** 7566-74' w/28,000 gals Delta frac w/96,500# 20/40 Brown sd + 24,000# 16/30 Brown Sd w/0.5% Prop Wrap. Swabbed, kicked off & flowed. Left flowing to tanks.

12/5/96

Well loaded up, swab well to tank, kick well off in 4 runs. Ran radioactive tracer log.

12/20/96 to 12/21/96 PUT WELL ON PUMP.

Kill well, RIH w/tbg & rods. SI well for build-up, well flowed 6 days. Started pumping 1-2-97.

2/25/97 TO 3/6/97

**DRILL OUT CIBP & COMMINGLE.**

**Drill out CIBP** & tag PBDT @ 11, 205'. Open csg to test tank then sales line. Killed well, ran tbg, rods & pump. Place well on pump.

**AWO:** 3/10/97 117 BO, 55 BW, 158 MCFG.

9/14/98 TO 9/18/98

**POLISHED ROD PART/BAIL SAND FILL**

POH & found polished rod thread pulled out of 1<sup>st</sup> cplg. Tag sand fill @ 11,090'. Bailed sand to 11,158', found some rubber and large amount of cast iron metal cutting after POH. RIH w/tbg, pump and rods. Place well on production.

DISTRICT I -  
P.O. Box 1990, Hobbs, NM 88240

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

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

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

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number <b>30-015-27927</b>	Pool Code <b>66352</b>	Pool Name <b>UWD S.-E. Quahada Ridge (Bone Springs)</b>
Property Code <b>1</b>	Property Name <b>JAMES RANCH UNIT</b>	Well Number <b>71</b>
OGRID No. <b>001801</b>	Operator Name <b>BASS ENTERPRISES PRODUCTION CO.</b>	Elevation <b>3322'</b>

Surface Location

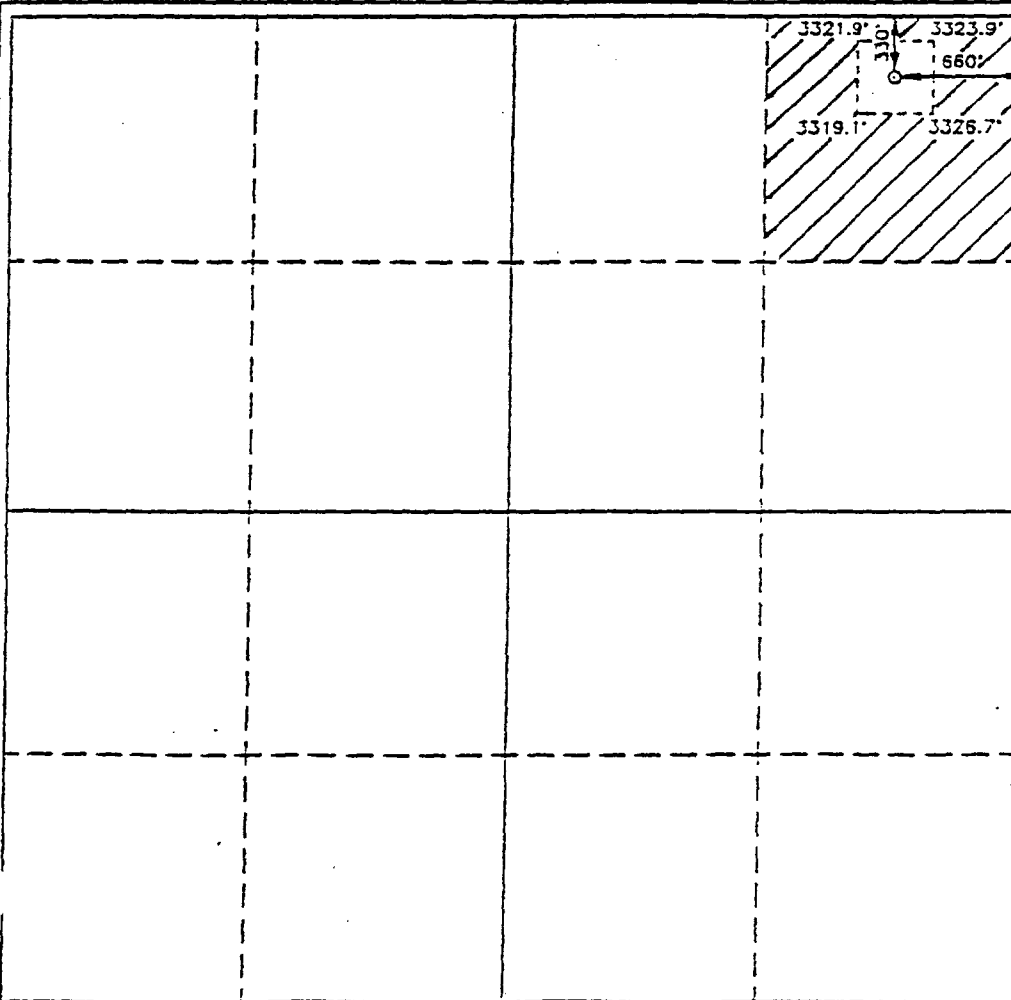
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>A</b>	<b>36</b>	<b>22S</b>	<b>30E</b>		<b>330</b>	<b>NORTH</b>	<b>660</b>	<b>EAST</b>	<b>EDDY</b>

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 <b>40</b>	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



**OPERATOR CERTIFICATION**

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

*William R. Dannels*  
Signature

William R. Dannels  
Printed Name

Division Drilling Supt.  
Title

4-6-94  
Date

---

**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.

Made by *bg* 04/09/94  
Date Surveyed

*[Signature]*  
Signature & Seal of Professional Surveyor

777  
W.O. No. *34-11-0558*

Certificate No. JOHN W. WEST, 678  
RONALD J. EDSON, 3239  
CARY L. JONES, 7977

Submit to Appropriate District Office  
 State Lease - 6 copies  
 Fee Lease - 5 copies  
 DISTRICT I  
 P.O. Box 1980, Hobbs, NM 88240

State of New Mexico

Energy, Minerals and Natural Resources Department

**CONFIDENTIAL**  
**OIL CONSERVATION DIVISION**  
 P.O. Box 2088  
 Santa Fe, New Mexico 87504-2088

REGISTRATION

Form C-105  
 Revised 1-1-89

DEC - 5 1994

WELL API NO.  
 30-Q15 27927

5. Indicate Type of Lease  
 STATE  FEE

6. State Oil & Gas Lease No.  
 E-5229-4

7. Lease Name or Unit Agreement Name  
 James Ranch Unit

8. Well No.  
 71

9. Foot Name or Wyo. No.  
 Und. Bone Spring/Wolfcamp

**RECEIVED**  
 NOV 14 1994  
 ESO

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG**

1a. Type of Well: OIL WELL  GAS WELL  DRY  OTHER \_\_\_\_\_

b. Type of Completion: NEW WELL  WORK OVER  DEEPEN  PLUG BACK  DEEP RESER  OTHER \_\_\_\_\_

2. Name of Operator  
 Enron Oil & Gas Company

3. Address of Operator  
 P. O. Box 2267, Midland, Texas 79702

4. Well Location  
 Unit Letter A ; 330 Feet From The north Line and 660 Feet From The east Line  
 Section 36 Township 22S Range 30E NMPM Eddy County

10. Date Spudded 9-14-94 11. Date T.D. Reached 10-6-94 12. Date Compl. (Ready to Prod.) 10-15-94 13. Elevations (DF & RKB, RT, GR, etc.) 3322' GR 14. Elev. Casinghead. 3322'

15. Total Depth 11,250 16. Plug Back T.D. 11,205 17. If Multiple Compl. How Many Zones? \_\_\_\_\_ 18. Intervals Drilled By Rotary Tools  Cable Tools \_\_\_\_\_

19. Producing interval(s), of this completion - Top, Bottom, Name 11091-11124 (Wolfcamp) & 10880-10938 (Bone Spring) 20. Was Directional Survey Made No

21. Type Electric and Other Logs Run SDL-DSN, DIL 22. Was Well Cased No

**CASING RECORD (Report all strings set in well)**

CASING SIZE	WEIGHT LB/FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13-3/8	48	611	17-1/2	625 C1 C	Circulated
8-5/8	32	3851	11	1300 PSL C & 225 C1 C	Circulated
5-1/2	17	11250	7-7/8	1189 Super H & 1065 C1 H	

**LINER RECORD**

**TUBING RECORD**

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					None		

26. Performance record (interval, size, and number)

11091-11124	(.38"	13)
10880-10938	(.38"	29)

27. ACID, SHOT, FRACTURE CEMENT, SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
11091-11124	2000 gal 7-1/2% NaFe HCl
10880-10938	2000 gal 7-1/2% NaFe HCl
10880-11124	125,000 gal Medallion 3000

**PRODUCTION**

28. Date First Production 10-27-94 Production Method (Flowing, gas lift, pumping - Size and type pump) Flowing Well Status (Prod. or Shut-in) Producing

Date of Test	Hours Tested	Choke Size	Prod's For Test Period	Oil - Bbl.	Gas - MCF	Water - Bbl.	Gas - Oil Ratio
11-5-94	24	18/64		169	295	127	1746

Flow Testing Pressure	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API - (Corr.)
	640					40.0

29. Description of Gas (Said, used for fuel, vented, etc.) Vented Test Witnessed By \_\_\_\_\_

30. See Appendix

31. Inclination Report, C-104

I hereby certify that the information shown on each page of this form is true and complete to the best of my knowledge and belief.

Signature Betty Gildon Printed Name Betty Gildon Title Regulatory Analyst Date 11/9/94

XC: MANGAN, McCREIGHT, WHITE, CLARK, SMITHERMAN

**WORKSHEET FOR COMMERCIAL DETERMINATION  
AND PARTICIPATING AREA IN FEDERAL UNITS**

**WELL DATA**

WELL \_\_\_\_\_ JAMES RANCH UNIT NO. 71 \_\_\_\_\_ FORMATION \_\_\_\_\_ WOLFCAMP \_\_\_\_\_

LOCATION \_\_\_\_\_ A \_\_\_\_\_ UNIT, \_\_\_\_\_ 330 \_\_\_\_\_ FEET FROM \_\_\_\_\_ N \_\_\_\_\_ LINE & \_\_\_\_\_ 660 \_\_\_\_\_ FEET FROM \_\_\_\_\_ E \_\_\_\_\_ LINE

SECTION \_\_\_\_\_ 36 \_\_\_\_\_ TOWNSHIP \_\_\_\_\_ 22S \_\_\_\_\_, RANGE \_\_\_\_\_ 30E \_\_\_\_\_, COUNTY \_\_\_\_\_ EDDY \_\_\_\_\_, NEW MEXICO

SPUD DATE \_\_\_\_\_ 9/14/94 \_\_\_\_\_ COMPLETION DATE \_\_\_\_\_ 10/15/94 \_\_\_\_\_ INITIAL PRODUCTION \_\_\_\_\_ 10/27/94 \_\_\_\_\_

PERFORATIONS \_\_\_\_\_ 11,091-11,124' \_\_\_\_\_

STIMULATION:

**ACID** \_\_\_\_\_ PERFS 11,091-11,124' - 2000 GALS 7-1/2% NEFE HCL & 26 BALL SEALERS. \_\_\_\_\_

**FRACTURE** \_\_\_\_\_ PERFS 10,880-11,124' - 125,000 GALS MEDALLION 3000 FLUID + ADDITIVES & 325,000# 20/40 \_\_\_\_\_  
ECONOPROP. \_\_\_\_\_

POTENTIAL \_\_\_\_\_ PERFS 10,880-11,124' - 11/5/94 169 BOPD, 127 BWPD, 295 MCFPD \_\_\_\_\_

(Attach Copy of C-105. Attach Copy of Wellbore Sketch of Completed Well.)

**VOLUMETRIC CALCULATION**

	SANDS PERFORATED	SANDS NOT PERFORATED BUT POTENTIALLY PRODUCTIVE
Area (A) proration unit size, acres	<u>40</u>	_____
Porosity (por), %	<u>11.6%</u>	_____
Water saturation (Sw), %	<u>42%</u>	_____
Net Thickness (h), ft.	<u>13.5</u>	_____
Temperature (T), Fahrenheit	<u>170</u>	_____
Bottom Hole pressure (P), psia	<u>5,998</u>	_____
Recovery factor (RF), %	<u>27%</u>	_____
Recoverable oil, BBLs *(See eq. below)	<u>54,077</u>	_____

ometimes unable to match performance due to volumetric uncertainty.

Formula = (7758) (A) (h) (por) (1-Sw) (1/Boi) (RF)

Boi = 1.40

**PERFORMANCE DATA**

(If sufficient history exists, attach plot of oil production rate v time.)

CUMULATIVE PRODUCTION TO	<u>11/1/99</u>	;	<u>10,416</u>	BBLs
INITIAL RATE (qi)	<u>70</u>			
ECONOMIC LIMIT (qi)	<u>60</u>			
DECLINE RATE, dy	<u>Hyperbolic d = 9.33% n = .98</u>			
REMAINING OIL (Q) =	<u>984</u>			
ULTIMATE RECOVERABLE OIL	<u>11,400</u>			

(Attach plot showing proration unit and participating area.)

**ECONOMIC**

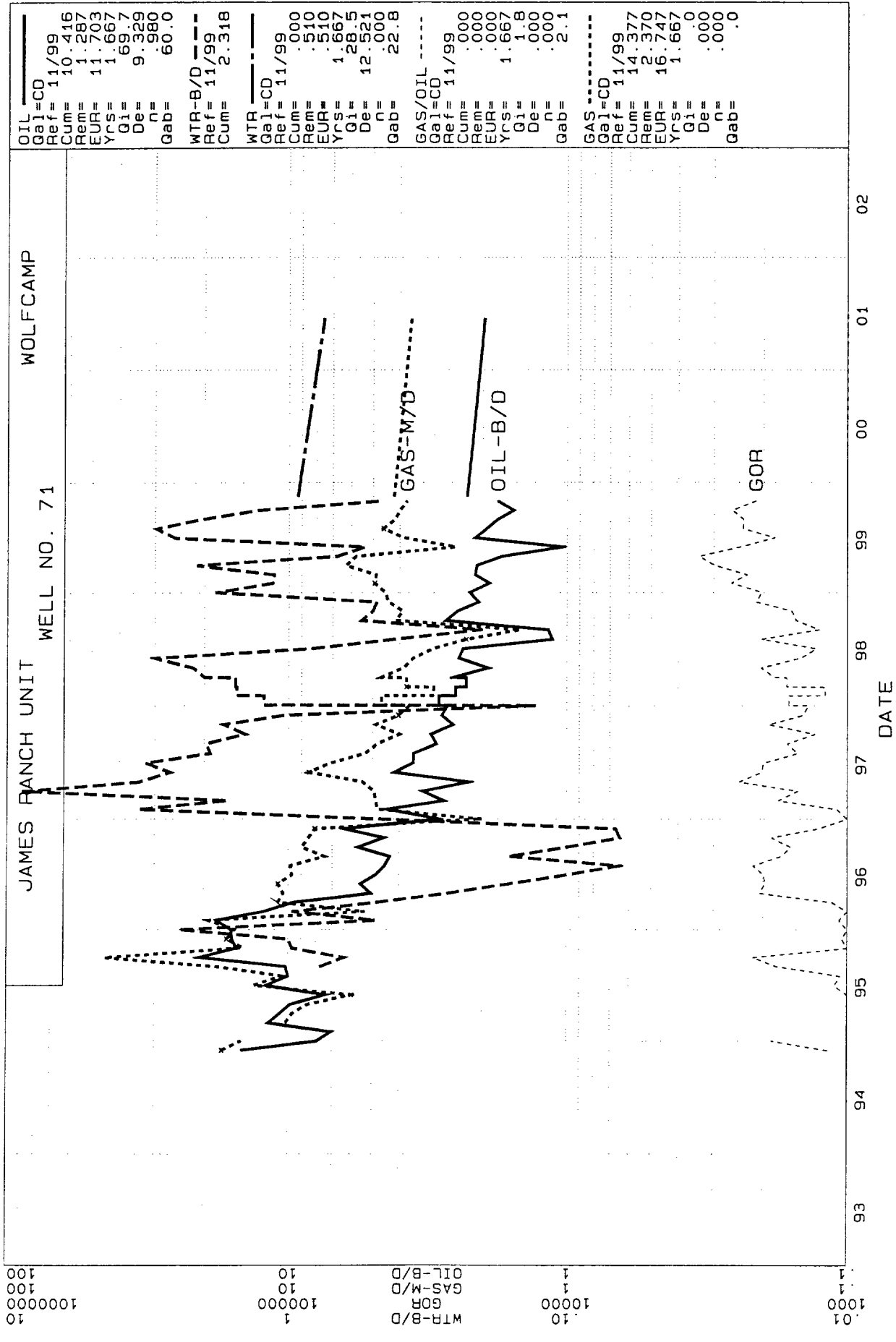
WELL COST \$ 825,000 (to the depth of formation completed)

RECOMPLETION COST \$ 0

TOTAL COST \$ 825,000

YEAR	GROSS OIL	REVENUE	OPERATING COST	10% NET BFIT DISCOUNTED CASH FLOW
ZERO	<u>0</u>	<u>0</u>	<u>0</u>	<u>-825,000</u>
1	<u>700</u>	<u>11,100</u>	<u>3,200</u>	<u>7,800</u>
2	<u>4,500</u>	<u>76,100</u>	<u>19,900</u>	<u>52,700</u>
3	<u>2,500</u>	<u>54,600</u>	<u>14,300</u>	<u>30,700</u>
4	<u>1,200</u>	<u>24,200</u>	<u>16,000</u>	<u>6,200</u>
5	<u>800</u>	<u>11,800</u>	<u>15,200</u>	<u>-2,300</u>
6	<u>700</u>	<u>14,900</u>	<u>15,400</u>	<u>-300</u>
7	<u>800</u>	<u>18,900</u>	<u>15,700</u>	<u>1,800</u>
8	<u>300</u>	<u>6,500</u>	<u>6,500</u>	<u>0</u>
9	<u></u>	<u></u>	<u></u>	<u></u>
10	<u></u>	<u></u>	<u></u>	<u></u>
REMAINDER	<u></u>	<u></u>	<u></u>	<u></u>

**WELL IS NOT COMMERCIAL**



WTR-B/D  
 GAS-M/D  
 OIL-B/D  
 GOR

JAMES RANCH UNIT  
 WELL NO. 71  
 WOLFCAMP

OIL	
Gal=CD	Ref= 11/99
Cum=	10.416
Rem=	1.287
EUR=	11.703
Yrs=	1.667
Qi=	69.7
De=	9.329
n=	.980
Gab=	60.0
WTR-B/D	
Ref=	11/99
Cum=	2.318
WTR	
Gal=CD	Ref= 11/99
Cum=	.000
Rem=	.510
EUR=	.510
Yrs=	1.667
Qi=	28.5
De=	12.521
n=	.000
Gab=	22.8
GAS/OIL	
Gal=CD	Ref= 11/99
Cum=	.000
Rem=	.000
EUR=	.000
Yrs=	1.667
Qi=	1.8
De=	.000
n=	.000
Gab=	2.1
GAS	
Gal=CD	Ref= 11/99
Cum=	14.377
Rem=	2.370
EUR=	16.747
Yrs=	1.667
Qi=	0
De=	.000
n=	.000
Gab=	.0

I N P U T D A T A C A L C U L A T E D D A T A

ITEM	SCHEDULING RATES	SCHEDULE UNTIL	PROCEDURE	ULTIMATE	LAST	EFF. DECL	INIT. RATE	FINAL RATE
405 START	11/99							
410 OIL	69.72	X	B/M	1.29	IMU	H/0.980	9.33	11.703
415 GAS/OIL	1.84	2.06	M/B	01/2097	AD	LOG	TIME	12/96
420 WTR	28.46	X	B/M	.51	IMU	EXP	12.52	.510
425 START	11/94							
516 PRI/OIL	16.8800	X	\$/B	1/95	MM/YY	PC	.00	6/01
517 "	18.39	X	\$/B	1/96	AD	PC	.00	6/01
518 "	22.26	X	\$/B	1/97	AD	PC	.00	6/01
519 "	20.74	X	\$/B	1/98	AD	PC	.00	12/97
520 "	14.43	X	\$/B	1/99	AD	PC	.00	12/98
521 "	19.25	X	\$/B	1/2000	AD	PC	.00	12/99
522 "	24.94	X	\$/B	1/2001	AD	PC	.00	12/00
523 "	20.67	X	\$/B	1/2002	AD	PC	.00	6/01
524 "	19.20	X	\$/B	1/2003	AD	PC	.00	6/01
525 "	18.18	X	\$/B	1/2004	AD	PC	.00	6/01
526 "	18.13	X	\$/B	TO	LIFE	PC	.00	6/01
531 PRI/GAS	1.8900	X	\$/M	1/95	MM/YY	PC	.00	6/01
532 "	1.94	X	\$/M	1/96	AD	PC	.00	12/95
533 "	2.61	X	\$/M	1/97	AD	PC	.00	12/96
534 "	2.59	X	\$/M	1/98	AD	PC	.00	12/97
535 "	2.11	X	\$/M	1/99	AD	PC	.00	12/98
536 "	2.27	X	\$/M	1/2000	AD	PC	.00	12/99
537 "	2.60	X	\$/M	1/2001	AD	PC	.00	12/00
538 "	2.58	X	\$/M	1/2002	AD	PC	.00	6/01
539 "	2.57	X	\$/M	TO	LIFE	PC	.00	6/01
544 OPC/T	1190.00	X	\$/M	TO	LIFE	SCH	OPC	1190.000
549 STX/OIL	7.08	X	\$	TO	LIFE	PC	.00	6/01
554 STX/GAS	7.93	X	\$	TO	LIFE	PC	.00	6/01
559 ATX	.17	X	\$	TO	LIFE	PC	.00	6/01
564 PRI/OIL	-.9100	-	\$/B	TO	LIFE	PC	.00	6/01
569 PRI/GAS	-.1300	-	\$/M	TO	LIFE	PC	.00	6/01
700 LSE/WT	100.0000	D	\$	TO	LIFE	PLAT	.00	6/01
701 OVN/WT	100.0000	D	\$	TO	LIFE	PLAT	.00	6/01
720 LSE/RIC	12.5000	D	\$	TO	LIFE	PLAT	.00	6/01
721 OVN/RI	.0000	D	\$	TO	LIFE	PLAT	.00	6/01
740 LSE/RIG	12.5000	D	\$	TO	LIFE	PLAT	.00	6/01
760 LSE/ORB	.0000	D	\$	TO	LIFE	PLAT	.00	6/01
761 OVN/ORB	.0000	D	\$	TO	LIFE	PLAT	.00	6/01



OVERLAYS	SCHEDULING RATES	SCHEDULE UNTIL	PROCEDURE	ULTIMATE	LAST	EFF. DECL.	INIT. RATE	FINAL RATE
905 LOAD	P.OIL OIL #			10.469	2/00			
910 LOAD	P.GAS GAS #			14.490	2/00			
915 LOAD	P.WATER WTR #			2.318	2/00			

INVESTMENT	TANGIBLES & INTANGIBLES	TIME	PROCEDURE	TOTAL T&I	MONTH	RISK INV.	TOT. T&I	ESC. T&I
800 DRILL	330.00	11/94	AD	825.000	11/94	.	825.0	825.0
801 SALVAGE	-33.00	.00 MSG	TO LIFE	-33.000	6/ 1	.	-33.0	-33.0

RESERVE PARAMETERS	ITEM	ITEM
201 LOSS	NO	
205 CUMO, MB	10.42	CUMG, MMF 14.38 CUML, MB

PROJECT ASSUMPTIONS

BASE DATE : 11/94 TIME FRAMES : 1\*2 38\*12 1\*600  
P.W. DATE : 11/94 PW & AGE : 10.0 DISC. FREQUENCY : 365.  
REPORT DATE : 11/94 PROD QUAL : CD OWNER QUAL : CD OTHER QUAL : CD

RESERVES AND ECONOMICS  
 EFFECTIVE DATE: 11/94

PERIOD ENDING	12/94	12/95	12/96	12/97	12/98	12/99	12/00	12/01	TOTAL
6.6 YR TOTAL									

OWNERSHIP

1) WORKING INTEREST, \$	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000
2) REVENUE INTEREST, \$	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500

INVESTMENTS, M\$

3) BORROWED CAPITAL	.0	.0	.0	.0	.0	.0	.0	.0	.0
4) EQUITY INVESTMENTS	825.0	.0	.0	.0	.0	.0	.0	.0	792.0
5) RISK	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) TOTAL	825.0	.0	.0	.0	.0	.0	.0	.0	792.0

OIL PHASE

8) GROSS OIL, MB	.7	4.5	2.5	1.2	.8	.7	.8	.3	11.4
9) NET OIL, MB	.6	3.9	2.2	1.0	.7	.6	.7	.3	10.0
10) OIL REVENUE, M\$	9.6	68.1	47.2	20.1	9.6	11.8	15.8	5.3	187.4
11) OIL PRICE, \$/B	15.97	17.48	21.35	19.83	13.52	18.34	24.03	19.76	18.75

GAS PHASE

12) GROSS GAS, MMF	1.0	5.1	3.4	1.9	1.3	1.6	1.4	.6	16.3
13) NET GAS, MMF	.9	4.5	3.0	1.7	1.1	1.4	1.3	.5	14.2
14) GAS REVENUE, M\$	1.5	8.1	7.4	4.1	2.2	3.1	3.1	1.2	30.6
15) GAS PRICE, \$/MCF	1.760	1.810	2.480	2.460	1.980	2.140	2.470	2.450	2.150

WATER PHASE

16) GROSS WATER, MB	.0	.2	.1	1.0	.5	.5	.1	.0	2.3
17) NET WATER, MB	.0	.2	.1	1.0	.5	.5	.1	.0	2.3
18) WATER PRICE, \$/B	.000	.000	.000	.000	.000	.000	.000	.000	.000

ECONOMICS, M\$

19) GROSS REV. TO INTR.	11.1	76.1	54.6	24.2	11.8	14.9	18.9	6.5	218.0
20) - SEV. TAX	.8	5.5	3.9	1.7	.9	1.1	1.4	.5	15.7
22) - AD VALOREM TAX	.0	.1	.1	.0	.0	.0	.0	.0	.3
23) - OPERATING COSTS	2.4	14.3	14.3	14.3	14.3	14.3	14.3	6.0	94.0
24) - SMD	.0	.0	.0	.0	.0	.0	.0	.0	.0
25) - CAPITAL REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) + NEI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0
28) = NET INCOME	7.9	56.3	36.3	8.1	-3.4	-5	3.2	1.1	108.0
29) - INVESTMENTS & RSK	825.0	.0	.0	.0	.0	.0	.0	-33.0	792.0
30) = BITT NET	-817.1	56.3	36.3	8.1	-3.4	-5	3.2	33.1	-684.0

PRESENT WORTH @ 10.00 %

31) NET INCOME	7.8	52.7	30.7	6.2	-2.3	-.3	1.8	.0	96.6
32) INVESTMENTS & RISK	825.0	.0	.0	.0	.0	.0	.0	-17.2	807.8
33) BITT NET	-817.2	52.7	30.7	6.2	-2.3	-.3	1.8	17.3	-711.1
34) CUM BITT NET	-817.2	-764.5	-733.8	-727.6	-729.9	-730.2	-728.4	-711.1	-711.1

A F T E R T A X E C O N O M I C S

DATE : 02/07/00  
 TIME : 13:42:49  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 46

PERIOD ENDING 12/94 12/95 12/96 12/97 12/98 12/99 12/00 12/01 12/01 6.6 YR  
 TOTAL

TAX TREATMENT OF INVESTMENTS, M\$

1) EXP, RISK & CAP INT	495.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	495.0
2) DEPLETABLE	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
3) DEPRECIABLE	330.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	330.0

TAX CALCULATIONS, M\$

4) GROSS REV. TO INTR.	11.1	76.1	54.6	24.2	11.8	14.9	18.9	6.5	218.0			
5) - SEVERANCE TAX	.8	5.5	3.9	1.7	.9	1.1	1.4	.5	15.7			
6) - WPT TAX NET	.0	.0	.0	.0	.0	.0	.0	.0	.0			
7) - OPR. COSTS & ATX	2.4	14.4	14.4	14.3	14.3	14.3	14.3	6.0	94.4			
8) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0			
9) - OVERHEAD	.0	.0	.0	.0	.0	.0	.0	.0	.0			
10) - EXPENSED INV.	495.0	.0	.0	.0	.0	.0	.0	.0	495.0			
11) - DEPRECIATION	7.9	52.7	77.0	55.0	39.3	29.5	29.5	39.3	330.0			
12) = NET	-495.0	3.5	-40.7	-46.9	-42.6	-30.0	-26.3	-39.2	-717.0			
13) - DEPLETION	.0	.0	.0	.0	.0	.0	.0	.0	.0			
14) - INTEREST PD & CAP	.0	.0	.0	.0	.0	.0	.0	.0	.0			
15) = TAXABLE	-495.0	3.5	-40.7	-46.9	-42.6	-30.0	-26.3	-39.2	-717.0			
16) * TAX RATE, %	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0			
17) - TAX CREDIT	.0	.0	.0	.0	.0	.0	.0	.0	.0			
18) - WPT REFUND	.0	.0	.0	.0	.0	.0	.0	.0	.0			
19) = F.I.T.	-173.2	1.2	-14.2	-16.4	-14.9	-10.5	-9.2	-13.7	-251.0			
20) REVENUE-SEV-WPT	10.3	70.7	50.6	22.4	10.9	13.8	17.5	6.1	202.3			
21) - OPR. COSTS & ATX	2.4	14.4	14.4	14.3	14.3	14.3	14.3	6.0	94.4			
22) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0			
23) - F.I.T.	-173.2	1.2	-14.2	-16.4	-14.9	-10.5	-9.2	-13.7	-251.0			
24) = A.F.I.T.	181.1	55.0	50.5	24.5	11.6	10.0	12.4	13.8	358.9			
25) - LOAN REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0			
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0			
27) = NET INCOME	181.1	55.0	50.5	24.5	11.6	10.0	12.4	13.8	358.9			
28) - INVESTMENTS & RSK	825.0	.0	.0	.0	.0	.0	.0	-33.0	792.0			
29) = A.F.I.T. NET	-643.9	55.0	50.5	24.5	11.6	10.0	12.4	46.8	-433.1			
PRESENT WORTH @ 10.00 %												
30) NET INCOME	179.6	51.5	42.8	18.8	8.0	6.3	7.0	7.3	321.3			
31) INVESTMENTS & RISK	825.0	.0	.0	.0	.0	.0	.0	-17.2	807.8			
32) A.F.I.T. NET	-645.4	51.5	42.8	18.8	8.0	6.3	7.0	24.5	-486.5			
33) CUM. A.F.I.T. NET	-645.4	-593.9	-551.1	-532.3	-524.3	-518.0	-511.0	-486.5	-486.5			

E C O N O M I C I N D I C A T O R S

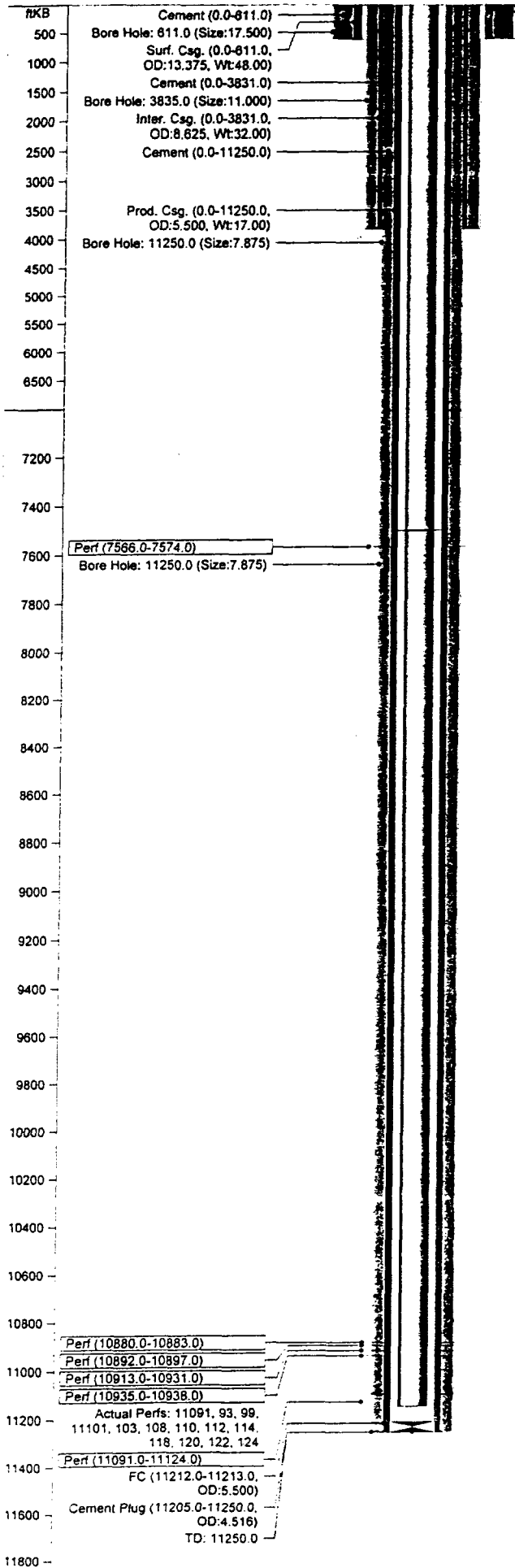
AS OF DATE: 11/94

B.F.I.T.	A.F.I.T.	A.F.I.T.
WORTH	WORTH	BONUS
M\$-----	M\$-----	M\$-----

PRESENT WORTH PROFILE AND  
 RATE-OF-RETURN VS. BONUS TABLE

0.	-684.030	-433.070	-666.261
2.	-690.492	-445.737	-671.725
5.	-699.115	-462.706	-678.220
6.	-701.735	-467.877	-680.009
8.	-706.639	-477.568	-683.120
10.	-711.135	-486.465	-685.694
20.	-728.872	-521.597	-693.123
30.	-741.262	-545.925	-695.600
40.	-750.475	-563.650	-696.035
50.	-757.699	-577.185	-695.690
60.	-763.603	-587.949	-695.118
70.	-768.576	-596.801	-694.551
80.	-772.855	-604.280	-694.081
90.	-776.591	-610.734	-693.737
100.	-779.887	-616.399	-693.518

RATE OF RETURN, PCT.	.0	.0	.0
UNDISCOUNTED PAYOUT, YRS.	6.58	6.58	6.58
DISCOUNTED PAYOUT, YRS.	6.58	6.58	6.58
UNDISCOUNTED NET/INVEST.	.14	.45	.45
DISCOUNTED NET/INVEST.	.12	.40	.40



JAMES RANCH UNIT #71			
API No.	3001527927	Status	ACT OIL
TD	11250.0 ftKB	Engineer	CAA
PBTD	11205.0 ftKB		
Operator	BEPCO	Permit	
Well No.	71	Spud	9/14/94
ID Code		RR	10/10/94
Field	LOS MEDANOS	Completion	10/28/94
Author	RAS	Last Act.	
Date Updated	12/28/98	Abandoned	
Comments	Drilled by Enron		

Location			
Township	S022	Top Latitude	0
		Top Longitude	0
Range	E030	Top NS Distance	330.0 ft N
		Top EW Distance	660.0 ft E
Section	36	Bottom Latitude	0
Unit Ltr.	A	Bottom Longitude	0
State	NEW MEXICO	Btm NS Distance	0.0 ft
County	EDDY	Btm EW Distance	0.0 ft

Elevations			
KB	3338.7 ft	Cas Flng	0.0 ft
Grd	3322.0 ft	Tub Head	0.0 ft
KB-Grd	16.7 ft		

Casing String - Surface Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
13 3/8 in Surf. Csg.	0.0	611.0	14	12.720	48.00	H-40	

Casing String - Intermediate Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
8 5/8 in Inter. Csg.	0.0	3831.0	90	7.920	32.00	K-55	STC

Casing String - Production Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
5 1/2 in Prod. Csg.	0.0	1250.0	262	4.890	17.00	P-110	LTC
5 1/2 in FC	1212.0	1213.0		0.000	0.00		

Casing Cement			
Casing String	Top (ftKB)	Amount (sx)	Comments
Surface Casing	0.0	625	
Intermediate Casing	0.0	1525	
Production Casing	0.0	2254	

Tubing String - Primary Tubing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
2 7/8 in Tbg	0.0	7499.0	240	2.441	6.50	N-80	8rd
5 1/2 in Baker Model B TAC	7499.0	7502.0		2.875	0.00		
2 7/8 in Tbg	7502.0	11143.0	117	2.441	6.50	N-80	8rd
2 7/8 in Mech. SN w/strainer	11143.0	11144.0		0.000	0.00		

Other (plugs, equip., etc.) - Plug Back			
Date	Item	Int (ftKB)	
10/10/94	Cement Plug	11205.0 - 11250.0	

Perforations			
Date	Int	Shots (/ft)	Status
10/16/94	11091.0 - 11124.0	0.4	
10/20/94	10880.0 - 10883.0	1.0	
10/20/94	10892.0 - 10897.0	1.0	
10/20/94	10913.0 - 10931.0	1.0	
10/20/94	10935.0 - 10938.0	1.0	
11/15/96	7566.0 - 7574.0	4.0	

Stimulations & Treatments					
Date	Type	Interval	Fluid	Sand	Comments
10/27/94	Sand Frac	10880.0 - 11124.0			
11/20/94	Sand Frac	7566.0 - 7574.0			

## WELL HISTORY

**WELL NAME:** James Ranch Unit No. 71  
**FIELD NAME:** Los Medanos (Bone Spring/Wolfcamp)  
**LOCATION:** 330' FNL & 660' FEL, Sec 36, T22S, R30E, Ut A  
Eddy County, New Mexico  
**ELEV:** 3322' GL, 3338.7' KB  
**SPUD DATE:** 9/14/94  
**COMP DATE:** 10/30/94  
**ORIG TD:** 11,250'  
**ORIG PBTD:** 11,205'  
**CASING:** 13-3/8" 48# H-40 ST&C CSA 611' w/625 sx, cmt circ, 17-1/2" hole 0-615'.  
8-5/8" 32# K-55 ST&C CSA 3831' w/1525 sx, cmt circ, 11" hole 615-3835'.  
5-1/2" 17# P-110 LT&C CSA 11,250' w/2254 sx, cmt circ, 7-7/8" hole 3835-11,250'.  
**TUBING:** 2-7/8" 6.5# N-80 EUE  
**DST:** None  
**CORES & LOGS:** 10/08/94: DIL 3831-11,243', SDL/DSN 100-11,243'  
10/16/94: GR/CCL 6800-7912', 8600-9011', 10,650-11,190'

### INITIAL COMPLETION

10/15/94-11/8/94

Run GR/CCL 6800-7912', 8600-9011', 10,650-11,190'. PBTD 11,190'.

10/16/94 **Perf Wolfcamp 11,091', 093', 099', 11,101', 103', 108', 110', 112', 114', 118', 120', 122', 124', 1 SPF.** Set pkr @ 10,945'. **Acidized** perms 11,091-124' w/2000 gals 7-1/2% NEFE HCL + 26 ball sealers. Flow & swab well. Rel pkr & POH.

10/20/94 **Perf 3rd Bone Springs sd 10,880-883', 10,892-897', 10,913-931', 10,935-938', 1 SPF.** Set Loc-set BP @ 11,006' & pkr @ 10,734'. **Acidized** perms 10,880-938' w/2000 gals 7-1/2% NEFE HCL & 66 ball sealers. Flow & swab well. SI for buildup. Ran BHP bombs. Pull BHP bombs. Rel pkr & BP. **Frac Wolfcamp & Bone Spring perms 10,880-11,124'** w/125,000 gals Medallion 3000 fluid containing 2% KCL & 7.5 gals LFC 3B, 1.22 GPT BF-10L, .8 gals XLW 60, .5 GPT GBW-12, 1 GPT NE 15, 1 GPT Cla 6, 3 GPT Xcide 207, & 325,000# 20/40 econo prop sd. Flow well up csg.

**IP:** 11/8/94 24 hrs F 223 BO, 60 BW, 301 MCF, FCP 400#.

**JAMES RANCH UNIT #71  
WELL HISTORY**

**WORKOVERS**

11/29/94-12/20/94

**CO FRAC SAND**

Tag sd fill @ 10,922'. Circ sd out of hole to 11,204'. Swab test well. Well started flwg. Ran prod logs 10,880-937' & 11,103-11,123'.

**AWO:** 12/20/94 24 hrs F 96 BO, 45 BW, 177 MCF on 22/64" chk. FTP 100#, CP 1600#, LP 47#.

5/18/95-6/4/95

**TEST BONE SPRINGS & WOLFCAMP PERFS**

Tag PBDT @ 11,205'. Set pkr @ 11,023' (between perfs 10,880-930' & 11,091-124'). Swab and flow well. Flow testing Wolfcamp perfs on 30/64" chk. Flwd 33.4 BO, 0 BW, & 22 MCF in 24 hrs. Set Baker FWP blanking plug in SN @ 10,994'. Performed pulse test - 1st pulse: open annulus on 10/64" chk, flwd 45 mins, opened to 15/64" chk for additional 45 mins. Made 17.5 BO + 2 BW. SI annulus for 1-1/2 hrs. SITP static @ 680#, SICP built from 360-495#. 2nd pulse: opened annulus on 12/64" chk, flwd 1-1/2 hrs. Made 18 BO + 1 BW. SI 1-1/2 hrs. SITP static @ 660#, SICP built from 558-640#. 3rd pulse: Open on 22/64" chk for 1-1/2 hrs. Made 64 BO. SI for 1-1/2 hrs. SITP built from 660-890#, annulus built from 745-940#. Open annulus to frac tank overnite on 48/64" chk, made additional 164 BO overnite. During nite SITP fell from 890-660#. POH w/tbg plug. Open well on 40/64" chk. Rel pkr & press gauges. Set Otis "PSL" pkr & 2-7/8" tbg @ 10,840.72'. Swab 30 BO & well flowed. Flwg on 30/64" chk. Turn well to flwg thru prod equip.

**AWO:** 6/8/95 24 hr P 61 BO, 45 BW, & 134 MCF.

11/15/96 to 11/25/96

**PERF & FRAC 7566-7574'(BRUSHY CANYON).**

Set CIPB @ 10,516'. Ran CCL-CBL.

11/15/96

**Perf:** 7566-7574 , 4 SPF 0° phased. **Spotted** 500 gals 7 ½% Fercheck SC acid. Break Fm w/2975 psig, treated @ 2 PBM w/1490 psig. ISIP 1150 psig, 5 min 925 psig. **Frac** 7566-74' w/28,000 gals Delta frac w/96,500# 20/40 Brown sd + 24,000# 16/30 Brown Sd w/0.5% Prop Wrap. Swabbed, kicked off & flowed. Left flowing to tanks.

12/5/96

Well loaded up, swab well to tank, kick well off in 4 runs. Ran radioactive tracer log.

12/20/96 to 12/21/96 PUT WELL ON PUMP.

Kill well, RIH w/tbg & rods. SI well for build-up, well flowed 6 days. Started pumping 1-2-97.

2/25/97 TO 3/6/97

**DRILL OUT CIBP & COMMINGLE.**

**Drill out** CIBP & tag PBDT @ 11, 205'. Open csg to test tank then sales line. Killed well, ran tbg, rods & pump. Place well on pump.

**AWO:** 3/10/97 117 BO, 55 BW, 158 MCFG.

9/14/98 TO 9/18/98

**POLISHED ROD PART/BAIL SAND FILL**

POH & found polished rod thread pulled out of 1<sup>st</sup> cplg. Tag sand fill @ 11,090'. Bailed sand to 11,158', found some rubber and large amount of cast iron metal cutting after POH. RIH w/tbg, pump and rods. Place well on production.

DISTRICT I -  
P.O. Box 1990, 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., Aztec, NM 87410

AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number <b>30-015-27927</b>	Pool Code <b>66352</b>	Pool Name <b>UWD S-E. Quahada Ridge (Bone Springs)</b>
Property Code <b>1</b>	Property Name <b>JAMES RANCH UNIT</b>	Well Number <b>71</b>
OGRID No. <b>001801</b>	Operator Name <b>BASS ENTERPRISES PRODUCTION CO.</b>	Elevation <b>3322'</b>

**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	36	22S	30E		330	NORTH	660	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.
40			

**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><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>William R. Dannels</i> Signature</p> <p>William R. Dannels Printed Name</p> <p>Division Drilling Supt Title</p> <p>4-6-94 Date</p>
	<p><b>SURVEYOR CERTIFICATION</b></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>Date Surveyed <b>March 29, 1994</b></p> <p>Signature &amp; Seal of Professional Surveyor <i>[Signature]</i> 1977</p>
	<p><b>W.O. 94-111-0558</b></p> <p>Certificate No. <b>JOHN W. WEST, 676</b> <b>RONALD J. EIDSON, 3239</b> <b>CARY L. JONES, 7977</b></p>



Submit to Appropriate District Office  
 State Lease - 6 copies  
 Fee Lease - 5 copies  
 DISTRICT I  
 P.O. Box 1980, Hobbs, NM 87401

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

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

State of New Mexico  
 Energy, Minerals and Natural Resources Department  
**CONFIDENTIAL**  
**OIL CONSERVATION DIVISION**  
 P.O. Box 2088  
 Santa Fe, New Mexico 87504-2088

DEC - 5 1994  
 Form C-105  
 Revised 1-1-89

WELL API NO.  
 DECEMBER 30, 1994 30 015 27927  
 5. Indicate Type of Lease  
 STATE  FEE   
 6. State Oil & Gas Lease No.  
 E-5229-4

RECEIVED  
 NOV 14 1994  
 838

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG**

1a. Type of Well: OIL WELL  GAS WELL  DRY  OTHER \_\_\_\_\_  
 b. Type of Completion: NEW WELL  WORK OVER  DEEPEN  PLUG BACK  DEEP RESERVE  OTHER \_\_\_\_\_  
 7. Lease Name or Unit Agreement Name  
 James Ranch Unit

2. Name of Operator  
 Enron Oil & Gas Company  
 8. Well No.  
 71

3. Address of Operator  
 P. O. Box 2267, Midland, Texas 79702  
 9. Pool name or wildcat  
 Und. Bone Spring/Wolfcamp

4. Well Location  
 Unit Letter A : 330 Feet From The north Line and 660 Feet From The east Line  
 Section 36 Township 22S Range 30E NMPM Eddy County

10. Date Spudded 9-14-94	11. Date T.D. Reached 10-6-94	12. Date Compl. (Ready to Prod.) 10-15-94	13. Elevations (DF & RKB, RT, GR, etc.) 3322' GR	14. Elev. Casinghead 3322'
15. Total Depth 11,250	16. Plug Back T.D. 11,205	17. If Multiple Compl. How Many Zones?	18. Intervals Drilled By Rotary Tools X	Cable Tools

19. Producing Interval(s), of this completion - Top, Bottom, Name  
 11091-11124 (Wolfcamp) & 10880-10938 (Bone Spring)  
 20. Was Directional Survey Made  
 No

21. Type Electric and Other Logs Run  
 SDL-DSN, DIL  
 22. Was Well Cored  
 No

23. **CASING RECORD (Report all strings set in well)**

CASING SIZE	WEIGHT LB/FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13-3/8	48	611	17-1/2	625 C1 C	Circulated
8-5/8	32	3831	11	1300 PSL C & 225 C1 C	Circulated
5-1/2	17	11250	7-7/8	1189 Super H & 1065 C1 H	

24. **LINER RECORD** | 25. **TUBING RECORD**

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					None		

26. Perforation record (interval, size, and number)

11091-11124	(.38"	13)
10880-10938	(.38"	29)

27. **ACID, SHOT, FRACTURE CEMENT, SQUEEZE, ETC.**

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
11091-11124	2000 gal 7-1/2% NeFe HCL
10880-10938	2000 gal 7-1/2% NeFe HCL
10880-11124	125,000 gal Medallion 3000

28. **PRODUCTION** fluid & 325,000# 20/40 Econo Prod

Date First Production 10-27-94	Production Method (Flowing, gas lift, pumping - Size and type pump) Flowing	Well Status (Prod. or Shut-in) Producing
Date of Test 11-5-94	Hours Tested 24	Coole Size 18/64
Prod's For Test Period	Oil - Bbl 169	Gas - MCF 295
Flow Tubing Press.	Water - Bbl 127	Gas - Oil Ratio 1746
Casing Pressure 640	Calculated 24-Hour Rate	Oil - Bbl
		Gas - MCF
		Water - Bbl
		Oil Gravity - API - (Corr.) 40.0

29. Disposition of Gas (Sold, used for fuel, vented, etc.)  
 Vented  
 Test Witnessed By

30. List Attachments  
 Logs, Inclination Report, C-104

31. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature: Betty Gildon Printed Name: Betty Gildon Title: Regulatory Analyst Date: 11/9/94

XC: MANGAN, McCREIGHT, WHITE, CLARK, SMITHERMAN

# INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

## INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico		Northwestern New Mexico	
T. Rustler _____ 310	T. Canyon _____	T. Ojo Alamo _____	T. Perm. "B" _____
T. <del>Atoka</del> Salt _____	T. Strawn _____	T. Kirtland-Fruitland _____	T. Perm. "C" _____
B. Salt _____ 3610	T. Atoka _____	T. Picured Cliffs _____	T. Perm. "D" _____
T. Yates _____	T. Miss _____	T. Cliff House _____	T. Leadville _____
T. 7 Rivers _____	T. Devonian _____	T. Menefee _____	T. Madison _____
T. Queen _____	T. Silurian _____	T. Point Lookout _____	T. Elbert _____
T. Grayburg _____	T. Montoya _____	T. Mancos _____	T. McCracken _____
T. San Andres _____	T. Simpson _____	T. Gallup _____	T. Ignacio Otze _____
T. Glorieta _____	T. McKee _____	Base Greenhorn _____	T. Granite _____
T. Paddock _____	T. Ellenburger _____	T. Dakota _____	T. _____
T. Blinebry _____	T. Gr. Wash _____	T. Morrison _____	T. _____
T. Tubb _____	T. Delaware Sand _____ 3858	T. Todilto _____	T. _____
T. Drinkard _____	T. Bone Springs _____ 7700	T. Entrada _____	T. _____
T. Abo _____	T. 3rd B.S. Sand _____ 10545	T. Wingate _____	T. _____
T. Wolfcamp _____	T. Wolfcamp _____ 10980	T. Chinle _____	T. _____
T. Perm _____	T. _____	T. Permian _____	T. _____
T. Cisco (Bough C) _____	T. _____	T. Perm "A" _____	T. _____

### OIL OR GAS SANDS OR ZONES

No. 1, from 10880 to 10938 Bone Spring No. 3, from \_\_\_\_\_ to \_\_\_\_\_  
 No. 2, from 11091 to 11124 Wolfcamp No. 4, from \_\_\_\_\_ to \_\_\_\_\_

### IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from None to \_\_\_\_\_ feet  
 No. 2, from \_\_\_\_\_ to \_\_\_\_\_ feet  
 No. 3, from \_\_\_\_\_ to \_\_\_\_\_ feet

### LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness in Feet	Lithology	From	To	Thickness in Feet	Lithology
0	615	615	Surface Rock				
615	2405	1790	Red Bed				
2405	3665	1260	Salt, Anhy				
3665	4585	920	Dolo, Anhy				
4585	11250	6665	Sand, Shale, LS				

**WORKSHEET FOR COMMERCIAL DETERMINATION  
AND PARTICIPATING AREA IN FEDERAL UNITS**

**WELL DATA**

WELL \_\_\_\_\_ JAMES RANCH UNIT NO. 73 \_\_\_\_\_ FORMATION \_\_\_\_\_ DELAWARE \_\_\_\_\_  
 LOCATION \_\_\_\_\_ C \_\_\_\_\_ UNIT, \_\_\_\_\_ 330 FEET FROM \_\_\_\_\_ N \_\_\_\_\_ LINE & \_\_\_\_\_ 1980 FEET FROM \_\_\_\_\_ W \_\_\_\_\_ LINE ✓  
 SECTION \_\_\_\_\_ 6 \_\_\_\_\_ TOWNSHIP \_\_\_\_\_ 23S \_\_\_\_\_, RANGE \_\_\_\_\_ 31E \_\_\_\_\_, COUNTY \_\_\_\_\_ EDDY \_\_\_\_\_, NEW MEXICO  
 SPUD DATE \_\_\_\_\_ 6/29/96 \_\_\_\_\_ COMPLETION DATE \_\_\_\_\_ 12/17/96 \_\_\_\_\_ INITIAL PRODUCTION \_\_\_\_\_ 12/17/96  
 PERFORATIONS \_\_\_\_\_ 7530-7590' \_\_\_\_\_

STIMULATION:

**ACID** \_\_\_\_\_ 1000 GALS 7-1/2% FERCHECK SC ACID + 25 BALL SEALERS. \_\_\_\_\_

**FRACTURE** \_\_\_\_\_ 28,000 GALS DELTA FRAC 25, 95,000# 20/40 BROWN SAND, & 24,000# 16/30 BROWN SAND WITH 0.5%  
 PROP WRAP. \_\_\_\_\_

POTENTIAL \_\_\_\_\_ 1/2/97 134 BOPD, 188 BWPD, 83 MCFPD. \_\_\_\_\_

(Attach Copy of C-105. Attach Copy of Wellbore Sketch of Completed Well.)

**VOLUMETRIC CALCULATION**

	SANDS PERFORATED	SANDS NOT PERFORATED BUT POTENTIALLY PRODUCTIVE
Area (A) proration unit size, acres	40	40
Porosity (por), %	12.0%	15.0%
Water saturation (Sw), %	60%	63%
Net Thickness (h), ft.	39	25
Temperature (T), Fahrenheit	120	120
Bottom Hole pressure (P), psia	3,275	3,139
Recovery factor (RF), %	16%	10%
Recoverable oil, BBLS *(See eq. below)	61,965	28,705

\* Sometimes unable to match performance due to volumetric uncertainty.

Formula = (7758) (A) (h) (por) (1-Sw) (1/Boi) (RF)

Boi = 1.50

**PERFORMANCE DATA**

(If sufficient history exists, attach plot of oil production rate v time.)

CUMULATIVE PRODUCTION TO	<u>11/30/99 ; 20,353</u>	BBLs
	PRODUCING	BEHIND PIPE
INITIAL RATE (qi)	<u>220</u>	<u>1,337</u>
ECONOMIC LIMIT (ql)	<u>60</u>	<u>60</u>
DECLINE RATE, dy (Hyperbolic, n=.995)	<u>26.70%</u>	<u>82.89%</u>
REMAINING OIL (Q) =	<u>6,847</u>	<u>24,000</u>
ULTIMATE RECOVERABLE OIL	<u>51,200</u>	

(Attach plot showing proration unit and participating area.)

**ECONOMIC**

WELL COST \$ 570,000 (to the depth of formation completed)

RECOMPLETION COST \$ 65,000 (4/2000)

TOTAL COST \$ 635,000

YEAR	GROSS OIL	REVENUE	OPERATING COST	10% NET BFIT DISCOUNTED CASH FLOW
ZERO	<u>0</u>	<u>0</u>	<u>0</u>	<u>-570,000</u>
1	<u>1,700</u>	<u>36,400</u>	<u>6,700</u>	<u>29,600</u>
2	<u>10,000</u>	<u>217,100</u>	<u>46,700</u>	<u>160,700</u>
3	<u>5,100</u>	<u>83,800</u>	<u>29,800</u>	<u>46,100</u>
4	<u>3,400</u>	<u>78,000</u>	<u>30,700</u>	<u>36,500</u>
5	<u>9,200</u>	<u>263,800</u>	<u>41,600</u>	<u>155,300</u>
6	<u>5,800</u>	<u>144,300</u>	<u>31,700</u>	<u>71,300</u>
7	<u>3,700</u>	<u>86,600</u>	<u>26,700</u>	<u>34,300</u>
8	<u>2,700</u>	<u>61,100</u>	<u>24,600</u>	<u>18,900</u>
9	<u>2,100</u>	<u>48,200</u>	<u>23,400</u>	<u>11,600</u>
10	<u>1,800</u>	<u>39,900</u>	<u>22,700</u>	<u>7,300</u>
REMAINDER	<u>5,700</u>	<u>127,800</u>	<u>100,800</u>	<u>9,500</u>

WELL IS ~~NOT~~ COMMERCIAL

*per K. Adams  
2/10/00*

JAMES RANCH UNIT WELL NO. 73 DELAWARE

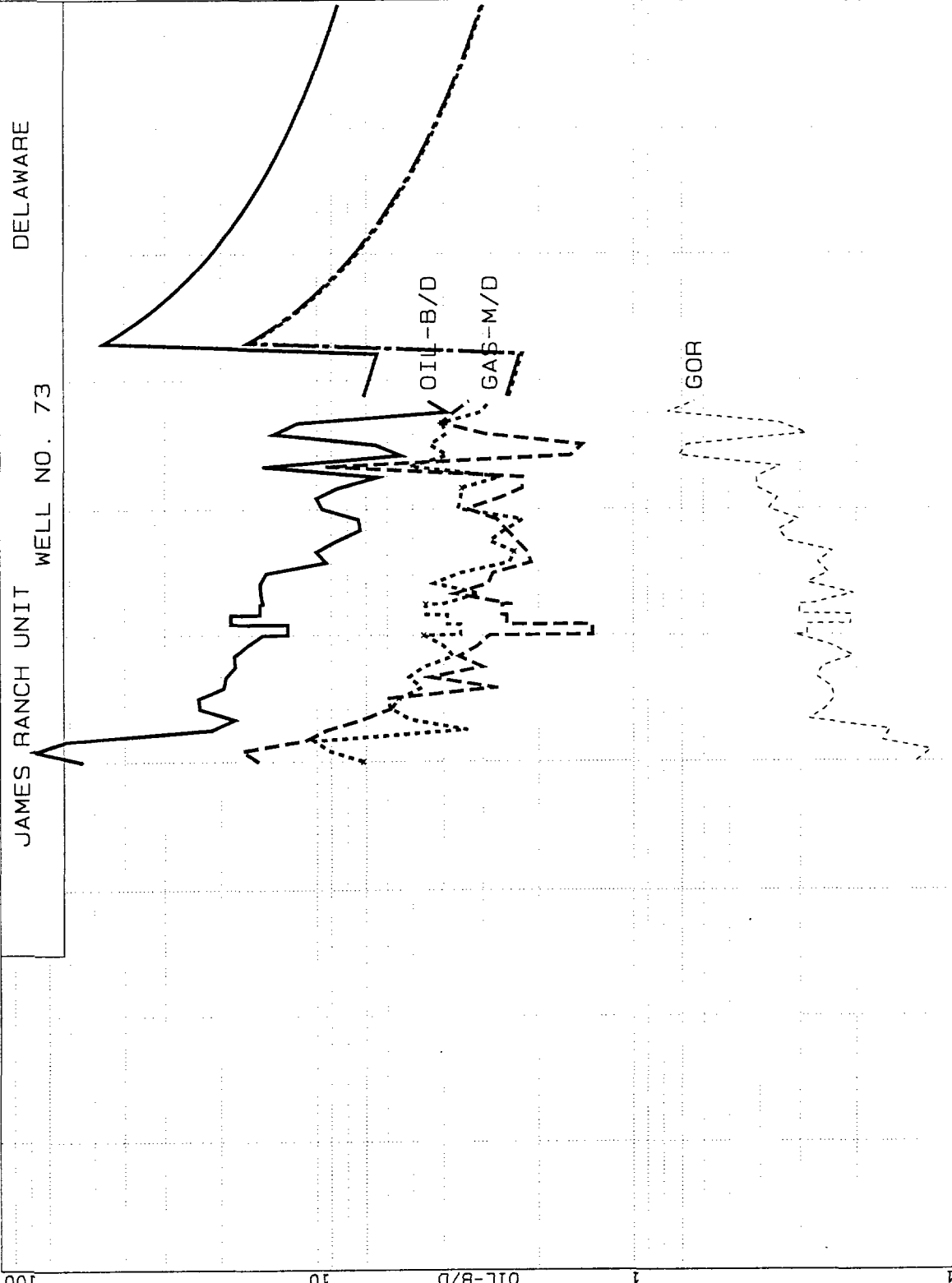
OIL=CD  
 Gal=CD  
 Ref= 11/99  
 Cum= 20.353  
 Rem= 34.033  
 EUR= 54.386  
 Yrs= 13.916  
 Q1= 219.5  
 De= 26.695  
 n= 995  
 Gab= 60.8

WTR-B/D  
 Ref= 11/99  
 Cum= 50.242

WTR  
 Gal=CD  
 Ref= 11/99  
 Cum= .000  
 Rem= 120.340  
 EUR= 120.340  
 Yrs= 13.916  
 Q1= .0  
 De= .000  
 n= .000  
 Gab= .0

GAS/OIL  
 Gal=CD  
 Ref= 11/99  
 Cum= .000  
 Rem= .000  
 EUR= .000  
 Yrs= 13.916  
 Q1= 3.5  
 De= .000  
 n= .000  
 Gab= 3.6

GAS  
 Gal=CD  
 Ref= 11/99  
 Cum= 49.247  
 Rem= 119.193  
 EUR= 168.440  
 Yrs= 13.916  
 Q1= .0  
 De= .000  
 n= .000  
 Gab= .0



1000  
1000000  
100000  
100  
10  
1

1000  
10000  
10  
1

1000  
10000  
100  
10  
1

10  
1000  
10  
1

93 94 95 96 97 98 99 00 01 02

DATE

JAMES RANCH UNIT #73 DELAWARE  
 PREPARED BY: KENT ADAMS

DATE : 02/09/00  
 TIME : 13:49:30  
 DBS FILE : JRUFA  
 SETUP FILE : CD  
 SEQ NUMBER : 12

INPUT DATA

CALCULATED DATA

ITEM	SCHEDULING RATES	SCHEDULE UNTIL	PROCEDURE	ULTIMATE	LAST EFF.	DECL	INIT. RATE	FINAL RATE			
405 START	11/99										
410 OIL	219.52	X	B/M	04/2000 AD	H/0.995	26.69	21.385	3/00	26.69	220.	194.
415 "	1520.80	X	B/M	33.00 IMU	H/0.995	82.90	54.386	9/13	82.90	1521.	61.
420 START	11/99										
425 GAS/OIL	3.49			05/2019 AD	LOG	TIME		4/19			
430 START	11/99										
435 WTR/OIL	3.55			TO	LIFE	TIME		9/13			
440 START	12/96										
516 PRI/OIL	16.8800	X	\$/B	1/95	MM/YY	PC	.00	9/13	16.880		
517 "	18.39	X	\$/B	1/96	AD	PC	.00	9/13	18.390		
518 "	22.26	X	\$/B	1/97	AD	PC	.00	9/13	22.260		
519 "	20.74	X	\$/B	1/98	AD	PC	.00	12/97	20.740		
520 "	14.43	X	\$/B	1/99	AD	PC	.00	12/98	14.430		
521 "	19.25	X	\$/B	1/2000	AD	PC	.00	12/99	19.250		
522 "	24.94	X	\$/B	1/2001	AD	PC	.00	12/00	24.940		
523 "	20.67	X	\$/B	1/2002	AD	PC	.00	12/01	20.670		
524 "	19.20	X	\$/B	1/2003	AD	PC	.00	12/02	19.200		
525 "	18.18	X	\$/B	1/2004	AD	PC	.00	12/03	18.180		
526 "	18.13	X	\$/B	TO	LIFE	PC	.00	9/13	18.130		18.130
531 PRI/GAS	1.8900	X	\$/M	1/95	MM/YY	PC	.00	9/13	1.890		
532 "	1.94	X	\$/M	1/96	AD	PC	.00	11/96	1.940		
533 "	2.61	X	\$/M	1/97	AD	PC	.00	12/96	2.610		
534 "	2.59	X	\$/M	1/98	AD	PC	.00	12/97	2.590		
535 "	2.11	X	\$/M	1/99	AD	PC	.00	12/98	2.110		
536 "	2.27	X	\$/M	1/2000	AD	PC	.00	12/99	2.270		
537 "	2.60	X	\$/M	1/2001	AD	PC	.00	12/00	2.600		
538 "	2.58	X	\$/M	1/2002	AD	PC	.00	12/01	2.580		
539 "	2.57	X	\$/M	TO	LIFE	PC	.00	9/13	2.570		2.570
544 PRI/WTR	.5000	X	\$/U	1/2000	AD	PC	.00	11/96	.500		.500
545 "	.08	X	\$/U	TO	LIFE	PC	.00	11/96	.080		
550 OPC/T	1600.00	X	\$/M	TO	LIFE	SCH	OPC	9/13	1600.000		1600.000
555 STX/OIL	7.08	X	\$	TO	LIFE	PC	.00	9/13	.071		.071
560 STX/GAS	7.93	X	\$	TO	LIFE	PC	.00	9/13	.079		.079
565 ATX	.17	X	\$	TO	LIFE	PC	.00	9/13	.002		.002
570 PRI/OIL	-.9100	-	\$/B	TO	LIFE	PC	.00	9/13	-.910		18.130
575 PRI/GAS	-.1300	-	\$/M	TO	LIFE	PC	.00	9/13	-.130		2.570
700 LSE/MI	100.0000	D	\$	TO	LIFE	PLAT	.00	9/13	1.000		1.000
701 OWM/MI	100.0000	D	\$	TO	LIFE	PLAT	.00	9/13	1.000		1.000

NO	DESCRIPTION	UNIT	QTY	UNIT PRICE	TOTAL	DATE	RISK	INV.	TOT. T&R	ESC. T&R
720	LSE/RIC	D	12.5000			9/13			.125	.125
721	OWN/RI	D	.0000			9/13				
740	LSE/RIG	D	12.5000			9/13			.125	.125
760	LSE/ORR	D	.0000			9/13				
761	OWN/ORR	D	.0000			9/13				

NO	DESCRIPTION	UNIT	QTY	UNIT PRICE	TOTAL	DATE	RISK	INV.	TOT. T&R	ESC. T&R
905	LOAD	P.OIL OIL #			20.487	2/00				
910	LOAD	P.GAS GAS #			50.104	2/00				
915	LOAD	P.WATER WTR #			50.242	2/00				

NO	DESCRIPTION	UNIT	QTY	UNIT PRICE	TOTAL	DATE	RISK	INV.	TOT. T&R	ESC. T&R
800	DRILL	M\$G	240.00	330.00	570.00	12/96			570.0	570.0
801	WORKOVER	M\$G	.00	65.00	65.00	4/0			65.0	65.0
802	SAVAGE	M\$G	-24.00	.00	-24.00	9/13			-24.0	-24.0

NO	DESCRIPTION	UNIT	QTY	UNIT PRICE	TOTAL	DATE	RISK	INV.	TOT. T&R	ESC. T&R
201	LOSS	NO								
205	CUMM, MB	CUMM, MMF	20.35		49.25					
210	LOSS	NO								

INVESTMENT TANGIBLES & INTANGIBLES  
 TIME 12/96  
 PROCEDURE PC  
 TOTAL T&I 570.000  
 MONTH 12/96  
 RISK INV. .  
 TOT. T&R 570.0  
 ESC. T&R 570.0  
 RESERVE PARAMETERS  
 ITEM  
 PROJECT ASSUMPTIONS  
 BASE DATE : 12/96  
 P.M. DATE : 12/96  
 REPORT DATE : 12/96  
 TIME FRAMES : 1\*1 38\*12 1\*600  
 PW %-AGE : 10.0  
 PROD QUAL : CD  
 DISC. FREQUENCY : 365.  
 OWNER QUAL : CD  
 OTHER QUAL : CD

JAMES RANCH UNIT #73 DELAWARE  
 PREPARED BY: KENT ADAMS

DATE : 02/09/00  
 TIME : 13:49:30  
 DBS FILE : JRUFA  
 SETUP FILE : CD  
 SEQ NUMBER : 12

R E S E R V E S A N D E C O N O M I C S  
 EFFECTIVE DATE: 12/96

PERIOD ENDING	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	12/04	12/05	S TOT	AFTER	TOTAL
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1) WORKING INTEREST, \$ 100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
2) REVENUE INTEREST, \$ 87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500
INVESTMENTS, M\$													

3) BORROWED CAPITAL	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4) EQUITY INVESTMENTS	570.0	.0	.0	.0	65.0	.0	.0	.0	.0	.0	635.0	-24.0	611.0
5) RISK	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) TOTAL	570.0	.0	.0	.0	65.0	.0	.0	.0	.0	.0	635.0	-24.0	611.0

OIL PHASE													
8) GROSS OIL, MB	1.7	10.0	5.1	3.4	9.2	5.8	3.7	2.7	2.1	1.8	45.5	5.7	51.2
9) NET OIL, MB	1.5	8.8	4.5	2.9	8.0	5.1	3.2	2.4	1.9	1.5	39.8	5.0	44.8
10) OIL REVENUE, M\$	31.6	174.1	60.9	53.9	192.7	100.7	59.1	40.9	32.2	26.6	772.7	85.3	858.0
11) OIL PRICE, \$/B	21.35	19.83	13.52	18.34	24.03	19.76	18.29	17.27	17.22	17.22	19.40	17.22	19.16

GAS PHASE													
12) GROSS GAS, MMF	2.2	20.0	13.2	12.9	32.9	20.3	12.9	9.5	7.5	6.2	137.6	19.9	157.5
13) NET GAS, MMF	1.9	17.5	11.6	11.3	28.8	17.8	11.3	8.3	6.6	5.4	120.4	17.4	137.8
14) GAS REVENUE, M\$	4.8	43.0	22.9	24.1	71.1	43.6	27.6	20.2	16.0	13.2	286.5	42.5	329.1
15) GAS PRICE, \$/MCF	2.480	2.460	1.980	2.140	2.470	2.450	2.440	2.440	2.440	2.440	2.380	2.440	2.387

WATER PHASE													
16) GROSS WATER, MB	4.7	23.1	8.8	11.5	33.8	20.6	13.1	9.6	7.6	6.2	138.9	19.9	158.8
17) NET WATER, MB	4.7	23.1	8.8	11.5	33.8	20.6	13.1	9.6	7.6	6.2	138.9	19.9	158.8
18) WATER PRICE, \$/B	.500	.500	.500	.500	.080	.080	.080	.080	.080	.080	.225	.080	.207

ECONOMICS, M\$													
19) GROSS REV. TO INTR.	36.4	217.1	83.8	78.0	263.8	144.3	86.6	61.1	48.2	39.9	1059.2	127.8	1187.0
20) - SEV. TAX	2.6	15.7	6.1	5.7	19.3	10.6	6.4	4.5	3.5	2.9	77.4	9.4	86.8
22) - AD VALOREM TAX	1.1	.3	.1	.1	.4	.2	.1	.1	.1	.1	1.7	.2	1.9
23) - OPERATING COSTS	1.6	19.2	19.2	19.2	19.2	19.2	19.2	19.2	19.2	19.2	174.4	89.6	264.0
24) - SMD	2.4	11.5	4.4	5.7	2.7	1.7	1.0	.8	.6	.5	31.3	1.6	32.9
25) - CAPITAL REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
28) = NET INCOME	29.8	170.3	54.0	47.2	222.2	112.6	59.9	36.6	24.8	17.2	774.4	27.0	801.4
29) - INVESTMENTS & RSK	570.0	.0	.0	.0	65.0	.0	.0	.0	.0	.0	635.0	-24.0	611.0
30) = BITT NET	-540.2	170.3	54.0	47.2	157.2	112.6	59.9	36.6	24.8	17.2	139.4	51.0	190.4
PRESENT WORTH @ 10.00 %													
31) NET INCOME	29.6	160.7	46.1	36.5	155.3	71.3	34.3	18.9	11.6	7.3	571.6	9.5	581.1
32) INVESTMENTS & RISK	570.0	.0	.0	.0	46.6	.0	.0	.0	.0	.0	616.6	-6.1	610.5
33) BITT NET	-540.4	160.7	46.1	36.5	108.8	71.3	34.3	18.9	11.6	7.3	-45.0	15.6	-29.4
34) CUM BITT NET	-540.4	-379.7	-333.6	-297.1	-188.4	-117.1	-82.8	-63.9	-52.3	-45.0	-45.0	-29.4	-29.4



A F T E R T A X E C O N O M I C S

DATE : 02/09/00  
 TIME : 13:49:30  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 12

EFFECTIVE DATE: 12/96

PERIOD ENDING	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	12/04	12/05	S TOT	AFTER	TOTAL
TAX TREATMENT OF INVESTMENTS, M\$													
1) EXP, RISK & CAP INT	330.0	.0	.0	.0	65.0	.0	.0	.0	.0	.0	395.0	.0	395.0
2) DEPLETABLE	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
3) DEPRECIABLE	240.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	240.0	-24.0	216.0

TAX CALCULATIONS, M\$

4) GROSS REV. TO INTR.	36.4	217.1	83.8	78.0	263.8	144.3	86.6	61.1	48.2	39.9	1059.2	127.8	1187.0
5) - SEVERANCE TAX	2.6	15.7	6.1	5.7	19.3	10.6	6.4	4.5	3.5	2.9	77.4	9.4	86.8
6) - WPT TAX NET	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) - OPR. COSTS & ATX	4.0	31.1	23.7	25.1	22.3	21.1	20.4	20.1	19.9	19.8	207.4	91.4	298.8
8) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
9) - OVERHEAD	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
10) - EXPENSED INV.	330.0	.0	.0	.0	65.0	.0	.0	.0	.0	.0	395.0	.0	395.0
11) - DEPRECIATION	2.9	36.3	57.4	41.0	29.3	21.4	21.4	21.4	8.9	.0	240.0	.0	240.0
12) = NET	-303.1	134.0	-3.4	6.2	127.9	91.2	38.4	15.1	15.9	17.2	139.4	27.0	166.4
13) - DEPLETION	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
14) - INTEREST PD & CAP	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
15) = TAXABLE	-303.1	134.0	-3.4	6.2	127.9	91.2	38.4	15.1	15.9	17.2	139.4	27.0	166.4
16) * TAX RATE, %	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0
17) - TAX CREDIT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
18) - WPT REPUND	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
19) = F.I.T.	-106.1	46.9	-1.2	2.2	44.8	31.9	13.5	5.3	5.6	6.0	48.8	9.5	58.3
20) REVENUE-SEV-WPT	33.8	201.4	77.7	72.3	244.5	133.7	80.3	56.6	44.7	36.9	981.8	118.4	1100.2
21) - OPR. COSTS & ATX	4.0	31.1	23.7	25.1	22.3	21.1	20.4	20.1	19.9	19.8	207.4	91.4	298.8
22) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
23) - F.I.T.	-106.1	46.9	-1.2	2.2	44.8	31.9	13.5	5.3	5.6	6.0	48.8	9.5	58.3
24) = A.F.I.T.	135.8	123.4	55.2	45.0	177.4	80.7	46.4	31.3	19.2	11.2	725.6	17.6	743.2
25) - LOAN REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) = NET INCOME	135.8	123.4	55.2	45.0	177.4	80.7	46.4	31.3	19.2	11.2	725.6	17.6	743.2
28) - INVESTMENTS & RSK	570.0	.0	.0	.0	65.0	.0	.0	.0	.0	.0	635.0	-24.0	611.0
29) = A.F.I.T. NET	-434.2	123.4	55.2	45.0	112.4	80.7	46.4	31.3	19.2	11.2	90.6	41.6	132.2

PRESENT WORTH @ 10.00 %

30) NET INCOME	135.3	116.4	47.1	34.8	124.0	51.1	26.6	16.2	9.0	4.7	565.2	6.2	571.4
31) INVESTMENTS & RISK	570.0	.0	.0	.0	46.6	.0	.0	.0	.0	.0	616.6	-6.1	610.5
32) A.F.I.T. NET	-434.7	116.4	47.1	34.8	77.5	51.1	26.6	16.2	9.0	4.7	-51.3	12.3	-39.1
33) CUM. A.F.I.T. NET	-434.7	-318.3	-271.2	-236.4	-158.9	-107.9	-81.3	-65.1	-56.1	-51.3	-51.3	-39.1	-39.1

JAMES RANCH UNIT #73 DELAWARE  
 PREPARED BY: KENT ADAMS

DATE : 02/09/00  
 TIME : 13:49:30  
 DBS FILE : JRUQA  
 SETUP FILE : CD  
 SEQ NUMBER : 12

E C O N O M I C I N D I C A T O R S

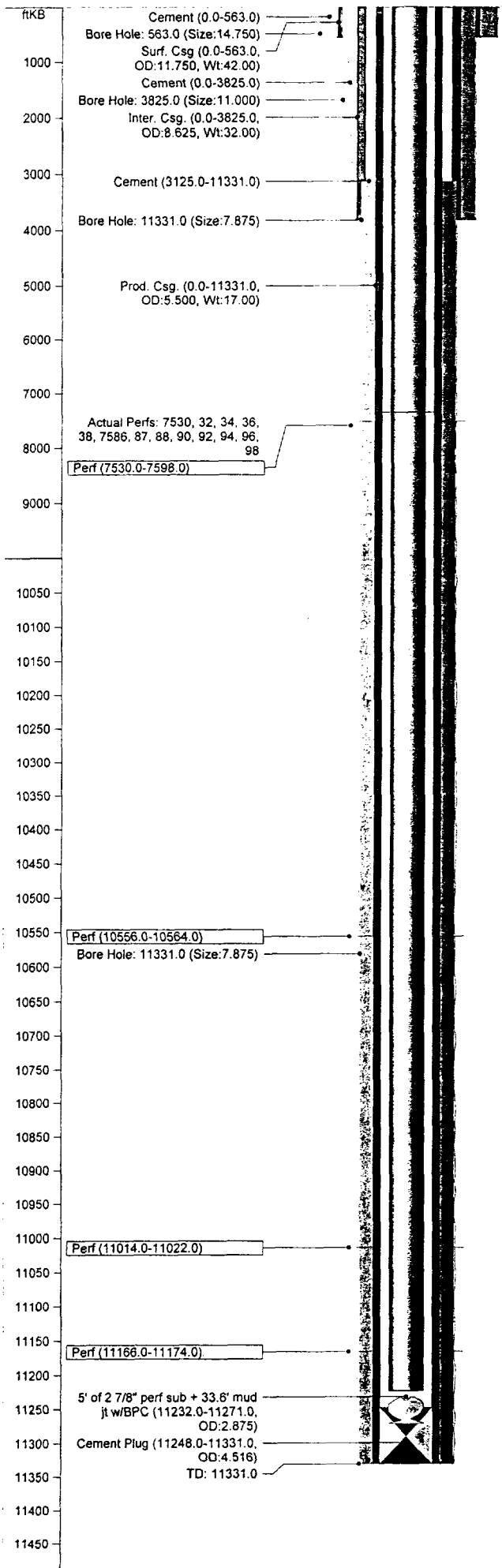
AS OF DATE: 12/96

B.F.I.T. A.F.I.T. A.F.I.T.  
 WORTH WORTH BONUS  
 M\$----- M\$----- M\$-----

PRESENT WORTH PROFILE AND  
 RATE-OF-RETURN VS. BONUS TABLE

0.	190.431	132.180	203.354
2.	135.445	89.211	131.666
5.	64.612	34.004	47.718
6.	43.648	17.692	24.475
8.	5.125	-12.257	-16.529
10.	-29.382	-39.062	-51.522
20.	-157.733	-138.762	-169.547
30.	-238.933	-202.110	-236.290
40.	-293.409	-244.952	-278.443
50.	-331.682	-275.348	-307.043
60.	-359.642	-297.790	-327.505
70.	-380.785	-314.945	-342.789
80.	-397.281	-328.470	-354.629
90.	-410.517	-339.430	-364.096
100.	-421.406	-348.528	-371.875

RATE OF RETURN, PCT.	8.3	7.2
UNDISCOUNTED PAYOUT, YRS.	5.07	5.46
DISCOUNTED PAYOUT, YRS.	13.75	13.75
UNDISCOUNTED NET/INVEST.	1.31	1.22
DISCOUNTED NET/INVEST.	.95	.94



JAMES RANCH UNIT #73							
API No.	3001528979	Status	ACT OIL				
TD	11331.0 ftKB	Engineer	CAA				
PBTD	11248.0 ftKB						
Operator	BEPCO	Permit					
Well No.	73	Spud	6/29/96				
ID Code		RR	7/16/96				
Field	LOS MEDANOS	Completion	8/2/96				
Author	RAS	Last Act.					
Date Updated	7/23/98	Abandoned					
Comments	Drilled by Enron						
Location							
Township	S023	Top Latitude	0				
		Top Longitude	0				
Range	E031	Top NS Distance	330.0 ft N				
		Top EW Distance	1980.0 ft W				
Section	6	Bottom Latitude	0				
Unit Ltr.	C	Bottom Longitude	0				
State	NEW MEXICO	Btm NS Distance	0.0 ft				
County	EDDY	Btm EW Distance	0.0 ft				
Elevations							
KB	3311.0 ft	Cas Flng	0.0 ft				
Grd	3298.0 ft	Tub Head	0.0 ft				
KB-Grd	13.0 ft						
Casing String - Surface Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
11 3/4 in Surf. Csg	0.0	563.0		11.084	42.00	H-40	STC
Casing String - Intermediate Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
8 5/8 in Inter. Csg.	0.0	3825.0		7.921	32.00	J-55	STC
Casing String - Production Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
5 1/2 in Prod. Csg.	0.0	1331.0		4.892	17.00	95&P1	LTC
Casing Cement							
Casing String	Top (ftKB)	Amount (sx)	Comments				
Surface Casing	0.0	310					
Intermediate Casing	0.0	1075					
Production Casing	3125.0	1000	TOC by Temp Survey				
Tubing String - Primary Tubing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
2 7/8 in Tbg.	0.0	7357.0	224	2.441	6.50	N-80	8rd
5 1/2 in Baker TAC	7357.0	7360.0		2.875	0.00		
2 7/8 in Tbg.	7360.0	11223.0	121	2.441	6.50	N-80	8rd
2 7/8 in HF Mech. SN	11223.0	11224.0		0.000	0.00		
Other (plugs, equip., etc.) - Plug Back							
Date	Item	Int (ftKB)					
7/16/96	Cement Plug	11248.0 - 11331.0					
Perforations							
Date	Int	Shots (/ft)	Status				
7/31/96	11166.0 - 11174.0	4.0					
9/18/96	11014.0 - 11022.0	4.0					
11/22/96	10556.0 - 10564.0	2.0					
12/7/96	7530.0 - 7598.0	1.0					
Stimulations & Treatments							
Date	Type	Interval	Fluid	Sand	Comments		
8/1/96	Sand Frac	11166.0 - 11174.0					
9/24/96	Sand Frac	11014.0 - 11022.0					
12/8/96	Sand Frac	7530.0 - 7598.0					
Fish - FISH							
Date	Item	Int (ftKB)	OD (in)	Comment			
9/10/98	5' of 2 7/8" perf sub + 33.6' mud jt w/BP&C	11232.0 - 11271.0	2 7/8				

## WELL HISTORY

**WELL NAME:** JAMES RANCH UNIT #73  
**FIELD NAME:** LOS MEDANOS  
**LOCATION:** 330' FNL, 1980' FWL, SEC 6, T23S, R31E, Unit C  
Eddy County, New Mexico  
**ELEV:** 3298' GL, 3311' KB  
**SPUD DATE:** 6/29/96, RR 7/16/96  
**COMP DATE:** 8/2/96  
**ORIG TD:** 11,331'  
**ORIG PBTD:** 11,248'  
**CASING:** 11 3/4", H-40, 42#, STC CSA 563', Cmt w/310 sxs, circ. 14 3/4" hole 0-563'.  
8 5/8", J-55, 32#, STC CSA 3825', Cmt w/1075 sxs, circ. 11" hole 0-3825'.  
5 1/2", CF95 & P110, 17#, LTC CSA 11,331', cmt w/1000 sxs, 7 7/8" hole 0-11,331',  
**TUBING:** 2 7/8", N-80, 6.5#, 8rd EUE  
**DST:** None  
**CORES & LOGS:** GR-DSN-SDL 300-11,324'  
GR-HRI-DFL 3800-11,331'.

### INITIAL COMPLETION

7/31/96 to 8/8/96 **PERF & FRAC 11,166-11174' (WOLFCAMP)**  
Tag PBTD @ 11,248'. Run correlation log.  
7/31/96 **Perf:** 11,166-11,174' (Wolfcamp) w/4SPF, 0° phased. **Frac** w/56,000 gals Spectra Frac G 3000 & G3500, 242,000# 20/40 Ottawa sd + 48,000# 20/40 SB Ultra RCS. Flow back well to tank. RIH w/2 7/8" tbg. Swabbed well. Placed well on prod, flowing to battery.  
**IP** 8/10/96 F 92 BO, 73 MCFG, 50 BW on 28/64" ck.

### WORKOVER

8/22/96 Ran BHP test.

9/12/96 Ran RA tracer log.

### 9/17/96 to 10/25/96 **PERF & FRAC 11,014-11,022' (THIRD BONE SPRING)**

Set CIBP @ 11,130'.  
9/18/97 **Perf:** 11,014-11,022' (Third Bone Spring) w/4 JSPF, 60° phased. Ran CCL log. Do step rate test. **Frac** 11,014-11,022 w/45,000 gals Spectra Frac G-3000 & G-3500 + 264,000# 20/40 Ottawa Sd + 60,000# Acme 20/40 SB Ultra. SI. Tag sand fill @ 8465'(2557' sand over perms). Washed sand from 8465' to 11,000'(perms @ 11,014-11,022), well started to flow. Flowed well down, circ hole clean to PBTD CIPB @ 11,130'. Flowed and swabbed well. Left well flowing to tanks. Well died. Swabbed well. RIH w/tbg, rods & pump. Put well on pump.  
**AWO:** 10/26/96, 47 BO, 52 BLW + 101 MCF.

**Well History**  
**James Ranch Unit #73**

11/21/96 to 11/26/96 **PERF & ACIDIZE 10,556-10,564' (BONE SPRING)**

**Set CIBP @ 10,665'**. Run CCL-CBL.

11/22/96 **Perf 10,556-10,564'** (Bone Sprin) w/2JSPF, 90o phased. **Acidize** w/1500 gals 20% HCl + 32 BS. BOP 5000 psi, 3 BPM, mas tp 5800 PSI, No ball action. Avg TP 5400 psi, avg rate 4.4 BPM. ISDP 4000 psi, 5 min 3850 psi, 10 min 3900 psi, 15 min 3850 psi. Swabbed and flowed well, recovered all load. RIH w/tbg, rods & pump. Place well on prod.

**AWO: 11/29/96 P 30 BO, 12 BW & 56 MCF.**

12/6/96 to 12/19/96 **PERF & FRAC 7530, 32, 34, 36,38, 7586, 87, 88, 90, 92, 94, 96, 98'(DELAWARE).**

**Set CIBP @ 7550'**.

12/7/96 **Perf 7530, 32, 34, 36, 38, 38, 7586, 87, 88, 90, 92, 94, 96, 98 w/1SPF.** Acid w/250 gals. 7 ½% Fercheck SC acid. **Frac** w/28,000 gals Delta Frac 25 + 95,000# of 20/40 brown sand + 24,000# 16/30 bronw sand w/0.5% prop wrap. Flowed & swabbed. RIH w/tbg, rods & pump. Place well on prod.

**AWO: 12/24/96 111 BO, 156 BLW, 106 MCF.**

1/23/97 to 1/25/97 Fish tbg & CO sand. Return to production.

2/3/97 Rod job

2/20/97 to 2/28/97 **DO 3 CIBP'S & COMMINGLE ALL ZONES**

DO CIBP @ 7816', CIBP @ 10,665, DO CIBP @ 11,130', Tag PBSD @ 11,248'. RIH w/tbg, rods & pump (SN @ 11062', EOT @ 11098').

1/21/98 TO 2/2/98 **SHEAR TOOL FAILURE**

Found shear tool sheared, attempted to fish pump. Unable to catch fish. POH w/tbg. RIH w/tbg, pump & rods. Place well on prod.

8/28/98 TO 9/12/98 **FISH RODS & TBG. (FISH LEFT IN HOLE)**

Found well with horses head thrown off, wellhead assembly ruined and polished rod & liner bent. Attempt to fish rods, caught rods and while pulling on rods, busted rod hook and rods fell and caught on elevator @ rod stripper. Fished rods, recovered pump. POH w/tbg, found bottom x-over on TAC parted. Attempt to fish. Ran freepoint, unable to get below 10,600' due to corkscrewed tbg. Found tbg free @ 10,560'. Fished tbg, leaving 5' of 2 7/8" perf sub + 33.66' mud jt w/BP&C in hole as fish. Tagged top of fish @ 11,232'. RIH w/tbg, pump and rods. Place well on prod.

DISTRICT II  
P. O. Box 33  
Artesia, NM 88211-0033

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

Submit to the appropriate  
District Office  
State Lease - 4 copies  
Fee Lease - 3 copies

DISTRICT III  
Rio Grupos Rd.  
Aztec, NM 87410

AMENDED REPORT

DISTRICT IV  
P. O. Box 2088  
Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30 G15 28979	2 Pool Code 40295	3 Pool Name Los Medanos Bona Spring
4 Property Code 4060	5 Property Name JAMES RANCH UNIT	6 Well Number 73
7 OGRID No. 7377	8 Operator Name ENRON OIL & GAS COMPANY	9 Elevation 3313'

10 SURFACE LOCATION

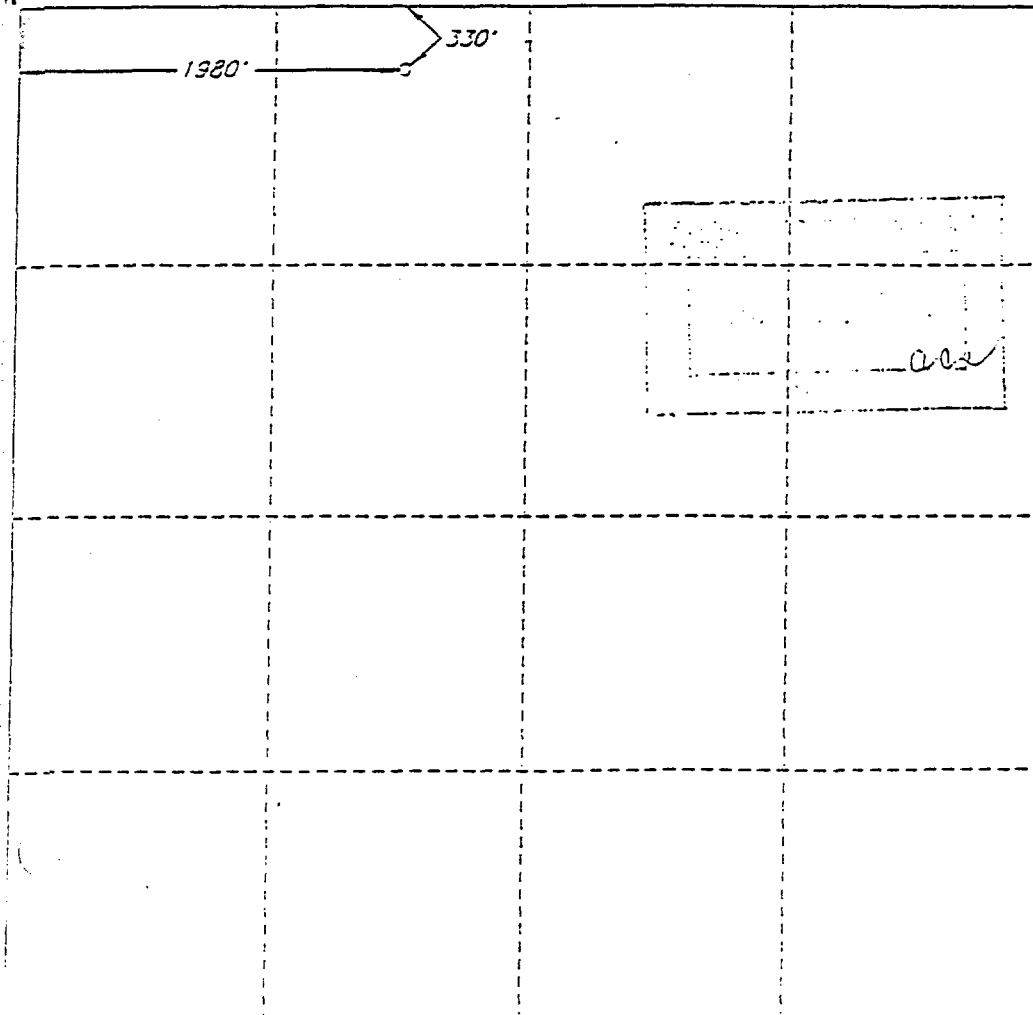
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
C	6	23 SOUTH	31 EAST, N.M.P.M.		330'	NORTH	1980'	WEST	EDDY

11 BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres 40	13 Joint or Infill	14 Consolidation Code	15 Order No.
--------------------------	--------------------	-----------------------	--------------

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature: *Butt Gilson*  
Printed Name: Butt Gilson

Title: Regulatory Analyst  
Date: 10/28/96

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: FEBRUARY 6, 1996

Signature: *V. Lynn Seizner*  
Professional Surveyor  
STATE OF NEW MEXICO  
V. LYNN SEIZNER  
NO. 7920  
Date of Survey: FEBRUARY 6, 1996  
JOB # 7920

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATES

(Number of  
Copies of  
Form 1340-4)

FORM 1340-4  
BUREAU OF LAND MANAGEMENT  
EFFECTIVE FEBRUARY 22, 1993  
OPERATOR'S COPY

1. LAND ACQUISITION AND GRANT NO.

NY 02887-D

2. SURVEY, ACQUISITION OR TITLE NAME

3. UNIT AGREEMENT NAME

4. FARM OR LEASE NAME, WELL NO.

James Ranch Unit #73

5. ADDRESS

30 G15 28979

6. FIELD AND POOL OR WILDCAT

Los Madanos Bone Spring

7. SECTION, RANGE, OR BLOCK AND QUARTER OR ACRE

Sec 6, T23S, R31E

8. COUNTY OR PARISH

Texas

9. STATE

TX

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

10. TYPE OF WELL:  OIL WELL  GAS WELL  WATER  OTHER

11. TYPE OF COMPLETION:  CASE WELL  THIN  DRIFT  SAND  SAND  OTHER

12. NAME OF OPERATOR  
Enron Oil & Gas Company

13. ADDRESS AND TELEPHONE NO.  
P. O. Box 2267, Midland, Texas 79702 (915) 686-1714

14. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)  
At surface

330' FNL & 1980' FWL

At top prod. interval reported below

330' FNL & 1980' FWL

At total depth

330' FNL & 1980' FWL

15. PERMIT NO.

DATE ISSUED

11/5/06

16. COUNTY OR PARISH

Texas

17. STATE

TX

18. DATE SPUDDED

9-16-96

19. DATE T.D. REACHED

9-16-96

20. DATE COMPL. (Ready to prod.)

10-23-96

21. ELEVATION (OF CAS, RT, GR, ETC.)

3313' GR

22. ELEV. CASING HEAD

3313'

23. TOTAL FEET, MD & TVD

11331

24. FEET, SAND RES. MD & TVD

10665

25. IF MENTIONED COMPL. HOW MANY

26. INTERVALS DRILLED BY

27. ROTARY TOOLS

28. CASE TOOLS

29. PRODUCING INTERVAL(S) OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)

11014-11022 (Bone Spring)

30. WAS DIRECTIONAL SURVEY MADE

31. TYPE ELECTRIC AND OTHER LOGS RUN

None

32. WAS WELL CURED

CASING RECORD (Report all strings set in well)

SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
11-3/4 H-40 ST&C	40.6	563	17-1/2	210 SW 3-in	CONCRETE
8-5/8 J-55 ST&C	32	3825	12-1/4	1075 SW 2-in 3/4	CONCRETE
5-1/2 GE-95	17	11331	7-7/8	1000 SW 2-in 50/50 P&S	500 3125
P-110 LT&C					

LINER RECORD

TUBING RECORD

SIZE	TOP (MD)	BOTTOM (MD)	BACKS CEMENT	SPACER (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2-7/8"	10914'	

33. TEMPERATURE RECORD (Interval, Date and Remarks)

JAN 08 1997

BLM

34. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
11014-11022	45 000 gals Spaceme Flow G-3500
	3 G-3000 with 264 000# Ottawa sand and 60 000# some 20-40 SB
	11 lbs

35. PRODUCTION

DATE OF TEST	HOURS TESTED	CHOKER SIZE	PROD'Y. FOR TEST PERIOD	OIL—BBL	GAS—MCF	WATER—GAL	GAS-OIL RATIO
10-24-96			Pumping (2-1/2" x 1-1/4" x 30' x 32' pump)				Producing
10-26-96	24			47	101	52	2149
	90	50					39.0

36. DISPOSITION OF GAS (DOM, WEL, WEL, BURNED, ETC.)

Sold

TEST WITHHELD BY

37. SIGNATURE OF OPERATOR, ENGINEER AND APPROVED INFORMATION TO BE PROVIDED AND TESTED AS DESCRIBED FROM ALL AVAILABLE RECORDS

SIGNED *Betty Gildon* Betty Gildon TITLE Regulatory Analyst

DATE 12/3/96

(See Instructions and Space for Additional Data on Reverse Side)

38. I, THE SIGNER, MAKE IT A GAME FOR MY PERSON KNOWLEDGE AND WILLFULLY TO MAKE TO ANY DEPARTMENT OR AGENCY OF THE

**WORKSHEET FOR COMMERCIAL DETERMINATION  
AND PARTICIPATING AREA IN FEDERAL UNITS**

**WELL DATA**

WELL \_\_\_\_\_ JAMES RANCH UNIT NO. 73 \_\_\_\_\_ FORMATION \_\_\_\_\_ BONE SPRING \_\_\_\_\_  
 LOCATION \_\_\_\_\_ C \_\_\_\_\_ UNIT, \_\_\_\_\_ 330 FEET FROM \_\_\_\_\_ N \_\_\_\_\_ LINE & \_\_\_\_\_ 1980 FEET FROM \_\_\_\_\_ W \_\_\_\_\_ LINE  
 SECTION \_\_\_\_\_ 6 \_\_\_\_\_ TOWNSHIP \_\_\_\_\_ 23S \_\_\_\_\_, RANGE \_\_\_\_\_ 31E \_\_\_\_\_, COUNTY \_\_\_\_\_ EDDY \_\_\_\_\_, NEW MEXICO  
 SPUD DATE \_\_\_\_\_ 6/29/96 \_\_\_\_\_ COMPLETION DATE \_\_\_\_\_ 9/28/96 \_\_\_\_\_ INITIAL PRODUCTION \_\_\_\_\_ 9/28/96 \_\_\_\_\_  
 PERFORATIONS \_\_\_\_\_ 10,556-10,564' & 11,014-11,022' \_\_\_\_\_

STIMULATION:

**ACID** \_\_\_\_\_ PERFS 10,556-10,564' - 500 GALS 20% HCL & 32 BALL SEALERS. \_\_\_\_\_

**FRACTURE** \_\_\_\_\_ PERFS 11,014-11,022' - 45,000 GALS SPECTRA FRAC G-3500 & G-3000, 264,000# 20/40 OTTAWA SAND, \_\_\_\_\_  
 \_\_\_\_\_ & 60,000# ACME 20/40 SB ULTRA. \_\_\_\_\_

POTENTIAL PERFS 11,014-11,022' (10/26/96) 47 BOPD, 52 BWPD, 101 MCFPD. PERFS 10,556-10,564' (12/5/96) 28 BOPD, 25 BWPD, 73 MCFPD.

(Attach Copy of C-105. Attach Copy of Wellbore Sketch of Completed Well.)

**VOLUMETRIC CALCULATION**

	SANDS PERFORATED		SANDS NOT PERFORATED BUT POTENTIALLY PRODUCTIVE	
Area (A) proration unit size, acres	40	40	_____	_____
Porosity (por), %	12.0%	10.4%	_____	_____
Water saturation (Sw), %	50%	36%	_____	_____
Net Thickness (h), ft.	12	4	_____	_____
Temperature (T), Fahrenheit	170	145	_____	_____
Bottom Hole pressure (P), psia	5,826	5,702	_____	_____
Recovery factor (RF), %	17%	27%	_____	_____
Recoverable oil, BBLS *(See eq. below)	27,131	15,934	_____	_____

Sometimes unable to match performance due to volumetric uncertainty.

Formula = (7758) (A) (h) (por) (1-Sw) (1/Boi) (RF)

Boi = 1.40



**PERFORMANCE DATA**

(If sufficient history exists, attach plot of oil production rate v time.)

CUMULATIVE PRODUCTION TO	<u>11/1/99</u> ; <u>8,525</u>	BBLs
INITIAL RATE (qi)	<u>100</u>	
ECONOMIC LIMIT (ql)	<u>30</u>	
DECLINE RATE, dy	<u>Hyperbolic d = 20.32%n = .98</u>	
REMAINING OIL (Q) =	<u>2,675</u>	
ULTIMATE RECOVERABLE OIL	<u>11,200</u>	

(Attach plat showing proration unit and participating area.)

**ECONOMIC**

WELL COST \$	<u>825,000</u>	(to the depth of formation completed)
RECOMPLETION COST \$	<u>15,000</u>	
TOTAL COST \$	<u>840,000</u>	

YEAR	GROSS OIL	REVENUE	OPERATING COST	10% NET BFIT DISCOUNTED CASH FLOW
ZERO	<u>0</u>	<u>0</u>	<u>0</u>	<u>-840,000</u>
1	<u>1,400</u>	<u>33,100</u>	<u>6,100</u>	<u>26,700</u>
2	<u>2,900</u>	<u>63,900</u>	<u>19,000</u>	<u>41,600</u>
3	<u>2,500</u>	<u>40,300</u>	<u>17,300</u>	<u>19,300</u>
4	<u>1,600</u>	<u>37,400</u>	<u>17,100</u>	<u>15,400</u>
5	<u>1,000</u>	<u>29,200</u>	<u>16,400</u>	<u>8,700</u>
6	<u>900</u>	<u>21,900</u>	<u>15,900</u>	<u>3,700</u>
7	<u>700</u>	<u>17,800</u>	<u>15,600</u>	<u>1,200</u>
8	<u>200</u>	<u>3,900</u>	<u>3,900</u>	<u>0</u>
9	<u></u>	<u></u>	<u></u>	<u></u>
10	<u></u>	<u></u>	<u></u>	<u></u>
REMAINDER	<u></u>	<u></u>	<u></u>	<u></u>

**WELL IS NOT COMMERCIAL**

JAMES RANCH UNIT WELL NO. 73 BONE SPRING

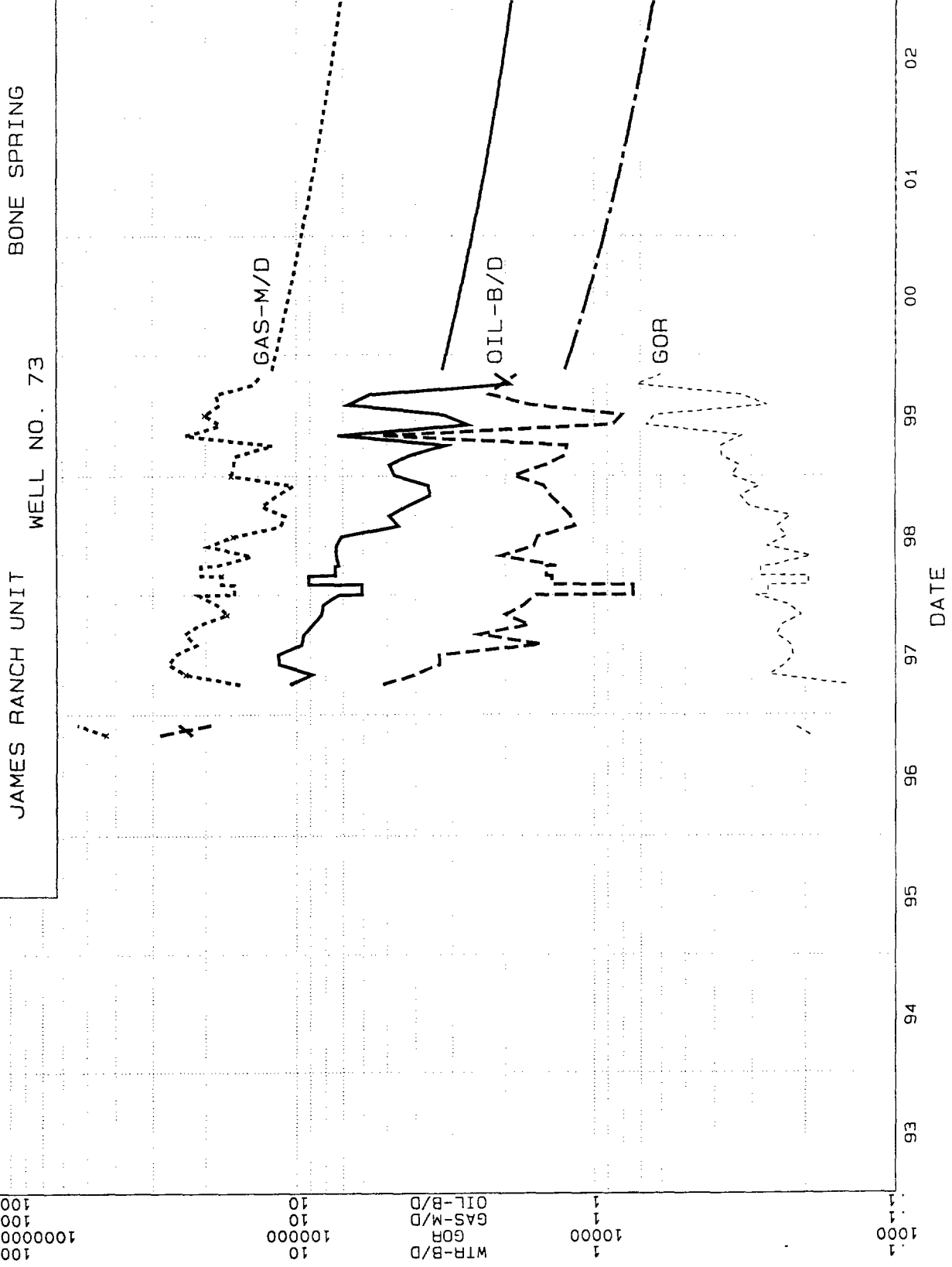
OIL  
Gal=CD  
Ref= 11/99  
Cum= 8.525  
Rem= 6.246  
EUR= 14.771  
Yrs= 10.167  
G1= .995  
De= 20.322  
n= .980  
Qab= 29.9

WTR-B/D  
Ref= 11/99  
Cum= 3.520

WTR  
Gal=CD  
Ref= 11/99  
Cum= .000  
Rem= 1.955  
EUR= 9.000  
Yrs= 38.6  
G1= 27.345  
De= .995  
n= 10.0  
Qab= 10.0

GAS/OIL  
Gal=CD  
Ref= 11/99  
Cum= .000  
Rem= .000  
EUR= .000  
Yrs= 10.167  
G1= 3.7  
De= .000  
n= .000  
Qab= 3.7

GAS  
Gal=CD  
Ref= 11/99  
Cum= 21.808  
Rem= 23.243  
EUR= 45.051  
Yrs= 10.167  
G1= .0  
De= .000  
n= .000  
Qab= .0



100  
10000  
100000  
1000000

10  
100  
10000

10  
100  
10000  
WTR-B/D  
GAS-M/D  
OIL-B/D

1  
1000

1  
1000

DATE 93 94 95 96 97 98 99 00 01 02

JAMES RANCH UNIT # 73 BONE SPRIN

DATE : 02/07/00  
 TIME : 13:40:51  
 DBS FILE : JRU0A  
 SETUP FILE : CD  
 SEQ NUMBER : 43

INPUT DATA

CALCULATED DATA

ITEM	SCHEDULING RATES	SCHEDULE UNTIL	PROCEDURE	ULTIMATE	LAST	EFF. DECL	INIT. RATE	FINAL RATE
405 START	11/99							
410 OIL	99.46 X B/M	6.25 IMU	H/0.980	20.32	14.771	12/09	20.32	99.
415 GAS/OIL	3.72 M/B	01/2097 AD	LIN	TIME	12/96			30.
420 WTR	38.63 X B/M	1.96 IMU	H/0.995	27.34	1.955	10/08	27.35	39.
425 START	10/96							10.
516 PRI/OIL	16.8800 X \$/B	1/95 MM/YY	PC	.00	12/09			16.880
517 "	18.39 X \$/B	1/96 AD	PC	.00	12/09			18.390
518 "	22.26 X \$/B	1/97 AD	PC	.00	12/09			22.260
519 "	20.74 X \$/B	1/98 AD	PC	.00	12/97			20.740
520 "	14.43 X \$/B	1/99 AD	PC	.00	12/98			14.430
521 "	19.25 X \$/B	1/2000 AD	PC	.00	12/99			19.250
522 "	24.94 X \$/B	1/2001 AD	PC	.00	12/00			24.940
523 "	20.67 X \$/B	1/2002 AD	PC	.00	12/01			20.670
524 "	19.20 X \$/B	1/2003 AD	PC	.00	12/02			19.200
525 "	18.18 X \$/B	1/2004 AD	PC	.00	12/03			18.180
526 "	18.13 X \$/B	TO LIFE	PC	.00	12/09			18.130
531 PRI/GAS	1.8900 X \$/M	1/95 MM/YY	PC	.00	12/09			1.890
532 "	1.94 X \$/M	1/96 AD	PC	.00	9/96			1.940
533 "	2.61 X \$/M	1/97 AD	PC	.00	12/96			2.610
534 "	2.59 X \$/M	1/98 AD	PC	.00	12/97			2.590
535 "	2.11 X \$/M	1/99 AD	PC	.00	12/98			2.110
536 "	2.27 X \$/M	1/2000 AD	PC	.00	12/99			2.270
537 "	2.60 X \$/M	1/2001 AD	PC	.00	12/00			2.600
538 "	2.58 X \$/M	1/2002 AD	PC	.00	12/01			2.580
539 "	2.57 X \$/M	TO LIFE	PC	.00	12/09			2.570
544 OPC/T	1190.00 X \$/M	TO LIFE	SCH	OPC	12/09			1190.000
549 STX/OIL	7.08 X \$	TO LIFE	PC	.00	12/09			.071
554 STX/GAS	7.93 X \$	TO LIFE	PC	.00	12/09			.079
559 ATX	.17 X \$	TO LIFE	PC	.00	12/09			.002
564 PRI/OIL	-.9100 X \$/B	TO LIFE	PC	.00	12/09			-.910
569 PRI/GAS	-.1300 X \$/M	TO LIFE	PC	.00	12/09			-.130
700 LSE/WI	100.0000 X \$	TO LIFE	FLAT	.00	12/09			1.000
701 OVN/WI	100.0000 X \$	TO LIFE	FLAT	.00	12/09			1.000
720 LSE/RIC	12.5000 X \$	TO LIFE	FLAT	.00	12/09			.125
721 OVN/RI	.0000 X \$	TO LIFE	FLAT	.00	12/09			.125
740 LSE/RIG	12.5000 X \$	TO LIFE	FLAT	.00	12/09			.125
760 LSE/ORR	.0000 X \$	TO LIFE	FLAT	.00	12/09			.125
761 OVN/ORR	.0000 X \$	TO LIFE	FLAT	.00	12/09			.125

OVERLAYS	SCHEDULING RATES	SCHEDULE UNTIL	PROCEDURE	ULTIMATE	LAST	EFF. DECL	INIT. RATE	FINAL RATE
905 LOAD	P.OIL OIL #			8.590	2/00			
910 LOAD	P.GAS GAS #			22.199	2/00			
915 LOAD	P.WATER WTR #			3.520	2/00			

INVESTMENT	TANGIBLES & INTANGIBLES	TIME	PROCEDURE	TOTAL T&I	MONTH	RISK INV.	TOT. T&I&R	ESC. T&I&R
800 DRILL	330.00	495.00 M\$G		825.000	10/96	.	825.0	825.0
801 WORKOVER	.00	15.00 MSG		15.000	12/96	.	15.0	15.0
802 SALVAGE	-33.00	.00 M\$G		-33.000	12/9	.	-33.0	-33.0

RESERVE PARAMETERS	ITEM	ITEM
201 LOSS	NO	
205 CUMO, MB	8.52	CUMG, MMF 21.81
		CUML, MB

PROJECT ASSUMPTIONS

BASE DATE : 10/96 TIME FRAMES : 1\*3 38\*12 1\*600

P.W. DATE : 10/96 PW \$-AGE : 10.0 DISC. FREQUENCY : 365.

REPORT DATE : 10/96 PROD QVAL : CD OWNER QVAL : CD

OTHER QVAL : CD

R E S E R V E S A N D E C O N O M I C S  
 EFFECTIVE DATE: 10/96

PERIOD ENDING 12/96 12/97 12/98 12/99 12/00 12/01 12/02 12/03 6.5 YR TOTAL

OWNERSHIP

1) WORKING INTEREST, % 100.000 100.000 100.000 100.000 100.000 100.000 100.000 100.000 100.000  
 2) REVENUE INTEREST, % 87.500 87.500 87.500 87.500 87.500 87.500 87.500 87.500 87.500

INVESTMENTS, M\$

3) BORROWED CAPITAL .0 .0 .0 .0 .0 .0 .0 .0 .0  
 4) EQUITY INVESTMENTS 840.0 .0 .0 .0 .0 .0 .0 .0 .0  
 5) RISK .0 .0 .0 .0 .0 .0 .0 .0 .0  
 7) TOTAL 840.0 .0 .0 .0 .0 .0 .0 .0 .0

OIL PHASE

8) GROSS OIL, MB 1.4 2.9 2.5 1.6 1.0 .9 .7 .2 11.2  
 9) NET OIL, MB 1.2 2.5 2.2 1.4 .9 .8 .7 .1 9.8  
 10) OIL REVENUE, M\$ 26.7 49.9 29.8 26.4 20.5 15.0 11.9 2.6 182.7  
 11) OIL PRICE, \$/B 21.35 19.83 13.52 18.34 24.03 19.76 18.29 17.27 18.61

GAS PHASE

12) GROSS GAS, MMF 2.9 6.5 6.0 5.9 4.0 3.2 2.8 .6 32.0  
 13) NET GAS, MMF 2.6 5.7 5.3 5.1 3.5 2.8 2.4 .6 28.0  
 14) GAS REVENUE, M\$ 6.4 14.0 10.5 11.0 8.6 6.9 5.9 1.4 64.7  
 15) GAS PRICE, \$/MCF 2.480 2.460 1.980 2.140 2.470 2.450 2.440 2.440 2.311

WATER PHASE

16) GROSS WATER, MB 1.5 .8 .5 .6 .1 .0 .0 .0 3.5  
 17) NET WATER, MB 1.5 .8 .5 .6 .1 .0 .0 .0 3.5  
 18) WATER PRICE, \$/B .000 .000 .000 .000 .000 .000 .000 .000 .000

ECONOMICS, M\$

19) GROSS REV. TO INTR. 33.1 63.9 40.3 37.4 29.2 21.9 17.8 3.9 247.4  
 20) - SEV. TAX 2.4 4.6 2.9 2.7 2.1 1.6 1.3 .3 18.1  
 22) - AD VALOREM TAX .1 .1 .1 .1 .0 .0 .0 .0 .4  
 23) - OPERATING COSTS 3.6 14.3 14.3 14.3 14.3 14.3 14.3 3.6 92.8  
 24) - SMD .0 .0 .0 .0 .0 .0 .0 .0 .0  
 25) - CAPITAL REPAYMENT .0 .0 .0 .0 .0 .0 .0 .0 .0  
 26) - INTEREST PAID .0 .0 .0 .0 .0 .0 .0 .0 .0  
 27) + NPI OWNED - PAID .0 .0 .0 .0 .0 .0 .0 .0 .0  
 28) = NET INCOME 27.0 44.9 23.0 20.3 12.7 6.0 2.2 .1 136.1  
 29) - INVESTMENTS & RSK 840.0 .0 .0 .0 .0 .0 .0 .0 807.0  
 30) = BFIT NET -813.0 44.9 23.0 20.3 12.7 6.0 2.2 33.1 -670.9

PRESENT WORTH @ 10.00 %

31) NET INCOME 26.7 41.6 19.3 15.4 8.7 3.7 1.2 .0 116.8  
 32) INVESTMENTS & RISK 839.8 .0 .0 .0 .0 .0 .0 -17.4 822.4  
 33) BFIT NET -813.0 41.6 19.3 15.4 8.7 3.7 1.2 17.4 -705.6  
 34) CUM BFIT NET -813.0 -771.4 -752.1 -736.7 -727.9 -724.2 -723.0 -705.6 -705.6

A F T E R T A X E C O N O M I C S

EFFECTIVE DATE: 10/96

6.5 YR

PERIOD ENDING	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	TOTAL
TAX TREATMENT OF INVESTMENTS, M\$									
1) EXP, RISK & CAP INT	510.0	.0	.0	.0	.0	.0	.0	.0	510.0
2) DEPLETABLE	.0	.0	.0	.0	.0	.0	.0	.0	.0
3) DEPRECIABLE	330.0	.0	.0	.0	.0	.0	.0	.0	297.0

TAX CALCULATIONS, M\$

4) GROSS REV. TO INTR.	33.1	63.9	40.3	37.4	29.2	21.9	17.8	3.9	247.4
5) - SEVERANCE TAX	2.4	4.6	2.9	2.7	2.1	1.6	1.3	.3	18.1
6) - WPT TAX NET	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) - OPR. COSTS & ATX	3.6	14.4	14.3	14.3	14.3	14.3	14.3	3.6	93.2
8) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0
9) - OVERHEAD	.0	.0	.0	.0	.0	.0	.0	.0	.0
10) - EXPENSED INV.	510.0	.0	.0	.0	.0	.0	.0	.0	510.0
11) - DEPRECIATION	11.8	55.5	75.0	53.6	38.3	29.5	29.5	36.8	330.0
12) = NET	-494.7	-10.7	-52.1	-33.3	-25.6	-23.5	-27.3	-36.8	-703.9
13) - DEPLETION	.0	.0	.0	.0	.0	.0	.0	.0	.0
14) - INTEREST PD & CAP	.0	.0	.0	.0	.0	.0	.0	.0	.0
15) = TAXABLE	-494.7	-10.7	-52.1	-33.3	-25.6	-23.5	-27.3	-36.8	-703.9
16) * TAX RATE, %	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0
17) - TAX CREDIT	.0	.0	.0	.0	.0	.0	.0	.0	.0
18) - WPT REFUND	.0	.0	.0	.0	.0	.0	.0	.0	.0
19) = F.I.T.	-173.2	-3.7	-18.2	-11.7	-9.0	-8.2	-9.6	-12.9	-246.4
20) REVENUE-SEV-WPT	30.7	59.2	37.3	34.6	27.0	20.3	16.5	3.6	229.3
21) - OPR. COSTS & ATX	3.6	14.4	14.3	14.3	14.3	14.3	14.3	3.6	93.2
22) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0
23) - F.I.T.	-173.2	-3.7	-18.2	-11.7	-9.0	-8.2	-9.6	-12.9	-246.4
24) = A.F.I.T.	200.2	48.6	41.2	32.0	21.6	14.2	11.7	12.9	382.5
25) - LOAN REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) = NET INCOME	200.2	48.6	41.2	32.0	21.6	14.2	11.7	12.9	382.5
28) - INVESTMENTS & RSK	840.0	.0	.0	.0	.0	.0	.0	.0	807.0
29) = A.F.I.T. NET	-639.8	48.6	41.2	32.0	21.6	14.2	11.7	45.9	-424.5
PRESENT WORTH @ 10.00 %									
30) NET INCOME	197.7	45.1	34.6	24.3	14.9	8.8	6.6	6.8	338.9
31) INVESTMENTS & RISK	839.8	.0	.0	.0	.0	.0	.0	.0	822.4
32) A.F.I.T. NET	-642.0	45.1	34.6	24.3	14.9	8.8	6.6	24.2	-483.5
33) CUM. A.F.I.T. NET	-642.0	-596.9	-562.3	-538.0	-523.1	-514.3	-507.7	-483.5	-483.5

JAMES RANCH UNIT # 73 BONE SPRIN

DATE : 02/07/00  
TIME : 13:40:51  
DBS FILE : JRUPA  
SETUP FILE : CD  
SEQ NUMBER : 43

E C O N O M I C I N D I C A T O R S

AS OF DATE: 10/96

B.F.I.T.            A.F.I.T.            A.F.I.T.  
WORTH            WORTH            BONUS  
M\$-----        M\$-----        M\$-----

PRESENT WORTH PROFILE AND  
RATE-OF-RETURN VS. BONUS TABLE

0.	-670.887	-424.527	-653.118
2.	-679.125	-438.472	-659.663
5.	-690.157	-457.196	-667.559
6.	-693.517	-462.913	-669.767
8.	-699.812	-473.638	-673.654
10.	-705.586	-483.498	-676.935
20.	-728.302	-522.532	-687.144
30.	-743.862	-549.575	-691.625
40.	-755.009	-569.193	-693.642
50.	-763.334	-584.058	-694.630
60.	-769.783	-595.771	-695.236
70.	-774.936	-605.317	-695.746
80.	-779.160	-613.319	-696.285
90.	-782.693	-620.184	-696.896
100.	-785.698	-626.187	-697.592

RATE OF RETURN, PCT.

.0

UNDISCOUNTED PAYOUT, YRS.

6.50

DISCOUNTED PAYOUT, YRS.

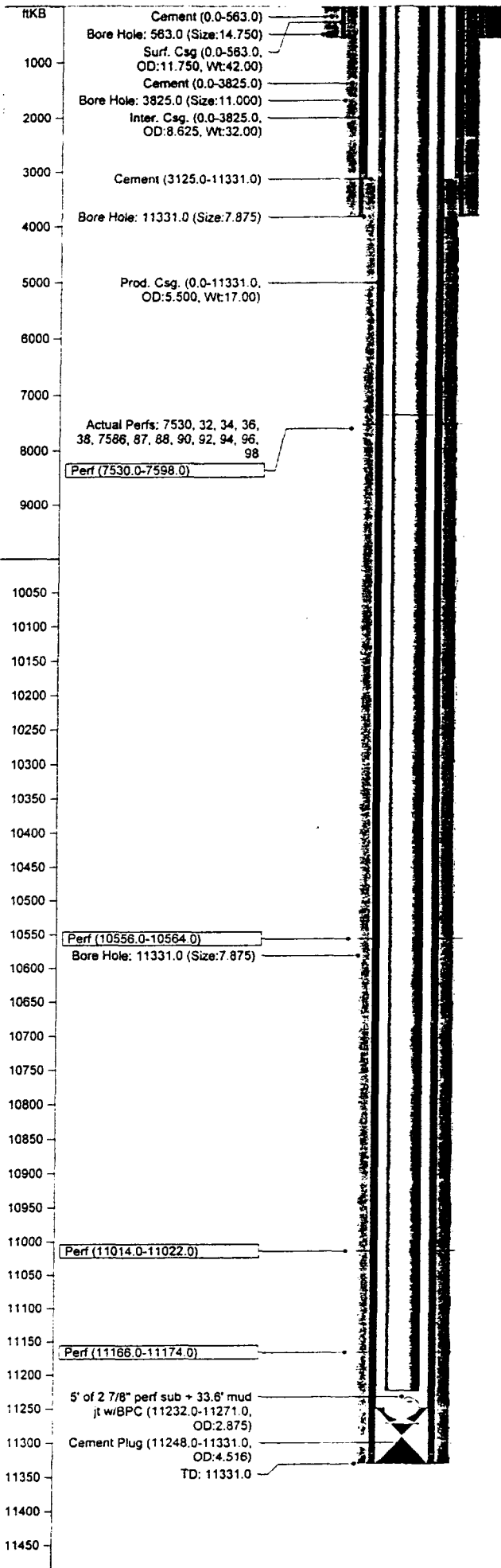
6.50

UNDISCOUNTED NET/INVEST.

.17

DISCOUNTED NET/INVEST.

.41



JAMES RANCH UNIT #73			
API No.	3001528979	Status	ACT OIL
TD	11331.0 ftKB	Engineer	KAA
PBTD	11248.0 ftKB		
Operator	BEPCO	Permit	
Well No.	73	Spud	6/29/96
ID Code		RR	7/16/96
Field	LOS MEDANOS	Completion	8/2/96
Author	RAS	Last Act.	
Date Updated	7/23/98	Abandoned	
Comments	Drilled by Enron		

Location			
Township	S023	Top Latitude	0
		Top Longitude	0
Range	E031	Top NS Distance	330.0 ft N
		Top EW Distance	1980.0 ft W
Section	6	Bottom Latitude	0
Unit Ltr.	C	Bottom Longitude	0
State	NEW MEXICO	Btm NS Distance	0.0 ft
County	EDDY	Btm EW Distance	0.0 ft

Elevations			
KB	3311.0 ft	Cas Flng	0.0 ft
Grd	3298.0 ft	Tub Head	0.0 ft
KB-Grd	13.0 ft		

Casing String - Surface Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
11 3/4 in Surf. Csg.	0.0	563.0		11.084	42.00	H-40	STC

Casing String - Intermediate Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
8 5/8 in Inter. Csg.	0.0	3825.0		7.921	32.00	J-55	STC

Casing String - Production Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
5 1/2 in Prod. Csg.	0.0	11331.0		4.892	17.00	F95&P1	LTC

Casing Cement			
Casing String	Top (ftKB)	Amount (sx)	Comments
Surface Casing	0.0	310	
Intermediate Casing	0.0	1075	
Production Casing	3125.0	1000	TOC by Temp Survey

Tubing String - Primary Tubing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
2 7/8 in Tbg.	0.0	7357.0	224	2.441	6.50	N-80	8rd
5 1/2 in Baker TAC	7357.0	7360.0		2.875	0.00		
2 7/8 in Tbg.	7360.0	11223.0	121	2.441	6.50	N-80	8rd
2 7/8 in HF Mech. SN	11223.0	11224.0		0.000	0.00		

Other (plugs, equip., etc.) - Plug Back		
Date	Item	Int (ftKB)
7/16/96	Cement Plug	11248.0 - 11331.0

Perforations			
Date	Int	Shots (/ft)	Status
7/31/96	11166.0 - 11174.0	4.0	
9/18/96	11014.0 - 11022.0	4.0	
11/22/96	10556.0 - 10564.0	2.0	
12/7/96	7530.0 - 7598.0	1.0	

Stimulations & Treatments					
Date	Type	Interval	Fluid	Sand	Comments
8/1/96	Sand Frac	11166.0 - 11174.0			
9/24/96	Sand Frac	11014.0 - 11022.0			
12/8/96	Sand Frac	7530.0 - 7598.0			

Fish - FISH				
Date	Item	Int (ftKB)	OD (in)	Comment
9/10/98	5' of 2 7/8" perf sub + 33.6' mud jt w/BP&C	11232.0 - 11271.0	2 7/8	



## WELL HISTORY

**WELL NAME:** JAMES RANCH UNIT #73  
**FIELD NAME:** LOS MEDANOS  
**LOCATION:** 330' FNL, 1980' FWL, SEC 6, T23S, R31E, Unit C  
Eddy County, New Mexico  
**ELEV:** 3298' GL, 3311' KB  
**SPUD DATE:** 6/29/96, RR 7/16/96  
**COMP DATE:** 8/2/96  
**ORIG TD:** 11,331'  
**ORIG PBTB:** 11,248'  
**CASING:** 11 3/4", H-40, 42#, STC CSA 563', Cmt w/310 sxs, circ. 14 3/4" hole 0-563'.  
8 5/8", J-55, 32#, STC CSA 3825', Cmt w/1075 sxs, circ. 11" hole 0-3825'.  
5 1/2", CF95 & P110, 17#, LTC CSA 11,331', cmt w/1000 sxs, 7 7/8" hole 0-11,331'.  
**TUBING:** 2 7/8", N-80, 6.5#, 8rd EUE  
**DST:** None  
**CORES & LOGS:** GR-DSN-SDL 300-11,324'  
GR-HRI-DFL 3800-11,331'.

### INITIAL COMPLETION

7/31/96 to 8/8/96 **PERF & FRAC 11,166-11174' (WOLFCAMP)**  
Tag PBTB @ 11,248'. Run correlation log.  
7/31/96 **Perf:** 11,166-11,174' (Wolfcamp) w/4SPF, 0° phased. **Frac** w/56,000 gals Spectra Frac G  
3000 & G3500, 242,000# 20/40 Ottawa sd + 48,000# 20/40 SB Ultra RCS. Flow back well  
to tank. RIH w/2 7/8" tbg. Swabbed well. Placed well on prod, flowing to battery.  
**IP** 8/10/96 F 92 BO, 73 MCFG, 50 BW on 28/64" ck.

### WORKOVER

8/22/96 Ran BHP test.

9/12/96 Ran RA tracer log.

### 9/17/96 to 10/25/96 **PERF & FRAC 11,014-11,022' (THIRD BONE SPRING)**

Set CIBP @ 11,130'.  
9/18/97 **Perf:** 11,014-11,022' (Third Bone Spring) w/4 JSPF, 60° phased. Ran CCL log. Do step  
rate test. **Frac** 11,014-11,022 w/45,000 gals Spectra Frac G-3000 & G-3500 + 264,000#  
20/40 Ottawa Sd + 60,000# Acme 20/40 SB Ultra. SI. Tag sand fill @ 8465'(2557' sand  
over perfs). Washed sand from 8465' to 11,000'(perfs @ 11,014-11,022), well started to  
flow. Flowed well down, circ hole clean to PBTB CIPB @ 11,130'. Flowed and swabbed  
well. Left well flowing to tanks. Well died. Swabbed well. RIH w/tbg, rods & pump. Put  
well on pump.  
**AWO:** 10/26/96, 47 BO, 52 BLW + 101 MCF.

**Well History**  
**James Ranch Unit #73**

11/21/96 to 11/26/96 **PERF & ACIDIZE 10,556-10,564' (BONE SPRING)**

Set CIBP @ 10,665'. Run CCL-CBL.

11/22/96 Perf 10,556-10,564' (Bone Sprin) w/2JSPF, 90o phased. Acidize w/1500 gals 20% HCl + 32 BS. BOP 5000 psi, 3 BPM, mas tp 5800 PSI, No ball action. Avg TP 5400 psi, avg rate 4.4 BPM. ISDP 4000 psi, 5 min 3850 psi, 10 min 3900 psi, 15 min 3850 psi. Swabbed and flowed well, recovered all load. RIH w/tbg, rods & pump. Place well on prod.  
AWO: 11/29/96 P 30 BO, 12 BW & 56 MCF.

12/6/96 to 12/19/96 **PERF & FRAC 7530, 32, 34, 36,38, 7586, 87, 88, 90, 92, 94, 96, 98'(DELAWARE).**

Set CIBP @ 7550'.

12/7/96 Perf 7530, 32, 34, 36, 38, 38, 7586, 87, 88, 90, 92, 94, 96, 98 w/1SPF. Acid w/250 gals. 7 ½% Fercheck SC acid. Frac w/28,000 gals Delta Frac 25 + 5,000# of 20/40 brown sand + 24,000# 16/30 bronw sand w/0.5% prop wrap. Flowed & swabbed. RIH w/tbg, rods & pump. Place well on prod.  
AWO: 12/24/96 111 BO, 156 BLW, 106 MCF.

1/23/97 to 1/25/97 Fish tbg & CO sand. Return to production.

2/3/97 Rod job

2/20/97 to 2/28/97 **DO 3 CIBP'S & COMMINGLE ALL ZONES**

DO CIBP @ 7816', CIBP @ 10,665, DO CIBP @ 11,130', Tag PBD @ 11,248'. RIH w/tbg, rods & pump (SN @ 11062', EOT @ 11098').

1/21/98 TO 2/2/98 **SHEAR TOOL FAILURE**

Found shear tool sheared, attempted to fish pump. Unable to catch fish. POH w/tbg. RIH w/tbg, pump & rods. Place well on prod.

8/28/98 TO 9/12/98 **FISH RODS & TBG. (FISH LEFT IN HOLE)**

Found well with horses head thrown off, wellhead assembly ruined and polished rod & liner bent. Attempt to fish rods, caught rods and while pulling on rods, busted rod hook and rods fell and caught on elevator @ rod stripper. Fished rods, recovered pump. POH w/tbg, found bottom x-over on TAC parted. Attempt to fish. Ran freepoint, unable to get below 10,600' due to corkscrewed tbg. Found tbg free @ 10,560'. Fished tbg, leaving 5' of 2 7/8" perf sub + 33.66' mud jt w/BP&C in hole as fish. Tagged top of fish @ 11,232'. RIH w/tbg, pump and rods. Place well on prod.

DISTRICT II  
P. O. Drawer 00  
Artesia, NM 88211-0719

# OIL CONSERVATION DIVISION

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

Instructions on back  
Submit to the Appropriate District Office  
State Lease - 4 copies  
Fee Lease - 3 copies

DISTRICT III  
1000 Rio Brazos Rd.  
Santa Fe, NM 87410

AMENDED REPORT

DISTRICT IV  
P. O. Box 2088  
Santa Fe, NM 87507-2088

## WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code 40295 40297 & 96336		3 Pool Name Los Medanos; Bone Spring, Delaware, Wolfcamp	
4 Property Code		5 Property Name JAMES RANCH UNIT			6 Well Number 73
7 OGRID No. 7377		8 Operator Name ENRON OIL & GAS COMPANY			9 Elevation 3313'

### \* SURFACE LOCATION

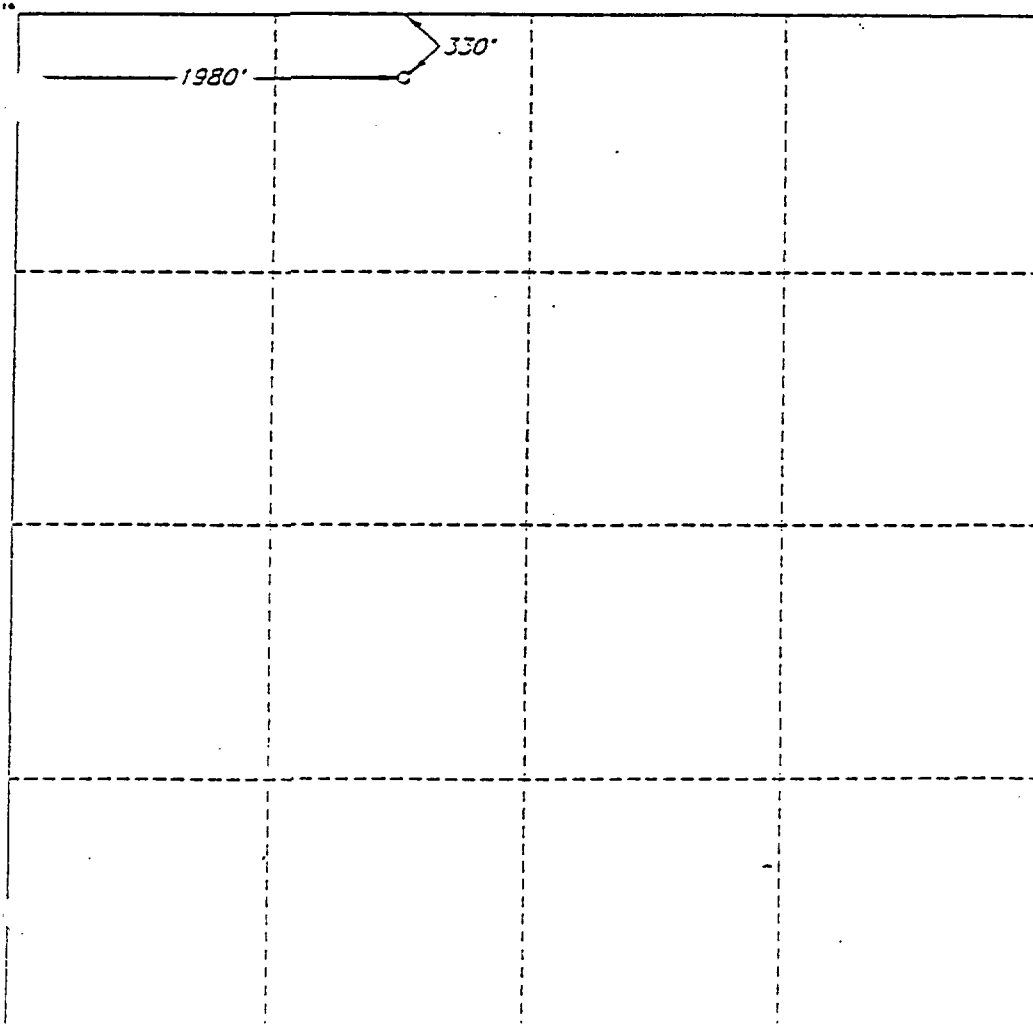
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
C	6	23 SOUTH	31 EAST, N.M.P.M.		330'	NORTH	1980'	WEST	EDDY

### " BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres 40	13 Joint or Infill	14 Consolidation Code	15 Order No.
--------------------------	--------------------	-----------------------	--------------

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



### OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature <i>Betty Gildon</i>
Printed Name Betty Gildon
Title Regulatory Analyst
Date 2/20/96

### 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 FEBRUARY 8, 1996
Signature <i>V. Lynn Seizner</i>
Professional Surveyor of STATE OF NEW MEXICO V. LYNN SEIZNER NO. 7920
Cert. Exp. No. V. L. SEIZNER / 7920
JOB # 33208 / V.L.S.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE

(Leave blank for  
signature or  
review date)

FORM APPROVED  
OPERATOR'S COPY  
Expires February 28, 1993

1. LEASE DESIGNATION AND SERIAL NO.

NY G2887-D

2. IF INDIAN, ALLESTEE OR TRAIL NAME

3. UNIT AGREEMENT NAME

4. FARM OR LEASE NAME, WELL NO.

James Ranch Unit #73

5. ADDRESS

30 G15 28979

10. FIELD AND POOL OR WILDCAT

Los Madanos Bone Spring

11. SECTION, TOWNSHIP OR BLOCK AND QUARTER  
OR AREA

Sec 6, T23S, R31E

12. COUNTY OR  
PARISH

13. STATE

TX

TX

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1. TYPE OF WELL:  OIL WELL  GAS WELL  HOT  OTHER

2. TYPE OF COMPLETION:  NEW WELL  WORK OVER  DRIFT IN  RESS BACK  REPAIR  OTHER

3. NAME OF OPERATOR

Enron Oil & Gas Company

4. ADDRESS AND TELEPHONE NO.

P. O. Box 2267, Midland, Texas 79702 (915) 686-1774

5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)

At surface

330' FNL & 1980' FWL

At top prod. interval reported below

330' FNL & 1980' FWL

At total depth

330' FNL & 1980' FWL

14. PERMIT NO.

DATE ISSUED

11/5/96

6. DATE SPUDDED

9-16-96

15. DATE T.D. REACHED

9-16-96

17. DATE COMPL. (Ready to prod.)

10-22-96

13. ELEVATIONS (OF. BKA, ST. CR, ETC.)

3313' GR

19. ELEV. CASINGHEAD

3313'

7. TOTAL DEPTH, MD & TVD

11331

8. DEPTH, MAX. T.D., MD & TVD

10665

9. IF MULTIPLE COMPL. HOW MANY?

10. INTERVALS DRILLED BY

NOTED TOOLS

CABLE TOOLS

11. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, DAYS (MD AND TVD)

11014-11022 (Bone Spring)

23. WAS DIRECTIONAL SURVEY MADE

12. TYPE ELECTRIC AND OTHER LOGS RUN

None

27. WAS WELL CURED

CASING RECORD (Report all strings set in well)

2. SIZE/GRADE	WEIGHT, LB/FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
11-3/4 H-40 ST&C	40.6	563	17-1/2	310 sv 3'am	CIRCUMFERED
9-5/8 J-55 ST&C	32	3825	12-1/4	1075 sv 3'am plus	CIRCUMFERED
7-1/2 GF-95	17	11331	7-7/8	1000 sv 3'am 50/50 7'00	500 3125
2-110 LTR					

20. LINER RECORD				21. TUBING RECORD			
SIZE	TOP (MD)	BOTTOM (MD)	PACKER CEMENT*	SCALES (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2-7/8"	10914'	

22. TEMPERATURE RECORD (Location, Date, Time)	24. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.
11014-11022 (.36" 33) JAN 08 1997 GILSON	DEPTH INTERVAL (MD)   AMOUNT AND KIND OF MATERIAL USED 11014-11022   45 000 gals Spectra Frac G-3500 5 G-3000 with 264 000# Ottawa sand and 40 000# Loma 20-40 SB H2O

25. PRODUCTION

26. FIRST PRODUCTION: 9-24-96, Pumping (2-1/2" x 1-1/4" x 30' x 30' pump), Producing

DATE OF TEST	HOURS TESTED	CHOCOR SIZE	PROD. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL C/WATER RATIO
10-26-96	24	-		47	101	52	2149

27. PERCENTAGE	28. PERCENTAGE	29. PERCENTAGE	30. PERCENTAGE	31. PERCENTAGE
90	50			39.0

32. DISTRIBUTION OF GAS (Flow, loss for test, vented, etc.)

Sold

TEST WITHHELD BY

33. LIST OF ATTACHMENTS

None

ILLEGIBLE

34. SIGNATURE, TITLE AND ADDRESS INFORMATION OF PERSON WHO PREPARED THIS REPORT (Obtain from all available records)

*Debra Gildon*  
Debra Gildon TITLE Regulatory Analyst

DATE 12/3/96

(See Instructions and Space for Additional Data on Reverse Side)

**WORKSHEET FOR COMMERCIAL DETERMINATION  
AND PARTICIPATING AREA IN FEDERAL UNITS**

**WELL DATA**

WELL \_\_\_\_\_ JAMES RANCH UNIT NO. 73 \_\_\_\_\_ FORMATION \_\_\_\_\_ WOLFCAMP \_\_\_\_\_  
 LOCATION \_\_\_\_\_ C \_\_\_\_\_ UNIT, \_\_\_\_\_ 330 \_\_\_\_\_ FEET FROM \_\_\_\_\_ N \_\_\_\_\_ LINE & \_\_\_\_\_ 1980 \_\_\_\_\_ FEET FROM \_\_\_\_\_ W \_\_\_\_\_ LINE  
 SECTION \_\_\_\_\_ 6 \_\_\_\_\_ TOWNSHIP \_\_\_\_\_ 23S \_\_\_\_\_, RANGE \_\_\_\_\_ 31E \_\_\_\_\_, COUNTY \_\_\_\_\_ EDDY \_\_\_\_\_, NEW MEXICO  
 SPUD DATE \_\_\_\_\_ 6/29/96 \_\_\_\_\_ COMPLETION DATE \_\_\_\_\_ 7/30/96 \_\_\_\_\_ INITIAL PRODUCTION \_\_\_\_\_ 7/31/96 \_\_\_\_\_  
 PERFORATIONS \_\_\_\_\_ 11,166-11,174' \_\_\_\_\_

STIMULATION:

ACID \_\_\_\_\_ 210 GALS SPOT ACID \_\_\_\_\_

FRACTURE \_\_\_\_\_ 56,000 GALS SPECTRA FRAC G-3000 & G-3500, 242,000# 20/40 OTTAWA SAND, & 48,000# 20/40 SB  
 \_\_\_\_\_ ULTRA RC SAND. \_\_\_\_\_

POTENTIAL \_\_\_\_\_ 8/10/96 92 BOPD, 50 BWPD, 73 MCFPD. \_\_\_\_\_

(Attach Copy of C-105. Attach Copy of Wellbore Sketch of Completed Well.)

**VOLUMETRIC CALCULATION**

	SANDS PERFORATED	SANDS NOT PERFORATED BUT POTENTIALLY PRODUCTIVE
Area (A) proration unit size, acres	40	
Porosity (por), %	12.1%	
Water saturation (Sw), %	38%	
Net Thickness (h), ft.	37.5	
Temperature (T), Fahrenheit	170	
Bottom Hole pressure (P), psia	6,032	
Recovery factor (RF), %	27%	
Recoverable oil, BBLs *(See eq. below)	169,180	

Sometimes unable to match performance due to volumetric uncertainty.

Formula =  $(7758) (A) (h) (por) (1-Sw) (1/Bol) (RF)$

Bol = 1.40

**PERFORMANCE DATA**

(If sufficient history exists, attach plot of oil production rate v time.)

CUMULATIVE PRODUCTION TO	<u>11/1/99</u> ; <u>11,570</u> BBLs
INITIAL RATE (qi)	<u>127</u>
ECONOMIC LIMIT (ql)	<u>30</u>
DECLINE RATE, dy	<u>Hyperbolic d = 21.90% n = .98</u>
REMAINING OIL (Q) =	<u>4,930</u>
ULTIMATE RECOVERABLE OIL	<u>16,500</u>

(Attach plot showing proration unit and participating area.)

**ECONOMIC**

WELL COST \$ 825,000 (to the depth of formation completed)

RECOMPLETION COST \$ 0

TOTAL COST \$ 825,000

YEAR	GROSS OIL	REVENUE	OPERATING COST	10% NET BFIT DISCOUNTED CASH FLOW
ZERO	<u>0</u>	<u>0</u>	<u>0</u>	<u>-825,000</u>
1	<u>2,400</u>	<u>49,600</u>	<u>9,700</u>	<u>39,200</u>
2	<u>3,700</u>	<u>86,300</u>	<u>20,700</u>	<u>59,900</u>
3	<u>3,300</u>	<u>55,300</u>	<u>18,500</u>	<u>30,500</u>
4	<u>2,100</u>	<u>51,700</u>	<u>18,200</u>	<u>25,100</u>
5	<u>1,200</u>	<u>38,800</u>	<u>17,300</u>	<u>14,600</u>
6	<u>1,100</u>	<u>28,700</u>	<u>16,400</u>	<u>7,500</u>
7	<u>900</u>	<u>23,200</u>	<u>16,000</u>	<u>4,000</u>
8	<u>800</u>	<u>19,400</u>	<u>15,700</u>	<u>1,800</u>
9	<u>700</u>	<u>17,100</u>	<u>15,600</u>	<u>700</u>
10	<u>300</u>	<u>6,600</u>	<u>6,500</u>	<u>100</u>
REMAINDER	<u></u>	<u></u>	<u></u>	<u></u>

**WELL IS NOT COMMERCIAL**

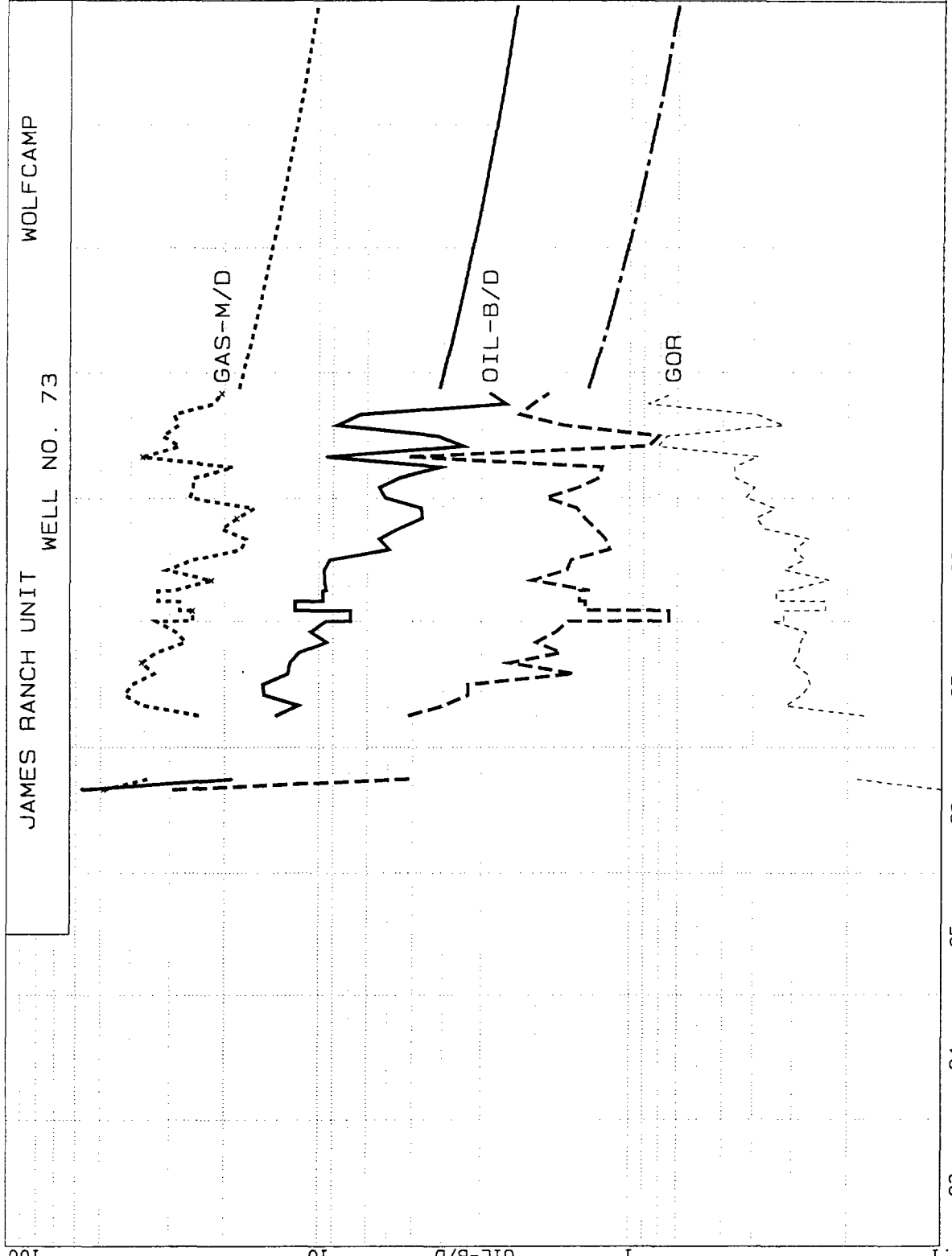
JAMES RANCH UNIT      WELL NO. 73      WOLFCAMP

**OIL** Gal=CD  
 Ref= 11/99  
 Cum= 11.570  
 Rem= 8.746  
 EUR= 20.316  
 Yrs= 12.917  
 Q1= 126.6  
 De= 21.905  
 n= .980  
 Gab= 29.9

**WTR** Gal=CD  
 Ref= 11/99  
 Cum= 3.124

**GAS/OIL** Gal=CD  
 Ref= 11/99  
 Cum= .000  
 Rem= .000  
 EUR= .000  
 Yrs= 12.917  
 Q1= 4.4  
 De= .000  
 n= .000  
 Gab= 4.4

**GAS** Gal=CD  
 Ref= 11/99  
 Cum= 32.227  
 Rem= 38.187  
 EUR= 70.414  
 Yrs= 12.917  
 Q1= 0  
 De= .000  
 n= .000  
 Gab= .0



100      10000  
 1000000      10000  
 100000      1  
 10      1  
 10      1  
 100000      1  
 10000      1  
 1000      1  
 100      1  
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 100      1  
 10      1  
 1      1

DATE : 02/07/00  
 TIME : 13:41:33  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 44

I N P U T D A T A

C A L C U L A T E D D A T A

ITEM	SCHEDULING RATES	SCHEDULE UNTIL	PROCEDURE	ULTIMATE	LAST	EFF. DECL	INIT. RATE	FINAL RATE
405 START	11/99							
410 OIL	126.57	X	B/M	8.75	IMU	H/0.980	21.91	20.316
415 GAS/OIL	4.37	4.37	M/B	01/2097	AD	LN	TIME	12/96
420 WTR	42.05	X	B/M	2.34	IMU	H/0.995	26.56	2.340
425 START	08/96							
516 PRI/OIL	16.8800	X	\$/B	1/95	MM/YY	PC	.00	9/12
517 "	18.39	X	\$/B	1/96	AD	PC	.00	9/12
518 "	22.26	X	\$/B	1/97	AD	PC	.00	9/12
519 "	20.74	X	\$/B	1/98	AD	PC	.00	12/97
520 "	14.43	X	\$/B	1/99	AD	PC	.00	12/98
521 "	19.25	X	\$/B	1/2000	AD	PC	.00	12/99
522 "	24.94	X	\$/B	1/2001	AD	PC	.00	12/00
523 "	20.67	X	\$/B	1/2002	AD	PC	.00	12/01
524 "	19.20	X	\$/B	1/2003	AD	PC	.00	12/02
525 "	18.18	X	\$/B	1/2004	AD	PC	.00	12/03
526 "	18.13	X	\$/B	TO	LIFE	PC	.00	9/12
531 PRI/GAS	1.8900	X	\$/M	1/95	MM/YY	PC	.00	9/12
532 "	1.94	X	\$/M	1/96	AD	PC	.00	7/96
533 "	2.61	X	\$/M	1/97	AD	PC	.00	12/96
534 "	2.59	X	\$/M	1/98	AD	PC	.00	12/97
535 "	2.11	X	\$/M	1/99	AD	PC	.00	12/98
536 "	2.27	X	\$/M	1/2000	AD	PC	.00	12/99
537 "	2.60	X	\$/M	1/2001	AD	PC	.00	12/00
538 "	2.58	X	\$/M	1/2002	AD	PC	.00	12/01
539 "	2.57	X	\$/M	TO	LIFE	PC	.00	9/12
544 OPG/T	1190.00	X	\$/M	TO	LIFE	SCH	OPC	9/12
549 STX/OIL	7.08	X	\$	TO	LIFE	PC	.00	9/12
554 STX/GAS	7.93	X	\$	TO	LIFE	PC	.00	9/12
559 ATX	.17	X	\$	TO	LIFE	PC	.00	9/12
564 PRI/OIL	-.9100	-	\$.9100	TO	LIFE	PC	.00	9/12
569 PRI/GAS	-.1300	-	\$.1300	TO	LIFE	PC	.00	9/12
700 LSE/WI	100.0000	D	\$	TO	LIFE	PLAT	.00	9/12
701 OVN/WI	100.0000	D	\$	TO	LIFE	PLAT	.00	9/12
720 LSE/RIC	12.5000	D	\$	TO	LIFE	PLAT	.00	9/12
721 OVN/RI	.0000	D	\$	TO	LIFE	PLAT	.00	9/12
740 LSE/RIG	12.5000	D	\$	TO	LIFE	PLAT	.00	9/12
760 LSE/ORR	.0000	D	\$	TO	LIFE	PLAT	.00	9/12
761 OVN/ORR	.0000	D	\$	TO	LIFE	PLAT	.00	9/12



OVERLAYS	SCHEDULING RATES	SCHEDULE UNTIL	PROCEDURE	ULTIMATE	LAST	EFF. DECL	INIT. RATE	FINAL RATE
905 LOAD	P. OIL OIL #			11.655	2/00			
910 LOAD	P. GAS GAS #			32.842	2/00			
915 LOAD	P. WATER WTR #			3.124	2/00			

INVESTMENT	TANGIBLES & INTANGIBLES	TIME	PROCEDURE	TOTAL T&I	MONTH	RISK INV.	TOT. T&I&R	ESC. T&I&R
800 DRILL	330.00	08/96	AD	825.000	8/96		825.0	825.0
801 SALVAGE	-33.00	TO	LIFE	-33.000	9/12		-33.0	-33.0

RESERVE PARAMETERS	ITEM	ITEM
201 LOSS	NO	
205 CUMO, MB	11.57	CUMG, MMF 32.23
		CUML, MB

PROJECT ASSUMPTIONS

BASE DATE : 8/96 TIME FRAMES : 1\*5 38\*12 1\*600  
P.W. DATE : 8/96 PM %-AGE : 10.0 DISC. FREQUENCY : 365.  
REPORT DATE : 8/96 PROD QUAL : CD OWNER QUAL : CD OTHER QUAL : CD

RESERVES AND ECONOMICS  
 EFFECTIVE DATE: 8/96

PERIOD ENDING	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	12/04	12/05	TOTAL
OWNERSHIP											8.8 YR
1) WORKING INTEREST, \$	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
2) REVENUE INTEREST, \$	87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500	87,500

INVESTMENTS, M\$

3) BORROWED CAPITAL	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4) EQUITY INVESTMENTS	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	792.0
5) RISK	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) TOTAL	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	792.0

OIL PHASE

8) GROSS OIL, MB	2.4	3.7	3.3	2.1	1.2	1.1	.9	.8	.7	.3	16.5
9) NET OIL, MB	2.1	3.2	2.9	1.9	1.1	.9	.8	.7	.6	.2	14.4
10) OIL REVENUE, M\$	44.0	64.3	58.9	34.4	25.9	18.6	14.6	12.0	10.6	4.1	267.5
11) OIL PRICE, \$/B	21.35	19.83	13.52	18.34	24.03	19.76	18.29	17.27	17.22	17.22	18.54

GAS PHASE

12) GROSS GAS, MMF	2.6	10.2	9.5	9.2	6.0	4.7	4.0	3.5	3.1	1.2	53.9
13) NET GAS, MMF	2.3	9.0	8.3	8.1	5.2	4.1	3.5	3.0	2.7	1.0	47.2
14) GAS REVENUE, M\$	5.6	22.0	16.4	17.3	12.9	10.1	8.5	7.4	6.6	2.5	109.4
15) GAS PRICE, \$/MCF	2.480	2.460	1.980	2.140	2.470	2.450	2.440	2.440	2.440	2.440	2.318

WATER PHASE

16) GROSS WATER, MB	1.1	.8	.5	.6	.1	.0	.0	.0	.0	.0	3.1
17) NET WATER, MB	1.1	.8	.5	.6	.1	.0	.0	.0	.0	.0	3.1
18) WATER PRICE, \$/B	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000

ECONOMICS, M\$

19) GROSS REV. TO INTR.	49.6	86.3	55.3	51.7	38.8	28.7	23.2	19.4	17.1	6.6	376.8
20) - SEV. TAX	3.6	6.3	4.1	3.8	2.9	2.1	1.7	1.4	1.3	.5	27.6
22) - AD VALOREM TAX	.1	.1	.1	.1	.1	.0	.0	.0	.0	.0	.6
23) - OPERATING COSTS	6.0	14.3	14.3	14.3	14.3	14.3	14.3	14.3	14.3	6.0	126.1
24) - SMD	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
25) - CAPITAL REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
28) = NET INCOME	40.0	65.6	36.9	33.5	21.6	12.3	7.1	3.7	1.6	.1	222.5
29) - INVESTMENTS & RSK	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	792.0
30) = BITT NET	-785.0	65.6	36.9	33.5	21.6	12.3	7.1	3.7	1.6	33.1	-569.5

PRESENT WORTH @ 10.00 %

31) NET INCOME	39.2	59.9	30.5	25.1	14.6	7.5	4.0	1.8	.7	.1	183.3
32) INVESTMENTS & RISK	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	811.2
33) BITT NET	-785.8	59.9	30.5	25.1	14.6	7.5	4.0	1.8	.7	.0	-627.9
34) CUM BITT NET	-785.8	-725.9	-695.4	-670.4	-655.7	-648.2	-644.3	-642.4	-641.7	-627.9	-627.9

A F T E R T A X E C O N O M I C S

EFFECTIVE DATE: 8/96

8.8 YR

PERIOD ENDING	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	12/04	12/05	TOTAL
TAX TREATMENT OF INVESTMENTS, M\$											
1) EXP. RISK & CAP INT	495.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	495.0
2) DEPLETABLE	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
3) DEPRECIABLE	330.0	.0	.0	.0	.0	.0	.0	.0	.0	-33.0	297.0

TAX CALCULATIONS, M\$

4) GROSS REV. TO INTR.	49.6	86.3	55.3	51.7	38.8	28.7	23.2	19.4	17.1	6.6	376.8
5) - SEVERANCE TAX	3.6	6.3	4.1	3.8	2.9	2.1	1.7	1.4	1.3	.5	27.6
6) - WPT TAX NET	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) - OPR. COSTS & AITX	6.0	14.4	14.4	14.4	14.3	14.3	14.3	14.3	14.3	6.0	126.7
8) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
9) - OVERHEAD	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
10) - EXPENSED INV.	495.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	495.0
11) - DEPRECIATION	19.6	61.2	71.2	50.8	36.3	29.5	29.5	29.5	2.4	.0	330.0
12) = NET	-474.6	4.4	-34.3	-17.3	-14.7	-17.2	-22.3	-25.8	-9	.1	-602.5
13) - DEPLETION	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
14) - INTEREST PD & CAP	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
15) = TAXABLE	-474.6	4.4	-34.3	-17.3	-14.7	-17.2	-22.3	-25.8	-9	.1	-602.5
16) * TAX RATE, %	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0
17) - TAX CREDIT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
18) - WPT REFUND	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
19) = F.I.T.	-166.1	1.6	-12.0	-6.1	-5.1	-6.0	-7.8	-9.0	-3	.1	-210.9
20) REVENUE-SEV-WPT	46.1	80.0	51.3	47.9	36.0	26.6	21.5	18.0	15.9	6.1	349.2
21) - OPR. COSTS & AITX	6.0	14.4	14.4	14.4	14.3	14.3	14.3	14.3	14.3	6.0	126.7
22) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
23) - F.I.T.	-166.1	1.6	-12.0	-6.1	-5.1	-6.0	-7.8	-9.0	-3	.1	-210.9
24) = A.F.I.T.	206.1	64.0	48.9	39.6	26.8	18.3	15.0	12.7	1.9	.1	433.4
25) - LOAN REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) = NET INCOME	206.1	64.0	48.9	39.6	26.8	18.3	15.0	12.7	1.9	.1	433.4
28) - INVESTMENTS & RSK	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	792.0
29) = A.F.I.T. NET	-618.9	64.0	48.9	39.6	26.8	18.3	15.0	12.7	1.9	33.1	-358.6

PRESENT WORTH @ 10.00 %

30) NET INCOME	201.9	58.5	40.4	29.6	18.1	11.2	8.3	6.4	.8	.0	375.2
31) INVESTMENTS & RISK	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	-13.8
32) A.F.I.T. NET	-623.1	58.5	40.4	29.6	18.1	11.2	8.3	6.4	.8	.0	811.2
33) CUM. A.F.I.T. NET	-623.1	-564.6	-524.2	-494.6	-476.5	-465.4	-457.1	-450.7	-449.9	-436.1	-436.1

JAMES RANCH UNIT #73 WOLFPCAMP

DATE : 02/07/00  
TIME : 13:41:33  
DBS FILE : JRUPA  
SETUP FILE : CD  
SEQ NUMBER : 44

ECONOMIC INDICATORS

AS OF DATE: 8/96

B.F.I.T. A.F.I.T. A.F.I.T.  
WORTH WORTH BONUS  
M\$----- M\$----- M\$-----

PRESENT WORTH PROFILE AND  
RATE-OF-RETURN VS. BONUS TABLE

0.	-569.512	-358.633	-551.742
2.	-583.754	-377.357	-564.576
5.	-602.446	-402.080	-580.201
6.	-608.057	-409.537	-584.637
8.	-618.468	-423.418	-592.569
10.	-627.911	-436.062	-599.443
20.	-664.239	-485.244	-623.343
30.	-688.701	-518.947	-637.627
40.	-706.302	-543.606	-647.429
50.	-719.634	-562.631	-654.878
60.	-730.132	-577.929	-660.955
70.	-738.640	-590.632	-666.158
80.	-745.693	-601.446	-670.761
90.	-751.641	-610.838	-674.926
100.	-756.731	-619.124	-678.756

RATE OF RETURN, PCT.

.0

.0

UNDISCOUNTED PAYOUT, YRS.

8.83

8.83

DISCOUNTED PAYOUT, YRS.

8.83

8.83

UNDISCOUNTED NET/INVEST.

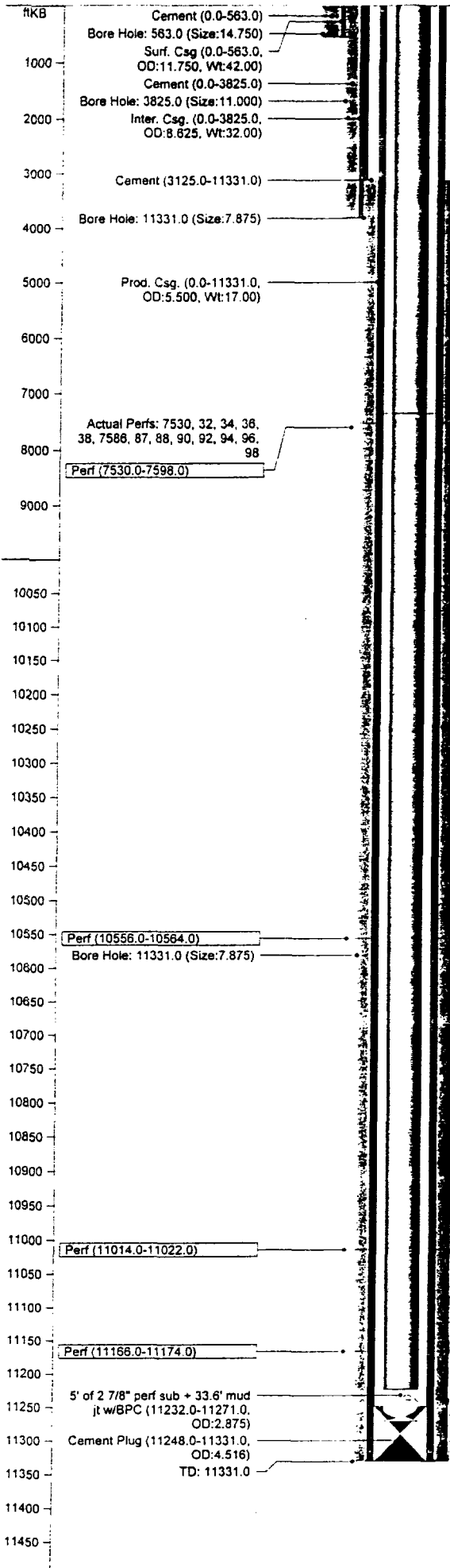
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DISCOUNTED NET/INVEST.

.23

.46



JAMES RANCH UNIT #73			
API No.	3001528979	Status	ACT OIL
TD	11331.0 ftKB	Engineer	CAA
PBTD	11248.0 ftKB		
Operator	BEPCO	Permit	
Well No.	73	Spud	6/29/96
ID Code		RR	7/16/96
Field	LOS MEDANOS	Completion	8/2/96
Author	RAS	Last Act.	
Date Updated	7/23/98	Abandoned	
Comments	Drilled by Enron		

Location			
Township	S023	Top Latitude	0
		Top Longitude	0
Range	E031	Top NS Distance	330.0 ft N
		Top EW Distance	1980.0 ft W
Section	6	Bottom Latitude	0
Unit Ltr.	C	Bottom Longitude	0
State	NEW MEXICO	Btm NS Distance	0.0 ft
County	EDDY	Btm EW Distance	0.0 ft

Elevations			
KB	3311.0 ft	Cas Flng	0.0 ft
Grd	3298.0 ft	Tub Head	0.0 ft
KB-Grd	13.0 ft		

Casing String - Surface Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID	Wt	Grd	Thd
11 3/4 in Surf. Csg.	0.0	563.0		11.084	42.00	H-40	STC

Casing String - Intermediate Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID	Wt	Grd	Thd
8 5/8 in Inter. Csg.	0.0	3825.0		7.921	32.00	J-55	STC

Casing String - Production Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID	Wt	Grd	Thd
5 1/2 in Prod. Csg.	0.0	1331.0		4.892	17.00	F95&P1	LTC

Casing Cement			
Casing String	Top (ftKB)	Amount (sx)	Comments
Surface Casing	0.0	310	
Intermediate Casing	0.0	1075	
Production Casing	3125.0	1000	TOC by Temp Survey

Tubing String - Primary Tubing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
2 7/8 in Tbg.	0.0	7357.0	224	2.441	6.50	N-80	8rd
5 1/2 in Baker TAC	7357.0	7360.0		2.875	0.00		
2 7/8 in Tbg.	7360.0	11223.0	121	2.441	6.50	N-80	8rd
2 7/8 in HF Mech. SN	11223.0	11224.0		0.000	0.00		

Other (plugs, equip., etc.) - Plug Back		
Date	Item	Int (ftKB)
7/16/96	Cement Plug	11248.0 - 11331.0

Perforations			
Date	Int	Shots (/ft)	Status
7/31/96	11166.0 - 11174.0	4.0	
9/18/96	11014.0 - 11022.0	4.0	
11/22/96	10556.0 - 10564.0	2.0	
12/7/96	7530.0 - 7598.0	1.0	

Stimulations & Treatments					
Date	Type	Interval	Fluid	Sand	Comments
8/1/96	Sand Frac	11166.0 - 11174.0			
9/24/96	Sand Frac	11014.0 - 11022.0			
12/8/96	Sand Frac	7530.0 - 7598.0			

Fish - FISH				
Date	Item	Int (ftKB)	OD (in)	Comment
9/10/98	5' of 2 7/8" perf sub + 33.6' mud jt w/BP&C	11232.0 - 11271.0	2 7/8	

## WELL HISTORY

**WELL NAME:** JAMES RANCH UNIT #73  
**FIELD NAME:** LOS MEDANOS  
**LOCATION:** 330' FNL, 1980' FWL, SEC 6, T23S, R31E, Unit C  
Eddy County, New Mexico  
**ELEV:** 3298' GL, 3311' KB  
**SPUD DATE:** 6/29/96, RR 7/16/96  
**COMP DATE:** 8/2/96  
**ORIG TD:** 11,331'  
**ORIG PBD:** 11,248'  
**CASING:** 11 3/4", H-40, 42#, STC CSA 563', Cmt w/310 sxs, circ. 14 3/4" hole 0-563'.  
8 5/8", J-55, 32#, STC CSA 3825', Cmt w/1075 sxs, circ. 11" hole 0-3825'.  
5 1/2", CF95 & P110, 17#, LTC CSA 11,331', cmt w/1000 sxs, 7 7/8" hole 0-11,331'.  
**TUBING:** 2 7/8", N-80, 6.5#, 8rd EUE  
**DST:** None  
**CORES & LOGS:** GR-DSN-SDL 300-11,324'  
GR-HRI-DFL 3800-11,331'.

### INITIAL COMPLETION

7/31/96 to 8/8/96 **PERF & FRAC 11,166-11174' (WOLFCAMP)**  
Tag PBD @ 11,248'. Run correlation log.  
7/31/96 **Perf:** 11,166-11,174' (Wolfcamp) w/4SPF, 0° phased. **Frac** w/56,000 gals Spectra Frac G 3000 & G3500, 242,000# 20/40 Ottawa sd + 48,000# 20/40 SB Ultra RCS. Flow back well to tank. RIH w/2 7/8" tbg. Swabbed well. Placed well on prod, flowing to battery.  
**IP** 8/10/96 F 92 BO, 73 MCFG, 50 BW on 28/64" ck.

### WORKOVER

8/22/96 Ran BHP test.

9/12/96 Ran RA tracer log.

### 9/17/96 to 10/25/96 **PERF & FRAC 11,014-11,022' (THIRD BONE SPRING)**

Set CIBP @ 11,130'.  
9/18/97 **Perf:** 11,014-11,022' (Third Bone Spring) w/4 JSPF, 60° phased. Ran CCL log. Do step rate test. **Frac** 11,014-11,022 w/45,000 gals Spectra Frac G-3000 & G-3500 + 264,000# 20/40 Ottawa Sd + 60,000# Acme 20/40 SB Ultra. Sl. Tag sand fill @ 8465'(2557' sand over perms). Washed sand from 8465' to 11,000'(perms @ 11,014-11,022), well started to flow. Flowed well down, circ hole clean to PBD CIPB @ 11,130'. Flowed and swabbed well. Left well flowing to tanks. Well died. Swabbed well. RIH w/tbg, rods & pump. Put well on pump.  
**AWO:** 10/26/96, 47 BO, 52 BLW + 101 MCF.

**Well History**  
**James Ranch Unit #73**

11/21/96 to 11/26/96 **PERF & ACIDIZE 10,556-10,564' (BONE SPRING)**

**Set CIBP @ 10,665'. Run CCL-CBL.**

11/22/96 **Perf 10,556-10,564' (Bone Sprin) w/2JSPF, 90o phased. Acidize w/1500 gals 20% HCl + 32 BS. BOP 5000 psi, 3 BPM, mas tp 5800 PSI, No ball action. Avg TP 5400 psi, avg rate 4.4 BPM. ISDP 4000 psi, 5 min 3850 psi, 10 min 3900 psi, 15 min 3850 psi. Swabbed and flowed well, recovered all load. RIH w/tbg, rods & pump. Place well on prod.**

**AWO: 11/29/96 P 30 BO, 12 BW & 56 MCF.**

12/6/96 to 12/19/96 **PERF & FRAC 7530, 32, 34, 36,38, 7586, 87, 88, 90, 92, 94, 96, 98'(DELAWARE).**

**Set CIBP @ 7550'.**

12/7/96 **Perf 7530, 32, 34, 36, 38, 38, 7586, 87, 88, 90, 92, 94, 96, 98 w/1SPF. Acid w/250 gals. 7 ½% Fercheck SC acid. Frac w/28,000 gals Delta Frac 25 + 15,000# of 20/40 brown sand + 24,000# 16/30 bronw sand w/0.5% prop wrap. Flowed & swabbed. RIH w/tbg, rods & pump. Place well on prod.**

**AWO: 12/24/96 111 BO, 156 BLW, 106 MCF.**

1/23/97 to 1/25/97 Fish tbg & CO sand. Return to production.

2/3/97 Rod job

2/20/97 to 2/28/97 **DO 3 CIBP'S & COMMINGLE ALL ZONES**

**DO CIBP @ 7816', CIBP @ 10,665, DO CIBP @ 11,130', Tag PBTD @ 11,248'. RIH w/tbg, rods & pump (SN @ 11062', EOT @ 11098').**

1/21/98 TO 2/2/98 **SHEAR TOOL FAILURE**

Found shear tool sheared, attempted to fish pump. Unable to catch fish. POH w/tbg. RIH w/tbg, pump & rods. Place well on prod.

8/28/98 TO 9/12/98 **FISH RODS & TBG. (FISH LEFT IN HOLE)**

Found well with horses head thrown off, wellhead assembly ruined and polished rod & liner bent. Attempt to fish rods, caught rods and while pulling on rods, busted rod hook and rods fell and caught on elevator @ rod stripper. Fished rods, recovered pump. POH w/tbg, found bottom x-over on TAC parted. Attempt to fish. Ran freepoint, unable to get below 10,600' due to corkscrewed tbg. Found tbg free @ 10,560'. Fished tbg, leaving 5' of 2 7/8" perf sub + 33.66' mud jt w/BP&C in hole as fish. Tagged top of fish @ 11,232'. RIH w/tbg, pump and rods. Place well on prod.

**DISTRICT II**  
 P. O. Drawer DD  
 Artesia, NM 88211-0719

**OIL CONSERVATION DIVISION**

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

Submit to the Appropriate  
 District Office  
 State Lease - 4 copies  
 Fee Lease - 3 copies

**DISTRICT III**  
 1000 Rio Brazos Rd.  
 Aztec, NM 87410

AMENDED REPORT

**DISTRICT IV**  
 P. O. Box 2088  
 Santa Fe, NM 87507-2088

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1 API Number		2 Pool Code 40295 40297 & 96336		3 Pool Name Los Medanos; Bone Spring, Delaware, Wolfcamp	
4 Property Code		5 Property Name JAMES RANCH UNIT			6 Well Number 73
7 OGRID No. 7377		8 Operator Name ENRON OIL & GAS COMPANY			9 Elevation 3313'

**" SURFACE LOCATION**

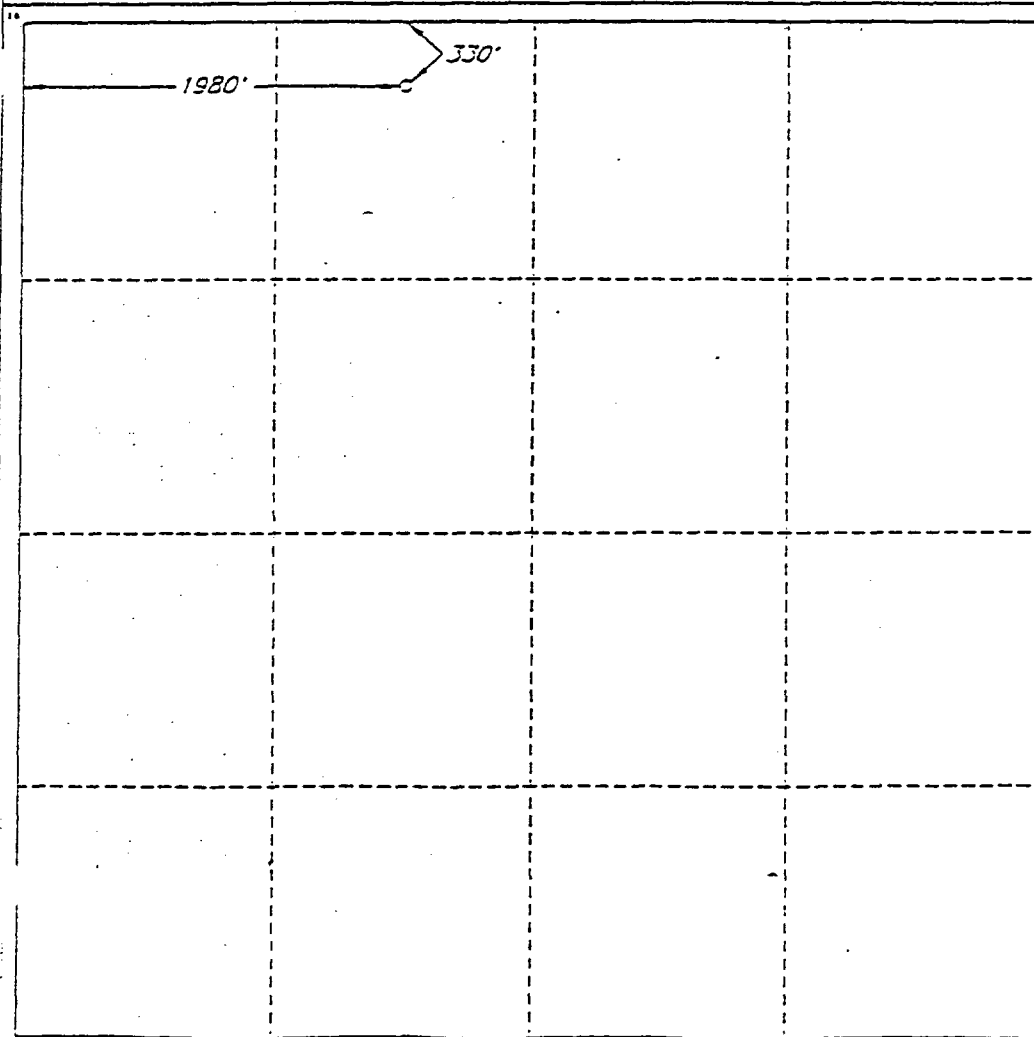
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
C	6	23 SOUTH	31 EAST, N.M.P.M.		330'	NORTH	1980'	WEST	EDDY

**"BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE**

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres 40	13 Joint or Infill	14 Consolidation Code	15 Order No.
--------------------------	--------------------	-----------------------	--------------

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



**OPERATOR CERTIFICATION**

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature  
*Betty Gildon*  
 Printed Name  
 Betty Gildon  
 Title  
 Regulatory Analyst  
 Date  
 2/20/96

**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  
 FEBRUARY 6, 1996  
 Signature  
 Professional Surveyor  
  
 Certificate No.  
 V. L. Sezner #7920  
 JOB # 3087-43-01 / V.H.B.



**CONFIDENTIAL**

UNITED STATES  
DEPARTMENT OF THE INTERIOR

OPERATOR'S COPY

FORM APPROVED  
OMB NO. 1004-0187  
Expires: February 28, 1993

RECEIVED

NM 02887-D

WELL COMPLETION OR RECOMPLETION REPORT AND LOG \*

1. TYPE OF WELL:  OIL WELL  GAS WELL  DRY  OTHER 15 15 15 15

2. TYPE OF COMPLETION:  KEY SEAM  WORK OVER  DRIFT  FLOOR SAFETY  DIFF. GRAVITY  OTHER 15

3. NAME OF OPERATOR: Enron Oil & Gas Company

4. ADDRESS AND TELEPHONE NO.: P. O. Box 2267, Midland, Texas 79702 (915) 686-3714

5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements):  
At surface: 330' FNL & 1980' FWL  
At top prod. interval reported below: 330' FNL & 1980' FWL  
At total depth: 330' FNL & 1980' FWL

14. PERMIT NO.: - DATE ISSUED: 4-23-96

15. DATE STUDDED: 6-29-96 16. DATE T.D. REACHED: 7-14-96 17. DATE COMPL. (Ready to prod.): 7-30-96 18. ELEVATIONS (SP, AKA, ST, CR, ETC.): 3313' GR 19. ELEV. CASINGHEAD: 8313'

20. TOTAL FEET, MD & TVD: 11331 21. FLUG. BACK T.D. MD & TVD: 11248 22. IF MULTIPLE COMPLET. HOW MANY? - 23. INTERVALS DRILLED BY: - ROTARY TOOLS: X CABLE TOOLS: -

24. PRODUCING INTERVAL(S) OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD): 11166-11174 (Wolfcamp) 25. WAS DIRECTIONAL SURVEY MADE: No

26. TYPE ELECTRIC AND OTHER LOGS RUN: GR-HRI-DFL, GR-DSN-SDL 27. WAS WELL COILED: No

CASING RECORD (Report all strings set in well)

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
1-3/4 H-40 ST&C	40.6	563	17-1/2	310 sv Prem	Circulated
8-5/8 J-55 ST&C	32	3825	12-1/4	1075 sv Prem Plus	Circulated
5-7/8 CF-95 & P-110 LT&C	17	11331	7-7/8	1000 sv Prem 50/50 poz	TCC 3125

LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	BACKS CEMENT*	SCREEN (MD)

TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
2-7/8	11102	

31. INFORMATION RECORD (Interval, size and number)

11166-11174 (.40" 33)

32. ACID SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
<u>11166-11174</u>	<u>3639 gals linear gel, 1000 gals 7-1/2% HCl, 38,556 gals SFG 3000, 39,480 gals SFG 3500, 241,750# 20/40 Ottawa &amp; 48 000# 20/40 SB</u>

33. PRODUCTION

DATE FIRST PRODUCTION: 7-31-96 PRODUCTION METHOD (Flowing, gas lift, pumping-unit and type of pump): Flowing WELL STATUS (Producing or Shut-in): Producing

DATE OF TEST: 8/10/96 HOURS TESTED: 24 CHOKE SIZE: 28/64 PROD'N. FOR TEST PERIOD: 97 OIL—GAL.: 73 GAS—SCF.: 50 WATER—GAL.: 793 GAS-OIL RATIO: 39.8

FLOW, TEMPERATURE, CASING PRESSURE, CALCULATED 24-HOUR RATE: 80 1450 ACCEPTED FOR RECORD 39.8

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.): Sold TEST WITHHELD BY: -

35. LIST OF ATTACHMENTS: LOGS AUG 25 1996

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records:  
Betty Gildon Betty Gildon Regulatory Analyst DATE 8/16/96

(See Instructions and Space for Additional Data on Reverse Side)

Title 15 U.S.C. Section 1001, makes 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.

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; core intervals; and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries):

38. GEOLOGIC MARKERS

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	TOP	
				NAME	MEAS. DEPTH
Delaware	0	3485	Anhydrite, Salt	Delaware Bone Spring Wolfcamp	3915
	3485	3954	Lime, Anhydrite		7748
	3954	5488	Sand		11100
	5488	6725	Sand, Lime		
Delaware & Bone Springs	6725	7682	Limestone, Shale, Sand		
	7682	9104	Lime, Shale		
Wolfcamp	9104	9734	Shale		
	9734	11110	Lime, Shale		
	11110	11331	Shale		

**WORKSHEET FOR COMMERCIAL DETERMINATION  
AND PARTICIPATING AREA IN FEDERAL UNITS**

**WELL DATA**

WELL JAMES RANCH UNIT # 76 FORMATIC DELAWARE  
 LOCATION E UNIT, 1900 FEET FROM NORTH LINE & 360 FEET FROM WEST LINE  
 SECTION 6 TOWNSHIP 23S, RANGE 31E, COUNTY EDDY, NEW MEXICO  
 SPUD DATE 9/29/96 COMPLETION DATE 12/4/96 INITIAL PRODUCTION 2/22/97  
 PERFORATIONS 7492, 94, 96, 98, 7500, 44, 46, 48, 50, 52, 54' & 7654, 56, 58, 59, 60

STIMULATION:

**ACID** 1500 GALS 15% HCL + 30 BS\

**FRACTURE** 33,000 GALS SPECTRA FRAC G-3000 + 77,000# 16/30 BRADY SAND  
+ 18,000# 16/30 SUPER LC RCS.

POTENTIAL 2/27/97 111 BO + 206 BW + 130 MCFG

(Attach Copy of C-105. Attach Copy of Wellbore Sketch of Completed Well.)

**VOLUMETRIC CALCULATION**

	SANDS PERFORATED	SANDS NOT PERFORATED BUT POTENTIALLY PRODUCTIVE
Area (A) proration unit size, acres	<u>40</u>	<u>40</u>
Porosity (por), %	<u>12.0%</u>	<u>15.0%</u>
Water saturation (Sw), %	<u>60%</u>	<u>63%</u>
Net Thickness (h), ft.	<u>50</u>	<u>70</u>
Temperature (T), Fahrenheit	<u>120</u>	<u>120</u>
Bottom Hole pressure (P), psia	<u>3,319</u>	<u>3,160</u>
Recovery factor (RF), %	<u>16%</u>	<u>10%</u>
Recoverable oil, Bbls *(See eq. below)	<u>79,442</u>	<u>80,373</u>

\*Sometimes unable to match performance due to volumetric uncertainty.

Formula =  $(7758) (A) (h) (por) (1-Sw) (1/Boi) (RF)$

Boi = 1.50

**PERFORMANCE DATA**

(If sufficient history exists, attach plot of oil production rate v time.)

CUMULATIVE PRODUCTION TO	<u>11/30/99 ;</u>	<u>15,133</u>	BBLs
	PRODUCING		BEHIND PIPE
INITIAL RATE (qi)	<u>302</u>		<u>3,770</u>
ECONOMIC LIMIT (ql)	<u>60</u>		<u>60</u>
DECLINE RATE, dy (Hyperbolic, n=.995)	<u>21.07%</u>		<u>88.47%</u>
REMAINING OIL (Q) =	<u>16,367</u>		<u>68,000</u>
ULTIMATE RECOVERABLE OIL	<u>99,500</u>		

(Attach plot showing proration unit and participating area.)

**ECONOMIC**

WELL COST \$ 570,000 (to the depth of formation completed)  
 RECOMPLETION COST \$ 65,000 (5/2000)  
 TOTAL COST \$ 635,000

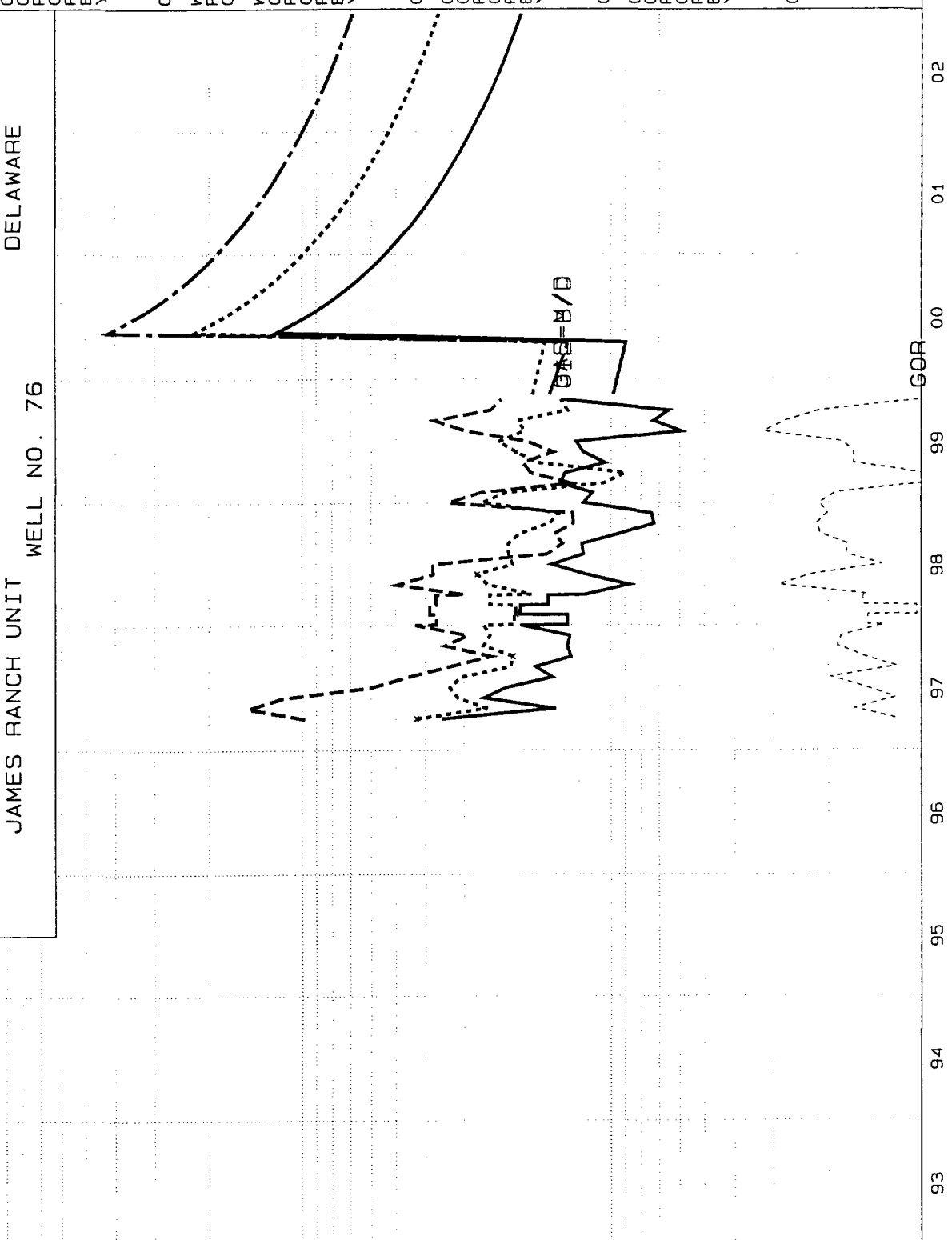
YEAR	GROSS OIL	REVENUE	OPERATING COST	10% NET BFIT DISCOUNTED CASH FLOW
ZERO	<u>0</u>	<u>0</u>	<u>0</u>	<u>-570,000</u>
1	<u>5,900</u>	<u>121,100</u>	<u>34,600</u>	<u>83,000</u>
2	<u>5,200</u>	<u>75,500</u>	<u>31,000</u>	<u>39,000</u>
3	<u>3,800</u>	<u>73,800</u>	<u>28,500</u>	<u>35,900</u>
4	<u>21,100</u>	<u>526,100</u>	<u>63,700</u>	<u>331,500</u>
5	<u>14,100</u>	<u>299,400</u>	<u>45,300</u>	<u>164,800</u>
6	<u>8,500</u>	<u>170,300</u>	<u>34,200</u>	<u>79,900</u>
7	<u>6,100</u>	<u>117,000</u>	<u>29,600</u>	<u>46,400</u>
8	<u>4,800</u>	<u>91,200</u>	<u>27,200</u>	<u>30,700</u>
9	<u>3,900</u>	<u>74,800</u>	<u>25,800</u>	<u>21,300</u>
10	<u>3,300</u>	<u>63,500</u>	<u>24,800</u>	<u>15,200</u>
REMAINDER	<u>22,700</u>	<u>431,800</u>	<u>284,700</u>	<u>40,100</u>

**WELL IS ~~NOT~~ COMMERCIAL**

*per K. Adams  
2/2/00*

JAMES RANCH UNIT WELL NO. 76 DELAWARE

**OIL=CD**  
 Ref= 11/99  
 Cum= 15.133  
 Rem= 92.434  
 EUR= 107.567  
 Yrs= 28.080  
 Q1= 302.1  
 De= 21.071  
 n= .995  
 Qab= 60.8  
  
**WTR-B/D**  
 Ref= 11/99  
 Cum= 41.002  
  
**WTR**  
 Ref= 11/99  
 Cum= .000  
 Rem= 320.233  
 EUR= 320.233  
 Yrs= 28.080  
 Q1= .0  
 De= .000  
 n= .000  
 Qab= .0  
  
**GAS/OIL**  
 Ref= 11/99  
 Cum= .000  
 Rem= .000  
 EUR= .000  
 Yrs= 23.082  
 Q1= 1.8  
 De= .000  
 n= .000  
 Qab= 1.9  
  
**GAS**  
 Ref= 11/99  
 Cum= 23.822  
 Rem= 163.588  
 EUR= 187.410  
 Yrs= 23.082  
 Q1= .0  
 De= .000  
 n= .000  
 Qab= .0



ITEM		SCHEDULING RATES		SCHEDULE UNITS		PROCEDURE		ULTIMATE		CALCULATED DATA	
ITEM				SCHEDULE UNITS		PROCEDURE		LAST	EFF. DECL	INIT. RATE	FINAL RATE
405	START	11/99									
410	OIL	302.14	X	B/M	05/2000 AD	H/0.995	21.07	4/00	21.07	302.	270.
415	"	4015.00	X	B/M	07/2019 AD	H/0.995	88.47	6/19	88.47	4015.	93.
420	"	93.39	X	B/M	7.61 IMU	EXP	5.00	11/27	5.00	93.	61.
425	START	11/99									
430	GAS/OIL	1.84		M/B	12/2022 AD	LOG	TIME				
435	START	11/99									
440	WTR/OIL	1.62	X	U/B	05/2000 AD	EXP	10.11	4/00	10.11	1.624	1.540
445	"	3.50		U/B	TO	LIFE	TIME	11/27			
450	START	03/97									
516	PRI/OIL	16.8800	X	\$/B	1/95	MM/YY	.00	11/27		16.880	
517	"	18.39	X	\$/B	1/96	AD	.00	11/27		18.390	
518	"	22.26	X	\$/B	1/97	AD	.00	11/27		22.260	
519	"	20.74	X	\$/B	1/98	AD	.00	12/97		20.740	20.740
520	"	14.43	X	\$/B	1/99	AD	.00	12/98		14.430	14.430
521	"	19.25	X	\$/B	1/2000	AD	.00	12/99		19.250	19.250
522	"	24.94	X	\$/B	1/2001	AD	.00	12/00		24.940	24.940
523	"	20.67	X	\$/B	1/2002	AD	.00	12/01		20.670	20.670
524	"	19.20	X	\$/B	1/2003	AD	.00	12/02		19.200	19.200
525	"	18.18	X	\$/B	1/2004	AD	.00	12/03		18.180	18.180
526	"	18.13	X	\$/B	TO	LIFE	.00	11/27		18.130	18.130
531	PRI/GAS	1.8900	X	\$/M	1/95	MM/YY	.00	11/27		1.890	
532	"	1.94	X	\$/M	1/96	AD	.00	2/97		1.940	
533	"	2.61	X	\$/M	1/97	AD	.00	2/97		2.610	
534	"	2.59	X	\$/M	1/98	AD	.00	12/97		2.590	2.590
535	"	2.11	X	\$/M	1/99	AD	.00	12/98		2.110	2.110
536	"	2.27	X	\$/M	1/2000	AD	.00	12/99		2.270	2.270
537	"	2.60	X	\$/M	1/2001	AD	.00	12/00		2.600	2.600
538	"	2.58	X	\$/M	1/2002	AD	.00	12/01		2.580	2.580
539	"	2.57	X	\$/M	TO	LIFE	.00	11/27		2.570	2.570
544	PRI/WTR	.5000		\$/U	1/2000	AD	.00	2/97		.500	.500
545	"	.08	X	\$/U	TO	LIFE	.00	2/97		.080	
550	OPC/T	1600.00	X	\$/M	TO	LIFE	OPC	11/27		1600.000	1600.000
555	STX/OIL	7.08	X	\$	TO	LIFE	.00	11/27		.071	.071
560	STX/GAS	7.93	X	\$	TO	LIFE	.00	11/27		.079	.079
565	ATX	.17	X	\$	TO	LIFE	.00	11/27		.002	.002
570	PRI/OIL	-.9100		\$/B	TO	LIFE	.00	11/27		-.910	18.130
575	PRI/GAS	-.1300		\$/M	TO	LIFE	.00	11/27		-.130	2.570
700	LSE/WT	100.0000	D	\$	TO	LIFE	FLAT	11/27		1.000	1.000

NO	OWN/RI	100.0000	D	%	TO	LIFE	FLAT	.00	11/27	1.000	1.000
720	LSE/RIC	12.5000	D	%	TO	LIFE	FLAT	.00	11/27	.125	.125
721	OWN/RI	.0000	D	%	TO	LIFE	FLAT	.00	11/27		
740	LSE/RIG	12.5000	D	%	TO	LIFE	FLAT	.00	11/27	.125	.125
760	LSE/ORR	.0000	D	%	TO	LIFE	FLAT	.00	11/27		
761	OWN/ORR	.0000	D	%	TO	LIFE	FLAT	.00	11/27		

OVERLAYS	SCHEDULING RATES	SCHEDULE UNTIL	PROCEDURE	ULTIMATE	LAST	EFF. DECL	INIT. RATE	FINAL RATE
905 LOAD	P.OIL OIL #			15.561	2/00			
910 LOAD	P.GAS GAS #			24.260	2/00			
915 LOAD	P.WATER WTR #			41.002	2/00			

INVESTMENT	TANGIBLES & INTANGIBLES	TIME	PROCEDURE	TOTAL TEL	MONTH	RISK INV.	TOT. TEL&R	ESC. TEL&R
800 DRILL	240.00	03/97	AD	570.000	3/97	.	570.0	570.0
801 WORKOVER	.00	5/2000	AD	65.000	5/0	.	65.0	65.0
802 SALVAGE	-24.00		LIFE	-24.000	11/27	.	-24.0	-24.0

RESERVE PARAMETERS	ITEM	ITEM
201 LOSS NO		
205 CUMQ, MB	15.13	CUMQ, MB
210 LOSS NO		

PROJECT ASSUMPTIONS

BASE DATE : 3/97 TIME FRAMES : 1\*10 38\*12 1\*600

P.W. DATE : 3/97 PW %-AGE : 10.0 DISC. FREQUENCY : 365.

REPORT DATE : 3/97 PROD QUAL : CD OWNER QUAL : CD OTHER QUAL : CD

RESERVES AND ECONOMICS  
 EFFECTIVE DATE: 3/97

PERIOD ENDING	12/97	12/98	12/99	12/00	12/01	12/02	12/03	12/04	12/05	12/06	S TOT	AFTER	TOTAL
OWNERSHIP													22.7 YR
1) WORKING INTEREST, %	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000
2) REVENUE INTEREST, %	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500

INVESTMENTS, M\$

3) BORROWED CAPITAL	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4) EQUITY INVESTMENTS	570.0	.0	.0	65.0	.0	.0	.0	.0	.0	.0	.0	.0	635.0
5) RISK	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) TOTAL	570.0	.0	.0	65.0	.0	.0	.0	.0	.0	.0	.0	.0	635.0

OIL PHASE

8) GROSS OIL, MB	5.9	5.2	3.8	21.1	14.1	8.5	6.1	4.8	3.9	3.3	76.8	22.7	99.5
9) NET OIL, MB	5.2	4.6	3.3	18.4	12.3	7.5	5.4	4.2	3.4	2.9	67.2	19.8	87.1
10) OIL REVENUE, M\$	102.5	61.6	61.3	442.9	243.7	136.6	92.8	72.3	59.3	50.3	1323.2	341.5	1664.7
11) OIL PRICE, \$/B	19.83	13.52	18.34	24.03	19.76	18.29	17.27	17.22	17.22	17.22	17.22	17.22	19.12

GAS PHASE

12) GROSS GAS, MMF	8.7	8.1	6.7	38.5	26.0	15.8	11.3	8.9	7.3	6.2	137.3	42.3	179.6
13) NET GAS, MMF	7.6	7.1	5.8	33.7	22.7	13.8	9.9	7.8	6.4	5.4	120.1	37.0	157.2
14) GAS REVENUE, M\$	18.6	14.0	12.5	83.2	55.7	33.6	24.2	18.9	15.6	13.2	289.5	90.3	379.9
15) GAS PRICE, \$/MCF	2.460	1.980	2.140	2.470	2.450	2.440	2.440	2.440	2.440	2.440	2.410	2.440	2.417

WATER PHASE

16) GROSS WATER, MB	19.4	12.4	7.7	71.0	49.3	29.9	21.5	16.8	13.8	11.7	253.5	79.3	332.9
17) NET WATER, MB	19.4	12.4	7.7	71.0	49.3	29.9	21.5	16.8	13.8	11.7	253.5	79.3	332.9
18) WATER PRICE, \$/B	.500	.500	.500	.080	.080	.080	.080	.080	.080	.080	.146	.080	.130

ECONOMICS, M\$

19) GROSS REV. TO INTR.	121.1*	75.5	73.8	526.1	299.4	170.3	117.0	91.2	74.8	63.5	1612.7	431.8	2044.5
20) - SEV. TAX	8.7	5.5	5.3	38.0	21.7	12.3	8.5	6.6	5.4	4.6	116.6	31.3	148.0
22) - AD VALOREM TAX	.2	.1	.1	.8	.5	.3	.2	.1	.1	.1	2.5	.7	3.2
23) - OPERATING COSTS	16.0	19.2	19.2	19.2	19.2	19.2	19.2	19.2	19.2	19.2	188.8	246.4	435.2
24) - SMD	9.7	6.2	3.9	5.7	3.9	2.4	1.7	1.3	1.1	.9	36.9	6.3	43.2
25) - CAPITAL REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
28) = NET INCOME	86.5*	44.5	45.3	462.4	254.1	136.1	87.4	63.9	49.0	38.6	1267.8	147.1	1414.9
29) - INVESTMENTS & RSK	570.0	.0	.0	65.0	.0	.0	.0	.0	.0	.0	635.0	-24.0	611.0
30) = BIT NET	-483.5	44.5	45.3	397.4	254.1	136.1	87.4	63.9	49.0	38.6	632.8	171.1	803.9

PRESENT WORTH @ 10.00 %

31) NET INCOME	83.0	39.0	35.9	331.5	164.8	79.9	46.4	30.7	21.3	15.2	847.6	40.1	887.7
32) INVESTMENTS & RISK	570.0	.0	.0	47.4	.0	.0	.0	.0	.0	.0	617.4	-2.5	614.9
33) BIT NET	-487.0	39.0	35.9	284.1	164.8	79.9	46.4	30.7	21.3	15.2	230.3	42.6	272.8
34) CUM BIT NET	-487.0	-448.0	-412.1	-128.0	36.8	116.7	163.1	193.8	215.1	230.3	230.3	272.8	272.8



A F T E R T A X E C O N O M I C S

DATE : 02/08/00  
 TIME : 08:17:32  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 51

EFFECTIVE DATE: 3/97

22.7 YR

PERIOD ENDING	12/97	12/98	12/99	12/00	12/01	12/02	12/03	12/04	12/05	12/06	S TOT	AFTER	TOTAL
TAX TREATMENT OF INVESTMENTS, M\$													
1) EXP, RISK & CAP INT	330.0	.0	.0	65.0	.0	.0	.0	.0	.0	.0	395.0	.0	395.0
2) DEPLETABLE	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
3) DEPRECIABLE	240.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	240.0	-24.0	216.0

TAX CALCULATIONS, M\$

4) GROSS REV. TO INTR.	121.1	75.5	73.8	526.1	299.4	170.3	117.0	91.2	74.8	63.5	1612.7	431.8	2044.5
5) - SEVERANCE TAX	8.7	5.5	5.3	38.0	21.7	12.3	8.5	6.6	5.4	4.6	116.6	31.3	148.0
6) - WPT TAX NET	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) - OPR, COSTS & ATX	25.9	25.5	23.2	25.7	23.6	21.9	21.1	20.7	20.4	20.2	228.2	253.4	481.7
8) - NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
9) - OVERHEAD	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
10) - EXPENSED INV.	330.0	.0	.0	65.0	.0	.0	.0	.0	.0	.0	395.0	.0	395.0
11) - DEPRECIATION	28.6	54.7	44.8	32.0	22.9	21.4	21.4	14.3	9.0	.0	240.0	.0	240.0
12) = NET	-272.1	-10.1	.5	365.4	231.2	114.6	66.0	49.6	49.0	38.6	632.8	147.1	779.9
13) - DEPLETION	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
14) - INTEREST PD & CAP	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
15) = TAXABLE	-272.1	-10.1	.5	365.4	231.2	114.6	66.0	49.6	49.0	38.6	632.8	147.1	779.9
16) * TAX RATE, %	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0
17) - TAX CREDIT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
18) - WPT REFUND	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
19) = F.I.T.	-95.2	-3.6	.2	127.9	80.9	40.1	23.1	17.4	17.1	13.5	221.5	51.5	273.0
20) REVENUE-SEV-WPT	112.4	70.1	68.5	488.1	277.7	157.9	108.5	84.6	69.4	58.9	1496.0	400.5	1896.5
21) - OPR, COSTS & ATX	25.9	25.5	23.2	25.7	23.6	21.9	21.1	20.7	20.4	20.2	228.2	253.4	481.7
22) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
23) - F.I.T.	-95.2	-3.6	.2	127.9	80.9	40.1	23.1	17.4	17.1	13.5	221.5	51.5	273.0
24) = A.F.I.T.	181.7	48.1	45.1	334.5	173.2	95.9	64.3	46.5	31.8	25.1	1046.3	95.6	1141.9
25) - LOAN REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) = NET INCOME	181.7	48.1	45.1	334.5	173.2	95.9	64.3	46.5	31.8	25.1	1046.3	95.6	1141.9
28) - INVESTMENTS & RSK	570.0	.0	.0	65.0	.0	.0	.0	.0	.0	.0	635.0	-24.0	611.0
29) = A.F.I.T. NET	-388.3	48.1	45.1	269.5	173.2	95.9	64.3	46.5	31.8	25.1	411.3	119.6	530.9

PRESENT WORTH @ 10.00 %

30) NET INCOME	174.3	42.1	35.7	239.8	112.3	56.3	34.2	22.4	13.8	9.9	740.9	26.0	766.9
31) INVESTMENTS & RISK	570.0	.0	.0	47.4	.0	.0	.0	.0	.0	.0	617.4	-2.5	614.9
32) A.F.I.T. NET	-395.7	42.1	35.7	192.4	112.3	56.3	34.2	22.4	13.8	9.9	123.5	28.5	152.0
33) CUM. A.F.I.T. NET	-395.7	-353.5	-317.8	-125.4	-13.1	43.3	77.4	99.8	113.6	123.5	123.5	152.0	152.0

JRU #76 DELAWARE  
 PREPARED BY: KENT ADAMS

DATE : 02/08/00  
 TIME : 08:17:32  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 51

E C O N O M I C I N D I C A T O R S

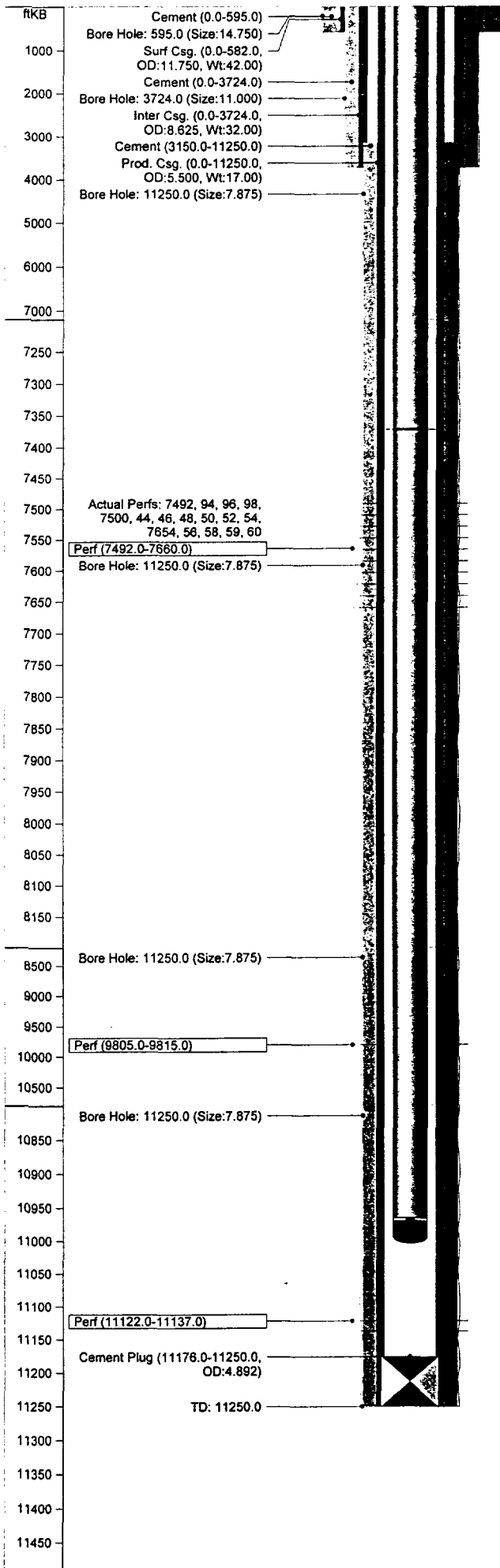
AS OF DATE: 3/97

B.F.I.T. A.F.I.T. A.F.I.T.  
 WORTH WORTH BONDS  
 M\$----- M\$----- M\$-----

PRESENT WORTH PROFILE AND  
 RATE-OF-RETURN VS. BONUS TABLE

0.	803.867	530.914	816.790
2.	662.974	430.234	620.922
5.	489.870	306.839	412.959
6.	440.289	271.512	358.746
8.	350.982	207.841	266.094
10.	272.850	152.049	189.674
20.	-3.882	-47.192	-54.261
30.	-167.932	-167.776	-184.937
40.	-272.035	-246.288	-264.747
50.	-340.995	-299.915	-317.222
60.	-388.140	-337.940	-353.546
70.	-421.222	-365.790	-379.742
80.	-444.984	-386.801	-399.312
90.	-462.432	-403.099	-414.401
100.	-475.524	-416.076	-426.376

RATE OF RETURN, PCT.	19.9	17.6
UNDISCOUNTED PAYOUT, YRS.	3.82	3.98
DISCOUNTED PAYOUT, YRS.	4.61	5.07
UNDISCOUNTED NET/INVEST.	2.32	1.87
DISCOUNTED NET/INVEST.	1.44	1.25



JAMES RANCH UNIT #76			
API No.	3001529173	Status	ACT OIL
TD	11250.0 ftKB	Engineer	GTL
PBTD	11176.0 ftKB		
Operator	BEPCO	Permit	
Well No.	76	Spud	9/29/96
ID Code		RR	10/15/96
Field	LOS MEDANOS	Completion	10/23/96
Author	RAS	Last Act.	
Date Updated	1/9/97	Abandoned	
Comments	Drilled by Enron		

Location			
Township	S023	Top Latitude	0
		Top Longitude	0
Range	E031	Top NS Distance	1900.0 ft N
		Top EW Distance	360.0 ft W
Section	6	Bottom Latitude	0
Unit Ltr.	E	Bottom Longitude	0
State	NEW MEXICO	Btm NS Distance	0.0 ft
County	EDDY	Btm EW Distance	0.0 ft

Elevations			
KB	3311.0 ft	Cas Flng	0.0 ft
Grd	3299.0 ft	Tub Head	0.0 ft
KB-Grd	12.0 ft		

Casing String - Surface Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
11 3/4 in Surf Csg.	0.0	582.0		11.084	42.00	H-40	

Casing String - Intermediate Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
8 5/8 in Inter Csg.	0.0	3724.0		7.921	32.00	J-55	

Casing String - Production Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
5 1/2 in Prod. Csg.	0.0	1250.0		4.892	17.00	-95&P1	

Casing Cement			
Casing String	Top (ftKB)	Amount (sx)	Comments
Surface Casing	0.0	310	
Intermediate Casing	0.0	375	
Production Casing	3150.0	1360	TOC by Temp Sur.

Tubing String - Primary Tubing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
2 7/8 in Tbg.	0.0	7371.0	234	2.441	6.50	L-80	8rd
4 57/64 in TAC	7371.0	7374.0		2.875	0.00		
2 7/8 in Tbg.	7374.0	10965.0	114	2.441	6.50	L-80	8rd
2 7/8 in SN	10965.0	10966.0		0.000	0.00		
2 7/8 in PS	10966.0	10970.0		0.000	0.00		
2 7/8 in MA	10970.0	11005.0		2.441	6.50	L-80	8rd

Other (plugs, equip., etc.) - Plug Back		
Date	Item	Int (ftKB)
10/15/96	Cement Plug	11176.0 - 11250.0

Perforations			
Date	Int	Shots (/ft)	Status
10/24/96	11122.0 - 11137.0	4.0	
11/22/96	9805.0 - 9815.0	4.0	
12/4/96	7492.0 - 7660.0	0.1	

Stimulations & Treatments					
Date	Type	Interval	Fluid	Sand	Comments
10/26/96	Sand Frac	11122.0 - 11137.0			
12/18/96	Sand Frac	9805.0 - 9815.0			
2/20/97	Sand Frac	7492.0 - 7660.0			

## WELL HISTORY

**WELL NAME:** JAMES RANCH UNIT #76  
**FIELD NAME:** LOS MEDANOS  
**LOCATION:** 1900' FNL & 360' FWL, Sec. 6, T23S, R31E, Unit E  
Eddy County, New Mexico  
**ELEV:** 3299' GL, 3311' KB  
**SPUD DATE:** 9/29/96, RR 10/15/96  
**COMP DATE:** 10/23/96  
**ORIG TD:** 11,250'  
**ORIG PBTB:** 11,176'  
**CASING:** 11 3/4", H-40, 42#, CSA 582', cmt. w/310 sxs, cmt circ. 14 3/4" hole 0-595'.  
8 5/8", J-55, 32#, CSA 3724, cmt. w/975 sxs, cmt circ. 11' hole 595-3727'.  
5 1/2", CF95 & P-110, 17#, CSA 11,250', cmt w/1360 sxs, TOC 3150' by temp sur.  
7 7/8" hole 3724-11,250'.  
**TUBING:** 2 7/8", L-80, 6.5#, 8rd  
**DST:** None  
**CORES & LOGS:** DIGL-GR 10/13/96 3700-11,239'  
SDL-DSN 10/13/96 200-11,239'

### INITIAL COMPLETION

10/24/96 TO 10-25/96 **PERF & FRAC 11,122-11,137 (WOLFCAMP)**  
Ran correlation log, tagged PBTB @ 11,176'.  
10/24/96 **Perf 11,122-11,137'**, 4 JSPF-0° phased. **Frac 11,122-11,137'** w/61,000  
gals. Medallion frac 3000 w/151,000#, 16/30 Ac-Frac Black sand.  
Flowed well. Turn to battery.  
**IP:** 10/29/96 F 81 BO, 162 MCF, 27 BW on 16/64" ck.

### WORKOVER:

11/20/96 TO 12/19/96 **PERF & FRAC 9805-15' (SECOND BONE SPRING) & PERF 7492-7660' (OA) (DELAWARE)**.  
Ran flowing BHP. **Set CIPB @ 10,000'**. Ran CCL-CBL.  
11/22/96 **Perf 9805-15'** w/4 JSPF, 90° phased (Second Bone Spring) . **Acidized**  
9805-15' w/1500 gals FE acid + 60 BS. Pumped @ 4.2 BPM w/3600  
psig. Balled out @ 6300 psig. ATP 3800# @ 5 BPM. ISIP 2600 psig,  
5 min 2600 psig, 10 min 2610 psig, 15 min 2625 psig. Flowed &  
swabbed well. CIBP leaking. Kill well, set **2<sup>nd</sup> CIBP @ 9994'** w/10'  
cmt on top. Swab well..  
12/4/96 **Set CIPB @ 7800'**. **Perf 7492, 94, 96, 98, 7500, 44, 46, 48, 50, 52,**  
**54, 7654, 56, 58, 59, 60'** w/1JSPF (Delaware). **Acidized** same w/1500  
gals 15% HCL + 30 BS. Balled off @ 5400 psig. Flowed back well.  
**DO CIPB @ 7800'**, TIH to 9930'. Set Baker pkr @ 9621'. **Frac 9805-**  
**15'** w/9,000 gals Spectra Frac G-4000 + 57,000# 20/40 Ottawa sand..  
Flow back well, turned to battery.  
**AWO:** 12/22/96 F 22 BO, 52 MCF, 6 BLW.

Well History  
James Ranch Unit #76  
Page 2 of 2

WORKOVER

1/14/97 to 1/17/97

Rel. Pkr @ 9621'. Ran rods & pump, set PU. Placed well on pump.

2/18/97 to 2/22/97 **FRAC 7492-7660' (DELAWARE)**

**Set CIPB @ 8000' w/10' cmt on top. Frac 7492-7660' w/33,000 gals Spectra Frac G-3000 + 77,000# 16/30 Brady sand + 18,000# 16/30 Super LC RCS. Swabbed & flowed well back. Tagged sand fill @ 7778' KB (Delaware perfs @ 7492-7660') Ran rods & pump, placed well on production.**

**AWO: 3/10/97 68 BO, 80 MCF, 97 BW.**

4/10/97 to 4/16/97 **DO CIPB's & COMMINGLE ALL ZONES**

**DO CIPB @ 8,000', DO CIPB @ 9994' & 10,000'. Well flowing Wolfcamp gas, would not die. CO to PBSD @ 11,175. Kill well w/50 bbls produced wtr. Run tbg, rods & pump. Placed well on prod.**

**AWO: 4/19/97 53 BO, 98 MCF, 100 BW.**

DISTRICT II  
 P. O. Drawer DD  
 Artesia, NM 88211-0719

**OIL CONSERVATION DIVISION**  
 P. O. Box 2088  
 Santa Fe, New Mexico 87504-2088

Submit to the Appropriate  
 District Office  
 State Lease - 4 copies  
 Fee Lease - 3 copies

DISTRICT III  
 1000 Rio Brazos Rd.  
 Aztec, NM 87410

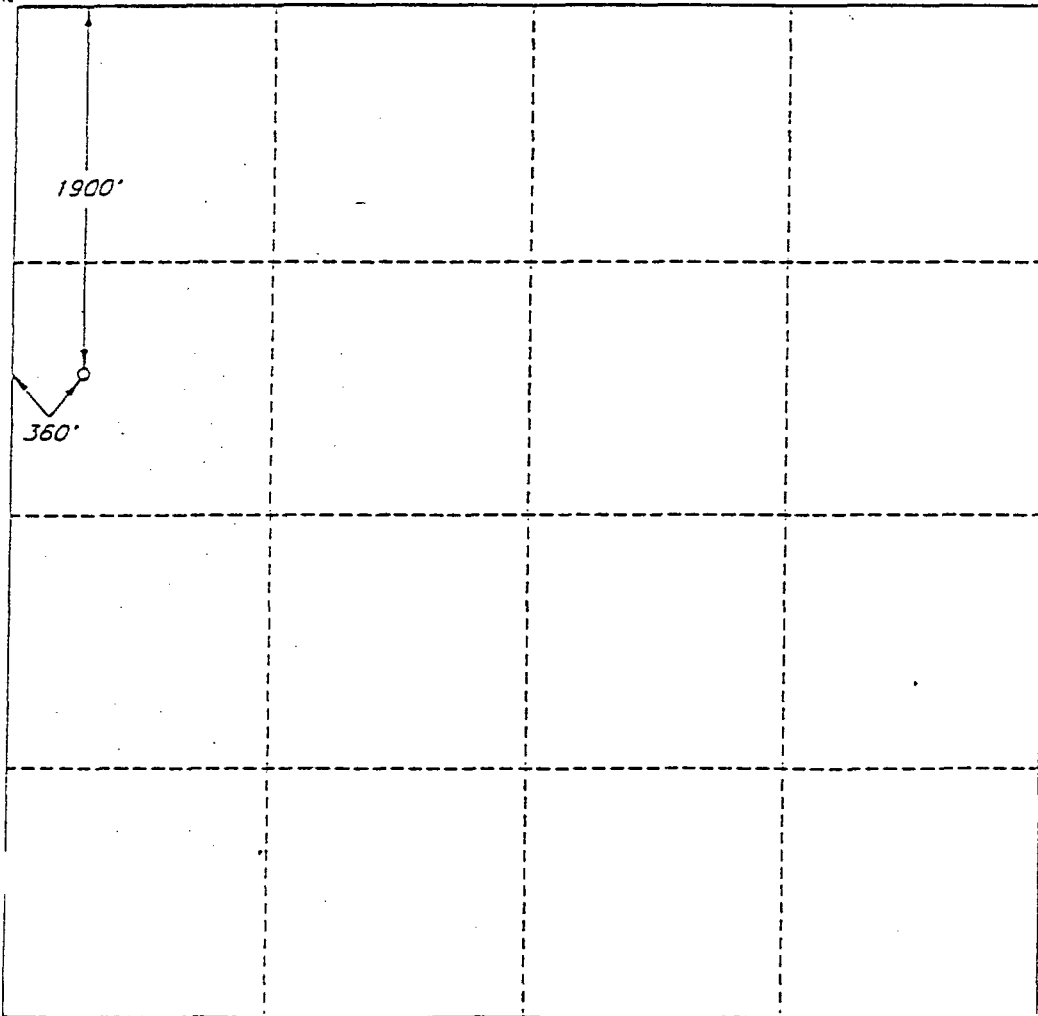
AMENDED REPORT

DISTRICT IV  
 P. O. Box 2088  
 Santa Fe, NM 87507-2088

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1 API Number		2 Pool Code 50470 40295 & 96336		3 Pool Name Quahada Ridge (Delaware), Los Medanos (Bone Spring) & South Los Medanos (Wolfcamp)					
4 Property Code		5 Property Name JAMES RANCH UNIT						6 Well Number 76	
7 OGRID No. 7377		8 Operator Name ENRON OIL & GAS COMPANY						9 Elevation 3298'	
10 SURFACE LOCATION									
UL or lot no. E	Section 6	Township 23 SOUTH	Range 31 EAST, N.M.P.M.	Lot Ida	Feet from the 1900'	North/South line NORTH	Feet from the 360'	East/West line WEST	County EDDY
11 BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE									
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedicated Acres 40		13 Joint or Infill		14 Consolidation Code		15 Order No.			

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



**OPERATOR CERTIFICATION**

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature  
*Betty Gildon*

Printed Name  
 Betty Gildon

Title  
 Regulatory Analyst

Date  
 7/12/06

**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  
 JULY 1, 1998

Signature and Seal of Professional Surveyor  
  
 L. LYNN BEZNER  
 NO. 7920

Certification No.  
 V. L. BEZNER, P.S. #7920

Form 3150-7  
(July 1992)

**UNITED STATES DEPARTMENT OF THE INTERIOR**  
**BUREAU OF LAND MANAGEMENT**

SUBMIT IN DUPLICATE

FORM APPROVED  
OMIE NO. 1004-0157  
Expires: February 25, 1995

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG**

1. TYPE OF WELL:  OIL WELL  GAS WELL  DRY  Other \_\_\_\_\_

2. TYPE OF COMPLETION:  NEW WELL  WORK OVER  REPAIR  PLUG BACK  DIFF. RESVR.  Other \_\_\_\_\_

3. NAME OF OPERATOR: **Enron Oil & Gas Company**

4. ADDRESS AND TELEPHONE NO.: **P.O. Box 2257 Midland, TX 79702** **915/686-3714**

5. LOCATION OF WELL: **1900' FNL & 350' FNL**  
At surface: Same  
At top prod. interval: Same  
At base: Same

6. LEASE DESIGNATION AND SERIAL NO.: **NM 028870**

7. UNIT AGREEMENT NAME: \_\_\_\_\_

8. FARM OR LEASE NAME, WELL NO.: **James Ranch Unit 76**

9. API WELL NO.: **30 015 29173**

10. FIELD AND POOL OR WILDCAT: **South Los Medanos (Wolfcamp)**

11. SEC., T., R., NE. OR BLK. AND SURVEY OR AREA: **Sec 6, T23S, R31E**

12. PERMIT NO.: \_\_\_\_\_ DATE ISSUED: **9/9/96**

13. COUNTY OR PARISH: **Eddy** 14. STATE: **New Mexico**

15. DATE SPUN: **9/29/96** 16. DATE REACHED: **10/12/96** 17. DATE COMPL. (Ready to prod.): **10/23/96**

18. ELEVATIONS (DP, AKD, RT, GR, ETC.): **3299' GR** 19. ELEV. CASINGHEAD: **3299'**

20. TOTAL DEPTH LOG & TVD: **11250** 21. IF MULTIPLE COMPL. HOW MANY?: \_\_\_\_\_

22. PRODUCING INTERVALS OF THIS COMPLETION: **11122 - 11137 (Wolfcamp)**

23. TYPE ELECTRIC AND OTHER LOGS RUN: **TLL, SOL-DSH**

24. WAS DIRECTIONAL SURVEY MADE: **No**

25. WAS WELL CORED: **No**

**CASING RECORD (Report all strings set in well)**

CASING SIZE/GRADE	WEIGHT (LBS/FT)	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
14-3/4" K-40	42	1582'	14-3/4"	310 sx PP "C"	Circulated
8-5/8" J-55	32	3724'	11"	800 sx 50/50 Poz A & 175 PP	Circulated
7-1/2" CP-95	27	11250'	7-7/8"	385 Prem & 975 Prem 50/50 doz	TCC 3150' TS

**LINER RECORD**      **TUBING RECORD**

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					None		

1. PERFORATION RECORD (Interval, Log and Number): **11122 to 11137 (.35" 50)**

2. ACTD. SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
11122 to 11137	61,000 gals Medallion frac 3000 w/151,000# 16/30 AC Frac Black

3. PRODUCTION

DATE FIRST PRODUCTION: **10/25/96** METHOD: **Flowing** WELL STATUS: **Producing**

DATE OF TEST	CHOKER SIZE	PROD'N. FOR TEST PERIOD	OIL - BBL	GAS - MCF	WATER - BBL	GAS - OIL RATIO
10/29/96	24		81	162	27	

FLOW, TUBING FEET	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL - BBL	GAS - MCF	WATER - BBL	OIL GRAVITY - API (CORR.)
	340					38.5

4. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.): **None**

TEST WITNESSED BY: \_\_\_\_\_

5. LIST OF ATTACHMENTS: **LOGS**

6. SIGNATURE: *Randy Wilson* TITLE: **Regulatory Analyst** DATE: **11/14/96**

*(See instructions and spaces for additional data on reverse side)*

Bureau of Land Management, U.S. Department of the Interior

**WORKSHEET FOR COMMERCIAL DETERMINATION  
AND PARTICIPATING AREA IN FEDERAL UNITS**

**WELL DATA**

WELL \_\_\_\_\_ JAMES RANCH UNIT #76 \_\_\_\_\_ FORMATION \_\_\_\_\_ BONE SPRING \_\_\_\_\_  
 LOCATION \_\_\_\_\_ E \_\_\_\_\_ UNIT, \_\_\_\_\_ 1900 FEET FROM \_\_\_\_\_ NORTH LINE & \_\_\_\_\_ 360 FEET FROM \_\_\_\_\_ WEST LINE  
 SECTION \_\_\_\_\_ 6 \_\_\_\_\_ TOWNSHIP \_\_\_\_\_ 23S \_\_\_\_\_, RANGE \_\_\_\_\_ 31E \_\_\_\_\_, COUNTY \_\_\_\_\_ EDDY \_\_\_\_\_, NEW MEXICO  
 SPUD DATE \_\_\_\_\_ 9/29/96 \_\_\_\_\_ COMPLETION DATE \_\_\_\_\_ 11/25/96 \_\_\_\_\_ INITIAL PRODUCTION \_\_\_\_\_ 12/19/96  
 PERFORATIONS \_\_\_\_\_ 9805-15' \_\_\_\_\_

STIMULATION:

**ACID** \_\_\_\_\_ 9805-15', 1500 GALS FE ACID + 60 BS \_\_\_\_\_

**FRACTURE** \_\_\_\_\_ 9805-15' 9,000 GALS SPECTRA FRAC + 57, 000# 20/40 OTTAWA SAND \_\_\_\_\_

POTENTIAL \_\_\_\_\_ 2-2-97 14 BOPD, 7 BWPD, 42 MCFPD \_\_\_\_\_

(Attach Copy of C-105. Attach Copy of Wellbore Sketch of Completed Well.)

**VOLUMETRIC CALCULATION**

	SANDS PERFORATED	SANDS NOT PERFORATED BUT POTENTIALLY PRODUCTIVE
Area (A) proration unit size, acres	40	
Porosity (por), %	12.0%	
Water saturation (Sw), %	50%	
Net Thickness (h), ft.	7	
Temperature (T), Fahrenheit	170	
Bottom Hole pressure (P), psia	5,297	
Recovery factor (RF), %	17%	
Recoverable oil, Bbls *(See eq. below)	15,826	

Sometimes unable to match performance due to volumetric uncertainty.

Formula = (7758) (A) (h) (por) (1-Sw) (1/Boi) (RF)

Boi = 1.40



**PERFORMANCE DATA**

(If sufficient history exists, attach plot of oil production rate v time.)

CUMULATIVE PRODUCTION TO	<u>11/1/99</u>	<u>7332</u>	BBLs
INITIAL RATE (qi)		<u>135</u>	
ECONOMIC LIMIT (qi)		<u>30</u>	
DECLINE RATE, dy		<u>Hyperbolic d = 21.08% n = .98</u>	
REMAINING OIL (Q) =		<u>5368</u>	
ULTIMATE RECOVERABLE OIL		<u>12700</u>	

(Attach plat showing proration unit and participating area.)

**ECONOMIC**

WELL COST \$ 825,000 (to the depth of formation completed)

RECOMPLETION COST \$ \_\_\_\_\_

TOTAL COST \$ 825,000

YEAR	GROSS OIL	REVENUE	OPERATING COST	10% NET BFIT DISCOUNTED CASH FLOW
ZERO	<u>0</u>	<u>0</u>	<u>0</u>	<u>-825,000</u>
1	<u>300</u>	<u>8,100</u>	<u>1,800</u>	<u>6,300</u>
2	<u>2,900</u>	<u>71,400</u>	<u>19,600</u>	<u>48,900</u>
3	<u>2,300</u>	<u>42,200</u>	<u>17,500</u>	<u>21,200</u>
4	<u>1,700</u>	<u>40,500</u>	<u>17,400</u>	<u>17,900</u>
5	<u>1,400</u>	<u>40,200</u>	<u>17,300</u>	<u>16,000</u>
6	<u>1,200</u>	<u>28,300</u>	<u>16,400</u>	<u>7,500</u>
7	<u>1,000</u>	<u>22,900</u>	<u>16,000</u>	<u>3,900</u>
8	<u>900</u>	<u>19,200</u>	<u>15,700</u>	<u>1,800</u>
9	<u>800</u>	<u>16,900</u>	<u>15,500</u>	<u>700</u>
10	<u>200</u>	<u>5,200</u>	<u>5,200</u>	<u>0</u>
REMAINDER	_____	_____	_____	_____

**WELL IS NOT COMMERCIAL**

JAMES RANCH UNIT

WELL NO. 76

BONE SPRING

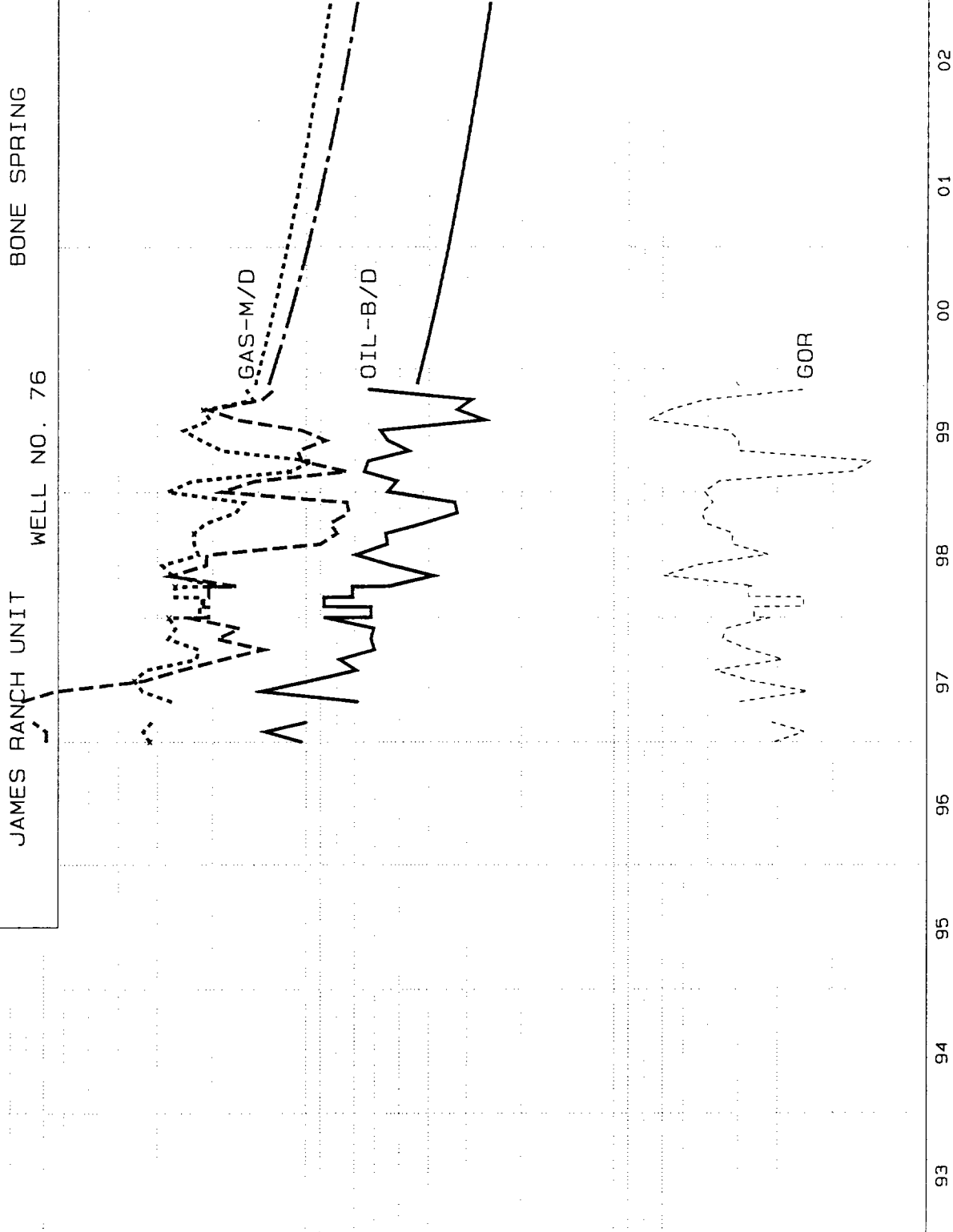
OIL = CD  
 Gal = 11/99  
 Ref = 7.332  
 Cum = 10.108  
 Rem = 17.440  
 EUR = 14.583  
 Yrs = 134.6  
 G1 = 21.081  
 De = .980  
 n = 29.9  
 Gab =

WTR-B/D  
 Ref = 11/99  
 Cum = 2.748

WTR  
 Gal = CD  
 Ref = 11/99  
 Cum = .000  
 Rem = 2.277  
 EUR = 10.250  
 Yrs = 40.6  
 G1 = 25.852  
 De = .995  
 n = 10.0  
 Gab =

GAS/OIL  
 Gal = CD  
 Ref = 11/99  
 Cum = .000  
 Rem = .000  
 EUR = 14.583  
 Yrs = 3.3  
 G1 = .000  
 De = .000  
 n = 3.3  
 Gab =

GAS  
 Gal = CD  
 Ref = 11/99  
 Cum = 26.830  
 Rem = 33.569  
 EUR = 60.399  
 Yrs = 14.583  
 G1 = .000  
 De = .000  
 n = .000  
 Gab =



DATE 93 94 95 96 97 98 99 00 01 02

DATE : 02/07/00  
 TIME : 13:43:52  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 49

ITEM	SCHEDULING RATES	INPUT DATA		PROCEDURE	ULTIMATE	LAST	EFF. DECL	INIT. RATE	FINAL RATE		
		SCHEDULE UNTIL	TIME								
405 START	11/99										
410 OIL	134.56	X	B/M	10.11 IMU	H/0.980	21.08	17.440	5/14	21.08	135.	30.
415 GAS/OIL	3.32	3.32	M/B	01/2097 AD	LN	TIME		12/96			
420 WTR	40.62	X	B/M	2.28 IMU	H/0.995	25.85	2.277	1/10	25.85	41.	10.
425 START	12/96										
516 PRI/OIL	16.8800	X	\$/B	1/95	PC	.00		5/14		16.880	
517 "	18.39	X	\$/B	1/96	AD	.00		5/14		18.390	
518 "	22.26	X	\$/B	1/97	PC	.00		5/14		22.260	
519 "	20.74	X	\$/B	1/98	AD	.00		12/97		20.740	
520 "	14.43	X	\$/B	1/99	AD	.00		12/98		14.430	
521 "	19.25	X	\$/B	1/2000	AD	.00		12/99		19.250	
522 "	24.94	X	\$/B	1/2001	AD	.00		12/00		24.940	
523 "	20.67	X	\$/B	1/2002	AD	.00		12/01		20.670	
524 "	19.20	X	\$/B	1/2003	AD	.00		12/02		19.200	
525 "	18.18	X	\$/B	1/2004	AD	.00		12/03		18.180	
526 "	18.13	X	\$/B	TO	PC	.00		5/14		18.130	18.130
531 PRI/GAS	1.8900	X	\$/M	1/95	PC	.00		5/14		1.890	
532 "	1.94	X	\$/M	1/96	AD	.00		11/96		1.940	
533 "	2.61	X	\$/M	1/97	AD	.00		12/96		2.610	
534 "	2.59	X	\$/M	1/98	AD	.00		12/97		2.590	
535 "	2.11	X	\$/M	1/99	AD	.00		12/98		2.110	
536 "	2.27	X	\$/M	1/2000	AD	.00		12/99		2.270	
537 "	2.60	X	\$/M	1/2001	AD	.00		12/00		2.600	
538 "	2.58	X	\$/M	1/2002	AD	.00		12/01		2.580	
539 "	2.57	X	\$/M	TO	PC	.00		5/14		2.570	2.570
544 OPC/T	1190.00	X	\$/M	TO	SCH	OPC		5/14		1190.000	1190.000
549 STX/OIL	7.08	X	\$	TO	PC	.00		5/14		.071	.071
554 STX/GAS	7.93	X	\$	TO	PC	.00		5/14		.079	.079
559 ATX	.17	X	\$	TO	PC	.00		5/14		.002	.002
564 PRI/OIL	-.9100	-	\$/B	TO	PC	.00		5/14		-.910	18.130
569 PRI/GAS	-.1300	-	\$/M	TO	PC	.00		5/14		-.130	2.570
700 LSE/MI	100.0000	D	\$	TO	PLAT	.00		5/14		1.000	1.000
701 OMN/MI	100.0000	D	\$	TO	PLAT	.00		5/14		1.000	1.000
720 LSE/RIC	12.5000	D	\$	TO	PLAT	.00		5/14		.125	.125
721 OMN/RI	.0000	D	\$	TO	PLAT	.00		5/14			
740 LSE/RIG	12.5000	D	\$	TO	PLAT	.00		5/14		.125	.125
760 LSE/ORR	.0000	D	\$	TO	PLAT	.00		5/14			
761 OMN/ORR	.0000	D	\$	TO	PLAT	.00		5/14			

OVERLAYS	SCHEDULING RATES	SCHEDULE UNTIL	PROCEDURE	ULTIMATE	LAST	EFF. DECL	INIT. RATE	FINAL RATE
905 LOAD	P.OIL OIL #			7.522	2/00			
910 LOAD	P.GAS GAS #			27.297	2/00			
915 LOAD	P.WATER WTR #			2.748	2/00			

INVESTMENT	TANGIBLES & INTANGIBLES	TIME	PROCEDURE	TOTAL T&I	MONTH	RISK INV.	TOT. T&I&R	ESC. T&I&R
800 DRILL	330.00	12/96	AD	825.000	12/96	.	825.0	825.0
801 SALVAGE	-33.00	.00 MSG	LIFE	-33.000	5/14	.	-33.0	-33.0

RESERVE PARAMETERS	NO	ITEM	ITEM
201 LOSS	7.33	CUMG, MMF	CUML, MB
205 CUMO, MB		26.83	

PROJECT ASSUMPTIONS

BASE DATE : 12/96 TIME FRAMES : 1\*1 38\*12 1\*600

P.W. DATE : 12/96 PW & AGE : 10.0 DISC. FREQUENCY : 365.

REPORT DATE : 12/96 PROD QUAL : CD OWNER QUAL : CD OTHER QUAL : CD



A F T E R T A X E C O N O M I C S

EFFECTIVE DATE: 12/96

8 - 4 YR

PERIOD ENDING	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	12/04	12/05	TOTAL
TAX TREATMENT OF INVESTMENTS, M\$											
1) EXP, RISK & CAP INT	495.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	495.0
2) DEPLETABLE	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
3) DEPRECIABLE	330.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	330.0
TAX CALCULATIONS, M\$											
4) GROSS REV. TO INTR.	8.1	71.4	42.2	40.5	40.2	28.3	22.9	19.2	16.9	5.2	295.0
5) - SEVERANCE TAX	.6	5.2	3.1	3.0	2.9	2.1	1.7	1.4	1.2	.4	21.6
6) - WPT TAX NET	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) - OPR. COSTS & ATX	1.2	14.4	14.3	14.3	14.3	14.3	14.3	14.3	14.3	4.8	120.7
8) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
9) - OVERHEAD	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
10) - EXPENSED INV.	495.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	495.0
11) - DEPRECIATION	3.9	49.9	78.9	56.3	40.2	29.5	29.5	29.5	12.3	.0	330.0
12) = NET	-492.6	1.9	-54.1	-33.1	-17.3	-17.6	-22.6	-26.0	-10.9	-1.1	-672.3
13) - DEPLETION	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
14) - INTEREST PD & CAP	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
15) = TAXABLE	-492.6	1.9	-54.1	-33.1	-17.3	-17.6	-22.6	-26.0	-10.9	-1.1	-672.3
16) * TAX RATE, %	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0
17) - TAX CREDIT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
18) - WPT REFUND	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
19) = F.I.T.	-172.4	.6	-18.9	-11.6	-6.1	-6.1	-7.9	-9.1	-3.8	.0	-235.3
20) REVENUE-SEV-WPT	7.5	66.2	39.1	37.6	37.3	26.2	21.2	17.7	15.7	4.9	273.3
21) - OPR. COSTS & ATX	1.2	14.4	14.3	14.3	14.3	14.3	14.3	14.3	14.3	4.8	120.7
22) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
23) - F.I.T.	-172.4	.6	-18.9	-11.6	-6.1	-6.1	-7.9	-9.1	-3.8	.0	-235.3
24) = A.F.I.T.	178.7	51.1	43.7	34.8	29.0	18.1	14.8	12.5	5.2	.1	388.0
25) - LOAN REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) = NET INCOME	178.7	51.1	43.7	34.8	29.0	18.1	14.8	12.5	5.2	.1	388.0
28) - INVESTMENTS & RSK	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0
29) = A.F.I.T. NET	-646.3	51.1	43.7	34.8	29.0	18.1	14.8	12.5	5.2	33.1	-404.0
PRESENT WORTH @ 10.00 %											
30) NET INCOME	178.0	48.3	37.3	26.9	20.3	11.4	8.5	6.5	2.4	.0	339.6
31) INVESTMENTS & RISK	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	810.7
32) A.F.I.T. NET	-647.0	48.3	37.3	26.9	20.3	11.4	8.5	6.5	2.4	14.4	-471.1
33) CUM. A.F.I.T. NET	-647.0	-598.8	-561.4	-534.5	-514.3	-502.9	-494.4	-487.9	-485.5	-471.1	-471.1

JAMES RANCH # 76 BONE SPRING

DATE : 02/07/00  
TIME : 13:43:52  
DBS FILE : JRUPA  
SETUP FILE : CD  
SEQ NUMBER : 49

E C O N O M I C I N D I C A T O R S

AS OF DATE: 12/96

B.F.I.T.            A.F.I.T.            A.F.I.T.  
WORTH            WORTH            BONUS  
M\$-----        M\$-----        M\$-----

PRESENT WORTH PROFILE AND  
RATE-OF-RETURN VS. BONUS TABLE

0.	-639.333	-404.016	-621.563
2.	-650.927	-420.369	-626.860
5.	-666.061	-441.853	-632.989
6.	-670.581	-448.302	-634.654
8.	-678.933	-460.261	-637.537
10.	-686.465	-471.094	-639.927
20.	-714.918	-512.452	-647.283
30.	-733.417	-539.706	-650.849
40.	-746.280	-558.795	-652.965
50.	-755.739	-572.882	-654.473
60.	-763.011	-583.733	-655.696
70.	-768.797	-592.385	-656.763
80.	-773.526	-599.477	-657.731
90.	-777.473	-605.423	-658.630
100.	-780.824	-610.500	-659.477

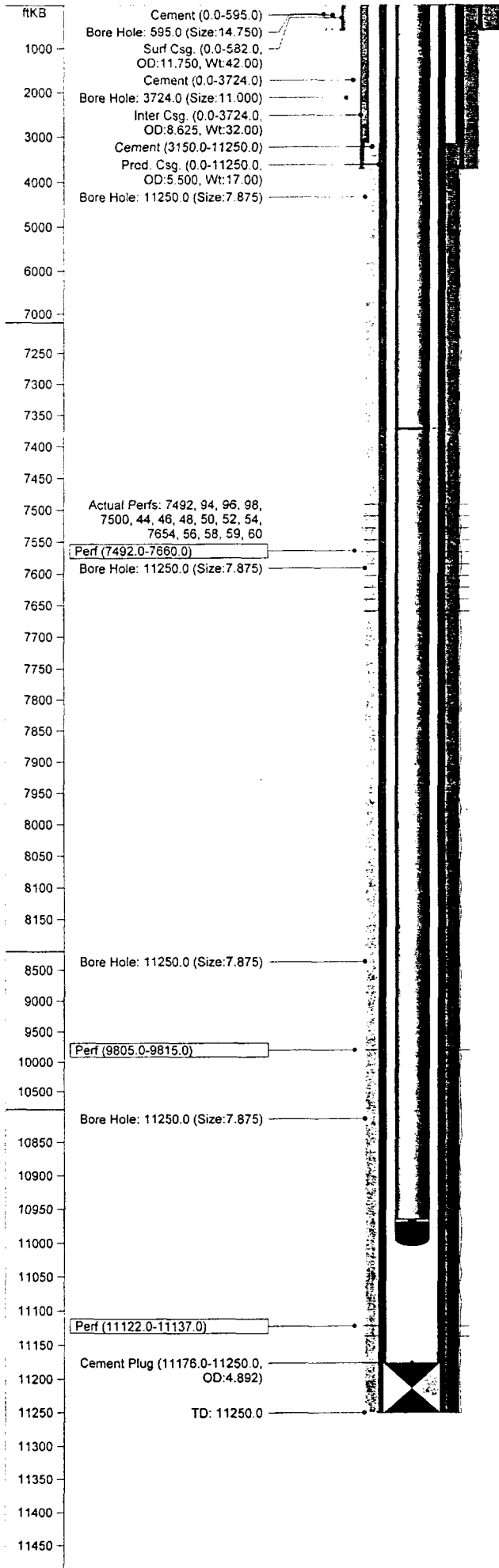
RATE OF RETURN, PCT.            .0            .0

UNDISCOUNTED PAYOUT, YRS.        8.42            8.42

DISCOUNTED PAYOUT, YRS.        8.42            8.42

UNDISCOUNTED NET/INVEST.        .19            .49

DISCOUNTED NET/INVEST.        .15            .42



**JAMES RANCH UNIT #76**

API No.	3001529173	Status	ACT OIL
TD	11250.0 ftKB	Engineer	CAA
PBTD	11176.0 ftKB		
Operator	BEPCO	Permit	
Well No.	76	Spud	9/29/96
ID Code		RR	10/15/96
Field	LOS MEDANOS	Completion	10/23/96
Author	RAS	Last Act.	
Date Updated	1/9/97	Abandoned	
Comments	Drilled by Enron		

**Location**

Township	S023	Top Latitude	0
		Top Longitude	0
Range	E031	Top NS Distance	1900.0 ft N
		Top EW Distance	360.0 ft W
Section	6	Bottom Latitude	0
Unit Ltr.	E	Bottom Longitude	0
State	NEW MEXICO	Btm NS Distance	0.0 ft
County	EDDY	Btm EW Distance	0.0 ft

**Elevations**

KB	3311.0 ft	Cas Flng	0.0 ft
Grd	3299.0 ft	Tub Head	0.0 ft
KB-Grd	12.0 ft		

**Casing String - Surface Casing**

Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
11 3/4 in Surf Csg.	0.0	582.0		11.084	42.00	H-40	

**Casing String - Intermediate Casing**

Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
8 5/8 in Inter Csg.	0.0	3724.0		7.921	32.00	J-55	

**Casing String - Production Casing**

Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
5 1/2 in Prod. Csg.	0.0	1250.0		4.892	17.00	F95&P1	

**Casing Cement**

Casing String	Top (ftKB)	Amount (sx)	Comments
Surface Casing	0.0	310	
Intermediate Casing	0.0	375	
Production Casing	3150.0	1360	TOC by Temp Sur.

**Tubing String - Primary Tubing**

Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt	Grd	Thd
2 7/8 in Tbg.	0.0	7371.0	234	2.441	6.50	L-80	8rd
4 57/64 in TAC	7371.0	7374.0		2.875	0.00		
2 7/8 in Tbg.	7374.0	10965.0	114	2.441	6.50	L-80	8rd
2 7/8 in SN	10965.0	10966.0		0.000	0.00		
2 7/8 in PS	10966.0	10970.0		0.000	0.00		
2 7/8 in MA	10970.0	11005.0		2.441	6.50	L-80	8rd

**Other (plugs, equip., etc.) - Plug Back**

Date	Item	Int (ftKB)
10/15/96	Cement Plug	11176.0 - 11250.0

**Perforations**

Date	Int	Shots (/ft)	Status
10/24/96	11122.0 - 11137.0	4.0	
11/22/96	9805.0 - 9815.0	4.0	
12/4/96	7492.0 - 7660.0	0.1	

**Stimulations & Treatments**

Date	Type	Interval	Fluid	Sand	Comments
10/26/96	Sand Frac	11122.0 - 11137.0			
12/18/96	Sand Frac	9805.0 - 9815.0			
2/20/97	Sand Frac	7492.0 - 7660.0			



## WELL HISTORY

WELL NAME: JAMES RANCH UNIT #76  
FIELD NAME: LOS MEDANOS  
LOCATION: 1900' FNL & 360' FWL, Sec. 6, T23S, R31E, Unit E  
Eddy County, New Mexico  
ELEV: 3299' GL, 3311' KB  
SPUD DATE: 9/29/96, RR 10/15/96  
COMP DATE: 10/23/96  
ORIG TD: 11,250'  
ORIG PBTD: 11,176'  
CASING: 11 3/4", H-40, 42#, CSA 582', cmt. w/310 sxs, cmt circ. 14 3/4" hole 0-595'.  
8 5/8", J-55, 32#, CSA 3724, cmt. w/975 sxs, cmt circ. 11' hole 595-3727'.  
5 1/2", CF95 & P-110, 17#, CSA 11,250', cmt w/1360 sxs, TOC 3150' by temp sur.  
7 7/8" hole 3724-11,250'.  
TUBING: 2 7/8", L-80, 6.5#, 8rd  
DST: None  
CORES & LOGS: DIGL-GR 10/13/96 3700-11,239'  
SDL-DSN 10/13/96 200-11,239'

### INITIAL COMPLETION

10/24/96 TO 10-25/96 **PERF & FRAC 11,122-11,137 (WOLFCAMP)**  
Ran correlation log, tagged PBTD @ 11,176'.  
10/24/96 **Perf 11,122-11,137', 4 JSPF-0° phased. Frac 11,122-11,137' w/61,000**  
gals. Medallion frac 3000 w/151,000#, 16/30 Ac-Frac Black sand.  
Flowed well. Turn to battery.  
**IP: 10/29/96 F 81 BO, 162 MCF, 27 BW on 16/64" ck.**

### WORKOVER:

11/20/96 TO 12/19/96 **PERF & FRAC 9805-15' (SECOND BONE SPRING) & PERF 7492-7660' (OA) (DELAWARE).**  
Ran flowing BHP. **Set CIPB @ 10,000'.** Ran CCL-CBL.  
11/22/96 **Perf 9805-15' w/4 JSPF, 90° phased (Second Bone Spring) . Acidized**  
9805-15' w/1500 gals FE acid + 60 BS. Pumped @ 4.2 BPM w/3600  
psig. Balled out @ 6300 psig. ATP 3800# @ 5 BPM. ISIP 2600 psig,  
5 min 2600 psig, 10 min 2610 psig, 15 min 2625 psig. Flowed &  
swabbed well. CIBP leaking. Kill well, set 2<sup>nd</sup> CIBP @ 9994' w/10'  
cmt on top. Swab well..  
12/4/96 **Set CIPB @ 7800'. Perf 7492, 94, 96, 98, 7500, 44, 46, 48, 50, 52,**  
54, 7654, 56, 58, 59, 60' w/1JSPF (Delaware). **Acidized** same w/1500  
gals 15% HCL + 30 BS. Balled off @ 5400 psig. Flowed back well.  
**DO CIPB @ 7800', TIH to 9930'. Set Baker pkr @ 9621'. Frac 9805-**  
15' w/9,000 gals Spectra Frac G-4000 + 57,000# 20/40 Ottawa sand..  
Flow back well, turned to battery.  
**AWO: 12/22/96 F 22 BO, 52 MCF, 6 BLW.**

Well History  
James Ranch Unit #76  
Page 2 of 2

WORKOVER

1/14/97 to 1/17/97

Rel. Pkr @ 9621'. Ran rods & pump, set PU. Placed well on pump.

2/18/97 to 2/22/97 **FRAC 7492-7660' (DELAWARE)**

**Set CIPB @ 8000' w/10' cmt on top. Frac 7492-7660' w/33,000 gals Spectra Frac G-3000 + 77,000# 16/30 Brady sand + 18,000# 16/30 Super LC RCS. Swabbed & flowed well back. Tagged sand fill @ 7778' KB (Delaware perfs @ 7492-7660') Ran rods & pump, placed well on production.**

**AWO: 3/10/97 68 BO, 80 MCF, 97 BW.**

4/10/97 to 4/16/97 **DO CIPB's & COMMINGLE ALL ZONES**

**DO CIPB @ 8,000', DO CIPB @ 9994' & 10,000'. Well flowing Wolfcamp gas, would not die. CO to PBTD @ 11,175. Kill well w/50 bbls produced wtr. Run tbg, rods & pump. Placed well on prod.**

**AWO: 4/19/97 53 BO, 98 MCF, 100 BW.**

DISTRICT I  
P. O. Box 1980  
Hobbs, NM 88241-1980

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

Form C-102  
Revised 02-10-94  
Instructions on back

DISTRICT II  
P. O. Drawer DD  
Artesia, NM 88211-0719

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

Submit to the Appropriate  
District Office  
State Lease - 4 copies  
Fee Lease - 3 copies

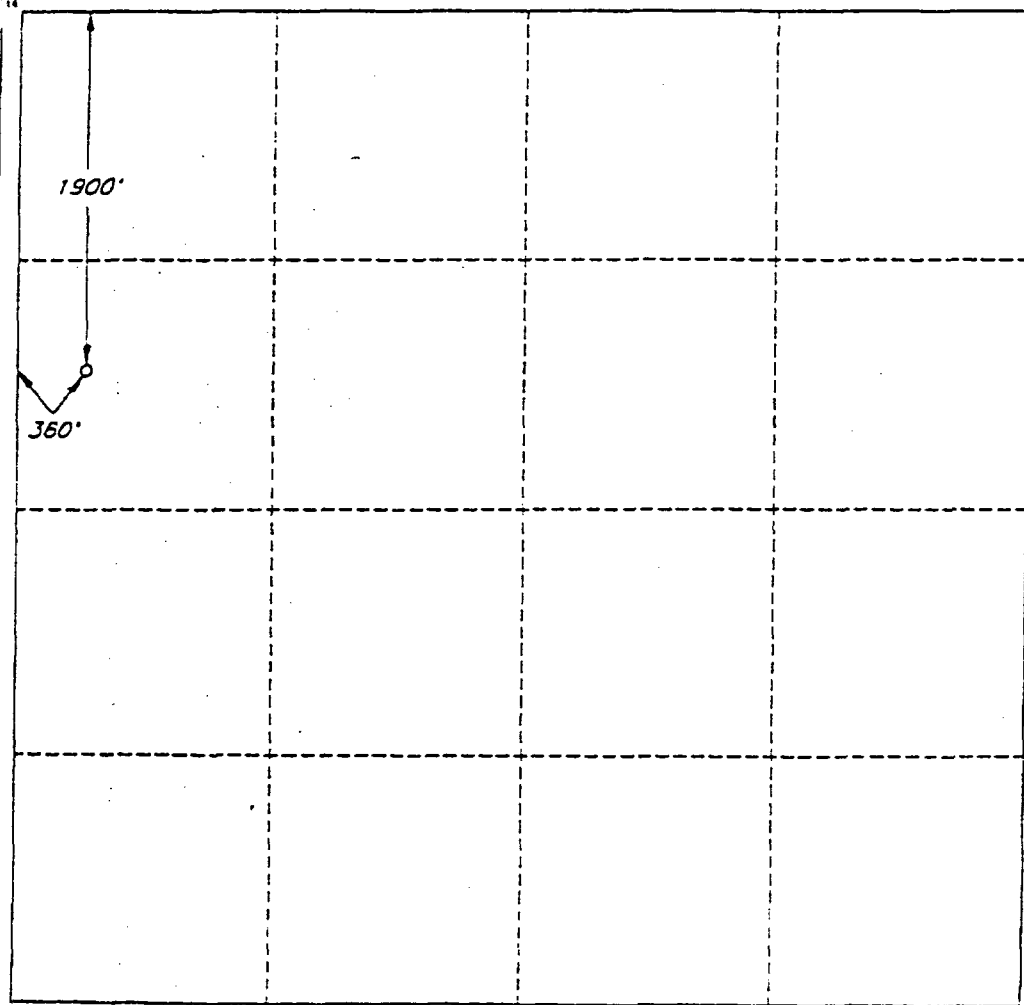
DISTRICT III  
1000 Rio Brazos Rd.  
Aztec, NM 87410

AMENDED REPORT

DISTRICT IV  
P. O. Box 2088  
Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30 015 29173		2 Pool Code 40295		3 Pool Name Los Medanos Bone Spring					
4 Property Code 4060		5 Property Name JAMES RANCH UNIT				6 Well Number 76			
7 OGRID No. 7377		8 Operator Name ENRON OIL & GAS COMPANY				9 Elevation 3298'			
10 SURFACE LOCATION									
UL or lot no. E	Section 6	Township 23 SOUTH	Range 31 EAST, N.M.P.M.	Lot Ida	Feet from the 1900'	North/South line NORTH	Feet from the 360'	East/West line WEST	County EDDY
11 BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE									
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedicated Acres 40		13 Joint or Infill		14 Consolidation Code		15 Order No.			
NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION									



**OPERATOR CERTIFICATION**  
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature: *Betty Gildon*  
Printed Name: Betty Gildon

Title: Regulatory Analyst  
Date: 5/21/97

**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: JULY 1, 1998

Signature and Seal of Professional Surveyor:  
  
V. LYNN BEZNER  
NO. 7920

Certificate No. 5000  
V. L. BEZNER, P.S. #7920  
JOB #48258-1 / 48 SE / V.H.B.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY

FORM APPROVED  
Budget Bureau No. 100-0104  
Edition: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS  
Use this form for proposals to drill or to deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

Type of Well:  
 Oil Well  Gas Well  Other  
Name of Operator:

Enron Oil & Gas Company

Address and Telephone No.

P.O. Box 2267, Midland, Texas 79702 (915) 686-3714

Location of Well (Range, Sec., T., R., M., or Survey Description)

1900' FNL & 360' FWL  
Sec 6, T23S, R31E

6. Lease Designation and Serial No.

NM 02887D

8. If Drilling, Name of True Name:

7. If Unit or C.A. Agreement Designation:

3. Well Name and No.

James Ranch Unit #76

9. API Well No.

30 015 29173

10. Field and Pool, or Exploratory Area

See below

11. County or Parish, State

Eddy County, NM

CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

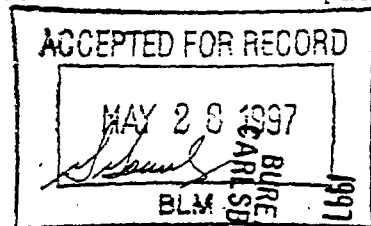
TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input checked="" type="checkbox"/> Submission Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Alarming Casing
	<input type="checkbox"/> Other
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

(Note: Action results of multiple completion on Well Completion or Recompletion Action and Log form.)

Propose Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Field and Pool: EOG is currently working on an Application for Multiple Completion.

Quahada Ridge Delaware (perfs 7494-7660)  
Los Medanos Bone Spring (perfs 9805-9815)  
South Los Medanos Wolfcamp (perfs 11122-11137)



- 4-11-97 - Drilled out CIBF at 8000'
- 4-12-97 - Drilled CIPB's at 9994' and 10000' - Drilled to 11138'
- 4-15-97 - 2-7/8" tubing set at 11005'  
Set 2-1/2" x 1-1/4" x 24' x 27' x 30' RHDC pumping unit
- 4-16-97 - Well on line.
- 4-26-97 - 24 hrs pumping 102 MCFD, 51 BOPD, LP 31, FTP 100, CP 50, 159 BWPD.

RECEIVED  
MAY 27  
BUREAU OF LAND MGMT.  
CARLESON RESOURCE AREA  
1997 MAY 23 A 11:11

I hereby certify that the foregoing is true and correct:

Betty Gildom Betty Gildom, Regulatory Analyst

Date: 5/21/97

Approved by: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

Reasons of approval, if any:

U.S.C. Section 1001, makes 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.

\*See instructions on Reverse Side

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY  
APPROVED  
Form Bureau No. 1004-0101  
Edition: March 11, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	1. Lease Designation and Serial No. NM 02887D
Name of Operator Enron Oil & Gas Company	2. If Known, Name of True Owner
Address and Telephone No. P.O. Box 2267, Midland, Texas 79702 (915) 686-3714	3. Well Name and No. James Ranch Unit #76
Location of Well (Footage, Sec., T., R., N., or Survey Description) 1900' FNL & 360' FWL Sec 6, T23S, R31E	4. API Well No. 30 015 29173
	5. Field and Pool, or Exploratory Area Quahada Ridge Delaware
	6. County or Parish, State Eddy County, NM

CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input checked="" type="checkbox"/> Subsequent Reason	<input type="checkbox"/> Remediation
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other: PB from Wolfcamp
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

ACCEPTED FOR RECORD  
MAR 13 1997  
BLA

(Note: Report results of matrix completion or Well Completion or Accumulation Report and Log form.)

For Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work, if well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Wolfcamp Perfs 11122 to 11137  
11/20/96 - CIBP at 10,000'  
11/21/96 - Perforated Bone Spring 9805-9815 (40 .36")  
Acidized with 1500 gals FE acid  
11/27/96 - Turned to production - Well dead on 11/29/96  
11/29/96 - Set CIBP at 9994' + 10' cement on top  
12/3/96 - CIBP @ 7800' - Perforated Delaware 7494-7660 (15 .36")  
Acidized - with 1500 gals 15% HCl acid  
12/7/96 - Drilled to 9930'  
12/9/96 - 2-7/8" tubing & packer at 9621'  
12/20/96 - Put on line  
12/22/96 - 24 hrs 41 MCF, 19 BO, 18/64", 40 FTP, 100 CP, 8 BW.

MAR 11 11 17 AM '97

(OVER)

I hereby certify that the foregoing is true and correct:  
Bruce Gildon Regulatory Analyst Date: 3/10/97

Approved by: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_  
Comments of approval, if any: SUBMIT WELL COMPLETION REPORT FOR BONE SPRING FOR IN 3160-4

U.S.C. Section 1031, makes it a crime for any person knowingly and willfully to make in any department or agency of the United States any false, fictitious or fraudulent statements or assertions as to any matter within its jurisdiction.

**WORKSHEET FOR COMMERCIAL DETERMINATION  
AND PARTICIPATING AREA IN FEDERAL UNITS**

**WELL DATA**

---

WELL JAMES RANCH UNIT #76 FORMATION WOLFCAMP

LOCATION E UNIT, 1900 FEET FROM NORTH LINE & 360 FEET FROM WEST LINE

SECTION 6 TOWNSHIP 23S, RANGE 31E, COUNTY EDDY, NEW MEXICO

SPUD DATE 9/29/96 COMPLETION DATE 10/23/96 INITIAL PRODUCTION 10/27/96

PERFORATIONS 11,122-37'

---

STIMULATION:

**ACID** \_\_\_\_\_

\_\_\_\_\_

**FRACTURE** 11,122-37', 61,000 GALS GEL + 151,000# 16/30 SAND

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

POTENTIAL 10/29/96 81 BOPD, 162 MCFPD, 27 BWPD

(Attach Copy of C-105. Attach Copy of Wellbore Sketch of Completed Well.)

**VOLUMETRIC CALCULATION**

---

	SANDS PERFORATED	SANDS NOT PERFORATED BUT POTENTIALLY PRODUCTIVE
Area (A) proration unit size, acres	<u>40</u>	_____
Porosity (por), %	<u>11.6%</u>	_____
Water saturation (Sw), %	<u>42%</u>	_____
Net Thickness (h), ft.	<u>17</u>	_____
Temperature (T), Fahrenheit	<u>170</u>	_____
Bottom Hole pressure (P), psia	<u>6,010</u>	_____
Recovery factor (RF), %	<u>27%</u>	_____
Recoverable oil, Bbls *(See eq. below)	<u>69,041</u>	_____

Sometimes unable to match performance due to volumetric uncertainty.

Formula =  $(7758) (A) (h) (por) (1-Sw) (1/Boi) (RF)$

Boi = 1.40

**PERFORMANCE DATA**

(If sufficient history exists, attach plot of oil production rate v time.)

CUMULATIVE PRODUCTION TO	<u>11/1/99</u> ;	<u>11923</u> BBLs
INITIAL RATE (qi)		<u>305</u>
ECONOMIC LIMIT (qi)		<u>30</u>
DECLINE RATE, dy		<u>Hyperbolic d = 20.36% n = .98</u>
REMAINING OIL (Q) =		<u>24077</u>
ULTIMATE RECOVERABLE OIL		<u>36000</u>

(Attach plat showing proration unit and participating area.)

**ECONOMIC**

WELL COST \$ 825,000 (to the depth of formation completed)

RECOMPLETION COST \$ \_\_\_\_\_

TOTAL COST \$ 825,000

YEAR	GROSS OIL	REVENUE	OPERATING COST	10% NET BFIT DISCOUNTED CASH FLOW
ZERO	<u>0</u>	<u>0</u>	<u>0</u>	<u>-825,000</u>
1	<u>900</u>	<u>20,900</u>	<u>5,100</u>	<u>15,600</u>
2	<u>3,900</u>	<u>85,300</u>	<u>20,600</u>	<u>60,100</u>
3	<u>4,000</u>	<u>64,100</u>	<u>19,100</u>	<u>37,800</u>
4	<u>3,000</u>	<u>62,200</u>	<u>18,900</u>	<u>32,900</u>
5	<u>3,100</u>	<u>81,400</u>	<u>20,300</u>	<u>42,000</u>
6	<u>2,700</u>	<u>60,100</u>	<u>18,800</u>	<u>25,700</u>
7	<u>2,300</u>	<u>48,500</u>	<u>17,900</u>	<u>17,200</u>
8	<u>2,000</u>	<u>40,600</u>	<u>17,400</u>	<u>11,900</u>
9	<u>1,800</u>	<u>36,000</u>	<u>17,000</u>	<u>8,800</u>
10	<u>1,600</u>	<u>32,400</u>	<u>16,800</u>	<u>6,600</u>
REMAINDER	<u>10,900</u>	<u>221,100</u>	<u>164,000</u>	<u>17,100</u>

**WELL IS NOT COMMERCIAL**

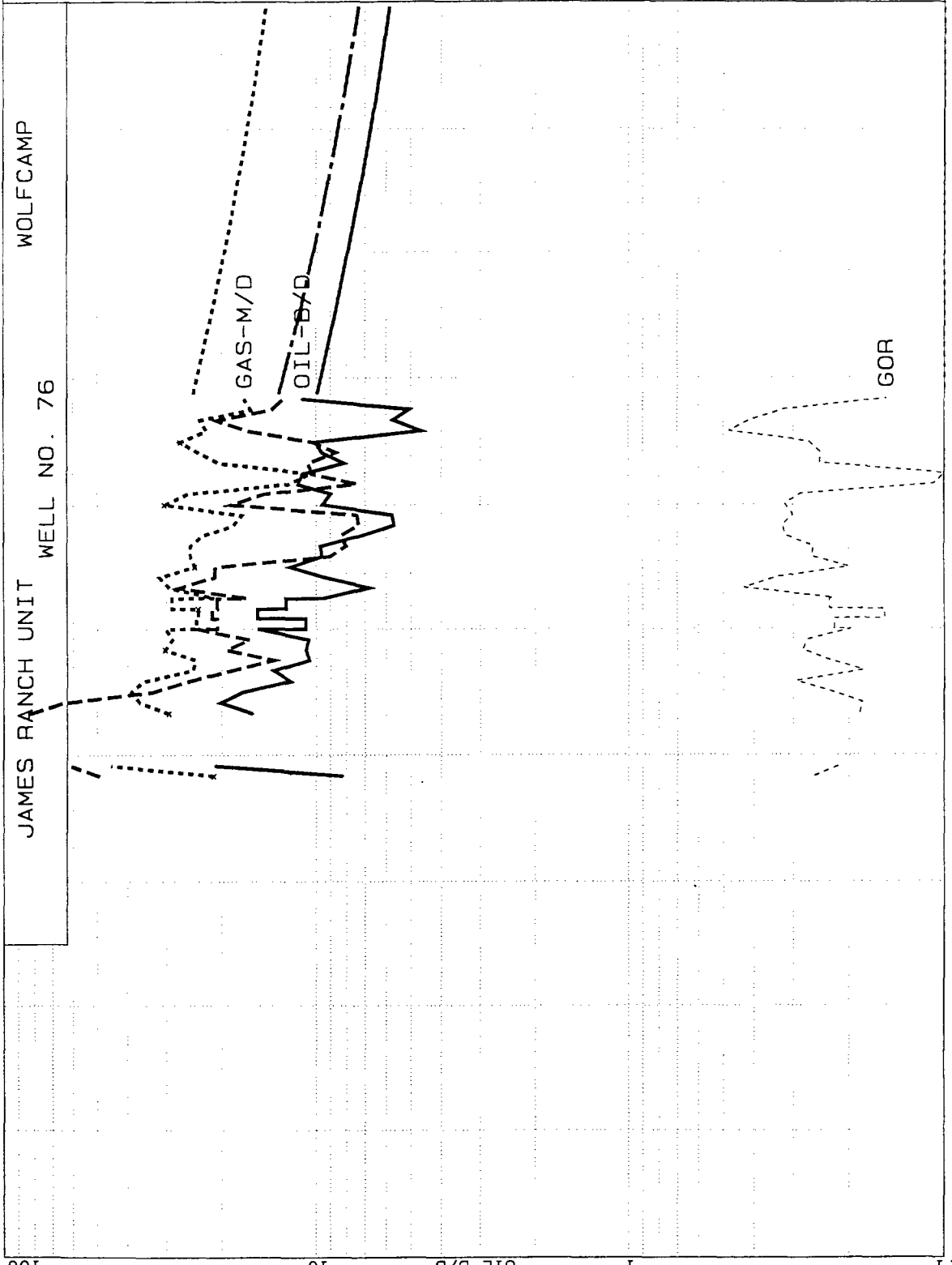
**OIL**  
 Gal=CD  
 Ref= 11/99  
 Cum= 11.923  
 Rem= 32.725  
 EUR= 44.648  
 Yrs= 31.080  
 Qi= 305.3  
 De= 20.360  
 n= .980  
 Qab= 29.9

**WTR-B/D**  
 Ref= 11/99  
 Cum= 2.443

**WTR**  
 Gal=CD  
 Ref= 11/99  
 Cum= .000  
 Rem= 2.593  
 EUR= 2.593  
 Yrs= 11.667  
 Qi= 40.5  
 De= 23.025  
 n= .995  
 Qab= 10.0

**GAS/OIL**  
 Gal=CD  
 Ref= 11/99  
 Cum= .000  
 Rem= .000  
 EUR= .000  
 Yrs= 31.080  
 Qi= 2.5  
 De= .000  
 n= .000  
 Qab= 2.5

**GAS**  
 Gal=CD  
 Ref= 11/99  
 Cum= 28.127  
 Rem= 80.945  
 EUR= 109.072  
 Yrs= 31.080  
 Qi= 0  
 De= .000  
 n= .000  
 Qab= .0



10      1000000  
 100      100000  
 100      10000  
 100      1000  
 100      100  
 100      10  
 100      1



JAMES RANCH UNIT #76 WOLFECAMP

DATE : 02/07/00  
 TIME : 13:33:07  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 13

I N P U T   D A T A				C A L C U L A T E D   D A T A				
ITEM	SCHEDULING RATES	SCHEDULE UNTIL	PROCEDURE	ULTIMATE	LAST	EFF. DECL	INIT. RATE	FINAL RATE
405 START	11/99							
410 OIL	X 305.27	04/2015 AD	H/0.980	36.029	3/15	20.36	305.	67.
415 "	X 66.71	8.62 IMU	EXP	44.648	11/30	5.00	67.	30.
420 GAS/OIL	2.47	01/2097 AD	LIN	TIME	12/96			
425 WTR	X 40.54	2.59 IMU	H/0.995	2.593	6/11	23.02	41.	10.
430 START	10/96							
516 PRI/OIL	16.8800	1/95	MM/YY		11/30		16.880	
517 "	18.39	1/96	AD		11/30		18.390	
518 "	22.26	1/97	AD		11/30		22.260	
519 "	20.74	1/98	AD		12/97		20.740	22.260
520 "	14.43	1/99	AD		12/98		14.430	14.430
521 "	19.25	1/2000	AD		12/99		19.250	19.250
522 "	24.94	1/2001	AD		12/00		24.940	24.940
523 "	20.67	1/2002	AD		12/01		20.670	20.670
524 "	19.20	1/2003	AD		12/02		19.200	19.200
525 "	18.18	1/2004	AD		12/03		18.180	18.180
526 "	18.13	TO	LIFE		11/30		18.130	18.130
531 PRI/GAS	1.8900	1/95	MM/YY		11/30		1.890	
532 "	1.94	1/96	AD		9/96		1.940	
533 "	2.61	1/97	AD		12/96		2.610	2.610
534 "	2.59	1/98	AD		12/97		2.590	2.590
535 "	2.11	1/99	AD		12/98		2.110	2.110
536 "	2.27	1/2000	AD		12/99		2.270	2.270
537 "	2.60	1/2001	AD		12/00		2.600	2.600
538 "	2.58	1/2002	AD		12/01		2.580	2.580
539 "	2.57	TO	LIFE		11/30		2.570	2.570
544 OPC/T	1190.00	TO	LIFE	OPC	11/30		1190.000	1190.000
549 STX/OIL	7.08	TO	LIFE		11/30		.071	.071
554 STX/GAS	7.93	TO	LIFE		11/30		.079	.079
559 ATX	.17	TO	LIFE		11/30		.002	.002
564 PRI/OIL	-.9100	TO	LIFE		11/30		-.910	18.130
569 PRI/GAS	-.1300	TO	LIFE		11/30		-.130	2.570
700 LSE/WI	100.0000	TO	LIFE	FLAT	11/30		1.000	1.000
701 OWN/WI	100.0000	TO	LIFE	FLAT	11/30		1.000	1.000
720 LSE/RIC	12.5000	TO	LIFE	FLAT	11/30		.125	.125
721 OWN/RIC	.0000	TO	LIFE	FLAT	11/30		.125	.125
740 LSE/RIG	12.5000	TO	LIFE	FLAT	11/30		.125	.125
760 LSE/ORR	.0000	TO	LIFE	FLAT	11/30		.125	.125

761 OWN/ORR .0000 D \$ TO LIFE FLAT .00 11/30

OVERLAYS SCHEDULING RATES PROCEDURE ULTIMATE LAST EFF. DECL INIT. RATE FINAL RATE

905 LOAD P.OIL OIL # 12.256 2/00  
 910 LOAD P.GAS GAS # 28.636 2/00  
 915 LOAD P.WATER WTR # 2.443 2/00

INVESTMENT TANGIBLES & INTANGIBLES TOTAL T&I MONTH RISK INV. TOT. T&I&R ESC. T&I&R

800 DRILL 330.00 495.00 M\$G 10/96 AD 825.000 10/96 825.0  
 801 SALVAGE -33.00 .00 M\$G TO LIFE -33.000 11/30 -33.0

RESERVE PARAMETERS ITEM

201 LOSS NO CUMUL, MB  
 205 CUMO, MB 11.92 CUMG, MMF 28.13

PROJECT ASSUMPTIONS

BASE DATE : 10/96 TIME FRAMES : 1\*3 38\*12 1\*600  
 P.W. DATE : 10/96 PW \$-AGE : 10.0 DISC. FREQUENCY : 365.  
 REPORT DATE : 10/96 PROD QUAL : CD OWNER QUAL : CD OTHER QUAL : CD

JAMES RANCH UNIT #76 WOLFCAAMP

DATE : 02/07/00  
 TIME : 13:33:07  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 13

R E S E R V E S A N D E C O N O M I C S

EFFECTIVE DATE: 10/96

PERIOD ENDING	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	12/04	12/05	S TOT	AFTER	TOTAL
OWNERSHIP	19.6 YR												
1) WORKING INTEREST, \$	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000
2) REVENUE INTEREST, \$	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500
INVESTMENTS, M\$													
3) BORROWED CAPITAL	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4) EQUITY INVESTMENTS	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0	-33.0	792.0
5) RISK	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) TOTAL	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0	-33.0	792.0
OIL PHASE													
8) GROSS OIL, MB	.9	3.9	4.0	3.0	3.1	2.7	2.3	2.0	1.8	1.6	25.2	10.9	36.0
9) NET OIL, MB	.8	3.4	3.5	2.6	2.7	2.3	2.0	1.7	1.5	1.4	22.0	9.5	31.5
10) OIL REVENUE, M\$	16.5	67.0	47.9	47.7	65.2	46.0	36.5	30.1	26.7	24.0	407.6	163.7	571.3
11) OIL PRICE, \$/B	21.35	19.83	13.52	18.34	24.03	19.76	18.29	17.27	17.22	17.22	18.51	17.22	18.12
GAS PHASE													
12) GROSS GAS, MMF	2.0	8.5	9.4	7.7	7.5	6.6	5.6	4.9	4.4	3.9	60.6	26.9	87.4
13) NET GAS, MMF	1.8	7.4	8.2	6.8	6.5	5.8	4.9	4.3	3.8	3.4	53.0	23.5	76.5
14) GAS REVENUE, M\$	4.4	18.3	16.2	14.5	16.1	14.1	12.0	10.5	9.4	8.4	124.0	57.4	181.3
15) GAS PRICE, \$/MCF	2.480	2.460	1.980	2.140	2.470	2.450	2.440	2.440	2.440	2.440	2.339	2.440	2.370
WATER PHASE													
16) GROSS WATER, MB	.3	.9	.7	.4	.2	.0	.0	.0	.0	.0	2.6	.0	2.6
17) NET WATER, MB	.3	.9	.7	.4	.2	.0	.0	.0	.0	.0	2.6	.0	2.6
18) WATER PRICE, \$/B	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000
ECONOMICS, M\$													
19) GROSS REV. TO INTR.	20.9	85.3	64.1	62.2	81.4	60.1	48.5	40.6	36.0	32.4	531.6	221.1	752.7
20) - SEV. TAX	1.5	6.2	4.7	4.5	5.9	4.4	3.5	3.0	2.6	2.4	38.7	16.1	54.8
22) - AD VALOREM TAX	.0	.1	.1	.1	.1	.1	.1	.1	.1	.1	.8	.3	1.2
23) - OPERATING COSTS	3.6	14.3	14.3	14.3	14.3	14.3	14.3	14.3	14.3	14.3	132.1	147.6	279.7
24) - SWD	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
25) - CAPITAL REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) - NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
28) = NET INCOME	15.7	64.7	45.0	43.3	61.1	41.3	30.6	23.3	19.1	15.7	359.9	57.0	417.0
29) - INVESTMENTS & RSK	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0	-33.0	792.0
30) = BFIT NET	-809.3	64.7	45.0	43.3	61.1	41.3	30.6	23.3	19.1	15.7	-465.1	90.0	-375.0
PRESENT WORTH @ 10.00 %													
31) NET INCOME	15.6	60.1	37.8	32.9	42.0	25.7	17.2	11.9	8.8	6.6	258.5	17.1	275.6
32) INVESTMENTS & RISK	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0	-4.7	820.3
33) BFIT NET	-809.4	60.1	37.8	32.9	42.0	25.7	17.2	11.9	8.8	6.6	-566.5	21.8	-544.7
34) CUM BFIT NET	-809.4	-749.4	-711.6	-678.6	-636.6	-610.9	-593.7	-581.8	-573.0	-566.5	-566.5	-544.7	-544.7

AFTER TAX ECONOMICS

PERIOD ENDING	EFFECTIVE DATE: 10/96											19.6 YR TOTAL	
	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	12/04	12/05	S TOT		AFTER
TAX TREATMENT OF INVESTMENTS, M\$													
1) EXP. RISK & CAP INT	495.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	495.0
2) DEPLETABLE	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
3) DEPRECIABLE	330.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	330.0
TAX CALCULATIONS, M\$													
4) GROSS REV. TO INTR.	20.9	85.3	64.1	62.2	81.4	60.1	48.5	40.6	36.0	32.4	531.6	221.1	752.7
5) - SEVERANCE TAX	1.5	6.2	4.7	4.5	5.9	4.4	3.5	3.0	2.6	2.4	38.7	16.1	54.8
6) - WPT TAX NET	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) - OPR. COSTS & ATX	3.6	14.4	14.4	14.4	14.4	14.4	14.4	14.3	14.3	14.3	132.9	147.9	280.8
8) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
9) - OVERHEAD	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
10) - EXPENSED INV.	495.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	495.0	.0	495.0
11) - DEPRECIATION	11.8	55.5	75.0	53.6	38.3	29.5	29.5	29.5	7.4	.0	330.0	.0	330.0
12) = NET	-491.0	9.2	-30.0	-10.3	22.8	11.9	1.1	-6.1	11.7	15.7	-465.1	57.0	-408.0
13) - DEPLETION	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
14) - INTEREST PD & CAP	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
15) = TAXABLE	-491.0	9.2	-30.0	-10.3	22.8	11.9	1.1	-6.1	11.7	15.7	-465.1	57.0	-408.0
16) * TAX RATE, %	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0
17) - TAX CREDIT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
18) - WPT REFUND	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
19) = F.I.T.	-171.9	3.2	-10.5	-3.6	8.0	4.2	.4	-2.1	4.1	5.5	-162.8	20.0	-142.8
20) REVENUE-SEV-WPT	19.4	79.1	59.4	57.7	75.5	55.7	45.0	37.7	33.4	30.0	492.9	205.0	697.8
21) - OPR. COSTS & ATX	3.6	14.4	14.4	14.4	14.4	14.4	14.4	14.3	14.3	14.3	132.9	147.9	280.8
22) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
23) - F.I.T.	-171.9	3.2	-10.5	-3.6	8.0	4.2	.4	-2.1	4.1	5.5	-162.8	20.0	-142.8
24) = A.F.I.T.	187.6	61.5	55.5	46.9	53.1	37.2	30.2	25.5	15.0	10.2	522.7	37.1	559.8
25) - LOAN REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) = NET INCOME	187.6	61.5	55.5	46.9	53.1	37.2	30.2	25.5	15.0	10.2	522.7	37.1	559.8
28) - INVESTMENTS & RSK	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0	-33.0	792.0
29) = A.F.I.T. NET	-637.4	61.5	55.5	46.9	53.1	37.2	30.2	25.5	15.0	10.2	-302.3	70.1	-232.2
PRESENT WORTH @ 10.00 %													
30) NET INCOME	185.3	57.1	46.6	35.6	36.5	23.1	17.0	13.0	6.9	4.3	425.5	11.1	436.6
31) INVESTMENTS & RISK	825.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	825.0	-4.7	820.3
32) A.F.I.T. NET	-639.7	57.1	46.6	35.6	36.5	23.1	17.0	13.0	6.9	4.3	-399.5	15.8	-383.7
33) CUM. A.F.I.T. NET	-639.7	-582.6	-536.0	-500.3	-463.8	-440.7	-423.7	-410.7	-403.8	-399.5	-399.5	-383.7	-383.7

JAMES RANCH UNIT #76 WOLFCAMP

DATE : 02/07/00  
 TIME : 13:33:07  
 DBS FILE : JRUPA  
 SETUP FILE : CD  
 SEQ NUMBER : 13

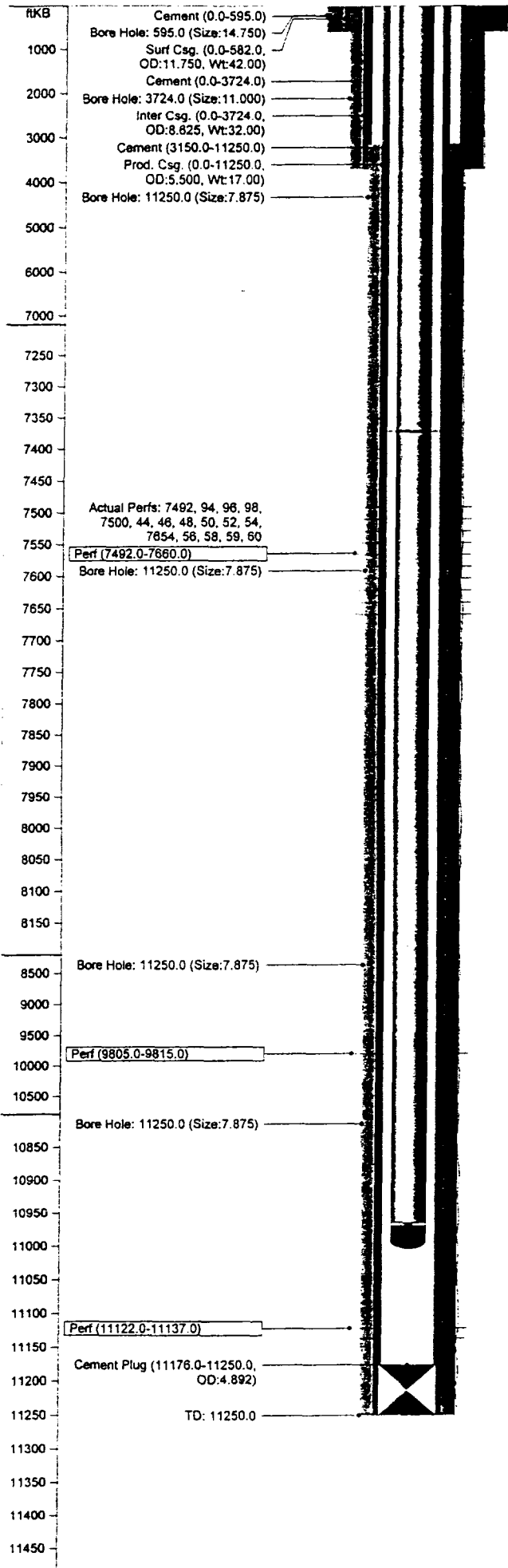
E C O N O M I C I N D I C A T O R S

AS OF DATE: 10/96

	B.F.I.T. WORTH M\$-----	A.F.I.T. WORTH M\$-----	A.F.I.T. BONUS M\$-----
0.	-375.014	-232.209	-357.244
2.	-422.629	-274.222	-395.609
5.	-478.574	-323.964	-435.888
6.	-494.068	-337.852	-446.368
8.	-521.387	-362.507	-464.347
10.	-544.691	-383.747	-479.328
20.	-623.508	-457.802	-529.661
30.	-668.824	-502.802	-560.023
40.	-698.120	-533.376	-580.841
50.	-718.454	-555.581	-596.076
60.	-733.284	-572.493	-607.756
70.	-744.517	-585.863	-617.056
80.	-753.292	-596.762	-624.702
90.	-760.323	-605.877	-631.159
100.	-766.079	-613.662	-636.737

PRESENT WORTH PROFILE AND  
 RATE-OF-RETURN VS. BONUS TABLE

RATE OF RETURN, PCT.	.0	.0
UNDISCOUNTED PAYOUT, YRS.	19.58	19.58
DISCOUNTED PAYOUT, YRS.	19.58	19.58
UNDISCOUNTED NET/INVEST.	.53	.71
DISCOUNTED NET/INVEST.	.34	.53



JAMES RANCH UNIT #76			
API No.	3001529173	Status	ACT OIL
TD	11250.0 ftKB	Engineer	GTL
PBDT	11176.0 ftKB		
Operator	BEPCO	Permit	
Well No.	76	Spud	9/29/96
ID Code		RR	10/15/96
Field	LOS MEDANOS	Completion	10/23/96
Author	RAS	Last Act.	
Date Updated	1/9/97	Abandoned	
Comments	Drilled by Enron		

Location			
Township	S023	Top Latitude	0
		Top Longitude	0
Range	E031	Top NS Distance	1900.0 ft N
		Top EW Distance	360.0 ft W
Section	6	Bottom Latitude	0
Unit Ltr.	E	Bottom Longitude	0
State	NEW MEXICO	Btm NS Distance	0.0 ft
County	EDDY	Btm EW Distance	0.0 ft

Elevations			
KB	3311.0 ft	Cas Flng	0.0 ft
Grd	3299.0 ft	Tub Head	0.0 ft
KB-Grd	12.0 ft		

Casing String - Surface Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt (lb/ft)	Grd	Thd
11 3/4 in Surf Csg.	0.0	582.0		11.084	42.00	H-40	

Casing String - Intermediate Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt (lb/ft)	Grd	Thd
8 5/8 in Inter Csg.	0.0	3724.0		7.921	32.00	J-55	

Casing String - Production Casing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt (lb/ft)	Grd	Thd
5 1/2 in Prod. Csg.	0.0	1250.0		4.892	17.00	F95&P1	

Casing Cement			
Casing String	Top (ftKB)	Amount (sx)	Comments
Surface Casing	0.0	310	
Intermediate Casing	0.0	375	
Production Casing	3150.0	1360	TOC by Temp Sur.

Tubing String - Primary Tubing							
Item (in)	Top (ftKB)	Btm (ftKB)	Jnts	ID (in)	Wt (lb/ft)	Grd	Thd
2 7/8 in Tbg.	0.0	7371.0	234	2.441	6.50	L-80	8rd
4 57/64 in TAC	7371.0	7374.0		2.875	0.00		
2 7/8 in Tbg.	7374.0	10965.0	114	2.441	6.50	L-80	8rd
2 7/8 in SN	10965.0	10966.0		0.000	0.00		
2 7/8 in PS	10966.0	10970.0		0.000	0.00		
2 7/8 in MA	10970.0	11005.0		2.441	6.50	L-80	8rd

Other (plugs, equip., etc.) - Plug Back			
Date	Item		Int (ftKB)
10/15/96	Cement Plug		11176.0 - 11250.0

Perforations			
Date	Int	Shots (/ft)	Status
10/24/96	11122.0 - 11137.0	4.0	
11/22/96	9805.0 - 9815.0	4.0	
12/4/96	7492.0 - 7660.0	0.1	

Stimulations & Treatments					
Date	Type	Interval	Fluid	Sand	Comments
10/26/96	Sand Frac	11122.0 - 11137.0			
12/18/96	Sand Frac	9805.0 - 9815.0			
2/20/97	Sand Frac	7492.0 - 7660.0			

## WELL HISTORY

WELL NAME: JAMES RANCH UNIT #76  
FIELD NAME: LOS MEDANOS  
LOCATION: 1900' FNL & 360' FWL, Sec. 6, T23S, R31E, Unit E  
Eddy County, New Mexico  
ELEV: 3299' GL, 3311' KB  
SPUD DATE: 9/29/96, RR 10/15/96  
COMP DATE: 10/23/96  
ORIG TD: 11,250'  
ORIG PBTD: 11,176'  
CASING: 11 3/4", H-40, 42#, CSA 582', cmt. w/310 sxs, cmt circ. 14 3/4" hole 0-595'.  
8 5/8", J-55, 32#, CSA 3724, cmt. w/975 sxs, cmt circ. 11' hole 595-3727'.  
5 1/2", CF95 & P-110, 17#, CSA 11,250', cmt w/1360 sxs, TOC 3150' by temp sur.  
7 7/8" hole 3724-11,250'.  
TUBING: 2 7/8", L-80, 6.5#, 8rd  
DST: None  
CORES & LOGS: DIGL-GR 10/13/96 3700-11,239'  
SDL-DSN 10/13/96 200-11,239'

### INITIAL COMPLETION

10/24/96 TO 10-25/96 **PERF & FRAC 11,122-11,137 (WOLFCAMP)**  
Ran correlation log, tagged PBTD @ 11,176'.  
10/24/96 **Perf 11,122-11,137', 4 JSPF-0° phased. Frac 11,122-11,137' w/61,000**  
gals. Medallion frac 3000 w/151,000#, 16/30 Ac-Frac Black sand.  
Flowed well. Turn to battery.  
IP: 10/29/96 F 81 BO, 162 MCF, 27 BW on 16/64" ck.

### WORKOVER:

11/20/96 TO 12/19/96 **PERF & FRAC 9805-15' (SECOND BONE SPRING) & PERF 7492-7660' (OA) (DELAWARE)**.  
Ran flowing BHP. **Set CIPB @ 10,000'**. Ran CCL-CBL.  
11/22/96 **Perf 9805-15' w/4 JSPF, 90° phased (Second Bone Spring) . Acidized**  
9805-15' w/1500 gals FE acid + 60 BS. Pumped @ 4.2 BPM w/3600  
psig. Balled out @ 6300 psig. ATP 3800# @ 5 BPM. ISIP 2600 psig,  
5 min 2600 psig, 10 min 2610 psig, 15 min 2625 psig. Flowed &  
swabbed well. CIBP leaking. Kill well, set **2<sup>nd</sup> CIBP @ 9994'** w/10'  
cmt on top. Swab well..  
12/4/96 **Set CIPB @ 7800'**. **Perf 7492, 94, 96, 98, 7500, 44, 46, 48, 50, 52,**  
54, 7654, 56, 58, 59, 60' w/1JSPF (Delaware). **Acidized** same w/1500  
gals 15% HCL + 30 BS. Balled off @ 5400 psig. Flowed back well.  
**DO CIPB @ 7800', TIH to 9930'**. **Set Baker pkr @ 9621'**. **Frac 9805-**  
15' w/9,000 gals Spectra Frac G-4000 + 57,000# 20/40 Ottawa sand..  
Flow back well, turned to battery.  
**AWO: 12/22/96 F 22 BO, 52 MCF, 6 BLW.**

**Well History**  
**James Ranch Unit #76**  
**Page 2 of 2**

**WORKOVER**

1/14/97 to 1/17/97

Rel. Pkr @ 9621'. Ran rods & pump, set PU. Placed well on pump.

2/18/97 to 2/22/97 **FRAC 7492-7660' (DELAWARE)**

**Set CIPB @ 8000' w/10' cmt on top. Frac 7492-7660' w/33,000 gals Spectra Frac G-3000 + 77,000# 16/30 Brady sand + 18,000# 16/30 Super LC RCS. Swabbed & flowed well back. Tagged sand fill @ 7778' KB (Delaware perfs @ 7492-7660') Ran rods & pump, placed well on production.**

**AWO: 3/10/97 68 BO, 80 MCF, 97 BW.**

4/10/97 to 4/16/97 **DO CIPB's & COMMINGLE ALL ZONES**

**DO CIPB @ 8,000', DO CIPB @ 9994' & 10,000'. Well flowing Wolfcamp gas, would not die. CO to PBTD @ 11,175. Kill well w/50 bbls produced wtr. Run tbg, rods & pump. Placed well on prod.**

**AWO: 4/19/97 53 BO, 98 MCF, 100 BW.**



DISTRICT I  
 P. O. Box 1980  
 Hobbs, NM 88241-1980

Instructions on back

DISTRICT II  
 P. O. Drawer DD  
 Artesia, NM 88211-0719

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

Submit to the Appropriate  
 District Office  
 State Lease - 4 copies  
 Fee Lease - 3 copies

DISTRICT III  
 1000 Rio Brazos Rd.  
 Aztec, NM 87410

AMENDED REPORT

DISTRICT IV  
 P. O. Box 2088  
 Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code 50470 40295 & 96336		3 Pool Name Quahada Ridge (Delaware), Los Medanos (Bone Spring) & South Los Medanos (Wolfcamp)					
4 Property Code		5 Property Name JAMES RANCH UNIT						6 Well Number 76	
7 OGRID No. 7377		8 Operator Name ENRON OIL & GAS COMPANY						9 Elevation 3298'	

10 SURFACE LOCATION

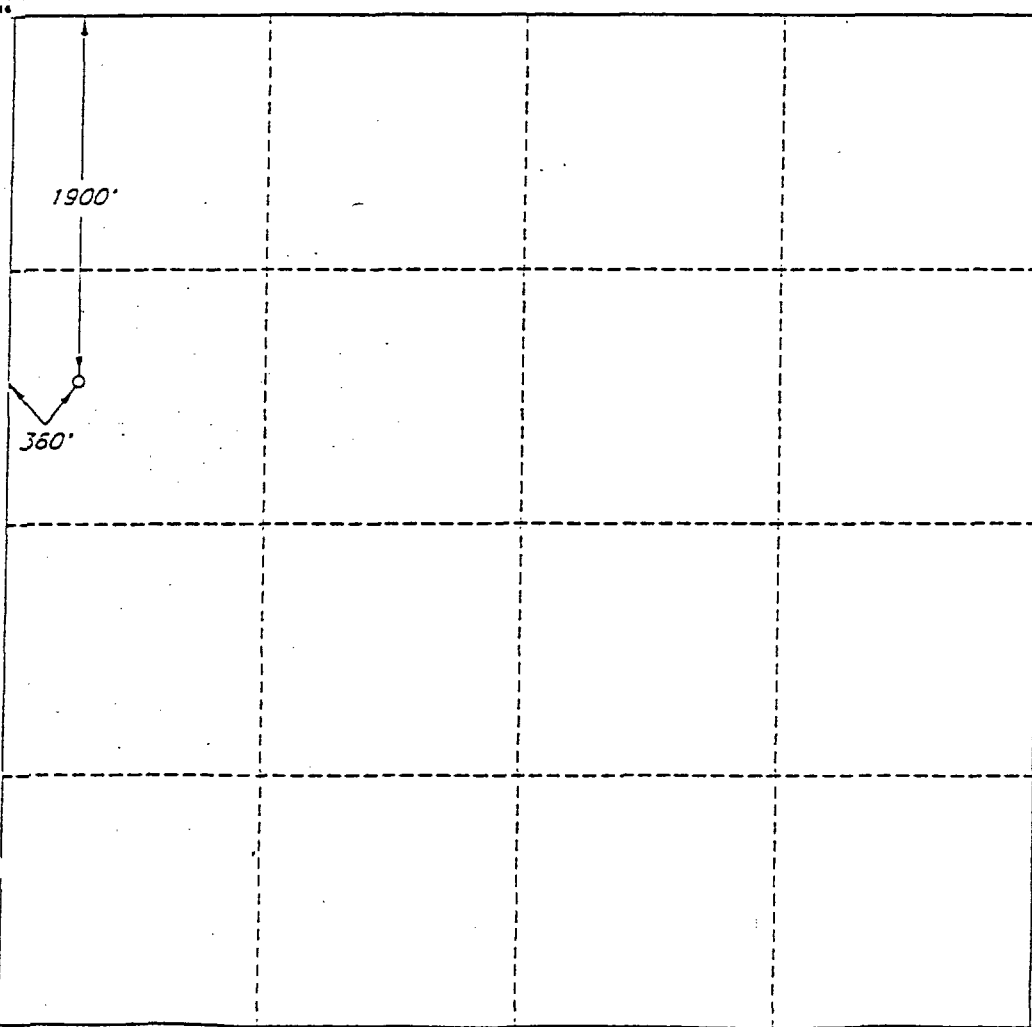
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
E	6	23 SOUTH	31 EAST, N.M.P.M.		1900'	NORTH	360'	WEST	EDDY

11 BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres 40	13 Joint or Infill	14 Consolidation Code	15 Order No.
--------------------------	--------------------	-----------------------	--------------

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature: *Betty Gildon*  
 Printed Name: Betty Gildon

Title: Regulatory Analyst

Date: 7/12/96

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: JULY 1, 1996

Signature and Seal of Professional Surveyor:  
  
 V. LYNN BEZNER  
 NO. 7920  
 V. L. BEZNER, S.S. #7920  
 JOB #4863217 SE / V.L.B.

**UNITED STATES**  
**DEPARTMENT OF THE INTERIOR**  
**BUREAU OF LAND MANAGEMENT**

SUBMIT IN DUPLICATE

FORM APPROVED  
OMB NO. 1004-0137  
Expires: February 23, 1995

3. LEASE DESIGNATION AND SERIAL NO.  
NM 028870

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG\***

6. INDIAN, ALLOTTEE OR TRIBE NAME

1a. TYPE OF WELL: OIL WELL  GAS WELL  DRY  Other \_\_\_\_\_

7. UNIT AGREEMENT NAME

5. TYPE OF COMPLETION:  
NEW WELL  WORK OVER  DEEP-EN  PLUG BACK  DIFF. REVR.  Other \_\_\_\_\_

8. FARM OR LEASE NAME, WELL NO.

2. NAME OF OPERATOR  
Enron Oil & Gas Company

James Ranch Unit 76  
WC

3. ADDRESS AND TELEPHONE NO.  
P.O. Box 2267 Midland, TX 79702 915/686-3714

9. API WELL NO.  
30 015 29173

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)\*  
At surface  
1900' FNL & 360' FWL

10. FIELD AND POOL OR WILDCAT  
South Los Medanos (Wolfcamp)

At top prod. interval reported below  
Same

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
Sec 6, T23S, R31E

At total depth  
Same

12. COUNTY OR PARISH  
Eddy

13. STATE  
New Mexico

14. DATE SPLDDED 9/29/96	16. DATE T.D. REACHED 10/12/96	17. DATE COMPL. (Ready to prod.) 10/23/96	18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* 3299' GR	19. ELEV. CASINGHEAD 3299'
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20. TOTAL DEPTH, MD & TVD 11250	21. PLUG. BACK T.D., MD & TVD 11224	22. IF MULTIPLE COMPL. HOW MANY*	23. INTERVALS DRILLED BY →	ROTARY TOOLS X	CABLE TOOLS
------------------------------------	--	----------------------------------	-------------------------------	-------------------	-------------

24. PRODUCING INTERVAL(S), OF THIS COMPLETION - TOP, BOTTOM, NAME (MD AND TVD)\*  
11122' - 11137 (Wolfcamp)

25. WAS DIRECTIONAL SURVEY MADE  
No

26. TYPE ELECTRIC AND OTHER LOGS RUN  
DILL, SDL-DSN

27. WAS WELL CORED  
No

28. CASING RECORD (Report all strings set in well)

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
14-3/4" H-40	42#	582'	14-3/4"	310 sx PP "C"	Circulated
8-5/8" J-55	32#	3724'	11"	800 sx 50/50 Poz A & 175 PP	Circulated
7-1/2" CF-95 & P-110	17#	11250	7-7/8"	385 Prem & 975 Prem 50/50 poz	TOC 3150' TS

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					None		

30. TUBING RECORD

31. PERFORATION RECORD (Interval, size and number)  
11122 to 11137 (.36" 60)

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
11122 to 11137	61.000 gals Medallion frac 3000 w/151.000# 16/30 AC Frac Black

32. PRODUCTION

DATE FIRST PRODUCTION: 10/25/96  
PRODUCTION METHOD (Flowing, gas lift, pumping - size and type of pump): Flowing  
WELL STATUS (Producing or shut-in): Producing

DATE OF TEST: 10/29/96	HOURS TESTED: 24	CHOKE SIZE: 16/64"	PROD'N. FOR TEST PERIOD →	OIL - BBL: 81	GAS - MCF: 162	WATER - BBL: 27	GAS - OIL RATIO
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DOWN-TUBING PRESS.	CASING PRESSURE: 340	CALCULATED 24-HOUR RATE →	OIL - BBL	GAS - MCF	WATER - BBL	OIL GRAVITY - API (CORR.): 38.5
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34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.): Sold

TEST WITNESSED BY

LIST OF ATTACHMENTS  
CS

I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED: Randy Lillard TITLE: Regulatory Analyst DATE: 11/14/95

\* (See Instructions and Spaces for Additional Data on Reverse Side)

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof, cored intervals, and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries):

38. GEOLOGIC MARKERS

FORMATION	TOP		DESCRIPTION, CONTENTS, ETC.	BOTTOM		TOP	
	DEPTH	TIME		DEPTH	TIME	MEAS. DEPTH	TRUE VERT. DEPTH
Dela Mt Grp & BS Bone Spring BS & Wfcp	0		Redbed	595			
	595		Salt	1800			
	1800		Anhy. Salt. Dolo	3724		3902	
	3724		Sand, Shale	7475		7702	
	7475		Lime, Shale	9550		11018	
	9550		Lime, Shale, Sand	11250			

**BASS ENTERPRISES PRODUCTION CO.**

201 MAIN ST.  
FORT WORTH, TEXAS 76102-3131  
817/390-8400

March 10, 1999

**CERTIFIED MAIL/**  
**Return Receipt Requested**

Bureau of Land Management  
2901 West 2nd Street  
Roswell, New Mexico 88201

Attention: Mr. Edwin L. Roberson

Commissioner of Public Lands  
State of New Mexico  
P. O. Box 1148  
Santa Fe, New Mexico 87504-1148

Attention: Ms. Jami Bailey

New Mexico Oil Conservation Division  
2040 S. Pacheco  
Santa Fe, New Mexico

Attention: Ms. Lori Wrotenberry

Re: 1999 Plan of Development  
James Ranch Unit  
Eddy County, New Mexico

Gentlemen:

In accordance with Section 10 of the James Ranch Unit Agreement dated April 22, 1952, Bass Enterprises Production Co., Operator of the referenced unit, hereby submits a Plan of Development for the James Ranch Unit for the year 1999.

**HISTORY OF PAST DEVELOPMENT**

We refer to our previous Plans of Development for a detailed description of the operations conducted in this Unit in prior years.

**1998 ACTIVITY**

Bass purchased several wells within the unit from Enron Oil & Gas Company and integrated those wells into our operations.

Extensive pressure work was conducted on all active wells in the unit.

### PARTICIPATING AREAS

Bass Enterprises Production Co. has yet to submit information for several wells drilled to date for commercial determination and participating areas. Bass is continuing to receive data necessary for these purposes and will provide same to the BLM when complete.

### FUTURE DEVELOPMENT

Bass Enterprises Production Co. plans to drill at least two(2) wells during the calendar year at the following approximate locations: 1) 990' FWL, 660' FSL Section 36, T22S-R30E, to a total depth of 7,750' (Delaware) and 2) 990' FWL, 1,980' FSL Section 36, T22S-R30E to a depth of 7,750' (Delaware). As of this date the above well locations are subject to revision.

### OFFSET OBLIGATIONS

Appropriate and adequate measures will be taken to prevent drainage of unitized substances from lands within the James Ranch Unit area or pursuant to applicable regulations.

### MODIFICATIONS

In accordance with the terms and provisions of the James Ranch Unit Agreement, this Plan of Development may be modified from time to time as a result of changing conditions.

### MARKET CONDITIONS

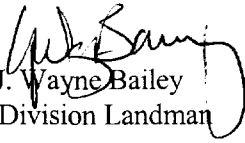
Bass' 1998 Activity and our 1999 Planned Activities are considerably modest compared to previous years. This is a result of a decrease in product price being as much as a 36% decline in oil prices and a 25% decline in natural gas prices over the past 12 months. Most of the oil and gas operators operating in Southeastern New Mexico are affected by the declining product prices which has resulted in a substantial decrease in drilling activity. In the event our drilling plans for 1999 are revised, we will provide for your approval an amended Plan of Development accordingly.

### EFFECTIVE DATE

This Plan of Development shall become effective on January 1, 1999.

If this Plan of Development meets with your approval, please so indicate by signing in the appropriate space provided below and return one (1) signed original to the undersigned for our records.

Very truly yours,

  
J. Wayne Bailey  
Division Landman

JWB:ca

March 10, 1999 BLM (JRU)

Page 3

ACCEPTED AND AGREED this 18<sup>th</sup> day of March, 1999.

BUREAU OF LAND MANAGEMENT

By: \_\_\_\_\_

COMMISSIONER OF PUBLIC LANDS

By: \_\_\_\_\_

NEW MEXICO OIL CONSERVATION DIVISION

By:  \_\_\_\_\_



COMMERCIAL RESOURCES  
(505)-827-5724

SURFACE RESOURCES  
(505)-827-5795

MINERAL RESOURCES  
(505)-827-5744

ROYALTY  
(505)-827-5772

State of New Mexico  
Commissioner of Public Lands  
Ray Powell, M.S., D.V.M.  
310 Old Santa Fe Trail, P. O. Box 1148  
Santa Fe, New Mexico 87504-1148  
Phone (505)-827-5760, Fax (505)-827-5766

PUBLIC AFFAIRS  
(505)-827-5765

ADMINISTRATIVE MGMT.  
(505)-827-5700

LEGAL  
(505)-827-5715

PLANNING  
(505)-827-5752

December 14, 1998

Bass Enterprises Production Company  
201 Main Street  
Ft. Worth, Texas 76102-3131

Attn: Mr. J. Wayne Bailey

Re: 1998 Plan of Development  
James Ranch Unit  
Eddy County, New Mexico

Dear Mr. Bailey:

The Commissioner of Public Lands has, of this date, approved the above-captioned Plan of Development. Our approval is subject to like approval by all other appropriate agencies.

The possibility of drainage by wells outside of the unit area and the need for further development of the unit may exist. You may be contacted at a later date regarding these possibilities.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY POWELL, M.S., D.V.M.  
COMMISSIONER OF PUBLIC LANDS

BY: *For Anthony H. Neal*  
JAMI BAILEY, Director  
Oil, Gas and Minerals Division  
(505) 827-5744

RP/JB/cpm  
xc: Reader File

OCD

BLM

FILE  
#472

BASS ENTERPRISES PRODUCTION CO.

201 MAIN ST.  
FORT WORTH, TEXAS 76102-3131  
817/390-8400

May 15, 1998

**CERTIFIED MAIL/  
Return Receipt Requested**

Bureau of Land Management  
2901 West 2nd Street  
Roswell, New Mexico 88201

Attention: Mr. Edwin L. Roberson

Commissioner of Public Lands  
State of New Mexico  
P. O. Box 1148  
Santa Fe, New Mexico 87504-1148

Attention: Ms. Jami Bailey

New Mexico Oil Conservation Division  
2040 S. Pacheco  
Santa Fe, New Mexico

Attention: Ms. Lori Wrottenberry

Re: 1998 Plan of Development  
James Ranch Unit  
Eddy County, New Mexico

Gentlemen:

In accordance with Section 10 of the James Ranch Unit Agreement dated April 22, 1952, Bass Enterprises Production Co., Operator of the referenced unit, hereby submits a Plan of Development for the James Ranch Unit for the year 1998.

HISTORY OF PAST DEVELOPMENT

We refer to our previous Plans of Development for a detailed description of the operations conducted in this Unit in prior years.

1997 ACTIVITY

James Ranch Unit Well No. 76 - This well was drilled at a location being 1,900' FNL & 360' FWL of Section 6, T23S-R31E, Eddy County, New Mexico. This well was completed as a gas well in Wolfcamp Formation, in the interval 11,122' - 11,137'.



PARTICIPATING AREAS

Bass Enterprises Production Co. has submitted all wells drilled to date where adequate information is available for commercial determination and participating areas. In the event you have not received commercial determinations for the wells that have been drilled and completed and are currently producing, please advise at your convenience and we will submit same to you.

FUTURE DEVELOPMENT

Bass Enterprises Production Co. plans to drill at least two(2) wells during the calendar year at the following approximate locations: 1) 990' FWL, 660' FSL Section 36, T22S-R30E, to a total depth of 7,750' and 2) 990' FWL, 1,980' FSL Section 36, T22S-R30E to a depth of 7,750'. As of this date the above well locations are subject to revision.

OFFSET OBLIGATIONS

Appropriate and adequate measures will be taken to prevent drainage of unitized substances from lands within the James Ranch Unit area or pursuant to applicable regulations.

MODIFICATIONS


In accordance with the terms and provisions of the James Ranch Unit Agreement, this Plan of Development may be modified from time to time as a result of changing conditions.

EFFECTIVE DATE

This Plan of Development shall become effective on January 1, 1998.

If this Plan of Development meets with your approval, please so indicate by signing in the appropriate space provided below and return one (1) signed original to the undersigned for our records.

Very truly yours,

  
J. Wayne Bailey  
Division Landman

JWB:ca

ACCEPTED AND AGREED this 18<sup>th</sup> day of May,  
1998.

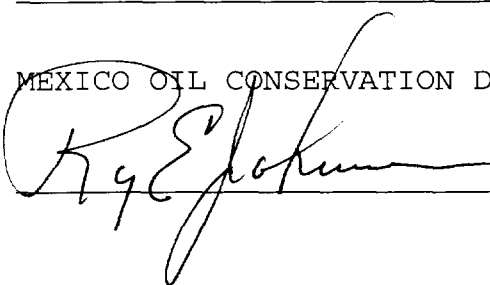
BUREAU OF LAND MANAGEMENT

By: \_\_\_\_\_

COMMISSIONER OF PUBLIC LANDS

By: \_\_\_\_\_

NEW MEXICO OIL CONSERVATION DIVISION

By:  \_\_\_\_\_

472



COMMERCIAL RESOURCES  
(505)-827-5724

SURFACE RESOURCES  
(505)-827-5795

MINERAL RESOURCES  
(505)-827-5744

ROYALTY  
(505)-827-5772

PUBLIC AFFAIRS  
(505)-827-5765

ADMINISTRATIVE MGMT.  
(505)-827-5700

LEGAL  
(505)-827-5715

PLANNING  
(505)-827-5752

State of New Mexico  
Commissioner of Public Lands

Ray Powell, M.S., D.V.M.  
310 Old Santa Fe Trail, P. O. Box 1148  
Santa Fe, New Mexico 87504-1148  
Phone (505)-827-5760, Fax (505)-827-5766

February 17, 1997

Bass Enterprises Production Company  
201 Main Street  
Ft. Worth, Texas 76102-3131

Attn: Mr. J. Wayne Bailey

Re: 1997 Plan of Development  
James Ranch Unit  
Eddy County, New Mexico

Dear Mr. Bailey:

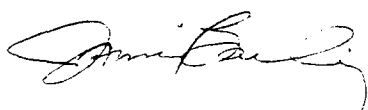
The Commissioner of Public Lands has, of this date, approved the above-captioned Plan of Development. Our approval is subject to like approval by all other appropriate agencies.

The possibility of drainage by wells outside of the unit area and the need for further development of the unit may exist. You may be contacted at a later date regarding these possibilities.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY POWELL, M.S., D.V.M.  
COMMISSIONER OF PUBLIC LANDS

BY:   
JAMI BAILEY, Director  
Oil, Gas and Minerals Division  
(505) 827-5744

RP/JB/cpm  
cc: Reader File

OCD

BLM

BASS ENTERPRISES PRODUCTION CO.

201 MAIN ST.

FORT WORTH, TEXAS 76102-3131

817/390-8400

February 4, 1997

**CERTIFIED MAIL/  
Return Receipt Requested**

Bureau of Land Management  
P. O. Box 1397  
Roswell, New Mexico 88201

Attention: Mr. Tony Ferguson

Commissioner of Public Lands  
State of New Mexico  
P. O. Box 1148  
Santa Fe, New Mexico 87504-1148

Attention: Mr. Larry Kehoe

New Mexico Oil Conservation Division  
2040 S. Pacheco  
Santa Fe, New Mexico

Attention: Mr. William LeMay

Re: 1997 Plan of Development  
James Ranch Unit  
Eddy County, New Mexico

Gentlemen:

In accordance with Section 10 of the James Ranch Unit Agreement dated April 22, 1952, Bass Enterprises Production Co., Operator of the referenced unit, hereby submits a Plan of Development for the James Ranch Unit for the year 1997.

**HISTORY OF PAST DEVELOPMENT**

We refer to our previous Plans of Development for a detailed description of the operations conducted in this Unit in prior years.

**1996 ACTIVITY**

James Ranch Unit Well No. 16 - This well was drilled at a location of 1,980' FNL & 330' FEL in Section 36, T22S-R30E, Eddy County, New

February 4, 1997

Page 2

Mexico. The well was completed as an oil well in the Wolfcamp Formation in the interval 11,115' - 11,131'. This well will be submitted for commercial determination during the calendar year 1997.

James Ranch Unit Well No. 65 - This well was drilled at a location being 330' FNL & 2,310' FEL in Section 6, T23S-R31E, Eddy County, New Mexico. This well was completed as an oil well in the Wolfcamp Formation in the interval 11,200' - 11,210. This well will be submitted for commercial determination during the calendar year 1997.

James Ranch Unit Well No. 73 - This well was drilled at a location being 330' FNL & 1,980' FWL in Section 6, T23S-R31E, Eddy County, New Mexico. This well was completed as an oil well in the Wolfcamp Formation in the interval 11,166' -11,174'. This well will be submitted for commercial determination during the calendar year 1997.

James Ranch Unit Well No. 76 - This well was drilled at a location being 1,900' FNL & 360' FWL of Section 6, T23S-R31E, Eddy County, New Mexico. This well was drilled to a depth of 11,224' and is presently being tested in the Wolfcamp Formation.

#### PARTICIPATING AREAS

Bass Enterprises Production Co. has submitted all wells drilled to date where adequate information is available for commercial determination and participating areas. In the event you have not received commercial determinations for the wells that have been drilled and completed and are currently producing, please advise at your convenience and we will submit same to you.

By application dated February 8, 1996, Bass Enterprises Production Co. submitted for approval a Third Revision to the Initial Atoka Participating Area. This Third Revision enlarged the Participating Area to consist of 2,604.65 acres based upon the well information obtained from the Santa Fe 1-C Pure Gold Federal well located in the SE/4 SW/4 Section 17, T23S-R31E. This Third Revision was approved by all governmental agencies with an effective date of December 1, 1982. By application dated February 8, 1996, Bass Enterprises Production Co. submitted for approval a Fourth Revision to the Initial Atoka Participating Area to consist of 2,844.50 acres based upon the well information obtained from the Mitchell Energy -Apache Federal 13 No. 1 well located in the SE/4 NE/4 Section 13, T22S-R30E. This Fourth Revision was approved by all governmental agencies with an effective date of July 1, 1993.

February 4, 1997  
Page 3

FUTURE DEVELOPMENT

Bass Enterprises Production Co. plans to drill at least two(2) wells during the calendar year. As of this date the well locations and target depths are undetermined and will be subject to possible site restrictions and the issuance of drilling permits.

OFFSET OBLIGATIONS

Appropriate and adequate measures will be taken to prevent drainage of unitized substances from lands within the James Ranch Unit area or pursuant to applicable regulations.

MODIFICATIONS


In accordance with the terms and provisions of the James Ranch Unit Agreement, this Plan of Development may be modified from time to time as a result of changing conditions.

EFFECTIVE DATE

This Plan of Development shall become effective on January 1, 1997.

If this Plan of Development meets with your approval, please so indicate by signing in the appropriate space provided below and return one (1) signed original to the undersigned for our records.

Very truly yours,

  
J. Wayne Bailey  
Division Landman

JWB:pb

February 4, 1997  
Page 4

ACCEPTED AND AGREED this 12<sup>th</sup> day of Feb.,  
1997.

BUREAU OF LAND MANAGEMENT

By: \_\_\_\_\_

COMMISSIONER OF PUBLIC LANDS

By: \_\_\_\_\_

NEW MEXICO OIL CONSERVATION DIVISION

By:  \_\_\_\_\_

CC: Enron Oil & Gas Company  
P.O. Box 2267  
Midland, Texas 79702  
Attn: Mr. Patrick J. Tower

LAW OFFICES

LOSEE, CARSON, HAAS & CARROLL, P. A.

MARY LYNN BOGLE  
ERNEST L. CARROLL  
JOEL M. CARSON  
DEAN B. CROSS  
JAMES E. HAAS

311 WEST QUAY AVENUE  
P. O. BOX 1720  
ARTESIA, NEW MEXICO 88211-1720

TELEPHONE  
(505) 746-3505  
FACSIMILE  
(505) 746-6316

OF COUNSEL  
A. J. LOSEE

December 6, 1996

Mr. William J. LeMay, Director  
New Mexico Oil Conservation Division  
2040 S. Pacheco  
P. O. Box 6429  
Santa Fe, New Mexico 87505-5472

Re: Third and Fourth Revisions of Atoka  
Participating Area, James Ranch Unit, Eddy  
County, New Mexico/NMOCD No. R-279

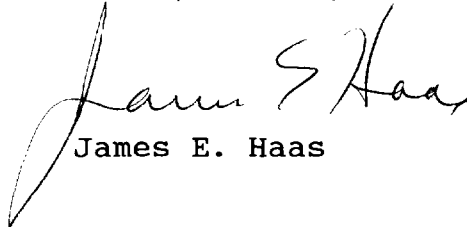
Dear Mr. LeMay:

Please find attached hereto a decision dated December 3, 1996, by Richard A. Whitley, Deputy State Director of the Bureau of Land Management upholding the previously approved revisions of the Third and Fourth Participating Areas of the James Ranch Unit, Eddy County, New Mexico. In light of this decision, we respectfully request that the Division grant the Motion to Dismiss previously filed by this office on November 27, 1996. It is not known at this time if Enron will pursue a further appeal to the Interior Board of Land Appeals, but we see no advantage to this matter remaining pending before the Oil Conservation Division.

We would appreciate your consideration in this matter.

Respectfully yours,

LOSEE, CARSON, HAAS & CARROLL, P.A.



James E. Haas

JEH:kth  
Encl.

cc w/encl: Mr. Rand Carroll, Legal Bureau  
Mr. Wayne Bailey





# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

New Mexico State Office  
1474 Rodco Road  
P. O. Box 27115  
Santa Fe, New Mexico 87502-0115

December 3, 1996

IN REPLY REFER TO:  
SDR 96-26  
NMNM 70965  
3165.3 (NM932)

CERTIFIED - RETURN RECEIPT REQUESTED  
Z 091 155 642

### Decision

Mr. William Carr	:	
Campbell, Carr, Berge	:	Third and Fourth Revisions
& Sheridan, P.A.	:	to the Atoka Participating
P.O. Box 2208	:	Area, James Ranch Unit
Santa Fe, NM 87504-2208	:	

### Decision Upheld

On March 4, 1996, the Assistant District Manager, Minerals Support Team, Roswell District Office (RDO), approved the third and fourth revisions to the Atoka participating area of the James Ranch Unit (JRU). The approval was conditioned on concurrent approval by the New Mexico Oil Conservation Division (NMOCD) and the New Mexico State Land Office (NMSLO). The NMOCD had already approved both revisions in their order dated February 22, 1996. Enron Oil and Gas Company (Enron), majority working interest owner in the JRU, requested and was allowed to present evidence to the RDO and the NMSLO. By letter dated July 17, 1996, to the NMSLO, the RDO indicated that they had conducted a review of additional information submitted by Enron Oil and Gas Company (Enron) and reiterated their prior approval. On July 25, 1996, approval by the NMSLO made the revision effective. On August 22, 1996, the firm of Campbell, Carr, Berge & Sheridan (representing Enron) filed a timely request for a State Director Review of RDO's decision. The law firm of Hinkle, Cox, Eaton, Coffield & Hensley, by letter dated August 22, 1996, entered its appearance for Shell Western E&P, Inc., as a party adversely affected by the RDO decision. Shell Western E&P, Inc. (Shell Western), is an affected party to the decision because they were an interest owner in the JRU on the effective date of the participating area revisions. Enron's and Shell Western's appeals the State Director included requests for an oral presentation.

Enron and Shell Western presented oral arguments and supporting evidence on October 28, 1996. By letter dated September 12, 1996, Bass Enterprises Production Company (Bass), the Unit Operator of the James Ranch Unit, filed arguments in support of RDO's decision and also requested an oral presentation. Bass made their oral presentation of on November 7, 1996.

Enron and Shell Western argued that RDO's approval should be rescinded. Their arguments were lengthy but focus on the following items:

1. Bass violated Federal regulations (43 CFR 3180).
2. Enron's consent to the revisions was never obtained as required by Article 11 of the Unit Agreement.
3. Enron and Shell Western were never provided notice of the revision applications as required by Articles 25 and 26 of the Unit Agreement.
4. The retroactive nature of the decision is improper because:
  - a. Equities must favor the party seeking retroactive relief;
  - b. There must be substantial evidence to support the retroactive provision of the decision; and
  - c. A retroactive effective date is not permissible any earlier than the date of application.
5. The lands do not meet the criteria necessary for participating area expansion defined in Article 11 of the James Ranch Unit Agreement (Unit Agreement). Specifically, the revisions include land that is not "... reasonably proved productive in paying quantities...." Bass has misinterpreted the commercial extent of the Atoka Sand by:
  - a. Excluding or misinterpreting some critical well tests;
  - b. Ignoring wells with high water saturations; and
  - c. Failing to recognize faulting in the area.

Enron argues that Bass violated regulations contained in 43 CFR 3180. This argument is without merit because these regulations merely set the standards by which units are formed. Bass must meet the terms and conditions of the Unit Agreement.

Enron misinterprets the notice requirements in Article 11 of the Unit Agreement. The section quoted pertains specifically to the combination of two or more participating areas and not additions to an existing participating area.

Enron and Shell Western both state that they were never provided notice of the revision applications as required by Articles 25 and 26 of the Unit Agreement. Article 25 of the Unit Agreement gives Bass the right to appear before the Department of the Interior, the Commissioner of Public Lands and the New Mexico Oil Conservation Commission on issues related to operations on the JRU. Article 26 sets out the method by which notices must be delivered. The question at issue in this argument is whether or not Bass is required to notify all interested parties prior to each and every appearance before one or more of the agencies mentioned. It is our opinion that the appearance authority granted by Article 25 was conveyed to the unit operator at the time the Unit Agreement was ratified. Bass is not required by the Unit Agreement to notify interested parties when fulfilling their obligation to revise participating areas (Article 11).

Shell Western makes several arguments why a retroactive effective date is improper. Section 11 of the Unit Agreement states that "The effective date of any revision shall be the first of the month in which is obtained the knowledge or information on which such revision is predicated, unless a more appropriate effective date is specified in the schedule." The record indicates the third and fourth revisions to the Atoka Participating Area were made effective December 1982 and July 1993, respectively. In their oral presentation, Bass submitted drilling information and mapping from 1982. The material presented indicates that the information supporting their revision application was available in early 1982. It is our opinion that the Unit Agreement allows for a retroactive effective date and that the evidence presented by Bass supports the date approved by the RDO.

Enron argues that critical well tests were excluded or misinterpreted by Bass and the RDO. The record indicates that all well tests and logs from each and every well in the area of the Atoka participating area was reviewed and considered by both Bass and the RDO. Even though raw well information submitted by Enron and Bass was exactly the same or very similar, their final interpretations are significantly different. Both interpretations generally show a north-south trending reservoir, but the areal extent of the reservoir is interpreted differently, particularly in the area of section 35 and the southern end of the Atoka reservoir. Based on the fact that all of the well information was reviewed by the RDO and that evidence submitted by Enron was in the form of a differing interpretation of the very same data, it is reasonable to conclude that the original Bass application is a reasonable representation of the areal extent of the productive Atoka sand in the JRU.

Another point of contention raised by Enron is that Bass and the RDO did not correctly consider well economics for wells with high water saturations, particularly in the southern area of the Atoka

reservoir at the JRU. Wells with high water saturations indicate less reservoir gas in the vicinity of the wells. Enron claims that high water saturations in those wells, now and when they were originally drilled, makes it impossible for these wells to meet the paying quantities requirement in Article 11 of the Unit Agreement. The record indicates that Bass and the RDO believe water saturations are higher in the southern area, although they interpret slight lower values than does Enron. Bass presented drill stem test and log information that they feel indicates that presence of economic production potential at the time the wells were drilled. Enron counters this data by stating that the tests were flawed or inadequate. Article 11 of the Unit Agreement requires the unit operator to "...include additional land then regarded as reasonably proven to be productive in paying quantities...." It is our opinion, based on the evidence in the record, that Bass has reasonably demonstrated that paying quantities existed in the southern area of the Atoka reservoir in December 1982.

Enron states that faulting exists in the JRU. Faulting would be a barrier to the Atoka sand reservoir and would limit the areal extent of the participating area revisions, particularly in the area of section 35 of the JRU. Enron's interpretation is in direct conflict with opinions expressed by Bass and opinions by experts in BLM and the NMSLO. It is our opinion that Enron has not proven the existence of faulting in the JRU.

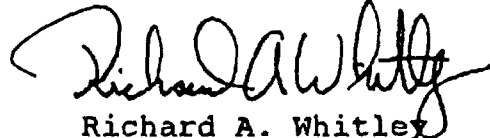
It must be noted for the record that the RDO decision was independently reviewed by the NMOCD and the NMSLO. Both of these State agencies reviewed similar data and decided to approve the application as submitted. A protest filed by Enron is currently pending a hearing before the NMOCD.

Based on the previous discussion, Enron has not proved with a preponderance of the evidence that the RDO decision was made in error. Therefore, the March 4, 1996, decision of the Assistant District Manager, Minerals Support Team, Roswell District Office, to approve the third and fourth revisions to the Atoka participating area of the JRU is considered reasonable and must be upheld.

Enron has the right to appeal this decision to the Interior Board of Land Appeals, in accordance with the regulations in Title 43 CFR Parts 4.400 and 3165.4, as well as Form 1842-1 (copies enclosed). If an appeal is taken, Enron's Notice of Appeal must be timely filed in this office so that the case file can be transmitted to the Interior Board of Land Appeals. See the enclosed Form 1842-1 for instructions to follow pertaining to the filing of a Notice of Appeal. To avoid summary dismissal of any appeal, Enron must comply fully with all the requirements of the regulations. A copy of any Notice of Appeal and any statement of reasons, written arguments, or briefs, must be served; (1) on the

Office of the Solicitor as shown on Form 1842-1; and (2) on the Roswell District Manager, Roswell District Office, 2909 West Second Street, Roswell, NM 88201.

Sincerely,



Richard A. Whitley  
Deputy State Director  
Division of Resource Planning,  
Use and Protection

CC:  
NM(060, Tony Ferguson)

Losee, Carson, Haas & Carroll  
Attention: Mr. Jim Haas  
P.O. Box 1720  
Artesia, NM 88211-1720

Bass Enterprises Production Co.  
Attention: Mr. Wayne Bailey  
201 Main Street  
Fort Worth, TX 76102

Enron Oil and Gas Company  
Attention: Mr. Patrick Tower  
P.O. Box 2267  
Midland, TX 79702-2267

Hinkle, Cox, Eaton, Coffield & Hensley  
Attention: Mr. James Bruce  
P.O. Box 2068  
Santa Fe, NM 87504-2068

New Mexico Oil Conservation Division  
Attention: Mr. David Catanach  
2040 S. Pacheco Street  
Santa Fe, NM 87505

New Mexico State Land Office  
Attention: Ms. Jami Bailey  
P.O. Box 1148  
Santa Fe, NM 87504-1148

BASS ENTERPRISES PRODUCTION CO.

201 MAIN ST.  
FORT WORTH, TEXAS 76102-3131  
817/390-8400

#472

March 7, 1995

Bureau of Land Management  
P. O. Box 1397  
Roswell, New Mexico 88201

Attention: Mr. Armando Lopez

Commissioner of Public Lands  
State of New Mexico  
P. O. Box 1148  
Santa Fe, New Mexico 87504-1148

Attention: Mr. Floyd Prando

New Mexico Oil Conservation Division  
2040 S. Pacheco  
Santa Fe, New Mexico 87505

Attention: Mr. William LeMay

Re: 1995 Plan of Development  
James Ranch Unit  
Eddy County, New Mexico

Gentlemen:

In accordance with Section 10 of the James Ranch Unit Agreement dated April 22, 1952, Bass Enterprises Production Co., Operator of the referenced unit, hereby submits a Plan of Development for the James Ranch Unit for the year 1995.

HISTORY OF PAST DEVELOPMENT

We refer to our previous Plans of Development for a detailed description of the operations conducted in this Unit in prior years.

March 7, 1995

Page 2

### 1994 ACTIVITY

James Ranch Unit Well No. 17 - This well was drilled at a location of 2,080' FNL & 1,980' FWL, Section 6, T23S-R31E, Eddy County, New Mexico. The well was drilled to a total depth of 11,300' and completed as an oil well in the Bone Springs formation in the intervals 10,988' - 11,022'. A determination of non-commercial status has been made by the BLM.

James Ranch Unit Well No. 29 - This well was drilled at a location 2,310' FWL and 1,980' FSL Section 36, T22S-R30E, Eddy County, New Mexico. The well was drilled to a total depth of 7,850' and completed as an oil well in the Delaware Formation between the intervals 7,460' - 7,466 and 7,502' - 7,518'. This well will be submitted during the calendar year 1995, for commercial determination and a participating area.

James Ranch Unit Well No. 36 - This well was drilled at a location being 1,980' FNL & 1,860' FEL Section 1, T23S-R30E, Eddy County, New Mexico. This well was drilled to a total depth of 7,820' and completed as an oil well in the Delaware Formation in the interval 7,293' - 7,305'. This well will be submitted during the calendar year 1995, for commercial determination and a participating area.

James Ranch Unit Well No. 37 - This well was drilled at a location being 1,980' FSL & 660' FEL Section 36, T22S-R30E, Eddy County, New Mexico. This well was drilled to a total depth of 7,781' and completed as a Delaware producer from the interval 7,529' - 7,660'. This well will be submitted during the calendar year 1995, for commercial determination and a participating area.

James Ranch Unit Well No. 41 - This well was drilled at a location 2,310' FWL and 660' FSL Section 36, T22S-R30E, Eddy County, New Mexico. The well was drilled to a total depth of 7,850' and completed as an oil well in the Delaware Formation in the interval 7,384' - 7,404'. This well will be submitted during the calendar year 1995, for commercial determination and a participating area.

James Ranch Unit No. 48 - This well was drilled at a location being 330' FWL & 990' FSL Section 12, T22S-R30E, Eddy County, New Mexico. This well was drilled to a total depth of 7,852' and completed as an oil well in the Delaware formation in the interval 6,659' - 7,222'. This well will be submitted during the calendar year 1995, for commercial determination and a participating area.

James Ranch Unit No. 55 - This well was drilled at a location being 1,980' FNL & 1,980' FWL Section 17, T22S-R31E, Eddy County, New Mexico. The well was drilled to a total depth of 8,022' and completed as an oil well in the Delaware formation in the interval 7,820' - 7,860'. This well will be submitted during the calendar year 1995, for commercial determination and a participating area.

March 7, 1995

Page 3

James Ranch Unit Well No. 56 - This well was drilled at a location being 830' FNL & 2,310' FWL Section 17, T22S-R31E, Eddy County, New Mexico. The well was drilled to a total depth of 8,070' and completed as an oil well in the Delaware formation in the interval 7,830' - 7,870'. This well will be submitted during the calendar year 1995, for commercial determination and a participating area.

James Ranch Unit Well No. 57 - This well was drilled at a location being 2,110' FNL & 700' FWL Section 17, T22S-R31E, Eddy County, New Mexico. The well was drilled to a total depth of 8,010' and completed as an oil well in the Delaware formation in the interval 7,803' - 7,843'. This well will be submitted during the calendar year 1995, for commercial determination and a participating area.

James Ranch Unit Well No. 70 - This well was drilled at a location 660' FSL and 1,980', FEL in Section 12, T22S-R30E, Eddy County, New Mexico. The well is being completed in the Atoka formation as a gas well in the interval 12,748' - 12,756'. This well will be submitted during the calendar year 1995, for commercial determination and a participating area.

James Ranch Unit Well No. 71 - This well was drilled at a location 330' FNL & 660' FEL Section 36, T22S-R30E, Eddy County, New Mexico. The well was drilled to a total depth of 11,205' and was completed in the Wolfcamp and Atoka formation in the intervals 11,091' - 11,124' and 10,880' - 10,938', respectively. This well will be submitted during the calendar year 1995, for commercial determination and a participating area.

### PARTICIPATING AREAS

Bass Enterprises Production has submitted all wells drilled to date where adequate production information is available for commercial determination and participating areas. In the event you have not received commercial determinations for the wells that have been drilled and completed and are currently producing, please advise at your convenience and we will submit same to you.

### FUTURE DEVELOPMENT

Bass' plans for 1995 are to continue to evaluate geophysical and other subsurface data for future drilling purposes. Bass' drilling activity level in 1995 will be largely dictated upon the gas market and gas price levels, which recently have been much lower than expected. Also, it should be noted that Bass has submitted permits to the BLM for the drilling of the James Ranch No. 68 and No. 69 wells, which have been denied due to potash concerns.



March 7, 1995  
Page 4

OFFSET OBLIGATIONS

Appropriate and adequate measures will be taken to prevent drainage of unitized substances from lands within the James Ranch Unit area or pursuant to applicable regulations.

MODIFICATIONS


In accordance with the terms and provisions of the James Ranch Unit Agreement, this Plan of Development may be modified from time to time as a result of changing conditions.

EFFECTIVE DATE

This Plan of Development shall become effective on January 1, 1995.

If this Plan of Development meets with your approval, please so indicate by signing in the appropriate space provided below and return one (1) signed original to us for our records.

Very truly yours,

  
J. Wayne Bailey  
Division Landman

JWB:ca

ACCEPTED AND AGREED this 10<sup>th</sup> day of March, 1995.

BUREAU OF LAND MANAGEMENT

By: \_\_\_\_\_

COMMISSIONER OF PUBLIC LANDS

By: \_\_\_\_\_

NEW MEXICO OIL CONSERVATION DIVISION

By:  \_\_\_\_\_

BASS ENTERPRISES PRODUCTION CO.

201 MAIN ST.  
FORT WORTH, TEXAS 76102-3131  
817/390-8400

December 16, 1994

Bureau of Land Management  
Department of Interior  
P. O. Box 1397  
Roswell, New Mexico 88201

Attention: Mr. John Simitz

Commissioner of Public Lands  
State of New Mexico  
P. O. Box 1148  
Santa Fe, New Mexico 87504-1148

Attention: Floyd Prando

New Mexico Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87504

Attention: Mr. William LeMay

Re: Initial Bone Springs Participating Area  
SW/4 NE/4 Section 6, T23S-R31E  
James Ranch Unit  
Eddy County, New Mexico

Gentlemen:

Bass Enterprises Production Co., as Unit Operator of the James Ranch Unit Agreement, pursuant to the provisions of Section 11 thereof, respectfully submits for your approval the selection of the following described lands to comprise the Initial Participating Area for the Bone Springs Formation:

SW/4 NE/4 Section 6, T23S-R31E containing 40.00 acres of land.

In support of this application the following numbered items are attached hereto and made a part hereof:

1. An ownership map (Exhibit "A") depicting the boundaries of the proposed initial participating area for the Bone Springs formation.
2. A schedule (Exhibit "B") identifying the lands entitled to participation in the unitized substances produced from the Bone Springs formation with the percentage of participation of each lease or tract indicated thereon.

This proposed initial participating area is predicated upon the knowledge and information first obtained upon the recompletion of Unit Well No. 7 (located in the SW/4

December 16, 1994  
Page 2

NE/4 of Section 6, T23S-R31E) in October, 1982. It should be noted that the No. 7 has been previously determined as capable of producing in commercial quantities. According to the Unit Agreement it is our understanding that the effective date of this initial participating area will be October 1, 1982. Therefore, Bass respectfully requests your approval of the hereinabove selection of lands to constitute the Initial Bone Springs Participating Area to be effective October 1, 1982. Thank you very much for your cooperation in this regard and should you require additional information concerning same, please don't hesitate to contact the undersigned.

Very truly yours,

  
J. Wayne Bailey

JWB:ca

ACCEPTED AND AGREED this 27<sup>th</sup> day of Dec, 1994

BUREAU OF LAND MANAGEMENT

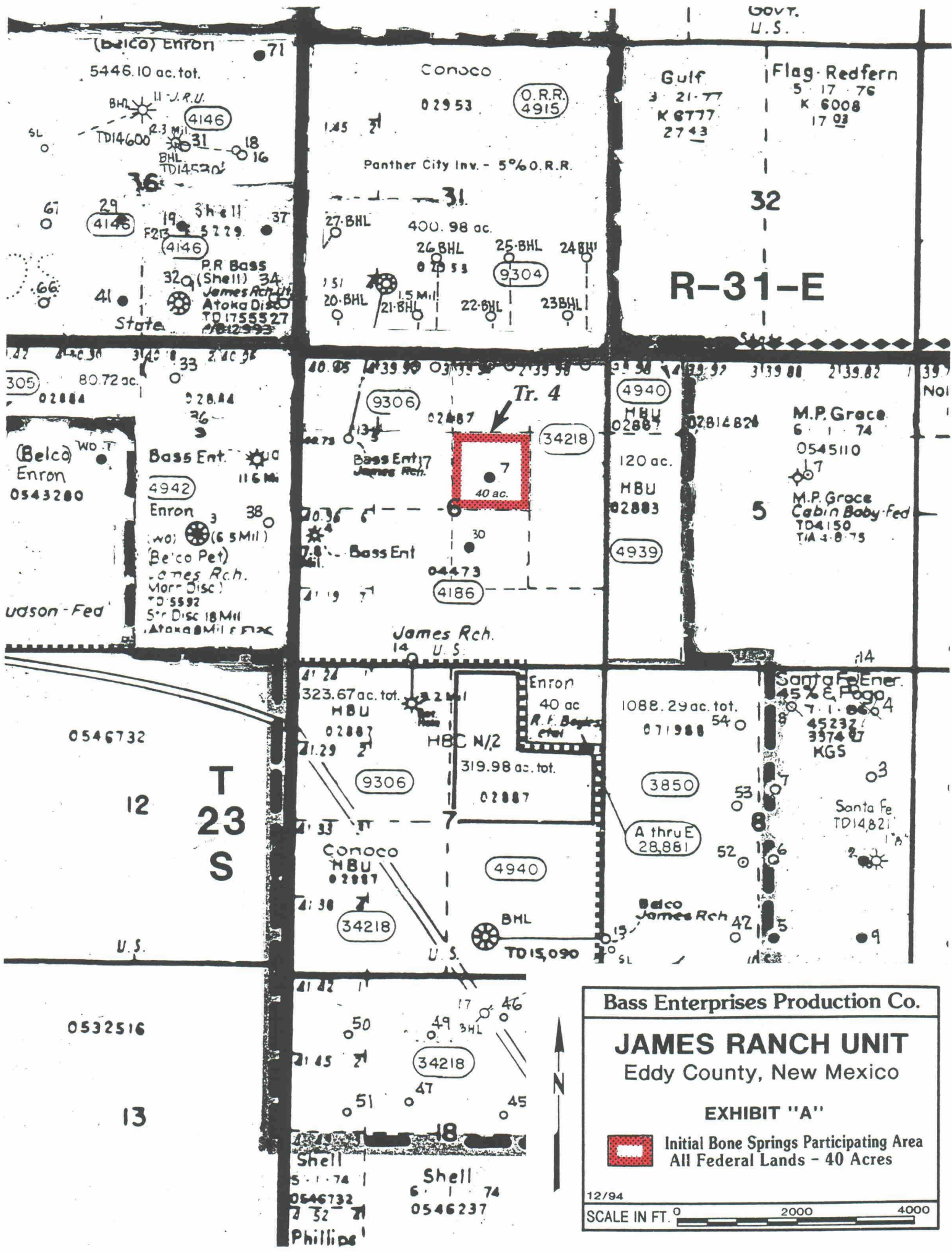
By: \_\_\_\_\_

COMMISSIONER OF PUBLIC LANDS

By: \_\_\_\_\_

NEW MEXICO OIL CONSERVATION DIVISION

By:  \_\_\_\_\_



**Bass Enterprises Production Co.**

**JAMES RANCH UNIT**  
Eddy County, New Mexico

**EXHIBIT "A"**

 Initial Bone Springs Participating Area  
All Federal Lands - 40 Acres

12/94

SCALE IN FT. 0 2000 4000

GOVT.  
U.S.

(Belco) Enron 71  
5446.10 ac. tot.  
BHL 11 J.P.U.  
TD14600 2.3 Mil  
31 18  
16  
67 29 37  
41 32  
P.R. Bass (Shell) 34  
James Ranch  
Atoka Disc  
TD1755527  
122993  
State

Conoco  
02953 (O.R.R.) 4915  
145  
Panther City Inv. - 5% O.R.R.  
31  
27-BHL 400.98 ac.  
26-BHL 02953  
25-BHL 24-BHL  
151 20-BHL 21-BHL 22-BHL 23-BHL  
1.5 Mil  
9304

Gulf 21-77 K 6777 2743  
Flag-Redfern 5-17-76 K 6008 1793  
32  
R-31-E

80.72 ac. 02884  
(Belco) Enron 0543280  
Bass Ent. 4942 Enron 38  
(6.5 Mil)  
(Belco Pet) James Ranch  
Morr Disc  
TD 5592  
S. Disc 18 Mil  
Atoka 8 Mil  
Udson-Fed

40.05 1439.99 0333.99 2739.99  
9306 02887 Tr. 4  
34218 7 40 ac.  
Bass Ent. 7 James Ranch  
30  
Bass Ent 04473 4186  
James Ranch 14 U.S.

4940 HBU 02887 02814824  
120 ac. HBU 02883 4939  
M.P. Grace 6-1-74 0545110  
5 M.P. Grace Cabin Baby-Fed  
TD4150  
TIA 4-8-75

0546732  
12  
T  
23  
S  
U.S.

323.67 ac. tot. HBU 02887  
3.2 Mil  
HBC N/2 319.98 ac. tot. 02887  
9306 4940  
Conoco HBU 02887  
34218 BHL TD15,090

1088.29 ac. tot. 071988 54  
3850  
A thru E 28,881  
Banco James Ranch  
Santa Fe Ener. 45 E. Pogo 4  
7-1-86 45232 3574  
KGS  
Santa Fe TD14,821

0532516  
13  
Shell 5-1-74 0546732 7-32-71  
Phillips  
Shell 6-1-74 0546237

4142 17 46  
50 49 BHL  
2145 34218 47  
51 45  
18



**EXHIBIT "B"**

**Initial Bone Springs Participating Area  
James Ranch Unit  
Eddy County, New Mexico**

<u>Tract No.</u>	<u>Lease No.</u>	<u>Description</u>	<u>Participating Acres</u>	<u>Percentage of Participation</u>	<u>Working Interest Owners</u>
4	NM 02887-A	Section 6, T23S-R31E; SW/4 NE/4	40	100%	Bass Enterprises Production Co.-50%  Enron Oil & Gas Co.-50%

Totals: 40 100%

Total Federal Lands: 40.00 Acres  
 Total State Lands: 0.00 Acres  
 Total Patented Lands: 0.00 Acres  
 Total: 40.00 Acres

BASS ENTERPRISES PRODUCTION CO.

201 MAIN ST.

FORT WORTH, TEXAS 76102-3131

817/390-8400

December 16, 1994

Bureau of Land Management  
Department of Interior  
P. O. Box 1397  
Roswell, New Mexico 88201

Attention: Mr. John Simitz

Commissioner of Public Lands  
State of New Mexico  
P. O. Box 1148  
Santa Fe, New Mexico 87504-1148

Attention: Floyd Prando

New Mexico Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87504

Attention: Mr. William LeMay

Re: Revision of Participating Area  
Initial Bone Springs Participating Area  
James Ranch Unit  
Eddy County, New Mexico

Gentlemen:

Bass Enterprises Production Co., as unit operator of the James Ranch Unit Agreement pursuant to the provisions of Section 11 thereof, respectively submits for your approval the selection of the following described lands to constitute the first revision to the Initial Bone Springs Participating Area based on James Ranch Unit Well Nos. 7 and 30. The revised participating area consists of 119.94 acres to be comprised of the lands indicated on the plat attached hereto and further described as follows:

NW/4 NE/4 (Lot 2) Section 6, T23S-R31E

SW/4 NE/4 Section 6, T23S-R31E

NW/4 SE/4 Section 6, T23S-R31E

All in Eddy County, New Mexico and containing exactly 119.94 acres of land.

In support of this application, the following numbered items are attached hereto and made a part hereof:

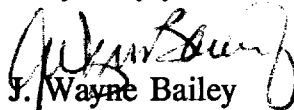
1. An ownership map (Exhibit "A") depicting the boundaries of the proposed first revision to the Initial Bone Springs Participating Area.
2. A schedule (Exhibit "B") identifying the lands entitled to participation in the revised participating area with the percentage of participation of each lease or tract indicated thereon.

3. A geological report with accompanying geological maps submitted in triplicate supporting and justifying the proposed selection of the revised area based on the results obtained from the James Ranch Unit Wells No 7 and 30.

This proposed revision to the Initial Bone Springs Participating Area is predicated upon the knowledge and information first obtained from the completion of James Ranch Unit No. 30 Well (located in the NE/4 SW/4 Section 6, T23S-R31E) on November 25, 1993. According to Section 11 of the Unit Agreement, the effective date of the subject revision should be the first of the month in which the above information was obtained or November 1, 1993. It should be noted that James Ranch Unit Wells No. 7 and 30 have been previously determined to be capable of production in commercial quantities according to the Unit Agreement. Therefore, Bass respectfully requests your approval of the hereinabove described 119.94 acres of land to constitute the First Revision to the Initial Bone Springs Participating Area, to be effective November 1, 1993.

Thank you very much for your cooperation in this regard and should you have any questions or comments concerning same, please don't hesitate to contact the undersigned.

Very truly yours,

  
J. Wayne Bailey  
Division Landman

JWB:ca

ACCEPTED AND AGREED this 27<sup>th</sup> day of Dec., 1994.

BUREAU OF LAND MANAGEMENT

By: \_\_\_\_\_

COMMISSIONER OF PUBLIC LANDS

By: \_\_\_\_\_

NEW MEXICO OIL CONSERVATION DIVISION

By:  \_\_\_\_\_

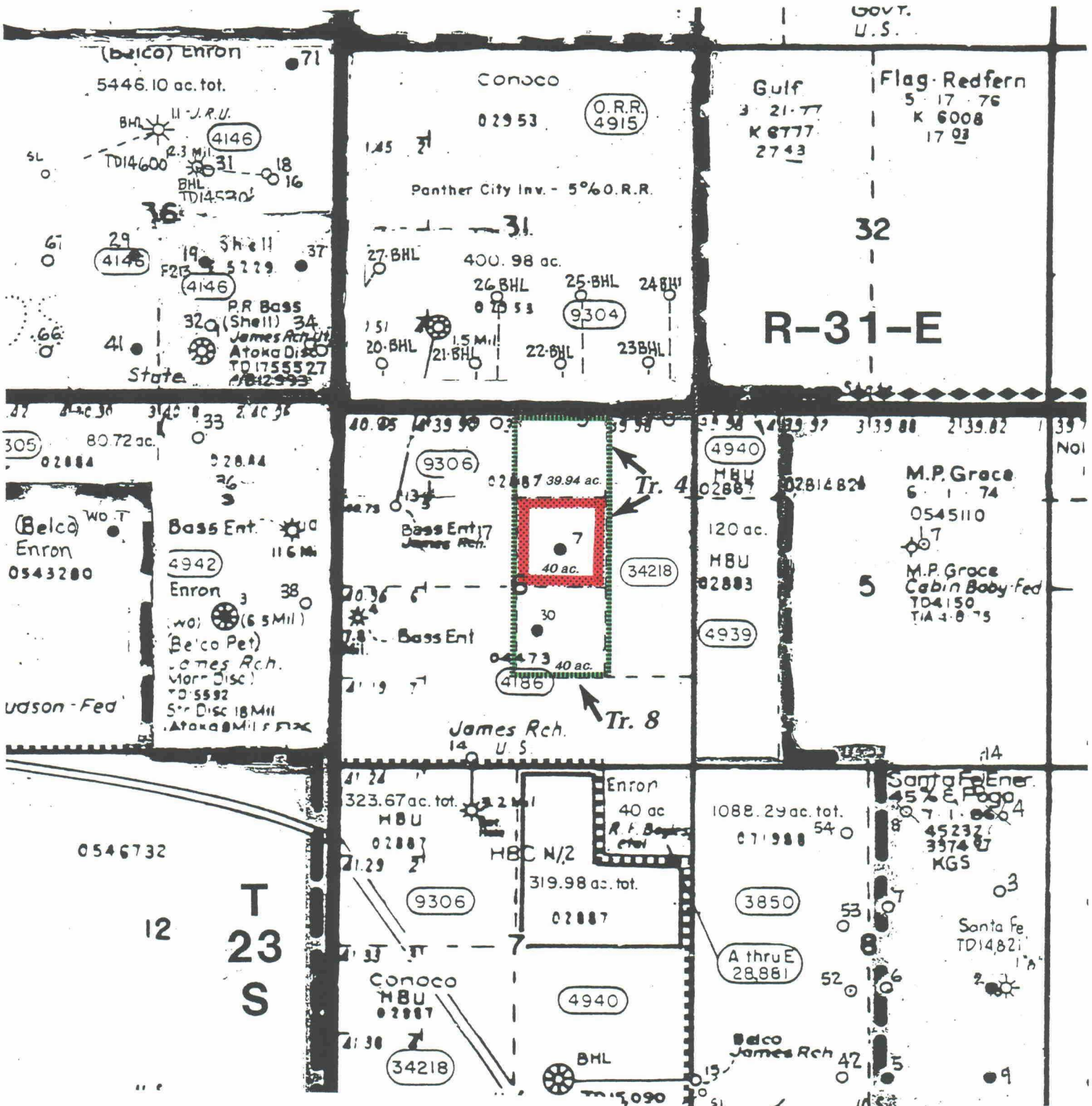


EXHIBIT "A"



Initial Bone Springs Participating Area  
All Federal Lands - 40 Acres



1st Revision to Initial Bone Springs Participating Area  
All Federal Lands - 119.94 Acres

Bass Enterprises Production Co.

**JAMES RANCH UNIT**  
Eddy County, New Mexico

12/94

SCALE IN FT. 0 2000 4000



**EXHIBIT "B"**

**First Revision to Initial Bone Springs Participating Area  
James Ranch Unit  
Eddy County, New Mexico**

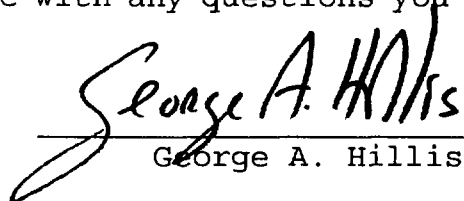
<u>Tract No.</u>	<u>Lease No.</u>	<u>Description</u>	<u>Participating Acres</u>	<u>Percentage of Participation</u>	<u>Working Interest Owners</u>
4	NM 02887-A	Section 6, T23S-R31E; NW/4 NE/4	39.94	33.30	Bass Enterprises Production Co.-50%  Enron Oil & Gas Co.-50%
4	NM 02887-A	Section 6, T23S-R31E, SW/4 NE/4	40.00	33.35	Bass Enterprises Production Co.-50%  Enron Oil & Gas Co.-50%
8	NM 04473	Section 6, T23S-R31E; NW/4 SE/4	40.00	33.35%	Bass Enterprises Production Co.-50%  Enron Oil & Gas Co.-50%
<b>Totals:</b>			<b>119.94</b>	<b>100%</b>	
Total Federal Lands:			119.94 Acres		
Total State Lands:			0.00 Acres		
Total Patented Lands:			<u>0.00</u> Acres		
<b>Total:</b>			<b>119.94</b> Acres		

TO: John S. Simitz  
FROM: George A. Hillis  
DATE: October 19, 1994  
RE: INITIAL BONE SPRING PARTICIPATING AREA  
JAMES RANCH UNIT  
W/2 OF NE/4 AND NW/4 OF SE/4  
SECTION 6, T23S-R31E  
EDDY COUNTY, NEW MEXICO

The reservoir addressed in this proposed participating area is defined as the interval within the Bone Spring III Sand from 11,014-58 in the J.R.U. No. 7 (SW/4 of NE/4 Sec. 6) and 11,020-66 in the J.R.U. No. 30 (NW/4 of SE/4 Sec. 6). Please find attached an isopach map for  $H \geq 12\%$  porosity within this interval and a structure map on the Base of the Bone Spring III Sand/Top Wolfcamp. The J.R.U. Nos. 7 & 30 are located within the southern 80 acres of the proposed 120-acre participating are.

The reservoir interval, as evidenced in the J.R.U. No. 7 is made up of at least six para-sequences of sand turbidite flow. Inter-well correlations support this depositional environment with its associated complex heterogeneity resulting in both continuous and discontinuous reservoir sands. Based on comparison of well performances between the J.R.U. Nos. 7 & 30 versus the J.R.U. No. 17 it appears that approximately 30' of reservoir quality sand are required for a well to be commercial, thus defining the western and eastern boundaries of the proposed participating area. At this time an "artificial" northern boundary is proposed, specifically due to the acreage north of it being located within the W.I.P.P. area. The proposed southern boundary is defined at this time by the J.R.U. No. 30 being the last known downdip well with commercial production. It is unknown also if a well can be drilled in the S/2 of the SE/4 due to potash reserves in the vicinity.

Please feel free to call me with any questions you might have.

  
George A. Hillis

GAH:jp

Attachments

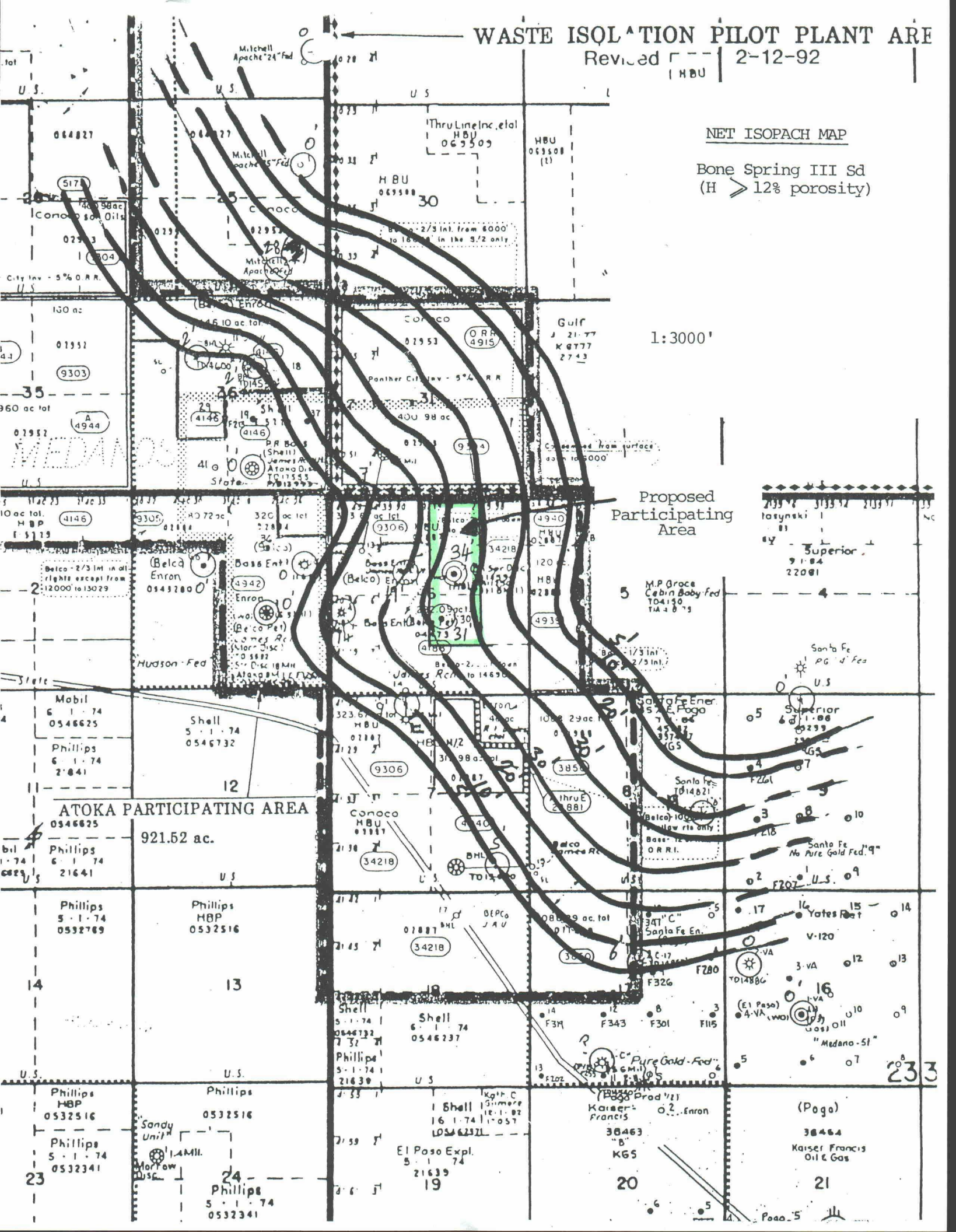
# WASTE ISOLATION PILOT PLANT AREA

Revised 2-12-92  
HBU

NET ISOPACH MAP

Bone Spring III Sd  
(H > 12% porosity)

1:3000'



Proposed Participating Area

ATOKA PARTICIPATING AREA

921.52 ac.

233

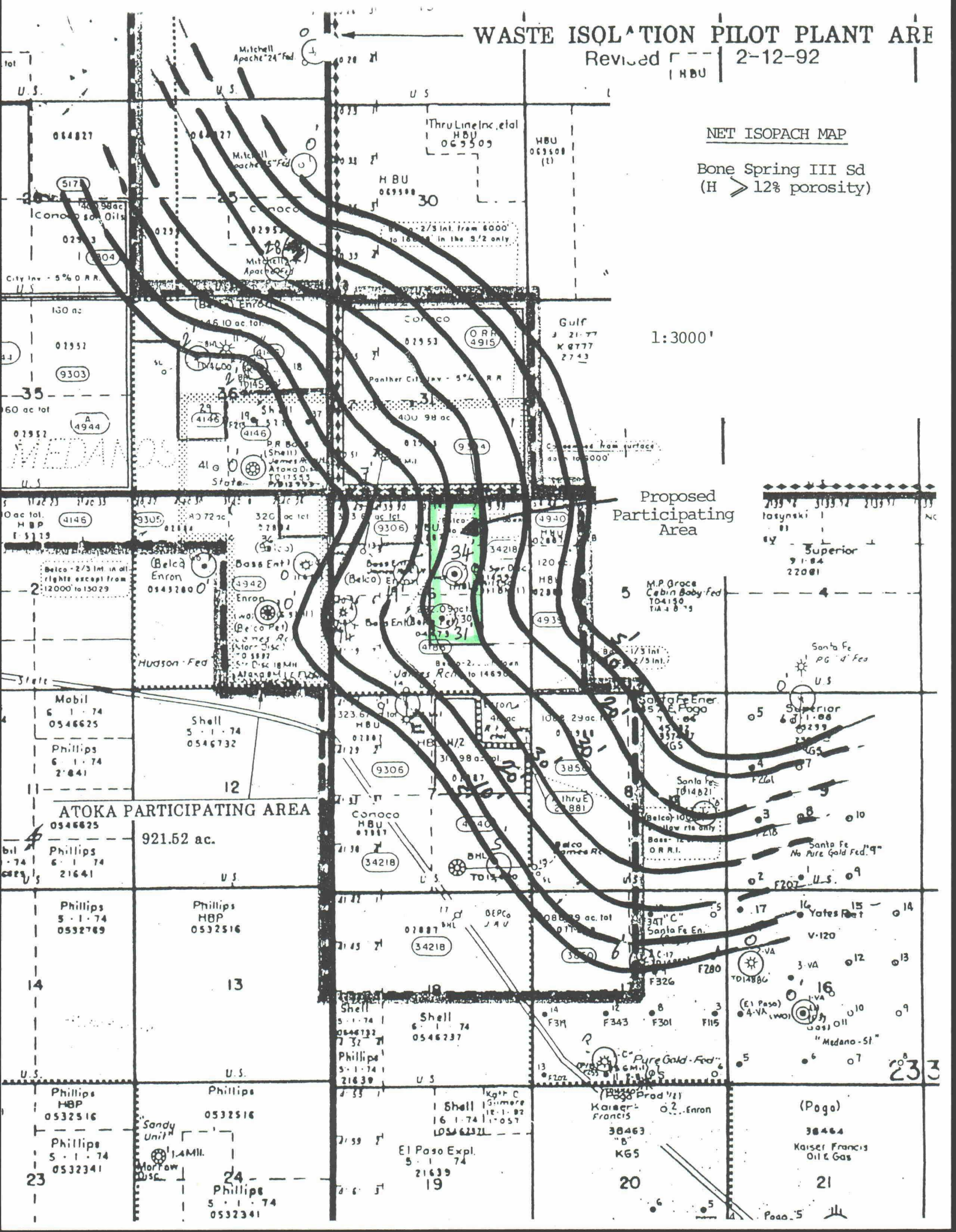
# WASTE ISOLATION PILOT PLANT AREA

Revised 2-12-92  
HBU

NET ISOPACH MAP

Bone Spring III Sd  
(H > 12% porosity)

1:3000'



MEDANOS

Proposed Participating Area

ATOKA PARTICIPATING AREA

921.52 ac.

233

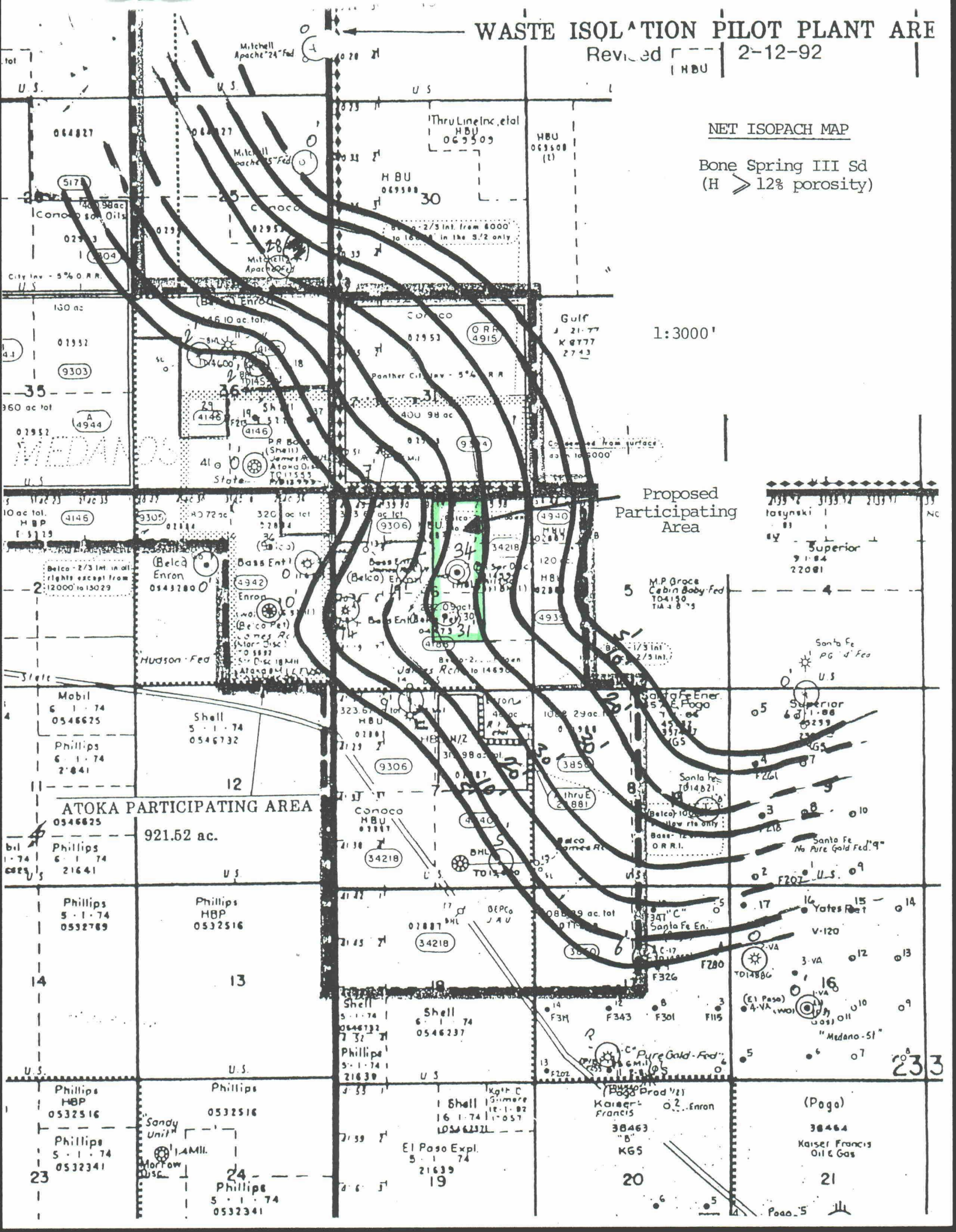
# WASTE ISOLATION PILOT PLANT AREA

Revised 2-12-92  
HBU

## NET ISOPACH MAP

Bone Spring III Sd  
(H > 12% porosity)

1:3000'



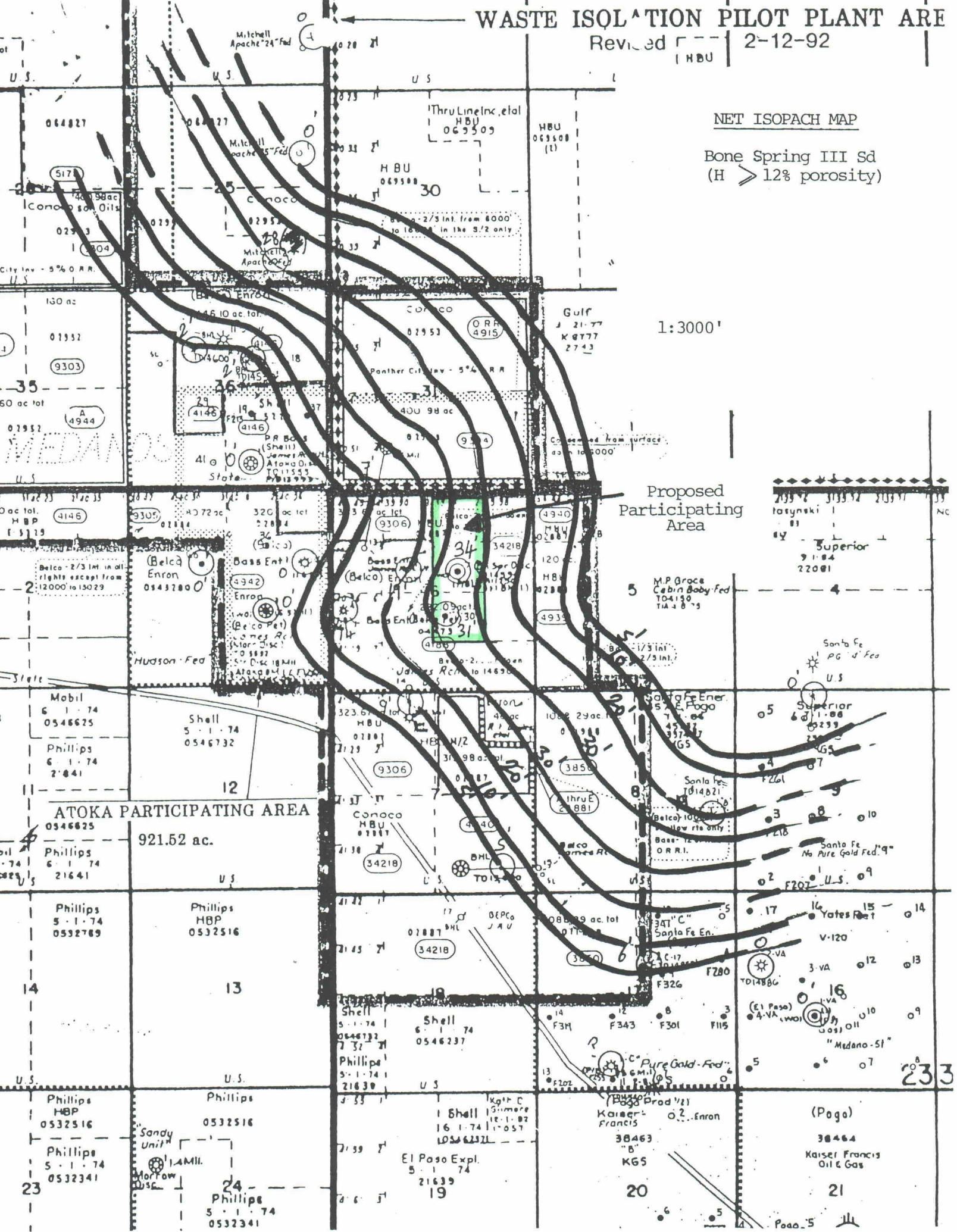
MEDANOS

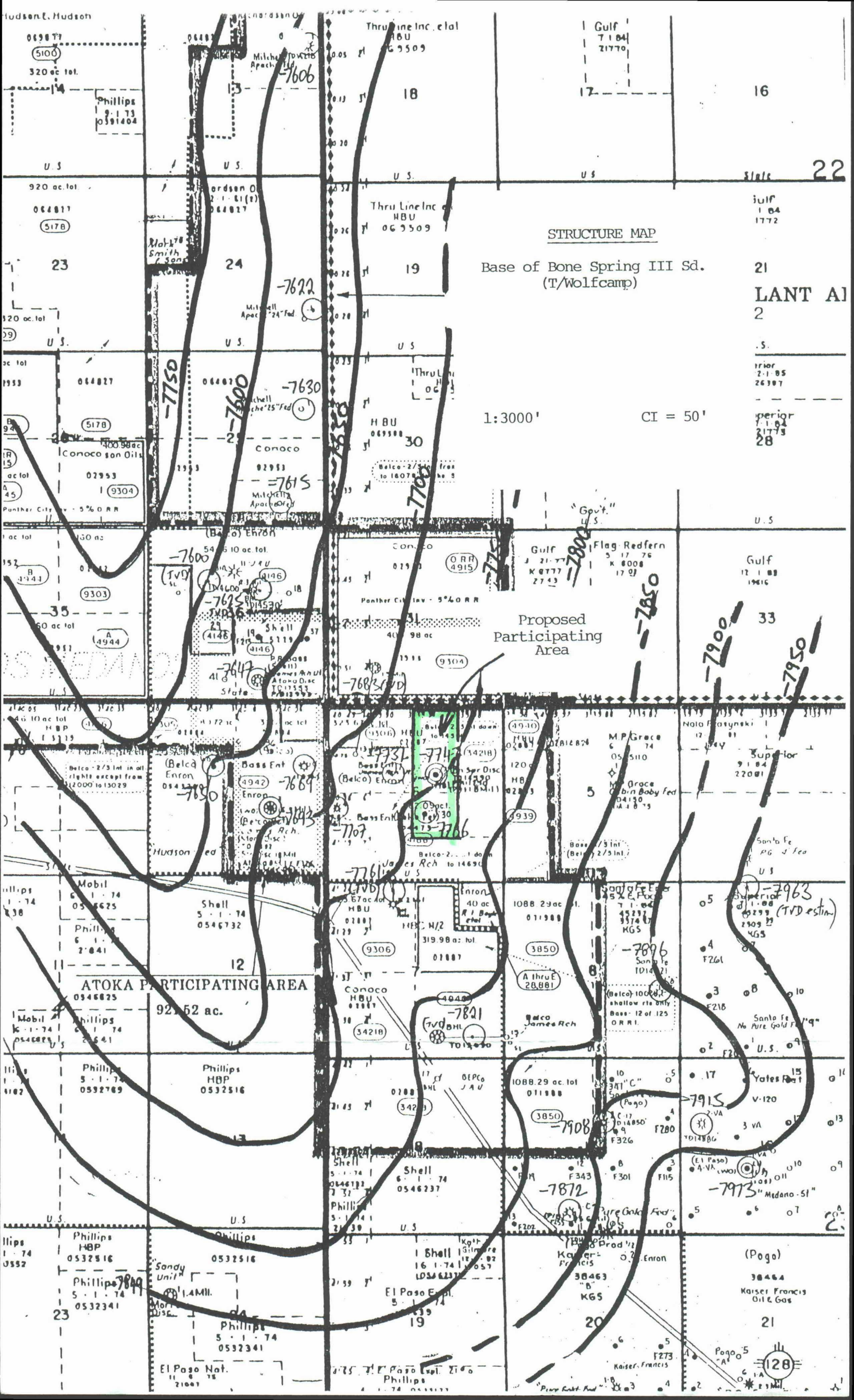
Proposed Participating Area

### ATOKA PARTICIPATING AREA

921.52 ac.

233





STRUCTURE MAP

Base of Bone Spring III Sd. (T/Wolfcamp)

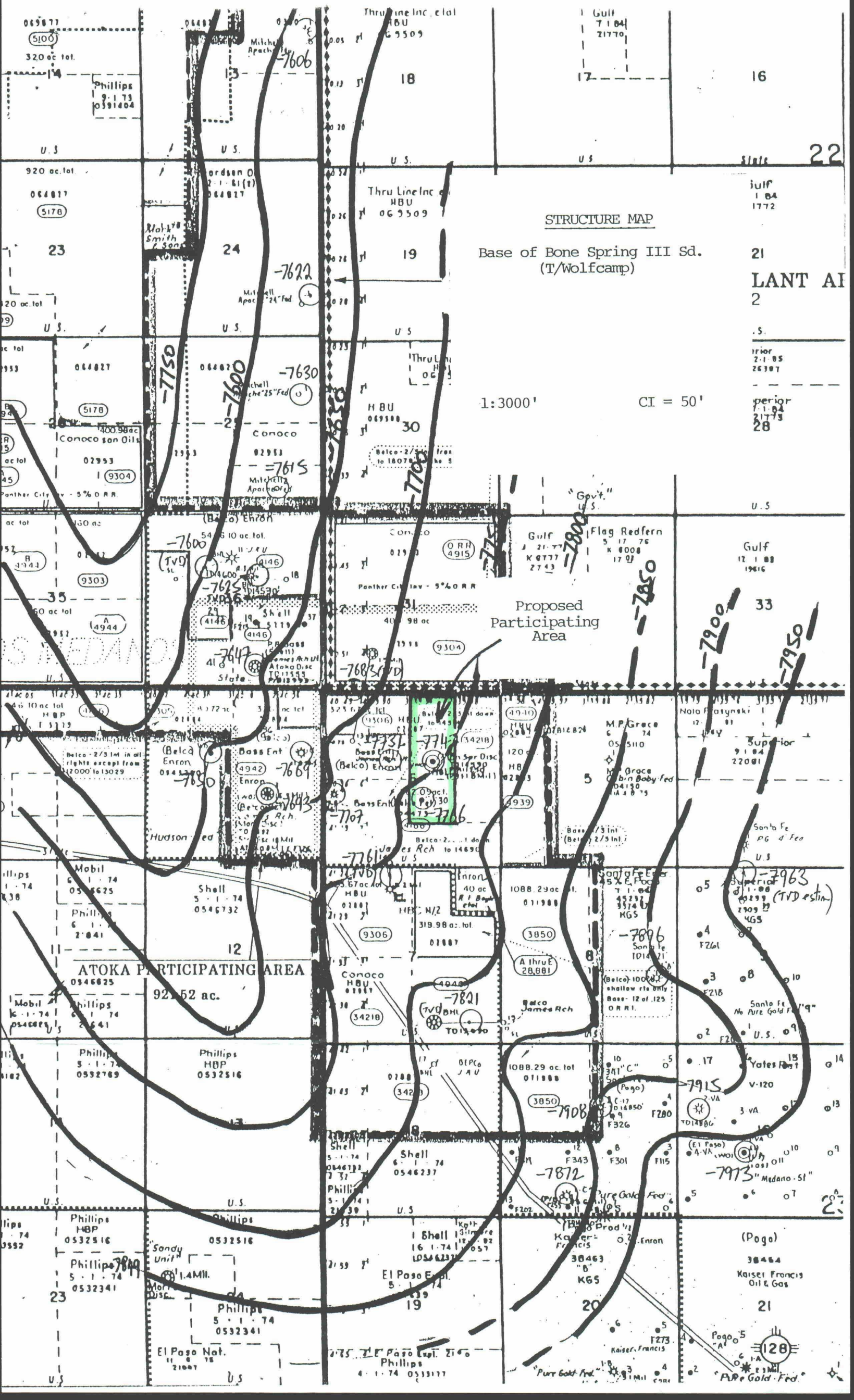
1:3000' CI = 50'

Proposed Participating Area

ATOKA PARTICIPATING AREA

921.52 ac.

128



STRUCTURE MAP

Base of Bone Spring III Sd.  
(T/Wolfcamp)

1:3000' CI = 50'

LANT AI  
2

Proposed  
Participating  
Area

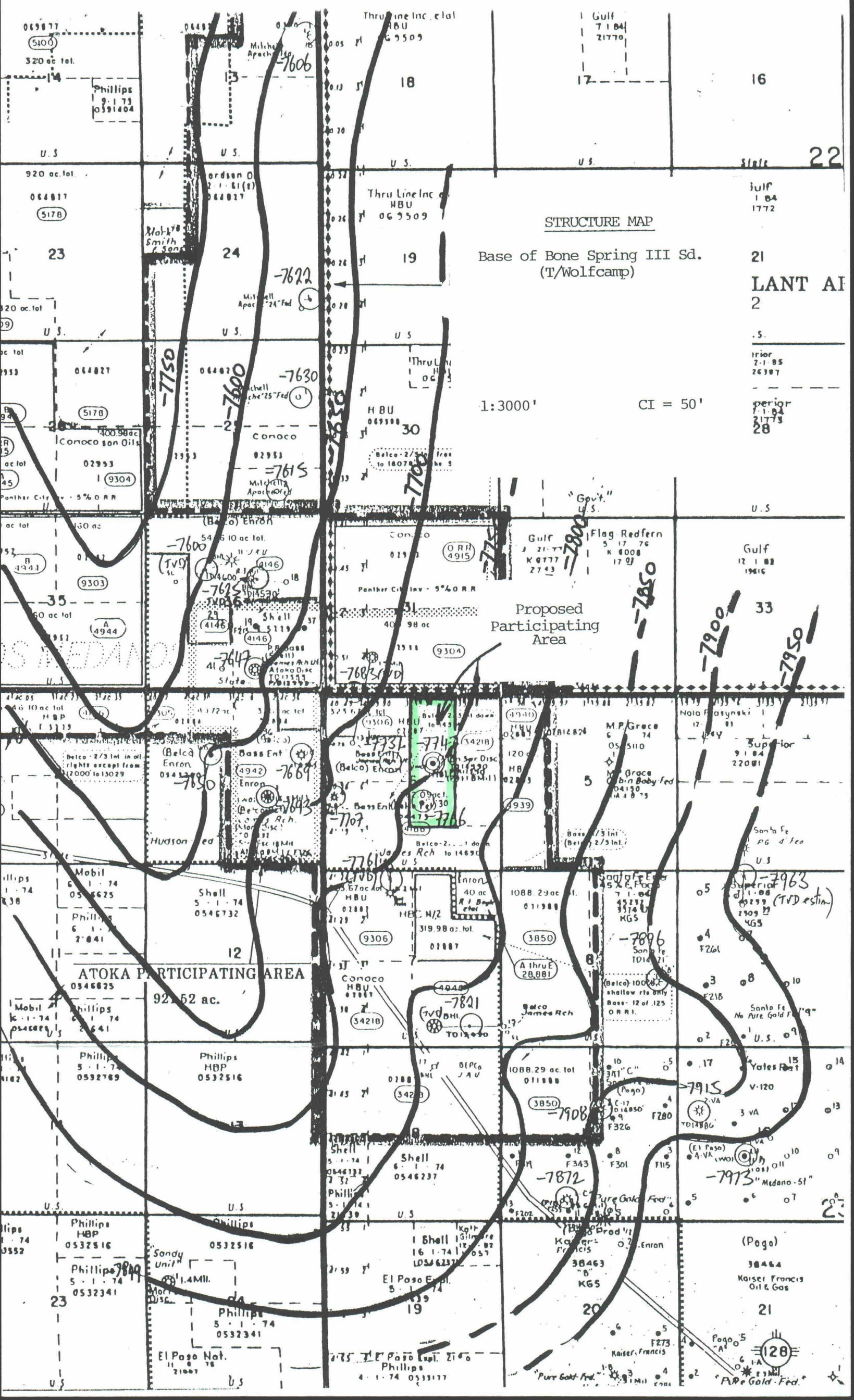
ATOKA PARTICIPATING AREA

92,52 ac.

Superior  
(TVD estim.)

-7913 "Medano-S1"

(128)



STRUCTURE MAP

Base of Bone Spring III Sd.  
(T/Wolfcamp)

1:3000'

CI = 50'

LANT AI  
2

U.S.  
Prior  
2-1-85  
26387  
Perior  
1-1-84  
21773  
28

U.S.

Gulf  
12-1-88  
19616

U.S.

Superior  
9-1-84  
22081

U.S.

Santa Fe  
PG & Fed  
U.S.

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ATOKA PARTICIPATING AREA

Proposed Participating Area

128

Pure Gold Fed.



BASS ENTERPRISES PRODUCTION CO.

FIRST CITY BANK TOWER  
201 MAIN ST.  
FORT WORTH, TEXAS 76102  
817/390-8400

April 6, 1994

Bureau of Land Management  
Department of Interior  
P. O. Box 1397  
Roswell, New Mexico 88201

New Mexico Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87504

Attention: Mr. Les Babyak

Attention: Mr. William LeMay

Commissioner of Public Lands  
State of New Mexico  
P. O. Box 1148  
Santa Fe, New Mexico 87504-1148

Attention: Floyd Prondo

APR 7 1994

Re: Application for Approval of  
Initial Participating Area  
for the Bone Springs Formation  
James Ranch Unit  
Eddy County, New Mexico

Gentlemen:

Bass Enterprises Production Co., as Unit Operator for the James Ranch Unit Agreement, pursuant to the provisions of Section 11 thereof, respectfully submits for your approval the selection of the following describe lands to constitute the initial participating area for the Bone Springs formation, to wit:

NW/4 SE/4 and SW/4 NE/4 Section 6, T23S-R31E, Lea County,  
New Mexico, and containing exactly 80 acres of land.

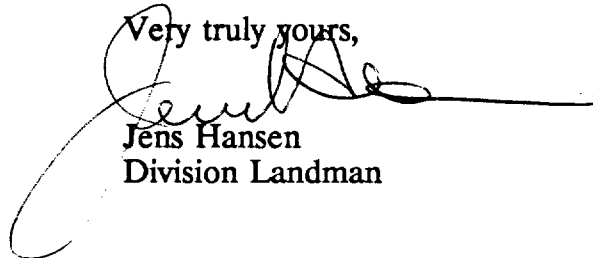
In support of this application the following numbered items are attached hereto and made a part hereof:

- A. An ownership map showing the boundaries of the unit area and the proposed initial participating area.
- B. A schedule showing the lands entitled to participate in the unitized substances produced from the Bone Springs formation, with the percentage of participation of each lease or tract indicated thereon.
- C. A geological and engineering report with accompanying geologic maps supporting and justifying the proposed selection of the participating area.

April 6, 1994  
Page 2

This proposed initial participating area is predicated upon the knowledge and information first obtained upon the completion in paying quantities of the terms of the unit agreement on August 1, 1982, of Unit Well No. 7, located in the SW/4 of NE/4, Section 6, T23S-R31E, Eddy County, New Mexico, with an initial production of oil from the Bone Springs formation at a depth of 11,017' - 11,052'. This well was initially deemed to be non-commercial. But the well has since paid out and continues to produce in commercial quantities. The effective date of this initial area shall be August 1, 1982, pursuant to Section 11 of the Unit Agreement.

Consequently, Bass Enterprises Production Co. respectfully requests your approval of the hereinabove selection of lands to constitute the initial Bone Springs participating area to be effective August 1, 1982.

Very truly yours,  
  
Jens Hansen  
Division Landman

JH:ca

ACCEPTED AND AGREED this 8<sup>th</sup> day of April, 1994.

BUREAU OF LAND MANAGEMENT

By: \_\_\_\_\_

COMMISSIONER OF PUBLIC LANDS

By: \_\_\_\_\_

NEW MEXICO OIL CONSERVATION DIVISION

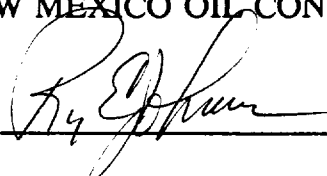
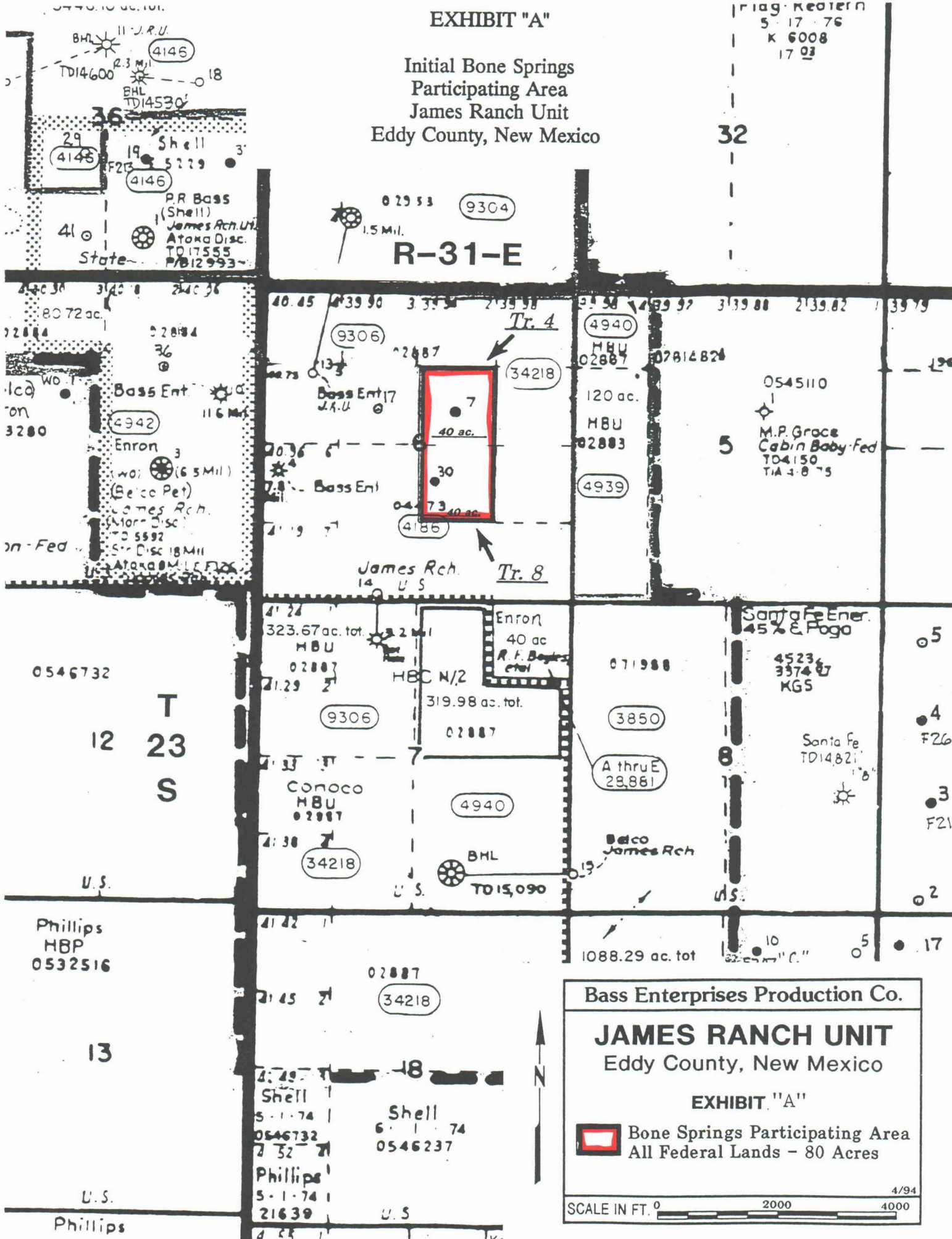
By:  \_\_\_\_\_

EXHIBIT "A"

Initial Bone Springs  
Participating Area  
James Ranch Unit  
Eddy County, New Mexico


Flag - Eastern  
5-17-76  
K 6008  
17 03



**Bass Enterprises Production Co.**

**JAMES RANCH UNIT**  
Eddy County, New Mexico

EXHIBIT "A"

 Bone Springs Participating Area  
All Federal Lands - 80 Acres

4/94

SCALE IN FT. 0 2000 4000

**EXHIBIT "B"**  
**Initial Bone Springs Formation Participating Area**  
**James Ranch Unit**  
**Eddy County, New Mexico**

<u>Tract No.</u>	<u>Lease No.</u>	<u>Description</u>	<u>Participating Acres</u>	<u>Percent of Participation</u>	<u>Working Interest Owners</u>
4	NM02887-A	Sec. 6: SW/4 NE/4	40	50.00%	Perry R. Bass, Inc. - 18.7500% Lee M. Bass, Inc. - 14.0625% Sid R. Bass, Inc. - 14.0625% Thru Line Inc. - 14.0625% Keystone, Inc. - 14.0625% Enron Oil & Gas Co. - 25.0000%
8	NM04473	Sec. 6: NW/4 SE/4	40	50.00%	Perry R. Bass, Inc. - 18.7500% Lee M. Bass, Inc. - 14.0625% Sid R. Bass, Inc. - 14.0625% Thru Line Inc. - 14.0625% Keystone, Inc. - 14.0625% Enron Oil & Gas Co. - 25.0000%
					Total Federal Lands: 80.00
					Total Patented: 00.00
					Total State Lands: 00.00
					Total: 80.00

Initial Bone Springs  
 Participating Area  
 James Ranch Unit  
 Eddy County, New Mexico

WORKSHEET FOR COMMERCIAL DETERMINATION  
 AND PARTICIPATING AREA IN FEDERAL UNITS

WELL DATA

WELL	James Ranch Unit #7			FORMATION	Los Medanos (Bone Spring)					
LOCATION	G	UNIT,	1980	FEET FROM	N	LINE &	1980	FEET FROM	E	LINE
SECTION	8	TOWNSHIP	23S	RANGE	31E	COUNTY	Eddy	NEW MEXICO		
SPUD DATE	8/29/74		COMPLETION DATE	1/19/76		INITIAL PRODUCTION	8/1/82			
PERFORATIONS	11.017', 21', 32', 38', 48', & 52'									

STIMULATION:

ACID 3000 gallons marrow flow - 10%

FRACTURE 5000 gallons 2% KCL; 5000 gallons LOGEL; 12000 gallons LOGEL w/ 13000 # 20/40 sand & 3500 # 20/40 glass beads

POTENTIAL IP 57 BOPD, 0 BWPD, 208 MCF

(Attach Copy of C-105. Attach Copy of Wellbore Sketch of Completed Well.)

VOLUMETRIC CALCULATION

	SANDS PERFORATED	SANDS NOT PERFORATED BUT POTENTIALLY PRODUCTIVE
Area (A) perforation unit size, acres	40	
Porosity (por), %	16	
Water saturation (Sw), %	50	
Net Thickness (h)	36	
Temperature (T), Fahrenheit	165	
Bottom Hole pressure (P), psia	6400	
Recovery factor (RF), %	30	
Recoverable oil, BBLs *(See eq. below)	187,572	

Formula =  $\frac{(7758) (por) (1-Sw) (A) (h) (RF)}{FVF}$

FVF = 1.8 rb/STB

**PERFORMANCE DATA**

(If sufficient history exists, attach plot of oil production rate v time.)

CUMULATIVE PRODUCTION TO	<u>Jan-94</u>	85,603	BBLs.
INITIAL RATE (qi)		<u>13 BOPD</u>	
ECONOMIC LIMIT (ql)		<u>4 BOPD</u>	
DECLINE RATE, dy		<u>4%</u>	
REMAINING OIL (Q) =		<u>83,314</u>	
ULTIMATE RECOVERABLE OIL		<u>168,917</u>	

(Attach plot showing proration unit and participating area.)

**ECONOMIC**

WELL COST \$ 885,000 (to the depth of formation completed)

RECOMPLETION COST \$ \_\_\_\_\_

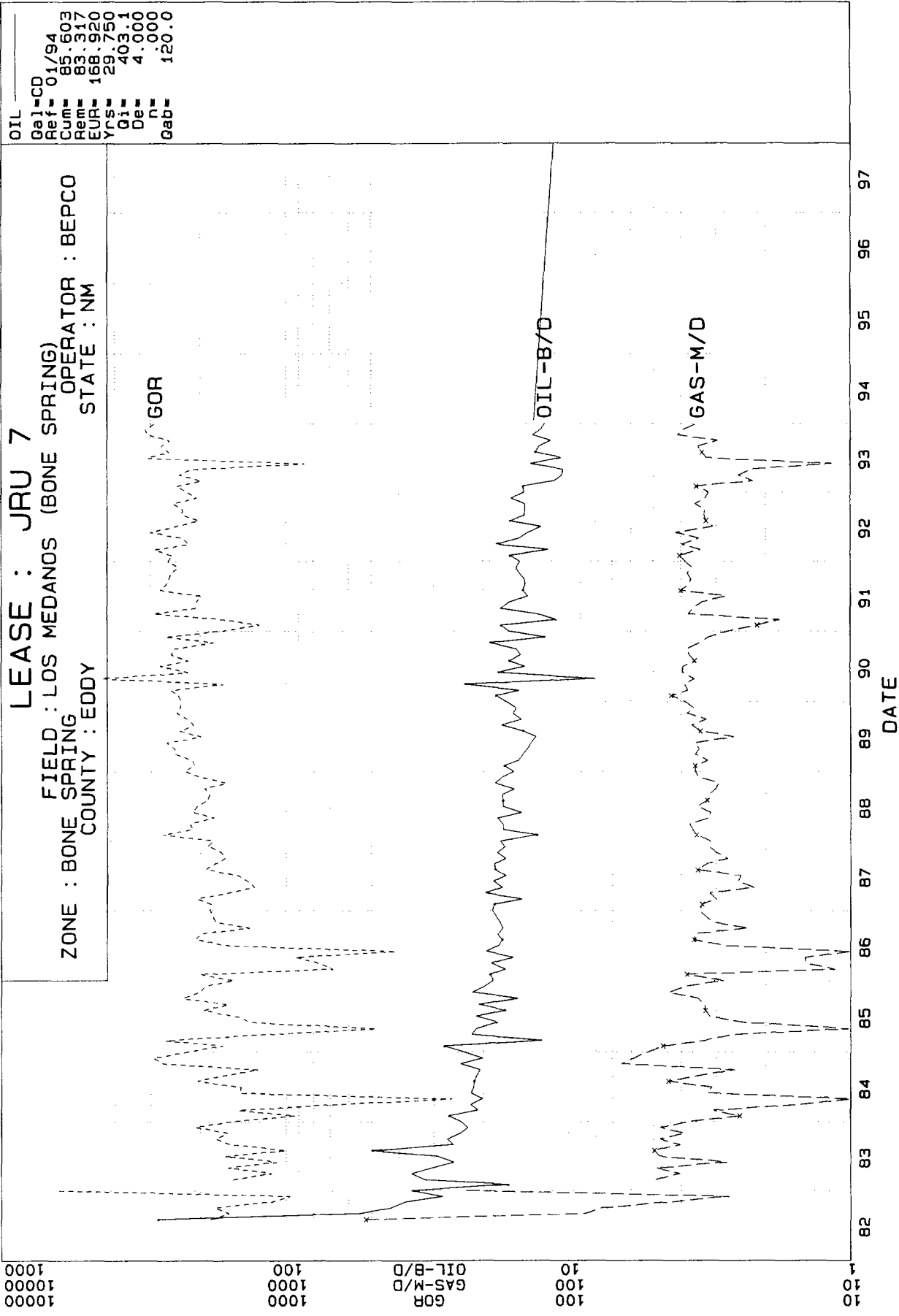
TOTAL COST \$ 885,000

<u>YEAR</u>	<u>GROSS OIL</u>	<u>GROSS GAS</u>	<u>NET INCOME</u>	<u>OPERATING COST</u>	<u>10% BFIT DISCOUNTED CASH FLOW</u>
ZERO					<u>-885,000</u>
1	<u>14,640</u>	<u>30,025</u>	<u>482,940</u>	<u>24,000</u>	<u>417,218</u>
2	<u>10,418</u>	<u>14,438</u>	<u>298,360</u>	<u>24,000</u>	<u>226,745</u>
3	<u>8,046</u>	<u>12,768</u>	<u>232,901</u>	<u>18,992</u>	<u>160,712</u>
4	<u>7,156</u>	<u>11,651</u>	<u>186,299</u>	<u>20,375</u>	<u>113,328</u>
5	<u>6,493</u>	<u>9,352</u>	<u>106,146</u>	<u>11,993</u>	<u>58,461</u>
6	<u>6,385</u>	<u>10,791</u>	<u>119,019</u>	<u>14,430</u>	<u>59,037</u>
7	<u>6,003</u>	<u>12,196</u>	<u>108,698</u>	<u>12,279</u>	<u>49,478</u>
8	<u>5,505</u>	<u>12,634</u>	<u>105,227</u>	<u>13,815</u>	<u>42,645</u>
9	<u>5,772</u>	<u>13,330</u>	<u>133,114</u>	<u>13,744</u>	<u>50,625</u>
10	<u>5,375</u>	<u>12,223</u>	<u>119,229</u>	<u>13,918</u>	<u>40,601</u>
11	<u>5,363</u>	<u>12,764</u>	<u>112,001</u>	<u>15,101</u>	<u>33,962</u>
12	<u>4,447</u>	<u>11,012</u>	<u>90,291</u>	<u>22,784</u>	<u>21,510</u>
REMAINDER	<u>83,300</u>	<u>212,500</u>	<u>1,465,300</u>	<u>559,300</u>	<u>122,000</u>

**WELL IS COMMERCIAL**

OIL  
Ga1-CD  
Ref= 01/94  
Cum= 85.603  
Rem= 83.317  
EUR= 168.920  
Yrs= 29.750  
Qi= 403.1  
De= 4.000  
n= .000  
Gab= 120.0

LEASE : JRU 7  
FIELD : LOS MEDANOS (BONE SPRING)  
OPERATOR : BEPCO  
ZONE : BONE SPRING  
COUNTY : EDDY  
STATE : NM



Lease: JRU 7  
 Field: LOS MEDANOS  
 Reservoir: BONE SPRING  
 IDCODE: C%MXBSV2.000  
 0330901

*Remaining Reserves study*

DATE : 03/18/94  
 TIME : 08:03:54  
 DBS FILE : PROPZONE  
 SETUP FILE : GREAT2  
 SEQ NUMBER : 184

I N P U T   D A T A				C A L C U L A T E D   D A T A				
ITEM	SCHEDULING RATES	SCHEDULE UNTIL	PROCEDURE	ULTIMATE	LAST	EFF. DECL	INIT. RATE	FINAL RATE
406 START	01/94							
411 OIL	403.10 120.00 B/M	X	EXP	4.00	9/23	4.00	403.	120.
416 GAS/OIL	2.55 2.55 M/B	01/2076 AD	LIN	TIME	12/75			
506 PRI/OIL	15.0000 X \$/B	TO LIFE	PC	.00	9/23		15.000	15.000
511 PRI/GAS	2.0000 X \$/M	TO LIFE	PC	.00	9/23		2.000	2.000
516 OPC/T	1200.00 X \$/M	TO LIFE	PC	.00	9/23		1200.000	1200.000
521 ATX	2.00 X %	TO LIFE	PC	.00	9/23		.020	.020
526 STX/OIL	7.08 X %	TO LIFE			9/23		.071	.071
528 STX/GAS	7.08 X %	TO LIFE			9/23		.071	.071
706 NET/WI	100.0000 D %	TO LIFE	FLAT	.00	9/23		1.000	1.000
711 NET/NIC	87.5000 D %	TO LIFE	FLAT	.00	9/23		.875	.875
716 NET/NIG	87.5000 D %	TO LIFE	FLAT	.00	9/23		.875	.875

RESERVE PARAMETERS      ITEM  
 206 CUMO, MB      85.60      CUMG, MMF  
 211 LOSS      NO

PROJECT ASSUMPTIONS  
 BASE DATE : 1/94      P.W. DATE : 1/82      REPORT DATE : 1/94  
 QUALIFIERS -      PROD : CD      OWNER : CD      OTHER : CD



Lease: JRU 7  
 Field: LOS MEDANOS  
 Reservoir: BONE SPRING  
 IDCODE: C&MXBSV2.000  
 0330901

DATE: 03/18/94  
 TIME: 08:03:54  
 DBS : PROFZONE  
 FILE: GREAT2  
 SEQ : 184

R E S E R V E S A N D E C O N O M I C S

AS OF DATE: 1/1/1982

PERIOD ENDING	12/94	12/95	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	S TOT	AFTER	29.8 YR TOTAL
<b>OWNERSHIP</b>													
1) WORKING INTEREST, %	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000
2) REVENUE INTEREST, %	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500
<b>INVESTMENTS, M\$</b>													
3) BORROWED CAPITAL	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4) EQUITY INVESTMENTS	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
5) RISK	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) TOTAL	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
<b>OIL PHASE</b>													
8) GROSS OIL, MB	4.7	4.6	4.4	4.2	4.0	3.9	3.7	3.6	3.4	3.3	39.7	43.6	83.3
9) NET OIL, MB	4.1	4.0	3.8	3.7	3.5	3.4	3.2	3.1	3.0	2.9	34.8	38.2	72.9
10) OIL REVENUE, M\$	62.2	59.7	57.3	55.0	52.8	50.7	48.7	46.7	44.9	43.1	521.3	572.3	1093.5
11) OIL PRICE, \$/B	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00
<b>GAS PHASE</b>													
12) GROSS GAS, MMF	12.1	11.6	11.1	10.7	10.3	9.9	9.5	9.1	8.7	8.4	101.3	111.2	212.5
13) NET GAS, MMF	10.6	10.2	9.7	9.4	9.0	8.6	8.3	7.9	7.6	7.3	88.6	97.3	185.9
14) GAS REVENUE, M\$	21.2	20.3	19.5	18.7	18.0	17.2	16.6	15.9	15.3	14.6	177.2	194.6	371.8
15) GAS PRICE, \$/MCF	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000
<b>ECONOMICS, M\$</b>													
20) GROSS REV. TO INTR.	83.4	80.0	76.8	73.8	70.8	68.0	65.3	62.6	60.1	57.7	698.5	766.8	1465.3
21) - SEV. TAX	5.9	5.7	5.4	5.2	5.0	4.8	4.6	4.4	4.3	4.1	49.5	54.3	103.7
22) - WPT TAX PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
24) - AD VALOREM TAX	1.5	1.5	1.4	1.4	1.3	1.3	1.2	1.2	1.1	1.1	13.0	14.3	27.2
25) - OPERATING COSTS	14.4	14.4	14.4	14.4	14.4	14.4	14.4	14.4	14.4	14.4	144.0	284.4	428.4
26) - CAPITAL REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
28) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
29) = NET INCOME	61.5	58.5	55.6	52.8	50.1	47.5	45.0	42.6	40.4	38.2	492.1	413.9	906.0
30) - INVESTMENTS & RSK	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
31) = BFIT NET	61.5	58.5	55.6	52.8	50.1	47.5	45.0	42.6	40.4	38.2	492.1	413.9	906.0
<b>PRESENT WORTH @ 10.00 %</b>													
32) NET INCOME	17.6	15.2	13.0	11.2	9.6	8.3	7.1	6.1	5.2	4.4	97.7	24.2	122.0
33) INVESTMENTS & RISK	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
34) BFIT NET	17.6	15.2	13.0	11.2	9.6	8.3	7.1	6.1	5.2	4.4	97.7	24.2	122.0
35) CUM BFIT NET	17.6	32.8	45.8	57.0	66.7	74.9	82.0	88.1	93.3	97.7	97.7	122.0	122.0

Lease: JRU 7  
 Field: LOS MEDANOS  
 Reservoir: BONE SPRING  
 IDCODE: C&M&BSV2.000  
 0330901

DATE: 03/18/94  
 TIME: 08:03:54  
 DBS : PROPZONE  
 FILE: GREAT2  
 SEQ : 184

A F T E R T A X E C O N O M I C S

AS OF DATE: 1/1/1982

PERIOD ENDING	12/94	12/95	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	S TOT	AFTER	29.8 YR TOTAL
TAX TREATMENT OF INVESTMENTS, M\$													
1) EXP, RISK & CAP INT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
2) DEPLETABLE	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
3) DEPRECIABLE	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
TAX CALCULATIONS, M\$													
4) GROSS REV. TO INTR.	83.4	80.0	76.8	73.8	70.8	68.0	65.3	62.6	60.1	57.7	698.5	766.8	1465.3
5) - SEVERANCE TAX	5.9	5.7	5.4	5.2	5.0	4.8	4.6	4.4	4.3	4.1	49.5	54.3	103.7
6) - WPT TAX NET	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) - OPR. COSTS & ATX	15.9	15.9	15.8	15.8	15.7	15.7	15.6	15.6	15.5	15.5	157.0	298.7	455.6
8) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
9) - OVERHEAD	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
10) - EXPENSED INV.	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
11) - DEPRECIATION	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
12) = NET	61.5	58.5	55.6	52.8	50.1	47.5	45.0	42.6	40.4	38.2	492.1	413.9	906.0
13) - DEPLETION	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
14) - INTEREST PD & CAP	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
15) = TAXABLE	61.5	58.5	55.6	52.8	50.1	47.5	45.0	42.6	40.4	38.2	492.1	413.9	906.0
16) * TAX RATE, %	34.0	34.0	34.0	34.0	34.0	34.0	34.0	34.0	34.0	34.0	34.0	34.0	34.0
17) - TAX CREDIT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
18) - WPT REFUND	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
19) = F.I.T.	20.9	19.9	18.9	17.9	17.0	16.1	15.3	14.5	13.7	13.0	167.3	140.7	308.0
20) REVENUE-SEV-WPT	77.5	74.4	71.4	68.5	65.8	63.2	60.6	58.2	55.9	53.6	649.0	712.5	1361.6
21) - OPR. COSTS & ATX	15.9	15.9	15.8	15.8	15.7	15.7	15.6	15.6	15.5	15.5	157.0	298.7	455.6
22) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
23) - F.I.T.	20.9	19.9	18.9	17.9	17.0	16.1	15.3	14.5	13.7	13.0	167.3	140.7	308.0
24) = A.F.I.T.	40.6	38.6	36.7	34.8	33.0	31.3	29.7	28.1	26.6	25.2	324.8	273.2	597.9
25) - LOAN REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) = NET INCOME	40.6	38.6	36.7	34.8	33.0	31.3	29.7	28.1	26.6	25.2	324.8	273.2	597.9
28) - INVESTMENTS & RSK	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
29) = A.F.I.T. NET	40.6	38.6	36.7	34.8	33.0	31.3	29.7	28.1	26.6	25.2	324.8	273.2	597.9
PRESENT WORTH @ 10.00 %													
30) NET INCOME	11.6	10.0	8.6	7.4	6.4	5.5	4.7	4.0	3.4	2.9	64.5	16.0	80.5
31) INVESTMENTS & RISK	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
32) A.F.I.T. NET	11.6	10.0	8.6	7.4	6.4	5.5	4.7	4.0	3.4	2.9	64.5	16.0	80.5
33) CUM. A.F.I.T. NET	11.6	21.6	30.3	37.7	44.0	49.5	54.1	58.1	61.6	64.5	64.5	80.5	80.5

Lease: JRU 7  
 Field: LOS MEDANOS  
 Reservoir: BONE SPRING  
 IDCODE: C%MXBSV2.000  
 0330901

DATE: 03/18/94  
 TIME: 08:03:54  
 DBS : PROPZONE  
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 SEQ : 184

E C O N O M I C I N D I C A T O R S

AS OF DATE: 1/1/1982

B.F.I.T. WORTH M\$-----	A.F.I.T. WORTH M\$-----	A.F.I.T. BONUS M\$-----
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PRESENT WORTH PROFILE AND  
 RATE-OF-RETURN VS. BONUS TABLE

0.	905.962	597.935	905.962
5.	314.267	207.416	233.380
10.	121.972	80.502	83.993
15.	51.175	33.776	34.361
20.	22.642	14.944	15.056
25.	10.395	6.861	6.884
30.	4.901	3.235	3.240
35.	2.358	1.556	1.557
40.	1.152	.760	.760
50.	.284	.188	.188
60.	.073	.048	.048
70.	.019	.013	.013
80.	.005	.003	.003
90.	.001	.001	.001
100.	.000	.000	.000

RATE OF RETURN, PCT. 100.0

UNDISCOUNTED PAYOUT, YRS. .00

DISCOUNTED PAYOUT, YRS. .00

UNDISCOUNTED NET/INVEST. .00

DISCOUNTED NET/INVEST. .00

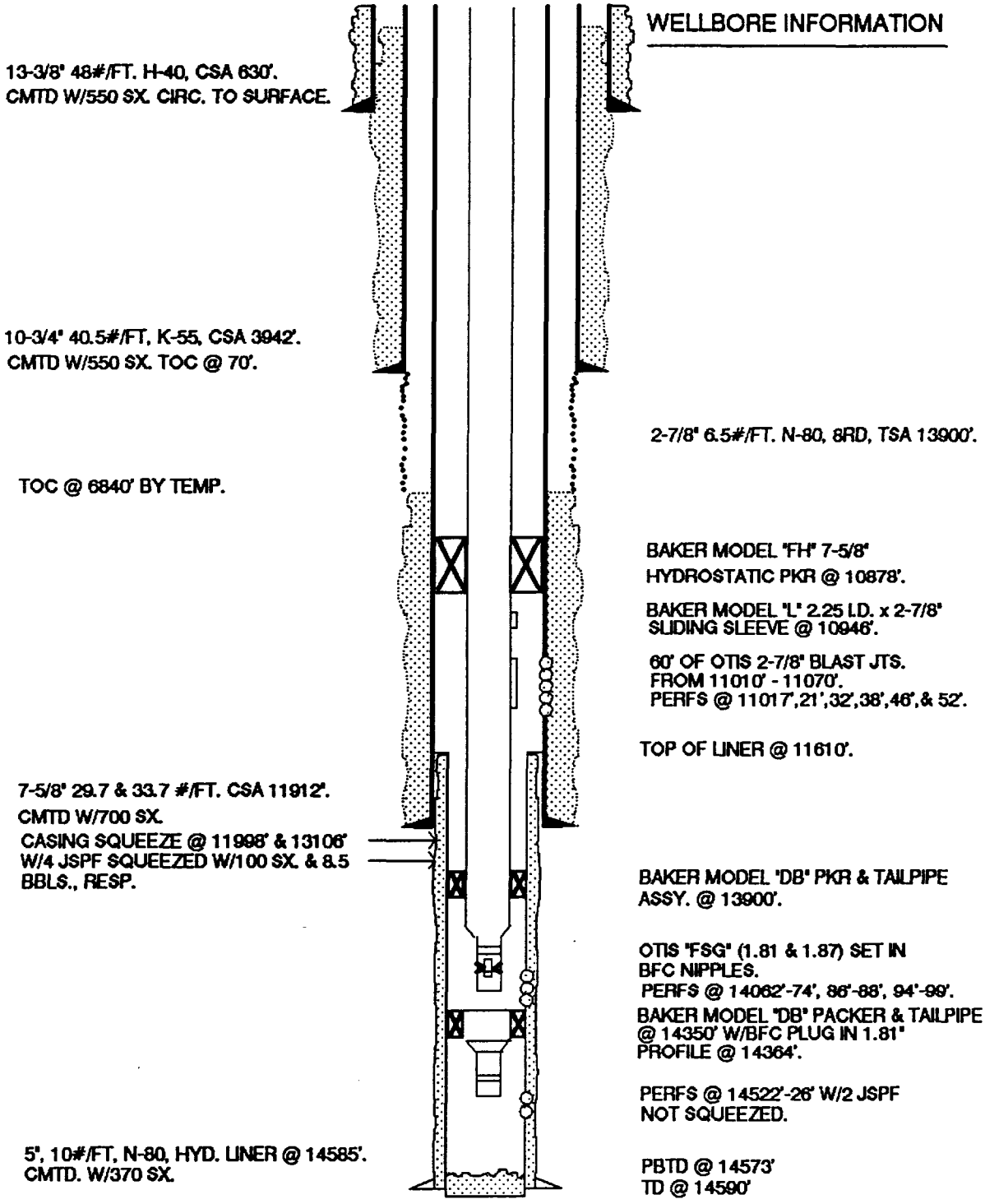
NOTES  
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WF

# JAMES RANCH UNIT NO. 7

LOCATION: 1980' FNL & 1980' FEL, SEC. 6, T23S, R31E.  
API NO: 40-61-3448  
ELEVATIONS: 3319' GR  
SPUD DATE: 6-29-74

BASS ENTERPRISES  
LOS MEDANOS FIELD  
EDDY COUNTY, N.M.  
DATE: 05-27-93, BEM *js*



## WELLBORE INFORMATION

13-3/8" 48#/FT. H-40, CSA 630'.  
CMTD W/550 SX. CIRC. TO SURFACE.

10-3/4" 40.5#/FT. K-55, CSA 3942'.  
CMTD W/550 SX. TOC @ 70'.

TOC @ 6840' BY TEMP.

7-5/8" 29.7 & 33.7 #/FT. CSA 11912'.  
CMTD W/700 SX.  
CASING SQUEEZE @ 11998' & 13106'  
W/4 JSPF SQUEEZED W/100 SX. & 8.5  
BBLs., RESP.

5", 10#/FT. N-80, HYD. LINER @ 14585'.  
CMTD. W/370 SX.

2-7/8" 6.5#/FT. N-80, 8RD, TSA 13900'.

BAKER MODEL 'FH' 7-5/8"  
HYDROSTATIC PKR @ 10878'.

BAKER MODEL 'L' 2.25 I.D. x 2-7/8"  
SLIDING SLEEVE @ 10946'.

60' OF OTIS 2-7/8" BLAST JTS.  
FROM 11010' - 11070'.  
PERFS @ 11017', 21', 32', 38', 46', & 52'.

TOP OF LINER @ 11610'.

BAKER MODEL 'DB' PKR & TAILPIPE  
ASSY. @ 13900'.

OTIS 'FSG' (1.81 & 1.87) SET IN  
BFC NIPPLES.  
PERFS @ 14062'-74', 86'-88', 94'-99'.

BAKER MODEL 'DB' PACKER & TAILPIPE  
@ 14350' W/BFC PLUG IN 1.81"  
PROFILE @ 14364'.

PERFS @ 14522'-26' W/2 JSPF  
NOT SQUEEZED.

PBTD @ 14573'  
TD @ 14590'

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102  
Supersedes C-12B  
Effective 1-1-

All distances must be from the outer boundaries of the Section.

Operator <b>Perry R. Bass</b>			Lease <b>James Ranch Unit</b>		Well No. <b>7</b>
Unit Letter <b>G</b>	Section <b>6</b>	Township <b>23 South</b>	Range <b>31 East</b>	County <b>Eddy</b>	

Actual Footage Location of Well:

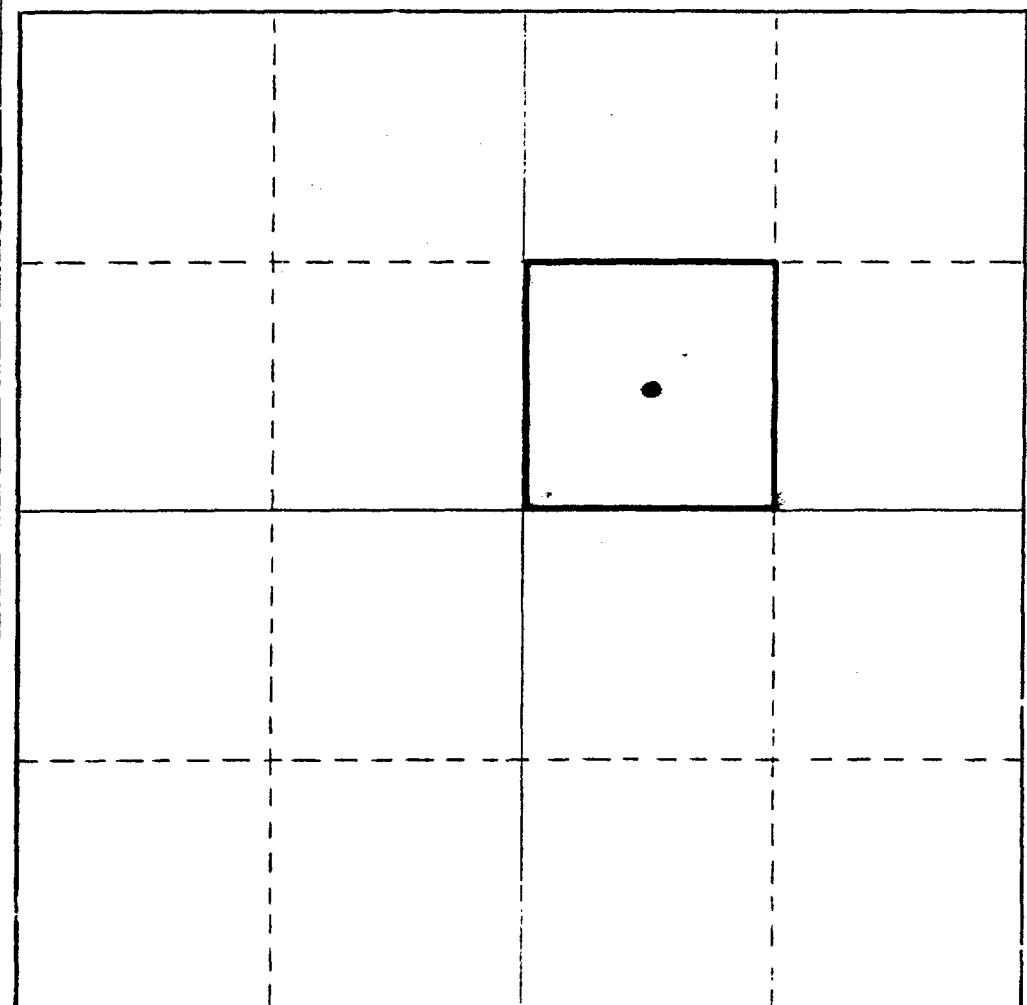
1980	feet from the	North	line and	1980	feet from the	East	line
Ground Level Elev. <b>3319' GR</b>	Producing Formation <b>Bone Springs</b>		Pool <b>Los Medanos</b>	Dedicated Acreage: <b>40 Acres</b>			

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes     No    If answer is "yes," type of consolidation \_\_\_\_\_

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) \_\_\_\_\_

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

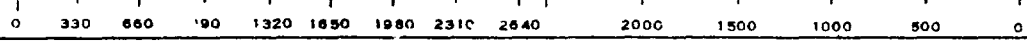
*I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.*

*H. F. Wurtz, Jr.*

Name <b>H. F. Wurtz, Jr.</b>
Position <b>Sr. Production Clerk</b>
Company <b>Perry R. Bass</b>
Date <b>12-12-83</b>

*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 knowledge and belief.*

Date Surveyed
Required Professional Engineer and/or Land Surveyor
Certificate No.



Initial Bone Springs  
 Participating Area  
 James Ranch Unit  
 Eddy County, New Mexico

**WORKSHEET FOR COMMERCIAL DETERMINATION  
 AND PARTICIPATING AREA IN FEDERAL UNITS**

WELL DATA

WELL	James Ranch Unit #30			FORMATION	Los Medanos (Bone Spring)					
LOCATION	J	UNIT,	1980	FEET FROM	S	LINE &	2310	FEET FROM	E	LINE
SECTION	8	TOWNSHIP	23S	RANGE	31E	COUNTY	Eddy, NEW MEXICO			
SPUD DATE	10/13/93		COMPLETION DATE	11/25/93		INITIAL PRODUCTION	11/25/93			
PERFORATIONS	11023'-43'									

STIMULATION:

ACID 1500 gallons 7.5% HCL

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FRACTURE 89,000 gallons 40 # x-linked fluid + 433,600 # 20/40 ottawa

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POTENTIAL IP 85 BOPD, 12 BWPD, 107 MCFPD

(Attach Copy of C-105. Attach Copy of Wellbore Sketch of Completed Well.)

VOLUMETRIC CALCULATION

	SANDS PERFORATED	SANDS NOT PERFORATED BUT POTENTIALLY PRODUCTIVE
Area (A) proration unit size, acres	40	
Porosity (por), %	18	
Water saturation (Sw), %	50	
Net Thickness (h)	25	
Temperature (T), Fahrenheit	185	
Bottom Hole pressure (P), psia	8400	
Recovery factor (RF), %	30	
Recoverable oil, BBLs *(See eq. below)	116,370	

\*Unable to match performance due to net pay uncertainty.

Formula = 
$$\frac{(7758) (por) (1-Sw) (A) (h) (RF)}{FVF}$$
      FVF = 1.6 rb/STB

**PERFORMANCE DATA**

(If sufficient history exists, attach plot of oil production rate v time.)

CUMULATIVE PRODUCTION TO Feb-94 ; 3,090 BBLS.  
 INITIAL RATE (qi) 87.5 BOPD  
 ECONOMIC LIMIT (ql) 4 BOPD  
 DECLINE RATE, dy Hyperbolic n = 2.9, exp @ 4%  
 REMAINING OIL (Q) = 158,727  
 ULTIMATE RECOVERABLE OIL 161,817

(Attach plot showing proration unit and participating area.)

**ECONOMIC**

WELL COST \$ 770,000 (to the depth of formation completed)

RECOMPLETION COST \$ \_\_\_\_\_

TOTAL COST \$ 770,000

<u>YEAR</u>	<u>GROSS OIL</u>	<u>NET INCOME</u>	<u>OPERATING COST</u>	<u>10% BFIT DISCOUNTED CASH FLOW</u>
ZERO				<u>-770,000</u>
1	<u>16,200</u>	<u>284,774</u>	<u>39,900</u>	<u>222,590</u>
2	<u>9,500</u>	<u>166,600</u>	<u>29,300</u>	<u>118,300</u>
3	<u>8,000</u>	<u>139,300</u>	<u>26,900</u>	<u>87,600</u>
4	<u>7,100</u>	<u>124,100</u>	<u>25,500</u>	<u>69,500</u>
5	<u>6,500</u>	<u>113,900</u>	<u>24,600</u>	<u>57,000</u>
6	<u>6,100</u>	<u>106,300</u>	<u>23,900</u>	<u>47,600</u>
7	<u>5,700</u>	<u>100,500</u>	<u>23,400</u>	<u>40,300</u>
8	<u>5,500</u>	<u>95,700</u>	<u>23,000</u>	<u>34,400</u>
9	<u>5,300</u>	<u>92,200</u>	<u>22,600</u>	<u>29,700</u>
10	<u>5,100</u>	<u>88,700</u>	<u>22,300</u>	<u>25,700</u>
REMAINDER	<u>86,500</u>	<u>1,513,700</u>	<u>573,300</u>	<u>153,200</u>

WELL IS COMMERCIAL

# JAMES RANCH UNIT NO. 30

LOCATION: 1980' FSL & 2310' FEL, SEC 6, T23S, R31E, UNIT J  
API NO: 30-015-27704  
ELEVATIONS: GL 3310.7' DF 3327.9' KB 3329.9'  
SPUD DATE: 10/13/93 RR: 11/12/93 COMP:

BASS ENTERPRISES  
LOS MEDANOS (BONE SPRINGS)  
EDDY COUNTY, NM  
DATE: 1/4/94; GP

11-3/4" 42#/FT H40 ST&C CSA 521'  
CMTD W/155 SX CL C W/ 1/4#/SK  
CELLO-SEAL + 1% CACL2 + 6% GEL.  
TAIL W/235 SX CL C + 2% CACL2.  
CMT CIRC. HOLE SIZE 14-3/4".

8-5/8" 32#/FT K55 LT&C CSA 3856'  
CMTD W/885 SX PSL 'C' + 5#/SK  
SALT + 1/4#/SK CELLO-SEAL. TAIL  
W/250 SX CL C NEAT. CMT CIRC.  
HOLE SIZE 11".

5-1/2" 17#/FT K55 & N80 LT&C CSA 11,305'.  
CMT STAGE 1 W/960 SX CL H W/5#/SK  
CSE + 1/4 PPS CELLO-SEAL + 1-1/2 PPS  
MICROSEAL + 1% CF14 + .15% CF2 + .3%  
DIESEL. DV TOOL @ 7018'. CMT 2ND  
STAGE W/780 SX CL C W/10 PPS CSE + 1/4  
PPS CELLO-SEAL + 2% KCL + .6% CF14.  
TAIL W/100 SX CL C. EST TOC 3600'.  
HOLE SIZE 7-7/8".

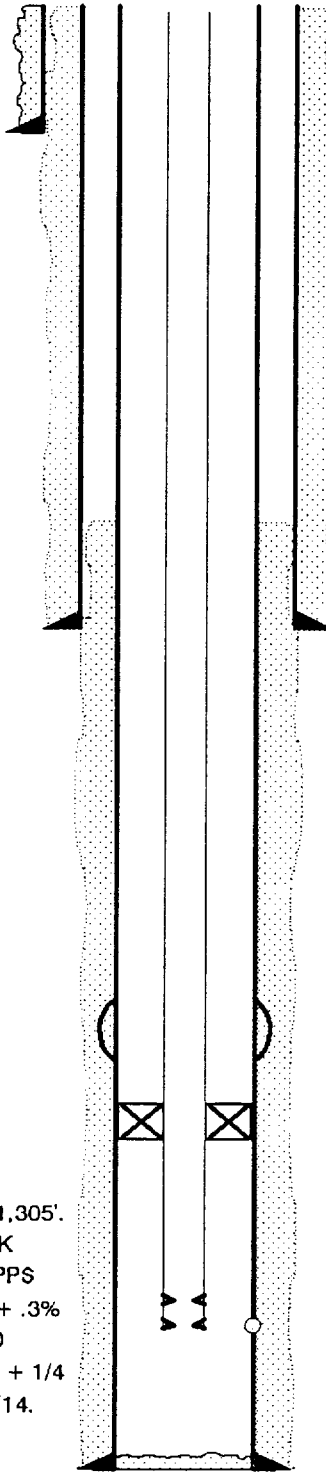
## WELLBORE INFORMATION

DV TOOL @ 7018'

PKR: BAKER MODEL R @ 8079' (12/31/93)

TBG: 2-7/8" N-80 @ 11,040'  
SN: 10,950' & 2 JTS 2-7/8" N-80 TBG  
2.31" ID BAKER 'F' NIPPLE  
PERF: 11,023-43' (4 JSPF)(11/18/93)

PBD: 11,260' (11/16/93)  
TD: 11,305'

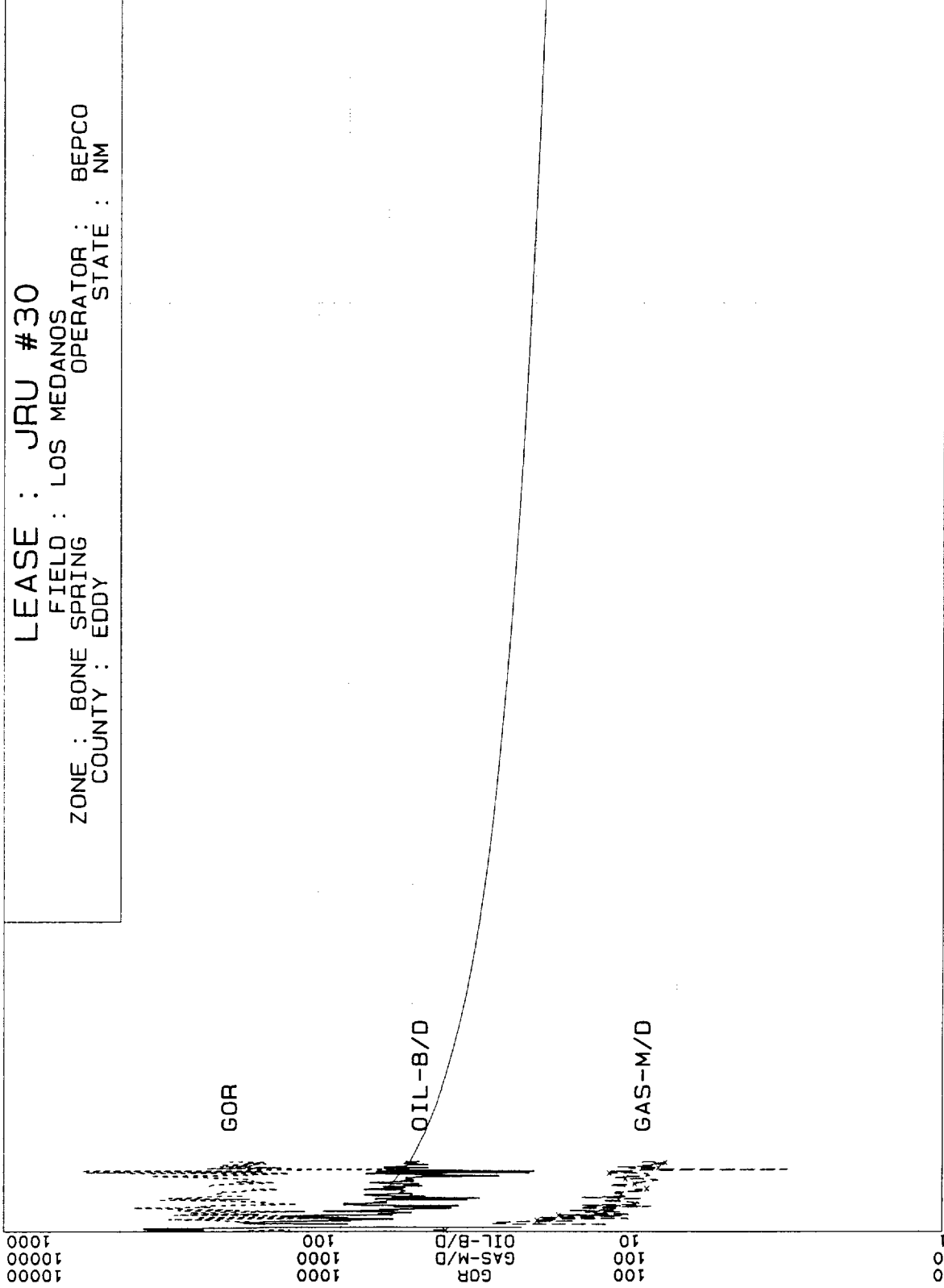




OIL

Cal=CD  
 Ref= 02/94  
 Cum= 3.090  
 Rem= 158.727  
 EUR= 161.817  
 Yrs= 40.327  
 Qi= 2052.0  
 De= 97.595  
 n= 2.946  
 Gab= 119.7

**LEASE : JRU #30**  
 FIELD : LOS MEDANOS  
 OPERATOR : BEPCO  
 STATE : NM  
 ZONE : BONE SPRING  
 COUNTY : EDDY



97

96

DATE

95

94

JAMES RANCH UNIT #30  
COMMERCIAL DETERMINATION

DATE : 03/17/94  
TIME : 17:22:13  
DBS FILE : DAILY  
SETUP FILE : GREAT2  
SEQ NUMBER : 5

I N P U T D A T A				C A L C U L A T E D D A T A				
ITEM	SCHEDULING RATES	SCHEDULE UNTIL	PROCEDURE	ULTIMATE	LAST	EFF. DECL	INIT. RATE	FINAL RATE
406 START	02/94							
411 OIL	X B/D	05/2002 AD	H/2.945	66.794	4/02	97.60	2052.	443.
416 "	X B/D	95.02 IMU	EXP	161.817	5/34	4.00	443.	120.
421 GAS/OIL	X M/B	TO LIFE	LIN		5/34			
506 PRI/OIL	X \$/B	TO LIFE	PC		5/34		15.000	15.000
511 PRI/GAS	X \$/M	TO LIFE	PC		5/34		2.000	2.000
516 PRI/WTR	X \$/B	1.0000 YR	PC		1/95		.500	.500
521 "	X \$/B	TO LIFE	PC		5/34		.250	.250
526 OPC/T	X \$/M	TO LIFE	PC		5/34		1200.000	1200.000
531 ATX	2.00 %	TO LIFE	PC		1/94		.020	.020
536 STX/OIL	X %	TO LIFE			5/34		.071	.071
538 STX/GAS	X %	TO LIFE			5/34		.071	.071
706 NET/WI	D %	TO LIFE	FLAT		5/34		1.000	1.000
711 NET/NIC	D %	TO LIFE	FLAT		5/34		.875	.875
716 NET/NIG	D %	TO LIFE	FLAT		5/34		.875	.875
INVESTMENT	TANGIBLES & INTANGIBLES	TIME	PROCEDURE	TOTAL T&I	MONTH	RISK INV.	TOT. T&I&R	ESC. T&I&R
801 DRILL	308.00 462.00 M\$G	1/94 AD	PC	770.000	1/94		770.0	770.0
RESERVE PARAMETERS	ITEM							
206 CUMO, MB	3.09 CUMG, MMF							
211 LOSS	NO							
PROJECT ASSUMPTIONS								
BASE DATE :	1/94	P.W. DATE :	1/94	REPORT DATE :	1/94			
QUALIFIERS -	PROD : CD	OWNER :	CD	OTHER :	CD			

JAMES RANCH UNIT #30  
COMMERCIAL DETERMINATION

DATE: 03/17/94  
TIME: 17:22:13  
DBS : DAILY  
FILE: GREAT2  
SEQ : 5

R E S E R V E S A N D E C O N O M I C S

AS OF DATE: 1/1/1994

PERIOD ENDING	12/94	12/95	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	S TOT	AFTER	40.4 YR TOTAL
<b>OWNERSHIP</b>													
1) WORKING INTEREST, %	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000
2) REVENUE INTEREST, %	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500
<b>INVESTMENTS, M\$</b>													
3) BORROWED CAPITAL	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4) EQUITY INVESTMENTS	770.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	770.0	.0	770.0
5) RISK	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) TOTAL	770.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	770.0	.0	770.0
<b>OIL PHASE</b>													
8) GROSS OIL, MB	13.2	9.5	8.0	7.1	6.5	6.1	5.7	5.5	5.3	5.1	71.9	86.5	158.4
9) NET OIL, MB	11.5	8.3	7.0	6.2	5.7	5.3	5.0	4.8	4.6	4.4	62.9	75.7	138.6
10) OIL REVENUE, M\$	173.0	125.0	104.5	93.1	85.4	79.8	75.3	71.8	69.1	66.5	943.5	1135.3	2078.7
11) OIL PRICE, \$/B	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00
<b>GAS PHASE</b>													
12) GROSS GAS, MMF	33.0	23.8	19.9	17.7	16.3	15.2	14.4	13.7	13.2	12.7	179.7	216.2	396.0
13) NET GAS, MMF	28.8	20.8	17.4	15.5	14.2	13.3	12.6	12.0	11.5	11.1	157.2	189.2	346.5
14) GAS REVENUE, M\$	57.7	41.7	34.8	31.0	28.5	26.6	25.1	23.9	23.0	22.2	314.5	378.4	692.9
15) GAS PRICE, \$/MCF	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000
<b>ECONOMICS, M\$</b>													
20) GROSS REV. TO INTR.	230.7	166.6	139.3	124.1	113.9	106.3	100.5	95.7	92.2	88.7	1258.0	1513.7	2771.7
21) - SEV. TAX	16.3	11.8	9.9	8.8	8.1	7.5	7.1	6.8	6.5	6.3	89.1	107.2	196.2
22) - WPT TAX PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
24) - AD VALOREM TAX	4.3	3.1	2.6	2.3	2.1	2.0	1.9	1.8	1.7	1.6	23.4	28.1	51.5
25) - OPERATING COSTS	13.2	14.4	14.4	14.4	14.4	14.4	14.4	14.4	14.4	14.4	142.8	438.0	580.8
26) - CAPITAL REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
28) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
29) = NET INCOME	196.9	137.3	112.5	98.6	89.3	82.4	77.1	72.7	69.5	66.4	1002.7	940.4	1943.1
30) - INVESTMENTS & RSK	770.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	770.0	.0	770.0
31) = BFIT NET	-573.1	137.3	112.5	98.6	89.3	82.4	77.1	72.7	69.5	66.4	232.7	940.4	1173.1
<b>PRESENT WORTH @ 10.00 %</b>													
32) NET INCOME	186.5	118.3	87.6	69.5	57.0	47.6	40.3	34.4	29.7	25.7	696.6	153.2	849.8
33) INVESTMENTS & RISK	770.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	770.0	.0	770.0
34) BFIT NET	-583.5	118.3	87.6	69.5	57.0	47.6	40.3	34.4	29.7	25.7	-73.4	153.2	79.8
35) CUM BFIT NET	-583.5	-465.2	-377.6	-308.0	-251.1	-203.5	-163.2	-128.9	-99.1	-73.4	-73.4	79.8	79.8

JAMES RANCH UNIT #30  
COMMERCIAL DETERMINATION

DATE: 03/17/94  
TIME: 17:22:13  
DBS : DAILY  
FILE: GREAT2  
SEQ : 5

A F T E R T A X E C O N O M I C S

AS OF DATE: 1/1/1994

PERIOD ENDING	12/94	12/95	12/96	12/97	12/98	12/99	12/00	12/01	12/02	12/03	S TOT	AFTER	40.4 YR TOTAL
TAX TREATMENT OF INVESTMENTS, M\$													
1) EXP, RISK & CAP INT	462.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	462.0	.0	462.0
2) DEPLETABLE	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
3) DEPRECIABLE	308.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	308.0	.0	308.0
TAX CALCULATIONS, M\$													
4) GROSS REV. TO INTR.	230.7	166.6	139.3	124.1	113.9	106.3	100.5	95.7	92.2	88.7	1258.0	1513.7	2771.7
5) - SEVERANCE TAX	16.3	11.8	9.9	8.8	8.1	7.5	7.1	6.8	6.5	6.3	89.1	107.2	196.2
6) - WPT TAX NET	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7) - OPR. COSTS & ATX	17.5	17.5	17.0	16.7	16.5	16.4	16.3	16.2	16.1	16.0	166.2	466.1	632.3
8) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
9) - OVERHEAD	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
10) - EXPENSED INV.	462.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	462.0	.0	462.0
11) - DEPRECIATION	13.7	.0	.0	.0	.0	.0	.0	.0	.0	.0	13.7	294.3	308.0
12) = NET	-278.9	137.3	112.5	98.6	89.3	82.4	77.1	72.7	69.5	66.4	527.0	646.1	1173.1
13) - DEPLETION	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
14) - INTEREST PD & CAP	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
15) = TAXABLE	-278.9	137.3	112.5	98.6	89.3	82.4	77.1	72.7	69.5	66.4	527.0	646.1	1173.1
16) * TAX RATE, %	34.0	34.0	34.0	34.0	34.0	34.0	34.0	34.0	34.0	34.0	34.0	34.0	34.0
17) - TAX CREDIT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
18) - WPT REFUND	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
19) = F.I.T.	-94.8	46.7	38.2	33.5	30.4	28.0	26.2	24.7	23.6	22.6	179.2	219.7	398.9
20) REVENUE-SEV-WPT	214.3	154.8	129.5	115.3	105.8	98.8	93.4	88.9	85.6	82.4	1168.9	1406.5	2575.4
21) - OPR. COSTS & ATX	17.5	17.5	17.0	16.7	16.5	16.4	16.3	16.2	16.1	16.0	166.2	466.1	632.3
22) + NPI OWNED - PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
23) - F.I.T.	-94.8	46.7	38.2	33.5	30.4	28.0	26.2	24.7	23.6	22.6	179.2	219.7	398.9
24) = A.F.I.T.	291.7	90.6	74.2	65.1	58.9	54.4	50.9	48.0	45.9	43.8	823.5	720.7	1544.3
25) - LOAN REPAYMENT	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
26) - INTEREST PAID	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
27) = NET INCOME	291.7	90.6	74.2	65.1	58.9	54.4	50.9	48.0	45.9	43.8	823.5	720.7	1544.3
28) - INVESTMENTS & RSK	770.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	770.0	.0	770.0
29) = A.F.I.T. NET	-478.3	90.6	74.2	65.1	58.9	54.4	50.9	48.0	45.9	43.8	53.5	720.7	774.3
PRESENT WORTH @ 10.00 %													
30) NET INCOME	276.4	78.1	57.8	45.9	37.6	31.4	26.6	22.7	19.6	16.9	613.0	102.9	715.9
31) INVESTMENTS & RISK	770.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	770.0	.0	770.0
32) A.F.I.T. NET	-493.6	78.1	57.8	45.9	37.6	31.4	26.6	22.7	19.6	16.9	-157.0	102.9	-54.1
33) CUM. A.F.I.T. NET	-493.6	-415.5	-357.7	-311.8	-274.2	-242.8	-216.3	-193.6	-173.9	-157.0	-54.1	-54.1	-54.1

JAMES RANCH UNIT #30  
 COMMERCIAL DETERMINATION

DATE: 03/17/94  
 TIME: 17:22:13  
 DBS : DAILY  
 FILE: GREAT2  
 SEQ : 5

E C O N O M I C I N D I C A T O R S

AS OF DATE: 1/1/1994

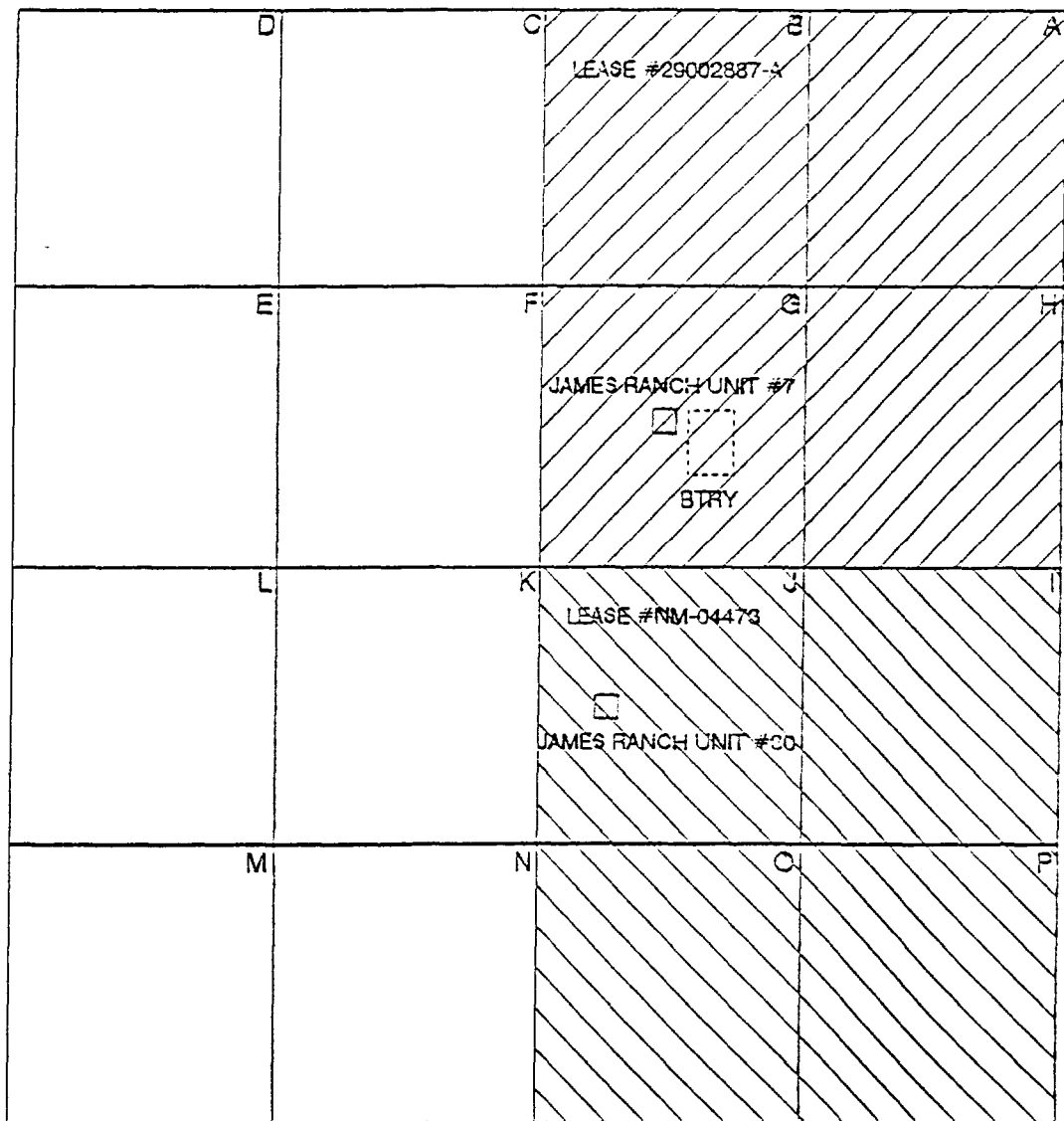
	B.F.I.T. WORTH M\$-----	A.F.I.T. WORTH M\$-----	A.F.I.T. BONUS M\$-----
0.	1173.111	774.253	1173.111
5.	415.699	183.406	227.331
10.	79.758	-54.087	-62.411
15.	-102.015	-179.641	-200.209
20.	-215.266	-258.493	-282.280
25.	-292.942	-313.556	-337.836
30.	-349.881	-354.788	-378.604
35.	-393.661	-387.213	-410.220
40.	-428.542	-413.651	-435.739
50.	-480.997	-454.779	-475.043
60.	-518.908	-485.903	-504.521
70.	-547.823	-510.710	-527.891
80.	-570.735	-531.204	-547.134
90.	-589.417	-548.579	-563.413
100.	-604.990	-563.598	-577.467

PRESENT WORTH PROFILE AND  
 RATE-OF-RETURN VS. BONUS TABLE

RATE OF RETURN, PCT.	12.2	8.9
UNDISCOUNTED PAYOUT, YRS.	6.69	8.79
DISCOUNTED PAYOUT, YRS.	14.17	40.42
UNDISCOUNTED NET/INVEST.	2.52	2.01
DISCOUNTED NET/INVEST.	1.10	.93

NOTES  
 -----

BASS ENTERPRISES PRODUCTION COMPANY  
WELL LOCATION PLAT  
JAMES RANCH UNIT #7 UNIT LETTER G, LEASE #29002887-A  
JAMES RANCH UNIT #30 UNIT LETTER J, LEASE #NM-04473  
EDDY COUNTY, NEW MEXICO



SECTION 6, T-23-S, R-31-E

**CONFIDENTIAL**  
UNCLASSIFIED

OPERATOR'S COPY

DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

ROSLAND  
Expires December 31, 1991

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG \***

1. TYPE OF WELL: III. WELL  GAS WELL  DRY  Other \_\_\_\_\_

2. TYPE OF COMPLETION:  
NEW WELL  WORK OVER  OVER-SEN  PLUG BACK  DIFF. DENVR.  CABLE  POINT \_\_\_\_\_

3. NAME OF OPERATOR  
BASS ENTERPRISES PRODUCTION CO.

4. ADDRESS AND TELEPHONE NO.  
P O BOX 2760; MIDLAND, TX 79702-2760 (915) 683-2277

5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements):  
At surface 1980' FSL & 2310' FEL OF UNIT LETTER J  
At top prod. interval reported below  
At total depth SAME AS ABOVE

6. LEASE DESIGNATION AND SERIAL NO.  
NMMN-04473

7. (IF INDIAN, ALLOTTEE OR TRIBE NAME)

8. UNIT AGREEMENT NAME  
JAMES RANCH UNIT

9. FARM OR LEASE NAME, WELL NO.  
JAMES RANCH UNIT #30  
3. API WELL NO.

10. FIELD AND POOL OR WILDCAT  
30-015-27704

11. FIELD AND POOL OR WILDCAT  
LOS MEDANOS (BONE SPRING)

12. SEC. T. R. M. OR BLOCK AND SURVEY OR AREA  
SECTION 6, T23S, 31E

14. PERMIT NO. \_\_\_\_\_ DATE ISSUED \_\_\_\_\_ 12. COUNTY OR PARISH EDDY 13. STATE NM

15. DATE SPUDDED 10-13-93 16. DATE F.D. REACHED 11-11-93 17. DATE COMPL. (Ready to prod.) 11-25-93 18. ELEVATIONS (OF RKB, AT, 22, ETC.)\* 3312' GE 19. SLEV. CASINGHEAD

20. TOTAL DEPTH, MD & FVD 11,305' 21. PLUG BACK F.D., MD & FVD 11,260' 22. IF MULTIPLE COMPL. HOW MANY? SINGLE 23. INTERVALS DRILLED BY 0'-11,305' 24. ROTARY TOOLS \_\_\_\_\_ 25. CABLE TOOLS \_\_\_\_\_

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND FVD)\*  
11,023'-11,043' (80 HOLES)

25. TYPE ELECTRIC AND OTHER LOGS RUN GR-ONL-LDT, GR-PIL-SFL 26. WAS DIRECTIONAL SURVEY MADE NO 27. WAS WELL CORDED NO

28. CASING RECORD (Report all strings set in well)

CASING SIZE/GRADE	WEIGHT, LB/FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
11 3/4"	42#	520'	14 3/4"	CIRC-390 SX CL "C"	NONE
9 5/8"	32#	3855'	11"	CIRC-1135SX CL "C"	NONE
5 1/2"	17#	11,305'	7 7/8"	TCC 3600'-1840SX "C" "H"	NONE

29. LINDER RECORD 30. TUBING RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2 7/8"	11,040'	10,941'

31. PERFORATION RECORD (Interval, size and number)

4" GSA GUN LOADED W/4 JSPP @ 90° PHASED  
TOTAL 80 HOLES 11,023'-11,043'

32. ACID, SHOT, FRACTURE CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
11,023'-11,043'	1500 GALS 7 1/2% HCl ACID W/ADDITIVES

33. PRODUCTION

DATE FIRST PRODUCTION 11-25-93 PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) FLOWING WELL STATUS (Producing or shut-in) PRODUCING

DATE OF TEST 11-27-93 HOURS TESTED 24 CHOKER SIZE 16/64 PROD'N. FOR TEST PERIOD → OIL—BBL 14 GAS—MCF 13 WATER—BBL 0 GAS-OIL RATIO 929

FLOW. TUBING PRESS. 100 CASING PRESSURE PACKER CALCULATED 24-HOUR RATE → OIL—BBL 14 GAS—MCF 13 WATER—BBL 0 OIL GRAVITY-API (CORR.) UNK

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

SALES & LEASE USE

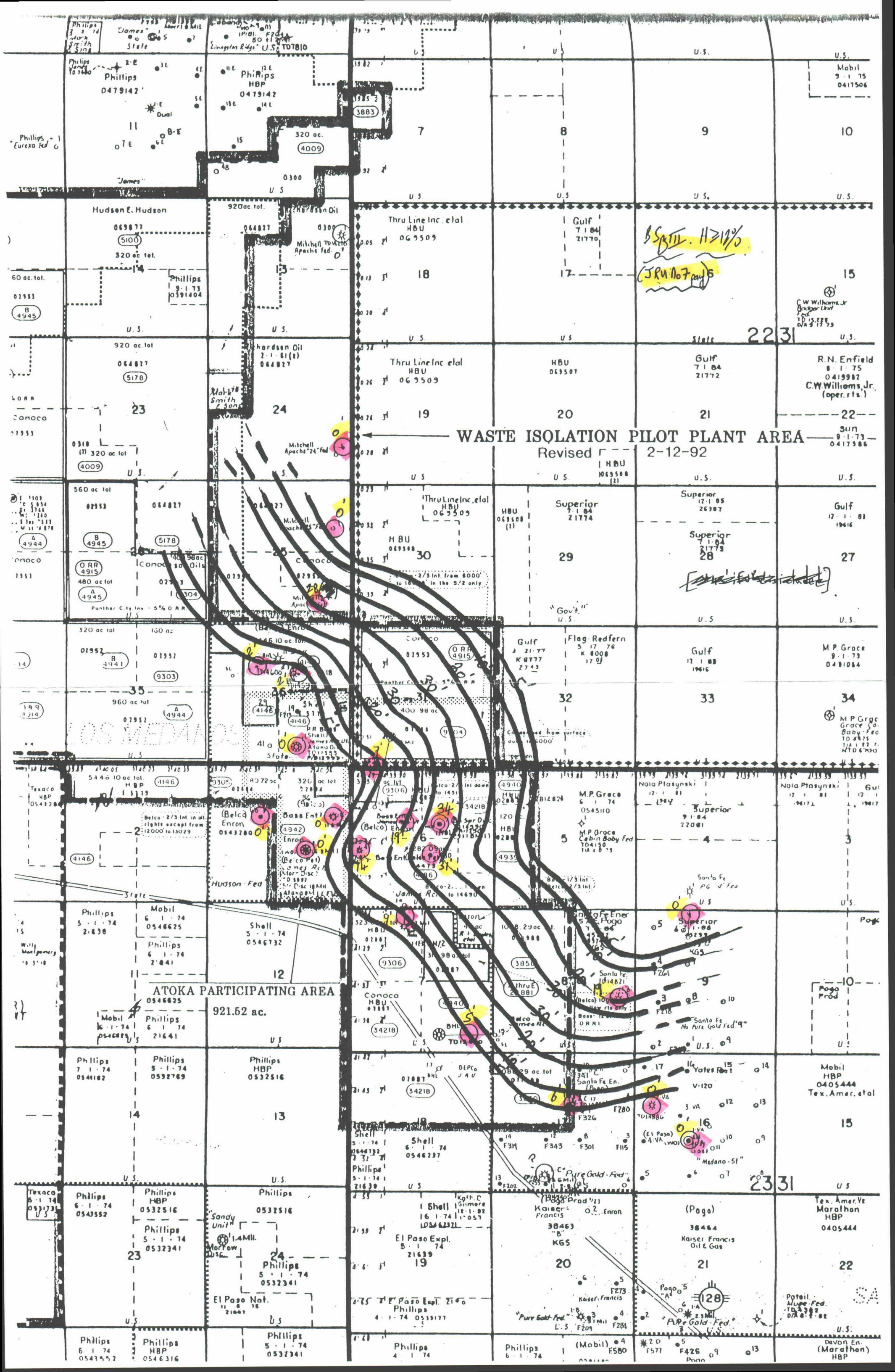
35. LIST OF ATTACHMENTS  
2 EA ABOVE LOGS

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED *R.C. Houtchens* R.C. HOUTCHENS SR. PRODUCTION CLERK DATE 12-7-93

ACCEPTED FOR RECORD  
*David P. Glass*  
12-7-93

\*(See Instructions and Spaces for Additional Data on Reverse Side)



U.S.  
Mobil  
5-1-75  
0417506

*BSPILL. H312%*  
*(JRU No 7 pay)*

**WASTE ISOLATION PILOT PLANT AREA**

Revised 2-12-92

State 2231

R.N. Enfield  
8-1-75  
0419982  
C.W. Williams, Jr.  
(oper. rts.)  
Sun  
9-1-73  
0417386

*LOS MEDANOS*

**ATOKA PARTICIPATING AREA**

921.52 ac.

State 2331

Mobil  
HBP  
0405444  
Tex. Amer. et al

Tex. Amer. Ve  
Marathon  
HBP  
0405444

Potell  
Muep Fed.  
10-15-82  
0417386

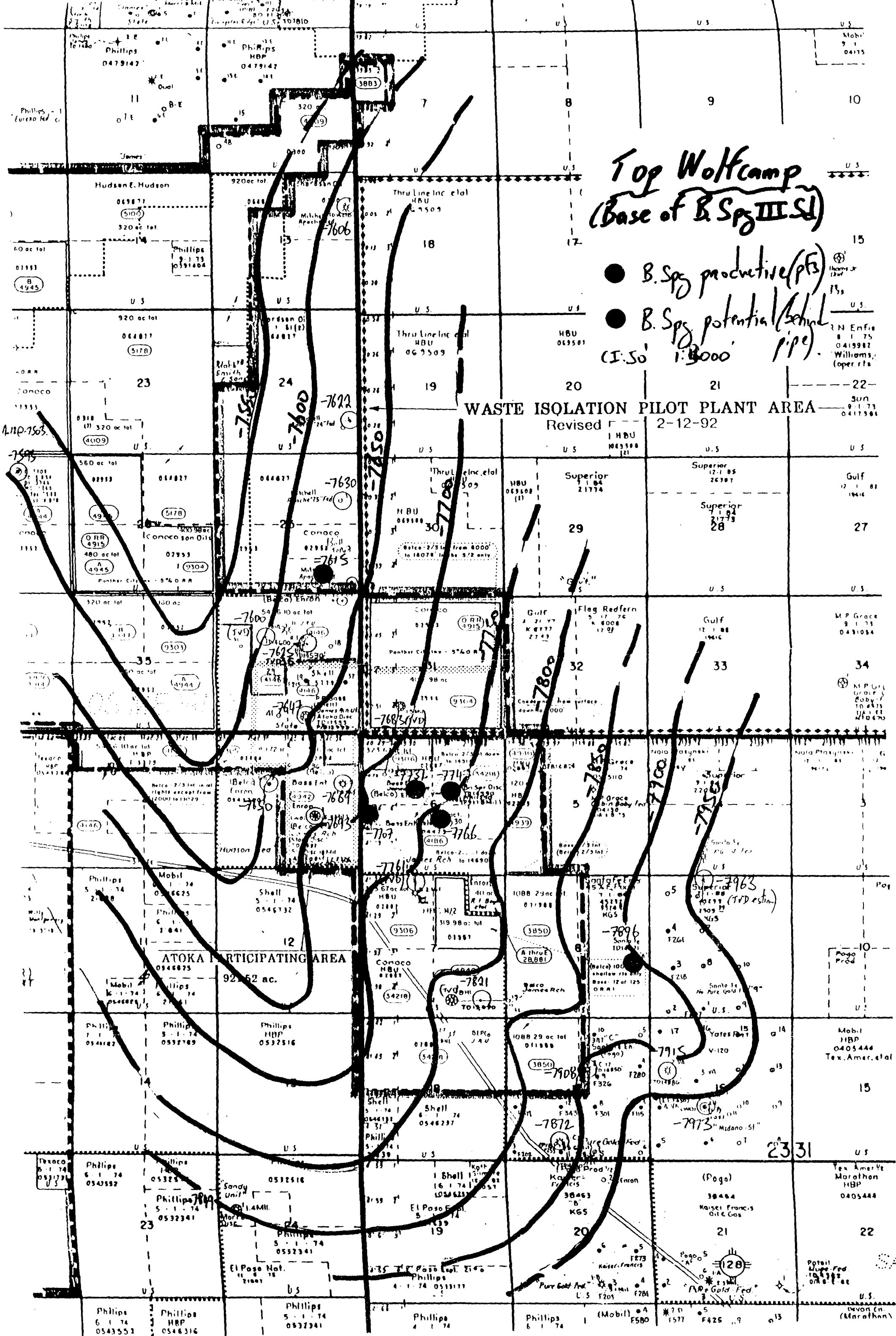
Devon En.  
(Marathon)  
HBP



# Top Wolfcamp (Base of B. Sp. III SL)

- B. Sp. productive (PTs)
  - B. Sp. potential (shad. pipe)
- CI: 50' 1:3000

WASTE ISOLATION PILOT PLANT AREA  
Revised 2-12-92





State of New Mexico  
Commissioner of Public Lands

310 OLD SANTA FE TRAIL P.O. BOX 1148

SANTA FE, NEW MEXICO 87504-1148

(505) 827-5760  
FAX (505) 827-5766

RAY POWELL, M.S., D.V.M.  
COMMISSIONER

SLO REF NO. OG-1380

March 21, 1994

Bass Enterprises Production Company  
1st City Bank Tower  
201 Main Street  
Ft. Worth, Texas 76102

Attn: Mr. Jens Hansen

Re: 1994 Plan of Development  
James Ranch Unit  
Eddy County, New Mexico

Gentlemen:

The Commissioner of Public Lands has this date approved the above captioned Plan of Development. Our approval is subject to like approval by all other appropriate agencies.

The possibility of drainage by wells outside of the Unit Area and the need for further development of the unit may exist. You will be contacted at a later date regarding these possibilities.

If you have any questions, or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY B. POWELL, M.S., D.V.M.  
COMMISSIONER OF PUBLIC LANDS

BY: *Floyd O. Prando*  
FLOYD O. PRANDO, Director  
Oil and Gas Division  
(505) 827-5744

RBP/FOP/pm

cc: OCD -Roy Johnson  
BLM

472

**BASS ENTERPRISES PRODUCTION CO.**

FIRST CITY BANK TOWER  
201 MAIN ST.  
FORT WORTH, TEXAS 76102  
817/390-8400

January 24, 1994

*Ok'd 2-24-94*

Bureau of Land Management  
P. O. Box 1397  
Roswell, New Mexico 88201

Attention: Mr. Armando Lopez

Commissioner of Public Lands  
State of New Mexico  
P. O. Box 1148  
Santa Fe, New Mexico 87504-1148

FEB 1 1994

Attention: Mr. Jim Baca

New Mexico Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico

Attention: Mr. William LeMay

Re: 1994 Plan of Development  
James Ranch Unit  
Eddy County, New Mexico

Gentlemen:

In accordance with Section 10 of the James Ranch Unit Agreement dated April 22, 1952, Bass Enterprises Production Co., Operator of the referenced unit, hereby submits a Plan of Development for the James Ranch Unit for the year 1994.

HISTORY OF PAST DEVELOPMENT

We refer to our previous Plans of Development for a detailed description of the operations conducted in this Unit in prior years.

1993 ACTIVITY

James Ranch Unit Well No. 18 - This well was drilled at a location 1,980' FNL and 1,100' FEL with the bottomhole location being 1,980' FNL and 1,980' FEL of Section 36, T22S-R30E, Eddy County, New Mexico. The well was drilled to a total depth of 14,530' and completed as a commercial producer in the Morrow formation between the intervals 14,368' - 14,392'. The N/2 of Section 36 has been designated as a participating area for this well.

James Ranch Unit Well No. 17 - This well is currently drilling at a location 2,080' FNL and 1,980' of the west line of Section 6, T23S-R31E and projected to be drilled to a total depth of 11,300' to test the Bone Springs formation. The results of this well will be reported on the 1995 Plan of Development.

James Ranch Unit Well No. 30 - This well was drilled at a location 1,980' FSL and 2,310' FEL in Section 6, T23S-R31E, Eddy County, New Mexico. The well was drilled to a total depth of 11,305' and completed in Bone Springs formation in the intervals 11,023' - 11,043'. This well will be submitted during the calendar year 1994 for commercial determination and participating area.

James Ranch Unit Well No. 19 - This well was drilled at a location 1,980' FSL and 1,980', FEL in Section 36, T23S-R30E, Eddy County, New Mexico. The well was completed in the Delaware formation as an oil well in the interval 6,727' - 6,729'. This well be submitted during the calendar year 1994, for commercial determination and a participating area.

James Ranch Unit Well No. 37 - This well is located 1,980' FSL and 660' FEL in Section 36, T22S-R30E and completed in the Delaware formation in the interval 7,529' - 7,660'. This results will be reported in the 1995 Plan of Development.

James Ranch Unit Well No. 36 - This well is drilling at a location 1,980' FNL and 1,860' FEL, Section 1, T23S-R30E, Eddy County, New Mexico to a projected depth of 7,800' to test the Delaware formation. The results of this well will be given on the 1995 Plan of Development.

### PARTICIPATING AREAS

Bass Enterprises Production has submitted all wells drilled to date where adequate production information is available for commercial determination and participating areas. In the event you have not received commercial determinations for the wells that have been drilled and completed and are currently producing, please advise at your convenience and we will submit same to you.

### FUTURE DEVELOPMENT

James Ranch Unit Well No. 29 - This well will be drilled at a location 2,310' FWL and 1,980' FSL in Section 36, T23S-R30E, Eddy County, New Mexico, and drilled to a projected depth of 8,000' to test the Delaware formation. The results of this well will be reported on the 1995 Plan of Development.

### OFFSET OBLIGATIONS

Appropriate and adequate measures will be taken to prevent drainage of unitized substances from lands within the James Ranch Unit area or pursuant to applicable regulations.

### MODIFICATIONS

In accordance with the terms and provisions of the James Ranch Unit Agreement, this Plan of Development may be modified from time to time as a result of changing conditions.

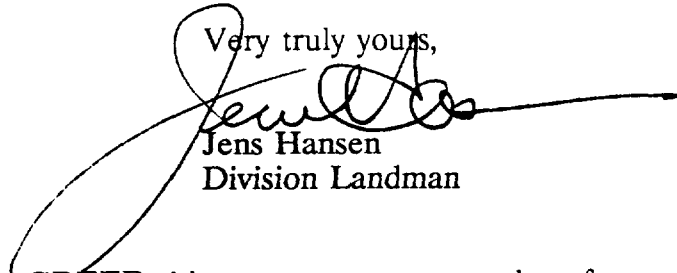
### EFFECTIVE DATE

This Plan of Development shall become effective on January 1, 1994.

February 9, 1994  
Page 4

If this Plan of Development meets with your approval, please so indicate by signing in the appropriate space provided below and return one (1) signed original to us for our records.

Very truly yours,



Jens Hansen  
Division Landman

JH:ca

ACCEPTED AND AGREED this \_\_\_\_\_ day of \_\_\_\_\_, 1991.

BUREAU OF LAND MANAGEMENT

By: \_\_\_\_\_

COMMISSIONER OF PUBLIC LANDS

By: \_\_\_\_\_

NEW MEXICO OIL CONSERVATION DIVISION

By: \_\_\_\_\_



State of New Mexico

OFFICE OF THE

Commissioner of Public Lands

Santa Fe

RAY B. POWELL  
COMMISSIONER

P.O. BOX 1148  
SANTA FE, NEW MEXICO 87504-1148

June 11, 1993

Bass Enterprises Production Company  
1st City Bank Tower  
201 Main Street  
Ft. Worth, Texas 76102

Attention: Mr. Jens Hansen

Re: Morrow "B" Participating Area  
James Ranch Unit Area  
Eddy County, New Mexico

Dear Mr. Hansen:

This office is in receipt of your application for approval of the Morrow "B" Participating Area for the James Ranch Unit, Eddy County, New Mexico.

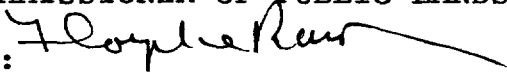
Please be advised that the Commissioner of Public Lands has this date approved your application for the Morrow "B" Participating Area. Such participating area is based on the completion of the James Ranch Unit Well No. 18 located in the SW $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 36, T22S, R30E, NMPM, on March 12, 1993. The well produces from an interval of the Morrow Formation and was determined to be a paying well pursuant to Section 9 of the unit agreement by our letter of May 5, 1993.

The Morrow "B" Participating Area embraces 320 acres, more or less and is described as the N $\frac{1}{2}$  of Section 36, T22S, R30E, NMPM, and is effective March 12, 1993.

If you have any questions, or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY B. POWELL  
COMMISSIONER OF PUBLIC LANDS

BY:   
FLOYD O. PRANDO, Director  
Oil/Gas and Minerals Division  
(505) 827-5744  
RBP/FOP/pm  
encls.

cc: Reader File

OCD ✓

BLM-Roswell, NM Attn: Armando Lopez

TRD

**BASS ENTERPRISES PRODUCTION CO.**

FIRST CITY BANK TOWER  
201 MAIN ST.  
FORT WORTH, TEXAS 76102  
817/390-8400

May 24, 1993

Bureau of Land Management  
P. O. Box 1397  
Roswell, New Mexico 88201

Attention: Armando Lopez

Commissioner of Public Lands  
State of New Mexico  
P. O. Box 1148  
Santa Fe, New Mexico 87504-1148

Attention: Floyd Prondo

New Mexico Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Attention: Bill LeMay

Re: Application for Approval of the  
Morrow "B" Participating Area  
N/2 Section 36, T22S-R30E  
Eddy County, New Mexico

Gentlemen:

Bass Enterprises Production Co. as unit operator for the James Ranch Federal Unit Agreement dated April 22, 1953, pursuant to the provisions of Section 10 thereof respectfully submits for your approval of the following described lands to constitute the Morrow "B" Participating Area:

N/2 All of Section 36, T22S-R30E, containing a total of 320 acres of land. In support of this application the following numbered items are attached hereto and made a part hereof.

1. An ownership map showing thereon the boundaries of the unit area and the proposed Morrow "B" participating area.
2. A schedule describing the lands entitled to participation in the unitized substances produced from the Morrow formation with the percentage of participation of each lease or tract indicated thereon.



3. Geological and engineering report with accompanying geological maps supporting and justifying the selection of the participating area.

This proposed initial participating area is predicated upon the knowledge and information first obtained upon the completion in paying quantities under the terms of the unit agreement on March 12, 1993, of Unit Well No. 18 with the bottom hole location being 1,980' FNL and 1,980' FEL in the Morrow formation at a depth of 14,162' to 14,392'. The effective date of this Morrow "B" participating area shall be March 12, 1993, pursuant to Section 10 of the Unit Agreement.

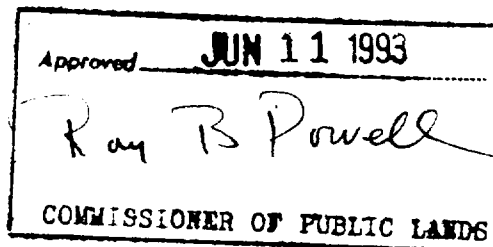
Consequently, applicant respectfully requests your concurrence that the James Ranch Unit No. Well No. 18 is capable of producing in commercial quantities and further seeks your approval of the hereinabove selection of lands to constitute the Morrow "B" participating area to be effective March 12, 1993.

Very truly yours,

  
Jens Hansen

JH:ca

cc: Enron Oil and Gas Company  
P. O. Box 2267  
Midland, Texas 79702  
Attention: Mr. Pat Tower



May 24, 1993  
Page 3

AGREED AND ACCEPTED this \_\_\_\_\_ day  
of \_\_\_\_\_, 1993.

**BUREAU OF LAND MANAGEMENT**

By: \_\_\_\_\_

AGREED AND ACCEPTED this \_\_\_\_\_ day  
of \_\_\_\_\_, 1993.

**COMMISSIONER OF PUBLIC LANDS**

By: \_\_\_\_\_

AGREED AND ACCEPTED this \_\_\_\_\_ day  
of \_\_\_\_\_, 1993.

**NEW MEXICO OIL CONSERVATION DIVISION**

By: \_\_\_\_\_

JAMES RANCH UNIT

INITIAL MORROW "B" PARTICIPATING AREA

Tract #	Lease #	Description of Participating Lands	Participating Acres	% of Unit Participating	Lease Ownership	Unit Ownership	Lease W.I. Ownership	Unit W.I. Ownership	
21	E-5229-4	N/2 Section 36, T22S, R30E	320.00	100.00%	Enron Bass St. of NM	.5833 .2917 .1250	.5833 .2917 .1250	66.667% 33.333%	66.667% 33.333%
			320.00	100.00%			100%	100%	
							100%	100%	

**BASS ENTERPRISES PRODUCTION CO.**

FIRST CITY BANK TOWER  
201 MAIN ST.  
FORT WORTH, TEXAS 76102  
817/390-8400

May 24, 1993

Bureau of Land Management  
P. O. Box 1397  
Roswell, New Mexico 88201

Attention: Armando Lopez

Commissioner of Public Lands  
State of New Mexico  
P. O. Box 1148  
Santa Fe, New Mexico 87504-1148

Attention: Floyd Prondo

New Mexico Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Attention: Bill LeMay

Re: Application for Approval of the  
Morrow "B" Participating Area  
N/2 Section 36, T22S-R30E  
Eddy County, New Mexico

Gentlemen:

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N/2 All of Section 36, T22S-R30E, containing a total of 320 acres of land. In support of this application the following numbered items are attached hereto and made a part hereof.

1. An ownership map showing thereon the boundaries of the unit area and the proposed Morrow "B" participating area.
2. A schedule describing the lands entitled to participation in the unitized substances produced from the Morrow formation with the percentage of participation of each lease or tract indicated thereon.

May 24, 1993  
Page 2

3. Geological and engineering report with accompanying geological maps supporting and justifying the selection of the participating area.

This proposed initial participating area is predicated upon the knowledge and information first obtained upon the completion in paying quantities under the terms of the unit agreement on March 12, 1993, of Unit Well No. 18 with the bottom hole location being 1,980' FNL and 1,980' FEL in the Morrow formation at a depth of 14,162' to 14,392'. The effective date of this Morrow "B" participating area shall be March 12, 1993, pursuant to Section 10 of the Unit Agreement.

Consequently, applicant respectfully requests your concurrence that the James Ranch Unit No. Well No. 18 is capable of producing in commercial quantities and further seeks your approval of the hereinabove selection of lands to constitute the Morrow "B" participating area to be effective March 12, 1993.

Very truly yours,



Jens Hansen

JH:ca

cc: Enron Oil and Gas Company  
P. O. Box 2267  
Midland, Texas 79702  
Attention: Mr. Pat Tower

May 24, 1993  
Page 3

AGREED AND ACCEPTED this \_\_\_\_\_ day  
of \_\_\_\_\_, 1993.

BUREAU OF LAND MANAGEMENT

By: \_\_\_\_\_

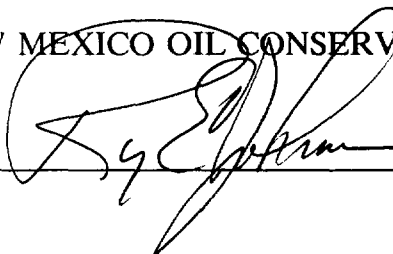
AGREED AND ACCEPTED this \_\_\_\_\_ day  
of \_\_\_\_\_, 1993.

COMMISSIONER OF PUBLIC LANDS

By: \_\_\_\_\_

AGREED AND ACCEPTED this 10<sup>th</sup> day  
of June, 1993.

NEW MEXICO OIL CONSERVATION DIVISION

By:  \_\_\_\_\_

CAMPBELL, CARR, BERGE  
& SHERIDAN, P.A.  
LAWYERS

MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE  
MARK F. SHERIDAN  
WILLIAM P. SLATTERY

PATRICIA A. MATTHEWS  
MICHAEL H. FELDEWERT  
DAVID B. LAWRENZ

JACK M. CAMPBELL  
OF COUNSEL

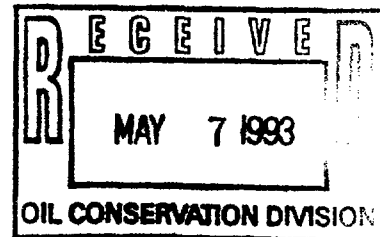
JEFFERSON PLACE  
SUITE 1 - 110 NORTH GUADALUPE  
POST OFFICE BOX 2208  
SANTA FE, NEW MEXICO 87504-2208  
TELEPHONE (505) 988-4421  
TELECOPIER: (505) 983-6043

May 7, 1993

HAND DELIVERED

Mr. Gary Carlson, Deputy  
Commissioner of Public Lands  
New Mexico State Land Office Building  
310 Old Santa Fe Trail  
Santa Fe, New Mexico 87501

Re: Enron Oil & Gas Company  
James Ranch Unit No. 18  
Morrow B Participating Area  
Eddy County, New Mexico



Dear Mr. Carlson:

Enron has received a copy of Bass Enterprises Production Co.'s letter to you of April 29, 1993, concerning Bass's application for a 640-acre participating area in Section 36, Township 22 South, Range 30 East, N.M.P.M., Eddy County, New Mexico. We feel that clarifying several points in Bass's letter will assist your resolution of this issue.

First, Bass implies that a meeting scheduled for April 16, 1993 to review well data related to the James Ranch Unit No. 18 was cancelled because both Enron and Bass "were intransigent on their respective positions as to the size of the participating area and that further discussions would be futile." Gary Thomas, the Enron vice president who spoke to Jim Greave, Bass's vice president, on April 14, 1993, has a different recollection of that conversation. Mr. Thomas recalls that Mr. Greave told him that Bass was not interested in the April 16 meeting. Following the phone conversation between Mr. Thomas and Mr. Greave, Enron remained receptive to holding the meeting, but Bass refused to go through with it.

Second, Enron's data on the James Ranch Unit No. 1 indicates that that well is not currently producing from the Atoka formation. In fact, the James Ranch Unit No. 1 has produced only two months since July, 1991. In October 1991, it produced 9890 MCF, and in

Mr. Gary Carlson  
May 7, 1993  
Page 2

September 1991 it produced 1493 MCF. Enron agrees with Bass's statement that "it would be imprudent to abandon a highly profitable producing formation." However, in effect, Bass has done just that, by not producing the James Ranch Unit No. 1 Atoka formation, despite requests by Enron to return the well to production. Bass suggested to Enron on April 13, 1993 to re-test the Morrow in the James Ranch Unit No. 1. Bass now states that it could not re-enter the James Ranch Unit No. 1 because it is producing commercial quantities. Enron believes that Bass has retreated from its proposal to re-test the James Ranch Unit No. 1 because Bass fears that the results will prove that the S/2 of Section 36 is not commercially productive in the Morrow and should not be included in a participating area with the N/2. Bass's attempt to justify its reluctance to re-test the James Ranch Unit No. 1 Morrow formation is merely a smokescreen for its effort to expand the participating area of Section 36 and dilute Enron's interest in the commercially productive James Ranch Unit No. 18. Enron believes that Bass has withdrawn their proposal to drill a new well for the same reason.

Enron firmly believes that the technical data it has sent to the Commission supports our position that the S/2 of Section 36 should not be included in the Morrow participating area for the James Ranch Unit No. 18 until the S/2 is proven commercially productive.

Very truly yours,



DAVID B. LAWRENZ  
ATTORNEY FOR ENRON OIL & GAS COMPANY

DBL:bh

cc:

Mr. Floyd O. Prando  
Director of Oil & Gas Division  
New Mexico State Land Office Building  
310 Old Santa Fe Trail  
Santa Fe, New Mexico 87501

**HAND DELIVERED**

Jami Bailey  
Petroleum Engineer  
New Mexico State Land Office Building  
310 Old Santa Fe Trail  
Santa Fe, New Mexico 87501

**HAND DELIVERED**



Mr. Gary Carlson  
May 7, 1993  
Page 3

Pete Martinez  
Petroleum Engineer Specialist  
New Mexico State Land Office Building  
310 Old Santa Fe Trail  
Santa Fe, New Mexico 87501

**HAND DELIVERED**

Bureau of Land Management  
Post Office Box 1397  
Roswell, New Mexico 88201  
Attn: Armando Lopez

Mr. William J. LeMay  
New Mexico Oil Conservation Division  
New Mexico State Land Office Building  
310 Old Santa Fe Trail  
Santa Fe, New Mexico 87501

**HAND DELIVERED**

Mr. Jens Hanson  
Bass Enterprises Production Co.  
201 Main Street, Suite 3100  
Fort Worth, TX 76102



JIM BACA  
COMMISSIONER

State of New Mexico  
OFFICE OF THE  
Commissioner of Public Lands  
Santa Fe

P.O. BOX 1148  
SANTA FE, NEW MEXICO 87504-1148

May 5, 1993

Bass Enterprises Production Company  
First City Bank Tower  
221 Main Street  
Fort Worth, Texas 76102

Attn: Mr. Jens Hansen

Re: James Ranch Unit Well Nos. 1 and 18  
Morrow "B" Participating Area  
Sec. 36-T22S-R30E  
Eddy County, New Mexico

Dear Mr. Hansen:

Your application for approval of the Morrow "B" Participating Area for the James Ranch Unit, Eddy County, New Mexico has been received. Subsequent to your application an objection was filed by Enron Oil and Gas Company in opposition to your application.

This office has considered all data and statements presented by Bass Enterprises Production Company and Enron Oil and Gas Company regarding the commercial determinations of the James Ranch Unit Well Nos. 1 and 18. The production and economics were evaluated for each well and we concur with your determination that the James Ranch Unit Well No. 18 is capable of producing unitized substances in paying quantities and the establishment of the Morrow "B" Participating Area.

Upon consideration of the data submitted regarding the James Ranch Unit Well No. 1, it has been determined that this well is not now capable of producing unitized substances from the Morrow in paying quantities. Therefore, this well should not be included in the Morrow "B" Participating Area.

In view of the above, please re-submit your application for approval of the Morrow "B" Participating Area based upon the successful completion of the James Ranch Unit Well No. 18. The participating area will be based upon the current spacing as set by the New Mexico Oil Conservation Division for the Los Medanos Morrow Pool for the Well No. 18 and is described as the N/2 of Section 36, Township 22 South, Range 30 East, containing 320.00 acres.

Bass Enterprises Production Company  
May 5, 1993  
Page 2

Enclosed is your unapproved application for the above mentioned participating area.

If you have any questions, or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

JIM BACA  
COMMISSIONER OF PUBLIC LANDS

BY: 

FLOYD O. PRANDO, Director  
Oil/Gas and Minerals Division  
(505) 827-5744

JB/FOP/pm

encls.

cc: Reader File

OCD

BLM-Roswell, NM Attn: Armando Lopez

Enron - Attn: Mr. Patrick J. Tower

William F. Carr



JIM BACA  
COMMISSIONER

State of New Mexico  
OFFICE OF THE  
Commissioner of Public Lands  
Santa Fe

P.O. BOX 1148  
SANTA FE, NEW MEXICO 87504-1148

SLO REF NO. OG-1298

April 26, 1993

Bass Enterprises Production Company  
201 Main Street  
1st City Bank Tower  
Ft. Worth, Texas 76102

Attn: Mr. Jens Hensen

Re: 1993 Plan of Development  
James Ranch Unit  
Eddy County, New Mexico

Gentlemen:

The Commissioner of Public Lands has this date approved the above captioned Plan of Development. Our approval is subject to like approval by all other appropriate agencies.

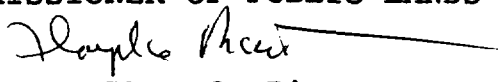
The possibility of drainage by wells outside of the Unit Area and the need for further development of the unit may exist. You will be contacted at a later date regarding these possibilities.

If you have any questions, or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

JIM BACA  
COMMISSIONER OF PUBLIC LANDS

BY:

  
FLOYD O. PRANDO, Director  
Oil and Gas Division  
(505) 827-5744

JB/FOP/pm  
cc: OCD  
BLM

# **ENRON**

## **Oil & Gas Company**

P.O. Box 2267 Midland, Texas 79702 (915) 686-3600

April 21, 1993

Gary Carlson, Deputy  
Commissioner of Public Lands  
New Mexico State Land Office  
310 Old Santa Fe Trail  
Santa Fe, New Mexico 87501

RE: Enron Oil & Gas Company  
James Ranch Unit No. 18  
Morrow B Participating Area  
Eddy County, New Mexico

Gentlemen:

Enron Oil & Gas Company respectfully submits the following data and believes that it conclusively shows that the proper PA for the James Ranch Unit No. 18 is the N/2 of Section 36 being approximately 320 acres.

1. Net sand isopach maps and Phi-h maps for the Lower Morrow B sand and the Morrow D<sub>2</sub> sand.
2. Structure map on the Lower Morrow marker.
3. Stratigraphic cross-section A - A<sub>1</sub>.
4. Written discussions of geology and maps.
5. Morrow completion chrons for the James Ranch Unit No. 1, James Ranch Unit No. 18 and Hudson Federal No. 1.
6. Written summary of the completion attempts.
7. Comparison of Morrow completion results and conclusions.
8. P/Z vs production plot for the James Ranch Unit No. 18.
9. Volumetric calculations and drainage area for the James Ranch Unit No. 18.
10. Economic calculations for a commercial determination.
11. Letters from the well file by Shell confirming the Morrow was tested non-commercial on James Ranch Unit No. 1.

The data contained herein will show that the Morrow sands have been found commercial in the James Ranch Unit No. 18. Most of the production is from the Lower Morrow B<sub>2</sub> sand which is not developed in other area wells. Some of the production is from the B<sub>1</sub> and D<sub>2</sub> sands. The sands are at least 60' updip to the James Ranch Unit Nos. 1 and 13 and that this may explain the presence of well developed sands in the James Ranch Unit No. 18. The drainage area of the production is almost entirely confined to the north 320 acres of the section. The James Ranch Unit No. 1 extensively tested the Morrow sands and found them non-commercial in the south 320 acres of Section 36. The most reasonable PA for the James Ranch Unit No. 18 is the north 320 acres of Section 36. If Bass believes the S/2 to be commercial then they should prove it by drilling or reentry.

We would be available for a meeting to explain our data contained herein or you may call the undersigned if you have any questions or need more data.

Thanks for your consideration in this matter.

Sincerely,



Pat Tower  
Project Landman



Randy S. Cate  
Project Reservoir Engineer



Barry L. Zinz  
Geological Specialist

cc: Mr. Floyd OP w/o  
New Mexico State Land Office Bldg.  
310 Old Santa Fe Trail  
Santa Fe, NM 87501

Armando Lopez w/attachments  
Bureau of Land Management  
P.O. Box 1397  
Roswell, NM 88201

Bill LaMay w/o  
NMOCOD  
P.O. Box 2068  
Santa Fe, NM 87501

Jens Hansen w/o  
Bass Enterprise Prod. Co.  
First City Bank Tower  
210 Main St.  
Fort Worth, TX 76102

Jami Bailey w/o  
New Mexico State Land Office Bldg.  
310 Old Santa Fe Trail  
Santa Fe, NM 87501

## Geological Discussion

Enron Oil & Gas Company (EOG) is submitting the N/2 of Section 36-22S-30E, Eddy County, New Mexico (320.28 acres) for consideration as the next Morrow Participating Area (PA) in the James Ranch Federal Unit operated by Bass Enterprises Production Company. EOG is currently flow testing the James Ranch Unit No. 18 well (BHL 1,980' FNL & 1,980' FEL, Section 36) from Morrow perforations after drilling to a total depth of 14,530' in the Morrow formation. This latest unit well was a redrill of the James Ranch Unit No. 11 (N/2 Section 36). Based on electric log calculations, the James Ranch Unit No. 11 was considered productive in the Morrow sands but due to mechanical problems in the borehole the well was plugged back and completed in the Atoka sand.

The Los Medanos Field lies within a portion of the James Ranch Federal Unit and is productive from Delaware, Bone Spring, Strawn, Atoka, and Morrow reservoirs. This field is situated along a faulted anticlinal ridge and the N/2 of Section 36 represents the highest structural position in the field (refer to Lower Morrow structure map).

Several Morrow sands are productive in the Los Medanos Field area and the accompanying stratigraphic cross-section A-A', which incorporates the majority of unit wells, illustrates correlations from the Morrow C sand through the lower Morrow sands. Completion information pertaining to each well is also included on the cross-section. Also enclosed are net sand isopach maps for the Morrow D2 sand and lower Morrow B sands since these sands are the primary producing zones in the James Ranch Unit No. 18 (refer

to cross-section). In addition, Phi H maps (porosity x pay height) for the same Morrow sands are included. These maps relate to the volumetric calculations presented in the engineering portion of the report and show the majority of produceable gas reserves are in the N/2 of Section 36.

The James Ranch Unit No. 1 (S/2 Section 36), originally drilled by Shell Oil Company in 1958 is the key well in establishing the boundary of the subject Morrow PA. This well production tested non-commercial in the lower Morrow B and Morrow D sands (refer to cross-section). Porosities in this well are considerably lower than in the James Ranch Unit No. 11 and No. 18 (refer to Phi H maps). It is recognized that working with old electric logs of 1950 vintage is difficult at best; hence, Mr. George Horst, a consulting log analyst retired from Schlumberger, was employed in determining the porosities in the James Ranch Unit No. 1. Mr. Horst began his career with Schlumberger in the 1950's and is very familiar with the old logs.

The James Ranch Unit No. 1 also has a microlog over the Morrow formation. This type of log is used to determine permeability based on mudcake in the wellbore. The mudcake is formed when drilling fluid invades the formation. Several of the Morrow sands show mudcake, but a closer look reveals some of these zones have little to no porosity. Since the Morrow section in this well was drilled in excess of 4,000 pounds over balanced, the mudcake probably indicates drilling induced invasion near the wellbore and not naturally permeable rock. Also of interest is the depth of investigation of this tool which is two inches.



EOG believes that the Morrow production tests in the James Ranch Unit No. 1 does not indicate formation damage due to invading drilling fluids, but are indicative of reservoirs that are not capable of producing commercial quantities of natural gas because of inadequate porosities and permeabilities. Geological and engineering data support the exclusion of the S/2 of Section 36-22S-30E from the next Morrow PA in the James Ranch Unit.

**Comparison of the Morrow "B" Sand Completion Results for the  
James Ranch Unit No. 18, James Ranch Unit No.1, and the Hudson Federal No. 1**

<b>WELL NAME</b>	<b>JAMES RANCH UNIT NO. 18</b>	<b>JAMES RANCH UNIT NO. 1</b>	<b>HUDSON FEDERAL NO. 1</b>
<b>OUTCOME</b>	Commercial	Non-Commercial	Non-Commercial
<b>TEST AFTER PERFORATING</b>	1,700 MCFD at 1,580 psig FTP	Flowed intermittently 150 MCFD at 100 psig FTP *	1,400 MCFD at 200 psig FTP
<b>TEST AFTER ACID</b>	3,145 MCFD at 1,000 psig FTP	100 MCFD at 50 psig FTP	Swab and flow estimated 360 MCFD for 2 weeks
<b>TEST AFTER FRACTURE TREATMENT</b>	6,000 MCFD at 3,200 psig FTP	250 MCFD at 75 psig FTP	Fractured with other Morrow perms. Swabbed. Blow of gas.
<b>MAX POROSITY "B- 2" SAND</b>	10.5%	5.2%	6.0%
<b>POROSITY X HEIGHT IN "B-2" SAND</b>	1.02	.16	.51

EOG believes the development of the "B-2" sand is the key to commercial production in the Morrow formation. Maximum porosity and porosity x height of sand values show why the James Ranch Unit No. 18 has resulted in a commercial Morrow producer while the James Ranch Unit No. 1 and the Hudson Federal No. 1 resulted in non-commercial tests. The Phi-H contour map of the "B-2" sand shows that most of the produceable reserves are situated in the N/2 of Section 36.

## **Discussion of the Morrow Completion on the EOG,**

### **James Ranch Unit No. 18**

The Lower Morrow B<sub>1</sub> and B<sub>2</sub> sands were perforated from 14,368' to 14,392' with a 1-11/16" gun on March 9, 1993. Broke down with 2% KCL. Jetted hole with N<sub>2</sub> and well began flowing. Flowed well approximately 10 hours at 1,700 MCFD with FTP of 1,580 psig. (See 3-11-93). Well was stable last 3 hours (3-12-93 chron). Well was acidized with 2,000 gal 7.5% HCL energized with N<sub>2</sub>. After acid, the well cleaned up to 3,145 MCFD at 1,000 psig FTP (3-13-93 chron). On March 18, 1993 the Lower Morrow "B" sands were fracture treated with 28,000 gals of Methanol/CO<sub>2</sub> foam carrying 17,600 lbs. of sand. The zone responded flowing 6,000 MCFD at 3,200 psig FTP. On March 30, 1993, the well was shut in and the "D-2" sand perforated from 14,162'-168' and returned to sales. Up to 1,000 MCFD was seen from the "D" sand based on rates and FTPs before and after perforating the sand. An EUR of 3.2 BCF has been derived from a measured BHP on initial completion (3-16-93 chron) and a SITP after producing approximately 190,000 MCF. EOG agrees that the well should be considered a commercial producer as defined in the Unit agreement.

## Discussion of the Morrow Completion on the Shell,

### James Ranch Unit No. 1

The Lower Morrow B sands were perforated from 14,270'-295' on January 15, 1958. The well flowed from 800 MCFD down to 195 MCFD at 0 psig in three hours. Flowed and SI daily for seven days while averaging 150 MCFD at 100 psig FTP. Very slow build up on SITP over 43 hours (1-19-58 chron) indicates very low permeable rock, not damaged rock. Well was acidized with 500 gals of 7.5% HCL and flowed back at 100 MCFD at 50 psig FTP. Fixed packer leak. Fracture treated with 10,000 gal gelled crude oil. Swabbed dry for two days. Added Morrow perforations from 14,030'-299'. Flowed gas a 175 MCFD at 60 psig FTP down to 142 MCFD at 150 psig FTP two days later. Acidized Morrow perms with 1,000 gals. of 7.5% HCL. Good breaks. Swabbed and flowed for three days at average of 250 MCFD at 75 psig FTP. Set CIBP at 13,980' with one sack of cement. Perforated upper Morrow from 13,742'-900'. Hand flowed two days with no recovery. Set CIBP at 13,000'. Abandoned Morrow as non-commercial and went to the Atoka sand at 12,920'-929' (see Shell's letters deeming the Morrow to be non-commercial). A more recent completion attempt in the Hudson Federal No. 1 (N/2 of Sec. 1) resulted in a non-commercial test and is shown in the completion comparison table.

**Volumetric and Economic Calculations**  
**for the James Ranch Unit No. 18**

The P/Z vs. Production plot shows that the James Ranch Unit No. 18 will produce 3,200 MMCF. The table below shows volumetric drainage calculations for three possible pay scenarios and uses the phi x h values that have been mapped.

Pay Sand	$\phi \times H$	Number of Acres Extent
"B-2" Only	1.02	360.1
"B-2" & "B-1"	1.20	306.1
"B-2", "B-1" & "D-2"	1.92	191.3

$$\text{Example Calculation - } 43.56 \times 1.92 \times .85 \times \left[ \frac{5,821 \times 520}{15.02 \times 1.08 \times 678} - \frac{750 \times 520}{15.02 \times .96 \times 678} \right]$$

$$= 16,727 \text{ MCF/acre} = 191.3 \text{ acres}$$

The table shows that even if all the gas is coming from the "B-2" sand, then the drainage is still almost entirely confined to the N/2 of Section 36. If the "B-1" and "D-2" sands contribute according to their porosity x height values then the drainage can be entirely confined to the N/2 and thus fits very well with the completion results of the James Ranch Unit No. 18 and No. 1. EOG believes that Bass should first have to drill a well or reenter the James Ranch Unit No. 1 and prove the S/2 commercial before it is included in this PA.

**Economic Calculations and Discussions**

The James Ranch Unit No. 18 will cost approximately \$2,000,000 once all cost are included (see chrons). By definition in the Unit Agreement, the well must pay back all drilling, completion, and

operating costs plus a reasonable profit to be considered "commercial" for PA determination.

At \$1.80/MCF (net of gathering fees, taxes, etc) and 1.5 profit/investment (minimum by industry standards) a well must be capable of producing approximately 1.9 BCF gas.

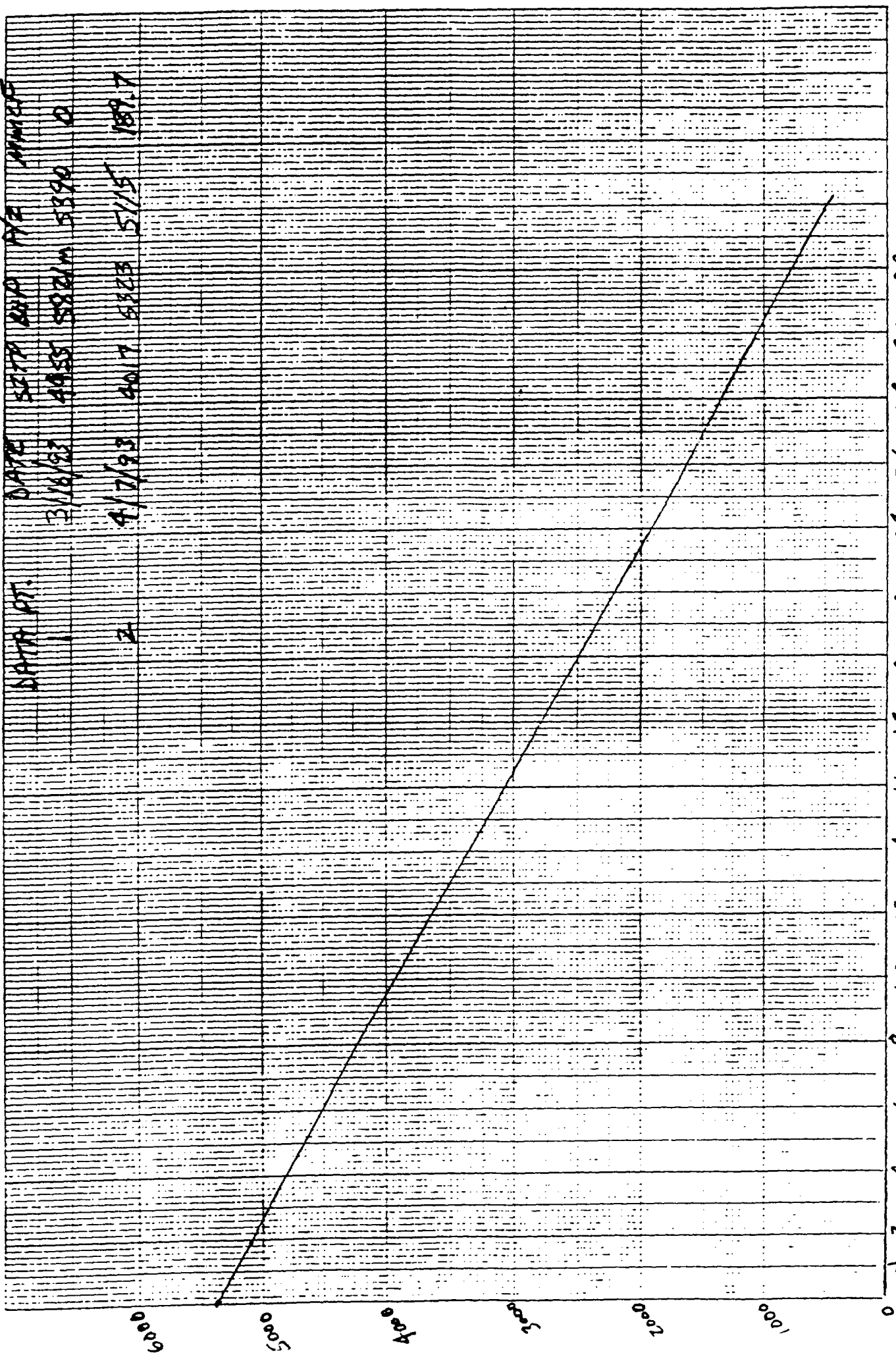
$$\text{\$2,000,000} \times 1.5 \div \text{\$1.80/mcf} \div .875 \text{ NRI} = 1,904,762 \text{ MCF}$$

It is not reasonable to conclude that the James Ranch Unit No. 1 could have been a commercial producer.

JAMES KANON UNIT No. 18

DATE	STRT	END	PT	NAME
3/16/93	4955	5821m	5370	0
4/7/93	6017	5323	5115	189.7

DATA PT.



BCF

Submit in duplicate to  
appropriate district office  
See Rule 401 & Rule 1122

**OIL CONSERVATION DIVISION**  
P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

**MULTIPOINT AND ONE POINT BACK PRESSURE TEST FOR GAS WELL**

Operator <b>ENRON OIL &amp; GAS COMPANY</b>					Lease or Unit Name <b>James Ranch Unit 18</b>					
Type Test <input checked="" type="checkbox"/> Initial <input type="checkbox"/> Annual <input type="checkbox"/> Special					Test Date <b>4/7/93</b>		Well No. <b>1</b>			
Completion Date <b>3/31/93</b>		Total Depth <b>14,530</b>		Ping Back TD <b>14,445</b>		Elevation <b>3344' KB</b>		Unit Lr. - Sec. - TWP - Rge. <b>G 36 22s 30e</b>		
Csg. Size <b>4 1/2</b>		WL <b>15.10</b>		d <b>3.826</b>		Set At <b>14,527</b>		Perforations: From: <b>14,368</b> To: <b>14,392</b>		
Tbg. Size <b>2 7/8</b>		Wt <b>7.9</b>		d <b>2.323</b>		Set At <b>11,277</b>		Perforations: From: <b>OPEN</b> To: <b>ENDED</b>		
Type Well - Single - Bradenhead - G.G. or G.O. Multiple <b>Single</b>					Packer Set At <b>11,277</b>			Formation <b>Lower Morrow &amp; Morrow "D"</b>		
Producing Thru <b>TBG</b>		Reservoir Temp. °F <b>218 @ 14368</b>		Mean Annual Temp. °F <b>60°</b>		Baro. Press - P <sub>a</sub> <b>13.2</b>		Connection <b>El Paso Natural</b>		
L <b>14368</b>	H <b>14368</b>	G <sub>g</sub> <b>.574</b>	% CO <sub>2</sub> <b>1.20</b>	% N <sub>2</sub> <b>.15</b>	% H <sub>2</sub> S	Prover	Meter Run <b>4.026</b>	Taps <b>FLG</b>		
FLOW DATA					TUBING DATA			CASING DATA		Duration of Flow
NO.	Prover Line Size	Orifice Size	Press. p.s.i.g.	Diff. h <sub>w</sub>	Temp. °F	Press. p.s.i.g.	Temp. °F	Press. p.s.i.g.	Temp. °F	
SI						<b>4017</b>		<b>PKR</b>		<b>13 Hrs.</b>
1.	4 x	2.500	570	8.00	106	3903		"		1 Hr.
2.	4 x	2.500	650	28.00	74	3670		"		1 Hr.
3.	4 x	2.500	730	60.00	72	3267		"		1 Hr.
4.	4 x	2.500	800	84.00	67	2914		"		1 Hr.
5.										
RATE OF FLOW CALCULATIONS										
NO.	COEFFICIENT (24 HOUR)	$\sqrt{h_w P_m}$	Pressure P <sub>m</sub>	Flow Temp. Factor Ft.	Gravity Factor F <sub>g</sub>	Super Compress. Factor, F <sub>pv</sub>	Rate of Flow Q, Mcfd			
1.	32.64	68.31	583.2	.9585	1.320	1.031	2,908			
2.	32.64	136.27	663.2	.9868	1.320	1.047	6,066			
3.	32.64	211.17	743.2	.9887	1.320	1.052	9,463			
4.	32.64	261.36	813.2	.9933	1.320	1.061	11,868			
5.										
NO.	P <sub>r</sub>	Temp. °R	T <sub>r</sub>	Z	Gas Liquid Hydrocarbon Ratio		Dry Gas		Mcf/bbl	
1.	.86	566	1.64	.940	A.P. L Gravity of Liquid Hydrocarbons		Dry		Deg.	
2.	.98	534	1.54	.912	Specific Gravity Separator Gas		.574		XXXXXXXXXX	
3.	1.09	532	1.54	.903	Specific Gravity Flowing Fluid		XXXXXX			
4.	1.20	527	1.52	.889	Critical Pressure * 676		PSIA		PSIA	
5.					Critical Temperature * 345		R		R	
P <sub>c</sub> 4030.2		P <sub>c</sub> 16242.5								
NO.	P <sub>i</sub> <sup>2</sup>	P <sub>w</sub>	P <sub>w</sub> <sup>2</sup>	P <sub>c</sub> <sup>2</sup> - P <sub>w</sub> <sup>2</sup>	1) $\frac{P_c^2}{P_c^2 - P_w^2} = 3.143$		(2) $\left[ \frac{P_c^2}{P_c^2 - P_w^2} \right]^n = 2.262$			
1.		3936.7	15497.5	745.1						
2.		3775.4	14253.5	1989.0						
3.		3519.5	12386.6	3856.0						
4.		3327.8	11074.0	5168.5						
5.										
Absolute Open Flow <b>26,850</b> Mcfd @ 15.025					Angle of Slope $\theta$ <b>54.5</b>		Slope, n <b>.713</b>			
Remarks: <b>No fluid produced during test</b>										
* Corrected to 1.20% CO <sub>2</sub> ** Calculated deff 2 7/8 - 11277 & 3091' 4 1/2 to 14368'										
Approved By Division			Conducted By: <b>Jarrel Services, Inc.</b>			Calculated By: <b>Bob Murray</b>			Checked By: <b>Bob Murray</b>	



**JAMES RANCH UNIT NO. 18 (DW-TGS)**  
BHL: 1,922.42' FNL & 2,132.01' FEL  
@ TVD 14,307.76'  
Surface: 1,980' FNL & 1,100' FEL  
Section 36, T22S, R30E  
Eddy County, New Mexico  
Los Medanos

Oper: Enron Oil & Gas Company  
14,6000' Morrow  
EOG%: 66.66667% WI 58.33333% MRI  
AFE No. 004293  
DHC: \$1,432,500 CWC: \$1,862,600  
SC No. N/A

TD 14,530'; 10-3/4 hrs run 2-7/8" tbg; 3-1/4 hrs space out & displace w/pkr fluid;  
1 hr displace tbg w/nitrogen 5,200 scf, 3200 psi; 2 hrs ND; 1-1/2 hr NU tree; 1/2  
hrs test WH 8,000#; 6 hrs RD; rig release at 12:00 midnight 03/01/93.  
EDWC: \$31,360 ETWC: \$1,519,953

03-03-93 (86) PRESENT OPERATION: RDRT  
TD 14,530'; rigging down; will set out rig 03-04-93. EDWC: \$163,264 ETWC:  
\$1,747,959

03-10-93 SITP 2,900 psi. Bled down N2 displacement in tbg in 1-1/2 hrs. 3-3/4 hrs RU  
Schlumberger WL BOP's & lub test to 8,000 psi. 3-3/4 hrs RIH w/1-11/16" Enerjet  
gamma gun & MWP tool. Initial FL @ 8,200'. Loaded tbg w/39.3 bbls 2% KCL. Final  
FL @ 700'. BHP 6,016 psi @ 14,361'. Perf Lower Morrow 14,368' - 14,382' (56  
holes), and 14,389' - 14,392' (12 holes) w/4 SPF @ 0 deg phasing, 1 decentralized.  
Total of 68 holes. Pulled tool 10' to 14,350'. Wait 40 min. No change in BHP or  
temp. POOH. Gun fired ok. RD Schlumberger. 2-1/4 hrs RU Howco. Pressured 2-7/8"  
x 7" annulus to 2,000 psi. Caught fluid in tbg w/3.2 bbls broke perfs w/5,500  
psi. Pressured dropped to 3,130 psi while pumping @ 1/2 BPM. Pressure built to  
3,680 psi. Pumped 5 bbls @ 6/10 BPM w/3,640 psi. ISIP 3,600 psi. RD Howco. Bled  
pressure off annulus. 1 hr opened well to production unit w/540 psi. Dropped to  
0 psi. No flow after 1 hr. SWI. 13-1/4 hrs SI. EDWC: \$15,199 ETWC: \$1,741,830

03-11-93 4-3/4 hrs SITP 0 psi. RU Howco 1-1/4" CTU. RU choke, dig burn pit & lay lines. RU  
valve & flowback tank. 3-1/4 hrs RIH w/1-1/4" coiled tbg, jetted to 14,103' (265'  
above perfs) w/350 - 375 SCFM N2. 3 hrs jetting to unload hole. Gas to surface  
@ 1700 hrs. Fluid recovery TSTM. Rec 95 bbls. Load to perfs 103 bbls. 2-1/2 hrs  
POOH w/CT to 10,000'. Shut down N2. POOH w/CT flowing to pit on 16/64" choke  
w/1,400 psi, est 2,087 MCF. 1/2 hr SWI RD CTU, SITP built to 1,900 psi in 20 min.  
7 hrs opened well to to prod. unit on 14/64" choke, FTP 1,910 - 1,700 psi, MCF  
1,464, no fluid recovery. 3 hrs flow to unit on 15/64" choke, FTP 1,670 - 1,500  
psi. MCF 1,680. No fluid recovery. EDWC: \$7,958 ETWC: \$1,749,788

03-12-93 3 hrs flow to prod unit on 15/64" choke, FTP 1,590 - 1,580 psi. MCF 1,717, no  
fluid recovered. 1-1/2 hr RU Howco & kill truck. Pressured annulus to 2,000 psi,

**JAMES RANCH UNIT NO. 18 (DW-TGS)**  
BHL: 1,922.42' FNL & 2,132.01' FEL  
● TVD 14,307.76'  
Surface: 1,980' FNL & 1,100' FEL  
Section 36, T22S, R30E  
Eddy County, New Mexico  
Los Medanos

Oper: Enron Oil & Gas Company  
14,6000' Morrow  
EOG%: 66.66667% WI 58.33333% MRI  
AFE No. 004293  
DHC: \$1,432,500 CWC: \$1,862,600  
SC No. N/A

SITP 2,550 psi in 35 min. Pumped 2,000 gal MOD 101 & 200 gal methanol w/4 gpt SSO - 21 & 750 SCF/bbl N2. Dropped 40 balls. Flushed w/57 bbls treated 2% KCL & 1,500 SCF/bbl N2. Form broke @ 6,760 psi back to 6,250 psi. Built to 6,460 psi & broke back to 6,160 psi. Broke from 6,180 psi to 5,950 psi w/acid on formation. Very slight ball action. ISIP 4,850 psi, 5 min 3,567 psi, 10 min 3,257 psi, 15 min 3,014 psi. Average 4.9 BPM @ 6,200 psi. SWI. TLTR 104 bbls. Bled pressure off backside. 1/2 hr RD Howco, RU choke. 1 hr opened well to tank on 14/64" choke w/2,500 psi. FTP 2,500 - 1,400 psi. LR 16 bbls, TLTR 89 bbls. 1 hr flow to tank on 16/64" choke, FTP 1,400 - 790 psi. LR 11 bbls TLR 27 bbls, TLTR 78 bbls. 1/2 hr flow to tank on 20/64" choke. FTP 790 - 300 psi. LR 2 bbls, TLTR 29 bbl, TLTR 76 bbls. 1/2 hr open choke to 64/64", FTP 300 - 0 psi. No fluid rec. Well dead. 3 hrs left FO 15 min & KO. Slugging fluid & gas. Left on FO choke & rec 36 bbls. Made 3 bbls last hr, FTP 190 psi, TLR 65 bbls (flush 56 bbls) TLTR 39 bbls. 1 hr flow to tank on 18/64" choke, initial traces of acid water in flare. FTP 340 - 900 psi. Est 1,725 MCF. 12 hr flow to prod unit on 21/64" choke to 23/64" choke. FTP 920 - 1,200 psi. MCF 2,070 - 3,145, no fluid rec, TLTR 39 bbls. EDWC: \$11,576 ETWC: \$1,761,364

- 03-13-93 5 hrs flow to prod unit on 23/64" choke, FTP 1,000 - 1,100 - 1,000 psi. LP 630 - 660 - 600 psi. MCF 3,145 - 3,465 psi. No fluid recovery. TLTR 39 bbls, TLR 65 bbls. Shut well in @ 1000 hrs NMT, 03-12-93. 19 hrs SI, SITP 4,400 psi, SICP 1,900 psi (19 hrs). EDWC: \$526 ETWC: \$1,761,890
- 03-14-93 SITP 4,400 psi, CP 1,600 psi. Well SI 43 hrs. Csg built to 1,600 psi after releasing to 500 psi. EDWC: \$0 ETWC: \$1,761,890
- 03-15-93 SITP 4,400 psi, CP 1,500 psi. Csg built to 1,500 psi after releasing to 500 psi. Well SI 67 hrs. EDWC: \$0 ETWC: \$1,761,890
- 03-16-93 SITP 4,400 psi, CP 1,500 psi/91 hrs. SI RU JSI & lub. Ran static BHP grad survey. Made stops @ 2,000' intervals 14,000' & 14,380'. POOH. RD JSI. SI. SIWHP 4,455 psi, SIBHP @ 14,380' 5,821 psi, no fluid in the hole. EDWC: \$950 ETWC: \$1,762,840  
*DATA PT # 1 (P/Z PLOT)*
- 03-17-93 SITP 4,550 psi, SICP 1,360. Prep to frac. EDWC: \$0 ETWC: \$1,762,840
- 03-18-93 SITP 4,550 psi, SICP 1,360. Prep to frac. EDWC: \$0 ETWC: \$1,762,840
- 03-19-93 3-1/2 hrs MIRU Howco. Test lines to 11,000 psi. 1 hr SITP 4,610 psi. Pump 3,008 gals Pre-Pad, 16,062 gal 60% Alco Foam pad, 6,329 gal 60% Alco Foam w/20/40 Interprop Plus ramped .5 - 3 PPG, 3,209 gal w/ 3 PPG Interprop Plus. Flushed

**JAMES RANCH UNIT NO. 18 (DW-TGS)**  
**BHL: 1,922.42' FNL & 2,132.01' FEL**  
**Ø TYD 14,307.76'**  
**Surface: 1,980' FNL & 1,100' FEL**  
**Section 36, T22S, R30E**  
**Eddy County, New Mexico**  
**Los Medanos**

**Oper: Enron Oil & Gas Company**  
**14,6000' Morrow**  
**EOGX: 66.66667% WI 58.33333% NRI**  
**AFE No. 004293**  
**DHC: \$1,432,500 CWC: \$1,862,600**  
**SC No. N/A**

w/1,532 gal 60% Alco Foam. Screened out w/2,200 gal short of flush. Prop in form 17,600 lbs, left in csg. 3,500 lbs, total Prop 21,100 lbs. ISIP 9,631 psi, 5 min 6,320 psi, 10 min 5,249 psi, 15 min 4,692 psi. Average rate 16.9 BPM @ 8,500 psi. Max 19.5 BPM @ 9,100 psi. TLTR 278 bbls. Pressured annulus to 3,800 psi during frac. Bled off. Built to 3,700 psi. Bled off & left open. 4 hrs SWI WO gels to break. 2-1/2 hrs opened well to tank on 22/64" choke w/1,100 psi. FTP 1,100 psi - 400 psi. LR 5 bbls, TLTR 273 bbls. 1-1/2 hrs flow to tank on 22/64" choke to 48/64" choke. FTP 400 psi - 30 psi. LR 2 bbls, TLTR 271 bbls. 9-1/2 hrs SWI. NRU Cudd. RIH w/1-1/4" coil tbg. Jetted well w/N2 & foam to 14,480' (88' below perms). Pressure began increasing @ 12,000'. Circ out heavy prop, circ hole clean. POOH. 2 hrs RD Cudd. RU flowline. Opened well to pit on 14/64" w/3,750 psi until flowline repaired. Returned to tank on a 14/64" choke w/3,125 psi FTP. LR 15 bbls, TLTR 256 bbls. EDWC; \$87,108 ETWC: \$1,849,948

03-20-93 18 hrs flowing to tank @ 6,000 MCF, 18/64" choke, FTP 3,200 psi, CP 0, recovered 7 BW, 0 BO. 6 hrs well SI, SITP 4,400 psi, CP 0 psi. EDWC: \$4,050 ETWC: \$1,853,998

Date	Hrs	MCF	BC	Chk	FTP	CP	BW	LP	Remarks	ETWC
03-19-93		2,000 EST								
03-20-93		4500								
03-21-93	24	6043	--	18/64	3100	0	--	640	First Sales To El Paso	
03-22-93	24	6320	--	18/64	3150	200	12	689	flow to sales	\$1,853,998
03-23-93	24	6847	--	19/64	3500	370	9	748	flow to sales	\$1,939,814
03-24-93	24	8432	--	21/64	3250	580	11	758	flow to sales	\$1,939,814
03-25-93	24	8879	--	21/64	3300	710	9	750	flow to sales	\$1,939,814
03-26-93	24	11269	--	21/64	2725	810	12	815	flow to sales	\$1,939,814
03-27-93	24	11912	--	28/64	2600	400	15	792	flow to sales	\$1,939,814
03-28-93	24	11564	--	27/64	2580	300	12	774	flow to sales	\$1,939,814
03-29-93	24	11778	--	27/64	2570	340	11	775	flow to sales	\$1,939,814
03-30-93	24	11778	--	27/64	2570	340	11	775	flow to sales	\$1,939,814
03-31-93	24	--	--	--	4220	340	--	--	Perf Morrow "D"	
04-01-93	24	13267	--	28/64	2500	600	0	883		\$1,939,814
04-02-93	24	13408	--	28/64	2490	740	6	903	flow to sales	\$1,948,796
04-03-93	24	13126	--	28/64	2500	750	12	830	flow to sales	\$1,948,796
04-04-93	24	13724	--	30/64	2400	800	12	836	flow to sales	\$1,948,796
04-05-93	24	13055	--	30/64	2360	860	6	885	flow to sales	\$1,948,796
04-06-93	24	13724	--	30/64	2360	600	12	884	flow to sales	\$1,948,796
04-07-93	24	13731	--	30/64	2340	600	9	890	flow to sales	\$1,948,796
04-08-93	11	6077	--	30/64	2340	600	6	895	SI well for test	\$1,948,796
04-09-93	24	13038	--	30/64	2350	600	15	920		\$1,948,796

SI FOR STATE TEST - DATA PT. = 2 (1/2 PLOT)  
 SEE FORM C-122 FOR SITP

**JAMES RANCH UNIT NO. 18 (DM-TGS)**  
**BHL: 1,922.42' FNL & 2,132.01' FEL**  
**TYD 14,307.76'**  
**Surface: 1,980' FNL & 1,100' FEL**  
**Section 36, T22S, R30E**  
**Eddy County, New Mexico**  
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**Oper: Enron Oil & Gas Company**  
**14,6000' Morrow**  
**EOG%: 66.66667% WI 58.33333% MRI**  
**AFE No. 004293**  
**DHC: \$1,432,500 CWC: \$1,862,600**  
**SC No. N/A**

04-10-93	24	13126	--	30/64	2320	500	12	865	\$1,948,796
04-11-93	24	13168	--	30/64	2300	500	6	856	\$1,948,796
04-12-93	24	13360	--	30/64	2280	500	6	837	\$1,948,796

03-31-93 4-1/2 hrs SI @ 0630 hrs, 3-29-93. SITP 4,200 psi/28 hrs. RU Schlumberger w/full lub. RU Howco. Test lub to 8,100 psi. 3 hrs RIH w/1-11/16" Enerjet III decentralized gamma gun. Correlated to HLS Spectral Density Neutron dated 02-21-93. SIBHP 5,471 psi @ 14,150'. Perf Morrow "D" from 14,162' - 14,168' w/6 SPF @ +/- 45 deg phasing, total of 37 holes. SIBHP built from 5,471 psi to 5,513 psi (42 psi) in 33 min. SITP 4,225 psi. POOH RD Schlumberger. 1/2 hr tie flowline to prod unit. SITP 4,225 psi, turned to sales. EDWC: \$8,982 ETWC: \$1,858,930

*File*

WEEKLY DRILLING REPORT

Shell Oil Company		James Ranch Area	1
(COMPANY)		LEASE	WELL
FROM 2-13 TO 2-20 19 58		DISTRICT James Ranch Unit 1	3326'
		COUNTY Eddy	STATE N.M.
		PARISH	

WELL DATA

DATE	DEPTH		FORMATION (FROM SAMPLES)	REMARKS	
	FROM	TO			
2-13	TD PBTB	17,555' 14,343'	Dolomite Shale	Displaced oil w/10# SW, Circ 2 hrs Pulled 7000' tbg & circ 2 hrs to dispel gas. Finished pulling tbg & Baker FBRC. Found 1/2 of FBRC rubber gone. Ran Baker junk basket on WL to 13,990'. Recovered small particles of rubber. Ran Baker BP on WL w/1 sk cement in dump bail- er. Attempted to set plug @ 13,980' but failed to fire. Started out of hole w/BP dragging heavily and hanging on collars. BP stuck @ 11,760'.	
2-14	<i>More flow</i>			Attempted to pull BP. Unable to move from 11,760. Pulled WL out of rope socket and pulled WL. Ran Bowen 4 7/16" short catch-over shot w/1 3/4" grapples, 4 1/4" bumper sub, & 2 7/8" Bowen hydraulic jars on tbg. Attempted to push BP to bottom. Found both sets slips apparently set. Jarred for 2 1/2 hrs & sheared Baker setting tool stinger out of BP. Pulled tbg & tools. Recovered WL setting tool.	
2-15				Ran Hughes W7, 4 1/2" rock bit on 4-3 1/2" DC's & 2" tbg to 11,760'. Installed Brlg head. Drilled on BP for 12 1/2 hrs & BP came free.	
2-16		TD PBTB	17,555' 13,973'		Pushed BP to 14,027'. Pulled tbg, DC's & bit. Ran Baker gauge ring & junk basket on WL. Set Baker BP @ 13,980' & capped w/1 sk cmt.
2-17					Finished running 439 jts 2" tubing (13,524') & hung @ 13,538. Details from bottom-up: Baker FB cementer, 8' N-80 sub, Garret circulating valve (jar-up to open), 8' N-80 sub. 282 jts 2" EUE, 157 jts X Line P-105. Displaced SW w/oil. Set packer and pressured below to 5000 psi-held OK. Ran tubing gauge.
2-18					Perforated 5 1/2" csg 13,742-13,750' & 13,890-13,900' w/ 4 JSPF. In 6 hrs swbd 48.88 BO & swbd FL to 13,000' w/no gas. Left well open to test tk for 8 hrs. Ran swab to 13,000' & did not feel any fluid in hole but swbd out 3 BF. In 8 hrs bled csg press from 250 to 100 psi four times & bled back a total of 2.08 BO.
2-19					Installed BOP, opened slide valve w/wire line, displaced oil w/10# brine. Rigged up substructure & pulled tubing & packer-recovered all packer rubbers.
2-20		TD PBTB	17,555' 12,993'		Set Baker CIBP @ 13,000' (PGAC depths) & capped w/1 sk cmt Ran 415 jts 2" tbg w/Baker FBRC & Garrett circ valve to

Original Signed By

CORRECT *RdB* R. L. Essary:wmb EXPLOITATION ENGINEER APPROVED Rex C. Cabanis District Exploitation Engineer

WEEKLY DRILLING REPORT

<b>Shell Oil Company</b> <small>(COMPANY)</small>		LEASE <b>James Ranch Unit</b> well <b>1</b>
FROM <b>2-8</b> TO <b>2-12</b> IS <b>58</b>	DISTRICT <b>James Ranch Area Wildcat</b> N.S.V. <b>3326'</b>	COUNTY <b>Eddy</b> STATE <b>N.M.</b>

WELL DATA

DATE	DEPTH		FORMATION (FROM SAMPLES)	REMARKS
	FROM	TO		
2-8	TD FBTD	17,555' 14,343'	Dolomite Shale	decreasing to 620 MCFPD after 1 hr. After 2 hrs decreased to 130 MCFPD. TP decreased from 4100 to 2500 psi in 30 min then to 1800 psi in 1 hr. Changed ck to 18/64" & at end of 1 1/2 hrs, TP decreased to 275 psi Flwd 3 BSW in 2 hrs. Next 10 hrs flwd 4 BF cut 50% W, 15% BS, & 35% oil on 18/64" ck w/gas @ 153 MCFPD. FTP 200 psi. CP increased from 0 to 450 psi in 14 hrs.
2-9				Flowed gas @ rate 142 MCFPD for 4 hrs. thru 18/64" ck. FTP 150 psi. CP 450 psi. Bled csg. to 0 psi. Loaded csg. annulus w/133 BO. Blew tbg. dn to air for 1 hr. Pumped 1000 gal 7 1/2% MCA down tbg. With 47 BF pumped, pressure increased sharply. Squeezed acid to spot over csg. perfs. w/5550 psi. Noticed slight drop in pressure when acid hit perfs. Let acid soak 5 min. Then injected 1000 gal MCA into csg. perfs. Max press 5900 psi. With 750 gal in fm, press broke from 5900 to 5700 psi. SIP 5300 psi 5 min SIP 4900 psi. 10 min SIP 4600 psi. Avg. inj. rate 1.6 B/M. Total load 86 bbls. After 1 hr 40 min, opened tbg. w/2350 psi on 24/64" ck. & pressure bled to 0 psi in 10 sec. In 4 hrs pressure increased to 650 psi. Opened well and bled to 0. Then in 6 hrs pressure increased to 600 psi. Opened well and bled to 0 psi and produced 2 BO. Then in 12 hrs swbd 64 BLO w/last cut 15% AW. FL @ 12,000. Flowing gas @ 120 MCFPD thru 32/64" ck while swabbing. Rec. 22 BUL. Tests indicated perforations @ 13,400' (placed there to recement 5 1/2" casing) may be leaking.
2-10				In 10 hrs swabbed 10 BW w/well flowing gas @ rate 142 MCF/d. FL 12,000'. In 14 hrs flowed 4 BF cut 98% W + 2% BS thru 32/64" ck. FTP 75 psi. Flowing gas @ rate 238 MCFPD. Rec 8 BUL. Last 14 hrs CP increased from 0 to 400 psi three times and bled back total of 6 BO.
2-11				In 24 hrs flowed 5 BF cut 70% W & 30% oil thru 32/64" ck w/gas @ avg rate 251 MCFPD. FTP 75 psi. CP 250 psi. Bled csg from 400 to 0 psi twice in 24 hrs.
2-12				Flowed gas @ 250 MCF/D thru 32/64" choke w/75 psi FTP for 5 hrs-no fluid. Blew tubing down & loaded same w/oil. Blew casing down from 230 psi & loaded w/oil. Removed tree & hooked up BOP. Tubing unloaded-blew down for 2 hrs. Reloaded tubing. Unseated prk. Could not circulate via tubing w/1500 psi. Casing unloaded 170 BO. Pumped 172 BSW down casing. Could not circulate @ 1500 psi. Opened Garret circ. valve w/wire line.

*M. J. ...*

*WAS OK 9:00*

CORRECT *RLE* **R. L. Essary:wmb** EXPLOITATION ENGINEER  
 Original Signed By **Rex C. Cabaniss**  
 APPROVED **Rex C. Cabaniss** DISTRICT EXPLOITATION ENGINEER

WEEKLY DRILLING REPORT

Shell Oil Company (COMPANY) FROM <u>2-4</u> TO <u>2-8</u> 19 <u>58</u>	LEASE <u>James Ranch Unit</u> WELL <u>1</u> DISTRICT <u>James Ranch Area Wildcat</u> SURV. <u>3326'</u> COUNTY <u>Eddy</u> STATE <u>N.M.</u> PARISH
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WELL DATA

DATE	DEPTH		FORMATION (FROM SAMPLES)	REMARKS
	FROM	TO		
2-4	TD PBTB	17,555' 14,343'	Dolomite Shale	Ran 1 1/2" jars on sinker bar to 14,200'. Found no obstructions in tbg. Opened well to test tank thru 18/64" ck. Press. dropped from 1250 psi to 250 psi in 31 min. Opened ck to 32/64" & press dropped from 250 to 0 psi in 8 min. Ran swab. Found fluid @ 11,000'. Swbd 12.5 BF cut 28% W & 10% BS in 2 hrs and well swbd dry. Loaded tbg w/46 bbls oil. Pressured to 2000 psi & closed well in overnight. Ran 2" gauge ring.
2-5-				Ran (Welex) swing jet to perforate 14,277-299 & gun failed to fire. Shut down 4 1/2 hrs waiting on shooting truck. Perforated 14,277'-14,299' w/4 JSFF (PGAC depths). Shut down overnight.
2-6				Perforated 14,030-14,050', 14,074-14,092 & 14,186-14,200 w/4 JSFF. 2 hr SITP 1450 psi. Opened well thru 24/64" ck & TP decreased to 250 psi in 1 hr. In 6 hrs flwd 44 BLO thru 32/64" ck w/gas @ rate 175 MCF/d. FTP 60 psi. Last hr flwd 1 BSW. (No oil).
2-7				In 3 hrs flwd 2 BSW thru 32/64" ck. FTP 75 psi. CP increased from 750 to 1150 psi in 2 hrs. Gas @ rate 175 MCFPD. Shut in tbg. Opened csg to test tank. In 45 min flwd 96 BO w/gas @ rate 820 MCFPD. Csg. bled down to 100 psi. After 40 min tbg increased to 640 psi. Opened tbg thru 32/64" ck. In 40 min flwd 12 BSW w/gas @ rate 140 MCFPD TP 230 psi. Ran swab. Found FL @ 12,000'. Swabbed 4 BSW in 1 hr & FL lowered to 13,000'. After 1 hr 40 min, csg pressure increased to 375 psi. Shut tbg & csg in to check for communication & installed pressure recorder.
				WATER ANALYSIS
				pH 6.7 Chloride as Cl 41,600 ppm Bicarbonates as HCO <sub>3</sub> 412 ppm Calcium as Ca 2960 ppm Magnesium as Mg. 1360 ppm Sulfates as SO <sub>4</sub> 2000 ppm Iron as Fe very heavy
2-8				12 hrs SICP 900 psi. 24 hrs SICP 1000 psi. 12 hrs SITP 3100 psi. 2 hrs SITP 4100 psi. Opened csg on 16/64" ck w/initial gas flow @ 991.5 MCFPD decreasing to 152 MCFPD after 2 hrs. Changed ck to 1" & after 2 hrs, well dead. NFIS. Slight increase in TP noted on recorder. Opened tbg on 9/64" ck w/initial gas flow @ 1,798 MCFPD.

No oil @ 13,400'

CORRECT R. L. Essary EXPLOITATION ENGINEER

APPROVED Rex C. Cabaniss District Exploitation Engineer

Original Signed By Rex C. Cabaniss

### WEEKLY DRILLING REPORT

Shell Oil Company <small>(COMPANY)</small>		LEASE <u>James Ranch Unit</u>	WELL <u>1</u>
FROM <u>-28</u> TO <u>2-3</u> 19 <u>58</u>		DISTRICT <u>James Ranch Area Wildcat</u>	FLY <u>3326'</u>
		COUNTY <u>Eddy</u>	STATE <u>N.M.</u>

#### WELL DATA

DATE	DEPTH		FORMATION <small>(FROM SAMPLES)</small>	REMARKS
	FROM	TO		
1-28	TD FBTD	17,555' 14,343'	Dolomite Shale	Circ hole w/oil for 2 hrs. Ran CamCo KEV Blank-off tool and seated in CamCo KB mandrel. Circulated oil down csg and out tbg. Then circ down tbg & out casing indicating an apparent pkr failure. Pulled KEV blank-off tool and verified tool was seated.
1-29				Circulated hole w/oil for 12 hrs. Unable to kill well. Will use water from Rhevalt Lease (Ellenburger) to kill well.
1-30				Displaced oil w/formation water and circulated 2 1/2 hrs. Unseated packer, installed BOP and pulled tubing and Haliburton RITS packer. Found all rubbers gone from packer.
1-31 thru 2-2				Ran 444 jts (13,913') 2 3/8" tubing & hung @ 13,920'. Tubing details: Baker Fullbore pkr @ 13,920' 7.62' N-80 sub, Garret Circulating valve (jar up to open), 7.93' N-80 sub, 287 jts (8950') EUE 8r N-80 tubing, 157 jts (4932') P-105 tubing. Removed BOP & installed tree. Displaced water w/NORCO 1033 treated crude. While running tubing, had to shut down 5 times to circ gas out of hole. Had to cease hydrotesting tubing w/5000' in hole due to excessive gas. Tested prk via annulus w/2500 psi/15 min. Pressure dropped 200 psi. Built-up pressure to 3000 psi. Dropped 100 psi in 3 min & held steady. Injected 10,000 gallons gelled lease crude. Max press 8950 psi. Min pressure 8700 psi. Avg. inj. rate 3.7 B/M on frac, 4.1 B/M on flush. 10 min SITP=5200 psi. 356 barrels to recover. 14 hr SITP=2000 psi. Opened well on 18/64" choke. Bled to 0 at once. In 16 hrs swabbed 53 BO. Final FL @ 8500'. Ceased swabbing to avoid excess differential across prk. 14 hr SITP=300 psi. Opened well on 18/64" choke. In 1 hr flwd 7 BO & died. Began swabbing. Rec to date 296 BUL.
2-3				In 6 hrs swabbed 19.69 BF (8% wtr on last two runs). Next 4 hrs swabbing below 13,000' w/no recovery. Well gassing after each run. Recovery 283 BUL, Shut-in 4 hr SITP 460. Shut in 8 hrs SITP 800, 12 hr SITP 1250, 14 hr SITP 1600.

Original Signed By  
Rex C. Cabaniss

CORRECT RdB R. L. Essary:wmb EXPLOITATION ENGINEER APPROVE Rex C. Cabaniss Rex C. Cabaniss DISTRICT EXPLOITATION ENGINEER

District Exploitation Engineer



WEEKLY DRILLING REPORT

Shell Oil Company (COMPANY)	LEASE <u>James Ranch Unit</u> WELL <u>1</u> DISTRICT <u>James Ranch Area Wildcat</u> DEPT. <u>3326'</u> COUNTY <u>Eddy</u> STATE <u>N. M.</u> PARISH _____
FROM <u>1-24</u> TO _____ 19____	

WELL DATA

DATE	DEPTH		FORMATION (FROM SAMPLES)	REMARKS
	FROM	TO		
1-24	TD PBTD	17,555' 14,343'	Dolomite Shale	In 6 hrs flwd 0.83 BW + gas rate 146 MCF/D. Treated casing perfs 14,274-14,299' w/500 gal 7 1/2% MCA. Displaced acid w/2900 psi on tbg. and casing pressure increased from 300 psi to 700 psi. After one min SI TP 0 psi. Swabbed 35 BLD in 2 1/2 hrs and well KO. In next 4 hrs flowed 8 BLD w/avg TP 50 psi. CP 75 psi. SI and after three hrs SI TP 850 psi. SICP 200 psi. Reopened well on 18/64" ck. After flowing off head, flowed gas at average rate 100 MCF/D. TP 50 psi. During this time casing pressure would build up at rate 150 psi/hr.
1-25				SI w/TP 50 psi, CP 375 psi. At end of 4 hrs, TP 345 psi, CP 700 psi. Opened well & after flowing off head, began swabbing. FL 1500. Swabbed and flowed 21 BW. FL 5500! Well kicked off flowing clean oil and gas at rate 800 MCF/D. In 1 1/2 hrs flwd 28 BO. During this time CP dropped to 550 psi. Gas rate started decreasing and at end 16 hrs, rate dropped to average 140 MCF/D and ceased flowing oil. At end of this time, CP dropped to 375 psi. TP 50 psi.
1-26				9 BOL water, 70 BOL oil. Resumed swabbing. In 9 hrs swabbed 7 BW FL below 13,000', and gas flowing at rate of 195 MCF/D thru 32/64" ck FTP 50 psi. CP 250 psi. Drop in CP while flowing oil suggest communication between casing and tubing and oil recovered was annulus load.
			<u>Water Analysis</u> pH 7.2 Chlorides as Cl 38,800 ppm Bicarbonates as HCO <sub>3</sub> 1130 ppm Calcium as Ca 920 ppm Magnesium Negative Sulfates Medium Iron Light	
1-27				Hooked up pump trk & ppg oil dn csg w/tbg open on 32/64" ck. Initial TP 50 psi, ICP 250 psi. After ppg 100 BO, pressure had increased to 550 psi. Had full returns after ppg 280 BO. Circulated down csg & out tbg for 30 min @ 1 1/2 B/M @ 500 psi. Fished CAMCO KEV equalizing valve. Circulated hole for 1 hr. Attempted to run blank valve & w/1400' wire in hole, line became entangled on drum. Attempted to straighten for 4 hrs 15 min. Shut down to wait for daylight.

CORRECT RLE R. L. Essary:wmb EXPLOITATION ENGINEER  
 APPROVED Rex C. Cabaniss Rex C. Cabaniss District Exploitation Engineer  
 Original Signed By \_\_\_\_\_

*File.*

WEEKLY DRILLING REPORT

Shell Oil Company (COMPANY) LEASE James Ranch Unit well 1  
 FROM 1-17-58 TO 1-23-58 DISTRICT James Ranch Area Wildcat n.w. 3326'  
 COUNTY Eddy STATE New Mexico

WELL DATA

DATE	DEPTH		FORMATION (FROM SAMPLES)	REMARKS
	FROM	TO		
1-17-58	TD 17,555' PSTD 14,343'		Dolo. Sandstone thru 18/64" choke. In MCFPD. FIP 35 psi. No	Released rig @ 7 a.m. MET 1-17-58 Rigging down rig. In 8 hrs. flow gradually increased from 195 MCFPD 16 hrs. gas flow decreased to 170 liquid
1-18-58	"	"	Dolo. Sandstone a steady rate of 105 MCFPD FIP 35 psi. No liquid.	Rigging down rig. In 14 hrs. gas flow gradually decreased from 170 MCFPD to 105 MCFPD thru 18/64" choke. In 10 hrs. flowed gas at
1-19-58	"	"	Dolo. Sandstone 12 hr. SITP 2600 psi.	Rigging down rig. Shut well in @ 9:15 a.m. MET to MOR. Installed 10,000 psi pressure recorder 22 hr. SITP 3700 psi.
1-20-58	"	"	Dolo. Sandstone	Shut in to MOR. 43 hr. SITP remained constant for last 8 hrs.
1-21-58	"	"	Dolo. Sandstone	Shut in 67 hr. SITP 4375 psi.
1-22-58	"	"	Dolo. Sandstone Installed 18/64" choke. 35 psi. Initial flow rate 1,850 MCFPD. After 1 hr. rate decreased to 980 MCFPD. After 12 hrs. rate decreased to 150 MCFPD & remained constant for 5 hrs. FIP 100 psi. Produced 5.8 BF, probably load oil.	SITP 4375 psi. Opened well thru 9/64" choke. In 1 hr. 10 min pressure decreased to 1500 psi. In 35 min. pressure decreased to
1-23-58	"	"	Dolo. Sandstone 12 hrs. produced 1.66 BW	In 24 hrs. flowed gas @ average rate of 150 MCFPD thru 18/64" choke FIP 90 psi. During last

WATER ANALYSIS

pH.....7.5  
 Chlorides as Cl.....11,500 ppm  
 Bicarbonates as HCO<sub>3</sub>.....2160 ppm  
 Calcium as CA.....400 ppm  
 Magnesium.....Negative  
 Sulfates.....Heavy  
 Iron.....Heavy

CORRECT C.R. Corling: DLH EXPLOITATION ENGINEER

APPROVE Rex G. Cabanis SUPERINTENDENT

Original Signed By

District Exploitation Engineer

WEEKLY DRILLING REPORT

Shell Oil Company (COMPANY) LEASE James Ranch Unit WELL 1  
 DISTRICT James Ranch Area Wildcat Rev. 3326'  
 FROM 1-14 TO 1-16 IS 58 COUNTY Eddy STATE New Mexico

WELL DATA

DATE	DEPTH		FORMATION (FROM SAMPLES)	REMARKS
	FROM	TO		
1-14-58	TD 17,555'	PBTD 14,343'	Dolo. Sandstone	While running tbg. (bottom @ 12,200') well started flowing thru tbg and in one hr. 15 min. flowed 41 BO. Then flowed gas @ 700 MCFPB for 20 min. Shut well in & set pkr. SIEP 150 psi. Opened well and pressure bled off immediately. Unseated pkr. & circulated hole w/oil. Finished running tbg. Hung 444 jts. (13,923.99') 2" tbg. @ 13,939'. HOWCO RTTS Pkr. @ 13,939'. 7.6' N-80 sub above pkr. CAMCO J.D. Mandrel w/KEV equalizing valve 13,917.39' to 13,922.31', 7.9' N-80 sub above mandrel; 287 jts. (8950.39') N-80 tbg. & 157 jts. (4943.72') P-105 tbg. w/xline thread & coupling. One 3' & one 8' P-105 sub on top of string. Tested N-80 tbg to 8,000 psi & P-105 tbg. to 10,000 psi w/Hydrotest. Circulated one hr. w/pkr. swinging. Tested csg. to 3100 psi. Pressure dropped to 2950 psi in 30 min. Re pressured to 3000 psi. Pressure dropped to 2850 psi in 30 min. Set pkr & pressured below pkr. to 5500 psi. In 30 min. pressure dropped to 5425 psi. Pressured above pkr. to 2,000 psi. Pressure dropped to 1900 psi in 30 min. Re pressured csg. to 2300 psi. Pressure dropped to 2200 psi in 15 min. and to 2100 psi in next 35 min. Later found HOWCO check valve leaking.
1-15-58	"	"	Dolo. Sandstone	Ran Welox 1 11/16" gauge tool which got stuck in HOWCO RTTS pkr. Pulled gauge tool and ran Welox 1 3/8" OD gauge tool w/CCL. Pulled gauge tool. Ran Welox 1 3/8" swing jet & perforating gun. Attempted to perforate 14,274'-14,299' w/4 JSPP. Surface observations and CCL not picking up perforations indicated gum did not fire.
1-16-58	"	"	Dolo. Sandstone	Ran Welox 1 3/8" swing jet gun and perforated 14,270'-14,295' (Schl. depths) or 14,277'-14,299' (PGAC). Picked up casing perforations w/CCL. No immediate pressure build-up. Swabbed fluid level to 4000' where well kicked off @ 1:30 p.m. Flowed thru 32/64" choke @ rate 800 MCF/D TP = 25 psi. Rate gradually decreased to a stabilized rate of 195 MCF/D after flowing 3 hrs. SI @ 6:00 p.m. 2 hr. SIEP = 750 psi and building @ 250 psi/hr. Reopened well at 8:00 p.m. on 18/64" choke and after initial surge, settled at constant rate of 195 MCF/D TP to small to measure.

*Perf lower Morrow*

Original Signed By  
Rex C. Cabanis

CORRECT - C. R. Gerling, DIF  
EXPLORATION ENGINEER

APPROVED Rex C. Cabanis  
SUPERINTENDENT  
XXXXXXXXXX

*John*

WEEKLY DRILLING REPORT

<u>Shell Oil Company</u> (COMPANY)		LEASE <u>James Ranch Area</u>	WELL <u>1</u>
FROM <u>2-25</u>	TO <u>3-6</u>	DISTRICT <u>James Ranch Unit 1</u>	ELEV <u>3326'</u>
	<u>1958</u>	COUNTY } <u>Eddy</u>	STATE <u>N.M.</u>
		PARISH }	

WELL DATA

DATE	DEPTH		FORMATION (FROM SAMPLES)	REMARKS
	FROM	TO		
2-25 Cont'd	TD PBTD	17,555' 12,993'	Dolomite Shale  <i>ATOKM</i>	w/gas stabilized @ 2,670 MMCF/D. & FTP stabilized @ 5,500 psi. Shut well in for pressure build up. 6 hrs SITP 6400 psi. SICP 0 psi.
2-26				30 hr SITP 6600 psi. CP 0 psi.
2-27				54 hr SITP 6600 psi. CP 0 psi.
2-28 thru 3-2				126 hr SITP 6600 psi. On OPT flwd gas w/calculated open flow potential of 9.0 MMCF/D with gas-condensate ratio of 86,012 cubic feet/bbl (Rated 104.6 B/D) Gr. 56° API.
3-3				Set 2" tbg stop @ 12,775'. Ran static BHP test & press. gradient survey. 132 hr SIBHP 8393 psi @ 9442' subsea. Ran BHP bomb attached to tbg stop & hung @ 12,751'. Opened well on 5/64" ck. In 15 hrs flwd 4 BC w/gas @ end of 15 hrs @ 950 MCF/D FTP 6500 psi.
3-4				In 24 hrs flwd 10 BC w/gas @ 850 MCF/D thru 5/64" ck. FTP 6600 psi. CP 0 psi.
3-5				In 4 hrs flwd 1 1/2 BC thru 5/64" ck w/gas @ 850 MCF/D. FTP 6600 psi. Then in 20 hrs flwd 30 BC thru 9/64" ck. w/gas @ 2,528 MMCF/D. FTP 5900 psi CP = 130 psi.
3-6				Pulled BHP Bomb. Shut well in. SITP 6800 psi. CP 0 psi. will drop from report until activity resumes.

Original Signed By  
*Rex C. Cabaniss*

CORRECT *R.E.S.* R. L. Essary:wmb  
EXPLOITATION ENGINEER

APPROVED Rex C. Cabaniss  
District Exploitation Engineer

WEEKLY DRILLING REPORT

<u>Shell Oil Company</u> (COMPANY)	LEASE <u>James Ranch Area</u>	WELL <u>1</u>
FROM <u>2-20</u> TO <u>2-25</u> 19 <u>58</u>	DISTRICT <u>James Ranch Unit 1</u>	ELEV <u>3326'</u>
	COUNTY <u>Eddy</u> STATE _____	N.M.
	PARISH _____	

WELL DATA

DATE	DEPTH		FORMATION (FROM SAMPLES)	REMARKS
	FROM	TO		
2-20 Cont'd	TD PBSD	17,555' 12,993'	Dolomite Shale	12,985'. Displaced SW w/oil Raised tbg to 12,800'. Tbg Detail:  415 jts (12,794' N hung @ 12,808' w/Baker FBRC 12,803-12,808' 8' N-80 sub, Carret sire valve (jar up to open) 12,793-12,795, 2-8' N-80 subs. 258 jts EUE & N-80 & 157 jts P-105.
2-21 thru 2-23			ATOKA	Hydrotested N-80 to 8,000 psi, P-105 to 10,000 psi. Remov- ed BOP, set pkr & pressured below pkr to 5100 psi for 30 min. Held OK. Perf 12,920-12,929' (PGAC Depth) w/4 JSPF, tubing pressure immediately incr. to 3500 psi. Pulled wire line-lost approx 30 B oil while getting line from hole. SI 9 hrs waiting on daylight. 9 hr SITP=4500 psi. In 1 hr flwd 25 BLO thru 10/64" choke TP incr to 6000 psi SI to hook up high pressure separator. 7 hr SITP 6750 psi In 20 hrs flwd 25 bbls (Gr. 56.8° grav.) condensate thru 10/64" choke w/gas @ 3,015 MMCF/D. FTP: 5250. SG of gas 0.615. Then in 2 hrs flowed 3 bbls condensate thru 10/64" choke. FTP 5250 psi. Changed to 18/64" choke. In 22 hrs flwd 74 bbls condensate (Gr. 56.2°) Stabilized FTP 3150 psi w/gas @ 5.965 MMCF/D. Had 1500 psi on casing while perforating. In 18 hrs incr to 1750 psi. Bled to 250 psi & rec 1 BO. Next 18 hrs incr to 950 psi. Bled to 230 psi. Rec no oil. Next 6 hrs incr to 510 psi. Bled to 75 psi - no oil. Last 14 hrs incr to 155 psi.
2-24				In 8 hrs flwd 32 bbls condensate thru 18/64" ck. Gr 56° API. FTP 3150 psi. Gas flow @ rate 5.965 MMCF/d. Opened well on 32/64" ck. Initial gas flow 10.622 MMCF/D. After 1 hr FTP decreased to 2000 psi & stabilized. In 16 hrs on OPT flwd 47.47 bbls condensate thru 32/64" ck. Gr. 56° API. FTP 2000 psi. Stabilized gas flow @ 7.467 MMCF/D. Bled csg from 190 to 0 psi & recovered 5 gal oil. After 4 hrs opened csg - No fluid or pressure. 16 hr SICP 25 psi.
2-25				On official open flow potential test in 6 hrs flwd 22.08 BC thru 32/64" ck. w/gas stabilized @ 7.5 MMCF/D & FTP stabilized @ 1968 psi (dead wt. tester). Then in 3 hrs flwd 11.62 BC thru 24/64" ck w/gas stabilized @ 7.038 MMCF/D & FTP stabilized @ 2340 psi. Then in 3 hrs flwd 8.72 BC thru 18/64" ck w/gas stabilized @ 5.858 MMCF/D & FTP stabilized @ 3205 psi. Then in 3 hrs flwd 4.98 BC thru 11/64" ck w/gas stabilized @ 3.500 MMCF/D & FTP stabilized @ 4990 psi. Then in 3 hrs flwd 2.49 BC thru 9/64" ck

CORRECT RdE R. L. Essary:wmb APPROVED Original Signed By Rex C. Cabanis  
Rex C. Cabanis  
District Exploitation Engineer

ROB 21

PRODUCTION MANAGER - MIDLAND AREA

JAMES RANCH AREA, JAMES RANCH UNIT NO 1, WE ARE CURRENTLY TESTING GAS ZONE IN PENNSYLVANIAN SECTION WHERE GAS POTENTIAL APPEARS TO BE ABOUT 9,000 MCF PLUS ABOUT 100 BARRELS OF CONDENSATE PER DAY. SEVERAL OTHER ZONES IN THE WELL WERE TESTED OF WHICH DEVONIAN FORMATION PRODUCED GAS AT RATE OF 1350 MCF PER DAY. FIVE RESISTIVE MEMBERS OF THE PENNSYLVANIAN WERE EXTENSIVELY TESTED AND ALL OF THESE ZONES PROVED TO BE NON-COMMERCIAL. THERE REMAINS UNTESTED, A SECTION IN THE WOLFCAMP WHICH FROM LOG APPEARANCES SEEMS TO BE POORLY DEVELOPED, AND A PORTION OF THE DELAWARE MOUNTAIN SAND WHICH GAVE UP SMALL QUANTITIES OF OIL ON FOUR DRILL STEM TESTS. THE FIRST OF THESE TESTS WAS AT 5765 FEET AND THE OTHERS WERE OVER THE INTERVAL 6475 TO 6924. THE PRODUCTIVE HISTORY OF THE DELAWARE MOUNTAIN SAND IS VERY POOR, AND IN GENERAL, RESERVES OF OIL DO NOT JUSTIFY DEVELOPMENT. IN ADDITION PETROPHYSICAL ANALYSES OF THESE ZONES IN THE JAMES RANCH DO NOT ENCOURAGE ANY FURTHER TESTING AT THIS TIME.

FURTHERMORE, THE BOTTOM HOLE PRESSURE OF THE ZONE PRESENTLY BEING TESTED IS ABOVE 7000 PSI AT 12,915 FEET, SO THAT WEIGHTED MUDS REQUIRED TO KILL THE WELL MIGHT PERMANENTLY IMPAIR ITS PRODUCTIVE CAPACITY.

THEREFORE, IN VIEW OF THE FOREGOING WE RECOMMEND COMPLETING THE WELL FROM THE PRESENT PERFORATIONS AND DEFERRING ANY ADDITIONAL TESTING UNTIL THE GAS IS DEPLETED.

EXPENDITURE TO DATE TOTAL \$1,144,000 OF \$1,145,000 APPROVED BY AFE AND TELEGRAM.

IF YOU AGREE, WOULD YOU PLEASE REQUEST THE GAS DEPARTMENT TO OBTAIN A MARKET FOR THE GAS. TANKAGE AFE WILL BE SUBMITTED AFTER DETAILS OF GAS CONTRACT ARE DETERMINED.

FINAL SUPPLEMENTAL AFES FOR PRESENT <sup>Attributes</sup> ~~ATTRIBUTES~~ WILL BE FORWARDED IMMEDIATELY.

FEBRUARY 11, 1958

MIDLAND AREA PRODUCTION MANAGER

ROB-7 (JAMES RANCH UNIT 1) EDDY COUNTY, NEW MEXICO. FURTHER TO OUR TELEGRAM ROA-1 AND PREVIOUS CORRESPONDENCE, HAVE PRODUCTION TESTED PORTIONS OF ATOKA AS FOLLOWS:

INTERVAL:REMARKS:

14,270 - 14,295

FLOWED NATURAL 150 MCFGPD THRU 18/64" CHOKE WITH 100 PSI FTP. TREATED WITH 500 GALS MCA RESULTING IN LITTLE CHANGE IN PRODUCTIVITY. TREATED WITH 10,000 GALS GLC/NO SAND. MAX PRESSURE 8950. MIN PRESSURE 8700 PSI. WELL SWABBED PRACTICALLY DRY WITH 316 BBLs OF "LOAD"/UNRECOVERED.

14,030 - 14,050

14,074 - 14,092

14,186 - 14,200

14,270 - 14,295

FLOWED AVERAGE 150 MCFGPD AND APPROXIMATELY 1 BBL BS&W PER HOUR WITH 150 PSI FTP. TREATED WITH 1000 GALS MCA. MAX PRESSURE 5900. MIN PRESSURE 5700. NOW SWABBING 1 - 2 BBLs BS&W PER HOUR FROM 12,000' WITH GAS AT RATE APPROXIMATELY 150 MCFGPD.

WE FEEL THE PRODUCTIVE CAPACITY OF THESE 3 ATOKA SANDS HAS BEEN ESTABLISHED AT LESS THAN 200 MCFGPD WHICH IS CONSIDERED NON-COMMERCIAL. ACCORDINGLY PROPOSE PROCEED WITH ATOKA EVALUATION BY OPENING ADDITIONAL SECTION THAT MAY BE GAS BEARING. PLAN TO SET BRIDGING PLUG AT 13,980 AND WITH FULL BORE RETREIVABLE PACKER AT 13,550, PERFORATE 13,742 - 13,750 AND 13,890 - 13,900 (PGAC LOG DEPTHS) USING TUBING GUN.

HAVE HAD EVIDENCE THAT "SQUEEZED" PERFORATIONS AT 13,400 ARE NOW LEAKING SMALL AMOUNT OF GAS INTO TUBING-CASING ANNULUS BUT AS SITUATION IS NOT CONSIDERED HAZARDOUS, WE PLAN TO LEAVE POSSIBLE REPAIR JOB UNTIL LATER DATE.

BELCO PETROLEUM CORPORATION  
DRILLING RECORD

APE NO. \_\_\_\_\_

~~XXXXX~~ James Ranch LEASE Hudson Federal WELL NO. #1

DATE	DEPTH	DETAIL OF OPERATION															
5/17	PBD 14,278'	(0') 82. Rigging down. Nippled up BOP, picked up 24 jts. of 3-1/2" drill pipe & retrieved bridge plug. Nippled down BOP & installed wellhead & relief valve on casing. Released rig @ 6:00 A.M., 5/17/74.															
5/18	"	Waiting on completion rig.															
5/19	"	Waiting on completion rig.															
5/20	"	Waiting on completion rig.															
5/21	"	Waiting on completion rig.															
5/22	"	Rigging up DA&S well service.															
5/23	"	Unloading 2-7/8" PH-6 Hydril tubing. Finished R.U. DA&S well service. Set pipe racks and bled off well pressure. Started unloading tubing. S.D.F.N.															
5/24	"	GIH w/tubing. Installed BOP, picked up mill & scraper. WIH w/168 jts. 2-7/8" tubing. S.D.F.N.															
5/25	"	GIH w/2-7/8" tubing. Ran 270 jts., clutch went out on draw-works. S.D.F.N.															
5/26	"	TOH w/scraper. Finished TIH w/scraper, installed wellhead and circulated brine water. Started out of hole with tubing. S.D.F.N.															
5/27	"	GIH w/seal assembly and 2-7/8" tubing. Finished TOH w/scraper. Set Otis "WB" packer with seal bore extension @ 13,800'. R.U. Gator Hawk testers, unit broke down after testing two stands. Released Gator Hawk. Ran 152 stands 2-7/8" tubing & S.D.F.N.															
5/28	"	Flowing well to pit. Finished TIH w/tubing, spaced out & N.U. tree. Pressured up tubing to 6000 psi - held ok. Swabbed tubing to 5000'. Perforated Morrow Zone thru tbg. 14,229-37' and 14,243-48' with 2 shots per foot, 0 psi. R.U. swab lubricator & S.D.F.N. Left well open on 1/8" choke. Opened well up on 3/4" A.C., unloading solid stream of water, 200 psi.															
<u>TUBING DETAIL</u>																	
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Item</th> <th style="text-align: center;">Length, Ft.</th> <th style="text-align: center;">Depth, Ft.</th> </tr> </thead> <tbody> <tr> <td>Elevation</td> <td style="text-align: right;">16.00</td> <td style="text-align: center;">-0-</td> </tr> <tr> <td>1 jt. 2-7/8", PH-6, 7.9# Hydril tbg.</td> <td style="text-align: right;">32.10</td> <td style="text-align: right;">16.00</td> </tr> <tr> <td>2-7/8", PH-6, 8.7# Hydril Sub</td> <td style="text-align: right;">4.50</td> <td style="text-align: right;">48.10</td> </tr> <tr> <td>262 jts. 2-7/8", PH-6, 8.7# Hydril tbg.</td> <td style="text-align: right;">8380.01</td> <td style="text-align: right;">52.60</td> </tr> </tbody> </table>			Item	Length, Ft.	Depth, Ft.	Elevation	16.00	-0-	1 jt. 2-7/8", PH-6, 7.9# Hydril tbg.	32.10	16.00	2-7/8", PH-6, 8.7# Hydril Sub	4.50	48.10	262 jts. 2-7/8", PH-6, 8.7# Hydril tbg.	8380.01	52.60
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(cont'd...)																	



BELCO PETROLEUM CORPORATION  
DRILLING RECORD

AFE NO. \_\_\_\_\_

FIELD James Ranch LEASE Hudson Federal WELL NO. 1

DATE	DEPTH	DETAIL OF OPERATION																					
5/28	(cont'd)	<u>TUBING DETAIL</u>																					
		<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; border-bottom: 1px solid black;">Item</th> <th style="text-align: right; border-bottom: 1px solid black;">Length, Ft.</th> <th style="text-align: right; border-bottom: 1px solid black;">Depth, Ft.</th> </tr> </thead> <tbody> <tr> <td>169 jts. 2-7/8", PH-6, 7.9# Hydril tbg</td> <td style="text-align: right;">5379.89</td> <td style="text-align: right;">8432.61</td> </tr> <tr> <td>2-7/8", PH-6 X 2-3/8" EUE X-over Sub</td> <td style="text-align: right;">0.69</td> <td style="text-align: right;">13,812.50</td> </tr> <tr> <td>Location Sub</td> <td style="text-align: right;">1.10</td> <td style="text-align: right;">13,813.19</td> </tr> <tr> <td>    Less Wt. on Pkr.</td> <td style="text-align: right;">(4.00)</td> <td style="text-align: right;">13,814.29</td> </tr> <tr> <td>Otis Seal Assembly</td> <td style="text-align: right;">10.10</td> <td style="text-align: right;">13,810.29</td> </tr> <tr> <td>Bottom of Seal Assembly</td> <td></td> <td style="text-align: right;">13,820.39</td> </tr> </tbody> </table>	Item	Length, Ft.	Depth, Ft.	169 jts. 2-7/8", PH-6, 7.9# Hydril tbg	5379.89	8432.61	2-7/8", PH-6 X 2-3/8" EUE X-over Sub	0.69	13,812.50	Location Sub	1.10	13,813.19	Less Wt. on Pkr.	(4.00)	13,814.29	Otis Seal Assembly	10.10	13,810.29	Bottom of Seal Assembly		13,820.39
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Bottom of Seal Assembly		13,820.39																					
5/29/74	PBD 14,278'	Flowing well to pit on 3/4" choke, 100 psi FTP, <u>1.666</u> MMCFD. Well unloaded water for several hours, <u>then logged up</u> . Swabbed to 8000' and well kicked off, FTP - 160 psi on 3/4" choke, 2.535 MMCFD.																					
5/30	"	Cleaning up well to pit on 31/64" choke, FTP - 240 psi, <u>1.494</u> MMCFD.																					
5/31	"	Prep. to acidize. FTP - 200 psi, 31/64" choke, 1.4 MMCFD.																					
6/1	"	<p>Acidized Morrow Zone perforations 14,229-37' and 14,243-48' with 3000 gallons of <u>7-1/2% MS acid</u>, <u>35</u> ball sealers and 1000 SCF/bbl. N<sub>2</sub>. Displaced with 43 bbls. of KCl water and 1000 SCF/bbl. N<sub>2</sub>. Good ball action observed.</p> <table style="width: 100%; margin-left: 40px;"> <tr> <td>BDP:</td> <td style="text-align: right;">5300 psi</td> </tr> <tr> <td>Avg. Treating Pressure:</td> <td style="text-align: right;">4950 psi</td> </tr> <tr> <td>AIR:</td> <td style="text-align: right;">5.3 BPM.</td> </tr> <tr> <td>ISDP:</td> <td style="text-align: right;">4100 psi</td> </tr> <tr> <td>10 min. SIP:</td> <td style="text-align: right;">2800 psi</td> </tr> <tr> <td>15 min. SIP:</td> <td style="text-align: right;">2350 psi</td> </tr> </table> <p>Opened well up on 3/4" choke, unloaded water, N<sub>2</sub> and acid to pit for two hours and well died. Swabbed down to 9000'. Recovered little fluid. Pressured up with N<sub>2</sub> to 2800 psi and started pumping in formation. Flowed back N<sub>2</sub> on 3/4" choke, bled to 0 psi in 23 mins. - no fluid. Pressured to 2000 psi and ran 1-3/4" impression block to 14,287' (WL). Tagged fluid @ 12,500'. POH with wire line - impression block negative. Flowed back N<sub>2</sub> on 3/4" choke in 19 mins. - no fluid. Dropped soap sticks and left well open on 1/8" choke overnight.</p>	BDP:	5300 psi	Avg. Treating Pressure:	4950 psi	AIR:	5.3 BPM.	ISDP:	4100 psi	10 min. SIP:	2800 psi	15 min. SIP:	2350 psi									
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6/2	"	Swabbed well to 11,000' - no fluid. SI well; 1 hour SITP - 50 psi. Opened on 3/4" choke - bled to 0 psi in 20 mins. No fluid. SI well.																					
6/3	"	SITP - 200 psi. Opened on 3/4" choke, bled to 0 psi in 50 mins. No fluid. SI well.																					

BELCO PETROLEUM CORPORATION  
DRILLING RECORD

AFE NO. \_\_\_\_\_

FIELD James Ranch LEASE Hudson Federal WELL NO. 1

DATE	DEPTH	DETAIL OF OPERATION
6/4	PBD 14,278'	Shut in. Prep. to backflush with KCl water and run Temp. Survey.
6/5	"	Prep. to swab well. Ran base Temp. Survey. Pumped 120 bbls. of 3% KCl water (40 bbls. in formation) at 4-1/2 BPM, 5000 psi. ISDP - 3200 psi; 10 min. SIP - 0 psi. Ran second Temp. Survey from 12,000' to 14,276'. Swabbed well to 8400' - no gas. S.I. overnight.
6/6	"	SITP - 600 psi - bled to 0 in 5 mins. - no fluid. Swabbed to 10,000', good fluid, some gas. SDFN and SI well.
6/7-8	"	Swabbed to 10,000', very little fluid. Well unloaded water intermittently to pit with fair gas blow.
6/9	"	Unloaded water in slugs, good blow of gas. Swabbed to 13,000', recovered 1/2 bbl. of water. Left well on 38/64" choke overnight.
6/10	"	7:00 A.M., 6/10/74 - FTP - 20 psi, 3/4" choke, fair blow w/ fine mist. Est. rate - 360 MCFD. Made 4 swab runs to 13,000', little fluid with good gas blow.
6/11	"	SITP @ 7:00 A.M., 6/11/74 - 1500 psi. Flowed well on 3/4" choke, good blow & heavy mist. Swabbed to 13,240'. Rec. 2-3 bbls. water. Continued flowing well on 3/4" choke, good blow of gas, no fluid. S.I. well @ 4:00 P.M. SITP - (8:30 P.M.) - 1400 psi.
6/12	"	7:00 A.M., 6/12/74, FTP - 0 psi, 3/4" choke, fair gas blow w/ heavy water mist. Opened well on 3/4" choke, bled from 1500 psi to 0 in 13 mins. No fluid. S.I. & dropped 2 soap sticks. SITP - (2 hrs.) - 540 psi. Opened up on 3/4" choke & unloaded 3 good slugs of water. FTP - 500 psi.  12:20 P.M. FTP - 175# Steady blow, heavy mist. 2:20 P.M. FTP - 25# Steady blow, heavy mist. 3:20 P.M. FTP - 10# Good blow, heavy mist. 5:20 P.M. FTP - 10# Good blow, heavy mist.
6/13	"	SITP @ 7:20 A.M., 6/13/74, was 1300 psi. S.I. well & dropped 2 soap sticks. SITP - (2 hours) 550 psi. Opened up on 3/4" choke, unloaded slugs of water for 20 mins. FTP - 200-300 psi. Well continued to unload water in slugs intermittently. Dropped two more soap sticks @ 11:20 A.M., well unloaded good slugs of water for 5 mins.  1:30 P.M. FTP - 50# Steady blow, heavy mist. 2:20 P.M. FTP - 0# Weak blow, no fluid. 4:20 P.M. FTP - 0# S.I. well & dropped 2 soap sticks.

BELCO PETROLEUM CORPORATION  
DRILLING RECORD

AFE NO. \_\_\_\_\_

FIELD James Ranch LEASE Hudson Federal WELL NO. 1

DATE	DEPTH	DETAIL OF OPERATION
6/14/74	PBD 14,278'	Flowed well to pit on 3/4" choke. Unloaded water intermittently in slugs. Good blow with heavy mist. FTP - 10-100 psi.
6/15	"	Flowed well to pit on 3/4" choke. TP - 0-50 psi. Small amount of fluid in slugs. Shut well in for night.
6/16	"	SITP - 1100 psi. Bled off to 400 psi - no fluid. R.U. Vann Tool Co. and ran gammaray-collar log. Re-perforated at 14,229-37' and 14,243-48' (1 SPF) w/ 1-11/16" ceramic jet. No pressure increase. Opened well up on 3/4" choke and bled off gas pressure - no fluid. Made 4 swab runs to 13,300'. Rec. 5 bbls. total fluid w/good blow of gas. Last run very little fluid & weak blow. Left well open on 40/64" choke overnight.
6/17	"	TP - 0#, fair gas blow - no fluid. Made 2 swab runs to 13,300', recovered very little fluid - fair gas blow. S.I. well @ 10:30 A.M., 6/16/74.
6/18	"	Prep. to swab. SITP @ 6:30 A.M., 6/18/74 - 1350 psi. Opened well on 3/4" choke, bled to 0 in 10 mins. No fluid.
6/19	"	Flowing to pit on 3/4" choke - small gas blow. Made 4 swab runs to 13,300', recovered 5 bbls. total fluid. Fair to weak blow after each run. S.I. & dropped 2 soap sticks @ 3:00 P.M., 6/18/74. SITP @ 7:00 A.M., 6/19/74 - 750 psi.
6/20	"	SITP - 500 psi - 7:00 A.M., 6/20/74. Opened well on 3/4" choke, bled from 750 psi to 0 in 6 mins. - no fluid. Made 4 swab runs to 13,300'. Rec. 1/2 bbl. water each trip. S.I. @ 5:00 P.M., 6/19/74.
6/21	"	SITP @ 7:00 A.M., 6/21/74: 600 psi. Swabbed to 13,300' - no fluid. Shut well in.
6/22	"	Swabbed to 13,300' - very little fluid.
6/23	"	SITP @ 7:00 A.M., 6/23/74: 100 psi. Acidized well w/4000 gals. 7-0/2% DAD in 4 stages w/15 ball seals between stages. Formation broke at 4550 psi. Max. Pressure - 5850 psi. Inj. Rate - 5.5 BPM. Flushed w/55 bbls. KCl water w/600 cu. ft./bbl. N <sub>2</sub> in flush. ISIP - 4150 psi 5 mins. - 2300 psi 10 mins. - 1900 psi 15 mins. - 1600 psi  Job complete @ 12:30 P.M., 6/22/74. Load to recover - 151 bbls. Opened well on 3/4" choke at 3:30 P.M., 6/22/74. SITP - 1000#.

BELCO PETROLEUM CORPORATION  
DRILLING RECORD

AFE NO. \_\_\_\_\_

FIELD James Ranch LEASE Hudson Federal WELL NO. 1

DATE	DEPTH	DETAIL OF OPERATION
6/23	(cont'd)	Flowed approx. 10 bbls. in 30 mins. & died. Made swab runs to 5200', 9200', and two runs to 13,300' - well swabbed dry, lite blow. SI @ 6:30 P.M., 6/22/74.
6/24	PBD 14,278'	SITP @ 7:00 A.M., 6/24/74: 350 psi. Swabbed well to 10,200' (13 trips). Rec. good fluid loads each trip. Fair blow after each run. Total recovery est. 90 bbls. Total load to recover: 151 bbls.
6/25	"	Swabbed to 12,200'. Recovered est. 32 bbls. Last run very little fluid w/heavy emulsion. Sample being analyzed. Load left to recover: 27 bbls.
6/26	"	SITP @ 7:00 A.M., 6/26/74: 100 psi. Swabbed well to 12,100'. Recovered 42 bbls. water, fair to good gas blow after each run. Made 3 more runs to 13,300' - recovered small amounts of heavy, black hydrocarbon, very little water. Total fluid recovery: 164 bbls. (13 bbls. overload). Shut in well @ 5:00 P.M., 6/25/74.
6/27	"	Swabbed a total of 53 bbls. fluid, fair to good gas blow after each run. Several runs to 13,300'. Rec. heavy, black hydrocarbon material. Some of the black material in breaking out in the fluid load recovered.
6/28	"	SITP @ 7:00 A.M., 6/27/74: 560 psi. Made 9 swab runs - rec. 25 bbls. fluid. Last 2 runs to 13,300' were dry. Fair gas blow after each run.
6/29	"	R. U. Dowell & pumped 500 gals. of P-121 paraffin solvent, displaced w/10 bbls. kerosene & 60 bbls. KCl water. Pump in pressure: 1200 psi Avg. Inj. Rate: 1 BPM Job complete @ 10:03 A.M., 6/28/74. Shut well in.
6/30	"	SITP @ 7:00 A.M., 6/29/74: 0 psi. Swabbed out 42 bbls. wtr. (12 runs). Shut well in for night.
7/1	"	SITP @ 7:00 A.M., 6/30/74: 300 psi. Swabbed 17 bbls. (water & kerosene) - 7 runs. Shut well in @ 2:30 P.M., 6/30/74.
7/2	"	SITP - 250 psi, bled to 0 psi in 3 mins. R.U. Vann Tool Co. & perforated thru tbq. at 14,171-77', 13,870-75', and 13,844-56' with 1-9/16" sidewinder, 2 SPF. TP - 475 psi before and after perforating. R.D. Vann Tool Co., opened up well, bled to 0 psi in 13 mins. Shut well in for night.

BELCO PETROLEUM CORPORATION  
DRILLING RECORD

AFE NO. \_\_\_\_\_

FIELD James Ranch LEASE Hudson Federal WELL NO. 1

DATE	DEPTH	DETAIL OF OPERATION
7/3/74	PBD 14,278'	Swabbed 27 bbls. water & kerosene, very weak gas blow. Last 2 runs - no fluid. Left well open overnight.
7/4	"	Swabbed 32 bbls. fluid; est. 25% kerosene, solvent & black oil. Last run dry to 13,300'.
7/5	"	<p>R.U. Dowell &amp; Newsco &amp; installed 10,000 psi McEvoy tree saver. Tested lines to 10,000 psi. Frac-treated well with 46,000 gals. E-Z Flow fluid, 30,000# of proppant (20% 20-40 mesh glass beads &amp; 80% 20-40 mesh frac sand), and 600 SCF N<sub>2</sub> per bbl. in 3 stages as follows:</p> <p><u>STAGE #1:</u> 3000 gals. pad, followed by 4000 gals. with 1/2 PPG proppant, followed by 8000 gallons frac with 1 PPG proppant. Avg. treating pressure: 8800 psi. Avg. Inj. Rate: 8.8 BPM.</p> <p><u>STAGE #2:</u> 1500 gallons 7-1/2% E-Z Flow acid with 300# Benzoic acid flakes and 40 ball sealers, followed by 3500 gals. pad, 4000 gals. frac with 1/2 PPG proppant and 8000 gallons frac with 1 PPG proppant. Avg. treating pressure: 8900 psi. Avg. Inj. Rate: 8.7 BPM. Pressure increased from 8000 psi to 8500 psi when plugging agents hit.</p> <p><u>STAGE #3:</u> 1500 gallons 7-1/2% E-Z Flow acid with 250# Benzoic acid flakes, followed by 3500 gallons pad, 4000 gallons frac with 1/2 PPG proppant, and 8000 gallons frac with 1 PPG proppant. Avg. treating pressure: 9200 psi. Avg. Inj. Rate: 8.2 BPM. Pressure increased from 9000 psi to 9300 psi when plugging agent hit. Flushed with 85 bbls. 2% KCl water with 10# J-133 friction reducer per 1000 gallons. Pressure 9500 psi @ 7.5 BPM. ISIP: 6800 psi  5 min. SIP: 6000 psi  10 min. SIP: 5900 psi  15 min. SIP: 5600 psi  Total load to recover: 1261 bbls. Opened to pit on 24/64" ck., after 2 hours. SITP - 5500 psi. Bled to 0 in 1 hour and 46 mins. Flowed back est. 200 bbls.</p>
7/6	"	Swabbed 43 bbls. water.
7/7	"	SITP @ 8:00 A.M., 7/7/74: 500 psi. Swabbed 68 bbls. water, fair to good gas blow after each run. Recovered small amounts of frac sand on several runs. Shut well in.
7/8	"	Shut in.
7/9	"	Made 4 swab runs to 9500'. Recovered 29 bbls. KCl water, lots of sand on last run. Shut well in.

Page 1 of 1

BELCO PETROLEUM CORPORATION  
DRILLING RECORD

AFE NO. \_\_\_\_\_

FIELD James Ranch LEASE Hudson Federal WELL NO. 1

DATE	DEPTH	DETAIL OF OPERATION
7/10/74	PBD 14,278'	Shut in. Waiting on wireline unit.
7/11	"	Ran wireline to 14,090'. Located end of tubing at <u>13,838'</u> . Perforations: <u>14,243-48'</u> ; 14,229-37'; 14,171-77'; 13,870-75'; and 13,844-56'.
7/12	"	Shut in. SITP @ 7:00 A.M., 7/11/74: 250 psi.
7/13-15	"	Shut in. SITP @ 7:00 A.M., 7/15/74: 750 psi.
7/16	"	Shut in. Prep. to wash out sand.
7/17	"	Prep. to pull tubing and wash out sand.
7/18	"	SITP - 1100 psi @ 7:00 A.M., 7/17/74. Bled off tubing and loaded annulus with 140 bbls. 10# brine. N.U. BOP and pulled 60 stands - well started flowing on annulus. Pumped 70 bbls. brine down annulus - well dead. Pulled 64 more stands, filled hole with 70 bbls. brine & SDFN.
7/19	"	Prep. to tag sand. Circ. brine & finished POH with tubing. P.U. 18 joints 1" CS Hydril with bottom joint muleshoed, and WIH on 2-7/8" tubing to top of packer @ 13,800'. Circ. hole with brine & SDFN.
7/20	"	Tagged pkr. @ 13,800'. Went thru pkr. and tagged sand @ 14,130'. Wireline measurement 14,090'. Trouble with pack-off stripper - blew three out while circulating hole at 1000 psi. Circulated hole at 3 BPM @ 2000 psi w/rams closed. Installing Guiberson "JU" Hi-Pressure Stripper before attempting to circulate sand. SDFN.
7/21	"	Rigged up Guiberson Stripper & held 2000 psi. Attempted to circulate sand with 3 BPM @ 2000 psi, (all pump truck can put up). Made 5', from 14,130- <u>14,135'</u> in 1 hour, from 11:00 A.M. to 12:01 P.M., then did not make any more hole. Circulated (reverse) and set up to 5-points weight on 1" tubing but could not make any hole. Pulled 3 joints tubing and shut down @ 6:00 P.M. for orders.
7/22	"	Shut down Sunday. Will start circulating Monday to attempt to wash out sand.
7/23	"	Tagged bottom with 1" tubing at 14,135' and attempted to wash out sand - no progress in 8 hours. Preparing to pull tubing and recomplete in Atoka.

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BELCO PETROLEUM CORPORATION  
DRILLING RECORD

AFE NO. \_\_\_\_\_

FIELD James Ranch LEASE Hudson Federal WELL NO. 1

DATE	DEPTH	DETAIL OF OPERATION																
7/24/74	PBD 14,278'	TOH w/2-7/8" and 1" tubing. SDFN. Preparing to run wireline blanking plug in packer at 13,800'.																
7/25/74	"	Prep. to perforate Atoka (12,989-12,995'). Set wireline <u>plug</u> in packer @ 13,800'. TIH w/retrievable packer - tested plug & packer to 5000 psi - OK. Spotted 250 gallons acetic acid across Atoka Zone. SDFN.																
7/26	"	Perforated Atoka Zone 12,989-12,995' with 4 SPF with 1-11/16" jet. Job complete at 11:40 A.M., 7/25/74. Displaced acetic acid into perforations at 1/2 BPM with 4000 psi - formation broke back to 2500 psi & pumped at 2 BPM at 4000 psi. SIP - 3500 psi; 5 min. SIP - 0 psi. Top of packer at 12,679' KB, 20' above ground level. Swabbed well down to 8000' and well unloaded; from 5:00 P.M., 7/25/74 to 6:00 A.M., 7/26/74 - daily rate was 650-850 MCF, 3/4" choke, TP- 30-50 psi. Well making est. of 2 BW/hr. (Last 5 hours, rate 652 MCF, TP- 30-40 psi, 3/4" choke, producing mist of water.) Continuing to test.																
7/27	"	Flowing 796 MCFD, TP - 40 psi, 3/4" choke, light mist of water. No change in 24 hours.																
7/28	"	Flow rates as follows:  <u>7/27/74, 7:00 A.M. to 12:00 P.M.:</u> 869 MCF, TP - 45 psi, 3/4" choke. <u>7/28/74, 12:01 P.M. to 7:00 A.M.:</u> 732 MCF, TP - 110 psi, 31/64" choke. <u>7/28/74, 7:00 A.M. to 8:00 A.M.:</u> 725 MCF, TP - 35 psi, 3/4" choke, very light mist.																
7/29	"	<u>5:45 A.M., 7/29/74:</u> TP - 180 psi, 31/64" choke, 1.143 MCFD, light mist. Changed to 3/4" choke, 60 psi, 1.086 MCFD, heavy mist. From 9:00 A.M. to 6:00 P.M., 7/28/74, flowed well on 3/4" choke, 50 psi - TP, 941 MCFD.																
7/30	"	FTP @ 5:00 A.M., 7/30/74: 200 psi, 31/64" ch., 1.260 MCFD. FTP from 7:00 A.M. to 6:00 P.M., 7/29/74: 55 psi on 3/4" ch., 1.014 MCFD.																
7/31	"	6:00 A.M., 7/31/74: TP - 200 psi, 31/64" ch., 1.260 MCFD. Opened well on 3/4" ch.																
8/1-2	"	Testing Atoka Zone.																
		<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 10%;">8/1</th> <th style="width: 20%;">Time</th> <th style="width: 20%;">Choke</th> <th style="width: 50%;">Remarks</th> </tr> </thead> <tbody> <tr> <td></td> <td>6:00 AM</td> <td>31/64"</td> <td>220# TP, 1.377 MMCFD</td> </tr> <tr> <td></td> <td>10:30 AM</td> <td>3/4 "</td> <td>65# TP, 1.159 MMCFD</td> </tr> <tr> <td></td> <td>11:15 AM</td> <td>S.I.</td> <td>Dropped 1 soap stick. (cont'd)</td> </tr> </tbody> </table>	8/1	Time	Choke	Remarks		6:00 AM	31/64"	220# TP, 1.377 MMCFD		10:30 AM	3/4 "	65# TP, 1.159 MMCFD		11:15 AM	S.I.	Dropped 1 soap stick. (cont'd)
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	11:15 AM	S.I.	Dropped 1 soap stick. (cont'd)															

EXHIBIT "B"  
 APPLICATION FOR THE MORROW "A" FORMATION  
 PARTICIPATING AREA, JAMES RANCH UNIT AGREEMENT  
 EDDY COUNTY, NEW MEXICO

TRACT #	TYPE OF LAND	DESCRIPTION	PARTICIPATING ACRES	% OF PARTICIPATION	WORKING INTEREST OWNERS
4	Federal NM-02887	Lots 1, 2 S/2 NE/4, NE/4 SE/4 Section 6, T23S-R31E	199.92	62.4907	Conoco, Inc. 100%
8	Federal NM-04473	W/2 SE/4, SE/4 SE/4 Section 6, T23S-R31E	120.00	37.5093	Belco Petroleum Corp. 66.6666 Bass Enterprises Production Co. 25.0000 Perry R. Bass 8.3334
			Total Federal Land Total State Land Total Patented Land	319.92 -0- -0-	
			Total	319.92	



EXHIBIT "B"  
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 PARTICIPATING AREA, JAMES RANCH UNIT AGREEMENT  
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			<b>Total</b>	<b>319.92</b>	