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BEPCO, L.P.

201 MAIN ST.

FORT WORTH, TEXAS 76102-3131 817/390-8400

April 8, 2008

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EXPRESS MAIL/ Return Receipt Requested

Bureau of Land Management Roswell District Office 2909 W. 2nd Street Roswell, New Mexico 88201 Attn: Mr. Angle Mayes New Mexico State Land Office Commissioner of Public Lands 310 Old Santa Fe Trail Santa Fe, New Mexico 87501 Attention: Ms. Jami Bailey

New Mexico Oil Conservation Division 1220 St. Francis Santa Fe, New Mexico 87505 Attention: Mr. William Jones

Re:

2008 Plan of Development

Big Eddy Unit

Eddy County, New Mexico

Gentlemen:

In accordance with Section 10 of the Big Eddy Unit Agreement dated April 10, 1952, Bass Enterprises Production Co., Operator of the referenced unit, hereby submits a Plan of Development for the Big Eddy Unit for the year 2008.

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.

2007 ACTIVITY

<u>Big Eddy Unit No. 148, Eddy County, New Mexico</u> - This well was drilled at a location being 1,450 FSL and 1,980' FEW Section 6, T22S-R28E, Eddy County, New Mexico. This well was completed in the Morrow Formation as a gas well.

<u>Big Eddy Unit No. 156, Eddy County, New Mexico</u> - This well was drilled at a location being 660' FNL &, Section 860' FWL, Section 11, T22S-R28E, Eddy County, New Mexico. This well was completed in the Morrow Formation as a gas well.

<u>Big Eddy Unit No. 158</u>, <u>Eddy County, New Mexico</u> - This well was drilled at a location being 1,830' FSL & 1,980' FEL, Section 4, T22S-R28E, Eddy County, New Mexico. This well was completed in the Morrow Formation as a gas well.

<u>Big Eddy Unit No. 159</u>, <u>Eddy County</u>, <u>New Mexico</u> - This well was drilled at a location being 1,950' FSL, 660' FEL, Section 9, T22S-R28E, Eddy County, New Mexico. This well was completed in the Morrow Formation as a gas well.

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<u>Big Eddy Unit No. 163</u>, <u>Eddy County, New Mexico</u> - This well was drilled at a location being 1,650' FNL & 660' FNL, Section 9, T21S-R29E, Eddy County, New Mexico. This well was completed in the Morrow Formation as a gas well.

<u>Big Eddy Unit No. 164</u>, <u>Eddy County, New Mexico</u> - This well was drilled at a location being 1,650' FSL, 1,650' FEL, Section 27, T21S-R28E, Eddy County, New Mexico. This well was completed in the Morrow Formation as a gas well.'

<u>Big Eddy Unit No. 165</u>, <u>Eddy County</u>, <u>New Mexico</u> - This well was drilled at a location being 1,980' FSL, 1,980' FWL, Section 5, T21S-R28E, Eddy County, New Mexico. This well was completed in the Morrow Formation as a gas well.

<u>Big Eddy Unit No. 167</u>, <u>Eddy County, New Mexico</u> - This well was drilled at a location being 1,030' FSL, 1,980' FEL, Section 14, T21S-R28E, Eddy County, New Mexico. This well as completed in the Morrow Formation as a gas well.

<u>Big Eddy Unit No. 169</u>, <u>Eddy County, New Mexico</u> - This well was drilled at a location being 660' FNL, 1,830' FWL, Section 17, T21S-R28E, Eddy County, New Mexico. This well was completed in the Strawn Formation as an oil well.

<u>Big Eddy Unit No. 186, Eddy County, New Mexico</u> - This well was drilled at a location being 660' FSL, 660' FWL, Section 14, T22S-R28E, Eddy County, New Mexico. This well was completed in the Morrow Formation as a oil well

2007 PLUGGED AND ABANDONED

<u>Big Eddy Unit No. 60, Eddy County, New Mexico</u> - This well was plugged and abandoned at a location being 1,980' FSL, 1,980' FEL, Section 20, T21S-R28E, Eddy County, New Mexico. This well was plugged and abandoned August 6, 2007.

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 earliest convenience and we will submit same to you.

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FUTURE DEVELOPMENT

<u>Big Eddy Unit Well No. 152, Eddy County, New Mexico</u> – This well will be drilled at a legal location being 1,980' FSL & 660' FEL Section 26, T21S-R28E, Eddy County, New Mexico to a proposed depth of 12,850' to test the Morrow Formation.

<u>Big Eddy Unit No. 160 Well, Eddy County, New Mexico</u> – This well will be drilled at a legal location being 1,980' FNL & 2,080' FEL, Section 7, T21S-R29E, Eddy County, New Mexico to a proposed depth of 12,600' to test the Morrow Formation.

<u>Big Eddy Unit No. 162 Well, Eddy County, New Mexico</u> – This well will be drilled at a legal location being 1,980' FNL & 660' FWL, Section 10, T22S-R28E, Eddy County, New Mexico to a proposed depth of 12,860' to test the Morrow Formation.

<u>Big Eddy Unit Well No. 166, Eddy County, New Mexico</u> – This well will be drilled at a legal location being 2,380' FSL & 660' FWL, Section 11, T21S-R28E, Eddy County, New Mexico to a proposed depth of 12,600' to test the Morrow Formation.

<u>Big Eddy Unit No. 168 Well, Eddy County, New Mexico</u> – This well will be drilled at a legal location being 660' FSL & 1,980' FEL, Section 16, T21S-R28E, Eddy County, New Mexico to a proposed depth of 12,400' to test the Morrow Formation.

<u>Big Eddy Unit Well No. 190, Eddy County, New Mexico</u> – This well will be drilled at a legal location being 660' FNL & 660' FWL, Section 9, T22S-R28E, Eddy County, New Mexico to a proposed depth of 12,500' to test the Morrow Formation.

Big Eddy Unit Well No. 191, Eddy County, New Mexico – This well will be drilled at a legal location being 660' FSL & 1,980' FWL, Section 9, T22S-R28E, Eddy County, New Mexico to a proposed depth of 12,500' to test the Morrow Formation.

OFFSET OBLIGATIONS

Appropriate and adequate measures will be taken to prevent drainage of unitized substances from lands within the Big Eddy Unit area, or pursuant to applicable regulations.

MODIFICATIONS

In accordance with the terms and provisions of the Big Eddy Unit Agreement, this Plan of Development may be modified from time to time as a result of changing conditions.

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EFFECTIVE DATE

This Plan of Development became effective January 1, 2008.

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.

	Brad Glasscock
BG:ca	Landman
ACCEPTED AND AGREED this	, 2008.
	BUREAU OF LAND MANAGEMENT
	By:
	COMMISSIONER OF PUBLIC LANDS
	By:
	NEW MEXICO OIL CONSERVATION DIVISION
	By: A Mather

Sincerely,