

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



BEPCO, LP
 Poker Lake Unit #252H

ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
- [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
- [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
- [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
- [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
- [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

NSL-5885

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Simultaneous Dedication
 NSL NSP SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

- [D] Other: Specify _____

[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply

- [A] Working, Royalty or Overriding Royalty Interest Owners
- [B] Offset Operators, Leaseholders or Surface Owner
- [C] Application is One Which Requires Published Legal Notice
- [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] Waivers are Attached

2008 JUN 3 PM 8 48
 RECEIVED

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

James Bruce
 P.O. Box 1056
 Santa Fe, New Mexico 87504

James Bruce
 Signature

Attorney for Applicant
 Title

5/31/08
 Date

jamesbruc@aol.com
 e-mail Address

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213
SANTA FE, NEW MEXICO 87501

(505) 982-2043 (Phone)
(505) 660-6612 (Cell)
(505) 982-2151 (Fax)

jamesbruc@aol.com

May 31, 2008

Mark E. Fesmire, P.E.
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

97148
Nash Draw Delaware
R-12507
R-12766

Dear Mr. Fesmire:

Pursuant to Division Rule 104.F(2), BEPCO, L.P. applies for approval of an unorthodox oil well location for the following well:

<u>Well:</u>	Poker Lake Unit Well No. 252-H
<u>Surface location:</u>	1875 feet FSL & 1875 feet FEL
<u>Terminus location:</u>	1400 feet FNL & 1580 feet FWL
<u>Well unit (project area):</u>	SW $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$, and NW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 30, Township 24 South, Range 30 East, N.M.P.M., Eddy County, New Mexico

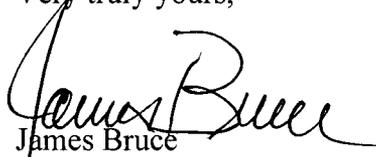
The well will be drilled to a depth sufficient to test the Delaware formation (Nash Draw-Delaware Pool). The pool is developed on statewide rules, with 40 acre spacing, and wells to be located no closer than 330 feet to a quarter-quarter section line.

A Form C-102 for the well is attached as Exhibit A. The wellbore will cross the approximate center of Section 30, which is why the 160 acre unit is requested. A geologic prognosis is attached as Exhibit B. Applicant desires to drill a lateral approximately one-half mile long, which is why the terminus of the wellbore is unorthodox.

All of Section 30 is covered by Federal Lease LC 069627(a), which has common working ownership. Exhibit C. Therefore, there is no adversely affected offset owner, and notice has not been given to anyone.

Please contact me if you need any further information on this application.

Very truly yours,

A handwritten signature in cursive script that reads "James Bruce". The signature is written in black ink and is positioned above the printed name.

James Bruce

Attorney for BEPCO, L.P.

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

DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210

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

DISTRICT IV
1220 St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised October 12, 2005

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

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code <i>97-148</i>	Pool Name <i>NASH DRAW-VELLAHARE POOL</i>
Property Code	Property Name POKER LAKE UNIT	Well Number 252H
OGRD No.	Operator Name BEPCO, L.P.	Elevation 3167'

Surface Location

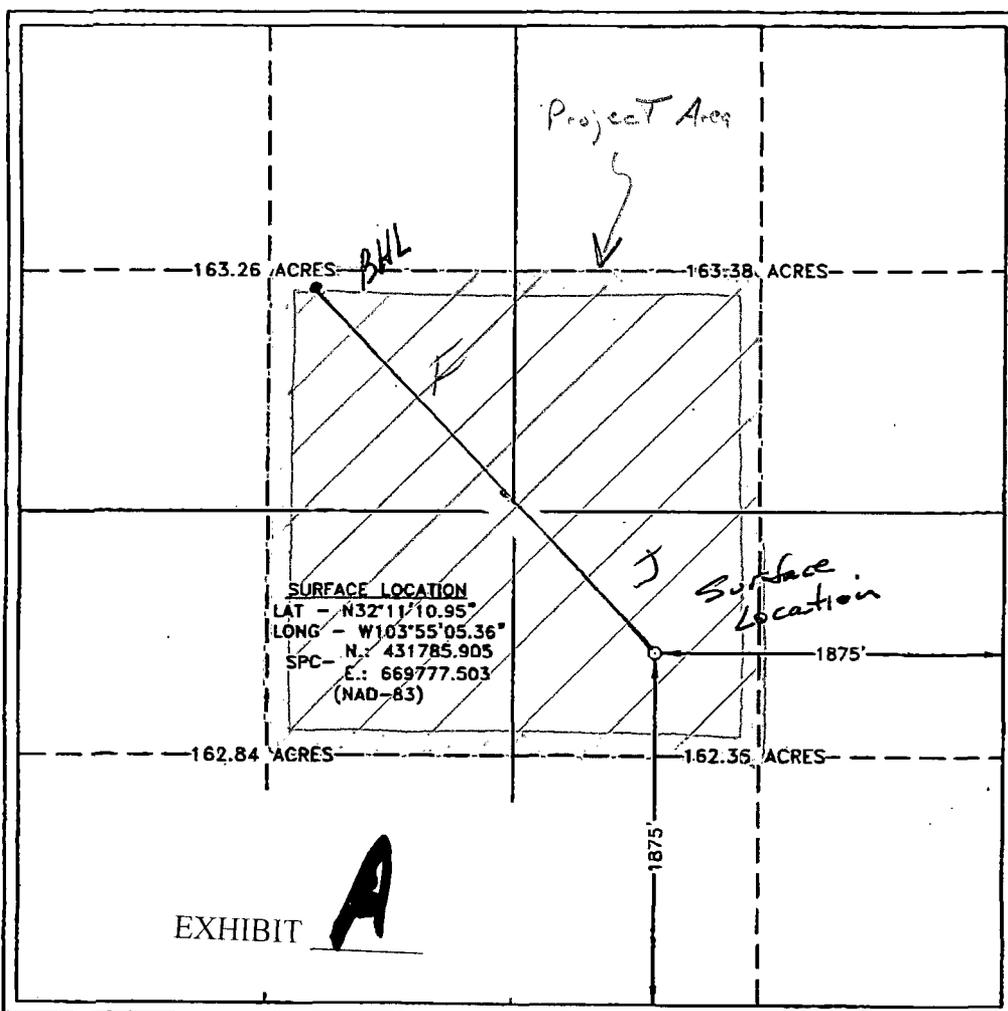
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	30	24 S	30 E		1875	SOUTH	1875	EAST	EDDY

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
					1400	North	1580	West	

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
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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, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

Printed Name _____

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.

FEBRUARY 27, 2008

Date Surveyed _____

Signature & Seal of Professional Surveyor _____

GARY L. JONES
Professional Surveyor
New Mexico
7977

W.C. Jones
1937

Certificate No. Gary L. Jones 7977

BASIN SURVEYS

EXHIBIT **A**

AB

FINAL GEOLOGIC PROGNOSIS

					Issue Date:	Mar 12, 2008				
FIELD OR PROSPECT	WELL NAME	WELL NO.	API CLASS	EXP/DEV.	EST. W.I.	EST. N.R.I.				
Nash Draw	Poker Lake Unit	252-H	5	EXP	1.00000000	0.84581147				
LOCATION (Footage call and X/Y are required - note X/Y Map Datum If Directional Well, must have SL, BHL, and path info. Attach details if necessary.)			COUNTY	STATE	PRORATION UNIT (If known - Attach a plat if needed):					
SL 1875' FSL, 1875' FEL, Sec 30, T24S-R30E BHL 1400' FNL, 1580' FWL, Sec 30, T24S-R30E Azimuth 317.7 Deg. (N 42.3 Deg. W)			Eddy	NM	NW/4 NE/4, SW/4 NE/4, & SE/4 NE/4 Sec 30, T24S-R30E					
PRIMARY OBJECTIVE	TOTAL DEPTH	KNOWN DRILLING HAZARDS & SPECIAL CONSIDERATIONS								
Delaware (Lower Brushy Canyon)	9683' MD 7,126' TVD	Horizontal well - 2,711' lateral reach; EOC target = 7,163' TVD, TD target = 7,126' TVD								
ESTIMATED FORMATION TOPS				BEST GEOLOGICAL CORRELATION WELL						
FORMATION / MARKER	EST ELEV:	3,191	REFERENCE: KB (GL=3170')		OPERATOR: BEPCO					
	TOPS		SUBSEA ELEV		Well Name & #: Poker Lake Unit No. 241					
	STRUCTURAL COMPARISON TO BEST GEOLOGICAL CORRELATION WELL		LOCATION		COUNTY	STATE				
	MD		TVD	Estimated	Actual	Estimated	Actual	Actual from Log	Subsea	
Rustler	361	361	2830		-28		358	2858		
base/Rustler	641	641	2550		-29		637	2579		
Salt	661	661	2530		-27		659	2557		
base/Salt	3,221	3,221	-30		-14		3,232	-16		
Delaware Mtn. Group	3,441	3,441	-250		-21		3,445	-229		
Lamar Lime	3,441	3,441	-250		-21		3,445	-229		
Ramsey	3,471	3,471	-280		-20		3,476	-260		
Lower Cherry Canyon	5,551	5,551	-2360		8		5,584	-2368		
KOP	6,720	6,720	-3529							
Lower Brushy Canyon	7,040	7,013	-3822		3		7,041	-3825		
LBC "Y" Sand	7,270	7,138	-3947		17		7,180	-3964		
LBC EOC Target	7,420	7,163	-3972							
TD	9,683	7,126	-3935							
LIST ALL ZONES CAPABLE OF PRODUCING HYDROCARBONS										
ZONE	TOPS		TYPE OBJECTIVE		DEPLETED	GEO PRESSURED	THICKNESS		CORE/DST	
	Est.	Actual	Primary	Secondary	(BHP)	(BHP)	Gross	Net		
Lower Brushy Canyon			Y						N	
LOCATION OF NEAREST PRODUCTION FROM PRIMARY OBJECTIVE HORIZON					MUST COMMENCE BY	OPERATIONS REQUIRED (OPERATIONS, SPUD, PRODUCTION, OTHER)				
Operator:	Well Name:	Well No.:	County:	State:						
BEPCO	Poker Lake Unit	251H	Eddy	NM						
<i>Location:</i>					OTHER TIMING CONSIDERATIONS					
1880' FNL & 1880' FEL Sec 36, T24S-R29E										
OTHER ANALOGOUS COMPLETIONS (Oper, Well, Location)					MUD LOGGER					
					Vendor:	MORCO				
					Cost:					
					UNIT ON BY:	Surface to pick top of salt				
					SAMPLES FROM:	Surface	TO:	TD		
					SAMPLE INTERVAL (FT.):	10				
WIRELINE LOGGING PROGRAM										
PEX (GR-CNLLDT-AIT) when hole has been kicked out to an inclination of 45 degrees. GR with MWD during drilling of lateral leg						Cost:				
BASS CONTACT		NAME	HOME	CELL	OFFICE	ADDRESS				
GEOLOGICAL		Brian Pregger	817-920-9905	817-905-7459	817-390-8662	BEPCO, L.P. 201 Main St., Suite 3100				
LAND		Brad Glasscock		512-789-5462	817-390-7185	Fort Worth, Tex 76102, (817)-390-8400				
ENGINEER		RES	Ray Priestley	918-630-6232	918-630-6232	817-390-8813	Division Ofc: WTD			
		DRLG	Gary Gerhard		432-238-2197	432-683-2277	6 Desta Dr, Suite 3700			
		PROD	Scott Doyle		817-773-4135	432-683-2277	Midland, Tx 79705			
COMMENTS										
The Division office is <input checked="" type="radio"/> authorized <input type="radio"/> not authorized (circle one) to stake and permit this well. (If authorized, a Stake and Permit memo will be attached.)										
Note: Land is hereby requested to issue a Title Clearance for this project. Neither AFE submittal nor location construction can be started until Title Clearance is obtained										
Recommended by: (GEO)		Brian Pregger								
Reservoir Engineer:		Ray Priestley			Approved by (signature)					
XC: M. Roper, F. McCreight, L. Muncy, S. Neuse, J. Smitherman, G. Hillis, C. Barekman, K. Adams (WTD), W. Dannels (WTD), R. Sutton, R. Priestley, B. Brigham, C. Addington, A. Athans, Well File					FINAL GEOLOGIC PROGNOSIS					

**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page**

RunDate/Time: 05/31/08 12:52 PM

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01 02-25-1920;041STAT0437;30USC226
Case Type 311111: O&G LSE NONCOMP PUB LAND
Commodity 459: OIL & GAS L
Case Disposition: AUTHORIZED

Total Acres
1,922.120

Serial Number
NMLC-- 0 069627A

Serial Number: NMLC-- 0 069627A

Name & Address				Int Rel	% Interest
CTV OG NM LLC	201 MAIN ST#2700	FORT WORTH TX 76102	LESSEE		25.00000000
KEYSTONE OG NM LLC	201 MAIN ST#2700	FORT WORTH TX 76102	LESSEE		18.75000000
LMBI LP	201 MAIN ST #2700	FORT WORTH TX 761023131	LESSEE		18.75000000
SRBI OG NM LLC	201 MAIN ST #2700	FORT WORTH TX 76102	LESSEE		18.75000000
THRU LINE OG NM LLC	201 MAIN ST #2700	FORT WORTH TX 76102	LESSEE		18.75000000

Serial Number: NMLC-- 0 069627A

Mer Twp Rng Sec	S Typ SNr Suff	Subdivision	District/Resource Area	County	Mgmt Agency
23 0240S 0300E 029	ALL	ENTIRE SECTION	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT
23 0240S 0300E 030	ALIQ	E2,E2W2;	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT
23 0240S 0300E 030	LOT:	1-4;	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT
23 0240S 0300E 031	ALIQ	E2,E2W2;	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT
23 0240S 0300E 031	LOT:	1-4;	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT

Serial Number: NMLC-- 0 069627A
Pending Office

Act Date	Code	Action	Action Remarks	Pending Office
05/31/1951	387	CASE ESTABLISHED		
06/01/1951	237	LEASE ISSUED		
06/01/1951	496	FUND CODE	05;145003	
06/01/1951	530	RLTY RATE - 12 1/2%		
06/01/1951	868	EFFECTIVE DATE		
07/16/1952	232	LEASE COMMITTED TO UNIT	NMNM71016X;POKER LAKE	
08/01/1952	553	CASE CREATED BY ASGN	OUT OF NMLC069627;	
06/28/1961	653	HELD BY LOC IN PROD UNIT	POKER LAKE UA	
03/05/1970	940	NAME CHANGE RECOGNIZED	RICHARDSON OIL/BASS	
07/20/1984	817	MERGER RECOGNIZED	BASS ENTPR/BASS BROS	
07/03/1985	940	NAME CHANGE RECOGNIZED	BASS BROS/BASS ENTPR	
08/07/1985	500	GEOGRAPHIC NAME	UNDEFINED FLD;	
08/07/1985	510	KMA CLASSIFIED		
06/23/1986	140	ASGN FILED	(1)BASS ENTPR/BASS	
06/23/1986	140	ASGN FILED	(2)BASS/BASS INC	
10/02/1986	139	ASGN APPROVED	(1)EFF 07/01/86;	
10/02/1986	139	ASGN APPROVED	(2)EFF 07/01/86;	
10/21/1986	963	CASE MICROFILMED	CNUM 108,908 GLC	
02/10/1988	974	AUTOMATED RECORD VERIF	JAM/CS	
12/20/1990	940	NAME CHANGE RECOGNIZED	RM BASS GRP/KEYSTONE	
06/02/1992	974	AUTOMATED RECORD VERIF	ST/MC	
05/04/1998	084	RENTAL RECEIVED BY MMS	\$961.50;21/0000000070	
05/03/1999	084	RENTAL RECEIVED BY MMS	\$961.50;21/0000000075	
05/01/2000	084	RENTAL RECEIVED BY MMS	\$961.50;21/79	
02/23/2001	940	NAME CHANGE RECOGNIZED	PERRY R BASS/CHISHOLM	
05/04/2001	084	RENTAL RECEIVED BY MMS	\$961.50;21/83	

NO WARRANTY IS MADE BY BLM
FOR USE OF THE DATA FOR
PURPOSES NOT INTENDED BY BLM

EXHIBIT 

**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page**

RunDate/Time: 05/31/08 12:52 PM

Page 2 of 2

01 02-25-1920;041STAT0437;30USC226
Case Type 311111: O&G LSE NONCOMP PUB LAND
Commodity 459: OIL & GAS L
Case Disposition: AUTHORIZED

Total Acres
1,922.120

Serial Number
NMLC-- 0 069627A

04/01/2005	651	HELD BY PROD - ALLOCATED	DELAWARE "C" PA
08/25/2005	650	HELD BY PROD - ACTUAL	POKER LAKE UNIT 232
12/02/2005	817	MERGER RECOGNIZED	KEYSTONE INC/GROUP
12/02/2005	940	NAME CHANGE RECOGNIZED	KEYSTONE GROUP/LP
12/06/2005	940	NAME CHANGE RECOGNIZED	SID R BASS INC/SRBI
12/08/2005	940	NAME CHANGE RECOGNIZED	THRU LINE INC/LP
12/14/2005	940	NAME CHANGE RECOGNIZED	LEE M BASS INC/LMBI
04/11/2006	140	ASGN FILED	CHISHOLM/CTV O&G N;1
04/11/2006	140	ASGN FILED	KEYSTONE/KEYSTONE;1
04/11/2006	140	ASGN FILED	LMBI/LMBI O&G NM;1
04/11/2006	140	ASGN FILED	SRBI/SRBI O&G NM;1
04/11/2006	140	ASGN FILED	THRU LINE/THRU LINE;1
05/10/2006	139	ASGN APPROVED	01 EFF 05/01/06;
05/10/2006	139	ASGN APPROVED	02 EFF 05/01/06;
05/10/2006	139	ASGN APPROVED	03 EFF 05/01/06;
05/10/2006	139	ASGN APPROVED	04 EFF 05/01/06;
05/10/2006	139	ASGN APPROVED	05 EFF 05/01/6;
05/10/2006	974	AUTOMATED RECORD VERIF	MV
12/26/2006	643	PRODUCTION DETERMINATION	DELAWARE "C" PA

Line Nr **Remarks**

Serial Number: NMLC-- 0 069627A

NO WARRANTY IS MADE BY BLM
 FOR USE OF THE DATA FOR
 PURPOSES NOT INTENDED BY BLM

Brooks, David K., EMNRD

From: Brooks, David K., EMNRD
Sent: Tuesday, July 15, 2008 2:49 PM
To: 'JamesBruc@aol.com'
Subject: BEPCO Poker Lake Unit #252H NSL application

Dear Jim

We received this application on June 3. I sent you an email on July 2 requesting footages for the point of penetration, and I am unable to find any response.

I will be out of the office until July 29. Please send your response to my July 2 email to Terry Warnell, and he will process this application.

Sincerely

David

7/15/2008

Brooks, David K., EMNRD

From: Brooks, David K., EMNRD
Sent: Wednesday, July 02, 2008 11:07 AM
To: 'JamesBruc@aol.com'
Subject: BEPCO Poker Lake Unit #252H, NSL application

Dear Jim

Since this is a horizontal well, we need footages for the estimated point of penetration of the Delaware formation.

Thanks

David

Warnell, Terry G, EMNRD

From: JamesBruc@aol.com
Sent: Friday, July 25, 2008 9:56 AM
To: Warnell, Terry G, EMNRD
Subject: BEPCO/PLU Well No. 252-H

Terry: The penetration point in the Delaware is the same as the surface location.

Jim

Get fantasy football with free live scoring. [Sign up for FanHouse Fantasy Football today.](#)

This inbound email has been scanned by the MessageLabs Email Security System.
