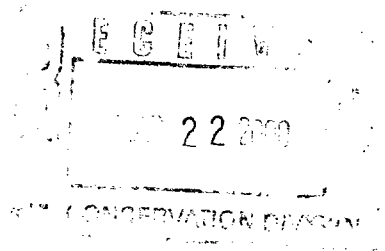


March 20, 2000

NMOCD Engineering
ATTN: David Catanach
2040 South Pacheco
Santa Fe, NM 87505



Dear Mr. Catanach:

As we discussed, my client, Becham Oil Company, would like to convert its Lea "20" well #1 in Section 20, Tws. 26, Rng. 36, Unit P, from an on lease SWD to a commercial disposal. The well has already been approved under SWD-210. Becham shall follow all applicable rules and regulations pertaining to this facility. Find within water chemistry for water which will be disposed at the facility.

If you need anything else or have any questions, please call. Thank you for your time in this matter.

Sincerely,

A handwritten signature in cursive script that reads "Eddie W. Seay".

Eddie W. Seay, Agent
601 W. Illinois
Hobbs, NM 88242
(505)392-2236

PRODUCED WATER

- #1 7 Rivers Chance Properties
 Tishman
 Sitting Bull
- #2 Queen Gruy Operating
 Legal
- #3 Devonian Citation Oil & Gas
 JMJP
 Pawnee Deep
- #4 Langlie Mattie Enron - EOG Resources



PHONE (915) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
EDDIE SEAY CONSULTING
ATTN: EDDIE SEAY
601 W. ILLINOIS
HOBBS, NM 88240
FAX TO:

Receiving Date: 03/08/00
Reporting Date: 03/14/00
Project Owner: MONTY BECHAM
Project Name: BECHAM SWD
Project Location: JAL, NM

Sampling Date: 03/08/00
Sample Type: PRODUCED WATER
Sample Condition: COOL 7 INTACT
Sample Received By: BC
Analyzed By: AH

LAB NUMBER SAMPLE ID	P-Alkalinity (mg/L)	T-Alkalinity (mg/L)	Hardness (mg/L)	Chloride (mg/L)	Sulfates (mg/L)	pH (s.u.)
ANALYSIS DATE	03/13/00	03/13/00	03/13/00	03/13/00	03/13/00	03/13/00
H4702-1 7 RIVERS	0	144	3650	8460	3080	7.41
H4702-2 QUEEN	0	820	1550	5640	529	7.20
H4702-3 DEVONIAN	0	1500	15400	20700	10800	7.55
H4702-4 LM	0	710	11500	38500	2340	6.93
Quality Control	NR	NR	53	958	50.5	6.99
True Value QC	NR	NR	50	1000	50.0	7.00
% Recovery	NR	NR	106	96	101	100
Relative Percent Difference	NR	NR	7.5	4.0	0.2	0.4

METHODS:	EPA 600/4-79-02	-	-	130.2	325.3	375.4	150.1
	Standard Method	2320 B	2320 B	-	-	-	-

LAB NUMBER SAMPLE ID	Hydroxides (mg/L)	Carbonates (mg/L)	Bicarbonates (mg/L)	Conductivity (u mhos/cm)	TDS (mg/L)
ANALYSIS DATE	03/13/00	03/13/00	03/13/00	03/13/00	03/13/00
H4702-1 7 RIVERS	0	0	177	14300	8200
H4702-2 QUEEN	0	0	1000	10300	5000
H4702-3 DEVONIAN	0	0	1830	48400	42800
H4702-4 LM	0	0	866	98000	75000
Quality Control	NR	NR	971	1392	NR
True Value QC	NR	NR	1000	1413	NR
% Recovery	NR	NR	97	99	NR
Relative Percent Difference	NR	NR	-	0.2	NR

METHODS:	EPA 600/4-79-02	-	-	120.1	160.1
	Standard Method	2320 B	2320 B	-	-


Gayle Potter, Chemist

03/14/2000
Date

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise.

ORDINAL LABORATORIES, INC.

2111 Beechwood, Abilene, TX 79603 101 East Marland, Hobbs, NM 88240
(915) 673-7001 Fax (915) 673-7020 (505) 393-2326 Fax (505) 393-2476

Page ___ of ___

Company Name: Eddie Dean Consulting Project Manager: Eddie Dean Address: 601 W Illinois City: Hobbs State: NM Zip: Phone #: 7 - 2736 Fax #:		BILL TO PO #: Company: Attn: Address: City: State: Zip: Phone #: Fax #:		ANALYSIS REQUEST	
Project #: Beahm SWD Project Owner: Monty Beahm Project Name: Project Location: Tail W-M		Gen Chem			
FOR LAB USE ONLY					
LAB I.D. K4702-1 -2 3 -4	Sample I.D. #1 7K #2 2mm #3 2mm #4 LM	# CONTAINERS (6) RAB OR (C) COMP ✓ ✓ ✓ ✓	MATRIX GROUNDWATER WASTEWATER SOIL OIL SLUDGE OTHER:	PRES. ACID: ICE / COOL OTHER:	SAMPLING DATE TIME 3/8 10:15 " 11:10 " 12:30 " 1:05
PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising whether based in contract or tort, shall be limited to the amount paid by the client for the analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within 30 days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise.					
Sampler Relinquished: Eddie Dean Relinquished By:		Received By: Date: 3/8 Time: 3:15 Date: 3/8 Time: 3:15		Phone Result: ☐ Yes ☐ No Fax Result: ☐ Yes ☐ No Additional Fax #:	
Delivered By: (Circle One) Sampler - UPS - Bus - Other:		REMARKS: Produced water Tail water			

+ Cardinal cannot accept verbal changes. Please fax written changes to 915-673-7020.

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

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PRODUCTION OFFICE		

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-104
Revised 10-01-78
Format 06-01-83
Page 1

REQUEST FOR ALLOWABLE
AND
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

I. Operator
BECKHAM OIL COMPANY

Address
P. O. Box 1203, Jal, New Mexico 88252

Reason(s) for filing (Check proper box)
☐ New Well
☐ Recompletion
☒ Change in Ownership
 Change in Transporter of:
☐ Oil
☐ Gashead Gas
☐ Dry Gas
☐ Condensate

Other (Please explain)
EFFECTIVE 6/1/88

If change of ownership give name and address of previous owner BTA OIL PRODUCERS 104 South Pecos, Midland, Texas 79701

II. DESCRIPTION OF WELL AND LEASE

Lease Name Lea "20", 7406 JV-S	Well No. 1-8	Pool Name, including Formation Comanche Stateline - Yates - SR - Qu	Kind of Lease State, Federal or Fee	Lease LG 11
Location Unit Letter -P- : 990 Feet From The South Line and 330 Feet From The East Line of Section 20 Township 26-S Range 36-E NMPM, Lea Co.				

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

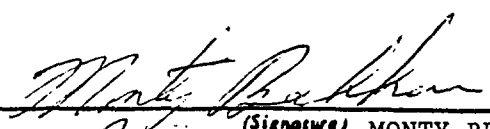
Name of Authorized Transporter of Oil ☐ or Condensate ☐ None - SWD	Address (Give address to which approved copy of this form is to be sent)
Name of Authorized Transporter of Gashead Gas ☐ or Dry Gas ☐	Address (Give address to which approved copy of this form is to be sent)
If well produces oil or liquids, give location of tanks.	Unit Sec. Twp. Rge. Is gas actually connected? When

If this production is commingled with that from any other lease or pool, give commingling order number:

NOTE: Complete Parts IV and V on reverse side if necessary.

VI. CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given is true and complete to the best of my knowledge and belief.


(Signature) MONTY BECKHAM
P.O. & U.W. 767
(Title)
6/3/88
(Date)

OIL CONSERVATION DIVISION

APPROVED JUN 29 1988, 19
BY ORIGINAL SIGNED BY JERRY SEXTON
DISTRICT I SUPERVISOR
TITLE

This form is to be filed in compliance with RULE 1104.
If this is a request for allowable for a newly drilled or deep well, this form must be accompanied by a tabulation of the dev tests taken on the well in accordance with RULE 111.
All sections of this form must be filled out completely for use on new and recompleted wells.
Fill out only Sections I, II, III, and VI for changes of a well name or number, or transporter, or other such change of conditions.
Separate Forms C-104 must be filed for each pool in multiple completed wells.

DISTRIBUTION	
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FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

NEW MEXICO OIL CONSERVATION COMMISSION WELL COMPLETION OR RECOMPLETION REPORT AND LOG

9a. Indicate Type of Lease	
State ☒	Fee ☐
5. State Oil & Gas Lease No.	
LG-1104	

1a. TYPE OF WELL	
OIL WELL ☐ GAS WELL ☐ DRY ☐ OTHER <u>SWD</u>	
b. TYPE OF COMPLETION	
NEW WELL ☒ WORK OVER ☐ DEEPEN ☐ PLUG BACK ☐ DIFF. RESVR. ☐ OTHER ☐	

7. Unit Agreement Name	
8. Farm or Lease Name	
Lea "20", 7406 JV-S	
9. Well No.	
1	
12. Field and Pool, or Wildcat	
Comanche Stateline	
Tansill Yates	

2. Name of Operator	
BTA OIL PRODUCERS	
3. Address of Operator	
104 South Pecos Midland, Texas 79701	

4. Location of Well	
UNIT LETTER <u>P</u> LOCATED <u>990</u> FEET FROM THE <u>South</u> LINE AND <u>330</u> FEET FROM THE <u>East</u> LINE OF SEC. <u>20</u> TWP. <u>26-S</u> RGE. <u>36-E</u>	

15. Date Spudded	16. Date T.D. Reached	17. Date Compl. (Ready to Prod.)	18. Elevations (DF, RKB, RT, GR, etc.)	19. Elev. Casinghead
5/21/78	8/10/78	8/22/78	2920' GL	2930'
20. Total Depth	21. Plug Back T.D.	22. If Multiple Compl., How Many	23. Intervals Drilled By Rotary Tools	Cable Tools
3420'	- -	- -	3420'	- -
24. Producing interval(s), of this completion - Top, Bottom, Name				25. Was Directional Survey Made
3323' - 3420' open hole SWD				No

26. Type Electric and Other Logs Run	27. Was Well Cored
GRN	No

28. CASING RECORD (Report all strings set in well)					
CASING SIZE	WEIGHT LB. FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8-5/8"	24#	1400'	12-1/4"	1000 SX	- -
5-1/2"	15.5#	3323'	7-7/8"	300 SX	- -

29. LINER RECORD					30. TUBING RECORD		
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2-7/8"	3029'	3029'

31. Perforation Record (Interval, size and number)		32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.	
3323' - 3420' open hole SWD		DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
		3323 - 3420'	500 gal. 15% HCL

33. PRODUCTION							
Date First Production		Production Method (Flowing, gas lift, pumping - Size and type pump)				Well Status (Prod. or Shut-in)	
9/1/78		Injection				-	
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 (Sold, used for fuel, vented, etc.)	Test Witnessed By

35. List of Attachments
C-103 & Deviation Survey

36. 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.	
SIGNED <u>BOB K. NEWLAND</u>	Regulatory Supervisor
DATE <u>2/6/79</u>	