

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1 Type of Well ☐ Oil Well ☒ Gas Well ☐ Other

AUG 19 2008

OCD-ARTESIA

2. Name of Operator
BEPCO, L.P.3a. Address
P.O. BOX 2760 MIDLAND TX 79702-27603b. Phone No. (include area code)
(432)683-22774 Location of Well (Footage, Sec., T, R, M, or Survey Description)
SEC 22, T21S, R29E, SWNE 1980 FNL, 1980 FEL

5. Lease Serial No.

NMNM0915

6. If Indian, Allottee or Tribe Name

7 If Unit or CA/Agreement, Name and/or No.

NMNM72587

8 Well Name and No

BIG EDDY #40

9 API Well No

30-015-21117

10. Field and Pool, or Exploratory Area
Undesignated Eddy (Strawn)11. County or Parish, State
EDDY
NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
☒ Notice of Intent	☐ Acidize ☐ Deepen ☐ Production (Start/Resume) ☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing ☐ Fracture Treat ☐ Reclamation ☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair ☐ New Construction ☐ Recomplete ☐ Other
	☐ Change Plans ☒ Plug and Abandon ☐ Temporarily Abandon
	☐ Convert to Injection ☐ Plug Back ☐ Water Disposal

- 13 Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

BEPCO, L. P. respectfully requests permission to Plug and Abandon the subject wellbore as follows:

MIRU Plugging Equipment and PU. Pull tbg & pkr set @ 11,337'. TIH w/ tubing to RBP @ 11,430' & circulate hole w/ 9.6 ppg mud. TOH.

1. TIH & set CIBP @ 11,350'. Spot 45 sxs. Class H neat cmt to 11,120'.
2. PUH to 10,200'. Spot 45 sxs Class H neat cmt to 9980'. POOH.
3. Cut 7-5/8" csg above TOC est. @ 8350' @ Freepoint. Circulate out w/ 9.5# ppg mud. Pull & revcover 7-5/8" csg.
4. TIH w/ tubing to 8400' or 50' below the 7-7/8" csg. cut. Spot 60 sxs Class H neat cmt to 8210' PUH, WOC & TAG
5. Spot 55 sxs Class H neat cmt @ 6730-6900'. * WOC & Tag
6. PUH to 3463'. Spot 95 sxs Class C neat cmt to 3235' PUH, WOC & TAG. * Add base of Salt plug 2460-2540. WOC & Tag
7. Spot 65 sxs Class C neat Cmt @ 320-482'. PUH, WOC & TAG. Add Top of Salt plug 715-615, WOC & Tag
8. Spot 25 sxs Class C neat cmt @ 0-50'.

Set P & A marker and remediate location.

BEPCO will use steel tanks and haul fluids each day.

ACCEPTED FOR RECORD

- 14 I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

ANN MOORE

Signature

Ann Moore

Gerry Guye, Deputy Field Inspector
NMOC-District II Artesia

AUG 19 2008

Title PRODUCTION CLERK

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon

Title

Office

APPROVED

AUG 17 2008

JAMES A. AMOS
SUPERVISOR-EPS

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

(Instructions on page 2)

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

PA WELLBORE DIAGRAM

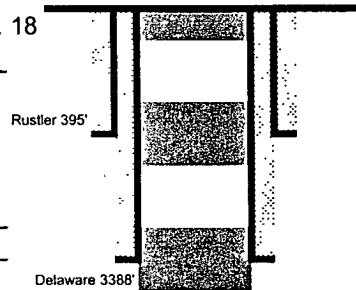
Lease: Big Eddy **Well No.:** 40
Field: Eddy (Strawn)
Location: 1980 FNL, 1980 FEL, Sec 22, T21S, R29E
County: Eddy **St:** NM **API:** 30-015-21117

KB: 3458.00
 GL: 3440.00
 Spud Date: 3/22/1974
 Compl. Date: 5/16/1976

Surface Csg.

Size: 16
 Wt: 65
 Grd: H40
 Set @: 407
 Sxs cmt: 475
 Circ: Y
 TOC: Surf
 Hole Size: 20

KB 0
GL 18



Surface Plug 0' - 50', 25 sx Cls C

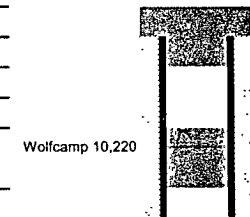
407 16 Csg
16" Csg Shoe & Rustler Plug 320' - 482', 65 sxs Cls C, Tag

10 3/4" Csg Shoe & Del Plug 3235' - 3463', 95 sxs Cls C, Tag
3310 10 3/4 Csg

1st Intermediate Csg.

Size: 10 3/4
 Wt: 45.4
 Grd: K55
 Set @: 3310
 Sxs Cmt: 2710
 Circ: Y
 TOC: Surf
 Hole Size: 13 3/4

Bone Springs 6935



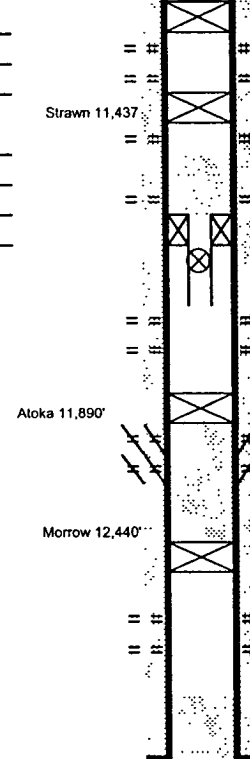
Bonesprings Plug 6730' - 6900', 55 sxs Cls H

Cut csg plug 8210' - 8400', 60 sx Class H, Tag
8350 TOC est

Wolfcamp Plug 9,980' - 10,200' 45 sx Cls H

Production Csg.

Size: 7 5/8
 Wt: 26.4/29.7/33.7
 Grd: JL95/N80
 Set @: 13300
 Sxs Cmt: 510
 Circ: N
 TOC: 8350 est
 Hole Size: 8 3/4



11350 CIBP w/ 45 sx Cls H cmt cap
 11403 Strawn Top Perf
 11411 Bot Perf
 11430 Howco Plug
 11457 Strawn Top Perf
 11540 Cmt Cap 22 sxs Cls H
 11601 Bot Perf
 11615 Otis WB Pkr Plug in N Nipple

11646 Strawn Top Perf
 11762 11 holes Bot Perf

11860 Cmt Ret
 11894 Atoka Top Perf Sqzd w/ 28 sxs cmt
 12047 Bot Perf Sqzd w/ 28 sxs cmt

12627 40 sxs cmt cap
 Cmt Ret

13047 Morrow Top Perf
 13185 11 holes Bot Perf

13221 PBTD
 13300 7 5/8 Csg
 13300 TD

Tubing

not reported

PBTD: 11430
 TD: 13300

Updated: 7/14/2008
 Author: CRS
 Engr: SFJ

CURRENT WELLBORE DIAGRAM

Lease: Big Eddy **Well No.:** 40
Field: Eddy (Strawn)
Location: 1980 FNL, 1980 FEL, Sec 22, T21S, R29E
County: Eddy **St:** NM **API:** 30-015-21117

KB: 3458.00
 GL: 3440.00
 Spud Date: 3/22/1974
 Compl. Date: 5/16/1976

Surface Csg.

Size: 16
 Wt: 65
 Grd: H40
 Set @: 407
 Sxs cmt: 475
 Circ: Y
 TOC: Surf
 Hole Size: 20

1st Intermediate Csg.

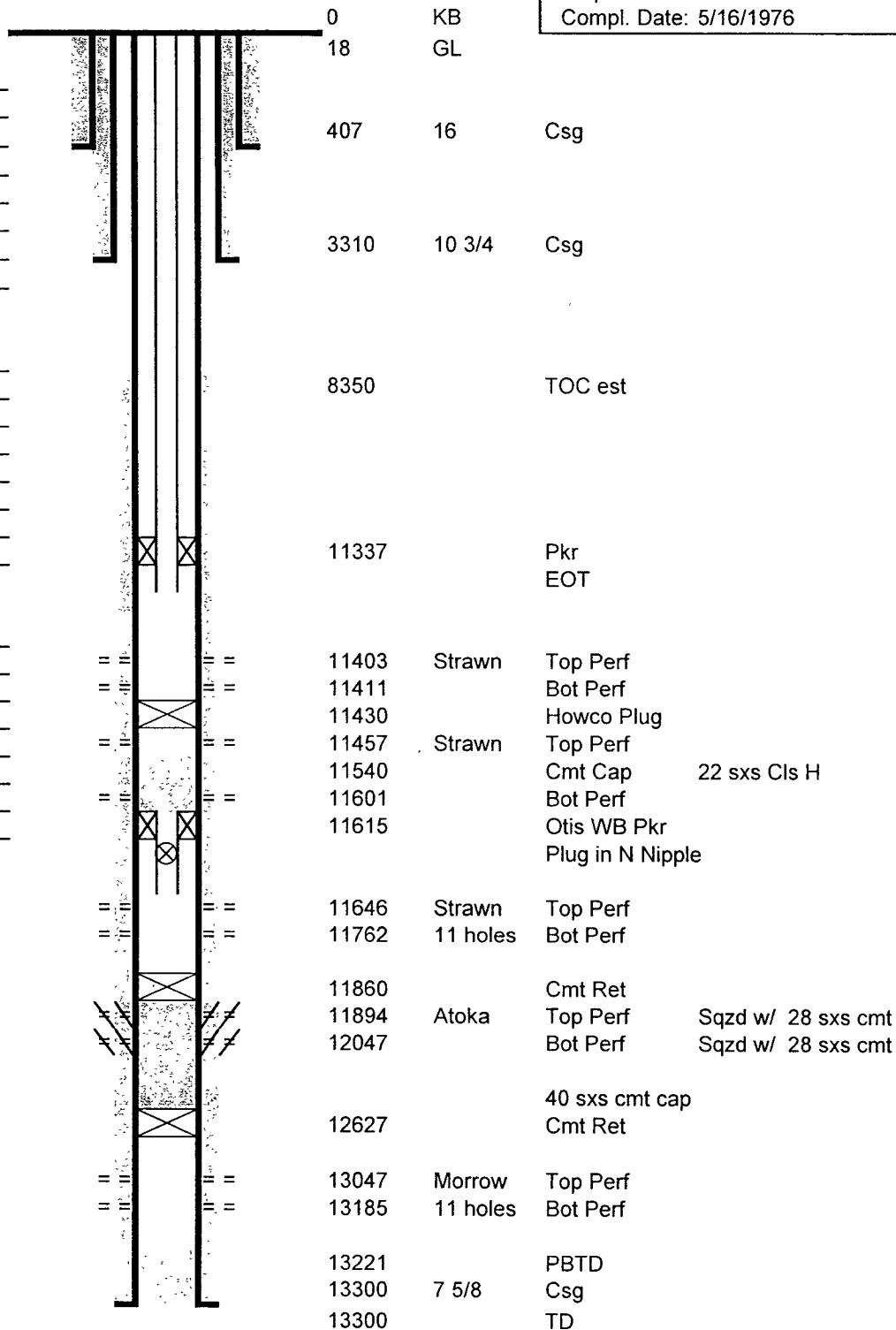
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Size: 7 5/8
 Wt: 26.4/29.7/33.7
 Grd: JL95/N80
 Set @: 13300
 Sxs Cmt: 510
 Circ: N
 TOC: 8350 est
 Hole Size: 8 3/4

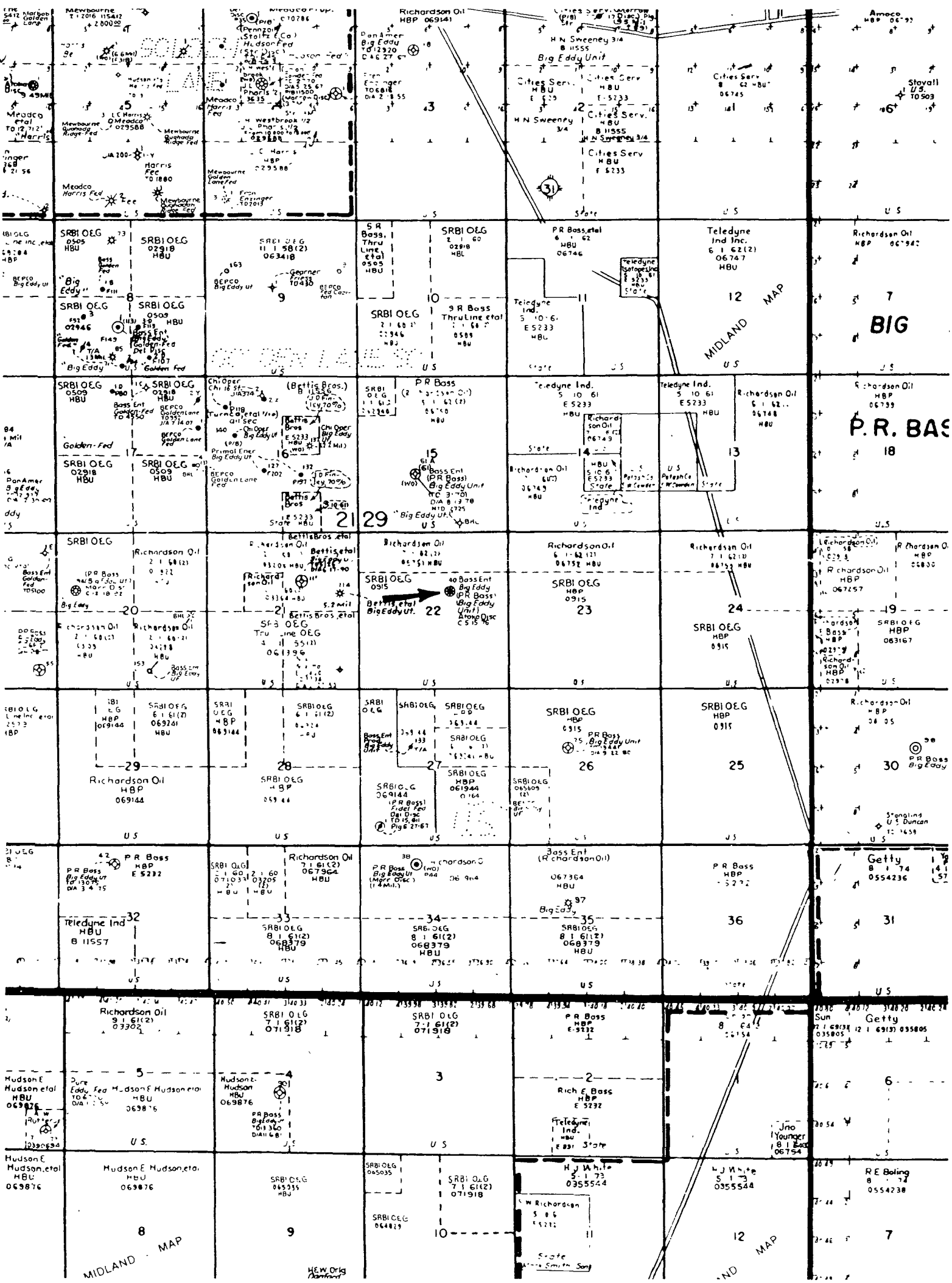
Tubing

not reported



PBTD: 11430
 TD: 13300

Updated: 4/7/2005
 Author: ELE
 Engr: CC



WELL HISTORY

WELL NAME: BIG EDDY UNIT # 40

API: 30-015-21117

FIELD NAME: Eddy (Strawn)
Quahada Ridge (Atoka)

LOCATION: 1980 FNL, 1980 FEL, Sec 22, T21S, R29E
Eddy County, NM

TD: 13300

3458' KB

PBTD: 11430, Orig=13221

3440' GL

SPUD DATE: 03/22/1974

COMP DATE: 05/16/1976

CASING:	Size	Wt	Grd	Set Depth	Sxs	Class	TOC	Hole	Hole Depth
	16	65	H-40	407	475	C	Surf	20	407
	10 3/4	unk	K-55	3310	2410 300	Light C	Surf	13 3/4	3310
	7 5/8	33.7 26.4 29.7	N-80 JL-95	13300	510	H	8350 est	8 3/4	13300
LINER:									
OPEN HOLE:									
TUBING:	Tbg detail not reported								

DST: 04/03/1974 - #1 – Delaware: 3307-3455
04/30/1974 - #2 – Wolfcamp: 10995-11288
05/07/1974 - #3 – Strawn: 11428-11781
05/22/1974 - #4 – Morrow: 12614-12930
05/31/1974 - #5 – Morrow: 12884-13314(log TD)
06/02/1974 - #6 – Atoka: 11844-11944

CORES & LOGS:

DATE	LOG	COMPANY	TOP	BOTTOM

FORMATION TOPS:

Rustler	395
Lamar	665
Delaware	3388
Bone Springs	6935
Wolfcamp	10220
Strawn	11437
Atoka	11890
Morrow	12440

BEU # 40
Well History

PRESSURE SURVEY:

04/03/1976: Press bomb.

DRILLING:

Cmt 16" csg w/ 475 sxs Cls "C". CIRC.
Cmt 10 3/4" csg w/ 2410 sxs Light. Tailed w/ 300sxs Cls "C". CIRC.
Cmt 7 5/8" csg w/ 510 sxs Cls "H". TOC not reported. (Calc toc = 8350)

INITIAL COMPLETION:

06/27/1974 **PERF: Morrow:** 1JSPF: 13047, 13052.5, 13075.5, 13090.5, 13095.5, 13129, 13136, 13140, 13159, 13173.5, 13185. Set Pkr @ 12660.

07/15/1974 Acidize **Morrow** w/ 6000 gals 7.5% morrow acid, w. 1500scf CO2 per bbl. Min psi = 2600 @ 3 BPM. Max psi 7200 @ 8.5 BPM + balls.

12/06/1974 Mill over pkr @ 12660 and recover all.

12/12/1974 Acidize **Morrow** w/ 9000 gals Morrow-Flo acid w/ 20 tons CO2 + balls. Made 2 passes w/ temp log indicating major fluid entry @ 13172.5 to 13185.

12/21/1974 **FRAC Morrow:** w/ 5334 gals pre-pad, 336 gals Kleer-Gel, all w/additives and 30% CO2; before pump freeze.

12/22/1974 Continue frac w/ 17766 gals Fluid + CO2. Immediate shut down: 4000psi, 5 min shut down: 3750psi. SITP: 2900psi. Well SI.

01/09/1975 **FRAC Morrow:** w/ 51000gals Pre-Pad; 45063gals Kleer-Gel; 28314 gals CO2; 112,800# 20/40 sand; 37600# 20/40 UCAR. Avg inj rate: 12BPM. Avg press 11200psi.

01/23/1975 Clean out sand fill.

05/28/1975 SI – TA.

03/20/1976 Set Cmt Retainer @ 12627, Spotted 40 sxs Cls "C" cmt on top of retainer.

03/21/1976 **PERF Atoka:** 11894-11908, 12030-12036, 12044-12049 w/ 2 JSPF & 1 shot @ 12047.

03/25/1976 **Acidize Atoka:** w/ 5000gals 7.5% MS acid w/ 1000scf per bbls N2. ISIP: 5800psi.

04/03/1976 RIH w/ Press bomb.

04/08/1976 POH w/ Press bomb.

05/02/1976 **Acidize Atoka:** in three stages with each stage consisting of 3000gals pad and 3000gals 20% HCL and 2000gals overflush. Dropped total of 40 ball sealers. Max Treating press: 8100psi; Avg Treating press: 7300psi; Avg Treating Rate: 6.2BPM; ISIP=5900psi; 5min=5500psi.

06/02/1976 Starting well producing. 2.3BC 22BWPD, 395 MCFPD, TP 1150, CK 5/64.

BEU # 40
Well History

06/25/1976 Opened up & Put on Line. 700MCFpd, SITP 4250, SICP 1800, 5/32" ck.

WORKOVERS:

05/24/1978 Set cmt Retainer @ 11860. Sqz Atoka (11894-12049) w/ 28 sxs Cls "H".

05/26/1978 **PERF Strawn:** 11646, 11664, 11682, 11698, 11701, 11712, 11715, 11718, 11751, 11758, 11762 (11 shots).

06/09/1978 **PERF Strawn:** reperf: 11646, 11664, 11682, 11698, 11701, 11712, 11715, 11718, 11751, 11758, 11762. SI.

06/11/1978 RIH w. Otis WB Perma-Drill pkr, set @ 11615.
Acidize Strawn: w/ 3300 gals 15 % HCL & total 30 balls. Avg Treat Press: 7600psi @ 4.8 BPM. Max Treat Press: 8500 @ 5.5 BPM. ISDP 5000. 10min: 4600. 15min: 4450.

06/14/1978 Ran Blanking Plug, set in N Nipple below pkr.

06/15/1978 **Perf Strawn:** 11403, 11407, 11411, 11457, 11463, 11469, 11480, 11486, 11494, 11497, 11513, 11564, 11567, 11573, 11576, 11579, 11585, 11589, 11593, 11601 (20 shots).

06/16/1978 Set Otis perma-drill WB pkr @ 11375.
Acidize Strawn: w/ 6000gals 15% reg acid + 40 balls. Min treat press: 3600psi; max treat press: 8400psi; avg treat press: 6500psi @ 4.5 BPM. ISIP 500psi; 5min vacuum.

06/21/1978 Run Temperature and noise logs.
Logs suggest water entry is from bottom zone @ 11564-11601 and possibly from below. If showed gas entry from top zone @ 11403-14111 and possibly some gas from middle zone @ 11457-11497.

07/13/1978 Spotted as per procedure **22 sxs Cls "H" cmt** w/ 15 lb/sx #3 sand 16.4 ppg w/ HR-7 retarder. All on vacuum. Tagged cement 75' fill @ 11540'.

08/12/1978 Mill over & retrieve Pkr @ 11375.

08/15/1978 RIH w/ **Howco Ret plug**. RTTS pkr & SN on tbg. Set plug @ 11536 & pkr @ 11530. Reset Plug @ 11430 & Pkr @ 11337.

09/07/1978 Well on sales line 09/06/1978.

10/01/1978 Well SI.

06/17/1998 MIT. OK.

06/18/2002 MIT. OK.

**BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972**

**Permanent Abandonment of Federal Wells
Conditions of Approval**

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. Plugging operations shall commence within ninety (90) days from the approval date of this Notice of Intent to Abandon.

If you are unable to plug the well by the 90th day provide this office, prior to the 90th day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged. Failure to do so will result in enforcement action.

2. **Notification:** Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, call 575-627-0272; Eddy County, call 575-361-2822; Lea County, call 575-393-3612.

3. **Blowout Preventers:** A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.

4. **Mud Requirement:** Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of water. Minimum nine (9) pounds per gallon.

5. **Cement Requirement:** Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and are not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. In lieu of a cement plug in a cased hole, a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient.

Unless otherwise specified in the approved procedure, the cement plug shall consist of either Neat Class "C", for up to 7,500 feet of depth or Neat Class "H", for deeper than 7,500 feet plugs.

6. **Dry Hole Marker:** All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). The well bore shall then be capped with a 4-inch pipe, 10-feet in length, 4 feet above ground and embedded in cement. The following information shall be permanently inscribed on the dry hole marker: well name and number, name of the operator, lease serial number, surveyed location (quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer such as metes and bounds).

7. **Subsequent Plugging Reporting:** Within 30 days after plugging work is completed, file one original and five copies of the Subsequent Report of Abandonment, Form 3160-5 to BLM. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. **Show date well was plugged.**

8. **Trash:** All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.

Following the submission and approval of the Subsequent Report of Abandonment, surface restoration conditions of approval will be developed and furnished to you.