

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

NOV 12 2008

2. Name of Operator
BEPCO, L.P.

OCD-ARTESIA

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 26, T21S, R28E, UL B. 1980 FEL, 1660' FNL

5. Lease Serial No.

NM-069219

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

BIG EDDY #70

9. API Well No.

30-015-23473

10. Field and Pool, or Exploratory Area
INDIAN FLATS (ATOKA)

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 | | | |
|--|---|--|--|--|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input type="checkbox"/> Other Amend P&A |
| | <input type="checkbox"/> Change Plans | <input checked="" type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | procedure to |
| | <input type="checkbox"/> Convert to Injection | <input checked="" type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | include tests |

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 recompleat 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 recompleat 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 amend the existing P&A procedure for this wellbore previously extended on August 08, 2008; BEPCO, L. P. desires to test the Strawn and Ramsey formations as we come uphole with our plugging procedure. If either formation proves to be commercially productive, BEPCO will complete and put on production. If no production proves to be economical, BEPCO will procede to plug the wellbore.

Please see the attached amended Plugging/Testing procedure.

ACCEPTED FOR RECORD

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

NOV 13 2008

Gerry Guye, Deputy Field Inspector
NMOCD-District II ARTESIA

APPROVED


NOV 9 2008

JAMES A. AMOS
SUPERVISOR-EPS14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

ANN MOORE

Title PRODUCTION CLERK

Signature



Date 11/05/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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.

Office

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)

**PROCEDURE TO TEST STRAWN, RAMSEY AND P&A
BIG EDDY No. 70
INDIAN FLATS (ATOKA) FIELD
EDDY COUNTY, NEW MEXICO**

October 31, 2008

Current Status: Well is currently SI awaiting this operation.

Objective: Plug back and test the Strawn and Ramsey formations. If a successful test is acquired on either zone, the well will be placed on production. If unsuccessful, continue to P&A well.

Procedure: Notify NMOCD and BLM of commencement of operations to return well to production.

1. MIRU PU. TIH w/ tubing to sand on RBP @ 11,877' and circ hole w/ 2% KCL
2. Spot 20 bbl 9.5 ppg mud to 11,020' and 40 sx Class H cmt to 11,545'. PUH to 11,400'.
3. Spot 40 sx Class H cmt to 11,100'. PUH to 11,050'.
4. Circulate well clean with 2% KCl and TOOH. Test casing to 3000 psi. RU wireline and perforate Strawn @ 11,008 – 11,020' with 6 spf, 60 deg phase. PU Hornet packer with 6' pup and WLEG and pumpout sub pinned for 2000 psi differential (*). Set packer at +/- 10,950'. RIH with tubing. Test annulus to 1000 psi. NU tree and test to 4000 psi. Pump out plug.

(*) – Psi in Strawn, based on DST, is approx 10+ ppg equivalent. With sub pinned for 2000 psi differential, will require 3000 psi pump pressure to pump out plug.
5. RU acid truck and acidize w/ 3000 gal 15% HCl w/ additives at 5 BPM and 4000 psi max rate and pressure.
6. Swab back load to evaluate Strawn. If successful, then proceed to put well on production. If test is unsuccessful, continue to next step after obtaining approval from Midland office..
7. Load and kill well with BW.
 - a. If loading with brine does kill well, then release and POOH with packer. TIH with tubing and spot 9.5 ppg mud up to 6300'. Proceed to step 8.
 - b. If unable to kill well with brine water, then set CIBP in 6' pup, cut tubing and spot 40 sx H on top of packer. PUH to 10,600' and spot 9.5 ppg up to 6300'. Proceed to step 8.
8. PU to 9700' and spot 40 sx Class H cement plug from 9700'-9500'. POOH.

9. Rig up wireline. Perf @ 6300'. TIH with squeeze packer and spot & squeeze 75 sx class 'C' cmt to 6140'. WOC & TAG.
10. Perf @ 3810'. TIH with cmt retainer and set same at 3700. Attempt to circulate through perms and out 8-5/8 x 5-1/2 annulus. If circulation is successful, continue to circulate a minimum of 2 hole volumes then follow with cement. Displace cement to retainer and sting out. Check for back flow to make sure retainer is holding. If the well did not circulate, squeeze with 200 sx class 'C' cmt. If well squeezes off early, sting out of retainer and reverse out. WOC. Run CBL to verify TOC. Perf and squeeze above if necessary. Test casing to 3000 psi.
11. Perf Ramsey @ 3612' – 3625' with casing gun at 6 SPF, 60 deg phase.
12. PU & RIH w/ tbg to 3650'. RU acid truck and acidize w/ 2000 gal 7.5% HCl w/ additives at max rate and pressure of 5 BPM and 2000 psi on tubing and on casing.
13. Swab back load to evaluate Ramsey. If successful, proceed to put well on production. If unsuccessful, continue to next step.
14. RD PU. MIRU Mayo Marrs plugging equipment.
15. Kill well. POOH with tubing.
16. Set CIBP on W/L @ 3500', dump bail 35' class 'C' cmt on CIBP.
17. (Based on TOC from Step 10, casing recovery may not be possible – notify NMOCD and BLM if plans need to change) Freepoint and cut 5-1/2" @ 2650'. Circulate out w/ 9.5 ppg mud. Pull and recover 5-1/2" casing. TIH w/ tubing.
18. Spot 90 sx Class C cmt 2365' – 2700'. WOC and TAG. PUH to 600'.
19. Spot 90 sx Class C cmt 300' – 600'. WOC and TAG. PUH to 60'.
20. Spot 30 sx Class C cmt 0' – 60'.
21. Set P&A marker and remediate location. Use steel tank and haul all fluids.

SSM

RSP

**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.