

Submit 3 Copies To Appropriate District Office
District I
1625 S. Hobbs, NM 88240
District II
1301 S. Artesia, NM 88210
District III
1000 S. Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

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

WELL API NO.	30-015-22941
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>	
6. State Oil & Gas Lease No. L-4397-3	
7. Lease Name or Unit Agreement Name Merchant State	
8. Well Number	1
9. OGRID Number	001801
10. Pool name or Wildcat Palmillo (Bone Springs)	

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

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

2. Name of Operator
BEPKO, L.P.

3. Address of Operator P.O. BOX 2760
MIDLAND, TX 79702-2760

4. Well Location
Unit Letter H : 1980' feet from the North line and 660' feet from the East line
Section 1 Township 19S Range 28E NMPM County Eddy

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3384.4' GL; 3403' KB

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☒ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

BEPKO, L.P. respectfully requests Temporary Abandonment status for one year, while this wellbore is evaluated for further potential as a producer or service well. As always, BEPKO will strive to be a prudent operator by performing annual MIT tests to assure the mechanical integrity of the wellbore. A current MIT chart is attached for your perusal.

DENIED
TA tests must be a minimum of 500 psi
for 30 minutes.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Ann Moore TITLE PRODUCTION CLERK DATE 03/12/2007

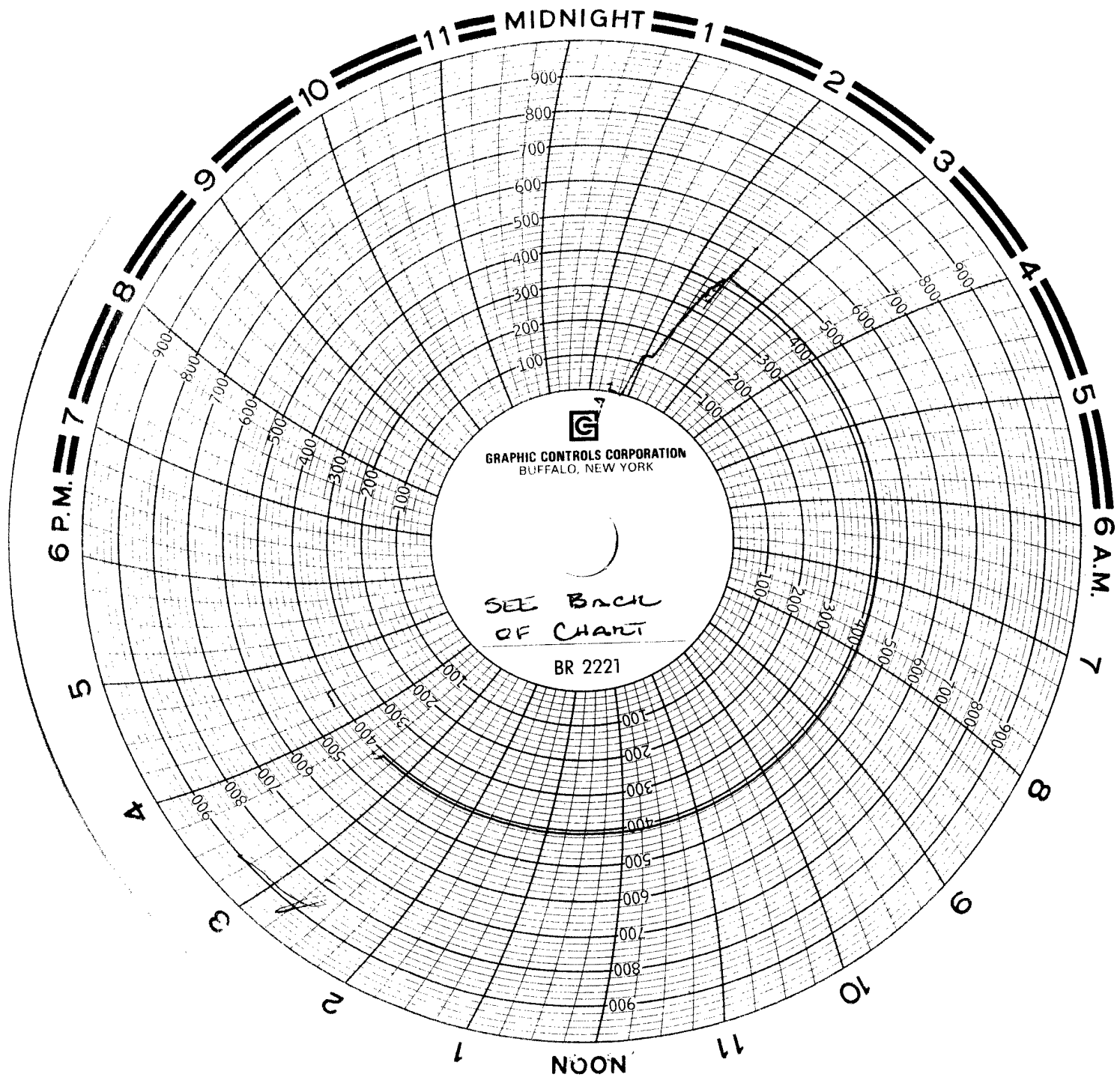
Type or print name Ann Moore
For State Use Only

E-mail address: camoore@basspet.com

Telephone No. (432)683-2277

APPROVED BY: _____ TITLE _____ DATE _____

Conditions of Approval (if any): _____



Month - Year
MAR 14 2007
OCD - ARTESIA, NM

Chart Meter set on 68 min
Steve Carfax told, track PSIC well

Merchant State #1
1/2 to load
Pressure to 110