

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

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

SUNDRIEDICES 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.

5. Lease Serial No.

NM028848 A

6. If Indian, Allottee or Tribe Name

OCD-ARTESIA, NM

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well



Oil Well



Gas Well



Other

2. Name of Operator

BEPCO, L.P.

3a. Address

P.O. BOX 2760 MIDLAND TX 79702-2760

3b. Phone No. (include area code)

(432)683-2277

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1200' FSL, 2080' FEL, SEC 1, T23S, R30E, UL O

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

NMNM1788

8. Well Name and No.

JAMES RANCH UNIT #62

9. API Well No.

30-015-35340

10. Field and Pool, or Exploratory Area

QUAHADA RIDGE, S.E. (DELAWARE)

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 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 checked="" 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 checked="" type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Remedial Cmt
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	5-1/2" casing
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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 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.)

On 5-1-07, a CIBP was set @ 4610' and the 5-1/2" production casing was perforated at 4400-4402' w/ 4 jsfp. TOC had been previously established by CBL @ 4584'. A cement retainer was set at 4334'. On 5-2-07, a lead slurry of 405 sxs of class C + 10% bentonite + 3% NaCl @ 11.8 ppg and 2.38 cf/sx was pumped followed by a tail slurry of 50 sx class C + 10% bentonite mixed @ 14.8 ppg w/1.32 cf/sx yield. Cement did not circulate to surface.

Attempted to contact Jim Amos with BLM in Carlsbad to inform him of the situation. Left messages with NMOCD in Artesia office and with Mike Belcher with NMOCD in Artesia. Made several attempts to contact NMOCD and got only answering machines.

On the morning of 5-3-07, Fred Wright with the BLM instructed that an additional temperature survey and Cement Bond Log should be performed to establish a true top of cement before the procedure continues.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

ANN MOORE

Title PRODUCTION CLERK

Signature

Date 05/04/2007

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

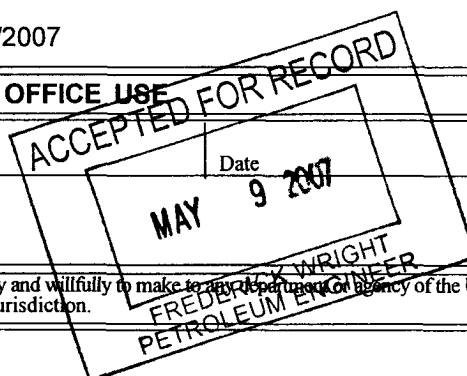
Office

Date

MAY 9 2007

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)



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OCD-ARTESIA

FORM APPROVED
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SUDDRY NOTICES AND REPORTS ON WELLS

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SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other2. Name of Operator
BEPCO, L.P.3a. Address 3b. Phone No. (include area code)
P.O. BOX 2760 MIDLAND TX 79702-2760 (432)683-22774. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1200' FSL, 2080' FEL, SEC 1, T23S, R30E, UL O

5. Lease Serial No.

NM02884B A

6. If Indian, Allottee or Tribe Name

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

NMNM1786

70965F

8. Well Name and No.

JAMES RANCH UNIT #62

9. API Well No.

30-015-35340

10. Field and Pool, or Exploratory Area

QUAHADA RIDGE, S.E. (DELAWARE)

11. County or Parish, State

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<input type="checkbox"/> Final Abandonment Notice	<input checked="" type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
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BEPCO, L.P. respectfully requests written approval to wait until the completion of this wellbore has been accomplished to perf and circulate cement to surface on the 5-1/2" casing. Cement did not circulate behind the 5-1/2" production casing during the primary cement job on February 4, 2007. On February 5th, in a conversation with BEPCO's Gary Gerhard, Mr. Fred Wright with the BLM, granted verbal permission to let the remedial cement job wait until after completion.

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

ANN MOORE

Title PRODUCTION CLERK

Signature

Date 05/03/2007

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Approved by

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Title

Office

Date

APPROVED

MAY 9 2007

FREDERICK WRIGHT
PETROLEUM ENGINEER

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(Instructions on page 2)