

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM 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

MAR 14 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)
1650' FNL & 990' FEL
SEC 30, T21S, R28E

5 Lease Serial No

NMLC-059365

6 If Indian, Allottee or Tribe Name

7 If Unit or CA/Agreement, Name and/or No
NMNM-68294X

8 Well Name and No

BIG EDDY UNIT #151

9. API Well No

30-015-33157

10 Field and Pool, or Exploratory Area

Carlsbad, East (Strawn & Morrow)

11. County or Parish, State

Eddy County, N.M.

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 type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Commingled</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>Strawn & Morrow</u>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	<u>Formations</u>

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 wishes to report the wellwork to commingle production between the Carlsbad, East (Strawn) and the Carlsbad, East (Morrow) in this wellbore as follows:

02/29/08: RU Bobcat Pressure control coil tubing & nitrogen. PU RBI motor 1/78" Opti-cut mill on coil tubing. RIH w/ coiled tubing and tagged CIBP @ 11639'. Began drilling on CIBP & drilled for 5.5 hours to have plug fall free. Tagged second CIBP @ 11645' and drilled for 1 hour to have second plug fall free. Tagged PBTD @ 11860'.

03/01/08: Well put on production commingled from Strawn perms @ 10607-617' (116 holes total) & 10714-10742' and middle Morrow perms @ 11705-11802' (38 holes total) in accordance with Administrative DHC 3940 granted 8-26-07.

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

ANN MOORE

Title PRODUCTION CLERK

Signature

Date 03/11/2008

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

Accepted for record
NMOCD

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)

Can



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

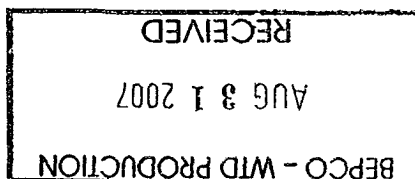
Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division



Administrative Order DHC-3940

Application Reference Number: pTDS0723546384

BEPCO, LP
PO BOX 2760,
MIDLAND, TX 79702

Attention: Ann Moore, Production Clerk

BIG EDDY UNIT Well No. 151

API No: 30-015-33157

Unit H, Section 30, Township 21 South, Range 28 East, NMPM

Eddy County, New Mexico

Pool: CARLSBAD;MORROW, EAST (GAS) Gas 73920

Names: Undesignated CARLSBAD;STRAWN, EAST (GAS) Gas 74080

Reference is made to your recent application for an exception to Rule 303.A. of the Division Rules and Regulations to permit the above-described well to commingle production from the subject pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303.C., and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion or otherwise required separation of the zones is hereby placed in abeyance.

In accordance with Division 303C.(1)(f), the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

Assignment of allowable to the well and allocation of production from the well shall be as follows.

CARLSBAD;MORROW, EAST (GAS) Pool	Pct Gas: 95	Pct Oil: 95
Undesignated CARLSBAD;STRAWN, EAST (GAS) Pool	Pct Gas: 5	Pct Oil: 5

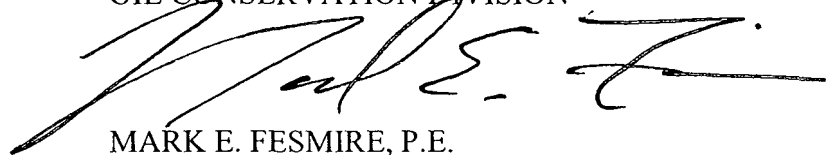
These percentages shall be amended only with written permission of the Division.

REMARKS: The operator shall notify the Artesia District Office of the Division upon implementation of commingling operations.

Pursuant to Rule 303C(2), the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

Order approved at Santa Fe, New Mexico on 8/26/2007.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

A handwritten signature in black ink, appearing to read 'Mark E. Fesmire', is written over the printed name and title.

MARK E. FESMIRE, P.E.
Director

cc: Oil Conservation Division – Artesia
Bureau of Land Management - Carlsbad