

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

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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 <input type="checkbox"/> Oil Well <input type="checkbox"/> <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5 Lease Serial No NMLC 069159A
2 Name of Operator BEPCO, L. P.		6 If Indian, Allottee or Tribe Name
3a Address P. O. Box 2760 Midland, TX 79702	3b 432-683-2277	7 If Unit or CA/Agreement, Name and/or No NMMN 68294X
4 Location of Well (Footage, Sec, T, R, M, or Survey Description) NWSW, 1760 FSL, 820 FWL, Lat N32.361389 deg, Long W104.047306 Lot 12, Sec 25, T22S, R28E		8 Well Name and No Big Eddy Unit #171
		9 API Well No 30-015-35591
		10 Field and Pool, or Exploratory Area Dublin Ranch (Morrow)
		11 County or Parish, State Eddy County, NM

JUL 29 2008

OCD-ARTESIA

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>Drilling Operations</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<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 recomplate 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.)

Spudded well on 05/07/2008. Drilled 17-1/2" hole to 440'. Ran 9 jts 13-3/8", 48#, H-40, STC, and 2 jts 13-3/8", 54.5#, J-55, STC set at 440'. Cemented with 205 sx Class C + 2% CaCl2 + 0.25 pps Cello Flake (wt 12.8, yld 1.83) followed by 200 sx Class C + 2% CaCl2 (wt 14.8, yld 1.34). Dropped plug and displaced with 63 bbls FW. Circ 85 sx to surface. WOC 17.5 hrs. Test csg to 1000 psi for 30 mins, held ok. Drilled 12-1/4" hole to 2766'. Ran 69 jts 9-5/8", 36#, J-55 STC and set at 2766'. Cemented with 620 sx 50:50 Poz Premium Plus + 5% NaCl + 0.125 pps Cello Flake + 0.1 gps FP-61 + 10% Bentonite + 2% FL-52A (wt 11.8, yld 2.45) followed by 275 sx Premium Plus C + 0.1 gps FP-6L (wt 14.8, yld 1.33). Displaced with 206 bbls FW. Circ 87 sx to surface. WOC 18.5 hrs. Test csg to 1900 psi for 30 mins, held ok. Drilled 8-3/4" hole to 12,700'. Ran 253 jts 5-1/2", 17#, HCP-110, LTC csg and 63 jts 5-1/2", 20#, P-110, LTC csg and set at 12,700'. Cemented in two stages: Pumped 1st Stage with 650 sx Premium Interfill + 1 pps PhenoSeal + 0.3% HR-7 (wt 11.9, yld 2.49) followed by 690 sx Super H + 5 pps Gilsonite + 1 pps Salt + 0.5% Halad-344 + 0.4% CFR-3 + 0.3% HR-601 (wt 13.2, yld 1.62) tail. Displaced with 130 bbls FW and 62.5 bbls mud with full returns. DV tool at 7450'. Pumped 2nd Stage with 1250 sx Premium Interfill + 1 pps PhenoSeal (wt 11.9, yld 2.46) lead followed by 375 sx Super H + 5 pps Gilsonite + 1 pps Salt + 0.5% Halad-344 + 0.4% CFR3 + 0.1% HR-601 (wt 13.2, yld 1.62) tail. Displaced with 160 bbls FW and 12.7 bbls mud with full returns, bumped plug and closed DV tool with 3100 psi and floats held. Circ 51 sx to surface. Rig released on 07/10/08.

COA states 24 hr WOC in Potash.

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

Annette Childers

Title Administrative Assistant

Signature

Annette Childers

Date

7-16-08

ACCEPTED FOR RECORD

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 JUL 25 2008

WESLEY W. INGRAM

PETROLEUM ENGINEER

Title 18 USC Section 1001 and Title 43 USC 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)

*LBK
7-15-08*