Form 3160-5 (April 2004)

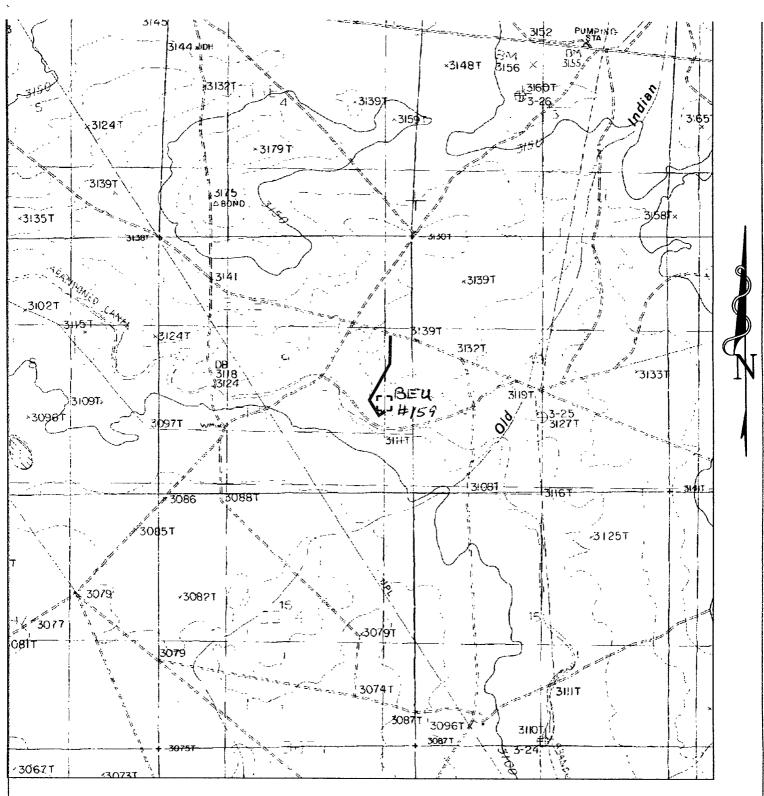
UNITEDSTATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

OCD-AR	ESIA
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FORMAPPROVED OM B No 1004-0137 Expires: March 31, 2007

,			NMLC -069140A	
SUNDRY NOTICES AND REPORTS ON WELLS			6. If Indian, Allottee or Tribe Name	
	s form for proposals to drill or t II. Use Form 3160-3 (APD) for su		o. If findian, Another of Tribe Name	
	PLICATE - Other instructions or	reverse side.	7. If Unit or CA/Agreement, Name and/or No. NMNM68294X	
1. Type of Well Oil Well X	Gas Well Other	17 2008	O WHIN	
			8. Well Name and No. BIG EDDY UNIT #159	
2 Name of Operator BEPCO, L.P.	0	CD-ARTESIA	9. API Well No.	
3a. Address	30-015-35145			
3a. Address 3b. PhoneNo. (include area code) P.O. BOX 2760 MIDLAND TX 79702-2760 (432)683-2277 4. Location of Well (Footage, Sec , T., R., M., or Survey Description)			10. Field and Pool, or Exploratory Area DUBLIN RANCH (MORROW)	
NESE, 1950' FSL, 660' F			11. County or Parish, State EDDY NM	
12. CHECK AF	PPROPRIATE BOX(ES)TO INDICATE	NATURE OF NOTICE, F	EPORT, OR OTHER DATA	
TYPE OF SUBMISSION		TYPEOF ACTION		
X Notice of Intent Subsequent Report	Casing Repair X New Cons			
Final Abandonment Notice	Convert to Injection PlugBack	` `		
determined that the site is ready BEPCO. L. P. respectful in the NW 1/4 of the SE Sec. 9, T22S, R28E. Th North to the BEU Pipelin has been staked and su	y for final inspection.) lly requests approval to install a 4' 1/4 of Sec. 9, with a proposed senis 4" buried and welded segment	SCH 40, 0.237" wall a gment of the Big Eddy will extend from the # from the centerline of plats. The ROW is cutail.	mation, have been completed, and the operator has steel pipeline to connect the BEU #159, Unit Pipeline in the SE 1/4 of the NE of 159 wellsite For ~2001.5 generally the surveyed strip of land. The path urrently being arch cleared. ACCEPTED FOR RECORD	
			NOV 17 2008	
		N	Gerry Guye, Deputy Field Inspector MOCD-District II ARTESIA	
14. I hereby certify that the fore Name (Printed/Typed)	going is true and correct			
ANN MOORE		Title SENIOR PRO	DUCTION CLERK	
Signature Q	Moore	Date 10/02/2008		
	THIS SPACE FOR FEDERAL	OR STATE OFFICE	USE NOV 1 / 2008	
Approved by	S DAVID D. EVANS	Title	Date 17. 2000	
Conditions of approval, if any, are	attached Approval of this notice does not warr al or equitable title to those rights in the subject to conduct operations thereon.	ant or	SBAD FIELD 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.



PROPOSED PIPELINE TO THE BIG EDDY UNIT #159 Section 9, Township 22 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.

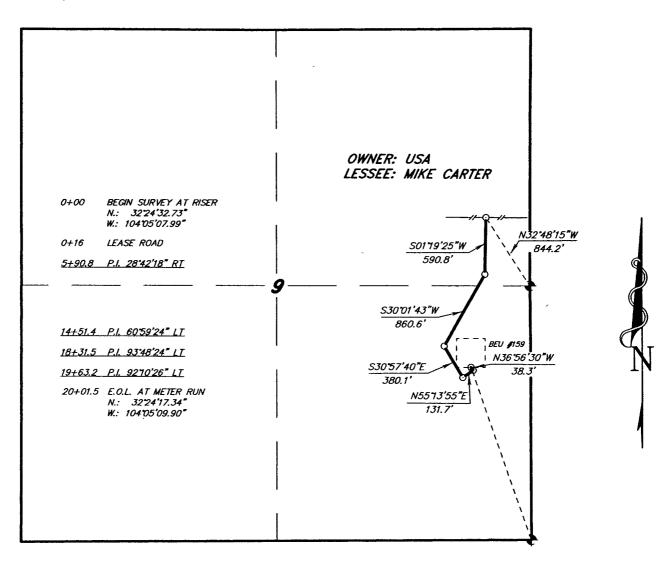


P.O. Box 1786 1120 N. West County Rd. Hobbs, New Mexico 88241 (575) 393-7316 — Office (575) 392-2206 — Fax basinsurveys.com

W.O.	Number:	JMS	20501	
Surve	ey Date:	09-:	24-2008	
Scale	. 1" = 20	000'		
Date:	09-25-	-2008		0.0000000000000000000000000000000000000

BOPCO, L.P.

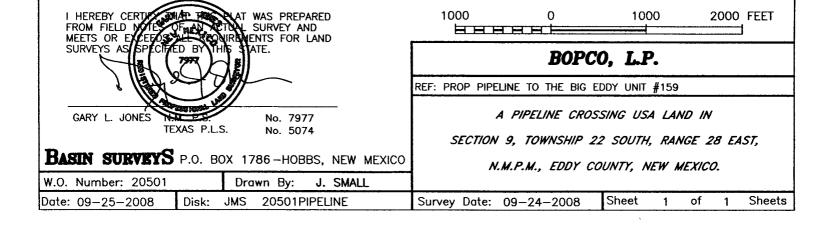
DECITOR 3, IUMNOME & BOUTH, NAME & EAST, M.M.F.M., EDDY COUNTY, NEW MEXICO.



LEGAL DESCRIPTION

A STRIP OF LAND 30.0 FEET WIDE, LOCATED IN SECTION 9, TOWNSHIP 22 SOUTH, RANGE 28 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO AND BEING 15.0 FEET LEFT AND RIGHT OF THE ABOVE PLATTED CENTERLINE SURVEY.

SECTION 9 = 2001.5 FEET = 121.30 RODS = 0.38 MILES = 1.38 ACRES



BLM LEASE NUMBER _	NMLC-069140A
COMPANY NAME	BEPCO, L.P.
WELLNO. & NAME	Big Eddy Unit #159

BURIED PIPELINE STIPULATIONS

A copy of the Sundry and attachments, including stipulations, survey plat and/or map, will be on location during construction. BLM personnel may request to you a copy of your permit during construction to ensure compliance with all stipulations.

Holder agrees to comply with the following stipulations to the satisfaction of the Authorized Officer:

- 1. The Holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant.
- 2. The Holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC 2601 et seq. (1982) with regards to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant. (See 40 CFR Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filing of the reports to the involved Federal agency or State government.
- 3. The holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, et seq. or the Resource Conservation and Recovery Act, 42 U.S.C.6901, et seq.) on the Right-of-Way (unless the release or threatened release is wholly unrelated to the Right-of-Way holder's activity on the Right-of-Way), or resulting from the activity of the Right-of-Way holder on the Right-of-Way. This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.
- 4. If, during any phase of the construction, operation, maintenance, or termination of the pipeline, any oil or other pollutant should be discharged from the pipeline system, impacting Federal lands, the control and total removal, disposal, and cleaning up of such oil or other pollutant, wherever found, shall be the responsibility of holder, regardless of fault. Upon failure of holder to control, dispose of, or clean up such discharge on or affecting Federal lands, or to repair all damages resulting therefrom, on the Federal lands, the Authorized Officer may take such measures as he deems necessary to control and clean up the discharge and restore the area, including where appropriate, the aquatic environment and fish and wildlife habitats, at the full expense of the holder. Such action by the Authorized Officer shall not relieve holder of any responsibility as provided herein.

- 5. All construction and maintenance activity will be confined to the authorized right-of-way.
- 6. The pipeline will be buried with a minimum cover of 36 inches between the top of the pipe and ground level.
- 7. Blading of all vegetation will be allowed. Blading is defined as the complete removal of brush and ground vegetation. Clearing of brush species will be allowed. Clearing defined as the removal of brush while leaving ground vegetation (grasses, weeds, etc.) intact. Clearing is best accomplished by holding the blade 4 to 6 inches above the ground surface. In areas where blading and/or clearing is allowed, maximum width of these operations will not exceed 35 feet.
- 8. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting of the fence. No permanent gates will be allowed unless approved by the Authorized Officer.
- 9. Vegetation, soil, and rocks left as a result of construction or maintenance activity will be randomly scattered on this right-of-way and will not be left in row, piles, or berms, unless otherwise approved by the Authorized Officer. A berm will be left over the ditch line to allow for settling back to grade.
- 10. In those areas where erosion control structures are required to stabilize soil conditions, the holder will install such structures as are suitable for the specific soil conditions being encountered and which are in accordance with sound resource management practices.
- 11. The holder will reseed. Seeding will be done according to the attached seeding requirements, using the following seed mix.

(X) seed mixture 1	() seed mixture 3
() seed mixture 2	() seed mixture 4

- 12. All above-ground structures not subject to safety requirements shall be painted by the holder to blend with the natural color of the landscape. The paint used shall be color which simulates "Standard Environmental Colors" **Shale Green**, Munsell Soil Color No. 5Y 4/2.
- 13. The pipeline will be identified by signs at the point of origin and completion of the right-of-way and at all road crossings. At a minimum, signs will state the holder's name, BLM serial number, and the product being transported. All signs and information thereon will be posted in a permanent, conspicuous manner, and will be maintained in a legible condition for the life of the pipeline.

- 14. The holder shall not use the pipeline route as a road for purposes other than routine maintenance as determined necessary by the Authorized Officer in consultation with the holder. The holder will take whatever steps are necessary to ensure that the pipeline route is not used as a roadway.
- 15. Any cultural and/or paleontological resources (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or Federal land shall be immediately reported to the Authorized Officer. Holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery will be made by the Authorized Officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the Authorized Officer after consulting with the holder.
- 16. Special Stipulations: