NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON	**Mark E. Fesmire, P.E.**
Governor	Director
Joanna Prukop	**Oil Conservation Division**
Cabinet Secretary	

Response Required – Deadline Enclosed

24-Jul-08

BEPCO, LP
PO BOX 2760
MIDLAND,TX 79702-

LOV NO. 2 - 8 - 136

LETTER OF VIOLATION
Delinquent Regulatory Filings

Dear Operator:

Oil Conservation Division ("OCD") records indicate that you failed to file the required reports identified below, or that your filings were incomplete or inaccurate.

NON-COMPLIANT WELL DETAIL SECTION

POKER LAKE UNIT No.163Q   Location: 6-24S-30E   30-015-34183-00-00

Original **Well Type:** Oil (Producing)   Well **Status:** New (Not Drilled / Complete

Determination or Violation Date: 7/24/2008   Delinquent **Report or Filing(s):** - Other Monitoring and Reporting Violation

Comments: Review indicates C-104 not approved for transportation of product which is a violation of Rule 1104 and 801. -

CORRECTIVE ACTION ON THIS WELL DUE BY: 8/23/2008

POKER LAKE UNIT No.241   Location: 30-24S-30E   30-015-34308-00-00

Original **Well Type:** Oil (Producing)   Well **Status:** New (Not Drilled / Complete

Determination or Violation Date: 7/24/2008   Delinquent **Report or Filing(s):** - Other Paperwork or Filing - Other Monitoring and Reporting Violation
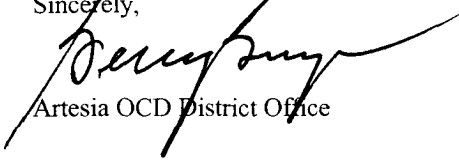
Comments: Review indicates C-104 not approved for transportation of product which is a violation of Rule 1104 and 801. -

CORRECTIVE ACTION ON THIS WELL DUE BY: 8/23/2008

Please file or correct the reports identified above by the corrective action due date indicated. If you fail to file or correct the reports by that date, the OCD will take enforcement action that may include but is not limited to applying for an order assessing civil penalties and/or requiring you to plug and abandon the wells associated with those reports.

Thank you for your prompt attention to this matter and your efforts in helping to protect our environment and the infrastructure of the oil and gas industry.

Sincerely,

Artesia OCD District Office