Submit 3 Copies To Appropriate District Office	State of New Mexico Energy, Minerals and Natural Resources		Form C-103 May 27, 2004
District I 1625 N. French Dr., Hobbs, NM 88240	Lifergy, wither als and ivaluative sources		WELL API NO. 30-015-22941
District II 1301 W. Grand Ave., Artesia, NM 88210	OIL CONSERVATION DIVISION		5. Indicate Type of Lease
District III 1000 Rio Brazos Rd., Aztec, NM 87410	1220 South St. Francis Dr.		STATE X FEE
<u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM 87505	Santa Fe, NM 87505		6. State Oil & Gas Lease No. L-4397-3
SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)			7. Lease Name or Unit Agreement Name Merchant State
1. Type of Well: Oil Well X Gas Well Other			8. Well Number 1
2. Name of Operator BEPCO, L.P.			9. OGRID Number 001801
3. Address of Operator P.O. BOX 2760 MIDLAND, TX 79702-2760			10. Pool name or Wildcat Palmillo (Bone Springs)
4. Well Location			
Unit Letter H: 1980' feet from the North line and 660' feet from the East line			
Section 1	Township 19S	Range 28E	NMPM CountyEddy
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3384.4' GL; 3403' KB			
Pit or Below-grade Tank Application or Closure Pit type Depth to Groundwater Distance from nearest fresh water well Distance from nearest surface water			
Pit type Depth to Groundy Pit Liner Thickness: mil			ance from nearest surface water nstruction Material
			· · · · · · · · · · · · · · · · · · ·
12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data			
NOTICE OF IN PERFORM REMEDIAL WORK	ITENTION TO: PLUG AND ABANDON □	SUBS REMEDIAL WORK	SEQUENT REPORT OF:
TEMPORARILY ABANDON	CHANGE PLANS	COMMENCE DRI	
	MULTIPLE COMPL	CASING/CEMENT	
OTHER:	П	OTHER:	П
13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.			
MIRU Pulling Unit and Plugging Equipment. RIH Tag TOC @ 6375' & POH. Mix & load wellbore W/25 sx of 10 ppg Salt gel mud. Freepoint 5-1/2" casing. Cut casing @ 4500' unable to pull casing. Cut casing @ 4000' POH & LD csg. Called NMOCD (Phil			
Hawkings) he approved spotting plug @ top of csg stub. RIH and spot 125 sxs Class "H" cement spotting plug from 3600' to 3992'. RIH & tag TOC @ 3626', csg stub @ 4009' & (366' cmt).			
Spotted 200 sxs Class "H" cement from 3027' to 3626'. RIH w/ tbg & tagged TOC @ 3033' intermediate csg shoe @ 3250', 217' inside 8-5/8" csg. EOT @ 1408'. Ran MIT test on 8-5/8" casing to 320 psi for 30 minutes, held OK, chart attached.			
			7-7-7-33
*			
			SEP _ 2006
			OCA
			ARTESIA
I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit or an (attached) alternative OCD-approved plan.			
SIGNATURE Cind	TITLE	PRODUCTION CLER	K DATE 09/20/2006
Type or print name CINDI GOOD! For State Use Only		l address:cdgoodman@	basspet.com Telephone No. (432)683-2277
APPROVED BY:	RECORDS ONLY		DATE ACT
Conditions of Approval (if any):	IIILE		DATE OCT 0 3 2008

