

Submit 3 Copies To Appropriate District  
Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM  
87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
May 27, 2004

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

WELL API NO. 30-015-25983
5. Indicate Type of Lease (FEDERAL) STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. NMNM106832X
7. Lease Name or Unit Agreement Name WEST HIGH LONESOME PENROSE
8. Well Number #3
9. OGRID Number 001903
10. Pool name or Wildcat WEST HIGH LONESOME QUEEN

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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.)	
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other (Injection) <input type="checkbox"/>	
2. Name of Operator Beach Exploration, Inc.	
3. Address of Operator 800 North Marienfeld, Suite 200, Midland, TX 79701	
4. Well Location Unit Letter <u>H</u> : 2,310 feet from the <u>North</u> line and <u>330</u> feet from the <u>East</u> line Section <u>18</u> Township <u>16S</u> Range <u>29E</u> NMPM <u>Eddy</u> County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.)	
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>	
Pit type <u>                    </u> Depth to Groundwater <u>                    </u> Distance from nearest fresh water well <u>                    </u> Distance from nearest surface water <u>                    </u>	
Pit Liner Thickness: <u>                    </u> mil Below-Grade Tank: Volume <u>                    </u> bbls; Construction Material <u>                    </u>	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☒ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☐

OTHER: ☐

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.

Beach Exploration, Inc. has experienced reduced injection rates on West High Lonesome #3. Beach plans to clean out this well to improve injection.

Notify OCD 24 hours  
prior to test. 748-1283

- 1) Dig workover pit, fence and line. Flow back well to reduce pressure.
- 2) Release packer and pull 2 3/8" plastic coated tubing
- 3) RIH w/2 3/8" workstring, w/3 7/8" bit and scraper and clean out well to TD 1,784. POOH
- 4) RIH w/2 3/8" workstring and packer and treat well w/ xylene and or acid.
- 5) Swab well back to clean up. POOH w/ workstring and packer
- 6) RIH w/2 3/8" plastic coated injection tubing and plastic coated AD1 tension packer
- 7) Circulate packer fluid on backside, set packer at 1,644' (perfs 1,714 - 1,728)
- 8) Conduct integrity test and turn well back to injection.

If an earthen pit(s) will be utilized  
in association with this work, a  
permit must be obtained prior to  
pit construction.

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 Jack Rose TITLE Engineer DATE 11/14/05

Type or print name Jack Rose E-mail address: bmartin@beachexp.com Telephone No. (432) 683-6226  
**For State Use Only**

APPROVED BY: [Signature] TITLE Field Supervisor DATE NOV 16 2005  
Conditions of Approval (if any):