| Submit 3 Copies To Appropriate District Office | State of New Mexico | | Form C-103 |
|--|--|------------------------|--|
| <u>District I</u> | Energy, Minerals and Natural Resources | | May 27, 2004 |
| 1625 N French Dr , Hobbs, NM 88240 | | | WELL API NO. |
| District II. 1301 W Grand Ave, Artesia, NM 88210 | OIL CONSERVATION DIVISION | | 30-015-25794 5. Indicate Type of Lease |
| District III | 1220 South St. Francis Dr | | STATE FEE |
| 1000 Rio Brazos Rd., Aztec, NM 87410 District IV | Santa Fe, NM 87505 | | 6. State Oil & Gas Lease No. |
| 1220 S St Francis Dr., Santa Fe, NM 87505 | , | | 3.5.5.5.5.5.5.5.5.5.5.5.5.5.5.5.5.5.5.5 |
| SUNDRY NOTICES AND REPORTS ON WELLS | | | 7. Lease Name or Unit Agreement Name |
| (DO NOT USE THIS FORM FOR PROPOS DIFFERENT RESERVOIR USE "APPLIC PROPOSALS) | CATION FOR PERMIT" (FORM C-10 | 1) FOR SUCH | EASTLAND QUEEN UNIT |
| | Gas Well Other | APR 18 2008 | 8. Well Number 4 |
| 2. Name of Operator BEACH EXPLORATION, INC | (| OCD-ARTESIA | 9. OGRID Number 1903 |
| 3. Address of Operator | | | 10. Pool name or Wildcat |
| 800 NORTH MARIENFELD, S | SUITE 200, MIDLAND, TX 7 | 9701 | TURKEY TRACK; 7RVRS-QU-GB-SA |
| 4. Well Location | | | |
| Unit Letter_A; 330 feet from the NORTH line and 990 feet from the EAST line | | | |
| Section 1 Township 19S Range 29E NMPM EDDY County | | | |
| | 11. Elevation (Show whether | DR, RKB, RT, GR, etc., | |
| 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 Liner Thickness: mil Below-Grade Tank: Volumebbls; Construction Material | | | |
| 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data | | | |
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| NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: | | | |
| PERFORM REMEDIAL WORK PLUG AND ABANDON REMEDIAL WORK ALTERING CASING | | | |
| TEMPORARILY ABANDON | | | |
| PULL OR ALTER CASING | MULTIPLE COMPL | CASING/CEMENT | T JOB \square |
| OTHER: CONVERT TO INJE | CTION | ☑ OTHER: | · |
| | | | d 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 plans to move pulling units into the area in May 2008 to initiate conversion of this well to injection. Additional C-103's are being filed to convert 12 other wells to injection and condition 17 wells for production. | | | |
| Work Required - EQU #4 - | | | |
| Work Required - EQU #4- | | | |
| | 4 | | |
| Procedure: | | | See attached |
| 1. Pull rods & pump from hole | | standing value | Conditions of Approval |
| 2. Drop standing valve, load tubing and test to 3000 psi, pull standing valve3. Pull tubing | | | |
| 4. Run bit and scraper to TD to clean out well | | | |
| 5. Pull and laydown tubing, send the to CPI, for EG lining (est 4 weeks) | | | |
| 6. Run FG lined tubing and Model AD-1 Tension Pkr (lined & coated) within 50' of perfs 2398 - 2418 | | | |
| 7. Flush backside, set packer, load backside w/packer fluid and integrity test | | | |
| The initial 5 steps should be completed in May, the final 2 steps plus equipping the wellhead is anticipated in July | | | |
| 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 TITLE Engineer DATE April 11, 2008 | | | |
| Type or print name / Back M. Rose E-mail address: bmartin@beachexp.com Telephone No. (432) 683-6226 | | | |
| For State Use Only | | | |
| 11 Mins | June | Gerry Guye | |
| APPROVED BY: Conditions of Approval (if any): | TITLE | ECompliance | Officer DATE |

Conditions of Approval

- Approval to begin injection will only be granted upon receipt by OCD (Artesia) of the subsequent C-103 (Sundry Notice) with a detailed description of work done and the results of the Mechanical Integrity Test (Chart).
- Well must be tested to a minimum of 300 psi for 30 minutes with less than a 10% drop in pressure.
- Notify OCD (Artesia) 24 hours prior to testing so the test may be witnessed.