



January 25, 2001



Mr. Tim Gunn, District Supervisor
New Mexico Oil Conservation Division
811 S. First
Artesia, New Mexico 88210

RE: Beach Exploration Wells

Dear Mr. Gunn:

With reference to your telephone conversation of January 18, 2001, concerning several of Beach Exploration, Inc. wells. I have attached the following:

1. A previous letter to you dated October 10, 2000 concerning these wells.
2. A copy of a C-103 dated 4-20-98 on the RLU Well No. 1 with TA approval until 2003.
3. C-103 for Well No. 13 with three copies requesting TA status for the well.

Well Nos. 17 and 18 have been shut since April of 1995, our files for that period are not available for any tests that were performed at that time. Dwight Adamson, our pumper might have brought those into the Artesia Office for filing and did not send us a copy. Due to the future development of the High Lonesome Waterflood to the Northeast, we are evaluating these wells in the Red Lake Unit for possible workover and return to production.

The Exxon Federal Well No. 2, Property No. 1918, the Ryan Federal Well No. 2, Property No. 16362, and the Shiloh Federal Well No. 1, Property No. 10760 are to be injectors in the High Lonesome Waterflood which we are planning to commence operations in April, 2001.

Beach Explorations, Inc. respectfully request your approval on the TA status on the RLU Well No.13. If you should need any further information on these wells, please contact me. I appreciate your consideration concerning this matter.

BEFORE EXAMINER STOGNER
OIL CONSERVATION DIVISION
OCD EXHIBIT NO. 26
CASE NO. 12811

Sincerely,
Barbara Watson
Barbara Watson
Production

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