



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

January 29, 2001

BEACH EXPLORATION, INC.
800 N. MARIENFEILD SUITE 200
MIDLAND, TX. 79701-3382

RE: STATUS OF INACTIVE WELLS

Dear Ms: Watson

Thank you for your letter response of January 25, 2001. The three wells you indicated that are to be used in the waterflood operations commencing on April 1, 2001, it will be ok to keep them in inactive status until then. We do not have any record of wells no. 17 and 18 being tested, therefore they will need to be tested and put into the T & A program. The copies of C-103 's for well no.13 are being sent under separate cover stating that this well needs to be pressure tested to be put into the T & A program

Sincerely,

TIM W. GUM

DISTRICT II SUPERVISOR
OIL CONSERVATION DIVISION

BEFORE EXAMINER STOGNER	
OIL CONSERVATION DIVISION	
OCD	EXHIBIT NO. 27
CASE NO.	12811