

BEACH EXPLORATION, INC.

OIL AND GAS OPERATORS
P. O. BOX 3669
MIDLAND, TEXAS 79702

December 4, 1985

Mike Stogner
New Mexico Oil Conservation Commission
P.O. Box 2088
Santa Fe, New Mexico 87501

RE: Depco State Well #1
230' FSL & 330' FWL
Sec. 19, T16S, R29E
Eddy Co., New Mexico

Dear Mr. Stogner:

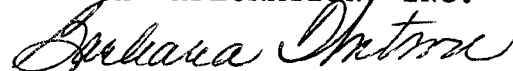
Beach Exploration, Inc. respectfully requests administrative approval to drill the above referenced well on non-standard location and acreage. Attached please find a copy of the Application to Drill Form C101, a topo map (well designated in red), a surface map (acreage designated in red), a certified plat, and a list of the offset operators which waivers were mailed for their approval.

The well is situated on a high point with 100' deep arroyos on three sides making it uneconomic if not physically impossible to construct location, roads, and other necessary facilities for operation of this well. There are 25.5 Acres designated to the lease which is sub-standard acreage.

Per your instructions, I will contact each of our offset on Monday, the 6th of December for approval, then call you for your verbal approval on this request. Thank you so much for your cooperation concerning this matter, please feel free to contact us if you should have any further questions.

Sincerely yours,

BEACH EXPLORATION, INC.



Barbara Watson
Production & Exploration

Enc.

OFFSET OPERATORS
DEPCO STATE WELL NO. 1

Exxon Corp.
Attn: Lee Shelton
P.O. Box 1600
Midland, Texas 79702

Fred Poole
P.O. Box 1393
Roswell, New Mexico 88201

J. T. Haile Petroleum Ltd
813 S. Roselawn
Artesia, New Mexico 88210

Mark McClellan
McClellan Oil Corp.
P.O. Box 848
Artesia, New Mexico 88201

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SANTA FE		
FILE		
U.S.G.S.		
LAND OFFICE		
OPERATOR		

NEW MEXICO OIL CONSERVATION COMMISSION

Form C-101
Revised 1-1-65

5A. Indicate Type of Lease	
STATE ☒	FEE ☐

5. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL ☒ DEEPEN ☐ PLUG BACK ☐				7. Unit Agreement Name	
b. Type of Well OIL WELL ☒ GAS WELL ☐ OTHER ☐ SINGLE ZONE ☐ MULTIPLE ZONE ☐				8. Farm or Lease Name Depco State	
2. Name of Operator Beach Exploration, Inc.				9. Well No. 1	
3. Address of Operator 800 N. Marienfeld Suite 200 Midland, Texas 79701				10. Field and Pool, or Wildcat Red Lake, East (Queen)	
4. Location of Well UNIT LETTER M LOCATED 230 FEET FROM THE South LINE AND 330 FEET FROM THE West LINE OF SEC. 19 TWP. 16S RGE. 29E NMPM				12. County Eddy	
19. Proposed Depth 1900'				19A. Formation Queen	
20. Rotary or C.T. Rotary				21. Elevations (Show whether DF, RT, etc.) 3670.4' GL	
21A. Kind & Status Plug. Bond Blanket		21B. Drilling Contractor Salazar Bros.		22. Approx. Date Work will start 12-15-85	

23.

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12 1/4"	8 5/8"	24#	250-280'	Sufficient to circulate	
7 7/8"	4 1/2"	10.5#	1900'	150 Sxs	

Drill 12 1/4" Hole, set 8 5/8" Casing to 250-280', cement to circulate to surface, drill to depth of approx. 1900', set 4 1/2" Csg.

Attachments: Certified plats
Waivers from offset operators plus attachments
Topo Map
Surface Map.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

Signed _____ Title Production & Exploration Date 12-4-85

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

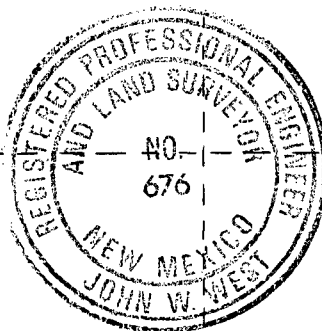
Operator BEACH EXPLORATION , INC.		Lease DEPCO STATE		Well No. 1
Unit Letter M	Section 19	Township 16 SOUTH	Range 29 EAST	County EDDY
Actual Footage Location of Well: 230 feet from the SOUTH line and 330 feet from the WEST line				
Ground Level Elev. 3670.4'	Producing Formation QUEEN	Pool RED LAKE EAST	Dedicated Acreage: 25.5 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Carl Beach

Signature: *Carl Beach*

Position

Vice President

Company

Beach Exploration Inc.

Date

12-4-85

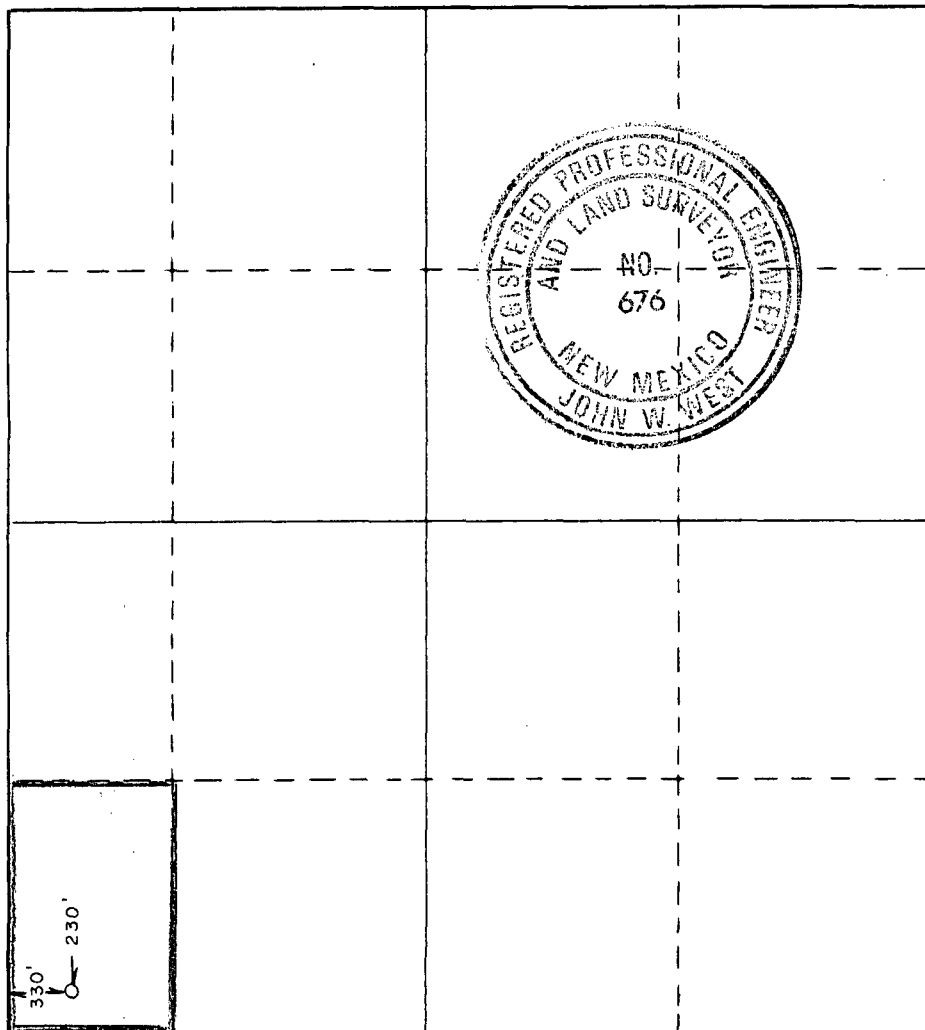
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

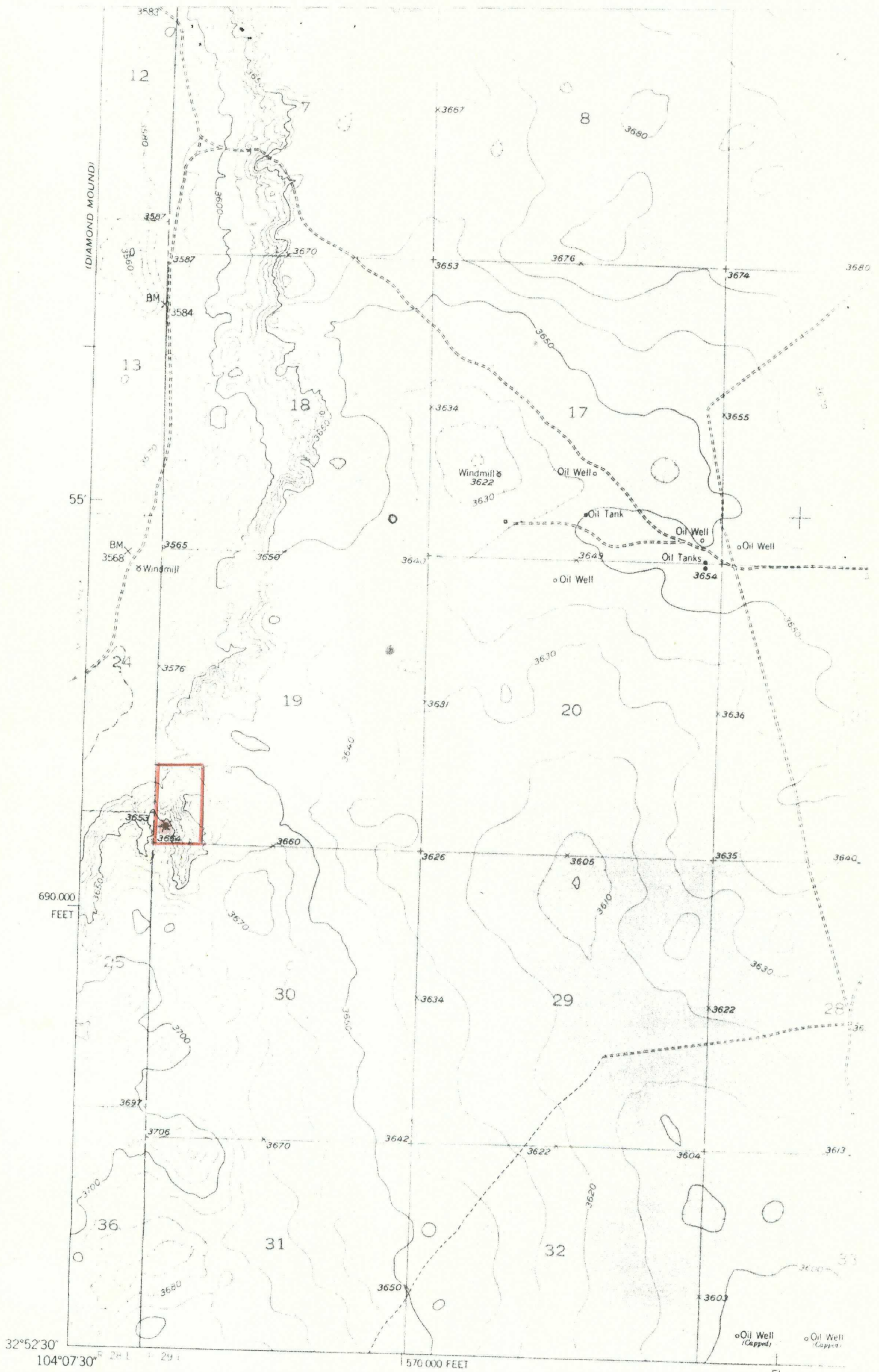
Date Surveyed

NOVEMBER 27, 1985

Registered Professional Engineer and/or Land Surveyor

Signature: *Ronald J. Eidson*
Certificate No. JOHN W. WEST, 676
RONALD J. EIDSON, 3239



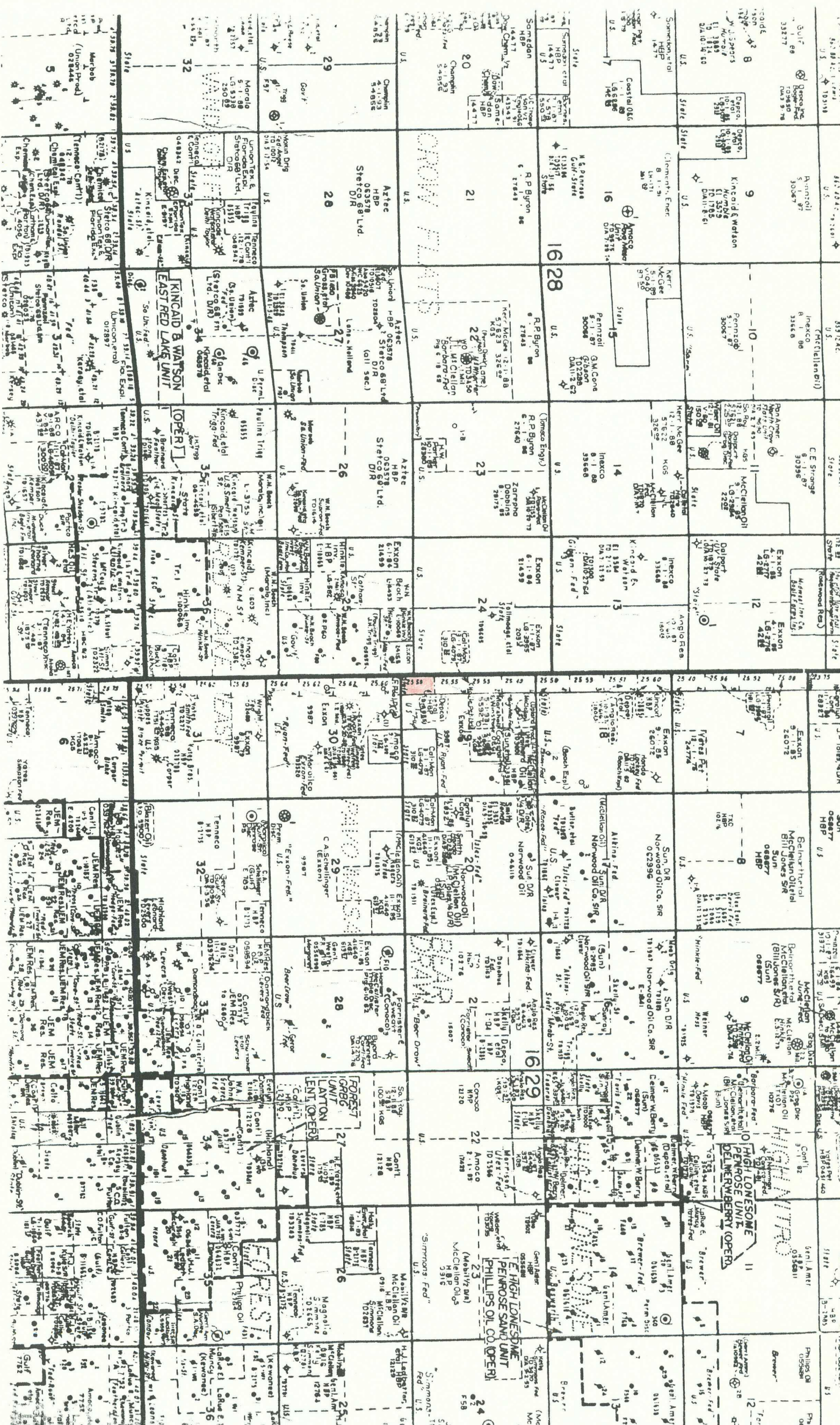


Mapped, edited, and published by the Geological Survey
Control by USGS and USC&GS

Culture and drainage in part compiled from aerial photographs
taken 1946. Topography by plane-table surveys 1953

Polyconic projection, 1927 North American datum
10,000 foot grid based on New Mexico coordinate system,
East zone

12.5°
TRUE NORTH
MAGNETIC NORTH



BEACH EXPLORATION, INC.

OIL AND GAS OPERATORS
P. O. BOX 3669
MIDLAND, TEXAS 79702

December 16, 1985

Mike Stogner
State Land Office Bldg.
Santa Fe, New Mexico 87501

RE: Depco State Well No.1
230' FSL & 330' FWL
Sec.19, T16S, R29E
Eddy County, NM

Dear Mr. Stogner:

Per my conversation with David Catanach this morning concerning the waiver approvals on the above referenced well, please find attached the waivers from Fred Poole, McClellan Oil Corp., and J. T. Haile, Exxon has given us verbal due to their paperwork routine. As soon as I get the waiver, I will send it to you. Thank you so much for all your help and cooperation concerning this verbal permit, makes working with governmental agencies so much easier. Will you thank David and Florence for me.

Sincerely yours,

BEACH EXPLORATION, INC.


Barbara Watson
Production

Attachment

BEACH EXPLORATION, INC.

OIL AND GAS OPERATORS
P. O. BOX 3669
MIDLAND, TEXAS 79702

December 4, 1985

J.T. Haile Petroleum Ltd.
813 S. Roselawn
Artesia, New Mexico 88210

RE: Depco State Well No. 1
230' FSL & 330' FWL
Sec. 19, T16S, R29E
Eddy County, NM

Dear Sirs:

With your approval Beach Exploration, Inc. would like to drill the above referenced well. Attached please find a copy of the Application to Drill in New Mexico, Form C101, a copy of the topo map, a copy of the surface map and a copy of our certified plat.

If you approve of this recommendation, please sign and return one copy of this letter as soon as possible. If you should have any questions concerning this matter, please feel free to contact us.

Sincerely yours,

BEACH EXPLORATION, INC.

William N. Beach
William N. Beach
President

WNB/bw

Approved and accepted this 10 th day of December, 1985

J. T. Haile Petroleum Ltd.

J. T. Haile

BEACH EXPLORATION, INC.

OIL AND GAS OPERATORS
P. O. BOX 3669
MIDLAND, TEXAS 79702

December 4, 1985

Paul Ragsdale
McClellan Oil Corp.
P.O. Box 848
Artesia, New Mexico 88201

RE: Depco State Well No. 1
230'FSL & 330'FWL
Sec.19,T16S,R29E
Eddy County,NM

Dear Paul:

With your approval Beach Exploration, Inc. would like to drill the above referenced well. Attached please find a copy of the Application to Drill in New Mexico, Form C101, a copy of the topo map, a copy of the surface map and a copy of our certified plat.

If you approve of this recommendation, please sign and return one copy of this letter as soon as possible. If you should have any questions concerning this matter, please feel free to contact us.

Sincerely yours,

BEACH EXPLORATION, INC.

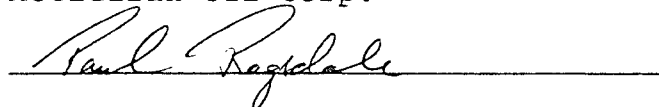


William N. Beach
President

WNB/bw

Approved and accepted this 6 th day of December, 1985

McClellan Oil Corp.



BEACH EXPLORATION, INC.

OIL AND GAS OPERATORS
P. O. BOX 3669
MIDLAND, TEXAS 79702

December 4, 1985

DEC 6 1985

Fred Pool~~er~~
P.O. Box 1393
Roswell, New Mexico 88201

RE: Depco State Well No. 1
230'FSL & 330'FWL
Sec.19,T16S,R29E
Eddy County,NM

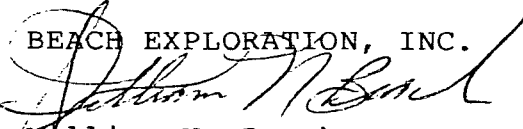
Dear Sirs:

With your approval Beach Exploration, Inc. would like to drill the above referenced well. Attached please find a copy of the Application to Drill in New Mexico, Form C101, a copy of the topo map, a copy of the surface map and a copy of our certified plat.

If you approve of this recommendation, please sign and return one copy of this letter as soon as possible. If you should have any questions concerning this matter, please feel free to contact us.

Sincerely yours,

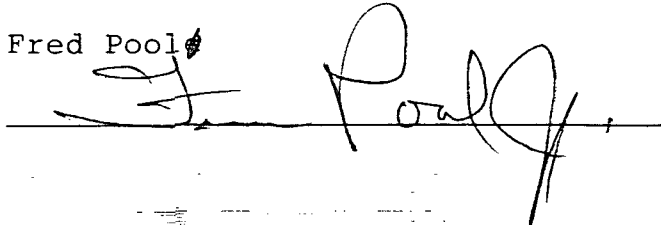
BEACH EXPLORATION, INC.


William N. Beach
President

WNB/bw

Approved and accepted this 5 th day of December, 1985

Fred Pool~~er~~



OFFICE TELEPHONE
915/683-6226

OFFICE ADDRESS
800 N. MARIENFELD
SUITE 200

BEACH EXPLORATION, INC.

OIL AND GAS OPERATORS
P. O. BOX 3669
MIDLAND, TEXAS 79702

December 30, 1985

Mike Stogner
State Land Office Bldg.
Santa Fe, New Mexico 87501

RE: Depco State Well No.1
230' FSL & 330' FWL
Sec.19, T16S, R29E
Eddy County, NM

Dear Mike:

With reference to Beach's letter of December 16 concerning the waivers on the above referenced well, enclosed please find a copy of the waiver from Exxon. If you should need any further information, please feel free to contact me. Thanks again for all your cooperation. Have a Happy New Year.

Sincerely yours,

BEACH EXPLORATION, INC.

Barbara Watson
Production & Exploration

DEC 30 1985

BEACH EXPLORATION, INC.

OIL AND GAS OPERATORS
P. O. BOX 3669
MIDLAND, TEXAS 79702

December 4, 1985

Lee Shelton
Exxon Corp.
P.O. Box 1600
Midland, Texas 79702

RE: Depco State Well No. 1
230'FSL & 330'FWL
Sec.19,T16S,R29E
Eddy County,NM

Dear Sirs:

With your approval Beach Exploration, Inc. would like to drill the above referenced well. Attached please find a copy of the Application to Drill in New Mexico, Form C101, a copy of the topo map, a copy of the surface map and a copy of our certified plat.

If you approve of this recommendation, please sign and return one copy of this letter as soon as possible. If you should have any questions concerning this matter, please feel free to contact us.

Sincerely yours,

BEACH EXPLORATION, INC.


William N. Beach
President

WNB/bw

Approved and accepted this 26 th day of December, 1985

Exxon Corp.

