

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

MAR 20 2009

Form C-103
May 27, 2004

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

WELL API NO. 30-015-03580
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name LEONARD STATE
8. Well Number 3
9. OGRID Number 1903
10. Pool name N/A

SUNDRY NOTICES AND REPORTS ON WELLS
(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 ☒ Gas Well ☐ Other ☐

2. Name of Operator
BEACH EXPLORATION, INC.

3. Address of Operator
800 NORTH MARIENFELD, SUITE 200, MIDLAND, TX 79701

4. Well Location
Unit Letter C; 330 feet from the NORTH line and 2310 feet from the WEST line
Section 12 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: Volume _____ bbls; Construction Material _____

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 RE-PLUG FOR EASTLAND QUEEN UNIT WATER FLOOD ☒

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.

10/30/08 Removed dry hole marker - no surface plug present. RU rat hole machine. Drilled 20" hole to 40'.
10/31/08 Ran 40' of 14" conductor pipe and cmt'd w/3.5 yds of ready mix
11/03/08 Welded wellhead on 14" conductor pipe.
11/07/08 Notified Mike Bratcher (NM OCD) would start plugging operations
RU. NU BOP and ran 9 7/8" bit. No surface cmt plug. Rotated down and tagged cutoff 8 5/8" csg at 144'
11/10/08 Got back in 8 5/8" csg w/7 7/8" tapered mill. Tagged cmt at 420'. POOH. Dropped 6 1/4" bit and collars
11/11/08 Recovered fish. Drld hard cmt w/6 1/4" bit from 420' to 490'
11/12/08 Drld hard cmt from 2212' to 2280'. Tagged bottom cmt plug at 2450' Phil Hawkins (OCD NM) on site.
11/13/08 Loaded hole w/9ppg salt gel Pumped 50sx Class C cmt plug from 2308' and tagged at 2115' (193' open hole plug) ✓
Pumped 50sx Class C cmt plug from 1757' and tagged at 1575' (182' open hole plug) ✓
Pumped 50sx Class C cmt plug from 1312'. Tagged plug (next morning) at 1167' (145' open hole plug) ✓
11/14/08 Pumped 50sx Class C cmt plug from 452'. Tagged at 330' (122' shoe plug) ✓
Pumped 75sx Class C cmt plug from 192' and tagged at 90' (102' - 8 5/8" csg stub plug) ✓
Pumped 45sx Class C cmt plug from 60' to surface. ✓
11/17/08 Notified Mike Bratcher (NM OCD) of all cmt plugs. Removed anchors. Cutoff wellhead. Set regulation dry hole maker.

Awaiting Form
C103 - LOCATION
READY REPORT.

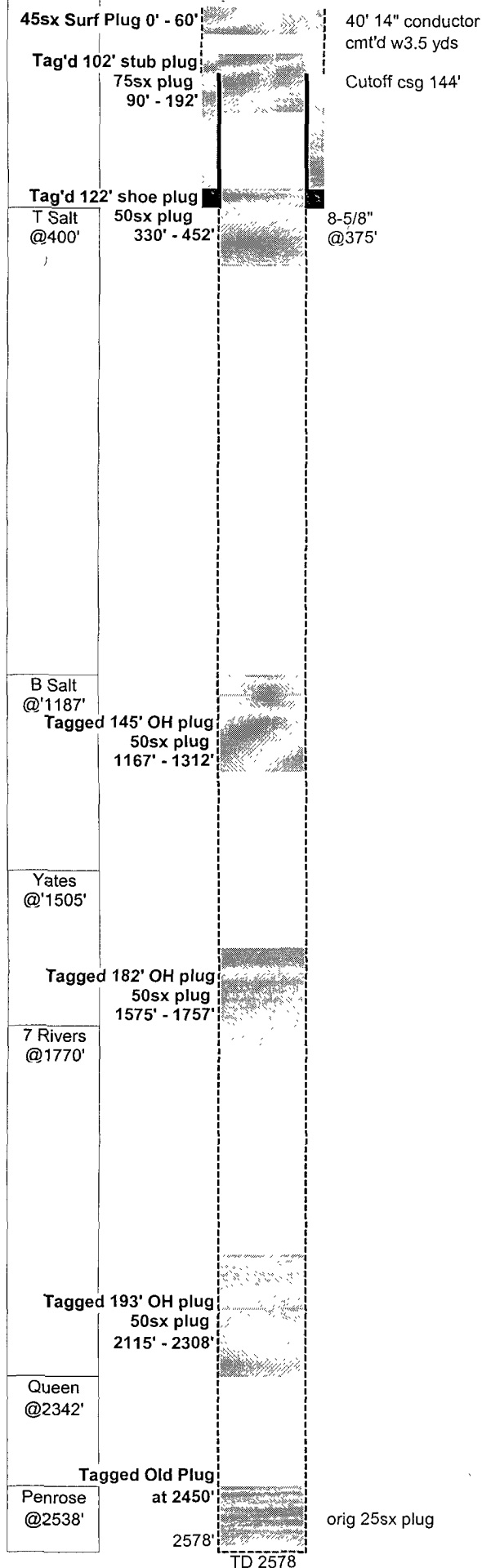
I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Jack M. Rose TITLE Engineer DATE March 18, 2009

Type or print name Jack M. Rose E-mail address: bmartin@beachexp.com Telephone No. (432) 683-6226

For State Use Only

APPROVED BY: Richard Inge TITLE Compliance Officer DATE 4/24/09
Conditions of Approval (if any):



Leonard State #3

GL: 3,399
KB:
TD: 2,578
PBD:
Fr. Wtr:
Legal: 330 from N
2,310 from W
Section: 12-C
Township: 19S
Range: 29E
County: Eddy

Status: P&A
Perfs:
API: 30-015-03580
NM Lse: B-7717
Field:
Logs: Radioactivity log
Archeological:

Casing	Wt	Type	Set	Cmt	Hole	TOC	Method
8-5/8"	32 00	J-55	375	50	11"	130'	130' csg pulled 7-7/8" assumed

- 10-Sep-62 Spud well
Chemical Express, Inc. - Leonard State #3
- 28-Oct-62 **Drilled to 2578' and Abandoned - Chemical Express**
Well was dry
25sx plug at 2578
25sx plug at 400
8-5/8" csg cut and pulled at 130'
50sx plug at surface w/steel marker
- Beach Re-plug for Eastland Queen Waterflood**
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