

Submit 1 Copy To Appropriate District Office  
 District I - (575) 393-6161  
 1625 N. French Dr., Hobbs, NM 88240  
 District II - (575) 748-1283  
 811 S. First St., Artesia, NM 88210  
 District III - (505) 334-6178  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 District IV - (505) 476-3460  
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
 Energy, Minerals and Natural Resources

Form C-103  
 Revised July 18, 2013

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

WELL API NO. 30-015-26190
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 EASTLAND QUEEN UNIT
8. Well Number 15
9. OGRID Number 1903
10. Pool name or Wildcat TURKEY TRACK;7RVRS-QU-GB-SA
11. Elevation (Show whether DR, RKB, RT, GR, etc.)

**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 \*(Injection)

2. Name of Operator  
BEACH EXLORATION, INC

3. Address of Operator  
800 North Marienfeld, Suite 200, Midland, TX 79701.

4. Well Location  
 Unit Letter J : 1650 feet from the SOUTH line and 1650 feet from the EAST line  
 Section 2 Township 19S Range 29E NMPM EDDY County

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

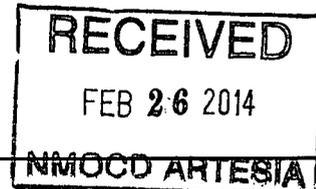
<b>NOTICE OF INTENTION TO:</b>		<b>SUBSEQUENT REPORT OF:</b>	
PERFORM REMEDIAL WORK <input checked="" type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

The EQU #15 injector failed a mechanical integrity test on 2/19/14 conducted by Richard Inge (NM OCD). The casing is thick walled 4 1/2" 18.8# with cement circulated to surface on both surface and production string. Most probable cause is a packer and tbg leak. The well is currently shut in pending repair.

Procedure:

1. Connect flowback to vacuum truck to catch injection well flowback.
2. RU pulling unit. NU BOP. Release and reset packer to test packer seal. Drop standing valve to SN and pressure up on tbg to test.
3. Replace tubing and or packer and retest. If packer and tubing test ok then proceed to step 4.
4. Pick up 4 1/2" bridge plug, packer and 2 3/8" workstring. RIH and set BP at 2250'. Pull up, set packer and test BP to 2000 psi.
5. Work packer up hole testing tubing and backside to locate casing leak. RIH w/16 jts tailpipe and packer to casing leak.
6. Spot a 25sx balanced cement plug as follows: pump 7.5sx C-neat cmt, 10sx C-neat cmt w/6#/sx blast sand, and 7.5sx C-neat
7. Pull up 16 jts, pump 6 BFW, set packer and hesitation squeeze casing leak. WOC
8. POOH w/tubing. RU reverse unit. Pickup 3 1/2" bit, drill collars and workstring. Drill out squeeze plug and pressure test casing.
9. Drill out 4 1/2" BP at 2250' and clean out hole below perms 2270 - 2290 (PBSD 2694) POOH and laydown drill collars and workstring.
10. RIH w/2 3/8" x 4 1/2" PC 16.6# Watson tension packer w/carbide slips, PC SN and 70 jts Glassbore lined tbg. Load backside w/packer fluid and set packer at 2235'.
11. Conduct OCD witnessed MIT. Return well to injection.



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

SIGNATURE Jack M. Rose TITLE Engineer DATE February 21, 2014

Type or print name Jack Rose E-mail address: bmartin@beachexp.com PHONE: 432/683-6226

For State Use Only

APPROVED BY: Richard Inge TITLE Compliance Officer DATE 3/13/14

Conditions of Approval (if any):