

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTOil Cons.
N.M. DIV-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000**SUNDRY NOTICES AND REPORTS ON WELLS**
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.***SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other Waterflood Unit

2. Name of Operator

BEACH EXPLORATION, INC

3a. Address

800 N. MARIENFELD, STE 200, MIDLAND, TX

3b. Phone No. (include area code)

915-683+6226

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sections 19 Unit C, T-16-S, R-29-E

5. Lease Serial No.

NMNM106832X

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

NMNM106832X

8. Well Name and No. WHLPSU

19

9. API Well No.

30-015-02758

10. Field and Pool, or Exploratory Area

High Lonesome Queen

11. County or Parish, State

Eddy County, New Mexico

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Condition wells</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>for production</u>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The WHL #19 (Big Mac Fed #1) was originally planned to be an injector. We were unable to successfully convert it to injection and are producing this well with the permission of the OCD.

- 5/24/2002 Started injection well conversion, discovered leak in 4 1/2" prod csg above 210'
- 7/2/2002 RU Well Pluggers, set RBP at 1397' w/100# sand on top. Isolated leak w/pkr between 65'-70'. Set tbg w/pkr at 32'. Pumped 40sx cmt displaced to 45'. Cmt circ out of 4 1/2 annulus. SD WOC
- 7/3/2002 Drilled cmt to 68'. Tested csg and still leaking. Tested 4 1/2"x8 5/8" annulus. Full of cmt. Set pkr at 34'. Pumped 50sx cmt, no press. Mixed cmt w/10% CaCl. Pumped 20sx, WOC 25min, pumped 15sx, WOC 25min, pumped 15sx and had 70psi on tbg. Displaced to 44'. WOC 4 days
- 7/8/2002 Drilled cmt 50' to 80'. Test csg, still leaking. Retest RBP, OK. Set pkr at 30'. Pumped 25sx cmt and press to 1300psi. Tried to displace cmt out tbg, press to 2200psi. WOC
- 7/9/2002 Couldn't release pkr. Sheared pkr (had cmt in bottom 5'). Drilled cmt 30' to 78'. Tested csg to 500psi. Lost 90psi 15min. Retested RBP, OK. Set pkr at 30', pumped to wash leak out and est rate. Pumped 10sx cmt, press to 2100psi after 7sx. POOH. SI BOP, press to 750psi. SD WOC

SEE ATTACHED PAGE

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Lizbeth Lodle

Title Engineer Analyst

Signature

Date June 13, 2003

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

ACCEPTED FOR RECORD

JUN 17 2003

ALEXIS C. SWOBODA
PETROLEUM ENGINEER

Big Mac
Conversion to Production

- 7/10/2002 Drilled cmt to 70'. Tested csg and still leaking. Mixed 13#/gal cmt and spotted at 80'. Reversed cmt out of top of hole, set pkr at 5' and attempt to sqz. Cmt falling away. Cleared leak. No more cmt on loc. SD
- 7/11/2002 Pumped 320sx cmt. WOC 2 hrs, pumped 60sx cmt, WOC 2 hrs, pumped remaining 70sx cmt. Tbg had some press, displaced cmt below pkr at 30'. SD WOC
- 7/12/2002 Drilled green cmt from 40' to 54' (leak at 74'). SD WOC till Monday
- 7/15/2002 Drilled hard cmt to 76'. Press csg to 500psi. Lost 75psi in 30min. Called OCD said test to 300psi. Lost 45psi in 30min. Press to 2050psi, lost 350psi in 30min. OCD said resqueeze. Pumped to break down squeeze. 1.5 hrs est rate 1/2 BPM at 1400psi. Set pkr at 30'. RD Well Pluggers. SD
- 7/17/2002 RU Basic and Halliburton. Pumped special Halliburton 3 stage sqz design. 1st stage 500gal flocheck 100sx cmt w/6% gel 3% CaCl, 2nd stage 250gal flocheck 100sx cmt w/6% gel 3% CaCl, 3rd stage 250gal flocheck 30sx neat cmt w/4% CaCl. Squeezed to 1790psi. Tried to displace cmt beyond pkr. Press to 2700psi. Losing 1psi/sec. Attempted to break leak down to pump more cmt. Could not break leak down. SD WOC
- 7/18/2002 Pkr would not release. Sheared pkr. Pulled safety collar off pkr. RIH w/grapple and pulled 70M#. Pkr still stuck. Changed to drill collar pulled 120M#. Pkr still stuck. RIH and mill up pkr slip assembly. RIH w/grapple pulled 100M# release pkr. RIH to drill out cmt. Drlg on junk. SD
- 7/19/2002 Recovered junk w/magnet. Drilled hard cmt 30' to 80'. Test RBP w/pkr, OK. Test csg to 520psi. 30min press down to 240psi. Still leaking 70'-74'. SI well SD. Talking to OCD for options.
- 7/22/2002 OCD - (Van Barton) requested exception to use Big Mac as injector w/leak and monitor backside
- 7/23/2002 OCD - (Van Barton) options on Big Mac, can resqueeze and get to test 300 psi with no more than 10% drop and monitor, run liner, P&A or produce the well. RIH to retrieve RBP, hit fill at 1261'. Tried to reverse out, retrieving head plugging w/cmt cores. SD
- 7/24/2002 Drilled and washed cmt fill to RBP at 1379'. Latched onto RBP. Pulled and layed down tbg & RBP. SI well on 1 jt tbg. Will use Big Mac (WHL #19 as producing well in unit)
- 8/27/2002 RIH w/bull plugged 3ft perf sub (3.6'), S.N. (1.10'), 54 jts 2 3/8" 4.7# tbg (1700.48'). S. N. at 1701'. Ran pump and rods. Spaced well out. Hung well on. RD
- 8/29/2002 Ran 2" poly flowline from Big Mac to test treater at WHL #21. Put WHL #19 on production.