

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTSEP 05 2007
OCD-ARTESIAFORM APPROVED
OMB No 1004-0137
Expires: March 31, 2007

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 ☐ Other2. Name of Operator
Beach Exploration, Inc.3a. Address
800 N. Marienfeld, Suite 200, Midland, TX 797013b. Phone No (include area code)
432 683 6226

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

Unit Letter P: 330 feet from the South line and 990 feet from the East line. Section 25, T 16S, R 28E, NMPM, Eddy County, NM

5. Lease Serial No.

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No
NMNM84634X8. Well Name and No.
Red Lake Unit # 179. API Well No.
30-015-2387010. Field and Pool, or Exploratory Area
Red Lake, Queen East11. County or Parish, State
Eddy County, NM

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

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent☒ Subsequent Report☐ Final Abandonment Notice☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Fracture Treat☐ New Construction☐ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☒ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☐ Other

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 recompleat 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.)

1) Beach Exploration, Inc. requests TA status for the Red Lake Unit # 17.

2) Attached is a copy of the MIT pressure chart recorded 3/15/02 witnessed by Don Early.

3) The Red Lake Unit is a mature waterflood. The flood has only had a 0.42/1 secondary to primary ratio. Most Queen floods in this area have a 1/1 secondary to primary ratio. Although Beach Exploration, Inc. has not been able to determine the cause of this underperformance, future review, new technology or sale to another company capable of revitalizing this flood could potentially lead to the recovery of an additional 265 MBO. Temporarily abandoning wells in this unit rather than plugging them will facilitate any future effort. Three companies have expressed interest in purchasing this unit (2007).

4) T.A. procedure:

This well originally had 4-1/2" casing set at 1920'

2/15/2002 - 2/18/2002 this well was cleaned out with a bit and scraper to 1,790'.

On 2/22/2002 a CIBP was set inside the 4-1/2" csg at 1,765' w/35' cmt on top (top perf 1,814').

On 3/15/2002 a successful MIT test was conducted.

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL****Accepted for record
NMOCD****After FEB 28 2008 the well must be online
or plans to P & A must be submitted.**14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)**Jack M. Rose**Title **Engineer**

Signature

Date

08/14/2007**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

APPROVED**AUG 31 2007****FREDERICK WRIGHT
PETROLEUM ENGINEER**

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

SUNDRY NOTICE SPECIAL STIPULATIONS

1. Approval is granted to T/A this well through 2/28/08 subject to the following conditions:
2. Operator must conduct a witnessed CIT on this well.

This work must be performed within 90 days.

Engineering
can be reached at 505-706-2779 for any variances that might be necessary.

F Wright 8/31/07