

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

**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.*SEP 24 2007  
OCD-ARTESIAFORM APPROVED  
OMB No 1004-0135  
Expires November 30 2000**SUBMIT IN TRIPLICATE - Other instructions on reverse side**1 Type of Well  
☐ Oil Well ☐ Gas Well ☒ Other Unit Letter I: 1,653' FSL and 330' FEL, Section 24, T 16S,2 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 I: 1,653' FSL and 330' FEL, Section 24, 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

NMNM84634X

8 Well Name and No  
Red Lake Unit # 19 API Well No  
30-015-2577410 Field and Pool, or Exploratory Area  
Red Lake, Queen east

11 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			
<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 type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input checked="" type="checkbox"/> Temporarily Abandon	
	<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 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 RLU # 1.

2)•RLU # 1 is a State well that has been approved for TA status by the State. Attached are approved State forms and Charts.

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 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 265MBO. Temporarily abandoning wells in this unit rather than plugging them will facilitate any future effort.

4)•TA procedure: This well originally had 4 - 1/2" casing set at 1,770'. September 1996 rods, pump and tubing were pulled from this well. April 8th, 1998 tubing and a packer were run and a successful MIT was witnessed (tbg and packer pulled).

11/3/04 a CIBP was set on wireline inside the 4 - 1/2" csg at 1,600' w/35' cmt on top (top perf 1,636'). Successful MIT conducted on 11/3/04. Attached is a copy of the MIT pressure chart recorded 11/3/04 witnessed by Gerry Guye with the OCD, which extended the State TA status until 11/9/2009.

ACCEPTED FOR RECORD

14 I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

Jack M Rose

Title Engineer

SEP 26 2007

Signature

Date 9/17/07

Gerry Guye, Deputy Field Inspector  
NMOCD-District II ARTESIA

ACCEPTED FOR RECORD

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/S/ DAVID R. GLASS

Title

Date

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

Title 18 U.S.C. Section 1001 and Title 42 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.