

UNITED STATES DEPARTMENT OF INTERIOR
Bureau Of Land Management
New Mexico State Office

REPORT OF UNDESIRABLE EVENT

DATE OF OCCURRENCE/DISCOVERY: 6/25/02 TIME OF OCCURRENCE: 9:30AM

DATE REPORTED TO BLM: 6/25/02 TIME REPORTED: 1:00PM

BLM OFFICE REPORTED TO: (RESOURCE AREA/DISTRICT/OTHER): CARLSBAD DISTRICT

LOCATION: (1/4 1/4) SW/4 SE4 SECTION 20 T. 16S R. 29E MERIDIAN

COUNTY: EDDY STATE: NM WELL NAME: BRAINARD FED #1

OPERATOR: COMPANY NAME: BEACH EXPLORATION, INC PHONE NO. 915-683-6226

CONTACT PERSON'S NAME: JACK M. ROSE

SURFACE OWNER: FEDERAL MINERAL OWNER: FEDERAL
FEDERAL/INDIAN/FEE STATE

LEASE NO: NMNM03361 RIGHT-OF-WAY NO.: N/A

UNIT NAME / COM UNITIZATION AGREEMENT NO.: N/A

TYPE OF EVENT, CIRCLE APPROPRIATE ITEM(S):

BLOWOUT, FIRE, FATALITY, INJURY, PROPERTY DAMAGE, OIL SPILL, SALTWATER SPILL,
OIL AND SALTWATER SPILL, TOXIC FLUID SPILL, HAZARDOUS MATERIAL SPILL,
UNCONTROLLED FLOW OF WELLBORE FLUIDS, OTHER (SPECIFY):

CAUSE OF EVENT: Plugging well, perf 5 1/2" csg at 415' to pump a cmt plug across 8 5/8" surf csg. at 365'. Encountered 500-800 BW/hr saltwater flow. Force of flow stripped BOP flange off wellhead (threads were old & worn) and couldn't control well.

HazMat Notified: (for spills) N/A

Law Enforcement notified: (for theft) N/A

CAUSE AND EXTENT OF PERSONAL INJURIES/CAUSE OF DEATH(S): N/A

Safety Officer Notified: N/A

EFFECTS OF EVENT: Salt water flow escaped location, flowed down a road and flowed into the edge of a playa at three locations from the road; mesquite and grass killed.

ACTION TAKEN TO CONTROL EVENT: Initially attempted to dam edge of road (unsuccessful). Dug 2 additional containment pits and bulldozed a berm across location to contain water; vacuumed continuously with three vacuum trucks; chain BOP down, got packer in hole and shut off flow.

LENGTH OF TIME TO CONTROL BLOWOUT OR FIRE: 3 HOURS

VOLUME DISCHARGED : OIL EST 10 BBLS WATER: 1500-2400 BBLS GAS: 0

OTHER AGENCIES NOTIFIED: OCD ARTESIA OFFICE ON JULY 2, 2002