

FROM : BEACH EXPLORATION, INC
Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

PHONE NO. : 915 683 1038
State of New Mexico
Energy, Minerals and Natural Resources

Mar. 21 2002 11:14AM P2
Form C-103
Revised March 25, 1999

CISF
EP

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

WELL API NO. 30-015-23658
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: Red Lake Unit
8. Well No. 24
9. Pool name or Wildcat Red Lake, East

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 <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	
2. Name of Operator Beach Exploration, Inc.	
3. Address of Operator 800 North Maricfield, Ste. 200	
4. Well Location Unit Letter <u>G</u> : 1986 feet from the North line and 1983 feet from the East line Section 36 Township 16S Range 29E NMPM County Eddy	
10. Elevation (Show whether DR, RKB, RT, GR, etc.)	

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data	
NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON TEMPORARILY ABANDON <input checked="" type="checkbox"/> CHANGE PLANS PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/> OTHER: <input type="checkbox"/>	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT CASING TEST AND CEMENT JOB <input type="checkbox"/> OTHER: <u>T.A.</u> <input type="checkbox"/>

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

- 1 Beach Exploration Requests TA status for the RLU #24
- 2 Attached is a copy of the MIT pressure chart recorded 3/15/02 witnessed by Mike Bratcher, with the OCD
- 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 1882'
1/1998 the injection tubing and packer were pulled from this well
4/28/00 tubing and a packer were run and a successful MIT was witnessed (lbg and packer pulled)
2/14/02 a CIBP was set on wireline inside the 4-1/2" csg at 1730' w/35' cmt on top (top perf 1778')
On 3/15/02 a successful MIT test was conducted

Temporary Abandoned Status approved
until 3-15-03

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

SIGNATURE Lizbeth Lodle TITLE Engineering Analyst DATE March 19, 2002

Type or print name Lizbeth Lodle Telephone No. 915-683-6226
(This space for State use)

APPROVED BY [Signature] TITLE Wild Sep ID DATE APR 1 2002
Conditions of approval, if any:

