NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

DISTRIBUTION: SANTA FE ✓ | FILE ✓✓ | U.S.G.S. ✓ | LAND OFFICE ✓ | OPERATOR

OIL CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5a. Indicate: State [X] Fee [ ]

5. State Oil & Gas Lease No.

7. Unit Agreement Name

6. Farm or Lease Name: Denco State

9. Well No.: 1

10. Field and Pool, or Wildcat: Red Lake, East/Queen

12. County: Eddy

1a. TYPE OF WELL: BAM — OIL WELL [X] GAS WELL [ ] DRY [ ] OTHER

b. TYPE OF COMPLETION: NEW WELL [X] WORK OVER [ ] DEEPEN [ ] PLUG BACK [ ] DIFF. RESVR. [ ] OTHER

2. Name of Operator: Beach Exploration, Inc.

3. Address of Operator: 800 N. Marienfeld, Ste 200

4. Location of Well: UNIT LETTER M LOCATED 230 FEET FROM THE South LINE AND 330 FEET FROM THE West LINE OF SEC. 19 TWP. 16S RGE. 29E NMPM

RECEIVED BY APR 23 1986 O. C. D. ARTESIA, OFFICE

13. Date Spudded	14. Date T.D. Reached	17. Date Compl. (Ready to Prod.)	18. Elevations (DF, RKB, RT, GR, etc.)	19. Elev. Cashinghead
12-15-85	12-20-86	1-10-86	3670.4GL 3675KB	

20. Total Depth	21. Plug Back T.D.	22. If Multiple Compl., How Many	23. Intervals Drilled By	Rotary Tools	Cable Tools
1853	1850		→	X	

24. Producing Interval(s), of this completion — Top, Bottom, Name: 1773-1789

25. Was Directional Survey Made: NO

26. Type Electric and Other Logs Run: Dual Laterlog, Comp Neut. Gamma Ray

27. Was Well Cored: no

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8 5/8	23	285.94	12¼	175 sxs C1C + 2% CaCl	none
4 ½	10.5	1850	6½	250 sxs Hal lite + 150	none
				sxs 50/50 poz	

29. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN
none				

30. TUBING RECORD

SIZE	DEPTH SET	PACKER SET
2 3/8	1808	

31. Perforation Record (Interval, size and number)

1773-1789, 1 shot per ft
17 shots

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
1773-1789	1500 gals NeFe acid frac w/
	809 gelled water + 27500#
	20/40 sand + 20000 12/20 sand

33. PRODUCTION

Date First Production	Production Method (Flowing, gas lift, pumping — Size and type pump)	Well Status (Prod. or Shut-in)
1-12-86	Pumping 2 X 1½	Producing

Date of Test	Hours Tested	Choke Size	Prod'n. For Test Period →	Oil — Bbl.	Gas — MCF	Water — Bbl.	Gas — Oil Ratio
1-13-86	24	20/64		3	1	5	3333

Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate →	Oil — Bbl.	Gas — MCF	Water — Bbl.	Oil Gravity — API (Corr.)
50	50					28

34. Disposition of Gas (Sold, used for fuel, vented, etc.): Vented

Test Witnessed By: Forrest Jones

35. List of Attachments: Logs, inclination report

36. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief.

SIGNED Barbara Shelton TITLE Production DATE 4-22-86

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radioactivity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, Items 33 through 34 shall be reported for each zone. The form is to be filed in quadruplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico				Northwestern New Mexico			
T. Anhy		T. Canyon		T. Ojo Alamo		T. Penn. "B"	
T. Salt		T. Strawn		T. Kirtland-Fruitland		T. Penn. "C"	
B. Salt		T. Atoka		T. Pictured Cliffs		T. Penn. "D"	
T. Yates	770	T. Miss		T. Cliff House		T. Leadville	
T. 7 Rivers		T. Devonian		T. Menefee		T. Madison	
T. Queen	1530	T. Silurian		T. Point Lookout		T. Elbert	
T. Grayburg		T. Montoya		T. Mancos		T. McCracken	
T. San Andres		T. Simpson		T. Gallup		T. Ignacio Qtzte	
T. Glorieta		T. McKee		Base Greenhorn		T. Granite	
T. Paddock		T. Ellenburger		T. Dakota		T.	
T. Blinebry		T. Gr. Wash		T. Morrison		T.	
T. Tubb		T. Granite		T. Todilto		T.	
T. Drinkard		T. Delaware Sand		T. Entrada		T.	
T. Abo		T. Bone Springs		T. Wingate		T.	
T. Wolfcamp		T.		T. Chinle		T.	
T. Penn.		T.		T. Permian		T.	
T. Cisco (Bough C)		T.		T. Penn. "A"		T.	

OIL OR GAS SANDS OR ZONES

No. 1, from..... to..... No. 4, from..... to.....

No. 2, from..... to..... No. 5, from..... to.....

No. 3, from..... to..... No. 6, from..... to.....

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from..... to..... feet. .....

No. 2, from..... to..... feet. .....

No. 3, from..... to..... feet. .....

No. 4, from..... to..... feet. .....

FORMATION RECORD (Attach additional sheets if necessary)

From	To	Thickness in Feet	Formation	From	To	Thickness in Feet	Formation