



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Betty Rivera

Cabinet Secretary

Lori Wrotenberg

Director

Oil Conservation Division

Field Inspection Program

"Preserving the Integrity of Our Environment"

31-Jul-02

BEACH EXPLORATION INC

800 N MARIENFELD

STE 200

MIDLAND TX 79701-

Dear Operator:

The following inspection(s) indicate one or more violations as described in the detail section below. The inspection(s) indicates that the well, equipment, location or operational status failed to meet standards of the New Mexico Oil Conservation Division. To comply with standards imposed by Rules and Regulations of the Division, corrective action must be taken immediately and the situation brought into compliance. The detail section below indicates preliminary findings and/or probable nature of the violation. This determination is based on an inspection of your well or facility by an inspector employed by the Oil Conservation Division.

Please notify the proper district office of the Division of the date corrective actions are scheduled to be made so that arrangements can be made to reinspect the well and/or facility.

INSPECTION DETAIL SECTION

WHLPSU 013			J-17-16S-29E	30-015-01438-00-00		
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
07/26/2002	MIT Witnessed - Pre	Gerry Guye	Yes	No	10/29/2002	iUNK0220735413
Comments on Inspection:		Well sign does not reflect proper well name. Violation Rule 103. Since the production casing was not cemented to surface it is requested a valve be installed on the area behind the production casing in order to monitor this area. This valve should be plumbed to the surface with a valve above ground to facilitate setting a gauge for monitoring if necessary.				

WHLPSU 026			H-19-16S-29E	30-015-24131-00-00		
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
07/26/2002	Routine/Periodic	Gerry Guye	Yes	No	10/29/2002	iGEG0220733585
Comments on Inspection:		Well Sign does not reflect operator or correct well name.				

WHLPSU 015			O-18-16S-29E	30-015-25375-00-00		
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
07/26/2002	MIT Witnessed - Pre	Gerry Guye	Yes	No	10/29/2002	iUNK0220741220
Comments on Inspection:		Well sign does not reflect proper well name. Violation Rule 103.				

WHLPSU 021			A-19-16S-29E	30-015-25392-00-00		
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
07/26/2002	MIT Witnessed - Pre	Gerry Guye	Yes	No	10/29/2002	iUNK0220737867
Comments on Inspection:		Violation of Rule 103 (No well sign).				

WHLPSU 014			N-18-16S-29E	30-015-25672-00-00		
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
07/26/2002	MIT Witnessed - Pre	Gerry Guye	Yes	No	10/29/2002	iUNK0220744613
Comments on Inspection:		Well sign does not reflect proper well name. Violation Rule 103.				

WHLPSU 001Z			3-18-16S-29E	30-015-25733-00-00		
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
07/26/2002	MIT Witnessed - Pre	Gerry Guye	Yes	No	10/29/2002	iUNK0220743890
Comments on Inspection:		Well sign does not reflect proper well name. Violation Rule 103.				

WHLPSU 003			H-18-16S-29E	30-015-25983-00-00		
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
07/26/2002	MIT Witnessed - Pre	Gerry Guye	Yes	No	10/29/2002	iUNK0220740822
Comments on Inspection:		Well sign does not reflect proper well name. Violation Rule 103.				

WHLPSU 001			F-18-16S-29E	30-015-26123-00-00		
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
07/26/2002	MIT Witnessed - Pre	Gerry Guye	Yes	No	10/29/2002	iUNK0220745968
Comments on Inspection:		Well sign does not reflect proper well name. Violation Rule 103.				

Thank you for your prompt attention to this matter and your efforts in helping to protect our environment and the infrastructure of the oil and gas industry.

Sincerely,

Oil Conservation Division, District II

Note: Information in Detail Section comes directly from field inspector data entries - not all blanks will contain data.
 *Significant Non-Compliance events are reported directly to the EPA, Region VI, Dallas, Texas.