

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>			5. LEASE DESIGNATION AND SERIAL NO. NM26072	
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE <input type="checkbox"/>			6. IF INDIAN, ALLOTTEE OR TRIBE NAME ---	
2. NAME OF OPERATOR Beach Exploration, Inc. ✓			7. UNIT AGREEMENT NAME ---	
3. ADDRESS OF OPERATOR 800 N. Marienfeld Suite 200 Midland, Texas 79701			8. FARM OR LEASE NAME Exxon A Federal	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 990' FNL & 1650' FEL At proposed prod. zone Same (Unit B) C. C. D. (NW4/ NE/4) ARTESIA, OFFICE			9. WELL NO. 4	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 18 Miles East-Northeast of Artesia, New Mexico			10. FIELD AND POOL, OR WILDCAT High Lonesome (Queen)	
16. NO. OF ACRES IN LEASE 240			11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 18, T16S, R29E	
17. NO. OF ACRES ASSIGNED TO THIS WELL 40			12. COUNTY OR PARISH Eddy	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1320'			13. STATE NM	
19. PROPOSED DEPTH 1800'			20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3659.5 GL			22. APPROX. DATE WORK WILL START* September 29, 1989	

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24#	300'	Sufficient to Circulate
7 7/8"	4 1/2"	10.5#	1800'	500 Sxs

Attachments: Well Location and Dedication plats  
Drilling Data  
Surface Use Plan  
Archaeological Survey

Post ID-1  
9-29-89  
New Loc & API  
RECEIVED

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED: [Signature] TITLE: Production DATE: 8-22-89

(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

APPROVED BY: \_\_\_\_\_ TITLE: \_\_\_\_\_ DATE: 9-25-89

CONDITIONS OF APPROVAL, IF ANY:

\*See Instructions On Reverse Side

Submit to Appropriate  
District Office  
State Lease - 4 copies  
Fee Lease - 3 copies

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised 1-1-89

OIL CONSERVATION DIVISION

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

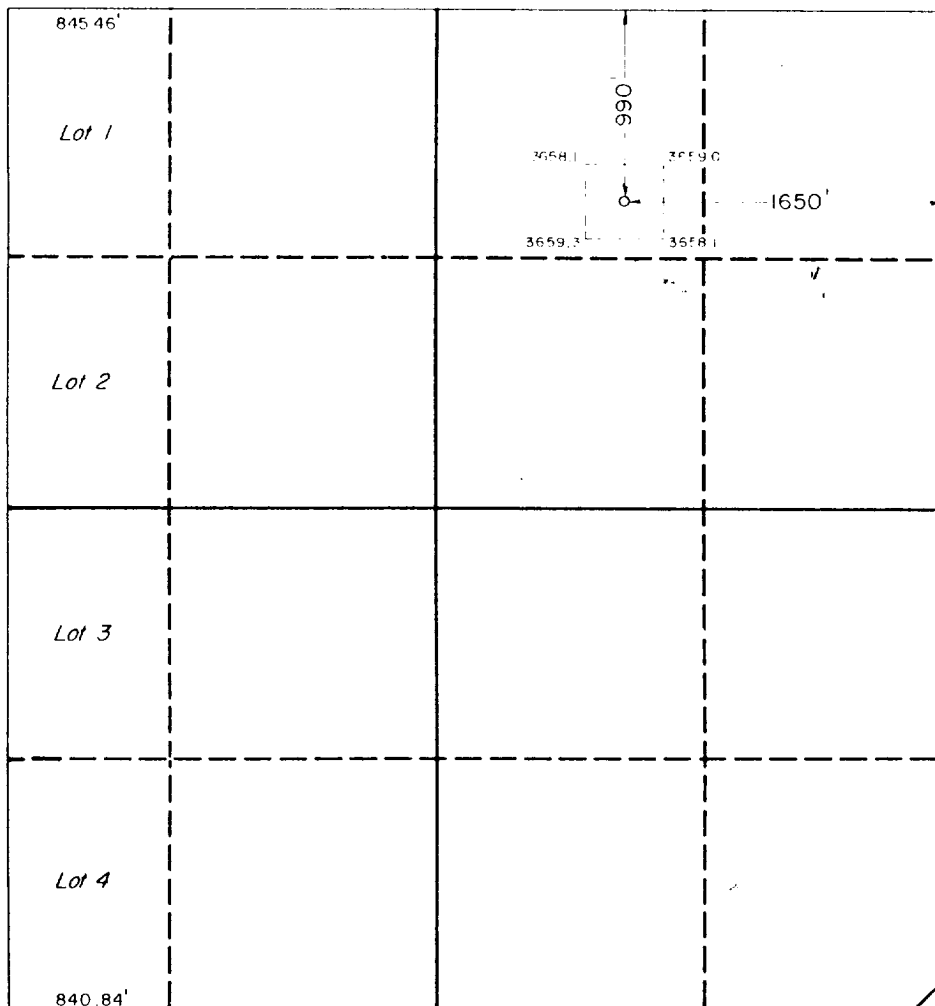
DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Beach Exploration, Inc.			Lease Exxon Fed. A			Well No. 1		
Unit Letter B	Section 18	Township 16 South	Range 20 East			County Addy		
Actual Footage Location of Well: 990 feet from the north line and 1650 feet from the east line								
Ground level Elev. 3659.5		Producing Formation Queen		Pool High Lonesome			Dedicated Acreage: 40 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?  
☐ Yes ☐ No If answer is "yes" type of consolidation \_\_\_\_\_  
If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)  
No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

Signature  
*Barbara Watson*  
Printed Name  
Barbara Watson  
Position  
Production  
Company  
Beach Exploration, Inc.  
Date  
8-22-89

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed  
March 20, 1989  
Signature & Seal of Professional Surveyor  
*John W. West*  
Certificate No. 3239  
JOHN W. WEST  
NEW MEXICO  
LAND SURVEYOR

BEACH EXPLORATION, INC.  
WELL NO. 4A EXXON FEDERAL  
NW1/4 NE1/4 of SEC.18, T16S, R29E  
EDDY COUNTY, NEW MEXICO

1. Surface Formation: Sandy soils of Quaternary Age.
2. Estimated Tops of Geologic Markers:

Andydrite	250'	Seven Rivers	820'
Salt	280'	Queen	1400'
Base Salt	600'	Penrose	1640'
Yates	660'	Grayburg	1800'

3. Anticipated Porosity Zones:

Water: Above 150'  
Oil: Seven Rivers, Queen, Penrose

4. Casing Design:

Size	Interval	Weight	Grade	Joints
8 5/8"	0-330'	24.0# <del>23.0#</del> 505	K-55	STC
4 1/2"	0-1800'	10.5#	K-55	STC

5. Pressure Control Equipment: Double Ram-Type Preventer
6. Circulating Medium:

0 - 300' Fresh water mud with gel or lime as needed for viscosity control.

300'- 1500' Brine Water

1500'- 1800' Salt water mud, conditioned as necessary for control of viscosity and water loss.

7. Auxiliary Equipment: Drill string safety valve.
8. Testing, logging and coring program: No coring or DST's are planned. Electric logs will include a CNL-FDC w/GR.
9. Abnormal pressure, Temperatures or gases: None Anticipated
10. Anticipated Starting Date: Approximately September 29, 1989

SURFACE USE PLAN  
FOR  
DRILLING, COMPLETING AND PRODUCING

BEACH EXPLORATION, INC.  
WELL # 4A EXXON FEDERAL  
990' FNL & 1650' FEL  
SEC. 18, T16S, R29E  
Eddy County, New Mexico

LOCATED: 18 Miles East-Northeast of Artesia, New Mexico

OIL AND GAS LEASE: NM 26072 was issued on 9-1-75 for a  
primary term of ten years.

ACRES IN LEASE: 880

RECORD LESSEE: Exxon Corporation

OPERATOR'S AUTHORITY: Designation of operator from lessee.

BOND COVERAGE: Beach's \$100,000 Bond

SURFACE OWNER: U.S. Government with a grazing permit issued  
to Bogle Farms, Inc. P.O. Box 358, Texter,  
NM 88230

WELL SPACING: 40 Acres. High Lonesome Oil Pool

EXHIBITS: Area Road Map  
Topographic Map  
Surface Map

ROAD LOG (US-82)  
BEACH EXPLORATION INC.  
EXXON A FEDERAL WELL NO. 4

Starting at 19 1/2 Miles east of Artesia, NM at the junction of County Road E214 and Federal Highway US-82. Milepost Marker 237.96.

- 0.00 Exit US-82 to the north on Eddy Co., #214 (Barnaval Draw) and proceed in a northerly direction for a distance of 6.75 miles to a double fork in road.
- 6.75 Take left turn on lease road and proceed in a northwesterly direction for a distance of 0.77 mile a NE-SW crossroad.
- 7.52 Turn left (southwest) on an oilfield road and proceed for a distance of .088 mile to a west sideroad.
- 8.48 Turn right (West) and proceed for a distance of .88 mile to a north sideroad.
- 8.92 Turn right (north) and proceed for a distance of .44 mile to Beach Exploration's Exxon Federal Tank Battery
- 9.36 Continue in a Northerly direction for a distance of approximately .63 mile (3/4) past the Exxon Federal #3 to the Exxon A Federal #1.
- 9.99 Turn West and proceed for a distance of .25 mile to the Exxon A Federal #2.
- 10.24 Turn North and proceed for a distance of .25 mile to the Exxon A Federal #4.

THIRTEEN POINT PROGRAM

1. Existing Roads: Existing roads from the Exxon Federal Lease to the Exxon A Federal Lease are shown on Exhibit "A".
2. Proposed New Road: A new road will be required to this location from the existing lease road. Beach Exploration Inc. will construct the new road.
3. Location of Existing Wells: The Exxon A Federal #2 is 1320' south of the proposed location as shown on Exhibit "C".
4. Location of Existing and/or Proposed facilities:
  - A. Beach Exploration, Inc. Exxon A Federal #1, #2, and #3 are producing wells and production facilities exist on the lease at the Exxon A Federal #1 location.
  - B. If Well #4 is productive, production and storage facilities will be required, storage facilities exist on the lease.
5. Location and Type of Water Supply: Water for leasehold operations will be purchased from a commercial water hauler.

6. Source of Construction Materials: Materials needed for reconstruction of the road and well pad will be obtained from material found in place.
7. Methods of Handling Waste Disposal:
  - A. Drill cuttings will be disposed of in the drilling pits.
  - B. Drilling fluids will be allowed to evaporate in the drilling pits until the pits are dry.
  - C. Water produced during tests will be disposed of in drilling pits.
  - D. Oil produced during test will be stored in test tanks until sold.
  - E. Trash, waste paper, garbage and junk will be buried in a trash pit and covered with a minimum of 24 inches of dirt. All waste material will be contained to prevent scattering by the wind. Location of the trash pit is shown on Exhibit "D".
  - F. All Trash and debris will be buried or removed from wellsite within 45 days after finishing drilling and/or completion operations.
8. Ancillary Facilities: None anticipated.
9. Wellsite Layout:
  - A. The wellsite has been surveyed and a 400' X 400' area has been staked and flagged.
  - B. The dimensions and relative location of the drill bore are shown on Exhibit "D".
  - C. The well pad will be resurfaced with caliche found in place or obtained from commercial hauler.
10. Plans for Restoration of the Surface:
  - A. After completion of drilling and/or completion operations, all equipment and other material not needed for operations will be removed. Pits will be filled and the location cleaned of all trash and junk to leave the wellsite in as aesthetically pleasing condition as possible.
  - B. Any ungraded pits containing fluids will be fenced until they are filled.

- C. After abandonment, all equipment, trash and junk will be removed and the location cleaned.

11. Other Information:

- A. Topography: The wellsite is at an elevation of 3659' and situated in flat, sandy surface.
- B. Soil: The soil is predominantly red clay.
- C. Land Type & Use: The vicinity surrounding the drill site is semi-arid rangeland and its primary use is for the production of oil and gas and for grazing.
- D. Flora: Vegetative cover is sparse. Flora consists primarily of sagebrush and range grasses.
- E. Water Wells: none
- F. Residences & Other Structures: There are no occupied dwellings within two miles.
- G. Archaeological, Historical & Cultural Sits: A isolated incident is recorded in the area of the location. The New Mexico Archaeological Service recommended clearance. If any other occurrences are found during construction, they will be reported.

12. Operator's Representatives:

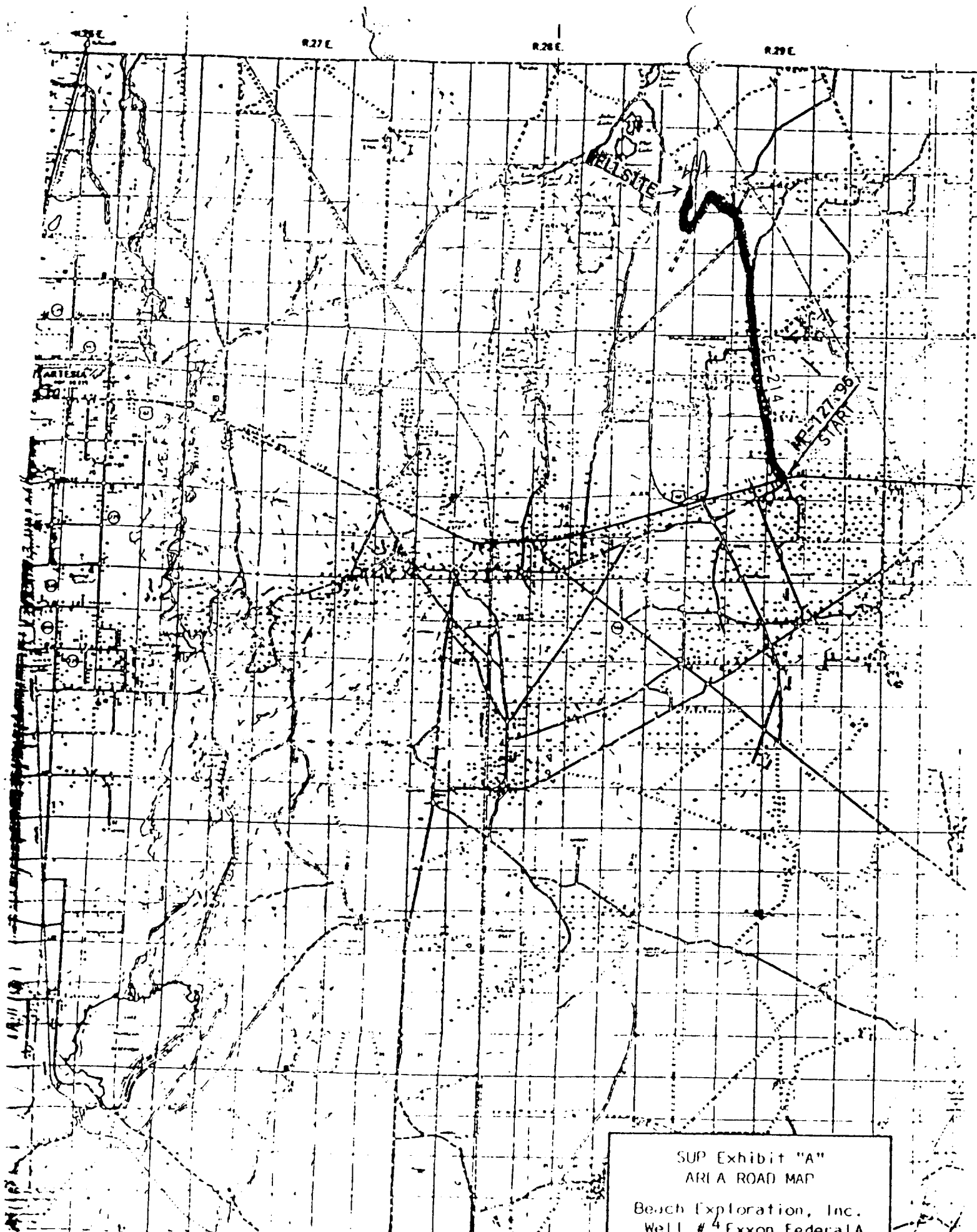
- A. Bob Bigard  
Beach Exploration, Inc.  
800 N. Marienfeld Suite 200  
Midland, Texas 79701  
Telephone: AC915/683-6226
- B. William N. Beach  
Beach Exploration, Inc.  
800 N. Marienfeld Suite 200  
Midland, Texas 79701  
Telephone: AC915/683/6226

13. Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access road; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge true and correct; and, that the work associated with the operations proposed herein will be performed by BEACH EXPLORATION, INC. and its sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

August 22, 1989  
Date

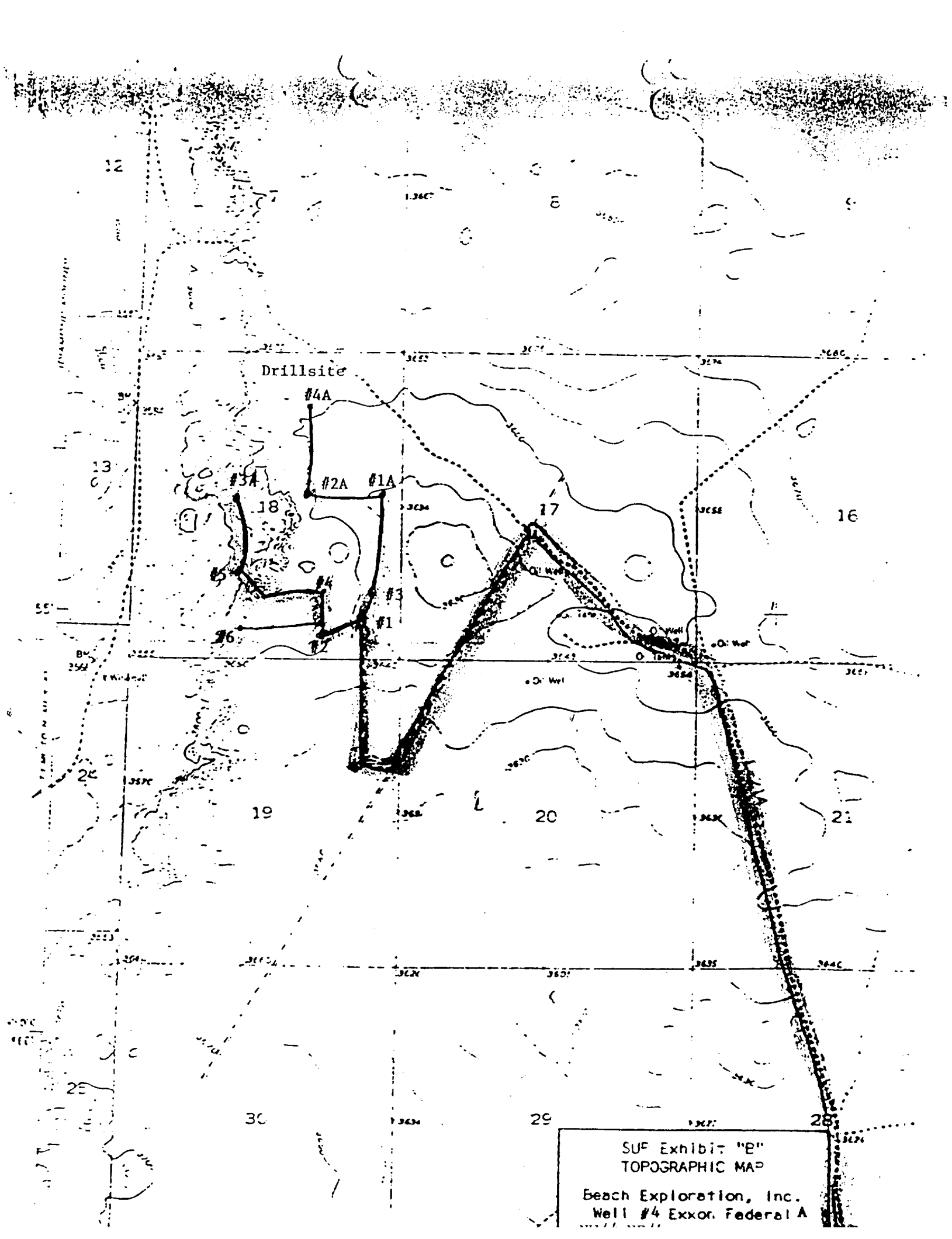
  
Barbara Watson  
BEACH EXPLORATION, INC.



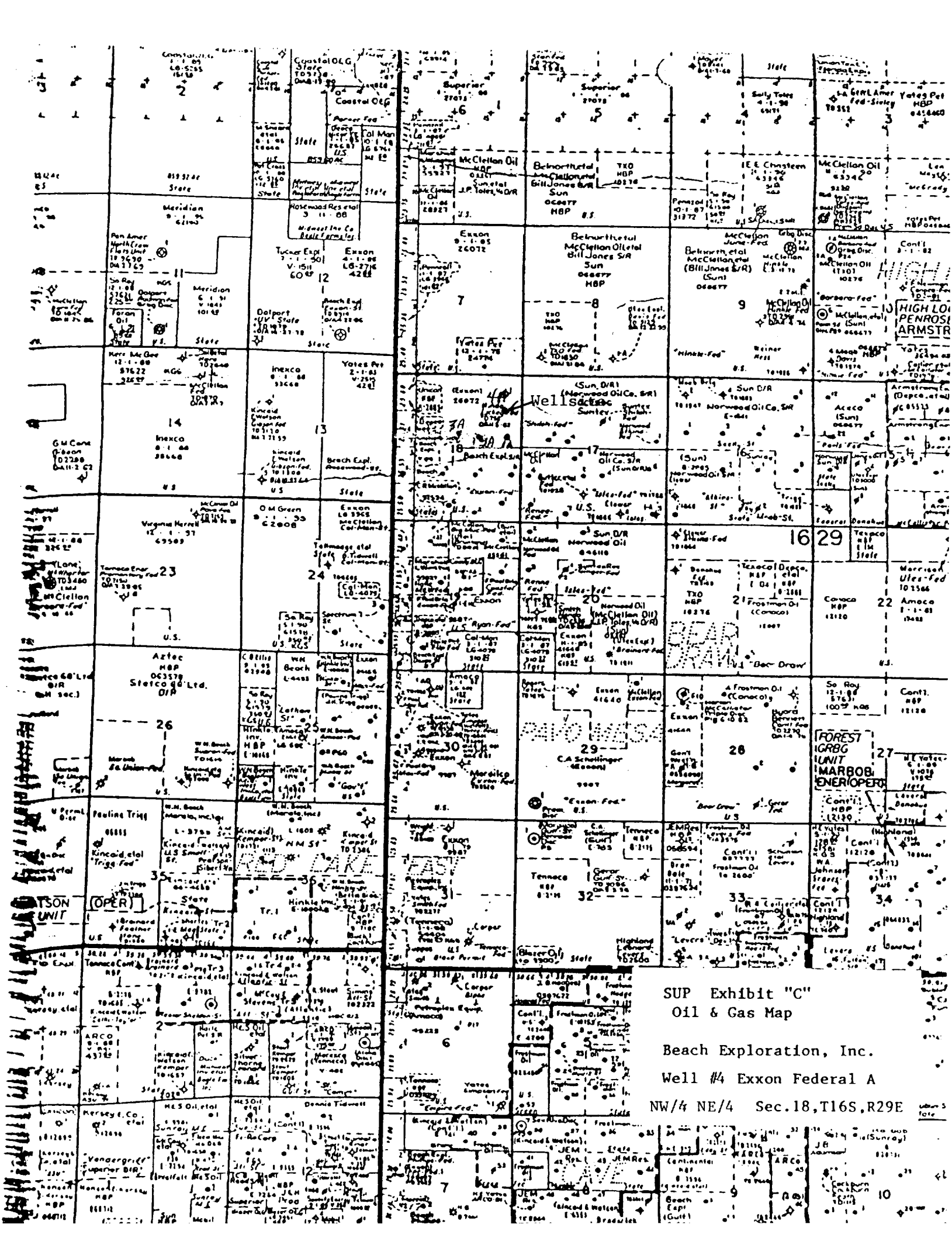
SUP Exhibit "A"  
AREA ROAD MAP

Beach Exploration, Inc.  
Well #4 Exxon Federal A





SUP Exhibit "B"  
TOPOGRAPHIC MAP  
Beach Exploration, Inc.  
Well #4 Exxor. Federal A

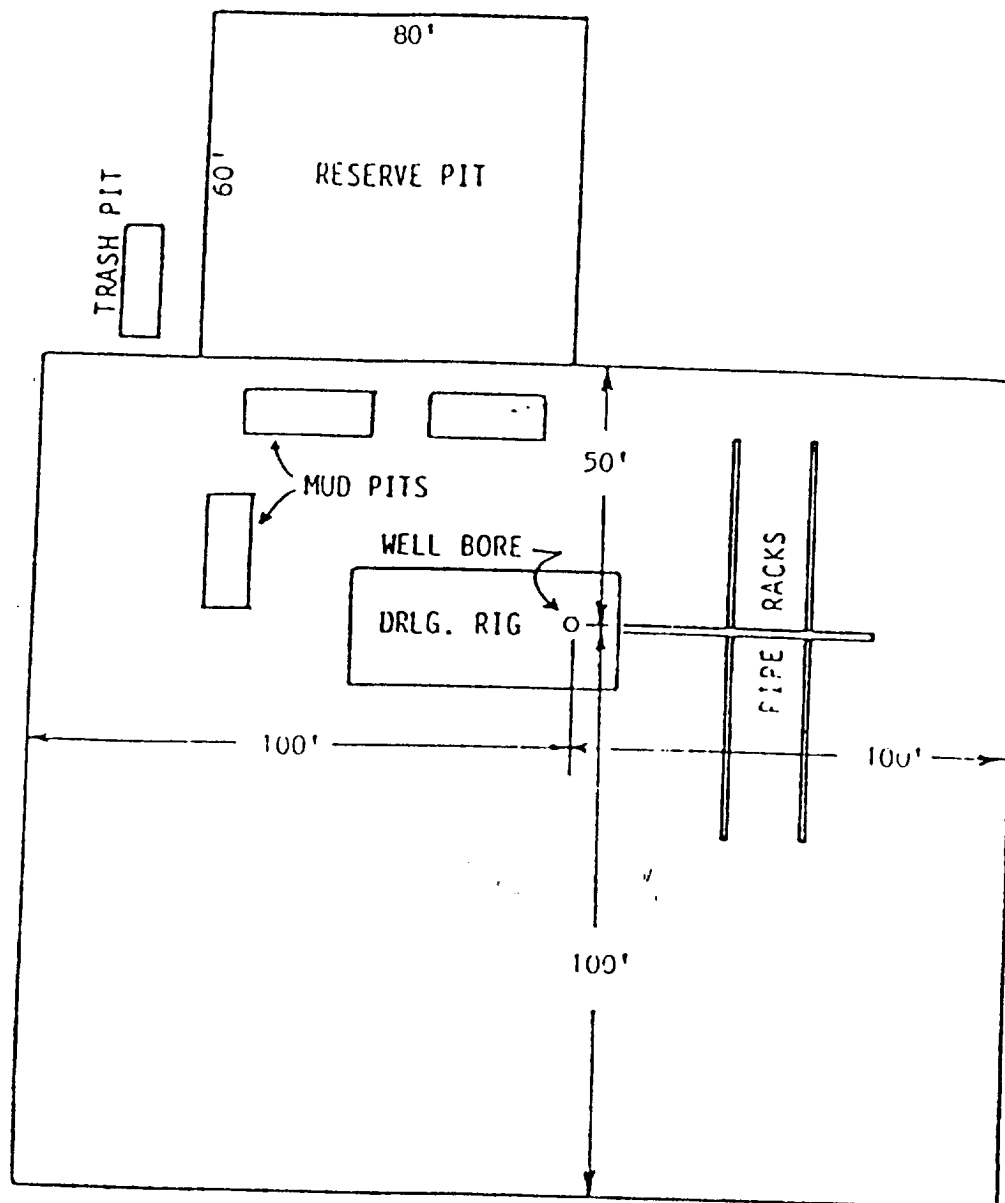


SUP Exhibit "C"  
Oil & Gas Map

Beach Exploration, Inc.

Well #4 Exxon Federal A

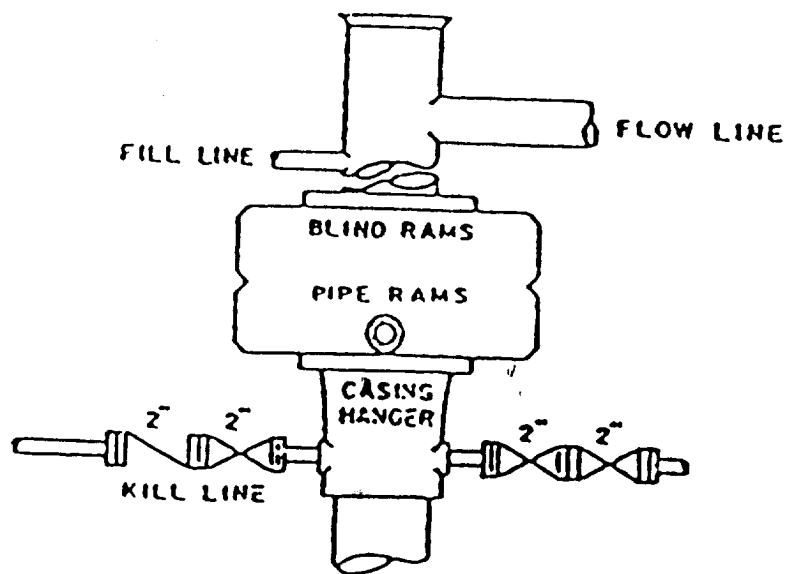
NW/4 NE/4 Sec.18,T16S,R29E



SUP Exhibit "D"  
 SKETCH OF WELL PAD  
 Beach Exploration, Inc.  
 Well #4 Exxon Federal A  
 NW/4 NE/4 Sec.18-16S-29E

BLOWOUT PREVENTER ARRANGEMENT

Beach Exploration, Inc.  
Well #4 Exxon Federal A  
NW/4, NE/4 Sec. 18, T16S, R29E



Archaeological Clearance Report  
for

BEACH EXPLORATION, INCORPORATED

Exxon Federal "A" Well No. 4  
and access road

Prepared

By

Dr. J. Loring Haskell

Submitted

By

Dr. J. Loring Haskell  
Principal Investigator  
New Mexico Archaeological Services, Inc.  
Carlsbad, New Mexico

18 April 1989

Permit Number: 14-2920-89-I

Report Number: NMAS-1989-10-A

Section 18, T16S, R29E, NMPM, Eddy County, NM

Thus it will be situated in the:

NW¼NE¼, Section 18, T16S, R29E, NMPM, Eddy County, NM

The associated access road will measure approximately 100  
X 900 ft (actual area surveyed 2.07 acres) and will be situated  
in the:

NW¼NE¼, Section 18, T16S, R29E, NMPM, Eddy County, NM

SW¼NE¼, Section 18, T16S, R29E, NMPM, Eddy County, NM

Map Reference: USGS BASIN WELL QUADRANGLE, 7.5 Minute Series,  
1953.

#### Level of Previous Impact

The sites of the proposed location and access road have not been previously impacted by mechanical means.

#### Environmental Setting

BEACH EXPLORATION's proposed location will be situated on a sandy clay loam surface lying due east of an extensive polje. Locally, the coeval surface, rolling in character, is subject to the effects of ephemeral sheetwash. Low, camel-back hills surmount the polje's rim. Elevation is 3695 ft. Slope is 0.80°. Aspect is east, south and north. Water, while scarce in the near vicinity, does occur within the polje. Drainage is to the east. Soil individuals, subject to the effects of puddling and scaling, fall within the Typic Calciorthid subgroup. Caliche gravels and cobbles, commonly constitute a light scree. Depositionally, the surface is subject to colluvial movement with laterality being to the east. The mixed scrub-grassland formation is composed of mesquite, creosote bush, Englemann prickly pear, broom snakeweed, desert holly, prickleleaf dogweed, fluff grass, poverty threeawn,

bush muhly, burrograss, tobosa and blue grama.

#### Cultural Resources

Prefield: 13 April 1989, Section 18, T16S, R29E, no archaeological sites, J. Loring Haskell.

No cultural properties were recorded during this survey.

Their absence is attributed to a dearth of siliceous lithic material, the openness of the landform and the paucity of potable water. Locally, land usage, while more or less continual during Late Archaic- and Eastern Jornada Mogollon- times, was brief, transitory and seasonal in character. Locally, economic pursuits focused on hunting with Antilocapra, Odolcoileus, Bison, Lepus and Sylvilagus being exploited on a regular basis.

#### Recommendations

NMAS recommends clearance for BEACH EXPLORATION, INCORPORATED's proposed Exxon Federal "A" Well No. 4 and its access road and suggests that work-related activities proceed in accordance with company plans (Fig. 1). Clearance, of course, is granted the Bureau of Land Management. If cultural resources are encountered during construction, the BLM and NMAS should be notified immediately.

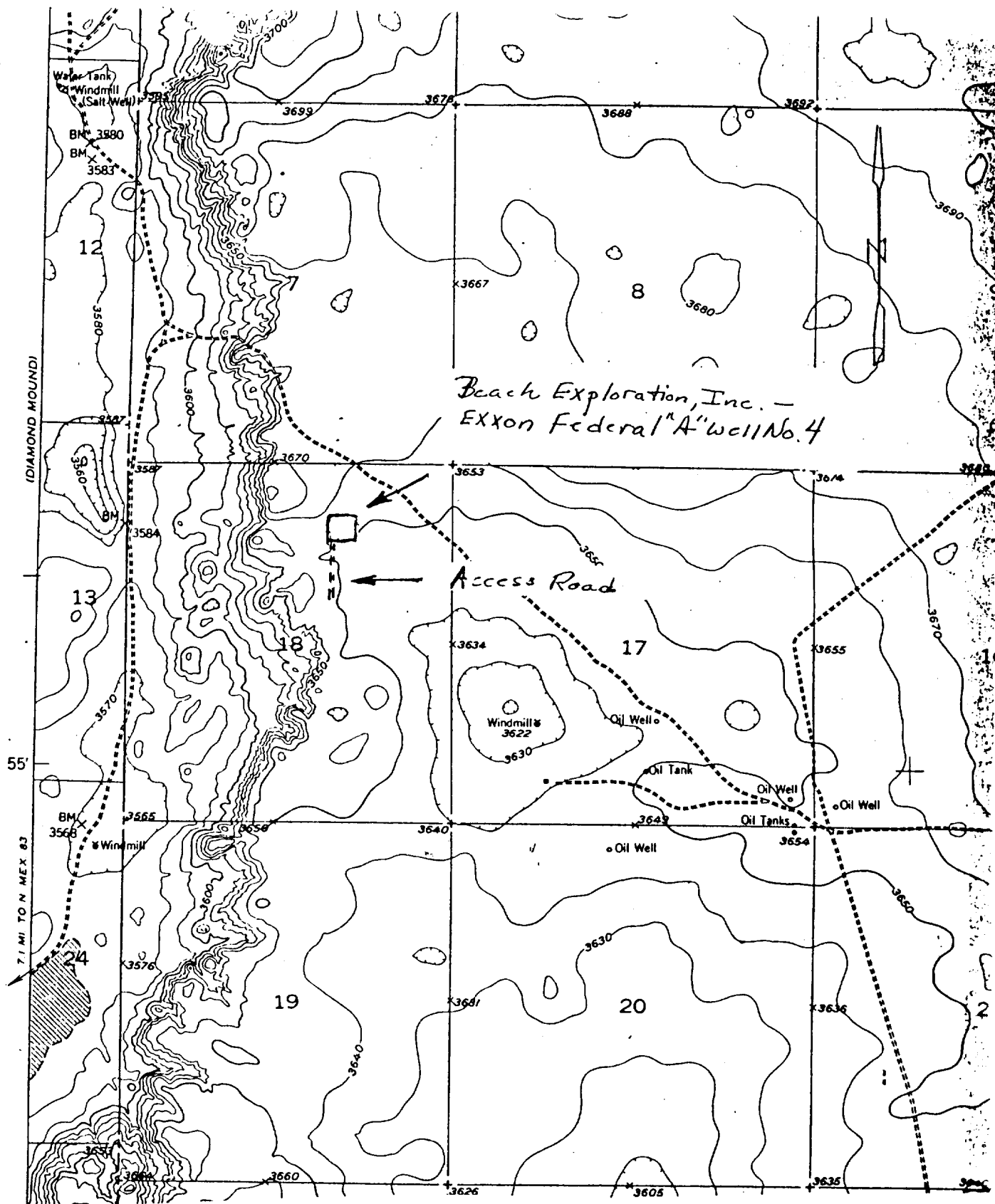


Fig. 1. USGS BASIN WELL QUADRANGLE, 7.5 Minute Series, 1;24,000, 1953, showing BEACH EXPLORATION, INCORPORATED's proposed Exxon Federal "A" Well No. 4, 990' FNL, 1650' FEL, and access road, Section 18, T16S, R29E, NMPM, Eddy County, New Mexico.