1625 French Dr. Hobbs. NM 88240 PROVED Form 3160-(August 199 Expires November 30, 2000 RTMENT OF THE INTERIOR ureau 🙀 land management Lease Serial No. DRY NOTICES AND REPORTS ON WELLS -NMNM106832X-Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals. 6. If Indian, Allottee or Tribe Name SUBMIT IN TRIPLICATE - Other instructions on reverse side 7. If Unit or CA/Agreement, Name and/or No. NMNM106832X WEST HIGH LONESOME UNIT Type of Well 8. Weil Name and No. Oil Well Gas Well Other WHLPSU #20 Name of Operator BEACH EXPLORATION, INC 9. API Well No. 3b. Phone No. (include area code) 30-015-32259 3a. Address 915-683-6226 EXT 12 800 N. MARIENFELD, STE 200, MIDLAND, TX 79701 10. Field and Pool, or Exploratory Area 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) HIGH LONESOME QUEEN 11. County or Parish, State 660' FNL & 1980' FEL, UNIT B, SEC 19, T-16-S, R-29-E EDDY COUNTY,NM 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Production (Start/Resume) ☐ Acidize ■ Water Shut-Off Deepen ☐ Notice of Intent Alter Casing Fracture Treat Reclamation Well Integrity Other Drilling well New Construction Recomplete Casing Repair Subsequent Report Change Plans Plug and Abandon ☐ Temporarily Abandon casing & completion Final Abandonment Notice Plug Back ■ Water Disposal Convert to Injection Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.) 04/19/2002 Spud well at 8 am, drilled 11" hole to 315' 04/20/2002 Ran 7 jts of new 8-5/8" 24# J-55 ST&C casing to 315'. Cemented w/ 175 sx Halliburton Premium Plus w/2% CaCl & 0.25#/sx ocele Circulated 5 sx to cellar 04/21-24/02 Drilled to TD 1900' w/ 7-7/8" bit. 04/24/2002 Ran 43 jts of new 4-1/2" 10.5# J-55 ST&C casing to 1900'. Cemented w/ lead of 325 sx Halliburton Light Premium Plus w/ 0.25#/sy flocele, 6#/sx salt and 5#/sx gilsonite tailed in w/150 sx Premium Plus w/ 0.3% Halad-9. Cement did not circulate. WOC. Ran 1". TOC at 411'. Cemented down 1" w/300 sx Premium Plus neat. Cement did not circulate. WOC. Air pocket at 356' burped 70 sx cement out of hole. WOC. 04/25/2002 Ran 1" tagged TOC at 380'. Received BLM approval and pumped down 8-5/8" csg valve w/BOP closed, 200 sx Halliburton Interfil (Class C 50/50 Poz mix w/10% gel and 8#/sx salt). WOC 6 hrs. Ran 1" tagged hard TOC at 275'. WOC 18 hrs for compressive strength. 04/26/2002 Cemented down 1" w/ 10 sx Premium Plus w/3% CaCl. WOC Tagged TOC at 160'. Cemented down 1" w/ 50 sx Premium Plus w/3% CaCl. Circulated 13 sx to pit. Release rig. 04/29/2002 Ran CCL, GR and Neutron. Perforated 1720' - 1746' 4 SPF 108 holes. Acidized w/500 gal 15% MCA 04/30/2002 Fracture treated perfs w/ 15,000 gal AmBorMax 1025 and 29,300 # 16/30 sand ACCEPTED FOR KECORD 05/02/2002 Put well on pump to test and recover load. 14. I hereby certify that the foregoing is true and correct MAY 2 9 Name (Printed/Typed) Title Engineering Analyst Lizbeth Lodle ALEXIS C. SWORDDA Date May 8, 2002 Signatur PETROLEUM ENGINEER THIS SPACE FOR FEDERAL OR STATE OFFICE USE Date Approved by Title Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease Office which would entitle the applicant to conduct operations thereon

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.