

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

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

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

WELL API NO. 30-015-25774-00-00
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. NM05855
7. Lease Name or Unit Agreement Name Red Lake Unit
8. Well Number No. 001
9. OGRID Number 001903
10. Pool name or Wildcat Red Lake, Queen 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 ☒ Gas Well ☐ Other ☐

2. Name of Operator
Beach Exploration, Inc.

3. Address of Operator
800 N. Marienfeld, Suite 200, Midland, Texas 79701

4. Well Location
Unit Letter I : 1653 feet from the South line and 330 feet from the East line
Section 24 Township 16S Range 28E NMPM County Eddy

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	

OTHER: ☐ OTHER: TEMPORARILY ABANDON ☒

13. 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 recompletion.

1 Beach Exploration Requests TA status for the RLU #1

2 Attached is a copy of the MIT pressure chart recorded 11/3/04 witnessed by Gerry Guye 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 1770'
9/1996 rods, pump and tubing were pulled from this well,
4/8/98 tubing and a packer were run and a successful MIT was witnessed (tbg and packer pulled)
11/3/04 a CIBP was set on wireline inside the 4-1/2" csg at 1600' w/35' cmt on top (top perf 1636')
On 11/3/04 a successful MIT test was conducted and witnessed by Gerry Guye with the OCD.

Temporary Abandoned Status approved
11-9-2009

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Brenda Martin TITLE Engineer Assistant DATE 11/9/04

Type or print name Brenda Martin E-mail address: bmartin@beach.exp.com Telephone No. 432/683-6226
For State Use Only

APPROVED BY: Gerry Guye TITLE DR DATE 1-4-05
Conditions of Approval (if any):

