

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. 30-015-25412
5. Indicate Type of Lease (Federal) STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. NM9987
7. Lease Name or Unit Agreement Name Red Lake Unit
8. Well Number #13
9. OGRID Number 001903
10. Pool name or Wildcat Red Lake, Queen-Grayburg, 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 North Marienfeld, Suite 200, Midland, TX 79701

4. Well Location  
Unit Letter \_\_\_\_\_ : 2310 feet from the South line and 330 feet from the West line  
Section 30 - 1 Township 16S Range 29E NMPM Eddy County

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:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☐

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 #13

2. Beach was notified by the OCD 10/5/04 that the RLU #13 was in need of a test for renewal of TA'd status. The test was set up 11/2/04, successfully conducted and witnessed by Gerry Guye of the OCD. Later it was determined that this well was an inactive producer in the waterflood, but was originally a Federal well and should have been witnessed by the BLM. Attached is a copy of the MIT pressure chart recorded 11/2/04 and signed and annotated by Gerry Guye of the OCD (505-748-1283).

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/History: This well originally had 4-1/2" casing set at 2500'. In July 1994 rods, pump and tubing were pulled from this well, a CIBP was set inside the 4-1/2" csg at 1800' w/35' cmt on top (top perf 1842'). On 3/15/02 a successful MIT test was conducted and witnessed by Don Early with the BLM. On 11/2/04 a successful MIT test was conducted and witnessed by Gerry Guye with the OCD.

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 Engineering Analyst DATE 11/09/2004

Type or print name Brenda Martin E-mail address: bmartin@beachexp.com Telephone No. 432/683-6226

For State Use Only

APPROVED BY: Mike Bantche TITLE Compliance Officer DATE 1/19/05

Conditions of Approval (if any): EXPIRES 1/2010