

Submit 1 Copy To Appropriate District Office  
District I - (575) 393-6161  
1625 N. French Dr., Hobbs, NM 88240  
District II - (575) 748-1283  
811 S. First St., Artesia, NM 88210  
District III - (505) 334-6178  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV - (505) 476-3460  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
Revised August 1, 2011

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

WELL API NO. 30-015-25672
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. NMNM106832X
7. Lease Name or Unit Agreement Name WEST HIGH LONESOME UNIT
8. Well Number 14
9. OGRID Number 001903
10. Pool name or Wildcat High Lonesome Queen

**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.)

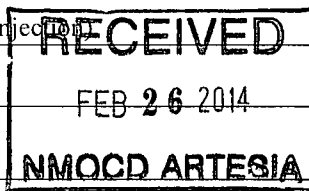
1. Type of Well: Oil Well ☐ Gas Well ☒ Other (Injection) ☐

2. Name of Operator  
Beach Exploration, Inc.

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

4. Well Location  
Unit Letter N: 560 feet from the South line and 2035 feet from the West line  
Section 18 Township 16S Range 29E NMPM Eddy County

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



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 ☐  
DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

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

OTHER: ☐

OTHER: ☐

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

The WHL #14 injector failed a mechanical integrity test on 2/20/14 conducted by Richard Inge (NM OCD). The tubing pressure and casing pressure looked to be equalizing. Most probable cause is a packer or tbq leak. The well is currently shut in pending repair.

- 1 Connect flowback to vacuum truck to catch injection well flowback.
- 2 RU pulling unit. NU BOP. Release and reset packer to test packer seal. Drop standing valve to SN and pressure up on tbq to test.
- 3 Replace tubing and or packer and retest. If packer and tubing test ok then proceed to step 4.
- 4 Pick up 4 1/2" bridge plug, packer and 2 3/8" workstring. RIH and set BP at 1650'. Pull up, set packer and test BP to 2000 psi.
- 5 Work packer up hole testing tubing and backside to locate casing leak. RIH w/16 jts tailpipe and packer to casing leak..
- 6 Spot a 25sx balanced cement plug as follows: pump 7.5sx C-neat cmt, 10sx C-neat cmt w/6#/sx blast sand, and 7.5sx C-neat.
- 7 Pull up 16 jts, pump 6 BFW, set packer and hesitation squeeze casing leak. WOC
- 8 POOH w/tubing. RU reverse unit. Pickup 3 7/8" bit, drill collars and workstring. Drill out squeeze plug and pressure test casing.
- 9 Drill out 4 1/2" BP at 1650' and clean out hole below perfs 1708 - 1727 (PBDT 1772) POOH and laydown drill collars and workstring.
- 10 RIH w/2 3/8" x 4 1/2" PC AD-1 tension packer, PC SN and 53 jts Duo-10 lined tbq. Load backside w/packer fluid and set packer at 1651'.
- 11 Conduct OCD witnessed MIT. Return well to injection.

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

SIGNATURE Jack M. Rose TITLE Engineer DATE February 24, 2014

Type or print name Jack M. Rose E-mail address: jrose@beachexp.com PHONE: 432/683-6226

For State Use Only

APPROVED BY: Richard Inge TITLE COMPLIANCE OFFICER DATE 3/13/14

Conditions of Approval (if any):