

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

Form C-103
 May 27, 2004

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| 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 <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other (Injection) | | WELL API NO. 30-015-25983 |
| 2. Name of Operator Beach Exploration, Inc. | | 5. Indicate Type of Lease (FEDERAL) STATE <input type="checkbox"/> FEE <input type="checkbox"/> |
| 3. Address of Operator 800 North Marienfeld, Suite 200, Midland, TX 79701 | | 6. State Oil & Gas Lease No. NMNM106832X |
| 4. Well Location Unit Letter <u>H</u> : <u>2,310</u> feet from the <u>North</u> line and <u>330</u> feet from the <u>East</u> line Section <u>18</u> Township <u>16S</u> Range <u>29E</u> NMPM Eddy County | | 7. Lease Name or Unit Agreement Name WEST HIGH LONESOME PENROSE |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.) | | 8. Well Number #3 |
| Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/> | | 9. OGRID Number 001903 |
| Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____ | | 10. Pool name or Wildcat WEST HIGH LONESOME QUEEN |
| Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____ | | |

RECEIVED
 JAN 20 2006
 OCU-ARTESIA

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

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

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.

12/27/05
 MIRUPU, POOH with tbg and pkr picked up work string RIH with 3 3/4" bit and 4.5" scraper to 1,782' did not have any fill, POOH bit and scraper, RIH with pkr and work string set pkr at 1,670' treat formation with 110 gal xylene flushed to perfs with 10 bbls water with 100# pressure let set for 30 min. Dug work pit and lined had 10# pressure when pkr was released, slight flow back while pulling work string and laying down, RIH with injection pkr and tbg. Circ hole clean with pkr fluid set pkr with 13 pts tension. Run MIT @ 300# for 30 min, state did not show up. Returned well to injection.

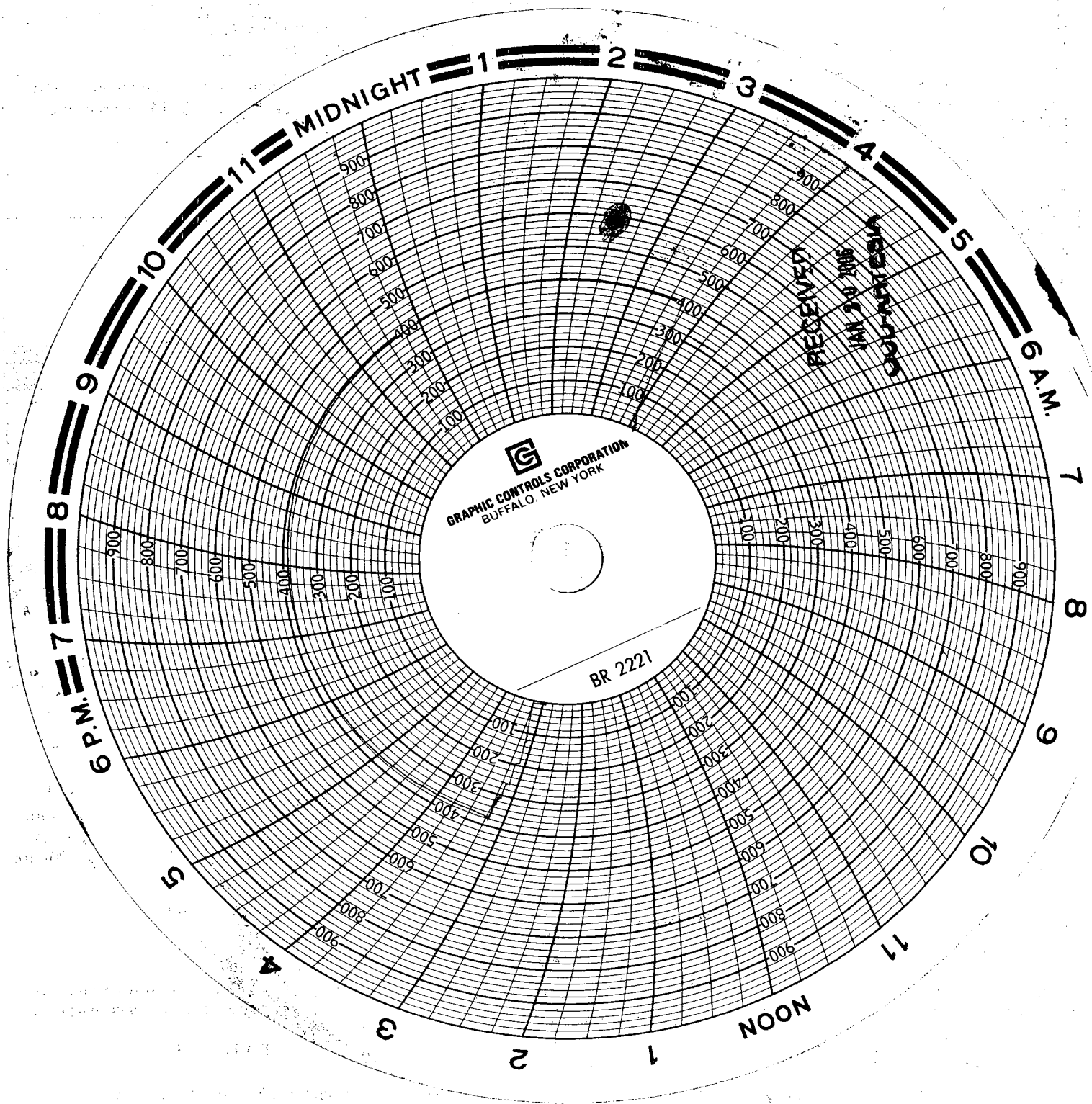
Original MIT chart attached.

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 NMOCDD guidelines , a general permit or an (attached) alternative OCD-approved plan .

SIGNATURE Brenda Martin TITLE Regulatory Analyst DATE 1/13/06

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

APPROVED BY: Gerry Guye TITLE Compliance Officer DATE 1-25-06
 Conditions of Approval (if any):



G
GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK

BR 2221

RECEIVED

JAN 14 1968

RECEIVED

6 P.M.

6 A.M.

NOON

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Chart Record # 1160
Rad Bags # 692
Beach
West High Lonesome
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