

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: October 31, 2014

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

5. Lease Serial No. NM110610

6. If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE** - Other instructions on page 2.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Beach Exploration, Inc.

3a. Address

800 North Marienfeld, Suite 200  
Midland, Texas 79701

3b. Phone No. (include area code)

(432) 683-6226

7. If Unit of CA/Agreement, Name and/or No.  
NMNM 101358

8. Well Name and No.

Henshaw Deep Unit #9

9. API Well No.

30-015-10075

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

660' FNL & 1980' FWL, Sec 23 (Unit C) NE1/4 NW1/4, T-16-S R-30-E

10. Field and Pool or Exploratory Area

Henshaw; Morrow Gas, Atoka Gas

11. County or Parish, State

Eddy, New Mexico

**12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input checked="" type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input checked="" type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. 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 recompleat 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Beach Exploration, Inc. has been in contact with the BLM since BLM's inspection in Oct 2014 (43 CFR 3163.10). We had been working with Sol Hughes and subsequently with Jeffery Robertson. (43 CFR 3163.10 signed and attached)

2/15 Beach was finally able to dispose of the production equipment on location.

3/27 - 4/3/15 JC Services removed caliche from location, ripped and contoured location and road and constructed road barrier (see attache photos)

5/29/15 JC Services seeded location with BLM LPC Sand/Shinnery Site seed mixture.

**NM OIL CONSERVATION**  
ARTESIA DISTRICT

DEC 18 2015

RECEIVED

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Jack M. Rose

Title

Engineer

Signature

Date 06/29/2015

*Accepted for Record* THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

SPEET

Date

12-13-15

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 which would entitle the applicant to conduct operations thereon.

Office

CHO

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.

(Instructions on page 2)

**NM OIL CONSERVATION**

ARTESIA DISTRICT

DEC 18 2015

Number 15-SH-100

Page 1 of 2

**UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT**

**NOTICE OF INCIDENTS OF NONCOMPLIANCE**

☒ Certified Mail - Return  
Receipt Requested  
7010167000095765781

☐ Hand Delivered Received  
by

Identification
IID
Lease NMNM110610
CA
Unit
PA

Bureau of Land Management Office <b>CARLSBAD FIELD OFFICE</b>	Operator <b>BEACH EXPLORATION INCORPORATED</b>
Address <b>620 E GREENE STREET CARLSBAD NM 88220</b>	Address <b>800 NORTH MARIENFELD SUITE 200 MIDLAND TX 79701</b>
Telephone <b>575.234.5972</b>	Attention
Inspector <b>HUGHES S</b>	Attn Addr

Site Name <b>HENSHAW</b>	Well/Facility/FMP <b>9</b>	1/4 1/4 Section <b>NENW 23</b>	Township <b>16S</b>	Range <b>30E</b>	Meridian <b>NMP</b>	County <b>EDDY</b>	State <b>NM</b>
Site Name	Well/Facility/FMP	1/4 1/4 Section	Township	Range	Meridian	County	State

**THE FOLLOWING VIOLATION WAS FOUND BY BUREAU OF LAND MANAGEMENT INSPECTORS ON THE DATE AND AT THE SITE LISTED ABOVE**

Date	Time (24 - hour clock)	Violation	Gravity of Violation
<b>10/01/2014</b>		<b>PSR of OO1; 43 CFR 3162.1(a); 43 CFR 3162.5-1(a)</b>	<b>MINOR</b>
Corrective Action To Be Completed By	Date Corrected	Assessment for Noncompliance	Assessment Reference
<b>11/22/2014</b>			<b>43 CFR 3163.1()</b>

Remarks

An onsite inspection was conducted at the above referenced location. The issues found, legal orders, and BLM authority references are as follows:

(Remarks continued on following page(s).)

When violation is corrected, sign this notice and return to above address.

Company Representative Title Engineer Signature Jack M. Rose Date 6/29/15

Company Comments

**WARNING**

Incidents of Noncompliance correction and reporting timeframes begin upon receipt of this Notice or 7 business days after the date it is mailed, whichever is earlier. Each violation must be corrected within the prescribed time from receipt of this Notice and reported to the Bureau of Land Management office at the address shown above. Please note that you already may have been assessed for noncompliance (see amount under "Assessment for Noncompliance"). If you do not comply as noted above under "Corrective Action To Be Completed By" you may incur an additional assessment under (43 CFR 3163.1) and may also incur Civil Penalties (43 CFR 3163.2). All self-certified corrections must be postmarked no later than the next business day after the prescribed time for correction.

Section 109(d)(1) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3163.2(f)(1), provides that any person who "knowingly or willfully" prepares, maintains, or submits, false, inaccurate, or misleading reports, notices, affidavits, record, data, or other written information required by this part shall be liable for a civil penalty of up to \$25,000 per violation for each day such violation continues, not to exceed a maximum of 20 days.

**REVIEW AND APPEAL RIGHTS**

A person contesting a violation shall request a State Director review of the Incidents of Noncompliance. This request must be filed within 20 working days of receipt of the Incidents of Noncompliance with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Lands Appeals, 801 North Quincy Street, Suite 300, Arlington VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.

Signature of Bureau of Land Management Authorized Officer

Date

Time

16 Oct 2014

1:48 PM

**FOR OFFICE USE ONLY**

Number <b>3</b>	Date	Assessment	Penalty	Termination
Type of Inspection <b>ES</b>				





