

**OCD Artesia  
NM OIL CONSERVATION**

Form 3160-5  
(June 2015)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

ARTESIA DISTRICT  
JAN 08 2016

FORM APPROVED  
OMB No. 1004-0137  
Expires: January 31, 2018

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

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

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	7. If Unit of CA/Agreement, Name and/or No. NMNM106832X
2. Name of Operator BEACH EXPLORATION, INC.	8. Well Name and No.
3a. Address 800 N. MARIENFELD, SUITE 200 MIDLAND, TX 79701	9. API Well No.
3b. Phone No. (include area code) (432) 683-6226	10. Field and Pool or Exploratory Area W. HIGH LONESOME QUEEN
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) SECTION 17, 18, 19 & 20, T-16-S, R-29-E, EDDY COUNTY, NM	11. Country or Parish, State EDDY

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" 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 type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing <input type="checkbox"/> Hydraulic Fracturing <input type="checkbox"/> Reclamation <input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair <input type="checkbox"/> New Construction <input type="checkbox"/> Recomplete <input checked="" 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 recomplete 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 recompletion 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.)

The unused heater treaters referred to in order ZMB1508170 dated 8/17/2015 are actually set up as secondary recovery test vessels to conduct individual well tests and were not being used as production heater treaters. We have bypassed these test treaters and are currently testing wells through a horizontal tester at the central battery. Although we have these test treaters bypassed, we would like to retain the treaters as back up testers if needed. The treaters are completely fenced, plumbed for testing, have well flow lines at the testers and are currently filled with corrosion resistant fluid. The fluid protects the vessel for future use and prevents the wind from toppling the vessel. Moving the test treaters would require us to break out the plumbing, empty the vessels, transport them and lay them down in our storage area. Treaters that are empty and exposed to oxygen generally corrode at a rapid rate and become unsalvageable. Beach is therefore requesting a variance to keep the test treaters in their current locations.

*\*Condition of Approval, units to be maintained. At any point they are deemed to be inoperative, this Authorization will be rescinded.*

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

Accepted for Record  
1/15/16  
NMOC

Title ENGINEER

Signature *[Signature]* Date 09/10/2015

**THE SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by *[Signature]* Title *SPE* Date *1-5-16*

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 *CFO*

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)