

State of New Mexico
Energy, Minerals and Natural ResourcesOIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO.

30-015-25888

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

EASTLAND QUEEN UNIT

8. Well Number 7

9. OGRID Number

1903

10. Pool name or Wildcat

TURKEY TRACK; 7RVRS-QU-GB-SA

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-10) 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 H; 1,650 feet from the NORTH line and 990 feet from the EAST lineSection 1 Township 19S 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: **CONVERT TO INJECTOR** ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐COMMENCE DRILLING OPNS. ☐ P AND A ☐CASING/CEMENT JOB ☐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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

EQU # 7 - CONVERT TO INJECTOR - (P.J. State A #12)

Beach Exploration, Inc. under the authority granted by Order No. R-12833 dated 10/25/2007 plans to convert the EQU #7 to injection.

(a planned Phase II injector - Order R-12833 Exhibit "A" formerly named the PJ State A #12)

Procedure:

1. Pull and lay down rods and pump.
2. Pull 2 3/8" tbg. Run 3 7/8" bit & scraper to 2523'. Lay down tbg. SI well.
3. Take 2 3/8" tbg into CLS (Odessa) to be lined w/fiberglass.
4. Run 4 1/2" PC AD-1 Tension pkr, PC SN, and 75 jts of Glassbore tbg. Pkr at 2366'. Queen perfs (2400'-2428')
5. Set packer and acidize Queen perfs (2400'-2428) w/2000 gal acid. Clean well up.
6. Release packer, flush backside w/pkr fluid, set pkr, load backside w/pkr fluid and pressure test to 500 psi
7. Conduct Mechanical Integrity Test - Witnessed by 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 NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.SIGNATURE Jack M. Rose TITLE Engineer DATE July 12, 2010Type or print name Jack M. RoseE-mail address: bmartin@beachexp.com Telephone No. (432) 683-6226

For State Use Only

APPROVED BY: Richard Ince TITLE COMPLIANCE OFFICER DATE 7/13/10

Conditions of Approval (if any):

TOC Surf
Circ

T Salt
@343'

7"
@362'

B Salt
@1188'

Yates
@1543'

7 Rivers
@1834'

Queen
@2360'

Penrose
@2547'

Grayburg
@2743'

San And
@2885'

4-1/2"
@2,850'

TD 2850

Queen Perfs
2400 - 2428

EQU #7 (P.J. State A #12)

GL: 3,421
KB: 3,427
TD: 2,850
PBD: 2,809
Fr. Wtr: Legal: 1,650 from N
990 from E
Section: 1-H
Township: 19S
Range: 29E
County: Eddy

Status: Active pumping
Perfs: Queen 2400 - 2428
API: 30-015-25888
NM Lse: B-7717
Field: Turkey Track (Sr-Qn-Gb-Sa)
Logs: CNL, ZDL, DLL
Archeological:

Casing	Wt	Type	Set	Cmt	Hole	TOC	Method
7"	23.00	J55	362	300	9-7/8"	Surf	55' RM 5 yds
4-1/2"	9.50	J55 used	2,850	570	6-1/4"	Surf	Circ 132 sx

7-Jul-88 Spud well
Fred Pool - P.J. State A #12

26-Jul-88 **Queen Completion**
Perf 2400-2428 15 holes
acidized w/2000 gal 15% HCL - Avg 3.8bpm 1750psi
frac w/60Mgal gel wtr, 80M# 20/40, 42M# 12/20
Avg 30bpm 2500psi, ISIP 2200 15min 1520

2-Aug-88 IP. Pumping 25 BO 40 BW 13 MCF 24 hrs 36 API 500 GOR

25-Aug-88 CO sand to 2614

19-Sep-08 **Recondition to Queen flood producer**
Pulled rods and pump and ran bit & scraper to 2523'
Ran production tubing, rods and pump

TUBING STRING 9/19/08

# OF JTS	DESCRIPTION	LENGTH	FROM	TO
	Distance from KB to top of pipe	6.00	0.00	6.00
77	2-3/8 J-55 4.7# Tbg	2423.90	6.00	2429.90
1	2-3/8 X 1-25/32 SN	1.10	2429.90	2431.00
1	2 3/8" 3' perf sub	3.00	2431.00	2434.00
1	2 3/8" bull plugged mud joint	31.50	2434.00	2465.50

ROD STRING 9/19/08

# OF JTS	SIZE	TYPE OF RODS	LENGTH
1	1-1/4	Polished Rod	16
1	3/4	Pony Rods 6	6
95	3/4	Rods	2375
1	3/4	Pony Rods 2	2
1	2x1.5x12'	RWTC pump w/1"x6' GA	12
			2411