## Form 3/60 (April 2/04

## UNITED STATES DEPARTMENT OF THE INTERIOR

## FORM APPROVED OM B No 1004-0137 Expires March 31, 2007

| Lease Serial No.          | SEP 07 2007        |
|---------------------------|--------------------|
| If Indian, Allottee or Tr | ibe Name D-ARTESIA |

| В  | UREAU OF LAND MAN  | IAGEMENT                               |                      | 5 Lease Senal No.                                     | Crn -  |  |  |
|--|--|--|----------------------|---|--|--|--|
| SUNDRY NOTICES AND REPORTS ON WELLS  |  |  |                      | 3EP 07 21   |  |  |  |
| Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160 - 3 (APD) for such proposals.      |  |  |                      | 6. If Indian, Allot                                   | 5 Lease Serial No. SEP 0 7 20 6. If Indian, Allottee or Tribe Name - ARTES |  |  |
| SUBMIT IN TRIPLICATE- Other instructions on reverse side.  |  |  | ł                    | 7. If Unit or CA/Agreement, Name and/or No NMNM84634X |  |  |  |
| 1. Type of Well Gas Well □ Other   |  |  |                      | 8. Well Name and No.                                  |  |  |  |
| 2 Name of Operator Beach Explor  | ation, Inc.  |  |                      | Red Lake Un  9. API Well No.                          | it # 1   |  |  |
| 3a Address       3b Phone No. (include area code)         800 N. Marienfeld, Suite 200, Midland, TX 79701       432 683 6226   |  |  |                      | 30-015-25774<br>10 Field and Pool,                    | or Exploratory Area  |  |  |
| 4 Location of Well (Footage, Sec., T., R., M., or Survey Description)  |  |  |                      | ·   | Red Lake, Queen East   |  |  |
| Unit Letter 1: 1,653 feet from the South line and 330 feet from the East line. Section 24, T 16S, R 28E, NMPM, Eddy County, NM |  |  |                      | ·   | 11. County or Parish, State  Eddy County, NM                               |  |  |
| 12. CHECK AP   | PROPRIATE BOX(ES) TO   | INDICATE NATU                          | TRE OF NOTICE,       | REPORT, OR OTH  | ER DATA  |  |  |
| TYPE OF SUBMISSION   | ,  | Т                                      | PE OF ACTION         |   |  |  |  |
| Notice of Intent   | Acidize Alter Casing Casing Repair                               | Deepen Fracture Treat New Construction | Reclamation          | n 🔲 V   | Vater Shut-Off<br>Vell Integrity<br>Other                                  |  |  |
| Subsequent Report  | Change Plans   | Plug and Abandon                       | ,                    |   |  |  |  |
| Final Abandonment Notice   | Convert to Injection   | Plug Back                              | Water Disp           | osal  |  |  |  |
| •  | vith BLM written order 07-R<br>e well. TA was approved by        | _                                      |                      |   | l for record   |  |  |
| 14. I hereby certify that the foreg<br>Name (Printed/Typed)  | oing is true and correct   | 1                                      |                      |   |  |  |  |
| Jack M. Rose   | 297  | Title                                  | Engineer             |   |  |  |  |
| Signature  | Coloe  | Date                                   |                      | 08/14/2007  |  |  |  |
|  | THIS SPACE FOR   | FEDERAL OR                             | STATE OFFI           | CE USE  | DECORD   |  |  |
| Approved by Conditions of approval, if any, are at certify that the applicant holds legal which would entitle the applicant to | or equitable title to those rights i conduct operations thereon. | in the subject lease                   | Title Office         | 1 1 200   | 5 2007   |  |  |
| Title 18 U S C. Section 1001 and Title<br>States any false, fictitious or fraudule   | ent statements or representations                                | as to any matter within                | cnowingly and willfi | ully to make to any depart                            | ment or agency_of-the_United   |  |  |
| (Instructions on page 2)   |  |  | <del></del>          | PETRO   | ment or agency of the United  ERICK WRIGHER  DLEUM ENGINEER                |  |  |