

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

Form C-103
May 27, 2004

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



WELL API NO. 30-015-25856
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name EASTLAND QUEEN UNIT
8. Well Number 12
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-101) 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 L; 2,310 feet from the SOUTH line and 990 feet from the WEST line
Section 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 ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: CONVERT TO INJECTION ☒

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.

Beach plans to move pulling units into the area in May 2008 to initiate conversion of this well to injection. Additional C-103's are being filed to convert 12 other wells to injection and condition 17 wells for production.

Work Required - EQU #12 -

Procedure:

1. Pull rods & pump from hole
2. Drop standing valve, load tubing and test to 3000 psi, pull standing valve
3. Pull tubing
4. Run bit and scraper to TD to clean out well
5. Pull and laydown tubing, send tbg to CPL for FG lining (est 4 weeks)
6. Run FG lined tubing and Model AD-1 Tension Pkr (lined & coated) within 50' of perfs
7. Flush backside, set packer, load backside w/packer fluid and integrity test

See attached
Conditions of Approval

2272 - 2311

The initial 5 steps should be completed in May, the final 2 steps plus equipping the wellhead is anticipated in July

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 April 11, 2008
Type or print name Jack M. Rose E-mail address: bmartin@beachexp.com Telephone No. (432) 683-6226

For State Use Only

APPROVED BY: Gerry Guya TITLE Compliance Officer DATE APR 21 2008
Conditions of Approval (if any): _____

Conditions of Approval

- Approval to begin injection will only be granted upon receipt by OCD (Artesia) of the subsequent C-103 (Sundry Notice) with a detailed description of work done and the results of the Mechanical Integrity Test (Chart).
- Well must be tested to a minimum of 300 psi for 30 minutes with less than a 10% drop in pressure.
- Notify OCD (Artesia) 24 hours prior to testing so the test may be witnessed.