

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. 30-025-30493
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No. 001916
7. Lease Name or Unit Agreement Name Bear
8. Well Number 1
9. OGRID Number 001903
10. Pool name or Wildcat (05770) Bishop Canyon, San Andres, East

11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3636' GL	
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Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>	
Pit type	Depth to Groundwater
Pit Liner Thickness:	Below-Grade Tank: Volume

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
F Unit Letter 1980 feet from the North line and 1980 feet from the West line
11 Section 18 S Township 38 E Range NMPM Lea County

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input checked="" type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> OTHER: <input type="checkbox"/>	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> OTHER: <input type="checkbox"/>
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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.

This well will be contracted to Triple N well pluggers. Anticipate 3 months before operations commence.

- 1) Cut Tbg at 4840' 3' above SN and stuck packer
- 2) Set CIBP at 4840' w/35' cmt on top
- 3) RIH w/tbg to 4800' and circ hole w/9ppg mud
- 4) POOH w/tbg, set CIBP at 4060' w/35' cmt on top
- 5) Run free point on 5 1/2" csg, cut and pull csg at 3250' if possible
- 6) RIH w/tbg to 3320' pump 200sx cmt plug POOH
- 7) Tag plug at 3070' or less (Yates, 5 1/2 stub and base of salt plug)
- 8) RIH w/tbg to 2013' and pump 60sx cmt plug. POOH
- 9) Tag plug at 1913' or less (top of salt plug)
- 10) RIH w/tbg to 450' and pump 55sx cmt plug. POOH
- 11) Tag plug at 350' or less (surf csg shoe plug)
- 12) Pump a 15sx surf plug at 60' and install regulation dry hole marker

RECEIVED
FEB - 5 2008
HOBBS 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 February 1, 2008

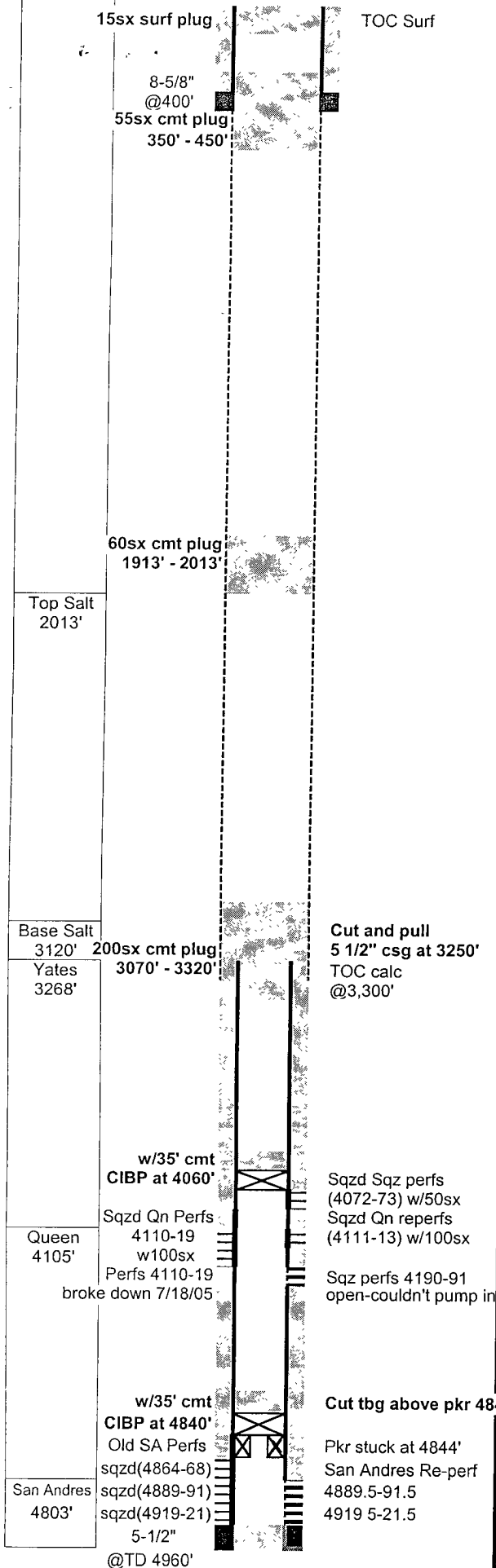
Type or print name Jack M. Rose E-mail address: bmartin@beachexp.com Telephone No. (432) 683-6226

For State Use Only

APPROVED BY: [Signature] TITLE Geologist DATE MAR 28 2008

Conditions of Approval (if any):

THE OIL CONSERVATION DIVISION MUST
BE NOTIFIED 24 HOURS PRIOR TO THE
BEGINNING OF PLUGGING OPERATIONS



Bear #1							
GL:	3,636	Status:	Producing				
KB:	3,649.6	Perfs:	4,889.5 - 4,921.5				
TD:	4,960		4,110 - 4,119 Qn broke down				
PBD:	4,942	API:	30-025-30493				
Fr. Wtr:		NM Lse:	565701				
Legal:	1,980 from N 1,980 from W	Field:	Bishop Canyon (San Andres)				
Section:	11F	CBL	3300-4300, 3930-4942				
Township:	18S	GR-Neu-Den-DLL-MSFL					
Range:	38E	Cored:	4098' - 4124'				
County:	Lea						

Casing	Wt	Type	Set	Cmt	Hole	TOC	Method
8-5/8"	24.00	J-55	400	300	12-1/4"	Surf.	circulated
5-1/2"	15.5 & 17	J-55 LT&C	4,960	400	7-7/8"	3,300	Calc
10 lts 5 1/2" 17# csg from 4303 - 4714 Lufkin 114-143-64 long hole 9.5 SPM							

24-Jan-89 Spud well
Beach Exploration, Inc.: Bear #1

P&A Procedure

- 1 Cut Tbg at 4840' 3' above SN and stuck packer
- 2 Set CIBP at 4840' w/35' cmt on top
- 3 RIH w/ tbg to 4800' and circ hole w/9ppg mud
- 4 POOH w/tbg, set CIBP at 4060' w/35' cmt on top
- 5 Run free point on 5 1/2" csg, cut and pull csg at 3250' if possible
- 6 RIH w/tbg to 3320' pump 200sx cmt plug POOH (caliper hole vol 180 cuft)
- 7 Tag plug at 3070' or less (Yates, 5 1/2 stub and base of salt plug)
- 8 RIH w/tbg to 2013' and pump 60sx cmt plug. POOH (caliper hole vol 60 cuft)
- 9 Tag plug at 1913' or less (top of salt plug)
- 10 RIH w/ tbg to 450' and pump 55sx cmt plug. POOH (caliper hole vol 48 cuft)
- 11 Tag plug at 350' or less (surf csg shoe plug)
- 12 Pump a 15sx surf plug at 60' and install regualtion dry hole marker

AFTER

TUBING STRING 6/8/07

# OF JTS	DESCRIPTION	LENGTH	FROM	TO
	Distance from KB to top of pipe	11.00	0.00	11.00
1	2-3/8 8rf EUE J-55 4.7# Tbg	32.35	11.00	43.35
2	6' subs 2-3/8 8rd J-55 4.7# Tbg	12.00	43.35	55.35
148	2-3/8 8rf EUE J-55 4.7# Tbg	4787.80	55.35	4843.15
			1.1	4843.15
1	2-3/8 X 5.5 Mod AD-1 pkr	2.60	4844.25	4846.85

Stuck

ROD STRING 6/8/07

# OF JTS	SIZE	TYPE OF RODS	LENGTH
1	1-1/4	Polished Rod	22
4	7/8	Sub's 8', 6', 6', 2'	22
53	7/8	Rods new D	1325
134	3/4	Rods new D	3350
3	1"	K bars	75
1	2X1.5X20 RHBC PAP60ring pump w/1"x6"		16
			4810

8-5/8"
@400'

Before

Rustler
2013'Yates
3268'Queen
4105'San Andres
4803'

@TD 4960'

TOC calc
@3,300'cmt ret 4020
cmtd w/50sx
drld ret & cmt
4020-73
Salt sqz perfs
(4072-73)cmt ret 4055
cmtd w/100sx
drld ret & cmt
4035-4120
Qn reperf
(4111-13)sqz perfs not sqz'd
open 4190-91CIBP at 4810
drld cmt & CIBP
4790-4810San Andres Re-perf
4889.5-91.5
4919.5-21.5

Bear #1

GL: 3,636
KB: 3,649.6
TD: 4,960
PBD: 4,942
Fr. Wtr:
Legal: 1,980 from N
1,980 from W
Section: 11F
Township: 18S
Range: 38E
County: Lea

Status: Producing
Perfs: 4,889.5 - 4,921.5
4,110 - 4,119 Qn broke down
API: 30-025-30493
NM Lse: 565701
Field: Bishop Canyon (San Andres)
CBL 3300-4300, 3930-4942
GR-Neu-Den-DLL-MSFL
Cored: 4098' - 4124'

Casing	Wt	Type	Set	Cmt	Hole	TOC	Method
8-5/8"	24.00	J-55	400	300	12-1/4"	Surf.	circulated
5-1/2"	15.5 & 17	J-55 LT&C	4,960	400	7-7/8"	3,300	Calc
10 lts 51/2" 17# csg from 4303 - 4714 Lufkin 114-143-64 long hole 9.5 SPM							

24-Jan-89 Spud well
Beach Exploration, Inc.: Bear #1
9-Mar-89 **Perf (San Andres)** 4919,20,21 (3 holes 0.43") 4" csg gun in 100gal 15% NEFE Swab 12-14 BPH w/20% oil cut. Set RBP at 4910'
13-Mar-89 **Perf (San Andres)** 4889,90, 91 (3 holes 0.43") 4" csg gun in 100gal 15% NEFE Acidized w/250 gal 15% NEFE, swab 6 BPH w/5% oil cut, moved RBP to 4884'
15-Mar-89 **Perf (San Andres)** 4864,65,66,67,68 (5 holes 0.43") 4" csg gun in 100gal 15% NEFE. Swabbed KCL and formation water. Pull RBP at 4884.
17-Mar-89 **Sqz SA** - Set EZSV ret at 4878', spotted 25sx cmt (5.8 bbl) to end of tbg at 4878 stung into EZSV ret and displaced w/5 BW pulled out. WOC tagged TOC 4860'
20-Mar-89 **Perf (Queen)** 4110-4119 (10 holes 0.43") 4" csg gun in 100 gal 15% NEFE Swabbed and flowed 127 BO in 24hrs
28-Mar-89 Put well on pump 1 1/2" - 10 spm - 64" SL
31-Mar-89 Pull rods, pump & tbg, set CIBP 4810' w/2sx cmt on top, reran tbg, pump & rods
11-Apr-89 Well making too much salt, tracer survey says coming from perfs 4110-4120'
13-Apr-89 **Sqz Qn** - Set EZSV cmt ret at 4053 and squeezed perfs 4110-4119 w/100sx last 75sx tagged w/RA material. Drilled out cmt ret and hard cmt w/4 3/4" bit from 4053 to 4125', ran bit to 4300'. Tested csg surf to 4790' 1000 psi. Held OK Ran GR-CBL 4300-3300, RA material in cmt from 4108-4128'.
17-Apr-89 **Re-Perf (Queen)** 4111,12,13 (3 holes 0.43") 4" csg gun, swabbed water with chlorides of 173,400. Put back on pump. Well pumped 16 days averaging 16 BO and 106 BW per day. Could not keep salt cleaned out of treater & flowlines.
12-May-89 SI for evaluation
10-Oct-89 Swabbed csg surf to 3992 and 4180 to 4740 to check for fluid entry - none
11-Oct-89 **Perf'd sqz holes** 4190-4191 (4 holes 0.43") could not pump in. Left perfs open
12-Oct-89 **Perf & squeeze salt zone above Queen perfs.** Set CIBP at 4098'
Perf sqz holes 4072-73 (4 holes 0.43"). Set EZSV cmt ret at 4020' and squeezed w/50sx cmt. Drill cmt ret and hard cmt to 4073 and test csg to 500 psi. Drilled CIBP at 4098. Swabbed Queen perfs and still got heavily saturated saltwater
24-Oct-89 **Sqz Qn re-perfs.** Set EZSV cmt ret 4055, sqz'd w/100 sx. Drilled w/4 3/4" bit cmt 4035, cmt ret at 4055 and hard cmt to 4120. Test perfs & csg to 1000 psi OK
31-Oct-89 CO w/4 3/4" bit fill from 4650' and drilled CIBP at 4810'. Drilled 20' of cmt from 4860' to cmt ret at 4878'. Tested csg and sqz'd SA perf 4864-68 to 1000 psi OK
1-Nov-89 Drilled w/4 3/4" bit, cmt ret 4878'-80', void 4880'-88' and hard cmt 4888'-4922' ie old SA perfs 4889' - 4921'.
2-Nov-89 **Re-Perf (San Andres)** 4919.5,20.5,21.5 (3 holes 0.43") and 4889.5,90.5,91.5 (3 holes 0.43") 4" csg gun. Broke 4919.5-21.5 at 3200 psi w/125 gal 15% NEFE ISIP vacuum. Broke 4889.5-91.5 at 2100 psi w/125 gal 15% NEFE ISIP vacuum
3-Nov-89 Put San Andres on pump American 228. Potential 20 BO 120 BW 28 grav
6-Aug-97 Tretolite scale sqz dwn backside 55gal SCW-0358H + 5gal DMW-2336D
23-Jan-04 Pulled pump, rods & tbg, RIH set pkr 4882, acidized 4889.5 -91.5, 4919.5 -21.5 w/500gal 15%NEFE, acid on vacuum. Swab, POOH RIH w/tbg, new pump & rods
11-Jun-07 Pulled well, CO to 4942 w/4 3/4" bit & scraper. Qn 154 BFPD 97% WC tst SA Qn Prf 4110-4119 broke **TUBING STRING 6/8/07**

# OF JTS	DESCRIPTION	LENGTH	FROM	TO
	Distance from KB to top of pipe	11.00	0.00	11.00
1	2-3/8 8rf EUE J-55 4.7# Tbg	32.35	11.00	43.35
2	6' subs 2-3/8 8rd J-55 4.7# Tbg	12.00	43.35	55.35
148	2-3/8 8rf EUE J-55 4.7# Tbg	4787.80	55.35	4843.15
Stuck	1 2-3/8 X 5.5 Mod AD-1 pkr	2.60	4843.15	4845.75

ROD STRING 6/8/07

# OF JTS	SIZE	TYPE OF RODS	LENGTH
1	1-1/4	Polished Rod	22
4	7/8	Sub's 8', 6', 6', 2'	22
53	7/8	Rods new D	1325
134	3/4	Rods new D	3350
3	1"	K bars	75
1	2X1.5X20 RHBC PAP60ring pump w/1"x6"		16
	10.5 SPM 64" stroke Lufkin 114		4810

Getting fine grained Queen sand out of San Andres