

**Beach Exploration, Inc.**  
University 14-1 # 1  
Re-completion Report  
1700' FWL and 191' FNL  
Section 1, Block 14, University Lands  
Crockett County, Texas

**RE-OPEN THE STRAWN**

4/10/13	Made 4 BO and 6 BW
4/9/13	Made 5 BO and 3 BW
4/8/13	Made 6 BO and 4 BW
4/7/13	Made 3 BO and 3 BW
4/6/13	Made 3 BO and 3 BW.
4/5/13	Made 3 BO and 6 BW.
4/4/13	Made 6 BO and 6 BW.
4/3/13	Made 3 BO and 6 BW.
4/2/13	Made 6 BO and 6 BW.
4/1/13	Made 6 BO and 6 BW.
3/31/13	Made 3 BO and 6 BW.
3/30/13	Made 6 BO and 3 BW.
3/29/13	Made 6 BO and 3 BW.
3/28/13	Made 6 BO and 6 BW.
3/27/13	Made 3 BO and 6 BW.
3/26/13	Made 3 BO and 9 BW.
3/25/13	Made 3BO and 9BW.
3/24/13	Made 3 BO and 9 BW.
3/23/13	Made 8 BO and 6 BW.
3/22/13	Made 8 BO and 8 BW. Putting rain gear back in.
3/21/13	Made 16 BO and 9 BW on propane. All load recovered. Will put starter rain gear back in tomorrow.
3/20/13	Made 9 BO and 14 BW on propane. Will stay on propane until starter returned (3 BLWTR)
3/19/13	Rain gear on starter out again. Repaired and turned back on 3 pm. (17 BLWTR)
3/18/13	Well made 9 BO and 9 BW on propane 80 psi gas pressure. Engine down. Tried to start unsuccessfully. Called mechanic. (17 BLWTR)
3/17/13	Well made 3 BO and 28 BW on propane and had a little gas pressure. (26 BLWTR)
3/16/13	Well made 0 BO and 36 BW on propane. (54 BLWTR)
3/15/13	Well made 0 BO and 52 BW on propane (90 BLWTR)
3/14/13	Well made 0 BO and 38 BW in 17 hrs. (142 BLWTR)
3/13/13	RIH with production tubing. BP 2 3/8" mud jt. (31.5'), 4' perf sub (4'), SN (1.1'), 7 jts 2 3/8" tbg (220.5'), TAC (2.4') and 197 jts 2 3/8" tbg (6,185'). KB

adjust 14'. Bottom of tubing 6,485.5', SN 6,421.9, TAC 6,199'. Strawn perfs 6,230 – 52', 6,405 – 51'. ND BOP. RIH with 1" x 12' gas anchor, 2 x 1.25 x 26' pump, 4 – 1 1/2" K bars, 188 - 3/4" rods, 63 – 7/8" rods and 1 1/2" x 26' PR. Hung well on, spaced pump out. RD PU. Started pumping unit on propane.

*Daily Cost \$4,700.00*

*Cumulative Cost \$43,700.00*

3/12/13 RIH with 4 3/4" back drag mill (1.7'), bit sub (1.3'), 6 – 3 1/2" drill collars (183.2'), XO (1') and 181 jts of 2 3/8" tubing. BHA 187.2'. RU swivel and established reverse circulation. Milled on slip/CIBP 1.5 hours and broke CIBP seal. Lost circulation. Switched to pumping down tubing at 1/2 bpm. Milled for another hour and plug finally let go. RD swivel. Chased plug to 6,575' (125' below Strawn perfs) with 22 more jts of tubing. POOH with tubing, laid drill collars and mill down and released Cagle reverse unit. Total fluid in hole when plug lost seal 130 bbl and pumped 50 BW down tubing while milling. (180 BLWTR) SDFN.

*Daily Cost \$12,500.00*

*Cumulative Cost \$39,000.00*

3/11/13 Pick up magnet, magnet sub, 1 jt 2 3/8" tubing and slotted bull plug. Ran magnet assembly on sand line to plug at 5900'. POOH. Had part of TAC slip ramp and a couple of small pieces of metal. No slip. Called for 4 3/4" back drag cutrite mill. RIH with 4 3/4" mill (1.7'), bit sub (1.3'), 6 – 3 1/2" drill collars (183.2'), XO (1') and 180 jts of 2 3/8" tubing. BHA 187.2'. RU stripper head for swivel. Pulling unit crew dropped stripper head bolt down casing – tubing annulus. Bolt is 5 1/2" long and 7/8" diameter. Shouldn't pass by the mill. POOH to recover bolt. ND BOP. Recovered bolt on top of bit sub. NU BOP. SDFN.

*Daily Cost \$9,500.00*

*Cumulative Cost \$26,500.00*

3/08/13 Pick up 4 3/4" Varel (0.5'), bit sub (1.3'), 6 – 3 1/2" drill collars (183.2'), XO (1') and 180 jts of 2 3/8" tubing. BHA 186'. Tagged cement. RU swivel. Established reverse circulation. Took 70bbls water to load. drilled 10' of cement in 40 min. with full circulation. Drilled on slip/CIBP for 3 hours. Loosing metal returns and torque. POOH. Bit warn smooth. SDFWKEND.

*Daily Cost \$10,250.00*

*Cumulative Cost \$17,000.00*

3/07/13 RU Cagle Reverse Unit and Pulling Unit. POOH with rods and pump. ND Wellhead. POOH with 125 jts 2 3/8" tubing, TAC, 2 jts of tubing, SN, 4' perforated sub and BP mud jt. Total tubing on location 205 jts of 2 3/8" J-55. TAC hung up coming out of hole. TAC missing 1 slip (5" x 1.5" x 0.75"). Other slips in slots undamaged. Assume heavy oil flipped slip out and caught on casing lip. NU BOP. SIW. SDFN

*Daily Cost \$6,750.00*

*Cumulative Cost \$6,750.00*

---

2/20/13 Engine running and no production. SI Well.  
2/19/13 Produced 0 BO and 1.4 BW.

2/18/13	Produced 0 BO and 2.8 BW.
2/17/13	Produced 0 BO and 2.8 BW.
2/16/13	Produced 0 BO and 2.8 BW.
2/15/13	Produced 0 BO and 2.8 BW.
2/14/13	Produced 0 BO and 2.8 BW.
2/13/13	Produced 0 BO and 3.4 BW.
2/12/13	Out of propane. Propane delivered. Started on propane.
2/11/13	Produced 0 BO and 2 BW.
2/10/13	Produced 0 BO and 3 BW.
2/09/13	Produced 0 BO and 3 BW.
2/08/13	Produced 0 BO and 6 BW.
2/07/13	Produced 0 BO and 3 BW. Not running started on propane.
2/06/13	Started engine on casing gas at 2:30.
2/05/13	SI
2/04/13	SI
2/03/13	Produce 0 BO and 3 BW. Switched to casing gas and didn't run long.
2/02/13	Produce 0 BO and 3 BW.
2/01/13	Started engine on propane.
1/31/13	SI
1/30/13	SI
1/29/13	SI
1/28/13	SI
1/27/13	SI
1/26/13	Produced 0 BO and 1 BW. No casing head gas. Will SI to build fluid volume.
1/25/13	Switched engine to run on all casing head gas. Produced 1 BO and 6 BW.
1/24/13	Well running on combination of propane and casing head gas, produced 0 BO and 13 BW. Well still pumping.
1/23/13	Started gas engine on combination propane and casing head gas. Results of oil analysis. Gravity 22.3° API, paraffin 5.42%, asphaltenes 5.24% and Pour point 20°F.
1/22/13	SI
1/21/13	SI
1/20/13	SI
1/19/13	SI
1/18/13	Well produced 1 BO and 0 BW in last 24 hours. Pumping unit not running. No casing gas. Will leave well shut in and plan to turn back on Wednesday (1/23/13).
1/17/13	Engine running on casing gas. Well is pumping. Produced 1 BO and 3 BW .
1/16/13	SI
1/15/13	SI
1/14/13	SI
1/13/13	Engine was running and tubing full of fluid but nothing being pumped. Made 0 BO and 33 BW in last 24 hrs. Probable fresh water previously pumped down backside. Well doesn't seem to have very much entry. Turned gas engine off and will pump again on Wednesday the 16 <sup>th</sup> .
1/12/13	Engine dried out. Started gas engine and pump jack 9:00 am.
1/09/13	Well left open to tank overnight with no production. RU swab. IFL 2,800'. Approximately 1,250' of fluid above the perms. Indicates that wellbore has maybe 28 bbl fluid above the perms. Pump is capable of lifting 50+ bbl fluid per day. Last significant production was 33 and 38 bbl fluid on the 31 <sup>st</sup> and 1 <sup>st</sup> . Since that

time (8 days) we have produced 3 BO and 5.5 BW and pumped 35 BFW down backside to flush the pump which is a net 26.5 bbl put into the well. Made 6 swab runs IFL 2,800'. FFL 3,800' (SN 4,046'). 1<sup>st</sup> two runs were all oil, 3<sup>rd</sup> was 50% cut and last 3 were all water. Oil is a very viscous black oil with a lot of gas (sent sample to Martin Water labs to get gravity). Recovered an estimated 10 BO and 5 BW. Ran R & R'd pump back in with same rod string as before. Pump was ok except torn seating cups. Replaced standing valve ball with heavier ball because of viscous fluid and changed seating cups to nitril. Hung well on and tried to start gas engine on propane. Gas engine not generating spark (raining). Will let dry out and try again. Engine may need electrical repair. RDMO.

- 1/08/13 No production. RU pulling unit. POOH with rods and pump. Pump seemed to be working but seating cups were torn up. Pump had possibly been unseating. Sent pump in for repair. SDFN.
- 1/07/13 Well running on propane. Made 0 BO and 5.5 BW. No pump action. Will try and get pulling unit to pull pump and possibly swab.
- 1/06/13 Well still running on casing gas. Produced 0 BO and 0 BW. Got truck and pressured up on tubing and flushed backside with 35 BFW.
- 1/05/13 Well still running on casing gas. No production. Wellhead samples look like tank bottoms. Will try and flush backside tomorrow.
- 1/04/13 Well still running on casing gas but still no pump action or production. Probable gas lock or trash. Lowered rods to tag pump. Started pumping with strong pump action at 2:00 pm.
- 1/03/13 Well was running but no pump action and no production. Casing pressure 40 psi. Surged tubing pressure several times and well started pumping. Switched gas engine to run on casing gas.
- 1/02/13 Well was running but no production. Well had pump action and a 98% oil cut at the wellhead. Casing pressure 40 psi but left engine running on propane.
- 1/01/13 Unable to get truck to pull water off tank. Well filled up heater treater (est. 33 bbls fluid) and produced 5.6 BO to tank from color cut. Oil has turned very viscous. (top gauge 6' 5" water 2' 7")
- 12/31/13 Gas engine running on propane. Well produced 27.8 BO and 5.6 BW from color cut in tank. Turned production through heater treater at 10:30 am. Will try to get truck to pull water off tank. (top gauge 6' 3" water 2' 7")
- 12/30/12 Gas engine running on propane. Produced 11.1 BO and 19.5 BW from color cut in tank. (top gauge 5' 3" water 2' 5")
- 12/29/12 D & R repaired starter and gas engine started on propane at 2:30 pm.
- 12/28/12 Engine not running. Produced 2.8 BO and 0 BW from color cut in tank. Starter motor went out and fan belt broke on gas engine. Propane delivered at 4:00 pm the 28<sup>th</sup>. (top gauge 4' 4" and water 1' 10")

12/27/12	No Propane. Gas engine not running. Produced 11.1 BO and 2.8 BW from color cut in tank. Repaired weld in heater treater. Started gas engine on casing gas again. (top gauge 4' 3" water 1' 10")
12/26/12	No Propane. Changed out starter motor and started gas engine on casing gas at 3:00 pm.
12/25/12	No Propane. No activity.
12/24/12	No Propane. No activity.
12/23/12	Gas engine not running and still no propane delivered. No measurable production so engine probably did not run long yesterday. Tried to start gas engine on casing gas. Starter motor gears stripped.
12/22/12	No propane delivered. Had 15 psi casing pressure. Started gas engine on casing gas. After running for 20 minutes casing pressure was down to 5 psi. Left engine running. (top gauge 3' 11" water 1' 9")

- 12/22/12 SITP 10 psi. Blew down. POOH laying down 77 jts 2 3/8" J-55 tbg. RIH with production string – BP 2 3/8" mud jt. (31.74'), 4' perf sub (4'), SN (1.1'), 2 jts 2 3/8" tbg (63.48'), 5 1/2" x 2 3/8" TAC (2.4') and 125 jts. 2 3/8" 4.7# J-55 tbg (3,967.5'). KB adjust 13'. Bottom of mud jt 4,083' SN at 4,046 (top perf 4,043'). ND BOP NU wellhead. RIH with 1" x 6' gas anchor, 2" x 1 1/2" x 26' pump, 111 3/4" D-78 rods, 50 7/8" D-90 rods and a 1 1/4" x 26' polish rod. Found FL at 1,115' while running in with pump. Hung well on and spaced out pump. Not enough casing gas pressure to start gas engine. Ordered one 500 gal tank of propane to be delivered tomorrow. Vacuum truck suctioned oil off pit to fill empty heater treater. Heater treater is leaking from a crack in the inspection plate weld. Transferred oil from heater treater to 1<sup>st</sup> oil tank. When we can get gas engine running will produce well straight to oil tank until we can fix heater treater. RD PU. Turned over to pumper.  
*Daily Cost \$6,500.00* *Cumulative Cost \$57,700.00*
- 12/21/12 Well very weak. Well flowed 12 BO and 14 BLW overnight (17 hrs). RU Swab. Made 10 swab runs. SN at 3,819'. IFL 2,000' FFL 3,000' (7<sup>th</sup> run did not tag any fluid). FL generally staying at 3,000'. Made 10<sup>th</sup> run from SN with FL 3,000'. Shut down for 2.3 hrs FL at 2,000'. Equivalent to 40 BPD entry rate. Made several more runs then tagged FL at 3,200'. Pulled up 1,000' and shut down 30 min to check entry. Tagged fluid 200 to 250' higher. Equivalent to 38 to 48 BPD entry. Water and oil are staying tied up in samples. Break outs in sample bottles indicate 15 to 20% oil cut. Total recovery from swabbing to tank was 44 BF. Oil and water staying tied up in tank. Could not determine oil water breakout. (next morning tank broke out – swabbed 19 BO and 25 BW 43% oil cut) 31 BLWTR. Decision made to put well on pump to test. Released packer. POOH. RIH open ended with excess tbg. in preparation to lay down. SI well. SDFN.  
*Daily Cost \$6,200.00* *Cumulative Cost \$51,200.00*
- 12/20/12 Well had 10 psi and blew off. RIH with 1 jt of 2 3/8" tubing (31.85'), 5 1/2 x 2 3/8" AD-1 tension packer (3'), SN (1.1) and 128 jts of 2 3/8" tubing (4,063.32'). KB adjust 10'. Tubing at 4,109', packer at 4,074'. RU Cudd. Spotted 250 gals of 15% NEFE acid at 4,109' displaced with 14.2 bbls of 2% KCL. 16 bbls into spot job got backside circulation with oil on backside. Oil surged on backside and recovered approximately 10 – 25 bbls of oil and then died. Pulled 4 jts of tubing. Tubing at 3,855', Packer at 3,820'. RU to backside. Pumped 2 bbls of 2 % KCL to reverse acid into tubing. Set packer with 14 points tension. Acidize perms 4,043' -4,061' thru tubing with 3,500 gal of 15% NEFE acid. Caught pressure at 1.5 bbls at 2 bbls formation broke from 1,068 psi to 800 psi. Increased rate to 5.8 – 5.9 BPM at 2,636 psi. At 5.9 BPM pressure gradually reduced to 2,540 psi at end of job. Displaced acid with 21 bbls of 2% KCL. ISIP 900 psi, 5 min 636 psi, 10 min 614 psi, 15 min 591 psi. 120 BLWTR. SIW for 2.5 hours. SITP 610 psi. Opened well and flowed 34 BLW in first 18 minutes. Flowed another 16 BLW in the next hour. No oil cut yet. Well still slugging and can't get in with swab. SD at 3 pm and left well opened to tank. Total recovery 50 BLW. 70 BLWTR.  
*Daily Cost \$20,000.00* *Cumulative Cost \$45,000.00*
- 12/19/12 RIH 4 3/4" bit, 5 1/2" casing scrapper and 204 jt of tubing to 6,400'. No resistance or rough areas. POOH. RU API wire line. RIH with GR-CCL log. Located DV tool at 5,960'. Ran GR-CCL correlation log from 4,558 – 3,500'. POOH. RIH with wire line set CIBP and set CIBP at 5,900'. POOH. RU Cudd kill truck.

Loaded casing with 122 bbl of 2% KCL and pressured tested casing and CIBP to 3,500 psi. Bled pressure off. RU API wire line. RIH with 4" casing gun and perforated 4,043 – 4,061 2 SPF (38 shots). POOH. 8 shots did not fire. Actual perfs 4,043, 4,044 and 2 SPF from 4,047.5 to 4,061 (30 holes). Decision made not to make additional perforating run. RIH with dump bailer and dump cement on CIBP at 5,900'. SIW. SDFN.

*Daily Cost \$15,000.00*

*Cumulative Cost \$25,000.00*

12/18/12 Started gas engine. Well pumped up. Dug and lined 250 bbl pit. RU pulling unit. POOH with 63 D-90 7/8" rods. Tied back 54 in derrick and laid down 9. POOH with 188 D-78 3/4" rods. Tied back 111 and laid down 77. Laid down 4 - 1 1/4" K-bars, 26' polished rod and 2" x 1 1/4" x 26' pump. SN estimated at 6400'. Blew casing pressure down. Very strong gas for 15 min. ND Wellhead. NU BOP. Rigged over to tubing. Released TAC. POOH with 199 jts of 2 3/8" J-55 tubing, 4' tubing sub, 2 jts of 2 3/8" tubing, TAC, 3 jts tubing, SN, 4' perforated sub and BP mud joint. (average jt length estimated 31.34'). SI Well and left casing open to tank. SDFN

*Daily Cost \$10,000.00*

*Cumulative Cost \$10,000.00*

12/17/12 Moving onto location.

*Daily Cost \$0*

*Cumulative Cost \$0*