

District I

1625 N. French Dr., Hobbs, NM 88240
Phone:(505) 393-6161 Fax:(505) 393-0720

District II

1301 W. Grand Ave., Artesia, NM 88210
Phone:(505) 748-1283 Fax:(505) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico

Energy, Minerals and Natural Resources

Oil Conservation Division

1220 S. St Francis Dr.

Santa Fe, NM 87505

Form C-103
Permit33005

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVIOR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) 1. Type of Well: ☐		WELL API NUMBER 30-025-37921
		5. Indicate Type of Lease S
		6. State Oil & Gas Lease No.
2. Name of Operator EVERQUEST ENERGY CORPORATION		7. Lease Name or Unit Agreement Name SCHOONER B STATE
3. Address of Operator 10 DESTA DRIVE , , SUITE 300E MIDLAND , TX 79705		8. Well Number 002
4. Well Location Unit Letter <u>H</u> : <u>2310</u> feet from the <u>N</u> line and <u>430</u> feet from the <u>E</u> line Section <u>17</u> Township <u>16S</u> Range <u>32E</u> NMPM Lea County		9. OGRID Number 212929
11. Elevation (Show whether DR, KB, BT, GR, etc.) 4350 GR		10. Pool name or Wildcat
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 OF PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

Other:

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTER CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDON ☐

CASING/CEMENT JOB ☐

Other: **Spud** ☒

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.

6/22/2006 Spudded well.

Spud well at 11:45 PM with United Drilling Rig #11

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 Electronically Signed TITLE President DATE 6/26/2006

Type or print name Terry Duffey E-mail address everquest@nts-online.net Telephone No. 432-686-9790

For State Use Only:

APPROVED BY: Paul Kautz TITLE Geologist DATE 6/26/2006