

Submit 1 Copy To Appropriate District Office
District I – (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II – (575) 748-1283
811 S. First St., Artesia, NM 88210
District III – (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV – (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised August 1, 2011

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

WELL API NO. 30-015-02005
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. 647
7. Lease Name or Unit Agreement Name Mershon State
8. Well Number 003
9. OGRID Number 243874
10. Pool name or Wildcat Artesia (Q-G-SA)
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3596' GR

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 ☐ Injection

2. Name of Operator
Quantum Resources Management, LLC

3. Address of Operator
1401 McKinney Street, Suite 2400, Houston, TX 77010

4. Well Location
Unit Letter E : 2310 feet from the North line and 330 feet from the West line
Section 21 Township 18S Range 28E NMPM Eddy County

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 ☐
DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

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

OTHER: ☐

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

5 Year Mechanical Integrity Test failed 06/13/12.

Quantum Resources Management, LLC, intends to MIRU PU & bleed-down well. Unseat packer. POOH w/tbg & pkr. Check for tbg or pkr leak. Re-test casing.

NMOCD Artesia office will be notified 48 hrs prior to coordinate scheduling re-test.

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Erick A. Rodriguez TITLE Regulatory Analyst DATE 7/5/12

Type or print name Erick A. Rodriguez E-mail address: erodriguez@qracq.com PHONE: (713) 634-4612

For State Use Only

APPROVED BY: Richard Niles TITLE COMPLIANCE OFFICER DATE 7/17/12

Conditions of Approval (if any):