

Submit 1 Copy 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  
October 13, 2009

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

WELL API NO.  
30-043-20816

5. Indicate Type of Lease  
STATE ☒ FEE ☐

6. State Oil & Gas Lease No.  
V-1697

7. Lease Name or Unit Agreement Name  
Alamito

8. Well Number #2

9. OGRID Number 23846

10. Pool name or Wildcat  
Alamito Gallup

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  
QEP Energy Company

3. Address of Operator  
1050 17<sup>th</sup> Street, Suite 500, Denver, CO 80265

4. Well Location

Unit Letter N : 770 feet from the South line and 1820 feet from the West line  
Section 32 Township 23N Range 7W NMPM Sandoval County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
6820' GL

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 ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

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

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.

QEP Energy Company (QEP) submitted a Sundry to the State of New Mexico Oil Conservation Division (NMOCD) on April 26, 2010, proposing to repair a casing leak on the Alamito #2 well. When the crew moved onto the location to begin the casing repair, however, in June 2010, it was realized that the Larkin tubing hanger was leaking and that a new element and O ring would enable the well to be returned to production.

The crew instead replaced the Larkin tubing hanger and O ring and returned the well to production. Please see the attached Operations Summary Report for the details.

If you have any questions, please contact me at (303) 672-6916.

RCVD SEP 28 '10  
OIL CONS. DIV.  
DIST. 3

Spud Date:

8/14/1987

Rig Release Date:

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

SIGNATURE Sarah Boxley TITLE Permit Agent, Regulatory Affairs DATE September 23, 2010

Type or print name Sarah Boxley E-mail address: Sarah.Boxley@qepres.com PHONE: (303) 672-6916

For State Use Only

APPROVED BY: Felix G. Rios TITLE Deputy Oil & Gas Inspector, District #3 DATE NOV 09 2010

Conditions of Approval (if any):

## Operations Summary Report

Well Name: ALAMITO #2  
 Location: 32-23-N 7-W 28  
 Rig Name: 4 CORNERS WELL SERVICE

Spud Date:  
 Rig Release:  
 Rig Number: 6

Date	From - To	Hours	Code	Sub Code	Description of Operations
6/7/2010	06:00 - 16:00	10.00	DEQ	4	<p>Road rig to location. RUSU. Blow down tbg. Rig crew started breaking hammer unions in order to remove PCS controller on wellhead and Larkin tubing hanger started leaking. Blow down csg. Start to NDWH when csg started flowing oil &amp; gas. Close csg and let set for 15 minutes, let fluid fall. Start blowing csg down and started unloading oil again. Install TIW on tbg and SWIFN. Call for vac truck to unload well in the morning. Call Big Red Tools and order new element and O ring for tbg hanger. Likelihood that Larkin well head has been leaking off as well builds pressure (indicating as csg leak). Have checked the well pressure on several occasions myself and never observed or heard a leak. Spoke with operator and he has not observed problems either. Will pull, inspect and replace and replace tbg hanger element and O ring. Surface flow line froze and split this winter. Will repair and move in swab unit to unload tbg and build csg pressure. Observe pressure to see if it holds. Will run rods and set pumping unit if pressures hold and well will not flow on plunger.</p> <p>Tbg.Size: 2-3/8"  Csg.Size: 4-1/2"</p>
6/8/2010	06:00 - 16:00	10.00	DEQ	4	<p>SITP: 5, SICP: 270  Blow pressure off csg. Connect vac truck to csg and unload 5 bbls of oil to truck. NDWH. Pull tbg hanger from Larkin head. Remove and inspect top seal element &amp; O ring on bottom of donut (hanger). Compare to new ring. O ring on donut was 3/4" smaller in diameter than new ring from Big Red Tools. When stretched over donut the O ring was thinner and not holding a seal at higher pressure. Install new element and O ring. Land hanger in csg head. NUWH. RDSU.</p> <p>Note: Set up swab unit for 6/9/10.</p> <p>Tbg.Size: 2-3/8"  Csg.Size: 4-1/2"</p> <p>SITP: 0 SICP: 200</p>
6/11/2010	06:00 - 16:00	10.00	SWAB	1	<p>Perfs: 4736' to 5014'  Road rig to location. RUSU. Made 9 swab runs recovering 9 bbls of black water. Beginning fluid level at 2600" ending at 3000'. Swab depth 3900' to 4990'. Tight spots at 45' and 800'. Csg pressure built to 260 psi. Rig down swab unit and move to yardd for weekend.</p> <p>Tbg.Size: 2-3/8"  Csg.Size: 4-1/2"</p> <p>SITP:0, SICP: 200</p>
6/14/2010	06:00 - 16:00	10.00	SWAB	1	<p>Perfs:  4735' to 5014'.  Road rig to location. RUSU. Made one swab run to 3600' (fluid level 2600'). Rig operator missed flags on sand line, hit top of lubricator and pulled out of rope socket. Call for fishing tools. Wait 2 hours. RU fishing tool, TIH and retrieve swab tools. Run Broach to 4992'. TOOH. RDSU. Recovered 1.5 bbls of water with one run. Tbg - 0, Csg- 470.</p> <p>No charger for lost time fishing.</p>

**Operations Summary Report**

Well Name: ALAMITO #2  
Location: 32- 23-N 7-W 28  
Rig Name: 4 CORNERS WELL SERVICE

Spud Date:  
Rig Release:  
Rig Number: 6

Date	From - To	Hours	Code	Sub Code	Description of Operations
6/14/2010	06:00 - 16:00	10.00	SWAB	1	Tbg.Size: 2-3/8" Csg.Size: 4-1/2"  SITP: 0, SICP: 440  Perfs: 4736' to 5014'.

## Operations Summary Report

Well Name: ALAMITO #2  
 Location: 32- 23-N 7-W 28  
 Rig Name: 4 CORNERS WELL SERVICE

Spud Date:  
 Rig Release:  
 Rig Number: 6

Date	From - To	Hours	Code	Sub Code	Description of Operations
6/23/2010	14:00 - 17:00				Travel Road rig to location. RUSU. Blow down csg. NDWH. NUBOP. Rig up floor and tongs. SWIFN
	17:00 - 18:00	1.00			Travel
6/24/2010	06:00 - 07:00	1.00			Travel
	07:00 - 10:30	3.50			Blow down well. Pick up 4 jts to tbq and tag bottom. Tally tubing while TOO. Lower part of tbq had several pitted / bad collars. No collars to replace. Order 20, 2-3/8" J-55 collars. SWIFN.
6/25/2010	10:30 - 11:30	1.00			Travel
	06:00 - 07:00	1.00			Travel
	07:00 - 16:30	9.50			Blow down csg. Lay down bottom jt. Pitted. TIH with notched collar and one jt tbq (31.05'), SN (1.10'), ten jts of 2-3/8" tbq (311.01'), anchor (3.05'), 149 jts of 2-3/8" (4644.30'), and two 6' subs (12.14'). Replace 11 bad collars. NDBOP. Land tbq in 12K tension at 5014.86' KB. NUWH. XO to run rods. Pick up and run in well with 2"X1-1/4"X10'X11'X14' RHAC top hold down rod pump, 145 - 3/4" sucker rods and 54 - 7/8" sucker rods. Install 1-1/2" X 22' spray metal polish rod and stuffing box. Seat and space out pump. No pony rods needed. Fill tbq and pressure test to 500 psi with hot oil truck. Held solid. Stroke rods with rig. Good pump action. Hang on horse head. Tie back rig lines and start unit.
6/26/2010	16:30 - 19:30	3.00			Travel
	05:00 - 08:00	3.00			Unit on for one hour and ran out of csg gas. SWIFN to build csg pressure. Will start in the morning.
	08:00 - 09:30	1.50			Travel Check pump action and production. RDSU. Clean up location.