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

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

Form C-103
October 13, 2009

WELL API NO.
30-043-20816

5. Indicate Type of Lease
STATE ☒ FEE ☐

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

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.)

7. Lease Name or Unit Agreement Name
Alamito

1. Type of Well: Oil Well ☒ Gas Well ☐ Other

8. Well Number #2

2. Name of Operator
QEP Energy Company

9. OGRID Number 23846

3. Address of Operator
1050 17th Street, Suite 500, Denver, CO 80265

10. Pool name or Wildcat
Alamito Gallup

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:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	☐	PLUG AND ABANDON	☒	REMEDIAL WORK	☐	ALTERING CASING	☐
TEMPORARILY ABANDON	☐	CHANGE PLANS	☐	COMMENCE DRILLING OPNS.	☐	P AND A	☐
PULL OR ALTER CASING	☐	MULTIPLE COMPL	☐	CASING/CEMENT JOB	☐		
DOWNHOLE COMMINGLE	☐						
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.

QEP Energy Company (QEP) proposes to plug and abandon the Alamito #2 well, as described in the attached Plug and Abandonment Procedure and shown in the attached wellbore diagram.

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

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: Kelly G. Roberts TITLE Deputy Oil & Gas Inspector, District #3 DATE NOV 30 2010

Conditions of Approval (if any):

Notify NMOCD 24 hrs prior to beginning operations

PLUG AND ABANDONMENT PROCEDURE

April 25, 2008
Updated 8/13/2010

Alamito #2

Alamito Gallup
770' FSL & 1820' FWL,SW, Section 32, T23N, R7W
Sandoval County, New Mexico, API #30-043-20816

Note: All cement volumes use 100% excess outside pipe and 50' excess inside pipe. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures. Cement will be Class G, mixed at 15.8 ppg with a 1.15 cf/sx yield.

1. Install and test location rig anchors. Prepare blow pit. Comply with all NMOCD, BLM, and Questar safety regulations. MOL and RU daylight pulling unit. Conduct safety meeting for all personnel on location. NU relief line and blow down well; kill with water as necessary.

2. ND wellhead and NU BOP. Test BOP. TOH and tally 2.375" tubing, total 4986'. If necessary, LD tubing and use a workstring.

3. TIH w/bit & scraper for 4-1/2" 11.6# casing. Tag TD. If necessary, clean out below bottom perf w/2% KCL water. TOOH.

4. TIH with packer for 4-1/2" casing. Set same at ~500' and test tbg/csg annulus to 1000 psi to confirm packer operation. TIH and repeat test with packer ~100' above top perforation.

5. If casing tests ok, treat perfs w/small acid/solvent job. Swab treatment back. TOOH, remove packer, and land tubing & SN for production.

6. If casing test fails, proceed with P&A as follows.

7. **Plug #1 (Gallup perforations and top, 4686' – 4586'):** TIH and set 4.5" CR at 4686'. Pressure test tubing to 1000#. Load casing with water and circulate well clean. Pressure test casing to 800#. *If casing does not test, then spot or tag subsequent plugs as appropriate.* Mix 12 sxs cement and spot a balanced plug inside casing above CR to isolate the Gallup perforations and top. PUH to 2822'.

8. **Plug #2 (Mesaverde top, 2822' – 2722'):** Mix 12 sxs cement and spot a balanced plug inside casing to cover the Mesaverde top. PUH to 1762'.

9. **Plug #3 (Chacra and Pictured Cliffs tops, 2140' – 1272'):** Mix 43 sxs cement and spot a balanced plug inside casing to cover through the PC top. PUH to 1127'.

10. **Plug #4 (Fruitland, Kirtland and Ojo Alamo tops, 1127' – 692'):** Mix 38 sxs cement and spot a balanced plug inside casing to cover through the Ojo Alamo top. PUH to 269'.

11. **Plug #5 (8.625" Surface casing shoe, 269' – 0'):** Attempt to pressure test the bradenhead annulus to 300#. If the BH annulus holds pressure, then establish circulation out casing valve with water. Mix approximately 30sxs cement and spot a balanced plug from 269' to surface, circulate good cement out casing valve. TOH and LD tubing. Shut well in and WOC. If the BH annulus does not test, then perforate at the appropriate depth and attempt to circulate cement to surface filling the casing and the annulus.

12. ND BOP and cut off casing below surface casing flange. Install P&A marker with cement to comply with regulations. RD, move off location, cut off anchors and restore location.

Alamito #2

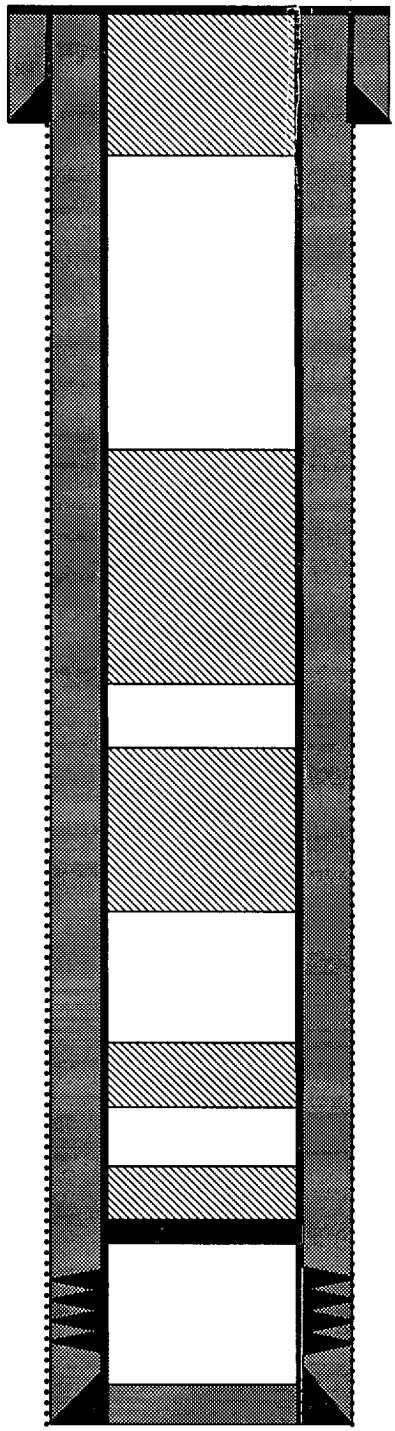
Proposed P&A

Alamito Gallup

770' FSL & 1820' FWL, Section 32, T-23-N, R-7-W
Sandoval County, NM / API #30-043-20816

Today's Date: **4/25/08**
Spud: 8/14/87
Comp: 9/18/87
Elevation: 6820' GL

12.25" Hole



Circulate 5 bbls of cement to surface

8.625" 23# Casing set @ 219'
155 sxs cement, circulated to surface

Plug #5: 269' – 0'
Type III cement, 30 sxs

Ojo Alamo @ 742'

Plug #4: 1127' – 692'
Type III cement, 38 sxs

Kirtland @ 854'

Fruitland @ 1077'

Pictured Cliffs @ 1322'

Plug #3: 1762' – 1272'
Type III cement, 43 sxs

Chacra @ 2090'

Mesaverde @ 2772'

Plug #2: 2822' – 2722'
Type III cement, 12 sxs

Set 4.5" CR at 4686'

Gallup @ 4680'

Plug #1: 4686' – 4586'
Type III cement, 12 sxs

Gallup Perforations:
4736' – 5014'

7.875" Hole

4.5" 11.6#, J-55 Casing @ 5097'
Cemented with 1075 sxs (1857 cf)

TD 5100'
PBTD 5078'