

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

HOBBS OCD State of New Mexico
Energy, Minerals and Natural Resources
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

SEP 18 2012
RECEIVED

Form C-103
Revised August 1, 2011

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.)		WELL API NO. 30-025-03198
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <u>Injection Well</u>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Quantum Resources Management, LLC		6. State Oil & Gas Lease No.
3. Address of Operator 1401 McKinney St., Suite 2400, Houston, TX 77010		7. Lease Name or Unit Agreement Name Northeast Pearl Queen Unit
4. Well Location Unit Letter <u>G</u> : <u>1980</u> feet from the <u>North</u> line and <u>2310</u> feet from the <u>East</u> line Section <u>23</u> Township <u>19S</u> Range <u>35E</u> NMPM County <u>Lea</u>		8. Well Number <u>014</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3787' RKB, 3774.3' GR		9. OGRID Number 243874
		10. Pool name or Wildcat Pearl; Queen

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.

Quantum Resources Management, LLC proposes to plug and abandon the referenced wellbore.

Mr. D. Bulman, Quantum, consulted w/Mr. M. Whitaker, NMOCD Hobbs, who advised the following procedure:

- Set packer at least 100' above top of fish @ 3933', establish an injection rate through the 2-7/8". If successful, pump a minimum of 25sxs Class "C" cement to fill the tubing from 100' above top of fish to the top perforation.
- Wait on cement 4 hours, tag. Top of cement must be a minimum of 100' above top of fish.
- If successful, perforate @ 3200' and squeeze beneath a packer with 50sxs cement, wait on cement 4 hours, tag top of cement.
- Perforate @ 1795', squeeze with 50sxs cement, wait on cement 4 hours, tag top of cement.
- Perforate 50' below the surface casing shoe, shoe at 214', circulate cement to surface.
- Cut off all casings and weld on 1/2" steel plate
- Erect P&A marker
- Commence surface restoration operations

NMOCD Hobbs field office will be notified prior to commencing plugging operations.

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 Celeste G. Dale TITLE Sr. Regulatory Analyst DATE 09/17/12

Type or print name Celeste G. Dale E-mail address: cdale@qracq.com PHONE: 432-683-1500

For State Use Only

APPROVED BY: Mark Whitaker TITLE Compliance Officer DATE 9-18-2012

Conditions of Approval (if any):

Oil Conservation Division - Hobbs office **Must be Notified**
24 hours prior to the beginning of Plugging Operations begin

SEP 18 2012



Quantum Resource Management LLC

Plugging Procedure

Well NEPQ #14
Objective Plug and Abandon Wellbore
Field/Zone Northeast Pearl Queen, Artesia
County/ST Lea County, NM

Goal Permanently plug and abandon wellbore

KB 3787'
Casing 2 7/8" to ~5100'
Tubing 2 1/16" IJ IPC injection tbg
Perfs 4956'-62', 67'-70', 74'-80', 91'-93', 5010'-14', 44'-5052'
Last Test:
PBTD ~5100'
Notes: 2 1/16" Arrowset AS1X Packer initially set @ 4932', TOF @ 3933'
Volumes 2 7/8" 6.5# csg = 0.00578 bbls/ft

1. MIRU ND wellhead. NU BOP.
2. RIH with pkr on WS and set at approximately 3633'. Establish inj rate and pump minimum of 25 sxs Class C cmt to fill tbg above TOF to top perf.
3. PU 3 stands, reverse out, WOC 4 hrs, Tag TOC, Must be minimum 100' above TOF. POOH with WS.
4. RIH with Wireline and perf at 3200'. POOH with Wireline.
5. RIH with pkr on WS and set at approximately 3000'. Squeeze 50 sx of cement. PU 3 stands, reverse out, WOC 4 hrs, tag TOC. POOH with WS.
6. RIH with Wireline and perf at 1795'. POOH with Wireline.
7. RIH with pkr on WS and set at approximately 1595'. Squeeze 50 sx of cement. PU 3 stands, reverse out, WOC 4 hrs, tag TOC. POOH with WS.
8. RIH w/ Wireline and perf at 265'. POOH w/ Wireline. RU cmt and Circulate cement to surface. If well will not circulate sqz 50 sx cmt. Set surface plug.
9. RDMO cementers. Cut surface and production casing off below GL. Weld on top plate as per NMOCD regulations. Back fill hole.
10. RDMO.

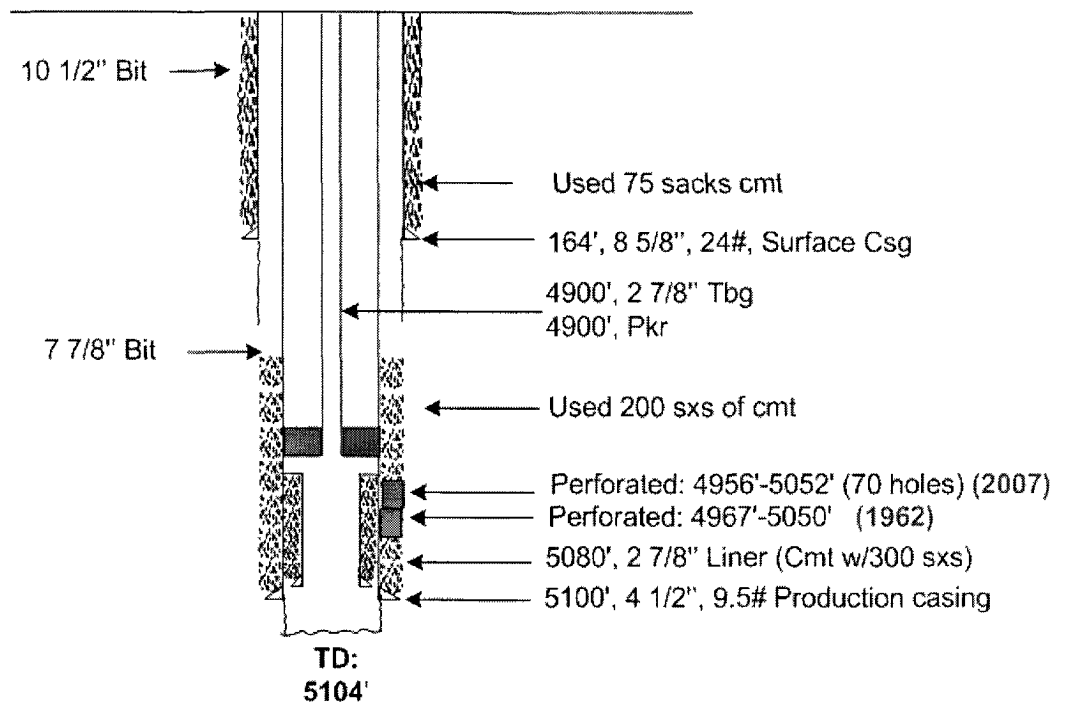


Quantum Resources Management LLC

Current WBD

WELL DIAGRAM

Well:	<u>14</u>	Current Status	<u>Injector</u>	Unit Letter - G
Field	<u>Artesia</u>	Lease	<u>NEPQ #14</u> <u>Formerly Texaco Haman #2</u>	Section - 23 1980 FNL & 2310 FEL 19S 35E
State:	<u>New Mexico</u>	County	<u>Lea</u>	API No <u>30-025-0319</u>
Diagram Revised:	<u>Jimika Reed-Terry (10-25-10)</u>			Spud date <u>6/15/1962</u>



Completions

7/1962: Perforated: 4967'-69', 4973'-77', 4978'-80', 5046'-50'. Treated w/500 gals of spearhead acid, 37,800 gals of lease oil, 70,600# of sand and 1,000# adomite using 20 ball sealers. (22.7 BPM). Swabbed 60 bo & 15 bw in 24 hrs.

12/1969: Convert to Water Injector.

2/2007: (Repaired casing leak). Perforated: 4956'-5052' (70 holes). Acidized well w/1500 gals 15% NEFE. Began to inject water.



Quantum Resources Management, LLC

Proposed WBD

50 sk cmt plug to surface

164' 8-5/8" 24# @ 318' w/ 75 sxs

50 sk cmt plug @ 1795'

50 sk cmt plug @ 3200'

Top of Fish @ 3933'

25 sk Minimum cmt plug 3833' – 5100'

Zone	Top	Btm	SPF	Holes
Queen	4,967	4,969		
	4,973	4,977		
	4,978	4,980		
	5,046	5,050		
	4,956	5,052		

2-7/8" 6.5# J-55 liner @ 5100' w/ 300 sxs

PBTD: 5100'