

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
Permit 36661

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: O 2. Name of Operator EVERQUEST ENERGY CORPORATION 3. Address of Operator 10 DESTA DRIVE, , SUITE 300-E MIDLAND, TX 79705 4. Well Location Unit Letter <u>F</u> : <u>2310</u> feet from the <u>N</u> line and <u>2310</u> feet from the <u>W</u> line Section <u>17</u> Township <u>16S</u> Range <u>32E</u> NMPM Lea County		WELL API NUMBER 30-025-37942
		5. Indicate Type of Lease S
		6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name SCHOONER B STATE		
8. Well Number 003		
9. OGRID Number 212929		
10. Pool name or Wildcat See Area 13		
11. Elevation (Show whether DR, KB, BT, GR, etc.) 4351 GR		
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: **Perforations/Tubing** ☒

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.
MIRU WSU, PU 2.375" J55 tubing, GIH to PBTD. Circ wellbore clean w/ 2% KCl. RU and perforate w/ 4" gun, 2 spf fl 3665-3675'. Run treating packer on tubing. Spot acid to EOT. Breakdown and acidize perfs w/ 1500 gal 15% HCl and 60-0.875" balls. BDP 2200 psi, InjRate 4-5 bpm, InjPress 2000-2400 psi. Good ball action throughout job, ISIP 1065 psi, 5" 774#, 10" 560#, 15" 404#. Pull LD tubing and packer. RDMO WSU. Waiting on frac.

Perforations

Pool: ANDERSON RANCH;GRAYBURG, WEST, 1560 Location: F -17-16S-32E 2310 N 2310 W

TOP	BOT	Open Hole	Shots/ft	Shot Size	Material	Stimulation	Amount
3665	3675	N	2	0.51		Acid	1500
3665	3675	N	2	0.51	Sand	Frac	48000

Tubing

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 8/22/2006

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 8/23/2006 1:09:10 PM