

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(505) 393-6161 Fax:(505) 393-0720
District II
811 S. First St., 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
August 1, 2011

Permit 160869

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 NUMBER 30-015-40867
1. Type of Well: O		5. Indicate Type of Lease S
2. Name of Operator LEGEND NATURAL GAS III LIMITED PARTNERSHIP		6. State Oil & Gas Lease No.
3. Address of Operator 410 W Grand Parkway South, Suite 400, Katy, TX 77494		7. Lease Name or Unit Agreement Name STATE GQ COM
4. Well Location Unit Letter <u>A</u> : <u>330</u> feet from the <u>N</u> line and <u>380</u> feet from the <u>E</u> line Section <u>7</u> Township <u>25S</u> Range <u>28E</u> NMPM <u>Eddy</u> County		8. Well Number 003H
11. Elevation (Show whether DR, KB, BT, GR, etc.) 3041 GR		9. OGRID Number 258894
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/> 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 <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE OF PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> Other: _____	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTER CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> Other: Drilling/Cement <input checked="" type="checkbox"/>

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.

Spud Well 1/11/2013 at 3:00 a.m. 01/12/2013 Drilled 17.5" hole to 427'. Ran 10 jts 13 3/8 48.0# csg. Set @ 417'. Halliburton cmt w/480 sxs Class C Halcem + 2% Calcium Chloride. Circulated 50 bbls cmt to surface. PT csg 1375 psi# 30 min-OK.

Drilled 12.25" hole to 2520'. 01/17/2013 @ 10pm Ran csg as follows: Shoe, 1 jt 9 5/8" 36.0# J-55, STC csg, Float Collar, 60 jts 9 5/8", 36.0# J-55, STC csg. Set @ 2513'. Halliburton cmt lead slurry w/550 sxs Class C Halcem + 5% salt. Halliburton cmt tail slurry w/200 sxs Class C + 2% CaCL. Cmt w/ full returns. Circulated 45 bbls cmt to surface. PT 1/11/2013 Spudded well.

Casing and Cement Program

Date	String	Fluid Type	Hole Size	Csg Size	Weight lb/ft	Grade	Est TOC	Dpth Set	Sacks	Yield	Class	1" Dpth	Pres Held	Pres Drop	Open Hole
01/12/13	Surf	FreshWater	17.5	13.375	48	J-55	0	417	480	1.35	C		617	0	Y
01/17/13	Int1	FreshWater	12.25	9.625	36	J-55	0	2513	750	1.85	C		2800	0	N

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 VP DATE 1/23/2013
Type or print name Michael Becci E-mail address mbecci@img2.com Telephone No. 281-644-5911

For State Use Only:

APPROVED BY: Randy Dade TITLE District Supervisor DATE 1/23/2013 11:00:30 AM