

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
Phone:(575) 393-6161 Fax:(575) 393-0720  
**District II**  
811 S. First St., Artesia, NM 88210  
Phone:(575) 748-1283 Fax:(575) 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 170536

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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 30-015-41429
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 15021 Katy Freeway, Suite 200, Houston, TX 77094		7. Lease Name or Unit Agreement Name STATE GQ
4. Well Location Unit Letter <u>B</u> : <u>200</u> feet from the <u>N</u> line and <u>1805</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 004H
11. Elevation (Show whether DR, KB, BT, GR, etc.) 3054 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 _____		10. Pool name or Wildcat

<b>12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data</b>	
<b>NOTICE OF INTENTION TO:</b> 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:	<b>SUBSEQUENT REPORT OF:</b> 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: <u>Drilling/Cement</u> <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.

06/30/2013- Spud Well  
 07/01/2013- Surface Casing Set @ 452'  
 07/05-07/06/2013- Intermediate casing set @ 2529'

07/19/2013-07/20/2013- Drld 8 3/4" hole to 12590'. Ran 280 joints of 5 1/2" P-110, 17# casing to 12400'. Cmt'd, mix and pump 20 bbls of mud clean, 20 bbls of fresh water gel, 10 bbls of fresh water, (mix and pump lead 50/50/2 H cmt) 900 sks (11#) 542 bbls, (mix and pump tail 50/50/2 H cmt) 1640 sks (14.4#), circulated 10 bbls cmt to surface. test 5000 psi 15 min. good  
 07/21/2013-Rig Release 6:00 a.m. 6/30/2013 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
07/01/13	Surf	FreshWater	17.5	13.375	48	J-55	240	452	495	1.35	C	0	980	0	N
07/01/13	Surf	FreshWater	17.5	13.375	48	J-55	126	452	50	1.35	C	263	980	0	N
07/01/13	Surf	FreshWater	17.5	13.375	48	J-55	0	452	150	1.35	C	126	980	0	N
07/05/13	Int1	CutBrine	12.25	9.625	36	J-55	0	2529	894	1.913	C	0	1950	0	N
07/05/13	Int1	CutBrine	12.25	9.625	36	J-55	0	2529	389	1.326	C	0	1950	0	N
07/20/13	Prod	CutBrine	8.75	5.5	17	P-110	0	12400	900	3.39	H	0	5000	0	N
07/20/13	Prod	CutBrine	8.75	5.5	17	P-110	0	12400	1640	1.26	H	0	5000	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 NMOC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Electronically Signed TITLE Regulatory Analyst DATE 7/24/2013  
 Type or print name Michael Becci E-mail address jmosley@lng2.com Telephone No. 817-872-7822

For State Use Only:  
 APPROVED BY: Randy Dade TITLE District Supervisor DATE 7/24/2013 11:36:46 AM