

Submit One Copy To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 811 S. First St., Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505

RECEIVED
 APR 24 2012
 NMOCD ARTESIA

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

Form C-103
 Revised November 3, 2011

WELL API NO.	30-015-02007
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>	
6. State Oil & Gas Lease No.	E-1821
7. Lease Name or Unit Agreement Name	Mershon State
8. Well Number	002
9. OGRID Number	243874
10. Pool name or Wildcat	Artesia; Queen-Grayburg-San Andres
11. Elevation (Show whether DR, RKB, RT, GR, etc.)	3600' GL

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.)

1. Type of Well: Oil Well Gas Well Other

2. Name of Operator
Quantum Resources Management, LLC

3. Address of Operator
1401 McKinney Street; Ste. #2400, Houston, TX 77010

4. Well Location
 Unit Letter D : 990 feet from the N line and 990 feet from the W line
 Section 21 Township 18S Range 28E NMPM _____ County Eddy

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		<input checked="" type="checkbox"/> Location is ready for OCD inspection after P&A	

- All pits have been remediated in compliance with OCD rules and the terms of the Operator's pit permit and closure plan.
- Rat hole and cellar have been filled and leveled. Cathodic protection holes have been properly abandoned.
- A steel marker at least 4" in diameter and at least 4' above ground level has been set in concrete. It shows the

OPERATOR NAME, LEASE NAME, WELL NUMBER, API NUMBER, QUARTER/QUARTER LOCATION OR UNIT LETTER, SECTION, TOWNSHIP, AND RANGE. ALL INFORMATION HAS BEEN WELDED OR PERMANENTLY STAMPED ON THE MARKER'S SURFACE.

- The location has been leveled as nearly as possible to original ground contour and has been cleared of all junk, trash, flow lines and other production equipment.
- Anchors, dead men, tie downs and risers have been cut off at least two feet below ground level.
- If this is a one-well lease or last remaining well on lease, the battery and pit location(s) have been remediated in compliance with OCD rules and the terms of the Operator's pit permit and closure plan. All flow lines, production equipment and junk have been removed from lease and well location.
- All metal bolts and other materials have been removed. Portable bases have been removed. (Poured onsite concrete bases do not have to be removed.)
- All other environmental concerns have been addressed as per OCD rules.
- Pipelines and flow lines have been abandoned in accordance with 19.15.35.10 NMAC. All fluids have been removed from non-retrieved flow lines and pipelines.
- If this is a one-well lease or last remaining well on lease: all electrical service poles and lines have been removed from lease and well location, except for utility's distribution infrastructure.

When all work has been completed, return this form to the appropriate District office to schedule an inspection.

SIGNATURE Celeste G. Dale TITLE Sr. Regulatory Analyst DATE 04/22/13

TYPE OR PRINT NAME Celeste G. Dale E-MAIL: cdale@qracq.com PHONE: 432-683-1500

For State Use Only

APPROVED BY: Jan W. Grom TITLE C. G. DATE 4/24/13
D/K TO RELEASE.