

Submit 1 Copy To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 1301 W. Grand Ave., Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 October 13, 2009

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

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. 30-015-01959
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		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. 647
3. Address of Operator 1401 McKinney St. Ste 2400 Houston, TX 77010		7. Lease Name or Unit Agreement Name Western Yates State
4. Well Location Unit Letter <u>F</u> : <u>1650</u> feet from the <u>North</u> line and <u>2310</u> feet from the <u>West</u> line Section <u>20</u> Township <u>18S</u> Range <u>28E</u> NMPM County <u>Eddy</u>		8. Well Number 001
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3600' GL		9. OGRID Number
		10. Pool name or Wildcat Artesia; Queen-Grayburg-San Andres

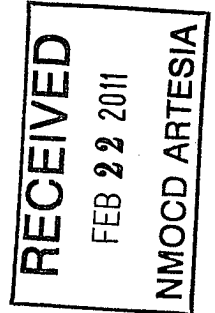
12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input checked="" type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> DOWNHOLE COMMINGLE <input type="checkbox"/>		SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input 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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Quantum Resources Management, LLC proposes to plug & abandon the wellbore as follows:

RIH w/ muleshoe jt on 2-3/8" WS to re-enter parted casing @ 147'.
 Spot 60 sk cmt plug from 1900' - 1400' to isolate producing perms. WOC. Tag.
 Circulate wellbore w/ plug mud.
 PU to 500'. Perf @ 593' w/ through-tbg gun. Spot 30 sk in/out plug across sfc csg shoe 593' - 493'. WOC. Tag.
 PU to 197'. Circ 50 sk cmt plug from 197' with in/out plug from 147' to sfc.
 Cut off csqs and weld on 1/2" steel plate. Erect dead well marker.



Spud Date: Rig Release Date: **Notify OCD 24 hrs. prior to any work done.**

I hereby certify that the information above is true and complete to the best of my knowledge and belief.



SIGNATURE Erick A. Rodriguez TITLE Regulatory Analyst DATE 2/17/11
 Type or print name Erick A. Rodriguez E-mail address: erodriguez@qracq.com PHONE: (713) 634-4612
For State Use Only
 APPROVED BY [Signature] TITLE Approval Granted providing work is complete by 5/23/2011 DATE 2/23/2011
 Conditions of Approval (if any):

WESTERN YATES STATE 1
 ARTESIA Field
 QUEEN / GRAYBURG / SAN ANDRES Zone

API: 30-015-01959
 18S 28E 20F
 Eddy County, NM

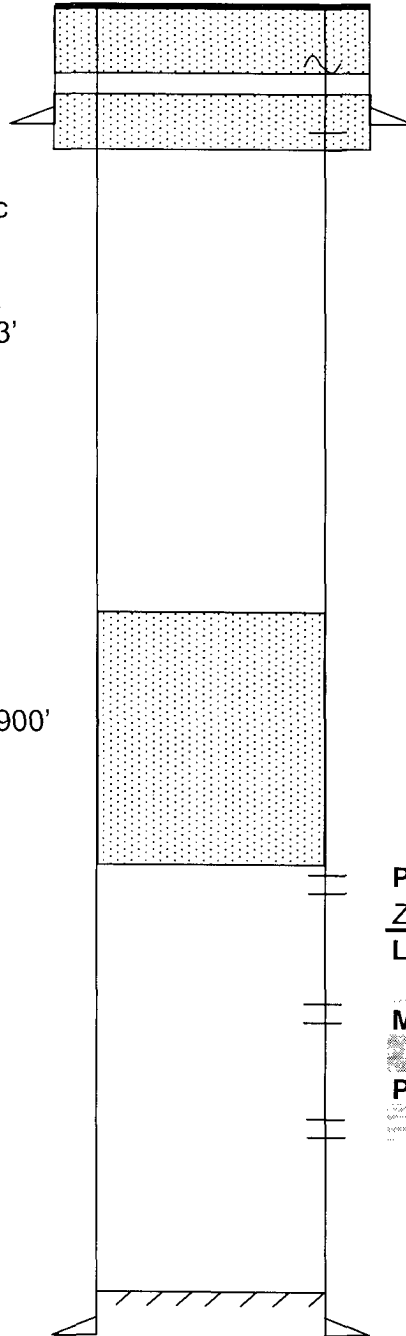
Proposed Wellbore Configuration

KB: '
 GL: 3668'

Circ 50 sk from 197', with
 in/out plug from 147' to sfc

Perf @ 593' and set 30 sk
 in/out plug from 493' – 593'

60 sk cmt plug 1400' – 1900'



Csg parted @ 147' (2008)

8-5/8" 24# @ 543' w/ 50 sxs

Zone	Top	Btm	SPF	Holes	Total =
Loco Hills	1,983	1,987	2	8	58
	1,990	1,995	2	10	
Metex	2,099	2,109	2	20	58
	2,171	2,175	2	8	
Premier	2,265	2,267	2	4	58
	2,270	2,274	2	8	

NOTY OIL & GAS
 5-1/2" 14# @ 2298' w/ 100 sxs

PBTD: '
 TD: 2442'

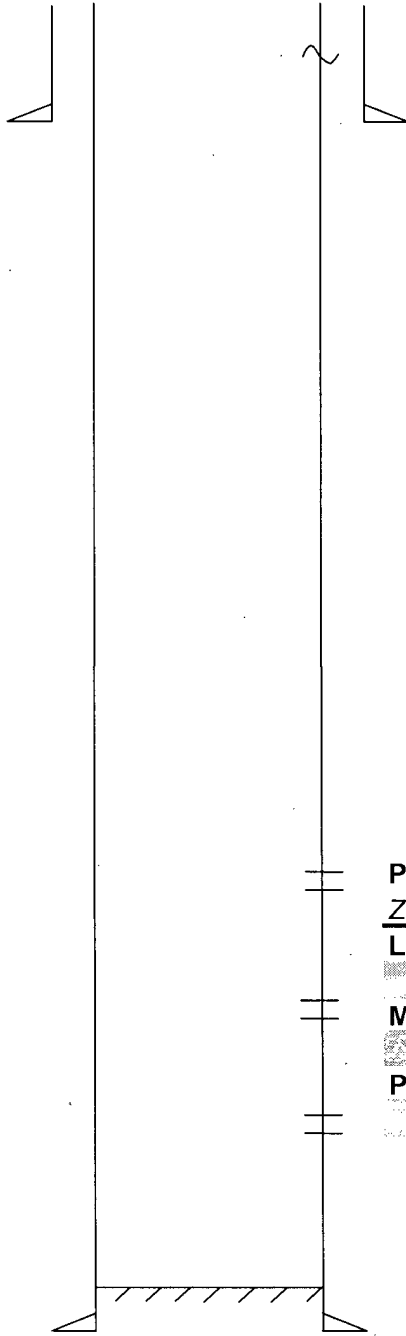
WESTERN YATES STATE 1
 ARTESIA Field
 QUEEN / GRAYBURG / SAN ANDRES Zone

API: 30-015-01959
 18S 28E 20F
 Eddy County, NM

Current Wellbore Configuration

KB: '
 GL: 3668'

Csg parted @ 147' (2008)
 8-5/8" 24# @ 543' w/ 50 sxs



Perforations				Total =	58
<i>Zone</i>	<i>Top</i>	<i>Btm</i>	<i>SPF</i>	<i>Holes</i>	
Loco Hills	1,983	1,987	2	8	
	1,990	1,995	2	10	
Metex	2,099	2,109	2	20	
	2,171	2,175	2	8	
Premier	2,265	2,267	2	4	
	2,270	2,274	2	8	

5-1/2" 14# @ 2298' w/ 100 sxs

PBTD: '
 TD: 2442'