

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

WELL API NO. 30-04534770
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Monarch Crest 24
8. Well Number 1
9. OGRID Number 20208
10. Pool name or Wildcat /blanco MV/Basin Dakota
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5517' 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
San Juan Resources, Inc

3. Address of Operator
1499 Blake Street 10C, Denver, CO 80202

4. Well Location

Unit Letter C : 864 feet from the North line and 1338 feet from the West line
Section 24 Township 30N Range 12W NMPM San Juan County

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 PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☒

OTHER: Production Csg ☒

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.

Intermediate Casig: 8-3/4" hole, 7" 23# K-55 LT&C

See attached for details

RCVD JUN 30 '10
OIL CONS. DIV.
DIST. 3

* REPORT PRESSURE TEST AND TOP OF CEMENT NEXT REPORT

Spud Date:

Rig Release Date:

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

SIGNATURE Dean Collins TITLE Agent DATE 6/28/2010

Type or print name Dean C. Collins E-mail address: collinsd@zianet.com PHONE: 505-325-3514

For State Use Only

APPROVED BY: Deputy Oil & Gas Inspector, TITLE District #3 DATE JUL 06 2010

Conditions of Approval (if any):

Monarch Crest 24-1

6/28/2010

6/18/2010: STAGE IN W/ 6-1/4" HAMMER ASSEMBLY AND UNLOAD WELL @ 3048' & 3672' W/ AIR. DO FC AND CEMENT TO SHOE W/ AIR/MIST. DRY UP WELLBORE @ 13:15. DRLD 6-1/4" HOLE F/ 3772' TO /4662' KB W/ 2-4 K WOB & 50-70 RPM'S W/ 2000 CFM AIR.

6/19/2010 DRILLED DRLD 6-1/4" HOLE F/ 4662' TO TD @ 6501'KB W/ 2-4 K WOB & 50-70 RPM'S W/ 2000 CFM AIR- EMPLOY N2 MEMBRANE UNIT @ 5400'. TD WELL @ 21:30 6-19-2010. CIRCULATE WELLBORE CLEAN FOR 30 MINUTES. UNABLE TO TRIP OUT DUE TO 3-1/2" TAPER IN ELEVATORS-WAIT ON AND CHANGE OUT ELEVATORS.

6/20/2010 SHORT TRIP 3-1/2" DRILLPIPE & PULL STRING FLOATS. RIH & TAG TD @ 6501'KB-NO FILL. UNABLE TO RUN DEVIATION SURVEY DUE TO MISALIGNMENT ON SURVEY REEL. TOO H & LD 3-1/2" DRILL PIPE, 4-3/4" DC'S AND HAMMER W/ BIT. NO DRAG ON TRIP OUT). CHANGE OUT PIPE RAMS F/3-1/2" T/4-1/2". RU TO RUN CASING. RIH W/ 4-1/2" CASING AND TAG UP @ 6119'KB-(JUST ABOVE THE GREENHORN FORMATION). BREAK CIRCULATION W/ AIR BUT UNABLE TO CIRC CASING DOWN. TOO H & LAYDOWN CSG.

6/21/2010 CHANGE OUT 3-1/2" T/ 4-1/2" PIPE RAMS. MU 6-1/4" STX-30 INSERT BIT W/ 3-20'S. TIH W/ BIT SUB & 10 X 4-3/4" DC'S WHILE FILLING 6-1/4" OPENHOLE W/ MUD (TBHA-350'. STAGE IN AND CIRCULATE TO 6000' (BRIDGE)- CIR AND ROTATE THRU BRIDGE T/6026'.

6/22/2010 CIR AND CONDITION WELLBORE F/6026' TO 6501'TD. CIRCULATE AND CONDITION WELLBORE. SHORT TRIP.

6/23/2010 SHORT TRIP T/5965'KB. RUN DEVIATION SURVEY'S AT 5965 @ 2 DEGREES & 5000' @ 1 DEGREE. TIH W/ 6-1/4" DRILLING ASSEMBLY & TAG @ 6486'KB/15' OF FILL-BREAK CIRC AND GENTLY CIRCULATE DOWN WITHOUT ANY ROTATION. CIRCULATE CLEAN. TOO H & LDDP & DC'S- BIT. CHANGE OUT 3-1/2". T/4-1/2" PIPE RAMS-RU TO RUN CASING-MU 4-1/2" FLOAT SHOE, 1-JT 4-1/2" 11.6# N-80, FLOAT COLLAR, 29 JTS 4-1/2" 11.6# N-80 (1127') & 132 JTS 4-1/2" 11.6# J-55 (5320') T/ SOLID BRIDGE @ 6470'. UNABLE TO CIRCULATE PAST 6470'KB. HUNG CSG @ 6462'. RU HALLIBURTON CEMENTERS AND CEMENT 4-1/2" LONG STRING W/ 375 SXS 50/50 POZ CONTAINING/ 0.1% HR-5, 0.6% HALAD-9, 1/8# FLAKE AND 5#/SX GILSONITE FOLLOWED W/ 100 SX CLASS G NEAT CONTAINING 1/8# POLYFLAKE, 0.2% HR-5 AND 5#/SX GILSONITE. EXCELLENT CIRCULATION THROUGHOUT CEMENT JOB. PLUG DOWN @ 23:09 6/23/2009-CHECK FLOAT (OK). RD CMTG HEAD AND CEMENTERS.

6/24/2010 TRANSFER MUD TO FRAC TANKS. CLEAN OUT RIG PIT AND CUTTINGS TROUGH. ND BOPE & SET 4-1/2" X 7" SLIPS W/ 62K WOS. RD & RELEASE RIG @ 08:00 6-24-2010; DROP FROM REPORT-WAIT ON COMPLETION