

Submit 3 Copies 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
 May 27, 2004

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

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 No. 002
9. OGRID Number 243874
10. Pool name or Wildcat Artesia; Queen-Grayburg-San Andres

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 St. 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 **18-S** Range **28-E** NMPM County **Eddy**

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3600 GL

Pit or Below-grade Tank Application or Closure

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 PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <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 checked="" type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>	OTHER: <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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

02/19/13 MIRU plugging equipment. ND wellhead. NU BOP. RIH w/ tbg to 2000'. Mix and pump 1 sx LCM and spot 60 sx class C cement w/ 2% CACL @ 2000-1800. POH to 900'.
 02/20/13 Tagged plug @ 1792'. Circulated hole w/ mud laden fluid. POH to 873'. Spot 35 sx class C cement w/ 2 % CACL @ 873-753. WOC.. Tagged plug @ 746'. POH w/ tbg. Perf'd csg @ 410'. ND BOP. RIH w/ 8 5/8 packer to 90'.
 02/21/13 Set packer @ 90'. Sqz'd 45 sx class C cement and displaced to 310'. Shut well in and WOC. Tagged plug @ 272'. POH. Perf'd casing @ 60'. Set packer @ 30'. Sqz'd 125 sx class C cement and circulated to surface. Riggged down and moved off.
 02/26/13 Moved in welder and back hoe. Dug out cellar. Cut off wellhead. Welded on Above Ground Dry Hole Marker. Back filled cellar. Removed deadmen. Cleaned location and moved off.

File Current C103 P&A for final inspection

Approved for plugging of well bore only. Liability under bond is retained pending receipt of C-103 (Subsequent Report of Well Plugging) which may be found at OCD Web Page under Forms, www.emnrd.state.nm.us/oed.

RECEIVED
 MAR 05 2013
 NMOCD ARTESIA

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 Celeste G. Dale TITLE Sr. Regulatory Analyst DATE 03/04/13

Type or print name Celeste G. Dale E-mail address: cdale@qracq.com Telephone No. 432-683-1500

APPROVED BY [Signature] TITLE Dist. J. Sepulveda DATE 3/6/13

Conditions of Approval (if any):

Need to file Subsequent C-103 P&A

[Signature]