

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

MAY 28 2008

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

MAY 28 2008

OCD-ARTESIA

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

Lease Serial No.
NMNM58034

SUBMIT IN TRIPLICATE - Other Instructions on reverse side.

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		6. If Indian, Allottee, or Tribe Name
2. Name of Operator Quantum Resources Management, LLC		7. If Unit or CA. Agreement Name and/or No.
3a. Address 1775 Sherman Street Suite 1200 Denver, CO 80203		8. Well Name and No. Pecos Federal 003
3b. Phone No. (include area code) 303-815-1453		9. API Well No. 30-015-25435-00
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec. 27 T 26S R 29E 760 FSL 1980 FEL		10. Field and Pool, or Exploratory Area Brushy Draw Delaware
		11. County or Parish, State Eddy

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/ Resume)	<input type="checkbox"/> Water Shut-off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and abandon	<input type="checkbox"/> Temporarily Abandon	Change of Operator
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleate horizontally, give subsurface locations and measured and true vertical depths or pertinent markers and sands. Attach the Bond under which the work will performed or provide the Bond No. on file with the BLM/ BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleation in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notice shall be filed only after all requirements, including reclamantion, have been completed, and the operator has determined that the site is ready for final inspection.)

Quantum Resources took over wells 12/01/2006. Engineers have completed uphole evaluation and have determined uphole potential in the Upper Cherry Canyon Zone from 2950' to 3000'.

Notice of intent to MI & RU and re-complete and add perforations to the Upper Cherry Canyon Delaware. Will perforate from Upper Cherry Canyon Delaware from 2950'-3000' and commingling of the Upper and Lower Zones. Will GIH with w 2/8" tbg and acidize. Will re-set tubing, rods and pump and restore well to production.

By verbal approval of James Amos on 05/12/08 the #3 well will have until 09/03/08 to either return well to production or submit plans for abandonment

** No additional ext. J. Amos 5-25-08*

14. I hereby certify that the foregoing is true and correct. Name (Printed/ Typed) Celia Steffen		Title Supervisor Production Support
Signature <i>Celia Steffen</i>		Date 5/4/2008
THIS SPACE FOR FEDERAL OR STATE OFFICE USE		
Approved by Conditions of approval, if any are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Title Date MAY 25 2008
Title 18 U.S.C. Section 1001 AND Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. (Instructions on page 2)		

Accepted for record - NMOCD