

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

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

Form C-103  
October 13, 2009

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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. 30-025-20580
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other Injection <input type="checkbox"/>		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" 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 Northeast pearl Queen Unit
4. Well Location Unit Letter <u>H</u> : <u>1980</u> feet from the <u>North</u> line and <u>990</u> feet from the <u>East</u> line Section <u>23</u> Township <u>19S</u> Range <u>35E</u> NMPM County <u>Lea</u>		8. Well Number <u>13</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3541' GL		9. OGRID Number 243874
		10. Pool name or Wildcat Pearl: Queen

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

<b>NOTICE OF INTENTION TO:</b> 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"/>		<b>SUBSEQUENT REPORT OF:</b> 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.

QRM, LLC proposes to plug and abandon wellbore as follows:

MIRU PU. ND WH, NU BOP. RIH w/ ~~1 1/2~~ open ended and load well w/ plug mud. Spot 25 sk cmt plug from 4900' - 4500' to isolate Queen perfs. WOC x tag ~~Set~~ 25 sk cmt plug from 3100' - 2700' to isolate base of salt. ~~Set~~ 25 sk cmt plug from 1800' - 1400' to isolate top of salt. Perf 4-1/2" csg @ 208'. Sqz cmt plug from 208' - surface. Cut off all csqs and weld on 1/2" steel plate. Erect P&A marker. ~~WOC-TAG~~

The Oil Conservation Division Must be notified  
24 hours prior to the beginning of plugging operations.

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

SIGNATURE Yolanda Perez TITLE Regulatory Supervisor DATE 8/22/11

Type or print name Yolanda Perez E-mail address: yperez@qracq.com PHONE: (713) 634-4696

For State Use Only

APPROVED BY: [Signature] TITLE STATE MGR DATE 9-12-2011  
Conditions of Approval (if any):

NORTHEAST PEARL QUEEN UNIT 13  
PEARL Field  
QUEEN Zone

API: 30-025-20580  
19S 35E 23H  
Lea County, NM

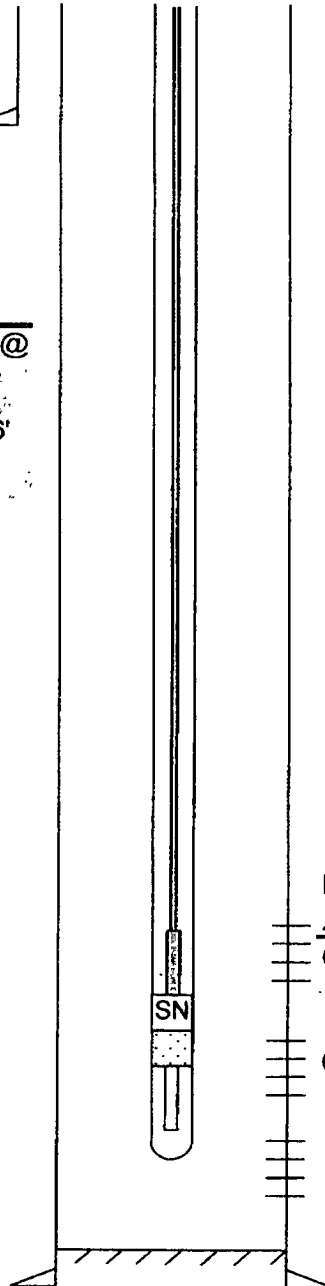
**Current Wellbore Configuration**

KB:  
GL:3733'

8-5/8" 24# @ 158' w/ 100 sxs,  
circ cmt

**Tubing Detail**

<i>jts</i>	<i>Component</i>	<i>Top @</i>
	2-3/8" Tbg	
	SN	5016'



<b>Perforations</b>				Total =	60
<i>Zone</i>	<i>Top</i>	<i>Btm</i>	<i>SPF</i>	<i>Holes</i>	
<b>Queen V</b>	4,922	4,927	4	20	
	4,931	4,932	4	4	
	4,937	4,941	4	16	
<b>Queen VII</b>	5,004	5,009	4	20	

4-1/2" 9.5# J-55 @ 5084' w/ 200 sxs

PBTD: 5040'  
TD: 5076'

NORTHEAST PEARL QUEEN UNIT 13  
PEARL Field  
QUEEN Zone

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**Proposed Wellbore Configuration**

