

Office

Energy, Minerals and Natural Resources

Revised August 1, 2011

District I - (575) 393-6161

1625 N. French Dr., Hobbs, NM 88249

District II - (575) 748-1283

811 S. First St., Artesia, NM 88210

District III - (505) 334-6178

1000 Rio Brazos Rd., Aztec, NM 87400

District IV - (505) 476-3460

1220 S. St. Francis Dr., Santa Fe, NM

87505

HOBBS OCD

OCT 09 2012

RECEIVED

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO. 30-025-03197
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Northeast Pearl Queen Unit
8. Well Number 008
9. OGRID Number 243874
10. Pool name or Wildcat Pearl; Queen

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 ☐ Injection Well

2. Name of Operator

Quantum Resources Management, LLC

3. Address of Operator

1401 McKinney St., Suite 2400, Houston, TX 77010

4. Well Location

Unit Letter B : 330 feet from the North line and 2310 feet from the East line

Section 23 Township 19S Range 35E NMPM County Lea

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

3793' RKB

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 ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐COMMENCE DRILLING OPNS. ☐ P AND A ☐CASING/CEMENT JOB ☐OTHER: ☐OTHER: Mechanical Integrity Test ☒

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 19.15.7.4 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

09/25/12-MIRU PU, Lucky Well Service #247

09/26/12- Tbg parted, TOF@1951', SION

09/27/12-Wait on NM OCD, GIH w/spear, tag TOF.GIH w/spear, latched fish@2000', worked pkr free,POOH w/spear, fish & pkr. SION

09/28/12- GIH w/WS. POOH LD WS. SION

10/01/12-GIH w/2-7/8": PC AD1 tension pkr, pkr@4885', land tbg, test csg to 750#, O.K. Installed valve, SION

10/02/12-RU, pressure tested 2-7/8" csg to 750#, O.K. Established PIR down tbg @ 0.5 BPM@1000#, pressure increased to 1500#, slowed PIR to 0.25 BPM @ 1500#. RD PU shut well in.

10/03/12-RU kill truck, ran official mechanical integrity test on csg & charted (chart attached). NM OCD rep., M. Whitaker, on location. RD kill truck, shut well in. Final 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

Celeste G. Dale

TITLE Sr. Regulatory Analyst

DATE 10/08/12

Type or print name Celeste G. Dale

E-mail address: cdale@qracq.com

PHONE: 432-683-1500

For State Use Only

APPROVED BY:

E. Gonzalez

TITLE

Dist. MGR

DATE

10-10-2012

Conditions of Approval (if any):

OCT 10 2012

