

Submit 1 Copy To Appropriate District Office
 District I - (575) 393-6161
 1625 N. French Dr., Hobbs, NM 88240
 District II - (575) 748-1283
 811 S. First St., Artesia, NM 88210
 District III - (505) 334-6178
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV - (505) 476-3460
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised July 18, 2013

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

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-025-34587
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator EverQuest Energy Corporation		6. State Oil & Gas Lease No. V-4362
3. Address of Operator 10 Desta Drive, Ste 300E, Midland, Texas 79705		7. Lease Name or Unit Agreement Name Rancho Verde 10 State
4. Well Location Unit Letter <u>L</u> : <u>2310</u> feet from the <u>South</u> line and <u>930</u> feet from the <u>West</u> line Section <u>10</u> Township <u>16S</u> Range <u>32E</u> NMPM County <u>Lea</u>		8. Well Number <u>1</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4319' AGL		9. OGRID Number 2862911
10. Pool name or Wildcat Wolfcamp		

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 COMPL <input type="checkbox"/> DOWNHOLE COMMINGLE <input type="checkbox"/> CLOSED-LOOP SYSTEM <input type="checkbox"/> OTHER: <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 type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> OTHER: MIT Test <input checked="" type="checkbox"/> <i>no test</i>	
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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.

In preparation for running test packer a bit and scraper was run inside the 5.50" casing and encountered casing damage at 4862' (about 600' below the intermediate casing shoe at 4230'). RIH w/ 4.625" casing swage and determined the casing was probably partially parted at 4862-68'. RIH with open-ended 2.875" tubing to PBTD at 9898' (CIBP w/ 10' of cement put in place during July 2000). POOH and LD tubing. Will file intent to P&A lower section of wellbore below casing damage and set up for possible future sidetrack to Strawn interval from out under intermediate casing shoe. *NEW C103 FORTHCOMING...*

Spud Date: October 9, 2014 Rig Release Date: October 16, 2014

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

SIGNATURE Terry Duffey TITLE President DATE 10-21-2014

Type or print name Terry Duffey E-mail address: tduffey@everquestenergy.com PHONE: 432-978-1126
For State Use Only

APPROVED BY: Bill Semanski TITLE Staff Manager DATE 10/24/2014
 Conditions of Approval (if any):

RECORD ONLY

OCT 27 2014 *[Signature]*

Wellbore Schematic
EverQuest Energy Corporation
Rancho Verde 10 State COM #1
 API# 30-025-34587

Current Configuration

13-3/8" 54.5# J55
 set at 426'
 Cmt 300 sx
 Circ to surf

8-5/8" 24-32# J55
 set at 4230'
 Cmt 1050 sx
 circ to surf

*CASING
 PARTIALLY
 PARTED
 4862'*

RECORD ONLY

BS 10/24/2014

5-1/2" 17-20# N80
 Set at 10368'
 ECP/DV Tool at 10,198'
 Cmt Stage 1: 75 sx
 Cmt Stage 2: 300 sx
 TOC by TS 9318'

6/99: Perf 9806-48", Sqzd 2/00
 2/00: Perf 9806-12", Sqzd 5/00
 7/00: Perf 9806-12"
 6/99: Perf 9829-48", Sqzd 2/00

7/00: CIBP at 9895' w/ 10' cmt on top
 6/99: Perf 9910-30', tested, isol w/ CIBP at 9,900'
 5/00: Isolate casing leak 9898-9946'. Sqzd

7/00: CIBP at 10,320' w/ 35' cmt on top
 5/99: Orig TD 7-7/8" hole to 10368'

6/00: Deepened 4-5/8" hole to TD 10,900'
 7/00: DST 10,688 - 10,840' non-commercial

