

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

WELL API NO. 30-025-03563
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. NM-17923-00
7. Lease Name or Unit Agreement Name Merrell
8. Well Number 1
9. OGRID Number
10. Pool name or Wildcat SWD; Bough

HOBBS OCD
 SEP 11 2014

RECEIVED

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 SWD

2. Name of Operator
ENERGYQUEST II, LLC

3. Address of Operator 4526 RESEARCH FOREST DR., SUITE 200
THE WOODLANDS, TX 77381

4. Well Location
 Unit Letter H : 1980 feet from the North line and 330 feet from the East line
 Section 10 Township 9S Range 36E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
4070 DF

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: <input checked="" 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.

Failed casing integrity test, casing will not hold pressure. Test performed 8/11/14.

FOR RECORD ONLY

Spud Date: 09/07/58 Rig Release Date: 10/24/58

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

SIGNATURE Debra Moore TITLE Production Analyst DATE 09/10/2014

Type or print name Debra Moore E-mail address: debra.moore@energyquest.us PHONE: 281-875-6200
For State Use Only

APPROVED BY: Bill Saranah TITLE Staff Manager DATE 10/7/2014
 Conditions of Approval (if any):

OCT 30 2014