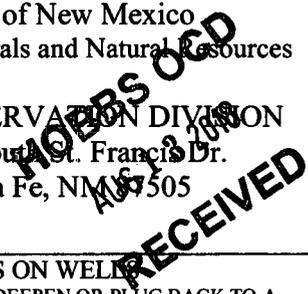


Submit 1 Copy To Appropriate District Office
 District I - (575) 393-6161
 1625 N. French Dr., Hobbs, NM 88240
 District II - (575) 748-1283
 811 S. First St., Artesia, NM 88210
 District III - (505) 334-6178
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV - (505) 476-3460
 1220 S. St. Francis Dr., 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. 30-025-31606
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. 305938
7. Lease Name or Unit Agreement Name Scratchy Ranch AQC State
8. Well Number 2
9. OGRID Number 143199
10. Pool name or Wildcat Feather/Upper Penn East
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4,191' GR

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

2. Name of Operator
Foundation Energy Management, LLC

3. Address of Operator
5057 Keller Springs Rd., Ste 650, Addison, TX 75001

4. Well Location
 Unit Letter **P** : **660** feet from the **South** line and **660** feet from the **East** line
 Section **14** Township **15S** Range **32E** NMPM County **Lea**

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

Approved for Plugging of wellbore only. Liability under bond is retained pending restoration and completion of the C-103, Specific for Subsequent Report of Well Plugging, which may be found on the OCD web page under forms.
 Restoration Due By 6-16-2019

INT TO PA
 P&A NR PM
 P&A R _____

JBSEQUENT REPORT OF:
 ORK ALTERING CASING
 DRILLING OPNS. P AND A
 ENT JOB

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.

1. Plugging work began 6/13/2018. Mud wt 10.5#. Plug #1 balanced from 8,385' to 8,179' with 25 SX.
2. Plug #2 balanced from 7,500' to 7,321' with 25 SX.
3. Plug #3 balanced from 4,500' to 4,239' with 25 SX.
4. Plug #4 balanced from 2,900' to 2,648' with 25 SX.
5. Plug #5 perforated at 1,450' and squeezed from 1,450' to 1,346' with 30 SX.
6. Plug #6 perforated at 450' and squeezed from 450' to surface with 110 SX. Topped off with 10 SX.
7. Dug out from around wellhead, cut off wellhead & welded on ID cap, and installed P&A marker
 Plugging work completed 6/10/2018 13-3/8" Csg to 400', 8-5/8" Csg to 4,472' and 5-1/2" Csg to 11,000'. All strings left in hole.

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 [Signature]

TITLE P&A Lead Engineer

DATE 8-3-2018

Type or print name Bill Johnson

E-mail address: bjohnson@foundationenergy.com

PHONE: 918-526-5549

For State Use Only

APPROVED BY: [Signature]

TITLE P.E.S.

DATE 08/13/2018

Conditions of Approval (if any):