

Submit 3 Copies To Appropriate District Office
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

Form C-103
May 27, 2004

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 BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO.: 30 025 21781 ✓
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: CrownQuest Operating, LLC		6. State Oil & Gas Lease No. B 10076
3. Address of Operator: P.O. Box 53310, Midland, TX 79710		7. Lease Name or Unit Agreement Name New Mexico "BV" NCT-2 ✓
4. Well Location Unit Letter <u>E</u> : 1980 feet from the <u>North</u> line and <u>660</u> feet from the <u>West</u> line Section <u>36</u> Township <u>13S</u> Range <u>13E</u> NMPM <u>Lea</u> County <u></u>		8. Well Number: 1 ✓
11. Elevation (Show whether DR, RKB, RT, GR, etc.): 4205'		9. OGRID Number: 213190 ✓
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____		
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls: Construction Material _____		

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 checked="" 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"/>	
OTHER: _____		OTHER: _____	

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

New Mexico BV State NCT-2 #1 (30-025-21781) Proposed Plugging Procedure:

1. Circulate hole w/ plugging mud
2. Set CIBP @ 7600' & cap w/ 35' of cement
3. Cut & pull 5-1/2" casing at 6600'
4. Spot and tag 35' cement plug over the casing stub at 6600' 50' IN + OUT OF STUB W.O.C. + TAG
5. Spot and tag 35' cement plug at 4150'
6. Cut and pull 8-5/8" casing at 400'
7. Spot and tag 35' cement plug at 1650'
8. Spot and tag 35' cement plug at 400' 50' IN + 90' OUT W.O.C. + TAG @ 310' / 50' ABOVE 1650' SHOE
9. Spot 35' surface plug and weld on steel cap and install plugged location marker 105X OR 60'

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines X, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Ann E. Ritchie TITLE Regulatory Agent DATE 3-21-07

Type or print name Ann E. Ritchie E-mail address: ann.ritchie@wtor.net Telephone No.: 432 684-6381

For State Use Only

APPROVED BY: Harry W. Wink OC FIELD REPRESENTATIVE II/STAFF MANAGER
TITLE _____ DATE MAR 27 2007
Conditions of Approval (if any): _____

THE OIL CONSERVATION DIVISION MUST
BE NOTIFIED 24 HOURS PRIOR TO THE
BEGINNING OF PLUGGING OPERATIONS.

CROWNQUEST

CrownQuest Operating, LLC

Dear Mr. Wink,

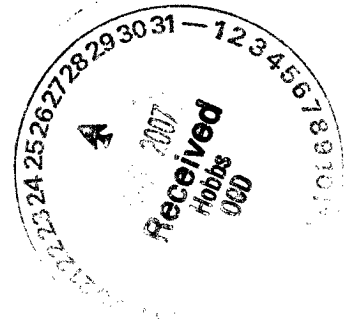
We recently rigged up on the New Mexico BV State NCT-2 #1 for a pump change. During that operation we found that our tubing was stuck. We free pointed and chemical cut the tubing at 7784', but found that there was fill behind the pipe up to 7600'. The fill was cement, formation, and iron sulfide. We cleaned out sporadic fill to the top of the fish and attempted to fish the tubing but could not get over it with an overshot. The guide shoe bent and something that appeared to be a piece of casing left indentures on it. It does not appear possible to latch onto the tubing because the casing appears to be protruding in this area. Also, the casing above is not in good shape, and was leaking formation and cement as we were attempting to clean out. We do not think anything else can be done to get below the current PBTD. The casing is most likely collapsed at 7784' or right below. We do not think we can squeeze cement below where we currently are, because we have been able to circulate the entire job. We also feel there is cement because we saw cement pieces as part of the fill that came in on us, although we are probably close to the top of cement behind the 5-1/2" pipe. I have enclosed the workover report from our attempt to fish the tubing detailing this work. We propose plugging this well in the following manor:

New Mexico BV State NCT-2 #1 (30-025-21781) Proposed Plugging Procedure:

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2. Set CIBP @ 7600' & cap w/ 35' of cement
3. Cut & pull 5-1/2" casing at 6600'
4. Spot and tag 35' cement plug over the casing stub at 6600'. 50' IN + 50' OUT + WOC + TAG
5. Spot and tag 35' cement plug at 4150'
6. Cut and pull 8-5/8" casing at 400'
7. Spot and tag 35' cement plug at 1650'
8. Spot and tag 35' cement plug at 400' 50' IN + 50' OUT + WOC + TAG @ 310' COVERS CUT OFF + 1 3/4" SHOE
9. Spot 35' surface plug and weld on steel cap and install plugged location marker
→ 105X OR 60'

Sincerely,

Luke Dunn
432-818-0305 Office
432-638-4731 Cell



New Mexico BV NCT-2 #1

