

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

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

Form C-103  
Revised June 10, 2003

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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 01130
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other (Injection) <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.
3. Address of Operator P.O. Box 53310, Midland, TX 79710		7. Lease Name or Unit Agreement Name New Mexico -BG- State NCT 1
4. Well Location (Surface)  Unit Letter <u>M</u> : <u>660</u> feet from the <u>South</u> line and <u>660</u> feet from the <u>West</u> line  Section <u>14</u> Township <u>14S</u> Range <u>33E</u> NMPM Lea County		8. Well Number 02
11. Elevation (Show whether DR, RKB, RT, GR, etc.): 4206' GR		9. OGRID Number 213190
		10. Pool name or Wildcat: Saunders Permo Penn

<b>12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data</b>	
<b>NOTICE OF INTENTION TO:</b>	<b>SUBSEQUENT REPORT OF:</b>
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"/> PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>
OTHER: _____	OTHER: Subsequent - T/A

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.

11-29-07: MIRU, NDWH & NU BOP. TIH w/ 140 joints 2 3/8" tubing, 17# scraper & bit.  
11-30-07: Tagged up with 315 joints. Pull out of hole and shut down for weekend.  
12-3-07: RIH w/CIBP and 309 joint tubing. Set CIBP @ 9660' and rigged up pump truck. Circulated 220 bbls fresh water with packer fluid. Pressure and test casing to 500 psi. Casing did not hold. Shut down for night.  
12-4-07: Pulled tubing, loaded & tested casing; pressure tested to 550 psi, lost 100 psi - well will not pass MIT test. Shut-in.  
Preparing plugging procedure for submission to Oil Conservation Division.

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

SIGNATURE Ann E. Ritchie TITLE Regulatory Agent DATE: 1-3-08

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

(This space for State use)

APPROVED BY Chris Williams OC DISTRICT SUPERVISOR/GENERAL MANAGER  
TITLE \_\_\_\_\_

Conditions of approval, if any:

RECEIVED

JAN 10 2008

HOBBS OCD