

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., Artesia, NM 88219  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

RECEIVED

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

NOV 20 2009

HOBBSOCD

WELL API NO. 30-025-01138 ✓
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. B 9385
7. Lease Name or Unit Agreement Name New Mexico AN State
8. Well Number 3 ✓
9. OGRID Number 213190
10. Pool name or Wildcat Saunders (Permo UPenn)

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  
CrownQuest Operating, LLC ✓

3. Address of Operator  
303 Veterans Airpark Lane, STE 5100, PO Box 53310, Midland, TX 79710

4. Well Location  
Unit Letter K ✓ 1980 feet from the South line and 1978 feet from the West line  
Section 22 ✓ Township 14S ✓ Range 33E ✓ NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
4204' GR

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐  
DOWNHOLE COMMINGLE ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☐

OTHER: X Location is ready for OCD inspection after P&A

- X All pits have been remediated in compliance with OCD rules and the terms of the Operator's pit permit and closure plan.
- X Rat hole and cellar have been filled and leveled. Cathodic protection holes have been properly abandoned.
- X A steel marker at least 4" in diameter and at least 4' above ground level has been set in concrete. It shows the

OPERATOR NAME, LEASE NAME, WELL NUMBER, API NUMBER, QUARTER/QUARTER LOCATION OR UNIT LETTER, SECTION, TOWNSHIP, AND RANGE. All INFORMATION HAS BEEN WELDED OR PERMANENTLY STAMPED ON THE MARKER'S SURFACE.

- X The location has been leveled as nearly as possible to original ground contour and has been cleared of all junk, trash, flow lines and other production equipment.
- X Anchors, dead men, tie downs and risers have been cut off at least two feet below ground level.
- X If this is a one-well lease or last remaining well on lease, the battery and pit location(s) have been remediated in compliance with OCD rules and the terms of the Operator's pit permit and closure plan. All flow lines, production equipment and junk have been removed from lease and well location.
- X All metal bolts and other materials have been removed. Portable bases have been removed. (Poured onsite concrete bases do not have to be removed.)
- X All other environmental concerns have been addressed as per OCD rules.
- X Pipelines and flow lines have been abandoned in accordance with 19.15.35.10 NMAC. All fluids have been removed from non-retrieved flow lines and pipelines.
- X I hereby certify that the information above is true and complete to the best of my knowledge and belief.

When all work has been completed, return this form to the appropriate District office to schedule an inspection.

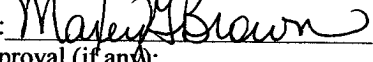
SIGNATURE  TITLE Manager of Special Projects

DATE 11/19/09

Type or print name Don Rogers E-mail address: drogers@crowquest.com

PHONE: 432 818 0300

For State Use Only

APPROVED BY:  TITLE Compliance Officer

DATE 11/23/2009

Conditions of Approval (if any):