

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

RECEIVED
NOV 20 2009
HOBBSOCD

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

WELL API NO. 30-025-28807 ✓
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. K 1318
7. Lease Name or Unit Agreement Name State 5 ✓
8. Well Number 3 ✓
9. OGRID Number 213190
10. Pool name or Wildcat Baum Upper Penn

<p>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.)</p>	
<p>1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/></p>	
<p>2. Name of Operator CrownQuest Operating, LLC ✓</p>	
<p>3. Address of Operator 303 Veterans Airpark Lane, STE 5100, PO Box 53310, Midland, TX 79710</p>	
<p>4. Well Location Unit Letter A ✓ 990 feet from the North _____ line and 660 _____ feet from the East _____ line Section 5 Township 14S Range 33E NMPM County Lea</p>	
<p>11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4248 GR</p>	

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 ☐

SUBSEQUENT REPORT OF:

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

OTHER: ☐

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 [Signature] TITLE Manager of Special Projects DATE 11/19/09

Type or print name Don Rogers E-mail address: drogers@crownquest.com PHONE: 432 818 0300

For State Use Only

APPROVED BY: [Signature] TITLE Compliance Officer DATE 12/22/2009

Conditions of Approval (if any):