

Submit 1 Copy 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 87401

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico

Energy, Minerals and Natural Resources

Form C-103

October 13, 2009

RECEIVED

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

HOBBSOCD

WELL API NO.

30-025-01133

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

B-9560

7. Lease Name or Unit Agreement Name

N M "BG" NCT-2

8. Well Number 1

9. OGRID Number

213190

10. Pool name or Wildcat

Saunders Permo Penn

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

4. Well Location

Unit Letter A : 990feet from the North line and 988 feet from the East line

Section 16 Township 14S Range 33E NMPM County Lea

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

4242"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 ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ P AND A ☐

CASING/CEMENT JOB ☐

OTHER: ☐

OTHER: ☒ Location is ready for OCD inspection after P&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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

☒ All pits have been remediated in compliance with OCD rules and the terms of the Operator's pit permit and closure plan.

☒ Rat hole and cellar have been filled and leveled. Cathodic protection holes have been properly abandoned.

☒ A steel marker at least 4" in diameter and at least 4' above ground level has been set in concrete. It shows

Operators' Name, Lease Name, Well Number, API Number Quarter/Quarter Location of Unit Letter, Section, Township, and Range. All information has been welded or permanently stamped on the marker's surface.

☒ 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.

☒ Anchors, dead men, tie downs, and risers have been cut off at least 2' below ground surface.

☒ If this is a one well lease or last remaining well on a 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 the lease and well location.

☒ All metal bolts and other material have been removed. Portable bases have been removed. (Poured onsite concrete bases do not have to be removed)

☒ All other environmental concerns have been addressed as per OCD rules.

☒ Pipelines and flow lines have been abandoned in accordance with 19.15.35.10 NMAC. All fluids have been removed from no retrieved flow lines and pipelines.

☒ I hereby certify that the above information 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

Don Rogers

TITLE Manager of Special Projects

DATE 28 Jun 10

Type or print name Don Rogers

E-mail address: drogers@crownquest.com

PHONE: 432 818 0300

For State Use Only

APPROVED BY:

Mary H Brown

TITLE Compliance Officer

DATE 7/7/2010

Conditions of Approval (if any):

7. m