

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 87410

District IV

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

RECEIVED
MAY 11 2011

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103

October 13, 2009

WELL API NO.

32-025-08637

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

25191

7. Lease Name or Unit Agreement Name

Jalmat Field Yates Sand Unit

8. Well Number 147

9. OGRID Number

184860

10. Pool name or Wildcat

Jalmat, Yates, Tansil, Seven Rivers

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

Quantum Resources Management, LLC

3. Address of Operator

1401 McKinney St., Ste 2400, Houston, TX 77010

4. Well Location

Unit Letter A : 660 feet from the N line and 660' feet from the E line
Section 23 Township 22S Range 35E NMPM Lea County

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

3601' GL

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: ☐

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.

Quantum Resources Management, LLC proposes to repair this water injection well as follows:

MIRU PU. POOH w/ injection string x pkr. Set RBP @ 3750'. Test to 500 psi. Add perforations in the Yates interval: 3950' - 3953', 3958' - 3965', 3968' - 3970', 3977' - 3979', 3992' - 3996', 4000' - 4002', 4008' - 4010'. Acidize w/ 3000 gal 7.5% HCl. RIH w/ injection string. Set pkr within 100' of top perf @ 3816'. RDMO PU. Perform official MIT to 500 psi for 30 min on chart. Return well to injection.

Spud Date:

Rig Release Date:

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

SIGNATURE

Yolanda Perez

TITLE Regulatory Supervisor

DATE 5/6/11

Type or print name Yolanda Perez

E-mail address: yperez@qracq.com

PHONE: (713) 634-4696

For State Use Only

APPROVED BY:

[Signature]

TITLE Staff MGR

DATE 5-11-2011

Conditions of Approval (if any):