| GOS N. French Pr., Hobbs, NN 8240   DOLL CONSERVATION DIVISION   1220 South St. Francis Dr.   30.015.36075   | Submit 3 Copies To Appropriate Distric<br>Office<br>District I   | State  | State of New Mexico Energy, Minerals and Natural Resources |  |  | Form C-103<br>May 27, 2004                                       |  |
|---|--|--|--|--|--|--|--|
| 101 W. Chind Ave., Attaca, M. M8210   1220 South St. Francis Dr. Santa Fe, NM 87505   Sundry Notices And Reports On Wells   Sundry Notices And Reports On Wells   Sundry Notices And Reports On Wells   Sundry Notices And Reports On Notices   Sundry Notices And Reports On Wells   Sundry Notices   Sundry Notices And Reports On Wells   Sundry Notices   Sundry  | 1625 N. French Dr., Hobbs, NM 88240  | 2  |  |  | WELL API NO.                                   |  |  |
| 12.00 stort braces Rd, Arises, NM \$7410   Stritter Fr. Postage IV.   Sarriafa Fr., NM \$7505   Sarriafa Fr., NM \$7505 |  | OIL CONSERVATION DIVISION                                  |  |  |  | of Lease   |  |
| State Oil & Gas Lease No.   |  | _  | 1220 South St. Francis Dr.                                 |  |  |  |  |
| STOSE   SUNDRY NOTICES AND REPORTS ON WELLS (GO NOT USE THIS FORM FOR PROPOSALS TO DERIL OR TO DEPEN OR PLUG BACK TO A DEPREMENT RESERVOIR. USE A PROPERTY AND A SERVICE PROPERTY OF THE PRO  | District IV  | Santa  | Santa Fe, NM 87505   |  |  |  |  |
| SUNDRY NOTICES AND REPORTS ON WELLS OF NOTICES FIRS PORM FOR PROSENS TO BREIL FOR TO DEPEND REPUBLISHED TO A DIFFERENT RESIRVOR. USE "APPLICATION FOR PERMIN" (FORM C-101) FOR SUCH PROCESSAS.)  1. Type of Well: Oil Well   Gas Well X Other   |  |  | ,  |  | E-10170  |  |  |
| R. Well Number   001  | SUNDRY NO<br>(DO NOT USE THIS FORM FOR PRO<br>DIFFERENT RESERVOIR USE "APP   | POSALS TO DRILL OR TO DE                                   | EEPEN OR PLU   |  |  | J  |  |
| 2. Name of Operator PROCORE OPERATING I.P. 3. Address of Operator 777 MAIN STREET, STE. 1409 FORT WORTH, TX. 76102  10. Pool name or Wildcat LOAFER DRAW_MORROW_SE GAS  10. Pool name or Wildcat LOAFER DRAW_MORROW_SE GAS  11. Elevation Unit Letter G : 2636  | ·  | Coa Wall V Other   |  |  |  |  |  |
| Incore Operating L.P.   |  | Gas Well A Other   | AP   | ₹ - 2 2008                                   | 9 OGRID Numl                                   | per 180051   |  |
| A. Well Location   Section   32   Township   21S   Range   23E   NMPM   County EDDY   |  |  | A C F  | ADTECIA                                      | 7. OGIGE Num                                   | 001 109931   |  |
| 4. Well Location  |  |  |  | PANCOIA                                      |  |  |  |
| Unit Letter G : 2636  |  | FORT WORTH, TX. 76   | 102  |  | LOAFER DRAW                                    | /;MORROW,SE GAS  |  |
| Section   32   Township   218   Range   23E   NMPM   County   EDDY  |  |  |  |  |  |  |  |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.)   4063'  |  |  |  |  | <del></del>                                    | theEASTline  |  |
| August   Starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellower and proposed work). SEE RULE 1103. For Multiple Completions: Attach welloof and will drill a 15" hole to 1,500" with air/aerated fluid. After reaching 1,500", 9-5/8" 40.0 ppf; J-55 BTC casing is set, Nabors rig F25 will be moved in over the well to drill out the 9-5/8" casing is set, Nabors rig F25 will be moved plan —  Intereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or belowgrade tank has been will be ensurance of the poly.  APPROVED BY:  TITLE REGULATORY MANAGER DATE  AND BURDOTTE WILEY For State Use Only.  Patter DATE    DATE   D  | Section 32   |  |  |  | NMPM   | County EDDY  |  |
| Pit type_DRILLDepth to Groundwater_50+_Distance from nearest fresh water well1000+_Distance from nearest surface water 1000+_Pit Liner Thickness: 12  | 4063'  |  |  |  |  |  |  |
| 12 mil   Below-Grade Tank: Volume   15000   bbls; Construction Material   |  |  | om nearest fres  | h water well 1000+                           | Distance from nea                              | rest surface water 1000+   |  |
| 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data    NOTICE OF INTENTION TO:   SUBSEQUENT REPORT OF:   |  |  |  |  |  |  |  |
| NOTICE OF INTENTION TO:  PERFORM REMEDIAL WORK  PLUG AND ABANDON  ATTENDED REMEDIAL WORK  ALTERING CASING COMMENCE DRILLING OPNS. PAND A  CASING/CEMENT JOB  ALTERING CASING CASING CASING/CEMENT JOB  ALTERING CASING CASING CASING/CEMENT JOB  ALTERING CASING CASING/CEMENT JOB  ALTERING CASING CASING CASING CASING/CEMENT JOB  ALTERING CASING CASING CASING/CEMENT JOB ALTERING CASING CASING CASING/CEMENT JOB ALTERING CASING CASING CASING CASING/CEMENT JOB ALTERING CASING CASING CASING/CEMENT JOB ALTERING CASING CASING CASING CASING/CEMENT JOB ALTERING CASING CASING CASING CASING/CEMENT JOB ALTERING CASING CASING CASING CASING/CEMENT JOB ALTERING CASING CASING CASING/CEMENT JOB ALTERING CASING CA  | <u> </u>   |  |  |  |  | D-4-   |  |
| PERFORM REMEDIAL WORK  PLUG AND ABANDON  CHANGE PLANS  COMMENCE DRILLING OPNS. PAND A PULL OR ALTERING CASING  MULTIPLE COMPL  CASING/CEMENT JOB  PAND 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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.  Encore Operating, L.P. would like to set surface casing with separate rig. Encore will use a ProPetro Services, Incorporated air rig to drill the surface hole on the Encore 32 Loafer Com #1. After the conductor hole is drilled to 100° and 20° conductor is set, the ProPetro rig will be moved over the hole and will drill a 15" hole to 1,500° with air/aerated fluid. After reaching 1,500°, 9-5/8" 40.0 ppf, J-55 BTC casing will be circulated back to surface in two stages behind the 9-5/8" casing. The ProPetro rig will be moved off the well after the 9-5/8" casing is set, Nabors rig F25 will be moved in over the well to drill out the 9-5/8" casing and resume drilling to ±10,200°.  Thereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be coparticted or closed according to 8MOCD guidelines []. a general permit [] or an (attached) alternative OCD-approved plan [].  SIGNATURE  ANN BURDETTE WILEY  E-mail address: awiley@encoreacq.com Telephone No. 817-877-9955 For State Use Only  APPROVED BY: TITLE  DATE   | 12. Check Appropriate Box to indicate Nature of Notice, Report or Other Data   |  |  |  |  |  |  |
| 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.  Encore Operating, L.P. would like to set surface casing with separate rig. Encore will use a ProPetro Services, Incorporated air rig to drill the surface hole on the Encore 32 Loafer Com #1. After the conductor hole is drilled to 100' and 20" conductor is set, the ProPetro rig will be moved over the hole and will drill a 15" hole to 1,500' with air/aerated fluid. After reaching 1,500', 9-5/8" 40.0 ppf, J-55 BTC casing will be run and cemented.  Cement will be circulated back to surface in two stages behind the 9-5/8" casing. The ProPetro rig will be moved off the well after the 9-5/8" casing is set, Nabors rig F25 will be moved in over the well to drill out the 9-5/8" casing and resume drilling to ±10,200'.  I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or belowgrade tank has been/will be constructed or closed according to \$MOCD guidelines \( \subseteq \), a general permit \( \subseteq \) or an (attached) alternative OCD-approved plan \( \subseteq \).  SIGNATURE  TITLE REGULATORY MANAGER DATE 4/01/2008  Type or print name  ANN BURDETTE WILEY  E-mail address: awiley@encoreacq.com  Telephone No. 817-877-9955  For State Use Only  APPROVED BY:  TITLE DATE  | PERFORM REMEDIAL WORK [ TEMPORARILY ABANDON [  | <ul><li>☐ PLUG AND ABANDO</li><li>☐ CHANGE PLANS</li></ul> |  | REMEDIAL WORK<br>COMMENCE DRIL               | LING OPNS.                                     | ALTERING CASING  |  |
| 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.  Encore Operating, L.P. would like to set surface casing with separate rig. Encore will use a ProPetro Services, Incorporated air rig to drill the surface hole on the Encore 32 Loafer Com #1. After the conductor hole is drilled to 100° and 20° conductor is set, the ProPetro rig will be moved over the hole and will drill a 15° hole to 1,500° with air/aerated fluid. After reaching 1,500°, 9-5/8° 40.0 ppf, J-55 BTC casing will be run and cemented.  Cement will be circulated back to surface in two stages behind the 9-5/8° casing. The ProPetro rig will be moved off the well after the 9-5/8° casing is set, Nabors rig F25 will be moved in over the well to drill out the 9-5/8° casing and resume drilling to ±10,200°.  I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or belowgrade tank has been/will be constructed or closed according to \$MOCD guidelines \( \subseteq \), a general permit \( \subseteq \) or an (attached) alternative OCD-approved plan \( \subseteq \).  SIGNATURE  TITLE REGULATORY MANAGER DATE 4/01/2008  Type or print name  ANN BURDETTE WILEY  E-mail address: awiley@encoreacq.com  Telephone No. 817-877-9955  For State Use Only  APPROVED BY:  TITLE DATE  |  |  |  |  |  |  |  |
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| I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or belowgrade tank has been/will be constructed or closed according to NMOCD guidelines, a general permit or an (attached) alternative OCD-approved plan  SIGNATURE   | the surface hole on the Encore 32 Loafer Com #1. After the conductor hole is drilled to 100' and 20" conductor is set, the ProPetro rig will be moved over the hole and will drill a 15" hole to 1,500' with air/aerated fluid. After reaching 1,500', 9-5/8" 40.0 ppf, J-55 BTC |  |  |  |  |  |  |
| grade tank has been/will be constructed or closed according to NMOCD guidelines, a general permit or an (attached) alternative OCD-approved plan  SIGNATURE   |  |  |  |  |  |  |  |
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| grade tank has been/will be constructed or closed according to NMOCD guidelines, a general permit or an (attached) alternative OCD-approved plan  SIGNATURE   |  |  |  | ····   |  |  |  |
| Type or print name ANN BURDETTE WILEY E-mail address: awiley@encoreacq.com Telephone No. 817-877-9955  For State Use Only  APPROVED BY:   | I hereby certify that the information grade tank has been/will be constructed  | on above is true and complor closed according to NMOC      | lete to the bes<br>D guidelines                            | st of my knowledge<br>, a general permit 🗌 o | and belief. I furth<br>or an (attached) altern | er certify that any pit or below-<br>active OCD-approved plan □. |  |
| APPROVED BY: DATE   | SIGNATURE L  | AND W//  | TITLER   | EGULATORY MA                                 | NAGER_DATE                                     | 4/01/2008  |  |
|   | **   | RDETTE WILEY E   | E-mail addres  | s: awiley@encorea                            | acq.com Telepho                                | one No. 817-877-9955   |  |
|   |  |  | _TITLE   |  |  | DATE   |  |