

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address QUANTUM RESOURCES MANAGEMENT, LLC 1401 McKinney St Houston, TX 77010		2. OGRID Number 243874
		3. API Number 30-025-40091
4. Property Code 307932	5. Property Name ENCORE M STATE	6. Well No. 004

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
H	19	22S	37E	H	1962	N	603	E	LEA

8. Pool Information

BLINEBRY OIL AND GAS (OIL) DRINKARD	6660 19190
--	---------------

Additional Well Information

9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 3403
14. Multiple Y	15. Proposed Depth 7000	16. Formation Abo	17. Contractor	18. Spud Date 3/25/2011
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water
Pit: Liner: Synthetic <input type="checkbox"/> mils thick Clay <input type="checkbox"/> Pit Volume: bbls Drilling Method: Closed Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	54.5	1175	1065	0
Int1	11	8.625	32	4000	1205	0
Prod	7.875	5.5	17	7000	480	3800

Casing/Cement Program: Additional Comments

--

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	3000	1500	
DoubleRam	3000	3000	

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input type="checkbox"/> a general permit <input type="checkbox"/> or an (attached) alternative OCD-approved plan <input type="checkbox"/> .	OIL CONSERVATION DIVISION	
Printed Name: Electronically filed by Scott Crump	Approved By: Paul Kautz	
Title: Manager E&P Services	Approved Date: 3/22/2011	Expiration Date: 3/22/2013
Email Address: scrump@qracq.com		
Date: 3/1/2011	Phone: 713-452-2966	Conditions of Approval Attached

DISTRICT I
1025 N. French Dr., Hobbs, NM 88240

DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised July 16, 2010

Submit one copy to appropriate
District Office

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number		Pool Code	Pool Name
Property Code	Property Name M STATE 19		Well Number 4
OGRID No.	Operator Name QUANTUM RESOURCES MANAGEMENT, LLC		Elevation 3403'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	19	22 S	37 E		1962	NORTH	603	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres		Joint or Infill		Consolidation Code		Order No.			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>LOT 1</p> <p>LOT 2</p> <p>LOT 3</p> <p>LOT 4</p>	<p>SURFACE LOCATION Lat - N 32°22'45.13" Long - W 103°11'44.08" NMSPC- N 503553.113 E 892580.596 (NAD-83)</p>				<p>1962'</p> <p>603'</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>Email Address _____</p>
	<p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>GARY L. JONES FEBRUARY 17, 2011 Date Surveyed</p> <p>Signature & Seal of Professional Surveyor</p>					<p>Certificate No. Gary L. Jones 7977</p>
	<p>BASIN SURVEYS 24194</p>					

DISTRICT I
1025 N. French Dr., Hobbs, NM 88240

DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised July 16, 2010

Submit one copy to appropriate
District Office

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number		Pool Code	Pool Name
Property Code	Property Name M STATE 19		Well Number 4
GRID No.	Operator Name QUANTUM RESOURCES MANAGEMENT, LLC		Elevation 3403'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	19	22 S	37 E		1962	NORTH	603	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres		Joint or Infill		Consolidation Code		Order No.			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>LOT 1</p> <p>LOT 2</p> <p>LOT 3</p> <p>LOT 4</p>	<p>SURFACE LOCATION Lat - N 32°22'45.13" Long - W 103°11'44.08" NMSPC- N 503553.113 E 892580.596 (NAD-83)</p>				<p>1962'</p> <p>603'</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>Email Address _____</p>
	<p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>GARY L. JONES 2011</p> <p>Date Surveyed _____</p> <p>Signature & Seal of Professional Surveyor</p>					
	<p>Certificate No. Gary L. Jones 7977</p>					
	<p>BASIN SURVEYS 24194</p>					

Permit Comments

Operator: QUANTUM RESOURCES MANAGEMENT, LLC , 243874

Well: ENCORE M STATE #004

API: 30-025-40091

Created By	Comment	Comment Date
pkautz	Land S/S	3/2/2011
DMULL	OCD Hobbs office has received form C-144CLEZ. OCD Permit number P1-03017.	3/22/2011

Permit Conditions of Approval

Operator: QUANTUM RESOURCES MANAGEMENT, LLC , 243874

Well: ENCORE M STATE #004

API: 30-025-40091

OCD Reviewer	Condition
pkautz	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string
DMULL	For multiple completion will require DHC approval submitted on C-103 in accordance with Rule 19.15.12.11.