

Submit 1 Copy To Appropriate District Office
District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

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

RECEIVED

JUL 6 1 10 PM

CCC 8883

Form C-103
Revised August 1, 2011

WELL API NO. 30-025-40721 ✓	
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>	
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name Encore M State ✓	
8. Well Number 008 ✓	
9. OGRID Number 243874	
10. Pool name or Wildcat Drinkard / Wantz; Abo	
4. Well Location Unit Letter <u>J</u> : <u>2340</u> feet from the <u>South</u> line and <u>1650</u> feet from the <u>East</u> line Section <u>19</u> Township <u>22-S</u> Range <u>37-E</u> NMPM County <u>Lea</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3408' GR	
SUNDY 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 <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> 2. Name of Operator Quantum Resources Management, LLC 3. Address of Operator 1401 McKinney St., Suite #2400, Houston, TX 77010	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input checked="" type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

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 requests authority to Downhole Commingle production pursuant to Rule 303C(4)(b).

(i) Ref. Division Order No. R-11363

(ii) Drinkard (#19190) & Wantz; Abo (#62700)

(iii) Drinkard Perfs: 6462' - 6684'; Abo Perfs: 6746' - 6832'

(iv) Allocation Method: Identical for each Pool: 50% Oil, 50% Gas, 50% Water

(v) Commingling production from each of these pools will not reduce the value of the total remaining production.

(vi) All Working, Royalty, and Overriding Royalty Interests are identical between the two commingled zones.

(vii) A copy of this Form C-103 has been sent to the Commissioner of Public Lands for the State of New Mexico.

Spud Date:

06/07/13

Rig Release Date:

06/20/13

DHC-HOB-519

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

SIGNATURE Celeste A. Dale TITLE Sr. Regulatory Analyst DATE 07/16/13

Type or print name Celeste G. Dale E-mail address: cdale@qracq.com PHONE: 432-683-1500

For State Use Only

APPROVED BY: [Signature] TITLE Petroleum Engineer DATE JUL 24 2013
Conditions of Approval (if any):

District I
1625 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 & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised June 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-40721		² Pool Code 62700		³ Pool Name Wantz; Abo	
⁴ Property Code 307932		⁵ Property Name Encore M State			⁶ Well Number 008
⁷ OGRID No. 243874		⁸ Operator Name Quantum Resources Management, LLC			⁹ Elevation 3408'

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	19	22 S	37 E		2340	South	1650	East	Lea

¹¹Bottom 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

¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No. DHC-40B-519
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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

				¹⁶	
				¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature Celeste G. Dale Printed Name Sr. Regulatory Analyst (cdale@qracq.com) Title and E-mail Address 07/16/13 Date	
¹⁸ SURVEYOR CERTIFICATION 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. 7-28-2012 Date of Survey Signature and Seal of Professional Surveyor 10324 Certificate Number					

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code	³ Pool Name
30-025-40721	19190	Drinkard
⁴ Property Code	⁵ Property Name	⁶ Well Number
307932	Encore M State	008
⁷ OGRID No.	⁸ Operator Name	⁹ Elevation
243874	Quantum Resources Management, LLC	3408'

¹⁰Surface Location


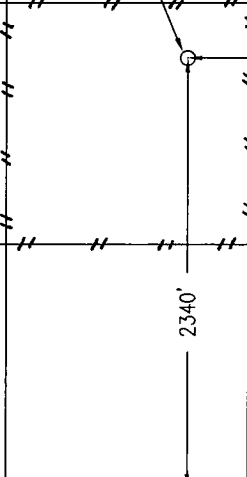

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No. DHC-HDB-519
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

			16	<div>17</div> <div>OPERATOR CERTIFICATION</div> <div>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</div> <div> Signature</div>
		<div>QRM M STATE No. 19-8 Elev. 3408' NAD 83 NM East N= 502563 E= 891545 NAD 83 Lat. = 32° 22' 35.44" Long.= 103° 11' 56.26"</div>		<div>Celeste G. Dale</div> <div>Printed Name</div> <div>Sr. Regulatory Analyst</div> <div>(cdale@gracq.com)</div> <div>Title and E-mail Address</div> <div>07/16/13</div> <div>Date</div>
				<div>18</div> <div>SURVEYOR CERTIFICATION</div> <div>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.</div> <div>7-28-2012</div> <div>Date of Survey</div> <div>Signature and Seal of Professional Surveyor</div> <div></div> <div>10324</div> <div>Certificate Number</div>