

Submit To Appropriate District Office Two Copies District I 1625 N. French Dr., Hobbs, NM 88240 District II 811 S. First St., Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505		<b>HOBBBS OCD</b> <b>APR 29 2014</b> <b>RECEIVED</b> State of New Mexico Energy, Minerals and Natural Resources  Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505		<b>Form C-105</b> Revised August 1, 2011													
		1. WELL API NO. <b>30-025-41530</b>		2. Type of Lease <input checked="" type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/> FED/INDIAN													
		3. State Oil & Gas Lease No. <b>B-934</b>		5. Lease Name or Unit Agreement Name <b>Encore M State</b>													
<b>WELL COMPLETION OR RECOMPLETION REPORT AND LOG</b>				6. Well Number: <b>012</b>													
4. Reason for filing: <input checked="" type="checkbox"/> <b>COMPLETION REPORT</b> (Fill in boxes #1 through #31 for State and Fee wells only) <input type="checkbox"/> <b>C-144 CLOSURE ATTACHMENT</b> (Fill in boxes #1 through #9, #15 Date Rig Released and #32 and/or #33; attach this and the plat to the C-144 closure report in accordance with 19.15.17.13.K NMAC)																	
7. Type of Completion: <input checked="" type="checkbox"/> NEW WELL <input type="checkbox"/> WORKOVER <input type="checkbox"/> DEEPENING <input type="checkbox"/> PLUGBACK <input type="checkbox"/> DIFFERENT RESERVOIR <input type="checkbox"/> OTHER																	
8. Name of Operator <b>Quantum Resources Management, LLC</b>		9. OGRID <b>243874</b>															
10. Address of Operator <b>1401 McKinney St., Suite #2400, Houston, TX 77010</b>		11. Pool name or Wildcat <b>Blinebry/Drinkard/Wantz; Abo</b>															
12. Location	Unit Ltr	Section	Township	Range	Lot	Feet from the	N/S Line	Feet from the	E/W Line	County							
Surface:	K	20	22S	37E		2264	S	1702	West	Lea							
Bl:	K	20	22S	37E		2264	S	1702	West	Lea							
13. Date Spudded <b>01/29/2014</b>	14. Date T.D. Reached <b>02/09/2014</b>	15. Date Rig Released <b>02/12/2014</b>		16. Date Completed (Ready to Produce) <b>03/13/2014</b>		17. Elevations (DF and RKB, RT, GR, etc.) <b>GR3384'</b>											
18. Total Measured Depth of Well <b>7150'</b>		19. Plug Back Measured Depth <b>7092'</b>		20. Was Directional Survey Made? <b>No</b>		21. Type Electric and Other Logs Run <b>CZDL/CNL/DSL/GR</b>											
22. Producing Interval(s), of this completion - Top, Bottom, Name <b>Blinebry (5808-5970')/Drinkard (6444-6624')/Abo (6672-6724')</b>																	
<b>23. CASING RECORD (Report all strings set in well)</b>																	
CASING SIZE		WEIGHT LB./FT.		DEPTH SET		HOLE SIZE		CEMENTING RECORD		AMOUNT PULLED							
20"				50'													
13-3/8"		54.5		1198'		17-1/2"		1090sx CI "C"		0							
8-5/8"		32		4002'		11"		950sx CI "C"		0							
5-1/2"		20		7150'		7-7/8"		905sx CI "H"		0							
<b>24. LINER RECORD</b>						<b>25. TUBING RECORD</b>											
SIZE		TOP		BOTTOM		SACKS CEMENT		SCREEN		SIZE		DEPTH SET		PACKER SET			
										2-7/8"		6868'					
26. Perforation record (interval, size, and number) <b>5808-5970', 3spf, 60 holes</b> <b>6444-6624', 2spf, 56 holes</b> <b>6672-6724', 3spf, 39 holes</b>						27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th>DEPTH INTERVAL</th> <th>AMOUNT AND KIND MATERIAL USED</th> </tr> <tr> <td>6672-6724</td> <td>Acidize w/200 gals 15%HCL, NEFE</td> </tr> <tr> <td>6444-6624</td> <td>Acidize w/500 gals 15%HCL, NEFE</td> </tr> </table>						DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED	6672-6724	Acidize w/200 gals 15%HCL, NEFE	6444-6624	Acidize w/500 gals 15%HCL, NEFE
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<b>28. PRODUCTION</b>																	
Date First Production <b>03/27/14</b>		Production Method (Flowing, gas lift, pumping - Size and type pump) <b>Pumping, 2.5X1.5"X26'SMPR, 640 American Pumping Unit</b>				Well Status (Prod. or Shut-in) <b>Prod</b>											
Date of Test <b>03/31/14</b>	Hours Tested <b>24</b>	Choke Size <b>OL</b>	Prod'n For Test Period	Oil - Bbl <b>135</b>	Gas - MCF <b>351</b>	Water - Bbl. <b>363</b>	Gas - Oil Ratio <b>2600</b>										
Flow Tubing Press. <b>490</b>	Casing Pressure <b>760</b>	Calculated 24-Hour Rate	Oil - Bbl. <b>135</b>	Gas - MCF <b>351</b>	Water - Bbl. <b>363</b>	Oil Gravity - API - (Corr.) <b>39.8</b>											
29. Disposition of Gas (Sold, used for fuel, vented, etc.) <b>Sold</b>										30. Test Witnessed By							
31. List Attachments <b>Forms C-102, C-104, Well Logs, Inclination Report</b>																	
32. If a temporary pit was used at the well, attach a plat with the location of the temporary pit.																	
33. If an on-site burial was used at the well, report the exact location of the on-site burial:																	
Latitude						Longitude			NAD 1927 1983								
I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief																	
Signature <b>Yolanda Perez</b>				Printed Name <b>Yolanda Perez</b>		Title <b>Regulatory Manager</b>			Date <b>04/14/2014</b>								
E-mail Address <b>yperez@qracq.com</b>																	

**MAY 19 2014**

## INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well and not later than 60 days after completion of closure. When submitted as a completion report, this shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 11, 12 and 26-31 shall be reported for each zone.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico		Northwestern New Mexico	
T. Anhy	T. Canyon	T. Ojo Alamo	T. Penn A"
T. Salt	T. Strawn	T. Kirtland	T. Penn. "B"
B. Salt	T. Atoka	T. Fruitland	T. Penn. "C"
T. Yates	T. Miss	T. Pictured Cliffs	T. Penn. "D"
T. 7 Rivers	T. Devonian	T. Cliff House	T. Leadville
T. Queen	T. Silurian	T. Menefee	T. Madison
T. Grayburg	T. Montoya	T. Point Lookout	T. Elbert
T. San Andres    3890'	T. Simpson	T. Mancos	T. McCracken
T. Glorieta        5210'	T. McKee	T. Gallup	T. Ignacio Otzte
T. Paddock	T. Ellenburger	Base Greenhorn	T. Granite
T. Blinébry        5528'	T. Gr. Wash	T. Dakota	
T. Tubb             6130'	T. Delaware Sand	T. Morrison	
T. Drinkard        6268'	T. Bone Springs	T. Todilto	
T. Abo              6630'	T.	T. Entrada	
T. Wolfcamp	T.	T. Wingate	
T. Penn	T.	T. Chinle	
T. Cisco (Bough C)	T.	T. Permian	

## OIL OR GAS SANDS OR ZONES

No. 1, from.....to.....

No. 3, from.....to.....

No. 2, from.....to.....

No. 4, from.....to.....

## IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from.....to.....feet.....

No. 2, from.....to.....feet.....

No. 3, from.....to.....feet.....

## LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness In Feet	Lithology

From	To	Thickness In Feet	Lithology

APR 29 2014

RAILROAD COMMISSION OF TEXAS  
OIL AND GAS DIVISIONForm W-12  
(1-1-71)  
FOD1296

RECEIVED

API# 30-025-41530

<b>INCLINATION REPORT</b> (One Copy Must Be Filed With Each Completion Report)		6. RRC District
1. FIELD NAME (as per RRC Records or Wildcat)	2. LEASE NAME <b>ENCORE M STATE</b>	7. RRC Lease Number. (Oil completions only)
3. OPERATOR <b>QUANTUM RESOURCES MANAGEMENT, LLC.</b>		8. Well Number <b>012</b>
4. ADDRESS <b>1401 MCKINNEY STREET, SUITE 2400 HOUSTON, TX 77010</b>		9. RRC Identification Number (Gas completions only)
5. LOCATION (Section, Block, and Survey) <b>Sec. 20, T2N 22S, R 37E, U1K</b>		10. County <b>Lea County, NM</b>

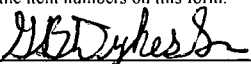

## RECORD OF INCLINATION

*11. Measured Depth (feet)	12. Course Length (Hundreds of feet)	*13. Angle of Inclination (Degrees)	14. Displacement per Hundred Feet (Sine of Angle x 100)	15. Course Displacement (feet)	16. Accumulative Displacement (feet)
238	2.38	0.60	1.05	2.49	2.49
500	2.62	1.21	2.11	5.53	8.02
1198	6.98	0.92	1.61	11.21	19.23
1669	4.71	0.79	1.38	6.49	25.73
2637	9.68	1.74	3.04	29.39	55.12
3561	9.24	1.23	2.15	19.83	74.95
3952	3.91	1.35	2.36	9.21	84.17
4931	9.79	0.89	1.55	15.21	99.37
5893	9.62	1.10	1.92	18.47	117.84
6824	9.31	1.70	2.97	27.62	145.46
7115	2.91	2.01	3.51	10.21	155.67

If additional space is needed, use the reverse side of this form.

17. Is any information shown on the reverse side of this form? ☐ yes ☒ no
18. Accumulative total displacement of well bore at total depth of 7115 feet = 155.67 feet.
- \*19. Inclination measurements were made in - ☐ Tubing ☐ Casing ☐ Open hole ☐ Drill Pipe
20. Distance from surface location of well to the nearest lease line..... feet.
21. Minimum distance to lease line as prescribed by field rules..... feet.
22. Was the subject well at any time intentionally deviated from the vertical in any manner whatsoever? \_\_\_\_\_

(If the answer to the above question is "yes," attach written explanation of the circumstances.)

<b>INCLINATION DATA CERTIFICATION</b>  I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this certification, that I have personal knowledge of the inclination data and facts placed on both sides of this form and that such data and facts are true, correct, and complete to the best of my knowledge. This certification covers all data as indicated by asterisks (*) by the item numbers on this form.   Signature of Authorized Representative <b>GREG DYKES SR., VP SERVICES</b> Name of Person and Title (type or print) <b>LARIAT SERVICES, INC.</b> Name of Company Telephone: <b>(405) 429-5507</b> Area Code	<b>OPERATOR CERTIFICATION</b>  I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this certification, that I have personal knowledge of all information presented in this report, and that all data presented on both sides of this form are true, correct, and complete to the best of my knowledge. This certification covers all data and information presented herein except inclination data as indicated by asterisks (*) by the item numbers on this form.   Signature of Authorized Representative <b>Yolanda Perez - Regulatory Manager</b> Name of Person and Title (type or print) <b>Quantum Resources Management, LLC</b> Operator Telephone: <b>713-634-4696</b> Area Code
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Railroad Commission Use Only:

Approved By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

\* Designates items certified by company that conducted the inclination surveys.