

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

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

Form C-101
August 1, 2011
Permit 143914

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 30-025-41061
4. Property Code 307932	5. Property Name ENCORE M STATE	6. Well No. 010

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
M	17	22S	37E	M	770	S	770	W	LEA

8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
M	17	22S	37E	M	770	S	770	W	Lea

9. Pool Information

BLINEBRY OIL AND GAS (OIL)	6660
DRINKARD	19190
WANTZ, ABO	62700

Additional Well Information

11. Work Type New Well	12. Well Type OIL	13. Cable Rotary	14. Lease Type State	15. Ground Level Elevation 3396
16. Multiple Y	17. Proposed Depth 7000	18. Formation Abo	19. Contractor	20. Spud Date 4/1/2013
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

21. 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	1050	0
Int1	11	8.625	32	4000	960	0
Prod	7.875	5.5	17	7000	650	3750

Casing/Cement Program: Additional Comments

--

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	3000	1500	
Double Ram	3000	2500	

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC ☐ and/or 19.15.14.9 (B) NMAC ☒ , if applicable. Signature: Printed Name: Electronically filed by Yolanda Perez Title: Regulatory Supervisor Email Address: yperez@qracq.com Date: 3/14/2013	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="2" style="text-align: center;">OIL CONSERVATION DIVISION</td> </tr> <tr> <td colspan="2">Approved By: Paul Kautz</td> </tr> <tr> <td>Title: Geologist</td> <td>Approved Date: 3/19/2013</td> </tr> <tr> <td></td> <td>Expiration Date: 3/19/2015</td> </tr> <tr> <td colspan="2">Conditions of Approval Attached</td> </tr> </table>	OIL CONSERVATION DIVISION		Approved By: Paul Kautz		Title: Geologist	Approved Date: 3/19/2013		Expiration Date: 3/19/2015	Conditions of Approval Attached	
OIL CONSERVATION DIVISION											
Approved By: Paul Kautz											
Title: Geologist	Approved Date: 3/19/2013										
	Expiration Date: 3/19/2015										
Conditions of Approval Attached											

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	² Pool Code 6660	³ Pool Name Blinebry Oil & Gas (Oil)
⁴ Property Code 307932	⁵ Property Name ENCORE M STATE	⁶ Well Number 10
⁷ GRID No. 243874	⁸ Operator Name Quantum Resources Management, LLC	⁹ Elevation 3396'

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	17	22 S	37 E		770	South	770	West	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	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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

ENCORE M STATE No. 10 Elev. 3396' NAD 83 NM East N= 506296 E= 893921 NAD 83 Lat. = 32° 23' 12.13" Long. = 103° 11' 28.09"	¹⁶	¹⁷OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i> Signature Yolanda Perez Printed Name Regulatory Supervisor yperez@qracq.com Title and E-mail Address 03/13/13 Date
		¹⁸SURVEYOR CERTIFICATION <i>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.</i> 03-09-2013 Date of Survey Signature and Seal of Professional Surveyor 10324 Certificate Number

4.1 Miles SW of Eunice, New Mexico.

File No. A-7069

District I
1825 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	² Pool Code 19190	³ Pool Name Drinkard
⁴ Property Code 307932	⁵ Property Name Encore M State	⁶ Well Number 007
⁷ OCRID No. 243874	⁸ Operator Name Quantum Resources Management, LLC	⁹ Elevation 3417'

¹⁰Surface Location

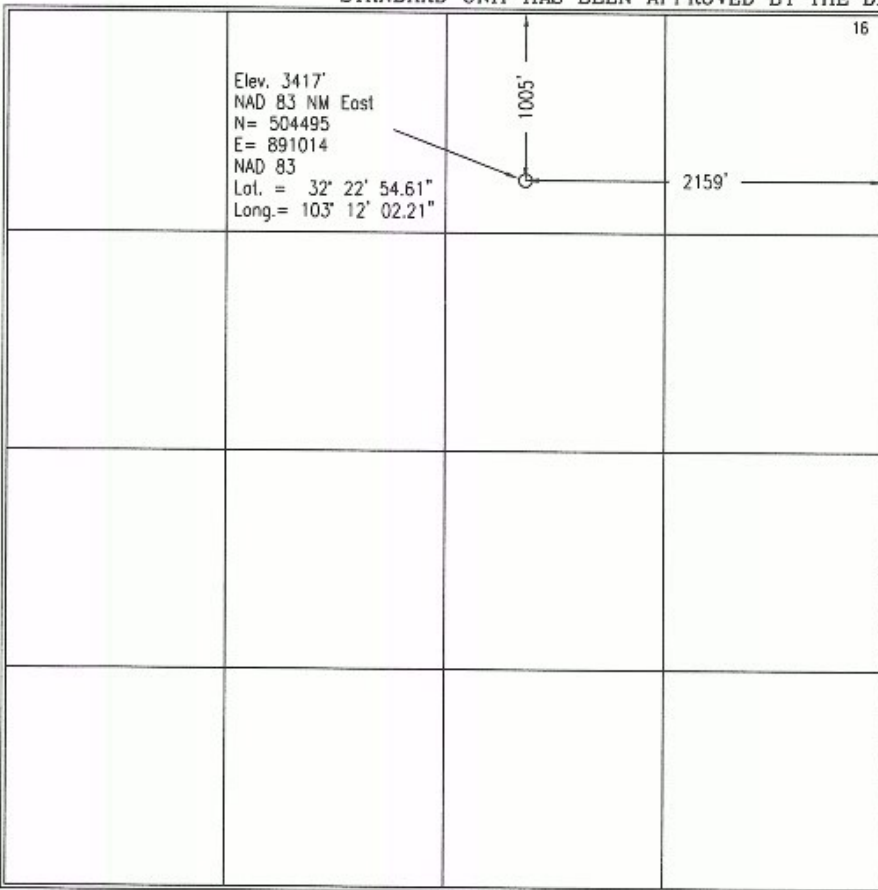
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	19	22 S	37 E		1005	North	2159	East	Lea

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.
-------------------------------------	-------------------------------	----------------------------------	-------------------------

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

	¹⁶OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i>  Signature Yolanda Perez Printed Name Regulatory Supervisor yperez@qracq.com Title and E-mail Address 12/09/11 Date
	¹⁸SURVEYOR CERTIFICATION <i>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.</i> 08-16-2011 Date of Survey Signature and Seal of Professional Surveyor  10324 Certificate Number

6.5 Miles SW of Eunice, New Mexico.

File No. A-8050

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	² Pool Code	³ Pool Name
	62700	Wantz; Abo
⁴ Property Code	⁵ Property Name	⁶ Well Number
307932	Encore M State	007
⁷ OGRID No.	⁸ Operator Name	⁹ Elevation
243874	Quantum Resources Management, LLC	3417'

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	19	22 S	37 E		1005	North	2159	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	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
40			

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

	¹⁶	¹⁷OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i> <i>Yolanda Perez</i> Signature Yolanda Perez Printed Name Regulatory Supervisor yperez@qracq.com Title and E-mail Address 12/09/11 Date
		¹⁸SURVEYOR CERTIFICATION <i>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.</i> 08-16-2011 Date of Survey Signature and Seal of Professional Surveyor <i>Michael L. Stanford</i> 10324 Certificate Number

6.5 Miles SW of Eunice, New Mexico.

File No. A-8050

Permit Comments

Operator: QUANTUM RESOURCES MANAGEMENT, LLC , 243874

Well: ENCORE M STATE #010

API: 30-025-41061

Created By	Comment	Comment Date
pkautz	Land s/S	3/14/2013

Permit Conditions of Approval

Operator: QUANTUM RESOURCES MANAGEMENT, LLC , 243874

Well: ENCORE M STATE #010

API: 30-025-41061

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
pkautz	In order to seal off protectable water, the surface casing must be set 25' below the top of the Rustler Anhydrite.