

Submit 1 Copy To Appropriate District Office
 District J - (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

Form C-103
 Revised August 1, 2011

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

SUNDRY 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.)		WELL API NO. 30-025-41942
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Quantum Resources Management, LLC		6. State Oil & Gas Lease No.
3. Address of Operator 1401 McKinney St., Suite #2400, Houston, TX 77010		7. Lease Name or Unit Agreement Name Encore M State
4. Well Location Unit Letter N : 579 feet from the South line and 2042 feet from the West line Section 20 Township 22-S Range 37-E NMPM County Lea		8. Well Number 014
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3377' GR		9. OGRID Number 243874
		10. Pool name or Wildcat Blinebry Oil & Gas (Oil) & Drinkard

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

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> DOWNHOLE COMMINGLE <input checked="" type="checkbox"/>		SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input 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) Blinebry Oil & Gas (Oil) (#6660) & Drinkard (#19190)
- (iii) Blinebry Perfs: 5511-5955', Drinkard Perfs: 6291'-6646'
- (iv) Allocation Method: Identical for each Pool; 1/2 Oil, 1/2 Gas, 1/2 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

SEP 22 2014

RECEIVED

Spud Date: **09/18/14**

Rig Release Date: **09/25/14**

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

SIGNATURE *Yolanda Perez* TITLE Regulatory Manager DATE 09/12/14

Type or print name Yolanda Perez E-mail address: yperez@qracc.com PHONE: 713-634-4696

For State Use Only

APPROVED BY: *[Signature]* TITLE Petroleum Engineer DATE 09/25/14
 Conditions of Approval (if any):

SEP 25 2014

HOBBS OCD

SEP 22 2014

Form C-102

District I
1826 N. French Dr., Hobbs NM 88240

District II
1901 W. Grand Avenue, Artesia, NM 88210

District III
1000 Rio Grande Ed., 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

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 Bilnebry Oil and Gas (Oil)
⁴ Property Code 307932	⁵ Property Name Encore M State	⁶ Well Number 14
⁷ OCRD No. 243874	⁸ Operator Name Quantum Resources Management, LLC	⁹ Elevation 3377'

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
N	20	22 S	37 E		579	South	2042	West	Lea

¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot 1/4	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 UNITL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>M STATE 14 Elev. 3377' NAD 83 NM East N= 500843 E= 895257 NAD 83 Lat. = 32° 22' 18.03" Long. = -103° 11' 13.20"</p>	<p>¹⁶</p>	<p>¹⁷OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Yolanda Perez</i></p> <p>Yolanda Perez</p> <p>Printed Name Regulatory Manager yperez@qracq.com Title and E-mail Address</p> <p>06/19/14 Date</p>
		<p>¹⁸SURVEYOR 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>06-02-2014 Date of Survey</p> <p>Signature and Seal of Professional Land Surveyor</p> <p><i>Michael L. Stanford</i></p> <p>10324 Certificate Number</p>

4.8 Miles SW of Eunice, New Mexico.

File No. A-9185

SEP 22 2014

Form C-102

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1301 W. Grand Avenue, Artesia, NM 88210

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1000 Rio Brazos Rd., Aztec, NM 87410

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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	
⁷ OGRID No. 243874	⁸ Operator Name Quantum Resources Management, LLC	⁶ Well Number 14 ⁹ Elevation 3377'

¹⁰Surface Location

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