

District I
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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-103
August 1, 2011

Permit 148151

<p align="center">SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVIOR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)</p>		<p>WELL API NUMBER 30-025-40398</p>
<p>1. Type of Well: O</p>		<p>5. Indicate Type of Lease S</p>
<p>2. Name of Operator QUANTUM RESOURCES MANAGEMENT, LLC</p>		<p>6. State Oil & Gas Lease No.</p>
<p>3. Address of Operator 1401 McKinney St, Suite 2400, Houston, TX 77010</p>		<p>7. Lease Name or Unit Agreement Name ENCORE M STATE</p>
<p>4. Well Location Unit Letter <u>I</u> : <u>2181</u> feet from the <u>S</u> line and <u>574</u> feet from the <u>E</u> line Section <u>19</u> Township <u>22S</u> Range <u>37E</u> NMPM <u>Lea</u> County</p>		<p>8. Well Number 006</p>
<p>11. Elevation (Show whether DR, KB, BT, GR, etc.) 3404 GR</p>		<p>9. OGRID Number 243874</p>
<p>Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/></p> <p>Pit Type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____ Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____</p>		<p>10. Pool name or Wildcat See Area 13</p>

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"/>	ALTER CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE OF PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
Other: _____		Other: Perforations/Tubing <input checked="" 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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.
See attached completion summary.
See Attached

Perforations

Pool: BLINEBRY OIL AND GAS (OIL) , 6660 Location: I -19-22S-37E 1876 S 935 E

TOP	BOT	Open Hole	Shots/ft	Shot Size	Material	Stimulation	Amount
5512	6088	N	2			Frac	

Pool: DRINKARD , 19190 Location: I -19-22S-37E 1876 S 935 E

TOP	BOT	Open Hole	Shots/ft	Shot Size	Material	Stimulation	Amount
6447	6719	N	2			Frac	

Pool: WANTZ;ABO , 62700 Location: I -19-22S-37E 1876 S 935 E

TOP	BOT	Open Hole	Shots/ft	Shot Size	Material	Stimulation	Amount
6759	6790	N	2			Frac	

Tubing

BLINEBRY OIL AND GAS (OIL) , 6660		Type	Depth Set	Packer Set
Tubing Size		J55	6792	
2.875				
DRINKARD , 19190		Type	Depth Set	Packer Set
Tubing Size		J55	6792	
2.875				
WANTZ;ABO , 62700		Type	Depth Set	Packer Set
Tubing Size		J55	6792	
2.875				

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit or an (attached) alternative OCD-approved plan .

SIGNATURE Electronically Signed TITLE Regulatory Supervisor DATE 5/9/2012

Type or print name Yolanda Perez E-mail address yperez@qracq.com Telephone No. 713-634-4696

For State Use Only:
APPROVED BY: Paul Kautz TITLE Geologist DATE 5/16/2012 7:31:37 AM

Encore M State #006
30-025-40398
Completion Summary Report

3/10/12

MIRGS.U SCHLUMBERGER. RAN CBL/CCL/GRL/ COMPENSATED NEUTRON DENSITY LOG

3/13/12

TEST CASING. PREP TO RUN TBG. LOADING FRAC TANKS.

3/14/12

PERFORATE DRINKARD/ABO PERFS. RIH WITH PACKER TO SETTING DEPTH.

3/15/12

Acidize Drinkard/Abo Perfs. Swab Load Back.

3/16/12

CHECK PRESSURE AND SWAB. POOH WITH PACKER. PREP FOR FRAC.

3/17/12

FRAC DRINKARD/ABO. PERFORATE AND FRAC BLINEBERRY.

3/19/12

MIRU. PREP TO DO COMPOSITE PLUG AND CO TO PBTD.

3/20/12

DO Composite Plug. CO to PBTD.

3/21/12

RIH TAG FOR FILL. POOH. RIH WITH PRODUCTION ASSM. RUN PUMP.

3/22/12

FINISH RUNNING RODS. SPACE WELL OUT. RDMO.