

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-103
August 1, 2011

Permit 145570

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.)		WELL API NUMBER 30-025-40398
1. Type of Well: O		5. Indicate Type of Lease S
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 <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 Lea County		8. Well Number 006
11. Elevation (Show whether DR, KB, BT, GR, etc.) 3404 GR.		9. OGRID Number 243874
Pit or Below-grade Tank Application ☐ or Closure ☐ 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 _____		10. Pool name or Wildcat

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐ TEMPORARILY ABANDON ☐ CHANGE OF PLANS ☐ PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐ Other: _____		SUBSEQUENT REPORT OF: REMEDIAL WORK ☐ ALTER CASING ☐ COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDON ☐ CASING/CEMENT JOB ☐ Other: Drilling/Cement ☒
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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 daily reports
 See Attached
 2/18/2012 Spudded well.

Casing and Cement Program

Date	String	Fluid Type	Hole Size	Csg Size	Weight lb/ft	Grade	Est TOC	Dpth Set	Sacks	Yield	Class	1" Dpth	Pres Held	Pres Drop	Open Hole
	Surf		17.5	13.375	54.5	J-55	0	1193	1050		C				
	Int1		11	8.625	32	J-55	0	4008	960		C				
	Prod		7.875	5.5	17	N-80	2150	6912	700		C				

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 5/2/2012
 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 5/3/2012 8:11:24 AM

Encore M State Well No. 006
API 30-025-40399
Lea County
Daily Drilling Reports

2/18/12
DRILLING @ 183'

2/19/12
DLG. AHEAD @ 815'

2/20/12
DLG. AHEAD @ 1015'

2/21/12
DLG. AHEAD @ 1158

2/22/12
WORKING ON CNT HEAD

2/23/12
WORKING ON CNT HEAD

2/24/12
DRLG.AHEAD

2/25/12
REPAIRING ROTARY CLUTCH

2/26/12
DLRG AHEAD

2/27/12
DLRG AHEAD

2/28/12
TOOH

2/29/12
TD 4010', SWEEP HOLE, CIRC. PREP TOOH

3/1/12
TD 4010', RAN 8 5/8" CGS, CMT, WOC

3/2/12
DRILL AHEAD @ 4062'

3/3/12
TIH 4612'

3/4/12
TIH 4612'

Drilling Comments

OGRID: [243874] QUANTUM RESOURCES MANAGEMENT, LLC
Permit Number: 145570
Permit Type: Drilling

Created By	Comment	Comment Date
pkautz	Missing description of work	3/14/2012