

<b>District I</b> 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-8161 Fax:(575) 393-0720 <b>District II</b> 811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720 <b>District III</b> 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170 <b>District IV</b> 1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462	<b>State of New Mexico</b> <b>Energy, Minerals and Natural Resources</b> <b>Oil Conservation Division</b> <b>1220 S. St Francis Dr.</b> <b>Santa Fe, NM 87505</b>	Form C-103 August 1, 2011 Permit 192578 WELL API NUMBER 30-025-41942 5. Indicate Type of Lease S 6. State Oil & Gas Lease No. 7. Lease Name or Unit Agreement Name ENCORE M STATE																																																																
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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.)																																																																		
1. Type of Well: O	8. Well Number 014																																																																	
2. Name of Operator QUANTUM RESOURCES MANAGEMENT, LLC	9. OGRID Number 243874																																																																	
3. Address of Operator 1401 McKinney St, Suite 2400, Houston, TX 77010	10. Pool name or Wildcat																																																																	
4. Well Location Unit Letter <u>N</u> : <u>579</u> feet from the <u>S</u> line and feet <u>2042</u> from the <u>W</u> line Section <u>20</u> Township <u>22S</u> Range <u>37E</u> NMPM County <u>Lea</u>																																																																		
11. Elevation (Show whether DR, KB, BT, GR, etc.) 3377 GR																																																																		
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/> 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 _____																																																																		
12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data <table style="width:100%;"> <tr> <td colspan="2">NOTICE OF INTENTION TO:</td> <td colspan="2">SUBSEQUENT REPORT OF:</td> </tr> <tr> <td>PERFORM REMEDIAL WORK <input type="checkbox"/></td> <td>PLUG AND ABANDON <input type="checkbox"/></td> <td>REMEDIAL WORK <input type="checkbox"/></td> <td>ALTER CASING <input type="checkbox"/></td> </tr> <tr> <td>TEMPORARILY ABANDON <input type="checkbox"/></td> <td>CHANGE OF PLANS <input type="checkbox"/></td> <td>COMMENCE DRILLING OPNS. <input type="checkbox"/></td> <td>PLUG AND ABANDON <input type="checkbox"/></td> </tr> <tr> <td>PULL OR ALTER CASING <input type="checkbox"/></td> <td>MULTIPLE COMPL <input type="checkbox"/></td> <td>CASING/CEMENT JOB <input type="checkbox"/></td> <td></td> </tr> <tr> <td colspan="2">Other: _____</td> <td colspan="2">Other: <u>Drilling/Cement</u> <input checked="" type="checkbox"/></td> </tr> </table>			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: <u>Drilling/Cement</u> <input checked="" type="checkbox"/>																																													
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: <u>Drilling/Cement</u> <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. 08/13/14 - Spud well 08/16/14 - Set and cement 13-3/8" surface casing 08/22/14 - Set and cement 8-5/8" intermediate casing 08/30/14 - Set and cement 5-1/2" production casing 8/13/2014 Spudded well.																																																																		
<b>Casing and Cement Program</b> <table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th>Date</th> <th>String</th> <th>Fluid Type</th> <th>Hole Size</th> <th>Csg Size</th> <th>Weight lb/ft</th> <th>Grade</th> <th>Est TOC</th> <th>Dpth Set</th> <th>Sacks</th> <th>Yield</th> <th>Class</th> <th>1" Dpth</th> <th>Pres Held</th> <th>Pres Drop</th> <th>Open Hole</th> </tr> </thead> <tbody> <tr> <td>08/30/14</td> <td>Prod</td> <td>Mud</td> <td>7.875</td> <td>5.5</td> <td>20</td> <td>L-80</td> <td>1243</td> <td>6954</td> <td>825</td> <td></td> <td>C</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>08/16/14</td> <td>Surf</td> <td>FreshWater</td> <td>17.5</td> <td>13.375</td> <td>54.5</td> <td>J-55</td> <td>0</td> <td>1260</td> <td>1085</td> <td></td> <td>C</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>08/22/14</td> <td>Int1</td> <td>Mud</td> <td>11</td> <td>8.625</td> <td>32</td> <td>J-55</td> <td>0</td> <td>4008</td> <td>1100</td> <td></td> <td>C</td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>			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	08/30/14	Prod	Mud	7.875	5.5	20	L-80	1243	6954	825		C					08/16/14	Surf	FreshWater	17.5	13.375	54.5	J-55	0	1260	1085		C					08/22/14	Int1	Mud	11	8.625	32	J-55	0	4008	1100		C				
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																																																			
08/30/14	Prod	Mud	7.875	5.5	20	L-80	1243	6954	825		C																																																							
08/16/14	Surf	FreshWater	17.5	13.375	54.5	J-55	0	1260	1085		C																																																							
08/22/14	Int1	Mud	11	8.625	32	J-55	0	4008	1100		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 <input type="checkbox"/> , a general permit <input type="checkbox"/> or an (attached) alternative OCD-approved plan <input type="checkbox"/> .																																																																		
<table style="width:100%;"> <tr> <td>SIGNATURE</td> <td><u>Electronically Signed</u></td> <td>TITLE</td> <td><u>Regulatory Manager</u></td> <td>DATE</td> <td><u>9/17/2014</u></td> </tr> <tr> <td>Type or print name</td> <td><u>Yolanda Perez</u></td> <td>E-mail address</td> <td><u>yperez@qracq.com</u></td> <td>Telephone No.</td> <td><u>713-634-4696</u></td> </tr> </table>			SIGNATURE	<u>Electronically Signed</u>	TITLE	<u>Regulatory Manager</u>	DATE	<u>9/17/2014</u>	Type or print name	<u>Yolanda Perez</u>	E-mail address	<u>yperez@qracq.com</u>	Telephone No.	<u>713-634-4696</u>																																																				
SIGNATURE	<u>Electronically Signed</u>	TITLE	<u>Regulatory Manager</u>	DATE	<u>9/17/2014</u>																																																													
Type or print name	<u>Yolanda Perez</u>	E-mail address	<u>yperez@qracq.com</u>	Telephone No.	<u>713-634-4696</u>																																																													
<b>For State Use Only:</b> APPROVED BY: <u>Paul Kautz</u> TITLE <u>Geologist</u> DATE <u>9/18/2014 10:45:42 AM</u>																																																																		

**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**

Comments  
Permit 192578

**DRILLING COMMENTS**

Operator: QUANTUM RESOURCES MANAGEMENT, LLC 1401 McKinney St Houston, TX 77010	OGRID: 243874
	Permit Number: 192578
	Permit Type: Drilling

**Comments**

Created By	Comment	Comment Date
There are no Comments for this Permit		