

Submit 3 Copies To Appropriate District Office  
 District I  
 1625 N French Dr , Hobbs, NM 88240  
 District II  
 1301 W Grand Ave , 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 and Natural Resources

Form C-103  
 May 27, 2004

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

WELL API NO 30-015-36075
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6 State Oil & Gas Lease No. E-10170
7. Lease Name or Unit Agreement Name ENCORE "32" LOAFER COM
8 Well Number 001
9. OGRID Number 189951
10. Pool name or Wildcat LOAFER DRAW;MORROW,SE GAS

**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 )

1. Type of Well: Oil Well  Gas Well  Other

2. Name of Operator  
ENCORE OPERATING, L.P.

3. Address of Operator  
777 MAIN STREET, STE. 1400 FORT WORTH, TX. 76102

4. Well Location  
 Unit Letter G 2636 feet from the NORTH line and 2362 feet from the EAST line  
 Section 32 Township 21S Range 23E NMPM County EDDY

11. Elevation (Show whether DR, RKB, RT, GR, etc )  
4063'

Pit or Below-grade Tank Application  or Closure

Pit type DRILL Depth to Groundwater 50+ Distance from nearest fresh water well 1000+ Distance from nearest surface water 1000+

Pit Liner Thickness: 12 mil Below-Grade Tank: Volume 15000 bbls; Construction Material

JUN 16 2008  
 OCD-ARTESIA

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"/> OTHER <input type="checkbox"/>	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS <input type="checkbox"/> P AND/OR <input type="checkbox"/> CASING/CEMENT JOB <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>
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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.

6/12/08 Encore RAN 218 JNTS (223 WITH FLOAT EQUIP) OF 4 1/2 11.60# P-110 LT&C CASING. SET @ 9710'. TOP OF FLOAT COLLAR @ 9665'. TOP OF DV TOOL @ 6556'." CEMENT 1ST STAGE. FULL RETURNS THROUGHOUT. PACKER PREMATURELY SET AT 125 OF 150 BARRELS OF DISPLACEMENT. PUMPED 23 ADDITIONAL BBLs DISPLACEMENT THEN SHUT-DOWN. DROP BOMB AND OPEN DV TOOL. WASHED 10 SACKS OF CEMENT OFF OF DV TOOL. CIRCULATE CASING AND WAIT ON CEMENT. CEMENT 2ND STAGE. FULL RETURNS THROUGHOUT. CIRCULATED 45 SACKS / 20 BBLs OF CEMENT TO SURFACE NIPPLE DOWN BOPE. SET SLIPS WITH 89K STRING WEIGHT. CUT-OFF CASING. CHANGE OUT RAMS. NIPPLE UP 7 1/16 10M X 7 1/16 10M TUBING SPOOL AND TEST.

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: [Signature] TITLE REGULATORY MANAGER DATE 06/13/2008

Type or print name ANN BURDETTE WILEY E-mail address: awiley@encoreacq.com Telephone No. 817-877-9955

APPROVED BY: \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
 Conditions of Approval (if any).