

Submit 1 Copy to Appropriate District
Office
District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88201
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

HOBBS OGD

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
October 13, 2009

JUL 05 2011

RECEIVED

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

WELL API NO. 30-025-40091
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Encore M State
8. Well Number 004
9. OGRID Number 243874
10. Pool name or Wildcat Blinebry Oil & Gas (Oil) & Drinkard

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 <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	
2. Name of Operator Quantum Resources Management, LLC	
3. Address of Operator 1401 McKinney St., Suite 2400 Houston, TX 77010	
4. Well Location Unit Letter <u>H</u> 1962 feet from the <u>North</u> line and <u>603</u> feet from the <u>East</u> line Section <u>19</u> Township <u>22S</u> Range <u>37E</u> NMPM County <u>Lea</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3403'	

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 PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

OTHER: ☐

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.

The above-mentioned well will be DHC'd in the Blinebry Oil & Gas (Oil) (06660) and Drinkard (19190) pools as allowed by Order R-11363.

Blinebry perms - 5465-5989 & Drinkard perms - 6448-6798. It will be a fixed allocation 50% oil & gas per pool.

Commingling the above-mentioned pools will not reduce the total remaining production value.

All working, royalty and overriding royalty interests are identical in both commingled zones.

A copy of this C-103 has been sent to the State Land Office.

Spud Date: 04/16/2011

Rig Release Date: 04/28/2011

DHC-HOB-469

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

SIGNATURE Yolanda Perez TITLE Regulatory Supervisor DATE 06/14/11

Type or print name Yolanda Perez E-mail address: yperez@qracq.com PHONE: 713-634-4694

For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE JUL 06 2011

Conditions of Approval (if any):

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

DISTRICT II
1301 W Grand Avenue, 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 Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-102
Revised July 18, 2010

Submit one copy to appropriate
District Office

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-40091	Pool Code 06660/19190	Pool Name Blinebry Oil & Gas (Oil) & Drinkard
Property Code 307932	Property Name Encore M STATE 19	Well Number 4
OGRID No. 243874	Operator Name QUANTUM RESOURCES MANAGEMENT, LLC	Elevation 3403'

Surface Location

UL or lot No H	Section 19	Township 22 S	Range 37 E	Lot Idn	Feet from the 1962	North/South line NORTH	Feet from the 603	East/West line EAST	County LEA
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Bottom Hole Location If Different From Surface

UL or lot No	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

LOT 1									
LOT 2									
LOT 3									
LOT 4									

SURFACE LOCATION
Lot - N 32°22'45.13"
Long - W 103°11'44.08"
NMSPCE - N 503553.113
E 892580.596
(NAD-83)

1962
603'

OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Yolanda Perez 7/5/11
Signature Date
Yolanda Perez
Printed Name
yperez@qracq.com
Email Address

SURVEYOR CERTIFICATION
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.

Cory L. Jones
Date Surveyed 7/5/11
Signature & Seal of Professional Surveyor
Certificate No. Cory L. Jones 7977
BASIN SURVEYS 24194