

**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-101  
August 1, 2011  
Permit 177885

**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

1. Operator Name and Address QUANTUM RESOURCES MANAGEMENT, LLC 1401 McKinney St Houston, TX 77010		2. OGRID Number 243874
4. Property Code 307932		3. API Number 30-025-41529
5. Property Name ENCORE M STATE		6. Well No. 011

**7. Surface Location**

UL - Lot M	Section 20	Township 22S	Range 37E	Lot Idn	Feet From 978	N/S Line S	Feet From 641	E/W Line W	County Lea
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**8. Proposed Bottom Hole Location**

UL - Lot M	Section 20	Township 22S	Range 37E	Lot Idn M	Feet From 978	N/S Line S	Feet From 641	E/W Line W	County Lea
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**9. Pool Information**

BLINEBRY OIL AND GAS (OIL)	6660
DRINKARD	19190
WANTZ;ABO	62700

**Additional Well Information**

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 3387
16. Multiple Y	17. Proposed Depth 7000	18. Formation Abo	19. Contractor	20. Spud Date 1/6/2014
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

☒ We will be using a closed-loop system in lieu of lined pits

**21. Proposed Casing and Cement Program**

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	54.5	1175	1050	0
Int1	11	8.625	32	4000	960	0
Prod	7.875	5.5	20	7000	650	3750

**Casing/Cement Program: Additional Comments**

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**22. Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
Annular	3000	1500	
Double Ram	3000	2500	

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input type="checkbox"/> if applicable.  Signature:		<b>OIL CONSERVATION DIVISION</b>	
Printed Name: Electronically filed by Yolanda Perez		Approved By: Paul Kautz	
Title: Regulatory Supervisor		Title: Geologist	
Email Address: yperez@qracq.com		Approved Date: 12/3/2013      Expiration Date: 12/3/2015	
Date: 12/2/2013      Phone: 713-634-4696		Conditions of Approval Attached	

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State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised June 10, 2003  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-025-	<sup>2</sup> Pool Code 6660	<sup>3</sup> Pool Name Blinebry Oil & Gas (Oil)
<sup>4</sup> Property Code 307932	<sup>5</sup> Property Name Encore M State	
<sup>7</sup> GRID No. 243874	<sup>8</sup> Operator Name Quantum Resources Management, LLC	<sup>6</sup> Well Number 11 <sup>9</sup> Elevation 3387'

<sup>10</sup>Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	20	22 S	37 E		978	South	641	West	Lea

<sup>11</sup>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
<sup>12</sup> Dedicated Acres 40		<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> 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

				<sup>16</sup>	<sup>17</sup> OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i>  Signature Celeste G. Dale Printed Name Sr. Regulatory Analyst Title and E-mail Address 12/02/13 Date
				<sup>18</sup> SURVEYOR CERTIFICATION <i>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.</i> 11-15-2013 Date of Survey  Signature and Seal of Professional Surveyor  10324 Certificate Number	

4.7 Miles SW of Eunice, New Mexico.

File No. A-8432

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WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-025-	<sup>2</sup> Pool Code 19190	<sup>3</sup> Pool Name Drinkard
<sup>4</sup> Property Code 307932	<sup>5</sup> Property Name Encore M State	
<sup>7</sup> GRID No. 243874	<sup>8</sup> Operator Name Quantum Resources Management, LLC	<sup>6</sup> Well Number 11 <sup>9</sup> Elevation 3387'

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	<p><sup>16</sup></p>	<p><sup>17</sup>OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p><i>Celeste G. Dale</i> Signature</p> <p>Celeste G. Dale Printed Name</p> <p>Sr. Regulatory Analyst Title and E-mail Address</p> <p>12/02/13 Date</p>
		<p><sup>18</sup>SURVEYOR CERTIFICATION</p> <p><i>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.</i></p> <p>11-15-2013 Date of Survey</p> <p><i>Michael L. Stanford</i> Signature and Seal of Professional Surveyor</p> <p>10324 Certificate Number</p>

4.7 Miles SW of Eunice, New Mexico.

File No. A-8432

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**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number 30-025-	<sup>2</sup> Pool Code 62700	<sup>3</sup> Pool Name Wantz; Abo
<sup>4</sup> Property Code 307932	<sup>5</sup> Property Name Encore M State	<sup>6</sup> Well Number 11
<sup>7</sup> GRID No. 243874	<sup>8</sup> Operator Name Quantum Resources Management, LLC	<sup>9</sup> Elevation 3387'

<sup>10</sup>Surface Location

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**1220 S. St Francis Dr.**  
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Form APD Comments  
  
Permit 177885

**PERMIT COMMENTS**

Operator Name and Address: QUANTUM RESOURCES MANAGEMENT, LLC [243874] 1401 McKinney St Houston, TX 77010		API Number: 30-025-41529
		Well: ENCORE M STATE #011

Created By	Comment	Comment Date
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Form APD Conditions

Permit 177885

**PERMIT CONDITIONS OF APPROVAL**

Operator Name and Address: QUANTUM RESOURCES MANAGEMENT, LLC [243874] 1401 McKinney St Houston, TX 77010	API Number: 30-025-41529
	Well: ENCORE M STATE #011

OCD Reviewer	Condition
DMULL	Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines
DMULL	Will require the form C-103 per R-11363 pre approved pools & area for Downhole Commingling before multiple zone can be produced by commingling in the wellbore accordance with the procedure set forth in Rule 19.15.12.11.
pkautz	SURFACE & INTERMEDIATE CASING - Cement must circulate to surface
pkautz	PRODUCTION CASING - Cement must tie back into intermediate casing
pkautz	Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water