

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 88210
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

MAY 03 2012

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, NM 87505

RECEIVED

WELL API NO. 30-025-40399
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 007
9. OGRID Number 243874
10. Pool name or Wildcat Blincbry Oil & Gas (Oil) & Drinkard & Wantz, Abo

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>B</u> <u>749</u> feet from the <u>North</u> line and <u>1610</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.) 3143'	

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 ☒

OTHER ☐

SUBSEQUENT REPORT OF:

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

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 Blincbry Oil & Gas (Oil) (06660), Drinkard (19190), and Wantz;Abo (62700) pools as allowed by Order R-11363.

Blincbry perfs - 5490-5842' & Drinkard perfs - 6484-6713' & Abo perfs - 6784-6828'. It will be a fixed allocation 33 1/3% 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 the three commingled zones.

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

Spud Date. 3/11/12

Rig Release Date: 3/29/12

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 5/2/12

Type or print name Yolanda Perez E-mail address: yperez@qracq.com PHONE: 713-634-4696

For State Use Only

APPROVED BY: [Signature] TITLE REGULATORY SUPERVISOR DATE MAY 03 2012
Conditions of Approval (if any)

MAY 08 2012

HOBBS OGD

MAY 03 2012

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State of New Mexico
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OIL CONSERVATION DIVISION
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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

¹ API Number 30-025-40399	² Pool Code 62700	³ Pool Name Wantz; Abo
⁴ Property Code 307932	⁵ Property Name Encore M State	⁶ Well Number 007
⁷ GORID No. 243874	⁸ Operator Name Quantum Resources Management, LLC	⁹ Elevation 3413'

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	19	22 S	37 E		749	North	1610	East	Lea

¹¹Bottom 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
¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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

	¹⁶	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <i>Yolanda Perez</i> Signature Yolanda Perez Printed Name Regulatory Supervisor yperez@qracq.com Title and E-mail address 02/03/2012 Date
		¹⁸ 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. 9-15-2011 Date of Survey Signature and Seal of Professional Surveyor <i>Michael L. Stanford</i> 10324 Certificate Number

6.5 Miles SW of Eunice, New Mexico.

File No. A-6050

MAY 03 2012

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WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-40399	² Pool Code 19190	³ Pool Name Drinkard
⁴ Property Code 307932	⁵ Property Name Encore M State	
⁷ OGRID No. 243874	⁶ Operator Name Quantum Resources Management, LLC	⁸ Well Number 007 ⁹ Elevation 3413'

¹⁰Surface Location

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	<p>¹⁶</p>	<p>¹⁷OPERATOR 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>Yolanda Perez</i></p> <p>Signature</p> <p>Yolanda Perez</p> <p>Printed Name</p> <p>Regulatory Supervisor</p> <p>yperez@gracq.com</p> <p>Title and E-mail Address</p> <p>02/03/2012</p> <p>Date</p>	
		<p>Elev. 3413'</p> <p>NAD 83 NM East</p> <p>N= 504755</p> <p>E= 891560</p> <p>NAD 83</p> <p>Lat. = 32° 22' 57.13"</p> <p>Long. = 103° 11' 55.81"</p>	<p>¹⁸SURVEYOR 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>9-15-2011</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p> <p>10324</p> <p>Certificate Number</p>

6.5 Miles SW of Eunice, New Mexico.

File No. A-6050

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WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-40399	² Pool Code 6660	³ Pool Name Blinebry Oil and Gas (Oil)
⁴ Property Code 307932	⁵ Property Name Encore M State	⁶ Well Number 007
⁷ OGRIID No 243874	⁸ Operator Name Quantum Resources Management, LLC	⁹ Elevation 3413'

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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