

DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO.
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HOBBS OED

AUG 30 2012

RECEIVED

NEW MEXICO OIL CONSERVATION DIVISION  
- Engineering Bureau -  
1220 South St. Francis Drive, Santa Fe, NM 87505



## ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

### Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]  
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]  
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]  
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]  
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]  
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

### [1] TYPE OF APPLICATION - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Simultaneous Dedication  
☒ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement  
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

- [D] Other: Specify \_\_\_\_\_

### [2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners  
[B] ☐ Offset Operators, Leaseholders or Surface Owner  
[C] ☐ Application is One Which Requires Published Legal Notice  
[D] ☐ Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office  
[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,  
[F] ☐ Waivers are Attached

### [3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate and complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Yolanda Perez  
Print or Type Name

*Yolanda Perez*  
Signature

Regulatory Supervisor  
Title

yperez@qracq.com  
e-mail Address

08/29/2012  
Date



**Quantum Resources Management, LLC**

**Yolanda Perez  
Regulatory Supervisor**

**1401 McKinney St, Suite 2400  
Houston, TX 77010  
Office (713) 634-4696  
Cell (832) 506-7426  
Fax (713) 634-4697**

August 29, 2012

New Mexico Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

Attn: David Brooks

**RE: Application for Administrative Approval of Non-Standard Location  
Encore M State #009; New Drill API Not Yet Assigned  
Blinebry Oil and Gas (Oil) – 6660, Drinkard – 19190, Wantz; Abo – 62700 Pools  
Lea County, NM**

Dear Mr. Brooks,

Quantum Resources Management, LLC is requesting administrative approval of the non-standard location for the above-mentioned well located at 468' FNL and 300' FWL of Section 20, Township 22S, and Range 37E. The justification for the request is due to congestion of power lines and pipelines. This was the best well placement that would allow the drilling pad to be constructed in a way to avoid pad and rig equipment being placed on top of buried pipelines (see attached site map).

Quantum Resources Management, LLC operates the offset tract to the West (Unit Ltr. A in Section 19, Township 22S, and Range 37E) of which this well encroaches on (see attached plats). The working interest is common for both tracts.

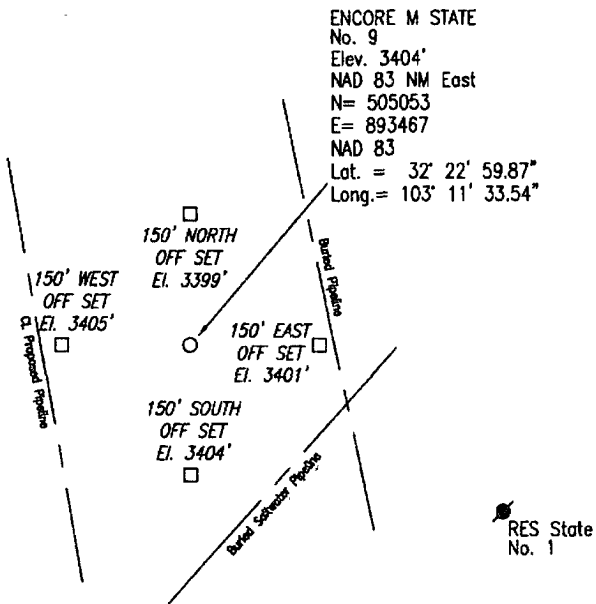
If you have any questions and/or need additional information, please contact me (713) 634-4696 or by email at [yperez@qracq.com](mailto:yperez@qracq.com).

Sincerely,

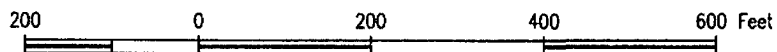
Yolanda Perez  
Regulatory Supervisor

T-22-S, R-37-E  
N.M.P.M.

SECTION 20



Site Map



Quantum Resources Management, LLC  
Encore M State No. 9 - 468' FNL & 300' FWL  
Section 20, T-22-S, R-37-E, N.M.P.M.  
Lea County, New Mexico

STANFORD SURVEYING COMPANY  
P.O. BOX 8490  
MIDLAND, TEXAS 79708-8490  
432-699-5708

DRAWN BY Adam Welch

DATE 08-06-2012

SCALE 1" = 200'

FILE NAME A-7068A

District I  
1625 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 & 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 30-025-40749		<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 009
<sup>7</sup> OGHD No. 243874	<sup>8</sup> Operator Name Quantum Resources Management, LLC		<sup>9</sup> Elevation 3404'

<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
D	20	22 S	37 E		468	North	300	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		<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

	ENCORE M STATE No. 9 Elev. 3404' NAD 83 NM East N= 505053 E= 893467 NAD 83 Lat. = 32° 22' 59.87" Long.= 103° 11' 33.54"			<sup>16</sup>	<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>Yolanda Perez</i> Signature Yolanda Perez Printed Name Regulatory Supervisor yperez@qracq.com Title and E-mail Address 08/29/12 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>8-08-2012 Date of Survey Signature and Seal of Professional Surveyor  </p>
					<p>10324 Certificate Number</p>

4.3 Miles SW of Eunice, New Mexico.

File No. A-7068

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 & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102

Revised June 10, 2003

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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30 025-40749	<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>6</sup> Well Number 009
<sup>7</sup> OGRD No. 243874	<sup>8</sup> Operator Name Quantum Resources Management, LLC	<sup>9</sup> Elevation 3404'

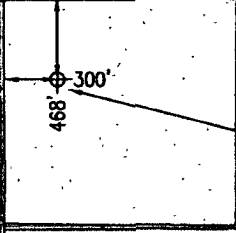
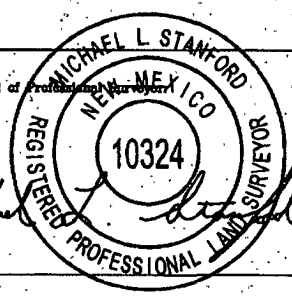
<sup>10</sup>Surface Location

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<sup>11</sup>Bottom Hole Location If Different From Surface

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4.3 Miles SW of Eunice, New Mexico.

File No. A-7068

District I  
1625 N. French Dr., Hobbs NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1600 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
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WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> APT Number 30 025-40749	<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> OGHD No. 243874	<sup>6</sup> Operator Name Quantum Resources Management, LLC	<sup>8</sup> Well Number 009 <sup>9</sup> Elevation 3404'

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					<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> 8-08-2012 Date of Survey Signature and Seal of Professional Surveyor 10324 Certificate Number

4.3 Miles SW of Eunice, New Mexico.

File No. A-7088