

Submit a 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

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
October 13, 2009

HOBBS OGD

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, NM 87505
NOV 08 2012

WELL API NO. 30-025-40749
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 RECEIVED 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>D</u> <u>468</u> feet from the <u>North</u> line and <u>300</u> feet from the <u>West</u> line Section <u>20</u> Township <u>22S</u> Range <u>37E</u> NMPM County <u>Lea</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3404'	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input checked="" type="checkbox"/>			
OTHER <input type="checkbox"/>		OTHER <input type="checkbox"/>	

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 - 5489-5612'' & Drinkard perfs - 6466-6690'' & Abo perfs - 6752-6800'. 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: 10/7/12 Rig Release Date: 10/25/12

DHC-HOB-505

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 11/07/12
Type or print name Yolanda Perez E-mail address: yperez@qracq.com PHONE: 713-634-4696

For State Use Only

APPROVED BY: Maley Brown TITLE Compliance Officer DATE 11/9/2012
Conditions of Approval (if any):

NOV 14 2012

District I
1625 N. French Dr., Hobbs NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brascos 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

¹ API Number		² Pool Code 62700		³ Pool Name Wantz; Abo	
⁴ Property Code 307932		⁵ Property Name ENCORE M STATE			⁶ Well Number 009
⁷ GRID No. 243874		⁸ Operator Name Quantum Resources Management, LLC			⁹ Elevation 3404'

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Etn	Feet from the	North/South line	Feet from the	East/West line	County
D	20	22 S	37 E		488	North	300	West	Lea

¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Etn	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. DHC-HOB 505			

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"			16	<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> Signature</p> <p>Yolanda Perez Printed Name</p> <p>Regulatory Supervisor yperez@qracq.com Title and E-mail Address</p> <p>08/29/12 Date</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>8-08-2012 Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p> <p><i>Michael L. Stanford</i> Signature</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 Ed., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87506

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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code 19190		³ Pool Name Drinkard	
⁴ Property Code 307932		⁵ Property Name ENCORE M STATE			⁶ Well Number 009
⁷ GRID No. 243874		⁸ Operator Name Quantum Resources Management, LLC			⁹ Elevation 3404'

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Mn	Feet from the	North/South line	Feet from the	East/West line	County
D	20	22 S	37 E		468	North	300	West	Lea

¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Mn	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. DHC-HOB-505			

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4.3 Miles SW of Eunice, New Mexico.

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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code 6660		³ Pool Name Blinebry Oil & Gas (Oil)	
⁴ Property Code 307932		⁵ Property Name ENCORE M STATE			⁶ Well Number 009
⁷ GRID No. 243874		⁸ Operator Name Quantum Resources Management, LLC			⁹ Elevation 3404'

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
D	20	22 S	37 E		468	North	300	West	Lea

¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
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4.3 Miles SW of Eunice, New Mexico.

File No. A-7068