

Distric 1  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720

HOBBS OCD

MAR 31 2014

State of New Mexico  
Energy, Minerals and Natural Resources Department  
Oil Conservation Division Hobbs District Office

RECEIVED

BRADENHEAD TEST REPORT

|                                                              |                            |
|--------------------------------------------------------------|----------------------------|
| Operator Name<br>QUANTUM RESOURCES MANAGEMENT, LLC (#243874) | API Number<br>30-025-38297 |
| Property Name<br>Encore 12 State Com                         | Well No.<br>1              |

1. Surface Location

| UL - Lot | Section | Township | Range | Feet from | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|-----------|----------|-----------|----------|--------|
| M        | 12      | 17S      | 34E   | 895       | South    | 1100      | West     | LEA    |

Well Status

| Well Status | SHUT-IN | PRODUCING | DATE    |
|-------------|---------|-----------|---------|
|             |         | ✓         | 3-27-14 |

OPEN BRADENHEAD AND INTERMEDIATE TO ATMOSPHERE INDIVIDUALLY FOR 15 MINUTES EACH

OBSERVED DATA

If bradenhead flowed water, check all of the descriptions that apply:

|                      | (A)Surf-Interm | (B)Interm(1)-Interm(2) | (C)Interm-Prod | (D)Prod Cmg | (E)Tubing |
|----------------------|----------------|------------------------|----------------|-------------|-----------|
| Pressure             | 0              |                        | 0              | 120         | 120       |
| Flow Characteristics |                |                        |                |             |           |
| Puff                 | Y / N          | Y / N                  | Y / N          | Y / N       |           |
| Steady Flow          | Y / N          | Y / N                  | Y / N          | Y / N       |           |
| Surges               | Y / N          | Y / N                  | Y / N          | Y / N       |           |
| Down to nothing      | Y / N          | Y / N                  | Y / N          | Y / N       |           |
| Gas or Oil           | Y / N          | Y / N                  | Y / N          | Y / N       |           |
| Water                | Y / N          | Y / N                  | Y / N          | Y / N       |           |

If bradenhead flowed water, check all of the descriptions that apply:

|       |       |       |        |       |
|-------|-------|-------|--------|-------|
| CLEAR | FRESH | SALTY | SULFUR | BLACK |
|-------|-------|-------|--------|-------|

Remarks:

INJECTING AT THIS TIME \_\_\_ WTR, \_\_\_ GAS, \_\_\_ CO2

Flowing gas well

Accepted for Record Only

PS 4-18-2014

|                                    |                           |
|------------------------------------|---------------------------|
| Signature: <i>Cam Robbins</i>      | OIL CONSERVATION DIVISION |
| Printed name: Cam Robbins          | Entered into RBDMS        |
| Title: Sr. Production Foreman      | Re-test                   |
| E-mail Address: crobbsins@qraq.com |                           |
| Date: 3-27-14                      | Phone: 575-399-3332       |
|                                    | Witness:                  |

APR 21 2014