

Submit 3 Copies To Appropriate District Office

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., 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 and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103

May 17, 2004

WELL API NO.
30-025-37993

5. Indicate Type of Lease
STATE ☒ FBE ☐

6. State Oil & Gas Lease No.
35822

7. Lease Name or Unit Agreement Name

ENCORE "36" STAT3

8. Well Number 1

9. OGRID Number 189951

10. Pool name or Wildcat
VACUUM; ATOKA-MORROW NORTH

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 ☐ Gas Well ☒ Other

2. Name of Operator
ENCORE OPERATING, L.P.

3. Address of Operator
777 MAIN STREET, STE. 1400 FORT WORTH, TX. 76102

4. Well Location
Unit Letter J : 1330 feet from the SOUTH line and 1750 feet from the EAST line
Section 36 Township 16S Range 34e NMPM County LEA

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
4038

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type DRILL Depth to Groundwater 50+ Distance from nearest fresh water well 1000+ Distance from nearest surface water 000+

Pit Liner Thickness: 12 mil Below-Grade Tank: Volume 14000 bbls; Construction Material

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 ☒

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

See Attached for Multiple Completion



I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that a pit or below-grade tank has been/will be constructed or closed according to NMOC guidelines ☐, a general permit ☐ or an (attached) alternate OGI-approved plan ☐.

SIGNATURE _____ TITLE SR. REGULATORY ANALYST DATE 11-21-2006

Type or print name ANN BURDETTE WILEY E-mail address: awiley@encoreacq.com Telephone No. 817-77-9955

For State Use Only

APPROVED BY: [Signature] TITLE DISTRICT SUPERVISOR/GENERAL MANAGER DATE NOV 21 2006

Conditions of Approval (if any):

✓ District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
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Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-107
Revised June 10, 2003

Filing Instructions
At Bottom of Page

APPLICATION FOR MULTIPLE COMPLETION

Encore Operating, L.P. 777 Main Street, Ste. 1400 Fort Worth, Tx. 76102

Operator	Address			
Encore "36" State	1	J	36-16S-34E	Lea
Lease	Well No.	Unit Ltr.	Sec - Twp - Rge	County

All applicants for multiple completion must complete Items 1 and 2 below.

1. The following facts are submitted:	Upper Zone	Intermediate Zone	Lower Zone
a. Name of Pool and Formation	Atoka		Morrow
b. Top and Bottom of Pay Section (Perforations)	12482-12496		12712-12781
c. Type of production (Oil or Gas)	Gas		Gas
d. Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
e. Daily Production <input type="checkbox"/> Actual <input checked="" type="checkbox"/> Estimated Oil Bbls. Gas MCF Water Bbls.	1500 MCF		1000 MCF

2. The following must be attached:

- Diagrammatic Sketch of the Multiple Completion, showing all casing strings, including diameters and setting depths, centralizers and/or turbolizers and location thereof, quantities used and top of cement, perforated intervals, tubing strings, including diameters and setting depth, location and type of packers and side door chokes, and such other information as may be pertinent.
- Plat showing the location of all wells on applicant's lease, all offset wells on offset leases, and the names and addresses of operators of all leases offsetting applicant's lease.
- Electrical log of the well or other acceptable log with tops and bottoms of producing zones and intervals of perforation indicated thereon. (If such log is not available at the time application is filed it shall be submitted as provided by Rule 112-A.)

OPERATOR:

I hereby certify above information is true and complete to best of my knowledge, and belief.

Signature

Printed Name & Title Ann Burdette Wiley/Sr. Regulatory Analyst

E-mail address awiley@encoreacq.com

Date 11/14/06 Telephone 817-877-9955

OIL CONSERVATION DIVISION

Approved by

Title ~~GC DISTRICT SUPERVISOR/GENERAL MANAGER~~

Date

NOV 21 2006

NOTE: If the proposed multiple completion will result in an unorthodox well location and/or a non-standard proration unit in one or more of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.

FILING INSTRUCTIONS:

- District Approval -- See rule 112-A-B -- Submit 4 copies of Form C-107 with attachments to appropriate district office.
- Division Director Administrative Approval -- See Rule 112-C -- Submit 2 copies of Form C-107 with attachments to Division office in Santa Fe and 2 copies of Form C-107 with attachments to appropriate district office.
- Multiple completions not qualifying for District or Division Director approval may be set for hearing as outlined in Rule 112-A-E.

ENCORE ACQUISITION COMPANY

ENCORE 36 STATE #1

SPUD 8/20/06

API 30-025-37993

PROPOSED COMPLETION

Sherry Reid Carroll 10/27/06

KB: 4064'

DF: 4063'

GL: 4038'

1330' FSL & 1750' FEL

Unit J

Sec 36, T-16-S, R-34-E

Lea County, New Mexico

Casing Strings:

20" conductor

13-3/8" (17-1/2" hole), 48#, H-40

@ 555' w/ 440 sx cmt

TOC @ surface - circ

8-5/8" (11" hole), 32#, J-55

@ 4539' w/ 1565 sx cmt

TOC @ surface - circ

5-1/2" (7-7/8" hole), 17#, P-110

@ 12588' w/ DV +/- 7949'

1st stg - 1050 sx cmt - circ off DV

2nd stg - 350 sx - TOC +/- 4200'

3-1/2" (4-3/4" hole), 9.3#, P-110 liner

12534-13028 w/ 50 sx cmt

TOC @ 12534'

TUBING:

2-3/8" L-80 tbg

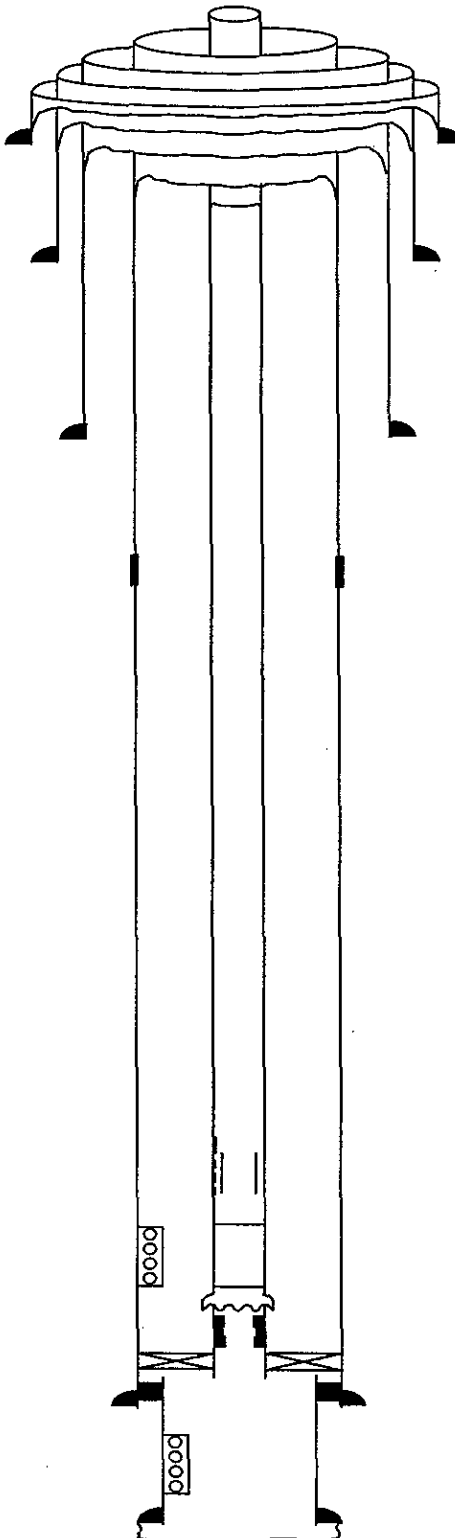
w/ blast joints & sliding sleeve

ATOKA

12482-12496'

MORROW

12712-12781' (overall)



5-1/2" w/ 1.81" F in on/off tool
+/- 12030'

TD @ 13030'

36

1/2 MILE RADIUS

GRUY PETROLEUM MANAGEMENT COMPANY
EUREKA 36 STATE
33184 1

SAGE ENERGY COMPANY
PENNZOIL STATE
24648 2

BT&A OIL PRODUCERS
VACUUM 920 1V-P
31621 1

ENCORE OPER LP
ENCORE 36 STATE
37003 1

GRUY PETROLEUM MANAGEMENT COMPANY
EUREKA 36 STATE
36389 2
SAGE ENERGY COMPANY
PENNZOIL STATE
24594 1

SAGE ENERGY COMPANY
VACUUM NORTH ABO NO
SAGE ENERGY COMPANY
EXXON/A/ STATE
25170 2

WASSERHUT INCORPORATED
EIDON STATE
2688 WS-1
SAGE ENERGY COMPANY
EXXON /A/ STATE
25146 1

FASKEN OIL AND RANCH LTD
BUCKEYE 1 STATE
SAGE ENERGY COMPANY
EXXON STATE
25059 1 36333 1

SAGE ENERGY COMPANY
SHELL /C/ STATE
24631 1

CHESAPEAKE OPERATING INCORPORATED
STATE VII
35678 7

SAGE ENERGY COMPANY
EXXON-STATE
25206 2

FASKEN OIL & RANCH LTD
BUCKEYE 1 STATE
36889 2
SAGE ENERGY COMPANY
EXXON-STATE B
24487 1

SAGE ENERGY COMPANY
NORTH VACUUM (ABO)
32721 73

SAGE ENERGY COMPANY
SHELL /C/ STATE
24645 2

ENCORE OPER LP
ENCORE 36 STATE
37003 1

SAGE ENERGY COMPANY
SAGEBRUSH
36166 1

SAGE ENERGY COMPANY
SHELL-STATE A
24302 1

SAGE ENERGY COMPANY
NVANU 4A
32243 2

SAGE ENERGY COMPANY
SHELL-STATE
24176 1

SAGE ENERGY COMPANY
NORTH VACUUM ABO NO
32244 2

SOUTHWEST ROYALTIES INCORPORATED
STATE K-6119 COM
25282 1
BRADSHAW WARREN EXP
STATE A
2814 1

OFFSET OPERATORS

Sage Energy Comopany
100 NE Loop 410 Ste. 1300
San Antonio, Tx. 78216

Chesapeake Operating, Inc.
P.O. Box 18496
Oklahoma City, Ok 73154

BTA Oil Producers
104 S. Pecos
Midland, Tx. 79701

Gruy Petroleum Management Co.
P.O. Box 140907
Irving, Tx. 75014