

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
May 27, 2004

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

Submit to appropriate District Office

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

Operator Name and Address ENCORE OPERATING, L. P. 777 MAIN STREET SUITE 1400 FORT WORTH, TEXAS 76102		OGRID Number 189951
Property Code 37138	Property Name ENCORE "M" STATE	Well No. # 1
Proposed Pool 1 WILDCAT		Proposed Pool 2

7 Surface Location

UL or lot no. A	Section 30	Township 22S	Range 37E	Lot Idn	Feet from the 742'	North/South line North	Feet from the 1294'	East/West line East	County Lea
--------------------	---------------	-----------------	--------------	---------	-----------------------	---------------------------	------------------------	------------------------	---------------

8 Proposed 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
---------------	---------	----------	-------	---------	---------------	------------------	---------------	----------------	--------

Additional Well Information

Work Type Code N	Well Type Code O	Cable/Rotary ROTARY	Lease Type Code S	Ground Level Elevation 3406
Multiple NO	Proposed Depth 12,000'	Formation ELLENBURGER	Contractor Unknown	Spud Date WHEN APPROVED
Depth to Groundwater 100'		Distance from nearest fresh water well 1.3' Mi.		Distance from nearest surface water None
Pit: Liner: Synthetic ☒ 12 mils thick Clay ☐ Pit Volume: 18M bbls Drilling Method: Closed-Loop System ☐ Fresh Water ☒ Brine ☒ Diesel/Oil-based ☐ Gas/Air ☐				

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
26"	20"	NA	40'	Redi-mix	Surface
17 1/2"	13 3/8"	48#	400'	440 Sx	Surface
12 1/4"	9 5/8"	40#	4000'	1095 Sx.	Surface
8 3/4"	5 1/2"	17#	12,000'	2095 Sx.	Surface

22 Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Permit Expires 2 Years From Approval
Date Unless Drilling Underway

SEE ATTACHED SHEET FOR DETAIL

RECEIVED

APR 24 2008

HOBBS OCD

NSL-5837

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines ☒ a general permit ☐ or an (attached) alternative OCD-approved plan ☐ .		OIL CONSERVATION DIVISION	
Printed name: Joe T. Janica		Approved by: <i>Chris Williams</i>	
Title: Permit Engineer		Title: OC DISTRICT SUPERVISOR/GENERAL MANAGER	
E-mail Address: joejanica@valornet.com		Approval Date: JUN 05 2008 Expiration Date:	
Date: 04/23/08	Phone: 575-391-8503	Conditions of Approval Attached ☐	

1. Drill 26" hole to 40'. Set 40' of 20" conductor pipe and cement to surface with Redi-mix.
2. Drill 17½" hole to 400'. Run and set 400' of 13 3/8" 48# H-40 ST&C casing. Cement with 440 Sx of Class "C" cement + additives, yield 1.35, circulate cement to surface.
3. Drill 12¼" hole to 4000'. Run and set 4000' of 9 5/8" casing as follows: 1000' of 9 5/8" 40# HCK-55 BT&C, 3000' of 40# 9 5/8" J-55 BT&C. Cement with 880 Sx. of 50/50 POZ (Fly Ash) Premium Plus Class "C" cement + 5#/Sx. of LCM, 5% Salt, + .125# Celo Flakes/Sx. + 10% Bentonite, yield 2.45. Tail in with 215 Sx. of Premium Plus Class "C" cement + 1% CaCl, yield 1.34, circulate cement to surface.
4. Drill 8 3/4" hole to 12,000'. Run and set 12,000' of 5½" 17# P-110 casing. Cement in two stages with the DV Tool at 7000'±. Cement 1st stage with 170 Sx. of 50/50 POZ (Fly Ash) Premium Plus Class "C" cement + 3#/Sx of LCM-1, + 10% Bentonite + .5% FL-52A, yield 2.3, tail in with 930 Sx. of 15/61/11 POZ (Fly Ash) Premium Plus Class "C" cement CSE-2, + 5#/Sx of LCM-1 + 5% NaCl, + .6% FL-25, + .5% BA-10A, yield 1.64. Cement 2nd stage with 895 Sx. of 50/50 POZ (Fly Ash) Premium Plus Class "H" Cement + 5#/Sx. LCM-1, + 10% Bentonite, + .3% FL-52A, yield 2.3, tail in with 100 Sx. of Premium Plus Class "H" cement yield 1.18. Circulate cement to surface.

3000 PSI working pressure B.O.P. from 400' to 4000'

5000 PSI working pressure B.O.P. FROM 4000' to TD.

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 and Natural Resources Department

Form C-102
Revised October 12, 2005

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-38961	Pool Code ✓	Pool Name WILDCAT
Property Code 37138	Property Name ENCORE "M" STATE	Well Number 1
OGRID No. 189951	Operator Name ENCORE OPERATING, L.P.	Elevation 3406'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	30	22 S	37 E		742	NORTH	1294	EAST	LEA

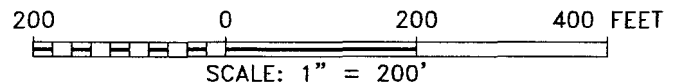
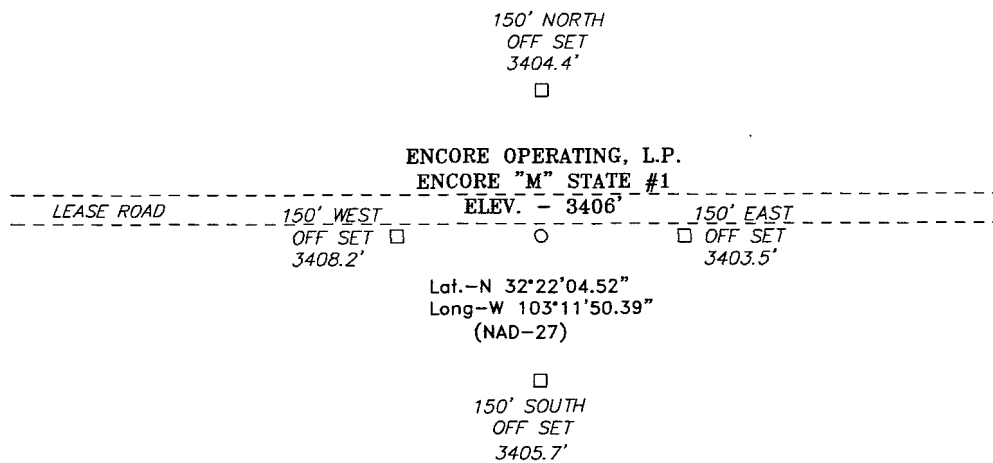
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No. NSL-5837						

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

	OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. <i>Joe T. Janica</i> Signature Date Joe T. Janica 04/23/08 Printed Name

SECTION 30, TOWNSHIP 22 SOUTH, RANGE 37 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.



Directions to Location:

FROM THE JUNCTION OF STATE HWY 207 AND KING
ROAD, GO WEST 2.2 MILES THEN TURN RIGHT 0.6,
THEN LEFT 0.1 MILES TO PROPOSED LOCATION.

BASIN SURVEYS P.O. BOX 1786 - HOBBS, NEW MEXICO

W.O. Number: 19584 Drawn By: J. M. SMALL

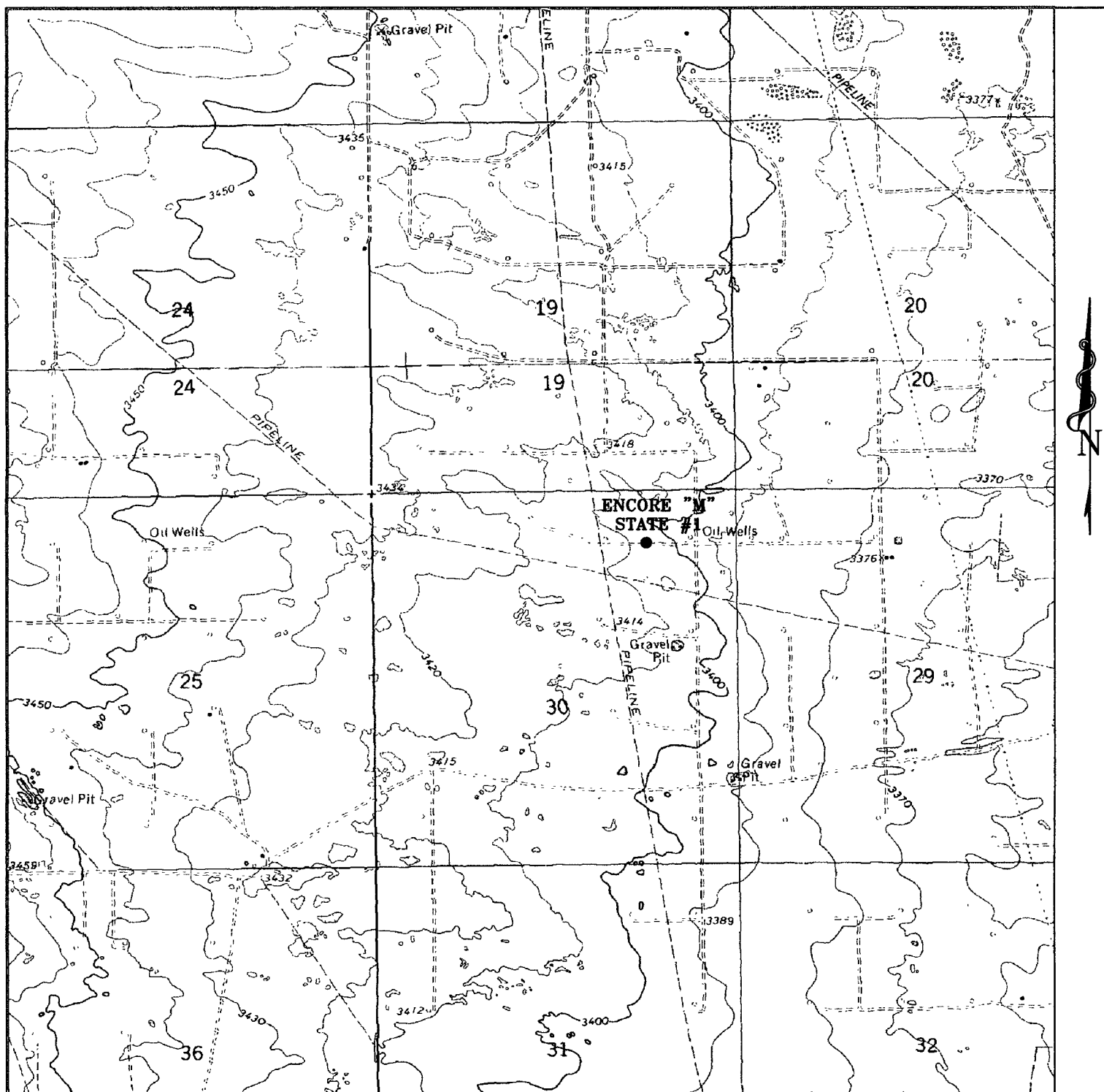
Date: 04-21-2008 Disk: JMS 19520W

ENCORE OPERATING, L.P.

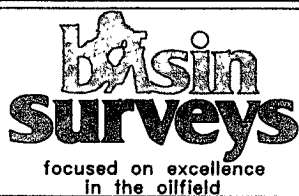
REF: ENCORE "M" STATE #1 / WELL PAD TOPO

THE ENCORE "M" STATE #1 LOCATED 742' FROM
THE NORTH LINE AND 1294' FROM THE EAST LINE OF
SECTION 30, TOWNSHIP 22 SOUTH, RANGE 37 EAST,
N.M.P.M., LEA COUNTY, NEW MEXICO.

Survey Date: 04-18-2008 Sheet 1 of 1 Sheets



ENCORE "M" STATE #1
 Located at 742' FNL and 1294' FEL
 Section 30, Township 22 South, Range 37 East,
 N.M.P.M., Lea County, New Mexico.



P.O. Box 1786
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (505) 393-7316 - Office
 (505) 392-3074 - Fax
basinsurveys.com

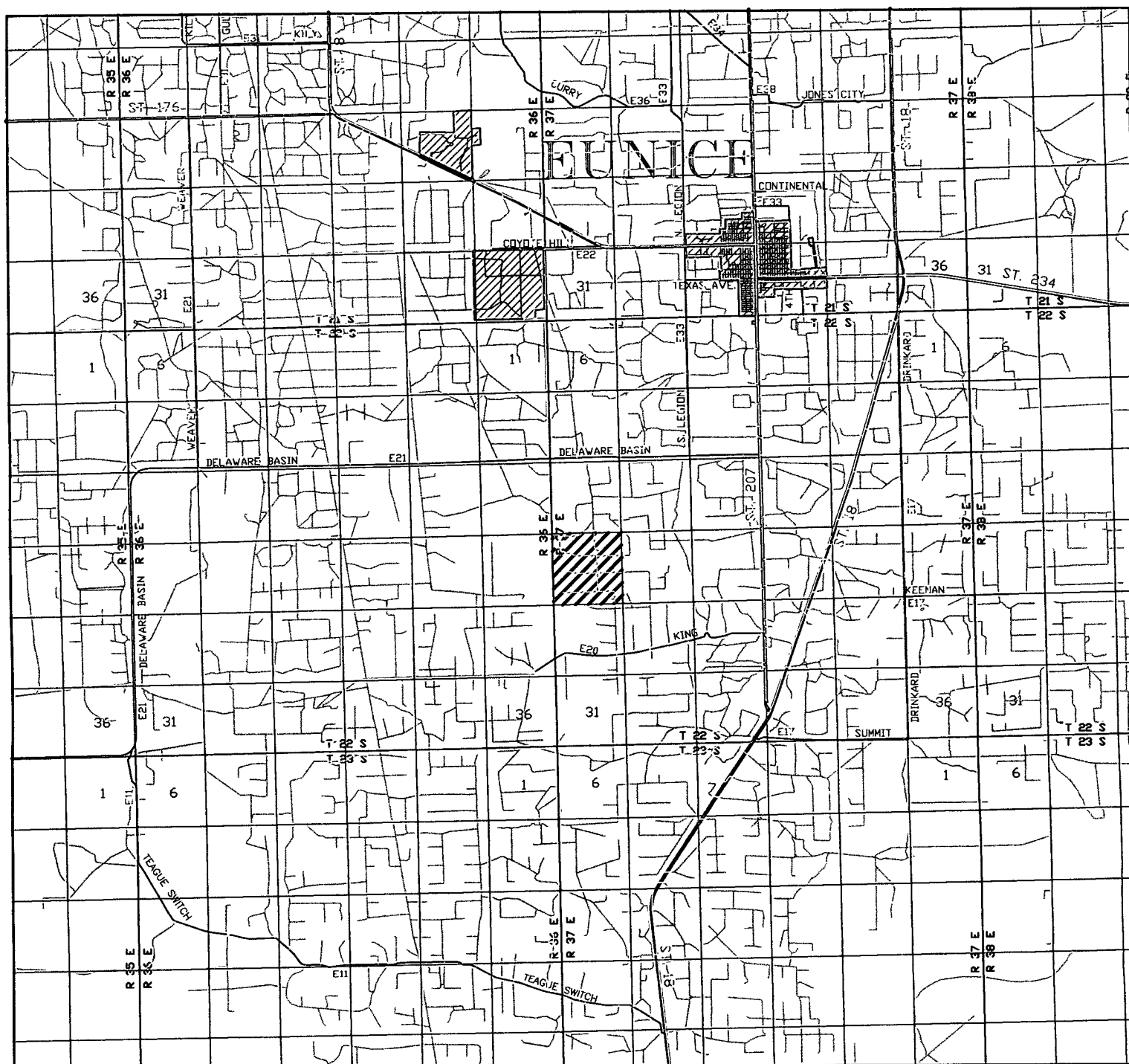
W.O. Number: 19520T

Survey Date: 04-18-2008

Scale: 1" = 2000'

Date: 04-21-2008

**ENCORE
 OPERATING, L.P.**



ENCORE "M" STATE #1
 Located at 742' FNL and 1294' FEL
 Section 30, Township 22 South, Range 37 East,
 N.M.P.M., Lea County, New Mexico.

**basin
surveys**

focused on excellence
in the oilfield

P.O. Box 1786
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (505) 393-7316 - Office
 (505) 392-3074 - Fax
 basinsurveys.com

W.O. Number: 19520TR

Survey Date: 04-18-2008

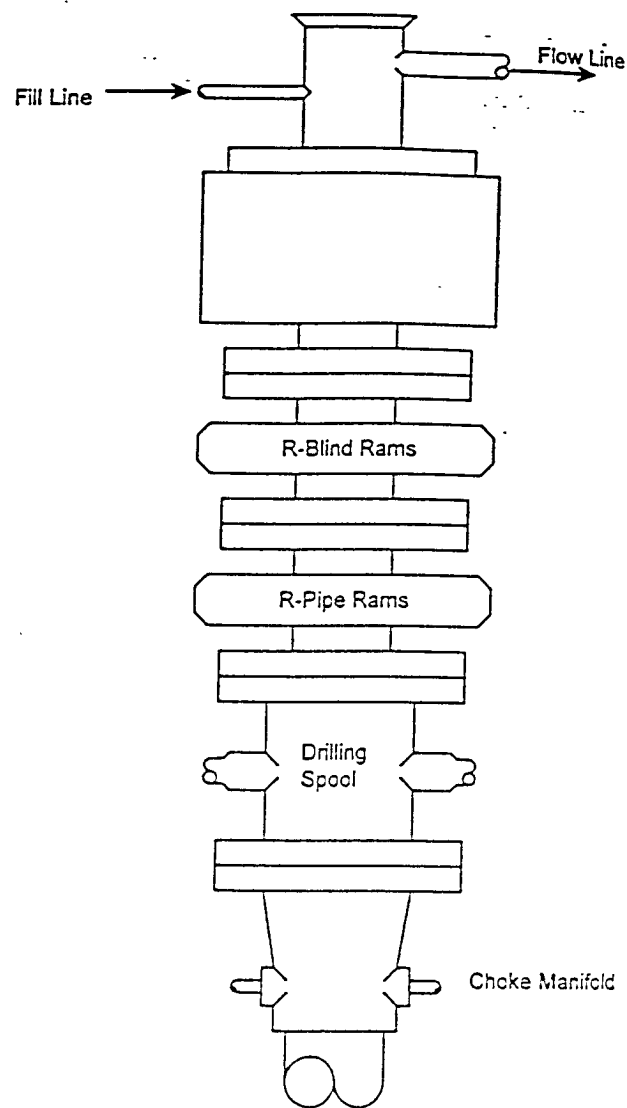
Scale: 1" = 2 MILES

Date: 04-21-2008

ENCORE
 OPERATING, L.P.

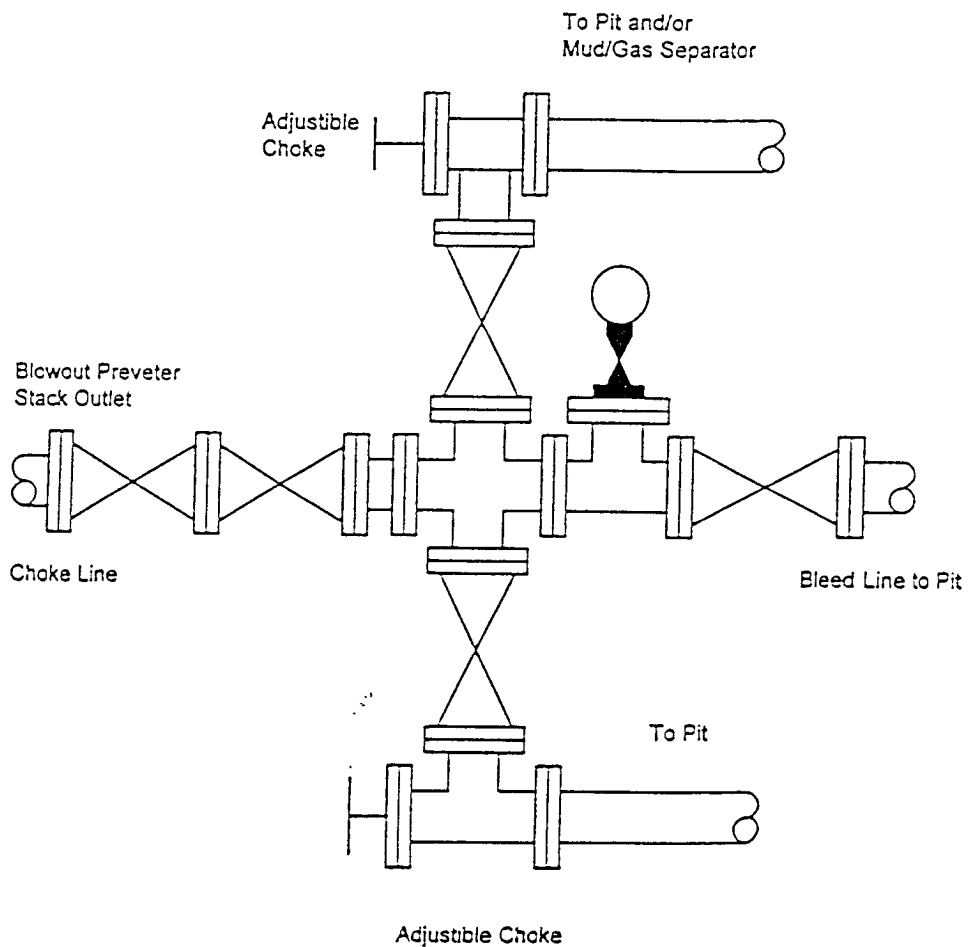
BLOWOUT PREVENTER SYSTEM

3000 PSI



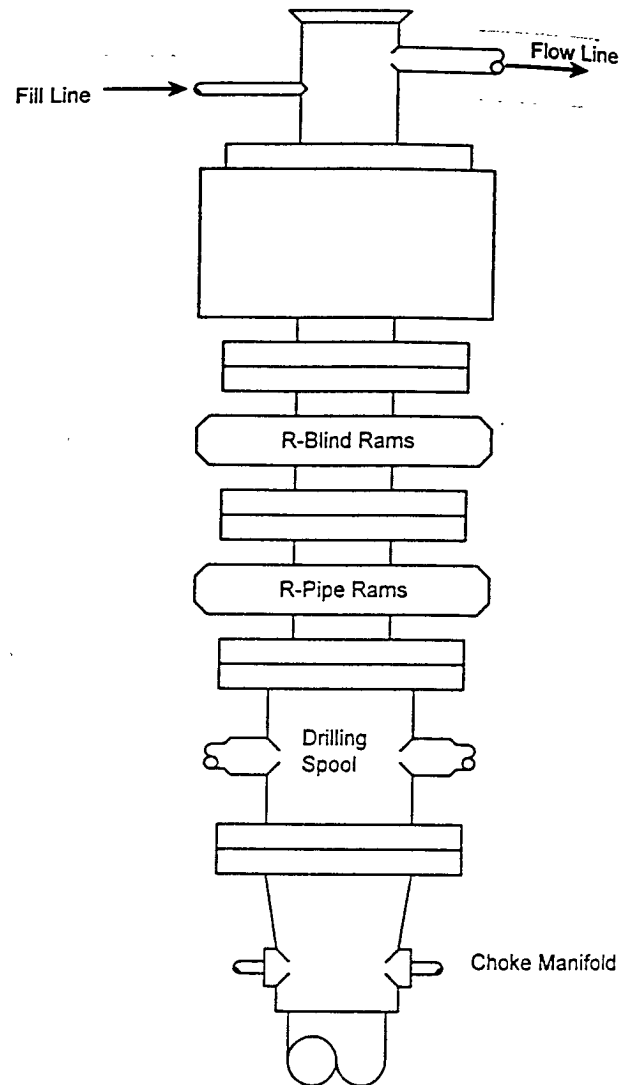
Type 900 SERIES
3000 PSI WP

Choke Manifold Assembly for 5M WP System



BLOWOUT PREVENTER SYSTEM

5000 PSI



Type 1500 SERIES
5000 psi WP

Choke Manifold Assembly for 5M WP System

