

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103

June 19, 2008

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HOBBSD

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

WELL API NO. 30-025-39541

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

ENCORE "M" STATE

8. Well Number 002

9. OGRID Number 189951

10. Pool name or Wildcat
DRINKARD/Blinebry

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 G : 1700 feet from the NORTH line and 1700 feet from the EAST lineSection 19 Township 22S Range 37E NMPM LEA County11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3417'

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDONTEMPORARILY ABANDON ☐ CHANGE PLANSPULL OR ALTER CASING ☐ MULTIPLE COMPL ☐DOWNHOLE COMMINGLE ☒

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.

Encore Operating, L.P. respectfully request approval to Downhole Commingle Blinebry (06660) and the Drinkard (19190) formations according to Division Order No. R-11363. The perfs for the Blinebry are 5511 – 5622 and the Drinkard are 6440 – 6686. Ownership and percentage of ownership between the pools is identical. Encore will use periodic annual testing as the allocation method. Attached is Form C-107A. A previous approved Commingle exception was given to API# 30-025-38961.

DHC - HOB - 0362

Spud Date:

12/9/2009

Rig Release Date:

1/6/10

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

SIGNATURE

TITLE REGULATORY MANAGER DATE 3/2/2010Type or print name ANN BURDETTE WILEY E-mail address: awiley@encoreacq.com PHONE: 817-877-9955

For State Use Only

APPROVED BY:

TITLE

PETROLEUM ENGINEER

DATE

MAR 08 2010

Conditions of Approval (if any):