State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham Governor

Sarah Cottrell Propst Cabinet Secretary

Todd E. Leahy, JD, PhD Deputy Secretary Adrienne Sandoval, Division Director Oil Conservation Division



New Mexico Oil Conservation Division approval and conditions listed below are made in accordance with OCD Rule 19.15.7.11 and are in addition to the actions approved by BLM on the following 3160-5 form.

Operator Signature Date: **Original APD 11/5/2015** Sundry Extension Date 5/6/2019

WELL INFORMATION:

ENDURING RESOURCES, LLC 30-043-21279 S CHACO UNIT #345H

Conditions of Approval: (See the below checked and handwritten conditions) Notify Aztec OCD 24hrs prior to casing & cement. Hold C-104 for directional survey & "As Drilled" Plat O Hold C-104 for NSL, NSP, DHC, O Spacing rule violation. Operator must follow up with change of status notification on other well to be shut in or abandoned Regarding the use of a pit, closed loop system or below grade tank, the operator must comply with the following as applicable: A pit requires a complete C-144 be submitted and approved prior to the construction or use of the pit, pursuant to 19.15.17.8.A A closed loop system requires notification prior to use, pursuant to 19.15.17.9.A A below grade tank requires a registration be filed prior to the construction or use of the below grade tank, pursuant to 19.15.17.8.C Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string Submit Gas Capture Plan form prior to spudding or initiating recompletions operations.

Regarding Hydraulic Fracturing, review EPA Underground Injection Control Guidance 84

Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system.

Well-bore communication is regulated under 19.15.29 NMAC. This requires well-bore Communication to be reported in accordance with 19.15.29.8.

Comply with current regulations at time of spud
Prior to production operator needs to be in compliance with RULE 19.15.5.9

NMOCD Approved by Signature

5/24/2019

Date

RECEIVED

•Form 3160-5 (June 2015)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No. 1004-0137 Expires: January 31, 2018

5. Lease S	erial No.			
N0-G-131	2-1799			
/ TAY 11	4.44	en 11		

	V.110=10=0 1.11	N0-G-1312-1799	N0-G-1312-1799				
Do not use th	Y NOTICES AND REPois is form for proposals all. Use Form 3160-3 (A	to drill or to re	enter an	6. If Indian, Allotte	ee or Tribe Name		
	IN TRIPLICATE - Other instr	7. If Unit of CA/A	7. If Unit of CA/Agreement, Name and/or No.				
Type of Well ⊠Oil Well □	Gas Well Other	8. Well Name and					
2. Name of Operator		9. API Well No.					
Enduring Resources IV LL 3a. Address	.C	2h Dhana Na Gard		30-043-21279	30-043-21279 10. Field and Pool or Exploratory Area		
200 Energy Court Farmin	3b. Phone No. (incl.) 505-636-9743	uae area coae)	Lybrook GL				
4. Location of Well (Footage, Sec., SHL: 1027' FSL & 356' FEL SEC BHL: 892' FNL & 330' FWL SEC			11. Country or Par Sandoval NM	11. Country or Parish, State Sandoval NM			
12.0	CHECK THE APPROPRIATE B	BOX(ES) TO INDICA	TE NATURE C	F NOTICE, REPORT OR C	OTHER DATA		
TYPE OF SUBMISSION		OF ACTION					
Notice of Intent	Acidize	Deepen		☐Production(Start/Resume)	☐Water ShutOff		
	☐ Alter Casing	☐ Hydraulic Frac	cturing	Reclamation	☐ Well Integrity		
Subsequent Report	Casing Repair	■ New Constru	ction	Recomplete	⊠Other <u>APD</u>		
☐Final Abandonment Notice	Change Plans	☐ Plug and Aba	ndon	☐ Temporarily Abandon	EXTENSION		
	Convert to Injection	☐Plug Back		☐Water Disposal			
the proposal is to deepen direct the Bond under which the wor- completion of the involved op-	tionally or recomplete horizontal k will be perfonned or provide the erations. If the operation results	ly, give subsurface lone Bond No. on file with a multiple complet	cations and mea ith BLM/BIA. ion or recomple	sured and true vertical depth Required subsequent reports stion in a new interval, a For	work and approximate duration thereof. If is of all pertinent markers and zones. Attach must be filed within 30 days following m 3160-4 must be filed once testing has been and the operator has detennined that the site		
Enduring Resources reque	sts, a 2-year extension	on the above m	entioned w	vell. Original expiration	ion date is 6/1/19.		
That H	D Oxfersi	a da	a offa	10	00/01/02		
14. I hereby certify that the foregoin Lacey Granillo		Title Permit Specialist					
Signature		Date 5/6/19					
	THE SPAC	E FOR FEDER	AL OR STA	ATE OFICE USE			
Approved by Dave	Mankiewicz		Title A	FM-Min	Date 5/1/19		
Conditions of approval, if any, are certify that the applicant holds legs which would entitle the applicant to	al or equitable title to those right		Office	FFO			
Title 19 II S C Section 1001 and Ti	itle 43 II S C Section 1212 make	it a crime for any ne	reon knowingly	and willfully to make to any	department or agency of the United States		

any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

DISTRICT III