| District I 1625 N. French Dr., Hobbs, NM 88240 | State of New Mexico | | Form C-101 Revised July 18, 2013 |
|--|----------------------------------|--------------|-------------------------------------|
| Phone: (575) 393-6161 Fax: (575) 393-0720 District II | Energy Minerals and Natural Res | LEABBSOUD | Kevised July 18, 2015 |
| 811 S. First St., Artesia, NM 88210 | Energy Minerals and Natural Reso | Jurees- | |
| Phone: (575) 748-1283 Fax: (575) 748-9720 | Oil Conservation Division | | |
| District III | On Consel valion Division | APR 2 1 2015 | |
| 1000 Rio Brazos Road, Aztec, NM 87410 | 1220 Couth St. Engues to Du | HINGE | |
| Phone: (505) 334-6178 Fax; (505) 334-6170 | 1220 South St. Francis Dr. | | |
| District IV | | | |
| 1220 S. St. Francis Dr., Santa Fe, NM 87505 | Santa Fe, NM 87505 | BECEIVED | |
| Phone: (505) 476-3460 Fax: (505) 476-3462 | | Kereiaer | |

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

| | | | Operator Name Endurance Reso 3 West Wall Stre Midland TX | ources LLC eet Suite 1000 | | | | ⁴ OGRID Number 270329 ³ API Number | |
|--|----------|----------|---|------------------------------|----------------|------------|-----------|--|-----------|
| * Property Code 3. Property Name 314105 Telecaster Bass 36 State | | | | | | | | 30-025-42376 | No. |
| | | | | ^{7.} St | rface Location | | | | |
| UL - Lot | Section | Township | Range | Lot Idn | Feet from | N/S Line | Feet From | E/W Line | County |
| А | 36 | 24S | 34E | | 150 | North | 990 | East | Lea |
| | | | | * Propos | ed Bottom Hol | e Location | | | |
| UL - Lot | Section | Township | Range | Lot Idn | Feet from | N/S Line | Feet From | E/W Line | County |
| Р | 36 | 245 | . 34E | | 330 | South | 330 | East | Lea |
| | <u>.</u> | 11 | | 9. Pe | ol Information | 1 | 1 | I | |
| | | | | Deal | Nama | | | | Pool Code |

| Pool Name | Pool Code | l |
|-------------------------------|-----------|---|
| Red Hills; Bone Spring, North | 96434 | ļ |
| | | |

| | | ŀ | Additional Well Information | | |
|---------------------------------------|--------|------------------|---|------------------------------------|---|
| ^{11.} Work Type New Drill | . 12 | Well Type Oil | ^{13.} Cable/Rotary | ^{14.} Lease Type State | ^{15.} Ground Level Elevation 3372.6 |
| ^{16.} Multiple | 1 | oposed Depth | 18. Formation | ^{19.} Contractor | ^{20,} Spud Date |
| N Depth to Ground water | TVD 12 | 516 MD 17,065 | Bone Spring m nearest fresh water well | McVay | 4/22/2015 nearest surface water |

We will be using a closed-loop system in lieu of lined pits

^{21.} Proposed Casing and Cement Program

| Туре | Hole Size | Casing Size | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
|----------|-----------|-------------|------------------|---------------|-----------------|---------------|
| Surface | 17.5 | 13.375 | 54.5 | 1340' | 1239 | · . |
| Intermed | 12.25 | 9.625 | 40 | 9280 | 2447 | |
| Prod | 8.5 | 5.5 | 20 | 17065 | 1845 | 1000 |

Casing/Cement Program: Additional Comments

Plan to drill a 17-1/2" hole to 1340 with fresh water. Run 13-3/8" 54.5# J-55 casing and cement to surface. Drill 12-1/4" hole to 9280' with brine, Run 9-5/8" 40# casing and Cement to surface. Drill 8-1/2" hole to KOP at 11,926. Drill a 10°/100' curve and a ~4223' lateral to TD of ~17,065'. Run 5-1/2" 20# P-110 casing and cement in two stages.

²². Proposed Blowout Prevention Program

| Туре | Working Pressure | Test Pressure Manufacturer | | | | | | |
|---|---------------------------------|---|---------|--|--|--|--|--|
| Double Ram | 3000 | 3000 | Cameron | | | | | |
| ^{23.} I hereby certify that the information gi best of my knowledge and belief. | | OIL CONSERVATION DIVISION | | | | | | |
| I further certify that I have complied w 19.15.14.9 (B/NMAC], if applicable Signature: | vith 19.15.14.9 (A) NMAC and/or | Approved By: | ſ | | | | | |
| Printed name: Manny A. Sirgo, III | | Title: Petroleum Engineer | | | | | | |
| Title: Engineer | | Approved Date: 04/22/15 Expiration Date: 01/20/17 | | | | | | |
| E-mail Address:manny@enduranceresou | rcesllc.com | 1/10 | | | | | | |
| Date:4/21/2015 | Phone: 432-242-4680 | Conditions of Approval Attached | | | | | | |

APR 2 2 2015