

10/18/2013 DATE IN	SUSPENSE	ENGINEER <i>DB</i>	10/21/2013 LOGGED IN	TYPE <i>NSL</i>	PPRG 1329455650 APP NO.
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ABOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
- Engineering Bureau -  
1220 South St. Francis Drive, Santa Fe, NM 87505



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2013 OCT 18 P 1:34

**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Application Acronyms:**

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]  
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]  
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]  
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]  
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]  
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

*6888*

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication  
☒ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement  
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify R-4539 (R-4539-A & R-4539-B / Gas/Oil Ratio)

*Endurance Resources  
Telecaster 30 Feb '3H  
30-025-41455*

[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or ☐ Does Not Apply

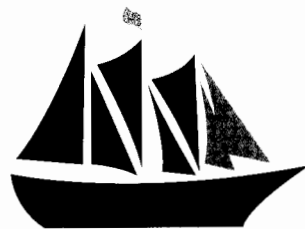
- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners
- [B] ☒ Offset Operators, Leaseholders or Surface Owner
- [C] ☐ Application is One Which Requires Published Legal Notice
- [D] ☐ Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] ☐ Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

**Note: Statement must be completed by an individual with managerial and/or supervisory capacity.**

<u>Jason South</u>	<u><i>[Signature]</i></u>	<u>Landman</u>	<u>10-16-13</u>
Print or Type Name	Signature	Title	Date
		<u>jason@enduranceresourcesllc.com</u>	
		e-mail Address	



ENDURANCE  
RESOURCES

October 16, 2013

***Via Certified Mail***  
***Return Receipt Requested***

Jami Bailey  
Oil Conservation Division  
New Mexico Department of Energy,  
Minerals and Natural Resources  
1220 South Saint Francis Drive  
Santa Fe, New Mexico 87505

Re: Application of Endurance Resources, LLC. for administrative approval of an unorthodox well location for its Telecaster 30 Federal #3H well in the Bone Springs Formation in Section 30, Township 23 South, Range 34 East, N.M.P.M., Lea County, New Mexico

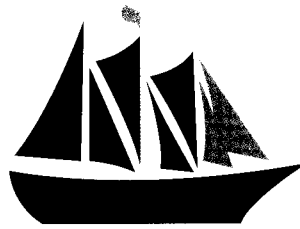
Dear Ms. Bailey:

Endurance Resources, LLC. hereby seeks administrative approval for an unorthodox well location for its Telecaster 30 Federal #3H well located in Section 30, Township 23 South, Range 34 East, N.M.P.M., Lea County, New Mexico. The proposed well is to be drilled horizontally at a surface location of 330 feet from the North line & 1,980 feet from the East line and a bottom hole location of 330 feet from the South line & 1,980 feet from the East line. A 320 acre project area has been dedicated to this horizontal well comprised of the E/2 of Section 30.

**Exhibit A** is a land plat for Section 30 and surrounding sections that shows the proposed non-standard location of the Telecaster 30 Federal #3H well in relation to adjoining units and existing wells. This location is unorthodox because the formation under this acreage is governed by the Bell Lake Bone Spring Pool (Pool 5130) which provides for wells to be located no closer than 660 feet to the outer boundary of the spacing unit. The location of this well will be unorthodox because the entire completed interval will be closer than 660 feet to the boundary of the project area for engineering reasons, and is, therefore, unorthodox under the Division rules.

**Exhibit B** is the well location and acreage dedication plat (Form C-102), which shows that the proposed Telecaster Federal 30 #3H well encroaches on the spacing and proration unit to the North, Northwest, South and Southwest.

**Exhibit C** is the list of affected parties that the non-standard location encroaches. The proposed well encroaches upon the spacing and proration unit to the North and Northwest which affects Section 19.



ENDURANCE  
RESOURCES

Endurance Resources, LLC. and Devon Energy Production Company, L.P. own all of the working interest in Section 19 to the North while Devon Energy Production Company, L.P. is the operator of the acreage in Section 19 to the Northwest. The proposed well also encroaches upon the spacing and proration unit to the South and Southwest which affects Section 31, where Kaiser-Francis Oil Company is the operator. A copy of this application and all enclosures have been sent to each of the identified affected parties at the address listed in Exhibit C.

Your attention to this application is appreciated.

Sincerely,  
Endurance Resources, LLC.

A stylized, handwritten signature in black ink, appearing to read 'Jason South'.

Jason South, CPL  
Landman

Enclosures







# Exhibit B

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (505) 394-6161 Fax: (505) 394-0720  
District II  
411 S. First St., Artesia, NM 88210  
Phone: (505) 448-1283 Fax: (505) 448-9720  
District III  
1000 Rio Breros Road, Arree, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6179  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number <b>30-025-41455</b>	<sup>2</sup> Pool Code <b>5130</b>	<sup>3</sup> Pool Name <b>BELL LAKE; BONE SPRING</b>
<sup>4</sup> Property Code	<sup>5</sup> Property Name <b>TELECASTER 30 FEDERAL</b>	
<sup>6</sup> OGRID No. <b>270329</b>	<sup>7</sup> Operator Name <b>ENDURANCE RESOURCES, LLC</b>	
	<sup>8</sup> Well Number <b>3H</b>	<sup>9</sup> Elevation <b>3585.0</b>

### <sup>10</sup> Surface Location

U/L or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>B</b>	<b>30</b>	<b>23 S</b>	<b>34 E</b>		<b>330</b>	<b>NORTH</b>	<b>1980</b>	<b>EAST</b>	<b>LEA</b>

### <sup>11</sup> Bottom Hole Location If Different From Surface

U/L or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>O</b>	<b>30</b>	<b>23 S</b>	<b>34 E</b>		<b>330</b>	<b>SOUTH</b>	<b>1980</b>	<b>EAST</b>	<b>LEA</b>

<sup>12</sup> Dedicated Acres <b>320</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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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.

<p>N89°35'07"E 2581.77 FT</p> <p>NW CORNER SEC. 30 LAT. = 32.2828605°N LONG. = 103.5175189°W NMSP EAST (FT) N = 467596.14 E = 793455.08</p> <p>W O CORNER SEC. 30 LAT. = 32.2756104°N LONG. = 103.5175189°W NMSP EAST (FT) N = 464958.55 E = 793474.54</p> <p>SW CORNER SEC. 30 LAT. = 32.2683675°N LONG. = 103.5175237°W NMSP EAST (FT) N = 462323.59 E = 793493.08</p> <p>NOTE: LATITUDE AND LONGITUDE COORDINATES ARE SHOWN USING THE NORTH AMERICAN DATUM OF 1983 (NAD83). LISTED NEW MEXICO STATE PLANE EAST COORDINATES ARE GRID (NAD83). BASIS OF BEARING AND DISTANCES USED ARE NEW MEXICO STATE PLANE; EAST COORDINATES MODIFIED TO THE SURFACE.</p>		<p>N89°36'05"E 2640.78 FT</p> <p>N O CORNER SEC. 30 LAT. = 32.2828576°N LONG. = 103.5091847°W NMSP EAST (FT) N = 467614.81 E = 796036.31</p> <p>NE CORNER SEC. 30 LAT. = 32.2828520°N LONG. = 103.5006216°W NMSP EAST (FT) N = 467633.18 E = 798676.53</p> <p>SE CORNER SEC. 30 LAT. = 32.2692560°N LONG. = 103.5070016°W NMSP EAST (FT) N = 462671.69 E = 796742.91</p> <p>S O CORNER SEC. 30 LAT. = 32.2683522°N LONG. = 103.5091322°W NMSP EAST (FT) N = 462337.82 E = 796086.90</p>	
<p>TELECASTER "30" FEDERAL #3H ELEV. = 3585.0 LAT. = 32.2819493°N (NAD83) LONG. = 103.5070255°W NMSP EAST (FT) N = 467289.47 E = 796699.98</p>		<p>BOTTOM OF HOLE LAT. = 32.2692560°N LONG. = 103.5070016°W NMSP EAST (FT) N = 462671.69 E = 796742.91</p>	

N00°25'21"W 2638.15 FT

N00°24'12"W 2635.52 FT

S00°31'44"E 2638.19 FT

S00°31'44"E 2638.19 FT

S89°41'09"W 2594.34 FT

S89°33'42"W 2638.92 FT

S00°31'44"E 2638.19 FT

S00°31'44"E 2638.19 FT

### <sup>17</sup> 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 or has a right to drill this well at this 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.

Signature **7/9/13**  
Date  
**CALE JACKSON**  
Printed Name  
**CALE@enduranceresourcesllc.com**  
E-mail Address

### <sup>18</sup> SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

JUNE 19, 2013  
Date of Survey  
**Frank Jaramillo**  
Signature and Seal of Professional Surveyor  
Certificate Number **FRANK J. JARAMILLO, PLS 12797**  
SURVEY NO. 1918

## Exhibit C

Endurance Resources, LLC. NSL Application  
Telecaster 30 Fed #3H Well

Devon Energy Production Company, L.P.  
333 West Sheridan Avenue  
Oklahoma City, OK 73102  
Attn: Kathy Blick

Kaiser-Francis Oil Company  
6733 South Yale Avenue  
Tulsa, OK 74136  
Attn: Wayne Fields



October 16, 2013

***Via Certified Mail  
Return Receipt Requested***

TO AFFECTED PARTIES

Re: Application of Endurance Resources, LLC. for administrative approval of an unorthodox well location for its Telecaster 30 Federal #3H well in the Bone Springs Formation in Section 30, Township 23 South, Range 34 East, N.M.P.M., Lea County, New Mexico

Ladies and Gentlemen:

Enclosed is a copy of the above-referenced application which was sent via certified mail to the New Mexico Oil Conservation Division on October 16, 2013, by Endurance Resources, LLC., for an unorthodox well location for its Telecaster 30 Federal #3H well to be located in Section 30, Township 23 South, Range 34 East, N.M.P.M., Lea County, New Mexico. The proposed well is to be drilled horizontally at a surface location of 330 feet from the North line & 1,980 feet from the East line and a bottom hole location of 330 feet from the South line & 1,980 feet from the East line. A 320 acre project area has been dedicated to this horizontal well comprised of the E/2 of Section 30.

As an owner of an interest that may be affected by the well, you may object to this application. Objections must be filed in writing within twenty days from this date at the Division's Santa Fe office, located at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. If no objection is received within this twenty-day period, this application for an unorthodox well location may be approved.

If you have any questions concerning this application, you may contact the undersigned by telephone at (432) 242-4683 or by email at [jason@enduranceresourcesllc.com](mailto:jason@enduranceresourcesllc.com).

Sincerely yours,  
Endurance Resources, LLC.

A handwritten signature in black ink, appearing to read "Jason South", is written over a horizontal line.

Jason South, CPL  
Landman

**Brooks, David K., EMNRD**

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**From:** Brooks, David K., EMNRD  
**Sent:** Monday, November 18, 2013 6:08 PM  
**To:** jason@enduranceresourcesllc.com  
**Subject:** Telecaster 30 Fed. #3H; NSL Application

Good morning Mr. South

I have before me the referenced application.

You correctly note that this location encroaches toward the North, Northwest, South and Southwest, and you have accounted, in your list of parties to be noticed, for the owners of the units adjoining in those directions.

However, you fail to note that the location encroaches also toward the adjoining spacing units to the west, *i.e.*, those in the W/2 of Section 30, and you do not discuss the ownership of those units. Perhaps the ownership of the W/2 of Section 30 is identical to the E/2, but your application does not so state.

Please advise.

Sincerely  
David K. Brooks



## Brooks, David K., EMNRD

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**From:** Jason South <jason@enduranceresourcesllc.com>  
**Sent:** Tuesday, November 19, 2013 7:19 AM  
**To:** Brooks, David K., EMNRD  
**Subject:** RE: Telecaster 30 Fed. #3H; NSL Application

Mr. Brooks,

I apologize for not including the ownership in the W/2 of Section 30. Endurance Resources, LLC owns 100% of the WI in all of Section 30 as to the Bone Spring Formation. Please let me know if you need me to provide you with any additional information. Thank you very much for all of your help and I apologize for leaving off the W/2 ownership. Hope you have a good one.

Thanks again,

Jason

Jason South, CPL  
Senior Landman  
Endurance Resources  
Work: (432) 242-4683  
Cell: (432) 210-1368

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**From:** Brooks, David K., EMNRD [<mailto:david.brooks@state.nm.us>]  
**Sent:** Monday, November 18, 2013 7:08 PM  
**To:** Jason South  
**Subject:** Telecaster 30 Fed. #3H; NSL Application

Good morning Mr. South

I have before me the referenced application.

You correctly note that this location encroaches toward the North, Northwest, South and Southwest, and you have accounted, in your list of parties to be noticed, for the owners of the units adjoining in those directions.

However, you fail to note that the location encroaches also toward the adjoining spacing units to the west, *i.e.*, those in the W/2 of Section 30, and you do not discuss the ownership of those units. Perhaps the ownership of the W/2 of Section 30 is identical to the E/2, but your application does not so state.

Please advise.

Sincerely  
David K. Brooks