



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Pecos District

Carlsbad Field Office

620 E. Greene

Carlsbad, New Mexico 88220-6292

www.blm.gov/nm



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2012 FEB 17 A 11:43

IN REPLY REFER TO:

3162.3-2 (P0220)

LC029392B

FEB 14 2012

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

Re: Proposed Pressure Maintenance for Lease LC 029392B

The BLM will object to this proposal for the following reasons:

1. According to the production reports, the well is still producing in paying quantities.
2. The well is on the far west of the lease and will move Federal minerals into another lease. Operator shall provide geological structure maps detailing how converting this well will benefit the lease.
3. Operator to explain how this well will provide pressure maintenance for sections 26 and 35. Section 27 is also questionable, but could be affected by this well.
4. Operator to explain how granting this application will prevent waste and protect correlative rights.
5. If operator is intending to expand this project to the other portions of the Hinkle lease, that shall be discussed in the proposal or operator should reduce request to more appropriate area.

If you have any questions regarding this approval, please contact Wesley W. Ingram, Supervisory Petroleum Engineer at (575) 234-5982.

Sincerely,

Wesley W. Ingram

Wesley W. Ingram

Supervisory Petroleum Engineer

Bureau of Land Management

Carlsbad Field Office

cc: Endurance Resources, LLC