

frantic oil patch, I will not be checking to see if this number comes down – so I ask you to please let me know in writing when Endurance is back within the allowed number of wells. If you think an agreed compliance order would be in the cards, contact Daniel Sanchez of this office to work that out.

From: William Jones
To: Randall Harris

7/8/11

I only glanced at this application and have not reviewed it in detail. I did see a couple of things that must also be addressed:

- a. It seems there may be open producers in this same interval, if that is the case, then this may not be an SWD and instead should be classified as a waterflood injector. We can't approve waterflood injection wells without first approving a waterflood at an examiner hearing. So an examiner hearing is necessary if only to present evidence this truly is an SWD well or to create the waterflood that this well can be located in. If this already is in a waterflood, let me know the hearing order which approved it.
- b. You provided notice to several affected parties. We ask that you also identify all the separately owned tracts of land and give the legal description of each tract and which party or parties control each tract. Before providing notice, you must have used this approach to determine whom to notice. You can send a colored map if you want – see the attached example – or you could do it other ways. You have sent in many SWD applications over the years, so I won't include here the rules for notice – but point out that the language for notice on the old form C-108 is not entirely what the current rule provides. Our rules are posted on the OCD web site.

Have a great week,

William V Jones, P.E.

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