

**STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION**

**APPLICATION OF ENDURANCE RESOURCES LLC
FOR A SPECIAL DEPTH BRACKET ALLOWABLE
FOR OIL WELLS WITHIN THE WC-025 G-05 S253523H;
DELAWARE WILDCAT POOL, LEA COUNTY, NEW MEXICO.**

CASE NO. 15465

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APPLICATION

Endurance Resources LLC ("Endurance") (OGRID No. 270329), through its undersigned attorneys, hereby makes application pursuant to NMAC 19.15.20.12.D to increase the depth bracket allowable for oil wells within the WC-025 G-05 S253523H; Delaware Wildcat Pool. In support of this application Endurance states:

1. The WC-025 G-05 S253523H; Delaware Pool is a wildcat pool established in 2009 by Chcsapeake Operating, Inc. as the result of the discovery of hydrocarbons in the Dinwiddie 23 Federal No. 1 Well (API No. 30-025-38242) located in the SE/4 NE/4 (Unit H) of Section 23, Township 25 South, Range 35 East, NMPM, Lea County, New Mexico. Pursuant to Division Rule 19.15.20.12.A, this pool was assigned a depth bracket allowable of 230 barrels of oil per day for each 40-acre spacing unit.

2. The Division district office has informed the Applicant that the WC-025 G-05 S253523H; Delaware Pool currently comprises the following acreage in Lea County, New Mexico:

Township 25 South, Range 35 East, N.M.P.M.

Section 15: S/2
Section 16: W/2 and SE/4
Section 22: NE/4
Section 23: N/2

3. Endurance has recently completed its White Falcon 16 State No. 1H well as a horizontal well in the WC-025 G-05 S253523H; Delaware Pool underlying the W/2 W/2 of Section 16. The completed interval for this well is within the Basal Brushy Canyon formation at a depth of 8,950 and has demonstrated that it is capable of production at rates in excess of the depth bracket allowable currently assigned to wells in this pool.

4. Endurance's analysis of the WC-025 G-05 S253523H; Delaware Pool indicates that increasing the depth bracket allowable from 230 to 350 barrels of oil per day for each 40-acre spacing unit will not damage the reservoir or cause waste of the remaining reserves.

5. In order to allow Endurance and other operators in the WC-025 G-05 S253523H; Delaware Pool to efficiently and effectively produce the oil reserves, Endurance requests that the Division increase the depth bracket allowable from 230 to 350 barrels of oil per day for each 40-acre spacing unit.

6. Notice of this application will be provided to the Division designated operators in the WC-025 G-05 S253523H; Delaware Pool as well as the Division designated operators and working interest owners within the Delaware formation within one mile of the pool's outer boundary.

7. Approval of this application is in the best interests of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, Endurance respectfully requests that this application be set for hearing before an Examiner of the Oil Conservation Division on March 31, 2016, and that after notice and hearing, the Division enter an order approving this application.

Respectfully submitted,

HOLLAND & HART LLP

By: 

Michael H. Feldewert
Jordan L. Kessler
Post Office Box 2208
Santa Fe, New Mexico 87504-2208
(505) 988-4421
(505) 983-6043 Facsimile
mfeldewert@hollandhart.com
jlkessler@hollandhart.com

**ATTORNEYS FOR
ENDURANCE RESOURCES LLC**

CASE No. 15465 **Application Of Endurance Resources LLC To For A Special Depth Bracket Allowable For The WC-025 G-05 S253523H; Delaware Pool, Lea County, New Mexico.** Applicant seeks to increase the depth bracket allowable for oil wells within the WC-025 G-05 S253523H; Delaware Pool (97779) from 230 to 350 barrels of oil per day for each 40-acre spacing unit. This pool is currently covers the following acreage in Lea County, New Mexico:

Township 25 South, Range 35 East, N.M.P.M.

Section 15: S/2

Section 16: W/2 and SE/4

Section 22: NE/4

Section 23: N/2

Said pool is located approximately 15 miles northwest of Jal, New Mexico.