Form 3160-5 (March 2012)

UNITED STATES DEPARTMENT OF THE INTERIOR

MAYC2 6-2045

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2014

	Lease Serial N
RECEIVED	5. Lease Serial N NMNM68820

BURE	EAU OF LAND MANAG	EMENT R		se Serial No. M68820		
Do not use this fo	OTICES AND REPORT orm for proposals to d Jse Form 3160-3 (APD	rill or to re-enter an		ndian, Allottee o	r Tribe Name	
	IN TRIPLICATE - Other inst	ructions on page 2.	7. If U	Init of CA/Agree	ment, Name and/or No.	
I. Type of Well ☑ Oil Well ☐ Gas W	ell Other			II Name and No.	oral 3H	
2. Name of Operator Endurance Resources LLC			9. API	Well No. 025-41448	/	
3a. Address 203 West Wall Street Suite 1000 Midland TX 79		Phone No. (include area coo	I		Exploratory Area Bone Spring West	
 Location of Well (Footage, Sec., T., I 330 FSL & 1980 FEL UL O Sec. 19 T23S R3 			1	ounty or Parish, Sea County, Nev		<u> </u>
12. CHEC	K THE APPROPRIATE BOX(E	S) TO INDICATE NATURE	OF NOTICE, RE	PORT OR OTH	ER DATA	
TYPE OF SUBMISSION		TY	PE OF ACTION			
Notice of Intent	Acidize Alter Casing	Deepen Fracture Treat	Production (Start/Resume)	Water Shut-Off Well Integrity	
Subsequent Report	Casing Repair	New Construction	Recomplete		Other	
Final Abandonment Notice	Change Plans Convert to Injection	☐ Plug and Abandon☐ Plug Back	Temporarily Water Dispo			
following completion of the involve testing has been completed. Final determined that the site is ready for Water is being produced from the via flowline to the Federal 19 No. See attached Administrative On the See attached Administrative On the Federal 19 No.	Abandonment Notices must be firfinal inspection.) ne Bone Spring formation and b. 1 SWD (SWD-1067) API Notice SWD-1067.	led only after all requirement is producing approximate b. 30-025-24676 located in	s, including reclam y 129.55 BWPD.	nation, have been This produced	completed and the ope	erator has
M. A. Sirgo, III	1	Title Enginee	r			
Signature	· digo i	Date 03/12/20	015	ACCEPT	ED FOR RE	CORD
	THIS SPACE FO	OR FEDERAL OR ST	ATE OFFICE	USE		
Approved by		Title	W	z. d	MY 10 2015	7
Conditions of approval, if any, are attache that the applicant holds legal or equitable entitle the applicant to conduct operations	title to those rights in the subject le	t warrant or certify	19	BUREAU'	OF LAND MANAGE	MENT
Title 18 U.S.C. Section 1001 and Title 43 fictitious or fraudulent statements or repr	U.S.C. Section 1212, make it a cri		nd willfully to make	E to any departmen	SBAD FIELD OFFICE fit or agency of the United	States any false

(Instructions on page 2)

MAY 27 2015



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Scenetary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

ADMINISTRATIVE ORDER SWD-1067

APPLICATION OF RAY WESTALL FOR PRODUCED WATER DISPOSAL, LEA COUNTY, NEW MEXICO

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

Under the provisions of Rule 701(B), RAY WESTALL made application to the New Mexico Oil Conservation Division for permission to utilize for produced water disposal its Federal 19 Well No. 1 (API No. 30-025-24676) located 660 feet from the North line and 660 feet from the East line of Section 19, Township 23 South, Range 34 East, NMPM, Lea County, New Mexico.

THE DIVISION DIRECTOR FINDS THAT:

- (1) The application has been duly filed under the provisions of Rule 701(B) of the Division Rules and Regulations;
- (2) Satisfactory information has been provided that all offset operators and surface owners have been duly notified;
- (3) The applicant has presented satisfactory evidence that all requirements prescribed in Rule 701 will be met; and
- (4) No objections have been received within the waiting period prescribed by said rule.

IT IS THEREFORE ORDERED THAT:

The applicant is hereby authorized to utilize its Federal 19 Well No. 1 (API No. 30-025-24676) located 660 feet from the North line and 660 feet from the East line of Section 19, Township 23 South, Range 34 East, NMPM, Lea County, New Mexico, in such manner as to permit the injection of produced water for disposal purposes into the Cherry Canyon member of the Delaware Mountain Group through perforations from 6670 feet to 6883 feet and through plastic-lined tubing set with a packer located within 100 feet of the top of the injection interval.

Oil Conservation Division * 1220 South St. Francis Drive * Santa Fe. New Mexico 87505 Phone: (505) 476-3440 * Fax (505) 476-3462 * http://www.emard.state.nm.us

IT IS FURTHER ORDERED THAT:

The operator shall take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface.

As preparation for injection, the operator shall plug back the well with cement and cast iron bridge plug to within 200 feet of the bottom permitted injection interval.

The casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge or an approved leak detection device in order to determine leakage in the casing, tubing, or packer.

After installing injection tubing, the casing shall be pressure tested from the surface to the packer setting depth to assure casing integrity.

The wellhead injection pressure on the well shall be limited to no more than 1334 psi. In addition, the injection well or system shall be equipped with a pressure limiting device in workable condition which shall, at all times, limit surface injection pressure to the maximum allowable pressure for this well.

The Director of the Division may authorize an increase in injection pressure upon a proper showing by the operator of said well that such higher pressure will not result in migration of the injected fluid from the injection formation. Such proper showing shall consist of a valid step-rate test run in accordance with and acceptable to this office.

The operator shall notify the supervisor of the Hobbs district office of the Division of the date and time of the installation of disposal equipment and of any mechanical integrity test so that the same may be inspected and witnessed.

The operator shall immediately notify the supervisor of the Hobbs district office of the Division of the failure of the tubing, casing, or packer in said well and shall take such steps as may be timely and necessary to correct such failure or leakage.

PROVIDED FURTHER THAT, jurisdiction is retained by the Division for the entry of such further orders as may be necessary for the prevention of waste and/or protection of correlative rights or upon failure of the operator to conduct operations (1) to protect fresh water or (2) consistent with the requirements in this order, whereupon the Division may, after notice and hearing, terminate the injection authority granted herein.

The operator shall provide written notice of the date of commencement of injection to the Hobbs district office of the Division.

The operator shall submit monthly reports of the disposal operations on Division Form C-115, in accordance with Rule Nos. 706 and 1120 of the Division Rules and Regulations.

The injection authority granted herein shall terminate one year after the effective date of this order if the operator has not commenced injection operations into the subject well, provided however, the Division, upon written request by the operator, may grant an extension thereof for good cause shown.

Approved at Santa Fe, New Mexico, on February 6, 2007.

MARK E. FESMIRE, P.E.

Director

MEF/wvjj

cc: C

Oil Conservation Division - Hobbs Bureau of Land Management - Carlsbad



Customer:

Sales Rep: Lease:

Site Type:

Sample Point Description

District:

Permian Basin Area Laboratory 2101 S Market Street Bldg. B

New Mexico

TRANSFER PUMP

Facility

Report Date:

Samuel Newman

3/20/2015

Complete Water Analysis Report SSP v.8 ENDURANCE RESOURCES LLC Sample Point Name Federal 19 # 1 SWD 201501009579 Sample ID: Wayne C Peterson Sample Date: 2/25/2015 DELEWARE BASIN Log Out Date: 3/20/2015

ENDURANCE RESOURCES LLC, DELEWARE BASIN, Federal 19 # 1 SWD

Analyst:

Field Data				Analysis c	f Sample		
		Anions:	/ mg/L	meq/L	Cations:	mg/L)	meq/L
Initial Temperature (°F):	250	Chloride (Cl'):	72820.3	2054.2	Sodium (Na*):	40648.5	1768.
Final Temperature (*F):	80	Sulfate (SO ₄ 2-):	1783.0	37.1	Potassium (K ⁺):	722.4	18.5
Initial Pressure (psi):	100	Borate (H ₃ BO ₃):	234.0	3.8	Magnesium (Mg ²⁺):	897.9	73.9
Final Pressure (psi):	15	Fluoride (F´):	ND		Calcium (Ca ²⁺):	5839.0	291.
		Bromide (Br`):	ND		Strontium (Sr ²⁺):	304.2	6.
pH:		Nitrite (NO ₂ "):	ND		Barium (Ba ²⁺):	0.0	0.
pH at time of sampling:	7.0	Nitrate (NO ₃ '):	ND		lron (Fe ²⁺):	64.7	2.
		Phosphate (PO ₄ ³ ·):	ND		Manganese (Mn ²⁺):	1.1	0.
		Silica (SiO₂):	ND		Lead (Pb ²⁺):	ND	
					Zinc (Zn ²⁺):	0.0	0.
Alkalinity by Titration: mg	/L meq/L	1					
Bicarbonate (HCO ₃):	488.0 8.0				Aluminum (Al ³⁺):	ND	
Carbonate (CO ₃ ²⁻):	ND				Chromium (Cr³+):	ND	
Hydroxide (OH'):	ND				Cobalt (Co ²⁺):	ND	
		Organic Acids:	₩ Jmg/L	meq/L	Copper (Cu ²⁺):	ND	
aqueous CO ₂ (ppm):	400.0	Formic Acid:	ND	- Maria Maria	Molybdenum (Mo²+):	ND	
aqueous H ₂ S (ppm):	68.0	Acetic Acid:	ND		Nickel (Ni ²⁺):	ND	
aqueous O₂ (ppb):	ND	Propionic Acid:	NĐ	1	Tin (Sn ²⁺):	ND	
		Butyric Acid:	ND		Titanium (Ti ²⁺):	ND	
Calculated TDS (mg/L):	123803	Valeric Acid:	ND		Vanadium (V²⁺):	ND	
Density/Specific Gravity (g/cm ³): 1.0805	i			Zirconium (Zr ²⁺):	ND	
Measured Density/Specific Grav	ity 1.0877	1			1		
Conductivity (mmhos):	ND	· ·			Total Hardness:	18643	N/
Resistivity:	ND						
MCF/D:	No Data						
BOPD:	No Data						
BWPD:	No Data	Anion/Cation Ratio:		0.97	ND = Not	Determined	

Cond	Conditions		Barite (BaSO ₄)		Calcite (CaCO ₃)		Gypsum (CaSO ₄ ·2H ₂ O)		te (CaSO ₄)
Temp	Press.	Index	Amt (ptb)	Index	Amt (ptb)	Index	Amt (ptb)	Index	Amt (ptb)
80°F	15 psi		0.000	1.49	106.196	-0.03	0.000	-0.21	0.000
99°F	24 psi		0.000	1.51	106.669	-0.01	0.000	-0.12	0.000
118°F	34 psi		0.000	1.56	107.754	0.00	0.000	-0.02	0.000
137°F	43 psi		0.000	1.61	108.961	0.01	25.047	0.08	135.473
156°F	53 psi		0.000	1.67	110.192	0.02	49.911	0.19	282.401
174°F	62 psi		0.000	1.74	111.443	0.03	74.606	0.29	405.899
193°F	72 psi		0.000	1.81	112.729	0.04	98.558	0.40	507.573
212°F	81 psi		0.000	1.88	114.165	0.06	120.664	0.52	589.633
231°F	91 psi		0.000	1.96	115.692	0.06	139.477	0.63	654.685
250°F	100 psi		0.000	2.04	117.245	0.07	153.306	0.74	705.459

Cond	itions	Celestit	te (SrSO ₄)	Halite	e (NaCl)	Iron Su	Iron Sulfide (FeS)		nate (FeCO ₃)
Temp	Press.	Index	Amt (ptb)	Index	Amt (ptb)	Index	Amt (ptb)	Index	Amt (ptb)
80°F	15 psi	0.41	125.399	-1.31	0.000	4.01	35.659	1.18	40.238
99°F	24 psi	0.42	127.780	-1.33	0.000	3.86	35.654	1.26	41.175
118°F	34 psi	0.43	129.921	-1.34	0.000	3:77	35.651	1.35	42.105
137°F	43 psi	0.44	132.244	-1.35	0.000	3.72	35.650	1.43	42.869
156°F	53 psi	0.46	135.010	-1.35	0.000	3.68	35.649	1.51	43.468
174°F	62 psi	0.47	138.335	-1.36	0.000	3.66	35.649	1.58	43.930
193°F	72 psi	0.50	142.220	-1.36	0.000	3.66	35.649	1.64	44.283
212°F	81 psi	0.52	146.576	-1.36	0.000	3.67	35.651	1.69	44.581
231°F	91 psi	0.55	151.252	-1.36	0.000	3.69	35.653	1.74	44.817
250°F	100 psi	0.58	156,061	-1.36	0.000	3.72	35.655	1.77	44.992

Note 1: When assessing the severity of the scale problem, both the saturation index (SI) and amount of scale must be or

Note 2: Precipitation of each scale is considered separately. Total scale will be less than the sum of the amounts of the eight (8) scales

Note 3: Saturation Index predictions on this sheet use pH and alkalinity; %CO₂ is not included in the calculations.





Comments: