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

APPLICATION OF ENDURING RESOURCES, LLC FOR APPROVAL OF THE HAYNES CANYON UNIT, RIO ARRIBA COUNTY, NEW MEXICO.

CASE NO. 22854

APPLICANT'S PREHEARING STATEMENT

ENDURING RESOURCES, LLC, ("Enduring") (OGRID No. 372286) submits this Prehearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

<u>APPLICANT</u> <u>ATTORNEY</u>

Enduring Resources, LLC Michael H. Feldewert

Adam G. Rankin

Julia Broggi

Holland & Hart, LLP Post Office Box 2208

Santa Fe, New Mexico 87504-2208

(505) 988-4421

(505) 983-6043 Facsimile mfeldewert@hollandhart.com agrankin@hollandhart.com jbroggi@hollandhart.com

OTHER PARTIES ATTORNEY

APPLICANT'S STATEMENT OF CASE

Enduring Resources, LLC seeks an order approving the proposed Haynes Canyon Unit. The proposed Unit Area consists of approximately 4,201.98-acres of the following Federal, State Trust, and Patented lands situated in Rio Arriba County, New Mexico:

Township 23 North, Range 6 West, N.M.P.M.

Section 2: NW/4

Section 3: ALL

Section 4: ALL

Section 9: E/2, S/2 NW/4, S/2 SW/4, NE/4 SW/4

Section 10: ALL

Section 11: ALL

Section 12: W/2 W/2

Section 15: ALL

Section 16: NE/4

Enduring is the designated operator under the proposed Unit Agreement and the unitized interval is defined as the stratigraphic equivalent of the top of the Mancos formation at a measured depth of 4,538 feet beneath the surface to the base of the Gallup formation at a measured depth of 5,620 feet beneath the surface as seen on the log in the WPX Enchilada 002X Well (API# 3003931194), which is located in Section 16, Township 23 North, Range 6 West, Rio Arriba County, New Mexico.

The proposed Haynes Canyon Unit Agreement ("Unit Agreement") applies to horizontal and multi-lateral wells only, and all existing vertical wells within the Unit Area producing from the Mancos-Gallup formation are excluded from the terms of the Unit Agreement, which was attached as Exhibit A with the application. Enduring has met with the Bureau of Land Management and received a letter recognizing the proposed unit area as logically subject to exploration and development under the unitization provisions of the Mineral Leasing Act.

The Unit Agreement, and the unitized operation and management of the Unit Area, are in the best interests of conservation, the prevention of waste and the protection of correlative rights.

APPLICANT'S PROPOSED EVIDENCE

WITNESS
Name and Expertise

Anita Ashland – Landman

Affidavit

Approx. 5

Raffaello Sarcedoti – Geologist

Affidavit

Approx. 4

PROCEDURAL MATTERS

Enduring intends to present this case by affidavit if there is no opposition at the time of hearing.

Respectfully submitted,

HOLLAND & HART LLP

By:

Michael H. Feldewert
Adam G. Rankin
Julia Broggi
Paula M. Vance
Post Office Box 2208
Santa Fe, NM 87504
505-998-4421
Facsimile 505-983-6043
mfeldewert@hollandhart.com
agrankin@hollandhart.com
jbroggi@hollandhart.com
pmvance@hollandhart.com

ATTORNEYS FOR ENDURING RESOURCES, LLC

18941041_v1

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

District II 811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

QUESTIONS

Action 111224

QUESTIONS

Operator:	OGRID:
ENDURING RESOURCES, LLC	372286
6300 S Syracuse Way, Suite 525	Action Number:
Centennial, CO 80111	111224
	Action Type:
	[HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony		
Please assist us by provide the following information about your testimony.		
Number of witnesses	2	
Testimony time (in minutes)	9	