

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

APPLICATION OF ENDURING RESOURCES, LLC TO CONTRACT THE BASIN MANCOS POOL FROM THE PROPOSED HAYNES CANYON UNIT AREA AND EXPAND THE COUNSELORS GALLUP-DAKOTA POOL TO THE INTERIOR BOUNDARY OF THE PROPOSED HAYNES CANYON UNIT AREA, RIO ARRIBA COUNTY, NEW MEXICO.

CASE NO. _____

APPLICATION

Enduring Resources, LLC, (“Enduring”) (OGRID No. 372286) through its undersigned attorneys, files this application with the Oil Conservation Division to contract the Basin Mancos Pool (Pool Code 97232) from the proposed Haynes Canyon Unit and expand the Counselors Gallup-Dakota pool (Pool Code 13379) to the interior boundary of the proposed Haynes Canyon Unit. In support of its application, Enduring states:

1. The proposed Haynes Canyon 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 (the “Unit Area”):

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

2. 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.

3. Enduring presented its application for approval of its proposed Haynes Canyon Unit at a hearing before a Division Examiner on June 2, 2022, in Case No. 22854. The case was taken under advisement and an order is pending Division approval.

4. At the time Enduring was preparing to file its application for unit approval with the Division, the Aztec District Office informed Enduring that there are two Division-designated pools for the Mancos-Gallup formation within the proposed Unit Area: The Counselors Gallup-Dakota pool (Pool Code 13379) and the Basin Mancos Pool (Pool Code 97232). The District Office instructed Enduring to file a subsequent application to modify the pool boundaries to contract the Basin Mancos pool out of the Unit Area and to expand the Counselors Gallup-Dakota pool to the interior boundary of the Unit Area, so the only Division-designated pool within the Unit Area will be the Counselors Gallup-Dakota pool.

5. To foster administrative reporting and efficiency, and to comply with the District Office's instructions, Enduring seeks to contract the Basin Mancos Pool (Pool Code 97232) outside the exterior boundary of the Unit Area and to expand the Counselors Gallup-Dakota pool (Pool Code 13379) to the interior boundary of the Unit Area.

6. Approval of the contraction and expansion of pools as set forth herein will promote administrative and reporting efficiency.

7. All Division designated operators of wells within the affected pools, or within the same formation, within one mile of the proposed Haynes Canyon Unit have been provided notice of this application and hearing.

WHEREFORE, Enduring requests that this Application be set for hearing before an Examiner of the Oil Conservation Division on July 7, 2022, and that after notice and hearing as required by law, the Division enter its order granting this Application.

Respectfully submitted,

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