



# United States Department of the Interior

BUREAU OF LAND MANAGEMENT  
Pecos District  
Carlsbad Field Office  
620 E. Greene  
Carlsbad, New Mexico 88220-6292  
www.blm.gov/nm



IN REPLY REFER TO:  
3162.3-2 (P0220)  
LC029392B

**FEB 14 2012**

Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, NM 87505

Re: Proposed Pressure Maintenance for Lease LC 029392B

The BLM will object to this proposal for the following reasons:

1. According to the production reports, the well is still producing in paying quantities.
2. The well is on the far west of the lease and will move Federal minerals into another lease. Operator shall provide geological structure maps detailing how converting this well will benefit the lease.
3. Operator to explain how this well will provide pressure maintenance for sections 26 and 35. Section 27 is also questionable, but could be affected by this well.
4. Operator to explain how granting this application will prevent waste and protect correlative rights.
5. If operator is intending to expand this project to the other portions of the Hinkle lease, that shall be discussed in the proposal or operator should reduce request to more appropriate area.

If you have any questions regarding this approval, please contact Wesley W. Ingram, Supervisory Petroleum Engineer at (575) 234-5982.

Sincerely,

Wesley W. Ingram  
Supervisory Petroleum Engineer  
Bureau of Land Management  
Carlsbad Field Office

cc: Endurance Resources, LLC

OCD Case# 14799  
Endurance Resources, LLC  
March 15, 2012  
Ex# 3

Bureau of Land Management  
620 E Greene  
Carlsbad, New Mexico 88220  
Attn: Wesley W. Ingram

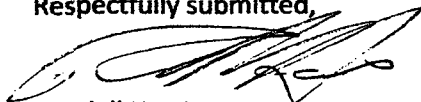
RE: Endurance Resources, LLC  
Hinkle B Federal #19  
30-015-24527

Mr. Ingram,

In reference to your letter dated Feb.14, 2012 (3162.3-2) and our meeting of March 1, 2012, the following information is provided for a more complete understanding of the conversion of the Hinkle B Federal #19 into an injection well.

1. In December, routine maintenance of the Hinkle B wells was performed to maintain and or enhance production. This consisted of 500 gallons of acid with paraffin solvent and iron control agents dumped down the backside. There was a slight improvement in most wells except for the Hinkle B #19. This well went on a vacuum and has not produced since (see attached OGOR report for January).
2. Injected water at this location should migrate down dip south southeast and could enhance production in the of the offset Hinkle wells no's 5, 6, 7 and 21. (Queen structure map attached). As to migrating to the West into section 33, the Shug A #2 (UL -H) did not penetrate the proposed Queen and Grayburg formations. The Shug A #1(UL -A) has not produced since March, 2010(attached NMOCD Inactive Well List) and for two years prior made less than 1 bopd. The total cumulative production for the well is 7612 BO and 362 MCFG(attached NMOCD production summary ). Also in Section 33, the Phillips Federal #1 (UL-G) only produced 16 BO from the Queen Grayburg before P&A(attached NMOCD C-115). The Shugart 1-B(UL-O) and the Shugart 5-B(UL-D) were both injection wells, they are both P&A'ed. The T-Bone #1 (UL-C)is a commercial SWD injection into the Grayburg at a rate of 2100 B/D. With nothing being produced from the Queen Grayburg and produced water going in, Federal minerals should not move onto this lease.
3. Originally this was proposed as a SWD to the NMOCD but because the injection is into the same formations that we are producing from the MNOCD had us change to a Pressure Maintenance well. We do not believe it will provide any pressure maintenance for sections 26, 27 or 35. Produced water from the Hinkle B lease formally was sent to an offset operator for their water flood , now it is trucked with a cost of \$30,000 per month making this lease verging on noneconomic .
4. By granting this application the proposed injection would prevent the plugging of a usable well bore, possible enhance production in the offset wells and extend the economic life of the lease. With the active waterflood in the East Shugart unit into the Queen Grayburg formations to the East of our proposal and the Commercial injection to the West, correlative rights should not be effected.
5. Endurance Resources is not intending to expand this project to the other portions of the Hinkle lease.

Respectfully submitted,



Randall Harris  
Geologist  
Endurance Resources, LLC  
P.O. Box 1466  
Artesia, NM 88211-1466

Judah Oil T-Bone SWD  
C-33 T-18S-R31E

ProdYear	GasVol	CO2Vol	WaterVol	OtherVol	WellCount
2005	0	0	495478	0	1
2006	0	0	797322	0	1
2007	0	0	866060	0	1
2008	0	0	917100	0	1
2009	0	0	986070	0	1
2010	0	0	862757	0	1
2011	0	0	693376	0	1
	0	0	5618163	0	

2	30-005-60922	O'BRIEN DEMING 13 #001	P-13-08S-28E	P	269864	CANYON E & P COMPANY	P	O	02/2007	
2	30-005-60634	O'BRIEN DEMING 6 #001	7-6 -08S-29E	M	269864	CANYON E & P COMPANY	P	O	01/2009	
2	30-005-60730	O'BRIEN DEMING 6 #002	N-6 -08S-29E	N	269864	CANYON E & P COMPANY	P	O	02/2007	
2	30-005-60619	O'BRIEN FEE 18 #001	4-18-08S-29E	M	269864	CANYON E & P COMPANY	P	O	10/2006	
2	30-005-60640	O'BRIEN FEE 18 #002	O-18-08S-29E	O	269864	CANYON E & P COMPANY	P	O	10/2006	
2	30-005-60725	O'BRIEN FEE 18 #003	N-18-08S-29E	N	269864	CANYON E & P COMPANY	P	O	02/2007	
2	30-005-60902	O'BRIEN FEE 18 #004	3-18-08S-29E	L	269864	CANYON E & P COMPANY	P	O	10/2006	
2	30-005-61020	O'BRIEN FEE 18 #005	K-18-08S-29E	K	269864	CANYON E & P COMPANY	P	O	10/2006	
2	30-005-61246	O'BRIEN FEE 18 #006	J-18-08S-29E	J	269864	CANYON E & P COMPANY	P	O	10/2006	
2	30-005-60528	O'BRIEN FEE 19 #001	N-19-08S-29E	N	269864	CANYON E & P COMPANY	P	O	08/2009	
2	30-005-60565	O'BRIEN FEE 19 #002	O-19-08S-29E	O	269864	CANYON E & P COMPANY	P	O	12/2004	
2	30-005-60566	O'BRIEN FEE 19 #003	4-19-08S-29E	M	269864	CANYON E & P COMPANY	P	O	12/2008	
2	30-005-60654	O'BRIEN FEE 19 #004	3-19-08S-29E	L	269864	CANYON E & P COMPANY	P	O	08/2009	
2	30-005-60716	O'BRIEN FEE 19 #005	K-19-08S-29E	K	269864	CANYON E & P COMPANY	P	O	12/2008	
2	30-005-60804	O'BRIEN FEE 19 #006	J-19-08S-29E	J	269864	CANYON E & P COMPANY	P	O	08/2009	
2	30-005-60905	O'BRIEN FEE 19 #007	I-19-08S-29E	I	269864	CANYON E & P COMPANY	P	O	12/2008	
2	30-005-61021	O'BRIEN FEE 19 #008	P-19-08S-29E	P	269864	CANYON E & P COMPANY	P	O	09/2004	
2	30-005-60803	O'BRIEN FEE 24 #001	I-24-08S-28E	I	269864	CANYON E & P COMPANY	P	O	02/2007	
2	30-005-60923	O'BRIEN FEE 24 #002	A-24-08S-28E	A	269864	CANYON E & P COMPANY	P	O	02/2007	
2	30-005-60655	O'BRIEN FEE 25 #005	H-25-08S-28E	H	269864	CANYON E & P COMPANY	P	O	02/2007	
2	30-005-60815	O'BRIEN LIGHTCAP 7 #001	3-7 -08S-29E	L	269864	CANYON E & P COMPANY	P	O	09/2004	
2	30-005-60816	O'BRIEN LIGHTCAP 7 #002	K-7 -08S-29E	K	269864	CANYON E & P COMPANY	P	O	09/2004	
2	30-005-62194	O'BRIEN LLL #001	N-21-08S-29E	N	269864	CANYON E & P COMPANY	P	O	04/2007	
2	30-005-62192	O'BRIEN P #001	C-28-08S-29E	C	269864	CANYON E & P COMPANY	P	S	02/2007	
2	30-005-62247	O'BRIEN P #002	D-28-08S-29E	D	269864	CANYON E & P COMPANY	P	O	05/2009	
2	30-005-62267	O'BRIEN P #003	E-28-08S-29E	E	269864	CANYON E & P COMPANY	P	O	05/2009	
2	30-005-62190	O'BRIEN R #001	O-21-08S-29E	O	269864	CANYON E & P COMPANY	P	O	04/2007	
1	30-025-32297	QUARRY #001	3-19-18S-38E	L	269864	CANYON E & P COMPANY	S	O	09/2010	YATES
1	30-025-09534	ROCKET #001	N-10-24S-36E	N	269864	CANYON E & P COMPANY	P	O	12/2007	YATES SEVEN RIVERS
1	30-025-28256	ROCKET #003	K-10-24S-36E	K	269864	CANYON E & P COMPANY	P	O	12/2007	SEVEN RIVERS
2	30-005-60604	SEANNA #001	A-12-08S-28E	A	269864	CANYON E & P COMPANY	P	O	02/2007	
2	30-005-60623	SEANNA #002	H-12-08S-28E	H	269864	CANYON E & P COMPANY	P	O	07/2004	
2	30-005-60735	SEANNA #003	A-12-08S-28E	A	269864	CANYON E & P COMPANY	P	O	02/2007	
2	30-015-22209	SHUG A #001	A-33-18S-31E	A	269864	CANYON E & P COMPANY	F	O	03/2010	
2	30-015-22221	SHUG A #002	H-33-18S-31E	H	269864	CANYON E & P COMPANY	F	O	03/2010	
1	30-041-20791	SIEBER #001	C-17-07S-34E	C	269864	CANYON E & P COMPANY	P	O	03/2006	

# Download CSV File

In Internet Explorer, right click and select[Save Target As...]  
 In Netscape, right click and select [Save Link As...]

File size: (0 Bytes)

Download: [General Results 91.csv](#)

*5 HUG A #1  
 A-33-T18S-R31E  
 30-015-22209*

Total Records: 19

ProdYear	OilVol	GasVol	CO2Vol	WaterVol	WellCount
	7612	362	0	1031	
1993	357	58	0	165	1
1994	399	304	0	0	1
1995	397	0	0	0	1
1996	319	0	0	0	1
1997	405	0	0	0	1
1998	369	0	0	260	1
1999	146	0	0	0	1
2000	122	0	0	0	1
2001	343	0	0	0	1
2002	818	0	0	0	1
2003	736	0	0	0	1
2004	720	0	0	0	1
2005	1064	0	0	31	1
2006	627	0	0	365	1
2007	398	0	0	120	1
2008	217	0	0	0	1
2009	134	0	0	90	1
2010	41	0	0	0	1
2011	0	0	0	0	1

Document Number: 145480 - Report Number: 724404

Original Report Period: 012012  
 Well Number: K3117 ONRR Operator Name: ENDURANCE RESOURCES LLC  
 Agrmt. 071029392B Operator Lease/Agreement Name: Hinkle B #1 - 21  
 Lease/Agrmt. Operator Lease/Agrmt. Number:

ONRR-OGOR - Part A

Line #	Action Code	State	County	API Well Number	Sequence	Side-track	Prod. Interval	Operator Well Number	Well Codes Status	Shut-in Reason	Days Produced	Oil/Cond. (BBL)	Gas (MCF)	Water (BBL)	Injection Volumes
15	A	30	015	23596	00		S01	014	08		30	21	0	405	0
16	A	30	015	23915	00		S01	015	08		31	38	0	203	0
17	A	30	015	24093	00		S01	016	08		31	38	0	201	0
18	A	30	015	24279	00		S01	018	08		29	71	0	215	0
19	A	30	015	24527	00		S01	019	12		0	0	0	0	0
20	A	30	015	25815	00		S01	020	08		29	47	0	1075	0
21	A	30	015	26579	00		S01	021	08		29	73	0	217	0

Total Quantity Produced: Oil/Cond 0 Gas 0 Water 0  
 Total Quantity Injected: Oil/Cond 0 Gas 0 Water 0

ONRR-OGOR - Part B

Line #	Action Code	Disp. Code	Metering Point	Gas Plant	API Gravity (99.9)	BTU (9999)	Disposition Oil/Cond. (BBL)	Gas (MCF)	Water (BBL)
1	A	10	OIL		0.0	0	1210	0	0
2	A	27	WATER		0.0	0	0	0	11659

Total Quantity Disposed: Oil/Cond 0 Gas 0 Water 0

ONRR-OGOR - Part C

Line #	Action Code	Prod. Code	Inventory Storage Number	Metering Point	API Gravity (99.9)	Beginning Inventory (BBL)	Production (BBL)	Sales (BBL)	Adjustments Code Volume (BBL)	Ending Inventory (BBL)
1	A	01	10 TANKS	10 TANKS	33.1	1881	1210	2190	32 -84	817

Total Inventory: Beginning 0 Produced 0 Sold 0 Adjusted 0 Ending 0

Contact Name: Harris, Teresa A. Phone Number: 575-308-0722 Ext: Auth. Date (MMDDYYYY): 01302012  
 Comments:

Well\_Nam: PHILLIPS FE API: 3E+09  
 Location: G-33-18.0S-31E 1650 FNL 1650 FEL  
 Lat: 32.70672 Long: -103.871  
 Operator N RAY WEST/ County: Eddy  
 Land Type: Federal Well Type: Oil  
 Spud Date: Plug Date: 5/2/1995 1  
 Elevation C 3605 Depth TVD:

Year: 1994

Pool Name SHUGART;YATES-7RS-QU-GRAYBURG

Month	Oil(BBLS)	Gas(MCF)	Water(BBL)	Days Produ	Accum. Oil	Accum. Gas(MCF)
January	0	0	0	0	0	0
February	0	0	0	0	0	0
March	0	0	0	0	0	0
April	0	0	0	0	0	0
May	0	0	0	0	0	0
June	0	0	0	0	0	0
July	0	0	0	0	0	0
August	0	0	0	0	0	0
September	0	0	0	0	0	0
October	0	0	0	0	0	0
November	0	0	0	0	0	0
December	0	0	0	0	0	0

Year: 1995

Pool Name SHUGART;YATES-7RS-QU-GRAYBURG

Month	Oil(BBLS)	Gas(MCF)	Water(BBL)	Days Produ	Accum. Oil	Accum. Gas(MCF)
January	0	0	0	0	0	0
February	0	0	0	0	0	0
March	16	0	0	2	16	0
April	0	0	0	0	16	0
May	0	0	0	0	16	0
June	0	0	0	0	16	0
July	0	0	0	0	16	0
August	0	0	0	0	16	0
September	0	0	0	0	16	0
October	0	0	0	0	16	0
November	0	0	0	0	16	0
December	0	0	0	0	16	0