



MAY 09 2018 04:10:47

ENDURING RESOURCES

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May 4 2018

Via Federal Express

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1220 South St. Francis Drive
Santa Fe, NM 87505

**RE: BLM/FIMO Final Approval Request + BLM Approval of Initial Test Well Request
West Escavada Unit Area
San Juan and Sandoval Counties, New Mexico**

Ladies and Gentlemen:

Enduring Resources, LLC (“Enduring”) is hereby submitting to the **BLM and FIMO its application for Final Approval for the West Escavada Unit (unitizes the Mancos formation) encompassing 2,886.42 acres.** Also, requested is the **BLM/AO approval of the initial test well for this unit.** Attached with this

boundary (see Unit Agreement Exhibits “A” and “B”) and attached/approved BLM APD/Form C-102 reflecting the location/lateral for the W. Escavada Unit #2207-17A 01LWH (formerly known as the #300H) well. Note BLM has approved this APD and Enduring is requesting BLM/Authorized officer (AO) approval of such well as an adequate test well in the Mancos Shale Group for this unit.

This Unit does NOT contain any existing State Land Office minerals/leases.

This Unit does not contain any existing horizontal Mancos wells/laterals within unit boundary.

This unit will facilitate improved drilling azimuth and better the utilization of reservoir energy, thereby promoting the opportunity for the prevention of waste and conservation of oil and gas and opportunity for improved hydrocarbon recovery pursuant to same, **all of which is in the public interest.**

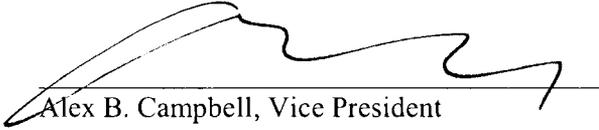
Enclosed for your review with this letter are the following documents:

- 1) Four (4) originals of the Unit Agreement (originals included with Joe Hewitt letter/1 copy to others) that have been executed/notarized by Enduring Resources, LLC (attached Exhibit “A”/Unit Plat, Exhibit “B”/Ownership Schedule of Oil and Gas Interests).
- 2) Four (4) originals of the Unit Operating Agreement (originals included with Joe Hewitt letter/1 copy to others) that have been executed/notarized by Enduring Resources, LLC.
- 3) Four (4) originals Ratifications and Joinders each (originals included with Joe Hewitt/1 copy to others) from Enduring Resources, LLC, Enduring Resources IV, LLC, WPX Energy Production LLC and Cat Spring Properties, LLC as Lessees of Record and Working Interest (WI) owners. – Note that all minerals in this unit are leased and leasehold WI% in this unit are: WPX/Enduring Resources IV, LLC 97.0379%, Enduring Resources IV, LLC 2.1826%, and Cat Spring Properties, LLC 0.7795% = 100.0000% committed WI in this 2,886.42 acre unit and thereby establishing effective control of this 2,886.42 acre unit.
- 4) One (1) original, and three (3) copies of affidavits of West Escavada Unit notice letter sent to Allottees (original included with Joe Hewitt letter/1 copy to others), form of letter, Affidavit Exhibit “A” Allottees/addresses, Affidavit Exhibit “B” Unit Plat/Unit Allotments, Exhibit “C” Affidavit of newspaper publication of notice of Allotments within the West Escavada Unit.
- 5) A copy of the New Mexico Oil Conservation Divisions Order approving the West Escavada Unit.
- 6) Copy of BLM APD/Form C-102 for the West Escavada Unit #2207-17A 01LWH well.

Please note Enduring intends to commence drilling their initial test well for the West Escavada Unit on or around June 1, 2018; therefore your assistance in perfecting BLM – AO/FIMO approval of this Unit and initial test well at your earliest convenience is appreciated. Should you have any questions/comments and/or need additional information, please contact Paul Brooke at 303-350-5116 or pbrooke@enduringresources.com. Upon approval, we request that all copies of the attached unit agreement not retained by your office be returned to me at our letterhead address.

Sincerely,

ENDURING RESOURCES, LLC



Alex B. Campbell, Vice President

Enclosures