

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

IN THE MATTER OF THE APPLICATION
OF ENDURANCE RESOURCES, LLC
FOR COMPULSORY POOLING AND
NON-STANDARD SPACING AND
PRORATION UNIT, LEA COUNTY, NEW MEXICO.

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CASE NO. 15109

APPLICATION FOR COMPULSORY POOLING,
NON-STANDARD SPACING AND PRORATION UNIT

ENDURANCE RESOURCES, LLC applies for an order pooling all mineral interests from the surface of the earth to the base of the Bone Spring Formation and sufficient to test the Second Bone Spring Formation, non-standard spacing and proration unit, underlying the E/2E/2 of Section 19, Township 23 South, Range 34 East, NMPM, Lea County, New Mexico.

In support of this application, Applicant states:

1. Applicant is an interest owner in the E/2E/2 of Section 19, and has the right to drill thereon.
2. Applicant proposes to drill its Nocaster 19 Federal 4H well to be located at a standard well location having a surface location 330 FSL and 660 FEL of Section 19 and a bottom hole location of 330 FNL and 660 FEL of said Section 19.
3. Applicant seeks to dedicate the E/2E/2 of Section 19 to the well to form a non-standard 160 acre spacing and proration unit as to the Second Bone Spring Formation and for any other formations or pools encountered for developed on 160 or less acre spacing within the vertical extent of the well.
4. Applicant has in good faith sought to obtain the voluntary joinder of all

other mineral interest owners in the E/2E/2 of Section 19 for the purposes set forth herein.

5. Certain mineral owners have failed or refused to join in the drilling of the proposed well, therefore, applicant seeks an order pooling all mineral interest owners in the E/2E/2 of Section 19 pursuant to NMSA 1978, Section 70-2-17.

6. The pooling of all mineral interests as requested in this application underlying the E/2E/2 of Section 19 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

WHEREFORE, Applicant requests that, after notice and hearing, the Division enter its order:

A. Pooling all mineral interests in the E/2E/2 of Section 19 from the surface to the base of the Bone Spring Formation;

B. Approving this application with respect to non-standard spacing and proration unit;

C. Designating Applicant as the operator of the well;

D. Considering the cost of completing the well, and allocating the cost among the well's working interest owners;

E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and,

F. Setting a 200% charge for the risk involved in drilling and completing the well in the event a working interest owner elects not to participate in the well.

PADILLA LAW FIRM, P.A.

By: 

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NMOCD Case No. 15109; Application of Endurance Resources, LLC for compulsory pooling and non-standard spacing and proration unit, Lea County, New Mexico; Applicant seeks an order pooling all mineral interests from the surface of the earth to the base of the Bone Spring Formation to test the Second Bone Springs formation underlying the E/2E/2 of Section 19, Township 23 South, Range 34 East, NMPM, Lea County, New Mexico. Applicant proposes to drill its Nocaster 19 Federal 4H well to be located at a standard well location having a surface location 330 FSL and 660 FEL of Section 19 and a bottom hole location of 330 FNL and 660 FEL of said Section 19. Applicant seeks to dedicate the E/2E/2 of Section 19 to the well to form a non-standard 160 acre spacing and proration unit for any formations and/or pools developed on 160 acres or less within the vertical extent, including the Second Bone Spring formation. The subject lands are located approximately 18 miles northwest of Jal, New Mexico.

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