

ABOVE THIS LINE FOR DMSION USE ONLY

*Need production*

**NEW MEXICO OIL CONSERVATION DIVISION**  
 - Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505



**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Application Acronyms:**

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
- [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
- [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
- [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
- [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
- [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
- [A] Location - Spacing Unit - Simultaneous Dedication  
 NSL  NSP  SD
- Check One Only for [B] or [C]
- [B] Commingling - Storage - Measurement  
 DHC  CTB  PLC  PC  OLS  OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
 WFX  PMX  SWD  IPI  EOR  PPR
- [D] Other: Specify \_\_\_\_\_

*- PLC*  
*- ENDURANCE RESOURCES, LLC*  
*270325*  
*WCH*  
*- Orange Rider Basin*  
*30-025-35712*  
*- TUCULASTEN BAS 36*  
*State #44*  
*30-025-*  
*42376*

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 2015 AUG - 3 P 3:21  
 POOL

- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply
- [A]  Working, Royalty or Overriding Royalty Interest Owners
- [B]  Offset Operators, Leaseholders or Surface Owner
- [C]  Application is One Which Requires Published Legal Notice
- [D]  Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E]  For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F]  Waivers are Attached

*- Red Hills Upper*  
*Bone Springs Shale*  
*97900*  
*- W-025 G-09*  
*S253422N*  
*WOLF CAMP*

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Jordan L. Kessler  
 Print or Type Name

Signature

Attorney

Title

Date

jlkessler@hollandhart.com

e-mail Address

*8/3/15*



**Jordan L. Kessler**  
**Associate**

Phone (505) 988-4421

Fax (505) 983-6043

[jlkessler@hollandhart.com](mailto:jlkessler@hollandhart.com)

August 3, 2015

**VIA HAND DELIVERY**

David Catanach  
Oil Conservation Division  
New Mexico Department of Energy,  
Minerals and Natural Resources  
1220 South Saint Francis Drive  
Santa Fe, New Mexico 87505

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2015 AUG - 3 P 3: 21

**Re: Application Endurance Resources, LLC for administrative approval to surface commingle production from the Red Hills; Upper Bone Spring Shale Pool (97900) and the WC-025 GO9; Wolfcamp Pool (98116) from wells located in the W/2 of Section 35 and the E/2 of Section 36, Township 24 South, Range 34 East, N.M.P.M., Lea County, New Mexico.**

Dear Mr. Catanach:

Endurance Resources, LLC (OGRID 270329) seeks approval to surface commingle production from the WC-025 GO9; Wolfcamp Pool (98116) and the Red Hills; Upper Bone Spring Shale Pool (97900) *from existing and future wells* drilled in the following areas of common ownership in Township 24 South, Range 34 East, N.M.P.M., Lea County, New Mexico:

(a): State lease VO-7379, covering the W/2 of Section 35. The Orange Raider MPV State No. 1H (30-025-39712) is located on said lease and is currently producing from the Red Hills; Upper Bone Spring Shale Pool (97900).

(b): State Lease VO-7380, covering the E/2 of Section 36. The Telecaster Bass 36 State No. 4H (30-025-42376) is located on said lease and is currently producing from the WC-025 GO9; Wolfcamp Pool (98116).

Under NMAC 19.15.12.7, leases are contiguous geographical areas of identical ownership overlying a pool or portion of a pool for surface commingling purposes. Pursuant to NMAC 19.15.12.10.C, Endurance seeks authority to surface commingle oil and gas production *from existing and future wells* in these separate areas of common ownership at the Telecaster Bass "36" Tank Battery located in the NE/4 NE/4 (Unit A) of Section 36. Prior to commingling, oil and gas production from each of these spacing units will be separately metered using an orifice meter for gas, a Coriolis meter for oil, and a Vortex meter for water at this facility.

**Holland & Hart LLP**

Phone (505) 988-4421 Fax (505) 983-6043 [www.hollandhart.com](http://www.hollandhart.com)

110 North Guadalupe Suite 1 Santa Fe, New Mexico 87501 **Mailing Address** P.O. Box 2208 Santa Fe, NM 87504-2208

Aspen Boulder Carson City Colorado Springs Denver Denver Tech Center Billings Boise Cheyenne Jackson Hole Las Vegas Reno Salt Lake City Santa Fe Washington, D.C. ☉

# HOLLAND & HART

**Exhibit 1** is a land plat identifying the subject state leases (VO-7380 and VO-7379), the existing wells on those leases, , and the common surface facility to be located in the NE/4 NE/4 (Unit A) of Section 36.

**Exhibit 2** contains the Form C-102s for each of the existing wells in the subject spacing units.

**Exhibit 3** is a completed Application for Surface Commingling (Diverse Ownership) Form C-107-B with attachments.

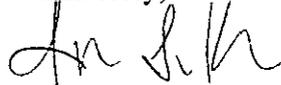
**Exhibit 4** is a plat of the proposed common facility area.

**Exhibit 5** is a diagram of the surface facilities.

**Exhibit 6** is a list of the interests owners affected by this request for approval to surface commingle. A copy of this application with all attachments has been sent by certified mail to all affected parties advising them that if they have an objection they must file it in writing with the division within 20 days from the date the division receives Endurance's application. Since state lands are involved, pursuant to NMAC 19.15.12.10(C)(4)(h), Endurance is also seeking authority for surface commingling from the State Land Office. The State Land Office has been provided a courtesy copy of this application and all exhibits.

Your attention to this matter is appreciated.

Sincerely,



Jordan L. Kessler

**ATTORNEY FOR ENDURANCE RESOURCES, LLC**

cc: New Mexico State Land Office  
P.O. Box 1148  
Santa Fe, NM 87504

T24S R34E

ENDURANCE RES. LLC.  
Orange Raider  
320 Ac.

35

ENDURANCE RES. LLC.  
Telecaster Bass  
320 Ac.

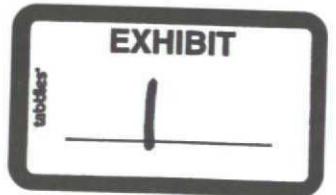
36

ENDURANCE RES. LLC.

4H  
Facility

ENDURANCE RES. LLC.  
1H

0 694  
FEET



1625 N. French Dr., Hobbs, NM 88240  
 Phone:(505) 393-8181 Fax:(505) 393-0720

**District II**

1301 W. Grand Ave., Artesia, NM 88210  
 Phone:(505) 748-1283 Fax:(505) 748-9720

**District III**

1000 Rio Brazos Rd., Aztec, NM 87410  
 Phone:(505) 334-8178 Fax:(505) 334-8170

**District IV**

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**

Form C-102  
 Permit 110739

**Oil Conservation Division**  
 1220 S. St Francis Dr.  
 Santa Fe, NM 87505

AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-025-39712	2. Pool Code 97900	3. Pool Name Red Hills; Upper Bone Spring SH
4. Property Code 38072	5. Property Name ORANGE RAIDER BPV STATE	6. Well No. 001H
7. OGRID No. 25575	8. Operator Name ENDURANCE RESOURCES L.L.C.	9. Elevation 3389

**10. Surface Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
M	35	24S	34E		330	S	660	W	LEA

**11. Bottom Hole Location If Different From Surface**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
D	35	24S	34E	D	330	N	660	W	LEA

12. Dedicated Acres 160.00	13. Joint or Infill	14. Consolidation Code	15. Order No.
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**NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION**

	<b>OPERATOR CERTIFICATION</b>		
	<p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore offered by the division.</i></p> <p style="text-align: center;"><i>M. A. Sirgo</i></p> <p>Title: M. A. Sirgo, III Engineer          Date: 07-30-2015</p>		
	<b>SURVEYOR CERTIFICATION</b>		
	<p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p> <p>Surveyed By: Gary Jones          Date of Survey: 3/6/2010          Certificate Number: 7977</p>		

**EXHIBIT**  
2

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0730

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

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

District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1 API Number <b>30-025-42376</b>		2 Pool Code <b>98116</b>		3 Pool Name <b>WC-025 G09; Wolfcamp</b>	
4 Property Code <b>314105</b>		5 Property Name <b>TELECASTER BASS 36</b>			6 Well Number <b>4H</b>
7 OGRID No. <b>270329</b>		8 Operator Name <b>ENDURANCE RESOURCES, LLC</b>			9 Elevation <b>3372.6</b>

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	36	24 S	34 E		180	NORTH	990	EAST	LEA

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	36	24 S	34 E		330	SOUTH	330	EAST	LEA

12 Dedicated Acres <b>160</b>	13 Joint or Infill	14 Consolidation Code	15 Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

**TELECASTER BASS 36 4H**  
ELEV. = 3372.6'  
LAT. = 32.1807409°N (NAD83)  
LONG. = 103.4183469°W  
NMSP EAST (FT)  
N = 430892.13  
E = 824419.83

**BOTTOM OF HOLE**  
LAT. = 32.1876341°N  
LONG. = 103.4161613°W  
NMSP EAST (FT)  
N = 425029.68  
E = 825136.67

**NOTE:**  
LATITUDE AND LONGITUDE COORDINATES ARE SHOWN USING THE NORTH AMERICAN DATUM OF 1983 (NAD83). LISTED NEW MEXICO STATE PLANE EAST COORDINATES ARE GRID (NAD83). BASIS OF BEARING AND DISTANCES USED ARE NEW MEXICO STATE PLANE EAST COORDINATES MODIFIED TO THE SURFACE.

**17 OPERATOR CERTIFICATION**

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or retained mineral interest in the land including the proposed bottom hole location or has a right to drill this well or this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order to enforce entered by the Division.

*Manny Sirgo* 7-30-15  
Signature Date

**Manny Sirgo III**  
Printed Name

[manny@enduranceresourcesllc.com](mailto:manny@enduranceresourcesllc.com)  
E-mail Address

---

**18 SURVEYOR CERTIFICATION**

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

JANUARY 6 2011 NEW MEXICO  
Date of Survey (12797)

*[Signature]*  
Signature and Seal of Professional Surveyor

Certificate Number: **PL17003** EXPIRES 01/10, PLS 12797  
+ SURVEY NO. 3555

**District I**  
1625 N. French Drive, Hobbs, NM 88240  
**District II**  
811 S. First St., Artesia, NM 88210  
**District III**  
1000 Rio Brazos Road, Aztec, NM 87410  
**District IV**  
1220 S. St Francis Dr, Santa Fe, NM  
87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107-B  
Revised August 1, 2011

**OIL CONSERVATION DIVISION**  
1220 S. St Francis Drive  
Santa Fe, New Mexico 87505

Submit the original application to the Santa Fe office with one copy to the appropriate District Office.

**APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)**

OPERATOR NAME: Endurance Resources LLC  
OPERATOR ADDRESS: 203 West Wall St Suite 1000 Midland Texas 79701  
APPLICATION TYPE:  
 Pool Commingling  Lease Commingling  Pool and Lease Commingling  Off-Lease Storage and Measurement (Only if not Surface Commingling)

LEASE TYPE:  Fee  State  Federal

Is this an Amendment to existing Order?  Yes  No If "Yes", please include the appropriate Order No. \_\_\_\_\_  
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling  
 Yes  No

**(A) POOL COMMINGLING**

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production	Calculated Value of Commingled Production	Volumes
Red Hills; Upper Bone				NA
Spring Shale 97900	42 / 1130			
WC-025 G09; Wolfcamp				NA
98116	42.5 / 1312			

(2) Are any wells producing at top allowables?  Yes  No  
(3) Has all interest owners been notified by certified mail of the proposed commingling?  Yes  No.  
(4) Measurement type:  Metering  Other (Specify)  
(5) Will commingling decrease the value of production?  Yes  No If "yes", describe why commingling should be approved

**(B) LEASE COMMINGLING**

Please attach sheets with the following information

(1) Pool Name and Code.  
(2) Is all production from same source of supply?  Yes  No  
(3) Has all interest owners been notified by certified mail of the proposed commingling?  Yes  No  
(4) Measurement type:  Metering  Other (Specify)

**(C) POOL and LEASE COMMINGLING**

Please attach sheets with the following information

(1) Complete Sections A and E.

**(D) OFF-LEASE STORAGE and MEASUREMENT**

Please attached sheets with the following information

(1) Is all production from same source of supply?  Yes  No  
(2) Include proof of notice to all interest owners.

**(E) ADDITIONAL INFORMATION (for all application types)**

Please attach sheets with the following information

(1) A schematic diagram of facility, including legal location.  
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.  
(3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

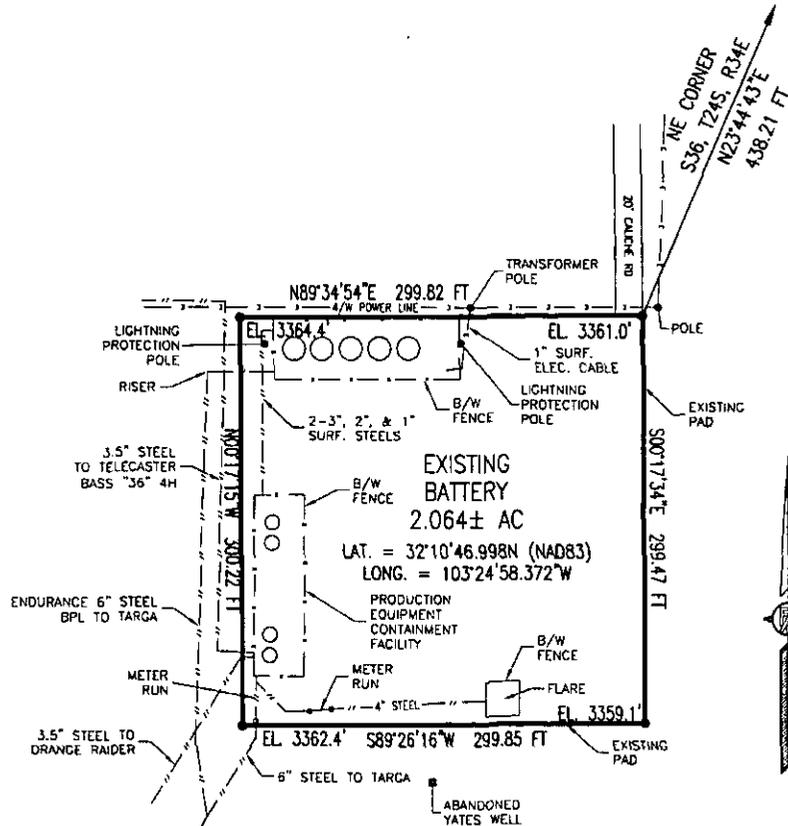
SIGNATURE: M.A. Sirgo III TITLE: VP - OPERATIONS DATE: 7-20-2015  
TYPE OR PRINT NAME: M.A. Sirgo III TELEPHONE NO.: 432-242-4680  
E-MAIL ADDRESS: MALLOY@ENDURANCERESOURCES.LLC.COM



TELECASTER BASS "36" BATTERY AS-BUILT

ENDURANCE RESOURCES, LLC  
 IN THE NE/4 NE/4 OF  
 SECTION 36, TOWNSHIP 24 SOUTH, RANGE 34 EAST, N.M.P.M.  
 LEA COUNTY, STATE OF NEW MEXICO

JULY 15, 2015



**DIRECTIONS TO LOCATION**  
 FROM CR 2 AND STATE HIGHWAY 128 GO SOUTHWEST ON CR 2 0.34 MILES, BEND RIGHT AND GO WEST 919' TO A PROPOSED ROAD SURVEY AND FOLLOW FLAGS SOUTH 389' TO THE PROPOSED NORTHEAST PAD CORNER.

**LEGEND**  
 • SET #4 REBAR W/JARAMILLO CAP

Scale: 1" = 100'

**DESCRIPTION**

A CERTAIN PIECE OR PARCEL OF LAND AND REAL ESTATE LYING IN THE NE/4 NE/4 OF SECTION 36, TOWNSHIP 24 SOUTH, RANGE 34 EAST N.M.P.M., LEA COUNTY, NEW MEXICO.

BEGINNING AT THE NORTHEAST CORNER OF THE PARCEL, WHENCE THE NORTHEAST CORNER OF SECTION 36, TOWNSHIP 24 SOUTH, RANGE 34 EAST, N.M.P.M. BEARS N23°44'43"E, A DISTANCE OF 438.21 FEET;  
 THENCE S00°17'34"E A DISTANCE OF 299.47 FEET TO THE SOUTHEAST CORNER OF THE PARCEL;  
 THENCE S89°26'16"W A DISTANCE OF 299.85 FEET TO THE SOUTHWEST CORNER OF THE PARCEL;  
 THENCE N00°17'15"W A DISTANCE OF 300.22 FEET TO THE NORTHWEST CORNER OF THE PARCEL;  
 THENCE N89°34'54"E A DISTANCE OF 299.82 FEET TO THE NORTHEAST CORNER OF THE PARCEL, TO THE POINT OF BEGINNING;  
 CONTAINING 2.064 ACRES MORE OR LESS.

**SURVEYOR CERTIFICATE**

I, FILMON F. JARAMILLO, A NEW MEXICO PROFESSIONAL SURVEYOR NO. 12797, HEREBY CERTIFY THAT I HAVE CONDUCTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR LAND SURVEYING IN THE STATE OF NEW MEXICO.

IN WITNESS WHEREOF, THIS CERTIFICATE IS EXECUTED AT CARLSBAD, NEW MEXICO, THIS 17 DAY OF JULY, 2015

**GENERAL NOTES**

- THE INTENT OF THIS SURVEY IS TO ACQUIRE A BUSINESS LEASE FOR THE PURPOSE OF BUILDING A BATTERY
- BASIS OF BEARING IS NEW MEXICO STATE PLANE EAST ZONE

*Filmon F. Jaramillo*  
 FILMON F. JARAMILLO, P.E.S. 12797  
 301 SOUTH CANAL  
 CARLSBAD, NEW MEXICO 88220  
 Phone (575) 234-3341

MADRON SURVEYING, INC.  
 301 SOUTH CANAL  
 CARLSBAD, NEW MEXICO 88220  
 Phone (575) 234-3341  
 SURVEY NO. 3607A

SHEET: 1-3

MADRON SURVEYING, INC. CARLSBAD, NEW MEXICO

**EXHIBIT**  
 4

## **EXHIBIT 6**

### **Working Interest Owners**

Tritex Energy A, LP  
203 West Wall, Suite 1000  
Midland, Texas 79701

Oxy Y-1 Company  
PO Box 4294  
Houston, Texas, 77210

### **Overriding Royalty Owners**

Yates Petroleum Corporation  
105 South Fourth Street  
Artesia, New Mexico 88210

Yates Industries, LLC  
105 South Fourth Street  
Artesia, New Mexico 88210

Abo Petroleum Corporation  
105 South Fourth Street  
Artesia, New Mexico 88210

Myco Industries, Inc.  
P.O. Box 840, Artesia  
New Mexico, 88210

Sharbro Energy, LLC  
P.O. Box 840  
Artesia, New Mexico, 88210

HOLLAND & HART<sup>LLP</sup>



**Jordan L. Kessler**  
**Associate**  
Phone (505) 988-4421  
Fax (505) 983-6043  
jkessler@hollandhart.com

August 3, 2015

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

**TO: ALL AFFECTED PARTIES**

**Re: Application Endurance Resources, LLC for administrative approval to surface commingle production from the Red Hills; Upper Bone Spring Shale Pool (97900) and the WC-025 GO9; Wolfcamp Pool (98116) from wells located in the W/2 of Section 35 and the E/2 of Section 36, Township 24 South, Range 34 East, N.M.P.M., Lea County, New Mexico.**

Ladies and Gentlemen:

Enclosed is a copy of the above-referenced application which was filed with the New Mexico Oil Conservation Division on this date. Any objection to this application must be filed in writing within twenty days from this date at the Division's Santa Fe office located at 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division.

If you have any questions about this application, please contact the following:

Jason South  
Land Manager  
Endurance Resources, LLC  
(432) 242-4683  
jason@enduranceresourcesllc.com

Sincerely,

Jordan L. Kessler  
ATTORNEY FOR ENDURANCE RESOURCES LLC

Holland & Hart LLP

Phone [505] 988-4421 Fax [505] 983-6043 [www.hollandhart.com](http://www.hollandhart.com)

110 North Guadalupe Suite 1 Santa Fe, New Mexico 87501 Mailing Address P.O. Box 2208 Santa Fe, NM 87504-2208

Aspen Boulder Carson City Colorado Springs Denver Denver Tech Center Billings Boise Cheyenne Jackson Hole Las Vegas Reno Salt Lake City Santa Fe Washington, D.C. ☪

## TELECASTER BASS 36 FED 4H

Day of Production	DATE	Hours Prod	Choke Size in 64ths	TP	CP	BOPD	BWPD	MCFD
1	7/7/2015	17.0	19.00		2,600	0	4821	0
2	7/8/2015	24.0	21.00		2,200	0	5262	0
3	7/9/2015	24.0	21.00		1,450	280	4551	312
4	7/10/2015	24.0	21.00		1,250	526	3348	483
5	7/11/2015	24.0	23.00		900	631	2551	540
6	7/12/2015	24.0	29.00		650	634	2123	531
7	7/13/2015	24.0	35.00		475	655	1925	568
8	7/14/2015	24.0	41.00		380	654	1640	569
9	7/15/2015	24.0	47.00		325	576	1299	533
10	7/16/2015	24.0	49.00		330	587	1085	508
11	7/17/2015	24.0	49.00		370	541	1080	593
12	7/18/2015	24.0	49.00		330	545	997	595
13	7/19/2015	24.0	49.00		335	534	999	592
14	7/20/2015							
15	7/21/2015	24.0			340	507	1017	633
16	7/22/2015	24.0			330	474	576	517
17	7/23/2015	24.0			350	446	769	497
18	7/24/2015	24.0	WIDE OPEN		260	445	725	486
19	7/25/2015	24.0	WIDE OPEN		220	445	715	511
20	7/26/2015	24.0	WIDE OPEN		220	454	690	468
21	7/27/2015	24.0	WIDE OPEN		210	405	586	429
22	7/28/2015	24.0	wo		210	436	595	402
23	7/29/2015	9.0		2,500		116	256	257
24	7/30/2015	0.0		0		0	0	0
25	7/31/2015			150		198	0	0
26	8/1/2015				150	171	206	84
27	8/2/2015				150	198	309	192
28	8/3/2015				150	227	348	191



ENDURANCE  
RESOURCES

RECEIVED  
AUG 05 2015

YPC MAIL ROOM

August 3, 2015

Yates Petroleum Corporation, et al  
Attn: Mr. Chuck Moran  
105 S. 4<sup>th</sup> Street  
Artesia, New Mexico 88210

*Via Fed Ex*

**Re: Request for Waiver for Surface Commingling Application**

- **Orange Raider BPV State #1H Well**  
**Section 35, Township 24 South, Range 34 East, Lea County, New Mexico**
- **Telecaster Bass 36 State #4H Well**  
**Section 36, Township 24 South, Range 34 East, Lea County, New Mexico**

Dear Mr. Moran:

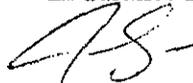
Endurance Resources LLC ("Endurance") has submitted an application to the New Mexico Oil Conservation Division requesting to surface commingle the above-referenced wells at the Telecaster Bass 36 Tank Battery located in the NE/4NE/4 of Section 36, T24S, R34E, Lea County, New Mexico.

Endurance respectfully requests that Yates Petroleum Corporation, Abo Petroleum Corporation, Myco Industries, Inc., Yates Industries, LLC and Sharbro Energy, LLC waive any objection to the captioned surface commingling application. Please indicate your agreement to waive any objection to the surface commingling application by having an authorized party date and execute both copies of this letter in the spaces provided below on behalf of your company. Please return one executed copy to my attention at the address listed below.

Should you have any questions, please do not hesitate to contact me at (432) 242-4683 or via email at [jason@enduranceresourcesllc.com](mailto:jason@enduranceresourcesllc.com).

Regards,

Endurance Resources LLC

  
Jason South, CPL  
Landman

Page 1 of 3

**Yates Petroleum Corporation hereby waives its right to object to the application of Endurance Resources LLC for an administrative order from the New Mexico Oil Conservation Division approving Endurance's application to surface commingle production from the Orange Raider BPV State #1H Well and the Telecaster Bass 36 State #4H Well at the Telecaster Bass 36 Tank Battery**

I waive the right to object to the surface commingling of production as stated above.

I do not waive the right to object to the surface commingling of production as stated above.

BY: Kathy H. Porter  
Kathy H. Porter  
ITS: Attorney-in-Fact

DATE: 8/12/2015

**Abo Petroleum Corporation hereby waives its right to object to the application of Endurance Resources LLC for an administrative order from the New Mexico Oil Conservation Division approving Endurance's application to surface commingle production from the Orange Raider BPV State #1H Well and the Telecaster Bass 36 State #4H Well at the Telecaster Bass 36 Tank Battery**

I waive the right to object to the surface commingling of production as stated above.

I do not waive the right to object to the surface commingling of production as stated above.

BY: John A. Yates, Jr.  
John A. Yates, Jr.  
ITS: Attorney-in-Fact

DATE: 8/12/2015

**Myco Industries, Inc. hereby waives its right to object to the application of Endurance Resources LLC for an administrative order from the New Mexico Oil Conservation Division approving Endurance's application to surface commingle production from the Orange Raider BPV State #1H Well and the Telecaster Bass 36 State #4H Well at the Telecaster Bass 36 Tank Battery**

I waive the right to object to the surface commingling of production as stated above.

I do not waive the right to object to the surface commingling of production as stated above.

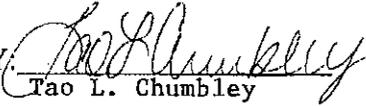
BY: Hannah Palomin  
Hannah Palomin  
ITS: Land Manager

DATE: 8.12.15

Yates Industries, LLC hereby waives its right to object to the application of Endurance Resources LLC for an administrative order from the New Mexico Oil Conservation Division approving Endurance's application to surface commingle production from the Orange Raider BPV State #1H Well and the Telecaster Bass 36 State #4H Well at the Telecaster Bass 36 Tank Battery

I waive the right to object to the surface commingling of production as stated above.

I do not waive the right to object to the surface commingling of production as stated above.

BY:   
Tao L. Chumbley

ITS: Attorney-in-Fact

DATE: 08/12/2015

Sharbro Energy, LLC hereby waives its right to object to the application of Endurance Resources LLC for an administrative order from the New Mexico Oil Conservation Division approving Endurance's application to surface commingle production from the Orange Raider BPV State #1H Well and the Telecaster Bass 36 State #4H Well at the Telecaster Bass 36 Tank Battery

I waive the right to object to the surface commingling of production as stated above.

I do not waive the right to object to the surface commingling of production as stated above.

BY: 

ITS: Authorized Agent

DATE: 8.12.15



ENDURANCE  
RESOURCES

August 3, 2015

Tritex Energy A, LP  
203 West Wall, Suite 1000  
Midland, Texas 79701  
Attn: Don Ritter

*Via Fed Ex*

Re: Request for Waiver for Surface Commingling Application

- Orange Raider BPV State #1H Well  
Section 35, Township 24 South, Range 34 East, Lea County, New Mexico
- Telecaster Bass 36 State #4H Well  
Section 36, Township 24 South, Range 34 East, Lea County, New Mexico

Dear Mr. Ritter:

Endurance Resources LLC ("Endurance") has submitted an application to the New Mexico Oil Conservation Division requesting to surface commingle the above-referenced wells at the Telecaster Bass 36 Tank Battery located in the NE/4NE/4 of Section 36, T24S, R34E, Lea County, New Mexico.

Endurance respectfully requests that Tritex Energy A, LP waive any objection to the captioned surface commingling application. Please indicate your agreement to waive any objection to the surface commingling application by having an authorized party date and execute both copies of this letter in the spaces provided below on behalf of your company. Please return one executed copy to my attention at the address listed below.

Should you have any questions, please do not hesitate to contact me at (432) 242-4683 or via email at [Jason@enduranceresourcesllc.com](mailto:Jason@enduranceresourcesllc.com).

Regards,

Endurance Resources LLC

  
Jason South, CPL  
Landman

Page 1 of 2

203 WEST WALL, SUITE 1000 MIDLAND, TEXAS 79701

PHONE: 432-242-4680 WWW.ENDURANCERESOURCESLLC.COM

**Tritex Energy A, LP hereby waives its right to object to the application of Endurance Resources LLC for an administrative order from the New Mexico Oil Conservation Division approving Endurance's application to surface commingle production from the Orange Raider BPV State #1H Well and the Telecaster Bass 36 State #4H Well at the Telecaster Bass 36 Tank Battery**

   I waive the right to object to the surface commingling of production as stated above.

   I do not waive the right to object to the surface commingling of production as stated above.

BY: \_\_\_\_\_

ITS: \_\_\_\_\_

DATE: \_\_\_\_\_

## **Endurance Resources LLC – August 2015 Application for Commingling**

### **Engineering Description of Production Commingling**

#### **Wells requested to be commingled:**

- 1) **Telecaster Bass 36 State 4H-Unit A-36-24s-34e**, Lea Cty., NM (30-025-42376). This well is completed as an oil well in the Upper Wolfcamp and commenced production in July 2015.
- 2) **Orange Raider BPV State 1H- Unit M-35-24s-34e**, Lea Cty., NM (30-025-39712). This well is completed as an oil well in the Bone Spring and is expected to commence production on Aug 24, 2015.

#### **Battery Site and Flow line access:**

The commingle battery is located in Unit A of section 36-24s-34e near the Telecaster Bass 36 State 4H well. A separate flowline runs from the Telecaster Bass 36 State 4H wellhead to the header at the battery.

Right-of way was previously obtained by Endurance in Sec 35-24s-34e to allow for a separate flow line to be run from the Orange Raider BPV State 1H to the header at the Telecaster Bass battery in Sec 36.

There are no other wells producing into the Telecaster Bass battery.

#### **Production Flow & Metering:**

Exhibit 5 is a schematic of the production flow and processing thru the related vessels, metering and tank storage components of the Telecaster Bass Battery.

Both wells individual total production streams will travel to the Telecaster Bass battery header via separate flowlines from their respective wellheads. At the header each well will be routed separately to its own 3 phase separator. Separation of oil, water and gas will occur at each of these vessels and each product stream will be continuously metered as it exits the vessel in order to meet all state and any applicable federal testing requirements.

Oil and water volumes will be metered thru separate Halliburton total flow turbine meters. Gas volumes will be metered thru an orifice meter. Additionally gas component sampling will occur monthly for each vessel prior to the gas from each vessel flowing into the common sales line and sales meter. Monthly meter proving and sampling will be conducted by a certified 3rd party contractor.

Commingled gas volumes will be sold to Targa (24650) thru an orifice sales meter located at the Telecaster Battery site. Individual well monthly metered gas volumes and gas component analysis will be used to allocate commingled gas production and sales for the two wells and to reflect any BTU variance if necessary.

**cont'd Production Flow & Metering:**

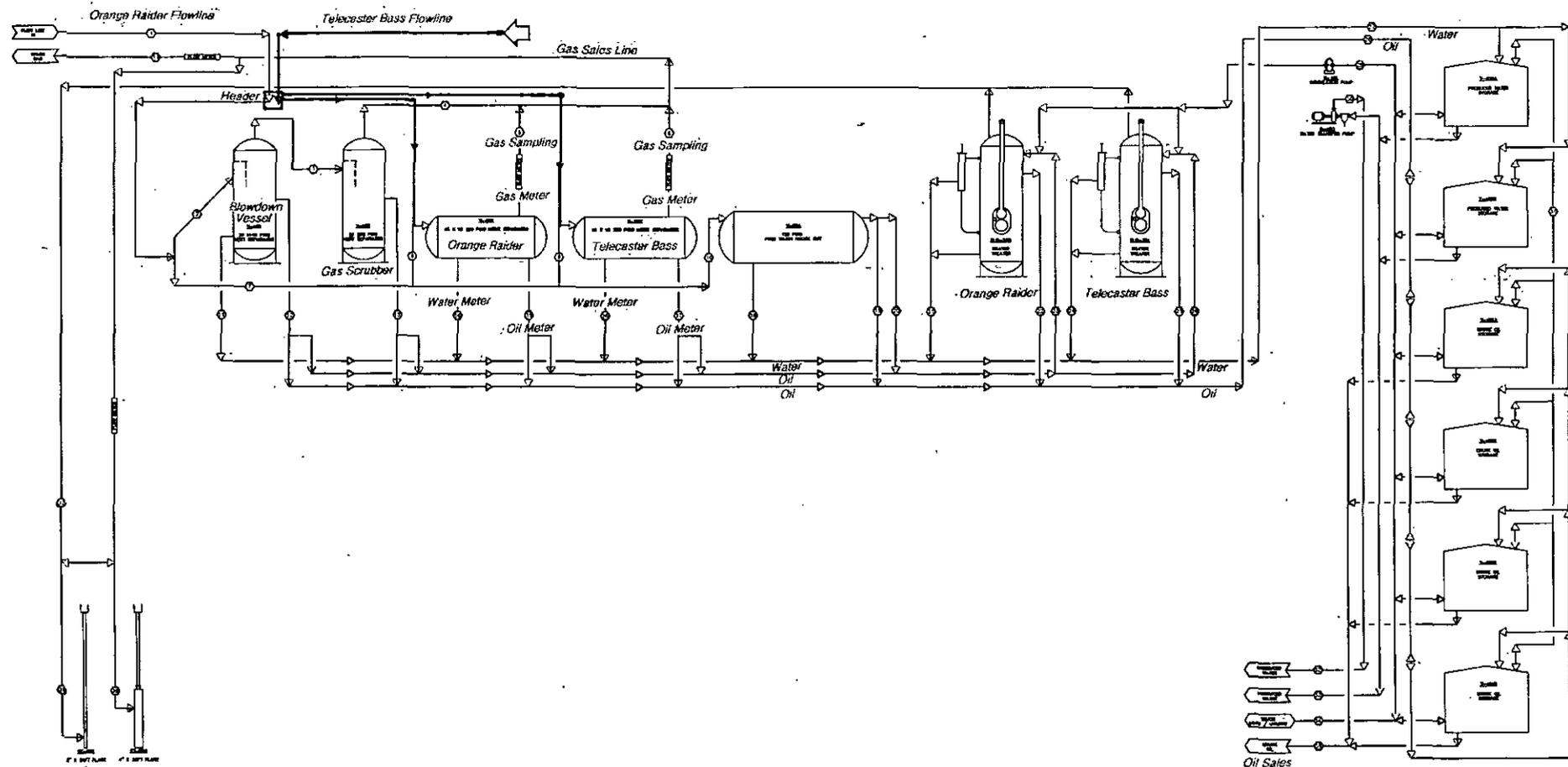
Commingled oil volumes will flow to common oil storage tanks located at the Telecaster Bass battery for sale via truck hauling by BML (252452). Individual well monthly metered oil volumes will be used to allocate the commingled oil production and sales for the two wells. API gravities are the same or similar but will be checked periodically for each well to insure no adjustments are required.

Commingled water production will flow to common produced water storage tanks at the Telecaster Bass Battery where the water will be metered and shipped to disposal via Endurance's area disposal system. Individual well monthly metered water volumes will be used to allocate the commingled water production and disposal to each well.

A single battery for these two wells will reduce the surface disturbance needed to process and sell production associated with these two wells.

The commingling of these two wells will not result in reduced royalty or improper measurement of production. All Working Interest and Overriding Royalty owners have been notified and have waived any objection to this commingling. The State of New Mexico is the Royalty owner for both wells.

Endurance Resources LLC respectfully request a timely approval of this commingling application for these two wells to allow for commencement of production from the Orange Raider BPV State 1H well projected for August 24, 2015.



This document and the information herein is the property of Endurance Resources, LLC and must not be copied, made public, or used in any way detrimental to the interests of Endurance Resources, LLC. It is loaned subject to return on demand unless otherwise provided by contract.

**K&B TECHNICAL SERVICES INC.**  
 119 S. Main Carlsbad, NM 88220  
 Ph 888.995.2632 Fax 888.258.7094  
 www.kbtst.us

**ENDURANCE RESOURCES, LLC**  
 TELECASTER BASS 36  
 STATE NO. 4H 150'FNL & 990'FEL  
 UNIT A, SEC 36-T245-R34E  
 LEASE #VO 7380 LEA CO. NM  
 API #30-025-42376

**REFERENCE DRAWINGS**

**REVISION RECORD**

NUMBER	TITLE	NUMBER	TITLE	NO.	DESCRIPTION	BY	APPD	DATE	NO.	DESCRIPTION	BY	APPD	DATE
-	-	-	-	1	FIRST ISSUE	TOP	LRK	7/1/13	1	-	-	-	-
-	-	-	-	2	-	-	-	-	2	-	-	-	-
-	-	-	-	3	-	-	-	-	3	-	-	-	-
-	-	-	-	4	-	-	-	-	4	-	-	-	-

Drawn By: jlp 6/1/2015  
 Checked: LRK 6/1/2015  
 Engr. App'd: LRK 7/1/2015  
 PM App'd: -  
 Scale: NONE

SYSTEM PFD  
 Drawing No. 040915-2-A-20