

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Tony Delfin
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



February 4, 2016

ADMINISTRATIVE POOL/LEASE COMMINGLING ORDER

Administrative Order PLC-442
Administrative Application Reference No. pMAM1601459626

Endurance Resources LLC
Attention: Ms. Jordan Kessler

Pursuant to your application received on January 14, 2016, Endurance Resources LLC (OGRID 270329) is hereby authorized to surface commingle oil and gas production from the following pools located in Township 25 South, Range 35 East, NMPM, Lea County, New Mexico;

JABALINA; DELAWARE, SOUTHWEST (97597)
WC-025 G-08 S253534O; BONE SPRING (97088)

and from the following diversely owned federal leases in said Section, Township, and Range in Lea County, New Mexico.

Lease: Federal Lease NMNM-112942
Description: W/2 of Section 26
Well: Moonlight Buttress 26 Federal Well No. 1H
Pool: Jabalina; Delaware, Southwest

Lease: Pending Federal Com. for the Bone Spring formation
Description: W/2 of Section 35
Well: Coronado 35 Federal Well No. 1H
Pool: WC-025 G-08 S253534O; Bone Spring

The commingled oil and gas production from the wells detailed above shall be measured and sold at the Moonlight Buttress 26 Federal Tank Battery (CTB) located in Unit D, Section 35, Township 25 South, Range 35 East, Lea County, New Mexico.

Production from the subject wells shall be determined as follows:

The oil and gas production from each of the diversely-owned leases shall be separately metered using a combination of well testing and allocation meters.

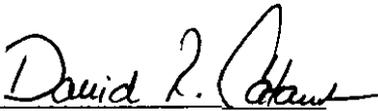
Subsequently drilled wells that produce from the subject pool within the project areas approved by this order may be added to this commingling authority by submittal of a Sundry Notice to the Engineering Bureau in Santa Fe.

The operator shall notify the transporter of this commingling authority.

The allocation meters shall be calibrated quarterly in accordance with Rule 19.15.12.10.C (2).

The operator shall notify the Hobbs District office of the Division upon commencement of commingling operations.

DONE at Santa Fe, New Mexico, on February 4, 2016.



DAVID R. CATANACH
Director

DRC/mam

cc: Oil Conservation Division District Office – Hobbs
Bureau of Land Management – Carlsbad