

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

**IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:**

**NOMENCLATURE
CASE NO. 15465 (Re-opened)
ORDER NO. R-14153-A**

**THE APPLICATION OF ENDURANCE RESOURCES, LLC TO REOPEN CASE
NO. 15465 FOR THE PURPOSE OF CREATING A DEFINED DELAWARE OIL
POOL SUBJECT TO THE SPECIAL RULES ENACTED UNDER DIVISION
ORDER NO. R-14153, LEA COUNTY, NEW MEXICO.**

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on July 21, 2016, at Santa Fe, New Mexico before Examiner William V. Jones.

NOW, on this 12th day of August, 2016, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner,

FINDS THAT:

(1) Due public notice has been given, and the Division has jurisdiction of this case and its subject matter.

(2) On April 19, 2016, the Division, by Order No. R-14153 issued in Case No. 15465, established Special Rules for oil production from the Delaware formation, Wildcat-Delaware Oil Pool, designated as the WC-025 G-05 S253523H; Delaware Pool (Pool Code 97779) and comprising the following lands:

Township 25 South, Range 35 East, NMPM

Section 15:	S/2
Section 16:	W/2 and SE/4
Section 22:	NE/4
Section 23:	N/2

(3) Order No. R-14153 also required the applicant to re-open the case within 60 days to define a new pool and assign those Special Rules to that new pool.

(4) Endurance Resources LLC has consulted with the Division's geologist in the Hobbs district office and re-opened the case; asking for a new and expanded pool and for the previously approved Special Rules to apply to the new pool.

(5) There is need for the creation of a new pool in Lea County, New Mexico for the production of oil from the Delaware formation, bearing the designation of Dogie Draw-Delaware Pool (Pool Code 97779).

(6) After the latest development, the expanded pool should now comprise the following lands:

Township 25 South, Range 35 East, NMPM

Section 15:	S/2
Section 16:	W/2 and SE/4
Section 22:	NE/4
Section 23:	N/2 and SW/4
Section 26:	W/2

(7) The Dogie Draw-Delaware Pool was discovered in 2009 by Chesapeake Operating, Inc.'s Dinwiddie 23 Federal Well No. 1 (API No. 30-025-38242) located in the SE/4 NE/4 (Unit H) of Section 23, Township 25 South, Range 35 East, NMPM, Lea County, New Mexico. The top perforation in that completion was at 8443 feet.

(8) This pool should be governed by Division Rules including the Special Rules promulgated in Division Order No. R-15153, which provide for a top allowable of 350 barrels of oil per day per 40-acre spacing and proration unit.

(9) Applicant provided notice to affected parties within the proposed pool and within one mile of the pool boundaries. Applicant also posted newspaper notice in a newspaper of general circulation within Lea County, New Mexico. No objections were received and no other party entered an appearance in this case.

(10) This application should be approved.

IT IS THEREFORE ORDERED THAT:

(1) The application of Endurance Resources, LLC ("Endurance") to re-open Case No. 15465 to define a new pool for production of oil from the Delaware formation, expand that pool, and assign the Special Rules approved by Division Order No. R-14153 is hereby approved.

(2) A new pool in Lea County, New Mexico classified as an oil pool for Delaware production, is hereby created and designated as the Dogie Draw-Delaware Pool (Pool Code 97779), and shall consist of the following described area:

Township 25 South, Range 35 East, NMPM

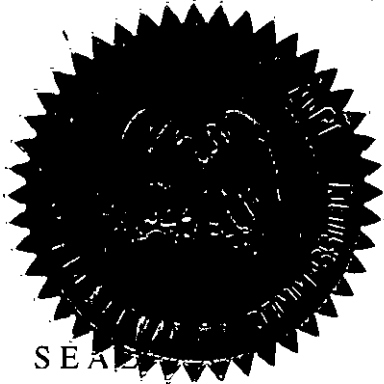
Section 15:	S/2
Section 16:	W/2 and SE/4
Section 22:	NE/4
Section 23:	N/2 and SW/4
Section 26:	W/2

(3) Existing or permitted Delaware oil wells located within this area shall be dedicated to the new pool, effective September 1, 2016, by submission of the operator to the Division of acreage dedication forms.

(4) The Special Rules approved in Division Order No. R-14153 shall apply to this pool; which rules allow for a daily average production over any one calendar month of 350 barrels of oil per day from any standard 40-acre oil spacing and proration unit.

(5) Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

David R. Catanach

DAVID R. CATANACH
Director