OCD Hobbs

Form 3160-5
(April 2004)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OM B No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

5. Lease Serial No. ~~NMNM-119277~~ FEE
6. If Indian, Allottee or Tribe Name
7. If Unit or CA/Agreement, Name and/or No. **NM-130780**
8. Well Name and No. **Burton 35 # 1**
9. API Well No. **30-025-40510**
10. Field and Pool, or Exploratory Area **Red Hills,Wolfcamp (Gas)**
11. County or Parish, State **Lea, NM**

1. Type of Well: ☐ Oil Well ☑ Gas Well ☐ Other
2. Name of Operator **Endeavor Energy Resources, LP**
3a. Address **110 N. Marienfeld, suite 200 Midland, Tx. 79701**
3b. Phone No. *(include area code)* **432-687-1575**
4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)* **660' FNL & 660' FEL, SEC. 35, T25S, R33E**

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☑ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☒ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☐ Other
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☑ Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Transporting off lease water from the Burton 35 # 1. Please find attached copies of the Water Disposal Onshore Order #7 and Water Analysis Report.

HOBBS OCD

JUL 18 2014

RECEIVED

SEE ATTACHED FOR CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct
Name *(Printed/Typed)* ~~Jan South~~ Title **Regulatory Analyst**

Signature Date **03/12/2014**

APPROVED

JUL 15 2014

JAMES A. AMOS
SUPERVISOR-EPS

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____ Title _____ Date _____

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

MSB/OCD 7/21/2014

JUL 22 2014

WATER DISPOSAL ONSHORE ORDER #7

The following information is needed before your method of water disposal can be considered for approval.

1. Name(s) of formation (s) producing water on the lease.
   WOLFCAMP
2. Amount of water produced from each formation in barrels per day.
   60 BBL'S
3. How water is stored on the lease.
   2 - 500 BBL TANKS
4. How water is moved to disposal facility.
   WATER TRANSFER PUMP
5. Operator's of disposal facility ~~PAN AM 25 FEDERAL~~ Endeco
   a. Lease name or well name and number PAN AM 25 FEDERAL #1
   b. Location by ¼ ¼ Section, Township, and Range of the disposal system
      SEC 25 T 25S R 33E ~~660 FNL & 660 FEL~~ NENE
   c. The appropriate NMOCD permit number SWD-1304

Submit on Federal Sundry 3160 to Carlsbad Field Office 620 E Greene Street Carlsbad NM88210.

Impact Water Analysis Analytical Report

IMPACT! CHEMICAL TECHNOLOGIES, INC.

Company:	EER	Location:	Burton 35-1
Source :	WH	Date Sampled:	February 20, 2014
Number :	23877	Account Manager:	Jr. Garcia
County:		Formation:	

ANALYSIS	mg/L		EQ. WT.		MEQ/L
1. pH	6.80				
2. Specific Gravity 60/60 F	1.067				
3. Hydrogen Sulfide	ND				
4. Carbon Dioxide	ND				
5. Dissolved Oxygen	ND				
6. Hydroxyl (OH^-)	0	/	17.0	=	0.00
7. Carbonate (CO_3^{-2})	0	/	30.0	=	0.00
8. Bicarbonate (HCO_3^-)	366	/	61.1	=	5.99
9. Chloride (Cl^-)	60,986	/	35.5	=	1,717.92
10. Sulfate (SO_4^{-2})	500	/	48.8	=	10.25
11. Calcium (Ca^{+2})	2,515	/	20.1	=	125.12
12. Magnesium (Mg^{+2})	316	/	12.2	=	25.91
13. Sodium (Na^+)	36,412	/	23.0	=	1,583.13
14. Barium (Ba^{+2})	3.68				
15. Total Iron (Fe)	19.22				
16. Manganese	3.86				
17. Strontium	395.20				
18. Total Dissolved Solids	101,517				
19. Resistivity @ 75 °F (calculated)	0.078 Ω-m				

20. $CaCO_3$ Saturation Index

@ 80 °F	-0.0734
@ 100 °F	0.2366
@ 120 °F	0.4966
@ 140 °F	0.8566
@ 160 °F	1.2066

21. $CaSO_4$ Supersaturation Ratio

@ 70 °F	0.1706
@ 90 °F	0.1701
@ 110 °F	0.1717
@ 130 °F	0.1739
@ 150 °F	0.1761

PROBABLE MINERAL COMPOSITION

COMPOUND	EQ. WT.	X	MEQ/L	= mg/L
$Ca(HCO_3)_2$	81.04		5.99	485
$CaSO_4$	68.07		10.25	698
$CaCl_2$	55.50		108.88	6,043
$Mg(HCO_3)_2$	73.17		0.00	0
$MgSO_4$	60.19		0.00	0
$MgCl_2$	47.62		25.91	1,234
$NaHCO_3$	84.00		0.00	0
$NaSO_4$	71.03		0.00	0
NaCl	58.46		1,583.13	92,550

Analyst: Jeremy Lysinger Date: February 27, 2014

BONE SPRINGS

Mobile Analytical Laboratories, Inc.
LABORATORIES IN ODESSA, GIDDINGS & STACY DAM
Billing Address: P.O. BOX 69210 • ODESSA, TEXAS 79769-0210
Shipping Address: 2800 WESTOVER STREET • ODESSA, TEXAS 79764
PHONE (432) 337-4744
FAX (432) 337-8781

MR. KELVIN FISHER
ENDEAVOR ENERGY RESOURCES
110 N. MARIENFELD, STE 200
MIDLAND, TEXAS 79701

AUGUST 02, 2012

DEAR MR. FISHER:

THE FOLLOWING IS THE DISTILLATION RESULT FROM THE RED BULL 3 FED #1 SAMPLE, RECEIVED 08/01/12, LAB NO. 12622:

DISTILLATION RESULTS

PERCENT OVER	TEMPERATURE, DEG/F
FIRST DROP	113
5%	176
10%	205
20%	259
30%	310
40%	400
50%	484
60%	565
70%	654
80%	708
90%	740
END POINT	740

RECOVERY	96 %	API GRAVITY 44.0	@ 60°F
RESIDUE	2 %	SPECIFIC GR. 0.8065	@ 60°F
LOSS	2 %	COLOR YELLOW	

METHOD: DISTILLATION ASTM D-86.

WE APPRECIATE THE OPPORTUNITY TO WORK WITH YOU ON THESE TESTS. IF YOU HAVE ANY QUESTIONS OR REQUIRE ANY FURTHER INFORMATION, PLEASE FEEL FREE TO CONTACT ME AT ANY TIME.

SINCERELY,

Stephen Reid

STEPHEN REID
SR/md

MANLEY GAS TESTING, INC.
P.O. DRAWER 193 ODESSA, TEXAS 79760
OFFICE(432)367-3024 FAX(432)367-1166 E-MAIL: MANLEYGAST@AOL.COM

CHARGE..... 99 - 1
REC. NO. 0
TEST NUMBER.. 28056

DATE SAMPLED..... 08-01-12
DATE RUN..... 08-02-12
EFFEC. DATE..... --

STATION NO. ...

SAMPLE NAME.... RED BULL #3 FED #1
RECEIVED FROM.. ENDEAVOR
LOCATION ..... MIDLAND TEXAS

FLOWING PRESSURE ..... 25 PSIG

FLOWING TEMPERATURE ..... 100 F

SAMPLED BY: NH

CYLINDER NO. ...

FRACTIONAL ANALYSIS
CALCULATED @ 14.650 PSIA AND 60F

	MOL%	GPM (REAL)
HYDROGEN SULFIDE...	0.000	
NITROGEN.....	2.230	
CARBON DIOXIDE.....	7.245	
METHANE.....	67.492	
ETHANE.....	11.747	3.1369
PROPANE.....	6.832	1.8794
ISO-BUTANE.....	0.827	0.2702
NOR-BUTANE.....	1.996	0.6283
ISO-PENTANE.....	0.486	0.1774
NOR-PENTANE.....	0.496	0.1796
HEXANES +.....	0.649	0.2828
TOTALS	100.000	6.5546

'Z' FACTOR (DRY) = 0.9958
'Z' FACTOR (WET) = 0.9954

..CALCULATED SPECIFIC GRAVITIES..

IDEAL, DRY..... 0.8335
IDEAL, WET 0.8298
REAL, DRY 0.8367
REAL, WET 0.8333

..CALCULATED GROSS HEATING VALUES..

BTU/CF - IDEAL, DRY 1222.2
BTU/CF - IDEAL, WET 1201.7
BTU/CF - REAL, DRY 1227.4
BTU/CF - REAL, WET 1207.3

DISTRIBUTION AND REMARKS:

E-MAIL: RONNIE@EERONLINE.COM / NOLAN@EERONLINE.COM

ANALYZED BY: JT

APPROVED: mc

MOBILE ANALYTICAL LABORATORIES, INC.

P.O. BOX 69210
ODESSA, TEXAS 79769
PHONE (432)337-4744

9848

ANALYSIS REPORT

COMPANY . .	WELL TESTING	STATION	
LEASE/PLANT	RED BULL 3 FED #1	PRESS. PSIG . . .	
OPERATOR . .	ENDEAVOR	TEMP. DEG. F . . .	
CYLINDER .	32	SAMPLED / RECEIVED	02/14/11
H2S PPM . .	NOT TESTED	SAMPLED BY . . .	MW

FRACTIONAL ANALYSIS

COMPONENT	MOL %	GPM C2+	GPM C5+
NITROGEN	0.932	0.000	0.000
CARBON DIOXIDE . .	0.255	0.000	0.000
METHANE	76.622	0.000	0.000
ETHANE	12.379	3.305	0.000
PROPANE	5.614	1.544	0.000
ISO-BUTANE	0.721	0.236	0.000
N-BUTANE	1.598	0.503	0.000
ISO-PENTANE	0.384	0.140	0.140
N-PENTANE	0.432	0.156	0.156
HEXANES PLUS . . .	1.063	0.463	0.463
TOTALS	100.000	6.347	0.759

CALC. SP.GRAVITY 0.755

BTU/CU. FT. (14.650 PSIA, 60 DEG. F)
CALC. GROSS WET 1276
CALC. GROSS DRY 1298

DISTRIBUTION:
MS. JUDY FUENTES

NOTES:

REPORT DATE: 02/14/11

Wolfcamp

Mobile Analytical Laboratories, Inc.

LABORATORIES IN ODESSA, GIDDINGS & STACY DAM
Billing Address: P.O. BOX 69210 • ODESSA, TEXAS 79769-0210
Shipping Address: 2800 WESTOVER STREET • ODESSA, TEXAS 79764
PHONE (432) 337-4744
FAX (432) 337-8781

MS. JUDY FUENTES
WELL TESTING INC.
P.O. BOX 1263
MONAHANS, TEXAS 79756

FEBRUARY 15, 2011

DEAR MS. FUENTES:

THE FOLLOWING IS THE DISTILLATION RESULT FROM THE ENDEAVOR RED BULL 3 FED #1 SAMPLE, RECEIVED 02/14/11, LAB NO. 7830:

DISTILLATION RESULTS

PERCENT OVER	TEMPERATURE, DEG/F
FIRST DROP	115
5%	175
10%	205
20%	254
30%	298
40%	375
50%	450
60%	526
70%	614
80%	701
90%	756
END POINT	760

RECOVERY	96 %	API GRAVITY	47.9 @ 60°F
RESIDUE	2 %	SPECIFIC GR.	0.7888 @ 60°F
LOSS	2 %	COLOR	YELLOW

METHOD: DISTILLATION ASTM D-86.

WE APPRECIATE THE OPPORTUNITY TO WORK WITH YOU ON THESE TESTS. IF YOU HAVE ANY QUESTIONS OR REQUIRE ANY FURTHER INFORMATION, PLEASE FEEL FREE TO CONTACT ME AT ANY TIME.

SINCERELY,

Stephen Reid

STEPHEN REID
SR/md

BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972

Disposal of Produced Water From Federal Wells
Conditions of Approval

Approval of the produced water disposal methodology is subject to the following conditions of approval:

1. This agency shall be notified of any change in your method or location of disposal.
2. Compliance with all provisions of Onshore Order No. 7.
3. This agency shall be notified of any spill or discharge as required by NTL-3A.
4. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
5. Any on-lease open top storage tanks shall be covered with a protective cover to prevent entry by birds and other wildlife.
6. This approval should not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.
7. If water is transported via a pipeline that extends beyond the lease boundary, then you need to submit within 30 days an application for right-of-way approval to the Realty Section in this office if you have not already done so.
8. Disposal at any other site will require prior approval.
9. Subject to like approval by NMOCD.

7/10/14