

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

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

District III
1000 Rio Brazos Road, 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

Form C-101
Revised July 18, 2013

Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

HOBBS OCD

AMENDED REPORT

DEC 30 2015

RECEIVED

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address ENDURANCE RESOURCES LLC 203 West Wall Suite 1000 Midland, TX 79701		² OGRID Number 270329
		³ API Number 30-025-4290
⁴ Property Code 314105	⁵ Property Name Telecaster Bass 36 State	⁶ Well No. 1H

⁷ Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
D	36	24 S	34 E		330	N	425	W	LEA

⁸ Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
M	36	24 S	34 E		330	S	660	W	LEA

⁹ Pool Information

Pool Name Red Hills: Bone Spring East NORTH	Pool Code 96434
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Additional Well Information

¹¹ Work Type New Well	¹² Well Type Oil	¹³ Cable/Rotary R	¹⁴ Lease Type State	¹⁵ Ground Level Elevation
¹⁶ Multiple N	¹⁷ Proposed Depth 13,850' MD	¹⁸ Formation Bone Spring/Avalon	¹⁹ Contractor NorAm 23	²⁰ Spud Date 05/01/16
Depth to Ground water: 0-400'		Distance from nearest fresh water well		Distance to nearest surface water

We will be using a closed-loop system in lieu of lined pits

²¹ Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	9.625	40	1000	440	Surface
Int1	8.75	7	29	9900	770	Surface
Prod	6.125	4.5	13.5	13850	250	8700

Casing/Cement Program: Additional Comments

Plan to drill a 12-1/4" hole to 1000' with Fresh Water. Run 9-5/8", 40#, J-55 csg and cement to surface. Drill 8-3/4" vertical and curve on 10*/100' to 9,900' with oil based mud, and run 7", 29#, HCP-110 csg and cement to surface. Drill a 6-1/8" hole (~3950' lateral) to TD of ~13,850'. Run 4-1/2", 13.5#, HCP-110 csg and cement to 8700'.

²² Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	5000	5000	Cameron

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

I further certify that I have complied with 19.15.14.9 (A) NMAC and/or 19.15.14.9 (B) NMAC , if applicable.

Signature: *Tinlee Tilton*

Printed name: Ms. Tinlee Tilton

Title: Engineer

E-mail Address: tinlee@enduranceresourcesllc.com

Date: 12/21/2015

Phone: 432-242-4693

OIL CONSERVATION DIVISION

Approved By: *[Signature]*

Title: Petroleum Engineer

Approved Date: 12/31/15

Expiration Date: 12/31/17

Conditions of Approval Attached

JAN 04 2016 115/116

CONDITIONS OF APPROVAL

API #	Operator	Well name & Number
30-025-42990	ENDURANCE RESOURCES LLC	TTELECASTER BASS STATE # 001H

Applicable conditions of approval marked with **XXXXXX**

Administrative Orders Required

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Other wells

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Drilling

XXXXXX	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string

Casing

XXXXXX	SURFACE & INTERMEDIATE(1) CASING - Cement must circulate to surface --
XXXXXX	PRODUCTION CASING - Cement must tie back into intermediate casing --
	If cement does not circulate to surface, must run temperature survey or other log to determine top of cement
XXXXXX	Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water

Lost Circulation

XXXXXX	Must notify OCD Hobbs Office if lost circulation is encountered at 575-370-3186

Stage Tool

XXXXXX	Must notify OCD Hobbs Office prior to running Stage Tool at 575-370-3186
XXXXXX	If using Stage Tool on Surface casing, Stage Tool must be greater than 350' and a minimum 200 feet above surface shoe.
XXXXXX	When using a Stage Tool on Intermediate or Production Casing Stage must be a minimum of 50 feet below previous casing shoe.

Pits

XXXXXX	If using a pit for drilling and completions, must have an approved pit form prior to spudding the well

Completion & Production

XXXXXX	Will require a directional survey with the C-104