

**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 OCE**  AMENDED REPORT  
**JAN 11 2016**  
RECEIVED

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

<sup>1</sup> Operator Name and Address ENDURANCE RESOURCES LLC 203 West Wall Suite 1000 Midland, TX 79701		<sup>2</sup> OGRID Number 270329
<sup>4</sup> Property Code 40147		<sup>3</sup> API Number 30-025-43024
<sup>5</sup> Property Name Jaguar 18 State		<sup>6</sup> Well No. 503H

**7. Surface Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
D 10	18	23 S	33 E		330	S	2500	E	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 B	18	23 S	33 E		330	N	2200	E	LEA

**9. Pool Information**

Pool Name Bell Lake: Bone Spring North	Cruz; Bone Spring	Pool Code 8150
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**Additional Well Information**

<sup>11</sup> Work Type New Well	<sup>12</sup> Well Type Oil	<sup>13</sup> Cable/Rotary R	<sup>14</sup> Lease Type State	<sup>15</sup> Ground Level Elevation 3699.5'
<sup>16</sup> Multiple N	<sup>17</sup> Proposed Depth 15,898' MD	<sup>18</sup> Formation 2 <sup>nd</sup> Bone Spring	<sup>19</sup> Contractor Noram 23	<sup>20</sup> Spud Date 02/01/16
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	17.5	13.375	54.5	1000	760	Surface
Int1	12.25	9.625	40	5100	900	Surface
Prod	8.75	5.5	20	15050	1640	4000

**Casing/Cement Program: Additional Comments**

Plan to drill a 17-1/2" hole to 1000' with Fresh Water. Run 13-3/8", 54.5#, J-55 csg and cement to surface. Drill 12-1/4" hole to 5,100' with Brine, and run 9-5/8", 40.0#, L-80 csg and cement to surface. Drill a 10" / 100' curve and a ~4,350' lateral to TD of ~15,050'. Run 5-1/2", 20#, P-110 csg and cement to 4000'.

**22. Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	5000	5000	Cameron

<sup>23</sup> 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: 1/8/2016

Phone: 432-242-4693

OIL CONSERVATION DIVISION

Approved By:

Title: *Petroleum Engineer*

Approved Date: *01/15/16*

Expiration Date: *01/15/18*

Conditions of Approval Attached

JAN 15 2016

CONDITIONS OF APPROVAL

API #	Operator	Well name & Number
30-025-43024	ENDURANCE RESOURCES LLC	JAGUAR 18 STATE # 503H

Applicable conditions of approval marked with **XXXXXX**

Administrative Orders Required

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Other wells

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Drilling

<b>XXXXXX</b>	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

<b>XXXXXX</b>	SURFACE & INTERMEDIATE(1) CASING - Cement must circulate to surface --
<b>XXXXXX</b>	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
<b>XXXXXX</b>	Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water

Lost Circulation

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

Stage Tool

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

Pits

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

Completion & Production

<b>XXXXXX</b>	Will require a directional survey with the C-104