

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.

Carlsbad Field Office
OCD Hobbs

SUBMIT IN TRIPLICATE - Other instructions on page 2

HOBBS OCD

FEB 27 2017

RECEIVED

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	7. If Unit or CA/Agreement, Name and/or No.
2. Name of Operator ENDURANCE RESOURCES LLC Contact: WESLEY RANDALL E-Mail: WESLEY@ENDURANCERESOURCESLLC.COM	8. Well Name and No. STRATOCASTER 20 FED 4H
3a. Address 203 WEST WALL SUITE 1000 MIDLAND, TX 79701	9. API Well No. 30-025-27051-00-S2
3b. Phone No. (include area code) Ph: 432-242-4680 Fx: 432-242-4689	10. Field and Pool or Exploratory Area ANTELOPE RIDGE
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 20 T23S R34E NESE 1980FSL 660FEL	11. County or Parish, State LEA COUNTY, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Onshore Order Variance
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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 recomple 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recomple in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

Endurance Resources LLC requests permission to install a Vapor Combustor Unit (VCU) at the Stratocaster 3H & 4H Tank Battery. This request is due to the fact that the cost of installing and operating equipment necessary to capture the gas exceeds the value of the gas over the life of the facility. Endurance Resources LLC understands that the following conditions apply:

1. Endurance Resources LLC may be required to provide economic justification and provide volume verification to the Authorized Officer upon request.
2. Endurance Resources LLC will comply with NTL-4A requirements
3. If volume being combusted is less than 50 MCF of gas per day, it is considered ?unavoidably lost?, therefore no royalty obligation shall be accrued and will not be required to be reported.
 - a. ?Unavoidably Lost? production shall mean (1) those vapors which are released (in this case combusted) from low-pressure storage tanks.
4. Essentially all measured combusted volumes over 50 MCF will require payment of royalties and

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #359226 verified by the BLM Well Information System
For ENDURANCE RESOURCES LLC, sent to the Hobbs
Committed to AFMSS for processing by DEBORAH MCKINNEY on 01/17/2017 (17DLM0323SE)**

Name (Printed/Typed) WESLEY RANDALL	Title PRODUCTION MANAGER
Signature (Electronic Submission)	Date 11/29/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>DUNCAN WHITLOCK</u>	Title TECHNICAL LPET	Date 02/23/2017
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 Hobbs

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)

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Additional data for EC transaction #359226 that would not fit on the form

32. Additional remarks, continued

volumes need to be reported on OGOR ?B? reports as disposition code ?08?.

5. Per 43 CFR 3162.7-5(d)/Onshore Order No.3.III.I.1, site facility diagram must be submitted within 60 days of equipment installation.

6. This approval does not authorize any additional surface disturbance.

7. Subject to like approval from NMOCD.

Attached are the following:

? Site security diagram of the current tank battery as well as the location of the VCU and the manifold line connecting the tanks to the VCU.

? Contact name and number to retrieve information on volumes being combusted.

? Specification sheet(s) for the VCU.

Stratocaster 3H & 4H Tank Battery - VCU Specification Sheet

Edge Manufacturing & Technology

Edge XXV 18" LP Combustor. 99.9% Destruction removal efficiency and surpasses the requirements of EPA NSPS40 CFR Subpart OOOO and AER directive 60.

18"x15' Free Standing

Maximum LP Volume 25 Mscfd

Electronic Ignition Control with Data Logging

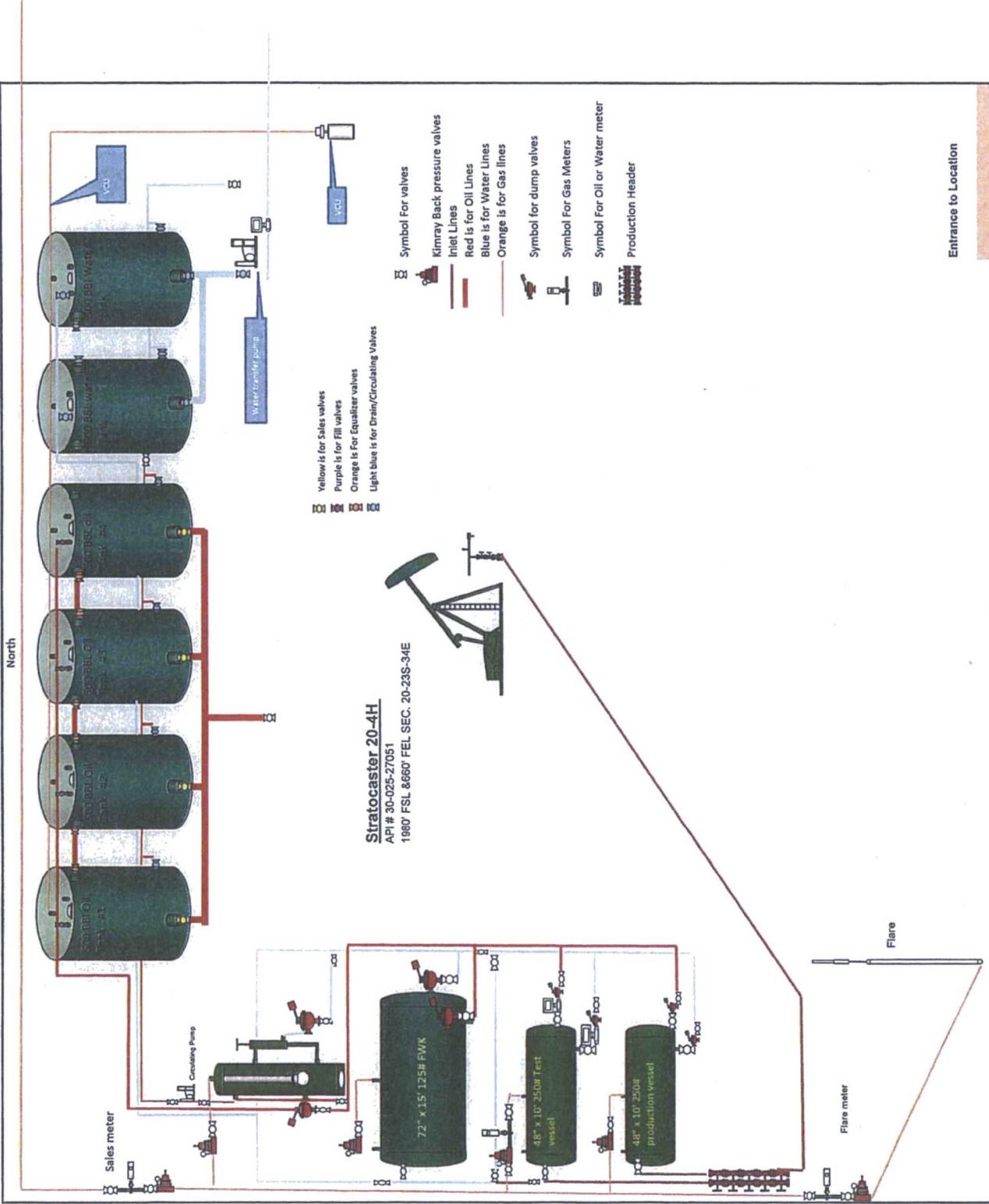
3" Threaded Standard Flame Arrestor

Edge 600 Burner Management System

Solar or 110v power

Concrete Block

Pilot Gas Scrubber Pot – 8" x 36" volume pot



North

Stratocaster 20-4H
 API # 30-025-27051
 1980' FSL & 660' FEL SEC. 20-23S-34E

- Yellow is for Sales valves
- Purple is for Fill valves
- Orange is for Equalizer valves
- Light blue is for Drain/Circulating Valves

- Symbol For valves
- Kimray Back pressure valves
- Inlet Lines
- Red is for Oil Lines
- Blue is for Water Lines
- Orange is for Gas lines
- Symbol for dump valves
- Symbol For Gas Meters
- Symbol For Oil or Water meter
- Production Header

Entrance to Location

Sales meter

Circulating Pump

72" x 15' 12.5H FWK

48" x 10' 25.0H Test vessel

48" x 10' 25.0H production vessel

Flare meter

Flare

VCU

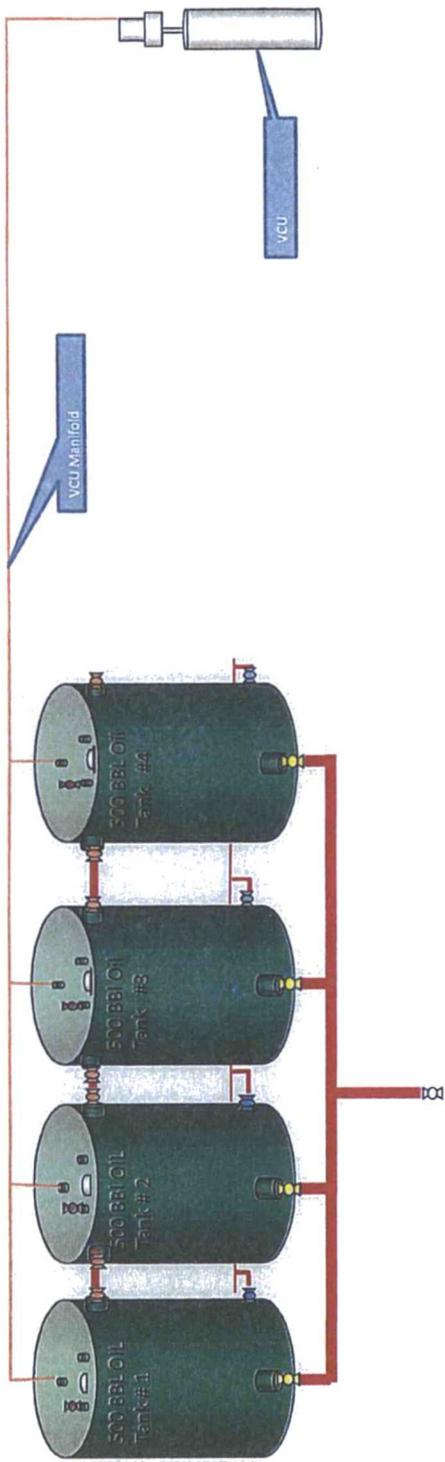
1000 BBL Water tank

1000 BBL Water tank

1000 BBL Oil tank

Water transfer pump

VCU



Contact Information for Volumes Combusted

Richard Joy / 575-703-7635 (c) / 575-308-0722 (o)

Tim Houghtaling / 575-200-6717 (c) / 575-308-0722 (o)