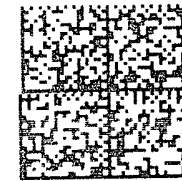


API
30-025-28540

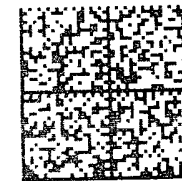
EMNRD
OIL CONSERVATION DIVISION
1625 N FRENCH DRIVE
HOBBS NM 88240



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Cavin & Ingram
40 First Plaza Ste. 610
Albuquerque, NM 87102

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Endeavor Energy Resources, LP
110 N. Marienfeld Ste 110
Midland, Texas 79701

New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson

Governor

Joanna Prukop

Cabinet Secretary

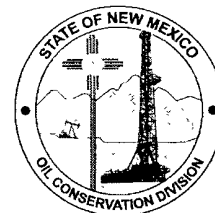
Reese Fullerton

Deputy Cabinet Secretary

Mark Fesmire

Division Director

Oil Conservation Division



3/27/08

Endeavor Energy Resources, LP
110 N. Marienfeld Ste 110
Midland, Texas 79701

Dear Sirs:

A complaint has been filed to this office by Cavin & Ingram, P.A. attorneys on behalf of Pressley Duncan on property described as Section 7 T-13S-R36E. The well in question is the Harton State #1 API 30-025-28540. The complaint alleges that the flare system used on the property is 6" tall. The NMOCD made an inspection and found the flare to be approximately 14' tall. The other problem at the time is the flare was not fenced and cattle could possibly push the flare over. Ronnie Pryor with Endeavor was contacted about the fencing issue. He said that the fence would be put up immediately.

As to the hydrogen sulfide question, Endeavor needs to measure the amount of hydrogen sulfide that is being produced with the gas stream and calculate a radius of exposure for the well. Please refer to NMOCD rule 118 to calculate the radius of exposure. Endeavor needs to measure the distance from the flare to the stock tanks to see if the flare is a safe distance. Please refer to NMOCD rule 114. Please submit the information the NMOCD Hobbs District office at 1625 N. French Dr., Hobbs, NM 88240 by April 10, 2008.

Sincerely

NMOCD District 1 Supervisor

CC: Cavin & Ingram, P.A.

Stephan D. Ingram – Attorney

40 First Plaza Ste. 610

Albuquerque, NM 87102

