



HOBBS OCD

MAR 12 2014

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ENDURANCE RESOURCES LLC

MULTIPOINT SURFACE USE AND OPERATIONS PLAN

EXPLORER 12 FEDERAL #1H

SHL: 330' FNL & 330' FWL

BHL: 330' FNL & 330' FEL

SEC 12-19S-32E

LEA COUNTY, NM

This plan is submitted with Form 3160-3, Application for Permit to Drill, covering the above mentioned well. The purpose of this plan is to describe the location of the proposed well, the proposed construction activities and operations plan, the magnitude of surface disturbance involved and the procedures to be followed in rehabilitating the surface after the completion of operations, so that a complete appraisal can be made of the environment effect associated with these operations.

Directions:

From the intersection of State Highway 243 & CR 126 (Maljamar Rd) go north on CR 126 for approx. 6 miles. Go east on caliche road (across from dry lake road) for approx. 5.2 miles. Continue north approx. 0.6 of a mile. Go west on caliche lease road approx. 0.45 of a mile. Go north on caliche lease road approx. 0.2 of a mile. Go east/northeast approx. 0.55 of a mile to Federal 12 #4 well. From southwest corner pad, follow road laths westerly for approx. 0.5 miles to southeast corner of pad. Location is approx. 273ft northwest.

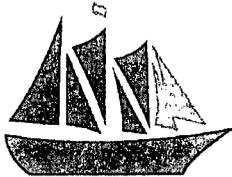
1. Existing Roads:

- The well site and elevation plat for the proposed well are reflected on the well site layout; Form C-102, page 1. This well was staked by Madron Surveying Inc. from Carlsbad, NM.
- Page 4 of the C-102 packet contains is a Vicinity map showing the well and roads in the vicinity of the proposed location. The proposed well site and the access route are labeled in orange & blue. The proposed well site and the access route to location are indicated on the Site map (page 2) of C-102 packet.
- Routine grading and maintenance of existing roads will be conducted as necessary to maintain their condition as long as any operations continue on this lease.
- Existing Endurance lease roads to the Federal 12#4 will be used to access this proposed location

2. Planned Access Road:

- Endurance Resources LLC will be using the existing access roads to the Federal 12#4. Endurance is requesting ROW for 2,619' of new access road to the Explorer 12 Fed #1H location from the Federal 12#4 location.

MAR 17 2014



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RESOURCES, LLC

- The maximum width of this road will be 15'. It will be crowned and made of 6" rolled and compacted caliche. Water will be deflected as necessary, to avoid accumulation and prevent surface erosion.
- Surface material will be native caliche. This material will be obtained from a BLM approved pit nearest in proximity to the location. The average grade will be approx. 1%.
- No cattle guards, gates, or fence cuts will be required. No turnouts are planned.

3. Location of Existing Wells:

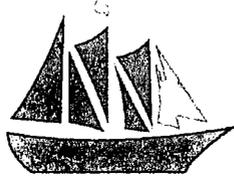
- A one mile radius map shows all existing/proposed wells within a one-mile radius of the proposed location. See attached radius plat for more details.

4. Location of Existing and/or Proposed Facilities:

- Well site will be constructed by way of a 350'x420' pad. Topsoil pile will be placed on the west side of location. V-door will be facing east.
- In the event this well is found productive, a tank battery will be constructed with (4) 500 bbl oil tanks, (2) 500 bbl water tanks, a separator, a heater treater, a free water knockout, and a gas sales meter on this site. Necessary production equipment is subject to change once offsetting horizontal production is analyzed. Tank battery equipment will be placed on the east side of location, while treating facility equipment will be placed on the north side of location. Note: a distance of 100' is required between fired vessels and any combustibles for safety purposes. This battery will potential handle three more additional horizontal wells if area is successful.
- All flow lines will adhere to API standards.
- Endurance Resources requests to lay one buried 10" poly flex flow line to connect the Explorer 12 Fed #1 to Frontier's existing pipe line running NW/SE in Sec 12. This line will carry a maximum of 4 MMCFPD at 125psi. This gas line will be buried. Distance will be 2,540' from location to tie-in point. Endurance will follow proposed access road to tie-in point, using this requested ROW of a strip of land 30' wide crossing BLM land in Sec 12-T19S-R32E of Lea Co NM being 15' each side. See attached plat "10" Gas Line to Connect the Explorer 12 Federal #1H" for more details.
- Power will be supplied by way of existing electrical line running from the Federal 12#4 location. This is an Endurance owned power line. Power poles will be set alongside the access road to the Fed 12#4 location. This ROW is ~3,020' from the Explorer 12 Fed #1H to the existing Federal 12#4 location. See attached plat "Electric Line to Connect the Explorer 12 Federal #1H" for more details.
- Power line, gas line, & and access road are being requested to be packaged up into a multi-use ROW.
- The original topsoil from the well site will be returned to the location. The drill site will then be contoured as close as possible to the original state.

5. Location and Types of Water Supply:

- This location will be drilled using a combination of water mud systems (outlined in the Drilling program). The water will be obtained from commercial water stations in the area and hauled to location by transport truck using existing roads. On occasion, water will be obtained from a pre-



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existing water well, running a pump directly to the drilling rig. In these cases where a poly line is used to transport water for drilling or completion purposes, the existing and proposed road into location will be utilized.

6. Construction Materials:

- All caliche utilized for the drilling pad and access road will be obtained from an existing BLM approved pit or from prevailing deposits found under the location. All roads will be constructed of 6" rolled and compacted caliche. Will use BLM recommended use of extra caliche from other locations close by for roads, if available.

7. Methods of Handling Waste Material:

- All trash, junk, & other material will be removed from the well site within 30 days after finishing drilling/completion operations. All waste material will be contained in trash bins to prevent scattering. When the job is completed, all contents will be removed and disposed of in an approved sanitary landfill.
- The supplier, including broken sacks, will pick up slats remaining after completion of the well.
- A porto-john will be utilized for handling all gray water waster material. The equipment will be properly maintained during the drilling and completion operations, and will be removed when all operations are completed.
- Drill cuttings will be separated by a series of solids removal equipment and stored in steel containment pits and then hauled to a state approved disposal facility.
- Drilling fluids will be contained in steel pits in a closed loop circulating system. Fluids will be cleaned and reused. Water produced during testing will be contained in the steel pits & disposed of at a state approved disposal facility. Any oil or condensate produced will be stored in test tanks until sold & hauled from site.

8. Ancillary Facilities:

- No campsites or other facilities will be constructed as a result of this well.

9. Wellsite Layout:

- Attached is the proposed well site layout with dimensions of the pad layout. Endurance Resources LLC is providing a generic layout that represents the dimensions of a drilling rig once secured.
- This exhibit indicates proposed location of reserve and sump pits if utilized. Living facilities will be placed on the south side of location.
- Mud pits in the active circulating system will be steel pits and a closed loop system will be utilized. Endurance Resources LLC will comply with the NMOCD requirements 19.15.17 and submit a form C-144 to the appropriate NMOCD district office.
- Well site will be constructed by way of a 350'x420' pad. Topsoil pile will be placed on the west side of location. V-door will be facing east.



10. Plans for Surface Reclamation:

- After concluding the drilling and/or completion operations, if the well is found non-commercial, the caliche will be removed from the pad and transported to the original caliche pit or used for other drilling locations or roads. The road will be reclaimed as directed by the BLM. The well site will be properly contoured, as close as possible, to the original topography. Topsoil from the spoil pile will be placed over the distributed area. Revegetation procedures will comply with BLM standards.
- The location and road will be rehabilitated as recommended by the BLM.
- If the well is deemed commercially productive, caliche from areas of the drill pad not required for *safe* operations, will be reclaimed. These unused areas of the drill pad will be contoured as close as possible to match the original topography. The original topsoil will be returned to the area of the drilling pad not necessary to operate the well. These areas will then be seeded per BLM requirements.
- See attached site reclamation diagram for more details.

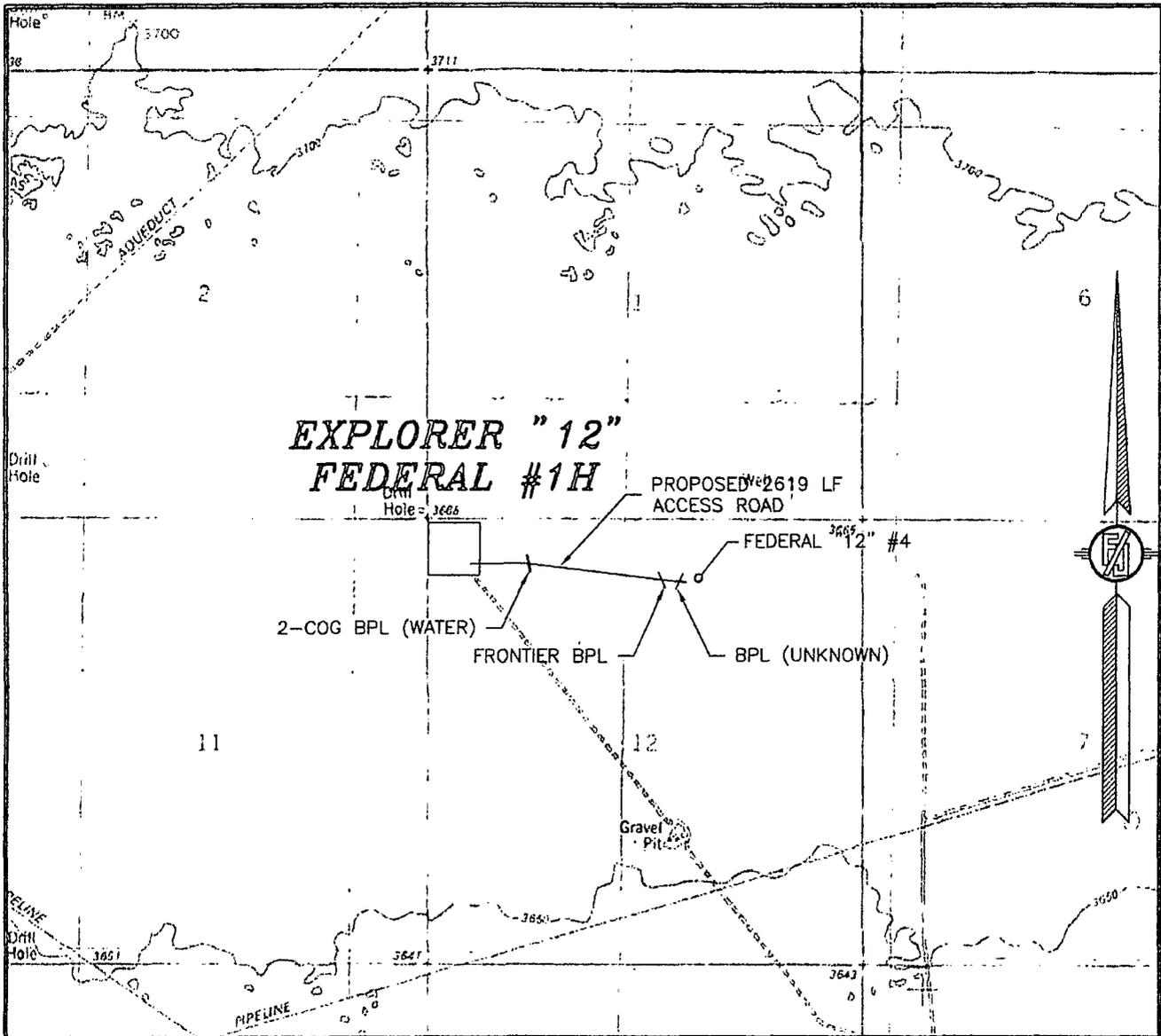
11. Surface Ownership:

- The surface is owned by the BLM and is administered by the BLM. The surface is multiple use with primary uses of the region for the grazing of livestock, as well as oil & gas production.
- The proposed road routes & surface location will be restored as directed by the BLM.

12. Other Information:

- The area surrounding the well site is made up of grassland & mesquite trees. The topsoil is sandy in nature. No wildlife was observed, but free range cattle, deer, dove/quail, & small rodents are likely to traverse the area.
- There is no permanent or live water in the general proximity of this location.
- There are no dwellings within 2 miles of this location.
- Michael Stowe of Advanced Archaeological Solutions (ADAS) to complete the Cultural Resource Survey Report.

SECTION 12, TOWNSHIP 19 SOUTH, RANGE 32 EAST, N.M.P.M.
 LEA COUNTY, STATE OF NEW MEXICO
 LOCATION VERIFICATION MAP



USGS QUAD MAP:
 LAGUNA GATUNA NW

NOT TO SCALE

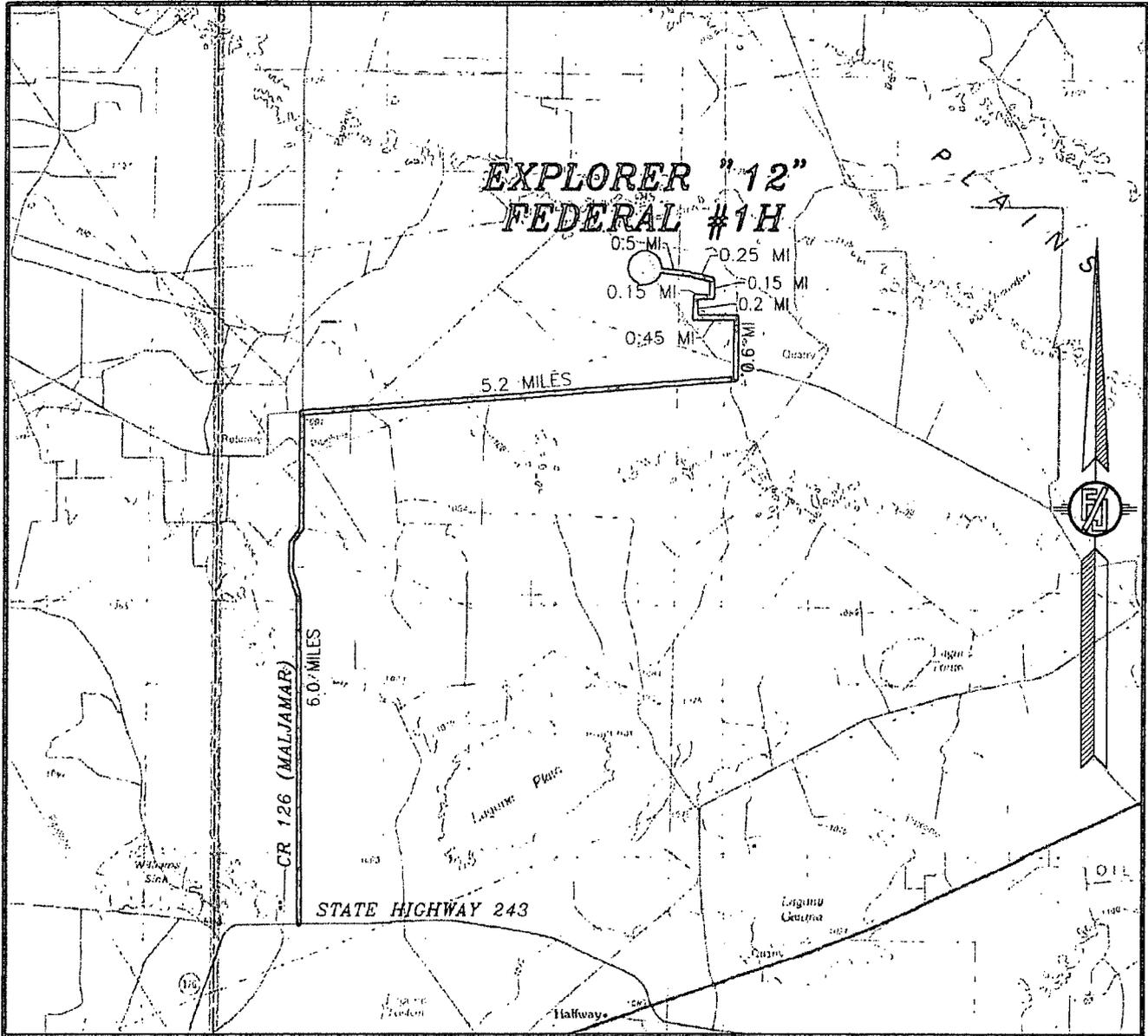
ENDURANCE RESOURCES, LLC
EXPLORER "12" FEDERAL #1H
 LOCATED 330 FT. FROM THE NORTH LINE
 AND 330 FT. FROM THE WEST LINE OF
 SECTION 12, TOWNSHIP 19 SOUTH,
 RANGE 32 EAST, N.M.P.M.
 LEA COUNTY, STATE OF NEW MEXICO

MAY 11, 2013

SURVEY NO. 1787

MADRON SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO
 (575) 234-3341

SECTION 12, TOWNSHIP 19 SOUTH, RANGE 32 EAST, N.M.P.M.
 LEA COUNTY, STATE OF NEW MEXICO
 VICINITY MAP



NOT TO SCALE

ENDURANCE RESOURCES, LLC
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 LOCATED 330 FT. FROM THE NORTH LINE
 AND 330 FT. FROM THE WEST LINE OF
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 RANGE 32 EAST, N.M.P.M.
 LEA COUNTY, STATE OF NEW MEXICO

MAY 11, 2013

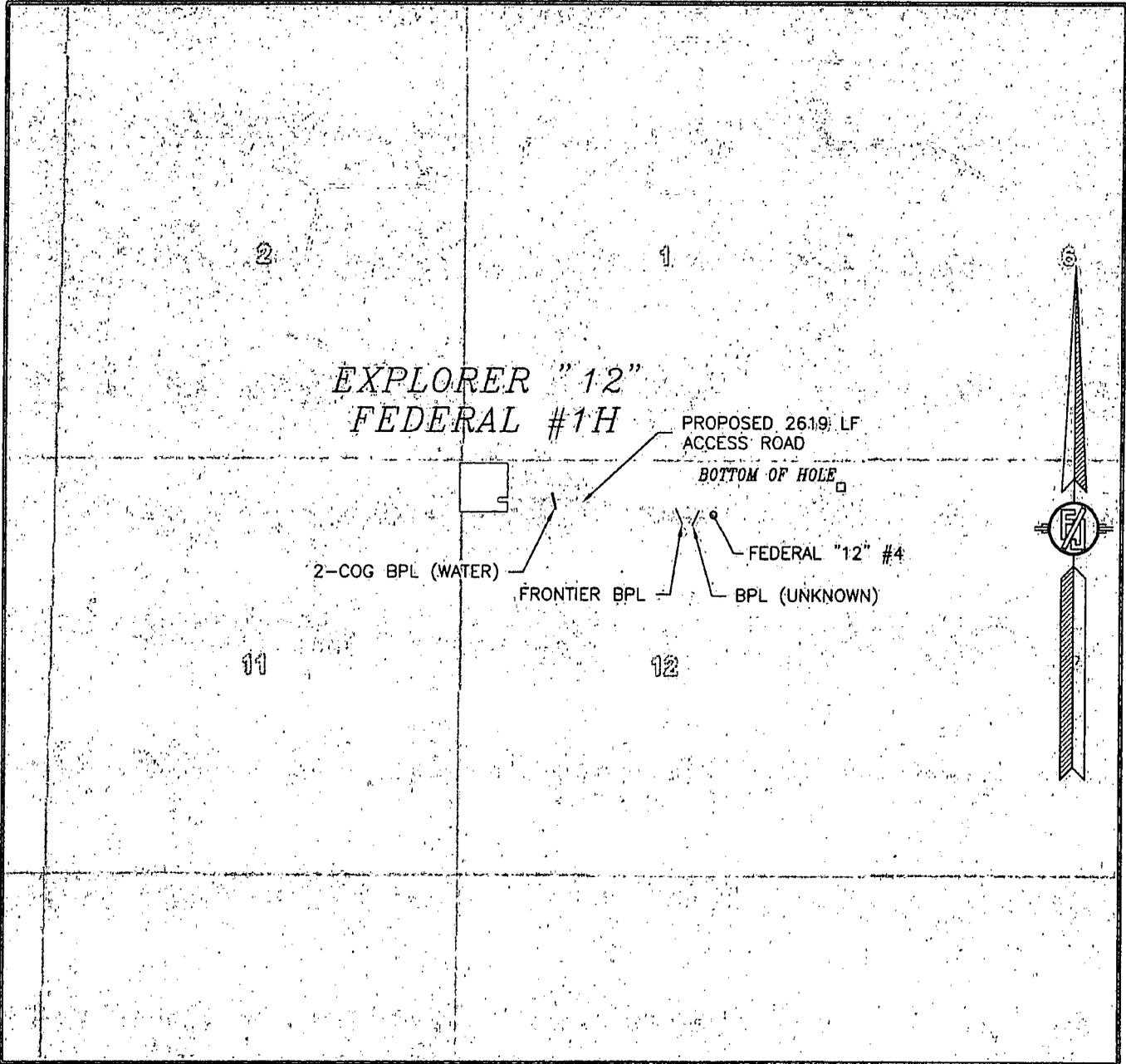
DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF STATE HIGHWAY 243 AND CR 126 (MALJAMAR) GO NORTH ON CR 126 FOR APPROX. 6 MILES. GO EAST ON CALICHE LEASE ROAD (ACROSS FROM DRY LAKE ROAD) FOR APPROX. 5.2 MILES, CONTINUE NORTH APPROX. 0.6 OF A MILE. GO WEST ON CALICHE LEASE ROAD APPROX. 0.45 OF A MILE. GO NORTH ON CALICHE LEASE ROAD APPROX. 0.2 OF A MILE. GO EAST ON CALICHE LEASE ROAD APPROX. 0.15 OF A MILE. GO NORTH ON CALICHE LEASE ROAD APPROX. 0.15 OF A MILE. GO WEST ON CALICHE LEASE ROAD APPROX. 0.25 OF A MILE TO FEDERAL "12" #4 WELL. FROM SOUTHWEST CORNER PAD FOLLOW ROAD LATHS WESTERLY FOR APPROX. 0.5 MILES TO SOUTHEAST CORNER PAD. LOCATION IS APPROX. 273 FT. NORTHWEST.

SURVEY NO. 1787

MADRON SURVEYING, INC. 301 SOUTH CANAL (575) 234-3341 CARLSBAD, NEW MEXICO

SECTION 12, TOWNSHIP 19 SOUTH, RANGE 32 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
AERIAL PHOTO



NOT TO SCALE
AERIAL PHOTO:
GOOGLE EARTH
MARCH 2012

ENDURANCE RESOURCES, LLC
EXPLORER "12" FEDERAL #1H
LOCATED 330 FT. FROM THE NORTH LINE
AND 330 FT. FROM THE WEST LINE OF
SECTION 12, TOWNSHIP 19 SOUTH,
RANGE 32 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO

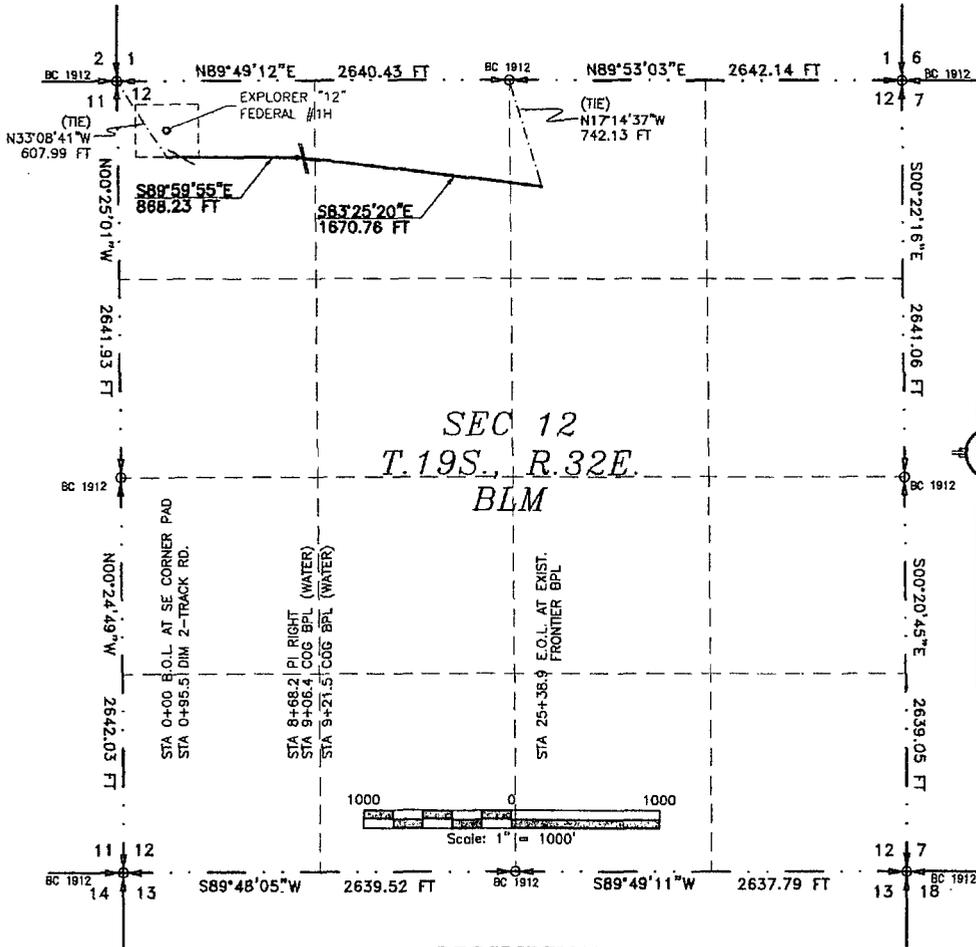
MAY 11, 2013

SURVEY NO. 1787

MADRON SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO
(575) 234-3341

10" GAS LINE TO CONNECT THE EXPLORER "12" FEDERAL #1H

ENDURANCE RESOURCES, LLC
 CENTERLINE SURVEY OF A PIPELINE CROSSING
 SECTION 12, TOWNSHIP 19 SOUTH, RANGE 32 EAST, N.M.P.M.
 LEA COUNTY, STATE OF NEW MEXICO
 MAY 14, 2013



DESCRIPTION

A STRIP OF LAND 30 FEET WIDE CROSSING BUREAU OF LAND MANAGEMENT LAND IN SECTION 12, TOWNSHIP 19 SOUTH, RANGE 32 EAST, N.M.P.M., LEA COUNTY, STATE OF NEW MEXICO AND BEING 15 FEET EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE SURVEY:

BEGINNING AT A POINT WITHIN THE NW/4 NW/4 OF SAID SECTION 12, TOWNSHIP 19 SOUTH, RANGE 32 EAST, N.M.P.M., WHENCE THE NORTHWEST CORNER OF SAID SECTION 12, TOWNSHIP 19 SOUTH, RANGE 32 EAST, N.M.P.M. BEARS N33°08'41"W, A DISTANCE OF 607.99 FEET;

THENCE S89°59'55"E A DISTANCE OF 868.23 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED;
 THENCE S83°25'20"E A DISTANCE OF 1670.76 FEET THE TERMINUS OF THIS CENTERLINE SURVEY, WHENCE THE NORTH QUARTER CORNER OF SAID SECTION 12, TOWNSHIP 19 SOUTH, RANGE 32 EAST, N.M.P.M. BEARS N17°14'37"W, A DISTANCE OF 742.13 FEET;

SAID STRIP OF LAND BEING 2538.99 FEET OR 153.87 RODS IN LENGTH, CONTAINING 1.748 ACRES MORE OR LESS AND BEING ALLOCATED BY FORTIES AS FOLLOWS:

NW/4 NW/4	992.39 L.F.	60.14 RODS	0.683 ACRES
NE/4 NW/4	1546.60 L.F.	93.73 RODS	1.065 ACRES

SURVEYOR CERTIFICATE

I, FILMON F. JARAMILLO, A NEW MEXICO PROFESSIONAL SURVEYOR NO. 12797, HEREBY CERTIFY THAT I HAVE CONDUCTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR LAND SURVEYING IN THE STATE OF NEW MEXICO.

IN WITNESS WHEREOF, THIS CERTIFICATE IS EXECUTED AT CARLSBAD, NEW MEXICO, THIS 14 DAY OF MAY 2013

Filmon F. Jaramillo
 FILMON F. JARAMILLO, PLS. 12797

MADRON SURVEYING, INC.
 301 SOUTH CANAL
 CARLSBAD, NEW MEXICO 88220
 Phone (575) 234-3341

SURVEY NO. 1818

GENERAL NOTES

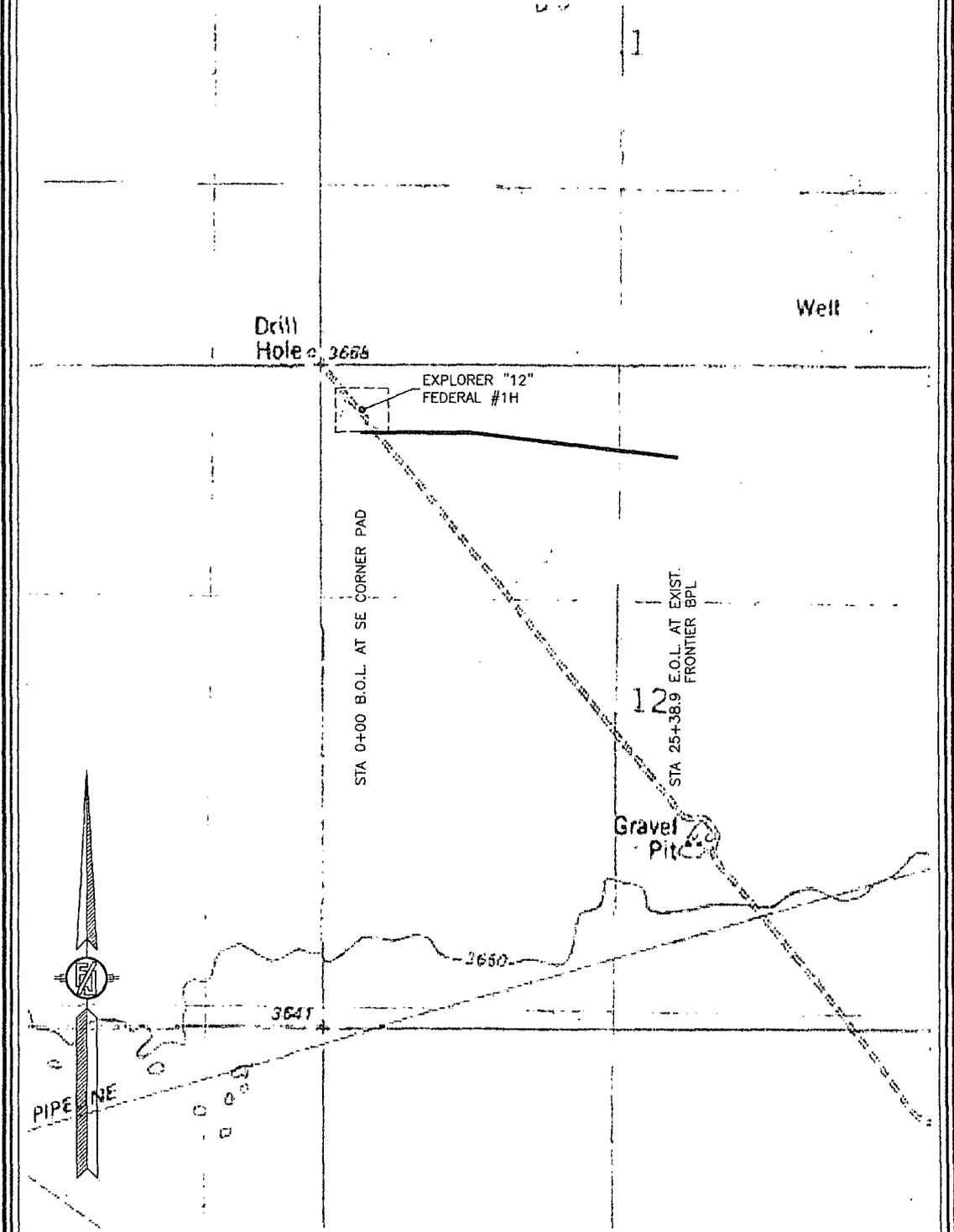
- THE INTENT OF THIS ROUTE SURVEY IS TO ACQUIRE AN EASEMENT.
- BASIS OF BEARING IS NMSP EAST MODIFIED TO SURFACE COORDINATES.

SHEET: 1-3

MADRON SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO (575) 234-3341

10" GAS LINE TO CONNECT THE EXPLORER "12" FEDERAL #1H

ENDURANCE RESOURCES, LLC
CENTERLINE SURVEY OF A PIPELINE CROSSING
SECTION 12, TOWNSHIP 19 SOUTH, RANGE 32 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
MAY 14, 2013



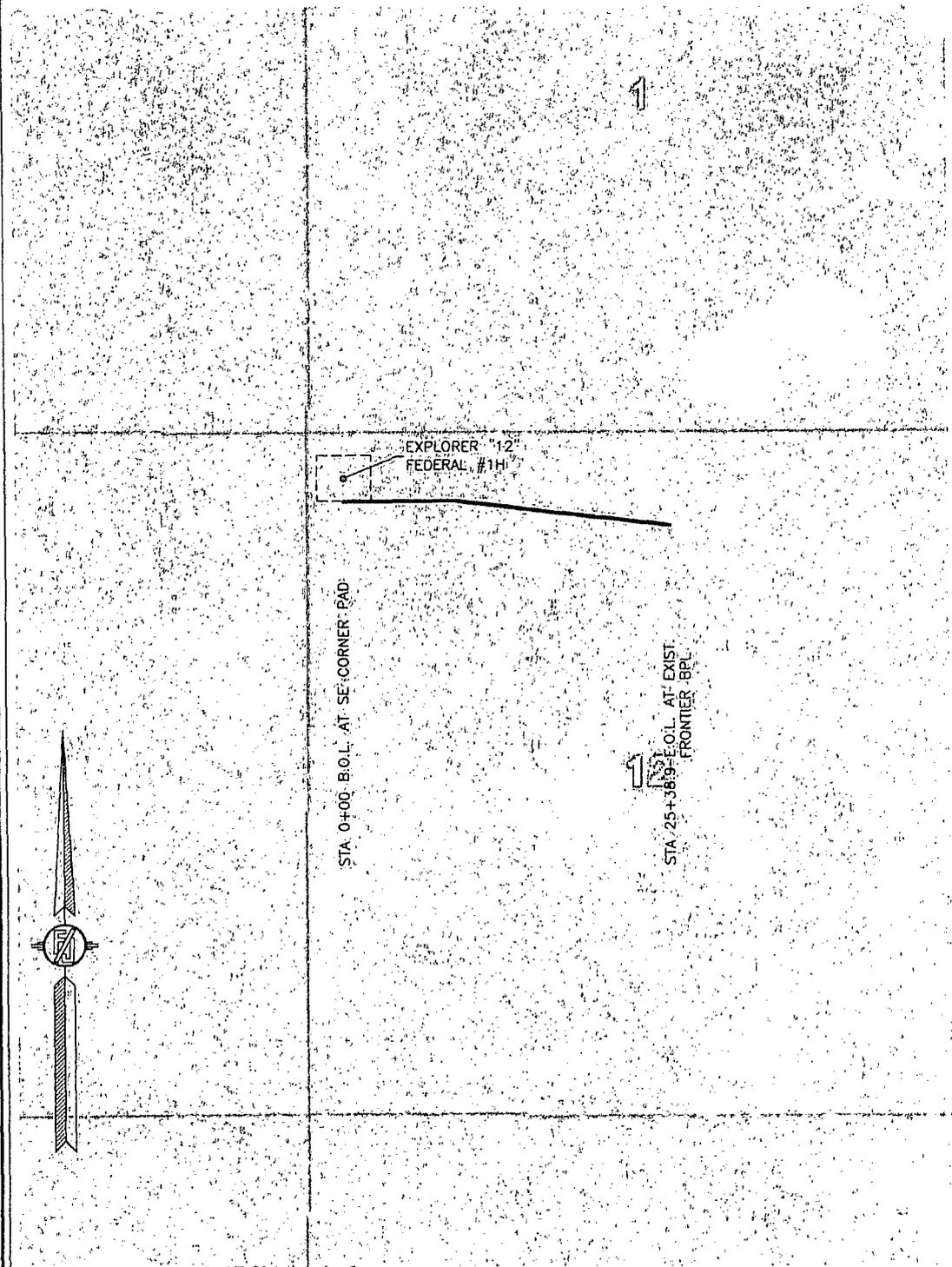
SHEET: 2-3

SURVEY NO. 1818

MADRON SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO
(575) 234-3341

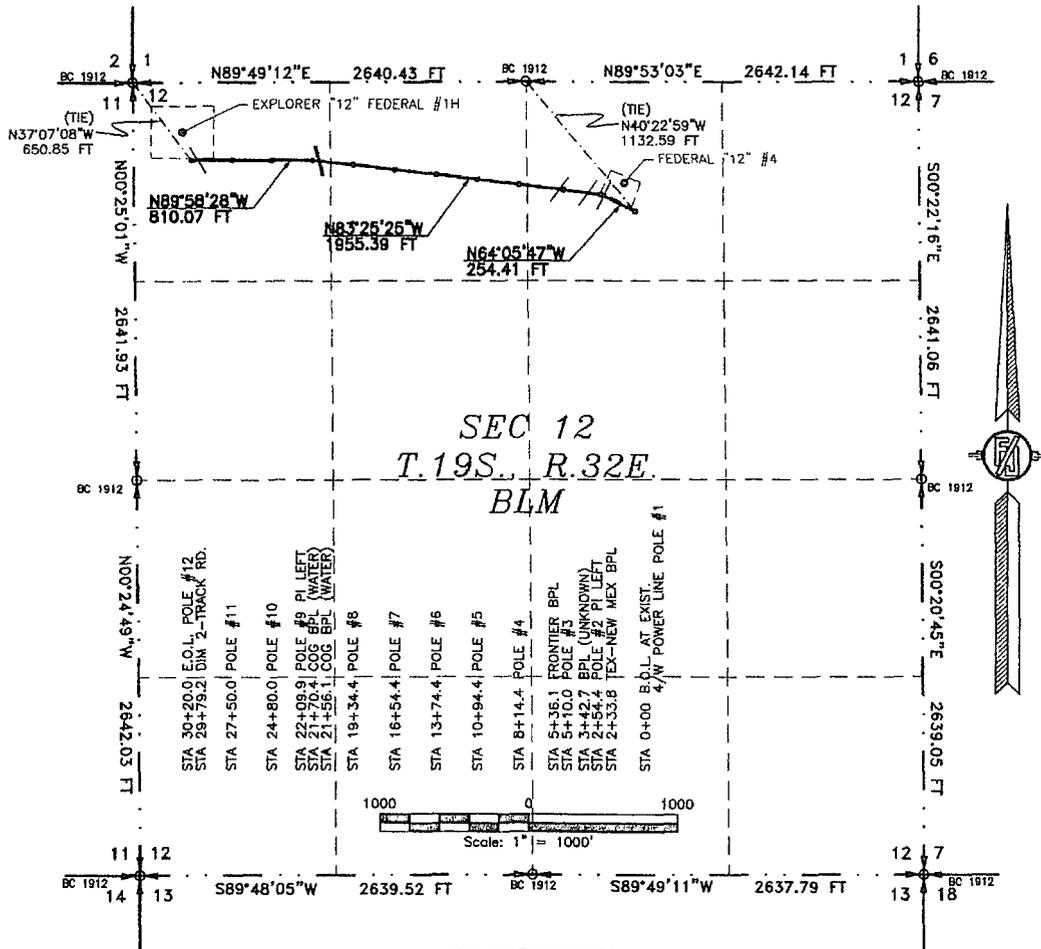
10" GAS LINE TO CONNECT THE EXPLORER "12" FEDERAL #1H

ENDURANCE RESOURCES, LLC
CENTERLINE SURVEY OF A PIPELINE CROSSING
SECTION 12, TOWNSHIP 19 SOUTH, RANGE 32 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
MAY 14, 2013



ELECTRIC LINE TO CONNECT THE EXPLORER "12" FEDERAL #1H

ENDURANCE RESOURCES, LLC
 CENTERLINE SURVEY OF AN ELECTRIC LINE CROSSING
 SECTION 12, TOWNSHIP 19 SOUTH, RANGE 32 EAST, N.M.P.M.
 LEA COUNTY, STATE OF NEW MEXICO
 MAY 14, 2013



DESCRIPTION

A STRIP OF LAND 30 FEET WIDE CROSSING BUREAU OF LAND MANAGEMENT LAND IN SECTION 12, TOWNSHIP 19 SOUTH, RANGE 32 EAST, N.M.P.M., LEA COUNTY, STATE OF NEW MEXICO AND BEING 15 FEET EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE SURVEY:

BEGINNING AT A POINT WITHIN THE NW/4 NE/4 OF SAID SECTION 12, TOWNSHIP 19 SOUTH, RANGE 32 EAST, N.M.P.M., WHENCE THE NORTH QUARTER CORNER OF SAID SECTION 12, TOWNSHIP 19 SOUTH, RANGE 32 EAST, N.M.P.M. BEARS N40°22'59\"W, A DISTANCE OF 1132.59 FEET;
 THENCE N64°05'47\"W A DISTANCE OF 254.41 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED;
 THENCE N83°25'25\"W A DISTANCE OF 1955.39 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED;
 THENCE N89°58'28\"W A DISTANCE OF 810.07 FEET THE TERMINUS OF THIS CENTERLINE SURVEY, WHENCE THE NORTHWEST CORNER OF SAID SECTION 12, TOWNSHIP 19 SOUTH, RANGE 32 EAST, N.M.P.M. BEARS N37°07'08\"W, A DISTANCE OF 650.85 FEET;

SAID STRIP OF LAND BEING 3019.87 FEET OR 183.02 RODS IN LENGTH, CONTAINING 2.080 ACRES MORE OR LESS AND BEING ALLOCATED BY FORTIES AS FOLLOWS:

NW/4 NE/4	757.76 L.F.	45.92 RODS	0.522 ACRES
NE/4 NW/4	1330.01 L.F.	80.61 RODS	0.916 ACRES
NW/4 NW/4	932.10 L.F.	56.49 RODS	0.642 ACRES

SURVEYOR CERTIFICATE

I, FILMON F. JARAMILLO, A NEW MEXICO PROFESSIONAL SURVEYOR NO. 12797, HEREBY CERTIFY THAT I HAVE CONDUCTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR LAND SURVEYING IN THE STATE OF NEW MEXICO.

IN WITNESS WHEREOF, THIS CERTIFICATE IS EXECUTED AT CARLSBAD,

NEW MEXICO, THIS 12 DAY OF MAY, 2013

Filmon F. Jaramillo
 FILMON F. JARAMILLO, PLS. 12797

MADRON SURVEYING, INC.
 301 SOUTH CANAL
 CARLSBAD, NEW MEXICO 88220
 Phone (575) 234-3341

GENERAL NOTES

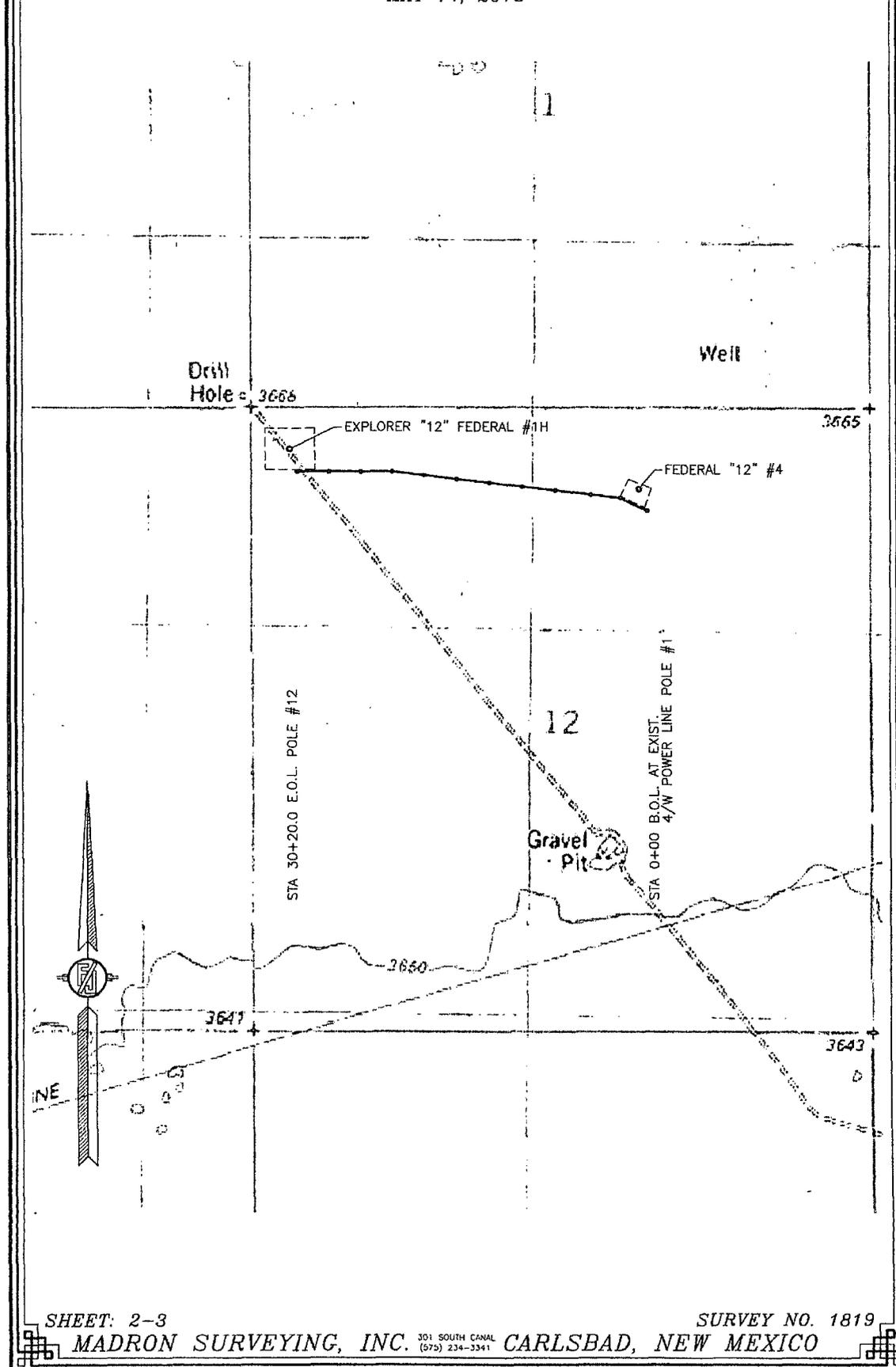
- 1.) THE INTENT OF THIS ROUTE SURVEY IS TO ACQUIRE AN EASEMENT.
- 2.) BASIS OF BEARING IS NMSP EAST MODIFIED TO SURFACE COORDINATES.

SHEET: 1-3

MADRON SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO (575) 234-3341 SURVEY NO. 1819

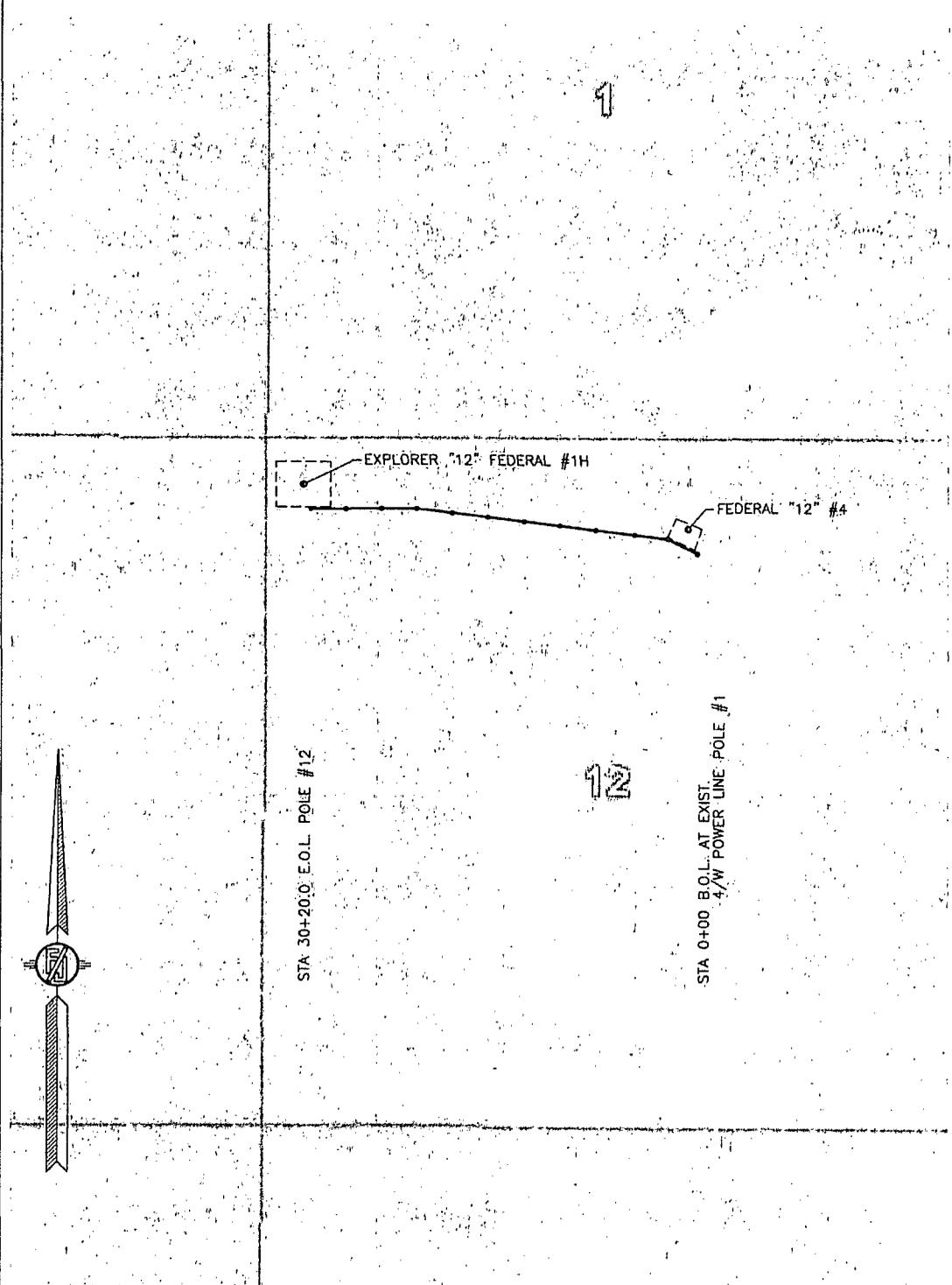
ELECTRIC LINE TO CONNECT THE EXPLORER "12" FEDERAL #1H

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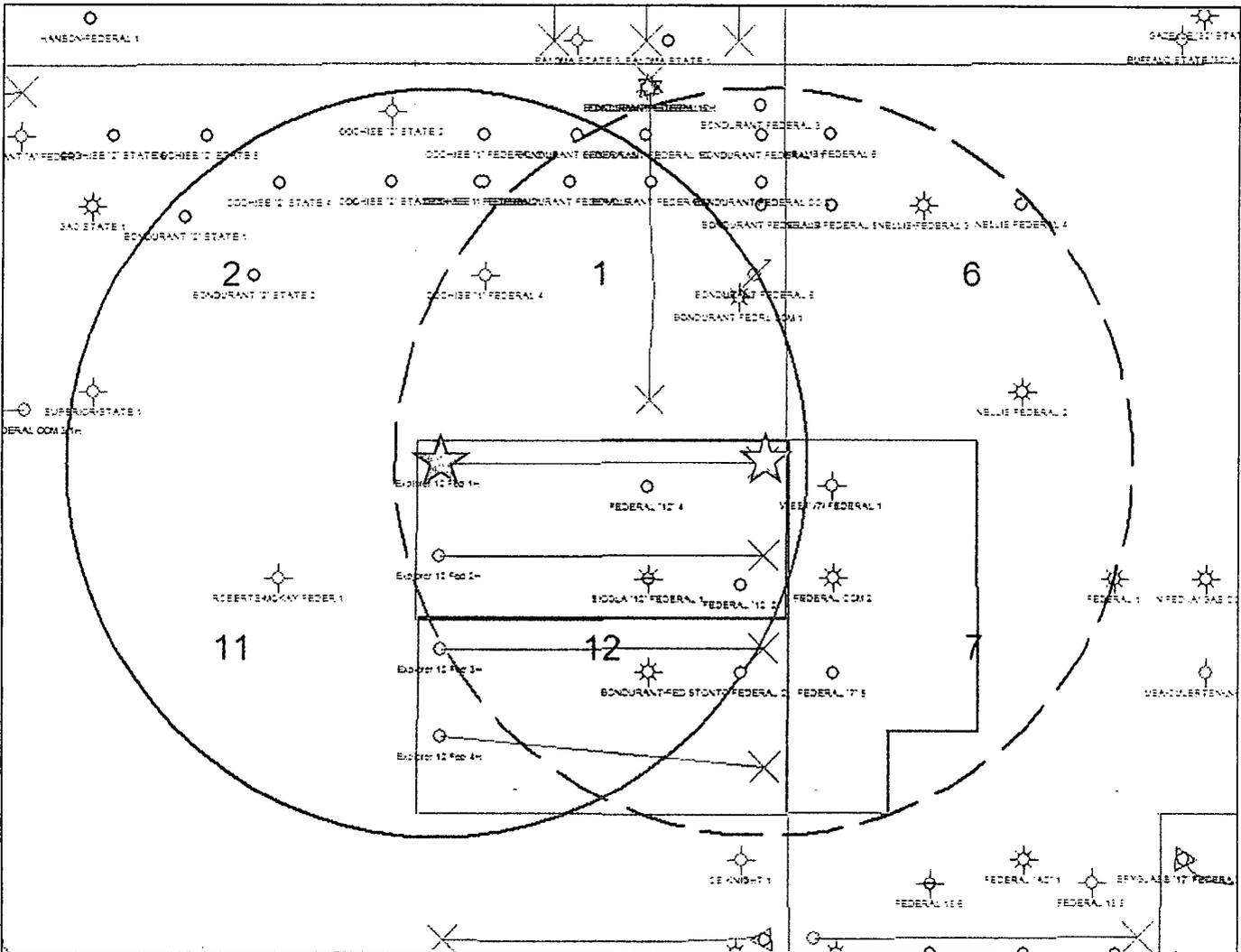


ELECTRIC LINE TO CONNECT THE EXPLORER "12" FEDERAL #1H

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SECTION 12, TOWNSHIP 19 SOUTH, RANGE 32 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
MAY 14, 2013



Explorer 12 Fed 1-H



-  Surface Location
-  Bottom Hole Location
-  Surface 5280' Radius
-  Bottom Hole 5280' Radius

2013 11 20 10:52
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