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Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

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.

5. Lease Serial No.

6. If Indian, Allottee or Tribe Name
BLM NMNM 121958

SUBMIT IN TRIPLICATE – *Other instructions on page 2.*

7. If Unit of CA/Agreement, Name and/or No.

1. Type of Well
☐ Oil Well ☐ Gas Well ☑ Other SWD

8. Well Name and No.
Pan Am Federal "25" SWD # 1

2. Name of Operator
Endeavor Energy Resources, LP

9. API Well No.
30-025-23155

3a. Address
110 N. Marienfeld Street, Suite 200
Midland, Texas 79701

3b. Phone No. *(include area code)*
(432) 687-1575

10. Field and Pool or Exploratory Area
Delaware

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
~~1577 FSL, 663 FWL~~, UNIT "L", SEC. 25, T25S, R33E, Lea CO. NM.
1980 660

11. Country or Parish, State
Lea, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☑ Subsequent Report	☐ Casing Repair	☐ New Construction	☐ Recomplete	☑ Other
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
☐ Final Abandonment Notice	☐ Convert to Injection	☐ Plug Back	☐ 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 recomplete 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 recompletion 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.)

Squeeze tight casing leak 1577' as approvedby BLM and OC

See attachments daily dated morming activity reports from 9/2-2014 thru 9/27/2014.

12/1/2014
Due to the USE of 300 PSI - SEAL MAKER PRODUCT.
NMOCD WILL REQUIRE ANNUAL MIT. Maley Brown
Dist. Supervisor

14. I hereby certify that the foregoing is true and correct. Name *(Printed/Typed)*
Jan South

Title Regulatory Analyst

Signature

Date 11/24/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

ACCEPTED FOR RECORD
NOV 25 2014
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

Approved by

Title

Date

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

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)

NMOCD 12/1/2014

DEC 03 2014

Endeavor
DAILY OPERATIONS REPORT
Pan Am Federal 25 #1 SWD

Pan Am Federal 25 #1 SWD Lea Co., NM

Find leak in 4 1/2" casing

Sep 2, 2014 Tuesday (Day 1)
MIRU Aries Well Service, Set pipe racks, unload and tally 163 jts of 2 3/8" 4.7# L80 eue 8rd work string tbg from Flake Thompson. RU Precision Pressure Data and pump truck, RIH with 1.86" gauge ring to tag injection packer at 5088. POH with gauge ring, RIH with 1.78" "F" blanking plug, set plug in packer, pressure test to 1500 psi, held good. POH with tools, bled pressure off, RD Precision Pressure Data. Pressure test plug again to 1500 psi, held good, bled pressure off. Bled pressure off annulus, slight blow, ND WH, NU BOP (7 1/16" hydraulic 5m), check BOP ram operation, pull up on tbg 10 pts over to make sure injection packer was holding. Unlatch from Baker injection packer with on/off tool. POH with 163 jts of 2 3/8" 4.6# IPC tbg and Baker on/off tool. Sent on/off tool in for re-dress. RIH with 4.5" RBP and packer, PU and RIH with 157 jts of 2 3/8" 4.7# L80 eue 8rd workstring tbg, set RBP at 5075, unlatch packer and pull up to 5037', set packer, RU pmp trk, test pkr & RBP to 1500psig, held good. Release pkr, install tbg safety valve, close csg valves. SDFN.

Sep 3, 2014 Wednesday (Day 2)
Check pressures on tbg and csg, was none. Pull packer up to 2785' (RBP still at 5075'), RU pump truck and pressure up on tbg to 1500 psi, pressure held good, pull packer up to 2593' (above squeeze perf at 2700'), pressure test to 600 psi. Had some pressure leak off. Pressure up on tbg to 600 psi, close safety valve in top of tbg and disconnect from pump truck in case truck system was leaking by. Put gauge in tbg and watch for 30 min., lost 50 psi in 30 minutes. Release pressure, may be leaking by compression packer at such a shallow depth. POH with 2 3/8" work string and compression packer and RIH with 4.5" tension packer and 2 3/8" work string tbg to 2596' (above squeeze perf at 2700').
Pressure test 4.5" tension packer @ 2596' and RBP @5075' to 600 psi on tbg under safety valve and gauge. Held OK. Hook up to casing and pressure test to 600 psi above packer at 2596', close valves on casing and install gauge to monitor. Lost 100 psi in 7 minutes at 2596'. Pull up to 2467' and test, lost 100 psi in 10 min. Pull up to 2213' and test, lost 50 psi in 10 min. Pull up tp 2084', pressure test csg too 600 psi, lost 60 psi in 10 min. Pull up to 1825' and test to 700 psi, lost 80 psi in 10 min. Pull up to 1631' and test to 700 psi, lost 90 psi in 10 min. Pressure test down tbg with packer @ 1631' and RBP @ 5075' to 600 psi, close safety valve and install gauge, tested good.
Pull packer up to 1501' (above top squeeze perf at 1577'), press. Test csg above packer to 700 psi, held pressure for 10 min. Run packer down to 1565', press test casing above packer to 700 psi, held for 10 min.
Run packer down to 1598' (below 1577' squeeze perf), press. Test csg above packer to 600 psi, lost 100 psi in 10 min. Press. Test down tbg with packer at 1598' and RBP at 5075' to 600 psi, close safety valve and install gauge, tested good. Move pkr up to 1583' test csg above pkr, lost 80psi in 10 min. Move pkr up to 1578, test down tbg to RBP to 650psi, OK. Move pkr up to 1575', test csg above pkr to 610psi, held good 10 min. Leak in 4.5" csg btwn 1575 &1578. Leave pkr set at 1575. SWI&SDON.

Sep 4, 2014 Thursday (Day 3)
Packer is set at 1575' and RBP is set at 5075'. Pressure up on tbg down to RBP to 600 psi and observe pressure bleed off. Leak in 4.5" casing has been isolated to be between 1575' down to 1578'.
Recorded pressure loss...
1st 10 min...lost 90 psi
Next 10 min...lost 30 psi
Next 10 min...lost 20 psi
Next 10 min...lost 20 psi
Next 10 min...lost 10 psi
Next 10 min...lost 5 psi...after 1 hour...lost 175psi...pressure gauge reading at 425
Next 15 min...lost 10 psi
Next 15 min...lost 15 psi
Next 15 min...lost 4 psi
Next 15 min...lost 6 psi...after 2 hours...lost total of 210psi down to 390 psi on gauge.
Pressured back up to 600 psi, took approx. 1/4 bbl of fluid to get back up to 600 psi.
Pressure test csg above packer again just to verify that we have good pipe from 1575' to surface.
Held 600 psi on casing above packer for 10 min., no pressure loss.
With packer still at 1575' and RBP at 5075' pressure up on tbg down to RBP to 600 psi and observe Leak off. Lost from 600

psi down to 448 psi in 2 hours...loss of 152 psi. Stand by for orders. Lay down 1jt of 2 3/8" tbg that was out of the hole 20' that was being used to isolate the csg leak due to expected high winds. Marked jt to be able to reset pkr at 1575 if needed. SWI&SDON.

Sep 5, 2014 Friday (Day 4)
POH with 49 jts of 2 3/8" 4.7# L80 eue 8rd work string tbg and 4.5" tension packer. RIH with retrieving head for 4.5" RBP and 157 jts of 2 3/8" work string tbg, latch onto RBP. POH with 108 jts of 2 3/8" work string tbg, set RBP at 1607'. POH with remaining 49 jts of 2 3/8" work string tbg. RIH with tension packer and 47 jts of 2 3/8" work string tbg and 1 - 2 3/8" x 6' sub, set tension packer at 1539'. Leave tbg open with line to blow tank and monitor any flow back in leak area. Waited 2hrs and had no flowback. POH w/1 – 2 3/8" x 6' tbg sub and 47 jus of 2 3/8" WS. RIH to above RBP at 1607' with 2 3/8" 4.6# IPC tbg that was in derrick and lay down 126 jts of 2 3/8" 4.6# IPC EUE 8rd inj tbg on pipe racks. Shut dwn due to hi winds and lightning. SWI&SDON.

Sep 8, 2014 Monday (Day 5)
POH w/ 30 remaining jts of 2 3/8" 4.6# IPC tbg and LD on pipe racks. Lay down all 2 3/8" 4.7# L80 eue 8rd tbg (156 jts stood bac in derrick. 163 jts total work string on location). Install manual set of tbg slips on top of BOP PU and RIH w/ 4 jts of the 2 3/8" work string tbg and set in slips. Close BOP pipe rams. Install TIW valve in tbg, close all casing valves. RD Aries Well Service. Clean location. Wait on procedure from Seal Maker for casing

Sep 15, 2014 Monday (Day 6)
MIRU Aries Well Service
SDFN

Sep 16, 2014 Tuesday (Day 7)
POH with 4 jts of 2 3/8" work string tbg. RIH with 4.5" tension packer and 2 3/8" S/N and 48 Jts of 2 3/8" 4.7# L80 eue 8rd work string tbg to 1566' (RBP at 1607"). RU 300 PSI, pump 564 gals of Sealmaker product down tbg and circulate water out csg to spot product across leak at 1577', POH with 4 jts to leave pkr at 1436', set pkr, load tbg with 2 bw,use 300 PSI compressor pump to pressure up on tbg to 750 psi and push product into leak area. Alternate pressuring up to 750 psi and a little above & monitoring bleed off to achieve constant held pressure of 750 psi. RU nitrogen monitoring & pump system to maintain 750 psi overnight. SDFN.

Sep 17, 2014 Wednesday (Day 8)
Initial SI pressure on tbg is 750 psi from overnight nitorogen monitor and any necessary step up re-pressure. Load tbg with 1/2 bw, RU pump truck to pressure test leak area between packer & RBP, RU isolation valve on tbg to trap pressure and monitor with 300 PSI digital gauge, unable to shut down and close valve on top of tbg before pressure had reached 1100 psi, monitor pressure on tbg with digital gauge, pressure would not hold, had slow bleed off, PSI tech is of the opinion that the 1100 psi probably broke through squeeze. RU 300 PSI air controlled hydraulic pump to pressure up on tbg to move more product into squeeze zone. (Note...of the 564 gals. of Sealmaker spotted at leak area, pushed 60 gals into formation yesterday, and another 20 gals. overnight with nitrogen, leaving 484 gals. remaining in csg to work into leak area. Work with small hydraulic pmp to step rate product into leak area, still small leak off. Hook up nitrogen pressure monitoring and step up system for the night to maintain cushioned 750psi at leak area. Pinal leak off was 2 lbs per min. SDFN.

Sep 18, 2014 Thursday (Day 9)
Initial SI pressure on tbg was 750 psi. Bled off nitrogen, load tbg with 5 gals of water, pressure test tbg to 500 psi, would leak off 50 psi in 3 minutes, no seal. Release packer and RIH with 2 jts of tbg to 1500', tagged up on something, could not get back down to spot depth of 1566'. Noticed that vacuum truck that was being used for flush water for 300 PSI hydraulic pump had sand in tank, could be that we are tagging up on sand. Reverse circulate down csg and up tbg with 30 bbls fresh water from pump truck and watch returns. First return was water, then Sealmaker product, then gray dirty water with some sand sediment, and then congealed Sealmaker product. POH with 46 jts of 2 3/8" work string tbg and packer. RIH with 2 3/8" mule shoe joint and 49 jts of 2 3/8" work string tbg to 1600', no tag this time, could be that Sealmaker product is caked up on inside wall of csg, reverse circulate with 60 bbls fresh water down

Sep 19, 2014 Friday (Day 10)
Checked tbg pressure, 750 psi, bled nitrogen off tbg, load tbg, took 10 gal. from over night
Pressurizing procedure. (Note...moved 53 gal. of product into leak area yesterday). Took 10 gals water to load tbg, pressured up on tbg, would not hold 500 psi. 300 PSI to continue to do step up rate pressure pump procedure. Shut down all other equipment on location for today due to heavy rains and lightning. 300 PSI decided to put 1000 psi on tbg and product with nitrogen and let it set over the weekend and monitor pressures. Shut down all other operations until Monday due to forecast

heavy rain and flooding conditions.

Daily Cost: $10,270
Cum. Cost: $95,010

Sep 20, 2014 Saturday (Day 11)
SI press 625 psi, Bled press off tbg, took 10 gals water to load tbg, Work with step up pressure and monitor procedure during the day. Tbg would hold 750 psi for 30 minutes, leave tbg on 750psi with nitrogen over night. Pumped 14 gals product into leak area for the day.

Sep 21, 2014 Sunday (Day 12)
SI press 540 psi, bled press off tbg, load tbg with 5 gals water. work with step up pressure and monitor procedure during the day. Tbg was holding 540 psi at 1PM, leave nitrogen on tbg overnight.

Sep 22, 2014 Monday (Day 13)
SI press climbed to 584 psi overnight, left press on tbg. Have 150 gals of Sealmaker product still in tbg/csg. Used small hydraulic pump to put pressure on tbg to attempt to either establish a pump-in rate or seal off leak with remaining product. Started pumping in at 1130 psi at 12 qts /minute. Gradually began building pressure with rate slowing down considerably, got pressure up to 1180 psi with a sudden drop in pressure to 1140 psi. Gradually built pressure back up to max at 1200 psi, would fall off to 1195 psi in 1 minute, kept this re-pressure process up for about an hour taking about 1/2 cup of fluid each time to get back to 1200. Set pmp to keep 1200psi on tbg constant and monitor leak off from time to time. At 12:00 noon it would take ¼ of a liter of fluid every 7.5 minutes to go from 1195 to 1200. 300 PSI company tech to stay and keep pressure up, leak off, and re-pressure process up for 3 to 4 more hours. Will leave 1200 psi on tbg with nitrogen overnight. SD all other equipment at noon.

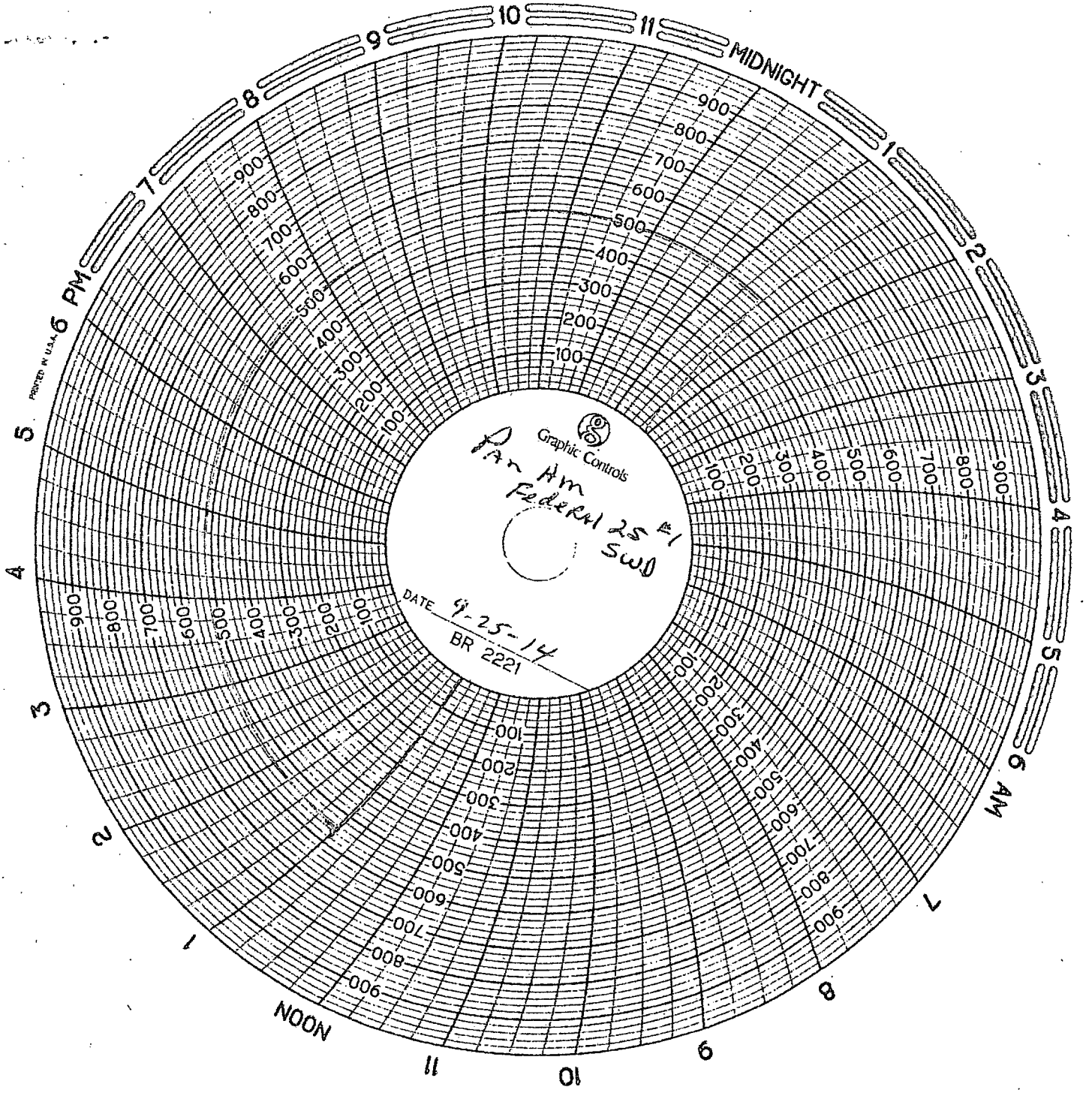
Sep 23, 2014 Tuesday (Day 14)
Tbg SI press at 1200 psi, bled press off, pressured back up on tbg to 600 psi, lost down to 570 psi in 4 minutes and down to 540 psi in 10 minutes. Called New Mexico OCD to verify what pressure loss is allowed on MIT test, can loose 10 % of initial test pressure (500 psi). Pressure back up on tbg to 555 psi and watch for 30 minutes, lost down to 524 psi (31 psi). Load tbg again and make sure all air is bled off and pressure up to 500 psi and watch. Lost down to 465 psi in 30 minutes. Bled press off tbg, RD 300 PSI equipment. Release pkr and POH, RIH with 2 3/8" work string tbg open ended to 1595' (12' above RBP), circulate 60 bw down csg and up tbg to clean remaining Sealmaker product out. POH with 49 jts of 2 3/8" work string, RIH with 4.5" tension packer and tag RBP at 1607', pull up to 1596' and set pkr. Pressure test plug and pkr to 700 psi, held steady for 15 minutes. Bleed off pressure, release pkr and pull up to 1562', RU pump truck and pressure chart, pressure up on annulus from surface to RBP to 540 psi and monitor chart. Chart started at 540 psi and lost down to 500 psi in 30 minutes which is within New Mexico OCD pressure loss tolerance. POH with pkr, RIH w/retrieving head, latch onto pkr and POH laying down remaining 2 3/8" work string (49jts). RIH w/on/off tool for injection pkr and 40 jts of 2 3/8" 4.6 IPC EUE8rd tbg. SWI&SDON.

Sep 24, 2014 Wednesday (Day 15)
Continue RIH with injection packer on/off tool and 2 3/8" 4.6# IPC eue 8rd tbg. Total of 163 jts in well. On/off tool is just above injection packer. Reverse circulate 60 bw down csg and up tbg to wash top of injection packer at 2 BPM at 700 psi. Reverse circulate 100 bbls packer fluid down csg and up tbg at 1 BPM. Checked last 10 bbls of returns, good clean fluid. Wait 30 minutes to allow for air and to bleed off. Hooked up chart recorder to casing, pressure up on casing to 505 psi and mark chart for 30 minutes. Lost down to 440psi which won't pass state requirements. Could be that air is still trapped in csg. NDBOPE, latch onto inj pkr at 5115', pull 10pts tension, NUWH, SWI. Will run another pressure test chart on csg in the morning. SDON.

Sep 25, 2014 Thursday (Day 16)
Bleed air off csg. Top off csg, pressure test casing with chart recorder. Ran two tests, 1st one started at 520 psi and fell to 458 psi in 30 minutes (12% loss), could still have air in csg, did a 2nd test that started at 540psi and fell to 490 psi in 30 minutes which would pass (9% loss). RU slick line and RIH with equalizer spear to tag pkr plug (1.78" profile nipple) at 5088', RU pump truck to lubricator head and press up to 700 psi, stab plug with spear and press equalized at 500 psi, POH with spear, RIH with pulling tool, locate pkr at 5088', latch onto to pkr plug and POH, RD slick line equipment. Hook up injection line, put thread protectors back on 2 3/8" work string tbg, clean location, leave master valve on tbg closed with no injection pending BLM and New Mexico OCD witnessed test. Contacted BLM and OCD. Empty frac tank, released all rental equipment. RD Aries Well Service.
Called Paul Swartz with BLM on 9-25-14 at 2:45 PM to notify that we are ready to do MIT test on casing, he told me he would be unavailable through next week, instructed me to contact the New Mexico OCD to witness test and send him a copy of the signed chart and completed required "sundry" BLM report. Called Bill Sonnamaker with the New Mexico OCD about

witnessing the MIT test, he asked me if we had run a chart that would pass, I told him we had and I told him what BLM had said about him witnessing a test, he told me the chart we ran would be OK with the OCD. He wants the original chart with signatures of the pump truck operator and an Endevor representative. He stated that we would not be required to complete any State forms since we had not pulled the injection packer. He (OCD) wants a copy of the BLM "sundry" report.

Sep 27, 2014 Saturday (Day 17)
SITP on tbg 600, opened master valve on tbg to flow back to blow tank and watch fluid. Opened tbg at 3:30 PM on 9-26-14 to and shut at 7:00 AM on 9-27-14. Flowed back a total of 175 bbls of produced water, no show of oil. SI tbg, will contact BLM and give flow back report.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