

OCD Hobbs
HOBBS OCD

ATS-15-27

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

JUL 01 2015

APPLICATION FOR PERMIT TO DRILL OR REENTER

RECEIVED

1a. Type of work: ☒ DRILL ☐ REENTER		5. Lease Serial No. NM-45706	
1b. Type of Well: ☒ Oil Well ☐ Gas Well ☐ Other ☐ Single Zone ☐ Multiple Zone		6. If Indian, Allottee or Tribe Name	
2. Name of Operator: Endurance Resources, LLC (270729)		7. If Unit or CA Agreement, Name and No.	
3a. Address: 203 West Wall Suite 1000 Midland, Tx 79701		8. Lease Name and Well No. Jazzbass 34 Fed 4H (913614)	
3b. Phone No. (include area code) 432-242-4680		9. API Well No. 30-025-42669	
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 330' FSL & 660' FEL (P) At proposed prod. zone 330' FNL & 660' FEL (A)		10. Field and Pool, or Exploratory WC-025 G-08 F-2535340-B5 (97088)	
14. Distance in miles and direction from nearest town or post office* 9 miles southwest of Jal, New Mexico		11. Sec., T. R. M. or Blk. and Survey or Area Sec 34-25s-35e	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 330'		12. County or Parish Lea	
16. No. of acres in lease 1,400 ac		13. State NM	
17. Spacing Unit dedicated to this well 160 ac		18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1320'	
19. Proposed Depth MD: 16,689' TVD: 12,320'		20. BLM/BIA Bond No. on file NMB000640 001220	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3148.7' GL		22. Approximate date work will start* 01/01/2015	
		23. Estimated duration 45 days	

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, must be attached to this form:

- | | |
|--|---|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the BLM. |

25. Signature: <i>L. A. Sirgo III</i>	Name (Printed/Typed) M.A. Sirgo III	Date 07/11/2014
---------------------------------------	--	--------------------

Title
Engineer

Approved by (Signature): <i>/s/George MacDoneli</i>	Name (Printed/Typed)	Date JUN 29 2015
---	----------------------	---------------------

Title FIELD MANAGER	Office CARLSBAD FIELD OFFICE
------------------------	---------------------------------

Application approval 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.
Conditions of approval, if any, are attached.

APPROVAL FOR TWO YEARS

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.

(Continued on page 2)

*(Instructions on page 2)

Kz
07/06/15

Carlsbad Controlled Water Basin

Approval Subject to General Requirements
& Special Stipulations Attached

SEE ATTACHED FOR
CONDITIONS OF APPROVAL *Kz*

JUL 07 2015



HOBBS OCD

JUL 01 2015

RECEIVED

Endurance Resources LLC

DRILLING & OPERATIONS PROGRAM

Jazzbass 34 Federal #4H

SHL: 330' FSL & 660' FEL (P)

BHL: 330' FNL & 660' FEL (A)

Sec 34-25S-35E

Lea Co, NM

1. Geological Name of Surface Formation

Quaternary

2. Estimated Tops of Important Geological Markers

Rustler	920'	
Top of Salt	1,258'	
Castile	3,760'	
Lamar	5,225'	
Bell Canyon	5,254'	Oil
Cherry Canyon	6,270'	Oil
Brushy Canyon	7,726'	Oil
Bone Spring	9,280'	Oil
1 st Bone Spring	10,330'	Oil
2 nd Bone Spring	10,600'	Oil
3 rd Bone Spring	11,950'	Oil
TVD: 12,320'; MD: 16,689'		

3. Estimated Depths of Anticipated Fresh Water, Oil or Gas

The estimated depths at which water, oil and gas will be encountered are as follows:

Water: Average depth to water: 300'. Minimum depth: 0'. Max: 300'. As reported from the New Mexico Office of the State Engineer website.

Oil & Gas: 5,254' – 12,320' (Delaware through Bone Spring)

No other formations are expected to give up oil, gas, or fresh water in measurable quantities.



4. Proposed Casing Program:

Casing	Hole Size	Interval	Casing OD	Casing Interval	Weight	Collar	Grade
Surface	17.5"	0'-970'	13.375"	0'-970'	54.5#	STC	J-55
Intermediate I	12.25"	970'-5304'	9.625"	0'-4350'	40#	STC	J-55
Intermediate II	12.25"	970'-5304'	9.625"	4350'-5304'	40#	LTC	HCL-80
Production	8.75"	5304'-TD	5.5"	0'-16689'	20#	BTC	HCP-110

Casing	Casing Size	Collapse Design Factor	Burst Design Factor	Tension Design Factor
Surface	13.375"	2.49	6.02	9.72
Intermediate	9.625" (J-55)	1.14	1.75	2.60
Intermediate	9.625" (HCL-80)	1.54	2.09	3.95
Production	5.5"	1.92	2.15	2.12

NOTE: ALL CASING IS NEW & API APPROVED. WHILE RUNNING CASING, PIPE WILL BE KEPT A MINIMUM OF 1/3 FULL AT ALL TIMES TO AVOID APPROACHING COLLAPSE PRESSURE OF THE CASING. SURFACE CASING WILL BE WATCHED & NECESSARY ADJUSTMENTS MADE TO ENSURE PIPE IF FULL DUE TO LOST CIRCULATION ZONES THAT MAY OCCUR. CENTRALIZERS WILL BE USED ON SURFACE CASING

5. Proposed Cement Program:

Casing / Wellbore Description: Surface - 13 3/8" x 17 1/2" (54# / J-55 / BTC)					
Stage	Slurry Description	Weight (ppg)	Yield (ft. ³ /sk)	Sacks	% Excess
Lead	Class C, 4% Bentonite, 2% Calcium Chlorid	13.7	1.68	390	100 (OH)
Tail	Class C	14.8	1.33	550	100
Casing / Wellbore Description: Intermediate 9 5/8" x 12 1/4" (40# / J-55, L-80 / STC, LTC)					
Stage	Slurry Description	Weight	Yield	Sacks	% Excess
Lead	65% Class C, 35% Poz, 6% Bentonite, .125 lb/sk Poly-E-Flake, .4% HR-800	12.9	1.77	1345	75 (OH)
Tail	Class C Cement	14.8	1.33	230	75
Casing / Wellbore Description: Production 5 1/2" x 8 3/4" (20# / HCP-110 / BTC)					
Stage	Slurry Description	Weight	Yield	Sacks	% Excess
Lead	50% Class H, 50% Poz, 10% Bentonite, .1% Fe-2, 5% Cal-Seal 60, .25 lb D-Air 5000	11.5	2.63	970	15 (OH)
Tail	50% Class H, 50% Poz, 2% Bentonite .5% Halad-9, .2% Econolite, 3% KCL, .2% HR-601	14.2	1.31	1145	15

NOTE: THE ABOVE CEMENT VOLUMES COULD BE REVISED PENDING FLUID CALIPER & CALIPER LOG DATA. ALL VOLUMES ARE DESIGNED TO CIRCULATE TO SURFACE. PRODUCTION CEMENT WILL BE CIRCULATED TO AT LEAST 200' ABOVE THE INTERMEDIATE CASING SHOE.



6. Minimum Specifications for Pressure Control:

The system used for the intermediate (12.25" hole) and production (8.75" hole) will consist of a 13-5/8 (3M) working pressure BOP system consisting of one set of blind rams and one set of pipe rams and a 3000# annular type preventer (please see BOP schematic). A 3M choke manifold & 120 gallon accumulator with floor and remote operating stations & auxiliary power system. Rotating head as needed. A Kelly cock will be installed and maintained in operable condition and a drill string safety valve in the open position will be available on the rig floor.

BOP unit will be hydraulically operated. BOP will be NU and operated at least once a day while drilling and the blind rams will be operated when out of the hole during trips. From the base of the 13-3/8" csg through running of production casing, the well will be equipped with a 3M BOP system and HCR valve, remote kill line, & annular to match. The remote kill line will be installed prior to testing the system & tested to stack pressure.

Before drilling out of the 13-3/8 surface casing, BOP will be tested by an independent surface company to 250 psi low & 3000 psi high. Annular Preventer will be tested to 250 psi low and 1500 psi high. Before drilling out the 9-5/8 intermediate shoe BOP will be tested by an independent service company to 250psi low and 3000 psi high. Annular Preventer will be tested to 250 psi low and 1500 psi high. These low pressure tests from 250 to 300 psi will be held a minimum of 10 minutes if test is done with a test plug or 30 minutes if conducted without a test plug. ~~Annular Preventer will be tested to 250 psi low and 2500 psi high. These low pressure tests from 250 to 300 psi will be held a minimum of 10 minutes if test is done with a test plug or 30 minutes if conducted without a test plug.~~

7. Estimated BHP:

5539 psi @ 12,320' TVD



8. Mud Program: The applicable depths & properties of this system are as follows:

Depth	Type of System	Mud Weight	Viscosity (sec)	Waterloss (cc)
0 – 970'	Fresh	8.4 – 9.4	32-34	NC
970' – 5304'	Brine	10.0 – 10.2	28-39	NC
5304' - TD	Cut Brine	8.3 – 9.3	28-32	NC-12

NOTE: NECESSARY MUD PRODUCTS FOR WEIGHT ADDITION & FLUID LOSS WILL BE ON LOCATION AT ALL TIMES. VISUAL MUD MONITORING EQUIPMENT (I.E. TRIP TANK) WILL BE IN PLACE TO DETECT VOLUME CHANGES INDICATING LOSS OR GAIN OF CIRCULATION VOLUME WITH ALARMS.

9. Auxiliary Well Control & Monitoring Equipment:

- A Kelly cock will be in the drill string at all times.
- A full opening drill pipe stabbing valve having the appropriate connections will be on the rig floor at all times
- H₂S detection equipment will be in operation & breathing apparatuses will be on location after the drill out of the 13-3/8" casing shoe until the 5-1/2" casing is cemented.

10. Testing, Logging & Coring Program:

- No drill stem tests are planned.
- GR/N well log ran from KOP to surface.

11. Potential Hazards:

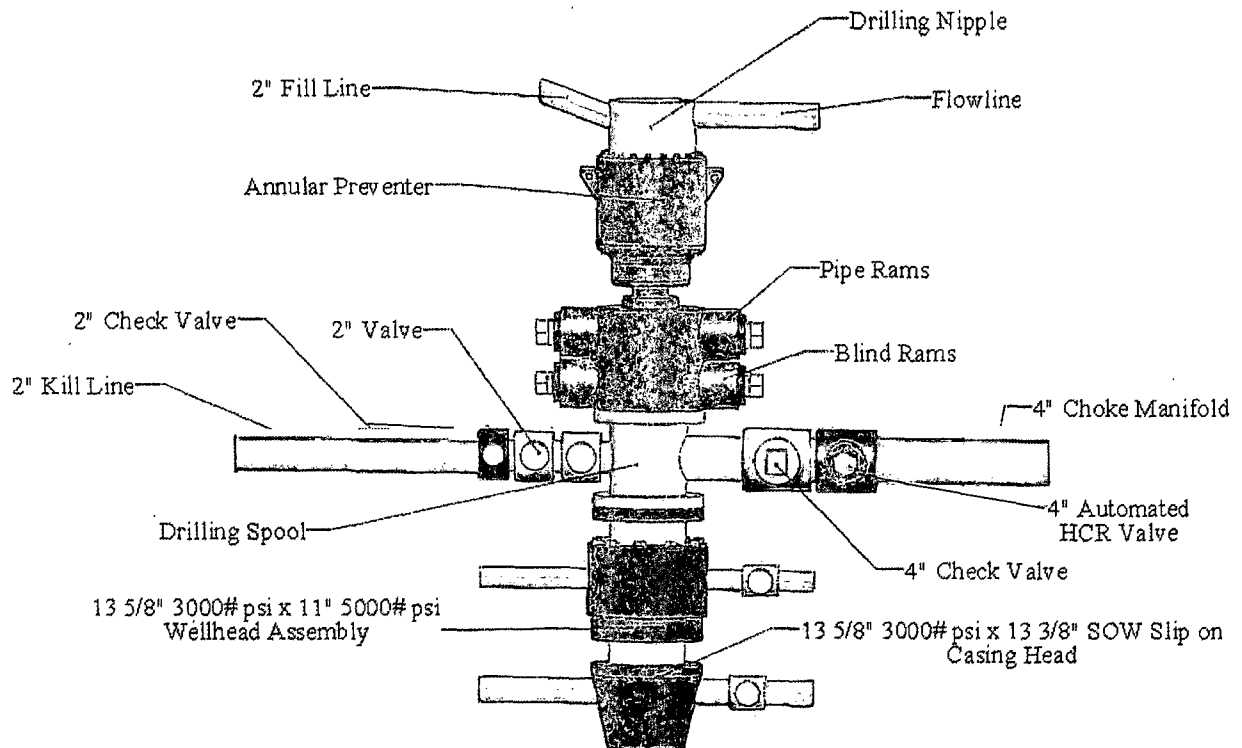
No abnormal pressures or temperatures are expected. If H₂S is encountered, Endurance Resources LLC will comply with Onshore Order #6. Regardless, all personnel will be trained & qualified with H₂S safety. Rig safety equipment will all also be checked daily once drill out of the 13-3/8" casing shoe to TD. It has been noted that H₂S has been encountered in the salt section. If H₂S is encountered, measurements & formations will be reported to the BLM.

12. Anticipated starting date & Duration of Operations:

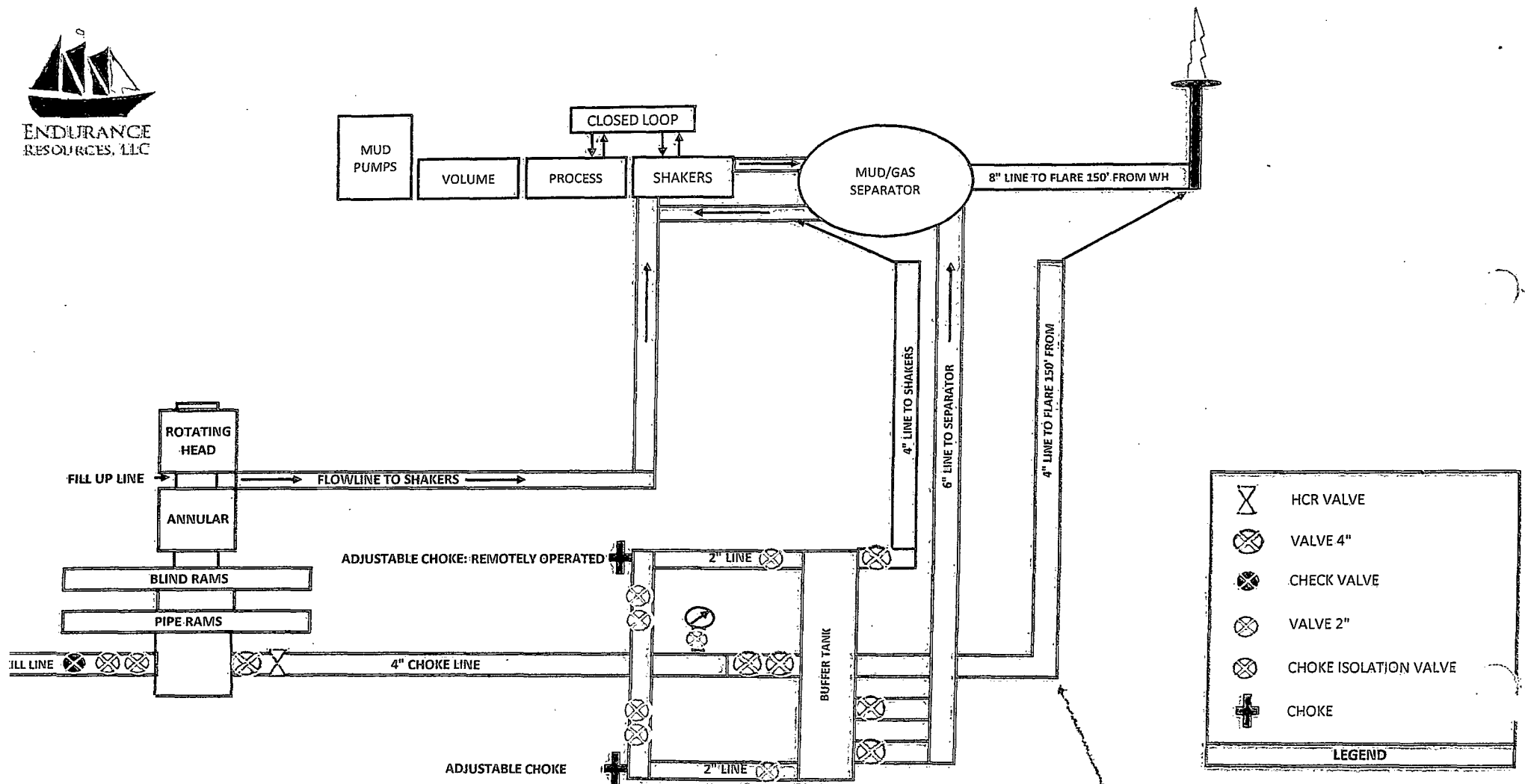
Road & location construction will begin after the BLM has approved the APD. Anticipated spud date will begin after BLM approval & after a drilling rig is secured. Move in operations & drilling is expected to take no more than 45 days. An additional 30-50 days will be needed to complete this well & construct surface facilities and/or lay flow lines in order to place well on production.

Jazzbass 34 Fed 4H

5000# BOP

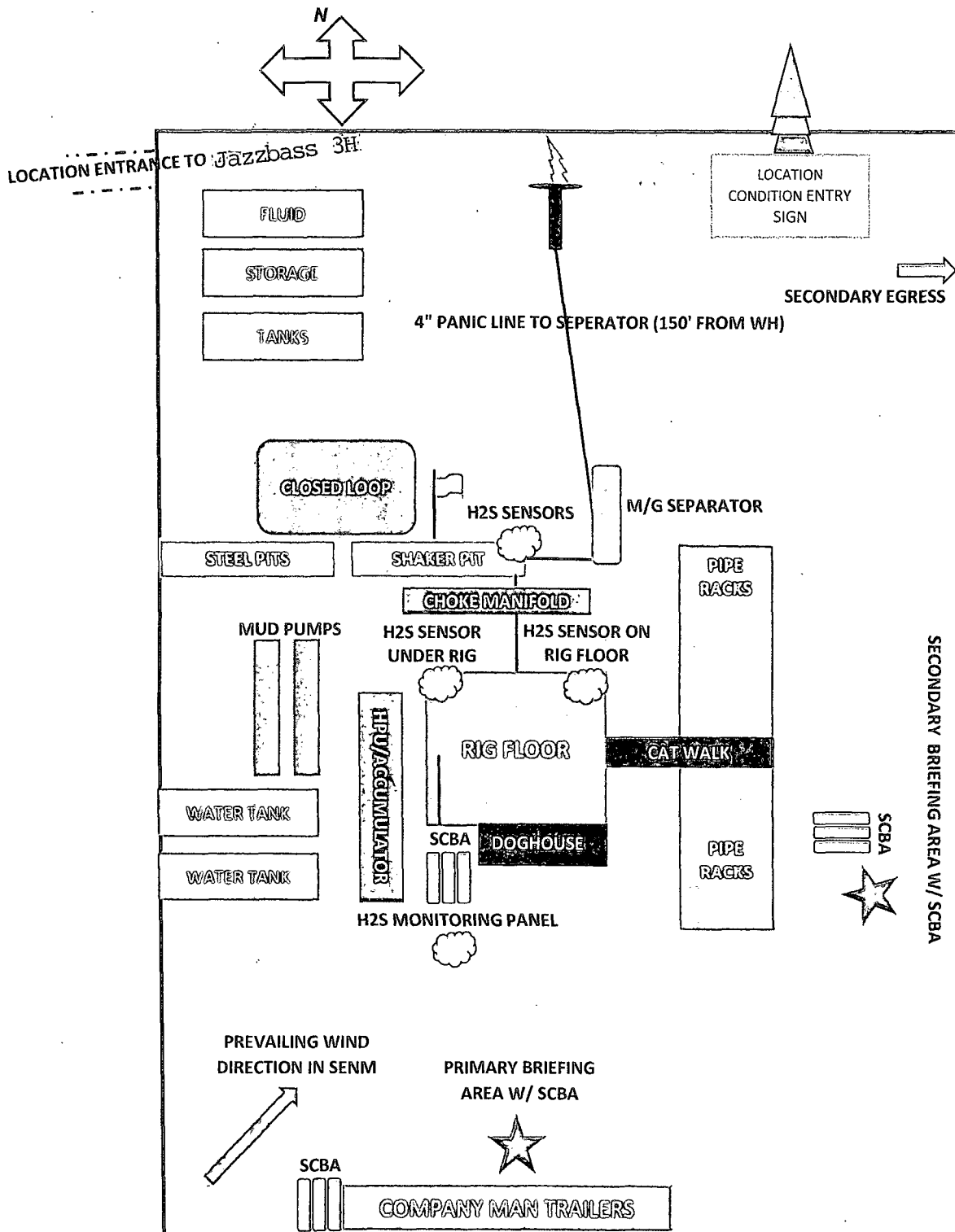


5M BOP, 5M CHOKE MANIFOLD, AND CLOSED LOOP EQUIPMENT SCHEMATIC FOR 13-5/8 BOP SYSTEM TESTED TO 3M PER ONSHORE ORDER #2



TARGETED T'S. ALL TURNS WILL BE TARGETED.
 OPTION TO USE FLEX HOUSE. TBD ONCE DRILLING RIG IS SECURED. WILL SUNDRY.
 ALL CHOKE LINES WILL BE STRAIGHT LINES UNLESS TURNS THAT USE TEE BLOCKS OR ARE
 TARGETED WITH RUNNING TEES, AND WILL BE ANCHORED TO PREVENT WHIP & REDUCE VIBRATION

ENDURANCE RESOURCES LLC
RIG LOCATION LAYOUT & H2S SAFETY EQUIPMENT LOCATION
WELL PADS 420' X 350'
NOTE: DRAWING NOT TO SCALE



Endurance Resources LLC

HALLIBURTON

Sperry Drilling Services

Project: Lea County, NM (NAD 83)

Site: Jazzbass 34 Federal

Well: Jazzbass 34 Federal 4H

Wellbore: Wellbore #1

Design: Plan #1

Rig: Patriot 4

SECTION DETAILS

MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	TFace	VSect	Annotation
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
11747.04	0.00	0.00	11747.04	0.00	0.00	0.00	0.00	0.00	Start Build
12647.04	90.00	359.51	12320.00	572.94	-4.91	10.00	359.51	572.96	End Build
16688.95	90.00	359.51	12320.00	4614.70	-39.54	0.00	0.00	4614.87	TD

WELLBORE TARGET DETAILS (MAP CO-ORDINATES AND LAT/LONG)

Name	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
Jazzbass 34 Fed 4H PBHL	12320.00	4614.70	-39.54	399021.22	846169.60	32° 5' 35.391 N	103° 20' 56.367 W

Surface Location:

US State Plane 1983

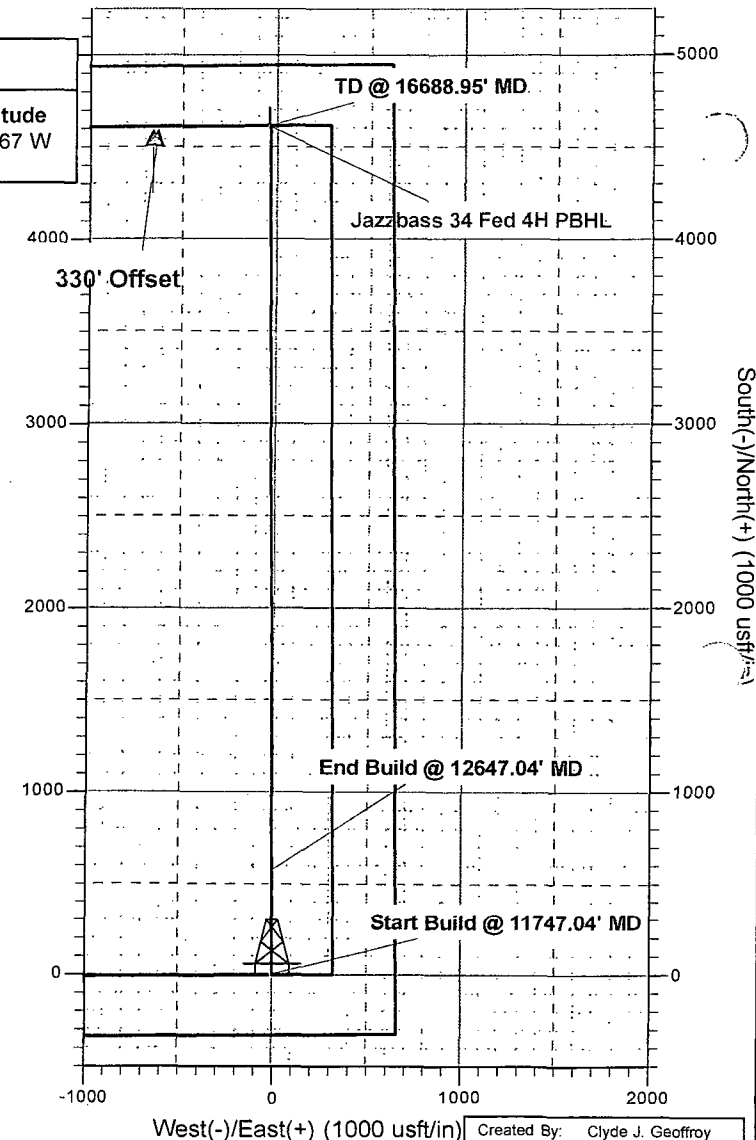
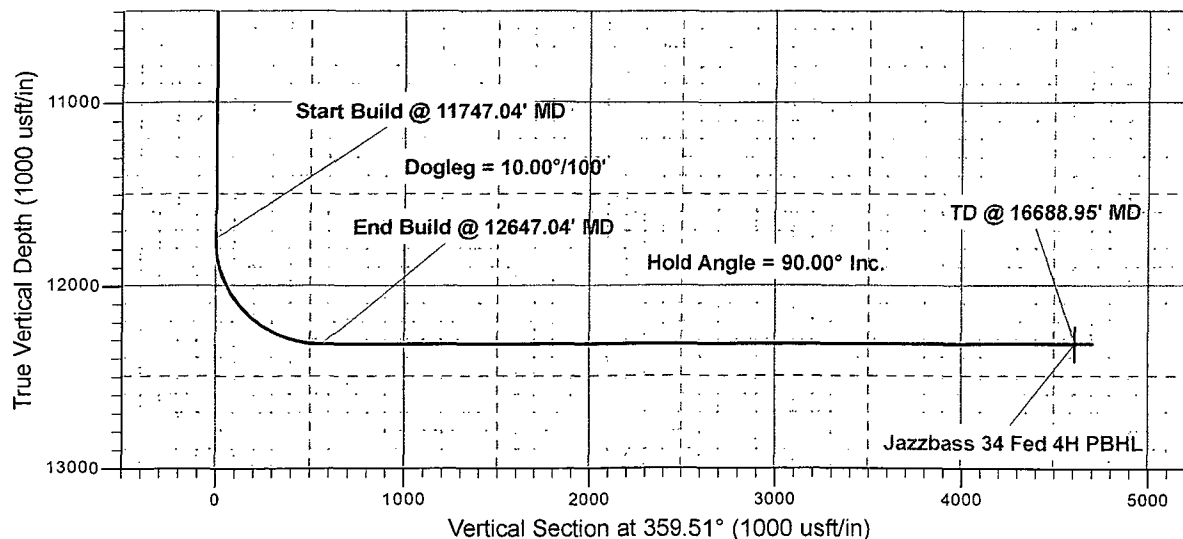
New Mexico Eastern Zone

Elevation: GL 3148.7 + KB 22.5' @ 3171.20usft (Patriot 4)

Northing	Easting	Latitude	Longitude
394406.52	846209.14	32° 4' 49.726 N	103° 20' 56.397 W

To convert a Magnetic Direction to a Grid Direction, Add 6.71°

Magnetic Model: BGGM2013 Date: 20-Mar-14
Azimuths to Grid North



Created By: Clyde J. Geoffroy

Endurance Resources LLC

Lea County, NM (NAD 83)

Jazzbass 34 Federal

Jazzbass 34 Federal 4H

Wellbore #1

Plan: Plan #1

Sperry Drilling Services Proposal Report

20 March, 2014

Well Coordinates: 394,406.52 N, 846,209.14 E (32° 04' 49.73" N, 103° 20' 56.40" W)

Ground Level: 3,148.70 usft

Local Coordinate Origin:

Centered on Well Jazzbass 34 Federal 4H

Viewing Datum:

GL 3148.7 + KB 22.5' @ 3171.20usft (Patriot 4)

TVDs to System:

N

North Reference:

Grid

Unit System:

API - US Survey Feet

Version: 5000.1 Build: 65

HALLIBURTON

Plan Report for Jazzbass 34 Federal 4H - Plan #1

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	Toolface Azimuth (°)
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
100.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
200.00	0.00	0.00	200.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
400.00	0.00	0.00	400.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
500.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
600.00	0.00	0.00	600.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
700.00	0.00	0.00	700.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
800.00	0.00	0.00	800.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
900.00	0.00	0.00	900.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,000.00	0.00	0.00	1,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,100.00	0.00	0.00	1,100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,200.00	0.00	0.00	1,200.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,300.00	0.00	0.00	1,300.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,400.00	0.00	0.00	1,400.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,500.00	0.00	0.00	1,500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,600.00	0.00	0.00	1,600.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,700.00	0.00	0.00	1,700.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,800.00	0.00	0.00	1,800.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,900.00	0.00	0.00	1,900.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2,000.00	0.00	0.00	2,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2,100.00	0.00	0.00	2,100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2,200.00	0.00	0.00	2,200.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2,300.00	0.00	0.00	2,300.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2,400.00	0.00	0.00	2,400.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2,500.00	0.00	0.00	2,500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2,600.00	0.00	0.00	2,600.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2,700.00	0.00	0.00	2,700.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2,800.00	0.00	0.00	2,800.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2,900.00	0.00	0.00	2,900.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3,000.00	0.00	0.00	3,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3,100.00	0.00	0.00	3,100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3,200.00	0.00	0.00	3,200.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3,300.00	0.00	0.00	3,300.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3,400.00	0.00	0.00	3,400.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3,500.00	0.00	0.00	3,500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3,600.00	0.00	0.00	3,600.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3,700.00	0.00	0.00	3,700.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3,800.00	0.00	0.00	3,800.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3,900.00	0.00	0.00	3,900.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4,000.00	0.00	0.00	4,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4,100.00	0.00	0.00	4,100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4,200.00	0.00	0.00	4,200.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4,300.00	0.00	0.00	4,300.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4,400.00	0.00	0.00	4,400.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4,500.00	0.00	0.00	4,500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4,600.00	0.00	0.00	4,600.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4,700.00	0.00	0.00	4,700.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4,800.00	0.00	0.00	4,800.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4,900.00	0.00	0.00	4,900.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5,000.00	0.00	0.00	5,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5,100.00	0.00	0.00	5,100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5,200.00	0.00	0.00	5,200.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5,300.00	0.00	0.00	5,300.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5,400.00	0.00	0.00	5,400.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5,500.00	0.00	0.00	5,500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5,600.00	0.00	0.00	5,600.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5,700.00	0.00	0.00	5,700.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5,800.00	0.00	0.00	5,800.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Plan Report for Jazzbass 34 Federal 4H - Plan #1

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	Toolface Azimuth (°)
5,900.00	0.00	0.00	5,900.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6,000.00	0.00	0.00	6,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6,100.00	0.00	0.00	6,100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6,200.00	0.00	0.00	6,200.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6,300.00	0.00	0.00	6,300.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6,400.00	0.00	0.00	6,400.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6,500.00	0.00	0.00	6,500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6,600.00	0.00	0.00	6,600.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6,700.00	0.00	0.00	6,700.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6,800.00	0.00	0.00	6,800.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6,900.00	0.00	0.00	6,900.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7,000.00	0.00	0.00	7,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7,100.00	0.00	0.00	7,100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7,200.00	0.00	0.00	7,200.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7,300.00	0.00	0.00	7,300.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7,400.00	0.00	0.00	7,400.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7,500.00	0.00	0.00	7,500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7,600.00	0.00	0.00	7,600.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7,700.00	0.00	0.00	7,700.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7,800.00	0.00	0.00	7,800.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7,900.00	0.00	0.00	7,900.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8,000.00	0.00	0.00	8,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8,100.00	0.00	0.00	8,100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8,200.00	0.00	0.00	8,200.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8,300.00	0.00	0.00	8,300.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8,400.00	0.00	0.00	8,400.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8,500.00	0.00	0.00	8,500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8,600.00	0.00	0.00	8,600.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8,700.00	0.00	0.00	8,700.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8,800.00	0.00	0.00	8,800.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8,900.00	0.00	0.00	8,900.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9,000.00	0.00	0.00	9,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9,100.00	0.00	0.00	9,100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9,200.00	0.00	0.00	9,200.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9,300.00	0.00	0.00	9,300.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9,400.00	0.00	0.00	9,400.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9,500.00	0.00	0.00	9,500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9,600.00	0.00	0.00	9,600.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9,700.00	0.00	0.00	9,700.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9,800.00	0.00	0.00	9,800.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9,900.00	0.00	0.00	9,900.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
10,000.00	0.00	0.00	10,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
10,100.00	0.00	0.00	10,100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
10,200.00	0.00	0.00	10,200.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
10,300.00	0.00	0.00	10,300.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
10,400.00	0.00	0.00	10,400.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
10,500.00	0.00	0.00	10,500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
10,600.00	0.00	0.00	10,600.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
10,700.00	0.00	0.00	10,700.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
10,800.00	0.00	0.00	10,800.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
10,900.00	0.00	0.00	10,900.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11,000.00	0.00	0.00	11,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11,100.00	0.00	0.00	11,100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11,200.00	0.00	0.00	11,200.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11,300.00	0.00	0.00	11,300.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11,400.00	0.00	0.00	11,400.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11,500.00	0.00	0.00	11,500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11,600.00	0.00	0.00	11,600.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11,700.00	0.00	0.00	11,700.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11,747.04	0.00	0.00	11,747.04	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Plan Report for Jazzbass 34 Federal 4H - Plan #1

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	Toolface Azimuth (°)
Start Build @ 11747.04' MD - Dogleg = 10.00°/100'										
11,750.00	0.30	359.51	11,750.00	0.01	0.00	0.01	10.00	10.00	0.00	359.51
11,800.00	5.30	359.51	11,799.92	2.45	-0.02	2.45	10.00	10.00	0.00	0.00
11,850.00	10.30	359.51	11,849.45	9.23	-0.08	9.23	10.00	10.00	0.00	0.00
11,900.00	15.30	359.51	11,898.19	20.30	-0.17	20.30	10.00	10.00	0.00	0.00
11,950.00	20.30	359.51	11,945.78	35.57	-0.30	35.57	10.00	10.00	0.00	0.00
12,000.00	25.30	359.51	11,991.86	54.94	-0.47	54.94	10.00	10.00	0.00	0.00
12,050.00	30.30	359.51	12,036.08	78.24	-0.67	78.25	10.00	10.00	0.00	0.00
12,100.00	35.30	359.51	12,078.10	105.32	-0.90	105.32	10.00	10.00	0.00	0.00
12,150.00	40.30	359.51	12,117.59	135.95	-1.16	135.95	10.00	10.00	0.00	0.00
12,200.00	45.30	359.51	12,154.27	169.91	-1.46	169.91	10.00	10.00	0.00	0.00
12,250.00	50.30	359.51	12,187.85	206.93	-1.77	206.94	10.00	10.00	0.00	0.00
12,300.00	55.30	359.51	12,218.07	246.74	-2.11	246.75	10.00	10.00	0.00	0.00
12,350.00	60.30	359.51	12,244.71	289.03	-2.48	289.04	10.00	10.00	0.00	0.00
12,400.00	65.30	359.51	12,267.56	333.49	-2.86	333.50	10.00	10.00	0.00	0.00
12,450.00	70.30	359.51	12,286.45	379.76	-3.25	379.78	10.00	10.00	0.00	0.00
12,500.00	75.30	359.51	12,301.24	427.51	-3.66	427.52	10.00	10.00	0.00	0.00
12,550.00	80.30	359.51	12,311.80	476.36	-4.08	476.38	10.00	10.00	0.00	0.00
12,600.00	85.30	359.51	12,318.07	525.95	-4.51	525.97	10.00	10.00	0.00	0.00
12,647.04	90.00	359.51	12,320.00	572.94	-4.91	572.96	10.00	10.00	0.00	0.00
End Build @ 12647.04' MD - Hold Angle = 90.00° Inc.										
12,700.00	90.00	359.51	12,320.00	625.89	-5.36	625.92	0.00	0.00	0.00	0.00
12,800.00	90.00	359.51	12,320.00	725.89	-6.22	725.92	0.00	0.00	0.00	0.00
12,900.00	90.00	359.51	12,320.00	825.89	-7.08	825.92	0.00	0.00	0.00	0.00
13,000.00	90.00	359.51	12,320.00	925.88	-7.93	925.92	0.00	0.00	0.00	0.00
13,100.00	90.00	359.51	12,320.00	1,025.88	-8.79	1,025.92	0.00	0.00	0.00	0.00
13,200.00	90.00	359.51	12,320.00	1,125.87	-9.65	1,125.92	0.00	0.00	0.00	0.00
13,300.00	90.00	359.51	12,320.00	1,225.87	-10.50	1,225.92	0.00	0.00	0.00	0.00
13,400.00	90.00	359.51	12,320.00	1,325.87	-11.36	1,325.92	0.00	0.00	0.00	0.00
13,500.00	90.00	359.51	12,320.00	1,425.86	-12.22	1,425.92	0.00	0.00	0.00	0.00
13,600.00	90.00	359.51	12,320.00	1,525.86	-13.07	1,525.92	0.00	0.00	0.00	0.00
13,700.00	90.00	359.51	12,320.00	1,625.86	-13.93	1,625.92	0.00	0.00	0.00	0.00
13,800.00	90.00	359.51	12,320.00	1,725.85	-14.79	1,725.92	0.00	0.00	0.00	0.00
13,900.00	90.00	359.51	12,320.00	1,825.85	-15.64	1,825.92	0.00	0.00	0.00	0.00
14,000.00	90.00	359.51	12,320.00	1,925.84	-16.50	1,925.92	0.00	0.00	0.00	0.00
14,100.00	90.00	359.51	12,320.00	2,025.84	-17.36	2,025.92	0.00	0.00	0.00	0.00
14,200.00	90.00	359.51	12,320.00	2,125.84	-18.21	2,125.92	0.00	0.00	0.00	0.00
14,300.00	90.00	359.51	12,320.00	2,225.83	-19.07	2,225.92	0.00	0.00	0.00	0.00
14,400.00	90.00	359.51	12,320.00	2,325.83	-19.93	2,325.92	0.00	0.00	0.00	0.00
14,500.00	90.00	359.51	12,320.00	2,425.83	-20.79	2,425.92	0.00	0.00	0.00	0.00
14,600.00	90.00	359.51	12,320.00	2,525.82	-21.64	2,525.92	0.00	0.00	0.00	0.00
14,700.00	90.00	359.51	12,320.00	2,625.82	-22.50	2,625.92	0.00	0.00	0.00	0.00
14,800.00	90.00	359.51	12,320.00	2,725.82	-23.36	2,725.92	0.00	0.00	0.00	0.00
14,900.00	90.00	359.51	12,320.00	2,825.81	-24.21	2,825.92	0.00	0.00	0.00	0.00
15,000.00	90.00	359.51	12,320.00	2,925.81	-25.07	2,925.92	0.00	0.00	0.00	0.00
15,100.00	90.00	359.51	12,320.00	3,025.80	-25.93	3,025.92	0.00	0.00	0.00	0.00
15,200.00	90.00	359.51	12,320.00	3,125.80	-26.78	3,125.92	0.00	0.00	0.00	0.00
15,300.00	90.00	359.51	12,320.00	3,225.80	-27.64	3,225.92	0.00	0.00	0.00	0.00
15,400.00	90.00	359.51	12,320.00	3,325.79	-28.50	3,325.92	0.00	0.00	0.00	0.00
15,500.00	90.00	359.51	12,320.00	3,425.79	-29.35	3,425.92	0.00	0.00	0.00	0.00
15,600.00	90.00	359.51	12,320.00	3,525.79	-30.21	3,525.92	0.00	0.00	0.00	0.00
15,700.00	90.00	359.51	12,320.00	3,625.78	-31.07	3,625.92	0.00	0.00	0.00	0.00
15,800.00	90.00	359.51	12,320.00	3,725.78	-31.92	3,725.92	0.00	0.00	0.00	0.00
15,900.00	90.00	359.51	12,320.00	3,825.78	-32.78	3,825.92	0.00	0.00	0.00	0.00
16,000.00	90.00	359.51	12,320.00	3,925.77	-33.64	3,925.92	0.00	0.00	0.00	0.00
16,100.00	90.00	359.51	12,320.00	4,025.77	-34.49	4,025.92	0.00	0.00	0.00	0.00
16,200.00	90.00	359.51	12,320.00	4,125.76	-35.35	4,125.92	0.00	0.00	0.00	0.00
16,300.00	90.00	359.51	12,320.00	4,225.76	-36.21	4,225.92	0.00	0.00	0.00	0.00
16,400.00	90.00	359.51	12,320.00	4,325.76	-37.06	4,325.92	0.00	0.00	0.00	0.00

Plan Report for Jazzbass 34 Federal 4H - Plan #1

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	Toolface Azimuth (°)
16,500.00	90.00	359.51	12,320.00	4,425.75	-37.92	4,425.92	0.00	0.00	0.00	0.00
16,600.00	90.00	359.51	12,320.00	4,525.75	-38.78	4,525.92	0.00	0.00	0.00	0.00
16,688.95	90.00	359.51	12,320.00	4,614.70	-39.54	4,614.87	0.00	0.00	0.00	0.00

TD @ 16688.95' MD - Jazzbass 34 Fed 4H PBHL

Plan Annotations

Measured Depth (usft)	Vertical Depth (usft)	Local Coordinates +N/-S (usft)	+E/-W (usft)	Comment
11,747.04	11,747.04	0.00	0.00	Start Build @ 11747.04' MD
11,747.04	11,747.04	0.00	0.00	Dogleg = 10.00°/100'
12,647.04	12,320.00	572.93	-4.91	End Build @ 12647.04' MD
12,647.04	12,320.00	572.94	-4.91	Hold Angle = 90.00° Inc.
16,688.95	12,320.00	4,614.70	-39.54	TD @ 16688.95' MD

Vertical Section Information

Angle Type	Target	Azimuth (°)	Origin Type	Origin +N/-S (usft)	+E/-W (usft)	Start TVD (usft)
TD	No Target (Freehand)	359.51	Slot	0.00	0.00	0.00

Survey tool program

From (usft)	To (usft)	Survey/Plan	Survey Tool
0.00	16,688.95	Plan #1	MWD

Targets associated with this wellbore

Target Name	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Shape
Jazzbass 34 Fed 4H PBHL	12,320.00	4,614.70	-39.54	Point

North Reference Sheet for Jazzbass 34 Federal - Jazzbass 34 Federal 4H - Wellbore #1

All data is in US Feet unless otherwise stated. Directions and Coordinates are relative to Grid North Reference.

Vertical Depths are relative to GL 3148.7 + KB 22.5' @ 3171.20usft (Patriot 4). Northing and Easting are relative to Jazzbass 34 Federal 4H

Coordinate System is US State Plane 1983, New Mexico Eastern Zone using datum North American Datum 1983, ellipsoid GRS 1980

Projection method is Transverse Mercator (Gauss-Kruger)

Central Meridian is -104.33°, Longitude Origin:0° 0' 0.000 E°, Latitude Origin:0° 0' 0.000 N°

False Easting: 541,337.50usft, False Northing: 0.00usft, Scale Reduction: 1.00001555

Grid Coordinates of Well: 394,406.52 usft N, 846,209.14 usft E

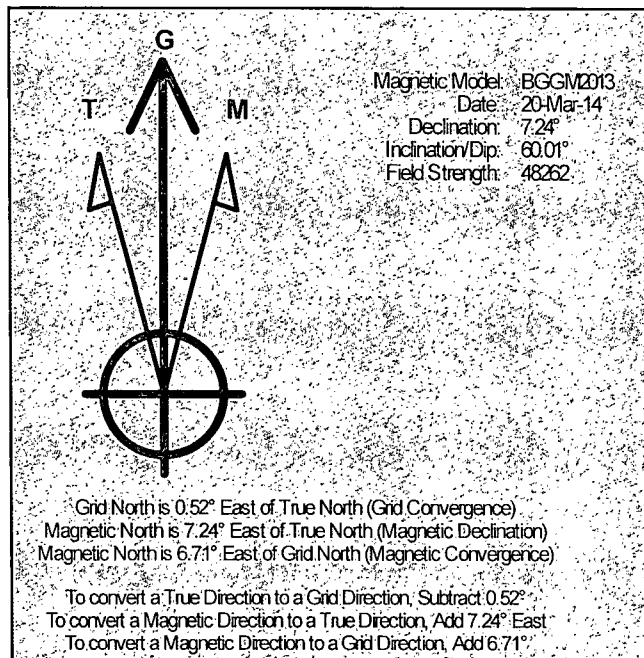
Geographical Coordinates of Well: 32° 04' 49.73" N, 103° 20' 56.40" W

Grid Convergence at Surface is: 0.52°

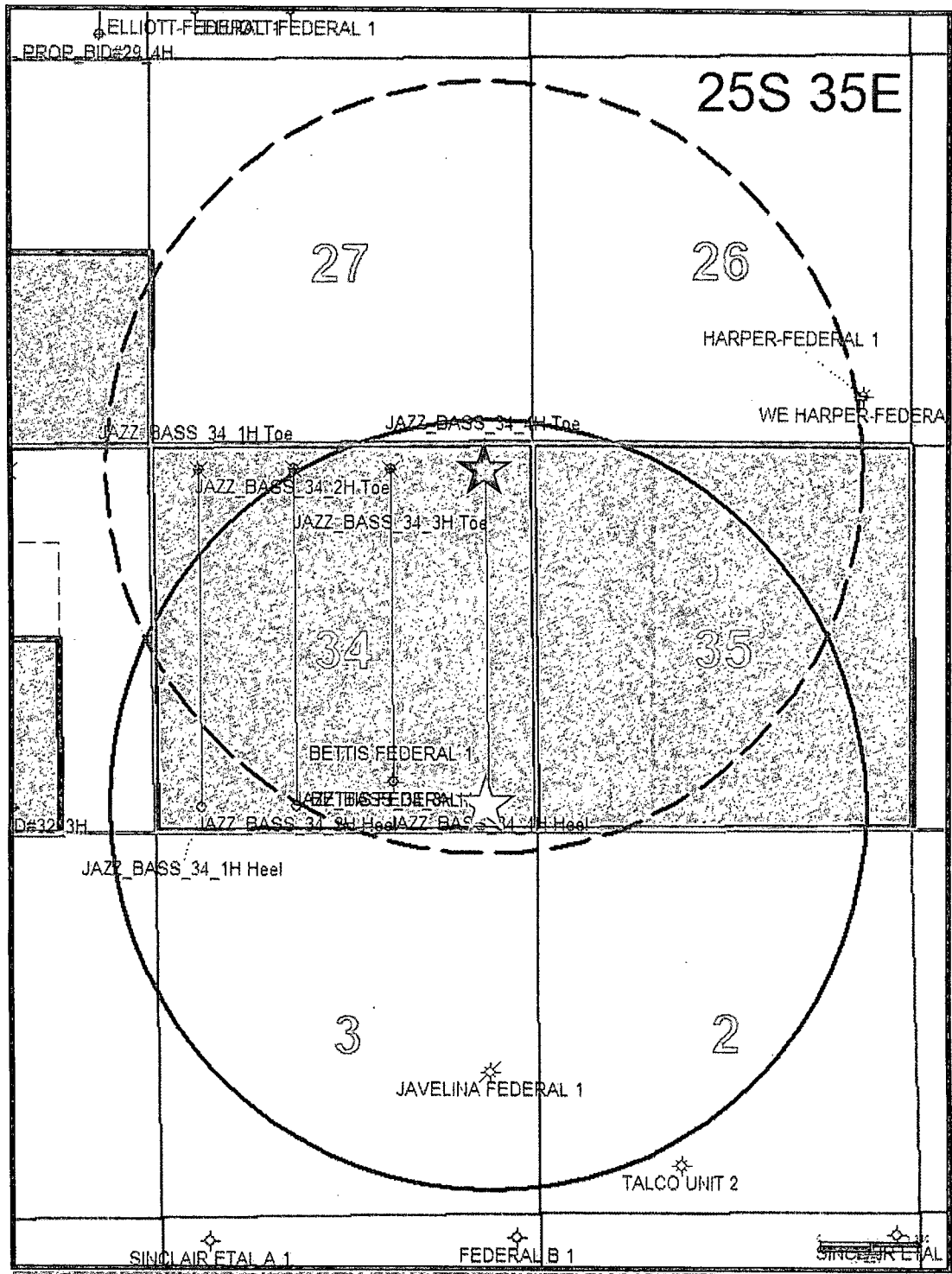
Based upon Minimum Curvature type calculations, at a Measured Depth of 16,688.95usft

the Bottom Hole Displacement is 4,614.87usft in the Direction of 359.51° (Grid).

Magnetic Convergence at surface is: -6.71° (20 March 2014, , BGGM2013)

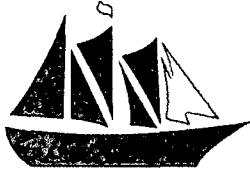


Jazzbass 34 Federal 4H



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

PROPOSED INTERIM SITE RECLAMATION



ENDURANCE
RESOURCES, LLC

ENDURANCE RESOURCES LLC

Jazzbass 34 FED 4H

330' FSL & 660' FEL

SEC 34-25S-35E

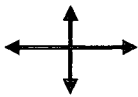
LEA CO, NM

N



420'

W



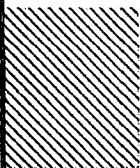
L

A=L X W

POWER LINE & FLOWLINE



PROPOSED
RECLAMATION
AREA



350'

100' X 290'



220' X 75'

ROAD IN/OUT

350'



1. The effects of H₂S metal components. If high tensile tubulars are to be used, personnel will be trained in their special maintenance requirements.
2. Corrective action & shut-in procedures when drilling or reworking a well, BOP & well control procedures.
3. The contents & requirements of the H₂S Drilling Operations Plan & Public Protection Plan.

There will be an initial training session just prior to encountering a known or probable H₂S zone (within 3 days or 500ft) and weekly H₂S & well control drills for all personnel in each crew. The initial training session shall include a review of the site specific H₂S Drilling Operations Plan and the Public Protection Plan.

II. H₂S Safety Equipment & Systems

Note: All H₂S safety equipment will be installed, tested, & operational when drilling reaches a depth of 500' above, or three days prior to penetrating the first zone containing or reasonably expected to contain H₂S.

A. Well Control Equipment:

- Flare Line
- Choke manifold with remotely operated choke
- Blind rams & pipe rams to accommodate all pipe sizes with properly sized closing unit.
- Auxiliary equipment to include: annular preventer, mud-gas separator, & rotating head.

B. Protective equipment for essential personnel:

- 30-minute SCBA units located in the dog house & at briefing areas. As it may be difficult to communicate audibly while wearing these units, hand signals shall be utilized.

C. H₂S detection and monitoring equipment:

- (2) Portable H₂S monitors positioned on location for best coverage & response. These units have warning lights & audible sirens when H₂S



levels of 20ppm are reached. These units are also capable of detecting SO₂, which is a byproduct of burning H₂S.

D. Visual warning systems:

- Wind direction indicators: will be shown on well site diagram.
- Caution/Danger signs shall be posted on roads providing direct access to location. Signs will be painted a high visibility yellow with black lettering of sufficient size so that it is legible at a reasonable distance from the immediate location. Bilingual signs will also be used, when appropriate.

E. Mud program:

- The mud program has been designed to minimize the volume of H₂S circulated to surface. Proper mud weight, safe drilling practices, and the use of H₂S scavengers will help minimize hazards when penetrating H₂S bearing zones.

F. Metallurgy:

- All drill strings, casings, tubing, wellhead, blowout preventers, drilling spool, kill lines, and valves shall be suitable for H₂S service.

G. Communication:

- Company vehicles equipped with cellular phones, as well as a satellite phone in the company man's trailer.

ENDURANCE RESOURCES LLC HAS CONDUCTED A REVIEW TO DETERMINE IF AN H₂S CONTINGENCY PLAN IS REQUIRED FOR THE ABOVE MENTIONED WELL. WE WERE ABLE TO CONDUCT THAT ANY POTENTIAL HAZARDOUS VOLUME WOULD BE MINIMAL (IF ANY PRESENT) FROM SURFACE TO TD.



EMERGENCY CALL LIST

Endurance Operations Office: (575) 308.0722

Kale Jackson-Sr Completions Engineer: (575) 914.3355

Manny Sirgo- VP Operations: (432) 413.0085

Randall Harris- VP Geology: (575) 365.7747

Don Ritter- CEO: (469) 556.3757

EMERGENCY RESPONSE NUMBERS

HOBBS:

State Police: 575.392.5588

City Police: 575.397.9265

Sherriff's Office: 575.393.2515

Ambulance: 911

Fire Department: 575.397.9308

LEPC: 575.393.2870

NMOCD: 575.393.6161

BLM: 575.393.3612

CARLSBAD:

State Police: 575.885.3137

City Police: 575.885.2111

Sherriff's Office: 575.887.7551

Ambulance: 911

Fire Department: 575.885.2111

LEPC: 575.887.3798

BLM: 575.361.2822

EMERGENCY SERVICES:

Boots & Coots: 1.800.256.9688

Cudd Pressure Control: 915.699.0139

Halliburton: 575.746.2757

Baker Hughes: 575.746.3569