ENDURANCE
RESOURCES, LLC

Hydrogen Sulfide (H_2S) Contingency Plan

For

Jazzbass 34 FED #4H

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

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

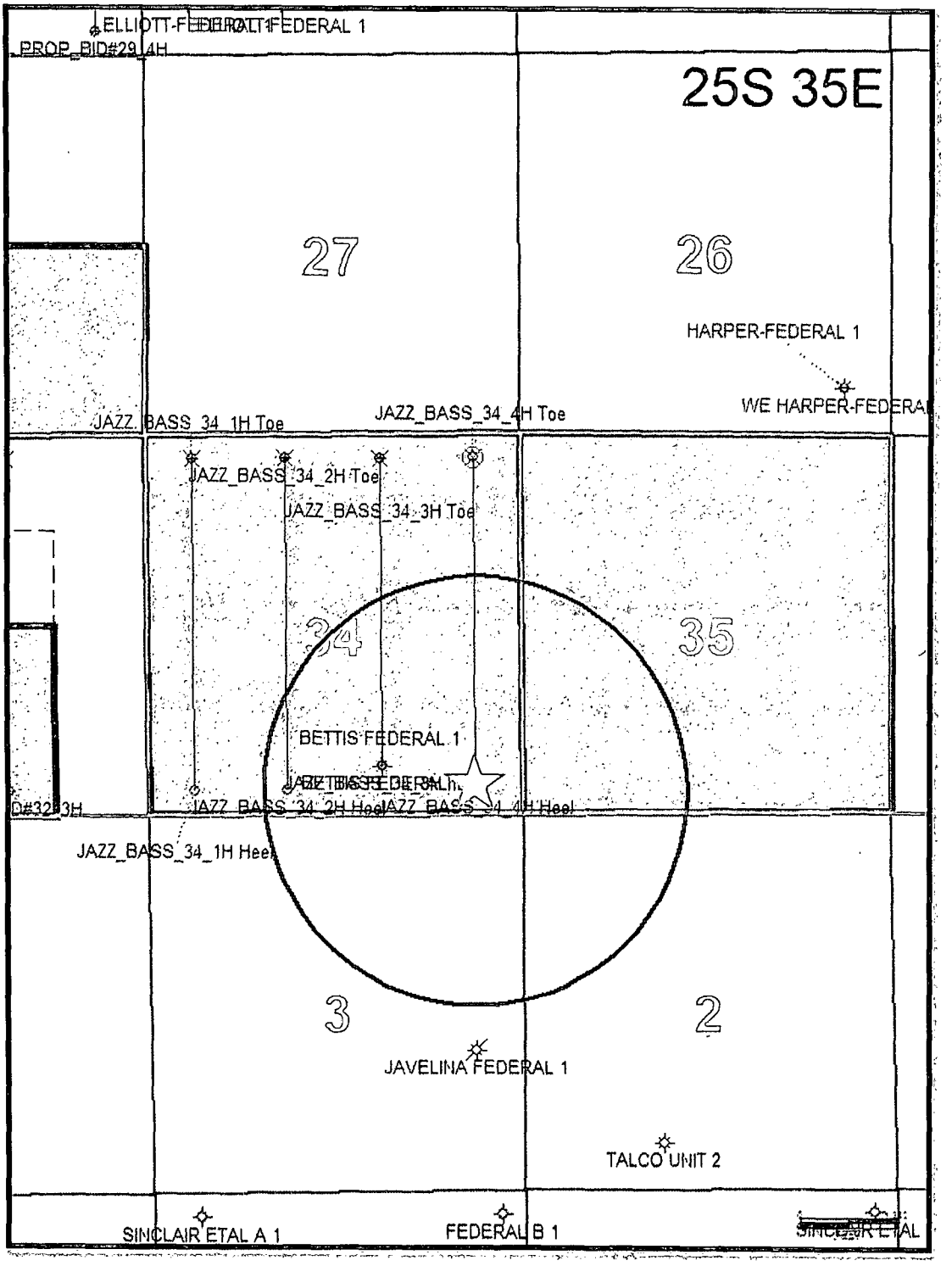
Sec 34-25S-35E

Lea Co, NM

Escape:

In the event of an emergency, crews shall escape upwind of any H2S gas that is released. Primary escape route will utilize the location entrance on the northwest side of the pad and continue due west down the lease road. Secondary Egress will be made available via connecting lease road to Jazzbass #3H due west of the location. Depending on prevailing wind direction, the intersection of the lease road and El Paso Pipeline Rd will be the Mustard Point. Necessary adjustments will be made during preliminary safety meetings. Crews should then block entrance to location from the lease road so as not to allow anyone traversing into a hazardous area. This blockade should be at a safe distance outside of the ROE. ***There are no homes or buildings in or near the ROE.***

Jazzbass 34 Federal 4H
3000' H2S Radius Map



Surface Location

H2S 3000' Radius

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Assumed 100ppm ROE=3000'

100ppm H2S concentration shall trigger activation of this plan.

Emergency Procedures:

In the event of a release of gas containing H2S, the first responder(s) must

- Isolate the area and prevent entry by other persons into the 100 ppm ROE
- Evacuate any public places encompassed by the 100 ppm ROE
- Be equipped with H2S monitors and air packs in order to control the release
- Use the "buddy system" to ensure no injuries occur during the response
- Take precautions to avoid personal injury during this operation
- Contact operator and/or local officials to aid in operation. **See list of phone numbers attached.**
- Have received training in the 1) detection of H2S, 2) measures for protection against the gas 3) equipment used for protection & emergency response.

Ignition of Gas Source

SO2 or Sulfur Dioxide must be taken in precaution should the need to ignite the H2S gas stream if well control is lost against this gas. Intentional ignition must be coordinated with the NMOCD and local officials. Additionally, the NM State Police may become involved. NM State Police shall be the Incident Command on scene of any major release. Wind direction identification whenever there is ignition of H2S must be taken into consideration as well.

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Characteristics of H_2S and SO_2

Common Name	Chemical Formula	Specific Gravity	Threshold Limit	Hazardous Limit	Lethal Concentration
Hydrogen Sulfide	H_2S	1.189 Air = 1	10 ppm	100 ppm/hr	600 ppm
Sulfur Dioxide	SO_2	2.21 Air = 1	2 ppm	N/A	1000 ppm

Contacting Authorities

Endurance Resources personnel must liaison with local & state agencies to ensure a proper response to a major release. Additionally, the NMOCD must be notified of the release as soon as possible but no later than 4hrs. Agencies will ask for information such as type & volume of release, wind direction, location of release, ect. Be prepared with all information available. The following call list of essential & potential responders has been prepared for use during a release. Endurance Resources' company response must be in coordination with the HMER.

HYDROGEN SULFIDE DRILLING OPERATIONS PLAN

I. Hydrogen Sulfide Training

All personnel, whether regularly assigned, contracted, or employed on an unscheduled basis, will receive training from a qualified instructor in the following area prior to commencing drilling operations on this well:

1. The hazards & characteristics of hydrogen sulfide (H2S)
2. The proper use & maintenance of PPE & SCBA systems.
3. The proper use of H2S detectors, alarms, warning systems, briefing areas, evacuation procedures, & prevailing winds (seasonal).
4. The proper techniques for first aid & rescue procedures.

In addition, supervisory personnel will be trained in the following areas: