STATE OF NEW MEXICO RECEIVED OCD
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION 2011 JAN 31 A 7:52

**IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:**

**APPLICATION OF FARLEIGH OIL PROPERTIES FOR A COMPLIANCE ORDER AGAINST SWEPI LP AND SHELL EXPLORATION AND PRODUCTION COMPANY, GUADALUPE COUNTY, NEW MEXICO** **CASE NO. 14583**

**BAYSWATER EXPLORATION AND PRODUCTION, L.L.C. 'S RESPONSE TO SWEPI LP AND SHELL EXPLORATIONS & PRODUCTION COMPANYS' MOTION TO DISMISS**

Bayswater Exploration and Production LLC ("Bayswater") by its attorneys, Kellahin & Kellahin, for its response to the motion to dismiss filed by SWEPI LP and Shell Exploration & Production Company (collectively "Shell") states:

All the main issues raised in the Motion to Dismiss are resolved when the Division answers this question: What should be done with it appears that an operator is filing false or misleading forms with the Division? When

**THE LOGS**

Professor Carr, writing for Shell, would have you believe that Shell has been repeatedly tried to file these logs and blames the OCD for not being able to accept the log because of some computer program problems. The Facts are otherwise. A review of the OCD website for these four wells demonstrates a knowing and conscious attempt by Shell to either avoid filing or delay filing the logs.

## REPRESENTATIVE KEY FACTS

This case involves the well files of four (4) wellbores by Shell, but a review of the Latigo Ranch #2-34 (API No. 30-019-20136) is illustrative of the pattern and facts:

(1) APD, dated May 9, 2008, and approved by Mr. Martin on May 15, 1008—**See Attached as Exhibit "A**. The" APD included a statement that Shell would follow a drilling and completion plan with Wireline-Logs including Gamma Ray, Resistivity, Porosity, Neutron and Sonic data Collection, Mudlog, and Flow testing.

(2) Mr. Martin's letter dated May 15, 2008 to Shell advising Shell that their request for confidentiality only allowed a 90-day period with the filing of the completion report (C-105) **Attached as See Exhibit "B**

(3) The well was spudded on Sep 21, 2008, at total depth on Nov 22, 2008, but not reported until April 8, 2010, **See Exhibit "C" attached**

(4) On Sundry Notice dated April 15, 2010, Shell reports production data, but sums result. **See Attached Exhibit "D"**

(5) There is a Mud Log dated Jan 31, 2009.

(6) The well is completed and ready to produce on Sept 17, 2009. See Shell letter dated May 13, 2010, **Attached as Exhibit E** and the completion report filed 5/13/2010- **Attached as Exhibit "F"**

(7) Eight months after completion, Shell files a Completion Report dated May 13, 2010—**See Exhibit "F" attached**

(8) There is a Gamma Ray Log filed dated June 30, 2010

## THE PRESSURE-PRODUCTION TESTS

Where are the pressures? Where are the production tests? The Division requires and the Industry expects that they will be found in the completion reports on Division Form C-105. But the C-105 filed on May 13, 2010 by Shell leaves the impression that the true pressures and flow rates were intentionally withheld by taking 4 tests over 4 different time intervals and then summing the totals and then reporting an average press and rate. All this begs the question—Why is Shell doing this?

## THE PROCESS

Professor Carr at one time in the distant passed worked as Chief Counsel to the OCD Director, Pete Porter. Mr. Porter schooled Professor Carr on many things including the mistaken belief that if the OCD adopted rules and regulations for the oil & gas industry then the companies would police themselves by watching each others operations. Thus, if one company failed to comply, the others in the pool would report to the OCD.

Unfortunately if that was ever correct, it is not so today Companies cannot keep up with their own compliance issue much less polices the other operators for compliance. A non-operating interest owners in the area is worst off. Shell complains that this case was filed of a non-operator (Farleigh) and not the Division. Shell's complaint is an attempt at to direct the Division away from the fact Shell did not file its C-105 for more than eight months after completion of this well. Fortunately Farleigh was watching.

Farleigh's application is simply a request for a hearing so that Farleigh can present evidence that can form the basis for the Division to file an application per Rule 19.15.5.10, **see Exhibit "G" attached**. and impose sanctions for violation of the Oil & Gas Act. Farleigh believes that it has this proof. It will then be up to the Division to assess civil penalties and corrective action including the suspension of permits or authorization to transport.

## CONCLUSION

It is time for the Division to stop Shell from this gamesmanship and to send notice to the operators that they must not be using the OCD APD and Completion forms and procedures including falsely filed Division Form C-105s as a strategy to block other potential operators and mineral interest owners form having timely access to data. Specifically,

(1) Shell filed on C-103 in order to avoid filing a C-105 (completion report) with logs

(2) Shell ignores the Instructions within Form C-103 and Form C-105 and the Rules and Regulations of the New Mexico Oil Commission Division.

(3) Shell does not identify the zones tested so it is anybody's guess where the gas came from.

(4) Shell and/or Mr. Bergstrom purposely report data in misleading and confusing formats.

(5) Although Shell states in their APD that they will identify individual zones and commingled zones for testing - they continue to hide the results of their wells by not reporting individual zone tests as required by the Division when wells are multiply completed. Shell acknowledges more than once in the Forms submitted that the well had seven (7) completions.

(6) Shell and the persons responsible for preparing and submitting these false reports to the Division should be held accountable by the Division.

Bayswater requests that the Division deny Shell's motion to dismiss.

Respectfully submitted,

W. Thomas Kellahin
Kellahin & Kellahin
706 Gonzales Road
Santa Fe, New Mexico 87501

## CERTIFICATE OF SERVICE

I certify that on January 31, 2011 I served a true and correct copy of the foregoing pleading by email to the following:

Terry Warnell, OCD Examiner
TerryG.Warnell@state.nm.us

David K. Brooks, Esq.
OCD Attorney
David.brooks@state.nm.us

Gail Macquesten, Esq.
OCD Compliance Attorney
gail.macquesten@state.nm.us

William F. Carr, Esq.
Attorney for Shell and SWEPI
wcarr@hollandhart.com

James Bruce, Esq.
Attorney for Farleigh Oil Properties
jamesbruc@aol.com

W. Thomas Kellahin

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-101
May 27, 2004

Submit to appropriate District Office

CONFIDENTIAL ☐ AMENDED REPORT

# APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

| [1] Operator Name and Address | [2] OGRID Number |
|---|---|
| SWEPI LP, P.O. Box 576, Houston, Texas 77001<br>(Local Contact: Shell Exploration & Production Company, 4582 S. Ulster St. Pkwy., Suite 1400, Denver, CO 80237) | 250036 |
| | [3] API Number<br>30-019-20136 |

| [4] Property Code | [5] Property Name | [6] Well No. |
|---|---|---|
| 37165 | Singleton Properties LLC | Latigo 2-34 |

| [9] Proposed Pool 1 | [10] Proposed Pool 2 |
|---|---|
| | |

## [7] Surface Location

| UL or lot no | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---|---|---|---|---|---|---|---|---|---|
| F | 34 | 10N | 23E | | 1880+/- | North | 1946+/- | West | Guadalupe |

## [8] Proposed Bottom Hole Location If Different From Surface

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | |

## Additional Well Information

| [11] Work Type Code | [12] Well Type Code | [13] Cable/Rotary | [14] Lease Type Code | [15] Ground Level Elevation |
|---|---|---|---|---|
| N | G | R | P | 4716.2 graded |
| **[16] Multiple** | **[17] Proposed Depth** | **[18] Formation** | **[19] Contractor** | **[20] Spud Date** |
| N | ~~13,000~~ 13,350 | Mississippian | Nabors Drilling | August 1, 2008 |

| Depth to Groundwater | Distance from nearest fresh water well | Distance from nearest surface water |
|---|---|---|
| ~900 feet (Santa Rosa aquifer) | ~2 miles (CD-1 water well) | ~2400 feet (unnamed ephemeral drainage) |

Pit: Liner: Synthetic ☒ 20 mils thick Clay ☐ Pit Volume: 84,430 bbls Drilling Method: Fresh Water 0-1,300', Brine 1,300'-13,500'

Closed-Loop System ☐ Fresh Water ☒ Brine ☒ Diesel/Oil-based ☐ Gas/Air ☐

## [21] Proposed Casing and Cement Program

| Hole Size | Casing Size | Casing weight/foot | Setting Depth | Sacks of Cement | Estimated TOC |
|---|---|---|---|---|---|
| 30-inch | 20-inch | Conductor | 90-feet | NA | 0 feet |
| 14.75-inch | 10.75-inch | 40.5 lbs. | 1300-feet | 930 | 0 feet |
| 9.875-inch | 7.625-inch | 29.7 lbs. | 6200-feet | 1257 | 1000 feet |
| 6.5-inch | 4.5-inch | 13.5 & 15.1 lbs. | 13350-feet | 359 | 5700 feet |

[22] Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

See Attachment A – Latigo 2-34 Drilling & Completion Plan

Attachment A3 – Nabors B.O.P. Stack Diagram

See Attachment B – Latigo 2-34 Surface Use Plan

See Attached Maps
- Location Photos
- Well Location, Latigo 2-34
- Location Layout for Latigo 2-34
- Topographic Map A
- Topographic Map B

OIL CONSERVATION COMMISSION TO BE NOT[IFIED] WITHIN 24 HOURS OF BEGINNING OPERAT[IONS]

COLLECT AND SACK SAMPLES FOR NEW MEXICO BUREAU OF MINES, SOCORRO AT AT LEAST TEN FOOT INTERVALS

EXHIBIT A 30-019-20136

[23] I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Signature: Michael L. Bergstrom

Printed name: Michael L. Bergstrom

Title: Regulatory Coordinator

E-mail Address: michael.bergstrom@shell.com

Date: 5/9/2008 Phone: 303.222.6347

OIL CONSERVATION DIVISION

Approved by: Ed Martin

Title: DISTRICT SUPERVISOR

Approval Date: 5/15/08 Expiration Date: 5/15/10

Conditions of Approval Attached ☐

CONFIDENTIAL

# Latigo 2-34 Drilling and Completion Plan

The well will be drilled with potable (TDS<3,000 ppm) water–based fluids from surface to the bottom of the Santa Rosa Formation ("freshwater aquifer"). Surface conductor and intermediate casing strings will be installed and cemented. Below the Santa Rosa Formation, the well will be drilled with nonpotable (TDS>10,000 ppm) water-based fluids to total vertical depth (TVD). Additional intermediate casing strings and production casing will be installed and cemented. Upon completion of drilling, the casing will be perforated in selected prospective zones. Hydraulic fracturing will be performed in the prospective zones, and gas and water flow testing will be conducted in individual and/or commingled zones.

**Drilling Program**

- Lithology
  - Tucumcari Basin
    - This area has been the subject of limited oil & gas exploration activity
    - Approximate depths of key geologic formations are shown in Attachment A1
  - Prospective formations are in the Pennsylvanian section
- Fluid Bearing Formations
  - Potable water (Surface – 1500 feet below ground surface)
  - Brackish water (1500+ feet below ground surface)
  - Natural gas/condensate (~8000+ feet below ground surface)
- Drilling Fluids
  - Freshwater drilling fluids (see Attachment A2)
    - Potable (TDS< 3,000 ppm) water-based, 8.3-8.6 ppg, viscosifiers and LCM additives
  - Brackish water drilling fluids (see Attachment A2)
    - Non-potable (TDS>10,000 ppm) water-based fluids, 8.6-10.0 ppg, salt, lime, caustic soda, viscosifiers and LCM additives
  - Lost Circulation Materials (LCM)
    - As needed, LCM consisting of, but not limited to, cedar fibers, mica, drilling paper, graphite, walnut plug, cottonseed hulls and calcium carbonate may be introduced into the well bore to address any lost circulation zones encountered during drilling
- Wellhead Pressure Control (Blowout Prevention [BOP])
  - Wellhead BOP equipment is standard design for "tight gas" wells, as shown on Attachment A3
    - Maximum pressures for equipment (wellhead A section to be 11" 5,000 psi; wellhead B section to be 11" 10,000 psi; BOP with 11" 5,000 psi annular preventer; and Ram preventers with 11" 10,000 psi)
    - Maximum downhole pressures anticipated ~6500 psi.
  - BOP testing procedures conducted by third party contractor upon installation
    - Ram preventers to 10,000 psi and 250 psi; Annular preventer to 2500 psi and 250 psi, for 10 minutes and 5 minutes, respectively

**Casing and Cementing Program**

- All casing run and set will be new and unused. Details are included Table 1
- Surface Casing
  - 14.75-inch diameter well bore, drilled to 1300 feet.
  - 10.75-inch diameter casing installed and cemented to surface
- Intermediate Casing
  - 9.875-inch diameter well bore, drilled to 6200 feet.
  - 7.625-inch diameter casing installed and cemented to 1000 feet
- Production Casing
  - 6.5-inch diameter well bore, drilled to 13350 feet.
  - 4.5-inch diameter casing installed and cemented to 5700 feet

**Well Completion**

- Casing Perforation
  - Perforate casing in prospective sand zones, using three shots per foot (spf), 120 degree, phased perforating guns
- Hydraulic Fracturing
  - Treat prospective sand zones with ceramic and/or sand proppant materials during hydraulic fracturing

**Logging and Testing**

- Lithologic Logging
  - Mudlogging (to TVD); Selective coring (whole and/or rotary sidewall)
- Wireline-Logging, including but not limited to:
  - Gamma Ray, Resistivity, Porosity, Neutron and Sonic data collection
- Flow Testing
  - Flow individual production zones for up to 3 days
  - Flow entire well for up to 120 days

**Water Supply for Drilling and Completions**

- One water well (minimum 5 ½-inch and maximum 7-inch diameter casing) will be drilled on-site about 500 feet east of the well location, on the edge of the well site
  - A temporary appropriation of up to 3 acre feet (AF) of potable water will be obtained from the Office of State Engineer-District 6 (OSE) for production of potable water from the Santa Rosa aquifer
- Potable groundwater will be available from the CD-1 water well located on the Webb Ranch, about 3 miles from the well site
  - A temporary appropriation of up to 3 acre feet (AF) of potable water was previously approved by the Office of State Engineer-District 6 (OSE) for production of potable water from the Santa Rosa aquifer. This appropriation will expire in August 2008, and will be renewed with the OSE.
- Potable groundwater will be available from wells located on the Pajarito Ranch, about 22 miles from the well site
  - Parajito Creek Ranch holds appropriations for more than 500 acre feet (AF) of potable groundwater, which may be sold for any and all uses.
- Nonpotable produced water will be available from the CD-1 well located on the Webb Ranch, about 3 miles from the well site
  - Produced water from the completion and testing of CD-1 well is currently stored, and may be treated and re-used at other well locations

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**

Mr. Michael L. Bergstrom
Shell Exploration & Production Co.
Regulatory Affairs-EP Americas
4582 S. Ulster Way Parkway
Suite 1400
Denver, Colorado 80237

EXHIBIT B

May 15, 2008

Subject: Applications for Permit to Drill (APD)
Shell Exploration & Production Co., Latigo 2-34 and Latigo 3-5
Guadalupe County, New Mexico

Dear Mr. Bergstrom:

Enclosed are the approved APD's for the above-captioned wells. Be advised that the New Mexico Oil Conservation Division (NMOCD) will not hold form C-101, form C-102 or form C-144, nor any attachments to these forms, confidential for any period of time. NMOCD rules allow only Well Completion or Recompletion Reports (Form C-105) and logs to be held confidential for a period of 90 days from date of completion of the well. Please see NMOCD Rule 19.15.13.1105.

The application to drill for the Webb 3-23 well has been forwarded to you separately.

Please contact me if you have any questions.

NEW MEXICO OIL CONSERVATION DIVISION

Ed Martin
District Supervisor

# Shell Exploration & Production

State of New Mexico
Energy, Minerals and Natural Resources Dept.
Oil Conservation Division-District 4
1220 South St. Francis Drive
Sante Fe, New Mexico 87505
Attn.: Ed Martin, District Supervisor

**Shell Exploration & Production Co.**
Regulatory Affairs-EP Americas
4582 S. Ulster Street Parkway
Suite 1400
Denver, Colorado 80237


April 8, 2010

**Subject:** Subsequent Report of Completion
Shell Exploration & Production Co., Latigo Ranch 2-34 (API No. 30-019-20136)
Guadalupe County, New Mexico

Dear Mr. Martin:

Shell Exploration & Production Company (Shell), as service provider to SWEPI LP in New Mexico, is submitting our Subsequent Report (Form C-103) to provide completions data for the subject well to New Mexico Oil Conservation Division-District 4 (OCD) for your review and approval. Shell has performed the completions work and flow testing for this well, as specified in the approved APD, and is currently preparing the Well Completion or Recompletion Report and Log (Form C-105). Shell anticipates submitting the Well Completion or Recompletion Report and Log for this well, on or before April 30, 2010.

If you have any questions or require any additional information regarding these reports, please contact me at (303) 222-6347, or David Janney at Kleinfelder in Albuquerque at (505) 344-7373.

Regards,

Michael L Bergstrom

Michael L. Bergstrom
Senior Regulatory Advisor
Shell Exploration & Production Company

Attachments: Form C-103 w/additional details attached

Submit 1 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
October 13, 2009

| | |
|---|---|
| WELL API NO. **30-019-20136** | |
| 5. Indicate Type of Lease STATE ☐ FEE **X** | |
| 6. State Oil & Gas Lease No. **NA** | |
| SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) 1. Type of Well: Oil Well ☐ Gas Well **X** Other | 7. Lease Name or Unit Agreement Name **Singleton Properties LLC** |
| | 8. Well Number **Latigo Ranch 2-34** |
| 2. Name of Operator **SWEPI LP** | 9. OGRID Number **250036** |
| 3. Address of Operator **P.O. Box 576, Houston, TX 77001** | 10. Pool name or Wildcat **Wildcat** |
| 4. Well Location Unit Letter **F** **1919+/-** feet from the **North** line and **2019+/-** feet from the **West** line Section **34** Township **11N** Range **23E** NMPM County **Guadalupe** | |
| | 11. Elevation *(Show whether DR, RKB, RT, GR, etc.)* **4717+/- graded** |

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

| NOTICE OF INTENTION TO: | | | | SUBSEQUENT REPORT OF: | | | |
|---|---|---|---|---|---|---|---|
| PERFORM REMEDIAL WORK | ☐ | PLUG AND ABANDON | ☐ | REMEDIAL WORK | ☐ | ALTERING CASING | ☐ |
| TEMPORARILY ABANDON | ☐ | CHANGE PLANS | ☐ | COMMENCE DRILLING OPNS. | ☐ | P AND A | ☐ |
| PULL OR ALTER CASING | ☐ | MULTIPLE COMPL | ☐ | CASING/CEMENT JOB | ☐ | | |
| DOWNHOLE COMMINGLE | ☐ | | | | | | |
| OTHER: | ☐ | | | OTHER: PRODUCTION | | | X |

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

**Preliminary Production Data (full well flow)**

| Date of Test | Hours Tested | Choke Size (In.) | Cuml Oil (bbls) | Cuml Gas (mcf) | Cuml Water (bbls) |
|---|---|---|---|---|---|
| 9/17/09 - 9/19/09 | 13 | 48/64 | 0 | 0 | 288 |
| 9/21/09 - 9/23/09 | 43 | ? | 0 | 0 | 44 |
| 9/25/09 - 10/2/09 | 100 | 14/64 | 0 | 1360 | 2570 |
| 11/9/09 - 11/9/09 | 7 | ? | 0 | 0 | 370 |
| 11/23/09 - 12/12/09 | 453 | 14/64 - 22/64 | 0 | 4300 | 2782 |
| ***SUM*** | *616* | | *0* | *5660* | *6054* |


| Average Flow Tbg. P (psi) | Average Csg. P (psi) | Calculated 24hr Oil Rate (bbl) | Calculated 24hr Gas rate (mcf) | Calculated 24hr water rate (bbl) |
|---|---|---|---|---|
| 636 | 255 | 0 | 221 | 236 |

Spud Date: **September 21, 2008** Rig Release Date: **February 3, 2009**

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: Michael L Bergstrom TITLE: Senior Regulatory Advisor DATE: 04/15/2010

Type or print name: Michael L. Bergstrom E-mail address: michael.bergstrom@shell.com PHONE: 303-222-6347

**For State Use Only**

APPROVED BY: L Martin TITLE DISTRICT SUPERVISOR DATE 4/19/10

Conditions of Approval (if any):

# Shell Exploration & Production

State of New Mexico
Energy, Minerals and Natural Resources Dept.
Oil Conservation Division-District 4
1220 South St. Francis Drive
Sante Fe, New Mexico 87505
Attn.: Ed Martin, District Supervisor

**Shell Exploration & Production Co.**
Regulatory Affairs-EP Americas
4582 S. Ulster Street Parkway
Suite 1400
Denver, Colorado 80237


May 13, 2010

**Subject:** Well Completion Report and Log, and Notice of Intent to Temporarily Abandon
Shell Exploration & Production Co., Latigo Ranch 2-34 (API No. 30-019-20136)
Guadalupe County, New Mexico

Dear Mr. Martin:

Shell Exploration & Production Company (Shell), as service provider to SWEPI LP in New Mexico, is submitting our Well Completion Report and Log (Form C-105) for the subject well to New Mexico Oil Conservation Division-District 4 (OCD) for your review and recordkeeping. Downhole geophysical logs will be submitted under separate cover. Additionally, Shell is submitting our Notice of Intent (Form C-103) to temporarily abandon the subject well.

If you have any questions or require any additional information regarding these reports, please contact me at (303) 222-6347, or David Janney at Kleinfelder in Albuquerque at (505) 344-7373.

Regards,

Michael L. Bergstrom
Senior Regulatory Advisor
Shell Exploration & Production Company

Attachments: Form C-105 w/ mud logs
Form C-103

| Submit To Appropriate District Office<br>Two Copies<br>District I<br>1625 N. French Dr., Hobbs, NM 88240<br>District II<br>1301 W. Grand Avenue, Artesia, NM 88210<br>District III<br>1000 Rio Brazos Rd., Aztec, NM 87410<br>District IV<br>1220 S. St. Francis Dr., Santa Fe, NM 87505 | State of New Mexico<br>Energy, Minerals and Natural Resources<br><br>Oil Conservation Division<br>1220 South St. Francis Dr.<br>Santa Fe, NM 87505 | Form C-105<br>July 17, 2008<br>1. WELL API NO.<br>30-019-20136<br>2. Type of Lease<br>☐ STATE ☒ FEE ☐ FED/INDIAN<br>3. State Oil & Gas Lease No. NA |
|---|---|---|

# WELL COMPLETION OR RECOMPLETION REPORT AND LOG

4. Reason for filing:

☒ **COMPLETION REPORT** (Fill in boxes #1 through #31 for State and Fee wells only)

☐ **C-144 CLOSURE ATTACHMENT** (Fill in boxes #1 through #9, #15 Date Rig Released and #32 and/or #33; attach this and the plat to the C-144 closure report in accordance with 19.15.17.13.K NMAC)

5. Lease Name or Unit Agreement Name: Singleton Properties LLC

6. Well Number: Latigo Ranch 2-34

EXHIBIT F

7. Type of Completion: ☒ NEW WELL ☐ WORKOVER ☐ DEEPENING ☐ PLUGBACK ☐ DIFFERENT RESERVOIR ☐ OTHER

8. Name of Operator: SWEPI LP

9. OGRID: 250036

10. Address of Operator: P.O. Box 576, Houston, TX 77001

11. Pool name or Wildcat: Wildcat

| 12. Location | Unit Ltr | Section | Township | Range | Lot | Feet from the | N Line | Feet from the | W Line | County |
|---|---|---|---|---|---|---|---|---|---|---|
| **Surface:** | F | 34 | 11N | 23E | | 1919 | | 2019 | | Guadalupe |
| **BH:** | | | | | | | | | | |

| 13. Date Spudded | 14. Date T.D. Reached | 15. Date Rig Released | 16. Date Completed (Ready to Produce) | 17. Elevations (DF and RKB, RT, GR, etc.) |
|---|---|---|---|---|
| 9-22-08 | 11-22-08 | 2-3-09 | 9-17-09 | GR |

| 18. Total Measured Depth of Well | 19. Plug Back Measured Depth | 20. Was Directional Survey Made? | 21. Type Electric and Other Logs Run |
|---|---|---|---|
| 13,868' | 13,460' | Yes | GR/Neutron |

22. Producing Interval(s), of this completion - Top, Bottom, Name: T. Penn, B. Penn

## 23. CASING RECORD (Report all strings set in well)

| CASING SIZE | WEIGHT LB./FT. | DEPTH SET | HOLE SIZE | CEMENTING RECORD | AMOUNT PULLED |
|---|---|---|---|---|---|
| 10-3/4" | 40.5 | 0-1,483' | 14.75 | 636 sx | |
| 7-5/8" | 29.7 | 0-6,078' | 9.875 | 1,000 sx | |
| 4-1/2" | 13.5 | 0-13,854' | 6.5 | 1,155 sx | |
| | | | | | |
| | | | | | |

## 24. LINER RECORD

| SIZE | TOP | BOTTOM | SACKS CEMENT | SCREEN |
|---|---|---|---|---|
| NA | | | | |
| | | | | |

## 25 TUBING RECORD

| SIZE | DEPTH SET | PACKER SET |
|---|---|---|
| NA | | |
| | | |

26. Perforation record (interval, size, and number)

| Intervals | Size | Number |
|---|---|---|
| 11,776'-11,836' | 0.28" | 6/foot |
| 12,604'-12,706' | 0.28" | 6/foot |
| 13,006'-13,092' | 0.28" | 6/foot |
| 13,180'-13,254' | 0.28" | 6/foot |
| 13,290'-13,372' | 0.28" | 6/foot |
| 13,402'-13,510' | 0.28" | 6/foot |
| 13,722'-13,790' | 0.28" | 6/foot |

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.

| DEPTH INTERVAL | AMOUNT AND KIND MATERIAL USED |
|---|---|
| 11,776'-11,836' | 205,500#, 20/40 sand |
| 12,604'-12,706' | 180,000#, 20/40 sand |
| 13,006'-13,092' | 60,000#, 20/40 sand |
| 13,180'-13,254' | 54,081#, 20/40 sand |
| 13,290'-13,372' | 58,529#, 20/40 sand |
| 13,402'-13,510' | 290,853#, Econoprop |
| 13,722'-13,790' | 31,672#, Econoprop |

## 28. PRODUCTION

| Date First Production | Production Method *(Flowing, gas lift, pumping - Size and type pump)* | Well Status *(Prod. or Shut-in)* |
|---|---|---|
| NA | NA | Shut-in |

| Date of Test | Hours Tested | Choke Size | Prod'n For | Oil - Bbl | Gas - MCF | Water - Bbl. | Gas - Oil Ratio |
|---|---|---|---|---|---|---|---|
| 9/17/09 - 9/19/09 | 13 | 48/64 | Test Period | 0 | 0 | 288 | NA |
| 9/21/09 - 9/23/09 | 43 | ? | | | 0 | 44 | |
| 9/25/09 - 10/2/09 | 100 | 14/64 | | | 1360 | 2570 | |
| 11/9/09 - 11/9/09 | 7 | ? | | | 0 | 370 | |
| 11/23/09-12/12/09 | 453 | 14/64-22/64 | | | 4300 | 2782 | |
| | | | | | **5660 CUM** | **6054 CUM** | |

| Flow Tubing Press. | Casing Pressure | Calculated 24-Hour Rate | Oil - Bbl | Gas - MCF | Water - Bbl | Oil Gravity - API - *(Corr.)* |
|---|---|---|---|---|---|---|
| Avg. 636 | Avg. 255 | | NA | 221 | 236 | NA |

29. Disposition of Gas *(Sold, used for fuel, vented, etc.)*: Already used

30. Test Witnessed By

31. List Attachments: Mud and geophysics logs on CDs

32. If a temporary pit was used at the well, attach a plat with the location of the temporary pit. Temp pit used for completions only, drilling used closed loop system all cuttings removed and transported to Gandy-Marly, Inc. Tatum, NM