

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
 [A] Location - Spacing Unit - Simultaneous Dedication
 NSL NSP SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

- [D] Other: Specify _____

- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply
 [A] Working, Royalty or Overriding Royalty Interest Owners

- [B] Offset Operators, Leaseholders or Surface Owner

- [C] Application is One Which Requires Published Legal Notice

- [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

- [E] For all of the above, Proof of Notification or Publication is Attached, and/or,

- [F] Waivers are Attached

- [3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is accurate and complete to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

James Bruce
 Print or Type Name

Signature

Attorney for applicant
 Title

Date

jamesbruc@aol.com
 e-mail Address

2005 OCT 6 AM 9 37

10/6/05

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213
SANTA FE, NEW MEXICO 87501

(505) 982-2043 (Phone)
(505) 660-6612 (Cell)
(505) 982-2151 (Fax)

jamesbruc@aol.com

October 6, 2005

Hand delivered

Michael E. Stogner
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Dear Mr. Stogner:

Pursuant to Division Rule 104.F(2), Latigo Petroleum, Inc. applies for approval of an unorthodox oil well location for the following well:

<u>Well:</u>	Marine "19" Fed. Well No. 1
<u>Location:</u>	1480 feet FNL & 1130 feet FWL
<u>Well Unit:</u>	SW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 19, Township 25 South, Range 27 East, N.M.P.M., Eddy County, New Mexico

The well was originally drilled to a depth sufficient to test the Morrow formation (Undesignated Cottonwood Draw-Morrow Gas Pool). ~~The well was dry in the Morrow, and a completion attempt will be made in the Bone Spring formation (wildcat Bone Spring).~~ See Exhibit A. It is anticipated that, if successful, the well will be a Bone Spring oil well.

The entire NW $\frac{1}{4}$ of Section 19 is covered by Federal Lease NM 109756. Ownership of the NW $\frac{1}{4}$ of Section 19 is common as to all depths. Therefore, there is no adversely affected interest owner, and notice of this application has not been given to anyone.

Please contact me if you need any further information on this application.

Very truly yours,


James Bruce

Attorney for Latigo Petroleum, Inc.

OPERATOR'S COPY

Form 3160-5 (August 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No. 1004-0135 Expires November 30, 2000

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. NM-108756
6. If Indian, Allottee or Tribe Name
7. If Unit or CA/Agreement, Name and/or No.
8. Well Name and No. Marine #19 Federal #1
9. API Well No. 30-015-33981
10. Field and Pool, or Exploratory Area Cottonwood Draw Undes Morrow
11. County or Parish, State Eddy NM

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well [] Oil Well [X] Gas Well [] Other
2. Name of Operator Latigo Petroleum, Inc.
3a. Address 550 W. Texas, Suite 700 Midland TX 79701
3b. Phone No. (include area code) (432)684-4293
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1480' FNL & 1130' FWL Sec 19 T25S-R27E Eddy County, NM

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

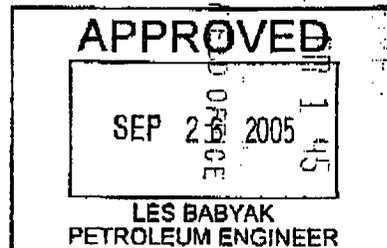
Table with columns: TYPE OF SUBMISSION, TYPE OF ACTION. Includes checkboxes for Notice of Intent, Subsequent Report, Final Abandonment Notice, Acidize, Deepen, Production (Start/ Resume), Water Shut-Off, etc.

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 recomplate horizontally, give subsurface locations 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 shall 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 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

This well was dry at TD 12,028'. Received verbal approval from Armando Lopez to plug back as follows:

- 200' plug @ 11,370 - 11,570' (Top of Morrow Clastics - 11,470')
200' plug @ 10,090 - 10,290' (Top of Penn Shale - 10,190')
200' plug @ 8,710 - 8,910' (7" Shoe Plug at 8,810')

Will attempt completion in Bone Springs at 7750 - 7826'.



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

Sabra Woody

Title Engineering Technician

Signature

Handwritten signature of Sabra Woody

Date 09/19/2005

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by, Title, Date, Office. Includes a large 'A' EXHIBIT stamp.

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.

Title 18 U.S.C. Section 1001, makes 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 reverse)