

Submit 3 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

Form C-103
May 27, 2004

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

WELL API NO. 30-015-33622
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name TWO MARKS 36 STATE
8. Well Number 1
9. OGRID Number 227001
10. Pool name or Wildcat INDIAN BASIN, UPPER PENN ASSOC.

Pit or Below-grade Tank Application ☒ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls Construction Material _____

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 ☐ Other ☐

2. Name of Operator
Latigo Petroleum, Inc.

3. Address of Operator
550 W. Texas, Suite 700
Midland, TX 79701

RECEIVED

JAN 12 2005

COULARTERIA

4. Well Location
Unit Letter M : 660' feet from the SOUTH line and 760 feet from the WEST line
Section 36 Township 21S Range 24E NMPM County EDDY

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3825

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: 7" csg ☒

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.

01-08-05 Depth: 8700'. At report time: RD Halliburton. Finished LD DC's. RU csg crew & ran 197 jts 7" L-80 csg. shoe @ 8670'. Float collar @ 8622'. Pkr is @ 5997'. DV tool @ 5968'. RD csg crew & LD machine. Rig pumped 630 BW down csg to make sure csg is clear. RU Halliburton & cmt as follows: 100 bbls nitroflashed water. 10 bbls superflood. 100 sx Premium acid soluble cmt. 350 sx Premium cmt. nitrified. Tailed in w/100 sx Super H. Dropped 1st plug. Displaced w/329 BW. Bumped plug. pressured up & set pkr. Opened DV tool. Cmt w/950 sx Interfill C. Tailed in w/100 sx Class "C" w/2% CaCl2 at 12:00 a.m. Circ 140 sx cmt. 1st out. Circ 180 sx back of 2nd stage. RD Halliburton & began ND.

01-09-05 Depth: 8700'. Finished PU stack up, set slips & cut csg off. Set stack back down. Jetted & cleaned pits. Began RD. Rig released @ 6:00 p.m. on 01-08-05.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐ a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Donna Frazier TITLE Production Analyst DATE 01/11/2005
Type or print name Donna Frazier E-mail address: dfrazier@latigopetro.com Telephone No. (432)684-4293
For State Use Only

APPROVED BY: _____ FOR RECORDS ONLY _____ DATE JAN 12 2005
Conditions of Approval (if any): _____ TITLE _____

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May 27, 2004

WELL API NO.	30-015-33622
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	

7. Lease Name or Unit Agreement Name	TWO MARKS 36 STATE
8. Well Number	1
9. OGRID Number	227001
10. Pool name or Wildcat	INDIAN BASIN, UPPER PENN ASSOC.

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 ☐ Other ☐

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Latigo Petroleum, Inc.

3. Address of Operator
550 W. Texas, Suite 700
Midland, TX 79701

4. Well Location
Unit Letter M : 660' feet from the SOUTH line and 760 feet from the WEST line
Section 36 Township 21S Range 24E NMPM County EDDY

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3825

Pit or Below-grade Tank Application ☒ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: 9 5/8" csg. ☒

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.

12-12-04 Day 9 - Depth 1640'. At report time: drlg cmt. RU csg crew. Ran 37 jts 9 5/8" 36# ST&C csg. Shoe is @ 1640. Float collar @ 1556'. Circ csg w/air & water. Had good circ. RU Halliburton & pumped 200 sx THIX cmt set & 500 sx Halib Lite. Tail in w/150 sc Class "C". Attempted to drop plug. Pumped 20 BW after plug was gone but plug never left head. Pumped 40 BW ahead of cmt job. WOC. Trip in w/long tooth bit to drl cmt. Tagged cmt @ 360'. Drld & CO cmt from 360' - 1100'. Time breakdown: 3 hr circ, 2 hrs ran csg, 1 hr cmt, 18 WOC & other.

12-13-04 Day 10 - Depth 1640'. At report time: WOC. Drld cmt & float collar. Cleaned to 1612'. Circ. Rig repair. TOH LD DP. Stood DC's in derrick. WOC. RU WL & ran bond log. TOC @ 675'. RD WL & WO welder. Cut off conductor & csg. WOC & pump truck. Time breakdown: 12 1/2 hrs W&R, 1 hr cond/circ, 1 1/2 hrs trips/LD DP, 1 1/2 hrs logging, 7 1/2 hrs WOC & other.

12-14 -04 Day 11 - Depth 1640'. At report time: WOC. Weld on head. WO BJ & cmt. PU 22 jts of 1" pipe & tagged @ 622'. Set plug 1# 25 sx Class "C" 3% CaCl. WOC. Set plug @ 490'. WOC. Set plug 3# @ 375' 25 sx Class "C" 3% CaCl. WOC. Tagged plug @ 175'. Set plug 4# 165' to surface w/40 sx Class "C" 2% CaCl. Cut csg & made final cut. Time breakdown: 24 hrs cmt.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Donna Frazier TITLE Production Analyst DATE 12/23/2004
Type or print name Donna Frazier E-mail address: dfrazier@latigopetro.com Telephone No. (432)684-4293
For State Use Only

FOR RECORDS ONLY

APPROVED BY: _____ TITLE _____ DATE JAN 09 2005
Conditions of Approval (if any): _____

Submit 3 Copies To Appropriate District Office

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1301 W. Grand Ave., Artesia, NM 88210

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State of New Mexico
Energy, Minerals and Natural Resources

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

Form C-103

May 27, 2004

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.)		WELL API NO. 30-015-33622
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Latigo Petroleum, Inc.		6. State Oil & Gas Lease No.
3. Address of Operator 550 W. Texas, Suite 700 Midland, TX 79701		7. Lease Name or Unit Agreement Name TWO MARKS 36 STATE
4. Well Location Unit Letter M : 660' feet from the SOUTH line and 760 feet from the WEST line Section 36 Township 21S Range 24E NMPM County EDDY		8. Well Number 1
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3825		9. OGRID Number 227001
Pit or Below-grade Tank Application <input checked="" type="checkbox"/> or Closure <input type="checkbox"/>		
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____		
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____		

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 ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

OTHER: Spud Well ☒

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.

12/07/04 Day 4 - Depth 130'. MW 8.4, Vis 33. Bit #1: 12 1/4" JZ547 SN#1333017 15-15-15 in @ 40'. Finished RU rotary tools. Mixed up 500 bbls spud mud. PU BHA & bit. Spudded well @ 6:00 p.m. on 12-06-04. Drlg from 40' - 130'.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE *Donna Frazier*

TITLE Production Analyst

DATE 12/07/2004

Type or print name Donna Frazier

E-mail address: dfrazier@latigopetro.com

Telephone No. (432)684-4293

For State Use Only

FOR RECORDS ONLY

APPROVED BY: _____

TITLE _____

DATE

DEC 13 2004

Conditions of Approval (if any): _____

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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

☐ AMENDED REPORT

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

¹ Operator Name and Address LATIGO PETROLEUM INC 415 W. Wall, Suite 1900 Midland, TX 79701		² OGRID Number 227001
³ Property Code	⁴ Property Name TWO MARKS 36 STATE	⁵ API Number 30-015- 33822
⁶ Well No. 1		
⁷ Proposed Pool 1 Indian Basin, Upper Penn Assoc		⁸ Proposed Pool 2

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/Westline	County
M	36	21S	24E		660	S	760	W	EDDY

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/Westline	County

Additional Well Information

¹¹ Work Type Code Drill	¹² Well Type Code New Well	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3825' Gr
¹⁶ Multiple	¹⁷ Proposed Depth 8700'	¹⁸ Formation Canyon	¹⁹ Contractor JW/United	²⁰ Spud Date 09/20/2004
Depth to Groundwater 150'		Distance from nearest fresh water well 9625' NW		Distance from nearest surface water 9 mi NE
Pit: Liner: Synthetic <input checked="" type="checkbox"/> milst thick Clay <input type="checkbox"/>		Pit Volume: 500 bbls		Drilling Method: Fresh Water <input checked="" type="checkbox"/> Brine <input checked="" type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input checked="" type="checkbox"/>
Closed-Loop System: <input type="checkbox"/>				

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12-1/4"	9-5/8"	36# - J55	1600'	795 sx	Surface
8-3/4"	7"	26# - L-80	8700'	1520 sx	Surface

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.
This is an area of severe lost circulation problems to a depth of approx 1600', therefore intend to drill w/air (JW Drlg Co) to 1600' & set surface csg. MIRT (United) w/fluid system & continue drl to TD of 8700'. Possible DST of Cisco/Canyon interval. BOP diagram of JW attached

As a condition of approval
a detailed closure plan
must be filed before
closure may commence.

NOTIFY OCD TO WITNESS
ALL CASING STRINGS

RECEIVED
SEP 13 2004
OCD-ARTESIA

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 ☐.

Printed name: Bonnie Husband		OIL CONSERVATION DIVISION	
Title: Production Analyst		Approved by: TIM W. GUM	
E-mail Address: bhusband@latigopetro.com		DISTRICT II SUPERVISOR	
Date: 09/07/2004	Phone: (432)684-4293	Approval Date: SEP 15 2004	Expiration Date: SEP 15 2005
		Condition of Approval Attached <input type="checkbox"/>	

District I
PO Box 1988, Hobbs, NM 88241-1988
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Grande Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-10
Revised February 10, 199
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-		Pool Code 33685		Pool Name INDIAN BASIN, UPPER PENN, ASSOCIATED	
Property Code		Property Name TWO MARKS 36 STATE		Well Number 1	
OGRID No. 227001		Operator Name LATIGO PETROLEUM, INC		Elevation 3825	

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South Line	Feet from the	East/West Line	County
M	36	21-S	24-E		660	SOUTH	760	WEST	EDDY

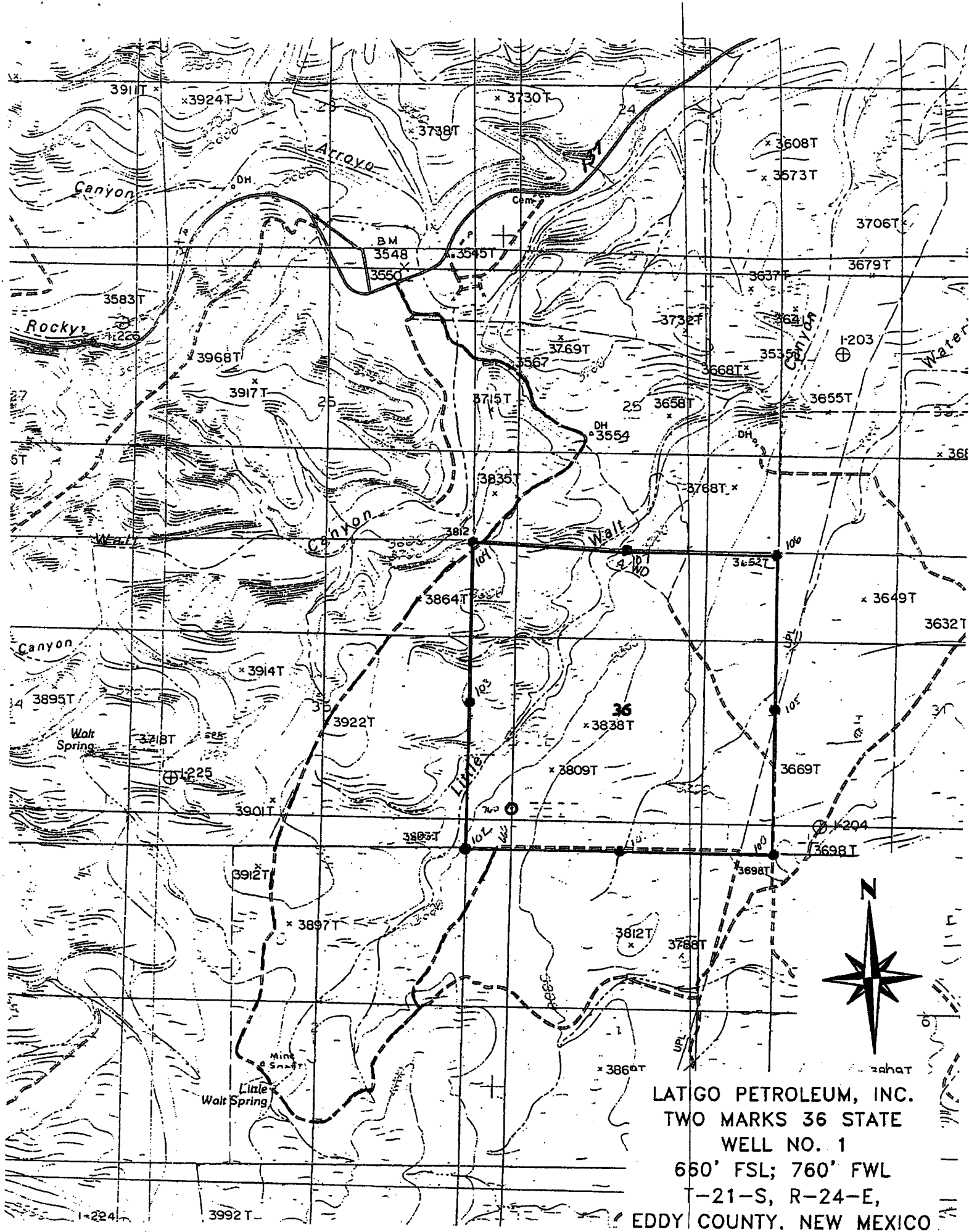
11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South Line	Feet from the	East/West Line	County

Dedicated Acres 320	Joint or Infill I	Consolidation Code	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
	Signature 	
	Printed Name Bonnie Husband	
	Title Production Analyst	
Date Sept 9, 2004		18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.
Date of Survey 8-24-04		
Signature and Seal of Professional Surveyor: 		
Certificate Number L39062		



LATIGO PETROLEUM, INC.
TWO MARKS 36 STATE
WELL NO. 1

660' FSL; 760' FWL

T-21-S, R-24-E,

EDDY COUNTY, NEW MEXICO

