

APPLICATION FOR

PERMIT TO DRILL OR DEEPEN

NM-109756

1A. TYPE OF WORK

DRILL ☒DEEPEN ☐

B. TYPE OF WELL

OIL
WELL ☐GAS
WELL ☒

OTHER

SINGLE
ZONE ☒MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

LATIGO PETROLEUM, INC.

(JOE CLEMENT 432-684-4293)

3. ADDRESS AND TELEPHONE NO.

415 WEST WALL STREET SUITE 1900 MIDLAND, TEXAS 79701

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

1480 1330' FNL & 1130' FWL SECTION 19 T25S-R27E EDDY CO. NM

At proposed prod. zone SAME

Per SW dated 2/14/05

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE

Approximately 15 miles Southwest of Malaga New Mexico

15. DISTANCE FROM PROPOSED

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT. 1330'

(Also to nearest drlg. unit line, if any)

18. DISTANCE FROM PROPOSED LOCATION

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT. NA

16. NO. OF ACRES IN LEASE

960

17. NO. OF ACRES ASSIGNED
TO THIS WELL

320

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

3240' GR.

22. APPROX. DATE WORK WILL START
WHEN APPROVED

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
25"	20"	NA	40'	Cement to surface w/Redi-mix
17½"	H-40 13 3/8"	48	400'	400 Sx. Circulate cement.
12½"	J-55 9 5/8"	40 & 36	2100'	750 Sx. " "
8½"	N-80, P-110 7"	26	8800'	1000 Sx. " "
6 1/8"	P-110 4½"	11.5	12,100 to 8500'	400 Sx. cement to liner top.

CARLSBAD CONTROLLED WATER BASIN

1. Drill 25" hole to 40'. Set 40' of 20" conductor pipe and cement to surface with Redi-mix.
2. Drill 17½" hole to 400'. Run and set 400' of 13 3/8" 48# H-40 ST&C casing. Cement with 400 Sx. of Class "C" cement + ½# Flocele/Sx, + 2% CaCl, circulate cement to surface.
3. Drill 12½" hole to 2100'. Run and set 2100' of 9 5/8" 36 & 40# J-55 ST&C casing. Cement with 750 Sx. of Class "C" cement + additives, circulate cement to surface.
4. Drill 8½" hole to 8800'. Run and set 8800' of 7" 26# N-80 & P110 LT&C casing. Cement with 1000 Sx. of Class "C" cement + additives, circulate cement to surface.
5. Drill 6 1/8" hole to 12,100'. Run and set a 3600' 4½" 11.6# P100 LT&C liner from TD back to 8500' Cement with 400 Sx. of Class "H" Premium Plus cement + additives.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

TITLE

Agent GENERAL REQUIREMENTS 25/05

(This space for Federal or State office use)

APPROVAL SUBJECT TO

AND SPECIAL STIPULATIONS
ATTACHED

PERMIT NO.

APPROVAL DATE

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:

APPROVED BY

NMOCD CASE NO. 13464
MAY 19, 2005
LATIGO PETROLEUM, INC.
EXHIBIT NO. 2

DATE

2/24/05

APPROVAL FOR 1 YEAR