

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop

Cabinet Secretary

December 20, 2004

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

Latigo Petroleum, Inc. 415 West Wall – Suite 1900 Midland, Texas 79701

Attention:

William F. Chatham, CPL

Sr. Staff Landman

bchatham@latigopetro.com

Administrative Order NSP-1882 (L)

Dear Mr. Chatham:

Reference is made to the following: (i) your application that was submitted to the New Mexico Oil Conservation Division ("Division") on October 4, 2004 (administrative application reference No. pMESO-428753865); and (ii) the Division's records in Hobbs and Santa Fe, including the file in Division Case No. 13387: all concerning Latigo Petroleum, Inc.'s ("Latigo") request to reinstate a previously approved non-standard 160-acre gas spacing and proration unit ("GPU") in the Justis (Glorieta) Gas Pool (76360) comprising the SW/4 of Section 1, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico, and to dedicate this GPU to Latigo's proposed Hodges "B" Well No. 7 to be drilled at an unorthodox gas well location 1880 feet from the South line and 390 feet from the West line (Unit L) of Section 1.

This application has been duly filed under the provisions of: (i) Division Rules 104.F and 104.D (2), revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999; (ii) Division Rule 605; and (iii) the "Special Rules and Regulations for the Justis Gas Pool," as promulgated by Division Order No. R-8170, as amended.

From the Division's records and from the information provided in your application, it is our understanding that by Division Order No. R-586-C, issued in Case No. 1293 on October 3, 1957, this 160-acre non-standard GPU was "grandfathered" in as approved for Justis (Glorieta) gas production from the Cities Service Oil Company's Hodges "B" Well No. 1 (API No. 30-025-11395) located at a standard gas well location 660 feet from the South and West lines (Unit M) of Section 1. This well was initially completed in the Glorieta formation in the late 1940's and was subsequently plugged and abandoned in 1975.

By authority granted me under the provisions of Division Rules 605.B (2) (b), 104.F (2), and 104.D (2) and the applicable provisions of the special pool rules governing the Justis (Glorieta) Gas Pool, the: (i) above-described 160-acre non-standard GPU is restored; and (ii) Latigo's proposed Hodges "B" Well No. 7 to be drilled at the above-described unorthodox gas well location is hereby approved.

Latigo Petroleum, Inc. December 20, 2004

Page 2

Further, Latigo is permitted to produce the allowable assigned this 160-acre GPU from the Hodges "B" Well No. 7 in accordance with Rule 5 of the special rules governing the Justis (Glorieta) Gas Pool and Division Rule 605.D (4) (a).

Jurisdiction of this matter shall be further retained for the entry of any such subsequent orders, as the Division may deem necessary.

Sincerely,

Mark E. Fesmire, P. E.

Director

MEF/mes

cc: New Mexico Oil Conservation Division - Hobbs

File: Case No. 13387 Case No. 1293

Case No. 1293

James Bruce, Legal Counsel for Latigo Petroleum, Inc. - Santa Fe



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON Governor

January 24, 2005

Mark E. Fesmire, P.E. Director Oil Conservation Division

Joanna Prukob

Cabinet Secretary
Latigo Petroleum, Inc.

James Bruce

P. O. Box 1056

Santa Fe, New Mexico 87504

AMENDED Administrative Order NSP-1882 (L)

Dear Mr. Bruce:

Reference is made to your letter dated December 31, 2004, requesting that Division Administrative Order NSP-1882 (L), dated December 20, 2004, be amended to reflect a location change for Latigo Petroleum, Inc.'s proposed Hodges "B" Well No. 7. It is the Division's understanding that a move 40 feet east from the proposed well site is needed in order "to move the well further from an existing pipeline."

By authority granted me under the provisions of Division Rules 605.B (2) (b), 104.F (2), and the applicable provisions of the special pool rules governing the Justis (Glorieta) Gas Pool, Division Administrative Order NSP-1882 (L) is hereby amended to reflect a location change for Latigo's proposed Hodges "B" Well No. 7 to be drilled at a less-unorthodox oil well location 1880 feet from the South line and 430 feet from the West line (Unit L) of Section 1, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico.

All other provisions of Division Order NSP-1882 (L) shall remain in full force and effect until further notice.

Jurisdiction of this matter shall be further retained for the entry of any such subsequent orders, as the Division may deem necessary.

Sincerely.

Mark E. Fesmire, P. E.

Director

MEF/mes

cc:

New Mexico Oil Conservation Division - Hobbs

File: Case No. 13387

Case No. 1293 NSP-1882 (L)

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

State of New Mexico Energy Minerals and Natural Resources

Form C-101 May 27, 2004 Submit to appropriate District Office

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

☐ AMENDED REPORT

1220 S. St. Fr	ancis Dr., S	Santa Fe, 1	NM 8750	5			Santa	Fe, N	M 875	05						
APPI	LICAT	<u>IONF</u>	OR PI	ERMIT eratorName	TO D	RILL,	RE-F	NTE	R, DE	EPE		LUGBA	<u>CK.</u>	OR AJ	DD A	ZONE
Latigo Pet	roleum, l	nc.	•			SS					2	27001				
550 W. Te		e 700, I	Midland	d, TX 79	9701						<u> </u>	30- DZ	<u>5-</u> ^	PI Number	16	
-	rtyCode	$\overline{}$				5 P	ropertyN	lame				-			eil No.	_
300	2321	<u> </u>		Hodges"	B"			7 ** ProposedPool 2								
Justis Gas	Pool		*Propo	sedPool 1								" Prop	osedP	0012		
						⁷ Su	rface l	Location								
UL or lot no. L	Section 1	Townshi 25S	ip 37]	Range E	Lot	- 1	Feet from	m the	North/South	outh line	5 390	eet from the	We	st/Westline est	Lea	County
				8 Propo	sed Bott	tom Hole	e Locat	ion If I	Differen	tFr <u>om</u>	Surf	ace				
UL or lot no.	Section	Townsh	ip	Range	Lot		Feet from			outh line	i .	eet from the	Ea	st/Westline		County
					Ac	ddition	al We	ll Info	ormati	on						
	7.					13 Cable	/Rotary	ļ		4 Leas	e Type Code	-		round Lev	el Elevation	
New Drill	fultiple	- G		roposed Dept		R	18 Form	nation		P	19 C	Contractor		3118'	20 Spud	Date
No	ratupic -	5	100'	Toposed Dept		Glorie		-		United				11/	15/200	
Depth to Gro	undwater	90'			Distance	cefrom ne	arestfresl		vell 3,000'			Distance fro	m near	estsurface	water 5 miles	SW
Pit: Lines	: Synthetic		milsthic	k Clay	Pit Vol	lume <u>:500</u>	bbls			ngMetho	d:					<u> </u>
Closed-Loop System Fresh Water Brine Diesel/Ol-based Gas/Air																
				21	Propo	sed Ca	sing a	nd Ce	ement l	Progra	ım					
Hole	Size		Casing Si	ize		ng weight/			Setting D			Sacks of C	ement		Estin	nated TOC
11"		8 5/8"			24			1000' 400					face			
7 7/8"		5 /2"			15.5			5100'	00'		675		100	1000'		
		ļ														
ļ		 -	<u> </u>								+					
27 Describet	he propose	dnrogram	If this a	nnlicationis	LO DEED	FN or PLI	UGRAC	K give	the data	on the ne	centr	roductivezon	e and	nronosede	asy prod	untive zone
Describe the Drill an 11 to 5100', ru 3000# Sha	blowout pro " hole to in 5 1/2"	evention p 1000', r 15.5# J:	rogram, i un 8 5/1 55 casir	fany. Use a 8" 24# J5: 1g. Ceme	dditional 5 casing nt w/67	sheets if n g. Ceme 5 sx Cla	ecessary ent w/40 ass C +	′. 00 sx (^lass C	cement	+ 20	dditives V	vac.	12 hrs	DeiNo?	778" hole
· P @r	Permit Expires 1 Year From Approver Date Unless Drilling Underway												20122235	50° 1	UM A LJE! Hobb OCD	0,/
	Date C	——— И пасо											+ 	1814	91911	neizi,
of my knowle	edge and be	lief. I fur	ther certi	ify that the	drilling p	oit will be	. [OIL	CON	ISERVA	TIO	NDIV	SION	
constructed an (attached	according	to NMO	D guide	lines 🖾, a	general p	ermit 🔲	, or	Appro	ved by:			7-	2	_		·
Printed name	: Donna	Frazier	1	John	Wod	rasi	w	Title:				ETROLE	ŮM	ENGIN	ER	
Title:	Produ	ction Ar	alyst			U		Appro	val Date:			I		tion Date:		
E-mail Addre	ss:dfrazio	er@latig	opetro.	com					DE	C 2 8	20	Ω4				
Date: 10/2	26/2004		PI	hone: (4	132)684	-4293		DEC 2 8 2004 Conditionsof Approval Attached								

District 1

1625 N. French Dr., Hobbs, NM 88240

District Il

1301 W. Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

API Number

30-025-37016

227001

State of New Mexico

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Property Name HODGES "B"

Operator Name
LATIGO PETROLEUM INC.

Form C-102

Revised June 10, 2003

Submit to Appropriate District Office

JUSTIS GLOTIE

State Lease - 4 Copies

* Elevation

3118

Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

					10 Surface	Location			
UL or lot no. L	Section 1	Township 25-S	Range 37-E	Lot Idn	Feet from the 1880	North/South line SOUTH	Feet from the 390	East/West line WEST	County LEA
			¹¹ Bc	ottom Ho	ole Location I	f Different Fron	m Surface		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
		<u> </u>		L					
12 Dedicated Acre	s Joint o	r Infill 14 (Consolidation	Code 15 O	rder No.				
160					115	P-1882	< <u> </u>		
NO ALLOW	ABLE WI	LL BE AS				JNTIL ALL INTEI APPROVED BY	THE DIVISION 17 OPI		
							Signature Property Signature Printed Name Property Signature Printed Name Property Signature Property Signat	duction fail Address	truscus principst Analyst
/390° #7		T.: 32°09': NG.: 103°					I hereby co plat was p made by n same is tri 9-20-04	nd Seal of Profession	ation shown on this of actual surveys ision, and that the est of my belief.

Submit 3 Copies To Appropriate District Office		f New Mexico	Form C-103 May 27, 200			
District I 1625 N. French Dr., Hobbs, NM 88240	Energy, Mineral	ls and Natural Resources	WELL API NO. 30-025-37016			
District II 1301 W. Grand Ave., Artesia, NM 88210 District III		RVATION DIVISION th St. Francis Dr.	5. Indicate Type of Lease			
1000 Rio Brazos Rd., Aztec, NM 87410		Fe, NM 87505	STATE FEE 6. State Oil & Gas Lease No.			
<u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM 87505	. Sana i					
(DO NOT USE THIS FORM FOR PROPO DIFFERENT RESERVOIR. USE "APPL	TICES AND REPORTS OF SALS TO DRILL OR TO DE ICATION FOR PERMIT" (FO	EEPEN OR PLUG BACK TO A.	7. Lease Name or Unit Agreement Name Hodges "B"			
PROPOSALS.) 1. Type of Well: Oil Well	Gas Well X Other		8. Well Number 7			
2. Name of Operator Latigo Petro	oleum, Inc.		9. OGRID Number 227001			
3. Address of Operator 550 W. Midland	10. Pool name or Wildcat Justis Glorieta Gas Pool (79360)					
4. Well Location	1880	· · · · · · · · · · · · · · · · · · ·				
Unit Letter L	feet from th		447 390 feet from the West line			
Section 1	Township 2		NMPM CountyLea			
	3118 GR	whether DR, RKB, RT, GR,	etc.)			
Pit or Below-grade Tank Application						
Pit type Synthetic Depth to Ground			Distance from nearest surface water 6 miles SW			
Pit Liner Thickness: 12 mil mi	l Below-Grade Tank:	Volume 500 bbls;	Construction Material Synthetic			
12. Check	Appropriate Box to	Indicate Nature of Notice	ce, Report or Other Data			
NOTICE OF I	NTENTION TO:	SI	UBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK						
TEMPORARILY ABANDON			DRILLING OPNS. P AND A			
PULL OR ALTER CASING	MULTIPLE COMPL	CASING/CEM	ENT JOB			
OTHER:		OTHER:Spud				
of starting any proposed wor recompletion.	vork). SEE RULE 1103.	arry state all pertinent details. For Multiple Completions:	, and give pertinent dates, including estimated date Attach wellbore diagram of proposed completion			
Drill & complete Glorieta Gas We	eli					
01/26/2005 Wednesday	(Day 1)	172 12 12 12 in @ 401 m/10 4	total hrs & 360' total footage on bit. Drld 360'			
in last 24 hrs @ 36 ft/hr. At repor RU & spudded w/12 ¼" bit from	t time: drlg. Mud added	l: 35 FW gel, 5 paper & 2 lin	ne. Spudded well @ 8:00 p.m. on 01-25-05.			
			6575/53077			
			0> 5000			
			(C - 100)			
			. 3/			
I hereby certify that the information grade tank has been/will be constructed of	n above is true and compor closed according to NMOC	olete to the best of my knowl	edge and belief. I further certify that any pit or below- t or an (attached) alternative OCD-approved plan .			
SIGNATURE NOWW	Lyani	TITLE Production Analys				
Type or print name Donna Frazier	U	E-mail address:dfrazier@	Platigopetro.com Telephone No. (432)684-429			
For State Use Only	//					
APPROVED BY:	. 1 . 1	OC FIELD REPRESENT	ATIVE ILISTAFF MANAGER FEB 0 3 2005			
Conditions of Approval (if any):	Whink	OC FIELD REPRESENT	TATIVE II/STAFF MANAGER FEB 0 3 2005			

Submit 3 Copies To Appropriate District	State of New Mex	kico	Form C-103
Office <u>District I</u>	Energy, Minerals and Natur	ral Resources WELL API	May 27, 2004
1625 N. French Dr., Hobbs, NM 88240 District II			30-025-37016
1301 W. Grand Ave., Artesia, NM 88210	OIL CONSERVATION	1 3. Indicate	Type of Lease
District III 1000 Rio Brazos Rd., Aztec, NM 87410	1220 South St. Fran	5171	
District IV	Santa Fe, NM 87	505 6. State Oil	& Gas Lease No.
1220 S. St. Francis Dr., Santa Fe, NM 87505	in the second second		
(DO NOT USE THIS FORM FOR PROPO	ICES AND REPORTS ON WELLS SALS TO DRILL OR TO DEEPEN OR PLU CATION FOR PERMIT" (FORM C-101) FO	G BACK TO A Hodges "B"	
1. Type of Well: Oil Well	Gas Well X Other	8. Well Nu	mber 7
2. Name of Operator Latigo Petro	leum. Inc.	9. OGRID	Number 227001
3. Address of Operator 550 W. 7		10. Pool na	me or Wildcat
Midland,	TX 79701	Justis Glor	rieta Gas Pool (79360)
4. Well Location	1880 (390'	
Onk Detter	1859' feet from the South		eet from the West line
Section 1		inge 37E NMPM	CountyLea
	11. Elevation (Show whether DR, 3118 GR	RKB, RT, GR, etc.)	
Pit or Below-grade Tank Application			
Pit type Synthetic Depth to Ground	vater_90' _Distance from nearest fresh w	ater well 13,000 Distance from near	est surface water 6 miles SW
Pit Liner Thickness: 12 mil mi	Below-Grade Tank: Volume 50	0 bbis; Construction Mate	erial Synthetic
12. Check	Appropriate Box to Indicate N	ature of Notice, Report or C	Other Data
	•	•	
PERFORM REMEDIAL WORK	NTENTION TO: PLUG AND ABANDON	REMEDIAL WORK	FREPORT OF: ☐ ALTERING CASING ☐
TEMPORARILY ABANDON		COMMENCE DRILLING OPNS	E. PANDA 🗆
PULL OR ALTER CASING	MULTIPLE COMPL:	CASING/CEMENT JOB	
OTHER:		OTHER:Run 8 5/8" csg	X
	pleted operations. (Clearly state all	pertinent details, and give pertine	
of starting any proposed w or recompletion.	ork). SEE RULE 1103. For Multip	le Completions: Attach wellbore	diagram of proposed completion
990' total footage on bit. Drld 69' 1030'. Circ & sweep hole. Dropp 5/8" csg & set @ 1026'. RD csg & 81.4% fresh water, tail w/ 100 sxs arrived on location & started cutti	B.3. Bit #1: 12 ¼" SEC 4680 SN#94 in last 24 hrs @ 3 ¼ ft/hr. At report ed Totco. TOH to run 8 5/8" csg (tiggrew. Broke circ & circulated. RU of Class C + 2% bwoc Calcium Chloridag off conductor & 8 5/8" csg. Welch, 1 ½ hrs drld cmt, 2 ¾ hrs ran csg, 4	time: WOC & BOP. Mud added ght hole) & LD 8" DC's & S. sub- emt tools & cmt surface w/362 sx de. Plug down @ 5:00 p.m. RD led WH. WOC & BOP. Time br	l: 5 paper. Drld from 961' RU csg crew & ran 23 jts 8 s Class C w/2% bwoc + cmt tools. WOC. Welder reakdown: 3:1/4-hrs drlg, 2 hrs
		150	02-
		\mathcal{L}^{m}	03,5990
			Charles of the Control of the Contro
			The state of the s
		\'\'.	
I hereby certify that the information	s above is two and somelets to the b		
RESOL CHER HES DECEMANT DE COUSTLACTED O	above is the and complete to the o	est of my knowledge and belief.	I further certify that any pit or below-
<i>N</i> .	r closed according to NMOCD guidelines [est of my knowledge and belief.], a general permit [] or an (attached	I further certify that any pit or below-) alternative OCD-approved plan .
SIGNATURE NOWY	r closed according to NMOCD guidelines [est of my knowledge and belief.], a general permit [] or an (attached oduction Analyst	I further certify that any pit or below-) alternative OCD-approved plan □. DATE 01/31/2005
SIGNATURE JUNG Type or print name Donna Frazier	r closed according to NMOCD guidelines [, a general permit or an (attached oduction Analyst	DATE 01/31/2005
SIGNATURE NOWY	r closed according to NMOCD guidelines [, a general permit or an (attached oduction Analyst	DATE 01/31/2005
SIGNATURE JUNG Type or print name Donna Frazier	TITLE Pro], a general permit [] or an (attached	DATE 01/31/2005 Telephone No. (432)684-4293
SIGNATURE Type or print name Donna Frazier For State Use Only	r closed according to NMOCD guidelines [, a general permit or an (attached oduction Analyst	DATE 01/31/2005

Submit 3 Copies To Appropriate District Office	State of New Me		Form C-103
District I	Energy, Minerals and Natu	ral Resources	May 27, 2004
1625 N. French Dr., Hobbs, NM 88240 District II		WELL API	NO. 30-025-37016
1301 W. Grand Ave., Artesia, NM 88210	OIL CONSERVATION	i a indicate	Type of Lease
District III 1000 Rio Brazos Rd., Aztec, NM 87410	1220 South St. Fran	icis Dr. STAT	E FEE 🔀
District IV 1220 S. St. Francis Dr., Santa Fe, NM	Santa Fe, NM 8'	7505 6. State Oil	& Gas Lease No.
87505 13 SUPERIOR NOTE	OFG AND REPORTS ON WELL	3. 3. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1.	me or Unit Agreement Name
(DO NOT USE THIS FORM FOR PROPOS DIFFERENT RESERVOIR: USE "APPLIC PROPOSALS.)	CES AND REPORTS ON WELLS SALS TO DRILL OR TO DEEPEN OR PL CATION FOR PERMIT" (FORM C-101) FO	UG BACK TO A Hodges "B" OR SUCH	. Market
	Gas Well X Other	8. Well Nur	nber 7
2. Name of Operator Latigo Petrole	eum, Inc.	9. OGRID 1	Number 227001
3. Address of Operator 550 W. To Midland,	exas, Suite 700	10. Pool na	ne or Wildcat
	TX 79701	Justis Glor	ieta Gas Pool (79360)
4. Well Location			
-	1859' feet from the South		et from the West line
Section 1		ange 37E NMPM	CountyLea
	11. Elevation (Show whether DR 3118 GR	, RĶB, RT, GR, etc.)	
Pit or Below-grade Tank Application o			
Pit type Synthetic Depth to Groundwa	ater 90' Distance from nearest fresh	water well 13,000 Distance from neare	st surface water 6 miles SW
Pit Liner Thickness: 12 mil mil		00bbls; Construction Mate	. ———
12 Check A	Appropriate Box to Indicate N		
		datate of Notice, Report of C	diei Data
NOTICE OF IN			REPORT OF:
PERFORM REMEDIAL WORK	PLUG AND ABANDON	1	☐ ALTERING CASING ☐
TEMPORARILY ABANDON		COMMENCE DRILLING OPNS.	
PULL OR ALTER CASING	MULTIPLE COMPL	CASING/CEMENT JOB	Hara, arthurtavoro
OTHER:		OTHER:Run 5 1/2" csg	X
13. Describe proposed or comp	leted operations. (Clearly state all	pertinent details, and give pertiner	nt dates, including estimated date
of starting any proposed we or recompletion.	ork). SEE RULE 1103. For Multip	ole Completions: Attach wellbore	diagram of proposed completion
02/09/2005 Dowth 4050! BIL on			
02/08/2005 Depth: 4950'. RU csg tools & cmt w/500 sxs Class C ligh	t, tail w/ 397 sxs Class C 50/50 po	et @ 4949. RD csg crew. Broke s. RD cmt tools. WOC. WO ter	np survey.
	. •		
			671819202722
		/	
		/in	And the same
		$\int_{C_{i}}^{C_{i}} C_{i}$	CA STATE OF
		\$\frac{\frac}}}}}}{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac}{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac}}}}}}}{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac}}}}}}}{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac}}}{\fint}}}}}}}}{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac}}}}}}{\frac{\frac{\frac{\frac{\frac{\frac{\frac}}}}{\frac{\frac{\frac{\frac{\frac{\frac	12.42 B
		`, \	H- HODED
		\3	3/
		`	
I hereby certify that the information grade tank has been/will be constructed or	above is true and complete to the be closed according to NMOCD guidelines	est of my knowledge and belief.	further certify that any pit or below- alternative OCD-approved plan
SIGNATURE Signature	λ .	oduction Analyst	DATE 02/10/2005
Type or print name. Donna Emais-	\mathcal{O} — $\frac{1}{2}$	11 16 1 01 1	
Type or print name Donna Frazier For State Use Only	E-mail ad	ddress:dfrazier@latigopetro.com	Telephone No. (432)684-4293
APPROVED BY:	The state of the s		
	TITLE	PETROLEUM ENGINEER	DATEER 1 "7 2005

MERE NATE AND MOUDEN	в "В" No. 7 Цп+L	
1900 1900 1900 LOCATION 1800 FSL & 430' I	WL, Section 25S, R37E, Lea Cou	inty NM
OPERATOR Latigo Petroleum,	Inc. 30-025-3	7016
DRILLING CONTRACTOR United I	Orilling, Inc.	
of the drilling contractor wh	certifies that he is an authoring drilled the above described otained the following results:	zed representative well and had con-
Degrees @ Depth	Degrees @ Depth	Degrees @ Depth
1/2° 502'	1-1/2° 4517°	
3/4° 1023'	2° 4930'	
1° 1502'	0021222	2324.2
1-1/4° 2008'		- <u> </u>
<u>1/2° 2516'</u>	11.01.687.8 11.01.687.8 11.01.687.8	
1-1/4° 2996'		3
1-1/2° 3503'		-50
1-3/4° 4010'		1940
	Drilling Contractor Udited D	rilling Pnc.
•	By: Was G	ialu
•	Title: Business	Aho Manager
Subscribed and sworn to befor	re me this 14th day of Fel	ruary,
	(aclus N) Notary Pu	alln blic
My Commission Expires: 1008	cos Chaves hu	v Mexico

Kz

State Lease - 6 copies	e District	Office	1		State of New M	fexico		T				Form C-1	
Fee Lease - 5 copies			Fn(-	Minerals and Na		sources	}			Re	vised June 10, 2	
District I 1625 N. French Dr., H	Iobbs, NM	√ 88240	Lik	·· 6J, ·	Villerale and 1 va				WELL API NO. 30-025-37016				
District II 1301 W. Grand Avenu				Oil	Conservation	Divisio	n	1	. Indicate		FI ages		
District III				123	20 South St. Fr	ء ا		TE	FEE	120			
1000 Rio Brazos Rd., District IV	Aztec, N	M 87410			Santa Fe, NM	87505		<u> </u>	tate Oil &			<u> </u>	
1220 S. St. Francis Dr								esses				ESS CONTRACTOR	
WELL Contact Type of Well:	<u>OMPI</u>	<u>LETION</u>	OR RECO	MPLE	TION REPORT	AND L	<u>.OG</u>	1 7	Lease Name	or Unit A	Agreement Nar	ne	
OIL WEI	LL 🔲	GAS WEL	L 🔯 DRY		OTHER			_ ′	. Loase (Amine	or Omer	Procurent 14m		
b. Type of Comp	letion:		•					Н	odges "B"				
NEW [X] V	VORK. [□ DEEPF	N D PLUC		DIFF.				•				
WELL C	OVER		BAC	<u>K</u>	RESVR. OTH	ER			. Well No.				
									#7				
Latigo Petrole 3. Address of Oper		IC.						1	. Pool name o	or Wildes	<u> </u>		
•		700.15		7070	4	•		- 1			s Pool (79:	360)	
550 W. Texas	, Suite			7970					usus Gion	cta Ga	31001(13		
			80		Cauth			90			. The We	et	
Unit Letter	<u> </u>	185	Feet Fr	om The_	South	Lin	e and	147/		Feet From	The		
Section	1			ip 25			37E		MPM		.ea	Coun	
10. Date Spudded 01/25/2005		ate T.D. Rea 6/2005		Date Co /18/20	mpl. (Ready to Prod.) 05		Elevations 15 GR	(DF& I	RKB, RT, GF	t, etc.)	14. Elev.	Casinghead	
15. Total Depth		16. Plug Ba			Multiple Compl. How		18. Interv	als	Rotary Tools		Cable T	ools	
4950'		4889' W	1	Z	ones?		Drilled B	y	Rotary				
19. Producing Inte	rval(s), o	of this comp	etion - Top, Be	ottom, N	ame		I			20. Was	Directional Su	irvey Made	
4760' - 4787'	Justis	Glorieta	Pool							No			
21. Type Electric a SGR-CN-FD, C			DI.					1	22. Was We No	II Cored			
23.	311-1110	ideaoii, e	<u> </u>	CA	SING RECO	DD (Par	nort all			wall)			
CASING SIZ	E	WEIGH	IT LB./FT.	UA	DEPTH SET		LE SIZE	Sum	CEMENTIN	IG RECO	RD A	MOUNT PULLED	
8 5/8"		24#		1026)'	12 1/4"	~		62 sxs				
# 41-11	T	15.5#		4949)'	7 7/8"		[8	397 sxs				
5 1/8"				1									
5 1/8"													
5 1/8"													
					NER RECORD			25		TIBING	PECORD		
24. SIZE	TOP		ВОТТОМ		NER RECORD SACKS CEMENT	SCREET	N	25. SIZE			G RECORD	PACKER SET	
24.			ВОТТОМ			SCREET	Ň		!		TH SET	PACKER SET	
24. SIZE	TOP						:	2 3	/8"	DEP1	TH SET 2'		
24. SIZE	TOP					27. AC	ID, SHOT	SIZE 23	e /8" .cture, c	DEP 4832 EMENT	TH SET 2' , SQUEEZE,	ETC.	
24.	TOP record (i	interval, size, SPF (total	and number) 68 holes)			27. AC	CID, SHOT	SIZE 23	E /8" ACTURE, C AMOUNT	4832 EMENT	TH SET 2' , SQUEEZE, D MATERIA	ETC.	
24. SIZE 26. Perforation 4670' - 4687'	TOP record (i	interval, size, SPF (total	and number) 68 holes)			27. AC DEPTH 4670'	ID, SHOT	SIZE 23	E /8" CTURE, C AMOUNT sqz'd w/ 2	4832 EMENT AND KIN 270 SXS	TH SET 2' , SQUEEZE, ID MATERIAL S CMT	, ETC. L USED	
24. SIZE 26. Perforation 4670' - 4687'	TOP record (i	interval, size, SPF (total	and number) 68 holes)			27. AC DEPTH 4670' -	CID, SHOT INTERVAI - 4687' - 4787'	SIZE 23	CTURE, C AMOUNT Sqz'd w/ 2 3000 gal	DEM 4832 EMENT AND KIN 270 SXS 15% N	TH SET 2' , SQUEEZE, D MATERIA	, ETC. L USED	
24. SIZE 26. Perforation 4670' - 4687'	TOP record (i	interval, size, SPF (total SPF (total	and number) 68 holes) 108 holes)		SACKS CEMENT	27. AC DEPTH 4670' 4760' W/290I	CID, SHOT INTERVAL - 4687' - 4787' bbls H20	SIZE 2 3	CTURE, C AMOUNT Sqz'd w/ 2 3000 gal	DEM 4832 EMENT AND KIN 270 SXS 15% N	TH SET 2' , SQUEEZE, ID MATERIAL S CMT EFE, Foan	, ETC. L USED	
24. SIZE 26. Perforation 4670' - 4687' 4760' - 4787'	TOP record (i ' W/4 S	interval, size, SPF (total SPF (total	and number) 68 holes) 108 holes) Production Me	ethod (F	PR lowing, gas lift, pumpi	27. AC DEPTH 4670' 4760' W/290I ODUC'	CID, SHOT INTERVAL - 4687' - 4787' bbls H20 TION nd type pun	SIZE 2 3	CTURE, C AMOUNT sqz'd w/ 2 3000 gal bbls CO2	DEP 4833 EMENT AND KIN 270 SXS 15% N	TH SET 2' , SQUEEZE, ID MATERIAL S CMT EFE, Foan	, ETC. L USED	
24. SIZE 26. Perforation 4670' - 4687' 4760' - 4787'	TOP record (i ' W/4 S	interval, size, SPF (total SPF (total	and number) 68 holes) 108 holes) Production Me	ethod (F	SACKS CEMENT	27. AC DEPTH 4670' 4760' W/290I ODUC'	CID, SHOT INTERVAL - 4687' - 4787' bbls H20 TION nd type pun	SIZE 2 3	CTURE, C AMOUNT sqz'd w/ 2 3000 gal bbls CO2	DEP 4833 EMENT AND KIN 270 SXS 15% N	IH SET 2' , SQUEEZE, ID MATERIAL S CMT EFE, Foan 42# 16/30	, ETC. L USED	
24. SIZE 26. Perforation 4670' - 4687' 4760' - 4787'	TOP record (i	interval, size, SPF (total SPF (total	and number) 68 holes) 108 holes) Production Me	ethod <i>(F)</i>	PRolowing, gas lift, pumple C114D-173-64 to Prod'n For	27. AC DEPTH 4670' 4760' W/290I ODUC'	CID, SHOT INTERVAL - 4687' - 4787' bbls H20 FION nd type pun 5 hp mote	SIZE 2 3	CTURE, C AMOUNT sqz'd w/ : 3000 gal bbls CO2	DEPM 4833 EMENT AND KIN 270 SXS 15% N 2 & 540	IH SET 2' , SQUEEZE, ID MATERIAL S CMT EFE, Foan 42# 16/30	, ETC. L USED	
24. SIZE 26. Perforation 4670' - 4687' 4760' - 4787' 28 Date First Product 04/20/2005	TOP record (i	interval, size, SPF (total SPF (total	and number) 68 holes) 108 holes) Production Me	ethod <i>(F)</i>	PR lowing, gas lift, pumpl C114D-173-64	27. AC DEPTH 4670' 4760' W/290I ODUC' ing - Stze au unit w/15	CID, SHOT INTERVAL - 4687' - 4787' bbls H20 FION nd type pun 5 hp mote	SIZE 2 3.	CTURE, C AMOUNT sqz'd w/ 2 3000 gal bbls CO2 Well Statu Prod.	DEPM 4833 EMENT AND KIN 270 SXS 15% N 2 & 540	TH SET 2' , SQUEEZE, D MATERIAL S CMT EFE, FOAN 42# 16/30 or Shut-in)	n Frac Brady	
24. SIZE 26. Perforation 4670' - 4687' 4760' - 4787' 28 Date First Product 04/20/2005 Date of Test 05/04/2005 Flow Tubing	TOP record (iv/4 S	interval, size, SPF (total SPF (total	and number) 68 holes) 108 holes) Production Me Pumping I Choke Siz	ethod (Fr	PRolowing, gas lift, pumple C114D-173-64 to Prod'n For	27. AC DEPTH 4670' 4760' W/290! ODUC' ing - Stze at unit w/15	CID, SHOT INTERVAL - 4687' - 4787' bbls H20 FION nd type pun 5 hp mote	SIZE 2 3	CTURE, C AMOUNT SQZ'd W/ 2 3000 gal bbls CO2 Well Statu Prod.	EMENT AND KIN 270 sxs 15% N 2 & 540 water 31	TH SET 2' , SQUEEZE, D MATERIAL S CMT EFE, FOAN 42# 16/30 or Shut-in)	ETC. LUSED n Frac Brady Gas - Oil Ratio	
24. SIZE 26. Perforation 4670' - 4687' 4760' - 4787' 28 Date First Product 04/20/2005 Date of Test 05/04/2005	TOP record (iv/4 S	interval, size, SPF (total SPF (total	and number) 68 holes) 108 holes) Production Me Pumping I	ethod (Fr	PROWING, gas lift, pumple C114D-173-64 to Test Period Oil - Bbl.	27. AC DEPTH 4670' 4760' W/290! ODUC' ing - Stze at unit w/15 Oil - Bb 8	CID, SHOTINTERVAL - 4687' - 4787' bbls H20 FION nd type pun i hp mote	SIZE 2 3 FRA	CTURE, C AMOUNT, sqz'd w/; 3000 gal bbls CO2 Well Statu Prod MCF 5	EMENT AND KIN 270 sxs 15% N 2 & 540 wate 31	TH SET 2' , SQUEEZE, ID MATERIAL S CMt EFE, FOAN 42# 16/30 or Shut-in) er - Bbl. Oil Gravity - A	ETC. LUSED n Frac Brady Gas - Oil Ratio	
24. SIZE 26. Perforation 4670' - 4687' 4760' - 4787' 28 Date First Product 04/20/2005 Date of Test 05/04/2005 Flow Tubing Press.	TOP record (i w/4 S	interval, size, SPF (total SPF (total rs Tested	and number) 68 holes) 108 holes) Production Me Pumping I Choke Siz Calculated Hour Rate	ethod (F) Lufkin E	PRolowing, gas lift, pumple C114D-173-64 to Test Period	27. AC DEPTH 4670' 4760' W/290! ODUC' ing - Stze at unit w/15	CID, SHOTINTERVAL - 4687' - 4787' bbls H20 FION nd type pun i hp mote	SIZE 2 3 FRA	CTURE, C AMOUNT sqz'd w/ 3000 gal bbls CO2 Well Statu Prod MCF	DEPT 4833 EMENT AND KIN 270 SXS 15% N 2 & 540. Wate 31	TH SET 2' , SQUEEZE, D MATERIAL S CMt EFE, FOAN 42# 16/30 or Shut-in) er - Bbl. Oil Gravity - A	ETC. LUSED n Frac Brady Gas - Oil Ratio	
24. SIZE 26. Perforation 4670' - 4687' 4760' - 4787' 28 Date First Product 04/20/2005 Date of Test 05/04/2005 Flow Tubing Press.	TOP record (i w/4 S w/4 S w/4 S Casin	interval, size, SPF (total SPF (total rs Tested ang Pressure	and number) 68 holes) 108 holes) Production Me Pumping I Choke Siz Calculated Hour Rate	ethod (F) Lufkin E	PROWING, gas lift, pumple C114D-173-64 to Test Period Oil - Bbl.	27. AC DEPTH 4670' 4760' W/290! ODUC' ing - Stze at unit w/15 Oil - Bb 8	CID, SHOTINTERVAL - 4687' - 4787' bbls H20 FION nd type pun i hp mote	SIZE 2 3 FRA	CTURE, C AMOUNT, sqz'd w/; 3000 gal bbls CO2 Well Statu Prod MCF 5	DEPT 4833 EMENT AND KIN 270 SXS 15% N 2 & 540. Wate 31	TH SET 2' , SQUEEZE, ID MATERIAL S CMt EFE, FOAN 42# 16/30 or Shut-in) er - Bbl. Oil Gravity - A	ETC. LUSED n Frac Brady Gas - Oil Ratio	
24. SIZE 26. Perforation 4670' - 4687' 4760' - 4787' 28 Date First Product 04/20/2005 Date of Test 05/04/2005 Flow Tubing Press.	TOP record (i w/4 S w/4 S w/4 S tion Hour 24 Casin	interval, size, SPF (total SPF (total rs Tested ang Pressure	and number) 68 holes) 108 holes) Production Me Pumping I Choke Siz Calculated Hour Rate	ethod (F) Lufkin E	PROWING, gas lift, pumple C114D-173-64 to Test Period Oil - Bbl.	27. AC DEPTH 4670' 4760' W/290! ODUC' ing - Stze at unit w/15 Oil - Bb 8	CID, SHOTINTERVAL - 4687' - 4787' bbls H20 FION nd type pun i hp mote	SIZE 2 3 FRA	CTURE, C AMOUNT, sqz'd w/; 3000 gal bbls CO2 Well Statu Prod MCF 5	DEPT 4833 EMENT AND KIN 270 SXS 15% N 2 & 540. Wate 31	TH SET 2' , SQUEEZE, D MATERIAL S CMt EFE, FOAN 42# 16/30 or Shut-in) er - Bbl. Oil Gravity - A	ETC. LUSED n Frac Brady Gas - Oil Ratio	
24. SIZE 26. Perforation 4670' - 4687' 4760' - 4787' 28 Date First Product 04/20/2005 Date of Test 05/04/2005 Flow Tubing Press. 29. Disposition of Venting unit! 30. List Attachme	TOP record (if w/4 S) w/4 S w/4 S tion Hour 24 Casin Casin CO2 Conts	interval, size, SPF (total SPF (total SPF (total specific	and number) 68 holes) 108 holes) Production Me Pumping I Choke Siz Calculated Hour Rate tion drops	ethod (F)	PRowing, gas lift, pumper C114D-173-64 to Prod'n For Test Period Oil - Bbl.	27. AC DEPTH 4670' 4760' W/290I ODUC' ing - Size an unit w/15 Oil - Bb 8 Gas 45	CID, SHOTINTERVAL - 4687' - 4787' bbls H20 TION nd type pun 5 hp moto	SIZE 2 3	Well Statu Prod MCF 5 //ater - Bbl.	EMENT AND KIN 270 sxs 15% N 2 & 540 Wate 31	TH SET 2' , SQUEEZE, D MATERIAL S CMt EFE, FOAN 42# 16/30 or Shut-in) er - Bbl. Oil Gravity - A 36.4 itnessed By	ETC. LUSED n Frac Brady Gas - Oil Ratio	
24. SIZE 26. Perforation 4670' - 4687' 4760' - 4787' 28 Date First Product 04/20/2005 Date of Test 05/04/2005 Flow Tubing Press. 29. Disposition of Venting unit! 30. List Attachme	TOP record (if w/4 S) w/4 S w/4 S tion Hour 24 Casin Casin CO2 Conts	interval, size, SPF (total SPF (total SPF (total specific	and number) 68 holes) 108 holes) Production Me Pumping I Choke Siz Calculated Hour Rate tion drops	ethod (F)	PROWING, gas lift, pumple C114D-173-64 to Test Period Oil - Bbl.	27. AC DEPTH 4670' 4760' W/290I ODUC' ing - Size an unit w/15 Oil - Bb 8 Gas 45	CID, SHOTINTERVAL - 4687' - 4787' bbls H20 TION nd type pun 5 hp moto	SIZE 2 3	Well Statu Prod MCF 5 //ater - Bbl.	EMENT AND KIN 270 sxs 15% N 2 & 540 Wate 31	TH SET 2' , SQUEEZE, D MATERIAL S CMt EFE, FOAN 42# 16/30 or Shut-in) er - Bbl. Oil Gravity - A 36.4 itnessed By	ETC. LUSED n Frac Brady Gas - Oil Ratio	

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southea	stern New Mexico	Northwestern New Mexico						
T. Anhy 985	T. Canyon	T. Ojo Alamo	T. Penn "B"					
T. Salt 1770	T. Strawn	T. Kirtland-Fruitland	T. Penn. "C"					
B. Salt	T. Atoka	T. Pictured Cliffs	T. Penn. "D"					
T. Yates 2370	T. Miss	T. Cliff House	T. Leadville					
T. 7 Rivers 2610	T. Devonian	T. Menefee	T. Madison					
T. Queen 3135	T. Silurian	T. Point Lookout	T. Elbert					
T. Grayburg 3380	T. Montoya	T. Mancos	T. McCracken					
T. San Andres 3605	T. Simpson	T. Gallup	T. Ignacio Otzte					
T. Glorieta 4675	T. McKee	Base Greenhorn	T. Granite					
T. Paddock	T. Ellenburger	T. Dakota	Т.					
T. Blinebry	T. Gr. Wash	T. Morrison	T.					
T.Tubo	T. Delaware Sand	T.Todilto	Т.					
T. Drinkard	T. Bone Springs	T. Entrada	T.					
T. Abo	T.	T. Wingate	T					
T. Wolfcamp	T	T. Chinle	T					
T. Penn	Т.	T. Permian	Т.					
T. Cisco (Bough C)	T.	T. Penn "A"	Т.					

No. 1. from 4760'	to. 4790'		to
No. 2, from	to	No. 4. from	.to
	IMPORTA	NT WATER SANDS water rose in hole.	And the second
Include data on rate of water inflo	ow and elevation to which	water rose in hole.	•
No. 1, from	tó	feet	
No. 2, from	to	feet	
		feet	
	1000		***************************************

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	То	Thickness In Feet	Lithology		From	To	Thickness In Feet	Lithology
2000	2170	170	Salt				1 _e	
2170	2580	l i	Anhydrite, Shale				e Norman and American	u Arriva
2580	3820		Anhydrite, Dolomite					
3820	4950	1130	Dolomite				٠.	
								·
	r							
							·	
		,		.			·	

Date: 05/31/2005

Phone: (432)684-4293

District J 1625 N. French Dr., Hobbs, NM 88240 District Jl 1301 W. Grand Avenue, Artesia, NM 88210 District III

State of New Mexico Energy, Minerals & Natural Resources

Form C-1 Revised June 10, 2003

Submit to Appropriate District Office

1000 Rio Brazos	Rd., Az	tec. NM	87410				nservati South St	on Divis . Francis				20000	. (орр	5 Copies
District IV 1220 S. St. Franc	is Dr., S	Santa Fe.	NM 875	05	1-			M 8750						AMENDED REPORT
	1			EST FO	OR ALL	OW.	ABLE A	AND AL	THOE	UZA'	TION T	O TR	ANSPO	ORT
Operator na Latigo Pet	ame an I roleu i	d Addre m, Inc .	ess							- 00	22 Nun	1001		
550 W. Te Midland,			00							³ Rea	ason for F W	iling Co	de/ Effect	ive Date
API Number 30 -025-37	er	•		l Name tis Glori	eta Gas l	Pool						⁶ Po	ol Code	
Property Co				perty Nam									ii Numb	
	<u>DD3</u>		Ho	dges B								#7		
II. 10 Su		Locat	wnship	Range	Lot kin	Fac	t from the	North/South Line Feet from t				FactΩ	Vest line	Country
L	1	258	-	37E	LO(,IGH	195		South	147'		West	vest mie	County Lea	
ii Bo	ottom	Hole I	ocatio	<u>n</u>		18	80			39	ย			
UL or lot no.	Section	on To	wnship	Range	Lot Idn	Fee	t from the	North/So	uth line	Feet	trom the	East/V	Vest line	County
12 Lse Code	p Pro	oducing N	lethod		onnection ate	15	C-129 Perr	nit Numbe	r 16	C-129 Effective Date		Date	1 C-1	29 Expiration Date
III. Oil a	and G	as Tra	nsport	ers		_					- ··			
18 Transpor	ter		19 Tra	nsporter l			20 I	POD	21 €)/G		22 PC	D ULST	R Location
OGRID		N T		nd Addres	8								and Descr	ription
015694	Navajo Refining 202					2026100		Oi						
020809	20809 Sid Richardson					2026130		Ga		\$97521222324Z65			2324 252	
							- Ga			i	Control of the contro			
	CASINGHEAD GAS MUST NOT BE								}			1 2	المرازية مرازات	in a
		CI AD	ED AF	TER B	16/0	5		-				AS.	Co.	Mill So
		CINE	ESS AT	V EXCE	T KCiT	3 R	4070					19		
·		IS OF	MIATE	ED.								/-	2687	99456
														
IV. Proc	duced	Water	24 DVN	OTESTO	Location	and T	Description							
2026150					Location	and L				 .				
V. Well	Com	pletion	Data		¬	2		28		1 3	9			30 DHC. MC
25 Spud D: 01/25/2005	ate	04/18	Ready /2005	Date	4950'	2" T)				⁹ Perforat 0' - 478	ions		DHC. MC
	ole Siz	e		32 Casin	g & Tubir	ng Siz	e	33 Depth Set				34 Sacks Cement		
12 1/4"			8	5/8"				1026'				462 sxs		
7 7/8"			5	1/2"				4949'		897 sxs				
	*													
			_				_							
VI. Wel	l Test	Data												
35 Date Nev			as Deliv	ery Date	3"	Test	Date	™ T	est Leng	th	30 T	bg. Press	sure	* Csg. Pressure
04/20/200		Ve	ntin	9		04/20		24 hr		· ———	·	45		
41 Choke S	Size	8 bb	ds - C	il '	31 bb	³ Wa	ter	45 mcf	44 Gas			45 AOF		Test Method
^{4*} I hereby ce	rtify th	at the r	ules of t	he Oil Co	nservation	Divi	sion have	Ţ.· · · · ·		OIL	CONSER	OITAV	N DIVISI	ON
been complie	d with	and tha	it the life	rmation g	iven abov					:				
Signature:	Om	ω πέ) 1		astes	~		Approved	bv:			-		
Printed name		Huddl	eston	~~~				Title:		DF1	ROLEU	M ENG	INEER	
Title:		tion A						Approval l	Date:	-				
E-mail Addre	ess:			petro.co	n					TELEVISION	200	JUN	062	905