

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

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.) 1. Type of Well: Oil Well ☐ Gas Well ☒ Other ☐		WELL API NO. 30-015-31154 5. Indicate Type of Lease STATE ☒ FEE ☐ 6. State Oil & Gas Lease No. 26428
2. Name of Operator Latigo Petroleum, Inc.		7. Lease Name or Unit Agreement Name Beretta 14 State
3. Address of Operator 550 W. Texas, Suite 700 Midland, TX 79701		8. Well Number 1
4. Well Location Unit Letter E 1980 feet from the N line and 660 feet from the W line Section 14 Township 23S Range 26E NMPM County Eddy		9. OGRID Number 227001
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3300' Gr		10. Pool name or Wildcat Carlsbad Morrow South
Pit or Below-grade Tank Application ☐ or Closure ☐ Pit type steel Depth to Groundwater 70' Distance from nearest fresh water well 2000' SW Distance from nearest surface water 13 mi NE Pit Liner Thickness: nil 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: Re-completion ☒

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.

11-16-04 ☐ Test perfs: 11,574' to 11,590'

Squeezed or Plug Back Perfs: 11,856' to 11,868'

11,722' to 11,741'

11,638' to 11,676'

11-17-04 ☐ Prep to frac. Frac Design & Pumping Schedule Job type: 70Q Binary Foamed MorrowFluid: 9000 gal 4% KCL & 15% Methanol Gas: CO₂, 51 tons, 375 MSCF Nitrogen

Prop: Vesa Prop Total: \$30,000# Schedule:

Stage	RT	Volume	PPA
1	10	10,000	0.0
2	10	2,500	0.5
3	10	3,000	1.0
4	10	3,250	1.5
5	10	3,500	2.0
6	10	2,500	2.5
7	10	2,000	3.0
8	10	1,880	0.0

CONTINUED ON BACK OF FORM:

 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 NMOC/D guidelines ☒ a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE

Donna Frazier

TITLE Production Analyst

DATE 01/19/2005

Type or print name Donna Frazier

E-mail address: dfrazier@latigopetro.com

Telephone No. (432)684-4293

For State Use Only

JAN 21 2005

APPROVED BY:

FOR RECORDS ONLY

DATE

Conditions of Approval (if any):

11-18-04 Heat water for frac, rebuild FL to flow frac back & install tree saver for frac job. RU BJ. Test lines to 13,000# & frac well. Max psi = 11,826, avg psi = 10,951 & min psi = 10,393. Pumped a total of 206 bbls of fluid to recover, 3554 of N2, 44 tons CO2, ISDP - 10,614, 5 mins - 7750, 10 mins - 6780 & 15 mins - 6483. 5:30-6:30 blow well down below 5000# to take tree saver out. 6:30-8:00 tbg pressure 3400-3240, choke 10/64, flowing gas & fluid to frac tank. 8:00-12:00 tbg pressure 3240-1050, choke 21/64, changed choke. 12:00-6:00 tbg pressure 1050-350, choke 21/64, is flowing to tank. Has flowed 100 bbls of frac fluid back. Total left to recover 107 bbls. Test perfs - 11,574' to 11,590'. Squeezed or Plug Back perfs - 11,856' to 11,866', 11,722' to 11,741' & 11,638' to 11,676'.

11-19-04 Flow testing well. SI to check for sand fill. RU Pro WL & ran sinker bar to check for fill. Tagged fill @ 11,605'. Press built from 1600# in 7 hrs. Opened well on 21/64" choke & tried to flare gas. Too much CO2 & nitrogen in gas to flare. From 3:00 p.m. to 5:00 p.m. tbg press 1600# to 350#. From 5:00 p.m. to 7:00 p.m. tbg press 350# to 180#. From 7:00 p.m. to 2:00 a.m. tbg press 190# to 170#. SI for 4 hrs. Press built from 190# to 1500#. Flowed 36 BF last 24 hrs for a total of 136 bbls. 71 BLTR.

11-20-04 Flow testing well. SI for 3 hrs - press 1500# to 1900#. Opened well on 21/64" choke to check for water & see if well would flare. Good gas & only 1% CO2. SI & heated separator up to test well.

Tbg press	Back press.	Rate	
1:00 - 2:00	740# - 650#	350#	661 - 354 MCF
2:00 - 5:00	550# - 420#	346#	194 MCF
5:00 - 11:00	420# - 360#	330#	294 - 154 MCF
11:00 - 6:00	360#	330#	164 MCF

Left well on 21/64" choke. Made 20 BW last 24 hrs. 51 BLTR.
Well SI pending P/L connection.

12-09-04 Finished connection work on PU hook-up. Hydrotested coils to 4250# & tested unit separator to 875#. Tied in FL to WH tree & hooked up to Duke's gas meter run. Started gas sales flowing @ 2:00 p.m. SITP - 3600#. Opened up on 5/64" choke w/flow rate 1.3 MCF, line press 253 PSIA. At 3:00 p.m. line press 450#. Duke's high/low valve SI. Found they had master valve closed. Duke opened up valve @ 4:45 p.m. Opened up well. FTP - 3100#. 1.2 MCF on 5/64" choke. Line press - 294#. 6:45 p.m. FTP - 1800# on 8/64" choke - 1.0 MCF, line press 294#. Left well flowing for night.

12-14-04 Ran Multipoint and One Point Back pressure test. Form C-122 attached.

Submit in duplicate to
appropriate district office.
See Rule 401 & Rule 1122

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

RECEIVED Form C-122

Revised October, 1999

JAN 20 2005

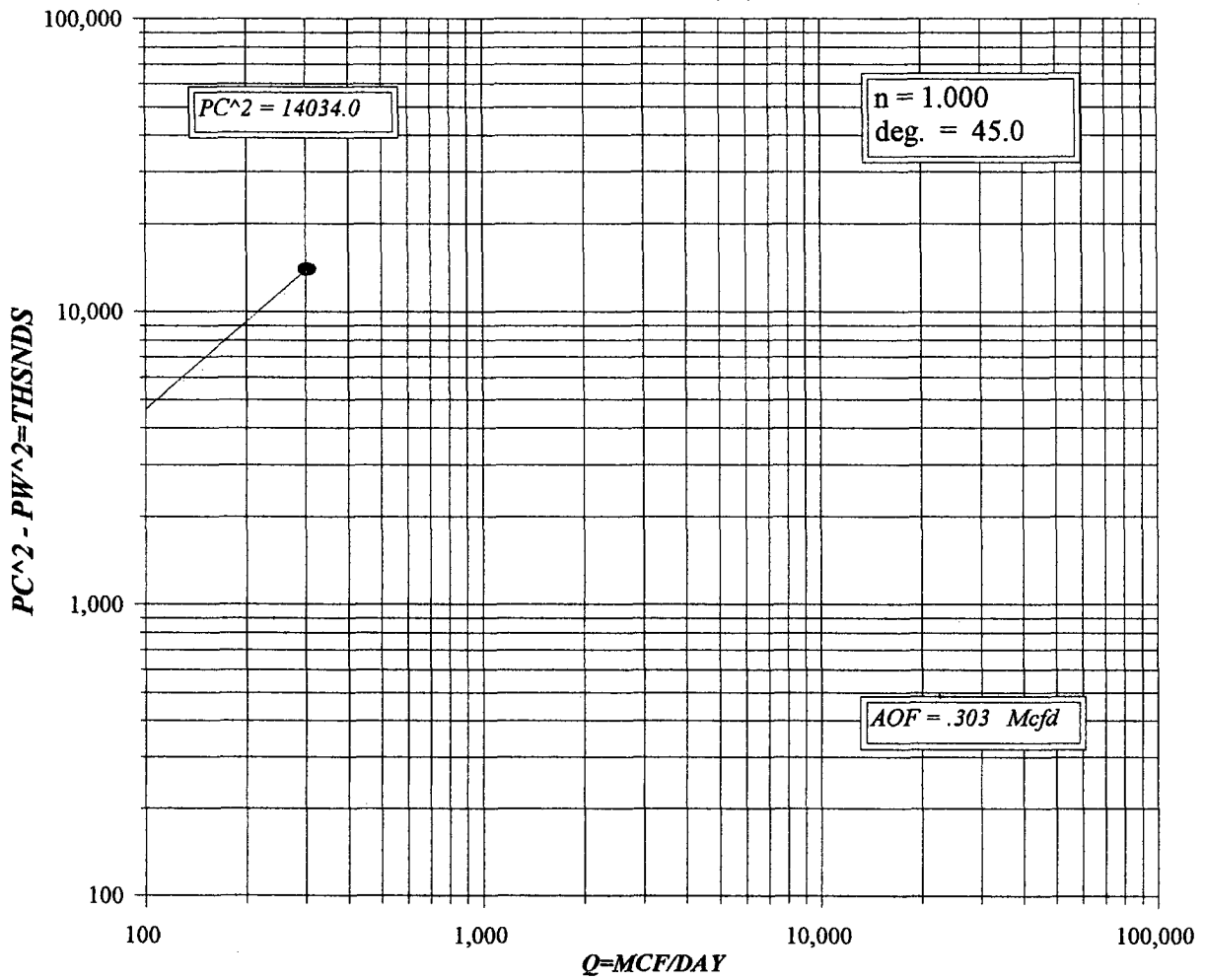
ODDARTESIA

30-OK-21154

MULTIPOINT AND ONE POINT BACK PRESSURE TEST FOR GAS WELL

Operator LATIGO					Lease or Unit Name BERETTA 14 ST				
Type Test ☒ Initial ☐ Annual ☐ Special					Test Date 12/14/2004		Well No. 1		
Completion Date 10/28/2004		Total Depth 12100		Plug Back TD 11630		Elevation		Unit Ltr - Sec - TWP - Rge 14 23S 26E	
Csg. Size 5 1/2	Wt. 17	d 4.892	Set At 12100	Perforations: From: 11574 To: 11590			County EDDY		
Tbg. Size 2 3/8	Wt. 4.7	d 1.995	Set At 11502	Perforations: From: To:			Pool South Carlsbad Morrow		
Type Well-Single-Bradenhead-G.G. or G.O. Multiple SINGLE				Packer Set At 11502			Formation MORROW		
Producing Thru TUBING		Reservoir Temp. 181		Mean Annual Temp. 60		Baro. Press.-P _a 13.2		Connection SALES	
L 11502	H 11502	Gg 0.7	%CO ₂ 9.838	%N ₂ 6.931	%H ₂ S N/A	Prover N/A	Meter Run 4.026	Taps FLG	
FLOW DATA					TUBING DATA			CASING DATA	
No.	Prover Line Size	Orifice x Size	Press p.s.i.g.	Diff. h _w	Temp.	Press p.s.i.g.	Temp.	Press p.s.i.g.	Temp.
SI						3733		PKR	
1	4.026 X 1.000		308.7	5.8	75	308.7		"	
2									
3									
4									
5									
RATE OF FLOW CALCULATIONS									
No.	COEFFICIENT (24 Hour)		$\sqrt{h_w P_m}$	Pressure P _m	Flow Temp. Factor Ft.	Gravity Factor F _g	Super Compress Factor F _{pv}	Rate of Flow Q, Mcfd	
1								301	
2									
3	TOTAL		FLOW	METER					
4									
5									
No.	P _r	Temp. R	T _r	Z	Gas Liquid Hydrocarbon Ratio DRY GAS Mcf bbl.				
1					A.P. I. Gravity of Liquid Hydrocarbons DRY Deg.				
2	TOTAL	FLOW	METER		Specific Gravity Separator Gas 0.7 XXXXXXXX				
3					Specific Gravity Flowing Fluid XXXXX N/A				
4					Critical Pressure 696 P.S.I.A. N/A P.S.I.A.				
5					Critical Temperature 359 R. N/A R				
P _c 3746.2 P _{c2} 14034.8					$(1) \frac{P_c^2}{P_c^2 - P_w^2} = 1.007$ $AOF = Q \left[\frac{P_c^2}{P_c^2 - P_w^2} \right]^n = 0.303$ $(2) \left[\frac{P_c^2}{P_c^2 - P_w^2} \right]^n = 1.007$				
No.	P _t ²	P _w	P _w ²	P _c ² - P _w ²					
1		314.9	99.2	13934.8					
2									
3									
5									
Absolute Open Flow 303 Mcfd @ 15.025					Angle of Slope (°): 45		Slope, n: 1.000		
Remarks: NO LIQUID MADE DURING TEST.									
Approved By Division:			Conducted By: PRO WELL TESTING		Calculated By: MERV BUECKER			Checked By: BM	

LATIGO
BERETTA "14" ST. # 1



COMPANY : LATIGO

LEASE : BERETTA 14 ST. WELL NO. : 1

Pc = 3746.2 Pc2 = 14034.0

UNIT : SECTION : 14 TOWNSHIP : 23S

L : 11502 H : 11502 L/H : 1 G/GMIX : 0.700

Pt2 = 95.3 Pw = 314.9

%CO2 : 9.838 %N2 : 6.931 H2S : DATE : 12/14/04

0.0 #DIV/0!

d : 1.995 Fr : 0.018231 GH : 8051.4 RANGE : 26E

0.0 #DIV/0!

0.0 #DIV/0!

VOL 1 : 301 PSIA 1 : 308.7 RESV.TEMP 189.0

Pc2-Pw2= ##### Pw2 = 99.2

VOL 2 : PSIA 2 :

#DIV/0! #DIV/0!

VOL 3 : PSIA 3 :

#DIV/0! #DIV/0!

VOL 4 : PSIA 4 :

#DIV/0! #DIV/0!

PCR : 696

n = 1.000

TCR : 359

Pc2/(Pc2-Pw2) = 1.007

LINE RATE 1 RATE 2 RATE 3 RATE 4

#DIV/0!

1ST 2ND 1ST 2ND 1ST 2ND 1ST 2ND

#DIV/0!

#DIV/0!

1 QM 0.301 0.301 0.000 0.000 0.000 0.000 0.000 0.000

2 TW 534 534 534 534 534 534 534 534

3 Ts 649.0 649.0 649.0 649.0 649.0 649.0 649.0 649.0

4 T 591.5 591.5 591.5 591.5 591.5 591.5 591.5 591.5

PR (est) 0.44 0.00 0.00 0.00 0.00 0.00 0.00 0.00

5 Z(est) 0.944 0.939 #DIV/0! #DIV/0! #DIV/0! #DIV/0! #DIV/0! #DIV/0!

6 TZ 558.6 555.6 #DIV/0! #DIV/0! #DIV/0! #DIV/0! #DIV/0! #DIV/0!

7 GH/TZ 14.414 14.492 #DIV/0! #DIV/0! #DIV/0! #DIV/0! #DIV/0! #DIV/0!

8 eS 1.717 1.722 #DIV/0! #DIV/0! #DIV/0! #DIV/0! #DIV/0! #DIV/0!

9 I-e-S 0.418 0.419 #DIV/0! #DIV/0! #DIV/0! #DIV/0! #DIV/0! #DIV/0!

10 Pt 308.7 308.7 0.0 0.0 0.0 0.0 0.0 0.0

11 P12 /1000 95.3 95.3 0.0 0.0 0.0 0.0 0.0 0.0

12 Fr 0.018231 0.018231 0.018231 0.018231 0.018231 0.018231 0.018231 0.018231

13 Fc=FrTZ 10.183 10.128 #DIV/0! #DIV/0! #DIV/0! #DIV/0! #DIV/0! #DIV/0!

14 FcQm 3.07 3.05 #DIV/0! #DIV/0! #DIV/0! #DIV/0! #DIV/0! #DIV/0!

15 L/H(FcQm) 9.4 9.3 #DIV/0! #DIV/0! #DIV/0! #DIV/0! #DIV/0! #DIV/0!

16 Fw 3.92322 3.896847 #DIV/0! #DIV/0! #DIV/0! #DIV/0! #DIV/0! #DIV/0!

17 Pw2 99.2 99.2 #DIV/0! #DIV/0! #DIV/0! #DIV/0! #DIV/0! #DIV/0!

18 Ps2 170.4 170.8 #DIV/0! #DIV/0! #DIV/0! #DIV/0! #DIV/0! #DIV/0!

19 Ps 412.7 413.3 #DIV/0! #DIV/0! #DIV/0! #DIV/0! #DIV/0! #DIV/0!

20 P 360.7 361.0 #DIV/0! #DIV/0! #DIV/0! #DIV/0! #DIV/0! #DIV/0!

21 Pr 0.52 0.52 #DIV/0! #DIV/0! #DIV/0! #DIV/0! #DIV/0! #DIV/0!

22 Tr 1.65 1.65 1.65 1.65 1.65 1.65 1.65 1.65

23 Z 0.939 0.939 #DIV/0! #DIV/0! #DIV/0! #DIV/0! #DIV/0! #DIV/0!

[Pc2/Pc2-Pw2]n = 1.007

#DIV/0!

#DIV/0!

#DIV/0!

AOF= Q 0.303

#DIV/0!

#DIV/0!

#DIV/0!

FORM C122-D



Laboratory Services, Inc.
2609 West Marland
Hobbs, New Mexico 88240
Telephone: (505) 397-3713

FOR: Pro Well Testing & Wireline
P.O. Box 791
Hobbs, New Mexico 88241

SAMPLE: IDENTIFICATION Beretta 14 St. #1
COMPANY: Latigo
LEASE:
PLANT:

SAMPLE DATA: DATE SAMPLED 11/19/04
ANALYSIS DATE: 11/23/04
PRESSURE - PSIG 300
SAMPLE TEMP. °F 68
ATMOS. TEMP. °F 56

REMARKS:

GAS (XX) LIQUID ()
SAMPLED BY: Merv Buecker
ANALYSIS BY: Vickie Biggs

COMPONENT ANALYSIS

COMPONENT	MOL PERCENT	GPM
Hydrogen Sulfide (H2S)		
Nitrogen (N2)	6.931	
Carbon Dioxide (CO2)	9.838	
Methane (C1)	80.862	
Ethane (C2)	1.513	0.430
Propane (C3)	0.178	0.049
I-Butane (IC4)	0.044	0.014
N-Butane (NC4)	0.032	0.010
I-Pentane (IC5)	0.015	0.005
N-Pentane (NC5)	0.010	0.004
Hexane Plus (C6+)	0.477	0.207
	100.000	0.719
BTU/CU.FT. - DRY	876	MOLECULAR WT. 20.3084
AT 14.650 DRY	873	
AT 14.650 WET	858	
AT 14.73 DRY	878	
AT 14.73 WET	863	
SPECIFIC GRAVITY -		
CALCULATED	0.700	
MEASURED		