

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

State of New Mexico  
Energy Minerals and Natural Resources

Form C-101  
May 27, 2004

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

Submit to appropriate District Office

☐ AMENDED REPORT

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

Operator Name and Address LATIGO PETROLEUM, LLC. 550 WEST TEXAS SUITE 700 MIDLAND, TEXAS 79701		2 OGRID Number 227001
Property Code 34291		Property Name TWO MARKS "36" STATE
Proposed Pool 1 SWD WELL IN DEVONIAN		Proposed Pool 2

UL or lot no. 0	Section 36	Township 21S	Range 24E	Lot Idn	Feet from the 670'	North/South line SOUTH	Feet from the 1905'	East/West line EAST	County EDDY
--------------------	---------------	-----------------	--------------	---------	-----------------------	---------------------------	------------------------	------------------------	----------------

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
---------------	---------	----------	-------	---------	---------------	------------------	---------------	----------------	--------

Work Type Code N	Well Type Code S	Cable/Rotary ROTARY	Lease Type Code S	Ground Level Elevation
Multiple NO	Proposed Depth 12,200'	Formation DEVONIAN	Contractor NABORS RIG # 311	Spud Date WHEN APPROVED
Depth to Groundwater 100' +		Distance from nearest fresh water well 1.5Mi SW		Distance from nearest surface water Little Walt Canyon 1 Mi.
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 mils thick Clay <input type="checkbox"/>		Pit Volume: 20M bbls		Drilling Method:
Closed-Loop System <input type="checkbox"/>		Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>		

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
26"	20"	Conductor	130'	Redi-mix	Surface
17 1/2"	13 3/8"	54.5 & 48#	1600'	1200 Sx.	Surface
12 1/2"	9 5/8"	43.5 & 40#	8200'	1550 Sx.	1400' ± FS
8 3/4"	7"	26 & 23#	11,250'	600 Sx.	TOC 8000' ±
6 1/8"	OPEN HOLE		12,200'	NA	NA

If earthen pits are used in association with the drilling of this well, an OCD pit permit must be obtained prior to pit construction.

SEE ATTACHED SHEET FOR DETAIL

RECEIVED  
APR 25 2006

Drill Only SWD order required to inject		NOTIFY OCD OF SPUD & TIME TO WITNESS CEMENTING OF SURFACE CASING	
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 <input checked="" type="checkbox"/> a general permit <input type="checkbox"/> or an (attached) alternative OCD-approved plan <input type="checkbox"/> .		OIL CONSI	
Printed name: Joe T. Janica		Approved by: BRYAN G. ARRANT	
Title: Agent		DISTRICT II GEOLOGIST	
E-mail Address: joejanica@valornet.com		Approval Date: MAY 01 2006	
Date: 04/24/06		Expiration: MAY 01 2007	
Phone: 505-391-8503		Conditions of Approval Attached <input type="checkbox"/>	

LATIGO PETROLEUM, LLC.  
TWO MARKS "36" STATE # 4  
UNIT "O" SECTION 36  
T21S-R24E EDDY CO. NM

1. Prior to arrival of rig, set 20" conductor at 130'. This will help avoid the lost circulation zones from 40-70'.
2. Air drill 17-1/2" hole to 1600', set 13-3/8" casing. Cement back to surface.
3. Drill 12-1/4" hole to 8200' with fresh water and set 9-5/8" casing. Tie cement back into the surface pipe. If there is no lost circulation in the Cisco, it may be worth considering a reduction in the hole size, and continuing to drill to the top of the Devonian; where 7" could be set. This was done in several of the offset wells, but hole cleaning could be an issue.
4. If 9-5/8" casing is set thru the Cisco, drill 8-3/4" hole to the Woodford, and set 7" casing. Mud up with an Aquapac/starch system at 8600'. Tie cement back into 9-5/8" casing.
5. Drill out 7" to TD w/ 6-1/8" bit.

THIS WELL BE COMPLETED AS A SALT WATER DISPOSAL WELL.

POSSIBLE H<sub>2</sub>S IN UPPER PENN

DISTRICT I  
1625 N. FRENCH DR., ROSS, NM 88240

State of New Mexico  
Energy, Minerals and Natural Resources Department

DISTRICT II  
1301 W. GRAND AVENUE, ARTESIA, NM 88210

OIL CONSERVATION DIVISION  
1220 SOUTH ST. FRANCIS DR.  
Santa Fe, New Mexico 87505

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV  
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code 96101	Pool Name SWD; Devonian
Property Code	Property Name TWO MARKS 36 STATE	Well Number 4
OGRID No. 227001	Operator Name LATIGO PETROLEUM, INC.	Elevation 3719'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	36	21-S	24-E		670	SOUTH	1905	EAST	EDDY

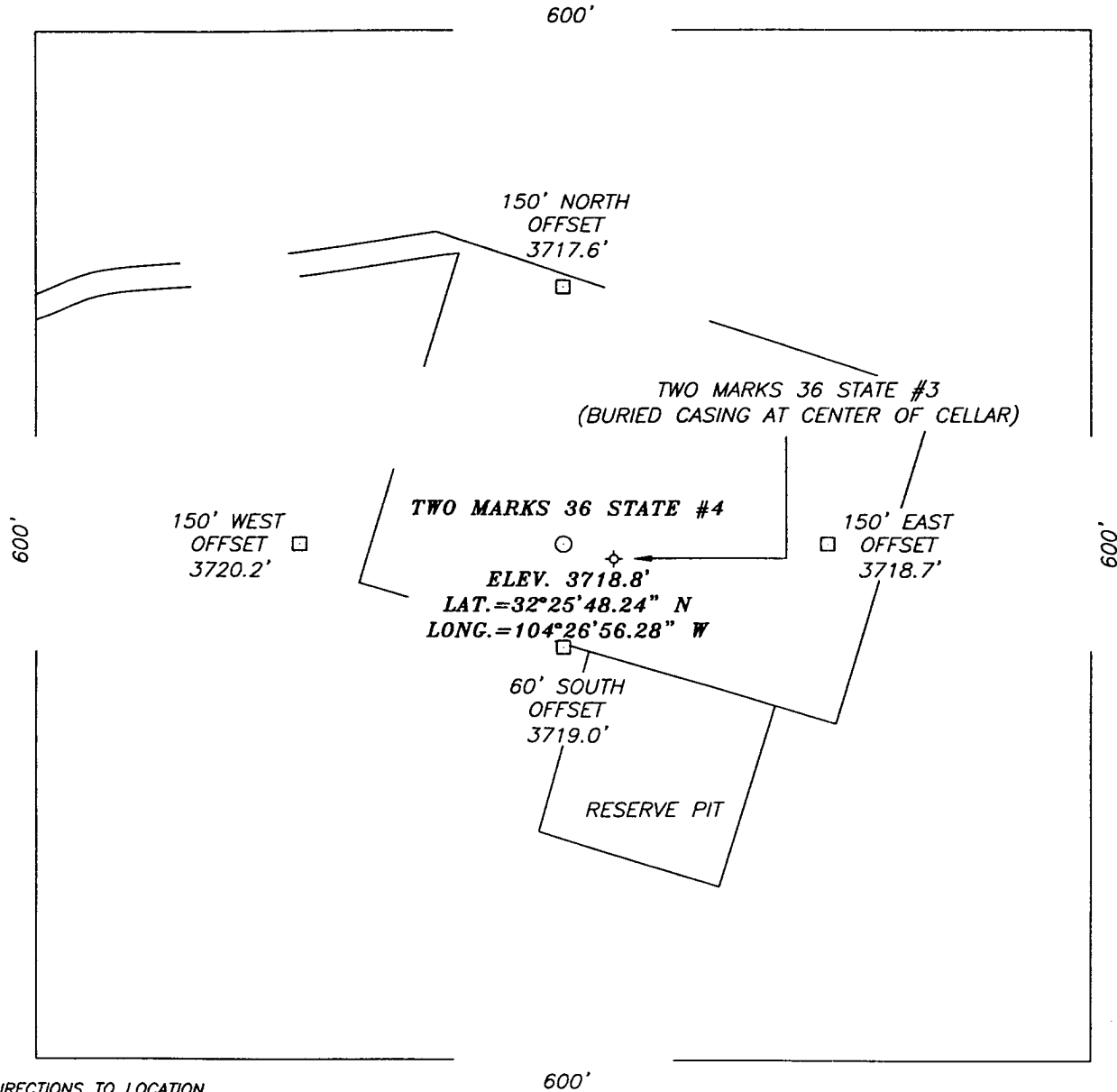
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.						

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

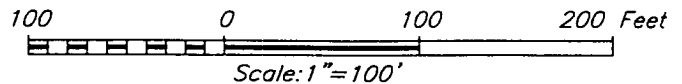
	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Joe T. Janica</i> 04/21/06 Signature Date</p> <p>Joe T. Janica Printed Name</p> <p>Agent</p>	
	<p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>APRIL 18, 2006</p> <p>Date Surveyed MR</p> <p>Signature &amp; Seal of Professional Surveyor</p> <p><i>Gary A. Eidson</i> 4/20/06 06.11.0670</p> <p>Certificate No. GARY EIDSON 12641</p>	

**SECTION 36, TOWNSHIP 21 SOUTH, RANGE 24 EAST, N.M.P.M.,**  
 EDDY COUNTY, NEW MEXICO



**DIRECTIONS TO LOCATION**

FROM THE INTERSECTION OF U.S. HWY. #285 (SEVEN RIVERS HWY.) AND CO. RD. #406 (WATER HOLE RD.), GO SOUTHWEST ON CO. RD. #406 APPROX. 1.98 MILES. TURN LEFT AND GO SOUTHWEST APPROX. 4.1 MILES. TURN RIGHT AND GO EAST APPROX. 0.25 MILES. VEER LEFT AND GO SOUTHEAST APPROX. 0.25 MILES. VEER RIGHT AND GO NORTHEAST APPROX. 0.3 MILES. TURN LEFT AND GO SOUTHWEST APPROX. 150 FEET TO A "Y" INTERSECTION. TURN RIGHT AT "Y" AND GO SOUTHWEST APPROX. 0.13 MILES. TURN HARD RIGHT AND GO NORTHEAST APPROX. 0.6 MILES. TURN RIGHT AND GO EAST APPROX. 0.25 MILES. TURN LEFT AND GO EAST-NORTHEAST APPROX. 0.35 MILES TO THE NORTHEAST CORNER OF THE TWO MARKS 36 ST. #3 WELL PAD. THIS LOCATION IS APPROX. 30 FEET WEST OF THE TWO MARKS 36 STATE #3.



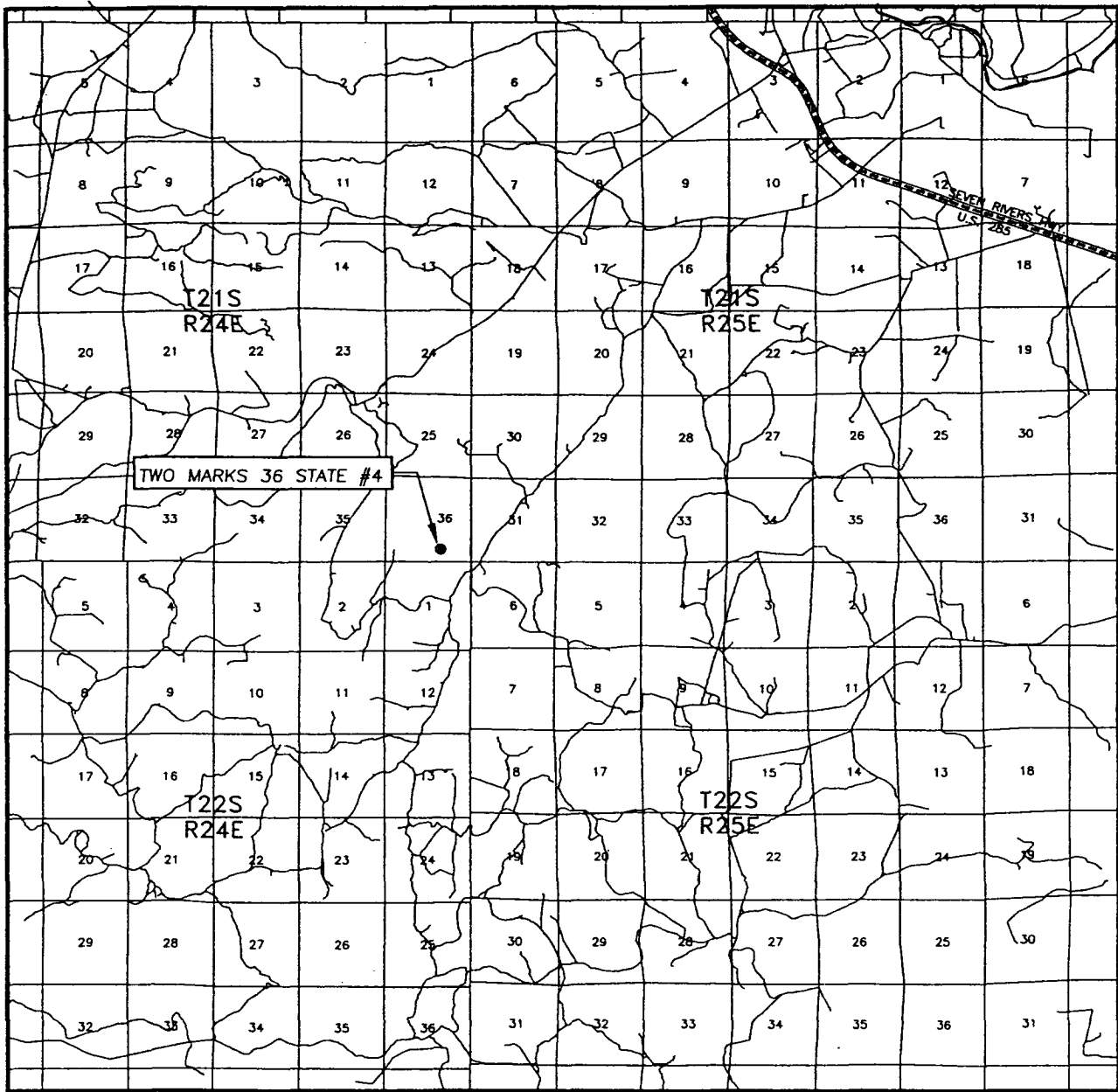
**LATIGO PETROLEUM, INC.**

TWO MARKS 36 STATE #4  
 LOCATED 670 FEET FROM THE SOUTH LINE  
 AND 1905 FEET FROM THE EAST LINE OF SECTION 36,  
 TOWNSHIP 21 SOUTH, RANGE 24 EAST, N.M.P.M.,  
 EDDY COUNTY, NEW MEXICO.

**PROVIDING SURVEYING SERVICES SINCE 1946**  
**JOHN WEST SURVEYING COMPANY**  
 412 N. DAL PASO  
 HOBBS, N.M. 88240  
 (505) 393-3117

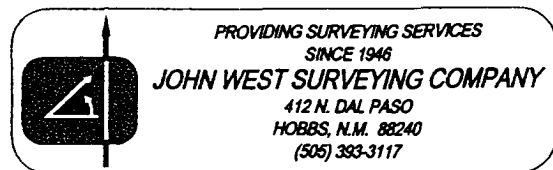
Survey Date: 04/18/06	Sheet 1 of 1 Sheets
W.O. Number: 06.11.0670	Dr By: M.R.
Date: 04/20/06	Disk: CD#6
06110670	Scale: 1"=100'

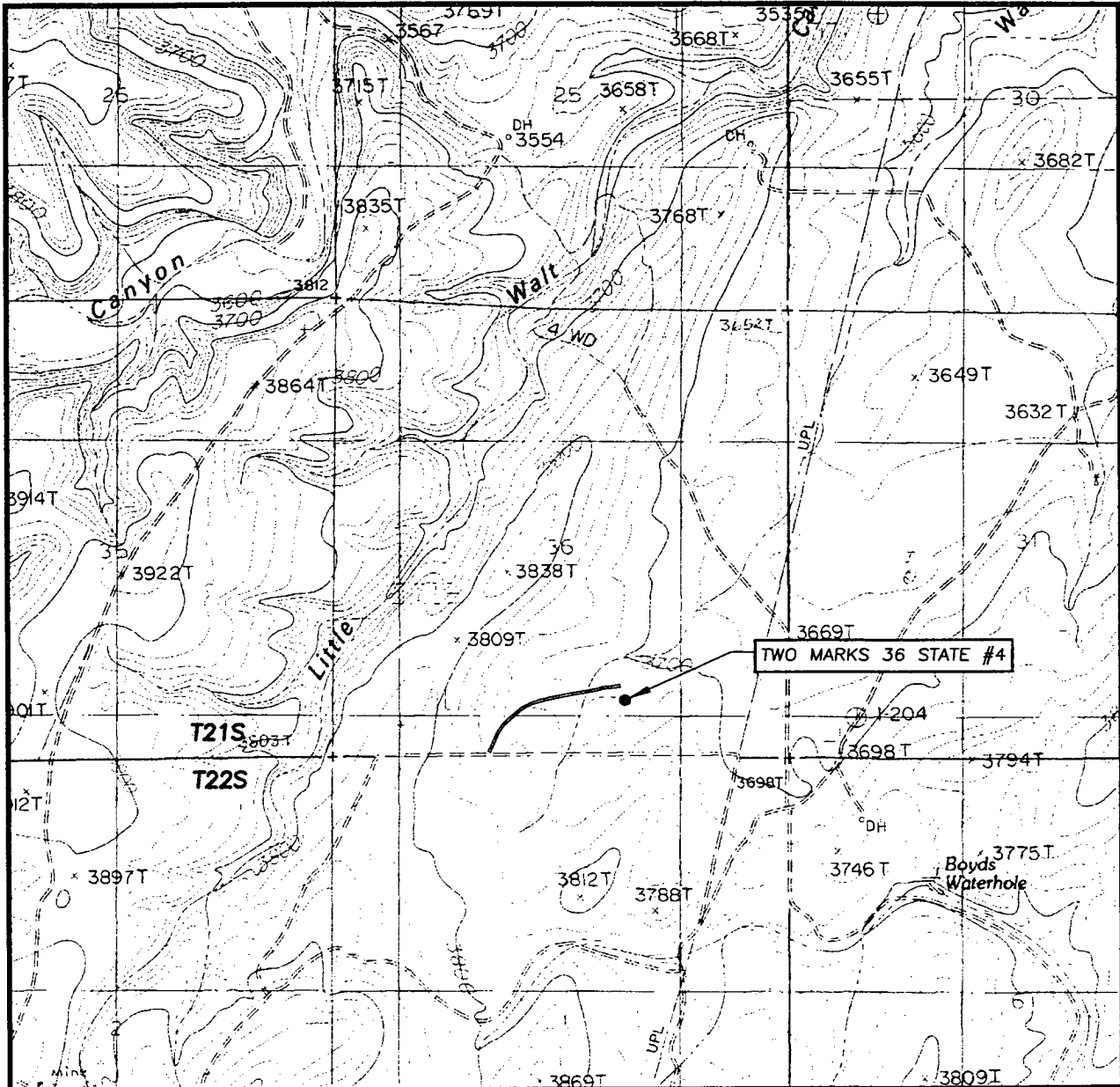
# VICINITY MAP



SCALE: 1" = 2 MILES

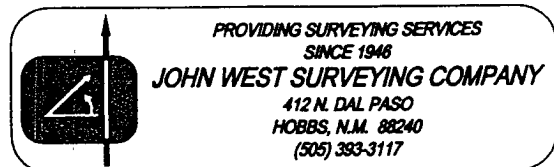
SEC. 36 TWP. 21-S RGE. 24-E  
 SURVEY N.M.P.M.  
 COUNTY EDDY STATE NEW MEXICO  
 DESCRIPTION 670' FSL & 1905' FEL  
 ELEVATION 3719'  
 OPERATOR LATIGO PETROLEUM, INC.  
 LEASE TWO MARKS 36 STATE





CONTOUR INTERVAL:  
AZOTEA PEAK, N.M. - 20'

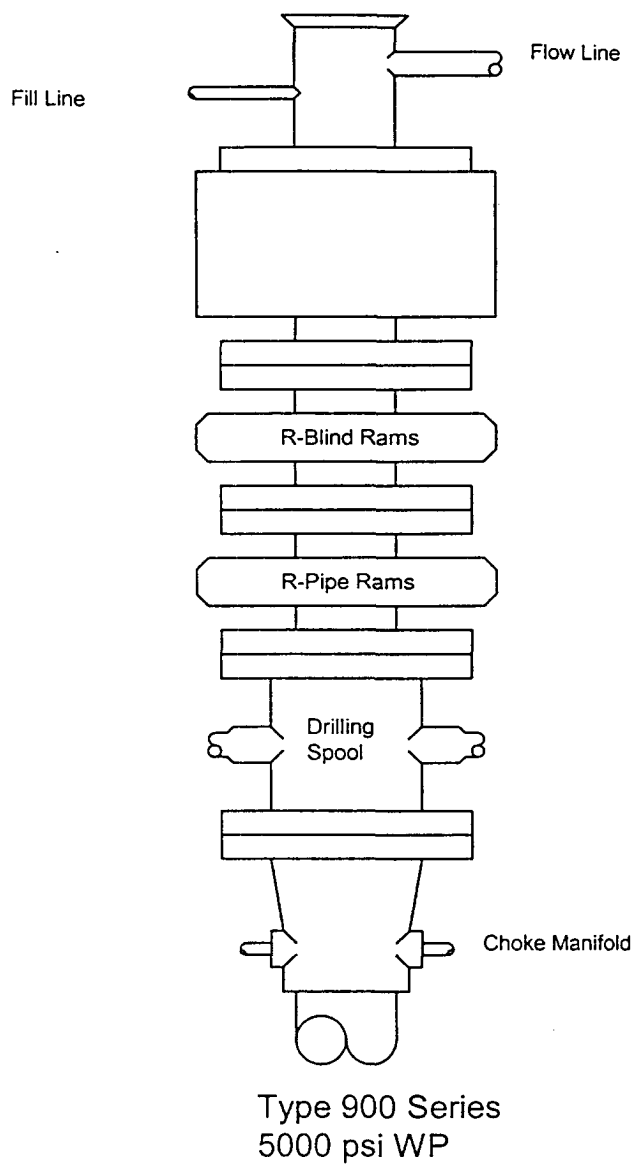
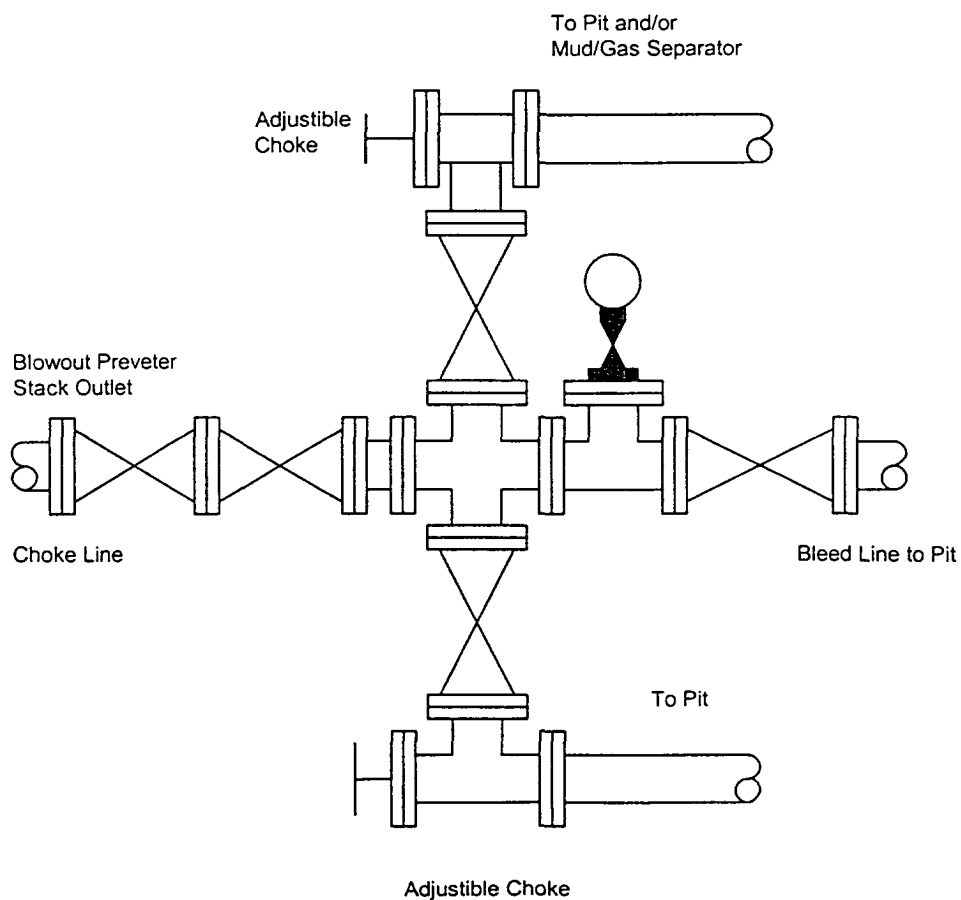
U.S.G.S. TOPOGRAPHIC MAP  
AZOTEA PEAK, N.M.



# BLOWOUT PREVENTER SYSTEM

5000 PSI

## Choke Manifold Assembly for 5M WP System



LATIGO PETROLEUM, LLC.  
HYDROGEN SULFIDE CONTINGENCY  
PLAN FOR DRILLING  
TWO MARKS "36" STATE # 4

---

This well and its anticipated facility are not expected to have Hydrogen Sulfide releases. However, there may be Hydrogen Sulfide production in the nearby area. There are no private Residences in the area but a contingency plan has been orchestrated. LATIGO PETROLEUM, LLC. will have a Company Representative living on location through out the drilling of this well. An un-manned H<sub>2</sub>S safety trailer and monitoring equipment will also be station on location during the drilling operation below the Surface Casing depth of  $\pm$  1600FT. until the completion of the subject well at  $\pm$  12,200FT.



LATIGO PETROLEUM, LLC.  
HYDROGEN SULFIDE CONTINGENCY  
PLAN FOR DRILLING  
TWO MARKS "36" STATE # 4

TABLE OF CONTENTS

COVER PAGE AND REASONING	page 1
GENERAL EMERGENCY PLAN	page 3
EMERGENCY PROCEDURE FOR UNCONTROLLED RELEASES OF H <sub>2</sub> S	page 3-4
EMERGENCY NUMBERS AND	page 4-5
PRODUCTION OF THE GENERAL RADIUS OF EXPOSURE (ROE)	page 6
PUBLIC EVACUATION PLAN	page 6-7
PROCEDURE FOR IGNITING AN UNCONTROLLABLE CONDITION:	
PRECEDURE FOR IGNITION	page 7
REQUIRED EMERGENCY EQUIPMENT	page 8
USING SELF CONTAINED BREATHING AIR EQUIPMENT ( SCBA)	page 9
RESCUE & FIRST AID FOR VICTIMS OF HYDROGEN SULFIDE (H <sub>2</sub> S) POISONING	page 9-10
H <sub>2</sub> S TOXIC EFFECTS	page 11
H <sub>2</sub> S PHYSICAL EFFECTS	page 11
LOCATION MAP	page 12-13

**LATIGO PETROLEUM, LLC.  
HYDROGEN SULFIDE CONTINGENCY  
PLAN FOR DRILLING  
TWO MARKS "36" STATE # 4**

**General H2S Emergency Actions:**

1. All personnel will immediately evacuate to an up-wind and if possible up-hill "safe area"
2. If for any reason a person must enter the hazardous area, they must wear a SCBA (Self Contained Breathing Apparatus)
3. Always use the "buddy system"
4. Isolate the well/problem if possible
5. Account for all personnel
6. Display the proper colors warning all unsuspection personnel of the danger at hand.
7. Contact the Company personnel as soon as possible if not at the location. ( use the enclosed call list as instructed

**At this point the company representative will evaluate the situation and coordinate the necessary duties to bring the situation under control, and if necessary, the notification of the emergency response agencies and nearby residents.**

**EMERGENCY PROCEDURES FOR AN UNCONTROLLABLE RELEASE OF H2S**

1. All personnel will don the self contained breathing apparatus.
2. Remove all personnel to the "safe area". ( always use the buddy system).
3. Contact company personnel if not on location.
4. Set in motion the steps to protect and or remove the general public to an upwind "safe area". Maintain strict security & safety procedures while dealing with the source.
5. No entry to any unauthorized personnel.
6. Notify the appropriate agencies: City Police-City Street (s)  
State Police- State Rd  
County Sheriff – County Rd.
7. Call the NMOCD

LATIGO PETROLEUM, LLC.  
HYDROGEN SULFIDE CONTINGENCY  
PLAN FOR DRILLING  
TWO MARKS "36" STATE # 4

If at this time the supervising person determines the release of H2S cannot be contained to the site location and the general public is in harms way he will take the necessary steps to protect the workers and the public.

EMERGENCY CALL LIST: ( Start and continue until ONE of these people have been contacted)

	OFFICE	MOBIL	HOME
LATIGO PETROLEUM, LLC.	432-684-4293		
PHILLIP SMITH	432-684-4293	432-557-1800	
JOE CLEMENT	432-684-4293	432-894-2642	432-684-9561
BRUCE WOODARD	432-684-4293	432-894-2460	432-697-6243
MARK ELLIOT	432-684-4293	432-296-2231	
GENE LEE		505-626-4292	
NABORS RIG 311		432-664-8884	
NABORS DRILLING SUPT. BILL DAVIS		432-664-9991	

EMERGENCY RESPONSE NUMBERS:

State Police:	Eddy County		505 748 9718
State Police:	Lea County		505 392 5588
Sheriff	Eddy County		505 746 2701
Sheriff	Lea County		
Emergency Medical Ser	Eddy County		911 or 505 746 2701
(Ambulance)	Lea County	Eunice	911 or 505 394 3258
Emergency Response	Eddy County SERC		505 476 9620
	Lea County		
Artesia Police Dept			505 746 5001
Artesia Fire Dept			505 746 5001

LATIGO PETROLEUM, LLC.  
HYDROGEN SULFIDE CONTINGENCY  
PLAN FOR DRILLING  
TWO MARKS "36" STATE # 4

Carlsbad Police Dept		505 885 2111
Carlsbad Fire Dept		505 885 3125
Loco Hills Police Dept		505 677 2349
Jal Police Dept		505 395 2501
Jal Fire Dept		505 395 2221
Jal ambulance		505 395 2221
Eunice Police Dept		505 394 0112
Eunice Fire Dept		505 394 3258
Eunice Ambulance		505 394 3258
Hobbs Police Dept		
NMOCD	District 1 (Lea, Roosevelt, Curry)	505 393 6161
	District 2 ( Eddy Chavez)	505 748 1283
Lea County Information		505 393 8203
Callaway Safety	Lea/Eddy County	505 392 2973
BJ Services	Artesia	505 746 3140
	Hobbs	505 392 5556
Halliburton	Artesia	1 800 523 2482
	Hobbs	1 800 523 2482
Wild Well Control	Midland	432 550 6202
	Mobile	432 553 1166

LATIGO PETROLEUM, LLC.  
HYDROGEN SULFIDE CONTINGENCY  
PLAN FOR DRILLING  
TWO MARKS "36" STATE # 4

**PROTECTION OF THE GENERAL PUBLIC ( ROE):**

- 100 ppm at any public area ( any place not associated with this site)
- 500 ppm at any public road ( any road which the general public may travel)
- 100 ppm radius of ¼ mile in New Mexico will be assumed if there is insufficient data to do the calculations, and there is a reasonable expectation that H2S could be present in concentrations greater than 100 ppm in the gas mixture

**CALCULATIONS FOR THE 100 PPM (ROE) "Pasquill-Gifford equation"**

$X = [(1.589) (\text{mole fraction}) (Q\text{-volume in std cu ft})] \text{ to the power of } (0.6258)$

**CALCULATION FOR THE 500 PPM ROE:**

$X = [(.4546) (\text{mole fraction}) (Q\text{-volume in std cu ft})] \text{ to the power of } (0.6258)$

**Example:**

If a well/facility has been determined to have 150 / 500 ppm H2S in the gas mixture and the well/facility is producing at a gas rate of 100 MCFPD then:

150 ppm  $X = [(1.589) (.00015) (100,000 \text{ cfd})] \text{ to the power of } (.6258)$   
 $X = 7 \text{ ft}$

500 ppm  $X = [(.4546) (.0005) (100,000 \text{ cfd})] \text{ to the power of } (.6258)$   
 $X = 3.3 \text{ ft.}$

**( These calculations will be forwarded to the appropriate District NMOCD office when Applicable)**

**PUBLIC EVACUATION PLAN:**

- 1. Notification of the emergency response agencies of the hazardous condition and implement evacuation procedures.
- A trained person in H2S safety, shall monitor with detection equipment the H2S concentration, wind and area exposure (ROE). This person will determine the outer perimeter of the hazardous area. The extent of the evacuation area will be determined from the data being collected. Monitoring shall continue until the situation has been resolved. ( All monitoring equipment shall be UL approved, for use in class 1

**LATIGO PETROLEUM, LLC.**  
**HYDROGEN SULFIDE CONTINGENCY**  
**PLAN FOR DRILLING**  
**TWO MARKS "36" STATE # 4**

groups A,B,C &D, Division 1, hazardous locations. All monitor will have a minimum capability of measuring H<sub>2</sub>S , oxygen, and flammable values).

- Law enforcement shall be notified to set up necessary barriers and maintain such for the duration of the situation as well as aid in the evacuation procedure.
- The company supervising personnel shall stay in communication with all agencies through out the duration of the situation and inform such agencies when the situation has been contained and the effected area(s) is safe to enter.

**PROCEDURE FOR IGNITING AN UNCONTROLABLE CONDITION:**

- 1. Human life and/or property are in danger
- 2. There is no hope of bringing the situation under control with the prevailing conditions at the site.

**INSTRUCTION FOR IGNITION:**

- 1. Two people are required. They must be equipped with positive pressure, self contained breathing apparatus and a "D" ring style full body, OSHA approved safety harness. Non flammable rope will be attached.
- 2. One of the people will be qualified safety person who will test the atmosphere for H<sub>2</sub>S, Oxygen & LFL. The other person will be the company supervisor; he is responsible for igniting the well.
- 3. Ignite up wind from a distance no closer than necessary. Make sure that where you ignite from has the maximum escape avenue available. A 25 mm flare gun shall be used, with a ± 500 ft. range to ignite the gas.
- 4. Prior to ignition, make a final check for combustible gases.
- 5. Following ignition, continue with the emergency actions & procedures as before.

**LATIGO PETROLEUM, LLC.**  
**HYDROGEN SULFIDE CONTINGENCY**  
**PLAN FOR DRILLING**  
**TWO MARKS "36" STATE # 4**

**REQUIRED EMERGENCY EQUIPMENT:**

- **1. Breathing apparatus:**
  - Rescue Packs (SCBA) – 1 unit shall be placed at each breathing area, 2 shall be stored in the safety trailer.
  - Work/Escapes packs – 4 packs shall be stored on the rig floor with sufficient air hose not to restrict work activity.
  - Emergency Escape Packs – 4 packs shall be stored in the doghouse for emergency evacuation.
- **2. Signage & Flagging:**
  - One color code condition sign will be placed at the entrance to the site reflecting the possible conditions at the site.
  - A colored condition flag will be on display, reflecting the condition at the site at the time.
- **3. Briefing Area:** two perpendicular areas will be designated by signs and readily accessible.
- **4. Wind Socks:** Two wind socks will be placed in strategic locations, visible from all angles.
- **5. H<sub>2</sub>S detectors and alarms:** The stationary detector with three sensors will be placed in the upper dog house if equipped, set to visually alarm @ 10 ppm and audible @ 14 ppm. Calibrate a minimum of every 30 days or as needed. The sensors will be placed in the following places: ( Gas sample tubes will be stored in the safety trailer)
  - Rig Floor
  - Bell Nipple
  - End of Flow line or where well bore fluid are being discharged.
- **6. Auxiliary Rescue Equipment:**
  - Stretcher
  - Two OSHA full body harness
  - 100 ft 5/8 inch OSHA approved rope

**LATIGO PETROLEUM, LLC.**  
**HYDROGEN SULFIDE CONTINGENCY**  
**PLAN FOR DRILLING**  
**TWO MARKS "36" STATE # 4**

- 1-20# class ABC fire extinguisher
- Communication via cell phones on location and vehicles on location.

**USING SELF CONTAINED BREATHING AIR EQUIPMENT (SCBA):**

- (SCBA) SHOULD BE WORN WHEN ANY OF THE FOLLOWING ARE PERFORMED:
  - Working near the top or on top of a tank
  - Disconnecting any line where H<sub>2</sub>S can reasonably be expected
  - Sampling air in the area to determine if toxic concentrations of H<sub>2</sub>S exist.
  - Working in areas where over 10 ppm on H<sub>2</sub>S has been detected.
  - At any time there is a doubt as to the level of H<sub>2</sub>S in the area.
- All personnel shall be trained in the use of SCBA prior to working in a potentially hazardous location.
- Facial hair and standard eyeglasses are not allowed with SCBA.
- Contact lenses are never allowed with SCBA.
- Air quality shall be continuously be checked during the entire operation.
- After each use, the SCBA unit shall be cleaned, disinfected, serviced and inspected
- All SCBA shall be inspected monthly.

**RESCUE AND FIRST AID FOR VICTIMS OF HYDROGEN SULFIDE (H<sub>2</sub>S) POISONING:**

- Do not panic
- Remain Calm & think
- Get on the breathing apparatus



LATIGO PETROLEUM, LLC.  
HYDROGEN SULFIDE CONTINGENCY  
PLAN FOR DRILLING  
TWO MARKS "36" STATE # 4

- Remove the victim to the safe breathing area as quickly as possible. Up wind an uphill from source or cross wind to achieve upwind.
- Notify emergency response personnel.
- Provide artificial respiration and or CPR, as necessary
- Remove all contaminated clothing to avoid further exposure.
- A minimum of two personnel on location shall be trained in CPR and First Aid.

**LATIGO PETROLEUM, LLC.**  
**HYDROGEN SULFIDE CONTINGENCY**  
**PLAN FOR DRILLING**  
**TWO MARKS "36" STATE # 4**

## HYDROGEN SULFIDE TOXIC EFFECTS

H<sub>2</sub>S is extremely toxic. The acceptable ceiling for eight hours of exposure is 10 ppm, which is .001% by volume. H<sub>2</sub>S is approximately 20% heavier than air (Sp. Gr= 1.19)(Air = 1) and colorless. It forms an explosive mixture with air between 4.3% and 46%. By volume hydrogen sulfide is almost as toxic as hydrogen cyanide and is 5-6 times more toxic than carbon monoxide.

Various Gases

COMMON NAME	CHEMICAL ABBREV.	SPECIFIC GRVTY.	THRESHOLD LIMITS	HAZARDOUS LIMITS	LETHAL CONCENTRATIONS
Hydrogen Sulfide	H <sub>2</sub> S	1.19	10ppm 15 ppm	100 ppm/hr	600 ppm
Hydrogen Cyanide	HCN	0.94	10 ppm	150 ppm/hr	300 ppm
Sulfur Dioxide	SO <sub>2</sub>	2.21	2 ppm	N/A	1000 ppm
Chlorine	CL <sub>2</sub>	2.45	1 ppm	4 ppm/hr	1000 ppm
Carbon Monoxide	CO	0.97	50 ppm	400 ppm/hr	1000 ppm
Carbon Dioxide	CO <sub>2</sub>	1.52	5000 ppm	5%	10%
Methane	CH <sub>4</sub>	0.55	90,000	Combustible @ 5%	N/A

**Threshold limit:** Concentrations at which it is believed that all workers may be repeatedly exposed, day after day without adverse effects.

**Hazardous Limit:** Concentrations that may cause death

**Lethal**

**Concentrations:** Concentrations that will cause death with short term exposure

**Threshold limit -**

10 ppm: NIOSH guide to chemical hazards

## PHYSICAL EFFECTS OF HYDROGEN SULFIDE:

CONCENTRATION	PHYSICAL EFFECTS
.001% 10 PPM	Obvious and unpleasant odor. Safe for 8 hr exposure
.005% 50 ppm	Can cause some flu like symptoms and can cause pneumonia
.01% 100 ppm	Kills the sense of smell in 3-15 minutes. May irritate the eyes and throat.
.02% 200 ppm	Kills the sense of smell rapidly. Severly irritates the eyes and throat. Severe flu like symptoms after 4 or more ours. May cause lung damage and or death.
.06% 600 ppm	Loss of consciousness quickly, death will result if not rescued promptly.



Fasken Center Tower II • 550 W. Texas, Suite 700 • Midland, Texas 79701 • 432-684-4293 • 432-684-0829 FAX

*VIA CERTIFIED MAIL / RETURN RECEIPT REQUESTED*

May 1, 2006

Donald W. Gregory  
617 Queen Route  
Carlsbad, New Mexico 88220

Re: **Notification of Intent to Inject -**  
**Two Marks "36" State #4**  
**UL O; 670' FSL & 1905' FEL; Sec 36-T21S-R24E**  
**Eddy County, New Mexico**

Dear Mr. Gregory:

Latigo Petroleum Texas, L.P. has submitted an application to the New Mexico Oil Conservation Division requesting authority to inject water into the above well.

The New Mexico Oil Conservation Division requires that all surface owners and leasehold operators within a one-half mile radius of the proposed injection well be sent copies of the Application for Authority to Inject. In compliance with this requirement, you will find copies of the application attached to this letter.

Any objections or requests for hearings must be filed with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505. If any questions arise concerning this matter, please contact me at (432) 684 - 4293.

Sincerely,

A handwritten signature in cursive script that reads "Lisa Hunt".

Lisa Hunt  
Regulatory Analyst

Attachments

FASKEN CENTER, TOWER II  
550 WEST TEXAS, STE 700  
MIDLAND, TX 79701  
Phone: 432.684.4293  
Fax: 432.684.0829

**LATIGO**  
Petroleum, Inc.

# Fax

To: Brian Arrant From: Lisa Hunt  
Fax: 505-748-9720 Pages: 15  
Phone: \_\_\_\_\_ Date: 5.1.06  
Re: Two Marks 36 State # 4

☐ Urgent ☐ For Review ☐ Please Comment ☐ Please Reply ☐ Please Recycle

• Comments:

Brian,  
I just faxed this to Will Jones.  
Please let me know when the APB  
is approved because they are moving  
the rig today. Thanks for all  
your help! Lisa Hunt

**APPLICATION FOR AUTHORIZATION TO INJECT**

I. PURPOSE : \_\_\_\_\_ Secondary Recovery \_\_\_\_\_ Pressure Maintenance   X   Disposal \_\_\_\_\_ Storage  
Application qualifies for administrative approval?   X   Yes \_\_\_\_\_ No

II. OPERATOR: Latigo Petroleum, Inc.

ADDRESS : 550 W. Texas, Suite 700 Midland TX 79701

CONTACT PARTY : Lisa Hunt

PHONE : (432)684-4293

III. WELL DATA: Complete the data required on the reverse side of this form for each well processed for injection.  
Additional sheets may be attached if necessary.

IV. Is this an expansion of an existing project? \_\_\_\_\_ Yes   X   No  
If yes, give the Division order number authorizing the project \_\_\_\_\_

V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.

VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.

VII. Attach data on the proposed operation, including:

1. Proposed average and maximum daily rate and volume of fluids to be injected;
2. Whether the system is open or closed;
3. Proposed average and maximum injection pressure;
4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and
5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).

\*VIII. Attach appropriate geological data on the injection zone including appropriate lithologic detail, geological name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.

IX. Describe the proposed stimulation program, if any.

\*X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted.)

\*XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.

XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground source of drinking water.

XIII. Applicants must complete the 'Proof of Notice' section on the reverse side of this form.

XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

NAME: Lisa Hunt

TITLE: Regulatory Analyst

SIGNATURE: \_\_\_\_\_

DATE: 04/28/2006

E-MAIL ADDRESS: lhunt@latigopetro.com

\* If the information required under Sections VI, VII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstance of the earlier submittal: \_\_\_\_\_

Side 2

**III. WELL DATA**

- A. The following well data must be submitted for each injection well covered by this application. The data must be both in tabular and schematic form and shall include:
- (1) Lease name; Well No.; Location by Section, Township, and Range; and footage location within the section.
  - (2) Each casing string used with its size, setting depth, sacks of cement used, hole size, top of cement, and how such top was determined.
  - (3) A description of the tubing to be used including its size, lining material, and setting depth.
  - (4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.
- Division District Offices have supplies of Well Data Sheets which may be used or which may be used as models for this purpose. Applicants for several identical wells may submit a "typical data sheet" rather than submitting the data for each well.
- B. The following must be submitted for each injection well covered by this application. All items must be addressed for the initial well. Responses for additional wells need be shown only when different. Information shown on schematics need not be repeated.
- (1) The name of the injection formation and, if applicable, the field or pool name.
  - (2) The injection interval and whether it is perforated or open-hole.
  - (3) State if the well was drilled for injection or, if not, the original purpose of the well.
  - (4) Give the depths of any other perforated intervals and detail on the sacks of cement or bridge plugs used to seal off such perforations.
  - (5) Give the depth to and name of the next higher and next lower oil or gas zone in the area of the well, if any.

**XIV. PROOF OF NOTICE**

All applicants must furnish proof that a copy of the application has been furnished, by certified or registered mail, to the owner of the surface of the land on which the well is to be located and to each leasehold operator within one-half mile of the well location.

Where an application is subject to administrative approval, a proof of publication must be submitted. Such proof shall consist of a copy of the legal advertisement which was published in the county in which the well is located. The contents of such advertisement must include:

- (1) The name, address, phone number, and contact party for the applicant;
- (2) The intended purpose of the injection well; with the exact location of single wells or the Section, Township, and Range location of multiple wells;
- (3) The formation name and depth with expected maximum injection rates and pressures; and
- (4) A notation that interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, NM 87505 within 15 days.

**NO ACTION WILL BE TAKEN ON THE APPLICATION UNTIL PROPER PROOF OF NOTICE HAS BEEN SUBMITTED.**

---

**NOTICE:** Surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date this application was mailed to them.

## INJECTION WELL DATA SHEET

OPERATOR: Latigo Petroleum, Inc.WELL NAME & NUMBER: Two Marks "36" State #4 P. 4WELL LOCATION: 670' FSL & 1905' FEL No. 2577

FOOTAGE LOCATION

UNIT LETTER

SECTION

TOWNSHIP

RANGE

WELLBORE SCHEMATICWELL CONSTRUCTION DATASurface CasingHole Size: 17-1/2"Casing Size: 13-3/8"Cemented with: 1200sx. orft<sup>3</sup>Top of Cement: SurfaceMethod Determined: CircIntermediate CasingHole Size: 12-1/4"Casing Size: 9-5/8"Cemented with: 1550sx. orft<sup>3</sup>Top of Cement: 1400' +Method Determined: TempProduction CasingHole Size: 8-3/4"Casing Size: 7"Cemented with: 600sx. orft<sup>3</sup>Top of Cement: 8000' +Method Determined: TempTotal Depth: 12,200"Injection Interval11,200feet to 12,200

(Perforated or Open Hole; indicated which)

# INJECTION WELL DATA SHEET

Tubing Size: 4-1/2" Lining Material: Plastic

Type of Packer: Baker Model R

Packer Setting Depth: 11,150'

Other Type of Tubing/Casing Seal (if applicable): N/A

### Additional Data

1. Is This a new well drilled for injection?   X   Yes        No

If no, for what purpose was the well originally drilled? \_\_\_\_\_

2. Name of the Injected Formation: Deyonian

3. Name of Field or Pool (if applicable): \_\_\_\_\_

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. No

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injected zone in this area: \_\_\_\_\_

Morrow	10,500'
--------	---------

Cisco/Canyon 7,985'



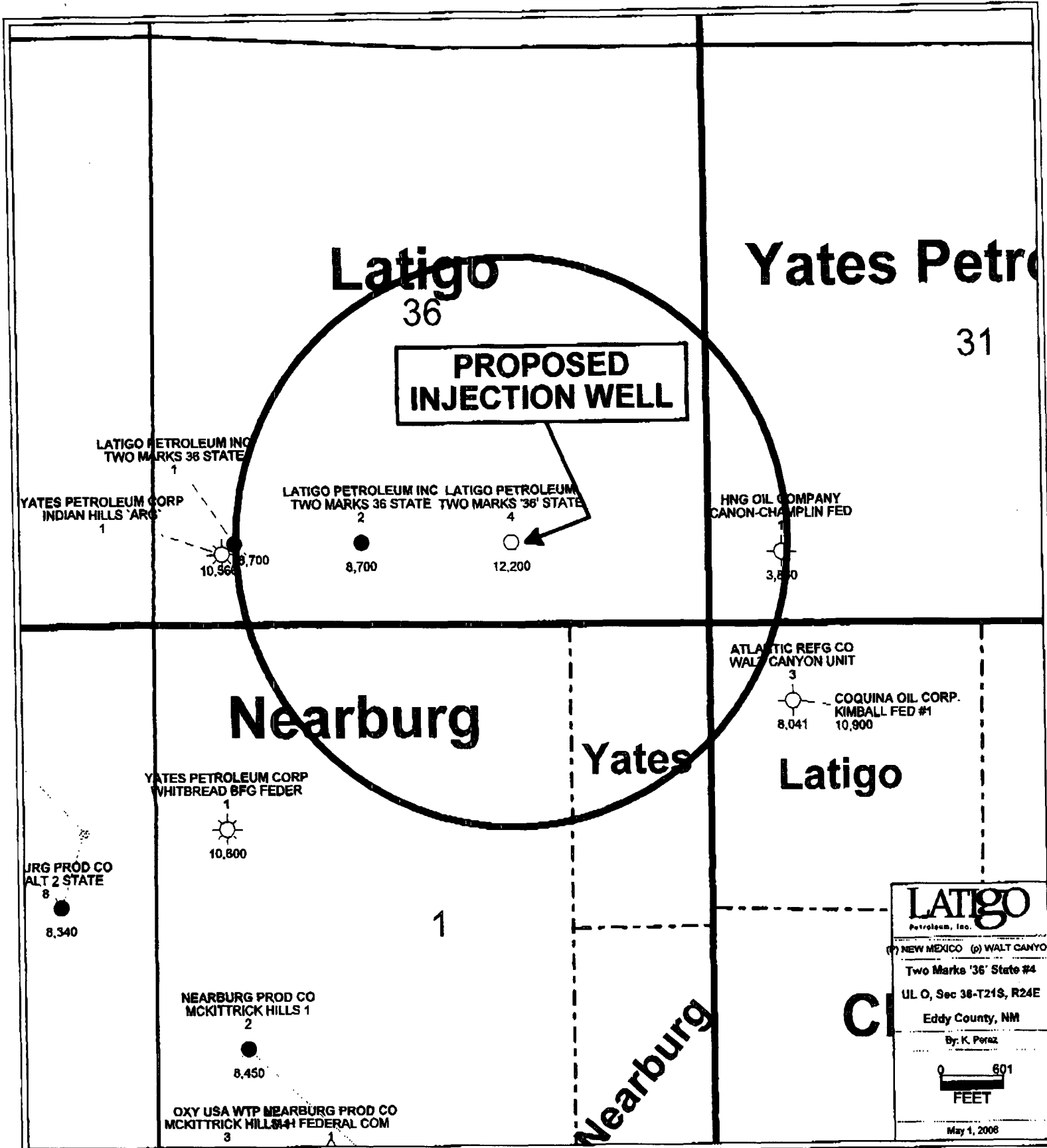


Two Marks "36" State #4  
670' FSL & 1905' FEL  
UL O, Sec. 36-T21S-R24E  
Eddy County, New Mexico

## Application for Authorization to Inject

---

- vi. Attached is a tabulation of all wells of public record that fall within the  $\frac{1}{2}$  mile radius of the proposed injection well, the Two Marks "36" State #4. This investigation has further shown that this well will have a good cement seal around the casing shoe and will therefore prevent the upward migration of the disposed water into any potable water zone.
- vii. The proposed average daily injection rate for the subject well is 30,000 BWPd; the maximum daily injection rate to be 50,000 BWPd. This is an open system with an average pressure of 1000 and a maximum pressure of 2400 psi. Only produced water from the Cisco zone will be injected in the proposed well, so incompatibility will not be a problem.
- viii. The injection zone is the Devonian which is projected to be between 11,200' and 12,200'. The source of fresh water in this area is the Capitan Reef formation at approximately 400'. There are no known sources of drinking water underlying the injection interval.
- ix. After perforation, the well will be stimulated with 20,000 gallons of 15% NEFE HCl.
- x. This well has not been drilled yet.
- xi. Attached is an analysis of the water from the Two Marks "36" State Well No. 1, located approximately 1,500' west of the proposed injector. A chemical analysis was not available from any fresh water well.
- xii. The Two Marks "36" State #4 will be injecting produced water into the Devonian formation. The top of Devonian is projected to be encountered at an approximate depth of 11,200'. The base of Devonian is projected to be at an approximate depth of 12,200'. Gross thickness of the Devonian is approximately 1000'. Lithologically the Devonian is a dolomite with low porosities, however it is naturally fractured. The Woodford shale directly overlying the Devonian acts as a seal. The nearest fresh water well is 1.5 miles southwest from the Two Marks "36" State #4.
- xiii. The required "Proof of Notice" is attached.
-



Offset Wells to the Two Marks "36" State #4																						
Well	API #	Location NIS	Location ENV	Section	Township, Range	Well Type	Total Depth	Completion Interval	Surface Casing Size (")	Surface Casing Depth (')	Surface Casing Cement (bu)	Top of Cement	Inter. Casing Size (")	Inter. Casing Depth (')	Inter. Casing Cement (bu)	Top of Cement	Prod. Casing Size (")	Prod. Casing Depth (')	Prod. Casing Cement (bu)	Top of Cement	Date P&A	
				36	T21S, R24E	Oil	8,700'	7802-7882	8-6 3/8"	1,840'	840	Surf-Cnc	8-6 3/8"				7"	8,670'	1100	Surf-Cnc		
Two Marks 36 State 1	30-016-23622	660' S	760' W	36	T21S, R24E	Oil	8,500'	7870-7930	8-5 3/8"	1,800'	1,215	Surf-Cnc					7"	8,530'	850	Surf-Cnc		11/22/1985
Two Marks 36 State 2	30-015-93144	660' S	700' W	36	T21S, R24E	Oil	8,500'	N/A	18-3 3/8"	208'	300	Surf-Cnc	8-6 3/8"	150'	1025	Surf-Cnc	5-1 1/2"	3680'	600	950' CBL		
Canon Champion 31 Federal # 30-015-25268		660' B		31	T21S, R21E	P&A	3850'															

**Latigo Petroleum**  
**Two Marks 36 State #4 SWD**  
**760' FSL & 1880' FEL, Sec. 36, T21S, R24E**  
**Eddy County, NM**

**Proposed Objective: Devonian SWD**  
**Proposed TD: 12,200'**

The Devonian formation typically produces from structural traps. Since there is no structural component to the Devonian formation in this location, coupled with very low reservoir pressure, production from the Devonian reservoir is not anticipated.

## LATIGO PETROLEUM AFE REQUEST

Requested by: Mark Elliott

Date AFE requested: 3/23/06

**AREA:** Indian Basin  
**PROSPECT:** Walt Canyon  
**WELL NAME:** Two Marks 36 State #4 SWD  
**LOCATION:** SE/4 Sec. 36, T21S, R24E, Eddy County, New Mexico

Date AFE needed: ASAP

Reason for AFE: ☒ Well Proposal to WI Partners (Signed AFE)  
☐ Land only (not for a well proposal—ie: special case AFE)  
☒ Economic Analysis

Proposed Objective: Devonian

Proposed TD: 12,200'

Proposed Bottom Hole Location: Vertical Well

Proposed Surface Location: 760' FSL & 1880' FEL

Topographic Features / Culture Concerns:

Location: Road:

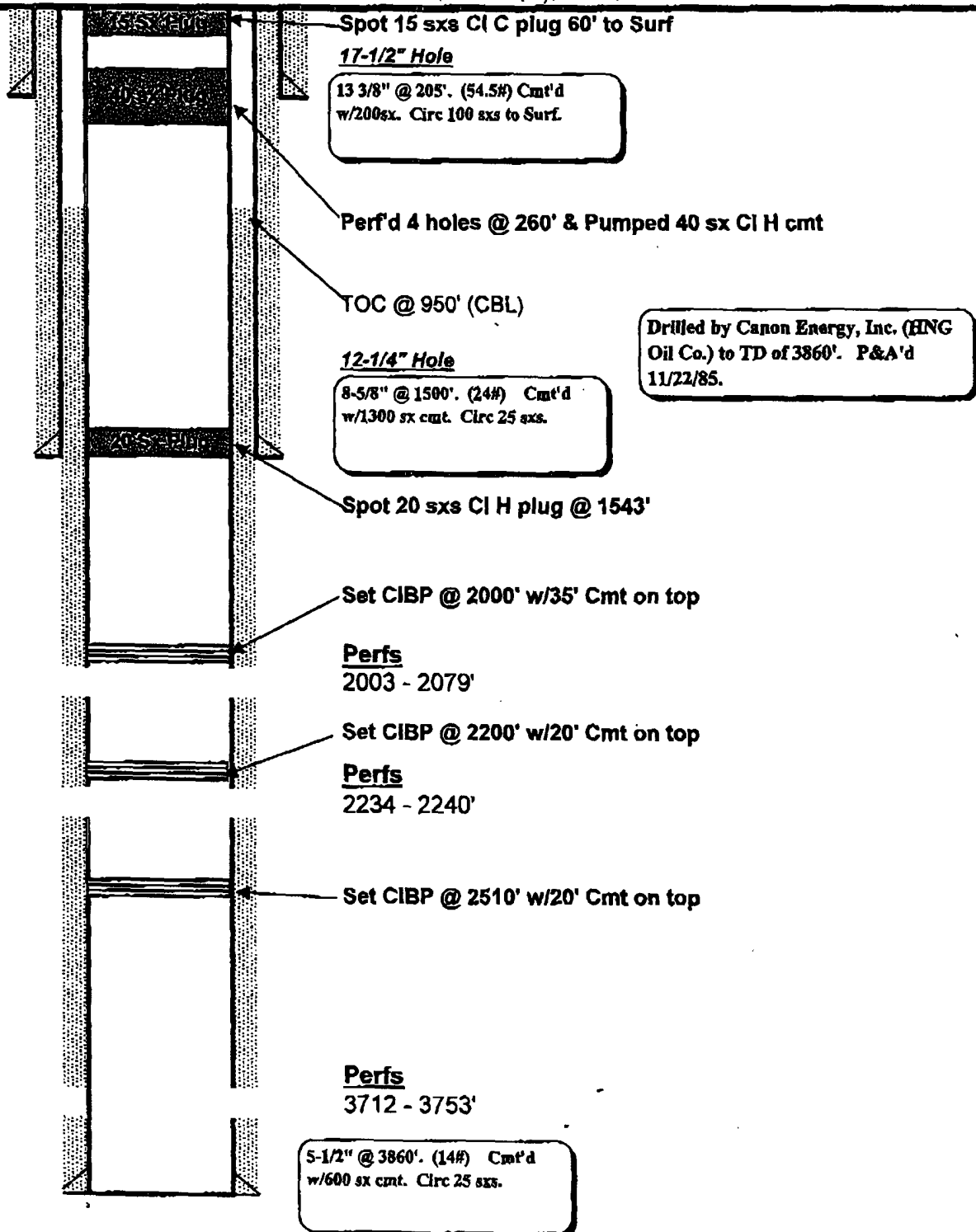
Estimated Ground Elevation: 3720' KB: 3835'

<u>Formation Tops</u>	<u>Subsea Depth</u>	<u>Gas, Oil or Water</u>	<u>Expected Pay Zones Net Pay (Ft.)</u>
San Andres D	+3070 (765)		
Delaware	+2320 (1515)		
Bone Spring	+535 (3300)		
1 <sup>st</sup> Bone Spring Sand	-1050 (4985)		
Dean (3 <sup>rd</sup> B.S. Sand)	-3100 (6935)		
Wolfcamp Lime	-3640 (7475)		
Wolfcamp Shale	-3670 (7505)		
Cisco/Canyon Reef	-4150 (7985)	oil, gas & water	
Strawn	-4850 (8685)		
Atoka	-6200 (10,035)		
Middle Morrow	-6650 (10,485)		
Lower Morrow	-6875 (10,710)		
Devonian	-7450 (11,285)		

## Plugged Wellbore

<b>AREA:</b>		<b>DATE:</b>	Aug. 17, 2005
<b>FIELD:</b>	Wildcat; Bone Spring	<b>BY:</b>	Sabra Woody
<b>LEASE/UNIT:</b>	Canon Champlin 31 Federal	<b>WELL:</b>	1
<b>COUNTY:</b>	Eddy	<b>STATE:</b>	New Mexico

<b>SPUD DATE:</b>	5/25/1985	<b>KB =</b>	3,679'
<b>COMP. DATE:</b>	7/4/85	<b>Elevation =</b>	3,666'
<b>CURRENT STATUS:</b>	P&A'd 11/22/85	<b>TD =</b>	3,860'
<b>LOCATION:</b>	660' FSL & 700' FWL; Sec 31(M); T21S, R25E PBDT =		



Form 3160-5  
(November 1983)  
(Formerly 9-331)U. S. STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTSUBMIT IN TRIP  
(Other 1000-5000  
verbe-alc)Budget Bureau No. 1004-11.15  
Expires August 31, 1985

## SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back or other work.  
Use "APPLICATION FOR PERMIT" for such proposals.)

1. OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER Dry Hole		2. NAME OF OPERATOR HNG OIL COMPANY		3. ADDRESS OF OPERATOR 13140 Crest Rd, Suite 305 P. O. Box 2267, Midland, Texas 79702		4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface  660' FSL & 700' FWL, Sec. 31.		5. LEASE DESIGNATION AND SERIAL NO. NM-25345-A		6. IF INDIAN, ALLOTTEE OR TRIBE NAME		7. UNIT AGREEMENT NAME		8. FARM OR LEASE NAME Canon Champlin 31 Federal		9. WELL NO. 1		10. FIELD AND POOL, OR WILDCAT Wildcat Bone Springs		11. SEC., T., R., M., OR BLM. AND SUBST OR AREA Sec. 31, T21S, R25E		12. COUNTY OR PARISH Eddy		13. STATE NM	
14. PERMIT NO.		15. ELEVATIONS (Show whether SP, RT, GR, etc.) 3666' GR		16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		SUBSEQUENT REPORT OF: 9/26/85																			

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF: 9/26/85	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input checked="" type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANT <input type="checkbox"/>	(Other) <input type="checkbox"/>	
(Other) <input type="checkbox"/>			
(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)			
17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)			

11/22/85 - Set CIBP at 200' and dumped 35' cement on top.

Spot 20 sacks Class H at 1543' (wt 15.6 ppg)

Perforated 4 holes at 260' - pumped 40 sx Class H cement, disp to 144'.

Circ 15 sacks Class C 60 feet to surface.

Cut off wellhead &amp; welded on plate and dry-hole marker.

Well P&amp;A 3:00 pm 11-22-85.

18. I hereby certify that the foregoing is true and correct			
SIGNED	Betty Gildon	TITLE	Regulatory Analyst
DATE		12/3/85	
(This space for Federal or State office use)			
APPROVED BY		TITLE	
CONDITIONS OF APPROVAL, IF ANY:		DATE 8-15-86	

\*See Instructions on Reverse Side

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.

Form 3160-4  
(November 1983)  
(formerly 9-330)UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE

NEW OIL CONS. COMMISSION  
DRAWER DD  
Artesia, NM 88210Form approved.  
Budget Bureau No. 1004-0137  
Expires August 31, 1985

## WELL COMPLETION OR RECOMPLETION REPORT AND LOG \*

1a. TYPE OF WELL:		OIL <input type="checkbox"/> WELL <input type="checkbox"/> GAS <input type="checkbox"/> WELL <input type="checkbox"/> DRY <input checked="" type="checkbox"/> Other <input type="checkbox"/> 7		5. LEASE DESIGNATION AND SERIAL NO.		NM 25345-A	
b. TYPE OF COMPLETION:		NEW <input checked="" type="checkbox"/> WORK OVER <input type="checkbox"/> DEEPEN <input type="checkbox"/> EX <input type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME			
2. NAME OF OPERATOR		HNG OIL COMPANY		7. UNIT AGREEMENT NAME			
3. ADDRESS OF OPERATOR		13140 Coit Road, Suite 505, Dallas, TX 75240		8. FARM OR LEASE NAME		Canon Champlin Federal	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)		At surface 660' FSL & 700' FWL		9. WELL NO.		1	
At top prod. interval reported below		Same		10. FIELD AND POOL, OR WILDCAT		Wildcat / Bone Springs /	
At total depth		Same		11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA		Sec. 31, T21S, R25E	
14. PERMIT NO.		DATE ISSUED		12. COUNTY OR PARISH		13. STATE	
		4/22/85		Eddy		NM	
15. DATE SPUDDED	16. DATE T.D. REACHED	17. DATE COMPL. (Ready to prod.)	18. ELEVATION (OF, HOB, RT, OR, ETC.)	19. ELEV. CASINGHEAD			
5/25/85	6/6/85	8/16/85	3666' GR	3666'			
20. TOTAL DEPTH, MD & TVD	21. FLUO. BACK T.D., MD & TVD	22. IF MULTIPLE COMPL. HOW MANY	23. INTERVALS DRILLED BY	ROTARY TOOLS	CABLE TOOLS		
3860'	2180'			X			
24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)						25. WAS DIRECTIONAL SURVEY MADE	
2003-2079						No	
26. TYPE ELECTRIC AND OTHER LOGS RUN						27. WAS WELL CORRED	
Dual Laterolog, Compensated Neutron-Litho Density						No	
28. CASING RECORD (Report all strings set in well)							
CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT FULLED		
13-3/8"	54.5#	208'	17-1/2"	300 C1 C	Circulated		
8-5/8"	24#	1501'	12-1/4"	800 Lite & 525 C1 C	Circulated		
5-1/2"	14#	3895'	7-7/8"	600 50/50 poz.	-		
29. LINER RECORD				30. TUBING RECORD			
SIZE	TOP (MD)	BOTTOM (MD)	BACKS CEMENT	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
31. PERFORATION RECORD (Interval, size and number)				32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.			
INTERVAL	SIZE	NUMBER	DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED			
3712-3753	(.44" 8)		3712-3753	CIBP at 2510' + 20' cmt on top			
2234-2240	(.44" 7)		2234-2240	CIBP at 2200' + 20' cmt on top			
2003-2079	(.35" 20)		2003-2079	Frac w/40,000 gals mini-max III 30 and 100,000# 12-20 sand			
33. PRODUCTION							
DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)	WELL STATUS (Producing or shut-in)					
		Abandonment Pending					
DATE OF TEST	HOURS TESTED	CHOKER SIZE	PROD'N. FOR TEST PERIOD	OIL—BSL.	GAS—MCF.	WATER—BSL.	GAS-OIL RATIO
FLOW, TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BSL.	GAS—MCF.	WATER—BSL.	OIL GRAVITY-API (CORR.)	
34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)						TEST WITNESSED BY	
						Best ID-2 12-6-85 P & A	
35. LIST OF ATTACHMENTS							
Logs							
36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records							
SIGNED		TITLE		DATE			
Betty Gildon		Regulatory Analyst		11/20/85			

\*(See Instructions and Spaces for Additional Data on Reverse Side)





Fasken Center Tower II • 550 W. Texas, Suite 700 • Midland, Texas 79701 • 432-684-4293 • 432-684-0829 FAX

**VIA CERTIFIED MAIL / RETURN RECEIPT REQUESTED**

**May 1, 2006**

**Nearburg Producing Co.  
P.O. Box 823085  
Dallas, TX 75382**

**Re: Notification of Intent to Inject -  
Two Marks "36" State #4  
UL O; 670' FSL & 1905' FEL; Sec 36-T21S-R24E  
Eddy County, New Mexico**

**To Whom It May Concern:**

**Latigo Petroleum Texas, L.P. has submitted an application to the New Mexico Oil Conservation Division requesting authority to inject water into the above well.**

**The New Mexico Oil Conservation Division requires that all surface owners and leasehold operators within a one-half mile radius of the proposed injection well be sent copies of the Application for Authority to Inject. In compliance with this requirement, you will find copies of the application attached to this letter.**

**Any objections or requests for hearings must be filed with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505. If any questions arise concerning this matter, please contact me at (432) 684 - 4293.**

**Sincerely,**

A handwritten signature in cursive script that reads "Lisa Hunt".

**Lisa Hunt  
Regulatory Analyst**

**Attachments**



Fasken Center Tower II • 550 W. Texas, Suite 700 • Midland, Texas 79701 • 432-684-4293 • 432-684-0829 FAX

VIA CERTIFIED MAIL / RETURN RECEIPT REQUESTED

May 1, 2006

Yates Petroleum Corporation  
105 South 4<sup>th</sup> Street  
Artesia, NM 88210

Re: **Notification of Intent to Inject -**  
**Two Marks "36" State #4**  
**UL O; 670' FSL & 1905' FEL; Sec 36-T21S-R24E**  
**Eddy County, New Mexico**

To Whom It May Concern:

Latigo Petroleum Texas, L.P. has submitted an application to the New Mexico Oil Conservation Division requesting authority to inject water into the above well.

The New Mexico Oil Conservation Division requires that all surface owners and leasehold operators within a one-half mile radius of the proposed injection well be sent copies of the Application for Authority to Inject. In compliance with this requirement, you will find copies of the application attached to this letter.

Any objections or requests for hearings must be filed with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505. If any questions arise concerning this matter, please contact me at (432) 684 - 4293.

Sincerely,

A handwritten signature in cursive script that reads "Lisa Hunt".

Lisa Hunt  
Regulatory Analyst

Attachments