

District I
1625 N. French Blvd., Santa Fe, NM 87505
District II
1301 W. Grand Ave., Santa Fe, NM 87505
District III
1000 Rio Brazos Blvd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

WELL API NO. 30-015-33744

5. Indicate Type of Lease
STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name
Two Marks 36 State

8. Well Number 2

9. OGRID Number 227001

10. Pool name or Wildcat
Indian Basin; Upper Penn Assoc

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☒ Gas Well ☐ Other ☐

2. Name of Operator
Latigo Petroleum, Inc.

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

4. Well Location
Unit Letter N : 660 feet from the SOUTH line and 2080 feet from the WEST line
Section 36 Township 21S Range 24E NMPM County Eddy

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3739' GL

Pit or Below-grade Tank Application ☐ or Closure ☐

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

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

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

NOTICE OF INTENTION TO:

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

SUBSEQUENT REPORT OF:

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

OTHER: ☐ OTHER: Perforate and acidize ☒

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.

3/9/06-MIRU B-J Services. Acid frac 7", 26# csg. Perforate f/7870' - 7930' (120 holes) w/7000 gal pad + 19,200 gals 20% NEFE HCL acid, diverting w/3750# rock salt in 2#/gal. Gelled 10# brine & flushed w/16,290 gals FW @ AIR of 44.8 BPM @ 2278#. (Note: screened out during 2nd salt block stage). Max-P = 3500#. SD 1 hr allowing salt to dissolve & fall out of 3rd salt block stage still in csg. Broke back & continued frac @ 65.4 BPM @ 0#. ISIP - vacuum. Total fluid load = 1159 bbls.

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

SIGNATURE Lisa Hunt TITLE Regulatory Analyst DATE 03/15/2006

Type or print name Lisa Hunt E-mail address: lhunt@latigopetro.com Telephone No. (432)684-4293

For State Use Only

APPROVED BY: FOR RECORDS ONLY TITLE _____ DATE NOV 16 2006

Conditions of Approval (if any):