Form 3160-3
(July 1992)

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

IN TRIPLICATE* (Other instructions on reverse side)

FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

DEPAR
BURI

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

5. LEASE DESIGNATION AND SERIAL NO.: NM-104666

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT AGREEMENT NAME: 35293

1a. TYPE OF WORK: DRILL [X] DEEPEN [ ]

RECEIVED
DEC 7 2005
OCD-ARTESIA

b. TYPE OF WELL: OIL WELL [ ] GAS WELL [X] OTHER SINGLE ZONE [X] MULTIPLE ZONE [ ]

8. FARM OR LEASE NAME, WELL NO.: BUENA VISTA "24-25" FEDERAL # 1

2. NAME OF OPERATOR: 227001
LATIGO PETROLEUM, INC. (JOE CLEMENT 432-684-4293)

9. API WELL NO.: 30-015-34459

3. ADDRESS AND TELEPHONE NO.: 550 WEST TEXAS AVE. SUITE 700 MIDLAND, TEXAS 79701 (432-684-4293)

10. FIELD AND POOL, OR WILDCAT: MILEPOST - MORROW 81340

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface: 1470' FSL & 1755' FEL SECTION 24 T26S-R25E UNIT J.
At proposed prod. zone: 660' FNL & 1980' FWL SECTION 25 T26S-R25E

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: section 24 . T26S-R25E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*: Approximately 15 miles Southeast of White City New Mexico

12. COUNTY OR PARISH: EDDY CO. | 13. STATE: NM

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)	16. NO. OF ACRES IN LEASE	17. NO. OF ACRES ASSIGNED TO THIS WELL
660'	1280	320

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.	19. PROPOSED DEPTH	20. ROTARY OR CABLE TOOLS
NA	MD-11,500' TVD10,700	ROTARY

21. ELEVATIONS (Show whether DF, RT, GR, etc.)		22. APPROX. DATE WORK WILL START*
3524' GR.	SUBJECT TO LIKE APPROVAL BY STATE	WHEN APPROVED

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
26"	Conductor 20"	NA	40'	Redi-mix cement to surface
WITNESS 17½"	H-40 13 3/8"	48#	420'	500 Sx. circulate to surface
12¼"	J-55 8 5/8"	32#	5150'	1500 Sx. " " "
7 7/8"	P-110 5½"	17#	11,500' MD	1000 Sx. estimate TOC 7500'

1. Drill 26" hole to 40'. Set 40' of 20" conductor pipe and cement to surface with Redi-mix.
2. Drill 17½" hole to 420'. Run and set 420' of 13 3/8" 48# H-40 ST&C casing. Cement with 500 Sx. of Class "C" cement + 2% CaCl, + ¼# Floce;e/Sx. Circulate cement to surface.
3. Drill 12¼" hole to 5150'. Run and set 5150' of 8 5/8" 32# J-55 ST&C casing. Cement with 1000 Sx. of Class "C" Light Weight Cement + additives, tail in with 500 Sx. of Class "C" cement + 2% CaCl, + ¼# Flocele/Sx. circulate cement to surface.
4. Drill 7 7/8" hole to 11,500'MD (10,700'TVD). Run and ste 11,500' of 5½" 17# P-110 LT&C casing. Cement with 600 Sx. of Class "H" Light Weight cement + additives, tail in with 400 Sx. of Class "H" Premium Plus cement + additives, estimate top of cement 7500' from surface. Cement top must be at least 500' above the top of the upper most pay interval.

CARLSBAD CONTROLLED WATER BASIN

LATIGO PETROLEUM, INC ACCEPT THE RESPONSIBILITY FOR THE OPERATION OF THIS LEASE.

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

24.

SIGNED Joel James TITLE Agent DATE 09/01/05

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

/s/ Joe G. Lara ACTING FIELD MANAGER NOV 30 2005

APPROVED BY _____ TITLE _____ DATE _____

*See Instructions On Reverse Side

APPROVAL FOR 1 YEAR

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.

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

DISTRICT II
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

State of New Mexico
Energy, Minerals and Natural Resources Department

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

Form C-102
Revised JUNE 10, 2003
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	Pool Name
	81340	UNDES MILEPOST-MORROW

Property Code	Property Name	Well Number
	BUENA VISTA "24-25" FEDERAL	1

OGRID No.	Operator Name	Elevation
227001	LATIGO PETROLEUM, INC.	3524'

Surface Location

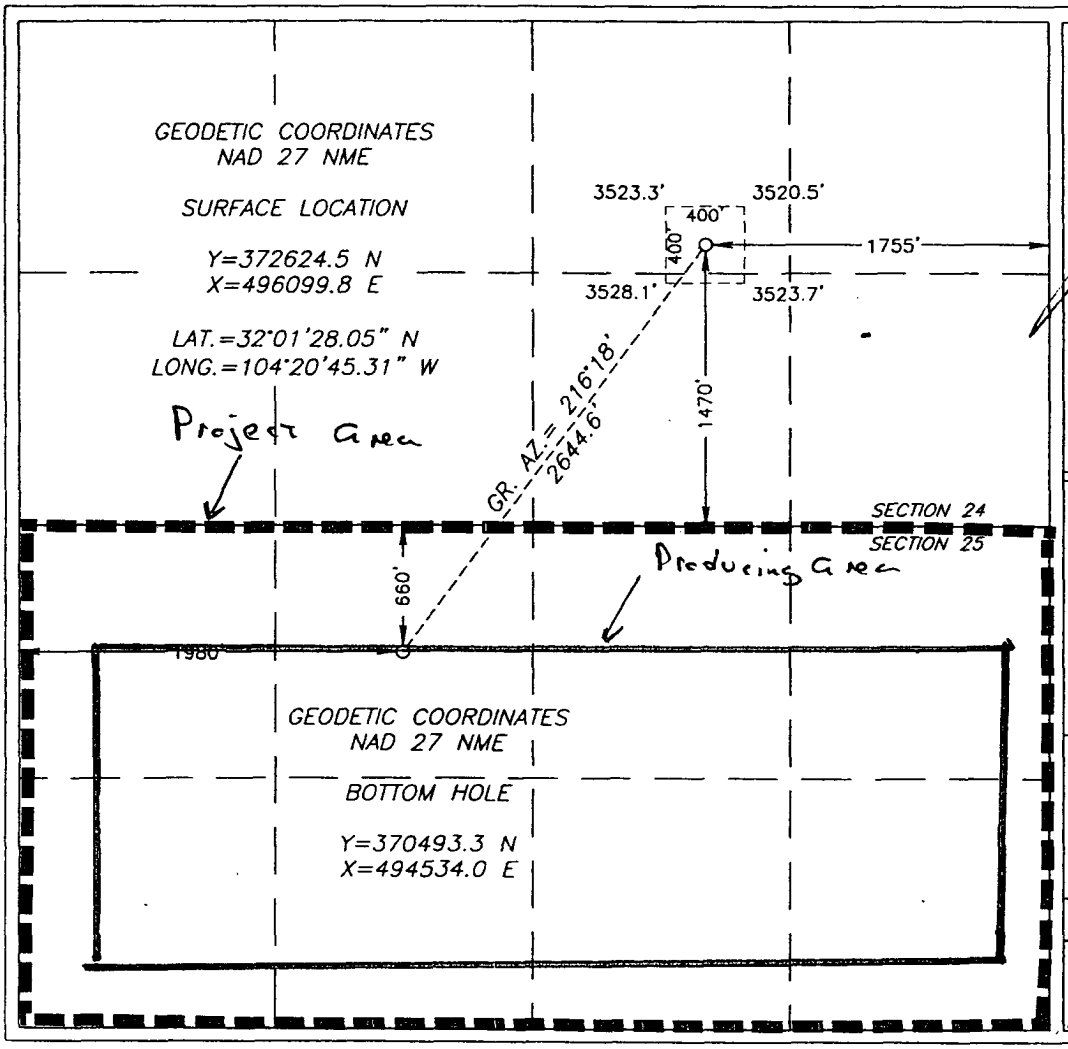
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	24	26-S	25-E		1470	SOUTH	1755	EAST	EDDY

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
C	25	26-S	25-E		660	NORTH	1980	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
320			

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



OPERATOR CERTIFICATION

I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.

Signature

Joe T. Janica
Printed Name

Agent
Title

05/20/05
Date

SURVEYOR CERTIFICATION

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 supervison, and that the same is true and correct to the best of my belief.

MAY 10, 2005
Date Surveyed GS

Signature & Seal of Professional Surveyor

GARY EIDSON
NEW MEXICO
REGISTERED PROFESSIONAL SURVEYOR

05/20/05

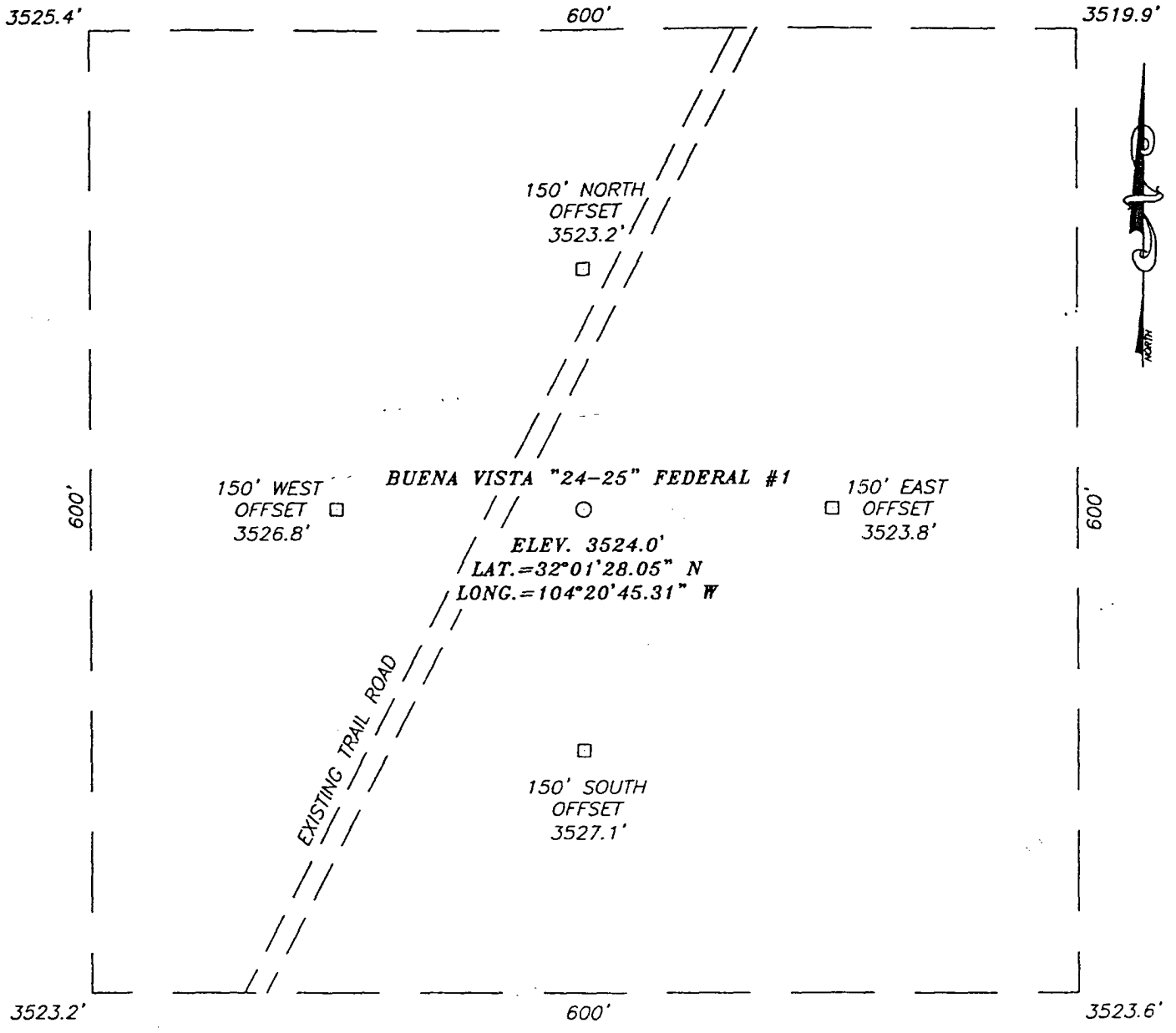
05.13.0731

Certificate No. GARY EIDSON 12641

EXHIBIT "A"

SECTION 24, TOWNSHIP 26 SOUTH, RANGE 25 EAST, N.M.P.M.,

EDDY COUNTY, NEW MEXICO



DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF U.S. HWY. #62-180 AND CR. #424. GO E-SE ON CR. #424 APPROX. 3.9 MILES AND TURN RIGHT (S-SE). GO APPROX. 2.3 MILES AND TURN LEFT (E-SE). GO APPROX. 0.7 MILES AND TURN RIGHT (SOUTH). GO APPROX. 0.4 MILES. THIS LOCATION IS APPROX. 100' EAST OF ROAD.

100 0 100 200 Feet

Scale: 1"=100'

PROVIDING SURVEYING SERVICES SINCE 1946

JOHN WEST SURVEYING COMPANY

412 N. DAL PASO

HOBBS, N.M. 88240

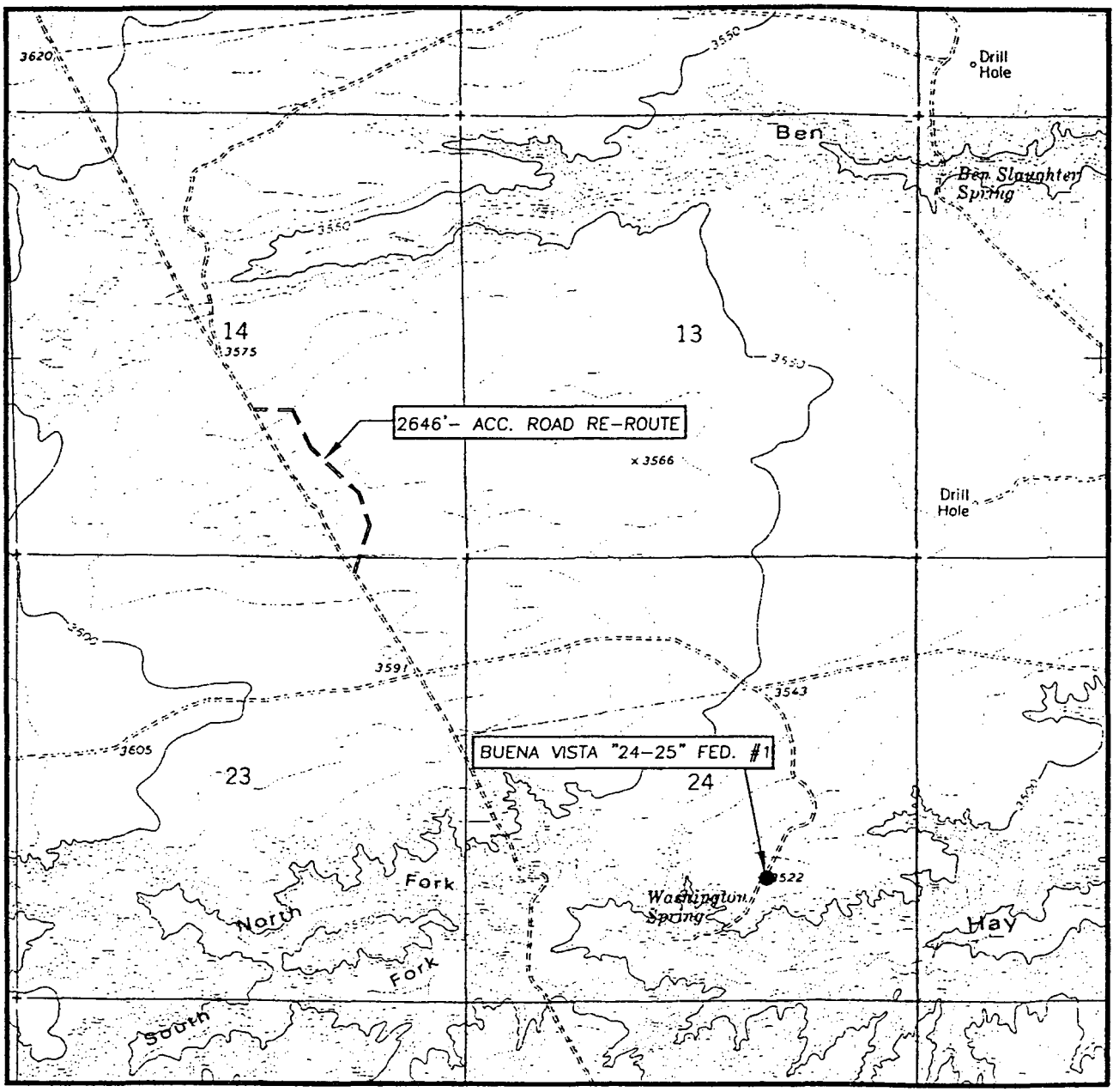
(505) 393-3117

LATIGO PETROLEUM, INC.

BUENA VISTA "24-25" FEDERAL #1 WELL
LOCATED 1470 FEET FROM THE SOUTH LINE
AND 1755 FEET FROM THE EAST LINE OF SECTION 24,
TOWNSHIP 26 SOUTH, RANGE 25 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.

Survey Date: 05/21/05	Sheet 1 of 1 Sheets		
W.O. Number: 05.13.0731	Dr By: DEL		Rev 1:N/A
Date: 05/24/05	Disk: CD#4	05130731	Scale: 1"=100'

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL: 10'
JUMPING SPRING, N.M.

SEC. 24 TWP. 26-S RGE. 25-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 1470' FSL & 1755' FEL

ELEVATION 3524'

OPERATOR LATIGO PETROLEUM, INC.

LEASE BUENA VISTA "24-25" FEDERAL

U.S.G.S. TOPOGRAPHIC MAP
JUMPING SPRING, N.M.

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

APPLICATION TO DRILL

LATIGO PETROLEUM, INC.
BUENA VISTA "24-25" FEDERAL #1
SL UNIT "J" SECTION 24
BHL UNIT "C" SECTION 25
T26S-R25E EDDY CO. NM

In response to questions asked under Section II B of Bulletin NTL-6 the following information is provided for your consideration:

1. Location: Surface location 1470' FSL & 1755' FEL SEC. 24 T26S-R25E
   Bottom hole location 660' FNL & 1980' FWL SEC. 25 T26S-R25E

2. Elevation above sea level: 3524' GR.

3. Geologic name of surface formation:

4. Drilling tools and associated equipment: Conventional rotary drilling rig using fluid as a circulating medium for solids removal.

5. Proposed drilling depth: MD 11,540' TVD 10,700'

6. Estimated tops of geological markers:

Lamar	1530'	Strawn	8960'
Brushy Canyon	3970'	Atoka	9440'
Bone Spring	4975	Morrow Lime	9870'
Wolfcamp	7750'	Lower Morrow Sand	10,190'
Cisco	8720'	Chester Sand	10,350'

7. Possible mineral bearing formation:

Brushy Canyon	Oil/Gas	Morrow Lime	Gas
Strawn	Gas	Lower Morrow Sand	Gas

8. Casing program:

Hole size	Interval	OD casing	Weight	Thread	Collar	Grade
26"	0-40	20"	NA	NA	NA	Conductor
17½"	0-420'	13 3/8"	48#	8-R	ST&C	H-40
12¼"	0-5150'	8 5/8"	32#	8-R	ST&C	J-55
7 5/8"	0-11,500'	5½"	17#	8-R & Butt.	LT&C	P-110

APPLICATION TO DRILL

LATIGO PETROLEUM, INC.
BUENA VISTA "24-25" FEDERAL #1
SL UNIT "J" SECTION 24
BHL UNIT "C" SECTION 25
T26S-R25E EDDY CO. NM

9. CEMENTING & SETTING DEPTH:

20"	Conductor	Set 40' of 20" conductor pipe and cement to surface with Redi-mix.
13 3/8"	Surface	Set 400' of 13 3/8" 48# H-40 ST&C casing. Cement with 500 Sx. of Class "C" cement + 2% CaCl, + ¼# Flicele/Sx. circulate cement to surface.
8 5/8"	Intermediate	Set 5150' of 8 5/8" 32# J-55 ST&C casing. Cement with 1000 Sx. of Class "C" Light cement + additives, tail in with 500 Sx. of Class "C" cement + 2% CaCl, + ¼# of Flocele/Sx. Circulate cement to surface.
5½"	Production	Set 11,500' of 5½" 17# P-110 LT&C,BTC cement with with 600 Sx. of Class "H" Light cement + additives, tail in with 400 Sx. of Class "H" Premium Plus cement + additives, estimate top of cement 7500', or at least 500' above the upper most pay interval.

10. PRESSURE CONTROL EQUIPMENT: Exhibit "E" shows a 1500 Series 5000 PSI working pressure B.O.P. consisting of an annular bag type preventor, middle blind rams and bottom pipe rams. The B.O.P. will be nippled up on the 13 3/8" casing and tested to API specifications. The B.O.P. will be operated at least once in each 24 hour period and the blind rams will be operated when drill pipe is out of hole on trips. Full opening stabbing valve and upper kelly cock will be utilized. Exhibit "E-1" shows a hydraulically operated closing unit and a 2" 5000 PSI choke manifold with dual adjustable chokes. No abnormal pressures or temperatures are expected.

11. PROPOSED MUD CIRCULATING SYSTEM:

DEPTH	MUD WT.	VISC.	FLUID LOSS	TYPE MUD SYSTEM
40-400'	8.4-8.7	29-34	NC	Fresh water spud mud use paper to control seepage.
400-5150'	8.4-8.7	29-38	NC	Fresh water mud system use paper to control seepage and high viscosity sweeps to clean hole.
5150-8900'	8.4-8.7	29-36	NC	Same as above.
8900-11,500'	8.6-8.9	32-38	10 cc or Less	Fresh water system use Gel for viscosity, use a Polymer system to control water loss and use high viscosity sweeps to clean hole.

Sufficient mud materials will be kept on location at all times in order to combat lost circulation, or unexpected kicks. In order to run DST's , open hole logs, and casing viscosity and/or water loss may have to be adjusted to meet these needs.

APPLICATION TO DRILL

LATIGO PETROLEUM, INC.
BUENA VISTA "24-25" FEDERAL #1
SL UNIT "J" SECTION 24
BHL UNIT "C" SECTION 25
T26S-R25E EDDY CO. NM

12. LOGGING, CORING, AND TESTING PROGRAM:

A. Dual Laterolog, CNL, LDT, MSFL, Gamma Ray, Caliper from 5150' to 13 3/8" casing shoe. Gamma Ray, Neutron from 13 3/8" casing shoe to surface. Dual laterolog, CNL, LDT, MSFL, Gamma Ray and Caliper from TD back to 8 5/8" casing shoe.

B. Mud logger on hole at 5150' to TD, Cores and DST's as needed to evaluate pay zones.

13. POTENTIAL HAZARDS:

No abnormal pressures or temperatures are expected. There is no known presence of H^2S in this area. If H^2S is encountered the operator will comply with the provisions of Onshore Oil and Gas Order No. 6. No lost circulation is expected to occur. All personnel will be familiar with all aspects of safe operation of equipment being used to drill this well. Estimated BHP 6000 PSI, and Estimated BHT 195°.

14. ANTICIPATED STARTING DATE AND DURATION OF OPERATION:

Road and location construction will begin after the BLM has approved the APD. Anticipated spud date will be as soon after BLM approval and as soon as a rig will be available. Move in operation and drilling is expected to take 50 days. If production casing is run then an additional 30 days will be needed to complete well and construct surface facilities and/or lay flowlines in order to place well on production.

15. OTHER FACETS OF OPERATIONS:

After running casing, cased hole Gamma Ray, Neutron Collar logs will be run from TD back to all possible productive zones. The Morrow formation will be perforated and stimulated in order to establish production. The well will be swab tested and potentialed as a gas well.

1. All Company and Contract personnel admitted on location must be trained by a qualified H_2S safety instructor to the following:

   A. Characteristics of H_2S
   B. Physical effects and hazzards
   C. Proper use of safety equipment and life support systems.
   D. Principle and operation of H_2S detectors, warning system and briefing areas.
   E. Evacuation procedure, routes and first aid.
   F. Proper use of 30 minute pressure demand air pack.

2. H_2S Detection and Alarm Systems

   A. H_2S detectors and audio alarm system to be located at bell nipple, end of blooie line (mud pit) and on derrick floor or doghouse.

3. Windsock and/or wind streamers

   A. Windsock at mudpit area should be high enough to be visible.
   B. Windsock at briefing area should be high enough to be visible.
   C. There should be a windsock at entrance to location.

4. Condition Flags and Signs

   A. Warning sign on access road to location.
   B. Flags to be displayed on sign at entrance to location. Green flag, normal safe condition. Yellow flag indicates potential pressure and danger. Red flag, danger, H_2S present in dangerous concentration. Only emergency personnel admitted to location.

5. Well control equipment

   A. See exhibit "E" & "E-1"

6. Communication

   A. While working under masks chalkboards will be used for communication.
   B. Hand signals will be used where chalk board is inappropriate.
   C. Two way radio will be used to communicate off location in case of emergency help is required. In most cases cellular telephoned will be available at most drilling foreman's trailer or living quarters.

7. Drillstem Testing

   A. Exhausts will be watered.
   B. Flare line will be equipped with an electric ignitor or a propane pilot light in case gas reaches the surface.
   C. If the location is near to a dwelling a closed DST will be performed.

HYDROGEN SULFIDE DRILLING OPERATIONS PLAN

8. Drilling contractor supervisor will be required to be familiar with the effects H_2S has on tubular goods and other mechanical equipment.

9. If H_2S is encountered, mud system will be altered if necessary to maintain control of formation. A mud gas seperator will be brought into service along with H_2S scavengers if necessary.

SURFACE USE PLAN

LATIGO PETROLEUM, INC.
BUENA VISTA "24-25" FEDERAL #1
SL UNIT "J" SECTION 24
BHL UNIT "C" SECTION 25
T26S-R25E EDDY CO. NM

1. EXISTING ROADS & PROPOSED ROADS: Area maps; Exhibit "B" is a reproduction of a County General Hi-way Map. Exhibit "C" is a reproduction of a USGS Topographic Map, showing existing and proposed roads. All existing roads will be maintained in a condition equal to or better than current conditions. Any new roads will be constructed to BLM specifications.

   A. Exhibit "A" shows the proposed well site as staked.

   B. From White City New Mexico take U.S. Hi-way 62-180, Southwest toward Elpaso, go 6.8 miles to CR. 424, turn Left (East) follow road 4.2 miles, cross cattle guard, turn Right (South and follow 2 tract road 2.4 miles, turn (Left) follow road South and East for 1.3 miles and location is on the East side of road.

   C. Exhibit "B" is a county map showing the road from White City to loaction, Exhibit "C" is a topographic map showing a more detailed portion of the road that will needed to be repaired.

2. PLANNED ACCESS ROADS: Approximately 4 miles of road will be up graded from a two track to a lease road.

   A. The access roads will be crowned and ditched to a 12' wide travel surface with a 40' Right-of-Way.

   B, Gradient of all roads will be less than 5.00%.

   C. If turn-outs are necessary they will be constructed.

   D. If needed roads will be surfaced with a mimimum of 4" of caliche. This material will be obtained from a local source.

   E. Center-line for new roads will be flagged. Earth-work will be will be done as field conditions require.

   F. Culverts will be placed in the access road if they are necessary. The roads will be constructed to utilaze low water crossings for drainage as required by topography.

3. LOCATIONS OF EXISTING WELLS IN A ONE MILE RADIUS. EXHIBIT "A-1"

   A. Water wells - One approximately 1.5 miles South of location.

   B. Disposal wells - None known

   C. Drilling wells - None known

   D. Producing wells - As shown on Exhibit "A-1"

   E. Abandoned wells - As shown on Exhibit "A-1"

4. If on completion this well is a producer the operator will lay pipelines and construct powerlines along existing road R-O-W's or other existing R-O-W's. Exhibit "C" shows possible gas flowline to sales point.

5. LOCATION AND TYPE OF WATER SUPPLY:

Water will be purchased locally from a commercial source and trucked over the access roads or piped to location in flexible lines laid on top of the ground.

6. SOURCE OF CONSTRUCTION MATERIAL:

If possible construction material will be obtained from the excavation of drill site, if additional material is needed it will be obtained from a local source and transported over the access roads as shown on Exhibit "C".

7. METHODS OF HANDLING WASTE MATERIAL:

A. Drill cuttings will be disposed of in the reserve pits.

B. All trash, junk and other waste material will be contained in trash cages or trash bins to prevent scattering. When the job is completed all contents will be removed and disposed of in a approved sanitary land fill.

C. Salts remaining after completion of well will be picked up by the supplier, including broken sacks.

D. Waste water from living quaters will be drained into holes with a minium of 10'. These holes will be covered during drilling and will be back filled when the well is completed. A Porto-John will be provided for the rig crews. This equipment will be properly maintained during the drilling and completion operations and will be removed when all operations are complete.

E. Remaining drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry enough to be broken out for furthed drying. If the drilling fluids do not evaporate in a reasonable time they will be hauled off by transports to a state approve disposal site. Later pips will be broken out to speed drying. Water produced during completion will be put in reserve pits. Oil and condensate produced will be put in storage tanks and sold.

8. ANCILLARY FACILITIES:

A. No camps or air strips will be constructed on location.

9. WELL SITE LAYOUT

A. Exhibit "D" shows the proposed well site layout.

B. This exhibit indicated proposed location of reserve and sump pits and living facilities.

C. Mud pits in the active circulating system will be steel pits & the reserve pit is proposed to be unlined unless subsurface condition encountered during pit construction indicate that lining is needed for lateral containment of fluids.

D. If needed, the reserve pit is to be lined with polyethelene. The pit liner will be 6 mils thick. Pit liner will extend a minimum 2'00" over the reserve pits dikes where the liner will be anchored down.

E. The reserve pit will be fenced on three sides with four strands of barbed wire during drilling and completion phases. The fourth side will be fenced after all drilling operations have ceased. If the well is a producer, the reserve pit fence will be torn down. The reserve pit and those areas of the location not essential to production facilities will be reclaimed and seeded per BLM requirements.

10. PLANS FOR RESTORATION OF SURFACE

Rehabilitation of the location and reserve pit will start in a timely manner after all drilling operations cease. The type of reclamation will depend on whether the well is a producer or a dry hole.

However, in either event, the reserve pit will be allowed to dry properly, and fluid removed and disposed of in accordance with Article 7.B as previously noted. The pit area will then be leveled and contoured to conform to the original and surrounding area. Drainage systems, if any, will be reshaped to the original configuration with provisions made to alleviate erosion. These may need to be modified in certain circumstances to prevent inundation of the location's pad and surface facilities. After the area has been shaped and contoured, topsoil from the spoil pile will be placed over the disturbed area to the extent possible. Revegetation procedures will comply with BLM standards.

If the well is a dry hole, the pad and road area will be contoured to match the existing terrain. Topsoil will be spread to the extent possible. Revegetation will comply with BLM standards.

Should the well be a producer, the previously noted procedures will apply to those areas which are not required for production facilities.

SURFACE USE PLAN

LATIGO PETROLEUM, INC.
BUENA VISTA "24-25" FEDERAL # 1
SL UNIT "J" SECTION 24
BHL UNIT "C" SECTION 25
T26S-R25E EDDY CO. NM

11. OTHER INFORMATION:

A. Topography consists of a flat open plane with the Southern boundry nearing a small canyon rim. Vegetation consists of Snakeweed, Mesquite, Creosote, Yucca, Cordilia, and Allthorne. Soil is caliche with a trace of tan sand.

B. The surface is owned by The U.S. Department of Interior and is administered by The Bureau of Land Management. The surface is used for the grazing of livestock and the production of Oil & Gas.

C. An Archaeological survey has been completed and the report is on file at The Bureau Of Land Management fiels office in Carlsbad New Mexico.

D. There are no dwellings in the near vicinity of this location.

12. OPERATIOR'S REPRESENTIVES:

Before Construction:

TIERRA EXPLORATION, INC.
P.O. BOX 2188
HOBBS, NEW MEXICO 88241
OFFICE Ph. 505-391-8503
JOE T. JANICA

During and after Construction:

LATIGO PETROLEUM, INC.
550 WEST TEXAS AVE.
SUITE 700
MIDLAND, TEXAS 79701
JOE CLEMENT
432-684-4293

13. CERTIFICATION: I hereby certify that I, or persons under my direct supervision have inspected the proposed drill site and the access roads, and that I am familiar with the conditions which currently exist, that the statements made in this plan are to the best of my knowledge are true and correct, and that the work associated with the operations proposed herein will be performed by LATIGO PETROLEUM, INC. it's contractors/subcontractors is in confirmity with this plan and the terms and conditions under which it is approved. This statement is subject to the provision of U.S.C. 1001 for the filing of a false report.

NAME : Joe T Janica

DATE : 09/01/05

TITLE : Agent

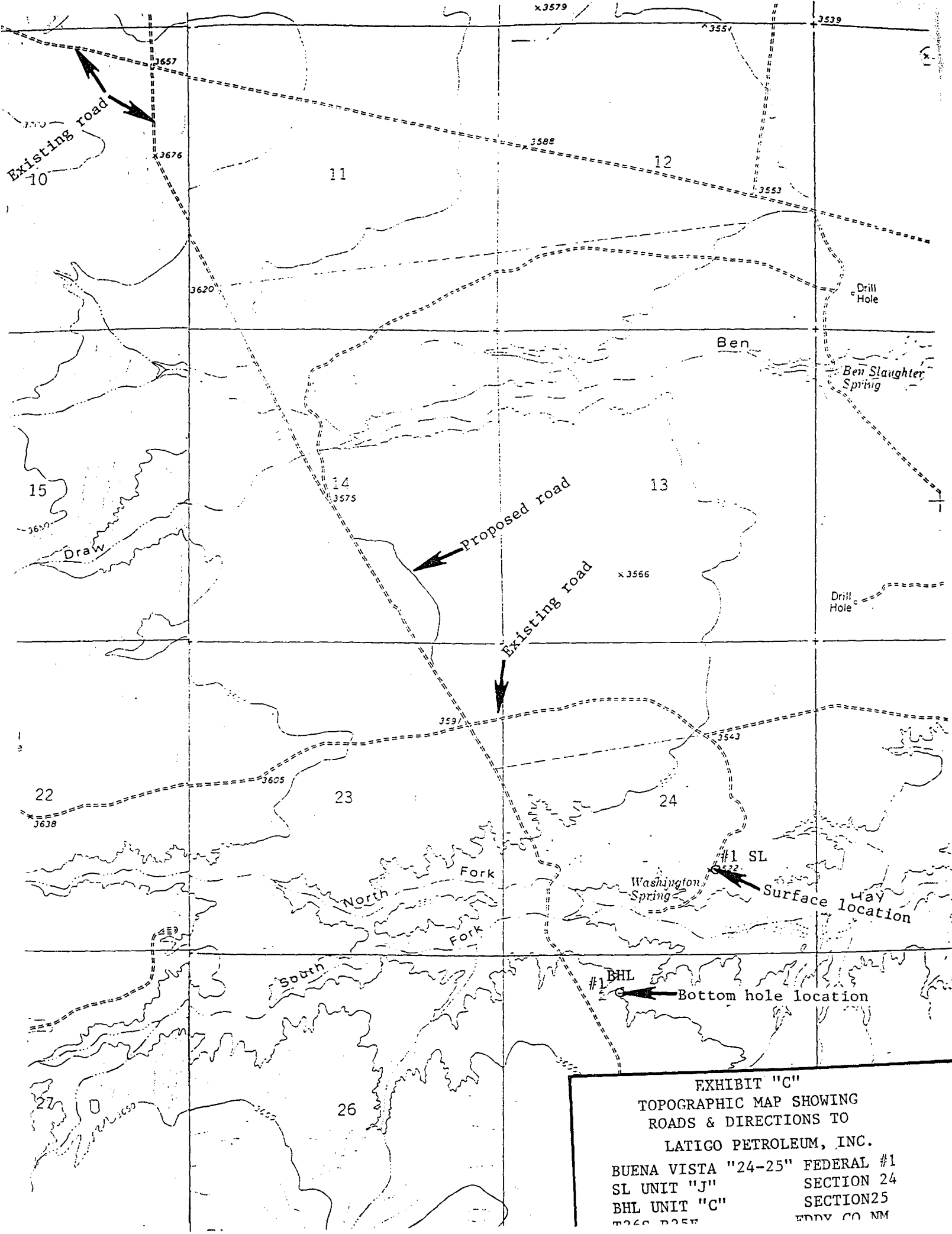
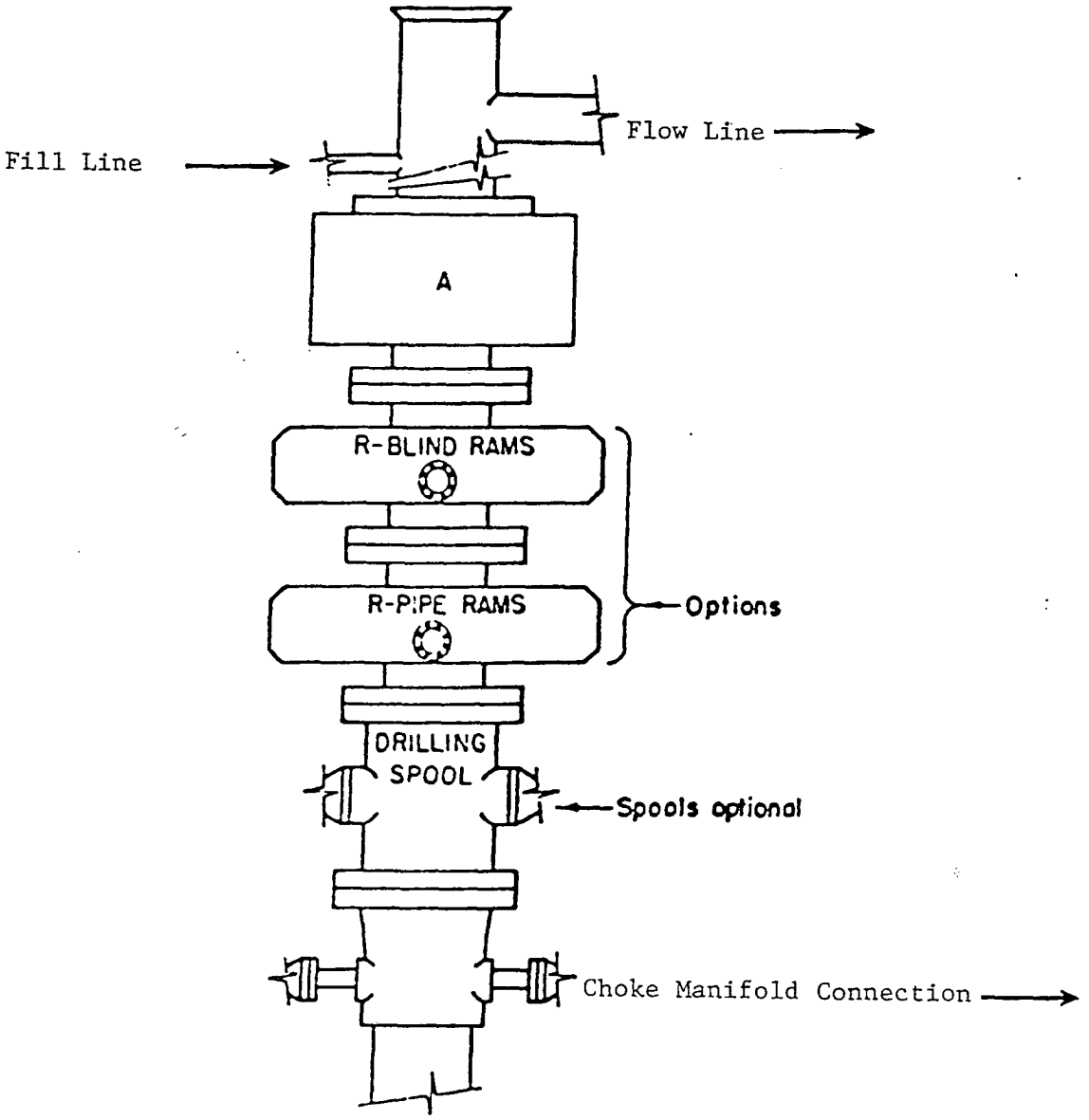


EXHIBIT "C"
TOPOGRAPHIC MAP SHOWING
ROADS & DIRECTIONS TO
LATIGO PETROLEUM, INC.
BUENA VISTA "24-25" FEDERAL #1
SL UNIT "J" SECTION 24
BHL UNIT "C" SECTION25
T26S, R25E EDDY CO. NM



ARRANGEMENT SRRA

1500 Series
5000 PSI WP

EXHIBIT "E"
SKETCH OF B.O.P. TO BE USED ON
LATIGO PETROLEUM, INC.
BUENA VISTA "24-25" FEDERAL #1
SL UNIT "J" SECTION 24
BHL UNIT "C" SECTION 25
T26S-R25E EDDY CO. NM

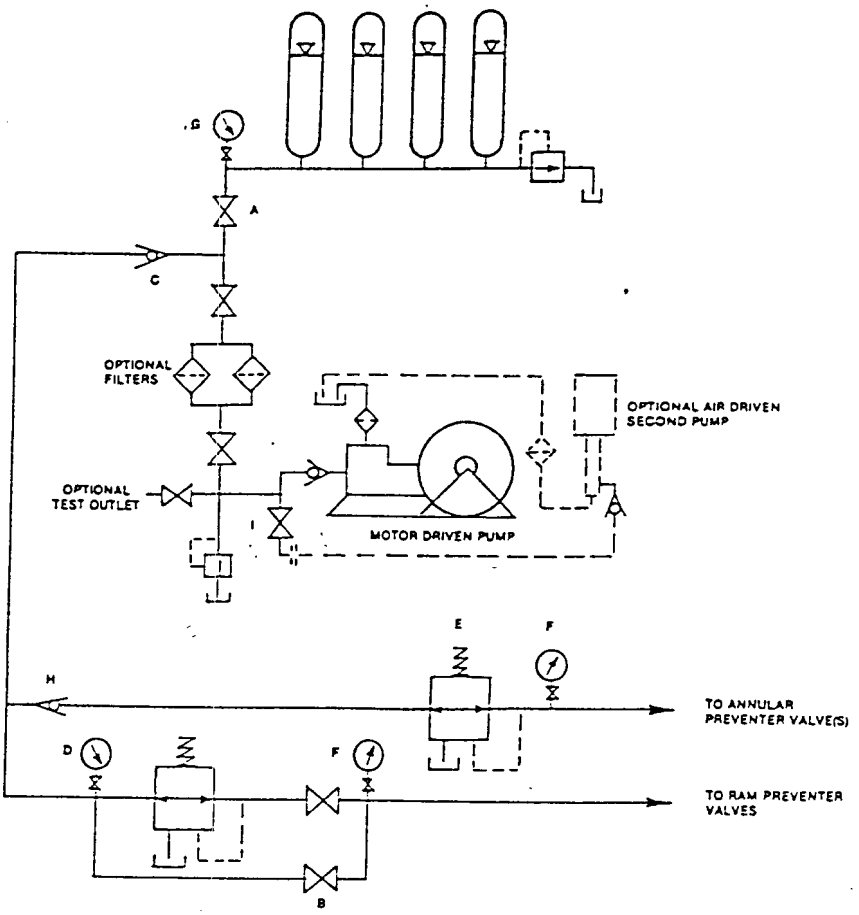


FIGURE K6-1. The schematic sketch of an accumulator system shows required and optional components.

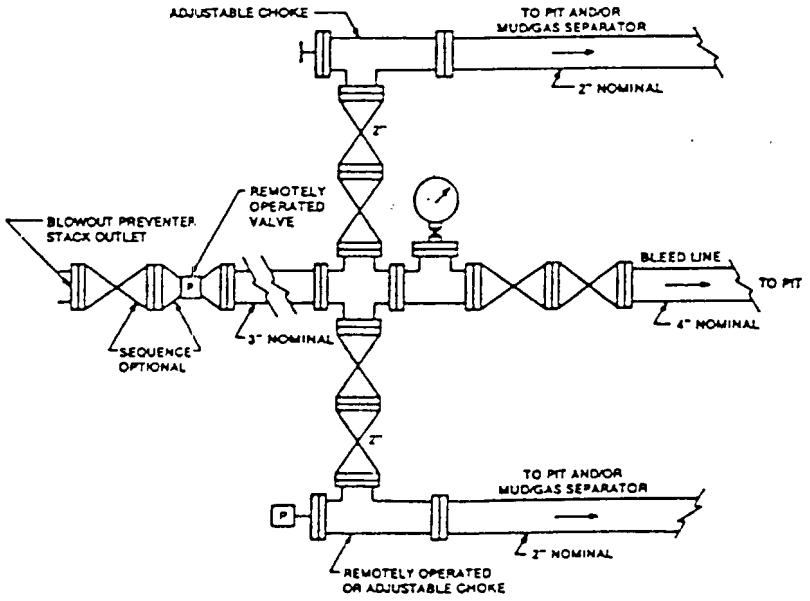


FIGURE K4-2. Typical choke manifold assembly for 5M rated working pressure service — surface installation.

EXHIBIT "E1"
CHOLE MANIFOLD & CLOSING UNIT

LATIGO PETROLEUM, INC.
BUENA VISTA "24-25" FEDERAL #1
SL UNIT "J" SECTION 24
BHL UNIT "C" SECTION 25
T26S-R25E EDDY CO. NM

Company:	Pure Resources	**Date:** 4/21/2005	**Time:** 10:31:49	**Page:**	1
Field:	Buena Vista	**Co-ordinate(NE) Reference:**	Well: #1, Grid North		
Site:	Buena Vista 24-25 Federal #1	**Vertical (TVD) Reference:**	SITE 0.0		
Well:	#1	**Section (VS) Reference:**	User (0.00N,0.00E,216.00Azi)		
Wellpath:	1	**Plan:**	Plan		

Field:	Buena Vista		
Map System:	US State Plane Coordinate System 1927	**Map Zone:**	New Mexico, Eastern Zone
Geo Datum:	NAD27 (Clarke 1866)	**Coordinate System:**	Well Centre
Sys Datum:	Mean Sea Level	**Geomagnetic Model:**	igrf2005

Site:	Buena Vista 24-25 Federal #1				
Site Position:		**Northing:**	ft	**Latitude:**	
From:	Local Only	**Easting:**	ft	**Longitude:**	
Position Uncertainty:	0.00 ft			**North Reference:**	Grid
Ground Level:	0.00 ft			**Grid Convergence:**	deg

Well:	#1				**Slot Name:**	
Well Position:	+N/-S	0.00 ft	**Northing:**	ft	**Latitude:**	
	+E/-W	0.00 ft	**Easting :**	ft	**Longitude:**	
Position Uncertainty:		0.00 ft				

Wellpath:	1			**Drilled From:**	Surface
				Tie-on Depth:	0.00 ft
Current Datum:	SITE	**Height**	0.00 ft	**Above System Datum:**	Mean Sea Level
Magnetic Data:	4/21/2005			**Declination:**	0.00 deg
Field Strength:	0 nT			**Mag Dip Angle:**	0.00 deg

Vertical Section:	**Depth From (TVD)** ft	**+N/-S** ft	**+E/-W** ft	**Direction** deg
	0.00	0.00	0.00	216.00

Plan:	Plan	**Date Composed:**	4/21/2005
		Version:	1
Principal:	No	**Tied-to:**	User Defined

Plan Section Information

MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	TFO deg	Target
4500.00	0.00	216.00	4500.00	0.00	0.00	0.00	0.00	0.00	0.00	
5835.32	40.06	216.00	5729.15	-362.52	-263.39	3.00	3.00	0.00	216.00	
8502.89	40.06	216.00	7770.85	-1751.44	-1272.50	0.00	0.00	0.00	0.00	
9838.20	0.00	216.00	9000.00	-2113.96	-1535.88	3.00	-3.00	0.00	180.00	Target
11538.20	0.00	216.00	10700.00	-2113.96	-1535.88	0.00	0.00	0.00	216.00	

Section 1 : Start Build 3.00

MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	VS ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	TFO deg
4500.00	0.00	216.00	4500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4600.00	3.00	216.00	4599.95	-2.12	-1.54	2.62	3.00	3.00	0.00	0.00
4700.00	6.00	216.00	4699.63	-8.46	-6.15	10.46	3.00	3.00	0.00	0.00
4800.00	9.00	216.00	4798.77	-19.02	-13.82	23.51	3.00	3.00	0.00	0.00
4900.00	12.00	216.00	4897.08	-33.76	-24.53	41.74	3.00	3.00	0.00	0.00
5000.00	15.00	216.00	4994.31	-52.65	-38.25	65.08	3.00	3.00	0.00	0.00
5100.00	18.00	216.00	5090.18	-75.62	-54.94	93.48	3.00	3.00	0.00	0.00
5200.00	21.00	216.00	5184.43	-102.63	-74.56	126.85	3.00	3.00	0.00	0.00
5300.00	24.00	216.00	5276.81	-133.58	-97.05	165.12	3.00	3.00	0.00	0.00
5400.00	27.00	216.00	5367.06	-168.41	-122.35	208.16	3.00	3.00	0.00	0.00
5500.00	30.00	216.00	5454.93	-207.01	-150.40	255.87	3.00	3.00	0.00	0.00
5600.00	33.00	216.00	5540.18	-249.27	-181.11	308.12	3.00	3.00	0.00	0.00
5700.00	36.00	216.00	5622.59	-295.09	-214.40	364.75	3.00	3.00	0.00	0.00
5800.00	39.00	216.00	5701.91	-344.33	-250.17	425.62	3.00	3.00	0.00	0.00
5835.32	40.06	216.00	5729.15	-362.52	-263.39	448.10	3.00	3.00	0.00	0.00

Company:	Pure Resources	**Date:** 4/21/2005	**Time:** 10:31:49	**Page:**	2
Field:	Buena Vista	**Co-ordinate(NE) Reference:**	Well: #1, Grid North		
Site:	Buena Vista 24-25 Federal #1	**Vertical (TVD) Reference:**	SITE 0.0		
Well:	#1	**Section (VS) Reference:**	User (0.00N,0.00E,216.00Azi)		
Wellpath:	1	**Plan:**	Plan		

Section 2 : Start Hold

MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	VS ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	TFO deg
5900.00	40.06	216.00	5778.66	-396.20	-287.85	489.73	0.00	0.00	0.00	0.00
6000.00	40.06	216.00	5855.20	-448.26	-325.68	554.09	0.00	0.00	0.00	0.00
6100.00	40.06	216.00	5931.73	-500.33	-363.51	618.44	0.00	0.00	0.00	0.00
6200.00	40.06	216.00	6008.27	-552.40	-401.34	682.80	0.00	0.00	0.00	0.00
6300.00	40.06	216.00	6084.81	-604.47	-439.17	747.16	0.00	0.00	0.00	0.00
6400.00	40.06	216.00	6161.35	-656.53	-477.00	811.52	0.00	0.00	0.00	0.00
6500.00	40.06	216.00	6237.89	-708.60	-514.83	875.88	0.00	0.00	0.00	0.00
6600.00	40.06	216.00	6314.42	-760.67	-552.66	940.24	0.00	0.00	0.00	0.00
6700.00	40.06	216.00	6390.96	-812.73	-590.49	1004.59	0.00	0.00	0.00	0.00
6800.00	40.06	216.00	6467.50	-864.80	-628.31	1068.95	0.00	0.00	0.00	0.00
6900.00	40.06	216.00	6544.04	-916.87	-666.14	1133.31	0.00	0.00	0.00	0.00
7000.00	40.06	216.00	6620.57	-968.93	-703.97	1197.67	0.00	0.00	0.00	0.00
7100.00	40.06	216.00	6697.11	-1021.00	-741.80	1262.03	0.00	0.00	0.00	0.00
7200.00	40.06	216.00	6773.65	-1073.07	-779.63	1326.39	0.00	0.00	0.00	0.00
7300.00	40.06	216.00	6850.19	-1125.14	-817.46	1390.74	0.00	0.00	0.00	0.00
7400.00	40.06	216.00	6926.72	-1177.20	-855.29	1455.10	0.00	0.00	0.00	0.00
7500.00	40.06	216.00	7003.26	-1229.27	-893.12	1519.46	0.00	0.00	0.00	0.00
7600.00	40.06	216.00	7079.80	-1281.34	-930.95	1583.82	0.00	0.00	0.00	0.00
7700.00	40.06	216.00	7156.34	-1333.40	-968.77	1648.18	0.00	0.00	0.00	0.00
7800.00	40.06	216.00	7232.87	-1385.47	-1006.60	1712.54	0.00	0.00	0.00	0.00
7900.00	40.06	216.00	7309.41	-1437.54	-1044.43	1776.89	0.00	0.00	0.00	0.00
8000.00	40.06	216.00	7385.95	-1489.60	-1082.26	1841.25	0.00	0.00	0.00	0.00
8100.00	40.06	216.00	7462.49	-1541.67	-1120.09	1905.61	0.00	0.00	0.00	0.00
8200.00	40.06	216.00	7539.02	-1593.74	-1157.92	1969.97	0.00	0.00	0.00	0.00
8300.00	40.06	216.00	7615.56	-1645.81	-1195.75	2034.33	0.00	0.00	0.00	0.00
8400.00	40.06	216.00	7692.10	-1697.87	-1233.58	2098.69	0.00	0.00	0.00	0.00
8502.89	40.06	216.00	7770.85	-1751.44	-1272.50	2164.90	0.00	0.00	0.00	0.00

Section 3 : Start Drop -3.00

MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	VS ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	TFO deg
8600.00	37.15	216.00	7846.73	-1800.46	-1308.11	2225.49	3.00	-3.00	0.00	-180.00
8700.00	34.15	216.00	7927.99	-1847.60	-1342.36	2283.76	3.00	-3.00	0.00	180.00
8800.00	31.15	216.00	8012.18	-1891.24	-1374.06	2337.70	3.00	-3.00	0.00	180.00
8900.00	28.15	216.00	8099.08	-1931.25	-1403.13	2387.15	3.00	-3.00	0.00	180.00
9000.00	25.15	216.00	8188.45	-1967.53	-1429.49	2432.00	3.00	-3.00	0.00	180.00
9100.00	22.15	216.00	8280.04	-1999.97	-1453.06	2472.10	3.00	-3.00	0.00	180.00
9200.00	19.15	216.00	8373.61	-2028.49	-1473.79	2507.36	3.00	-3.00	0.00	180.00
9300.00	16.15	216.00	8468.89	-2053.02	-1491.60	2537.67	3.00	-3.00	0.00	180.00
9400.00	13.15	216.00	8565.63	-2073.47	-1506.46	2562.95	3.00	-3.00	0.00	180.00
9500.00	10.15	216.00	8663.56	-2089.80	-1518.33	2583.13	3.00	-3.00	0.00	180.00
9600.00	7.15	216.00	8762.41	-2101.96	-1527.16	2598.16	3.00	-3.00	0.00	180.00
9700.00	4.15	216.00	8861.92	-2109.92	-1532.94	2608.00	3.00	-3.00	0.00	180.00
9800.00	1.15	216.00	8961.80	-2113.65	-1535.66	2612.62	3.00	-3.00	0.00	180.00
9838.20	0.00	216.00	9000.00	-2113.96	-1535.88	2613.00	3.00	-3.00	0.00	-180.00

Section 4 : Start Hold

MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	VS ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	TFO deg
9900.00	0.00	216.00	9061.80	-2113.96	-1535.88	2613.00	0.00	0.00	0.00	216.00
10000.00	0.00	216.00	9161.80	-2113.96	-1535.88	2613.00	0.00	0.00	0.00	216.00
10100.00	0.00	216.00	9261.80	-2113.96	-1535.88	2613.00	0.00	0.00	0.00	216.00
10200.00	0.00	216.00	9361.80	-2113.96	-1535.88	2613.00	0.00	0.00	0.00	216.00
10300.00	0.00	216.00	9461.80	-2113.96	-1535.88	2613.00	0.00	0.00	0.00	216.00
10400.00	0.00	216.00	9561.80	-2113.96	-1535.88	2613.00	0.00	0.00	0.00	216.00
10500.00	0.00	216.00	9661.80	-2113.96	-1535.88	2613.00	0.00	0.00	0.00	216.00
10600.00	0.00	216.00	9761.80	-2113.96	-1535.88	2613.00	0.00	0.00	0.00	216.00
10700.00	0.00	216.00	9861.80	-2113.96	-1535.88	2613.00	0.00	0.00	0.00	216.00
10800.00	0.00	216.00	9961.80	-2113.96	-1535.88	2613.00	0.00	0.00	0.00	216.00
10900.00	0.00	216.00	10061.80	-2113.96	-1535.88	2613.00	0.00	0.00	0.00	216.00
11000.00	0.00	216.00	10161.80	-2113.96	-1535.88	2613.00	0.00	0.00	0.00	216.00
11100.00	0.00	216.00	10261.80	-2113.96	-1535.88	2613.00	0.00	0.00	0.00	216.00

Company:	Pure Resources	**Date:** 4/21/2005	**Time:** 10:31:49	**Page:**	3
Field:	Buena Vista	**Co-ordinate(NE) Reference:**	Well: #1, Grid North		
Site:	Buena Vista 24-25 Federal #1	**Vertical (TVD) Reference:**	SITE 0.0		
Well:	#1	**Section (VS) Reference:**	User (0.00N,0.00E,216.00Azi)		
Wellpath:	1	**Plan:**	Plan		

Section 4 : Start Hold

MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	VS ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	TFO deg
11200.00	0.00	216.00	10361.80	-2113.96	-1535.88	2613.00	0.00	0.00	0.00	216.00
11300.00	0.00	216.00	10461.80	-2113.96	-1535.88	2613.00	0.00	0.00	0.00	216.00
11400.00	0.00	216.00	10561.80	-2113.96	-1535.88	2613.00	0.00	0.00	0.00	216.00
11500.00	0.00	216.00	10661.80	-2113.96	-1535.88	2613.00	0.00	0.00	0.00	216.00
11538.20	0.00	216.00	10700.00	-2113.96	-1535.88	2613.00	0.00	0.00	0.00	216.00

Survey

MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	VS ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	Tool/Comment
4500.00	0.00	216.00	4500.00	0.00	0.00	0.00	0.00	0.00	0.00	
4600.00	3.00	216.00	4599.95	-2.12	-1.54	2.62	3.00	3.00	0.00	
4700.00	6.00	216.00	4699.63	-8.46	-6.15	10.46	3.00	3.00	0.00	
4800.00	9.00	216.00	4798.77	-19.02	-13.82	23.51	3.00	3.00	0.00	
4900.00	12.00	216.00	4897.08	-33.76	-24.53	41.74	3.00	3.00	0.00	
5000.00	15.00	216.00	4994.31	-52.65	-38.25	65.08	3.00	3.00	0.00	
5100.00	18.00	216.00	5090.18	-75.62	-54.94	93.48	3.00	3.00	0.00	
5200.00	21.00	216.00	5184.43	-102.63	-74.56	126.85	3.00	3.00	0.00	
5300.00	24.00	216.00	5276.81	-133.58	-97.05	165.12	3.00	3.00	0.00	
5400.00	27.00	216.00	5367.06	-168.41	-122.35	208.16	3.00	3.00	0.00	
5500.00	30.00	216.00	5454.93	-207.01	-150.40	255.87	3.00	3.00	0.00	
5600.00	33.00	216.00	5540.18	-249.27	-181.11	308.12	3.00	3.00	0.00	
5700.00	36.00	216.00	5622.59	-295.09	-214.40	364.75	3.00	3.00	0.00	
5800.00	39.00	216.00	5701.91	-344.33	-250.17	425.62	3.00	3.00	0.00	
5835.32	40.06	216.00	5729.15	-362.52	-263.39	448.10	3.00	3.00	0.00	
5900.00	40.06	216.00	5778.66	-396.20	-287.85	489.73	0.00	0.00	0.00	
6000.00	40.06	216.00	5855.20	-448.26	-325.68	554.09	0.00	0.00	0.00	
6100.00	40.06	216.00	5931.73	-500.33	-363.51	618.44	0.00	0.00	0.00	
6200.00	40.06	216.00	6008.27	-552.40	-401.34	682.80	0.00	0.00	0.00	
6300.00	40.06	216.00	6084.81	-604.47	-439.17	747.16	0.00	0.00	0.00	
6400.00	40.06	216.00	6161.35	-656.53	-477.00	811.52	0.00	0.00	0.00	
6500.00	40.06	216.00	6237.89	-708.60	-514.83	875.88	0.00	0.00	0.00	
6600.00	40.06	216.00	6314.42	-760.67	-552.66	940.24	0.00	0.00	0.00	
6700.00	40.06	216.00	6390.96	-812.73	-590.49	1004.59	0.00	0.00	0.00	
6800.00	40.06	216.00	6467.50	-864.80	-628.31	1068.95	0.00	0.00	0.00	
6900.00	40.06	216.00	6544.04	-916.87	-666.14	1133.31	0.00	0.00	0.00	
7000.00	40.06	216.00	6620.57	-968.93	-703.97	1197.67	0.00	0.00	0.00	
7100.00	40.06	216.00	6697.11	-1021.00	-741.80	1262.03	0.00	0.00	0.00	
7200.00	40.06	216.00	6773.65	-1073.07	-779.63	1326.39	0.00	0.00	0.00	
7300.00	40.06	216.00	6850.19	-1125.14	-817.46	1390.74	0.00	0.00	0.00	
7400.00	40.06	216.00	6926.72	-1177.20	-855.29	1455.10	0.00	0.00	0.00	
7500.00	40.06	216.00	7003.26	-1229.27	-893.12	1519.46	0.00	0.00	0.00	
7600.00	40.06	216.00	7079.80	-1281.34	-930.95	1583.82	0.00	0.00	0.00	
7700.00	40.06	216.00	7156.34	-1333.40	-968.77	1648.18	0.00	0.00	0.00	
7800.00	40.06	216.00	7232.87	-1385.47	-1006.60	1712.54	0.00	0.00	0.00	
7900.00	40.06	216.00	7309.41	-1437.54	-1044.43	1776.89	0.00	0.00	0.00	
8000.00	40.06	216.00	7385.95	-1489.60	-1082.26	1841.25	0.00	0.00	0.00	
8100.00	40.06	216.00	7462.49	-1541.67	-1120.09	1905.61	0.00	0.00	0.00	
8200.00	40.06	216.00	7539.02	-1593.74	-1157.92	1969.97	0.00	0.00	0.00	
8300.00	40.06	216.00	7615.56	-1645.81	-1195.75	2034.33	0.00	0.00	0.00	
8400.00	40.06	216.00	7692.10	-1697.87	-1233.58	2098.69	0.00	0.00	0.00	
8502.89	40.06	216.00	7770.85	-1751.44	-1272.50	2164.90	0.00	0.00	0.00	
8600.00	37.15	216.00	7846.73	-1800.46	-1308.11	2225.49	3.00	-3.00	0.00	
8700.00	34.15	216.00	7927.99	-1847.60	-1342.36	2283.76	3.00	-3.00	0.00	
8800.00	31.15	216.00	8012.18	-1891.24	-1374.06	2337.70	3.00	-3.00	0.00	

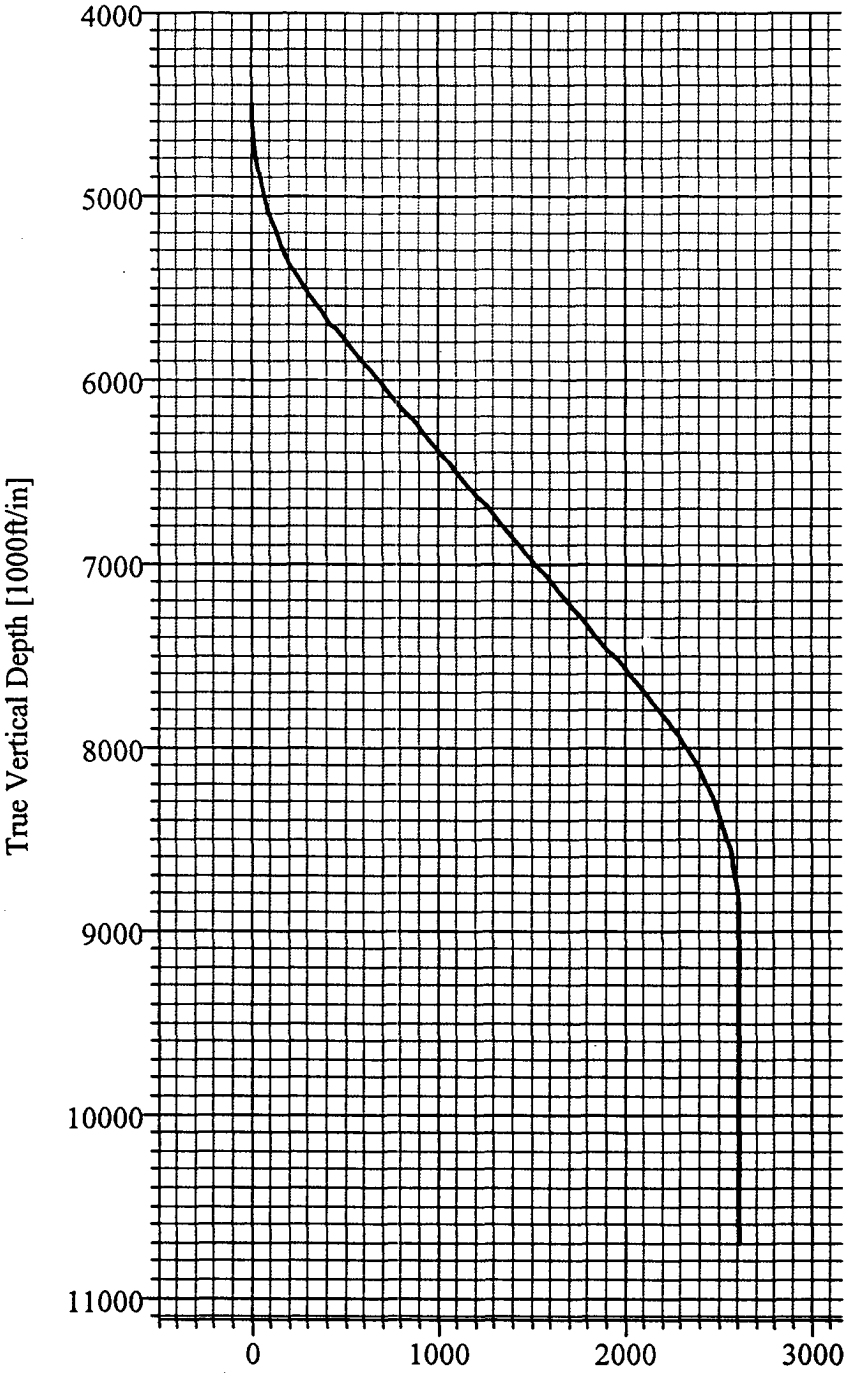
Company:	Pure Resources	**Date:** 4/21/2005	**Time:** 10:31:49	**Page:**	4
Field:	Buena Vista	**Co-ordinate(NE) Reference:**	Well: #1, Grid North		
Site:	Buena Vista 24-25 Federal #1	**Vertical (TVD) Reference:**	SITE 0.0		
Well:	#1	**Section (VS) Reference:**	User (0.00N,0.00E,216.00Azi)		
Wellpath:	1	**Plan:**	Plan		

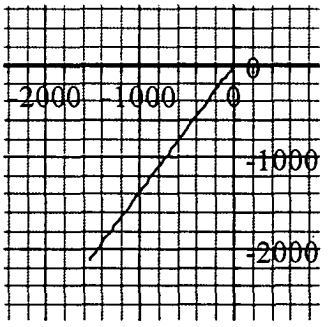
Survey

MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	VS ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	Tool/Comment
8900.00	28.15	216.00	8099.08	-1931.25	-1403.13	2387.15	3.00	-3.00	0.00	
9000.00	25.15	216.00	8188.45	-1967.53	-1429.49	2432.00	3.00	-3.00	0.00	
9100.00	22.15	216.00	8280.04	-1999.97	-1453.06	2472.10	3.00	-3.00	0.00	
9200.00	19.15	216.00	8373.61	-2028.49	-1473.79	2507.36	3.00	-3.00	0.00	
9300.00	16.15	216.00	8468.89	-2053.02	-1491.60	2537.67	3.00	-3.00	0.00	
9400.00	13.15	216.00	8565.63	-2073.47	-1506.46	2562.95	3.00	-3.00	0.00	
9500.00	10.15	216.00	8663.56	-2089.80	-1518.33	2583.13	3.00	-3.00	0.00	
9600.00	7.15	216.00	8762.41	-2101.96	-1527.16	2598.16	3.00	-3.00	0.00	
9700.00	4.15	216.00	8861.92	-2109.92	-1532.94	2608.00	3.00	-3.00	0.00	
9800.00	1.15	216.00	8961.80	-2113.65	-1535.66	2612.62	3.00	-3.00	0.00	
9838.20	0.00	216.00	9000.00	-2113.96	-1535.88	2613.00	3.00	-3.00	0.00	
9900.00	0.00	216.00	9061.80	-2113.96	-1535.88	2613.00	0.00	0.00	0.00	
10000.00	0.00	216.00	9161.80	-2113.96	-1535.88	2613.00	0.00	0.00	0.00	
10100.00	0.00	216.00	9261.80	-2113.96	-1535.88	2613.00	0.00	0.00	0.00	
10200.00	0.00	216.00	9361.80	-2113.96	-1535.88	2613.00	0.00	0.00	0.00	
10300.00	0.00	216.00	9461.80	-2113.96	-1535.88	2613.00	0.00	0.00	0.00	
10400.00	0.00	216.00	9561.80	-2113.96	-1535.88	2613.00	0.00	0.00	0.00	
10500.00	0.00	216.00	9661.80	-2113.96	-1535.88	2613.00	0.00	0.00	0.00	
10600.00	0.00	216.00	9761.80	-2113.96	-1535.88	2613.00	0.00	0.00	0.00	
10700.00	0.00	216.00	9861.80	-2113.96	-1535.88	2613.00	0.00	0.00	0.00	
10800.00	0.00	216.00	9961.80	-2113.96	-1535.88	2613.00	0.00	0.00	0.00	
10900.00	0.00	216.00	10061.80	-2113.96	-1535.88	2613.00	0.00	0.00	0.00	
11000.00	0.00	216.00	10161.80	-2113.96	-1535.88	2613.00	0.00	0.00	0.00	
11100.00	0.00	216.00	10261.80	-2113.96	-1535.88	2613.00	0.00	0.00	0.00	
11200.00	0.00	216.00	10361.80	-2113.96	-1535.88	2613.00	0.00	0.00	0.00	
11300.00	0.00	216.00	10461.80	-2113.96	-1535.88	2613.00	0.00	0.00	0.00	
11400.00	0.00	216.00	10561.80	-2113.96	-1535.88	2613.00	0.00	0.00	0.00	
11500.00	0.00	216.00	10661.80	-2113.96	-1535.88	2613.00	0.00	0.00	0.00	
11538.20	0.00	216.00	10700.00	-2113.96	-1535.88	2613.00	0.00	0.00	0.00	

Weatherford
DIRECTIONAL SERVICES

PUR RESOURCES
Buena Vista 24-25 Federal #1
EDDY COUNTY, NM





SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	4500.00	0.00	216.00	4500.00	0.00	0.00	0.00	0.00	0.00	
2	5835.32	40.06	216.00	5729.15	-362.52	-263.39	3.00	216.00	448.10	
3	8502.89	40.06	216.00	7770.85	-1751.44	-1272.50	0.00	0.00	2164.90	
4	9838.20	0.00	216.00	9000.00	-2113.96	-1535.88	3.00	180.00	2613.00	Target
5	11538.20	0.00	216.00	10700.00	-2113.96	-1535.88	0.00	216.00	2613.00	

CONDITIONS OF APPROVAL - DRILLING

Operator's Name:	**LATIGO PETROLEUM, INC.**
Well Name & No.	**1 – BUENA VISTA '24-25' FEDERAL**
Location:	**1470' FSL & 1755' FEL – SEC 24 – T26S – R25E – EDDY COUNTY (SHL)**
	660' FNL & 1980' FWL – SEC 25 – T26S – R25E – EDDY COUNTY (BHL)
Lease:	**NM-104666**

I. DRILLING OPERATIONS REQUIREMENTS:

1. The Bureau of Land Management (BLM) is to be notified at the Roswell Field Office, 2909 West Second St., Roswell NM 88201, (505) 627-0272 for wells in Chaves and Roosevelt Counties; the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (505) 234-5909 or (505) 361-2822 (After hours) - for wells in Eddy County; and the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (505) 393-3612 for wells in Lea County, in sufficient time for a representative to witness:

A. Spudding

B. Cementing casing: **13-3/8** inch **8-5/8** inch **5-1/2** inch

C. BOP tests

2 Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.

3. Submit a Sundry Notice (Form 3160-5, one original and five copies) for each casing string, describing the casing and cementing operations. Include pertinent information such as; spud date, hole size, casing (size, weight, grade and thread type), cement (type, quantity and top), water zones and problems or hazards encountered. The Sundry shall be submitted within 15 days of completion of each casing string. The reports may be combined into the same Sundry if they fall within the same 15 day time frame.

4. The API No. assigned to the well by NMOCD shall be included on the subsequent report of setting the first casing string.

II. CASING:

1. The **13-3/8** inch surface casing shall be set at **420 feet**, below usable water and cement circulated to the surface. If cement does not circulate to the surface the appropriate BLM office shall be notified and a temperature survey or cement bond log shall be run to verify the top of the cement. Remedial cementing shall be completed prior to drilling out that string.

2. The minimum required fill of cement behind the **8-5/8** inch intermediate casing is **circulate cement to the surface.**

4. The minimum required fill of cement behind the **5-1/2** inch production casing is **cement shall extend upward a minimum of 500 feet above the uppermost hydrocarbon bearing interval.**

(ORIG. SGD.) LES BABYAK

III. PRESSURE CONTROL:

1. All BOP systems and related equipment shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2. The BOP and related equipment shall be installed and operational before drilling below the **13-3/8** inch casing shoe and shall be tested as described in Onshore Order No. 2. Any equipment failing to test satisfactorily shall be repaired or replaced.

2. Minimum working pressure of the blowout preventer and related equipment (BOPE) required for drilling the surface and intermediate casing shall be **2000** psi. Minimum working pressure of the blowout preventer and related equipment (BOPE) required for drilling below the **8-5/8** inch casing shall be **3000** psi.

3. The appropriate BLM office shall be notified in sufficient time for a representative to witness the tests.
- The tests shall be done by an independent service company.
- The results of the test shall be reported to the appropriate BLM office.
- Testing fluid must be water or an appropriate clear liquid suitable for sub-freezing temperatures. Use of drilling mud for testing is not permitted since it can mask small leaks.
- Testing must be done in a safe workman-like manner. Hard line connections shall be required.
- BOPE must be tested prior to drilling into the **Wolfcamp** Formation by an independent service company.

IV. DRILLING MUD:

Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be operating before drilling into the **Wolfcamp** Formation, and shall be used until production casing is run and cemented. Monitoring equipment shall consist of the following:

1. Recording pit level indicator to indicate volume gains and losses.
2. Mud measuring device for accurately determining the mud volumes necessary to fill the hole during trips.
3. Flow-sensor on the flow line to warn of abnormal mud returns from the well.