

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

¹ Operator Name and Address Latigo Petroleum, Inc. 550 W. Texas, Suite 700 Midland, TX 79701		² OGRID Number 227001
³ Property Code 300357		⁴ API Number 30-025-36953
⁵ Property Name NORTH LUSK 32 STATE		⁶ Well No. 3
⁹ Proposed Pool 1 41450 LUSK, N. BONE SPRINGS		¹⁰ Proposed Pool 2

7 Surface Location

UL or lot no. K	Section 32	Township 18S	Range 32E	Lot Idn	Feet from the 1980'	North/South line SOUTH	Feet from the 1980'	East/Westline WEST	County LEA
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8 Proposed 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/Westline	County
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Additional Well Information

¹¹ Work Type Code NEW DRILL	¹² Well Type Code Oil	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3691'
¹⁶ Multiple	¹⁷ Proposed Depth 9900'	¹⁸ Formation BONE SPRINGS	¹⁹ Contractor	²⁰ Spud Date
Depth to Groundwater 102'		Distance from nearest fresh water well 17,750 S		Distance from nearest surface water 19 miles SW
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 mil thick Clay <input type="checkbox"/> Pit Volume: 500 bbls Drilling Method: Closed-Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input checked="" type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

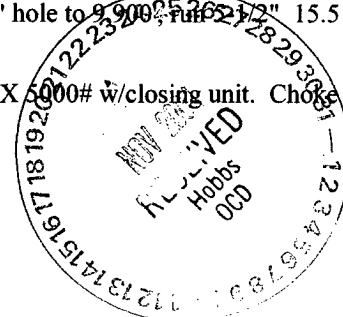
21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2"	13 3/8"	48#	575	500	Surface
12 1/4"	8 5/8"	24 & 32#	4250'	1300	Surface
7 7/8"	5 1/2"	15.5 & 17#	9900'	2100	4100'

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.
Drl 17-1/2" hole to 575', run 13-3/8" 48# csg to 575', cmt w/500 sx Cls C + adds, circ to surf. WOC 12 hrs. Drl 12-1/4" hole to 4250', run 8-5/8" 24 & 32# intermediate csg to 4250', cmt w/1300 sx lead Cls C - WOC 12 hrs. Drl 7-7/8" hole to 9900', run 5-1/2" 15.5 & 17# csg, set @ 9,900'. Cmt w/2100 sxs to an estimated 4100', WOC. No DST's planned.

Blowout Preventers 1 Shaffer LWS 10" X 3000# w/closing unit, choke manifold 3" X 3000# or 10" X 5000# w/closing unit. Choke manifold 3" X 5000#.

Permit Expires 1 Year From Approval
Date Unless Drilling Underway



²³ 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 CONSERVATION DIVISION	
Printed name: Donna Frazier <i>Donna Frazier</i>		Approved by: <i>[Signature]</i>	
Title: Production Analyst		Title: PETROLEUM ENGINEER	
E-mail Address: dfrazier@latigopetro.com		Approval Date: NOV 22 2004 Expiration Date:	
Date: 11/17/2004	Phone: (432)684-4293	Conditions of Approval Attached <input type="checkbox"/>	

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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised June 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-36953	² Pool Code 41450	³ Pool Name LUSK; BONE SPRING, NORTH
⁴ Property Code 300357	⁵ Property Name NORTH LUSK 32 STATE	⁶ Well Number 3
⁷ OGRID No. 227001	⁸ Operator Name LATIGO PETROLEUM, Inc.	⁹ Elevation 3691

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	32	18-S	32-E		1980'	SOUTH	1980'	WEST	LEA

¹¹ 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

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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

<div><p>¹⁶</p></div>	<div><p>¹⁷ OPERATOR CERTIFICATION</p><p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p><p><i>Donna Frazier</i> Signature</p><p>Donna Frazier Printed Name</p><p>Production Analyst dfrazier@latigopetro.com Title and E-mail Address</p><p>11/17/ 04 Date</p></div> <div><p>¹⁸ 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>10/21/04 Date of Survey</p><p><i>R. Pennell</i> Signature and Seal of Professional Surveyor</p><p> Certificate Number PLS 9062</p></div>
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State of New Mexico
Energy Minerals and Natural Resources

Form C-144
June 1, 2004

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

For drilling and production facilities, submit to appropriate NMOC District Office.
For downstream facilities, submit to Santa Fe office

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes ☐ No ☐

Type of action: Registration of a pit or below-grade tank ☐ Closure of a pit or below-grade tank ☐

Operator: Latigo Petroleum, Inc. Telephone: (432)684-4293 e-mail address: dfrazier@latigopetro.com
Address: 550 W. Texas, Suite 700 Midland, TX 79701
Facility or well name: NORTH LUSK 32 STATE #3 API#: 30-025-34953 U/l or Qtr/Qtr K Sec 32 T 18S R 32E
County: LEA Latitude _____ Longitude _____ NAD: 1927 ☐ 1983 ☐ Surface Owner Federal ☐ State ☒ Private ☐ Indian ☐

Pit

Type: Drilling ☒ Production ☐ Disposal ☐

Workover ☐ Emergency ☐

Lined ☒ Unlined ☐

Liner type: Synthetic ☒ Thickness 12 mil Clay ☐

Pit Volume 500 bbl

Below-grade tank

Volume: _____ bbl Type of fluid: _____

Construction material: _____

Double-walled, with leak detection? Yes ☐ If not, explain why not. _____

Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)

Less than 50 feet

(20 points)

50 feet or more, but less than 100 feet

(10 points)

100 feet or more

(0 points)

Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)

Yes

(20 points)

No

(0 points)

Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)

Less than 200 feet

(20 points)

200 feet or more, but less than 1000 feet

(10 points)

1000 feet or more

(0 points)

Ranking Score (Total Points)

0

If this is a pit closure: (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: (check the onsite box if you are burying in place) onsite ☐ offsite ☐ If offsite, name of facility _____ (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☐ Yes ☐ If yes, show depth below ground surface _____ ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

Additional Comments:

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

Date: 11/17/2004

Printed Name/Title Donna Frazier Production Analyst

Signature Donna Frazier

Your certification and NMOC District approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval:

Printed Name/Title

PETROLEUM ENGINEER

Signature [Signature]

Date:

NOV 22 2004