

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 Property Name NORTH LUSK 32 STATE	⁵ API Number 30-025-36982
⁹ Proposed Pool 1 LUSK, N. BONE SPRINGS (41450)		⁶ Well No. 5
¹⁰ Proposed Pool 2		

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/Westline	County
M	32	18S	32E		660'	SOUTH	760'	WEST	LEA

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

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 16,750' S		Distance from nearest surface water 19 miles SW
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 milst thick Clay <input type="checkbox"/> Pit Volume: 500 bbls Drilling Method: Fresh Water <input checked="" type="checkbox"/> Brine <input checked="" type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				
Closed-Loop System <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#	3250'	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 3250', run 8 5/8" 24 & 32# intermediate csg to 3250', 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.

Bowout 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
Data 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 ☐, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

OIL CONSERVATION DIVISION

Approved by:

Printed name: Donna Frazier

Title:

PETROLEUM ENGINEER

Title: Production Analyst

Approval Date:

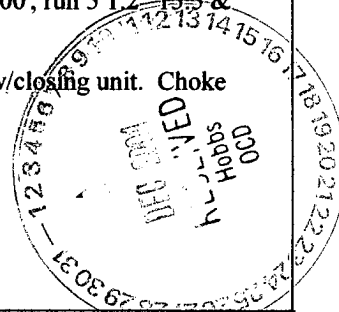
DEC 01 2004

Expiration Date:

E-mail Address: dfrazier@latigopetro.com

Date: 11/30/2004

Phone: (432)684-4293

Conditions of Approval Attached ☐

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 & 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 30-025-36982		² Pool Code 41450	³ Pool Name LUSK, N. BONE SPRINGS
⁴ Property Code 300357	⁵ Property Name NORTH LUSK 32 STATE		⁶ Well Number 5
⁷ OGRID No. 227001	⁸ Operator Name LATIGO PETROLEUM, Inc.		⁹ Elevation 3691

¹⁰ Surface Location

UL or lot no. M	Section 32	Township 18-S	Range 32-E	Lot Idn	Feet from the 660'	North/South line SOUTH	Feet from the 760'	East/West line WEST	County 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 40	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

¹⁶ 	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature Donna Frazier Printed Name Production Analyst Title and E-mail Address 11/30/04 Date			
	¹⁸ 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 supervision, and that the same is true and correct to the best of my belief. 10/21/04 Date of Survey Signature and Seal of Professional Surveyor Certificate Number PLS 9062			

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-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 #5 API# 30-025-36482 U/I or Qtr/Qtr M Sec 32 T 18S R 32E
County: LEA Latitude _____ Longitude _____ NAD: 1927 ☐ 1983 ☐ Surface Owner Federal ☐ State ☒ Private ☐ Indian ☐

<u>Pit</u>	<u>Below-grade tank</u>	
Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input checked="" type="checkbox"/> Thickness <u>12</u> mil Clay <input type="checkbox"/> Pit Volume <u>500</u> bbl	Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes <input type="checkbox"/> 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 guidelines ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.
Date: 11/30/2004

Printed Name/Title Donna Frazier Production Analyst

Signature Donna Frazier

Your certification and NMOC 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

PAUL F. KAUTZ
PETROLEUM ENGINEER

Signature Paul F. Kautz

DEC 03 2004