Form 3160-3
(July 1992)

SUBMIT IN TRIPLICATE* (Other instructions on reverse side)

New Mexico Oil Conservation Division, District I
1625 N. French Drive
Hobbs, NM 88240

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

SECRETARY'S POTASH

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

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

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

3. ADDRESS AND TELEPHONE NO.
415 WEST WALL STREET SUITE 1900 MIDLAND, TEXAS 79701

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface
1980' FNL & 1980' FWL SECTION 11 T22S-R32E LEA CO. NM
At proposed prod. zone SAME
"F"

5. LEASE DESIGNATION AND SERIAL NO.
NM-105892

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
---

7. UNIT AGREEMENT NAME
---

8. FARM OR LEASE NAME, WELL NO. 300360
BOOTLEG "11" FEDERAL COM. # 2

9. API WELL NO.
30-025-37083

10. FIELD AND POOL, OR WILDCAT 72659
Bootleg Ridge, Morrow (Gas)

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
SECTION 11 T22S-R32E

12. COUNTY OR PARISH: LEA CO.
13. STATE: NEW MEXICO

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
Approximately 30 miles Southwest of Hobbs New Mexico

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any): 660'

16. NO. OF ACRES IN LEASE: 320 w/2

17. NO. OF ACRES ASSIGNED TO THIS WELL: 320

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.: NA

19. PROPOSED DEPTH: 15,200'

20. ROTARY OR CABLE TOOLS: ROTARY

21. ELEVATIONS (Show whether DF, RT, GR, etc.): 3748' GR.

22. APPROX. DATE WORK WILL START*: WHEN APPROVED

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
25"	Conductor	NA	40'	Redi-mix to surface
17½"	H-40 13 3/8"	48	950'	775 Sx. circulate cement
12¼"	J-55 9 5/8"	36 & 40	4775'	1350 Sx " "
8½"	N-80,P110 7"	26	12,200'	2850 Sx. Estimate TOC 4500'
6 1/8"	p-110 4½"	11.6	15,200-12,000	315 Sx. Top of Liner

CARLSBAD CONTROLLED WATER BASIN

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

SEE ATTACHED SHEET

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

RECEIVED
FEB 2005
Hobbs OCD

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 Joe T Clements TITLE Agent DATE 12/23/04

(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:

APPROVED BY /S/ Vincent N. Vogt TITLE ACTING STATE DIRECTOR DATE FEB - 1 2005

KZ

*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.

LATIGO PETROLEUM, INC.
BOOTLEG "11" FEDERAL COM # 2
UNIT "F" SECTION 11
T22S-R32E LEA CO. NM

1. Drill 25" hole to 40'. Set 40' of 20" conductor pipe and cement to surface with Redi-mix.

2. Drill 17½" hole to 950'. Run and set 950' of 48# H-40 ST&C casing. Cement with 775 Sx. of Class "C" cement + 2% CaCl, + ¼# Flocele/Sx. Circulate cement to surface.

3. Drill 12¼" hole to 4775'. Run and set 4775' of 9 5/8" 36 & 40# J-55 ST&C casing. Cement with 1350 Sx. of Class "C" cement + additives, circulate cement to surface.

4. Drill 8½" hole to 12,200'. Run and set 12,200' of 7" 26# P-110 LT&C casing. Cement in two stages with DV Tool at 6800'±. Cement 1st stage with 1000 Sx of Class "H" premium Plus cement + additives, cement 2nd stage with 1200 Sx. of Class "H" cement + additives estimate top of cement 4500'± from surface.

5. Drill 6 1/8" hole to 15,200'. Run and set a 3200' 4½" 11.6# P-110 LT&C liner, hang liner at 12,000'. Cement with 315 Sx. of Class "H" Premium Plus cement + additives.

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	[2] Pool Code	[3] Pool Name
30-025-37083	72650 ✓	BOOTLEG RIDGE-MORROW (GAS) ✓

[4] Property Code	[5] Property Name	[6] Well Number
300360	BOOTLEG "11" Fed. Com.	#2

[7] OGRID No.	[8] Operator Name	[9] Elevation
227001	LATIGO PETROLEUM	3748.4

[10] Surface Location

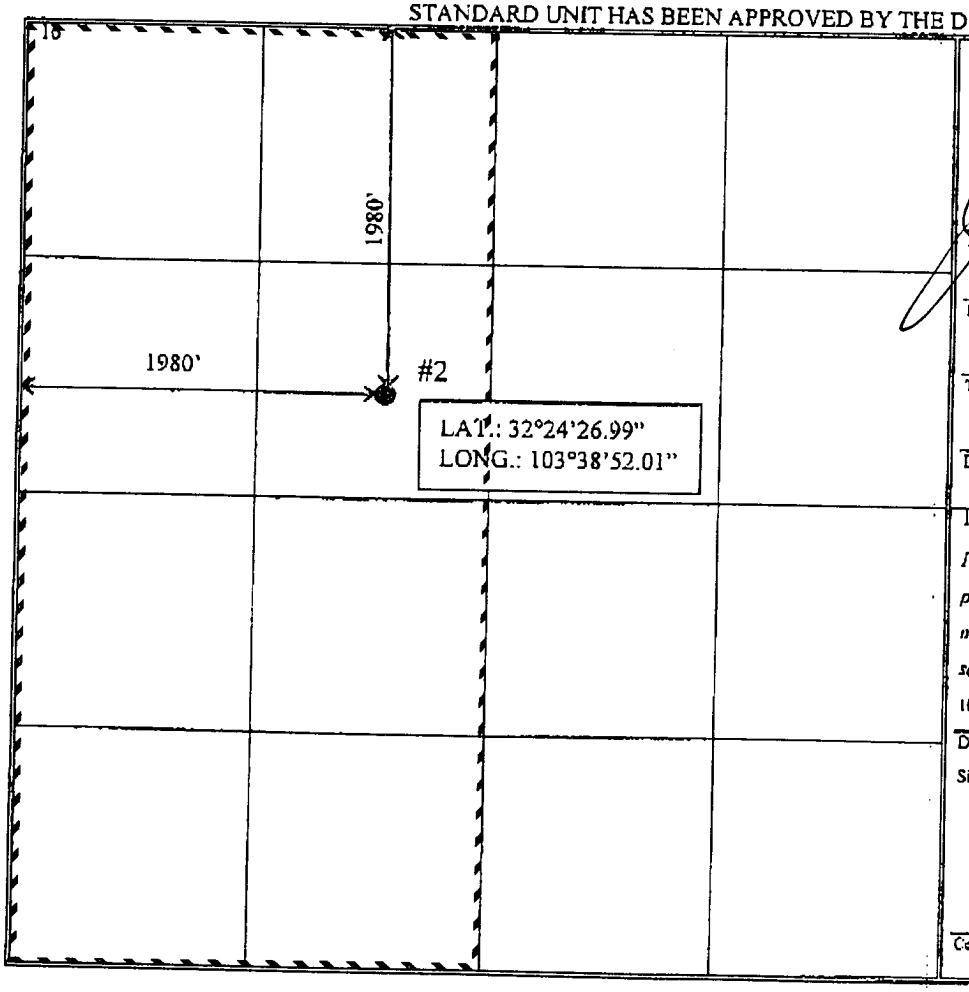
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	11	22-S	32-E		1980'	NORTH	1980'	WEST	LEA

[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.
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



[17] OPERATOR CERTIFICATION

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

Joe T. Janica
Signature

Joe T. Janica
Printed Name

Agent
Title and E-mail Address

12/23/04
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.

10/14/04
Date of Survey

Signature and Seal of Professional Surveyor:

BRUCE R. PENNELL
NEW MEXICO
8062
REGISTERED PROFESSIONAL LAND SURVEYOR

Certificate Number PLS 9062

EXHIBIT "A"

APPLICATION TO DRILL

LATIGO PETROLEUM, INC.
BOOTLEG "11" FEDERAL COM. # 2
UNIT "F" SECTION 12
T22S-R32E LEA CO. NM

In response to questions asked under Section II of Bulletin NTL-6 the following information on the above well is providedfor your consideration.

1. Location of well: 1980' FNL & 1980' FWL SECTION 11 T22S-R32E LEA CO. NM

2. Ground Elevation above Sea Level: 3748' GR.

3. Geological age of surface formation: Quaternary Deposits:

4. Drilling tools and associated equipment: Conventional rotary drilling rig using drilling mud as a circulating medium to remove solids from hole.

5. Proposed drilling depth: 15,200'

6. Estimated tops of geological markers:

Rustler Anhydrite	900'	Wolfcamp	11,450'
Castile	4250'	Strawn	13,190'
Delaware Sand	4920'	Atoka	13,800'
Bone Spring	8740'	Morrow	14,250'

7. Possible mineral bearing formations:

Bone spring	Oil	Atoka	Gas
Wolfcamp	Oil	Morrow	Gas
Strawn	Gas		

8. Casing Program:

Hole Size	Interval	OD of Casing	Weight	Thread	Collar	Grade
25"	0-40	20"	NA	NA	NA	Conductor
17½"	0-950'	13 3/8"	48#	8-R	ST&C	J-55
12¼"	0-4775'	9 5/8"	36/40	8-R	ST&C	J-55
8½"	0-12,200'	7"	26#	8-R	LT&C	N-80/P110
6 1/8"	12,000-15,200'	4½"	11.6#	8-R	LT&C	P-110

APPLICATION TO DRILL

LATIGO PETROLEUM, INC.
BOOTLEG "11" FEDERAL COM. # 2
UNIT "F" SECTION 12
T22S-R32E LEA CO. NM

9. CASING CEMENTING & SETTING DEPTHS:

20"	Conductor	Set 40' of conductor pipe and cement to surface with Redi-mix.
13 3/8"	Surface	Set 950' of 13 3/8" 48# H-40 ST&C casing. Cement with 775 Sx. of Class "C" cement + ¼# Flocele/Sx, + 2% CaCl circulate cement to surface.
9 5/8"	1st Intermediate	Set 4775' of 9 5/8" 36 & 40# J-55 ST&C casing. Cement with 1350 Sx. of Class "C" cement + additives, circulate cement to surface.
7"	2nd Intermediate	Set 12,200' of 7" 26# P-110 & N-80 LT&C casing. cement in 2 stages with DV Tool at 6800'±. Cement with 1000 on the 1st stage with Class "H" Premium Plus cement + additives, cement 2nd stage with 1200 Sx. of Class "H" cement + additives.
4½"	production liner	Run and set a 3000' 4½" 11.6# P-110 LT&C liner. Cement with 315 Sx. of Class "H" Premium Plus cement + additives.

10. PRESSURE CONTROL EQUIPMENT: Exhibit "E" shows a 900 series 3000 PSI working perssure 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 each 24 Hr. period and the blind rams will be operated when the drill pipe is out of on trips. Full opening stabbing valve and upper kelly cock will be available in case if needed. Exhibit "E-1" shows a hydraulically operated closing unit and a 3" 3000 PSI choke manifold with adjustable chokes. No abnormal pressures or temperatures are expected while drilling this well. No problems in offset wells.

Exhibit "F" shows a 10M PSI working pressure B.O.P. to be placed on the hole after the 9 5/9" casing is set and remain on hole to TD. After installation the B.O.P. stack will be tested with fresh water to API specifications by an outside testing company. The B.O.P will be operated once in each 24 hour period and the blind rams will be worked when the drill pipe is out of hole on trips. Exhibit "F-1" shows a 3" 10M PSI choke manifold with adjustable chokes and a remote controled choke assembly.

11. PROPOSED MUD CIRCULATING SYSTEM:

DEPTH	MUD WT.	VISCOSITY	FLUID LOSS	TYPE SYSTEM

SEE PAGE 2-A

APPLICATION TO DRILL

LATIGO PETROLEUM, INC.
BOOTLEG "11" FEDERAL COM. # 2
UNIT "F" SECTION 12
T22S-R32E LEA CO. NM

DEPTH	MUD WT.	VISC.	FLUID LOSS	TYPE MUD SYSTEM
40-950'	8.4-8.7	29-36	NC	Fresh water spud mud use paper to control seepage.
950-4775'	10.0-10.2	29-38	NC	Brine water using paper to control seepage, use high viscosity sweeps to clean hole.
4775-12,200'	10.0-10.2	29-38	NC	Same as above.
12,200-15,200'	10.1-10.3	34-40	10 cc or less	Change to a Brine Polymer mud system in order to control water loss which may be required to run logs, DST's and casing.

APPLICATION TO DRILL

LATIGO PETROLEUM, INC.
BOOTLEG "11" FEDERAL COM. # 2
UNIT "F" SECTION 12
T22S-R32E LEA CO. NM

12. LOGGING, CORING, AND TESTING PROGRAM:

A. Dual Laterolog, SNP, LDT, Gamma Ray, Caliper from 12,200' back to 9 5/8" casing shoe. Gamma Ray, Neutron from 9 5/8" casing shoe back to surface. Dual Laterolog, SNP, LDT, Gamma Ray, Caliper from TD back to 7" casing shoe.

B. Mud logger on hole at 4775'± to TD.

C. Cores and DST's as shows dictate.

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 7500 PSI, and Estimated BHT 200°.

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 60 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.

HYDROGEN SULFIDE DRILLING OPERATIONS PLAN

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.
BOOTLEG "11" FEDERAL COM. # 2
UNIT "F" SECTION 12
T22S-R32E LEA 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 Hobbs New Mexico take U.S. Hi-way 62-180 West toward Carlsbad New Mexico go 38 miles to C-29 county road, turn South go 14 miles to Mills Ranch Road, turn Left follow well traveled lease road 7.2 Miles± , tirn Left (North) go 1.5 miles to location on the East side of road.

   C. Exhibit "C" shows roads going to location.

2. PLANNED ACCESS ROADS: Approximately 1500' of new road will be constructed.

   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 mi South of location.

   B. Disposal wells - One approximately 1500' S-uth of location.

   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. Possible routes of pipelines, flowlines and powerlines are shown on Exhibit "C".

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.
BOOTLEG "11" FEDERAL COM. # 2
UNIT "F" SECTION 12
T22S-R32E LEA CO. NM

11. OTHER INFORMATION:

A. Topography consists of a slight dip to the West with shallow drainage patterns to the West . Soil consists of sandy loose tan sands. Vegetation consists of Desert scrub, yucca, native grasses and Mesquite.

B. Surface is owned by the U.S. Department of Interior and is administered by the Bureau of Land Management. The surface is leased to ranchers for grazing of live stock.

C. An archaeological survey will be conducted and the results will be filed with The Bureau of Land Management Carlsbad Field office in Carlsbad NM.

D. There are no domestic dwellings located within one mile of the location.

12. OPERATORS REPRESENTIVE:

Before construction:

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

During and after construction:

LATIGO PETROLEUM, INC.
415 WEST WALL STREET
SUITE 1900
MIDLAND, TEXAS 79701
JOE CLEMENTS 432-684-4293

13. CERTIFICATION: I hereby certify that I or persons under my direct supervision have inspected the proposed drill site and access route, 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 the conformity 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 statement.

NAME : Joe T. Janica
DATE : 12/23/04
TITLE : Agent

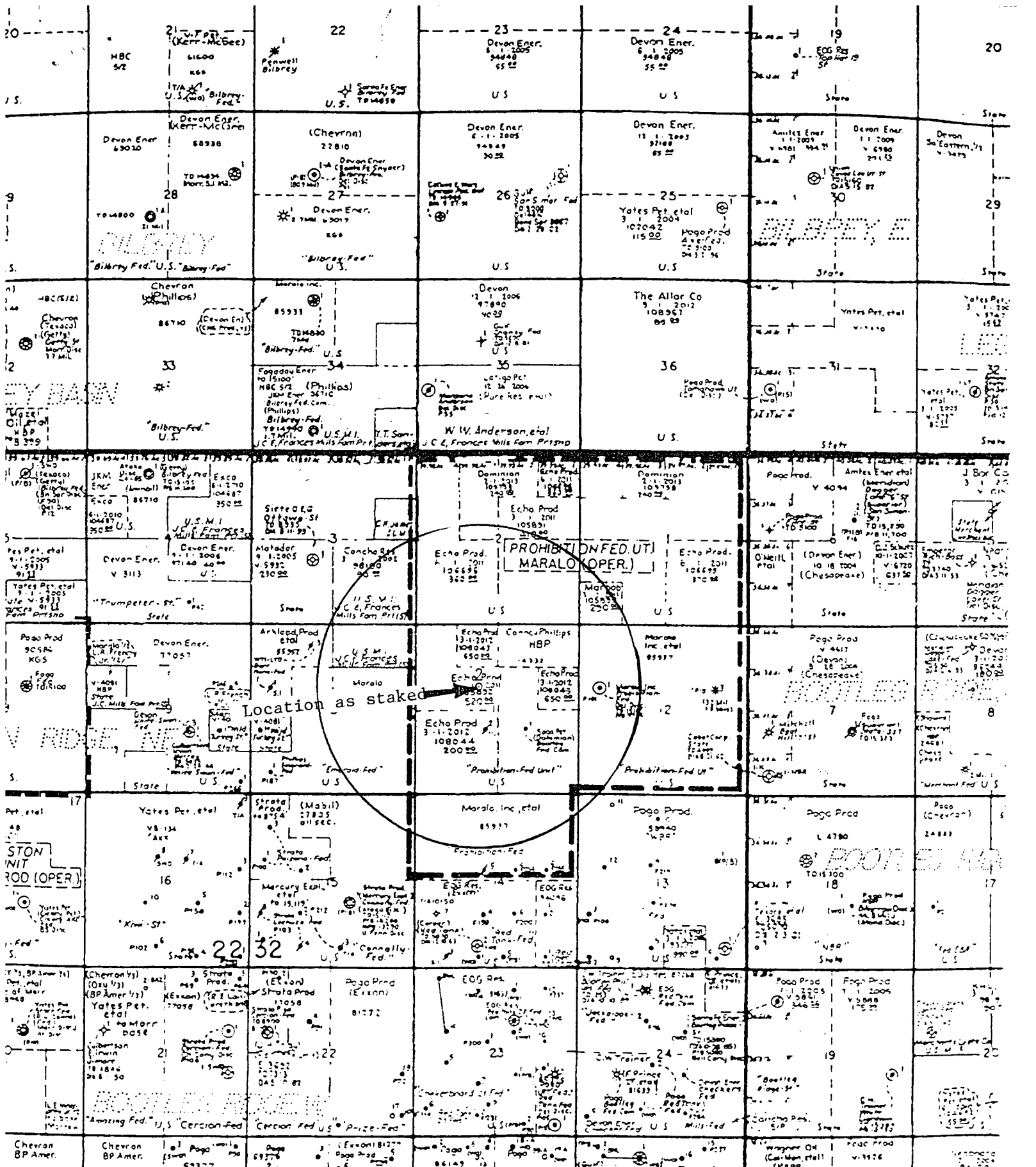


EXHIBIT "A-1"
ONE MILE RADIUS MAP

LATIGO PETROLEUM, INC.
BOOTLEG "11" FEDERAL COM. # 2
UNIT "F" SECTION 11
T22S-R32E LEA CO. NM

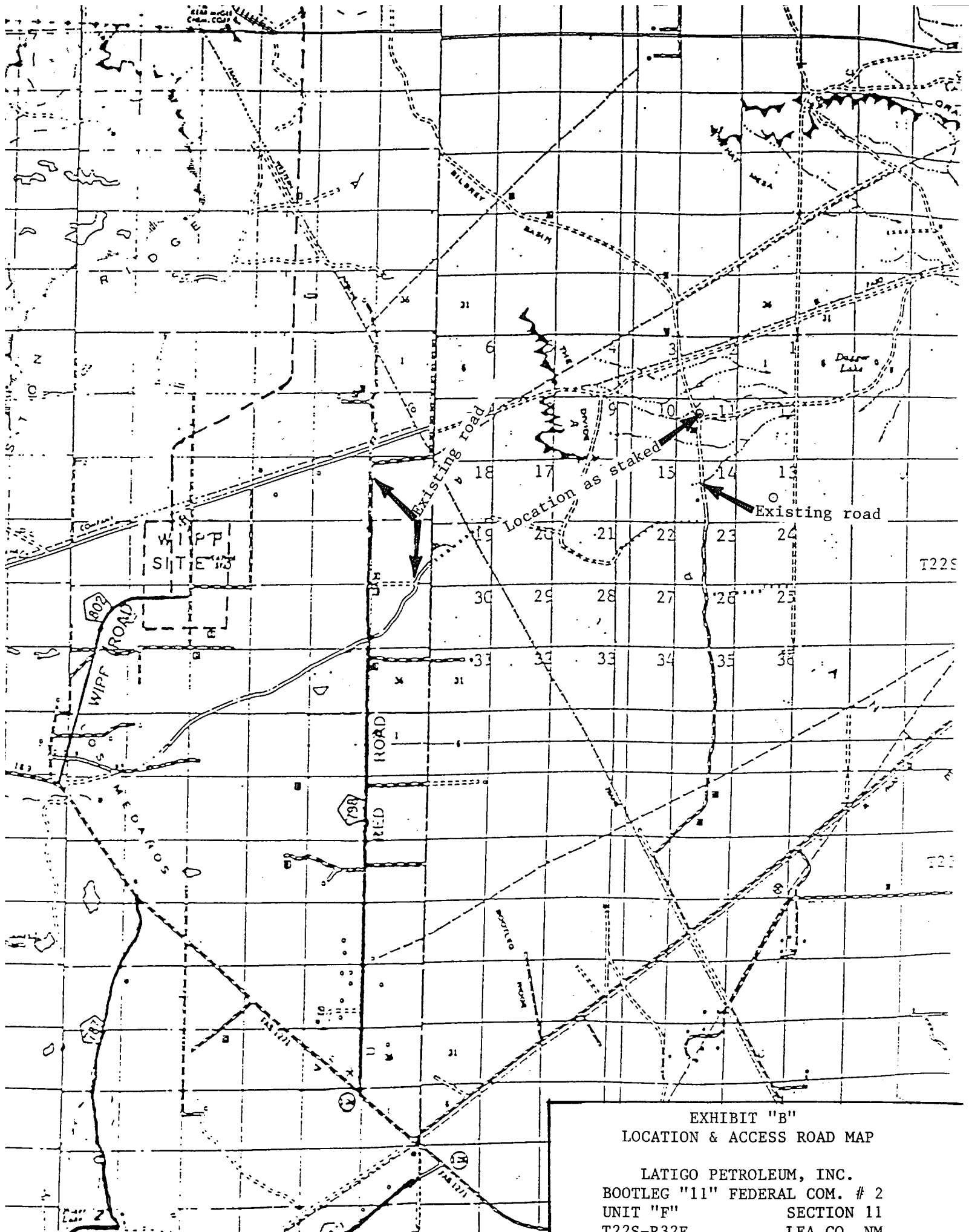


EXHIBIT "B"
LOCATION & ACCESS ROAD MAP

LATIGO PETROLEUM, INC.
BOOTLEG "11" FEDERAL COM. # 2
UNIT "F" SECTION 11
T22S-R32E LEA CO. NM

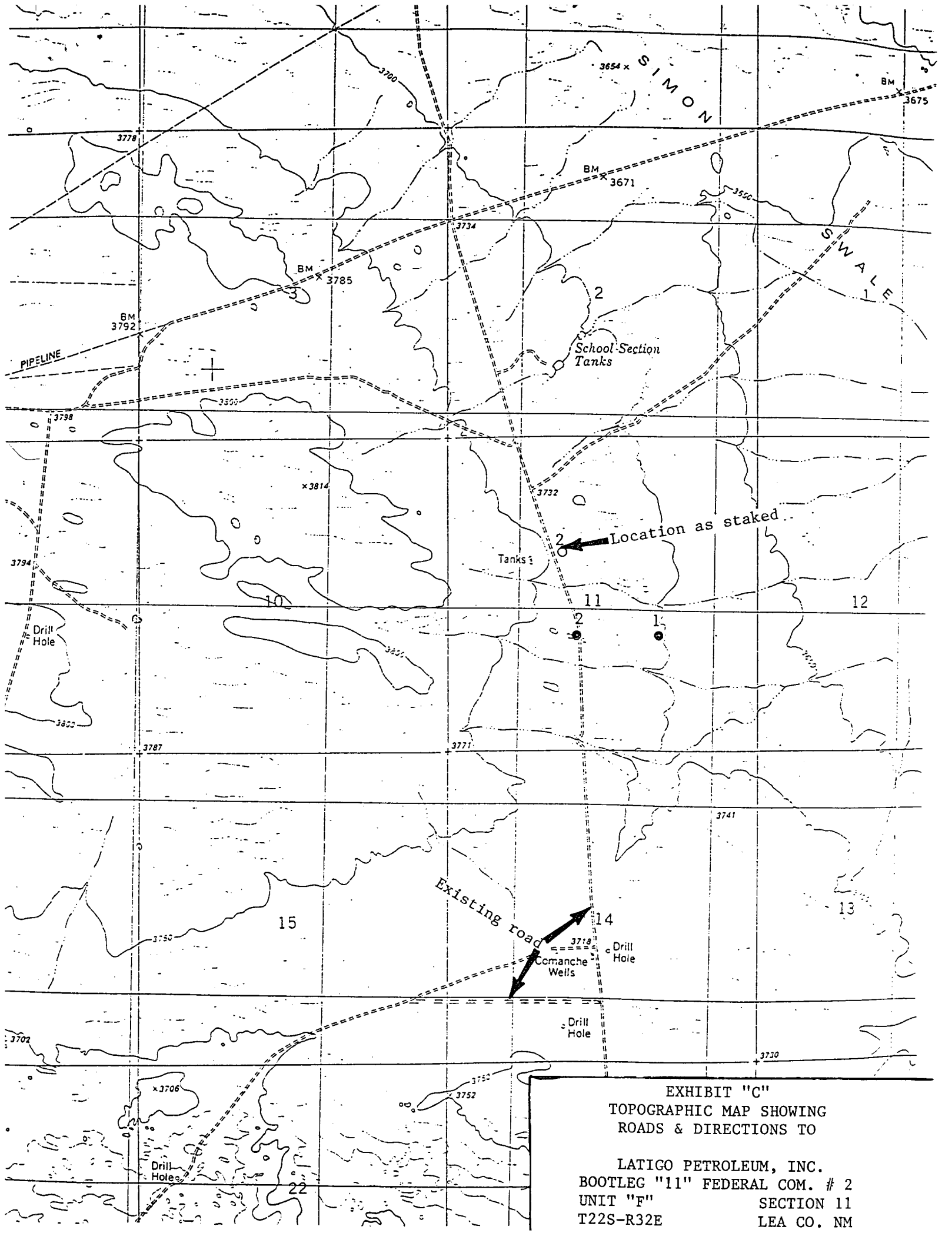
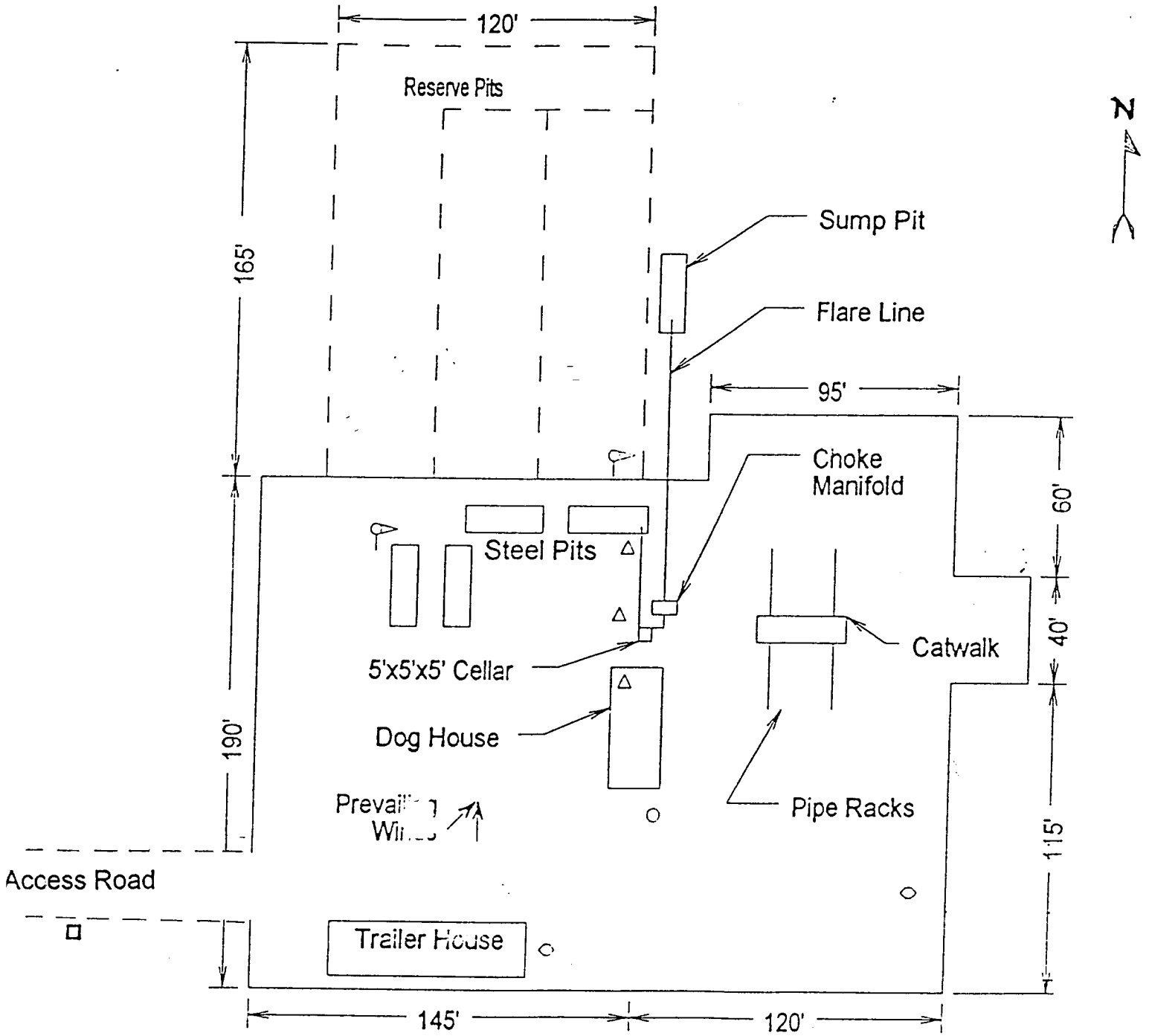


EXHIBIT "C"
TOPOGRAPHIC MAP SHOWING
ROADS & DIRECTIONS TO

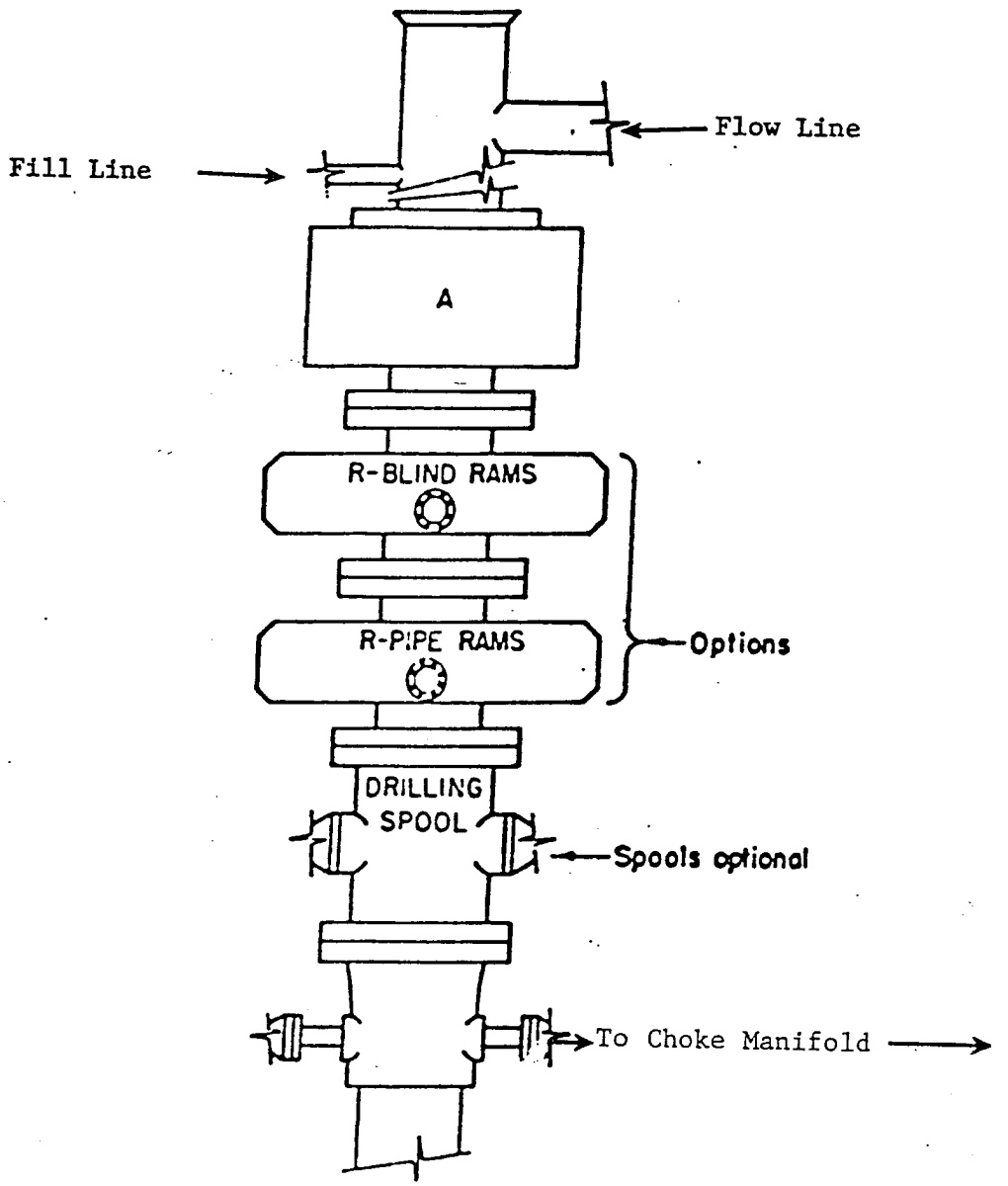
LATIGO PETROLEUM, INC.
BOOTLEG "11" FEDERAL COM. # 2
UNIT "F" SECTION 11
T22S-R32E LEA CO. NM



- Wind Direction Indicators (wind sock or streamers)
- △ H2S Monitors (alarms at bell nipple and shale shaker)
- ◇ Briefing Areas
- ○ Remote BOP Closing Unit
- □ Sign and Condition Flags

EXHIBIT "D"
RIG LAY OUT PLAT

LATIGO PETROLEUM, INC.
BOOTLEG "11" FEDERAL COM. # 2
UNIT "F" SECTION 11
T22S-R32E LEA CO. NM



ARRANGEMENT SRRA

1500 Series

5000# Working Pressure

EXHIBIT "E"
SKETCH OF B.O.P. TO BE USED ON

LATIGO PETROLEUM, INC.
BOOTLEG "11" FEDERAL COM. # 2
UNIT "F" SECTION 11
T22S-R32E LEA CO., NM

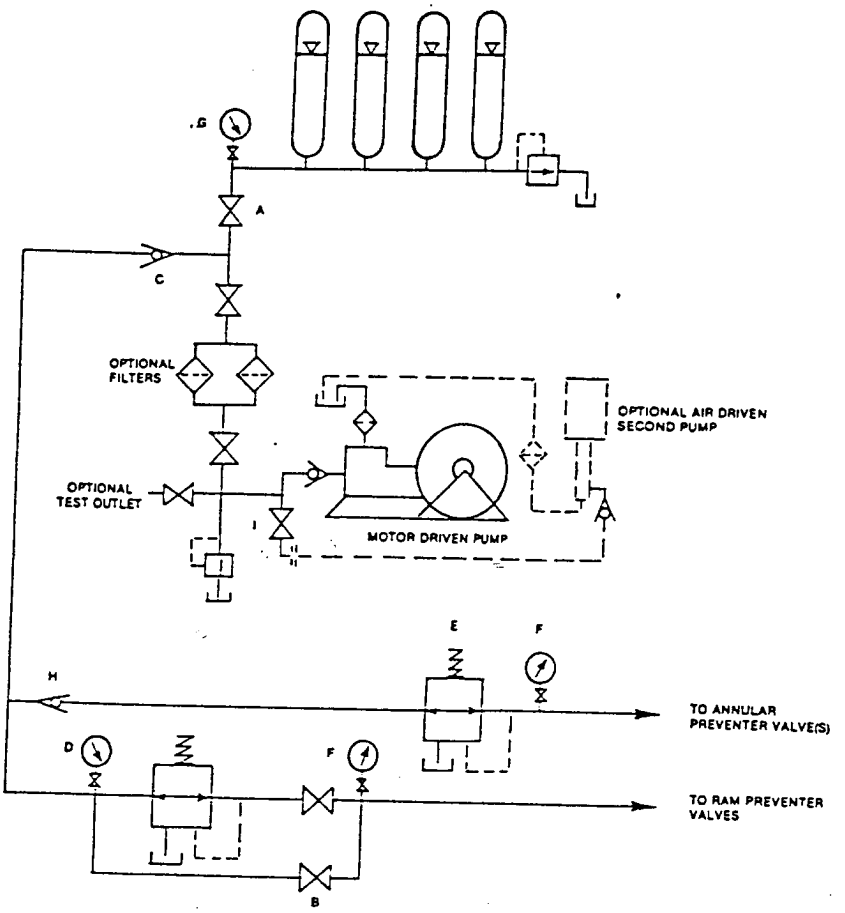


FIGURE K6-1. The schematic sketch of an accumulator system shows required and optional components.

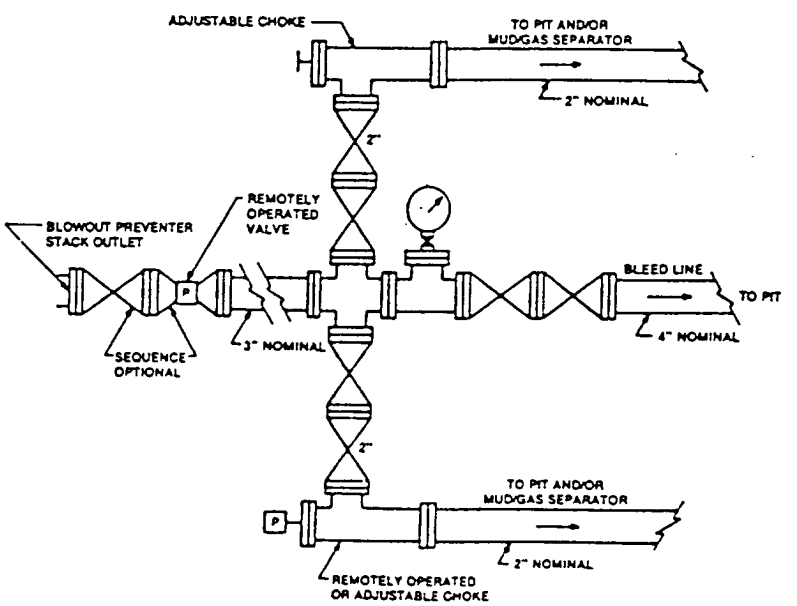


FIGURE K4-2. Typical choke manifold assembly for 5M rated working pressure service — surface installation.

EXHIBIT "E-1"
CHOKE MANIFOLD & CLOSING UNIT
LATIGO PETROLEUM, INC
BOOTLEG "11" FEDERAL COM. # 2
UNIT "F" SECTION 11
T22S-R32E LEA CO. NM

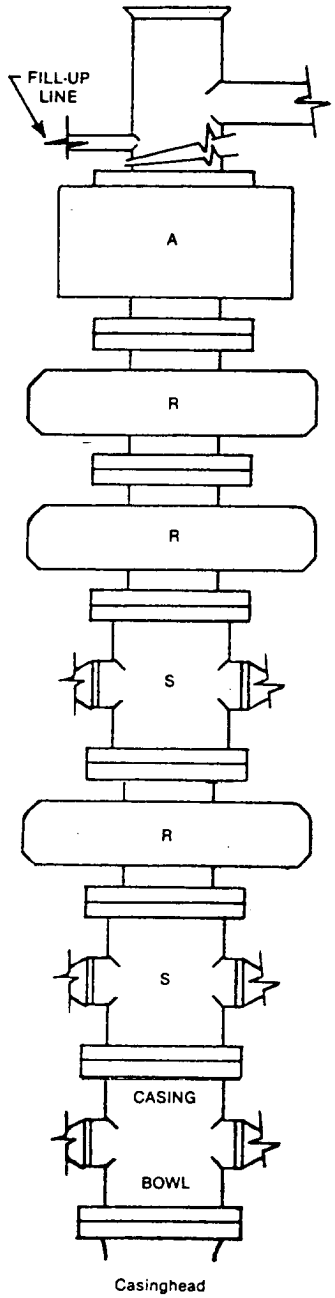
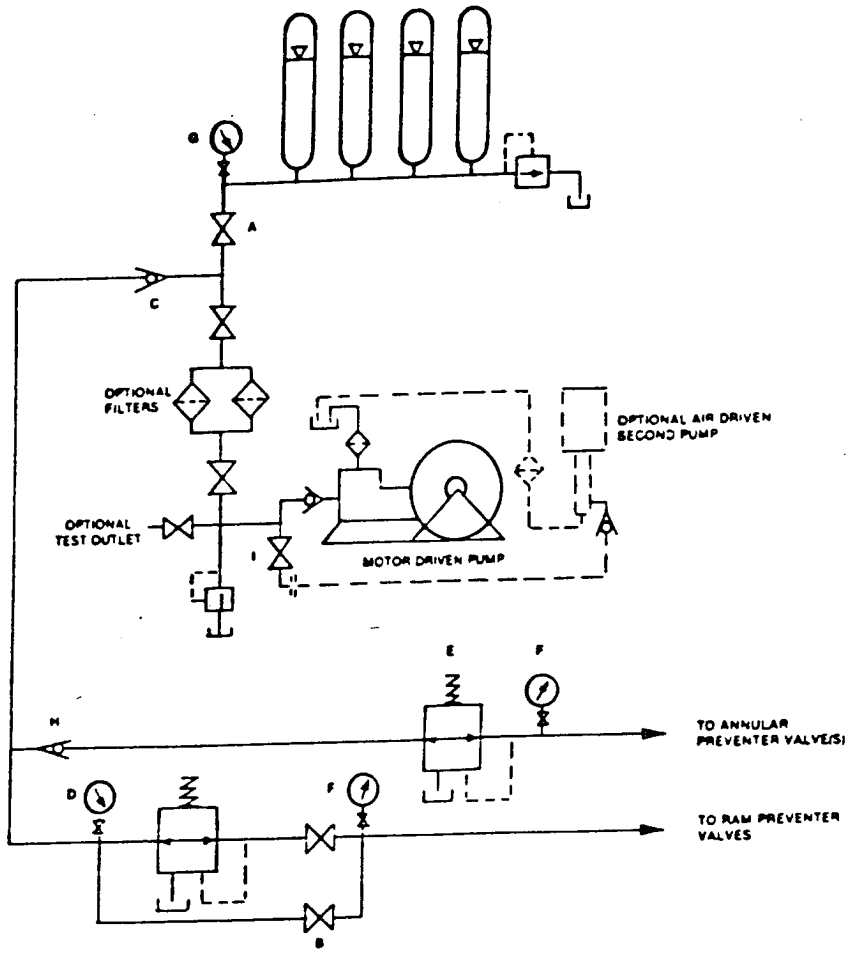


FIGURE K1-3. Recommended IADC Class 10 BOP stack arrangement SRSRRA, 10,000 psi WP. Lower drilling spool is optional with outlets on lower ram. Annular preventers may be 5000 or

EXHIBIT "F"
10M B.O.P.
SKETCH OF B.O.P. TO BE USED ON

LATIGO PETROLEUM, INC.
BOOTLEG "11" FEDERAL COM. # 2
UNIT "F" SECTION 11
T22S-R32E LEA CO. NM



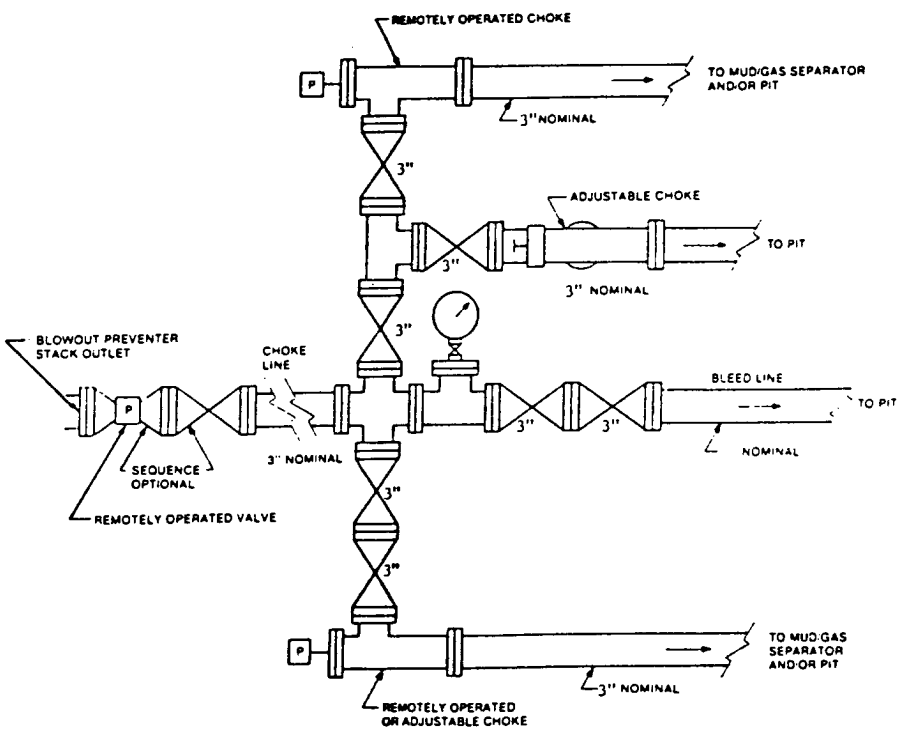


FIGURE K4-3. Typical choke manifold assembly for 10M

EXHIBIT "F-1"
CHOKE MANIFOLD & CLOSING UNIT

LATIGO PETROLEUM, INC.
BOOTLEG "11" FEDERAL COM. # 2
UNIT "F" SECTION 11
T22S-R32E LEA CO. NM

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

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

Form C-144
June 1, 2004

For drilling and production facilities, submit to appropriate NMOCD 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 [X] 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: _____
Address: 415 WEST WALL STREET SUITE 1900 MIDLAND, TEXAS 79701
Facility or well name: BOOTLEG "11" FED COM. # 2 API #: 30.025.31083 U/L or Qtr/Qtr F Sec 11 T 22S R 32E
County: LEA Latitude 32°24'27" Longitude 103°38'52" NAD: 1927 [ ] 1983 [ ] Surface Owner Federal [X] State [ ] Private [ ] Indian [ ]

Pit	**Below-grade tank**	
Type: Drilling [X] Production [ ] Disposal [ ] Workover [ ] Emergency [ ] Lined [X] Unlined [ ] Liner type: Synthetic [ ] Thickness 12 mil Clay [ ] Pit Volume 20M bbl	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 50 feet or more, but less than 100 feet 100 feet or more X	(20 points) (10 points) (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 No X	(20 points) (0 points) 0
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet 200 feet or more, but less than 1000 feet 1000 feet or more X	(20 points) (10 points) (0 points) 0
	Ranking Score (Total Points)	0

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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 your 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 NMOCD guidelines [X], a general permit [ ], or an (attached) alternative OCD-approved plan [ ].**
Date: 01/05/05
Printed Name/Title Agent Signature _____

Your certification and NMOCD 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 _____ Date: FEB 08 2005