

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., 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

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

Form C-103
May 27, 2004

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| SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) | | WELL API NO. 30-025-22233 ✓ |
| 1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> | | 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 2. Name of Operator Latigo Petroleum, Inc. | | 6. State Oil & Gas Lease No. OG-1426 |
| 3. Address of Operator 550 W. Texas, Suite 700 Midland, TX 79701 | | 7. Lease Name or Unit Agreement Name CABOT A STATE |
| 4. Well Location Unit Letter <u>L</u> : 1980 feet from the <u>S</u> line and <u>510</u> feet from the <u>W</u> line Section <u>14</u> Township <u>11S</u> Range <u>33E</u> NMPM County <u>LEA</u> | | 8. Well Number 001 |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4257' KB | | 9. OGRID Number 227001 ✓ |
| Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/> | | 10. Pool name or Wildcat BAGLEY;PERMO PENN, NORTH |
| Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____ Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____ | | |

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

NOTICE OF INTENTION TO:

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

OTHER: ☐

SUBSEQUENT REPORT OF:

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

OTHER: Add perms & stimulate ☒

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

1/13/06 - RUPU. POOH w/110 - 7/8" rods, 236 - 3/4" rods, 14 - 7/8" rods, 4 - 2" ponies & 2" pump w/10' GA. ND WH & NU BOP. POOH w/218 jts 2 3/8" tbg.

1/14/06 - Finish POOH w/300 jts 2 3/8" tbg (9069'), 2 3/8" SN, 4' PS & 30' MA.. RU Apollo WL. RIH w/4" csg gun & perf w/prospector charges w/120 deg phasing f/9366' - 9380', 9346' - 9350', 9318' - 9322' & 9306' - 9307' (46 holes). RD WL. IFL & FFL @ 8600'. RIH w/5 1/2" plug & pkr & set down @ 12'. After 1 hr found that the drag pads on pkr were to thick. LD tools.

1/16/06 - RIH w/5 1/2" plug, pkr & 225 jts tbg. Set down @ 6800'. Could not work thru tight spot. POOH. LD plug & pkr. RIH w/3 3/4" BS, 4 - 3 1/2" DC's, 3 3/4" Hyd jars, 4 1/4" csg swedge & 307 jts tbg (9298.75'). Total depth 9433'.

1/19/06 - Set plug @ 9414'. POOH w/20 jts.

1/20/06 - Finished out of hole w/tbg. MIRU hydrotesters. PU pkr. Start in hole testing tbg to 6000#. Ran 145 jts tbg.

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

SIGNATURE Lisa Hunt TITLE Regulatory Analyst DATE 02/15/2006

Type or print name Lisa Hunt

E-mail address: lhunt@latigopetro.com

Telephone No. (432)684-4293

For State Use Only

APPROVED BY: Larry W. Wink DATE MAY 10 2006

Conditions of Approval (if any):

TITLE FIELD REPRESENTATIVE II/STAFF MANAGER

1/23/06 - Finish in hole. Set pkr @ 9409'. MIRU Gandy. Pump 34 bbls 2% KCL down tbg. Would not pressure up. Lost f/500# to 0# instantly. Release pkr. POOH. Set pkr @ 8400'. Load backside. Took 164 bbls 2% KCL. Backside loaded. Pressure went down f/500# to 0# in 4 mins. Release pkr & plug. Set plug @ 9403'. Start out of hole w/pkr.

1/24/06 - Fin POOH w/tbg. RIH w/pkr. Set pkr @ 9398'. Set pkr w/18K comp. MIRU Gandy. Load tbg. Took 33 bbls to load. Press up to 500 psi. Held for 2 min, then lost press. Rel pkr. Pull 10'. Set pkr @ 9388' w/18K. Test plug. Plug tested 500 lbs for 10 min. Rel pkr. POOH w/7 jts. Set pkr @ 9246' w/18K comp. Make swab run. Tag fluid @ 8800'. Got out of hole w/400' fluid. Make 2nd run.

1/25/06 - TP on vac. CP 20 psi. Make swab run. Fluid level @ 8800' (426'). MIRU Petroplex. Break well down w/250 gals 15% NEFE. Flush w/38.8 bbls 2% KCl. Pump @ 2 BPM. Never press up. CP did not change. ISIP vac. RU swab. Make 5 runs. IFL 4000'. FFL 50' above SN. Swabbed 11 bbls. Left well open for 2.5 hrs. RIH w/swab. FL @ 8750' (450' above SN). Wait 1.5 hrs. FL @ 9050' (150' above SN). Total swabbed 15 bbls.

1/26/06 - TP 0, CP 30. Make swab run. FL @ 8750' (475'). MIRU Petroplex. Acidize well w/2000 gal 15% NEFE w/80 ball sealers. Loaded w/37.1 bbls gone. Acidize 3 BPM @ 2500 psi. Well broke 2650 down to 1300 psi. Multiple ball action. Well would press up to 2500 psi then break down to 1600 psi. Never balled out. Finish flush w/38.8 bbls 2% KCl. Flush 6 BPM @ 1300. ISPD vac. RU swab. RIH. IFL @ 8800'. Make swab run. Make 2nd run. Fluid level 9100'. Wait 2 hrs. Make run. Fluid level 9200' (50'). Wait 2 hours. Make run. Fluid level 9100' (150').

1/31/06 - MIRU Cudd. Test lines to 6000 psi. Pumped 5000 gals 15% Ultra gel w/50 ball sealers. Well never loaded. No pressure. Pumped acid + 54 bbls 2% KCL wtr @ 5.5 BPM @ 35 psi

2/1/06 - Release pkr. RIH w/5 jts & latched up on RBP @ 9403'. Plug did not move. Set pkr @ 9400'. RU pump trk & pump 40 bbls 2% KCL. Tbg on vacuum. Dropped 2" SV. Load tbg w/40 bbls & test tbg to 3000 psi. Ok. Pulled SV. Release pkr. Worked pkr up & down hole 60'. Latched up on plug. Set down 20,000#. Pulled 20,000# on plug. Got off plug & set pkr @ 9400'. Pumped 46 bbls down tbg. Tbg still on vacuum. Release pkr & POOH w/pkr.

2/2/06 - RIH w/5 1/2" prk. Tag RBP @ 9403'. Set pkr @ 9400'. RU pump trk & pump 45 bbls 2% KCL down tbg. Tbg would not load. Release pkr. POOH & LD pkr & 4 DC's. RIH w/retrieving tool, latched up, release plug & start out of hole. Pulled 58 jts.

2/3/06 - POOH to 970'. Set RBP. RU. Pump & load csg w/20 bbls 2% KCL. Test plug & csg to 600 psi. Release plug & POOH. RU Apollo WL. RIH w/5 1/2" CIBP & set @ 9415'. Spot 25' of cmt. TOC @ 9390' +/- RD WL. FL @ 8400'. RIH w/MA, 4' PS, new SN, 1 jt tbg & new 5 1/2" TAC. TAC set down 7' below ground level (solid) LD TAC. Run MA (26.20'), 4' PS (3.10'), SN (1.10') set @ 9266' & 306 jts tbg (9264.88'). EOT @ 9296'. Perfs @ 8453' to 9387'. ND BOP & NU WH.

2/4/06 - RIH w/swab. SFL @ 8700'. Pull f/SN @ 9266'. Recovered approx 1 1/2 bbls w/80% oil cut. 2nd run recovered approx 50' of fluid. Wait 1 hr. Recovered approx 60' of fluid. Wait 2 hrs. Recovered approx 400' of fluid w/100% wtr. Wait 2 hrs. Recovered 400' of fluid w/100% wtr. FFL @ SN @ 9266'.

2/6/06 - RIH w/exchange pump & rods. Hang well on.

2/7/06 - RU rental separator. @ 12:30 pm, well flowing 15-16 MCF. @ 5:00 pm, flowing 15-16 MCF & made 9 BW. CP 30, TP 0.

2/8/06 - RDMO PU.