

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

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. 30-025-29232
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		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.
3. Address of Operator 550 W. Texas, Suite 700 Midland, TX 79701		7. Lease Name or Unit Agreement Name State "10"
4. Well Location Unit Letter O : 660 feet from the South line and 1980 feet from the East line Section 10 Township 16S Range 32E NMPM County Lea		8. Well Number 1
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4312' GL		9. OGRID Number 227001
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		
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: Perforate and acidize ☒

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.

6/7/06-Continue jetting fluid & sand. Pumped 0.25 BPM 4% KCL w/750 scf/min. Jet well for 5 hrs. Cut N-2 rate to 600 scf/min. Jet for 1.5 hrs. Well dried up.

6/16/16-RIH w/CIBP @ set @ 12,620'.

6/17/06-RIH w/3 1/8" perf guns. FL @ 4700'. Run gamma strip across perf interval. Tie back to OH log. Perf 10,806' - 10,816' (40). No blow. Perf 10,781' - 10,784' (12). No blow. FL @ 4700'. Made second run. FL @ 4700'. Ran gamma strip across perf interval. Tie back to OH log. Perf 10,754' - 10,762' (32). No blow. Perf 10,640' - 10,650' (40). No blow. FL @ 4700'. Total of 124 holes. RIH w/1.81 R nipple, 8' sub, 2 3/8"x 5 1/2" Hornet pkr, on/off tool w/1.87 F nipple & 324 jts 2 3/8", N-80 tbg. ND BOP. Set pkr @ 10,564' (top) & 10,582' (bottom). Pkr set w/11# comp. NU WH. Test backside to 500 psi.

6/20/06-Pump 1150 gals, well loaded. Pressured up to 5000 psi. Could not pump into well. Let bleed off & then pressured back up. In 1 hr only pumped 40 gals. Well bled down f/5000# to 3800# in 20 mins. Circ extra 30 bbls 2% KCL.

6/21/06-Spot 37 bbls 15% acid.

6/22/06-Circ 60 bbls 2% down csg. Recovered approx 20 frac balls f/tbg. Test csg to 1000#. Ran to 10,461' & did not tag anything. IFL @ surface, FFL @ 6500'. Recovered 38 bbls for day. Last 2 runs show to have 1% oil cut & small gas blow.

7/5/06-RIH W/GAUGE RING & JUNK BASKET TO 10,635', POOH, FL @ 1900', RIH W/5 1/2", 15K CIBP & SET @ 10,600', RIH W/196 JTS 2 3/8" TBG (6000'), START SWABBING.

7/6/06-PERFORATE W/4 SPF @ 9968-74', 28 HOLES, 9993-98', 20 HOLES, 10,025-31', 24 HOLES, TOTAL OF 72 HOLES, IFL @ 5200' AND FFL @ 4900', SLIGHT GAS BLOW.

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

SIGNATURE Lisa Hunt

TITLE Regulatory Analyst

DATE 08/09/2006

Type or print name Lisa Hunt

E-mail address: lhunt@latigopetro.com

Telephone No. (432)684-4293

For State Use Only

APPROVED BY: Chris Williams

TITLE DISTRICT SUPERVISOR/GENERAL MANAGER

Conditions of Approval (if any):

SEP 07 2006

7/7/06-RIH W/8 JTS, SET PKR @ 10,131', TEST CIBP TO 2000 PSI, TOOK 4 BBLS TO LOAD, RELEASE PKR, LD 9 JTS, SET PKR @ 9840', SET W/5K TENSION, TEST CSG TO 500 PSI, TOOK 17 BBLS TO LOAD, FL @ 1000', START SWABBING, WELL WAS NOT SWABBING DOWN, FL STAYED @ 5500', SWABBED 87 BBLS, 100% NASTY SULPHUR WTR, 47 BBLS OVER TBG VOLUME, NO GAS.

7/11/06- DUMP 3 SXS (35') (2 RUNS) CMT ON CIBP @ 10,600, MADE GR/JB RUN TO 9965', SET CIBP @ 9964'.

7/12/06- TAG PLUG @ 9964', REVERSE CIRC HOLE CLEAN W/250 BBLS 2% KCL.

7/13/06- TIE IN W/GAMMA GUN AND PERFORATE W/3 1/8" CSG GUN LOADED 4 SPF @ 9942'-9946', 9900'-9906', IFL @ 2750', FFL @ 2750', 2ND RUN, IFL @ 2750' TIE IN W/CCL AND PERF @ 9870'-9874', POOH W/GUNS, FFL @ 2750', PU HORNET PKR, RIH W/200 JTS.

7/14/06- FIH W/TBG, TOTAL OF 300 JTS, SET PKR @ 9772' W/10K TENSION, START SWABBING WELL.

7/17/06-LOAD TBG W/2% KCL, TOOK 32 BBLS TO LOAD, PUMP 4 BBLS @ 1 BPM @ 4150 PSI, PUMP 18 BBLS 15% NEFE ACID, FLUSH W/18 BBLS 2% KCL, GOT ON ON/OFF TOOL, PUMP 1.2 BPM @ 4000 PSI WITH 4 BBLS ACID ON PERFS WELL BROKE, PUMP 16 BBLS ACID, FLUSH W/47 BBLS 2% KCL, LTR = 109 BBLS.

7/21/06- RIH W/5 1/2" BAKER 10K RBP & PKR & 296 JTS. SET RBP @ 9661', SET PKR @ 9630'. LOAD TBG W/29 BBLS OF 2% (F/L @ 7100') TEST PLUG TO 5000 PSI. POOH W/ TBG & PKR. RIH W/3 1/2" SLICK GUN W/GAMMA GUN (F/L @ 5900') & PERF @ 9604'-9610', 4 SPF (24 HOLD) 120°, F/L DID NOT CHANGE, POOH & RD W/L. RIH W/PKR & 292'. SET PKR @ 9528'.

7/22/06- LOAD CSG W/97 BBLS OF 2% & TEST & HOLD 1000 PSI ON CSG & PKR. RIH W/SWAB. IFL @ 6500'. 1ST PULL FROM 7400' & 25% OIL & 75% BLACK WTR. SWAB WELL DOWN IN 4 RUNS, 100% WTR, WAIT 1 HR.

7/25/06- RU PETROPLEX ACIDIZING, START OFF W/15% NEFE ACID, LOAD TBG W/28 BBLS, MAX-P ON BREAK DOWN 4600 PSI @ 1 BPM, PUMP 3 BPM @ 6400 PSI W/39 BBLS GONE, ACID ON FORMATION @ 39 BBLS, PUMP 5 BPM @ 6000 PSI, PUMP 60 BBLS OF ACID, FLUSH W/38 BBLS 2% @ 5 BPM @ 6000 PSI, ISIP = 3600#, 5" = 3539#, 10" = 3520#, 15" = 3510#, TOTAL LOAD TO REC 98 BBLS, AVG-P = 6000#, AVG-R = 5 BPM.

8/7/06- FL @ 7400', GIH W/3 1/8" GUNS LOADED 2 SPR, 180° PHASE & PERF 9042'-9050', POOH, FL @ 7400', RD WL, GIH W/PKR & RBP @ 9144', SET PKR, TEST TO 1000#, OK, SET PKR @ 8948', LOAD ANNULUS, PRESSURE 1000 PSI, OK, GIH W/SWAB, IFL @ 6200', SWAB TO 8600', ALL WTR, NO ENTRY F/FORMATION.