

Discipline I
1625 W. French Dr., Hobbs, NM 88240
Discipline II
1301 W. Grand Avenue, Artesia, NM 88210
Discipline III
1000 Rio Brazos Road, Aztec, NM 87410
Discipline 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

Operator Name and Address LATIGO PETROLEUM, INC. FASKEN CENTER, TOWER II 550 WEST TEXAS SUITE 700 MIDLAND, TEXAS 79701		OGRM Number 227001
Property Code 36022	Property Name LUSK NORTH "32" STATE	Well No. 4
Proposed Pool 1 LUSK BONE SPRING-NORTH (41450)		Proposed Pool 2

Surface Location

UL or lot no.	Section	Township	Range	Lot id#	Feet from the	North/South line	Feet from the	East/West line	County
N	32	18S	32E		660'	SOUTH	1980'	WEST	LEA

Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot id#	Feet from the	North/South line	Feet from the	East/West line	County

Additional Well Information

Work Type Code N	Well Type Code O	Cable/Rotary ROTARY	Lease Type Code S	Ground Level Elevation 3683'
Multiple NO	Proposed Depth 10,000'	Formation BONE SPRING	Contractor UNKNOWN	Spud Date WHEN APPROVED
Depth to Groundwater 100'+		Distance from nearest fresh water well 2 miles northeast		Distance from nearest surface water No surface water known near
Liner: Synthetic <input checked="" type="checkbox"/> 12 mils thick Clay <input type="checkbox"/> Pit Volume: 20M bbls		Drilling Method: Fresh Water <input checked="" type="checkbox"/> Solen <input checked="" type="checkbox"/> Diesel Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>		
Closed-Loop System <input type="checkbox"/>				

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
26"	20"	conductor	40'	Redi-mix	Surface
17 1/2"	13 3/8"	48#	640'	570 Sx.	Surface
12 1/4"	8 5/8"	32#	3250'	900 Sx.	SURFACE
7 7/8"	5 1/2"	17#	10,000'	1400 Sx.	Surface

* 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.

Permit Expires 1 Year From Approval
Date Unless Drilling Underway

SEE ATTACHED SHEET FOR DETAIL

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 NMCCO guidelines ☒ as general permit ☐ or an (attached) alternative OCD-approved plan ☐.

Printed name: Joe T. Janica

Title: Agent

E-mail Address: joejanica@valornet.com

Date: 09/18/06

Phone: 505-391-8503

OIL CONSERVATION DIVISION

Approved by:

Harry W. Wink

Title:

OC FIELD REPRESENTATIVE II/STAFF MANAGER

Approval Date:

Expiration Date:

SEP 20 2006

Conditions of Approval Attached ☐

1. Drill 26" hole to 40'. Set 40' of 20" conductor pipe and cement to surface with Redi-mix.
2. Drill 17½" hole to 640'. Run and set 640' of 13 3/8" 48# H-40 ST&C casing. Cement with 570 Sx. of Class "C" cement + ¼# Flocele/Sx, + 2% CaCl, circulate cement to surface.
3. Drill 12¼" hole to 3250'. Run and set 3250' of 8 5/8" 32# J-55 ST&C casing. Cement with 500 Sx. of Class "C" Light weight cement + additives, tail in with 400 Sx. of Class "C" cement + ¼# Flocele/Sx. + 2% CaCl, circulate cement to surface.
4. Drill 7 7/8" hole to 10,000'. Run and set 10,000' of 5½" 17# N-80 LT&C & BT&C casing. Cement in two stages with DV Tool at 5300'±. Cement 1st stage with 650 Sx. of Class "H" Premium Plus cement + additives, cement 2nd stage with 500 Sx. of Class "C" Light weight cement + Additives, tail in with 200 Sx. of Class "C" cement + ¼# Flocele/Sx. + 2% CaCl, estimate top of cement surface or into 8 5/8" casing.

DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

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

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-38124	Pool Code 41450	Pool Name LUSK BONE SPRING-NORTH
Property Code 36022	Property Name NORTH LUSK 32 STATE	Well Number 4
OGRID No. 227001	Operator Name LATIGO PETROLEUM, INC.	Elevation 3683'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	32	18-S	32-E		660	SOUTH	1980	WEST	LEA

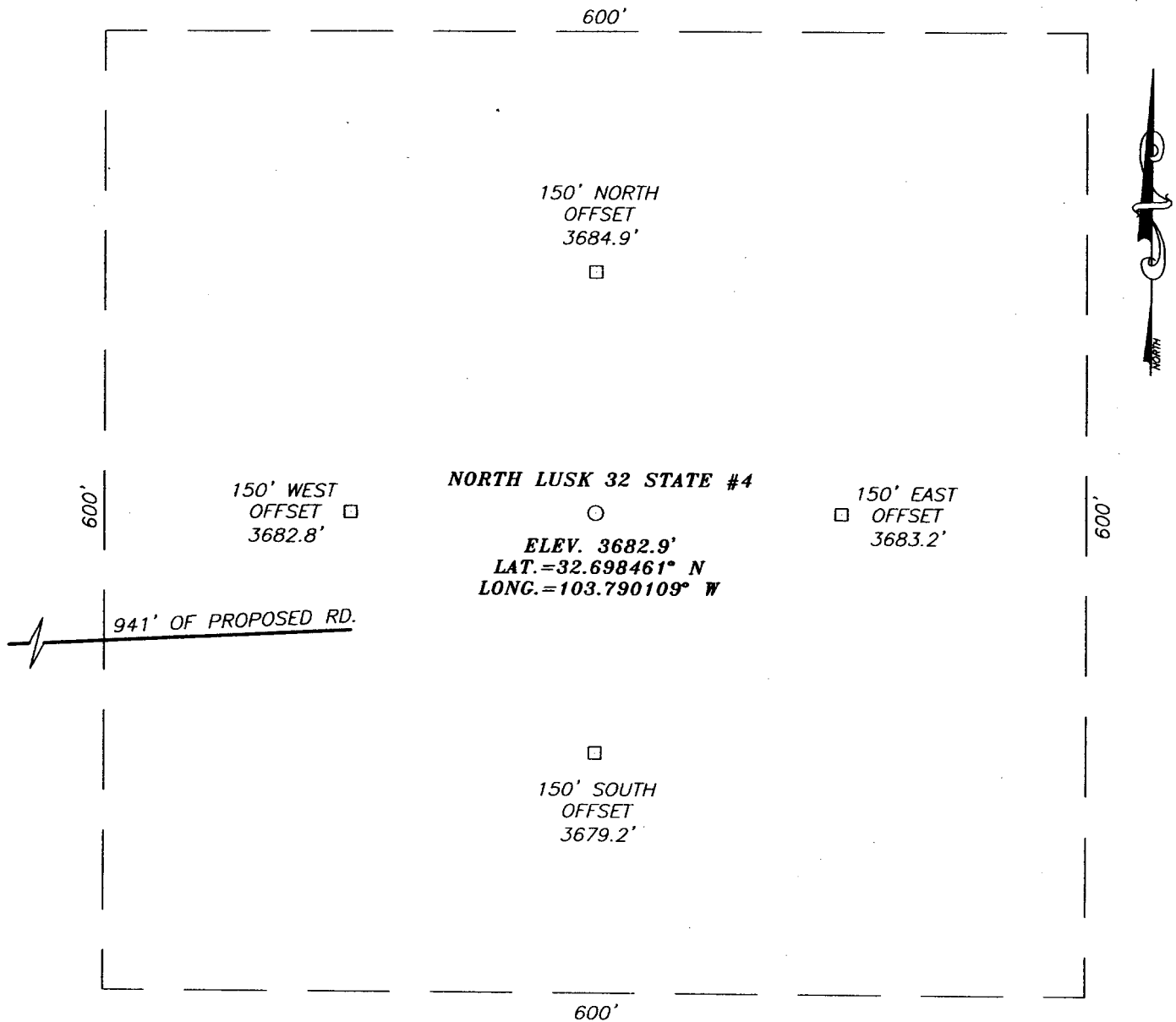
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 40	Joint or Infill	Consolidation Code	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

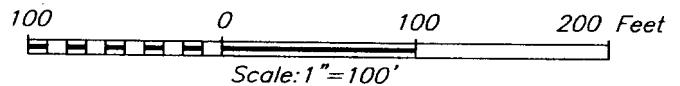
<p>V-6364</p> <p>1980'</p> <p>660'</p> <p>GEODETIC COORDINATES NAD 27 NME Y=618239.1 N X=667108.8 E LAT.=32.698461° N LONG.=103.790109° W</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Joe T. Janica</i> Signature Date Joe T. Janica 09/18/06 Printed Name Agent</p> <p>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>AUGUST 28, 2006</p> <p>Date Surveyed MR Signature & Seal of Professional Surveyor <i>GARY EDISON</i> 06.11.1371 Certificate No. GARY EDISON 12641</p>
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SECTION 32, TOWNSHIP 18 SOUTH, RANGE 32 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO



DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF ST. HWY. #529 AND
CO. RD. L-126 (MALJAMAR RD.), GO SOUTH ON
MALJAMAR RD. APPROX. 7.5 MILES. TURN LEFT
AND GO EAST TO AN EXISTING WELL PAD AND A
BEGIN ROAD SURVEY. FOLLOW ROAD SURVEY
APPROX. 941 FEET TO THIS LOCATION.



LATIGO PETROLEUM, INC.

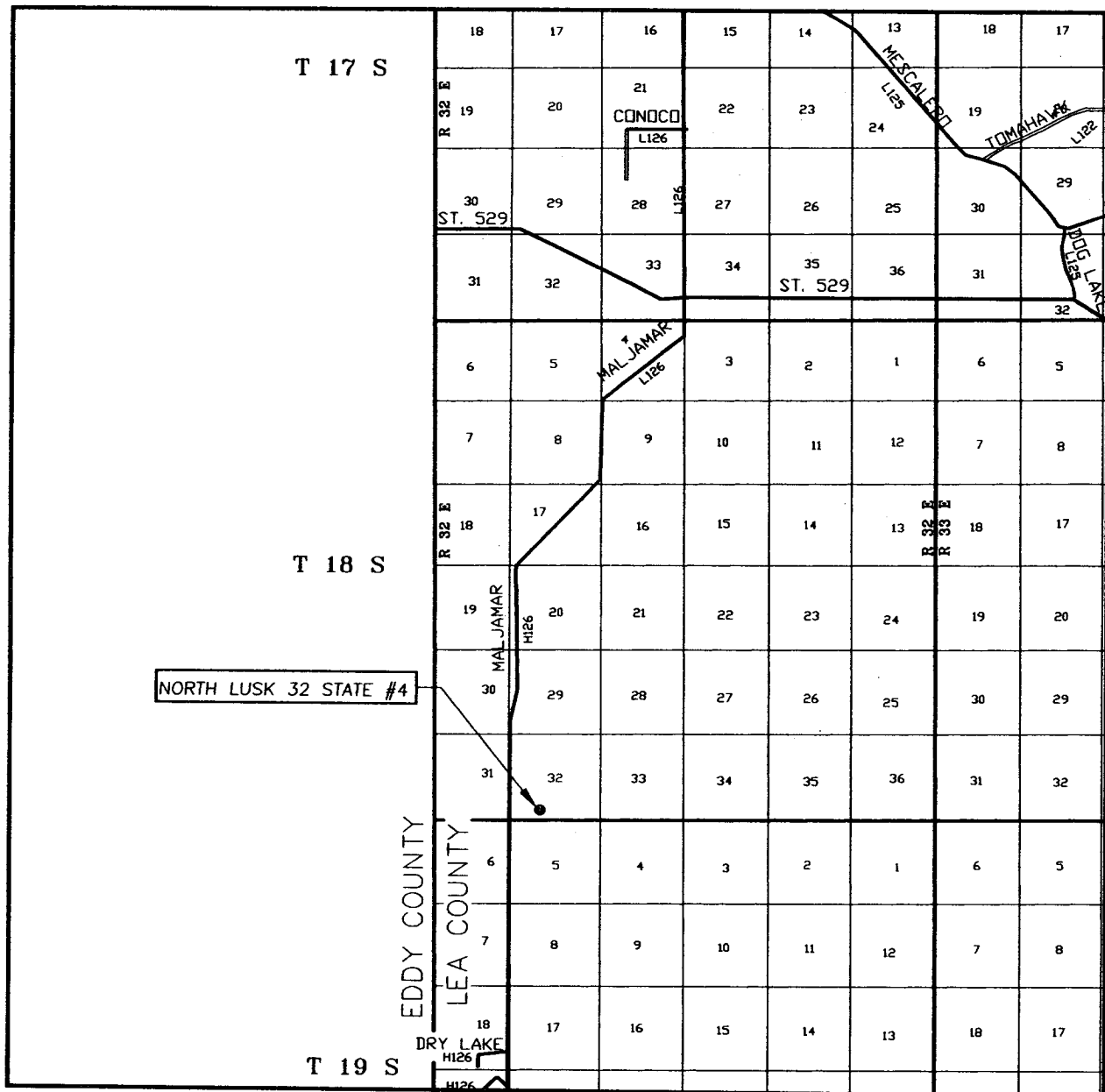
NORTH LUSK 32 STATE #4
LOCATED 660 FEET FROM THE SOUTH LINE
AND 1980 FEET FROM THE WEST LINE OF SECTION 32,
TOWNSHIP 18 SOUTH, RANGE 32 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.

Survey Date: 08/28/06	Sheet 1 of 1 Sheets
W.O. Number: 06.11.1371	Dr By: M.R.
Date: 09/06/06	Rev 1:N/A
Disk: CD#6	06111371
Scale: 1"=100'	



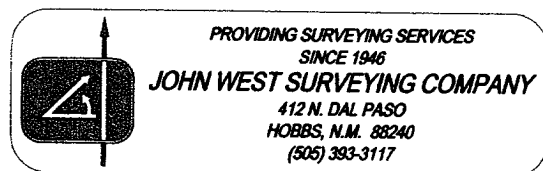
PROVIDING SURVEYING SERVICES
SINCE 1946
JOHN WEST SURVEYING COMPANY
412 N. DAL PASO
HOBBS, N.M. 88240
(505) 393-3117

VICINITY MAP

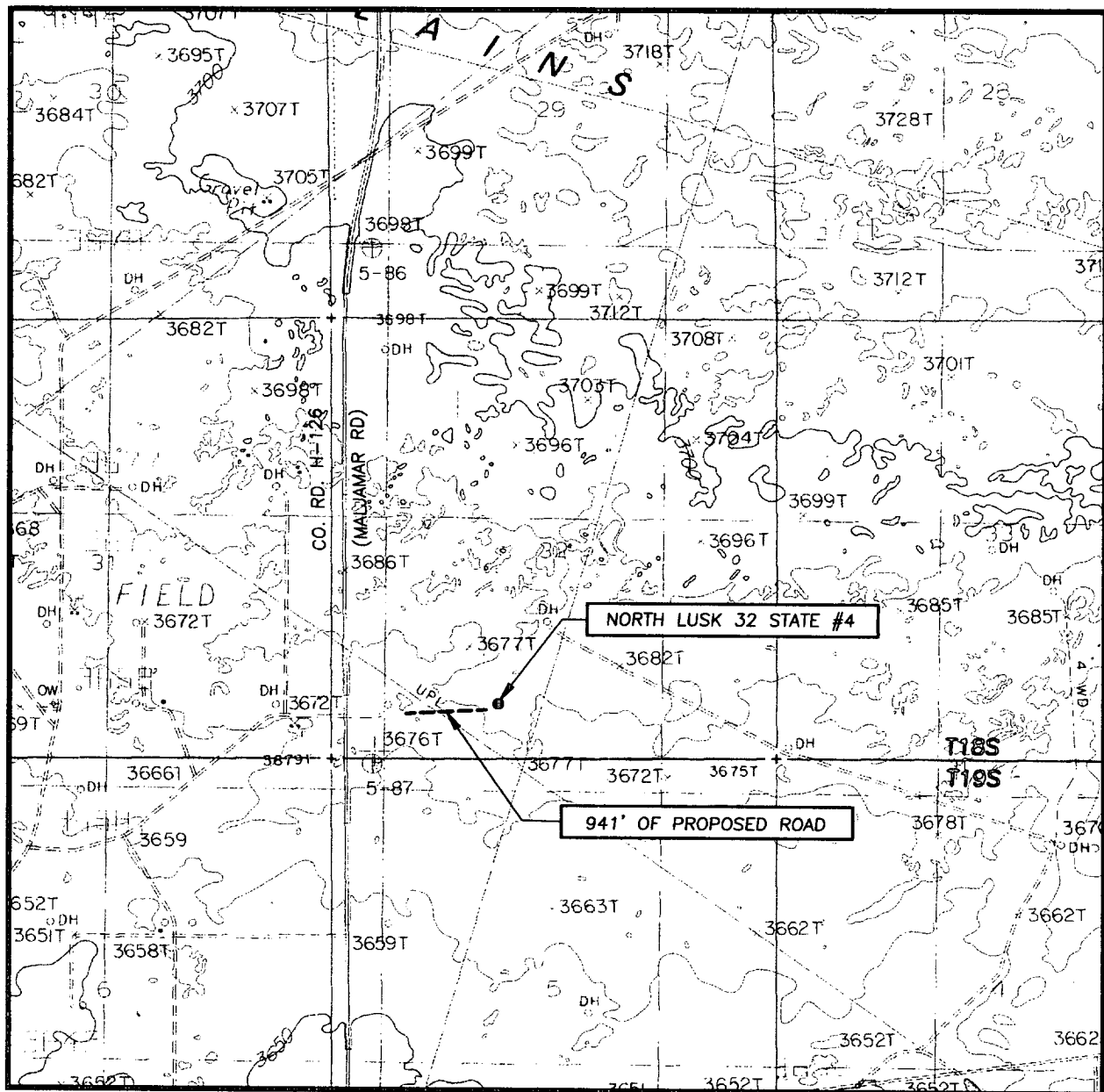


SCALE: 1" = 2 MILES

SEC. 32 TWP. 18-S RGE. 32-E
 SURVEY N.M.P.M.
 COUNTY LEA STATE NEW MEXICO
 DESCRIPTION 660' FSL & 1980' FWL
 ELEVATION 3683'
 OPERATOR LATIGO PETROLEUM, INC.
 LEASE NORTH LUSK 32 STATE



LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:
GREENWOOD LAKE, N.M. - 10'

SEC. 32 TWP. 18-S RGE. 32-E

SURVEY N.M.P.M.

COUNTY LEA STATE NEW MEXICO

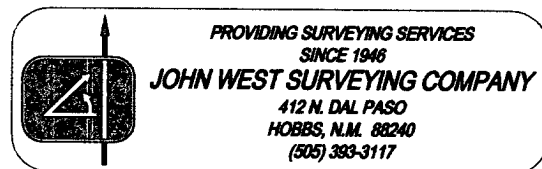
DESCRIPTION 660' FSL & 1980' FWL

ELEVATION 3683'

OPERATOR LATIGO PETROLEUM, INC.

LEASE NORTH LUSK 32 STATE

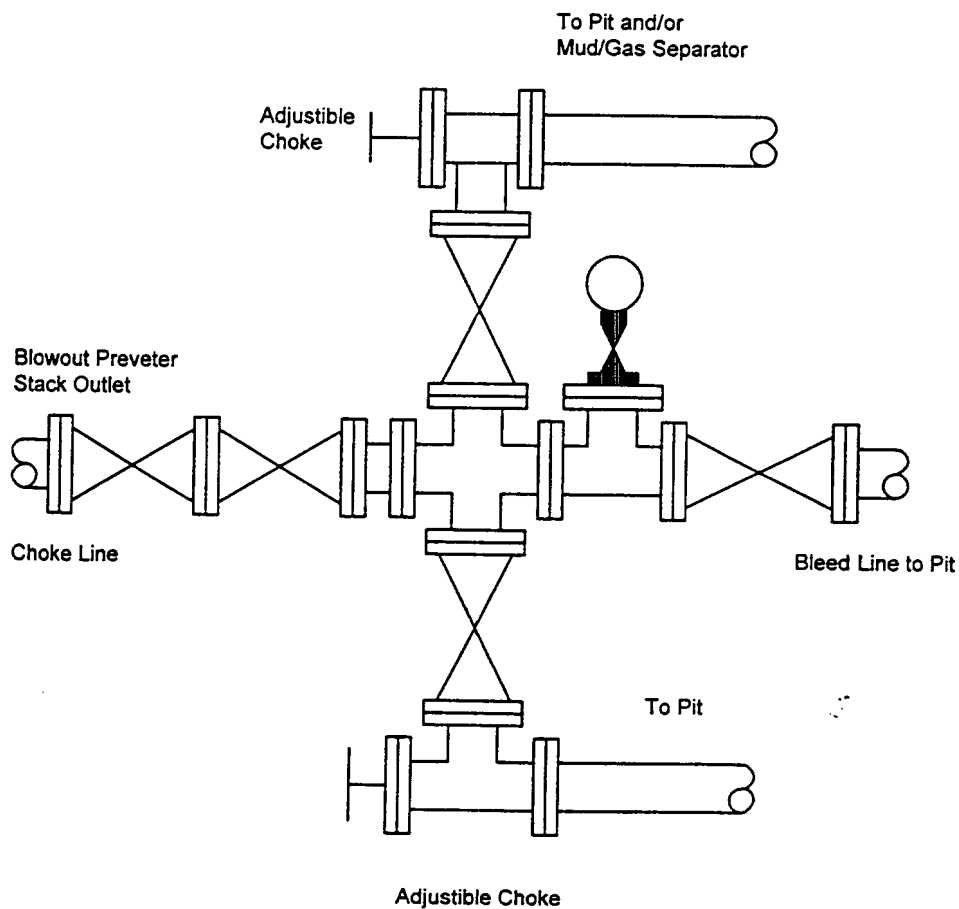
U.S.G.S. TOPOGRAPHIC MAP
GREENWOOD LAKE, N.M.



BLOWOUT PREVENTER SYSTEM

5000 PSI

Choke Manifold Assembly for 5M WP System



Fill Line

