

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other2. Name of Operator
Latigo Petroleum, Inc.3a. Address
550 W. Texas, Suite 700 Midland TX 797013b. Phone No. (include area code)
(432) 684-4293

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Unit J, Sec. 34, T23S, R37E
2110' FSL & 1980' FEL

5. Lease Serial No.

LC064118

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

E C Hill B Federal #7

9. API Well No.

30-025-31541

10. Field and Pool, or Exploratory Area

Teague, Paddock-Blinberry

11. County or Parish, State

Lea
NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input checked="" type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Add new perms
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

4/3/06 - MIRU. Unseat pump. Tbg on vacuum. Rods paraffined up. Hot oil tbg w/60 bbls lease oil + 10 gals paraffin dispersant mixed. TOH w/rods & pump. ND WH. Release TAC. Installed 8 3/8", 8rd Larkin 6" 900 adapter flange & NU 6" 900 BOP. PU off racks w/2 jts 2 3/8" tbg. Tagged @ 5762' (PBDT). LD 2 jts 2 3/8" tbg. TOH scanning w/160 jts 2 3/8" tbg, TAC, 14 jts 2 3/8" tbg, 1 jt 2 3/8" IPC tbg, SN, 6'x2 3/8" slotted tbg sub & 1 jt 2 3/8" BPMA.

APPROVED

JUN 25 2006

LES BABYAK
PETROLEUM ENGINEER

Continued on back of page

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Lisa Hunt

Title Regulatory Analyst

Signature

Lisa Hunt

Date 04/19/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Chris Williams

Title

Date

Conditions of approval, if any, are attached. Approval of this notice 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.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

(Instructions on page 2)

4/4/06 - TIH w/remaining tbg. Set & got off 5 1/2" 'TS' RBP w/ball catcher @ 5276'. Set pkr @ 5254'. Tools failed to test. Reset RBP @ 5244' & pkr @ 5240'. Tools failed to test. Reset RBP @ 5213' & pkr @ 5210'. Pressure tested tools to 2000#. Held. Pumped 65 bbls 2% KCL wtr to load & pressure test 5 1/2" annulus. Found leak in threads between 5 1/2" bell nipple & Larkin tbg head. TOH w/160 jts 2 3/8" tbg, SN, 5 1/2" '32A' tension pkr & retrieving head. ND 6" 900 BOP & adapter flange. Removed 5 1/2", 8rd Larkin tbg head. Teflon taped threads, re-installed tbg head, adapter flange & NU 6" 900 BOP. Tested csg to 500#. Ran CCL strip for depth control f/5208' (WL corrected PBTD) to 4750'. Perforated 5 1/2", 14-15.5# csg f/5114' - 16', 5126' - 36', 5140' - 46', 5148' - 60' & 5173' - 5175' using 4.0 csg guns, 120 deg phased @ 4 JSPF for a total of 128 holes. Note: FL dropped to 2900' f/surface. TIH w/5 1/2"x2 3/8" '32A' tension pkr, SN & 60 jts 2 3/8" tbg.

4/5/06 - SITP - vacuum. TIH w/remaining jts. Set pkr @ 5013'. Load & pressured 5 1/2" csg to 500# w/63 bbls 2% KCL wtr. FL @ 3400' FS. Acidized 5 1/2", 13.5# csg perfs f/5114' - 5175' (128 holes) using 3650 gals 15% NEFE HCL, dropping 272, 1.1 SG ball sealers & flushed w/23 bbls 2% KCL wtr @ AIR of 5.0 BPM @ Avg-P of 760#. Max-P = 1880#. ISIP - vacuum. Total fluid load to recover 114 bbls. SI 1 hr allowing acid to spend. RU swabbing equipment. Made 20 swab runs & recovered 84 bbls wtr. IFL @ 3200', FFL @ 3500' FS. Last sample showed to be all wtr. BLWTR = 30 bbls.

4/6/06 - SITP = 200# (all gas). Made 14 swab runs & recovered 2 BO & 41 BW. Total fluid recovered 43 bbls. Found 200' (.75 bbls) free oil on 1st run. IFL @ 3400', FFL @ 8600' FS & holding steady. Sample on last run showing 5% oil cut. Load recovered 2 BO & 11 BW. Scale squeezed f/5114' - 5173' w/110 gals Omega 6016 scale inhibitor mixed in 30 BFW & flushed w/100 bbls 2% KCL wtr + 2 gals biocide mixed @ 4.0 BPM @ 70#. ISIP - vacuum. RDMO Ram Services. Released pkr @ 5013'. TIH w/7 jts 2 3/8" tbg. Ran pkr thru perfs to dis-lodge frac balls. Tagged RBP @ 5213'. TOH w/7 jts 2 3/8" tbg (154 jts in). Pkr free @ 5013'.
Note: TD - 6000', PBTD - 5213', perfs - 5114' - 5175'

4/7/06 - SITP - vacuum. TOH w/154 jts 2 3/8" tbg, SN & 5 1/2", 32A tension pkr. LD 12 jts 2 3/8" tbg on TOH. TIH w/4' x 2 3/8" tbg sub, 2 3/8" SN (new), 1 jt 2 3/8" IPC tbg (new), 2 jts 2 3/8" tbg, 5 1/2" x 2 3/8" TAC, 156 jts 2 3/8" tbg & 2 - 10' x 2 3/8" tbg subs. Hydrotest tbg to 6000#. ND 6" 900 BOP & 6" 900 x 8 5/8", 8rd adapter flange. Set TAC @ 5094' w/18000# tension. NU WH.

4/10/06 - TIH w/20-125-RHBC-16-4-S0 (Lat:043) pump, 8 - 1 1/2" kbars (new), 38 - 3/4" rods (new), 82 - 3/4" rods (120 - 3/4" rods total) & 77 - 7/8" rods. Seat pump. Replaced 10 - 3/4" couplings on TIH. Hung well on. Loaded tbg w/13 bbls 2% KCL wtr. Spaced out pump & resumed production.

Note: Last test: 4 BO, 39 BW & 90 MCF (Blinebry zone only).

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OFFICE OF THE DIRECTOR
CARLSBAD, NEW MEXICO