## COD-HOBBS

FORM APPROVED

	UNITED STATE PARTMENT OF THE I REAU OF LAND MAN	NTERIOR	4	Exp Lease Serial No	MB No 1004-0137 bires. March 31, 2007		
Do not use this		ORTS ON WELLS to drill or to re-enter a PD) for such proposa	n	LC 034711 5 If Indian, Allottee o	r Tribe Name		
SUBMIT IN TRIPLICATE – Other Instructions on page 2				7 If Unit of CA/Agreement, Name and/or No			
1 Type of Well  X Oil Well Gas	ĮI.	N 8 WellName and No Baylus Cade Federal #3					
2 Name of Operator Latigo Petrole	eum, Inc.	3b Phone No (include orea c		30-025-			
3s Address PO Box 1043, I	<u> </u>	10 Field and Pool or Exploratory Area  Langlie Mattix (7 Rivers/Q)					
4. Location of Well (Footage, Sec., 7 660 FSL & 1979	7-E	11. Country or Parish, State Lea, New Mexico					
12. CHI	CK THE APPROPRIATE BO	OX(ES) TO INDICATE NATU	RE OF NOTICE	E, REPORT OR OTH	ER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION						
Notice of Intent	Acidize Alter Casing	Deepen  Fracture Treat		ction (Start/Resume) mation	Water Shut-Off Well Integrity		
Subsequent Report	Casing Repair Change Plans	New Construction  Plug and Abandon		omplete Other			
Final Abandonment Notice	Convert to Injection	Plug Back		Disposal			
13 Describe Proposed or Completed the proposal is to deepen directin Attach the Bond under which the following completion of the invitesting has been completed. Fir determined that the site is ready	onally or recomplete horizontal e work will be performed or problem of the operations of the operational Notices must	rovide the Bond No. on file with	h BLM/BIA R	equired subsequent re letion in a new interva	ports must be filed within 30 il, a Form 3160-4 must be fil n completed and the operato	) days ed once .	
	SEE	C PAGE 2	23.24.25.26	128293031	773756789		



WELL BORE. LIABILITY UNDER BOND IS RETAINED UNTIL SURFACE RESTORATION IS COMPLETED

14. I hereby certify that the fore	oning is true and correct							
Name (Printed/Typed)	Howard Boatright	Title	Agent					
Signature	ah	Date	08/20/07					
THIS SPACE FOR FEDERAL OR STATE OFFICE USE								
	AVID R. GLASS	<del></del>	PETROLEUM ENGINEER	Date	SEP 27 2007			
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 the applicant to conduct operations thereon		Office		States any tales				

GWW

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 talse,

fictitious or flaudulent statements or representations as to any matter within its jurisdiction.

Baylus Cade Federal # 3 API #: 30-025-10961

1. Inform Jim McCormick, BLM of move-in.

2. Talked to Fred Wright, BLM, he advised to clean out well to 3,290'.

3. Cleaned out well, salt blocks down to 3,219'.

4. RIH w/ Packer to 3,075', established injection rate, 1 ½ Bbl per minute, 1000 PSI, did not increase flow in casing from hole above. Fred Wright, BLM, ok'd to set C.I.C.R. at 3,219', sqz cement below C.I.C.R. and pump 25 sx on top & Tag.

5. RIH w/7" C.I.C.R., set at 3,200, establish injection rate, 1 ½ Bbl per minute, 1000 PSI, mixed 150 sx, displaced cement to 2,200 inside tubing. PSI at 900#, sting out, pump 25 sx on top of

C.I.C.R. POOH w/ tubing, SWI & WOC.

Open well, well pressured up to 1100 PSI, flowed to Tank. RIH open ended, Tag cement at 3,165', BLM advised to spot more cement to increase cement on C.I.C.R. Mixed & spot 25 sx more to 3,165', WOC. RIH, Tag cement at 3,040', POOH. RIH w/7" Packer to 2,000', established pump rate ½ BPM, 2000 – 2200 PSI. SI 1200 – 1500 PSI. POOH w/ Packer & SWI.

Opened well, pressured up to 1100 PSI. RIH w/ W.L. Unit, nitro perforated casing at 2,300' and at 2,215'. RIH w/ Packer, set Packer at 1,818', established injection rate, ¼ BPM, 2000 – 2200 PSI. SI 1200 – 1500 PSI. Jim McCormick, BLM, on location, talked w/ BLM engineers, they ok'd to set C.I.B.P. at 1,818'.

8. RIH w/7" C.I.B.P., set at 1,818'. Spot 50 sx of cement on top of C.I.B.P. POOH & WOC. Tag

cement at 1,520', circulated casing w/ Salt Mud.

Perforated 7" casing at 1,200', set Packer at 815', established injection rate, pressured up to 1700 PSI, POOH w/ Packer. RIH open ended to 1,411', spot 60 sx of cement, displaced TOC to 1,063'. POOH & WOC. RIH w/ W.L., tag cement at 1,137'. Nipple down BOP, RIH w/ W.L., perforated 7" casing at 375', set Packer at 30', established injection rate, 1 ½ BPM, 400 PSI, no circulation. Sqz 150 sx of cement, displaced TOC to 225, SIP 300 PSI.

Opened well. RIH, Tag cement at 250', POOH w/ tubing. Perforated 7" casing at 60', set Packer at 30', established rate/ no rate. Pressured up to 1500 PSI. Laid down Packer. RIH open ended to 120', circulated 30 sx of cement to Surface. Laid down tubing, cut off wellhead at clamp, mixed and filled 7" casing & set Dry Hole Marker w/ cement. Rig down equipment, dug out

Anchors & cut off, cleaned location & moved. 8/20/0