

PNR M0621550158

C-103 Received 7-31-2006
DHC No. Assigned 8-2-2006

Order Number	API Number	Operator	County			
HOB-0155	30-025-34506	Capataz Operating	Lea			
Order Date	Well Name	Number	Location			
	Bugler	001	L	13	205	38E
			UL	Sec	T (+Dir)	R (+Dir)
Pool 1	Oil %	Gas %				
33225	House Blinebry, South	89%	5%			
Pool 2	Oil %	Gas %				
78760	House Tubb	11%	95%			
Pool 3	Oil %	Gas %				
Pool 4	Oil %	Gas %				
Comments: Work completed effective _____ Work cancelled effective _____ Supplement _____						

Posted to
RBDMA
8-3-2006

30-025-34506
HOB-0155

DOWNHOLE COMMINGLE CALCULATIONS:

OPERATOR: Capataz Operating Inc.

PROPERTY NAME: Bugler

WNULSTR: 1-h, 13-20-38

33225

SECTION I:
POOL NO. 1 House Blinebry, South ALLOWABLE AMOUNT
142 284 MCF 2000

78760

POOL NO. 2 House Tubb 142 284 MCF 2000

POOL NO. 3 _____ MCF

POOL NO. 4 _____ MCF

POOL TOTALS 284 568

SECTION II:
POOL NO. 1 House Blinebry, South Oil Gas
89% X 284 = 252.76 5%

POOL NO. 2 House Tubb 11% 95%

POOL NO. 3 _____

POOL NO. 4 _____

OIL

GAS

SECTION III:
142 ÷ 89% = 159.55 (160)

SECTION IV:
160 X 89% = 142.40 (142)
160 X 11% = 17.60 (18)

Submit 3 Copies to appropriate District Office
 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
 1000 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 May 27, 2004

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

WELL API NO.	30-025-34506
5. Indicate Type of Lease	STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.	N/A
7. Lease Name or Unit Agreement Name	Bugler
8. Well Number	1
9. OGRID Number	3659
10. Pool name or Wildcat	House; Blinebry South, Tubb

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.)

1. Type of Well: Oil Well Gas Well Other

2. Name of Operator
 Capataz Operating, Inc

3. Address of Operator PO Box 10549
 Midland, TX 79702

4. Well Location
 Unit Letter L : 2310 feet from the South line and 330 feet from the West line
 Section 13 Township 20S Range 38E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
 3578 GR

Pit or Below-grade Tank Application or Closure

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

SUBSEQUENT REPORT OF:

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

OTHER: OTHER:DHC: Blinebry & Tubb

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.
Per R-11363

Pool Names: House; Blinebry South (33225), House; Tubb (78760)
 Perforations:
 Blinebry 5925-28, 37-47, 6024-48, 6096-6106'
 Tubb 6624-28, 6659-61, 6702-08, 13-15, 18-20, 32-34, 37-39, 45-49, 53-68'

The allocation method will be as follows:

	Oil	%	Water	%	Gas	%
Blinebry	17	89	19	95	12	5
Tubb	2	11	1	5	210	95
	19	100	20	100	222	100

Downhole commingling will not reduce the value of the pools.
 Ownership is the same for each of these pools.

DHC Order No. HOB-0155



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 _____ TITLE Agent DATE 07/26/2006

or print name H Scott Davis E-mail address: Capataz1@enginet Telephone No. (432)620-8820
For State Use Only **PETROLEUM ENGINEER**

APPROVED BY: _____ TITLE _____ DATE **AUG 02 2006**

Conditions of Approval (if any): _____

DISTRICT I
P.O. Box 1880, Hobbs, NM 88241-1880

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III
Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-34506	Pool Code 33225	Pool Name House, Blinebry South
Property Code 23708	Property Name BUGLER	Well Number 1
OGRID No. 3659	Operator Name CAPATAZ OPERATING INC.	Elevation 3578'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	13	20 S	38 E		2310	SOUTH	330	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	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>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>[Signature]</i> Signature</p> <p><u>H Scott Davis</u> Printed Name</p> <p>Agent Title</p> <p><u>9-21-98</u> Date</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>SEPTEMBER 15, 1998 Date Surveyed</p> <p><i>[Signature]</i> Signature & Seal of Professional Surveyor</p> <p><i>[Seal]</i> 98-11-1258</p> <p>Certificate No. <u>RONALD J. EIDSON</u> 3239 12641</p>	

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT III
Rio Brazos Ed., Aztec, NM 87410

AMENDED REPORT

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-34506	Pool Code 78760	Pool Name House Tubb
Property Code 23708	Property Name BUGLER	Well Number 1
OGRID No. 3659	Operator Name CAPATAZ OPERATING INC.	Elevation 3578'

Surface Location

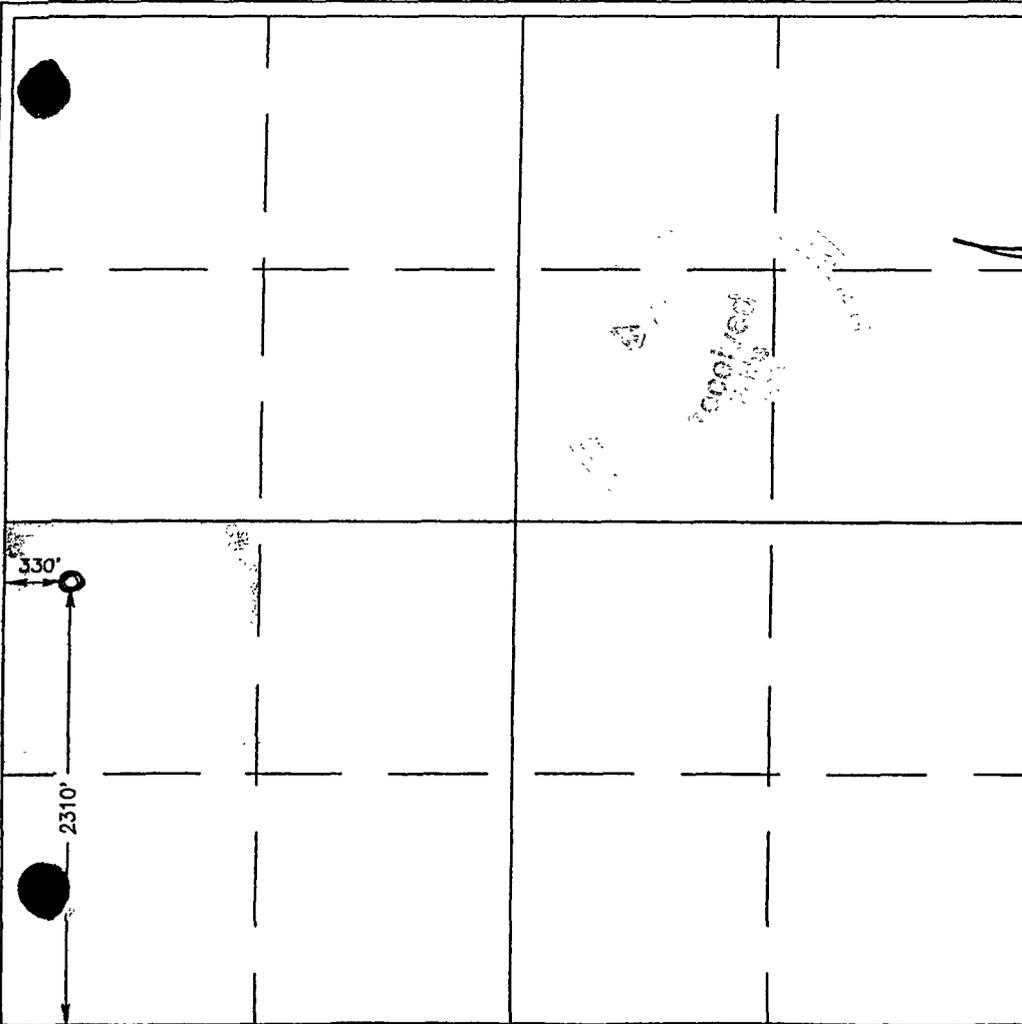
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OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

[Signature]
Signature

H Scott Davis
Printed Name

Agent
Title

9-21-98
Date

SURVEYOR CERTIFICATION

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.

SEPTEMBER 15, 1998
Date Surveyed

CDG

[Signature]
Signature & Seal of Professional Surveyor

[Seal]
98-11-1236

Certificate No. ... RONALD J. EIDSON 3239
GUYTON EIDSON 12641