

PNRM 06 21550739

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

Order Number HOB-0156		API Number 30-025-35614		Operator Capataz Operating Inc.		County Lea	
Order Date 		Well Name Dukes		Number 001		Location	
						K UL	11 Sec
						20S T (+Dir)	38E R (+Dir)
	Oil %	Gas %					
Pool 1	33230	House Blinebry	11%	12%			
Pool 2	78960	House Tubb	33%	29%			
Pool 3	33250	House Drinkard	56%	59%			
Pool 4							
Comments: Work completed effective _____ Work cancelled effective _____ Supplement _____							

Posted to
RBDMA
8-3-2006

30-025-35614
HOB-0156

DOWNHOLE COMMINGLE CALCULATIONS:

OPERATOR: Capataz Operating Inc.

PROPERTY NAME: Dukes

WNULSTR: 1-K, 11-20-38

	SECTION I:	ALLOWABLE AMOUNT	
33230	POOL NO. 1 <u>House Blinebry</u>	<u>142</u>	<u>284</u> MCF 2000
78960	POOL NO. 2 <u>House Tubb</u>	<u>142</u>	<u>284</u> MCF 2000
33250	POOL NO. 3 <u>House Drinkard</u>	<u>142</u>	<u>284</u> MCF 2000
	POOL NO. 4 _____		MCF
		POOL TOTALS <u>426</u>	<u>852</u>

	SECTION II:	Oil	Gas
	POOL NO. 1 <u>House Blinebry</u>	<u>11%</u>	<u>12%</u>
	POOL NO. 2 <u>House Tubb</u>	<u>33%</u>	<u>29%</u>
	POOL NO. 3 <u>House Drinkard</u>	<u>56% X 426 = 238.56</u>	<u>59%</u>
	POOL NO. 4 _____		

	<u>OIL</u>	<u>GAS</u>
SECTION III:	<u>142 ÷ 56% = 253.57 (254)</u>	_____

SECTION IV:	<u>254 X 11% = 27.94 (28)</u>	_____
	<u>254 X 33% = 83.82 (84)</u>	_____
	<u>254 X 56% = 142.24 (142)</u>	_____

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.	30-025-35614
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	Dukes
8. Well Number	1
9. OGRID Number	3659
10. Pool name or Wildcat	House; Blinebry, Tubb, Drinkard

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 K : 1980 feet from the South line and 2105 feet from the West line
Section 11 Township 20S Range 38E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3579 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:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER:DHC: Blinebry, Tubb, Drinkard <input checked="" type="checkbox"/>	

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 (33230), House; Tubb (78760), House; Drinkard (33250)
 Perforations:
 Blinebry 5922-26, 56-62, 92-96, 6006-12, 18-27, 6050-57, 6121-29' 4 JSPF
 Tubb 6740-49, 72, 72.5, 73, 75.5, 76, 80-85' 1 JSPF
 Drinkard 6986-91, 7023-26' 1 JSPF

The allocation method will be as follows:

	Oil	%	Water	%	Gas	%
Blinebry	1	11	40	80	2	12
Tubb	3	33	4	8	5	29
Drinkard	5	56	6	12	10	59
	9	100	50	100	17	100

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

DHC Order No. HOB-0156



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 [Signature] TITLE Agent DATE 07/26/2006

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

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE AUG 02 2006

Conditions of Approval (if any): _____

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

State of New Mexico
 Minerals, and Natural Resources Department

Form C-102
 Revised 02-10-94
 Instructions on back

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

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

Submit to the Appropriate
 District Office
 State Lease - 4 copies
 Fee Lease - 3 copies

DISTRICT III
 1000 Rio Brazos Rd.
 Aztec, NM 87410

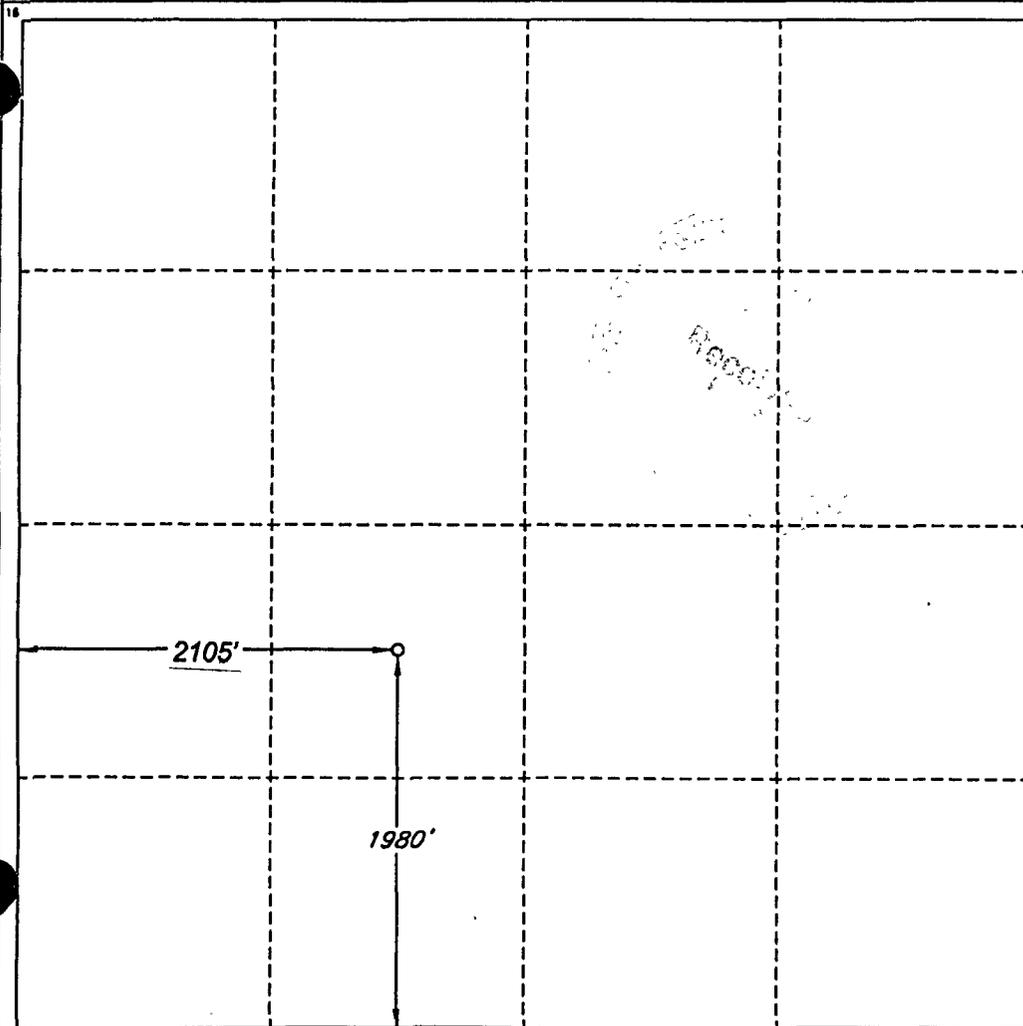
AMENDED REPORT

DISTRICT IV
 P. O. Box 2088
 Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-025-35614		2 Pool Code 33230		3 Pool Name House, Blinebry					
4 Property Code 28291		5 Property Name DUKES						6 Well Number 1	
7 OGRID No. 3659		8 Operator Name CAPATAZ OPERATING INCORPORATED						9 Elevation 3579'	
10 SURFACE LOCATION									
UL or lot no. K	Section 11	Township 20 SOUTH	Range 38 EAST, N.M.P.M.	Lot Ida	Feet from the 1980'	North/South line SOUTH	Feet from the 21-05	East/West line WEST	County LEA
11 BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE									
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedicated Acres		13 Joint or Infill		14 Consolidation Code		15 Order No.			

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

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

Signature
 Printed Name
 H Scott Davis
 Title
 Agent
 Date
 6-26-01

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.

Date of Survey
 JUNE 21, 2001
 Signature and Seal of Professional Surveyor
 V. L. BEZNER
 Certificate No.
 V. L. BEZNER R.P.S. #7920
 JOB # 77124 / 70 SE / J.C.P.

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

State of New Mexico
 Minerals, and Natural Resources Department

Form C-102
 Revised 02-10-94

Instructions on back

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AMENDED REPORT

DISTRICT IV
 P. O. Box 2088
 Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-025-35614		2 Pool Code 78760		3 Pool Name House; Tubb	
4 Property Code 28291		5 Property Name DUKES			6 Well Number 1
7 OGRID No. 3659		8 Operator Name CAPATAZ OPERATING INCORPORATED			9 Elevation 3579'

10 SURFACE LOCATION

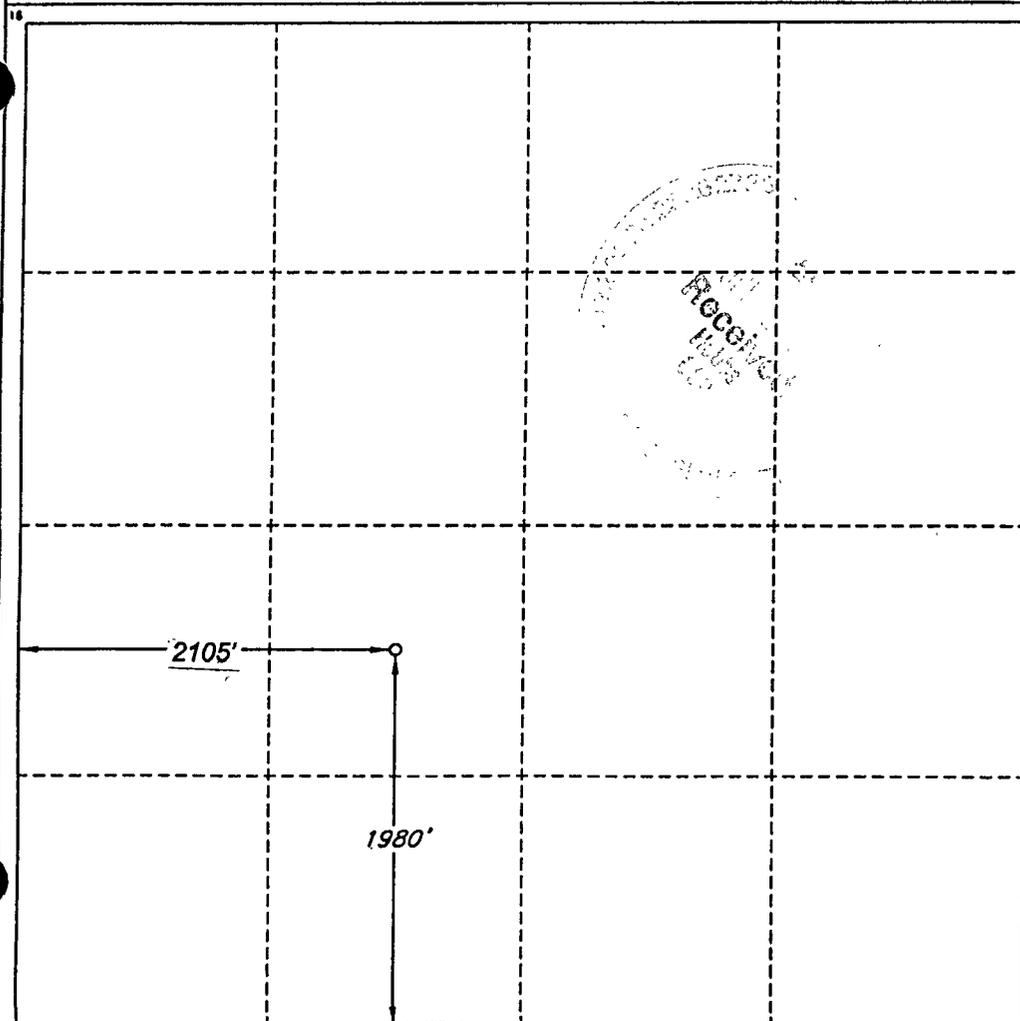
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
K	11	20 SOUTH	38 EAST, N.M.P.M.		1980'	SOUTH	21-05	WEST	LEA

11 BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE

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

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
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Signature
Printed Name H. Scott Davis
Title Agent
Date 6-26-01

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Date of Survey JUNE 21, 2001
Signature and Seal of Professional Surveyor V. L. BEZNER 6-25-01
Certificate No. V. L. BEZNER R.P.S. #7920
JOB # 77124 / 70 SE / J.C.P.

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 Hobbs, NM 88241-1980

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AMENDED REPORT

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 Aztec, NM 87410

DISTRICT IV
 P. O. Box 2088
 Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-025-35614		2 Pool Code 33250		3 Pool Name House, Drinkard	
4 Property Code 28291		5 Property Name DUKES			6 Well Number 1
7 OGRID No. 3659		8 Operator Name CAPATAZ OPERATING INCORPORATED			9 Elevation 3579'

10 SURFACE LOCATION

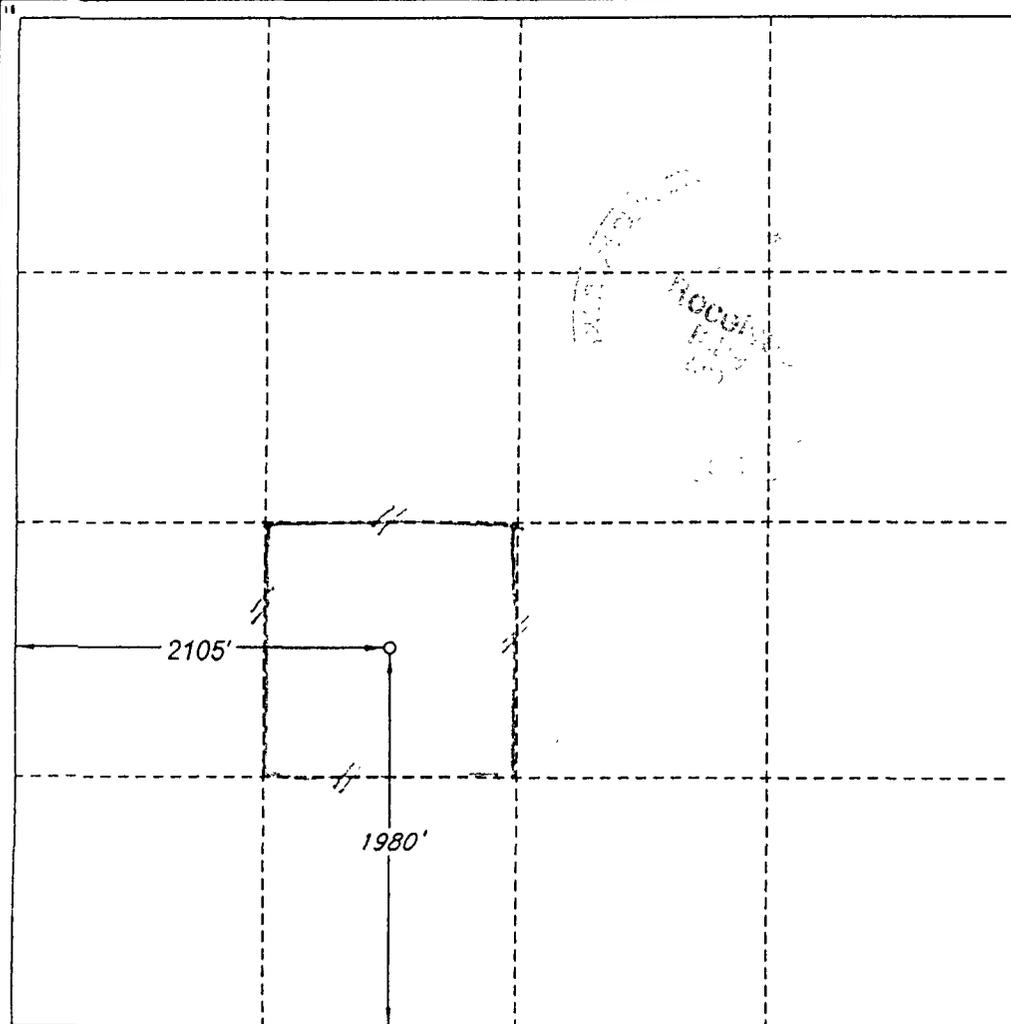
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
K	11	20 SOUTH	38 EAST, N.M.P.M.		1980'	SOUTH	2105	WEST	LEA

11 BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE

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

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
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I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief

Signature _____

Printed Name _____

H. Scott Davis

Title _____

Agent

Date _____

6-26-01

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V. L. BEZNER R.P.S. #7920

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