

PNRMO621551645

C-103 Received 7-31-2006

DHC No. Assigned 8-2-2006

Order Number	API Number	Operator	County				
HOB-0157	30-025-34642	Capataz Operating Inc.	Lea				
Order Date	Well Name	Number	Location				
	Kool	001	B UL	14 Sec	205 T (+Dir)	38E R (+Dir)	
		Oil %	Gas %				
Pool 1	06660	BLinebry Oil + Gas (Oil)	30%	87%			
Pool 2	78760	House Tubb	10%	5%			
Pool 3	33250	House Drinkard	60%	8%			
Pool 4							
Comments: Work completed effective _____ Work cancelled effective _____ Supplement _____							

Posted to  
RBDYM &  
8-3-2006

30-025-34642

HOB-0157

DOWNHOLE COMMINGLE CALCULATIONS:

OPERATOR: Capataz Operating Inc.

PROPERTY NAME: Kool

WNULSTR: 1-B, 14-20-38

06660	SECTION I: POOL NO. 1	<u>Blinebry Oil+Gas (Oil)</u>	<u>107</u>	<u>428</u>	MCF	<u>4000</u>
78760	POOL NO. 2	<u>House Tubb</u>	<u>142</u>	<u>284</u>	MCF	<u>2000</u>
33250	POOL NO. 3	<u>House Drinkard</u>	<u>142</u>	<u>284</u>	MCF	<u>2000</u>

POOL NO. 4 \_\_\_\_\_ MCF

POOL TOTALS 391 996

SECTION II: POOL NO. 1	<u>Blinebry Oil+Gas (Oil)</u>	<u>Oil</u>	<u>Gas</u>
POOL NO. 2	<u>House Tubb</u>	<u>30%</u>	<u>87%</u>
POOL NO. 3	<u>House Drinkard</u>	<u>10%</u>	<u>5%</u>
POOL NO. 4	_____	<u>60% X 391 = 234.60</u>	<u>8%</u>

<u>OIL</u>	<u>GAS</u>
SECTION III: <u>107 ÷ 60% = 178.33 (179)</u>	_____

SECTION IV: <u>179 X 30% = 53.70 (54)</u>	_____
<u>179 X 10% = 17.90 (18)</u>	_____
<u>179 X 60% = 107.40 (107)</u>	_____

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

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  
S. St. Francis Dr., Santa Fe, NM 87505

WELL API NO.	30-025-34642
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	Kool
8. Well Number	1
9. OGRID Number	3659
10. Pool name or Wildcat	Blinebry Oil & Gas, House; 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 B : 660 feet from the North line and 1650 feet from the East line  
Section 14 Township 20S Range 38E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
3572 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, Drinkard

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: Blinebry Oil & Gas (6660), House; Tubb (78760), House; Drinkard (33250)

Perforations:

Blinebry 5970-76, 84-92, 6020-48, 6080-6100' 1 JSPF  
Tubb 6740-46, 48-49, 54, 60-61, 72, 76-77' 1 JSPF  
Drinkard 6983-89, 92-97, 7000-12, 7018-22, 7028-31, 7033-37' 1 JSPF

The allocation method will be as follows:

	Oil	%	Water	%	Gas	%
Blinebry	3	30	8	29	52	87
Tubb	1	10	2	7	3	5
Drinkard	6	60	18	64	5	8
	10	100	28	100	60	100

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



DHC Order No. HOB-0157

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 NMOC 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@sbcglobal.net Telephone No. (432)620-8820  
For State Use Only

APPROVED BY: \_\_\_\_\_ 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  
 Energy, 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

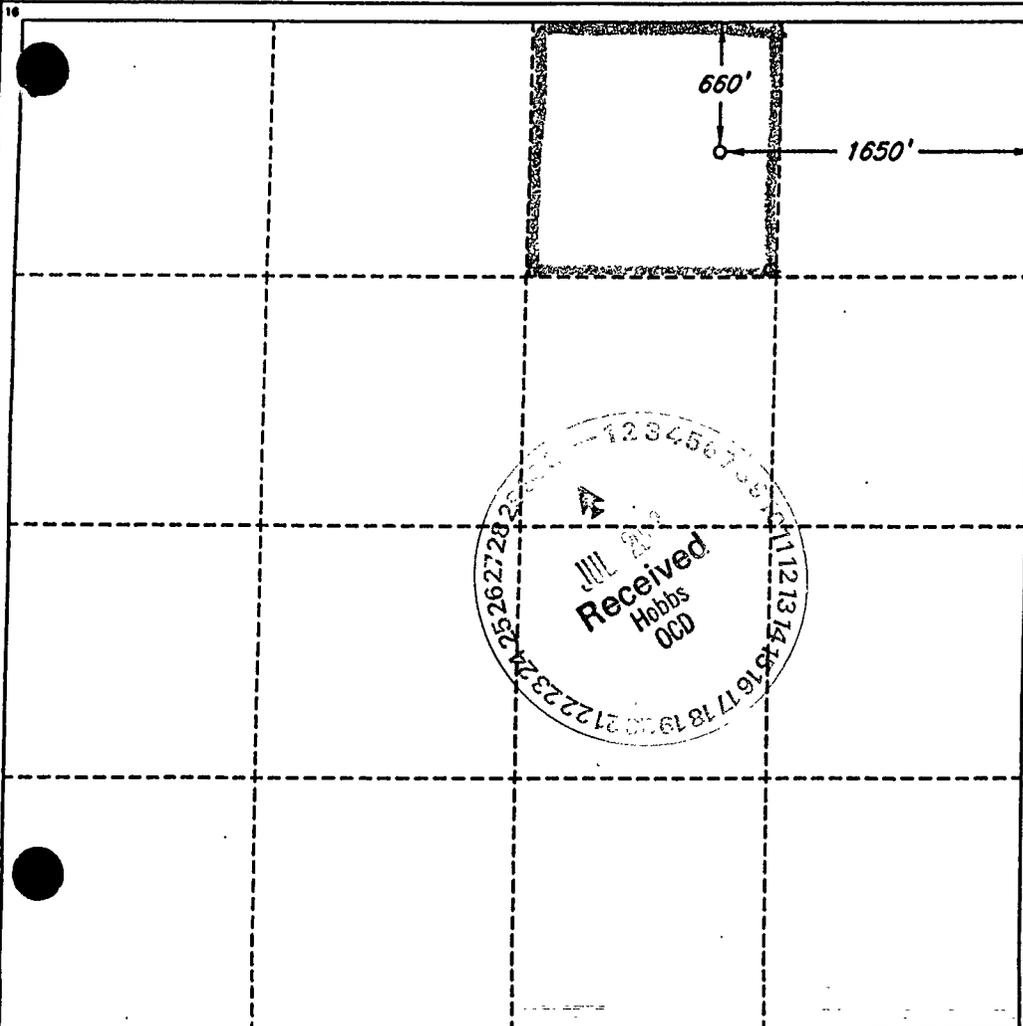
AMENDED REPORT

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

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1 API Number <b>30-025-34642</b>		2 Pool Code <b>06660</b>		3 Pool Name <b>Blinebry Oil &amp; Gas</b>					
4 Property Code <b>24693</b>		5 Property Name <b>KOOL</b>						6 Well Number <b>1</b>	
7 OGRID No. <b>3659</b>		8 Operator Name <b>CAPATAZ OPERATING, INC.</b>						9 Elevation <b>3572'</b>	
10 SURFACE LOCATION									
UL or lot no. <b>B</b>	Section <b>14</b>	Township <b>20 SOUTH</b>	Range <b>38 EAST, N.M.P.M.</b>	Lot Ida	Feet from the <b>660'</b>	North/South line <b>NORTH</b>	Feet from the <b>1650'</b>	East/West line <b>EAST</b>	County <b>LEA</b>
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 *[Handwritten Signature]*

Printed Name  
**H. SCOTT DAVIS**

Title  
**AGENT**

Date  
**5/28/99**

**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  
**MAY 26, 1999**

Signature and Seal  

 Signature *[Handwritten Signature]*

Certificate No.  
**ROGER M. ROBBINS 12128**

JOB #63718 V.H.B.

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

State of New Mexico  
 Energy, Minerals, and Natural Resources Department

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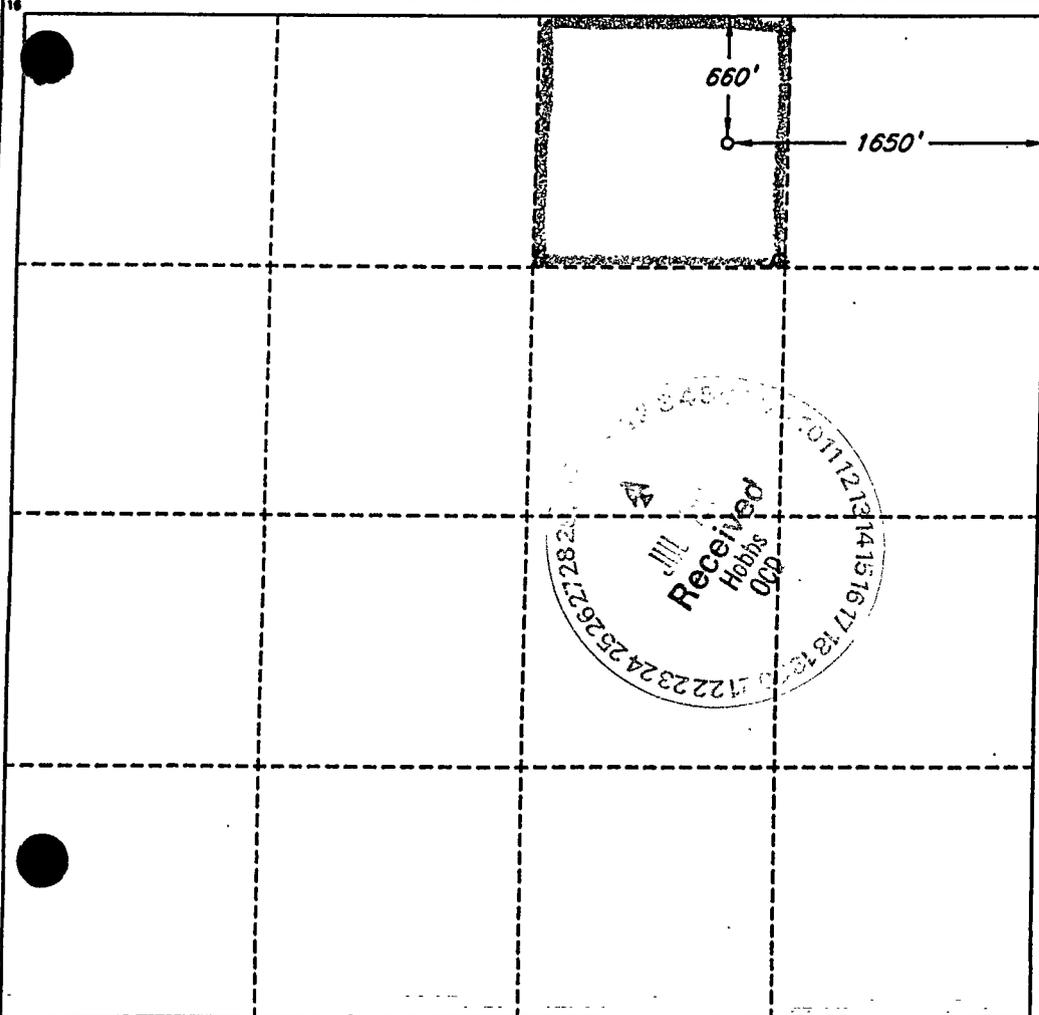
AMENDED REPORT

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

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1 API Number <b>30-025-34642</b>		2 Pool Code <b>78760</b>		3 Pool Name <b>House Tubb</b>					
4 Property Code <b>24693</b>		5 Property Name <b>KOOL</b>						6 Well Number <b>1</b>	
7 OGRID No. <b>3659</b>		8 Operator Name <b>CAPATAZ OPERATING, INC.</b>						9 Elevation <b>3572'</b>	
<b>10 SURFACE LOCATION</b>									
UL or lot no. <b>B</b>	Section <b>14</b>	Township <b>20 SOUTH</b>	Range <b>38 EAST, N.M.P.M.</b>	Lot Ida	Feet from the <b>660'</b>	North/South line <b>NORTH</b>	Feet from the <b>1650'</b>	East/West line <b>EAST</b>	County <b>LEA</b>
<b>11 BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE</b>									
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
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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]*  
 Printed Name: **H. SCOTT DENIS**  
 Title: **AGENT**  
 Date: **5/28/99**

**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: **MAY 26, 1999**

Signature and Seal: *[Signature]*  
 Professional Surveyor: **ROGER M. ROBBINS**

**ROGER M. ROBBINS**  
 REGISTERED PROFESSIONAL SURVEYOR  
 NEW MEXICO  
 12128

Certificate No. **12128**  
 JOB #63718 V.H.B.

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

State of New Mexico  
Energy, Minerals, and Natural Resources Department

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Revised 02-10-94

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AMENDED REPORT

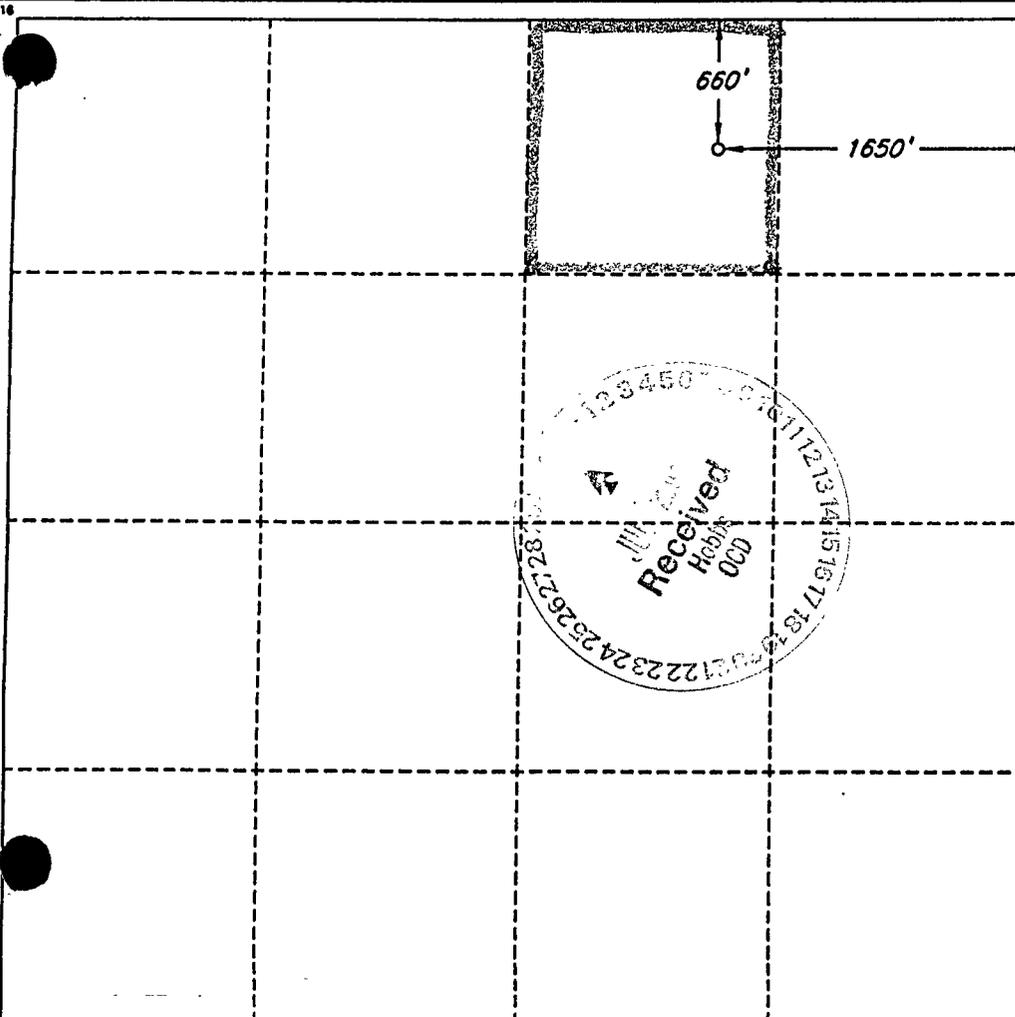
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**DISTRICT IV**  
P. O. Box 2088  
Santa Fe, NM 87507-2088

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1 API Number 30-025-34642		2 Pool Code 33250		3 Pool Name House; Drinkard					
4 Property Code 24693		5 Property Name KOOL						6 Well Number 1	
7 OGRID No. 3659		8 Operator Name CAPATAZ OPERATING, INC.						9 Elevation 3572'	
10 SURFACE LOCATION									
UL or lot no. B	Section 14	Township 20 SOUTH	Range 38 EAST, N.M.P.M.	Lot Ida	Feet from the 660'	North/South line NORTH	Feet from the 1650'	East/West line EAST	County LEA
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UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
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Signature: *[Handwritten Signature]*

Printed Name: H. SCOTT DAVIS

Title: AGENT

Date: 5/20/99

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Professional Surveyor  
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NEW MEXICO  
REGISTERED SURVEYOR  
12128

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