

District I
 PO Box 1980, Hobbs, NM 88241-1980
 District II
 811 South First, Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals & Natural Resources Department

Form C-101
 Revised October 18, 1994
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 6 Copies
 Fee Lease - 5 Copies

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

Operator Name and Address. Capataz Operating Inc PO Box 10549 Midland, TX 79702		OGRID Number 3659
		API Number 30-020-34565
Property Code 24145	Property Name Keach	Well No. 1

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	4	20S	38E		467	South	2310	East	Lea

Proposed 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
Proposed Pool 1 Wildcat Silurian Devonian					Proposed Pool 2 Nadine; Paddock-Blinebry, West				

Work Type Code N	Well Type Code 0	Cable/Rotary R	Lease Type Code P	Ground Level Elevation 3576
Multiple	Proposed Depth 8000	Formation Silurian Devonian	Contractor Patterson	Spud Date 2-1-99

Proposed Casing and Cement Program

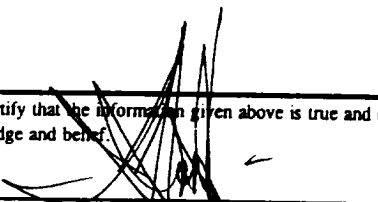
Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12-1/4	8-5/8	24#	1500'	975	Surf
7-7/8	5-1/2	15.5 & 17#	7850	1080	1500'

Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Drill 12-1/4" hole to 1500'. Run & cement 1500' 8-5/8" 24# casing, circulate cement to surface. Drill out w/ brine, drill to 7,850'. Log evaluate and run 5-1/2" if indicated. RDMO drilling rig. MIRU pulling unit. Drill out shoe and drill +150' open hole w/ air.

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

Signature:



Printed name:

H Scott Davis

Title:

Agent

OIL CONSERVATION DIVISION

Approved by: [Signature]

Title:

Approval Date:

9/21/99

Expiration Date:

400

MP

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

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

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

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

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

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-34565	Pool Code 62990	Pool Name Silurian Wildcat; Devonian
Property Code 24145	Property Name KEACH	Well Number 1
OGRID No. 3659	Operator Name CAPATAZ OPERATING INC.	Elevation 3576

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	4	20 S	38 E		467	SOUTH	2310	EAST	LEA

Bottom Hole Location If Different From Surface

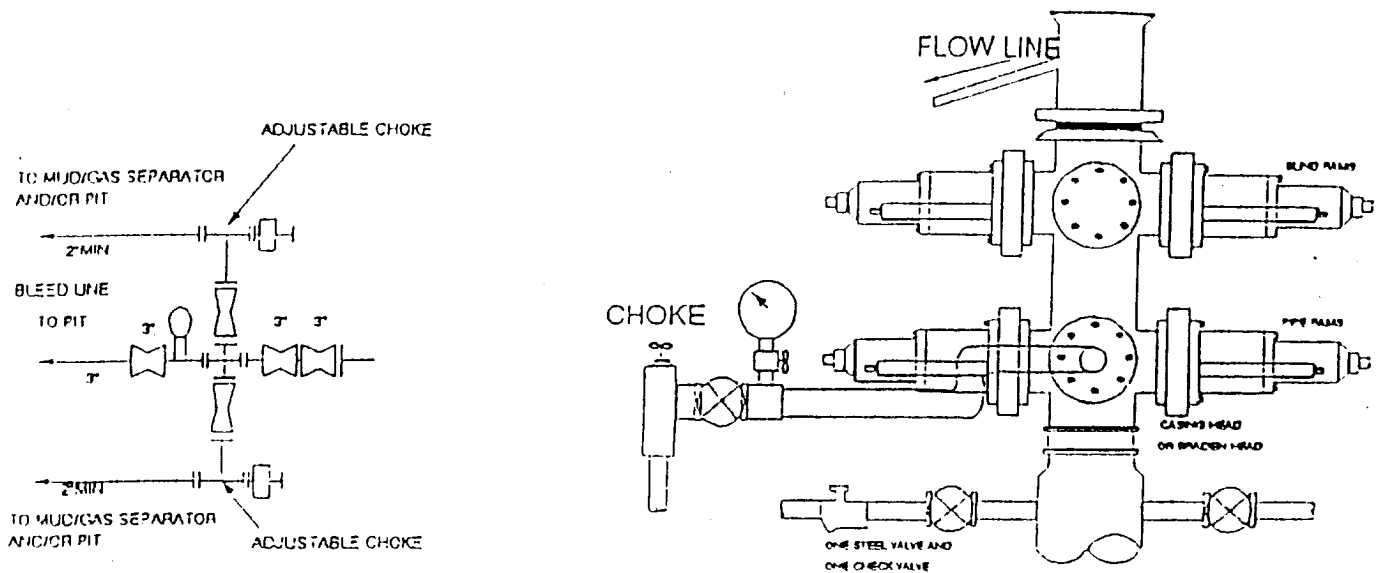
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.
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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

LOT 4 40.06 ACRES	LOT 3 40.00 ACRES	LOT 2 39.96 ACRES	LOT 1 39.90 ACRES	<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></p> <p>Signature H Scott Davis</p> <p>Printed Name Agent</p> <p>Title 1-22-99</p> <p>Date</p> <hr/> <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>JANUARY 15, 1999</p> <p>Date Surveyed DMCC</p> <p>Signature & Seal of Professional Surveyor <i>[Signature]</i> 99-11-0005</p> <p>Certificate No. RONALD J. EIDSON 3239 GARY EIDSON 12641 MACON McDONALD 12185</p>
<p>Diagram showing well location with dimensions: 467' vertical distance from a point to the bottom line, and 2310' horizontal distance from the left boundary to the well location.</p>				

3000 PSI WP



THE FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

- A. One double gate blowout preventer with lower rams for pipe and upper rams blind, all hydraulically controlled.
- B. Opening on preventers between rams to be flanged, studded or clamped and at least two inches in diameter.
- C. All connections from operating manifold to preventers to be all steel hose or tube a minimum of one inch in diameter.
- D. The available closing pressure shall be at least 15% in excess of that required with sufficient volume to operate (close, open, and re-close) the preventers.
- E. All connections to and from preventers to have a pressure rating equivalent to that of the BOP's.
- F. Manual controls to be installed before drilling cement plug.
- G. Valve to control flow through drill pipe to be located on rig floor.
- H. All chokes will be adjustable. Choke spool may be used between rams.

