

1355

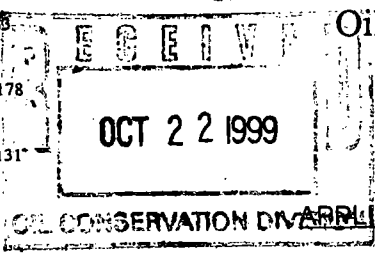
Form C-142  
Date 06/99

District I - (505) 393-6161  
1625 N. French Dr  
Hobbs, NM 88241-1980  
District II - (505) 748-1285  
811 S. First  
Artesia, NM 88210  
District III - (505) 334-6178  
1000 Rio Brazos Road  
Aztec, NM 87410  
District IV - (505) 827-7131

New Mexico  
Energy Minerals and Natural Resources Department

Oil Conservation Division  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

SUBMIT ORIGINAL  
PLUS 2 COPIES  
TO THE SANTA FE  
OFFICE



OIL CONSERVATION DIVISION APPLICATION FOR NEW WELL STATUS

I. Operator and Well

Operator name & address Capataz Operatinag, Inc. PO Box 10549 Midland, TX 79702						OGRID Number 3659			
Contact Party H Scott Davis						Phone 915-620-8820			
Property Name Pall Mall					Well Number 1		API Number 30-025-34634		
UL A	Section 14	Township 20S	Range 38E	Feet From The 660'	North/South Line North	Feet From The 660'	East/West Line East	County Lea	

II. Date/Time Information

Spud Date 09/08/99	Spud Time 2000 HRS	Date Completed 10/09/99	Pool House, Drinkard
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III. Attach copies of Form C-103 or Federal Form 3160-5 showing date/time of drilling commenced and Form C-105 or Federal Form 3160-4 showing well was completed as a producer.

IV. Attach a list of all working interest owners with their percentage interests.

V. AFFIDAVIT:

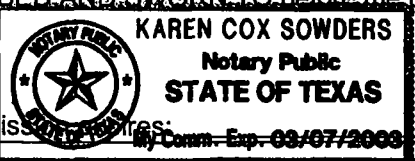
State of Texas )  
County of Midland ) ss.

\_\_\_\_\_ being first duly sworn, upon oath states:

- I am the Operator, or authorized representative of the Operator, of the above-referenced well.
- To the best of my knowledge, this application is complete and correct.

Signature \_\_\_\_\_ Title President Date 10-11/99

SUBSCRIBED AND SWORN TO before me this 11th day of October, 1999



Karen Cox Sowders  
Notary Public

FOR OIL CONSERVATION DIVISION USE ONLY:

VI. CERTIFICATION OF APPROVAL:

This Application is hereby approved and the above-referenced well is designated a New Well. By copy hereof, the Division notifies the Secretary of the Taxation and Revenue Department of this Approval.

Signature <u>Mark Rulky</u>	Title <u>P.E. Spec.</u>	Date <u>12-8-99</u>
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VII. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT: 12/8/99

NOTICE: The operator must notify all working interest owners of this New Well certification.

PV2V2007-132306

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE\*

(See other instructions  
on reverse side)FORM APPROVED  
OMB NO. 1004-0137  
Expires: February 28, 1995

5. LEASE DESIGNATION AND SERIAL NO.

NMNM 80650

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.

Pall Mall #1

9. API WELL NO.

30-025-34634

10. FIELD AND POOL, OR WILDCAT

House, Drinkard

11. SEC. T., R., M., OR BLOCK AND SURVEY  
OR AREA

14-T20S-R38E

NMPM

12. COUNTY OR  
PARISH

Lea

13. STATE

NM

1a. TYPE OF WELL OIL ☒ GAS ☐ DRY ☐ Other ☐  
WELL WELL WELL1b. TYPE OF COMPLETION: NEW ☒ DEEPEN ☐ PLUG ☐ DIFF- ☐ Other ☐  
WELL WELL BACK GENVR

2. NAME OF OPERATOR

Capataz Operating, Inc.

3. ADDRESS AND TELEPHONE NO.

PO Box 10549, Midland, TX 79702, 915-620-8820

4. LOCATION OF WELL

At surface

660' FNL &amp; 660' FEL - 14-T20S-R38E

At top prod. interval reported below

660' FNL &amp; 660' FEL

At total depth

660' FNL &amp; FEL

14. PERMIT NO.

DATE ISSUED

16. DATE SPUDDED

16. DATE T.D. REACHED

17. DATE COMP (Ready to prod.)

18. ELEVATIONS (DF, RKB, RT, GR, ETC.)\*

19. ELEV. CASINGHEAD

2000 HRS  
09/08/99

09/22/99

10/09/99

3575 GR

3575

20. TOTAL DEPTH, MD &amp; TVD

7800'

21. PLUG, BACK T.D., MD &amp; TVD

7797

22. IF MULTIPLE COMPL.,  
HOW MANY\*23. INTERVALS  
DRILLED BY

ROTARY TOOLS

CABLE TOOLS

X

24. PRODUCING INTERVAL (S), OF THIS COMPLETION - TOP, BOTTOM NAME (MD AND TVD)\*

Drinkard 69060-7052'

25. WAS DIRECTIONAL SURVEY MADE?

NO

26. TYPE ELECTRIC AND OTHER LOGS RUN

CDNL, DLL, ML, STAR, CBTL

27. WAS WELL CORED?

Yes

28. CASING RECORD

(Report all strings set in well)

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
8-5/8 J-55	24#	1630'	12-1/2	Surf 900SX 50/50 POZ "C"	
				225 SX "C"	NA
5-1/2" K-55	17#	7797'	7-7/8	1600' 900SX 35/65POZ "C"	
				+50/50 POZ "C"	NA

29. LINER RECORD

30. TUBING RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
None							

31. PERFORATION RECORD (Interval, size and number)

6966-64, 70-74, 77-85, 91-94,  
6996-7006, 09-12, 15-20, 22-26,  
32-51 1JSPF 70 Holes

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)

AMOUNT AND KIND OF MATERIAL USED

6960-7051

2400 Gal 15% NEFE

12000 Gal SXE Acid Gel

## PRODUCTION

DATE FIRST PRODUCTION

PRODUCTION METHOD (Flowing, gas lift, pumping-size and type of pump)

WELL STATUS (Producing or shut-in)

10/09/99

Pumping - 1-1/4"X2X12'

Producing

DATE OF TEST

HOURS TESTED

CHOKE SIZE

PROD. FOR TEST PERIOD

OIL-BBL.

GAS-MCF.

WATER-BBL. GAS-OIL RATIO

10/17/99

24

Pump

14

79

50

564

FLOW, TUBING PRESS

CASING PRESSURE

24-HOUR RATE CALCULATED

OIL-BBL.

GAS-MCF.

WATER-BBL.

OIL GRAVITY-API (CORE)

NA

60

14

79

50

42

34. DISPOSITION OF (Sold, used for fuel, vented, etc.)

TEST WITNESSED BY

H. S. Davis

35. LIST OF ATTACHMENTS

CDNL, DLL, Form 3160-5, NMOCD C-102

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

SIGNED

TITLE

Agent

DATE 10/18/99

(See Instructions and Spaces for Additional Data on Reverse Side)

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries):

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.
Yates	2837	3095	Anhy. Off White, Crm
7 Rivers	3095	3667	Dolo. Off White, Crm, Buff, Lt Gry
San Andres	4261	4800	Dolo. Off Wh, Crm, Buff, Lt Tan, Lt Brwn
Blinebry	6022	6515	Dolo Buff, Lt Gy, XLN Shaley
Drinkard	6803	7087	Dolo Off White, Crm, Lt Tan, Buff
Abo	7087	--	LS Crm, Buff, Lt Brn, Tn Dolo Tn, Buff, Lt Brn, Off White Crm

38.

# GEOLOGIC MARKERS

NAME	TOP	
	MEAS. DEPTH	TRUE VERT. DEPTH
Yates	2837'	2837'
7 Rivers	3095'	3095'
San Andres	4261'	4261'
Blinebry	6022'	6022'
Drinkard	6803'	6803'
Abo	7087'	7087'

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires July 31, 1996

**SUNDRY NOTICES AND REPORTS ON WELLS**

*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. <b>NMNM 80650</b>
2. Name of Operator <b>Capataz Operating, Inc.</b>		6. If Indian, Allottee or Tribe Name --
3a. Address <b>PO Box 10549, Midland, TX 79702</b>	3b. Phone No. (include area code) <b>915-620-8820</b>	7. If Unit or CA/Agreement, Name and/or No. --
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) <b>660 FNL &amp; FEL 14-T20S-R38E, NMPM</b>		8. Well Name and No. <b>Pall Mall #1</b>
		9. API Well No. <b>30-025-34634</b>
		10. Field and Pool, or Exploratory Area <b>House, Drinkard</b>
		11. County or Parish, State <b>Lea, NM</b>

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input checked="" type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other <u>Completion</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

10/04/99 MIRU Pulling Unit. Perforate Lower Drinkard 1JSPF, 70 holes 6960-64, 70-74, 77-85, 91-94, 6996-7006, 09-12, 15-20, 22-26, 32-51. TIH w/ PKR & Set @ 6851. Acidize w/ 2400 gal 15% Nefe. Swab tested 30% oil cut w/ Good AGas. Acidize w/ 12000 gals. SCE acid @ 5.88 BPM @ ATP of 2950#. ISIP vacuum. 5 swabbed back 71 Bbls Load w/ 30% Oil Cut. TOH w/ PKR. Ran in hole w/ 2-3/8" Mud Anchor, 4' perf nipple, SN TAC & 7114' Tbg. RIH w/ 1-1/4" Downhole pump & rods. Released Pulling Unit 10/09/99 and began producing well to tank battery.

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

Title Agent

Signature

H Scott Davis

Date

10/10/99

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Title

Date

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 entitle the applicant to conduct operations thereon.

Office

Under 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires July 31, 1996

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other Instructions on reverse side

1. Type of Well  
☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Capataz Operating Inc

3a. Address  
POBox 10549, Midland, TX 79702

3b. Phone No. (include area code)  
915-620-8820

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
660' FN & FL, Sec 14, T20S-R38E

5. Lease Serial No.

NMNM 80650

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

Pall Mall #1

9. API Well No.

30-025-34634

10. Field and Pool, or Exploratory Area

House, Drinkard

11. County or Parish, State

Lea Co, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☐ Notice of Intent  
☒ Subsequent Report  
☐ Final Abandonment Notice

TYPE OF ACTION

- |   |   |  |  |
|---|---|--|--|
| <input type="checkbox"/> Acidize              | <input type="checkbox"/> Deepen           | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off                      |
| <input type="checkbox"/> Alter Casing         | <input type="checkbox"/> Fracture Treat   | <input type="checkbox"/> Reclamation               | <input type="checkbox"/> Well Integrity                      |
| <input type="checkbox"/> Casing Repair        | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete                | <input checked="" type="checkbox"/> Other <u>MIRU, Drill</u> |
| <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon       | <u>&amp; set casing</u>                                      |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back        | <input type="checkbox"/> Water Disposal            |  |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BLA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

MIRU 2000 Hrs. 09/08/99. Drill 12-1/2" hole to 1630'. Run 1630' 8-5/8" 24# casing & cement w/ 900 sx 50.50 POZ "C" w/ 2% Cacl & 2% Gel and 225 sx Class "C" w/ 2% Cacl. Circulated cement to Surface. WOC 18 hrs. TIH w/ 7-7/8" Bit. Drill 7-7/8" hole to 5990' core 5990' to 6050'. TIH w/ bit & drill to 6075 TOH. Core 6075 to 6135'. TOH w/ core barrel and drill to total depth of 7800'. Run CDNL, DLL, MLL, CBIL & Star logs. Run 7800' 5-1/2" 17# csg and set @ 7797'. Cement w/ 900 sx 35/65 POZ "c" w/ 5% salt, 6% gel, .2% antifoamer, .25 PPS Celloflake and 400 sx 50.50 POZ "C" w/ 10% salt, .5% Fla, 2% gel and .2% antifoamer. Plug down 1445 hrs 09/25/99. RDMO drilling rig 9/27/99. Prep to begin completion 10/04/99.

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

Title

Agent

Signature

Date

H Scott Davis

09/27/99

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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 entitle the applicant to conduct operations thereon.

Office

This is U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Signature of Agent)

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

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

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

## OIL CONSERVATION DIVISION

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

☐ AMENDED REPORT

### WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-34634	Pool Code 33210	Pool Name House (Drinkard)
Property Code 24645	Property Name PALL MALL	Well Number 1
OGRID No. 3659	Operator Name CAPATAZ OPERATING INC.	Elevation 3575

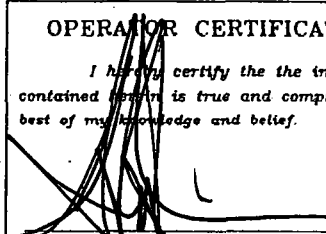
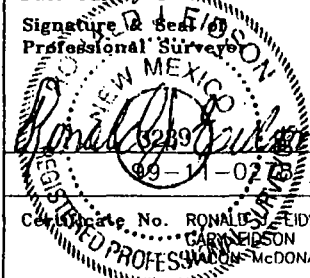
#### Surface Location

UL or lot No. A	Section 14	Township 20 S	Range 38 E	Lot Idn	Feet from the 660	North/South line NORTH	Feet from the 660	East/West line EAST	County LEA
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#### Bottom Hole Location If Different From Surface

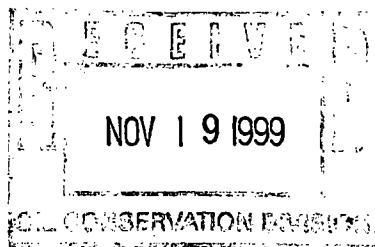
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.						

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

		<div>3573.2' 3568.3' 3576.5' 3574.0' DETAIL</div>	<div>660' 660' SEE DETAIL</div>	<div><b>OPERATOR CERTIFICATION</b> I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.  Signature H Scott Davis Printed Name Agent Title 4/9/99 Date</div>
				<div><b>SURVEYOR CERTIFICATION</b> 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.  April 6, 1999 Date Surveyed Signature of Surveyor Professional Surveyor  DMCC Certificate No. RONALD J. EDSON 3239 CARMEDSON 12641 WILLIAM McDONALD 12185</div>

**CAPATAZ OPERATING, INC.**  
P.O. Drawer 10549  
Midland, Texas 79702  
(915)620-8820, FAX (915)620-8842

November 18, 1999



New Mexico Oil Conservation Division  
2040 South Pacheco Street  
Santa Fe, NM 87505

Attn: Mark Ashley

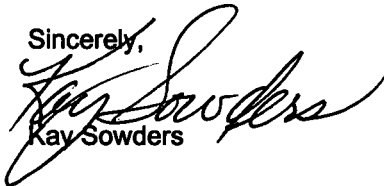
Re: Pall Mall #1  
Lea County, NM

Dear Sirs:

Enclosed for the above referenced lease are Bureau of Land Management "Approved" forms 3160-5 and 3160-4.

Thank you for your assistance and contact me if you should require additional information.

Sincerely,

  
Kay Sowders

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE

(See other instructions  
on reverse side)

OPERATOR'S COPY

FORM APPROVED  
OMB NO. 1004-0137  
Expires: February 28, 1995

## WELL COMPLETION OR RECOMPLETION REPORT AND LOG\*

1a. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input type="checkbox"/> Other <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. NMNM 80650	
1b. TYPE OF COMPLETION: NEW WELL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF-GENVR <input type="checkbox"/> Other <input type="checkbox"/>		6. IF INDIAN, ALLOTES OR TRIBE NAME	
2. NAME OF OPERATOR Capataz Operating, Inc.		7. UNIT AGREEMENT NAME	
3. ADDRESS AND TELEPHONE NO. PO Box 10549, Midland, TX 79702, 915-620-8820		8. FARM OR LEASE NAME, WELL NO. Pall Mall #1	
4. LOCATION OF WELL At surface 660' FNL & 660' FEL - 14-T20S-R38E At top prod. interval reported below 660' FNL & 660' FEL At total depth 660' FNL & FEL		9. API WELL NO. 30-025-34634	
14. PERMIT NO.		10. FIELD AND POOL, OR WILDCAT House, Drinkard	
DATE ISSUED		11. SEC. T., R., M., OR BLOCK AND SURVEY OR AREA 14-T20S-R38E NMPM	
12. COUNTY OR PARISH Lea		13. STATE NM	
15. DATE SPUNDED 2000 HRS 09/08/99		16. DATE T.D. REACHED 09/22/99	
17. DATE COMP (Ready to prod.) 10/09/99		18. ELEVATIONS (OF, RKB, RT, GR, ETC.) 3575 GR	
19. ELEV. CASINGHEAD 3575		20. TOTAL DEPTH, MD & TVD 7800'	
21. PLUG, BACK T.D., MD & TVD 7797		22. IF MULTIPLE COMPL., HOW MANY*	
23. INTERVALS DRILLED BY ROTARY TOOLS X		24. PRODUCING INTERVAL (S), OF THIS COMPLETION - TOP, BOTTOM NAME (MD AND TVD) Drinkard 6960-7052'	
25. WAS DIRECTIONAL SURVE MADE? NO		26. TYPE ELECTRIC AND OTHER LOGS RUN CDNL, DLL, ML, STAR, CBIL	
27. WAS WELL CORED? Yes		28. CASING RECORD (Report all strings set in well)	
CASING SIZE/GRADE		WEIGHT, LB./FT.	
8-5/8 J-55		24#	
5-1/2" K-55		17#	
DEPTH SET		HOLE SIZE	
1630'		12-1/2	
TOP OF CEMENT, CEMENTING RECORD		AMOUNT PULLED	
Surf 900SX 50/50 POZ "C"		NA	
225 SX "C"		NA	
1600' 900SX 35/65POZ "C"		NA	
400' 50/50 POZ "C"		NA	
29. LINER RECORD		30. TUBING RECORD	
SIZE		TOP (MD)	
None			
BOTTOM (MD)		SACKS CEMENT*	
SCREEN (MD)		SIZE	
DEPTH SET (MD)		PACKER SET (MD)	
31. PERFORATION RECORD (Interval, size and number) 6960-64, 70-74, 77-85, 91-94, 6996-7006, 09-12, 15-20, 22-26, 32-51 1JSPF 70 Holes		32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.	
DEPTH INTERVAL (MD)		AMOUNT AND KIND OF MATERIAL USED	
6960-7051		2400 Gal 15% NEFF	
		12000 Gal SXE Acid Gel	
PRODUCTION			
DATE FIRST PRODUCTION 10/09/99		PRODUCTION METHOD (Flowing, gas lift, pumping-size and type of pump) Pumping - 1-1/4"X2X12"	
WELL STATUS (Producing or shut-in) Producing			
DATE OF TEST 10/17/99		HOURS TESTED 24	
CHOKE SIZE Pump		PROD. FOR TEST PERIOD	
OIL-BBL. 14		GAS-MCF. 79	
FLOW, TUBING PRESS NA		CASING PRESSURE 60	
24-HOUR RATE CALCULATED 14		OIL-BBL. 14	
GAS-MCF. 79		WATER-BBL. 50	
WATER-BBL. 50		OIL GRAVITY-API (CORE) 42	
34. DISPOSITION OF (Sold, used for fuel, vented, etc.)		TEST WITNESSED BY H. S. Davis	
35. LIST OF ATTACHMENTS CDNL, DLL, Form 3160-5, NMOCD C-102		36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.	
SIGNED		TITLE Agent	
DATE 10/18/99		NOV 12 1999	

(See Instructions and Spaces for Additional Data on Reverse Side)

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction



37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries):

38.

GEOLOGIC MARKERS

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
					MEAS. DEPTH	TRUE VERT. DEPTH
Yates	2837	3095	Anhy. Off White, Crm	Yates	2837'	2837'
7 Rivers	3095	3667	Dolo. Off White, Crm, Buff, Lt Gry	7 Rivers	3095'	3095'
San Andres	4261	4800	Dolo. Off Wh, Crm, Buff, Lt Tan, Lt Brwn	San Andres	4261'	4261'
Blinebry	6022	6515	Dolo Buff, Lt Gy, XLN Shaley	Blinebry	6022'	6022'
Drinkard	6803	7087	Dolo Off White, Crm, Lt Tan, Buff	Drinkard	6803'	6803'
Abo	7087	--	LS Crm, Buff, Lt Brn, Tn Dolo Tn, Buff, Lt Brn, Off White Crm	Abo	7087'	7087'

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires July 31, 1996

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

*Operator  
copy*

Lease Serial No.

NMNM 80650

If Indian, Allottee or Tribe Name

--

SUBMIT IN TRIPLICATE - Other Instructions on reverse side

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Capataz Operating, Inc.

3a. Address

PO Box 10549, Midland, TX 79702

3b. Phone No. (include area code)

915-620-8820

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

660 FNL & FEL  
14-T20S-R38E, NMPM

7. If Unit or CA/Agreement, Name and/or No.

--

8. Well Name and No.

Pall Mall #1

9. API Well No.

30-025-34634

10. Field and Pool, or Exploratory Area

House, Drinkard

11. County or Parish, State

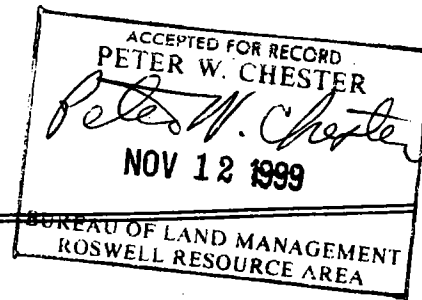
Lea, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input checked="" type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other <u>Completion</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

10/04/99 MIRU Pulling Unit. Perforate Lower Drinkard 1JSPF, 70 holes 6960-64, 70-74, 77-85, 91-94, 6996-7006, 09-12, 15-20, 22-26, 32-51. TIH w/ PKR & Set @ 6851. Acidize w/ 2400 gal 15% Nefe. Swab tested 30% oil cut w/ Good AGas. Acidize w/ 12000 gals. SCE acid @ 5.88 BPM @ ATP of 2950#. ISIP vacuum. 5 swabbed back 71 Bbls Load w/ 30% Oil Cut. TOH w/ PKR. Ran in hole w/ 2-3/8" Mud Anchor, 4' perf nipple, SN TAC & 7114' Tbg. RIH w/ 1-1/4" Downhole pump & rods. Released Pulling Unit 10/09/99 and began producing well to tank battery.



14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

Signature

H Scott Davis

Title

Agent

Date

10/10/99

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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 entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions are reversed)

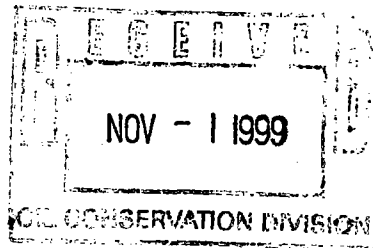
**CAPATAZ OPERATING, INC.**

**P.O. Drawer 10549**

**Midland, Texas 79702**

**(915)620-8820, FAX (915)620-8842**

October 18, 1999



New Mexico Oil Conservation Division  
2040 South Pacheco Street  
Santa Fe, NM 87505

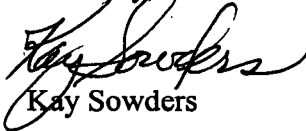
Attn: Mark Ashley

Re: Pall Mall #1  
Lea County, NM

Dear Sirs:

Enclosed for the above referenced lease are the Working Interest Owner List and approved Form 3160-5. Thank you for your assistance and contact me if you should require additional information.

Sincerely,



Kay Sowders

cc: [illegible]

FOR COMPLETION

DATE: [illegible]

CAPATAZ OPERATING INC.

LEASE DDI LISTING BY LEASE

FOR LEASES 66 THRU 66

LEASE	OWNER	OWN	TAX	SUS	HND	INT	COSTS	OIL REV	GAS REV
66	PALL MALL #1	LEA				NM			
		DA951 H SCOTT DAVIS	P	1			.07363000	.00000000	.00000000
		DE760 TIMOTHY A DERNBACH	P	1			.02057700	.00000000	.00000000
		DU762 LISA L DURBAN	P	1			.00759100	.00000000	.00000000
		EU760 EUREKA GAS COMPANY, INC	P	1			.20850200	.00000000	.00000000
		FA762 JAMES FARNSWORTH	P	1			.00852600	.00000000	.00000000
		GA256 W B ROBBINS III TR KMC TRUST	P	1			.00636800	.00000000	.00000000
		GA257 W B ROBBINS III TR RSG TRUST	P	1			.00636800	.00000000	.00000000
		HE614 BESSEMER TR CO, TR OF F HENRY	P	1			.02429800	.00000000	.00000000
		JO416 JOHNSON & JOHNSON, TR 1-24-85	P	1			.03194900	.00000000	.00000000
		JT250 JTD RESOURCES, LLC	P	1			.14925000	.00000000	.00000000
		LE631 TIMOTHY T LEONARD	P	1			.01990000	.00000000	.00000000
		LE632 DAN M LEONARD	P	1			.01990000	.00000000	.00000000
		LE633 ROBERT K LEONARD	P	1			.01243800	.00000000	.00000000
		LE637 KEVIN K LEONARD	P	1			.01243800	.00000000	.00000000
		ME570 L S MELZER	P	1			.02017900	.00000000	.00000000
		ME572 MELZER OPERATING	P	1			.06146100	.00000000	.00000000
		MO760 MORGAN TRUST	P	1			.08643600	.00000000	.00000000
		MO762 MAURICE MORDKA	P	1			.01582100	.00000000	.00000000
		PJ232 PJC LIMITED PARTNERHSIP,	P	1			.06401800	.00000000	.00000000
		RI630 RIO AUREO, LLC	P	1			.03183000	.00000000	.00000000
		SA610 SANDFLY, INC	P	1			.00995000	.00000000	.00000000
		SE110 SEAY EXPLORATION COMPANY	P	1			.05259600	.00000000	.00000000
		TH270 THE LEONARD TRUST	P	1			.03107400	.00000000	.00000000
		WA573 THOMAS J WALLER	P	1			.00500000	.00000000	.00000000
		WO761 WORRALL INVESTMENT CORP.	P	1			.01990000	.00000000	.00000000
TOTALS:		25 OWNERS					1.00000000	.00000000	.00000000

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB No. 1004-0135  
Expires July 31, 1996

## SUNDRY NOTICES AND REPORTS ON WELLS OPERATOR'S COPY

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SUBMIT IN TRIPLICATE - Other Instructions on reverse side

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM 80650
2. Name of Operator Capataz Operating Inc		6. If Indian, Allottee or Tribe Name --
3a. Address POBox 10549, Midland, TX 79702	3b. Phone No. (include area code) 915-620-8820	7. If Unit or CA/Agreement, Name and/or No. --
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 660' FN & FL 14-205-38E		8. Well Name and No. Pall Mall #1
		9. API Well No. 30-025-34634
		10. Field and Pool, or Exploratory Area House, Drinkard
		11. County or Parish, State LEA

## 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal
			<input checked="" type="checkbox"/> Other <u>MIRU, Drill &amp; set casing</u>

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

MIRU 2000 Hrs. 09/08/99. Drill 12-1/2" hole to 1630'. Run 1630' 8-5/8" 24# casing & cement w/ 900 sx 50.50 POZ "C" w/ 2% Cacl & 2% Gel and 225 sx Class "C" w/ 2% Cacl. Circulated cement to Surface. WOC 18 hrs. TIH w/ 7-7/8" Bit. Drill 7-7/8" hole to 5990' core 5990' to 6050'. TIH w/ bit & drill to 6075 TOH. Core 6075 to 6135'. TOH w/ core barrel and drill to total depth of 7800'. Run CDNL, DLL, MLL, CBIL & Star logs. Run 7800' 5-1/2" 17# csg and set @ 7797'. Cement w/ 900 sx 35/65 POZ "C" w/ 5% salt, 6% gel, .2% antifoamer, .25 PPS Celloflake and 400 sx 50.50 POZ "C" w/ 10% salt, .5% Fla, 2% gel and .2% antifoamer. Plug down 1445 hrs 09/25/99. RDMO drilling rig 9/27/99. Prep to begin completion 10/04/99.

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

Signature

H Scott Davis

Title

Agent

Date

09/27/99

ACCEPTED FOR RECORD

OCT 13 1999

CHIEF SGT. L. S. BABYAK

## THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by	Title	Date
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 entitle the applicant to conduct operations thereon.	Office	

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(Instructions on reverse)