

PNRM 0224656092

C-103 10-5-01  
DHC No. Assigned 12-5-01

Order Number	API Number	Operator	County
DI 0042	30-025-35614	Capataz Operating Inc.	Lea

Order Date	Well Name	Number	Location			
9-6-01	Dukes	001	K	11	20S	38E
			UL	Sec	T (+Dir)	R (+Dir)

	Order Number	Well Name	Oil %	Gas %
Pool 1	78760	House Tubb	35%	38%
Pool 2	33250	House Drinkard	65%	62%
Pool 3				
Pool 4				

Comments:	Work completed effective	<u>9-6-01</u>
	Work cancelled	<u>          </u>
	Supplement	<u>1396N</u> <u>1-18-02</u>

9-3-02  
Posted to  
RBOA  
①

Posted  
③

OIL CONSERVATION DIVISION  
Hobbs, New Mexico 88241

DISTRICT OFFICE

July Thru  
December, 2001

No. 1396N

SUPPLEMENT TO THE OIL PRORATION SCHEDULE

DATE: 01/18/2002

PURPOSE: ALLOWABLE ASSIGNMENT (NEW WELL) (A-M)

Effective 09/06/2001, the marginal allowables of the

CAPATAZ OPERATING INC,  
DUKES, 1 - K, 11-20-38,

well for the period covering September through December, 2001,  
are hereby assigned in the various pools as follows:

HOUSE;TUBB----- #M77  
HOUSE;DRINKARD----- #M142

(P-P)  
DI-0042

OIL CONSERVATION DIVISION



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DISTRICT SUPERVISOR

CW:nm

CAPATAZ OPERATING INC

PSP 17407

SRG 20809

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  
 1220 S St Francis Dr., Santa Fe, NM 87505

State of New Mexico  
 Energy, Minerals and Natural Resources

Form C-103  
 Revised March 25, 1999

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.	
7. Lease Name or Unit Agreement Name:  Dukes	
8. Well No. 1	
9. Pool name or Wildcat HouseTubb/HouseDrinkard	
4 Well Location #78760 / #33250	
Unit Letter <u>K</u> : <u>1980</u> feet from the <u>South</u> line and <u>2105</u> feet from the <u>West</u> line	
Section <u>11</u> Township <u>28S</u> Range <u>38E</u> NMPM <u>Lea</u> County	
10. Elevation (Show whether DR, RKB, RT, GR, etc)	

**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

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

<b>NOTICE OF INTENTION TO:</b>		<b>SUBSEQUENT REPORT OF:</b>	
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"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <u>Completion &amp; Commingle</u> <input checked="" type="checkbox"/>	

12. 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.

As per Rule 11363 Capataz requests permission to downhole commingle the Dukes #1. The commingling of these two Leonard intervals will not reduce or diminish the reserves or value of this well. No State or Federal mineral ownership is involved in this well. Perforated 6986-7026 10 holes .42" on 7/26/01. Acidized w/ 4000 gals 20% Nefe. Swabbed back load and tested. 43 BOPD by swab. Re-acidized w/ 6000 gals 28% SXE. Swabbed back load and test 3 days producing 97 BOPD, 100 BWPD and 75 MCFD. Set RBP @ 6921'. Perforated 6740-85' 22 holes .42" on 8/6/01. Acidized w/ 5000 gals 20% Nefe Swabbed back load & test 15 BOPD by swab. Frac'd w/ 177,775 lbs 20/40 sand & 77,506 gals gel. Swabbed back load. Swab test 53 BOPD X 73 BWPD X 45 MCFD. Circulated sand off RBP & POOH w/ tbg & RBP. Ran 2-7/8" tbg, pump & rod to 6692' and began production test.

DI DHC Order No. 0042

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

SIGNATURE [Signature] H Scott Davis TITLE Agent DATE 10-05/01

Type or print name \_\_\_\_\_ Telephone No. \_\_\_\_\_

(This space for State use)

APPROVED BY [Signature] TITLE PETROLEUM ENGINEER DATE DEC 4 2001

Conditions of approval, if any:

District I  
1625 N French Drive Hobbs NM 88240

District II  
1301 W Grand Avenue Ancho NM 88210

District III  
1000 Rio Biztos Road Artes NM 87410

District IV  
170 S St Francis Dr Santa Fe NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-10/A  
Revised May 15, 2000

Oil Conservation Division  
1220 South St Francis Dr  
Santa Fe, New Mexico 87505

APPLICATION TYPE  
 Single Well  
 Establish Pre-Approved Pools  
EXISTING WELLBORE  
 Yes  No

APPLICATION FOR DOWNHOLE COMMINGLING

Operator Capataz Operating Inc. Address PO Box 10549, Midland, TX 79702

Lease Dukes 1 Well No K-11-20S-38E Unit Letter-Section-Township-Range Lea County

OGRID No 3659 Property Code 28291 API No. 30-025-35614 Lease Type.  Federal  State  Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	House Tubb		House Drinkard
Pool Code	78760		33250
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	6740-85		6986-7026
Method of Production (Flowing or Artificial Lift)	Artificial Lift		Artificial Lift
Bottomhole Pressure <small>(Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)</small>			
Oil Gravity or Gas BTU <small>(Degree API or Gas BTU)</small>			
Producing, Shut-In or New Zone	Producing		Producing
Date and Oil/Gas/Water Rates of Last Production <small>(Note: For new zones with no production history applicants shall be required to attach production estimates and supporting data.)</small>	Date: 08/21/01 Rates: 53 BO 45 MCF	Date: Rates:	Date 08/03/01 Rates 97 BO 75 MCF
Fixed Allocation Percentage <small>(Note: If allocation is based upon something other than current or past production supporting data or explanation will be required.)</small>	Oil 35 % Gas 37.5 %	Oil % Gas %	Oil 65 % Gas 62.5 %

1832

ADDITIONAL DATA

1727#

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes  No   
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes  No

Are all produced fluids from all commingled zones compatible with each other? Yes  No

Will commingling decrease the value of production? Yes  No

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes  No

NMOCD Reference Case No applicable to this well NA

Attachments

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication
- Production curve for each zone for at least one year (If not available, attach explanation)
- For zones with no production history, estimated production rates and supporting data
- Data to support allocation method or formula
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases
- Any additional statements, data or documents required to support commingling

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application
- Bottomhole pressure data

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

SIGNATURE [Signature] TITLE Agent DATE 09/18/01

TYPE OR PRINT NAME H Scott Davis TELEPHONE NO ( 915 ) 620-8820

DOWNHOLE COMMINGLE CALCULATIONS: 30-025-35614

OPERATOR: Capataz Operating Inc. DI-0042

PROPERTY NAME: Dukes

WNULSTR: 1-K, 11-20-38

		SECTION I:		ALLOWABLE AMOUNT	
78960	POOL NO. 1	<u>House Tubb</u>	<u>142</u>	<u>284</u>	MCF 2000
33250	POOL NO. 2	<u>House Drinkard</u>	<u>142</u>	<u>284</u>	MCF 2000
	POOL NO. 3	_____	_____	_____	MCF
	POOL NO. 4	_____	_____	_____	MCF
			POOL TOTALS	<u>284</u>	<u>568</u>

		SECTION II:		
AH0450000	POOL NO. 1	<u>House Tubb</u>	<u>35%</u>	<u>38%</u>
AH0430000	POOL NO. 2	<u>House Drinkard</u>	<u>65% X 284 = 184.60</u>	<u>62%</u>
	POOL NO. 3	_____		
	POOL NO. 4	_____		

	<u>OIL</u>	<u>GAS</u>
SECTION III:	<u>142 ÷ 65% = 218.47 (219)</u>	_____
SECTION IV:	<u>219 X 35% = 76.65 (77)</u>	_____
	<u>219 X 65% = 142.35 (142)</u>	_____
	_____	_____
	_____	_____