

PNRM0224656838

C-103 1-16-02
DHC No. Assigned 1-16-02

Order Number

DI-0043

API Number

30-025-35448

Operator

Capataz Operating Inc

County

Lea

Order Date

9-12-01

Well Name

Merit II

Number

001

Location

G

UL

11

Sec

20S

T (+Dir)

38E

R (+Dir)

Oil %

44%

Gas %

7%

Pool 1

78760

House Tubb

Pool 2

33250

House Drinkard

56%

93%

Pool 3

Pool 4

Comments:

Work completed effective
Work cancelled effective
Supplement

9-12-01

1403N

1-18-02

9-3-02
Posted to
RBDMB

Posted

OIL CONSERVATION DIVISION
Hobbs, New Mexico 88241

DISTRICT OFFICE

July Thru
December, 2001

No. 1403N

SUPPLEMENT TO THE OIL PRORATION SCHEDULE

DATE: 01/18/2002

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

Effective 09/12/2001, the marginal allowables of the

CAPATAZ OPERATING INC,
MERIT II, 1 - G, 11-20-38,

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

HOUSE;TUBB----- #M112
HOUSE;DRINKARD----- #M142

(P-P)
DI-0043

OIL CONSERVATION DIVISION

Chris Williams

DISTRICT SUPERVISOR

CW:nm

CAPATAZ OPERATING INC

STG 209316

SRG 20809

DOWNHOLE COMMINGLE CALCULATIONS:

30-025-35448

DI-0043

OPERATOR: Capataz Operating Inc.

PROPERTY NAME: Merit II

WNULSTR: 1-G, 11-20-38

	SECTION I:	ALLOWABLE AMOUNT
78760	POOL NO. 1 <u>House Tubb</u>	<u>142</u> <u>284</u> MCF <u>2000</u>
33250	POOL NO. 2 <u>House Drinkard</u>	<u>142</u> <u>284</u> MCF <u>2000</u>
	POOL NO. 3 _____	_____ MCF
	POOL NO. 4 _____	_____ MCF
	POOL TOTALS	<u>284</u> <u>568</u>

SECTION II:

POOL NO. 1 House Tubb Oil Gas

POOL NO. 2 House Drinkard 44% 7%

POOL NO. 3 _____

POOL NO. 4 _____

OIL

GAS

SECTION III:

142 ÷ 56% = 253.58 (254) _____

SECTION IV:

254 X 44% = 111.76 (112) _____

254 X 56% = 142.24 (142) _____

Submit 3 Copies To Appropriate District Office
District I
625 N French Dr Hobbs, NM 88240
District II
301 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
Geology, 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. 30-025-35448
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 Merit II
8 Well No 1
9 Pool name or Wildcat House, 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 **G** 1980 feet from the **North** line and 1980 feet from the **East** line

Section **11** Township **20S** Range **38E** NMPM **Lea** County

10 Elevation (Show whether DR, RKB, RT, GR, etc)

3690 KB

11. 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 COMPLETION ☐
OTHER ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
OTHER: **Multiple Completion** ☒

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 recompilation

08/25/01 MIRU. TOH w/ rods, pump & tbgs. RIH & set RBP @ 6923'.
Perforate 6753-94' 21 holes. 42" diameter. Acidize w/ 4000 gals 20%
Nefe. Swabbed back load w/ 50% oil cut. Frac'd w/ 66,862 lbs 20/40
sand and 43,289 gals YF140D. Swabbed back load. Circulated sand off
RBP. TOH w/ RBP. RIH w/ 2-7/8" production string & set 6670'. RIH

9-12-01 w/ pump & rods. 09/13/01 began pump test.

RBP-TOH

DI DHC Order No. 0043

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

SIGNATURE  TITLE **Agent** DATE **9-18-01**

Type or print name **H Scott Davis** Telephone No **915-620-8820**

(This space for State use)

APPROVED BY _____ TITLE _____ DATE **LIAN 15 2002**

Conditions of approval, if any

J
L
S

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

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

Form C-103
Revised March 25, 1999

WELL API NO. 30-025-35448
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 Merit II
8. Well No 1
9. Pool name or Wildcat House 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
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2. Name of Operator
Capataz Operating Inc

3. Address of Operator
PO Box 10549, Midland, TX 79702

4. Well Location

Unit Letter G 1980 feet from the North line and 1980 feet from the East line

Section 11 Township 20S Range 38E NMPM Lea County

10. Elevation (Show whether DR, RKB, RT, GR, etc)
3590 KB

11. 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 COMPLETION ☒

OTHER ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: ☐

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 recompilation

Well presently producing 25 BOPD, 131 MCFD & 11 BWPD from Drinkard perfs 7024-34'. Prep to MIRU & set RBP @ 6920. Perforate to BB from 6753-94' 21 holes .42". Acidize w/ 4000 gals 20% Nefe and if indicated frac w/ 66,000 lbs 20/40 sand & 43,000 YF140D Gel. Will swab, test Tubbs, pull RBP and commingle w/ Drinkard.

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

SIGNATURE H Scott Davis TITLE Agent DATE 9-18-01

Type or print name H Scott Davis Telephone No 915-620-8820
(This space for State use)

APPROVED BY _____ TITLE _____ DATE JAN 15 2002
Conditions of approval, if any

ORIGINAL SIGNED BY
PAUL F. LOPEZ
PETROLEUM ENGINEER

District I
1625 N French Dr, Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd, Aztec, NM 87410
District IV
20 S St Francis Dr, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources

Form C-104
Reformatted July 20, 2001

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit to Appropriate District Office
5 Copies

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

¹ Operator name and Address Capataz Operating Inc PO Box 10549 Midland, Tx 79702		² OGRID Number 3659
		³ Reason for Filing Code/ Effective Date New Oil Well
⁴ API Number 30-0 25-35448	⁵ Pool Name House, Tubb/House, Drinkard	⁶ Pool Code 78760/33250
⁷ Property Code 27559	⁸ Property Name Merit II	⁹ Well Number 1

II. ¹⁰ Surface Location

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West line	County
G	11	20S	38E		1980	N	1980	E	Lea.

¹¹ Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Use Code	¹³ Producing	¹⁴ Gas	¹⁵ C-129 Permit Number	¹⁶ C-129 Effective Date	¹⁷ C-129 Expiration Date				

III. Oil and Gas Transporters

¹⁸ Transporter OGRID	¹⁹ Transporter Name and Address	²⁰ POD	²¹ O/G	²² POD ULSTR Location and Description
020809	Sid Richardson Carbon & Gas 201 Main, Ste 9 Ft Worth, TX 76102	2829101	G	G11-20S-38E
17407	Petro Source Partners 9801 Westheimer, Ste 910 Houston, TX 77042	2829100	O	G11-20S-38E

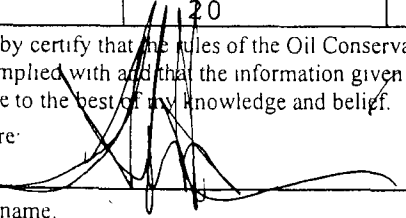
IV. Produced Water

²³ POD 2829102	²⁴ POD ULSTR Location and Description
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V. Well Completion Data

²⁵ Soud Date	²⁶ Ready Date	²⁷ TD	²⁸ PBTB	²⁹ Perforations	³⁰ DHC. MC
3/28/01	9/12/01	7720	7720	6753-94 7028-34	
³¹ Hole Size	³² Casing & Tubing Size	³³ Depth Set	³⁴ Sacks Cement		
12-1/4	8-5/8	1633	800		
7-7/8	5-1/2	7720	840		
	2-7/8	7078			

VI. Well Test Data

³⁵ Date New Oil	³⁶ Gas Delivery Date	³⁷ Test Date	³⁸ Test Length	³⁹ Tbg. Pressure	⁴⁰ Csg. Pressure
9/12/01	9/12/01	9/12/01	24	Pump	--
⁴¹ Choke Size	⁴² Oil IL Or	⁴³ Water	⁴⁴ Gas	⁴⁵ AOF	⁴⁶ Test Method
--	9 Tu 20	40	1 Tu 10	--	Pump
⁴⁷ I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief. Signature: 			OIL CONSERVATION DIVISION		
Printed name: H Scott Davis			Approved by: ORIGINAL SIGNED BY PAUL F. KAUTZ PETROLEUM ENGINEER		
Title: Agent			Approval Date: JAN 15 2002		
Date: 11-28-01		Phone: 915-620-8820			