OPER. OGRID NO. 3659
PROPERTY NO. 34423
POOL CODE 47510
EFF. DATE 11/23/04
API NO. 30-025-36962

Form 3160-3
(April 2004)

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No. 4812

6. If Indian, Allotee or Tribe Name

1a. Type of work: ☑ DRILL ☐ REENTER

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

1b. Type of Well: ☑ Oil Well ☐ Gas Well ☐ Other ☐ Single Zone ☐ Multiple Zone

8. Lease Name and Well No.
PLOW BOY FED #1

2. Name of Operator
CAPATAZ OPERATING, INC.

9. API Well No. 30-025-36962
~~NOT ASSIGNED~~

3a. Address P.O. BOX 10549, MIDLAND, TX.79702

3b. Phone No. *(include area code)*
432-620-8820

10. Field and Pool, or Exploratory
NADINE ABO ~~EAST~~ A Drinkard

4. Location of Well *(Report location clearly and in accordance with any State requirements.*)*
At surface 2310' FEL & 2275' FSL
At proposed prod. zone 2310' FEL & 2275' FSL Unit J

11. Sec., T. R. M. or Blk. and Survey or Area
35-T19S-~~R35E~~ 37

14. Distance in miles and direction from nearest town or post office*
1/2 MILE EAST OF NADINE, NEW MEXICO

12. County or Parish
LEA

13. State
NM

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 330'	16. No. of acres in lease 80	17. Spacing Unit dedicated to this well 40
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. NONE	19. Proposed Depth 7800'	20. BLM/BIA Bond No. on file 1163
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3593' GL	22. Approximate date work will start* 11/05/2004	23. Estimated duration 18 DAYS

RECEIVED
Hobbs OCD

Lea County Controlled Water Basin

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature	Name *(Printed/Typed)*	Date
	H. SCOTT DAVIS	10/14/2004

Title
AGENT

Approved by *(Signature)* /s/ Joe G. Lara	Name *(Printed/Typed)* /s/ Joe G. Lara	Date NOV 18 2004
Title FIELD MANAGER	Office CARLSBAD FIELD OFFICE	

ACTING

Application approval 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.
Conditions of approval, if any, are attached.

APPROVAL FOR 1 YEAR

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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 page 2)

DECLARED WATER BASIN
CEMENT BEHIND THE 13 3/8"
CASING MUST BE CIRCULATED

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

KG

DECLARED WATER BASIN
CEMENT BEHIND THE 8 5/8"
CASING MUST BE CIRCULATED

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

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

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-102
Revised August 15, 2000
Submit to Appropriate District Office
State Lease - 4 copies
Fee Lease - 3 copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

[1] API Number	[2] Pool Code	[3] Pool Name	
30-025-36962	~~47393~~ 4751D	Nadine Abo ~~East~~ Drinkard	
[4] Property Code	[5] Property Name		[6] Well Number
34423	PLOW BOY FEE		1
[7] OGRID No.	[8] Operator Name		[9] Elevation
3659	**CAPATAZ OPERATING COMPANY**		**3593'**

[10] Surface Location

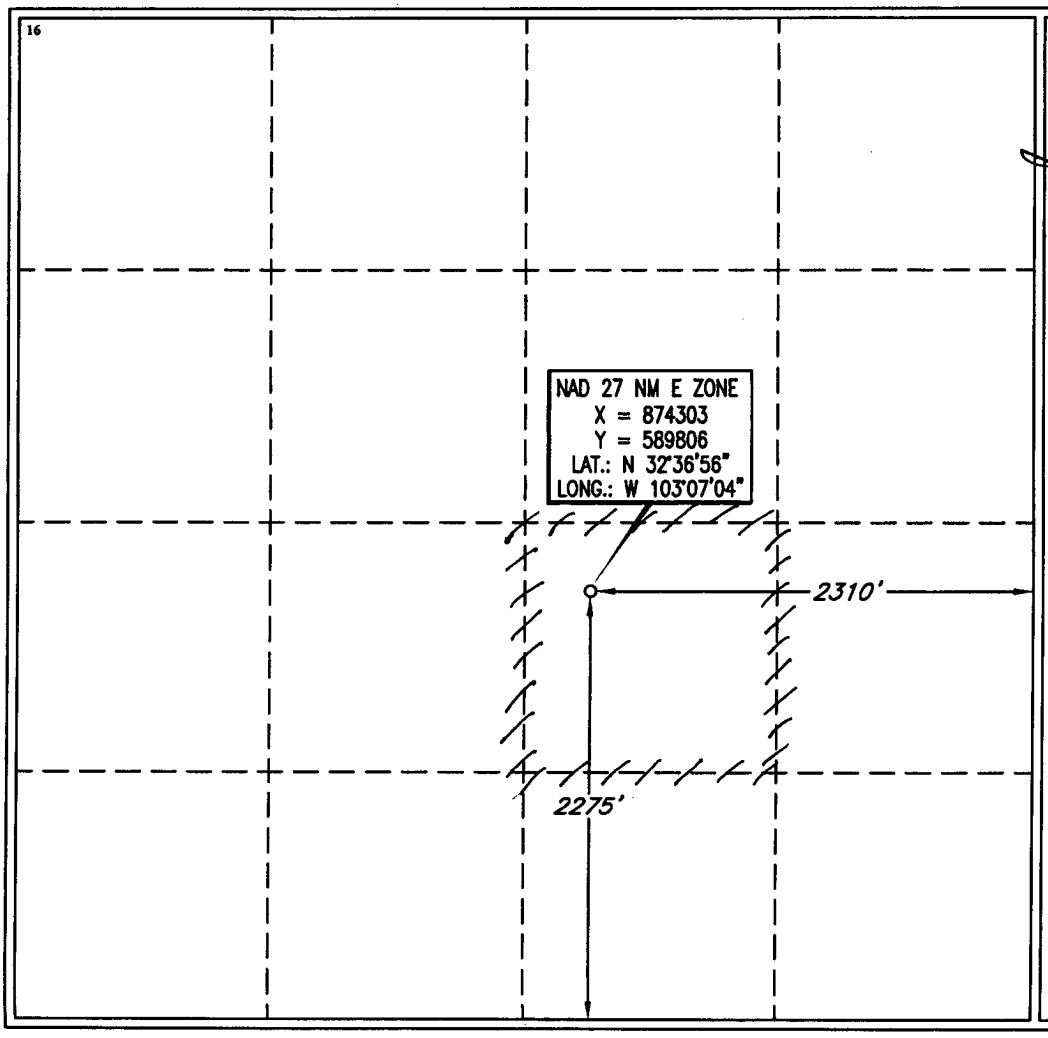
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	35	19 SOUTH	38 EAST, N.M.P.M.		2275'	SOUTH	2310'	EAST	LEA

[11] 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

[12] Dedicated Acres	[13] Joint or Infill	[14] Consolidation Code	[15] Order No.
40			

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



[17] OPERATOR CERTIFICATION

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

Signature
H. Scott Davis
Printed Name
Agent
Title
10-14-04
Date

[18] 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.

SEPTEMBER 29, 2004
Date of Survey
Signature and Seal of Professional Surveyor

STATE OF NEW MEXICO
V. LYNN BEZNER
NO. 7920
PROFESSIONAL LAND SURVEYOR

Certificate Number
V. L. BEZNER R.P.S. #7920

JOB #98251 / 70SE / E.U.O.

APPLICATION FOR PERMIT TO DRILL

CAPATAZ OPERATING, INC
PLOW BOY FED #1
2310' FEL & 2275' FSL, 35-T19S-R38E NMPM,
LEA COUNTY, NEW MEXICO

In conjunction with Form 3160-3, Application for Permit to Drill, Capataz Operating, Inc. submits the following items of pertinent information in accordance with Onshore Oil & Gas Order Nos. 1 & 2, and with all other federal and state regulations.

1.The surface formation is of Cretacious age.

2. Estimated tops of geological markers are as follows:

Yates	2828'	Tubb	6570'
San Andres	4200'	Drinkard	6780'
Blinebry	6008'	Abo	7400'

3. The estimated depths at which water, oil, or gas formations are expected to be encountered:

Water:		56'
Oil or Gas:	San Andres**	4200'
	Blinebry**	6016'
	Tubb**	6780'
	Drinkard**	7200'
	Abo**	7600'

*Groundwater to be protected by 13-3/8" casing set to ±325' w/ cement circulated to Surface and 8-5/8" casing set to ±1600' w/ cement circulated to surface.
**Intervals potentially productive of oil and/or gas to be protected by 5 ½" production casing with cement circulated to surface.

4. Proposed casing program: See Form 3160-3 and Exhibit F.

5. Pressure Control Equipment: See Exhibit E.

6. Mud Program: See Exhibit G.

7. Testing, Logging and Coring Programs:

DST's - Possible in Drinkard

Logging - 2 man mud logging unit from 4000' to T.D.

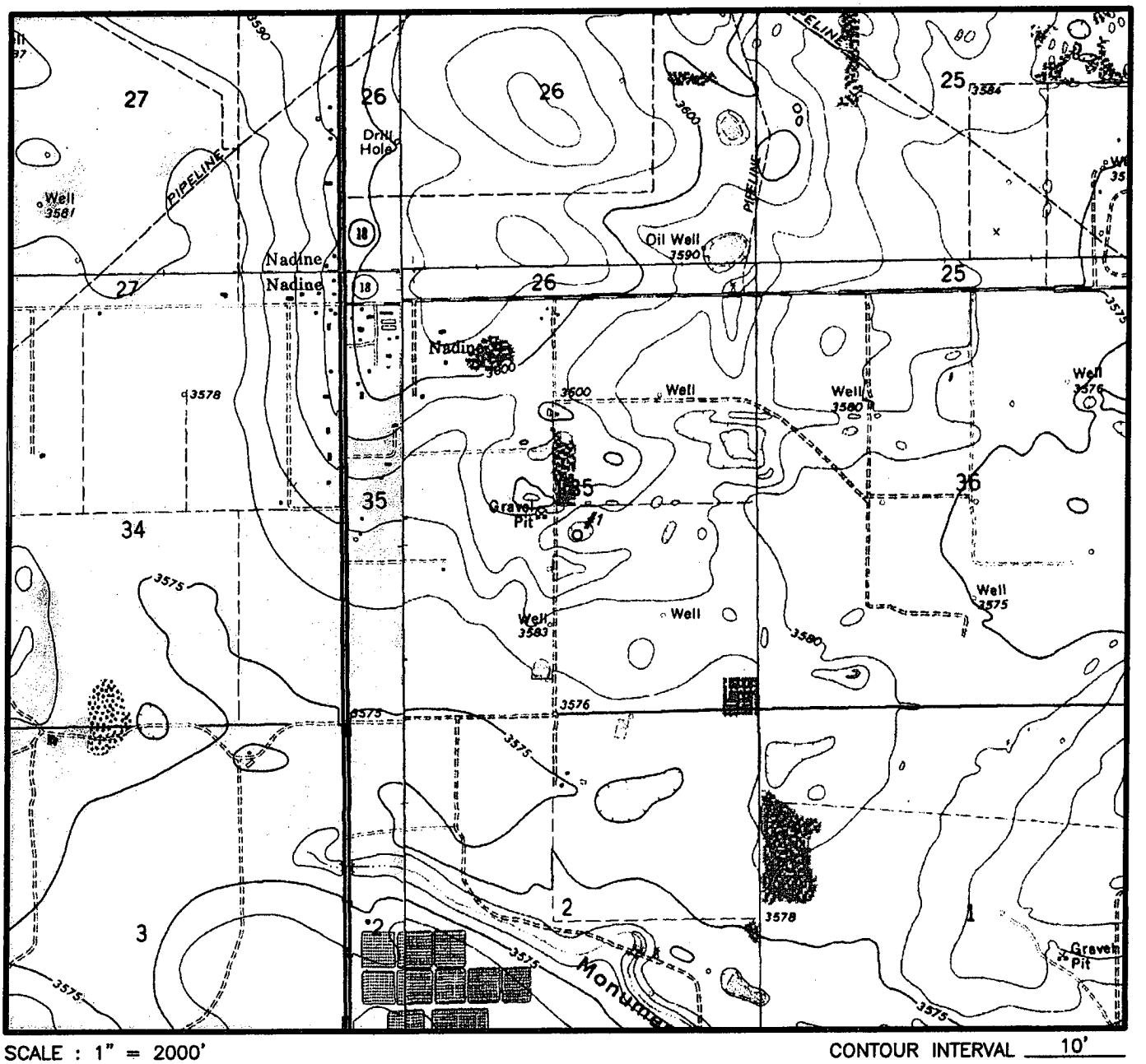
Electric Logs - Dual Laterolog, Micro Laterolog
Compensated Z-Densilog
Compensated Nuetron Log
Gamma Ray Log
Caliper Log
Spectral Gamma Log

Coring- Possible Core in Blinebry and/or Tubb.

8. Abnormal Pressures, Temperatures or Other Hazards: None. Estimate that BHP in potentially productive zones would not exceed 1875 psi.

9. Anticipated start date: On or before November 5, 2004.

LOCATION & ELEVATION VERIFICATION MAP



SCALE : 1" = 2000'

CONTOUR INTERVAL 10'

SECTION 35 TWP 19-S RGE 38-E

SURVEY NEW MEXICO PRINCIPAL MERIDIAN

COUNTY LEA STATE NM

DESCRIPTION 2275' FSL & 2310' FEL

ELEVATION 3593'

OPERATOR **CAPATAZ OPERATING**

LEASE PLOWBOY #1

U.S.G.S. TOPOGRAPHIC MAP

PRAIRIEVIEW NE, NEW MEXICO

SCALED LAT. LAT.: N 32°36'56"

LONG. LONG.: W 103°07'04"

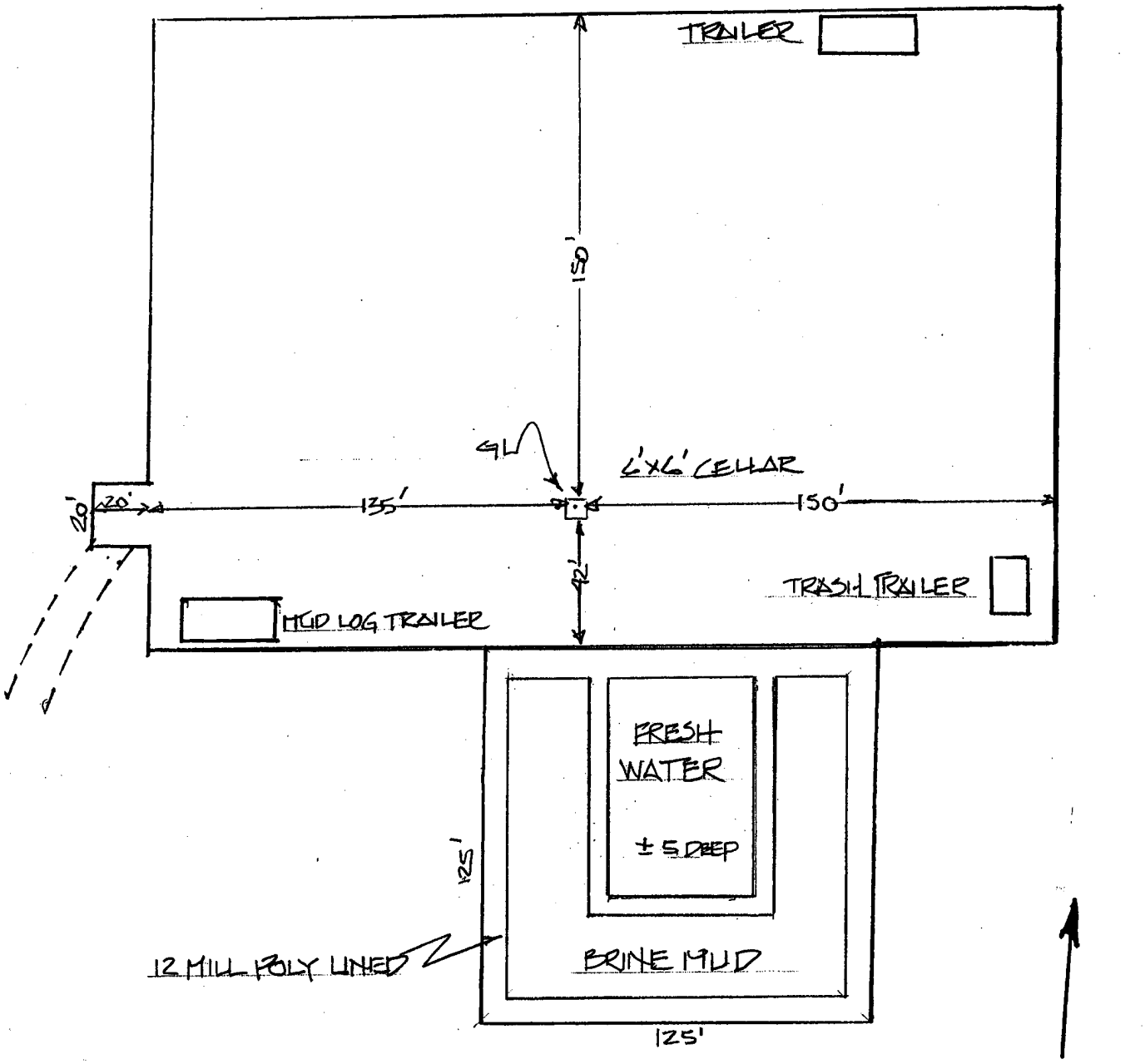
-N-

EXHIBIT "A"

CAPATAZ OPERATING, INC.
PLOW BOY FED #1
2310' FEL & 2275' FSL, 35-T19S-R38E, NMPM
U.S.G.S. AREA MAP

EXHIBIT "B"

CAPATAZ OPERATING, INC.
PLOW BOY FED #1
2310' FEL & 2275' FSL, 35-T19S-R38E, NMPM
PROPOSED DRILL SITE LAYOUT



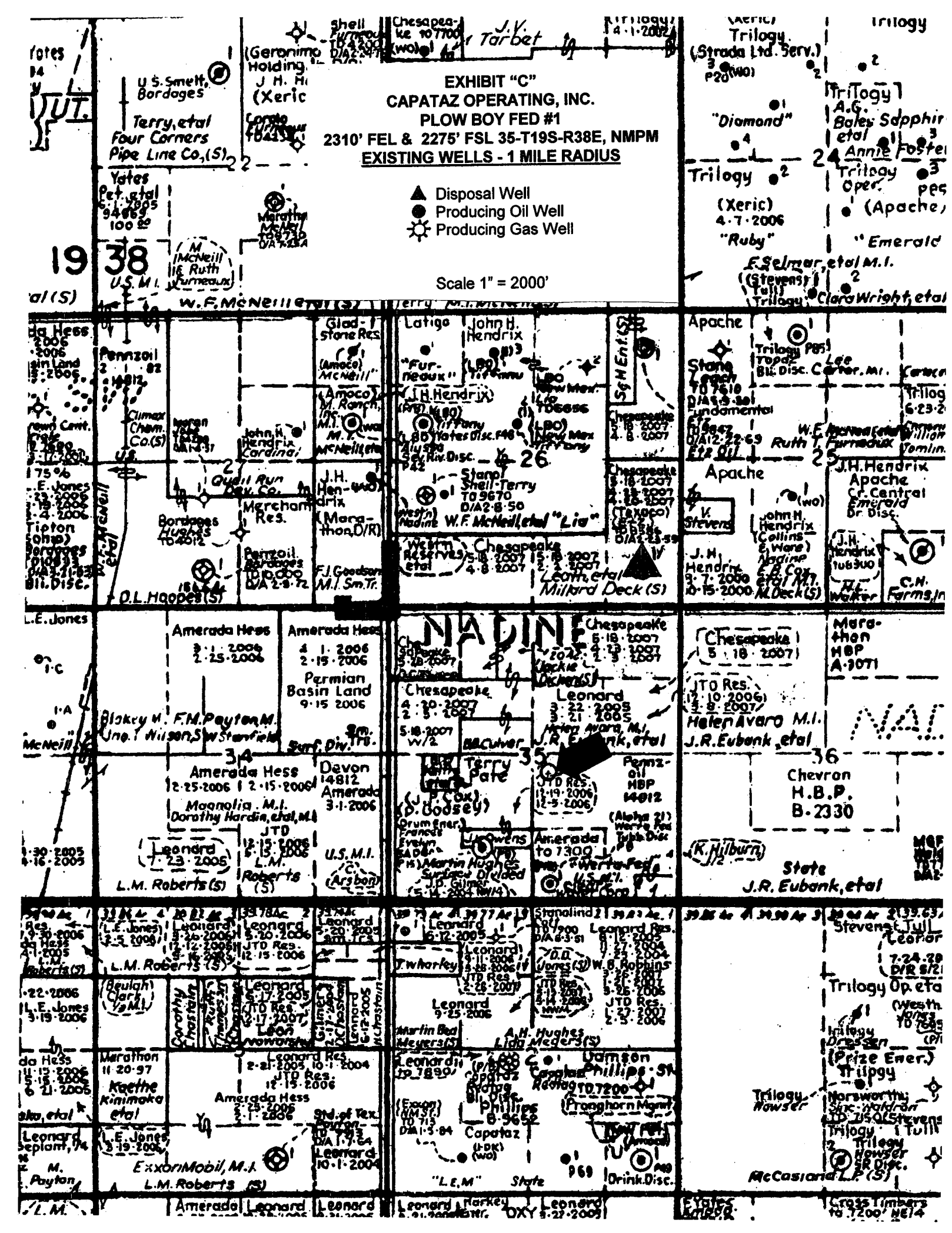
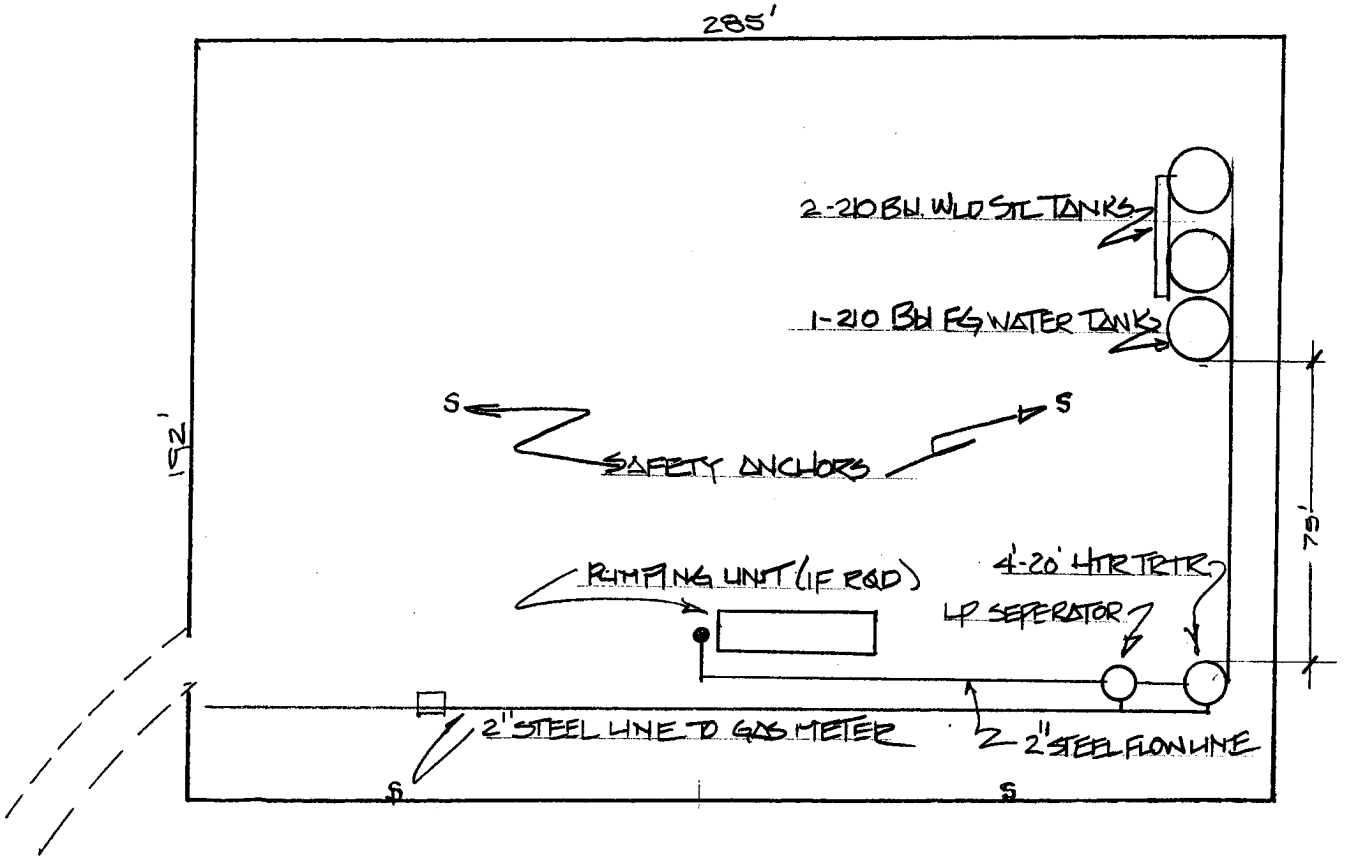


EXHIBIT "C"
CAPATAZ OPERATING, INC.
PLOW BOY FED #1
2310' FEL & 2275' FSL 35-T19S-R38E, NMPM
EXISTING WELLS - 1 MILE RADIUS
Disposal Well
Producing Oil Well
Producing Gas Well
Scale 1" = 2000'
NADINE
19
38
24
25
26
35
36
Trilogy
Apache
Chesapeake
Leonard
Amerada Hess
Devon
Marathon
Chevron
Penroc Oil
Pennzoil
Yates
Stanolind
Texaco
Phillips
Exxon/Mobil
Capataz
Terry, etal Four Corners Pipe Line Co.,(S)
U.S. Smelt, Bordages
Yates Pet. etal
Marathon McKay
W.F. McNeill etal (S)
McNeill & Ruth Furneaux
Glad-Stone Res.
Amoco McNeill
Amoco M. Ranch, Inc.
Penroil
Climax Chem. Co.(S)
Ingram
John H. Hendrix Cardinal
Quail Run Dev. Co.
Merchant Res.
Bordages Hughes
Penroil Bordages
O.L. Hoopes (S)
J.H. Hendrix (Marathon, D/R)
F.J. Goodson M.I. Sm. Tr.
Latigo
John H. Hendrix
"Furneaux"
J.H. Hendrix
Yates Disc. P48
Stanolind Shell-Terry
W.F. McNeill etal "Lia"
Western Reserves etal
Leath, etal Millard Deck (S)
Trilogy Pan Topaz Bil. Disc.
Lee Center, M.I.
Stone Leach
Fundamental
W.E. McNeill etal
Ruth T. Furneaux
J.H. Hendrix Apache Cr. Central Emerald Dr. Disc.
V. Stevens
John H. Hendrix (Collins & Ware)
J.H. Hendrix
Mt. Walker
C.N. Farms, Inc.
L.E. Jones
Amerada Hess
Permian Basin Land
Blakey M. F.M. Payton M.
Uno. Nilson, S.W. Stanfield
Surf. Div. Trs.
Devon 14812 Amerada
Magnolia M.I.
Dorothy Hardin, etal, M.I.
JTD
Leonard
L.M. Roberts (S)
U.S. M.I. (Arabon)
Chesapeake
Jackie Dickens (S)
Terry Pate
J. Cox
D. Godsey
Drum Ener.
Frances Evelyn
Martin Hughes Surface Divided
J.P. Gilmer
Helen Avara M.I.
J.R. Eubank, etal
Pennz-oil HBP 14812
(Aloha 21) Werta-Fed
Amerada to 7300
Werta-Fed
U.S.M.I.
Chesapeake 5-18-2007
JTD Res. 12-10-2006
5-8-2007
Helen Avara M.I.
J.R. Eubank, etal
Marathon HBP A-7071
Chevron H.B.P. B-2330
(K. Hilburn)
State
J.R. Eubank, etal
L.E. Jones
Beulah Clark
Dorothy Chastain
Ruth Chastain
Leonard
L.M. Roberts (S)
Marathon
Kaethe Kinimaka etal
Leonard Res.
Amerada Hess
Std. of Tex.
Leonard
Stanolind
T. Whorley
D.D. Jones (S)
W.B. Robbins
Leonard Res.
Martin Bed Meyers (S)
A.H. Hughes Lida Meyers (S)
Damson
Conoco Phillips "St"
Pronghorn Mgmt
Phillips
Capataz
"L.E.M."
State
Drink. Disc.
Trilogy Operating
Trilogy Dresser (Prize Ener.)
Trilogy
Norsworthy
Trilogy Howser
McCasland L.P. (S)
Cross Timbers

EXHIBIT "D"

CAPATAZ OPERATING, INC.
PLOW BOY FED #1
2310' FEL & 2275' FSL, 35-T19S-R38E, NMPM
PROPOSED COMPLETED WELL SITE LAYOUT



N
SCALE 1" = 50'

EXHIBIT "E"

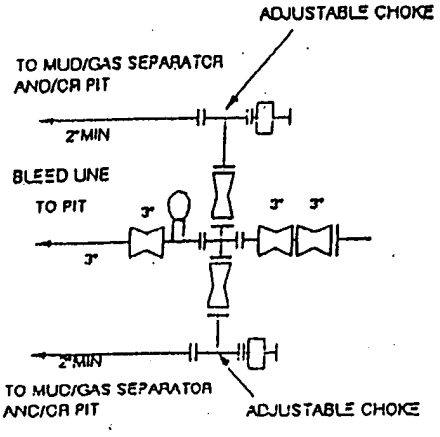
CAPATAZ OPERATING, INC.
PLOW BOY FED #1
2310' FEL & 2275 FSL, 35-T19S-R38E, NMPM
BLOWOUT PREVENTER

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.

3000 PSI WP



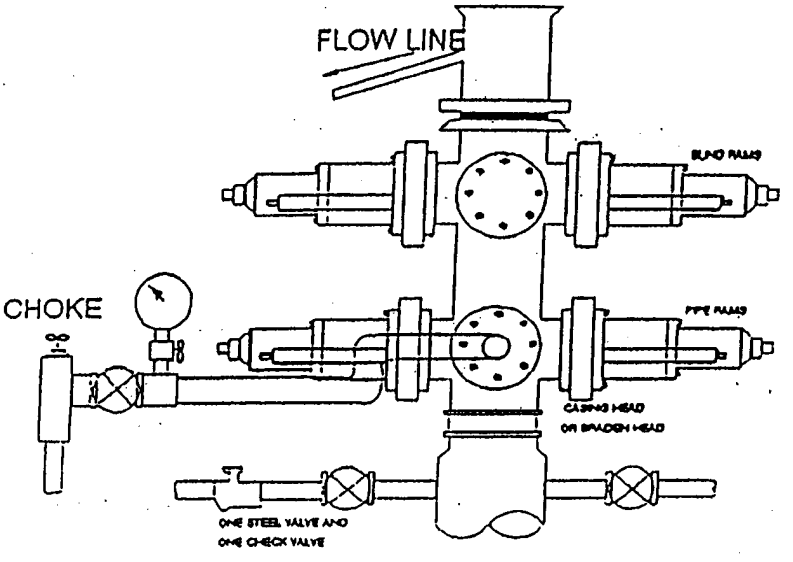


EXHIBIT "F"

CAPATAZ OPERATING, INC.
PLOW BOY FED #1
2310' FEL & 2275' FSL 35-T19S-R38E, NMPM
SUMMARY DRILLING, DRILL STEM TESTS, CORING, CASING & CEMENTING PROGRAM

1. Drill 17" hole to 325'.

2. Run 325' 13-3/8" 48# casing with Texas Pattern Shoe and 5 centralizers. Circulated cement to surface with 300 SX Class "C" w/ 2% CaCl.

3. Drill 12-1/4" hole to 1600'.

4. Cement 8 5/8" 24# J-55 casing with a minimum of 750 sx. 50:50 Poz:Class C w/ 2% Calcium Chloride and 2% gel, tail in w/ 225 sx Class C w/ 2% Calcium Chloride. Run an open hole fluid caliper prior to cementing to ensure above cement volumes are sufficient to circulate cement to surface. Should fluid caliper indicated additional cement is required to circulate hole the volume of the lead slurry will be increased. Run a Guide Shoe with insert float in top of shoe joint. Thread lock first two joints of casing. Centralize casing w/ 10 centralizers 1 every fourth joint beginning at top of shoe joint.

5. Nipple up and install BOP's. Wait on cement 18 hours and test casing to 500 psi. Drill out shoe w/ 7 7/8" bit and drill to T.D.

6. A fresh water mud system will be used from the surface to 1600'. Upon drilling out 8 5/8" shoe brine water will replace the fresh water system. The hole will be mudded up to a 29 -31 viscosity brine at 5800' with a water loss not to exceed 10cc. Mud loggers and an drill site geologist will evaluate drilling cuttings from 4000' to T.D. for shows and structural position. Drilling breaks, sample shows and gas increases will be monitored to determine the need to DST or core. At T.D. run open hole log suite specified on page 1 hereto.

7. Run 5 ½" 17# N-80 casing to T.D. and cement with 1100 sx 35:65 Poz:Class C w/ 5% salt, 6% gel, .2% antifoamer, and .25pps celloflake. Tail in w/ 305 sx 50:50 Poz:Class C, .5% fluid loss additive, 2% gel and .2% antifoamer. Run guide shoe and float collar and 15 - 20 centralizers as required for casing standoff through potential pay. Use rubber plug and displace cement w/ 2% Kcl water. Cement volume may be increased based upon hole caliper.

8. Perforations and stimulation to be determined after casing has been run and drilling rig released.

EXHIBIT "G"

CAPATAZ OPERATING, INC.
PLOW BOY FED #1
2310' FEL & 2275' FSL, SECTION 35-T19S-R38E, NMPM
DRILLING FLUID PROGRAM

Surface - 1600':	Spud w/ fresh water. Native mud should be adequate to maintain 8.8 - 9.2 weight with a 32 - 36 viscosity. Add 2-3 sacks of paper every 100' while drilling red beds.
1600' - 5800':	Drill out from under surface casing with brine water. Use caustic soda for a 9.5 - 10 pH, paper for seepage and MF-55 or saltwater gel for occasional hole sweeps. Maintain 10.0 - 10.1 weight and 28 viscosity, no water loss control.
5800'- T.D.:	At 5800' mud up with starch, use caustic soda for a 9.5 - 10.0 pH. Sweep hole at T.D. 5 gals MF-55. Maintain 10.0 - 10.3 weight, 30-32 viscosity and water loss of 10 or less.

EXHIBIT "H"

CAPATAZ OPERATING, INC.
PLOW BOY FED #1
2310' FEL & 2275' FSL SECTION 35, T19S-R38E, NMPM
SURFACE USE PLAN

1. EXISTING ROADS - Area Map, Exhibit "A", is a reproduction of the USGS Hobbs, S.E. and Hobbs, S.W. quadrant topographic maps. Existing and proposed roads are shown on the exhibit. All roads shall be maintained in a condition equal to that which existed prior to the start of construction.

   A. Exhibit "A" shows the well site as staked.

   B. From Hobbs, New Mexico proceed south on State Highway 18 to Nadine, New Mexico. Turn East on Beard Street and proceed East .6 miles to location.

2. PLANNED ACCESS ROADS - Approximately 300 feet of new access road will be constructed. The drill site access road will approach the drilling pad from the west side of the drill site 40 acre unit.

   A. The access road will be 12'-00" wide.
   B. Gradient on the access road will be less than 5%.
   C. No turn outs will be constructed.
   D. If needed, the access road will be surfaced with 4" of caliche. This material will be obtained from a local source.
   E. The centerline for the access road has been staked and flagged. Earthwork will be as required by field conditions.
   F. No culverts or low water crossings will be required.

3. LOCATION OF EXISTING WELLS IN A ONE-MILE RADIUS.

   A. Water wells - As shown on Exhibit "C"
   B. Disposal wells – North .7 miles in SE SE of Sec. 26-19S-38E.
   C. Drilling wells - none know.
   D. Producing wells - As shown on Exhibit "C".
   E. Abandoned wells - As shown on Exhibit "C".

4. If the permitted well is completed as a producer Well Pad facilities will be constructed as shown on Exhibit "D".

5. LOCATION AND TYPE OF WATER SUPPLY - Water will be purchased locally from a private source and trucked over the access road.

6. SOURCE OF CONSTRUCTION MATERIALS - If needed, construction materials will be obtained from the drill site's excavation or from a local source. These materials will be transported over the access road shown on Exhibit "A".

7. METHODS FOR HANDLING WASTE DISPOSAL
   A.
      1. Drill cuttings will be disposed of in the reserve pit.
      2. Trash, waste paper and garbage will be contained in a fenced trash trailer to prevent wind scattering and will be hauled off site and disposed of in an approved disposal facility.
      3. Salts remaining after completion of the well will be picked up by the supplier, including broken sacks.
      4. Sewage from trailers will be collected in plastic containers and disposed of off site in an approved waste facility. A portable chemical toilet will be provided for crews and contents disposed of in an approved waste facility.

5. Chemicals remaining after completion of the well will be stored in the manufacturers containers and picked up by the supplier.

B. Remaining drilling fluids will be allowed to evaporate in the reserve pit until the pit is dry enough to be broken out and leveled. In the event that drilling fluids do not evaporate in a reasonable period of time they will be transported by tank truck to a state approved disposal facility.

8. ANCILLARY FACILITIES - No camps or airstrips will be constructed.

9. WELL SITE LAYOUT

A. Exhibit "B" (scale 1" = 50') shows the proposed well site layout.
B. This exhibit indicates proposed location of the reserve pit and living facilities.
C. Steel working pits will be provided by the drilling contractor and the reserve pit will be lined with PVC or polyethylene liner of a thickness of 12 mills. The pit liner will extend a minimum of 2 feet over the reserve pit dikes where the liner will be anchored.
D. Upon completion as a producer the reserve pits will be broken out, leveled and seeded with BLM approved grass seed.

10. PLANS FOR RESTORATION OF SURFACE - Rehabilitation of the location and reserve pit will start in a timely manned after all drilling operations cease. The type of reclamation will depend whether the well is a producer or a dry hole.

In either event, the reserve pit will be allowed to dry properly and fluid removed and disposed of as previously noted. The pit area will then be leveled and contoured to conform to the original and surrounding area. Drainage systems, if any, will be reshaped to the original configuration with provisions made to alleviate erosion. After the area has been reshaped and contoured topsoil from the spoil pile will be placed over the disturbed area to the extent possible. Revegetation procedures will comply with BLM standards.

If the well is a dry hole, the pad and road area will be recontoured to match the existing terrain. Topsoil will be spread to the extent possible. Revegetation will comply with BLM standards.

Should the well be completed as a producers, the previously noted procedures will apply to those areas which are not required for production facilities.

11. OTHER INFORMATION

A. The topography is generally flat with vegetation of local native weeds and grass. The soils are sandy over a caliche base.
B. The surface is in CRP Program. The surface owner is Clearwater Corporation, telephone @ (806)799-8618.
C. An archeological study has been completed and will be hand delivered to Field Office.

12. OPERATORS REPRESENTATIVE - H. Scott Davis
P.O. Box 10549
Midland, Texas 79702

13. CERTIFICATION - I hereby certify that I have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Capataz Operating, Inc and its contractors/subcontractor in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 USC 1001 for the filing of a false statement.

BY: _____ PRINTED NAME: H. Scott Davis

TITLE: Agent DATE: 10/13/04

JTD RESOURCES, LLC
P. O. BOX 3422
MIDLAND, TEXAS 79702

OIL AND GAS INVESTMENTS

(432) 682-3712 OFFICE
(432) 682-8652 FAX

October 11, 2004

Bureau of Land Management
Roswell Resource Area
P.O. Drawer 1857
Roswell, New Mexico 88202-1857

Re: T-19-S, R-38-E
Sections 35: NW/4 SE/4
Lea County, New Mexico

Gentlemen:

Please be advised that JTD Resources, LLC representing Capataz Operating, Inc. has an agreement with Mr. Randy Carlisle of Clearwater Corporation, 5236 80th Street, Lubbock, Texas 79424, whose telephone number is (432) 634-9721, regarding the use and occupancy of its surface in Section 35: NW/4 SE/4, T-19-S, R-38-E.

Very truly yours,

JTD RESOURCES, LLC

Dan M. Leonard

Dan M. Leonard, Manager

JTD ltrs/JTD to BLM Use of Surf Sec 35 Lea County

EXHIBIT "I"
CAPATAZOPERATING, INC.
PLOW BOY FED #1
2310' FEL & 2275' FSL, 35-T19S-R38E, N.M.P.M.
CLEARANCE REPORT

Mesa Field Services has conducted the required site survey and will deliver their report directly to the BLM office for submission and attachment to this APD.

Mesa Field Service
P.O. Box 3072
Carlsdbad, N.M. 88221-3072
(505)628-8885

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Roswell Resource Area
P.O. Drawer 1857
Roswell, New Mexico 88202-1857

Statement Accepting Responsibility for Operations

Operator name: Capataz Operating, Inc.
Street or box: PO Box 10549
City, State : Midland, TX 79702
Zip code, :

The undersigned accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on the leased land or portion thereof, as described below:

Lease No.: NM14812

Legal Description of land: NW/4 SE/4 Sec 35-T19S-R38E
LEA COUNTY, NM

Formation(s) (if applicable):
Blinbry, Tubb, Drinkard, ABO

Bond Coverage: (State if individually bonded or another's bond)
$10,000 Individual Lease Bond

BLM Bond File No.:
1163

Authorized Signature:

H Scott Davis

Title: Agent

Date: 10/04/04

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, 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-144
June 1, 2004

For drilling and production facilities, submit to appropriate NMOCD District Office.
For downstream facilities, submit to Santa Fe office

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes ☐ No ☐
Type of action: Registration of a pit or below-grade tank ☐ Closure of a pit or below-grade tank ☐

Operator: CAPATAZ OPERATING, INC. Telephone: (432)620-8820 e-mail address: capataz1@sbcglobal.net
Address: PO Box 10549, Midland, TX 79702
Facility or well name: PLOW BOY FED #1 API #: ~~NOT ASSIGNED~~ 30-025-36962 U/L or Qtr/Qtr NWSE Sec 35 T19S R38E
County: LEA Latitude Longitude NAD: 1927 ☐ 1983 ☐ Surface Owner Federal ☐ State ☐ Private XX Indian ☐

Pit	**Below-grade tank**
Type: Drilling XX Production Disposal ☐ Workover ☐ Emergency ☐ Lined XX Unlined ☐ Liner type: Synthetic XX Thickness 12 mil Clay ☐ Pit Volume 1200 bbl	Volume: ____bbl Type of fluid: ____ Construction material: ____ Double-walled, with leak detection? Yes ☐ If not, explain why not.

Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet 50 feet or more, but less than 100 feet 100 feet or more	(20 points) (10 points) XXXXX 10 (0 points)
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes No	(20 points) (0 points) XXXX 0
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet 200 feet or more, but less than 1000 feet 1000 feet or more	(20 points) (10 points) (0 points) XXXX 0
	Ranking Score (Total Points)	10

If this is a pit closure: (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: (check the onsite box if your are burying in place) onsite ☐ offsite ☐ If offsite, name of facility____. (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☐ Yes ☐ If yes, show depth below ground surface____ft and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

Additional Comments:

RECEIVED OCT 2004 Hobbs OCD

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines XX, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.
Date: 10/13/04
Printed Name/Title H. SCOTT DAVIS Signature

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval: NOV 23 2004
Printed Name/Title PETROLEUM ENGINEER Signature Date:

CAPATAZ OPERATING, INC.
PLOW BOY FED #1
2310' FEL & 2275' FSL, 35-T19S-R38E, NMPM
PROPOSED DRILL SITE & PIT LAYOUT