

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
May 27, 2004

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

WELL API NO.	30-025-34734
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	PICAYUNE
8. Well Number	1
9. OGRID Number	03659
10. Pool name or Wildcat	House; Blinebry S, H Tubb, H Drinkard, H Abo

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

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
P.O. Box 10549
Midland, TX 79702

4. Well Location
Unit Letter J : 1980 feet from the South line and 1980 feet from the East line
Section 11 Township 20S Range 38E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3575' GR

12. 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 COMPL ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

OTHER: DHC Blinebry, Tubb, Drinkard, Abo ☒

13. 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.

Pool Names: House; Blinebry S, House; Tubb, House; Drinkard, House; Abo
BLINEBRY 5962-63,72-73,6004-8,11-13,46-57,6102-3,8-12,17-18,24-25,33-35,40-43 & 6151-56' 1 jspf
TUBB 6728-31,38-40,49-51,54-56,61-76,80-82 & 6778-86' 4 jspf
DRINKARD 7051-55, 65-67, 72-76 & 7078-90' 1 jspf
ABO 7346-48,54,5,71,82,84-90,7426-28,34-38,50-51,55-64,72-76,7501,3-8,10-14,55-56,61, 64-66,81-83,95-97,7610-16,36-40,42-44,54-58,63-65,75 & 7586-92' 1 jspf

The allocation method will be as follows: Test 22 BO x 47 MCF x 55 BW

	Oil Alloc%	Gas Alloc%	Wtr Alloc%
Blinebry	8 36	13 28	15 27
Tubb	12, 5 57	31 66	40 73
Drinkard	0 0	3 0	0 0
Abo	1, 5 7	0 0	0 0
	22 100	47 100	55 100

Downhole commingling will not reduce the value of the pools.
Ownership is the same for each of these pools.

DHC Order No. 3766

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE _____ TITLE Agent DATE 07/26/2006

Type or print name H. Scott Davis
For State Use Only

E-mail address: Capataz1@sbcglobal.net

Telephone No. (432)620-8820

APPROVED BY: Harry W. Wink OG FIELD REPRESENTATIVE II/STATE/NEW MEXICO
Conditions of Approval (if any): _____ DATE NOV 22 2006