Form 3160-5 (June 1990)

> 1. Type of Well X Well

2. Name of Operator

3. Address and Telephone No.

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

N.M. Oil Cons. Division P.O. Box 1980

FORM APPROVED Budget Bureau No. 1004-0135

Expires: March 31, 1993 5. Lease Designation and Serial No.

NM 97163

N/A

30-025-34289

DK - Abo 11. County or Parish, State

10. Field and Pool, or Exploratory Area

8. Well Name and No.

9. API Well No.

Hobbs. NM 88241

915/683-3171

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT-" for such proposals

SUBMIT IN TRIPLICATE

6. If Indian, Allottee or Tribe Name N/A

7. If Unit or CA, Agreement Designation

Capps Federal # 2

	660' FSL & 1980' FEL Section 13, T20S, R 38E		11. County or Parish, State Lea , NM
2.	CHECK APPROPRIATE BOX(s)	TO INDICATE NATURE OF NOTICE, RE	PORT, OR OTHER DATA
	TYPE OF SUBMISSION	TYPE OF SUBMISSION TYPE OF ACTION	
	Notice of Intent Subsequent Report Final Abandonment Notice	Abandonment Recompletion Plugging Back Casing Repair Altering Casing Other Set Casing	Change of Plans New Construction Non-Routine Fracturing Water Shut-Off Conversion to Injection Dispose Water (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

- Spud 12 1/4" hole @ 8:30 AM MST 9/01/98

- TD 12 1/4" hole @ 8:00 AM MST - Run 41 jts 8 5/8" - 24# -K55 9/02/98 casing to 1600' - cement w/ 620 sx "C" + 4% gel + 2% Cacl2

tail w/ 200 sx "C" + 2% Cacl2 - circulated 224 sx to pit

Cement job was witnessed by BLM Representative

- WOC for 12 hrs - Install & Test BOP's to 3000 psi - good test 9/03/98

- Begin drilling 7 7/8" hole - Install H2S Safety equipment 9/04/98

- TD 7 7/8" hole @ 7570' - Run open hole logs - decide to set pipe 9/16/98

RIH w/ 175 jts - 5 1/2'-17#-J55 & N80 LT&C casing to 7250'

Cement w/ 1000 sx 35:65 poz H + 6% gel + 5% salt + 1/4#/sx flake

tail w/700 sx H + .5% FL-25 - circulated 209 sx cement

to pit

Other

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

Xeric Oil & Gas Corporation

P.O. Box 352, Midland, Texas 79702

- RDMO drilling rig - ready for completion 9/18/98

Reserve pits are fenced to protect wildlife

14. I hereby certify that the foregoing is true and correct SignedMuhal Mooney T	itle	Consulting Engineer	Date 9/20/98
(This space for Federal or State office use)	Title	ACCEPTED FOR RECORD (ORIG. SGD.) DAVID R. GLASS	Date
Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and or representations as to any matter within its jurisdiction.	i willfu	lly lo make to any department or agency of the United State	s any false, fictitious or fraudulent statements