

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1307 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. 30-025-35240
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No. NA
7. Lease Name or Unit Agreement Name. Merit
8. Well No. 1
9. Pool name or Wildcat House, Abo/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

Address of Operator
PO Box 10549, Midland, TX 79702

3. Well Location

Unit Letter O : 660 feet from the South line and 1800 feet from the East line

Section 11 Township 20S Range 38E NMPM Lea County

10. Elevation (Show whether DR, RKB, RT, GR, etc.)
3565 GR

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 Extend Drilling Permit ☒

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 recompletion.

On 11/06/2000 the OCD approved the Merit #1 Drilling Permit. Due to Surface issues the well's drilling was postponed. Capataz wishes to extend and "Renew" our original Drilling Permit until November, 2002. We anticipate spudding the Merit #1 during the month of September, 2002.

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 08-13-02

Type or print name
H Scott Davis

Telephone No. 915-620-8820

(This space for State use)

AUG 16 2002

APPROVED BY _____ TITLE ORIGINAL SIGNED BY DATE _____
Conditions of approval, if any: PAUL F. KAUTZ

PETROLEUM ENGINEER

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-101
Revised October 18, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address. Capataz Operating, Inc. PO Box 10549 Midland, TX 79702		² OGRID Number 3659
		³ API Number 30 - 025 35240
⁴ Property Code 26865	⁵ Property Name Merit	⁶ Well No. 1

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	11	20S	38E		660'	South	1800'	East	Lea

⁸ Proposed 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
O	11	20S	38E		660'	South	1800'	East	Lea

⁹ Proposed Pool 1 House, Abo	¹⁰ Proposed Pool 2 House, Drinkard
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¹¹ Work Type Code New Well	¹² Well Type Code Oil	¹³ Cable/Rotary Rotary	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 3565
¹⁶ Multiple	¹⁷ Proposed Depth 7800'	¹⁸ Formation Abo	¹⁹ Contractor Patterson	²⁰ Spud Date 01/20/01

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12-1/2"	8-5/8"	24#	1600	925SX	Surf
7-7/8"	5-1/2"	15.5 & 17#	TD	725SX	1600

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Drill 11" hole to 1600'. Run & cement 8-5/8" 24# casing. Circulate cement to Surface. Log, evaluate & run 5-1/2" casing if indicated.

Permit Expires 1 Year From Date of Issuance
Date Issued 01/20/01

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature:

Printed name: H Scott Davis

Title: Agent

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

Expiration Date:

NOV 6 2001

1 - Original Copy of Original Approved Permit

DISTRICT II
P. O. Drawer DD
Artesia, NM 88211-0719

Submit to the Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

OIL CONSERVATION DIVISION

**P. O. Box 2088
Santa Fe, New Mexico 87504-2088**

DISTRICT III
1000 Rio Brazos Rd.
Aztec, NM 87410

☐ AMENDED REPORT

DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-025-35240	2 Pool Code 33210	3 Pool Name House, Abo
4 Property Code 26865	5 Property Name MERIT	6 Well Number 1
7 OGRID No. 3659	8 Operator Name CAPATAZ OPERATING INCORPORATED	9 Elevation 3585'

10 SURFACE LOCATION

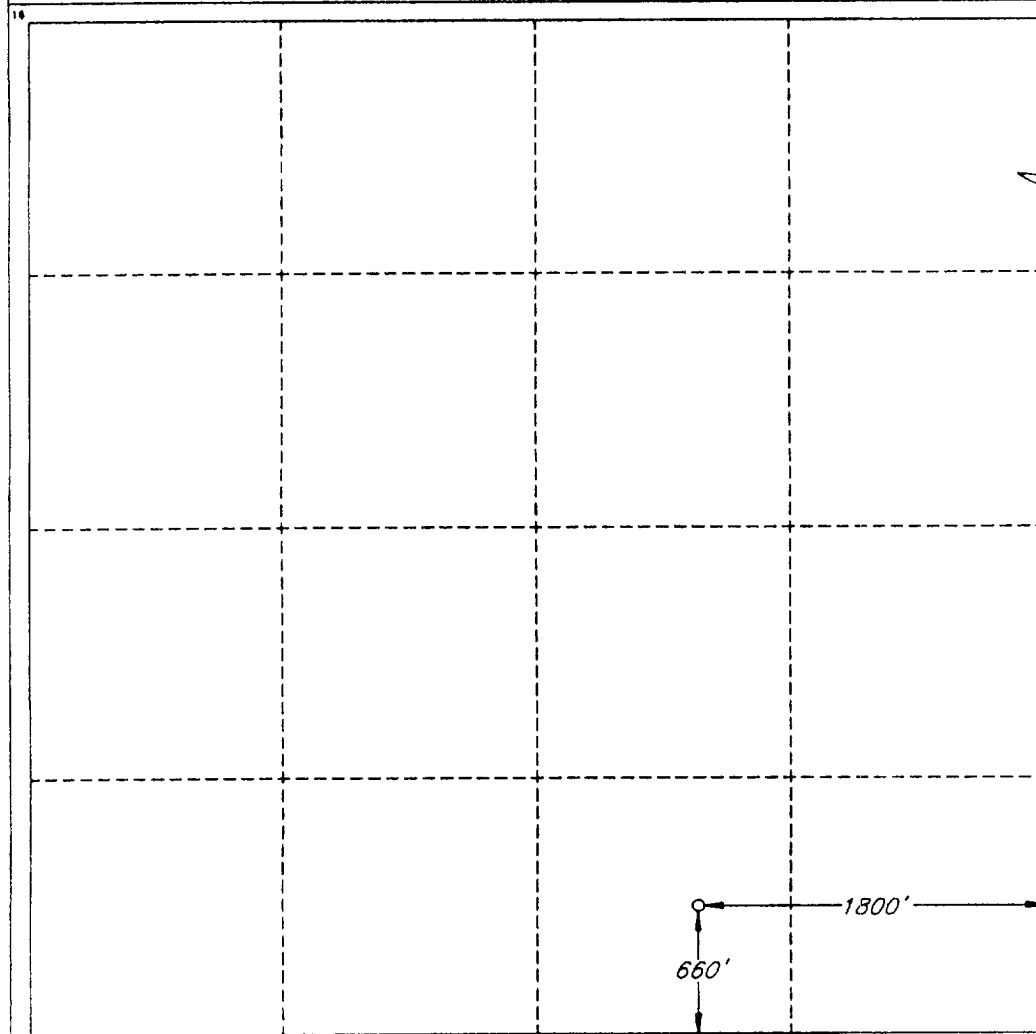
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
0	11	20 SOUTH	38 EAST, N.M.P.M.		660'	SOUTH	1800'	EAST	LEA

"BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
0	11	20S	38E		660	S	1800	E	Lea

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

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



OPERATOR CERTIFICATION

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

Signature *[Signature]*

Printed Name
H Scott Davis

Title
President

Date
8/13/02

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.

Date of Survey
OCTOBER 16, 2000

Signature and Seal of Professional Surveyor

Certificate No.
V. L. BEZNER R.P.S. #7920

JOB # **72254 / 70 SE / JCP**