

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  
Revised March 25, 1999

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

WELL API NO. 30-025-35614
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: Dukes
8. Well No. 1
9. Pool name or Wildcat HouseTubb/HouseDrinkard
#78760 / #33250

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 <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>
2. Name of Operator Capataz Operating, Inc
3. Address of Operator PO Box 10549, Midland, TX 79702
4. Well Location

Unit Letter K : 1980 feet from the South line and 2105 feet from the West line  
Section 11 Township 28S Range 38E NMPM Lea County

10. Elevation (Show whether DR, RKB, RT, GR, etc.)
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11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>
OTHER: <input type="checkbox"/>	

SUBSEQUENT REPORT OF:

REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: Completion & Commingle <input checked="" type="checkbox"/>	

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.

As per Rule 11363 Capataz requests permission to downhole commingle the Dukes #1. The commingling of these two Leonard intervals will not reduce or diminish the reserves or value of this well. No State or Federal mineral ownership is involved in this well. Perforated 6986-7026 10 holes .42" on 7/26/01. Acidized w/ 4000 gals 20% Nefe. Swabbed back load and tested. 43 BOPD by swab. Re-acidized w/ 6000 gals 28% SXE. Swabbed back load and test 3 days producing 97 BOPD, 100 BWPD and 75 MCDF. Set RBP @ 6921'. Perforated 6740-85' 22 holes .42" on 8/6/01. Acidized w/ 5000 gals 20% Nefe Swabbed back load & test 15 BOPD by swab. Frac'd w/ 177,775 lbs 20/40 sand & 77,506 gals gel. Swabbed back load. Swab test 53 BOPD X 73 BWPD X 45 MCDF. Circulated sand off RBP & POOH w/ tbg & RBP. Ran 2-7/8" tbg, pump & rod to 6692' and began production test.

DI DHC Order No. 0042

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 10-05/01

Type or print name \_\_\_\_\_ Telephone No. \_\_\_\_\_  
(This space for State use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
Conditions of approval, if any:

SCS