

Submit 1 Copy To Appropriate District Office

District I – (575) 393-6161
1625 N French Dr., Hobbs, NM 88240
District II – (575) 748-1283
811 S First St., Artesia, NM 88210
District III – (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV – (505) 476-3460
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-103
Revised August 1, 2011

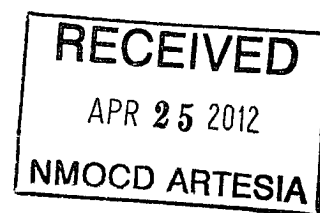
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|--|--|---|
| SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS) | | WELL API NO. 30-015-39844 |
| 1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> | | 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 2. Name of Operator Caza Operating, LLC | | 6. State Oil & Gas Lease No. VB-1139 |
| 3. Address of Operator 200 N. Loraine, Suite 1550, Midland, Texas 79701 | | 7. Lease Name or Unit Agreement Name Forehand Ranch 27 State Com |
| 4. Well Location Unit Letter B : 252 feet from the North line and 1900 feet from the East line Section 27 Township 23S Range 27E NMPM County Eddy | | 8. Well Number 1H |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3158 GR | | 9. OGRID Number 249099 |
| | | 10. Pool name or Wildcat Wildcat-Bone Spring |

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

| NOTICE OF INTENTION TO: | | SUBSEQUENT REPORT OF: | |
|--|---|---|--|
| PERFORM REMEDIAL WORK <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/> | REMEDIAL WORK <input type="checkbox"/> | ALTERING CASING <input type="checkbox"/> |
| TEMPORARILY ABANDON <input type="checkbox"/> | CHANGE PLANS <input type="checkbox"/> | COMMENCE DRILLING OPNS. <input type="checkbox"/> | P AND A <input type="checkbox"/> |
| PULL OR ALTER CASING <input type="checkbox"/> | MULTIPLE COMPL <input type="checkbox"/> | CASING/CEMENT JOB <input type="checkbox"/> | |
| DOWNHOLE COMMINGLE <input type="checkbox"/> | | | |
| OTHER: <input type="checkbox"/> | | OTHER: Continue Drilling Operations <input checked="" type="checkbox"/> | |

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

4-21-2012_Travel to Location. Start Baccus Rig # 8. Clean out hole to 35 ft. Continue drilling 10" hole from 35 ft to 45 ft. Secure Wellbore. Shut down Rig. Return to home base.



Spud Date:

March 31, 2012

Rig Release Date:

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

SIGNATURE

Richard L. Wright

TITLE Operations Mgr

DATE 4-22-2012

Type or print name Richard L. Wright

E-mail address: rwright@cazapetro.com

PHONE: 432 682 7424

For State Use Only

APPROVED BY

SPDade

TITLE

Diso J. Sypewicz

DATE

04/27/2012

Conditions of Approval (if any):