

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720

**District II**  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720

**District III**  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170

**District IV**  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico **NM OIL CONSERVATION**  
ARTESIA DISTRICT  
Energy Minerals and Natural Resources  
Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-101  
Revised July 18, 2013

APR 30 2015

☐ AMENDED REPORT

RECEIVED

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

Operator Name and Address CAZA OPERATING, LLC. 200 NORTH LORRAINE SUITE 1550 MIDLAND, TEXAS 79701		OGRID Number 249099
Property Code 40013		API Number 30-015- <b>3091</b>
Property Name FOREHAND RANCH "27" STATE		Well No. #6

**7. Surface Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
A	27	23S	27E		440'	FN	330'	EAST	EDDY

**\* Proposed Bottom Hole Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County

**9. Pool Information**

Pool Name CASS DRAW-Delaware,	Pool Code 10410
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**Additional Well Information**

11. Work Type N	12. Well Type O	13. Cable/Rotary ROTARY	14. Lease Type S	15. Ground Level Elevation
16. Multiple NO	17. Proposed Depth 4000'	18. Formation CHERRY CANYON	19. Contractor UNKNOWN	20. Spud Date WHEN APPROVED
Depth to Ground water 100'		Distance from nearest fresh water well .5 miles Northeast		Distance to nearest surface water None known

☒ We will be using a closed-loop system in lieu of lined pits

**21. Proposed Casing and Cement Program**

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
SURFACE	17 1/2"	13 3/8"	48#	450'	415 Sx.	SURFACE
Intermediate	12 1/4"	8 5/8"	24#	2050'	795 Sx.	SURFACE
Production	7 7/8"	5 1/2"	15.5	4000'	465 Sx.	1500' F. Sur.

**Casing/Cement Program: Additional Comments**

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**22. Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram W/Packoff	3000 PSI	Hi-3000 Lo-250	Cameron or Schaffer

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief.  
I further certify that I have complied with 19.15.14.9 (A) NMAC ☐ and/or 19.15.14.9 (B) NMAC ☐, if applicable.

Signature: *Joe T. Janica*

Printed name: Joe T. Janica

Title: Permit Eng.

E-mail Address: joejanica@valornet.com

Date: 04/29/15

Phone: 575-391-8503

**OIL CONSERVATION DIVISION**

Approved By:

Title:

Approved Date: 5/2/15

Expiration Date: 5/7/2017

Conditions of Approval Attached

CAZA OPERATING, LLC.  
FOREHAND RANCH "27" STATE # 6  
440' FNL & 330' FEL SECTION 27  
T23S-R27E EDDY CO NM

1. Drill 26" hole to 40'. Set 40' of 20" conductor pipe and cement to surface with Redi-mix.
2. Drill 17 1/2" hole to from 40' to 450'. Run and set 450' of 13 3/8" 48# H-40 ST&C casing. Cement with 265 Sx. of Class "C" cement + 4% Bentonite, + 2% CaCl, + 0.25#/Sx. of Celo Flakes, Yield 1.75 100% excess, tail in with 150 Sx. of Class "C" cement + 2% CaCl, Yield 1.34 100% excess, circulate cement to surface.
3. Drill 12 1/4" hole from 450' to 2050'. Run and set 2050' of 8 5/8" 24# J-55 ST&C casing. Cement with 595 Sx. of Class "C" 35/65/4 POZ cement + 5% salt, Yield 2.16 100% excess, tail in with 200 Sx. of Class "C" cement + 1% CaCl, yield 1.33 100% excess circulate cement to surface.
4. Drill 7 7/8" hole from 2050' to 4000'. Run and set 4000' of s5 1/2" 15.5# J-55 LT&C casing. Cement with 465 Sx. of Class "C" cement + 1% CaCl, Yield 1.33 50% excess estimate top of cement 1500' from surface

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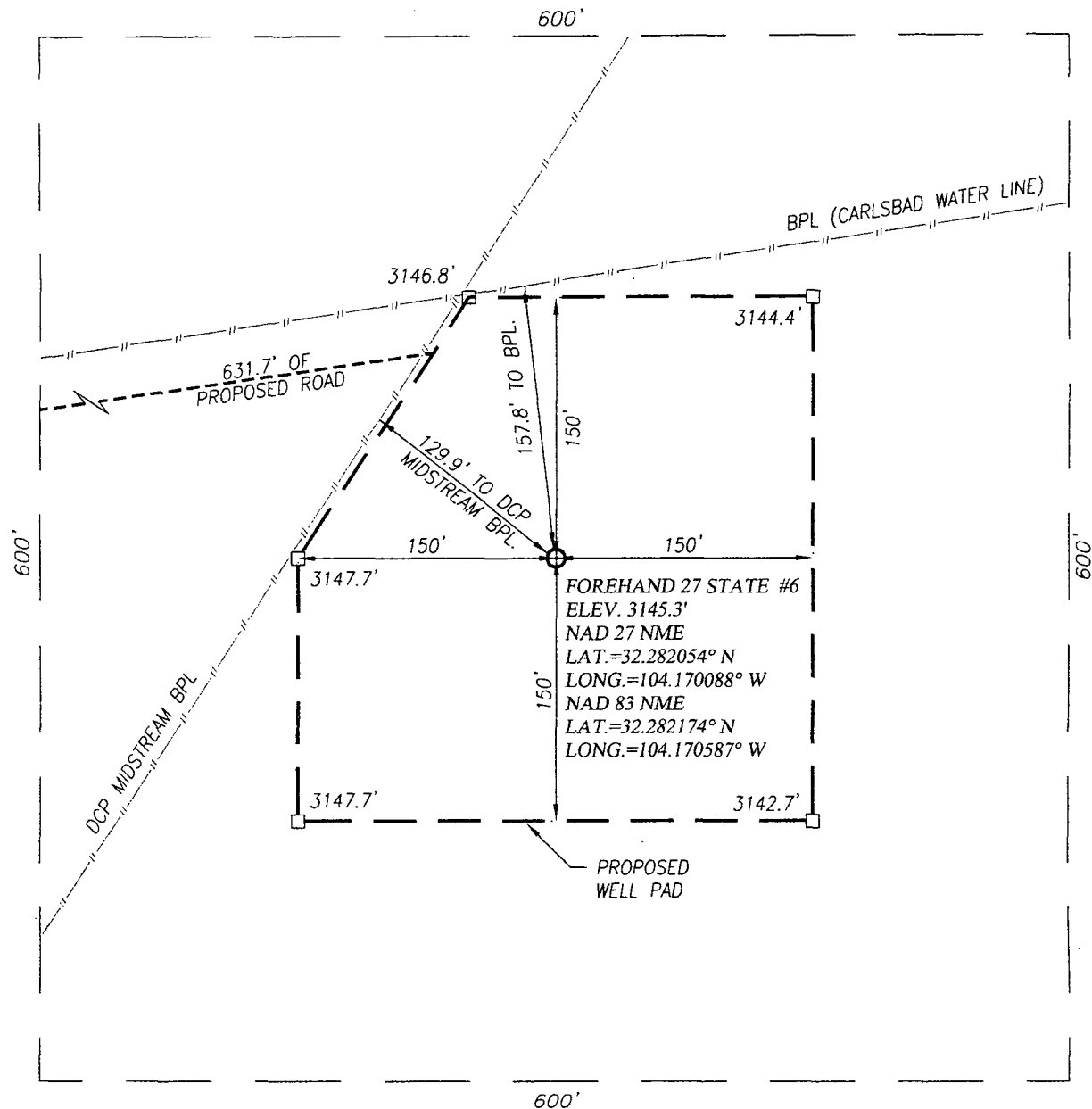
### □ AMENDED REPORT

NEW MEXICO  
REGISTERED SURVEYOR  
12641  
27/15

Certificate Number	12641
Holder	Garrett Eidson
Expiry Date	3239

WSW

# WELL SITE PLAN

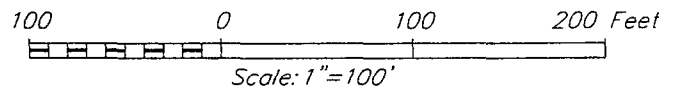


## NOTE:

1) SEE "TOPOGRAPHICAL AND ACCESS ROAD MAP" FOR PROPOSED ROAD LOCATION.

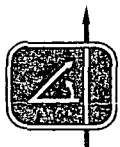
## DIRECTIONS TO THIS LOCATION:

FROM THE INTERSECTION OF US. HWY. 285 AND CO. RD. 706 (GRANDI RD.) GO SOUTH APPROX. 4 MILES ON CO. RD. 706, TURN RIGHT AND GO SOUTHWEST APPROX. 0.25 MILES, TURN LEFT AND GO SOUTH APPROX. 0.55 MILES, FOLLOW ROAD SURVEY EAST FOR 632' TO THIS LOCATION.



## CAZA OPERATING, LLC

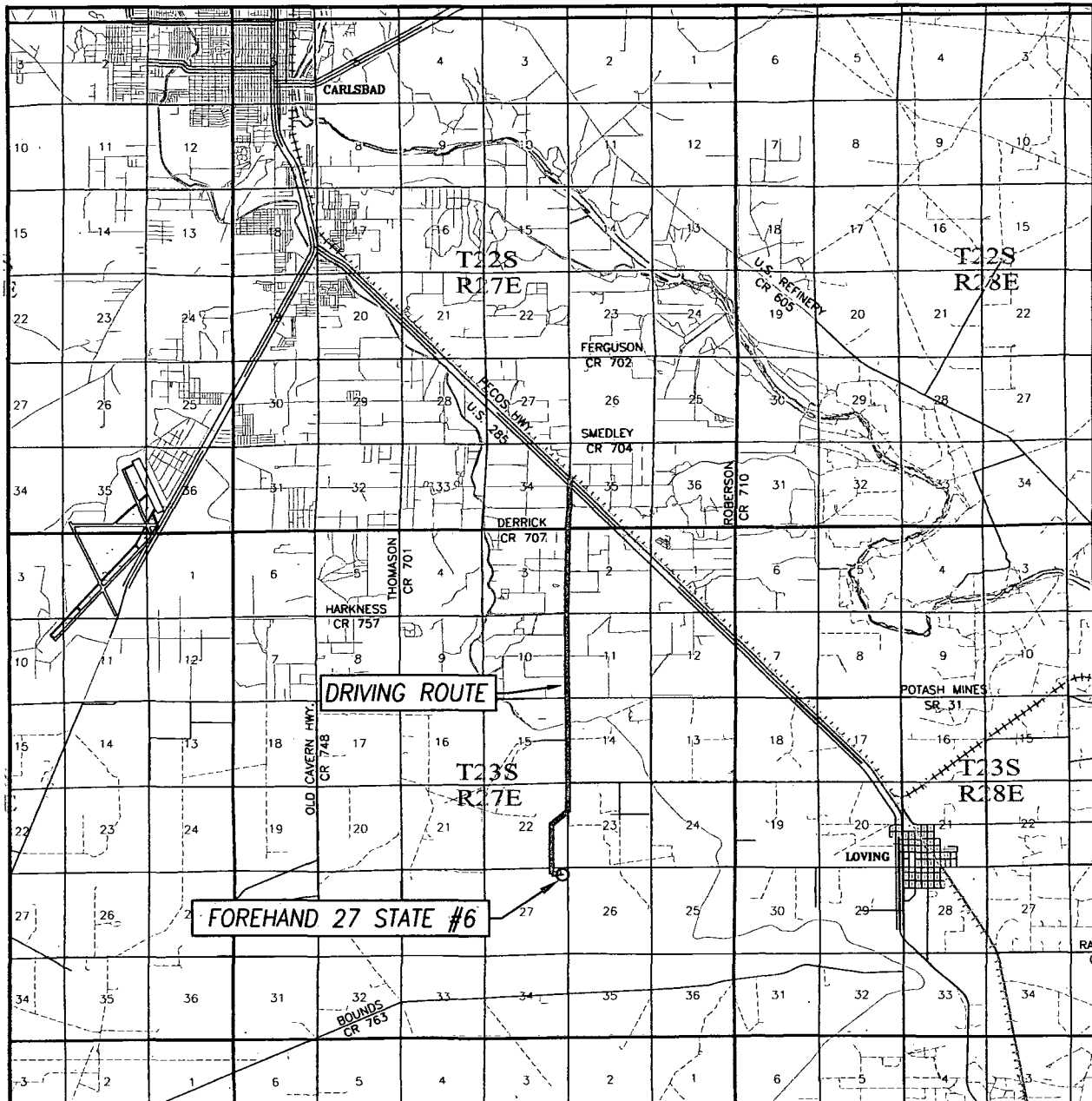
FOREHAND 27 STATE #6 WELL  
LOCATED 440 FEET FROM THE NORTH LINE  
AND 330 FEET FROM THE EAST LINE OF SECTION 27,  
TOWNSHIP 23 SOUTH, RANGE 27 EAST, N.M.P.M.,  
EDDY COUNTY, NEW MEXICO



PROVIDING SURVEYING SERVICES  
SINCE 1946  
**JOHN WEST SURVEYING COMPANY**  
412 N. DAL PASO HOBBS, N.M. 88240  
(575) 393-3117 www.jwsc.biz  
TBPLS# 10021000

Survey Date: 4/15/15	CAD Date: 4/27/15	Drawn By: LSL
W.O. No.: 15110410	Rev. :	Rel. W.O.:
		Sheet 1 of 1

# VICINITY MAP



SCALE: 1" = 2 MILES

DRIVING ROUTE: SEE TOPOGRAPHICAL AND ACCESS ROAD MAP

SEC. 27 TWP. 23-S RGE. 27-E

SURVEY N.M.P.M.

COUNTY EDDY STATE NEW MEXICO

DESCRIPTION 440' FNL & 330' FEL

ELEVATION 3145'

OPERATOR CAZA OPERATING, LLC

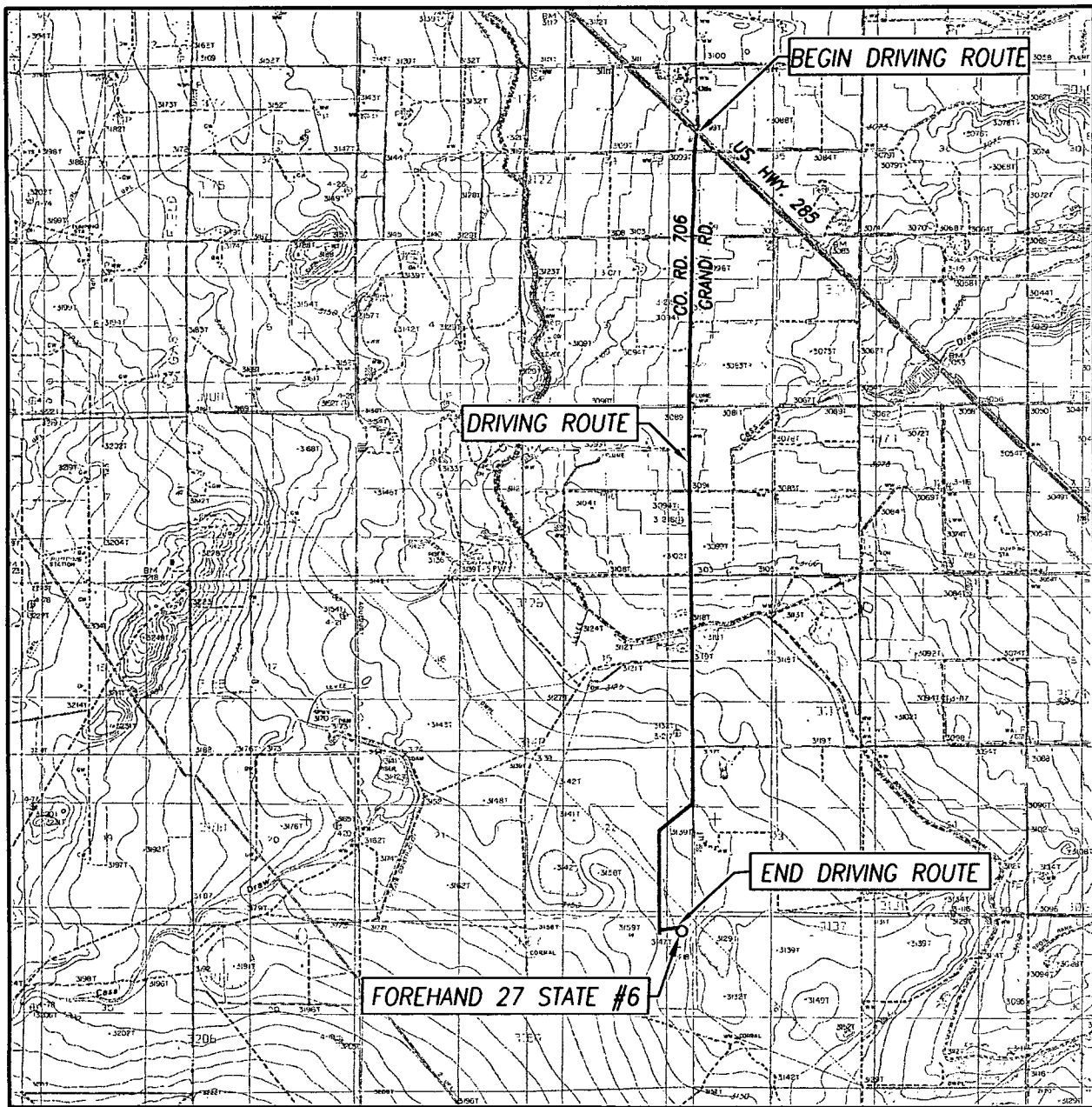
LEASE FOREHAND 27 STATE

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SINCE 1946

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(575) 393-3117 [www.jwsc.biz](http://www.jwsc.biz)  
TBPLS# 10021000

# TOPOGRAPHICAL AND ACCESS ROAD MAP



SCALE: 1" = 5280'

CONTOUR INTERVAL:  
OTIS, N.M. - 5'

SEC. 27 TWP. 23-S RGE. 27-E

SURVEY \_\_\_\_\_ N.M.P.M.

COUNTY EDDY STATE NEW MEXICO

DESCRIPTION 440' FNL & 330' FEL

ELEVATION \_\_\_\_\_ 3145'

OPERATOR CAZA OPERATING, LLC

LEASE FOREHAND 27 STATE

U.S.G.S. TOPOGRAPHIC MAP  
OTIS, N.M.

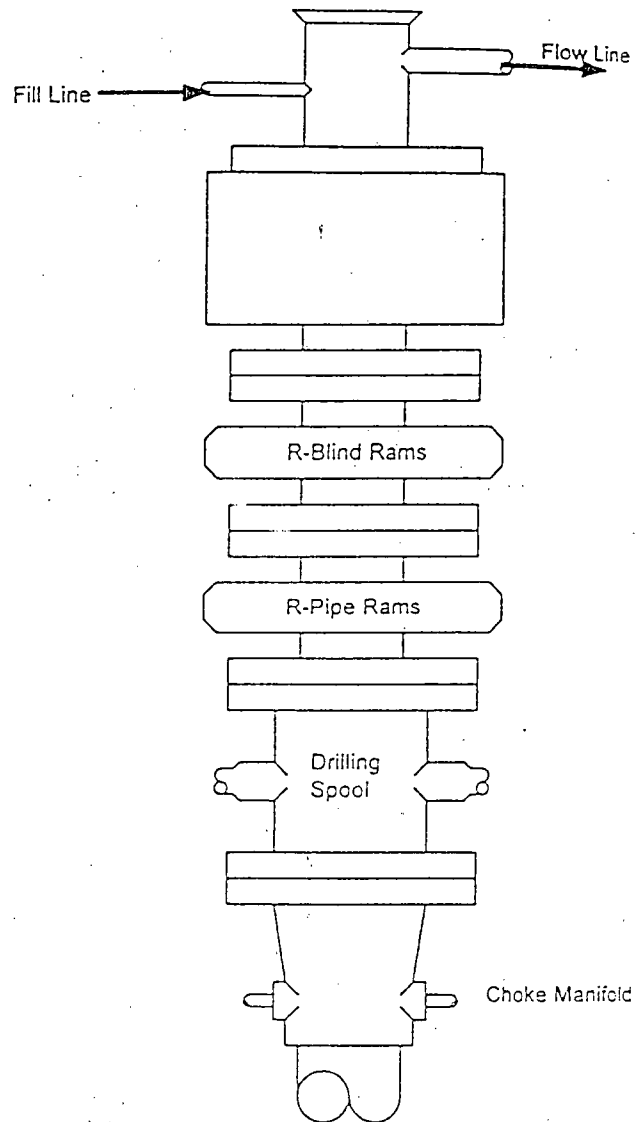
## DIRECTIONS TO THIS LOCATION:

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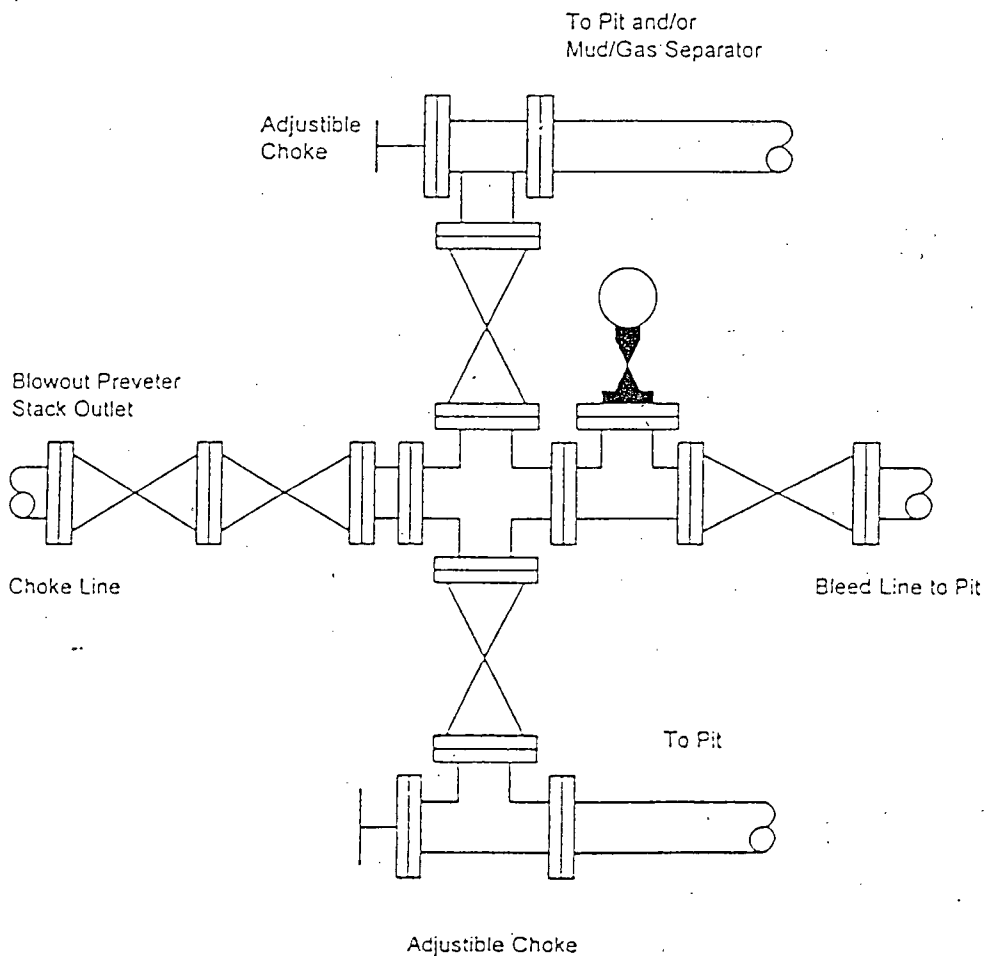
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# BLOWOUT PREVENTER SYSTEM



Type 900 Series  
3000 psi WP

## Choke Manifold Assembly for 3M WP System





## **Closed Loop Drilling System**

### **Operations and Maintenance Plan**

Closed Loop equipment will be inspected and monitored closely on a daily basis by each drilling rig Tour and by those hired specifically to operate the equipment. Any leak or release detected will be repaired immediately and the proper NMOCD official will be notified within the 48 hr requirement. A large release will require Caza Operating, LLC representatives to contact NMOCD immediately at the Hobbs office 575 393 6161 as stated by NMOCD rule 116.

### **Closure Plan**

During and after drilling operations, liquids (which apply), all drill cuttings and drilling fluids will be hauled and disposed of at the R-360 disposal (permit number NM-01-0006) located about 30 miles East of Carlsbad, New Mexico. An alternate approved disposal site has been selected "Sundance" Parabo NM-01-0003 which is 5 miles East of Eunice, NM. The Second site would only be used in the event of problems with R-360 disposal.



The diagram illustrates a well site layout with the following components and dimensions:

- Top Section:** A large rounded rectangle labeled "Truck Turnaround".
- Left Side:**
  - A "Spare Cuttings Bin" at the top left.
  - A "Centrifuge & stand" with the note "Set above Roll off bin" below it.
  - A "Power & Pumps for Centrifuges" box.
  - A "ROLL OFF CUTTINGS BIN" below the centrifuge.
  - A "MUD LOGGER" box.
  - A "CHOKE MANIFOLD" box.
  - A "SOLIDS CONTROL TANK" box.
  - A "SUCTION TANK" box.
  - A "LOW PRESS SYS" box.
  - Three "Fluid Storage" tanks (Fluid Storage 1, Fluid Storage 2, Fluid Storage 3) at the bottom left.
- Central Area:**
  - A "RIG SUBSTRUCTURE" in the center.
  - A "CAT WALK" running horizontally across the center.
  - A "DOG HOUSE" box to the right of the rig substructure.
  - Two "MUD PUMP" boxes (MUD PUMP 1, MUD PUMP 2) connected to the suction tank.
  - Three "WATER TANK" boxes (WATER TANK 1, WATER TANK 2, FUEL TANK) to the right of the rig substructure.
  - A "BOP accumulator" box to the right of the rig substructure.
- Right Side:**
  - Three "PIPE RACKS" to the right of the cat walk.
  - A "SERVICE HAND TRAILER 1" box.
  - A "SERVICE HAND TRAILER 2" box.
  - A "COMPANY MAN TRAILER" box.
  - A "RIG PUSHER TRAILER" box.
- Dimensions and Orientation:**
  - Horizontal dimensions of "200 FEET" are marked at the top, bottom, and right.
  - A vertical dimension of "200 FEET" is marked on the left.
  - A compass rose indicates North (N), South (S), East (E), and West (W).

**Note: The Rig and Closed System Company for this well have not been selected thus the set up shown is simply generic.**