

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 Rd., Aztec, NM 87410
 Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
 1220 S. St Francis Dr., Santa Fe, NM 87505
 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-101
 August 1, 2011
 Permit 229364

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

1. Operator Name and Address CAZA OPERATING, LLC 200 N LORAIN MIDLAND, TX 79701		2. OGRID Number 249099
		3. API Number 30-025-43488
4. Property Code 40096	5. Property Name GRAMMA 27 STATE	6. Well No. 003H

7. Surface Location

UL - Lot O	Section 27	Township 21S	Range 34E	Lot Idn O	Feet From 420	N/S Line S	Feet From 2310	E/W Line E	County Lea
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8. Proposed Bottom Hole Location

UL - Lot B	Section 27	Township 21S	Range 34E	Lot Idn B	Feet From 330	N/S Line N	Feet From 1980	E/W Line E	County Lea
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9. Pool Information

GRAMA RIDGE;BONE SPRING, NE	28435
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Additional Well Information

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 3688
16. Multiple N	17. Proposed Depth 15000	18. Formation 2nd Bone Spring Sand	19. Contractor	20. Spud Date 1/2/2017
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

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
Surf	17.5	13.375	54.5	1900	1600	0
Int1	12.25	9.625	40	3900	1000	0
Int1	12.25	9.625	40	5700	700	3900
Prod	8.75	5.5	17	15000	1900	0

Casing/Cement Program: Additional Comments

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22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	5000	5000	Schaffer
Double Ram	5000	5000	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 I have complied with 19.15.14.9 (A) NMAC <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> if applicable. Signature: Printed Name: Electronically filed by Steve Morris Title: Email Address: steve.morris@mojoenergy.com Date: 12/6/2016	OIL CONSERVATION DIVISION Approved By: Paul Kautz Title: Geologist Approved Date: 12/8/2016 Expiration Date: 12/8/2018 Conditions of Approval Attached
Phone: 972-835-3315	

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Form APD Comments

Permit 229364

PERMIT COMMENTS

Operator Name and Address: CAZA OPERATING, LLC [249099] 200 N LORRAINE MIDLAND, TX 79701	API Number: 30-025-43488
	Well: GRAMMA 27 STATE #003H

Created By	Comment	Comment Date

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Form APD Conditions

Permit 229364

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: CAZA OPERATING, LLC [249099] 200 N LORAIN MIDLAND, TX 79701	API Number: 30-025-43488
	Well: GRAMMA 27 STATE #003H

OCD Reviewer	Condition
pkautz	Will require a directional survey with the C-104
pkautz	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string
pkautz	If using a pit for drilling and completion operations, must have an approved pit from prior to spudding the well.
pkautz	1) SURFACE & INTERMEDIATE CASING - Cement must circulate to surface -- 2) PRODUCTION CASING - Cement must tie back into intermediate casing --
pkautz	If cement does not circulate to surface, must run temperature survey or other log to determine top of cement
pkautz	Operator shall notify appropriate District office when setting conductor pipe.
pkautz	The Operator is to notify NMOCDD by sundry within ten (10) days of spudding a well.
pkautz	It is the operator's responsibility to monitor cancellation dates of approved APDs.
pkautz	If an APD expires and if site construction has occurred, site remediation is required.
pkautz	Must notify OCD Hobbs Office if lost circulation is encountered at 575-370-3186
pkautz	1) Must notify OCD Hobbs Office prior to running Stage Tool at 575-370-3186 2) If using Stage Tool on Surface casing, Stage Tool must be set greater than 350' from surface and a minimum of 200 feet above surface shoe. 3) When using a Stage Tool on Intermediate or Production Casing Stage must be a minimum of 50 feet below previous casing shoe.
pkautz	Submit Gas Capture Plan form prior to spudding or initiating recompletion operations