

District I
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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
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-101
Revised July 18, 2013

JAN 21 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 LORLAINE SUITE 1550 MIDLAND, TEXAS 79701		OGRID Number 249099
Property Code 313780		API Number 30-025- 42380
Property Name IGLOO "19" STATE		Well No. 8H

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idx	Feet from	N/S Line	Feet From	E/W Line	County
Lot 3	19	20S	35E		200'	SOUTH	950'	WEST	LEA

8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idx	Feet from	N/S Line	Feet From	E/W Line	County
Lot 4	19	20S	35E		2310'	SOUTH	660'	WEST	LEA

9. Pool Information

Pool Name LEA-BONE SPRING, SOUTH	Pool Code 37580
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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 3687'
16. Multiple NO	17. Proposed Depth TVD-11,500' MD-13,442'	18. Formation 3rd Bone Spring	19. Contractor Unknown	20. Spud Date when approved
Depth to Ground water 64'		Distance from nearest fresh water well Approximately 1.25 Northwest		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"	54.5#	1800'	1541 Sx.	SURFACE
Intermed.	12 1/2"	9 5/8"	40#	5650'	1630 Sx.	SURFACE
Production	8 3/4"	5 1/2"	20#	13,442'	1591 Sx.	Est. 5000' FS

Casing/Cement Program: Additional Comments

SEE ATTACHED SHEET

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	5000#	1500 PSI	Cameron or Schaffer

<p>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 <input type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input type="checkbox"/>, if applicable. Signature: <i>Joe T. Janica</i> Printed name: Joe T. Janica Title: Permit Eng. E-mail Address: joejanica@valornet.com Date: 01/21/15 Phone: 575-391-8503</p>	<p style="text-align: center;">OIL CONSERVATION DIVISION</p> <p>Approved By: <i>[Signature]</i> Title: Petroleum Engineer Approved Date: 01/22/15 Expiration Date: 01/22/17 See Attached Conditions of Approval</p>
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'JAN 26 2015'

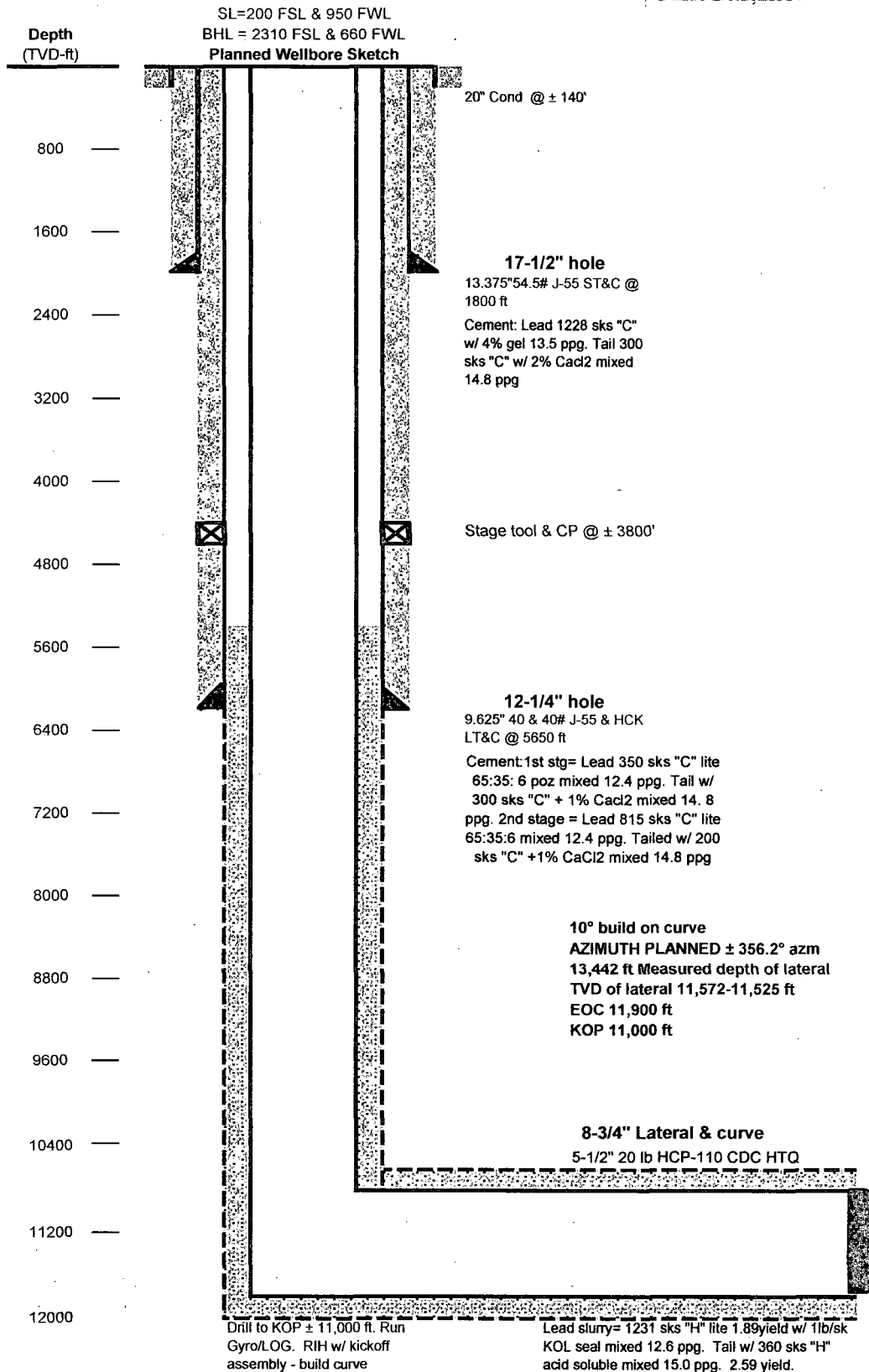
CAZA OPERATING, LLC.

IGLOO "19" STATE # 8h

1. Drill 26" hole to 140' Set 140' of 20" conductor pipe and cement to surface with Redi-mix.
2. Drill 17 ½" hole to 1800'. Run and set 1800' of 13 3/8" 54.5# J-55 ST&C casing. Cement with 1191 Sx. Of Class "C" cement + 4% Gel, + 2% CaCl, Yield 1.74 100% excess, tail in with 350 Sx. Of Class "C" cement + 2% CaCl, Yield 1.33 100% excess, circulate cement to surface.
3. Drill 12 ¼" hole to 5650'. Run and set 5650' of 9 5/8" casing as follows: 2150' of 9 5/8" 40# HCK-55 LT&C, 3500' of 9 5/8" 40# J-55 LT&C casing. Cement in two stages, stage tool and casing packer set at 3900' . Cement 1st stage with 303 Sx. Of 35/65 Class "C" POZ cement + 5% salt, + 6% Gel, Yield 2.09 100% excess, tail in with 365 Sx. Of Class "C" cement + 1% CaCl, Yield 1.33 100% excess. Cement 2nd stage with 812 Sx. Of 35/65 Class "C" POZ cement + 5% Salt, + 6% Gel, Yield 2.09, 100% excess, tail in with 150 Sx. Of Class "C" cement + 1% CasCl, Yield 1.33, 100% excess. Circulate cement to surface.
4. Drill 8 ¾" hole to 13,442' Run and set 13,442' of 5 ½ " 20# HCP-110 CDC-HTQ CASING. Cement with 1231 Sx. of 35/65 Class "H" cement + 1lb/Sx. KOL seal, Yeild 1.89, 50% excess, tail in with 360 Sx. of Class "H" SoluCem, cement + fluid loss control, + defoamer, "Acid soluble. Yield 2.59, 50% excess. Estimate top of cement 5000' from surface.

IGLOO 19 STATE #8H-API # 30 025

Location: SW/SW Section 19_T20S_R35E_Lea County, New Mexico



CONDITIONS OF APPROVAL

API #	Operator	Well name & Number
30-025-42380	Caza Operating LLC	Igloo 19 State # 8H

Applicable conditions of approval marked with XXXXXX

Administrative Orders Required

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Other wells

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Drilling

XXXXXXX	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

Casing

XXXXXXX	SURFACE & INTERNEMIATE(1) CASING - Cement must circulate to surface --
XXXXXXX	PRODUCTION CASING - Cement must tie back into intermediate casing --
XXXXXXX	If cement does not circulate to surface, must run temperature survey or other log to determine top of cement
	South Area
XXXXXXX	Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water