

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

HOBBSOCD

JAN 05 2015

Form C-101  
Revised July 18, 2013

☐ 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 313780	Property Name IGLOO "19" STATE	API Number 30-025-42357
		Well No. #3H

7. Surface Location

UL - Lot 0	Section 19	Township 20S	Range 35E	Lot Idn	Feet from 200'	N/S Line SOUTH	Feet From 1800'	E/W Line EAST	County LEA
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8. Proposed Bottom Hole Location

UL - Lot B	Section 19	Township 20S	Range 35E	Lot Idn	Feet from 330'	N/S Line NORTH	Feet From 1980'	E/W Line EAST	County LEA
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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 3693'
16. Multiple NO	17. Proposed Depth TVD-11,444' MD-16,082'	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'		SURFACE
Intermed.	12 1/4"	9 5/8"	40#	5650'		SURFACE
Production	8 3/4"	5 1/2"	20#	16,082'		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

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: 01/05/15 Phone: 575-391-8503		OIL CONSERVATION DIVISION Approved By: <i>[Signature]</i> Title: Petroleum Engineer Approved Date: 01/06/15 Expiration Date: 01/06/17 Conditions of Approval Attached <b>See Attached</b>	
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Conditions of Approval  
JAN 07 2015

## CAZA OPERATING, LLC.

### IGLOO "19" STATE # 3H

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 1<sup>st</sup> 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 2<sup>nd</sup> 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% CaCl, Yield 1.33, 100% excess. Circulate cement to surface.
4. Drill 8 ¾" hole to 16,082' Run and set 16,082' of 5 ½" 20# HCP-110 CDC-HTQ CASING. Cement with 1231 Sx. of 35/65 Class "H" cement + 1lb/Sx. KOL seal, Yield 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.

# CONDITIONS OF APPROVAL

API #	Operator	Well name & Number
30-025-42357	Caza Operating LLC	Igloo 19 State # 3H

Applicable conditions of approval marked with XXXXXX

## Administrative Orders Required

XXXXXXX	Will require administrative order for non-standard location prior to placing the well on production

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 & INTERMEDIATE(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