OCD Artesia UNITED STATES FORM APPROVED OM B No 1004-0137 Expires: March 31, 2007 DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT 5. Lease Serial No. Portrices AND REPORTS ON WELLS Portrices AND REPORTS ON WELLS Portrices AND REPORTS ON WELLS AR laboratoried well. Use Form 3160 - 3 (APD) for such proposals. NM-112915 6. If Indian, Allottee or Tribe Name 7. If Unit or CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE- Other instructions on reverse side. 1 Type of Well Oil Well □ □ **]** Gas Well □□ 8. Well Name and No. Forehand Ranch 27 State Com # 1H 2 Name of Operator Caza Operating, LLC API Well No. 30 015 39844 3a Address 3b. Phone No (include area code) 432 682 7424 200 North Loraine, Suite 1550, Midland, Texas 79701 10. Field and Pool, or Exploratory Area Wildcat, Bone Spring 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, State 252' FNL & 1900 FEL, Sec 27, T-23-S, R-27-E Eddy County, New Mexico. 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Acidize Production (Start/Resume) ✓ Water Shut-Off Deepen Notice of Intent Alter Casing Well Integrity Fracture Treat Reclamation Casing Repair New Construction Recomplete Subsequent Report Change Plans Plug and Abandon Temporarily Abandon __ Final Abandonment Notice Convert to Injection ✓ Plug Back Water Disposal 13 Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA Required subsequent reports shall be filed within 30 days. following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once

determined that the site is ready for final inspection.)

9-13-2012_BLM Reps Duncan Whitlock & Kent Caffall instructed on location to fill in existing Cable tool Hole from 185' to 40 ft. Further instructions given on Road Repair & Location Constructions.

testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has

- 9-14-2012_Baccus Rig #8 Tagged Fluid @ 145 ft. Bailed FW but level would not fall. BLM instructed Caza to fill up hole w/ Cement. Dump 4.38 yards Ready mix cement in hole per BLM Duncan Whitlock & Kent Caffall. Tagged cement @ 54" down. R/D Cable Tools & covered bore hole as instructed by BLM.
- 9-15-2012_Install 6x6x6 cellar. Butches Rathole set 40' of 20" conductor in 30" hole. Grout cement 20" conductor w/ 5-3/4 yards redi mix cement to 6' below ground level. Dug Rathole & Mouse Hole. Covered conductor as per BLM orders w/ 3/4" plywood.

Accepted for record I hereby certify that the foregoing is true and correct Name (Printed/Typed) Operations Manager Richard L. Wright Signature OR FEDERAL OR STATE OFFICE ÙŠË Approved by Title-2012 Conditions of approval, if any, are attached Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease Office which would entitle the applicant to conduct operations thereon Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to gany department. States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction (Instructions on page 2)-