| DATE 04/13 SU           | SPENSE ENGINEER RE DG-05-2013 TYPE SLOT APP NO. PAXK 1315636  |
|-------------------------|---|
|                         | NEW MEXICO OIL CONSERVATION DIVISION<br>- Engineering Bureau -<br>1220 South St. Francis Drive, Santa Fe, NM 87505  |
|                         | ADMINISTRATIVE APPLICATION CHECKLIST  |
| THIS CHECKLIST          | S MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS<br>WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE  |
| [DHC-D<br>[РС           | Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]<br>ownhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]<br>-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]<br>[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]<br>[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]<br>Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response] |
| 1] <b>TYPE OF</b> [A    | APPLICATION - Check Those Which Apply for [A]<br>Location - Spacing Unit - Simultaneous Dedication $Apl = 30-075-76692$<br>NSL NSP SD   |
| Ch<br>[B                | APPLICATION - Check Those Which Apply for [A]         Location - Spacing Unit - Simultaneous Dedication         NSL         NSL         NSL         SD         (uzu Opactuy U)         eck One Only for [B] or [C]         Commingling - Storage - Measurement         DHC       CTB         PLC       PC         OLS       OLM   |
| [C                      | Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  |
| [D                      | Other: Specify  |
| 2] <b>NOTIFIC</b><br>[A | ATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply<br>Working, Royalty or Overriding Royalty Interest Owners   |
| [B                      | Offset Operators, Leaseholders or Surface Owner   |
| [C                      | Application is One Which Requires Published Legal Notice  |
| [D                      | Notification and/or Concurrent Approval by BLM or SLO     Image: Concurrent Approval by BLM or SLO       U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office     Image: Concurrent Approval by BLM or SLO  |
| [E                      | For all of the above, Proof of Notification or Publication is Attached, and/or,   |
| [F                      | Waivers are Attached  |
| 3] SUBMIT               | ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE  |

OF APPLICATION INDICATED ABOVE.

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

| Adam Rawlin ( )              | Attorney                       | 6/4/13      |
|------------------------------|--------------------------------|-------------|
| Print or Type Name Signature | Title                          | Date        |
|                              | agrantwohold<br>e-mail Address | andhart.com |

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL **RESOURCES DEPARTMENT** 

1

**Oil Conservation Division** 1220 South St. Francis Dr. Santa Fe, New Mexico 87505

**FORM C-108** Revised June 10, 2003

|        | APPLICATION FOR AUTHORIZATION TO INJECT   |
|--------|---|
| I.     | PURPOSE:       Secondary Recovery       Pressure Maintenance       XX       Disposal       Storage         Application qualifies for administrative approval?       Yes       No  |
| II.    | OPERATOR: Caza Operating, LLC   |
|        | ADDRESS: 200 N. Loraine, Suite 1550, Midland, Texas 79701   |
|        | CONTACT PARTY: Richard Wright PHONE: 432 682 7424   |
| III.   | WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection.<br>Additional sheets may be attached if necessary.   |
| IV.    | Is this an expansion of an existing project? Yes XX No<br>If yes, give the Division order number authorizing the project:   |
| V.     | Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.   |
| VI.    | Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.  |
| VII.   | Attach data on the proposed operation, including:   |
|        | <ol> <li>Proposed average and maximum daily rate and volume of fluids to be injected;</li> <li>Whether the system is open or closed;</li> <li>Proposed average and maximum injection pressure;</li> <li>Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,</li> <li>If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).</li> </ol> |
| *VIII. | Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.   |
| IX.    | Describe the proposed stimulation program, if any.  |

- \*X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted).
- \*XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.
- XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.
- XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.
- XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

| NAME: RIC  | KARD R. H   | LBRO 1 | 7       | Viel  | E PRESIDE | 103- |
|------------|-------------|--------|---------|-------|-----------|------|
| SIGNATURE: | Rund        | Vh. Ac | 2200 10 | DATE: | 31 man    | 2013 |
|            | 11 11 11 11 |        | AB      |       | /         |      |

E-MAIL ADDRESS: <u>*Talbro @ Caza perro. com</u>* If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted.</u> Please show the date and circumstances of the earlier submittal:

DISTRIBUTION: Original and one copy to Santa Fe with one copy to the appropriate District Office

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CAZA RIDGE 14 STATE #1 SWD (Re Entry of BTA Producers Ridge #1)

APPLICATION

#### Side 2

1

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#### III. WELL DATA

- A. The following well data must be submitted for each injection well covered by this application. The data must be both in tabular and schematic form and shall include:
  - (1) Lease name; Well No.; Location by Section, Township and Range; and footage location within the section.
  - (2) Each casing string used with its size, setting depth, sacks of cement used, hole size, top of cement, and how such top was determined.
  - (3) A description of the tubing to be used including its size, lining material, and setting depth.
  - (4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.

Division District Offices have supplies of Well Data Sheets which may be used or which may be used as models for this purpose. Applicants for several identical wells may submit a "typical data sheet" rather than submitting the data for each well.

- B. The following must be submitted for each injection well covered by this application. All items must be addressed for the initial well. Responses for additional wells need be shown only when different. Information shown on schematics need not be repeated.
  - (1) The name of the injection formation and, if applicable, the field or pool name.
  - (2) The injection interval and whether it is perforated or open-hole.
  - (3) State if the well was drilled for injection or, if not, the original purpose of the well.
  - (4) Give the depths of any other perforated intervals and detail on the sacks of cement or bridge plugs used to seal off such perforations.
  - (5) Give the depth to and the name of the next higher and next lower oil or gas zone in the area of the well, if any.
- XIV. PROOF OF NOTICE

All applicants must furnish proof that a copy of the application has been furnished, by certified or registered mail, to the owner of the surface of the land on which the well is to be located and to each leasehold operator within one-half mile of the well location.

Where an application is subject to administrative approval, a proof of publication must be submitted. Such proof shall consist of a copy of the legal advertisement which was published in the county in which the well is located. The contents of such advertisement must include:

- (1) The name, address, phone number, and contact party for the applicant;
- (2) The intended purpose of the injection well; with the exact location of single wells or the Section, Township, and Range location of multiple wells;
- (3) The formation name and depth with expected maximum injection rates and pressures; and,

(4) A notation that interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505, within 15 days.

#### NO ACTION WILL BE TAKEN ON THE APPLICATION UNTIL PROPER PROOF OF NOTICE HAS BEEN SUBMITTED.

NOTICE: Surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date this application was mailed to them.

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# CAZA PETROLEUM APPLICATION FOR SWD WELL APPROVAL

Caza Ridge 14 State # 1 SWD\_(Re Entry of BTA Producers Ridge # 1)
DATE: 5/6/2013 15:01 AM INDEX REFERENCE PAGE NO.: 1

INFORMATION AND EXHIBITS PERTAINING TO SPECIFIC PARAGRAPHS OF OCD FORM C - 108

PARAGRAPH(S): III. - WELL DATA

:

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EXHIBIT: III. A. - INJECTION WELL DATA SHEET (Side 1)

EXHIBIT: III. A. & III. B. - EXISTING BTA PRODUCERS RIDGE #1 WELLBORE DIAGRAM

EXHIBIT: III. A. & III. B. - INJECTION WELL DATA SHEET (Side 2)

EXHIBIT: III. A. - PROPOSED CASING PROGRAM

EXHIBIT: III. A. & III. B. - PROPOSED CAZA RIDGE 14 STATE SWD WELLBORE DIAGRAM

EXHIBIT: III. B. - CEMENT WORKSHEET

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OPERATOR: Caza Operating, LLC

### WELL NAME & NUMBER: Caza Ridge 14 State # 1 SWD\_ReEntry

| WELL LOCATION: 1980 FSL & 1980 FEL, | J                      | 14                | 23 S                       | 34 E            |
|-------------------------------------|------------------------|-------------------|----------------------------|-----------------|
| FOOTAGE LOCATION                    | UNIT LETTER            | SECTION           | TOWNSHIP                   | RANGE           |
| WELLBORE SCHEMATIC                  |                        | WELL CO           | DNSTRUCTION DATA<br>Casing | Ĺ               |
| See Attached ReEntry Diagram        |                        |                   |                            |                 |
|                                     | Hole Size: 26"         |                   | Casing Size: 20"           |                 |
|                                     | Cemented with: 1250 \$ | Skssx.            | or                         | ft <sup>3</sup> |
|                                     | Top of Cement: Surface | ce                | Method Determined:         | Visual          |
|                                     |                        | Intermediat       | e Casing                   |                 |
|                                     | Hole Size: 17-1/2"     |                   | Casing Size: 13-3/8        | и               |
|                                     | Cemented with: 5400 s  | skssx.            | or                         | ft <sup>3</sup> |
|                                     | Top of Cement: Surfac  | e                 | Method Determined:         | Visual          |
|                                     |                        | Production        | Casing                     |                 |
|                                     | Hole Size: 9-5/8" x 8- | 1/2"              | Casing Size: 7"            |                 |
|                                     | Cemented with: 1010    | SX.               | or 1689                    | ft <sup>3</sup> |
|                                     | Top of Cement: _Surfac | ce                | Method Determined:         | Visual          |
|                                     | Total Depth: 6500      |                   |                            |                 |
|                                     |                        | Injection 1       | interval                   |                 |
|                                     | 6054                   | feet              | to 6148 Perfora            | ted             |
|                                     | (Per                   | forated or Open H | ole; indicate which)       |                 |

#### **INJECTION WELL DATA SHEET**

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| Tub | ing Size: 2-7/8" 6.5# J-55 Lining Material: Plastic  |
|-----|--|
| Тур | be of Packer: Arrow Set 1X   |
| Pac | ker Setting Depth: 5100 ft Will 100' of 6054 or maximum of 5954 B  |
| Oth | er Type of Tubing/Casing Seal (if applicable): N/A   |
|     | Additional Data  |
| 1.  | Is this a new well drilled for injection? Yes X No   |
|     | If no, for what purpose was the well originally drilled? Oil & Gas Exploration   |
|     | Lost   |
| 2.  | Name of the Injection Formation: Bell Canyon and Cherry Canyon Top of 6054   |
| 3.  | Name of Field or Pool (if applicable): N/A   |
| 4.  | Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. <u>See Attached diagram</u> |
| 5.  | Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area:   |
|     | Underlying: Lower Brushy Canyon (7,400')   |

Overlying: None

EXHIBIT III. A.

## PROPOSED CASING PROGRAM

# CAZA RIDGE 14 ST #1 SWD\_ReEntry

| Well name:   | CA                  |
|--------------|---------------------|
| Operator:    | CAZA OPERATING, LLC |
| String type: | INJECTION_FRAC      |

:

| Design parameters:<br>Collapse     |          | Minimun      | design factors:<br>Collapse: |        | Environment:<br>H2S considered? | No      |          |
|------------------------------------|----------|--------------|------------------------------|--------|---------------------------------|---------|----------|
| Mud weight:                        | 10.00    | ppg          | DF                           | 1.200  | Surface temperature:            | 75.00   | ۴F       |
| Design is based on evacuated pipe. |          |              |                              |        | BHT                             | 114     | ۴F       |
|                                    |          |              |                              |        | Temperature gradient:           | 0.60    | °F/100ft |
|                                    |          |              |                              |        | Minimum section length:         | 6,500   | ft       |
|                                    |          |              | Burst:                       |        | Minimum Drift:                  | 6.250   | in       |
|                                    |          |              | DF                           | 1.20   | Cement top:                     | Surface |          |
| Burst                              |          |              |                              |        |                                 |         |          |
| Max anticipated surface            |          |              |                              |        |                                 |         |          |
| pressure:                          | 3,947.29 | psi          |                              |        |                                 |         |          |
| Internal gradient:                 | 0.12     | psi/ft       | Tension:                     |        | Non-directional string.         |         |          |
| Calculated BHP                     | 4,727.27 | psi          | 8 Round STC:                 | 1.80   | (J)                             |         |          |
|                                    |          |              | 8 Round LTC:                 | 1.80   | (J)                             |         |          |
| Annular backup:                    | 8.00     | ppg          | Buttress:                    | 1.60   | (J)                             |         |          |
|                                    |          |              | Premium:                     | 1.50   | (J)                             |         |          |
|                                    |          |              | Body yield:                  | 1.60   | (B)                             |         |          |
|                                    |          | Tension is   | based on buoyed w            | eicht  |                                 |         |          |
|                                    |          | 1 9110101110 | buood on buoyed a            | orgine |                                 |         |          |

Neutral pt: 5,519.51 ft

| Run<br>Seq | Segment<br>Length<br>(ft) | Size<br>(in) | Nominal<br>Weight<br>(Ibs/ft) | Grade | End<br>Finish | True Vert<br>Depth<br>(ft) | Measured<br>Depth<br>(ft) | Drift<br>Diameter<br>(in) |                |
|------------|---------------------------|--------------|-------------------------------|-------|---------------|----------------------------|---------------------------|---------------------------|----------------|
| 1          | 6500                      | 7            | 26.00                         | L-80  | LT&C          | 6500                       | 6500                      | 6.151                     |                |
| Run        | Collapse                  | Collapse     | Collapse                      | Burst | Burst         | Burst                      | Tension                   | Tension                   | Tension        |
| Seq        | Load                      | Strength     | Design                        | Load  | Strength      | Design                     | Load                      | Strength                  | Design         |
|            | (psi)                     | (psi)        | Factor                        | (psi) | (psi)         | Factor                     | (kips)                    | (kips)                    | Factor         |
| 1          | 3377                      | 5410         | 1.602                         | 3947  | 7240          | 1.83                       | 143.5                     | 511                       | 3.56 J         |
|            |                           |              |                               |       |               |                            | Date:                     |                           | April 15,2013  |
|            |                           | Wright       |                               |       |               |                            |                           |                           | Midland, Texas |

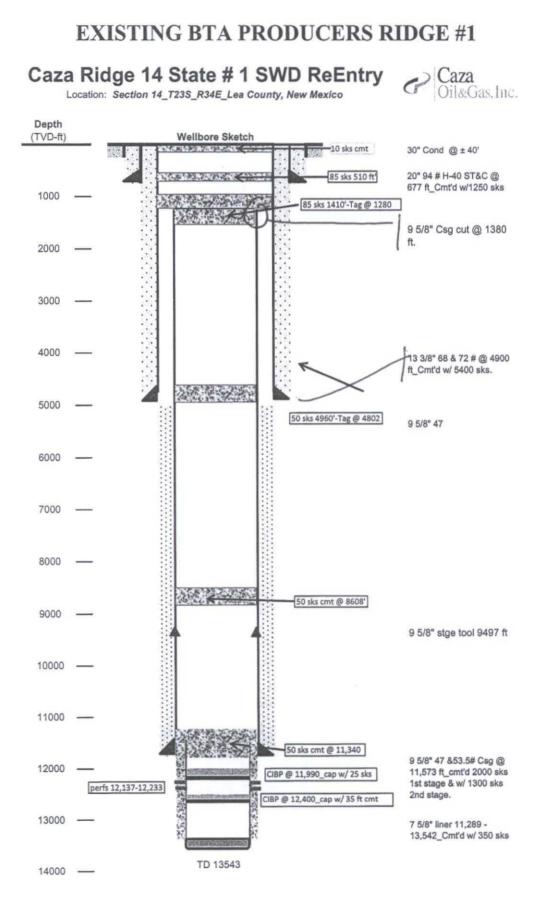
Remarks:

Collapse is based on a vertical depth of 6500 ft, a mud weight of 10 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

## EXHIBIT III. A.

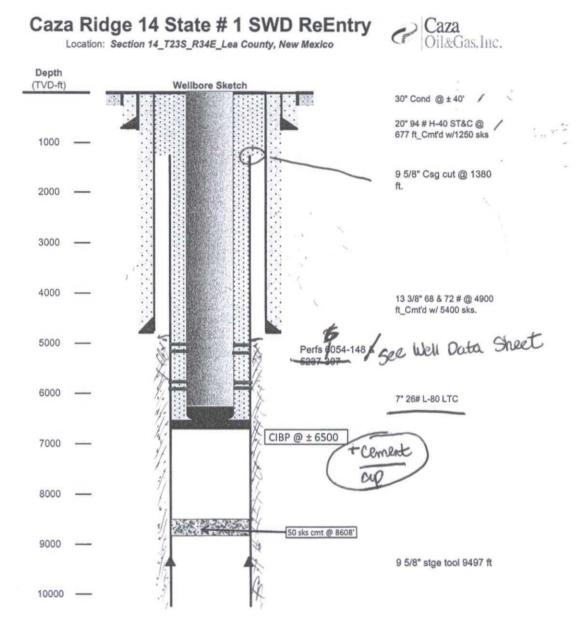


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### EXHIBIT III. A.

### EXHIBIT III. B.



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### EXHIBIT III. A.

### EXHIBIT III. B.

CAZA RIDGE 14 STATE #1 SWD -- "Cement Worksheet"

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1980 FSL & 1980 FEL, Sec 14, T23S, R34E, Lea County, New Mexico

 Injection String = 6500 ft. TOC @surface w/ 10% Excess. Outside Casing = <u>13.375 inch 68# X 7" 26# (1380')</u> Outside Casing = 9.625" 47# X 7" 26# (5120') Float Collar 1 jts up. Hardware needed = 8 spring centralizers

1 Guide shoe "Conventional"

1 Float Collar "Conventional (1 jt Up)

1 thread lock compound

1 collar stop

#### Engineering Data "Injection String":

1380 ft 13.375" csg x 7.0 csg = 1380' x .5734 cu ft X 1.1 excess = **870 cu ft** 5120 ft 9.625" csg x 7.0" csg = 5120' x .1438 cu ft X 1.1 excess = **810 cu ft** 40 ft 7" shoe jt = 40' X .2148 = **8.6 cu ft Total Cement volume required = 1689 cu ft**.

Total Cement volume required = 1689 cu ft. Lead Slurry Coverge 4900-surf (4900') = 1450 cu ft "C" w/ 4% gel w/ 1.75 yield 13.5 ppg. = (829 sks) Tail Slurry Coverage 6500'-4900' (1600') = 239 cu ft Class "C" w/ 1% CaCl2 14.8 ppg yield 1.33 cu ft / sk = (181 sks)

### EXHIBIT III. B.

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| CAZA PETROLEUM APPLICATIO | Ν |
|---------------------------|---|
| FOR SWD WELL APPROVAL     |   |

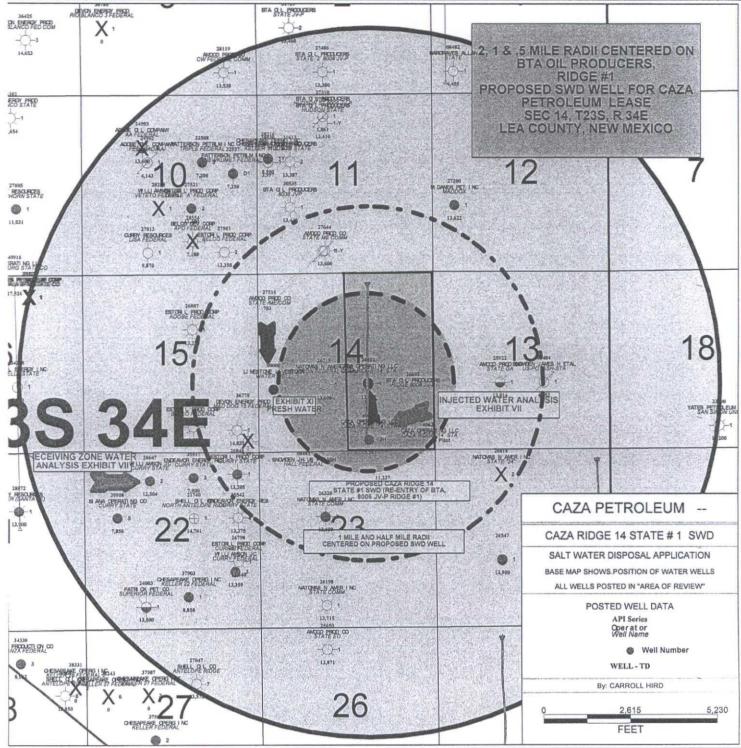
Caza Ridge 14 State # 1 SWD\_(Re Entry of BTA Producers Ridge # 1)
DATE: 5/6/2013 15:01 AM INDEX REFERENCE PAGE NO.: 2

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EXHIBIT:

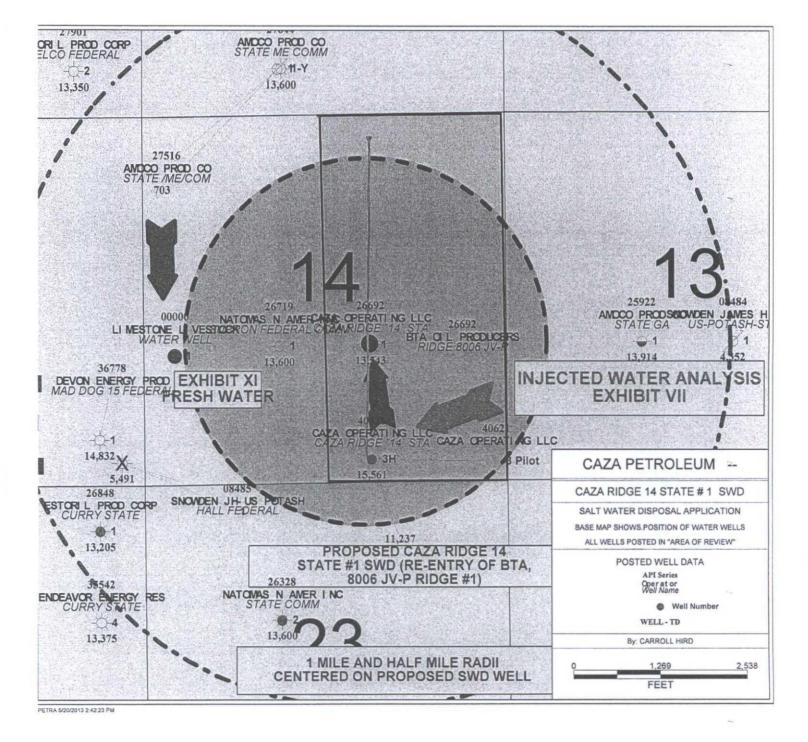
INFORMATION AND EXHIBITS PERTAINING TO SPECIFIC PARAGRAPHS OF OCD FORM C - 108

| PARAC    | <u>SRAPH(S)</u> : V. |
|----------|----------------------|
| EXHIBIT: | V WELL MAP           |
| EXHIBIT: | V LEASE MAP          |
| EXHIBIT: | V LOCATION PLAT      |
| EXHIBIT: |                      |
|          |                      |



PETRA 5/20/2013 2:48:45 PM

### EXHIBIT V.



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EXHIBIT V. (enlarged)

| Amerada   | Devon C.S. DIAZ *** 4   | 1.2 Mil.<br>U.S. M.I<br>Arther (S) U.S. Fed  | 1.5. ]   |   | Diran i  | M RAMAN MARKET AND   |
|---|---|--|--|---|--|--|
| Storte HBP  <br>Storte 1374<br>Storter (5) (6)14              | 100864 BANKOFER." 201 19143<br>JITT Nelle: (3)  | Ability (S) U.S Fed.   | Bin Keller (5)   | (U) 1 711 Stote .   | U.S.<br>Marina di Santa  | Attended Stote   |
| BurmahOE G  | Parkon Blat I EUL Res. 12   | Ricks Expl.) Beke, V<br>HBP BTA (Viersen<br>HBP BTA (Viersen   | (V-F Pet)<br>BTA 13,600<br>L-5115  | J H ## Gane<br>( 1 207)<br>127446   | By 18 to   | 1 - 2015<br>1 - 2015<br>1 - 2015   |
| 0.50.   | Sowstrn Ener Solo 19142<br>Unst Roswell Calif.<br>92199 D King Jance , BTA, Va  | USMin 19143<br>1.m<br>Keller(S) 67.mil   | # 3.7 Mil.   | 320.446Ac.<br>U.S   | 34 m 7 11/50 ** 1  | 1 \$575 PU<br>(nit A)  |
| -5  | HBP         HBP           Starstrin. Ever. Sola         19142           Unrit Rossell Can Let Ras            Starstrin. Ever. Sola         19142           Starstrin. Ever. Sola         191442           Starstrin. Ever. Sola         191442  | Keller (S)   | Anteloge Born Juli   | Jim Keller (5)<br>StashErd   Phillips   | BREF 6   |  |
| 01244<br>(Devon   | Santo Fe Energ  | A100000  | LG.485 SIL BIA   | Store H.B.P.<br>E-1932<br>Store   | - 15 <sup>10</sup>   |  |
| U.S.M.I<br>Jim Keller (3)                                     | ◆ · · · · · · · · · · · · · · · · · · ·   | Arener(3) US Ped. 15 MR  | Ma Land  | Jun Kaller ()   | note the name dive 1   | I.m Keller isi   |
| Res Kaiser-<br>HBP Frances                                    | Devon Ener<br>Enduro)<br>HBC HBP 22<br>W/2 E. 932   | (A A Mins Carp, ctal) Expl. ctal   | (E.R.Hudson, Jr.)<br>BTA   | Susr Lane<br>Nurism Did J.L. Reed   | Mira X<br>1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1  | DC-400110<br>11 1 791-<br>12 141   |
| 060734  | (P/R)   | Tupie A Fed (ma) etal)   | 1 + Pharing  | 0 M1 Expl<br>5 38-2015<br>J. Cutchings<br>5/2 - 2014)   | 0.1 15415 D 1040   | 14 J.H.Trigg   |
| 100 Keller (S)<br>- 8<br>Hoyes                                | "Cabalio - St" 9 "Kn. Blance 9 it "<br>Yates Pet. etal Curry Act  | (Disc Fed AA 10 - Per - Ange summer  | Expl. Hat [  | Inland Till 2 - T-  | Mase Tores Peter 6 17 Die  | HA J H. Trigg<br>Frd. SR<br>Q Draf 17 63<br>Ister Vet. ctol  |
| 7 Ld Carp<br>\$ 3458  | \$ 29 12 1850 isc.  | CACCOUNT AND   | VI HEC State 1.  | Atra J.E. Elizit, stal E. Page, etal, M.I.  | 11 1017 - 10 YO 57 714 2   | 650 99   |
| And I in (  | BHL State   | (ASODE Wind AND Crosby<br>13836 Million (Gunneco) Crosby<br>15 Mil Million (Gunneco) Crosby<br>16 Million (Gunneco) Crosby<br>17 Million (Gunneco) Crosby<br>17 Million (Gunneco) Crosby<br>18 Million (Gunneco) Crosby   | I HE LAND ANDLO MICHANNER<br>JAN TOJ THE KELLER SI ANDLO MICHANNER<br>JAN TOJ THE KELLER (1) DE T  | Angar<br>100 ko<br>0-10-72016<br>Heris/Imper / Anim<br>Jum Acar (5)<br>Nardoll<br>Distriction<br>Distriction<br>Distriction   | U.S. MI Flute<br>Tun Keiler (S. Jon Keller (S.   | <i>u</i> <sub>3</sub> 5.   |
| ipeoke)   | Three Rivers Hanley 6. 6.<br>5 1 20/32# Crown H-13016<br>VB-1410 cbc 0. 010 11/12016<br>61.102 27 000 4. 12011 1/8 2116   | Quinoca stal Wynn-Crosby   | NormanOLG  | Merbeb<br>51 7015<br>VB 1850  | Brok Tales Potes Pet, etal<br>Pri via<br>1 vi ani via 350  | Devan<br>6- Y06<br>95 105 1<br>10,750 15   |
| · 2006  | 1 300,00 S1108-13   | *Duel  | 4750 2   | Saste an Aciler (S)   | Hat dies Pelfetal  | John I   |
| -17   | Great Control   |  | A AMMins Corp.   |   | 55 55 55<br>55 55 55<br>13 First   | HEF<br>8-1546  |
| esopeake)<br>tvon<br>1. 61(2)<br>5.194<br>B.J                 | ** ** D/K   | 13636 Belco-Feder Drg Hall   | ISD 35 ATMIL   | Yules         IOA         I US Polash           full         US Polash         I US Polash           full         T D 4352         VI 104352           vir. 1063         Storte         D/A7-11-54           vir. 1063         Storte         T 013514  | Ston 26.4  | $\begin{array}{c} 0.66(1-1) + p(1) \\ 0.4 + 270(1) \\ 0.9 (1 + 210) \\ 0.9 (1 + 210) \\ 0.9 \\ 0.9 \\ 1 + 210 \\ 0 \\ 1 \\ 1 \\ 1 \\ 1 \\ 1 \\ 1 \\ 1 \\ 1 \\$   |
| τ<br>U.S.   | "Impole St. Com. 111-1 (Contains)<br>State Na. 104 (St. Com. 111-1 (Contains)<br>State Na. 104 (St. Com. 111-1 (Contains)<br>State Na. 104 (St. Com. 111-1 (Contains))<br>Jim, Keller (St. Com. 111-1 (Contains))   | U.S. M.I<br>Jum Keller (S)   | Jun Kaller(5) 11. State  | 04 4-21-81<br>Shothe  | Jan Prant et al. (1997)<br>San Prant et al. (199 |  |
| tull D.G.   | Three Rivers (J.c.<br>4.1.7013 Williamson)<br>V.8741 (Second)<br>SOUND Control Ferst  | 180 Pet. 200 5551 20250  | Devonit Lo Inge  | 0. E. Sanzalus<br>11. 1. 2012<br>V-814 5  | E Samules  | Street of  |
| 3306  | LI-ATF  | 167641 Enderson (Sugnation   | w/z  | 1871  | To man   | Ber all  |
| LAKE.   | Jim Keller (ST* Keller St."   | "Curry SI." Store Shellope   | 23   |   | - F N 7 19   | 20   |
| (Monsorto)<br>Bock Hasin                                      | Wildcat Ener. C. Century<br>LLC., etai<br>L-4333 Wildot Cnt<br>Great Basins Pet )<br>Anteberkam Unit  | Chesopeake MASH String<br>1 1 2012 Chesopeake Charles<br>120 Chesopeake Charles<br>120 Chesopeake Charles<br>Chesopeake Charles<br>Chesopeake Charles<br>Chesopeake Charles<br>Chesopeake Chesopeake Charles<br>Chesopeake Chesopeake Charles<br>Chesopeake Chesopeake Charles<br>Chesopeake Chesopeake Chesopeake Chesopeake<br>Chesopeake Chesopeake Chesopeake Chesopeake<br>Chesopeake Chesopeake Chesopea | Estoril) HBC 3/2 Barta Re<br>Str. Disc.<br>4 5 Mil. Str. Disc.<br>5 Mil. Str. Disc. Di | No tomos<br>D.E.<br>Store U. Leas<br>VI. Store VI. Lass<br>VI. 1358   | A.s.   | u.s  |
| Arekport<br>Institution Fuller                                | Store MI W JANKEller CD   | Tatrich fert) - 4" Frantiss<br>Summer 1 - 4" V. S. "Curry Fed."  | Way State  | LEpakast<br>2 · 1 · 2015<br>113416<br>425 99 U.S. State   | Take Pel Ste<br>1 active<br>v si active  | General US Jan<br>Gio 194 Jan Kere   |
|   | And the state of the second se  | Leid Eber  | *1:50<br>*6.3 Mil  | 6HL   | itale 2016 ser<br>itale 2016 ser<br>i marte 1 (S)  | 0 ""<br>"<br>"<br>"<br>"<br>"<br>"<br>"<br>"<br>"  |
| (Grt Basins)<br>Autobellum<br>Unit                            | Bold Ener 25<br>Stime Trans<br>067715 Store Trans<br>0775 St  |  | Chesapeaka<br>x 5283   | V8-1024 // **********************************   | Is MAL TENesapedker  | 100  |
| 2 Q (1/A 4 17-76)   | (First Roswell) (100 K  | (1.6 Mill)<br>Chesaproke<br>Keller-Fed   | (Robert 26-HBC   |   | Jense 7 30 True  | 29   |
| 99 41 29  | CITATION OBG (OPE   | RD V Y   | Chrisopeok   | Augustation fin.<br>Superior)<br>Shote<br>Shote<br>5 for<br>67189   |  |  |
| TOPE FUL  | U.S. MI   | 1 LZMil  | (ros) 1-rg   | Bone Son Disc.  | U.S. U.S.  | Hellerts)  |
| Keller, (5)   | U.S. MI<br>Jim Keller (S) 2 Tool<br>Hold Ener BoldEner  | t Bold Ener.   | Crown Dil<br>41-9015, V 8753<br>148 (Arrec)  | Yates Petr, etal Yates Petr, etal   | U.S.<br>20heraytese  | M Shear -<br>10 1 20<br>10 2 20  |
| E 1937  | 3 · 15 · 10<br>K 240<br>73 **   | Keller St. HBU   | (wo) (Artec)<br>(Honley Petr.)   | 4 - 1 - 2015<br>v8 - 1832<br>4 - 1 - 2015<br>v8 - 1832<br>v8 - 1832<br>v8 - 1832<br>v8 - 1848<br>v8 - 1832<br>v8 - 1832<br>v8 - 1848<br>v8 - | $P = \frac{1}{2} \frac{d^2 \theta}{d^2}$   | Verini   |
| 1   | HBU Shell<br>Interine Ridge<br>101-1-33<br>Istrate<br>Prod  |  | 35   | 36  | Print 23   | Rick rear  |
| P/8) / A 1/1  | 0- 1061 1 marc   [Ciguene<br>1 - 10-72   1<br>8 2149  |  | Featherstone<br>5 1 - 2015<br>5 1 - 2015<br>5 1 Mil \$ 106 25  |   | (Cheegreen)  | Long Linn de<br>States and the   |
| CILAKE<br>state   | 15633 1   | teora<br>HBU<br>BU<br>BU<br>BU<br>BU<br>BU<br>BU<br>State MI.<br>Jum Keller(S)   | State  | State .<br>Jim Keller . Si  | and the second second  | Stute<br>Jun Seller  |
| I 39 100. 1 39 104  | THAT I HAVE I HAVE AN AND   | I HEIL A CHER BASAL THEME  | Public dank tune faus  | And Anna lunt Imme  | 1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.   | Anna Anna Anna Anna Anna Anna Anna Anna  |
| 135 Kaiser Francis<br>Tit Tewas West OGG                      | A BU<br>1 defension<br>1 defension | Boild Ener Boild For<br>I HBU  | (Trugs<br>Weifold) Asher Ent 0. State<br>State<br>Histo Due L 7040   | 1 1 20151 7790<br>113417 1<br>4650 59 1   | 1.1.1  | 12 1 2 721<br>12 1 2 1   |
| AT 3 Mil.   | 0mbil faun  | (Duel) Strata  | (C) (14(1, ")"   | Ora 7-12-74   |  | and the second s |
| 5 Tex Weer<br>9. 1 Madera<br>1 Sinila frod a<br>1 ito we base | HRU Weblert   | 3 Prad<br>to WE be   | CDuoil 7 . to 15,925<br>(Duoil 7 . to 15,925<br>(Morr<br>4.1Mil) L 3882 (EOG Res.)<br>below 13,925   | U.S. Mins.<br>Rubert Modera (S)   |  | ELECTIVE AND   |
| D. T. Friddall  | Betel Law   | E.E. Marriman U.S. MI  | Albert 11  | Pubert Modern (33<br>Chesopeole Chesoseale<br>210-2016 210-2016 (1 12)<br>Skourer Arts, etc.<br>Rubert Malern (31<br>U. 5   |  | 1.1  |
| tr-Frencis<br>55 (2)  | R Modera etal   | Shuckelford Shuckelford  | Rubert Maders (S)<br>Pure Res<br>(Allor Co.)<br>2.1.2015 Penroc 12.1.2015  | Chevarpenter  | - 1 4 4 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1  |  |
| 3/4<br>er Francis   | Three Rivers Hall Feed  | i coquing<br>Alexander<br>(Alexander<br>(Alexander)<br>(Alexander)   | 113417   | 1 100/14 Literation   |  | 1  |
| 61121 066653<br>· U.S., MI                                    | 10/4 3 -2-1641  |  | Cheasapeake  <br>  - 75 yind  <br>   | Man trend 1 1 pan<br>New Field 4 1<br>Marker 4                                | 4  | · · · · ·  |
| - 8   |   |  |  |   |  |  |
| B   | Lever Sil Walking   |  |  | Allon<br>5 0<br>1 2005 C 2 CL 2<br>1 2577<br>1 25777<br>1 2577<br>1 25777<br>1 25777<br>1 25777<br>1 25777<br>1 25777<br>1 25777<br>1 25777<br>1 2  |  |  |

# EXHIBIT V.

| Creations Creat |  |  | MEXICO OIL C  |   |   |   | Form C-102<br>Supersedes C-J28<br>Effective 14-65   |
|---|--|--|---|---|---|---|---|
| BTA OLL PRODUCERS     8006 JV-P RIDGE     1       Unit Letter     14     Townsite     Gounty       1980     feet from the SOUTH     1980     feet from the SOUTH       1980     feet from the SOUTH     1980     Feet from the EAST       1980     feet from the SOUTH     Dedicated Acrosper     3266       Arrow FromeLeave Leave I for Marcina     ANTELOPE RIDGE     Dedicated Acrosper       3366     ATOKA -     ANTELOPE RIDGE     Across       1. Outline the acresse dedicated to the well, outline each and identify the ownership thereof (both as to working interest as droyalty).     If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?       Yes     No     If answer in "ryst," type of consolidation       If acreed pooling, or otherwise) or unitil a non-standard mit, eliminating such interests, has been approved by the Commis-alor.       If acreed pooling, or otherwise) or unitil a non-standard mit, eliminating such interests, has been approved by the Commis-alor.       Image:     Image:       Image:     Image:       Image:     Image:       Image:     Image:       Image:     Image:       Image:     Image:       If acrest the information commission commi   |  | All d  |   | The Party new York, Name and Address of the Owner, Name   | incles of the S                                     | ection.   | · · · · · · · · · · · · · · · · · · ·   |
| 11     14     -23-5     -34-E     LEA       Artid Poticy Leaving of Weilt<br>1980     feet that the SOUTH     1980     feet that the SOUTH     Dedicated Arrowser       3366     ATTOKA -     ANTELOPE RIDGE     Dedicated Arrowser       3366     ATTOKA -     ANTELOPE RIDGE     Sourcest       1. Outline the acreage dedicated to the subject well by colored peacil or hachure marks on the plat below.     2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and reystly).       3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated to communitization, initiation, force-pooling, etc?       Yee     No     If answer in "yes," type of consolidation       If answer is "act" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)       No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, force-pooling, or otherwise) or until a son-standard unit, eliminating such interests, has been approved by the Commis-sion.       I havely cartify that the information commistence.       I havely cartify the the information commistence.       I havely cartify that the information commistence.       I cart or bioardege and ballst.       I havely cartify that the information commistence.       I havely cartify that the information commiston commistence.       I havely cartify that   | BTA  |  |   | . 8006  |   |   |   |
| 1980       test tom the       SOUTH       10x and       1980       test tom the       EAST       10x         Orward Level Constitute       APONDERING Formation       APONDERING Formation       Arres       320       Arres         1. Outline the screage dedicated to the subject well by colored pencil or bachure marks on the plat below.       2. If more than one lease of different ownership is dedicated to the well, batter the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?  | Contraction of the second second   |  |   |   |   |   |   |
| Consider formation         Destination         Post of ATTELOPE RIDGE         Destination dereverting           3366         ATTELOPE RIDGE         Destination dereverting         220           1. Outline the acreage dedicated to the subject well by colored pencil or bachter marks on the plat below.         2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).         3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, incres-pooling, etc?           Yee         No         If answer is "sea" its the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form is necessary).           No allowable will be assigned to the well until all interests have been consolidated. (Use reverse side of this form is necessary).           No allowable will be assigned to the well until all interests have been consolidated. (Use reverse side of this form is necessary).           No allowable will be assigned to the well until all interests have been consolidated. (Use reverse side of this form is necessary).           No allowable will be assigned to the well match and whit eliminating such interests, has been approved by the Commission.           I hereby carify that the information command the side of yrw more and being its in the match and the information command the side of yrw more and being its in the match and the same is and complete to the same is and acomplete to the same is an of commen to the same is n   |  | E CONTRACTOR DE LA CONTRACTÓR DE LA CONT |   | 1000  |   | FIGT  |   |
| 3366       ATOKA -       ANTELOPE RIDGE       320       Armse         1. Outline the servage dedicated to the subject well by colored pencil or hachare marks on the plat below.       Armse       Armse         2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).       If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?         Yee       No       If answer is "yee," type of cossolidation         If answer is "ac," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)       No allowable will be assigned to the well until all interests have been consolidated. (Use reverse side of this form if necessary.)         No allowable will be assigned to the well until all interests have been consolidated. (Use reverse by the Commission.)       CERTIFICATION         I haraky carify the the information commission.       I haraky carify the the information commission.       Decomposition.         I haraky carify the the information commission.       I haraky carify the the information commission.       Decomposition.         I haraky carify the interview of the information commission.       I haraky carify the the information commission.         I haraky carify the the information.       I haraky carify the the information.         I haraky carify the the information.       I haraky carify there the info   |  |  | the second se   |   | feet from   | the EAST  |   |
| 2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty). 3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?  Yea No If answer is "yes," type of consolidation  H answer is "ac," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary). No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.  CERTIFICATION  I hardw carify that the information convined basin is now and empire to the bar of any interest made and provide and balls.  Dentation  Regulatory Administrator  Serverse  if t.  |  |  | . •   |   | OPE RIDO  | ΞĒ.   | 32.0  |
| The second surveys made by me or<br>under my supervision, and that the same<br>is true and correct to the best of my<br>knowledge and belief.   | <ol> <li>Outline the</li> <li>If more the interest and</li> <li>If more the dated by control of the dated by control of the date of the da</li></ol> | e acreage dedicated to<br>an one lease is dedica<br>d royalty).<br>in one lease of different<br>ommunitization, unitizat<br>No If answer i<br>is "ao;" list the owners<br>f necessary.)<br>le will be assigned to th   | ated to the well,<br>t ownership is d<br>ion, force-poolin<br>a "yes," type of<br>and tract descr<br>he well until all<br>a non-standard<br>BTA<br>soug J | Il by colored p<br>outline each<br>edicated to the<br>g. etc?<br>consolidation<br>iptions which<br>interests have<br>unit, eliminat | have actual<br>been cons-<br>ing such int<br>DCE RS | the ownership the<br>the ownership the<br>the interests of<br>ly been consolidated<br>olidated (by com-<br>terests, has been<br>Name<br>DOROTHY<br>Position<br>Regulat<br>Company<br>BTA OIL<br>Date<br>7/28/89 | Acres<br>the plat below.<br>Thereof (both as to working<br>all owners been consoli-<br>ated. (Use reverse side of<br>munitization, unitization,<br>approved by the Commis-<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION<br>CERTIFICATION |
| FEBRUARY.7, 1980<br>Registered Protession Engineer<br>md/gr Long Turveyor<br>MAXA SCHUMANN JB 1<br>Certificate No.<br>1510  |  |  |   |   |   | notes of<br>under my<br>is true a   | actual surveys made by me or<br>supervision, and that the same<br>nd correct to the best of my  |
| 0 330 660 90 1320 1650 1960 2310 2640 2000 1500 1000 500 0  | 0 330 640  |  |   | 1300 10   |   | Registered<br>and/gr Lan<br>MAXA S<br>Certificate   | CHUMANN JR I  |

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EXHIBIT V.

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|       |                                | CAZA PETROLEUM APPLICATION<br>FOR SWD WELL APPROVAL                                    |
|-------|--------------------------------|--|
| DATE: | Caza Ridge<br>5/6/2013 15:01 A | 14 State # 1 SWD_(Re Entry of BTA Producers Ridge # 1)<br>M INDEX REFERENCE PAGE NO.:3 |
|       |                                | RMATION AND EXHIBITS PERTAINING TO<br>FIC PARAGRAPHS OF OCD FORM C - 108               |
|       | PARAG                          | GRAPH(S): VI.  |
|       | EXHIBIT:                       | VI WELL DATA WITHIN AREA OF REVIEW   |
|       | EXHIBIT:                       |  |

| INFO. CATEGORY                       |            | IBIT VI.                                     |      |                                     | FOR CAZA RIDGI<br>P Ridge #1) SEC 1 |           |                  | try of BTA, 8006<br>., NM |
|--------------------------------------|------------|--|------|-------------------------------------|-------------------------------------|-----------|------------------|---------------------------|
|                                      |            | ALL WELLS WITHIN                             | .5 N | TILE RADIUS OF PR                   | ROPOSED SWD WE                      | ELL ( "AF | REA OF REVIEW"   | AS DEFINED BY             |
|                                      |            | NEW MEXICO OIL                               | CON  | SERVATION DIVIS                     | ION) EXHIBITS A                     | RE REFE   | RENCED TO PAR    | AGRAPHS IN OCD            |
| Date:                                | 4/24/2013  |  |      |                                     | FORM C-108                          |           |                  |                           |
|                                      |            | E 14 ST #1 SWD (Re-<br>, 8006 JV-P Ridge #1) |      | CAZA RIDG                           | E 14 STATE #3H                      |           |                  | UPRON FEDERAL<br>MM #1    |
| API                                  | 300        | 25266920000                                  | 10   | 30025                               | 406210000                           | -         | 3002             | 2526719                   |
| TYPE WELL: (para. I)                 |            | VERTICAL MORROW & ATOKA<br>GAS               |      | 3RD BONE SPRING HORIZONTAL          |                                     |           | VERTICAL MO      | GAS                       |
| LOCATION:                            | 1980 FSI   | & 1980FEL; SEC 14                            |      | 330' FSL & 1980' FEL Sec 14, T23S R |                                     | R         |                  | 80 FWL; SEC. 14, T        |
|                                      | T235_R3    | 4 E, LEA CO, NEW<br>MEXICO                   |      | a series in the series of the       | o., New Mexico                      |           | 235_R 34E        | , LEA CO. NEW<br>EXICO    |
| WELL TOTAL DEPTH:                    | 13543' MD  | TVD  |      | 11750' MD TVD                       | 15561' MD                           |           | 13600' MD<br>TVD |                           |
| CONSTRUCTION:                        | VERTICAL W | /ELL   |      | Pilot Hol                           | e/ Horizontal                       | 1         | VERTI            | CAL WELL                  |
| Surface Pipe                         | 30 in      | 72' 150 SX                                   |      | 20 IN                               | 40'                                 |           | 30 IN            | 40'                       |
| Fresh Water Protection               | 20 in      | 677' 800 SX                                  | ſ    | 13.375 in                           | 750' 700 SX                         | 1         | 20 IN            | 750' 1325 SX              |
| Intermed.Casing                      | 13.375 in  | 4900' 5000 SX /                              |      | 9.625 in                            | 4952' 1960 SX                       | -         | 13 3/8 IN        | 5026' 4200 SX             |
| Casing                               | 9.625 in   | 11713' 3300 SX                               |      | 7 in                                | 11590' 1415 SX                      | ~         | 9 5/8 IN         | 11850' 900 SX             |
| Casing/Liner                         | 7.625 in   | 11289'- 13432'<br>350 SX                     | t    | 4.5 in                              | 15561' - 10319'<br>230 SX           | -         | 7.625 IN         | 11519' - 13595'<br>325 SX |
| Tubing                               | 3.5 in     | 12950'                                       | T    |                                     |                                     |           |                  |                           |
| COMPLETION HIST .:                   |            |  |      |                                     |                                     | _         |                  |                           |
| Well Active/Inactive                 | Inactive   |  | 1    | Active                              |                                     | -         | Active           |                           |
| Spud date:                           | 7/16/1980  |  | 1    | 6/28/2012                           |                                     | -         | 5/7/1980         |                           |
| Completion Date:                     | 12/4/1980  |  | 1    | 11/1/2012                           |                                     |           | 10/13/1980       |                           |
| Interval perforated:                 | 12866'     | 12869'                                       |      | 11677'                              | 15407'                              |           | 12024'           | 13264'                    |
| MD TVD Horizontal                    | N/A        |  |      | 11263'                              |                                     |           | N/A              |                           |
| TD HORIZ Well (MD)                   | N/A        |  |      | 15561'                              |                                     |           | N/A              |                           |
| Plugging Date:                       | N/A        |  |      | N/A                                 |                                     |           | N/A              |                           |
| Recompletion Date:                   | 6/15/13    |  |      | N/A                                 |                                     |           |                  |                           |
| Interval perf'd:                     | 6054-      | 148'; 5237-307'                              |      | N/A                                 |                                     |           |                  |                           |
| Well Bore Diagram (Para. III & VIII) |            | L BORE DIAGRAM<br>EXHIBIT III )              |      |                                     | N/A                                 |           |                  | N/A                       |
|                                      | ++         |  | +    |                                     |                                     | -         |                  |                           |

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# CAZA PETROLEUM APPLICATION FOR SWD WELL APPROVAL

Caza Ridge 14 State # 1 SWD\_(Re Entry of BTA Producers Ridge # 1)
DATE: 5/6/2013 15:01 AM INDEX REFERENCE PAGE NO.: 4

INFORMATION AND EXHIBITS PERTAINING TO SPECIFIC PARAGRAPHS OF OCD FORM C - 108

PARAGRAPH(S): VII.

EXHIBIT: VII. - INJECTION RATES, VOLUMES AND PRESSURES

EXHIBIT: VII. - INJECTION WATER ANALYSIS

EXHIBIT: VII. - RECEIVING ZONE WATER ANALYSIS

EXHIBIT:

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EXHIBIT:

### INJECTION RATES, VOLUMES AND PRESSURES

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 Maximum: 2 BFPM with total rate 2880 BFPD Average: 1.5 BFPM with total rate 2160 BFPD
 System is closed
 1200 psi maximum and 1100 psi average Based on .2 psi/ft x footage to top perf (6054')
 Bosst x. Z = 1240 Psig at surface

### **EXHIBIT VII.**

| P.O. BOX 98 Martin Water Laboratories, Inc.  |                             |                          |                          | 709 W. INDIANA                            |  |
|--|-----------------------------|--------------------------|--------------------------|---|--|
| MIDLAND, TX. 79702<br>PHONE (432) 683-4521   | ESULT OF WATER A            | NALYSES                  |                          | MIDLAND, TEXAS 7970<br>FAX (432) 682-8819 |  |
|  | ĩ                           | ABORATORY NO.            |                          | 0113-189                                  |  |
| TO:Richard Wright  |                             | AMPLE RECEIVED           |                          | 1-15-13                                   |  |
| 200 N. Lorraine, Suite 1550, Midland, TX   | 70701                       | ESULTS REPORTED          |                          | 1-22-13                                   |  |
| COMPANYCaza  | 15                          | Caza R                   | idge 14 #3H              |   |  |
| FIELD OR POOL  |                             | ASE                      | 0                        |   |  |
| SECTION BLOCK SURVEY   |                             | eaSTA                    | TE                       | NM  |  |
| SOURCE OF SAMPLE AND DATE TAKEN:   | Produc                      | ed water from 3rd        | Bone Spring Fo           | rmation.                                  |  |
| NO. 1Submitted water sample - taken 1  |                             | ap for location (Ex      |                          | in a second                               |  |
|  |                             |                          |                          |   |  |
| NO.2   |                             |                          |                          |   |  |
| NO. 3  |                             |                          |                          |   |  |
| NO.4   |                             |                          |                          |   |  |
| REMARKS:   |                             |                          |                          |   |  |
| THE R. P. LEWIS CO., MILLION, MILLION, MILLION, CO., MILLION, | ICAL AND PHYSICA            | L PROPERTIES             |                          |   |  |
| OTEN   | NO. 1                       | NO. 2                    | NO. 3                    | NO. 4                                     |  |
| Specific Gravity at 60* F.   | 1.0415                      |                          |                          |   |  |
| pH When Sampled  |                             |                          |                          |   |  |
| pH When Received   | 6.80                        |                          |                          |   |  |
| Bicarbonate as HCO,  | 305                         |                          |                          |   |  |
| Supersaturation as CaCO,   |                             |                          |                          |   |  |
| Undersaturation as CaCO,   |                             |                          |                          |   |  |
| Total Hardness as CaCO,  | 6,200                       |                          |                          |   |  |
| Calcium as Ca  | 1,600                       |                          |                          |   |  |
| Magnesium as Mg  | 535                         |                          |                          |   |  |
| Sodium and/or Potassium  | 17,442                      |                          |                          |   |  |
| Sulfate as SO,   | 1,740                       |                          |                          |   |  |
| Chloride as Cl   | 29,828                      |                          |                          |   |  |
| Iron as Fe   | 38                          |                          |                          |   |  |
| Barium as Ba   | 0                           |                          |                          |   |  |
| Turbidity, Electric  |                             |                          |                          |   |  |
| Color as Pt  |                             |                          |                          |   |  |
| Total Solids, Calculated   | 51,450                      |                          |                          |   |  |
| Temperature *F.  |                             |                          |                          |   |  |
| Carbon Dioxide, Calculated   | 79                          |                          |                          |   |  |
| Dissolved Oxygen.  |                             |                          |                          |   |  |
| Hydrogen Sulfide   | 0.0                         |                          |                          |   |  |
| Resistivity, ohms/m at 77* F.  | 0.157                       |                          |                          |   |  |
| Suspended OII  |                             |                          |                          |   |  |
| FINARIA SONALAWAYA Corrosiveness   | Moderate                    |                          |                          |   |  |
| งสมพรามและพระ Barium Sulfate Scaling Tendency  |                             |                          |                          |   |  |
| CaCO3 S.I. @ 77° F. (Stiff-Davis)  | -0.31                       |                          |                          |   |  |
| CaCO3 S.I. @ 122° F. (Stiff-Davis)   | 0.29                        |                          |                          |   |  |
| Calcium Sulfate Scaling Tendency   | None                        |                          |                          |   |  |
| R  | lesults Reported As Milligr | ams Per Liter            |                          |   |  |
| Additional Determinations And Remarks  |                             |                          |                          |   |  |
| CaCO3 S.1 A positive fig. signifies a scaling potential pr   | roportionate to the magn    | itude of the number, and | a negative fig. signifie | s no scaling potential.                   |  |
|  |                             |                          |                          |   |  |
| Places feel free to contest us for any details or  | discussions concer          | ning those uppults       |                          |   |  |
| Please feel free to contact us for any details or  | discussions concer          | ning these results.      |                          |   |  |
|  |                             |                          |                          |   |  |
|  |                             |                          |                          |   |  |
|  |                             | 111                      |                          |   |  |
|  |                             |                          |                          |   |  |
| Form No. 3   |                             | n Shall del              | 7                        |   |  |
|  |                             | By Arton Con C           | Greg Ogden, B.S          | 5.  |  |

INJECTION WATER ANALYSIS

LATHAM PRINTING CO. + 333-1292

# EXHIBIT VII.

#### RECEIVING ZONE WATER ANALYSIS

| P.O. BOX 98 Mar  | tin Water Lab                             | oratories, In       | IC.               | 709 W. INDIANA             |
|--|---|---------------------|-------------------|----------------------------|
| MIDLAND, TX. 79702   |   |                     |                   | MIDLAND, TEXAS 797         |
| PHONE (432) 683-4521   | ESULT OF WATE                             | ER ANALYSES         |                   | FAX (432) 682-8819         |
| Dishand Mainta   |   | LABORATOR           | TY NO             | 0413-394                   |
| TO: Richard Wright   |   | SAMPLE RE           | CEIVED            | 4-22-13                    |
| 200 N. Lorraine, Suite 1550, Midland, TX   | 79701                                     | RESULTS RE          | PORTED            | 4-23-13                    |
| COMPANY_Caza Operating   |   | LEASE               | Curry State #2    | 22-23-34                   |
| FIELD OR POOL  | ntelope Ridge                             | Cherry              | Canyon            |                            |
| SECTION BLOCK SURVEY   | COUNTY                                    | Lea                 | STATE             | NM                         |
| SOURCE OF SAMPLE AND DATE TAKEN:   |   |                     | STATE             |                            |
| NO. 1 Submitted water sample - taken 4-  | 18-13 from pu                             | mping tee.          | See map for locat | ion (Exhibit V.).          |
| NO.2   |   |                     |                   |                            |
| NO. 3  |   |                     |                   |                            |
| NO.4   |   |                     |                   |                            |
| REMARKS:C  | Cherry Canyon                             |                     |                   |                            |
| CALIFORNIA CONTRACTOR AND A STREET OF THE STREET AND A | THE R. LEWIS CO., No. of Concession, Name |                     | TIER              |                            |
| CHEM   | NO. 1                                     | NO.                 |                   | NO. 4                      |
| Specific Gravity at 60* F.   | 1.1950                                    |                     |                   | 10.4                       |
| pH When Sampled  |   |                     |                   |                            |
| pH When Received   | 5.40                                      |                     |                   |                            |
| Bicarbonate as HCO,  | 27  |                     |                   |                            |
| Supersaturation as CaCO,   |   |                     |                   |                            |
| Undersaturation as CaCO,   |   |                     |                   |                            |
| Total Hardness as CaCO,  | 97,000                                    |                     |                   |                            |
| Calcium as Ca  | 31,600                                    |                     |                   |                            |
| Magnesium as Mg  | 4,374                                     |                     |                   |                            |
| Sodium and/or Potassium  | 90,494                                    |                     |                   |                            |
| Sulfate as SO,   | 290                                       |                     |                   |                            |
| Chloride as Cl   | 208,086                                   |                     |                   |                            |
| Iron as Fe   | 27  |                     |                   |                            |
| Barium as Ba   | 0   |                     |                   |                            |
| Turbidity. Electric  |   |                     |                   |                            |
| Color as Pt  |   |                     |                   |                            |
| Total Solids, Calculated   | 334,870                                   |                     |                   |                            |
| Temperature *F.  |   |                     |                   |                            |
| Carbon Dioxide, Calculated   | 177                                       |                     |                   |                            |
| Dissolved Oxygen.  |   |                     |                   |                            |
| Hydrogen Sulfide   | 0.0                                       |                     |                   |                            |
| Resistivity, ohms/m at 77* F.  | 0.042                                     |                     |                   |                            |
| Suspended OII  |   |                     |                   |                            |
| ศักริสัตร์ สิงพิสรัสรัสพิม Corrosiveness   | Severe                                    |                     |                   |                            |
| พลงและสายเพลงสาย Barium Sulfate Scaling Tendency   | None                                      |                     |                   |                            |
| CaCO3 S.I. @ 77° F. (Stiff-Davis)  | 1.84                                      |                     |                   |                            |
| CaCO3 S.I. @ 122° F. (Stiff-Davis)   | 1.80                                      |                     |                   |                            |
| Calcium Sulfate Scaling Tendency   | None                                      |                     |                   |                            |
|  | esuits Reported As M                      | illigrams Per Liter |                   |                            |
|  |   | ing and a star      |                   |                            |
| Additional Determinations And Remarks<br>CaCO3 S.I A positive fig. signifies a scaling potential prop<br>Please feel free to contact us for any details or d   |   |                     |                   | fies no scaling potential. |
|  |   |                     | 17                |                            |
|  |   |                     | 1                 |                            |
|  |   |                     | 4/                |                            |
|  |   | (                   | 1/1/2             |                            |
| Form No. 3   |   |                     | X Lac             |                            |
|  |   | Ву                  | Care Order D      | 0                          |
|  |   |                     | Greg Ogden, B     | .5.                        |

LATHAM PRINTING CO. - 333-1292

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EXHIBIT VII.

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| CAZA PETROLEUM | APPLICATION |
|----------------|-------------|
| FOR SWD WELL   | APPROVAL    |

Caza Ridge 14 State # 1 SWD\_(Re Entry of BTA Producers Ridge # 1)
DATE: 5/6/2013 15:01 AM INDEX REFERENCE PAGE NO.: 5\_

INFORMATION AND EXHIBITS PERTAINING TO SPECIFIC PARAGRAPHS OF OCD FORM C - 108

| PARAGRAPH(S): | VIII. |  |
|---------------|-------|--|
|               |       |  |

EXHIBIT: VIII. - TYPE LOG

EXHIBIT: VIII. - FRESH WATER AQUIFERS

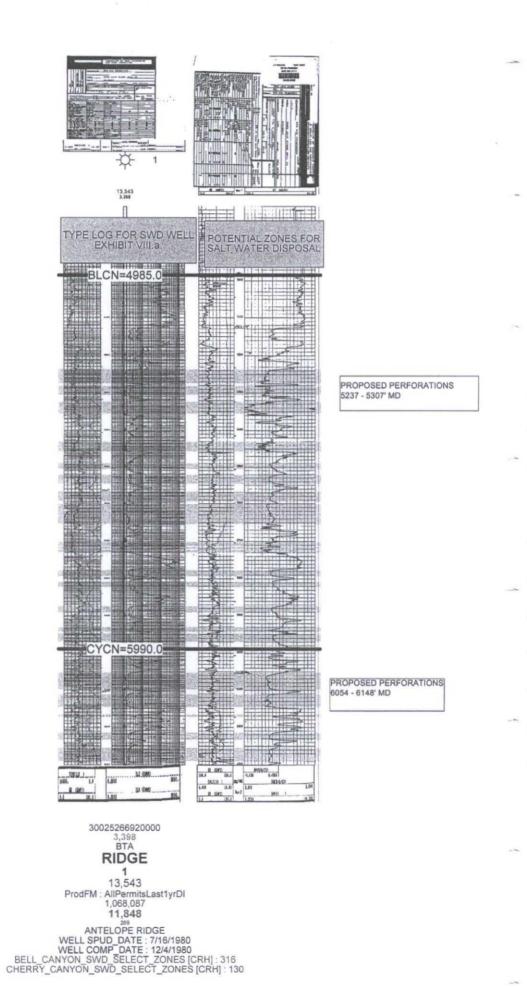
| EXHIBIT: |     |     | _   |
|----------|-----|-----|-----|
| LAIDII.  | FXH | IRI | T • |
|          |     | IDI |     |

EXHIBIT:

| EXHIBIT:   |  |  |
|------------|--|--|
| Extraction |  |  |

# CAZA RIDGE 14 ST #1 SWD (Re-Entry of BTA Producers Ridge #1)

2013 3:49:29 PM (BTA #1 SWD EXHIBIT FOR OCD PERMIT.CSP



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EXHIBIT VIII.

### FRESH WATER AQUIFERS

Caza Ridge 14 State # 1 SWD Fresh Water Aquifers

| Thickness           | Top of Formation | <b>Bottom of Formation</b> | Formation Thickness |
|---------------------|------------------|----------------------------|---------------------|
| Quaternary alluvium | 0                | 10                         | 10                  |
| Dockum Group        | 10               | 310                        | Up to 300           |
| Dewey Lake Redbeds  | 310              | 560                        | Up to 250           |
| Rustler             | 560              | 730                        | Up to 170           |
| Salado              | 730              |                            |                     |

There are no fresh water aquifers below the proposed Bell Canyon and Cherry Canyon zones.

These thicknesses were obtained from:

Geologic Atlas of Texas, Hobbs Sheet, William Battle Phillips Memorial Edition, The University of Texas at Austin, Bureau of Economic Geology, 1976.

David Hamilton RT Hicks Consultants Office: 505-266-5004

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## EXHIBIT VIII.

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|       |                              | CAZA PETROLEUM APPLICATION<br>FOR SWD WELL APPROVAL                     |
|-------|------------------------------|---|
| DATE: | Caza Ric<br>5/6/2013 15:01 A | INDEX REFERENCE PAGE NO.: 6   |
|       |                              | MATION AND EXHIBITS PERTAINING TO<br>FIC PARAGRAPHS OF OCD FORM C - 108 |
|       | PARAG                        | GRAPH(S): IX.   |
|       | EXHIBIT:                     | IX STIMULATION PROGRAM  |
|       | EXHIBIT:                     |   |

1 ×



#### May 17, 2013

Re: SWD Application (Form C-108) Caza Ridge 14 State #1 SWD Section 14, T23S-R34E Lea County, New Mexico

The completion of the Caza Ridge 14 State #1 SWD well will consist of a plastic lined tubing string and associated plastic lined packer followed by a well stimulation, as necessary, with a solution of 15% HCl acid followed by a fracture stimulation.

Caza Petroleum, Inc. **Richard Wright** 

**Operations** Manager

Caza Petroleum, Inc. + 10077 Grogan's Mill Road, Suite 200 + The Woodlands, TX 77380 + Tel: 281 363-4442 + Fax: 281 363-4454 + CazaPetrol.com

### EXHIBIT IX.

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|       |   | CAZA PETROLEUM APPLICATION<br>FOR SWD WELL APPROVAL   |  |
|-------|---|---|--|
| DATE: | Caza Ric<br>5/6/2013 15:01 A  | dge 14 State # 1 SWD_(Re Entry of BTA Producers Ridge # 1)<br><sup>M</sup> INDEX REFERENCE PAGE NO.:7 |  |
|       | INFORMATION AND EXHIBITS PERTAINING TO<br>SPECIFIC PARAGRAPHS OF OCD FORM C - 108 |   |  |
|       | PARAGRAPH(S): X.  |   |  |
|       | EXHIBIT:  | X LOGGING DATA (On file @ OCD)  |  |
|       | EXHIBIT:  |   |  |

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|   |   | CAZA PETROLEUM APPLICATION    |  |  |
|---|---|-------------------------------|--|--|
|   |   | FOR SWD WELL APPROVAL         |  |  |
|   | Caza Ridge 14 State # 1 SWD_(Re Entry of BTA Producers Ridge # 1) |                               |  |  |
| DATE:   | 5/6/2013 15:01 A  | M INDEX REFERENCE PAGE NO.: 8 |  |  |
| INFORMATION AND EXHIBITS PERTAINING TO<br>SPECIFIC PARAGRAPHS OF OCD FORM C - 108 |   |                               |  |  |
| PARAGRAPH(S): XI.   |   |                               |  |  |
|   | EXHIBIT:  | XI FRESH WATER SAMPLE         |  |  |
|   | EXHIBIT:  |                               |  |  |

1.

| P.O. BOX 98<br>MIDLAND, TX. 79702<br>PHONE (432) 683-4521<br>TO: | Martin Water Lat<br>RESULT OF WAT<br>d, TX 79701   |                       | 4                     | 709 W. INDIANA<br>MIDLAND, TEXAS 7970<br>FAX (432) 682-8819<br>413-393<br>-22-13<br>-22-13 |
|--|--|-----------------------|-----------------------|--|
| COMPANY_Caza Operating   |  | LEASE                 |                       |  |
| FIELD OR POOL  |  |                       |                       |  |
| SECTION BLOCK SURVEY   |  | S1                    |                       |  |
| SOURCE OF SAMPLE AND DATE TAKEN:                                 |  |                       |                       |  |
| NO. 1  |  |                       |                       |  |
| NO. 2 Water sample - taken 4-20-13                               | and labeled "Limestor  | e Livestock Water W   | ell - from pump outle | et (Lea, NM)   |
| NO.3 Maximum contents for drin                                   | nking water as recomi  | mended by the Texa    | s Dept. of Health.    |  |
| NO. 4  |  |                       |                       |  |
| REMARKS:   |  |                       |                       |  |
|  | CHEMICAL AND PHYS  |                       |                       |  |
|  | NO. 1  | NO. 2                 | NO. 3                 | NO. 4  |
| Specific Gravity at 60 * F.                                      |  | 1.0028                |                       | 110.4  |
| pH When Sampled  |  |                       |                       |  |
| pH When Received   |  | 7.50                  |                       |  |
| Bicarbonate as HCO,  |  | 239                   |                       |  |
| Supersaturation as CaCO,   |  |                       |                       |  |
| Undersaturation as CaCO <sub>4</sub>                             |  |                       |                       |  |
| Total Hardness as CaCO,  |  | 204                   |                       |  |
| Calcium as Ca  |  | 58                    |                       |  |
| Magnesium as Mg  |  | 15                    |                       |  |
| Sodium and/or Polassium  |  | 20                    |                       |  |
| Sulfate as SO,   |  | 31                    | 300                   |  |
| Chloride as Cl   |  | 14                    | 300                   |  |
| Iron as Fe   |  | 0.84                  | 0.3                   |  |
| Barium as Ba<br>Turbidity, Electric                              |  | 0                     |                       |  |
| Color as Pt  |  |                       |                       |  |
| Total Solids, Calculated   |  | 377                   | 1,000                 |  |
| Temperature *F.  |  |                       |                       |  |
| Carbon Dioxide, Calculated                                       |  |                       |                       |  |
| Dissolved Oxygen,  |  |                       |                       |  |
| Hydrogen Sulfide   |  | 0.0                   |                       |  |
| Resistivity, ohms/m at 77* F.                                    |  | 24.650                |                       |  |
| Suspended Oli  |  |                       |                       |  |
| Filtrable Solids as mg/l   |  |                       |                       |  |
| Volume Filtered, ml  |  |                       |                       |  |
|  |  |                       |                       |  |
|  |  |                       |                       |  |
|  | Results Reported As I  | Milligrams Per Liter  |                       |  |
| Additional Determinations And Remarks                            |  | ed certifies the abov | e to be true and co   | rrect to the best  |
| of his knowledge and belief.                                     | Q  |                       |                       |  |
|  |  |                       |                       |  |
|  |  |                       |                       |  |
|  |  |                       |                       |  |
|  |  |                       |                       |  |
|  |  |                       |                       |  |
|  |  |                       |                       |  |
|  | the second s |                       | 1 m                   |  |
| Form No. 3   |  | By                    | ale                   |  |
| cc: Fred Wright  |  |                       | Greg Ogden, B.S.      |  |

cc: Fred Wright LATHAM PRINTING CO. - 333-1292

See map for location (Exhibit V.)

## EXHIBIT XI.

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|       |   | CAZA PETROLEUM APPLICATION<br>FOR SWD WELL APPROVAL   |  |  |  |  |  |
|-------|---|---|--|--|--|--|--|
| DATE: | Caza Ric<br>5/6/2013 15:01 A  | dge 14 State # 1 SWD_(Re Entry of BTA Producers Ridge # 1)<br>M INDEX REFERENCE PAGE NO.: 9 |  |  |  |  |  |
|       | INFORMATION AND EXHIBITS PERTAINING TO<br>SPECIFIC PARAGRAPHS OF OCD FORM C - 108 |   |  |  |  |  |  |
|       | PARAGRAPH(S): XII.  |   |  |  |  |  |  |
|       | EXHIBIT:  | XII SIGNED AFFIRMATION STATEMENT  |  |  |  |  |  |
|       | EXHIBIT:  |   |  |  |  |  |  |
|       | EXHIBIT:  |   |  |  |  |  |  |
|       | EXHIBIT:  |   |  |  |  |  |  |
|       | EXHIBIT:  |   |  |  |  |  |  |

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April 30, 2013

Re: Application for Authorization to Inject (Form C-108) Caza- Copperline 14 State No. 1 SWD

All available geological and engineering sources of data were reviewed. There is no apparent connectivity between proposed SWD intervals and any existing sources of drinking water.

CAZA PETROLEUM, INC.

and R. A. ind

Carroll R. Hird Consulting Geologist

## EXHIBIT XII.

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# CAZA PETROLEUM APPLICATION FOR SWD WELL APPROVAL

Caza Ridge 14 State # 1 SWD\_(Re Entry of BTA Producers Ridge # 1)
DATE: 5/6/2013 15:01 AM INDEX REFERENCE PAGE NO.: 10

: .

INFORMATION AND EXHIBITS PERTAINING TO SPECIFIC PARAGRAPHS OF OCD FORM C - 108

| PARAC    | <u>SRAPH(S)</u> : | XIII.                 | - |
|----------|-------------------|-----------------------|---|
| EXHIBIT: | XIII NOTIO        | CE LETTER             |   |
| EXHIBIT: | XIII LIST O       | F RECIPIENTS BY TRACT |   |
| EXHIBIT: | XIII AFFID        | AVIT OF PUBLICATION   |   |
| EXHIBIT: |                   |                       |   |
| EXHIBIT: |                   |                       |   |

HOLLAND&HART

Adam G. Rankin Phone 505-954-7294 Fax 505-983-6043. AGRankin@hollandhart.com

June 3, 2013

## VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

## TO INTERESTED PARTIES

## Re: Caza Operating, LLC Form C-108 Administrative Application for Authorization to Inject for Purposes of Salt Water Disposal into the Caza Ridge 14 State No. 1 SWD (formerly BTA 8006 JV-P Ridge No. 1) Well, Lea County, New Mexico.

Ladies and Gentlemen:

This letter is to advise you that Caza Operating, LLC ("Caza") has filed the enclosed Form C-108 Administrative Application with the New Mexico Oil Conservation Division. Caza seeks administrative approval from for authorization to inject produced water into its Caza Ridge 14 State No. 1 SWD (re-entry of BTA 8006 JV-P Ridge No. 1) well, located 1980 FSL and 1980 FEL, Section 14, Township 23 South, Range 34 East, NMPM, Lea County, New Mexico. Caza Operating, LLC proposes to inject into the Delaware Formation at an interval from 6054 to 6148 feet, at an expected maximum injection rate of 2880 barrels per day, and at an expected maximum pressure of 1200 pounds per square inch.

Interested parties must file objections or requests for hearing with the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87504, within 15 days of this notice. Questions regarding this application should be directed to Mr. Jay Brown at (832) 381-3854.

Sincerely,

Adam G. Rankin ATTORNEY FOR CAZA OPERATING, LLC

#### Holland & Hart LLP

Phone [505] 988-4421 Fax [505] 983-6043 www.hollandhart.com

110 North Guadalupe Suite 1 Santa Fe, NM 87501 Mailing Address P.O. Box 2208 Santa Fe, NM 87504-2208

Aspen Billings Boise Boulder Cheyenne Colorado Springs Denver Denver Tech Center Jackson Hole Salt Lake City Santa Fe Washington, D.C. 🖏

## Notice List:

## Surface Section 14:

KELLER RV, LLC. 2811 COUNTY RD. 460 OAKLEY, KS 67748

## Section 13 (NW/4)

THE ALLAR CO. PO 1567 GRAHAM, TX 76450

Section 13 (S/2)

YATES PETROLEUM COMPANY 105 SOUTH 4<sup>TH</sup> STREET ARTESIA, NM 88210

YATES DRILLING COMPANY 105 SOUTH 4<sup>TH</sup> STREET ARTESIA, NM 88210

ABO PETROLUEM CORPORATION 105 SOUTH 4<sup>TH</sup> STREET ARTESIA, NM 88210

MYCO INDUSTRIES 105 SOUTH 4<sup>TH</sup> STREET ARTESIA, NM 88210

Section 14 (E/2)

Caza Petroleum, Inc. (applicant)

Section 14 (W/2)

HUNT OIL CO 1445 ROSS DALLAS,TX 75202 Section 23 (N/2):

\*

MERRION OIL & GAS CORPORATION 610 REILY AVE FARMINGTON, NM 87401

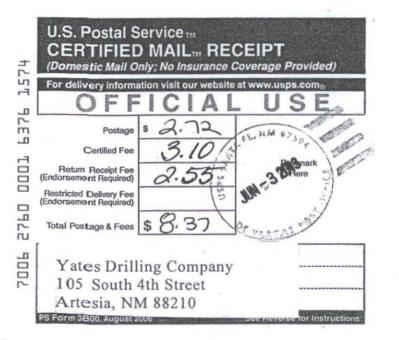
REGENERATION ENERGY CORPORATION P. O. BOX 210 ARTESIA, NM 88211

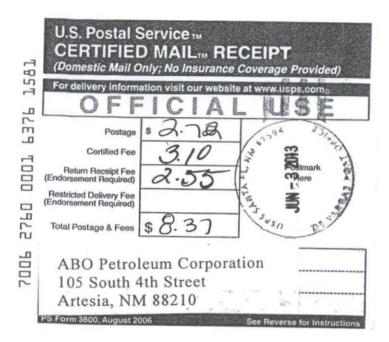
THE ALLAR CO. PO 1567 GRAHAM, TX 76450





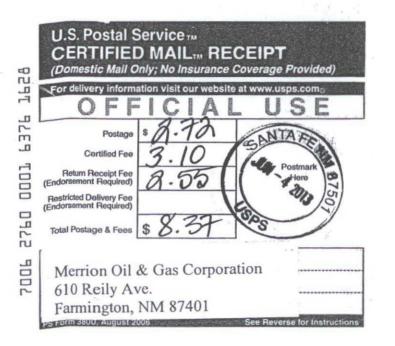


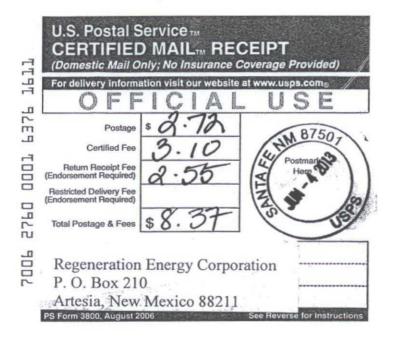












### Affidavit of Publication

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STATE OF NEW MEXICO

Joyce Clemens being first duly sworn on oath deposes and says that she is Advertisting Director of THE LOVINGTON LEADER, a thrice a week newspaper of general paid circulation published in the English language at Lovington, Lea County, New Mexico; that said newspaper has been so published in such county continuously and uninterruptedly for a period in excess of Twenty-six (26) consecutive weeks next prior to the first publication of the notice hereto attached as hereinafter shown; and that said newspaper is in all things duly qualified to publish legal notices within the meaning of Chapter 167 of the 1937 Session Laws of the State of New Mexico.

That the notice which is hereto attached, entitled Legal Notice was published in a regular and entire issue of THE LOVINGTON LEADER and not in any supplement thereof, for one (1) day(s), beginning with the issue of May 25, 2013 and ending with the issue of May 25, 2013.

And that the cost of publishing said notice is the sum of \$ 34.34 which sum has been (Paid) as Court Costs.

emena

Joyce Clemens, Advertising Manager Subscribed and sworn to before me this 3rd day of June, 2013.

umo

Gina Fort Notary Public, Lea County, New Mexico My Commission Expires June 30, 2014



#### LEGAL NOTICE

To: All parties and persons having any right, title, interest or claim in the following case and notice to the public.

Caza Operating, LLC, 200 N. Loraine, Suite 1550, Midland, TX 79701. Contact: Richard Wright (432) 682-7424, is seeking administrative approval from the New Mexico Oil Conservation Division for authorization to inject produced water into its Caza Ridge 14 State # 1 SWD well, a reentry of BTA Producers Ridge # 1, located 1980 FSL and 1980 FEL of Section 14, Township 23 South, Range 34 East, NMPM, Lea County, New Mexico. Caza Operating, LLC proposes to Inject Into the Delaware Formation at an Interval from 6054 to 6148 feet, at an expected maximum Injection rate of 2680 barrels per dity, and at an expected maximum pressure of 1200 pounds per square inch. Interested parties must file objections or requests with the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, 67504, within 15 days of this notice.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

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06/03/2013 MON 08:03 [TX/RX NO 7558] 2002

Injection Permit Checklist: Received 065/3 rst Email Date: Final Reply Date: Suspended? Permit Date: 01/16/3 1430 Legacy Permits or Orders: MA Issued Permit: Type: WFX / PMX (SWD) Number: Sulkwell Name(s) 1 aza Hoducers Ridge State Kida former Well No. 26612 980 New/6ld: 0 API : 30-0 (UIC CI II Primacy March 7, 1982) Spud Date: Tsp 235 Unit J Rge 2 80 Sec County Footages Lot/ Sinou Prod: Morrow Jal Swale Pool: **General Location** 90 Operator: peratin OGRID Contact: Za Fincl Assur: YPS Compl. Order? NO **COMPLIANCE RULE 5.9:** Inactive Wells: **TotalWells** IS 5.9 OK? g omer Morrow Well File Reviewed: Current Status: "OD line - Cont 7" inside Install Teerb 10510 Planned Rehab Work to Well: 5 Before Conversion Yes - one GR Sonic Are Elogs in Imaging?: Well Diagrams: Proposed After Conversion Sizes (in) Setting Stage Cement **Cement Top and** Well Construction Details: **Determination Method** Borehole / Pipe Depths (ft) Tool Sx or Cf 300 Planned \_\_or Existing / Cond 0 - 20 - 40 SUN Planned \_or Existing Surface 10 0 to 101 or Existing Ίz Planned or Existing LongSt 949 42 Planned 7 51 mt installe 95 Planned or Existing \_ Line to be insid g Casino at ю Planned\_or Existing \_ OH / PERF SU Casino Completion/Ops Details: 11,289 to PBTOK CIBP+CM Drilled TD 13543 Depths (ft) Injection Strat Column: Formation Tops? 1010 10 6500 Open Hole or Above Top of Inject Formation 13,59 Tubing Size 2 18 Inter Coated? Above Top of Inject Formation 5127 5100 Proposed Packer Dept (350 **Proposed Interval TOP:** 100 Min Packer Depth  $5^{\circ}$ (100-ft limit) SK 0148 05 Proposed Interval BOTTOM: 1200 Proposed Max. Surface Press 17.52 Below Bottom of Inject Formation 7400 1210 Calc. Injt Press (0.2 psi per ft) Below Bottom of Inject Formation 2600 Orm Calc. FPP (0.65 psi per ft) AOR: Hydrologic and Geologic Information POTASH: R-111-PNO Noticed? NA BLM Sec Ord NO WIPP NO Noticed? NA SALADO: T: 730 B: CLIFF HOUSE Fresh Water: Max Depth: 300 ' FW Formation Analysis? 25 HydrologicAffirmStatement Wells? 0 Bere alluvia of UNAR On Lease Only from Operator Disposal Fluid: Formation Source(s) Commercial SOM Disposal Interval: Injection Rate (AVE/MAX): 2836/2160 Protectable Waters: CAPITAN REEF: thru Noadiacent NO Formerly Producing? No H/C Potential: Producing Interval? Yes Method: E Low /Mudlog/DST/Depleted/Other AOR Wells: 1/2-M Radius Map? Yes Well List? 105 Total No. Wells Penetrating Interval: Penetrating Wells: No. Active Wells Wum Repairs? Don which well(s)? Diagrams? Penetrating Wells: No. P&A Wells Whum Repairs? O on which well(s)? **Diagrams**? N. Date 05/25/2013 RV Keller LL NOTICE: Newspaper Date 5 25 2013 Mineral Owner SLC Surface Owner N. Date JUNE 3 HUNE Oil Abo Myco 2 Yates RULE 26.7(A): Identified Tracts? Affected Persons: that Regeneration MEATISY Permit Conditions: Casin Issues: SWD\_Checklist V6.xls J. Griswald to