

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

**APPLICATION OF CAZA PETROLEUM
INCORPORATED FOR APPROVAL
OF THE LENNOX STATE EXPLORATORY UNIT,
LEA COUNTY, NEW MEXICO.**

CASE NO. 14788

AFFIDAVIT OF JOHN THOMA

STATE OF COLORADO)
) ss.
COUNTY OF JEFFERSON)

I, John Thoma, being first duly sworn on oath, state as follows:

1. My name is John Thoma. I reside in Golden, Colorado. I am the petroleum geologist employed by Caza Petroleum, Incorporated ("Caza") and responsible for the formation of the proposed Lennox State Exploratory Unit ("the Unit") comprised of 1920 acres, more or less, of State and Fee lands situated in Lea County, New Mexico.

2. Caza, the designated Unit Operator in the Lennox State Exploratory Unit Agreement, proposes to test all formations from the Lower Brushy Canyon (8,200-8,500 feet) to the Wolfcamp formation (11,400 feet).

3. An initial horizontal well will target the Upper Second Bone Spring Sand at a total vertical depth of approximately 10,150 feet.

4. If the initial well is successful, additional wells will be drilled in the Unit Area.

5. **Attachment A** is a Second Bone Spring Sand Structure Map that shows a regional dip to the West at approximately 100 feet per mile. While there is no production from the Second Bone Spring Sand in the immediate area, open hole logs, along with sample and gas shows from offsetting vertical tests that targeted underlying Atoka/Morrow objectives, suggest the Second Bone Spring Sand is potentially hydrocarbon saturated across the Unit Area.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. 4
Submitted by:
CAZA PETROLEUM, INC.
Hearing Date: January 19, 2012

6. **Attachment B** is a Structural Cross-Section A-A'. The Second Bone Spring Sand is designated as the Second Bone Spring Upper Member Pay, which is highlighted in green on the cross-section. The cross-section depicts the porosity development within the objective Second Bone Spring Sand from four offsetting wells penetrating the objective member in the NW/4 SW/4 and SW/4 SE/4 of Section 28, Township 22 South, Range 35 East; NE/4 SW/4 of Section 4, Township 23 South, Range 35 East; and NE/4 NW/4 of Section 6, Township 23 South, Range 35 East. The penetrations also document the thickness, lateral distribution, and overall continuity of the objective member in the Unit Area and its immediate vicinity.

7. **Attachment C** is a Structural Cross-Section D-D'. The Second Bone Spring Sand is designated as the Second Bone Spring Upper Member Pay, which is highlighted in green on the cross-section. The Second Bone Spring Upper Member Pay, highlighted in green, further documents the porosity development within the objective Second Bone Spring Sand offsetting the Unit Area and the thickness, lateral distribution, and overall continuity of the member in the Unit Area and its immediate vicinity from three additional penetrations in the objective member in the NW/4 SE/4 of Section 14, Township 23 South, Range 34 East; the SW/4 SW/4 of Section 18, Township 23 South, Range 35 East; and the NW/2 SW/4 of Section 36, Township 22 South, Range 34 East.

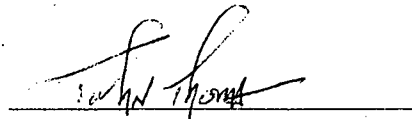
8. Secondary objectives include sandstones in the Lower Brushy Canyon section (8,200-8,500 feet), sandstone and shales in the Avalon section of the Upper Bone Spring Formation (8,600-9,300), and the First and Third Bone Spring Sands (9,550-9,800 feet and 11,000-11,250, respectively).

9. This is a costly and high-risk project because there are no wells producing from the Second Bone Spring Sand in the immediate vicinity of the Unit Area.

10. In my opinion, the Unit covers an area that can be reasonably developed under a unit plan, and formation of this exploratory unit will result in the efficient recovery of hydrocarbons.

11. In my opinion, approval of the Lennox State Exploratory Unit and the development of the Unit Area pursuant to a unit plan is in the best interest of conservation, the prevention of waste, and the protection of correlative rights.

FURTHER AFFIANT SAYETH NOT.



Keith Thomas

SUBSCRIBED AND SWORN before me on this 18 day of January 2012.

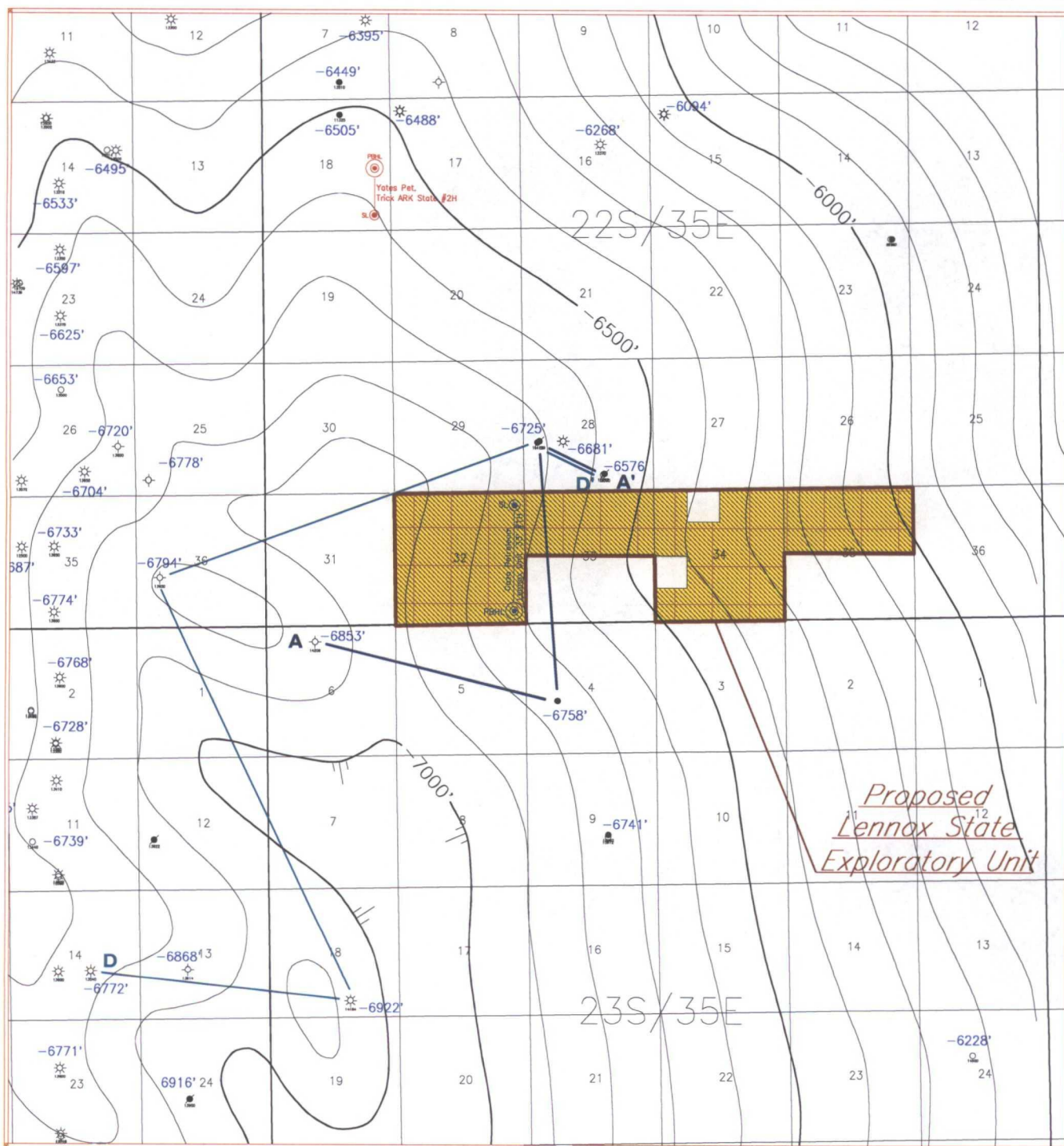
My Commission Expires:

4-19-2013



My Commission Expires 04/19/2013

Karla Brior
Notary Public
County of Jefferson
State of Colorado



*Proposed
Lennox State
Exploratory Unit*

CAZA PETROLEUM		
Southeast New Mexico Area LENNOX STATE UNIT, Lea Co., N.M. 2nd BONE SPRING SAND STRUCTURE MAP		
1"=6,000'	Ct. 100'	12-11

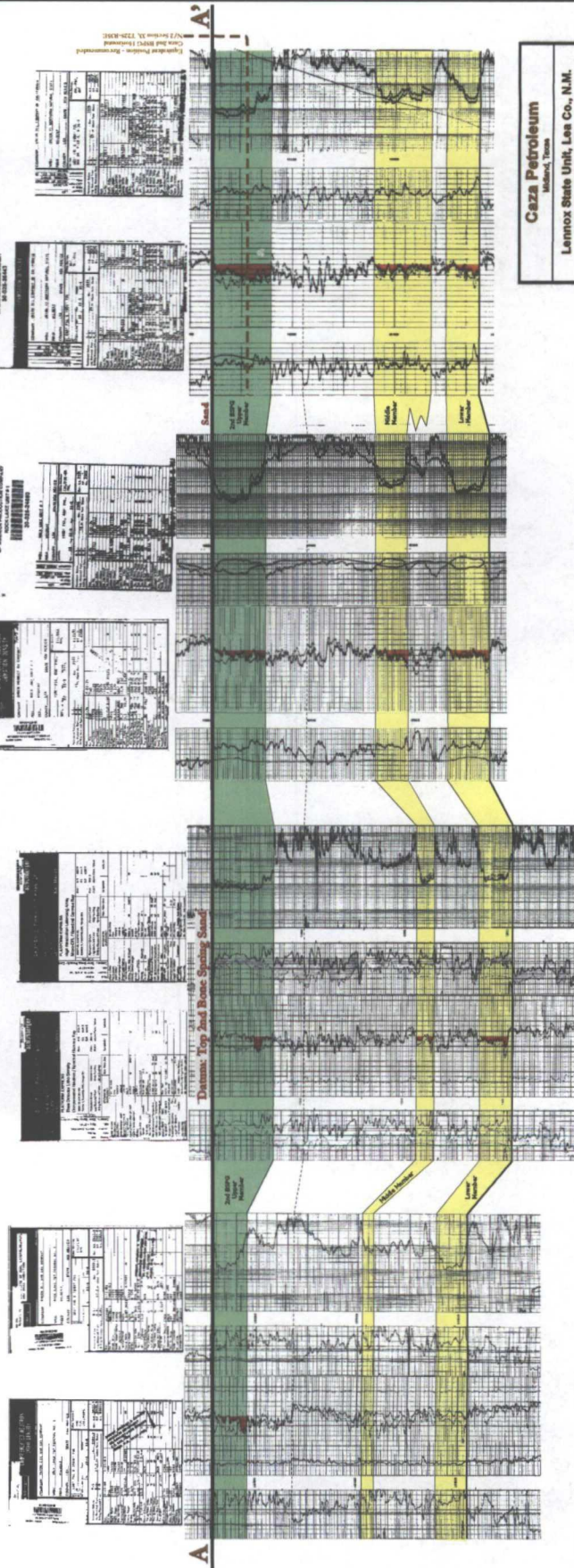
Lennox State Unit Area
 Wells Offset Caza Oil & Gas Leasehold in Sections 32, 33 & 34 T22S, R38E

NENW Section 6, T22S, R38E

NESW Section 4, T22S, R38E

NWSW Section 28, T22S, R38E

SWSE Section 28, T22S, R38E



Area Wells Further Documenting 2nd Bone Spring Potential
In Sections 14, T23S, R34E, Section 18, T23S, R35E & Section 36, T22S, R34E

Lennox State Unit Area
Wells Offset Caiza Leasehold In Section 33, T22S, R35E

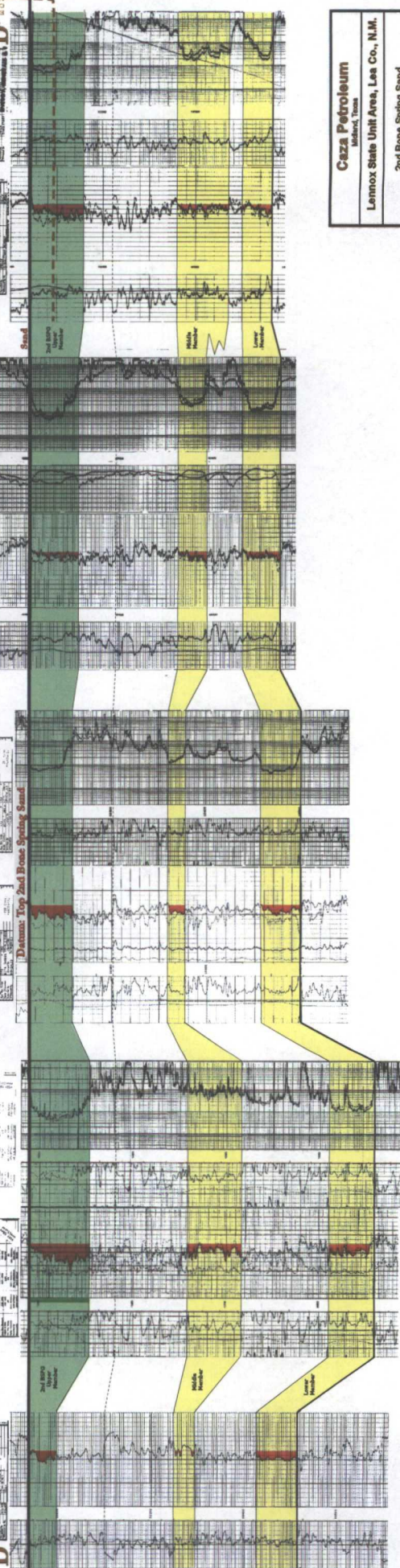
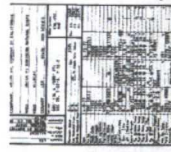
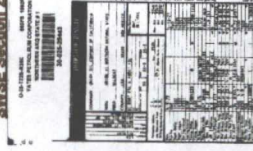
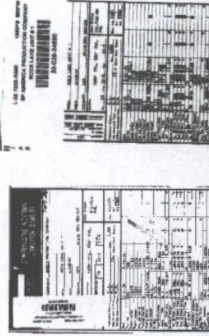
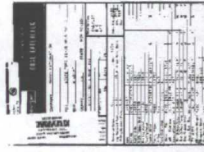
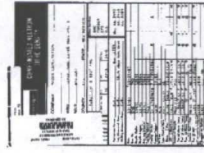
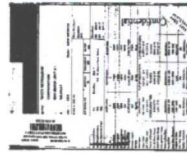
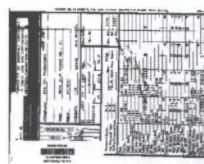
NWSW Section 14, T23S, R34E

SWSW Section 18, T23S, R35E

NWSW Section 36, T22S, R34E

NWSW Section 28, T22S, R35E

SWSE Section 28, T22S, R35E



Caiza Petroleum
Houston, Texas

Lennox State Unit Area, Lea Co., N.M.
2nd Bone Spring Sand
Stratigraphic Cross-Section
D - D'

Lennox Petroleum Co., Inc.