

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
Phone:(575) 393-6161 Fax:(575) 393-0720

**District II**  
811 S. First St., Artesia, NM 88210  
Phone:(575) 748-1283 Fax:(575) 748-9720

**District III**  
1000 Rio Brazos Rd., Aztec, NM 87410  
Phone:(505) 334-6178 Fax:(505) 334-6170

**District IV**  
1220 S. St Francis Dr., Santa Fe, NM 87505  
Phone:(505) 476-3470 Fax:(505) 476-3462

**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

Form C-101  
August 1, 2011  
Permit 263728

**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

|                                                                                              |  |                               |
|----------------------------------------------------------------------------------------------|--|-------------------------------|
| 1. Operator Name and Address<br>CAZA OPERATING, LLC<br>200 N Loraine St<br>Midland, TX 79701 |  | 2. OGRID Number<br>249099     |
| 4. Property Code<br>39924                                                                    |  | 3. API Number<br>30-015-46021 |
| 5. Property Name<br>MAD RIVER 13 STATE COM                                                   |  | 6. Well No.<br>008H           |

**7. Surface Location**

|          |         |          |       |         |           |          |           |          |        |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
| P        | 13      | 24S      | 27E   |         | 630       | S        | 175       | E        | Eddy   |

**8. Proposed Bottom Hole Location**

|          |         |          |       |         |           |          |           |          |        |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
| M        | 13      | 24S      | 27E   | M       | 1000      | S        | 270       | W        | Eddy   |

**9. Pool Information**

|                            |       |
|----------------------------|-------|
| PURPLE SAGE;WOLFCAMP (GAS) | 98220 |
|----------------------------|-------|

**Additional Well Information**

|                           |                             |                                        |                         |                                    |
|---------------------------|-----------------------------|----------------------------------------|-------------------------|------------------------------------|
| 11. Work Type<br>New Well | 12. Well Type<br>GAS        | 13. Cable/Rotary                       | 14. Lease Type<br>State | 15. Ground Level Elevation<br>3102 |
| 16. Multiple<br>N         | 17. Proposed Depth<br>15270 | 18. Formation<br>Wolfcamp              | 19. Contractor          | 20. Spud Date<br>3/15/2019         |
| Depth to Ground water     |                             | Distance from nearest fresh water well |                         | Distance to nearest surface water  |

☒ We will be using a closed-loop system in lieu of lined pits

**21. Proposed Casing and Cement Program**

| Type | Hole Size | Casing Size | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
|------|-----------|-------------|------------------|---------------|-----------------|---------------|
| Surf | 17.5      | 13.375      | 54.5             | 728           | 575             | 0             |
| Int1 | 12.25     | 9.625       | 40               | 5200          | 411             | 3800          |
| Int1 | 12.25     | 9.625       | 40               | 3800          | 1117            | 0             |
| Int1 | 12.25     | 9.625       | 47               | 7970          | 570             | 7200          |
| Int1 | 12.25     | 9.625       | 40               | 7200          | 587             | 5200          |
| Prod | 8.5       | 5.5         | 17               | 15270         | 3585            | 0             |

**Casing/Cement Program: Additional Comments**

|  |
|--|
|  |
|--|

**22. Proposed Blowout Prevention Program**

| Type       | Working Pressure | Test Pressure | Manufacturer |
|------------|------------------|---------------|--------------|
| Annular    | 5000             | 5000          | Schaffer     |
| Double Ram | 5000             | 5000          | Schaffer     |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                        |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief.<br>I further certify I have complied with 19.15.14.9 (A) NMAC <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> if applicable.<br><br>Signature: _____<br>Printed Name: Electronically filed by Steve Morris<br>Title: Engineer<br>Email Address: steve.morris@morcoreengineering.com<br>Date: 5/23/2019 | <div style="text-align: center;"><b>OIL CONSERVATION DIVISION</b></div> Approved By: Raymond Podany<br>Title: Geologist<br>Approved Date: 5/23/2019      Expiration Date: 5/23/2021<br>Conditions of Approval Attached |
| Phone: 432-201-3031                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                        |



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**Santa Fe, NM 87505**

Form APD Comments

Permit 263728

**PERMIT COMMENTS**

|                                                                                                     |                                                 |                                       |
|-----------------------------------------------------------------------------------------------------|-------------------------------------------------|---------------------------------------|
| Operator Name and Address:<br>CAZA OPERATING, LLC [249099]<br>200 N Loraine St<br>Midland, TX 79701 |                                                 | API Number:<br>30-015-46021           |
|                                                                                                     |                                                 | Well:<br>MAD RIVER 13 STATE COM #008H |
| Created By                                                                                          | Comment                                         | Comment Date                          |
| rpodany                                                                                             | Not in compliance with 5.9 financial assurance. | 4/26/2019                             |

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Form APD Conditions

Permit 263728

PERMIT CONDITIONS OF APPROVAL

|                              |                                                                                     |                              |
|------------------------------|-------------------------------------------------------------------------------------|------------------------------|
| Operator Name and Address:   |                                                                                     | API Number:                  |
| CAZA OPERATING, LLC [249099] |                                                                                     | 30-015-46021                 |
| 200 N Loraine St             |                                                                                     | Well:                        |
| Midland, TX 79701            |                                                                                     | MAD RIVER 13 STATE COM #008H |
| OCD Reviewer                 | Condition                                                                           |                              |
| rpodany                      | Will require a directional survey with the C-104                                    |                              |
| rpodany                      | Cement is required to circulate on both surface and intermediate1 strings of casing |                              |