| Submit 1 Copy To Appropriate District Office   | State of New Mexico                           | Form C-103                            |
|--|---|---------------------------------------|
| District I - (575) 393-6161  | Energy, Minerals and Natural Res              | sources Revised July 18, 2013         |
| 1625 N. French Dr., Hobbs, NM 88240<br>District II – (575) 748-1283  |   | WELL API NO.<br>30-015-42309          |
| 811 S. First St., Artesia, NM 88210  | OIL CONSERVATION DIVI                         | SION 5 Indicate Type of Lease         |
| <u>District III</u> - (505) 334-6178<br>1000 Rio Brazos Rd., Aztec, NM 87410   | 1220 South St. Francis Di                     | r. STATE X FEE                        |
| <u>District IV</u> – (505) 476-3460  | Santa Fe, NM 87505                            | 6. State Oil & Gas Lease No.          |
| 1220 S. St. Francis Dr., Santa Fe, NM<br>87505   |   | VB 1139                               |
|  | FICES AND REPORTS ON WELLS                    | 7. Lease Name or Unit Agreement Name  |
| (=   | OSALS TO DRILL OR TO DEEPEN OR PLUG BACK      |                                       |
| DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)  |   | 1 ordinaria 27 otato                  |
| 1. Type of Well: Oil Well  Gas Well  Other   |   | 8. Well Number 4                      |
| 2. Name of Operator  | erating, LLC                                  | 9. OGRID Number 249099                |
| 3. Address of Operator   | eraung, LLO                                   | 10. Pool name or Wildcat              |
| 200 N. Loraine, Suite 1550, Midland, Texas 79701   |   |                                       |
| 4. Well Location   |   |                                       |
| Unit Letter H : 1980 feet from the North line and 660 feet from the East line  |   |                                       |
| Section 27   | Township 23 S Range                           | 27 E NMPM County Eddy                 |
| <b>学生的人类的主义是</b>   | , , ,   | RT, GR, etc.)                         |
| The state of the s | 3147 ft GR                                    |                                       |
| 10 01 1  |   |                                       |
| 12. Check  | Appropriate Box to Indicate Nature            | of Notice, Report or Other Data       |
| NOTICE OF I  | NTENTION TO:                                  | SUBSEQUENT REPORT OF:                 |
| PERFORM REMEDIAL WORK  |   | EDIAL WORK                            |
| TEMPORARILY ABANDON ☐ CHANGE PLANS ☐ COMMENCE DRILLING OPNS. ☒ P AND A ☐   |   |                                       |
| PULL OR ALTER CASING   MULTIPLE COMPL   CASING/CEMENT JOB  |   |                                       |
| DOWNHOLE COMMINGLE   |   |                                       |
| CLOSED-LOOP SYSTEM  OTHER:   | 」<br>□   OTHE                                 |                                       |
| 13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date  |   |                                       |
| of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of   |   |                                       |
| proposed completion or recompletion.   |   |                                       |
| Spud well @ 16:00 hrs 6/10/2014. Drilled 17-1/2" hole to 476 ft. TD surface @ 17:15 hrs CDT 6/11/2014. Ran 13-3/8"   |   |                                       |
| 48 lb H-40 STC casing to 476 ft. Cemented casing w/ 265 sks "C" with 4% gel mixed 13.5 ppg 1.75 yield. Tailed w/   |   |                                       |
|  |   |                                       |
| 150 sks "C" with 2% CACL2 mixed 14.8 ppg 1.34 yield. Plug down @ 21:30 hrs CDT 6/22/2014. Tested BOPE to 2000 psi.   |   |                                       |
| Total WOC before drill out = 28 hrs. Tested casing to 500 psi for 30 minutes.  |   |                                       |
|  |   |                                       |
|  |   |                                       |
|  |   | NM OIL CONSERVATION                   |
|  |   | ARTESIA DISTRICT                      |
|  |   | JUL <b>2</b> 8 2014                   |
| Spud Date: June 11th, 2014   | Rig Release Date:                             |                                       |
| L  |   | RECEIVED                              |
|  |   |                                       |
| I hereby certify that the informatio   | n above is true and complete to the best of m | y knowledge and belief.               |
| A I I  | 01:11   |                                       |
| SIGNATURE  | TITLE Operations                              | Manager DATE 7/24/2014                |
|  |   |                                       |
| Type or print name Richard L. W  | right E-mail address: rwri                    | ght@cazapetro.com PHONE: 432 682 7424 |
| For State Use Only   |   |                                       |
| APPROVED BY:   | Coll TITLE DOTAL                              | G2CW1501 DATE 8-19-14                 |
| Conditions of Approval (if any):   |   |                                       |