

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other2. Name of Operator
Caza Operating, LLC3a. Address
200 North Lorraine, Suite 1550, Midland, Texas 797013b. Phone No. (include area code)
432 682 74244. Location of Well (Footage, Sec., T., R., M., or Survey Description)
252' FNL & 1900 FEL, Sec 27, T-23-S, R-27-E

5. Lease Serial No.

NM-112915 SL VB 1139

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No
CA NM 128667 pending8. Well Name and No
Forehand Ranch 27 State Com # 1119. API Well No.
30 015 3984410. Field and Pool, or Exploratory Area
Wildcat, Bone Spring11. County or Parish, State
Eddy County, New Mexico

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☒ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other SET 7" Casing
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	thru curve-cement
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

11-1-2012_ Land Curve @ 7600 ft 02:00 hrs MDT 11-1-2012. POH L/D Drill string.

11-3-2012_ Run 7 inch 29 lb P110 Csg to 7596 ft. Stage tool @ 4001 ft. Cemented 1st stage w/ 875 sks "H" 15.6 ppg.

Open Tool @ 4001 ft. Circulated. Recovered 325 sks excess. Cmt'd 2nd stage with 650 sks "C" 14.1 ppg. Tail w/ 100 sks "C" 14.8 ppg. TOC 500 ft TS run 11-4-2012.

11-4-2012_ Install Head. Test BOPE 5000 psi high on all valves & rams. Test Low 250 psi. Test Annular 2500 psi High & 250 psi low.

11-5-2012_ Test Casing to 2000 psi before & after drilling float collar.

Accepted for record
NMOCD
JRDade 11/15/12

RECEIVED

NOV 13 2012

NMOCD ARTESIA

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Richard L. Wright

Title Operations Manager

Signature

Date 11-5-2012

ACCEPTED FOR RECORD

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

NOV 14 2012

Title 18 USC, Section 1001 and Title 43 USC, Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

CARLSBAD FIELD OFFICE

(Instructions on page 2)



PO Box 7
Lovington, NM 88260
(575) 224-2345 (575) 942-9472

Company Caza Operating LLC Date 11/3/12
Lease Forchman Ranch 27 State (Lease Well #1) H County Eddy
Drilling Contractor Sandlin Plug & Drill Pipe Size 11" 3 1/2 x 10

Accumulator Function Test - OO&GO#2

To Check - USABLE FLUID IN THE NITROGEN BOTTLES (III.A.2.c.i. or ii or iii)

- Make sure all rams and annular are open and if applicable HCR is closed.
- Ensure accumulator is pumped up to working pressure! (Shut off all pumps)
- 1. Open HCR Valve. (If applicable)
- 2. Close annular.
- 3. Close all pipe rams.
- 4. Open one set of the pipe rams to simulate closing the blind ram.
- 5. For 3 ram stacks, open the annular to achieve the 50+ % safety factor. (5M and greater systems).
- 6. Record remaining pressure 2100 psi. Test Fails if pressure is lower than required.
● a. {950 psi for a 1500 psi system} b. {1200 psi for a 2000 & 3000 psi system }
- 7. If annular is closed, open it at this time and close HCR.

To Check - PRECHARGE ON BOTTLES OR SPHERICAL (III.A.2.d.)

- Start with manifold pressure at, or above, maximum acceptable pre-charge pressure:
a. {800 psi for a 1500 psi system} b. {1100 psi for 2000 and 3000 psi system}
- 1. Open bleed line to the tank, slowly. (gauge needle will drop at the lowest bottle pressure)
- 2. Close bleed line. Barely bump electric pump and see what pressure the needle jumps up to.
- 3. Record pressure drop 950 psi. Test fails if pressure drops below minimum.
- Minimum: a. {700 psi for a 1500 psi system} b. {900 psi for a 2000 & 3000 psi system}

To Check - THE CAPACITY OF THE ACCUMULATOR PUMPS (III.A.2.f.)

- Isolate the accumulator bottles or spherical from the pumps & manifold.
- Open the bleed off valve to the tank, {manifold psi should go to 0 psi} close bleed valve.
- 1. Open the HCR valve, {if applicable}
- 2. Close annular
- 3. With pumps only, time how long it takes to regain the required manifold pressure.
- 4. Record elapsed time 1:52. Test fails if it takes over 2 minutes.
● a. {950 psi for a 1500 psi system} b. {1200 psi for a 2000 & 3000 psi system}

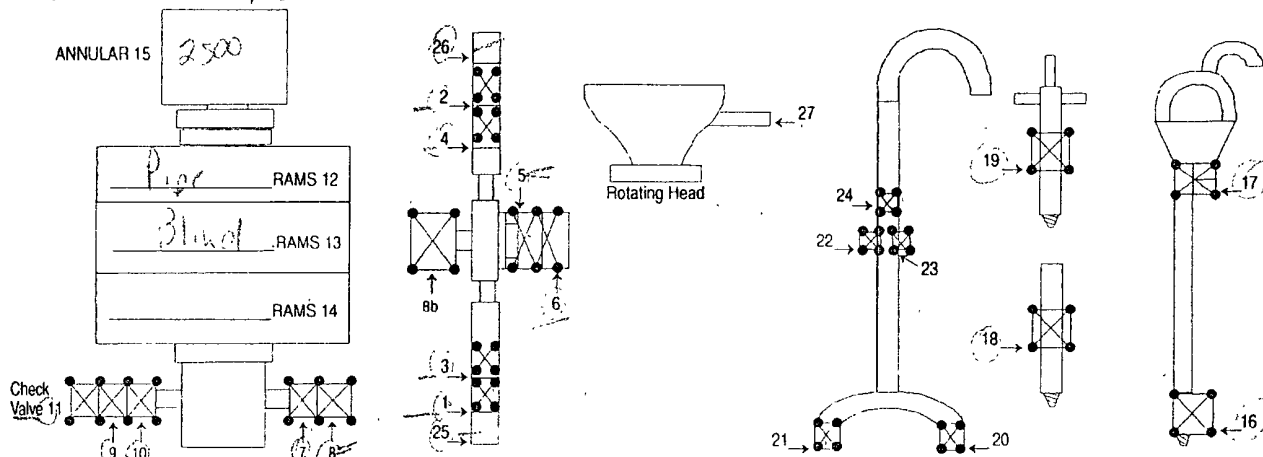


PO Box 7
Lovington, NM 88260
(575) 224-2345 (575) 942-9472

INVOICE

NO B 0600 NM

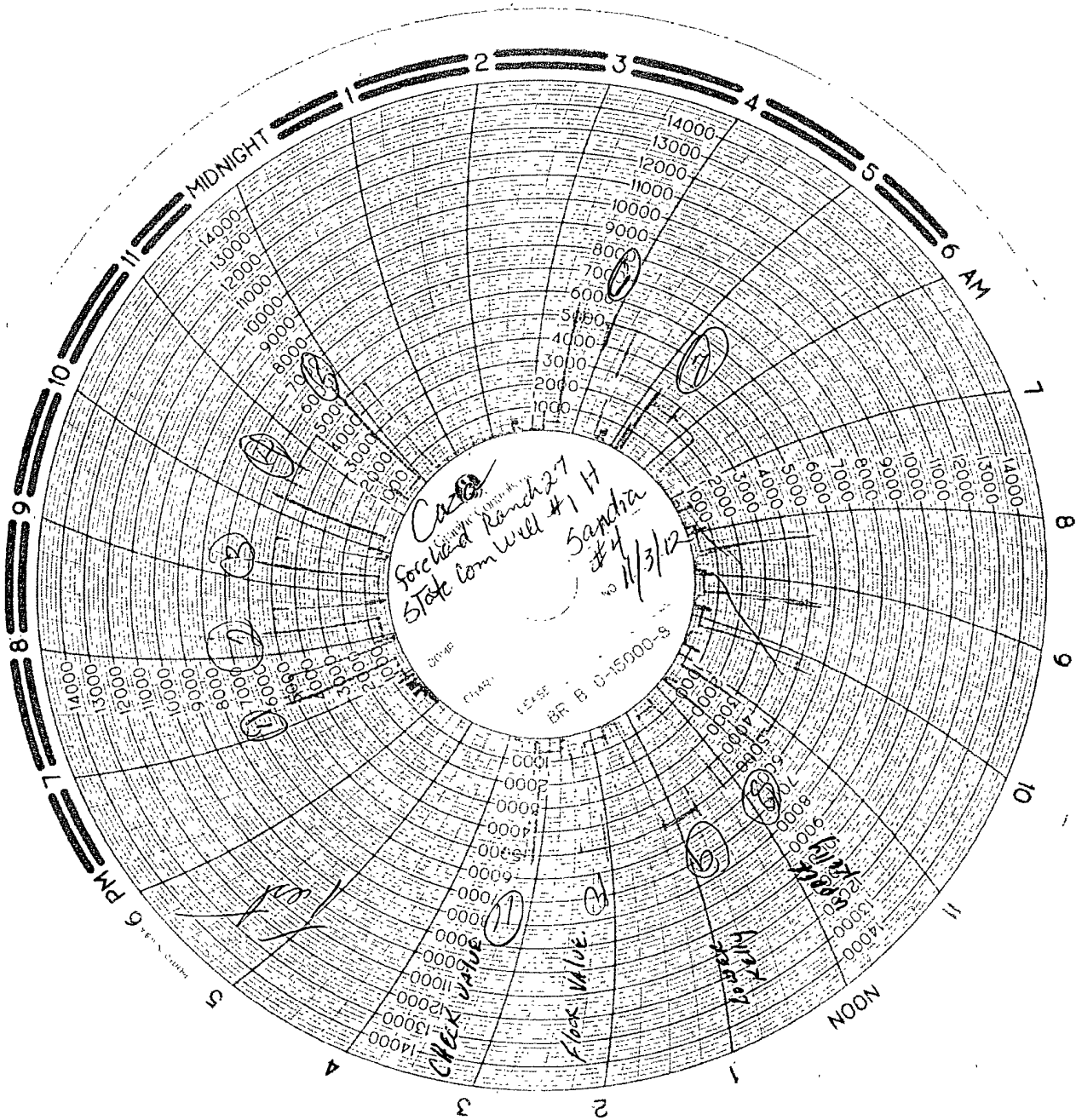
Company Caza Operating LLC Date 11/3/12 Start Time 4:30 ☒ am ☐ pm
Lease Forehand Ranch 27 State Conn Well #1 H County EMERY State NM
Company Man Russ Massey
Wellhead Vendor _____ Tester Glen Granath
Drlg. Contractor Sandia Rig # 4
Tool Pusher Mike
Plug Type C-22 Plug Size 11 Drill Pipe Size 3 1/2 X 10
Casing Valve Opened Yes Check Valve Open Yes

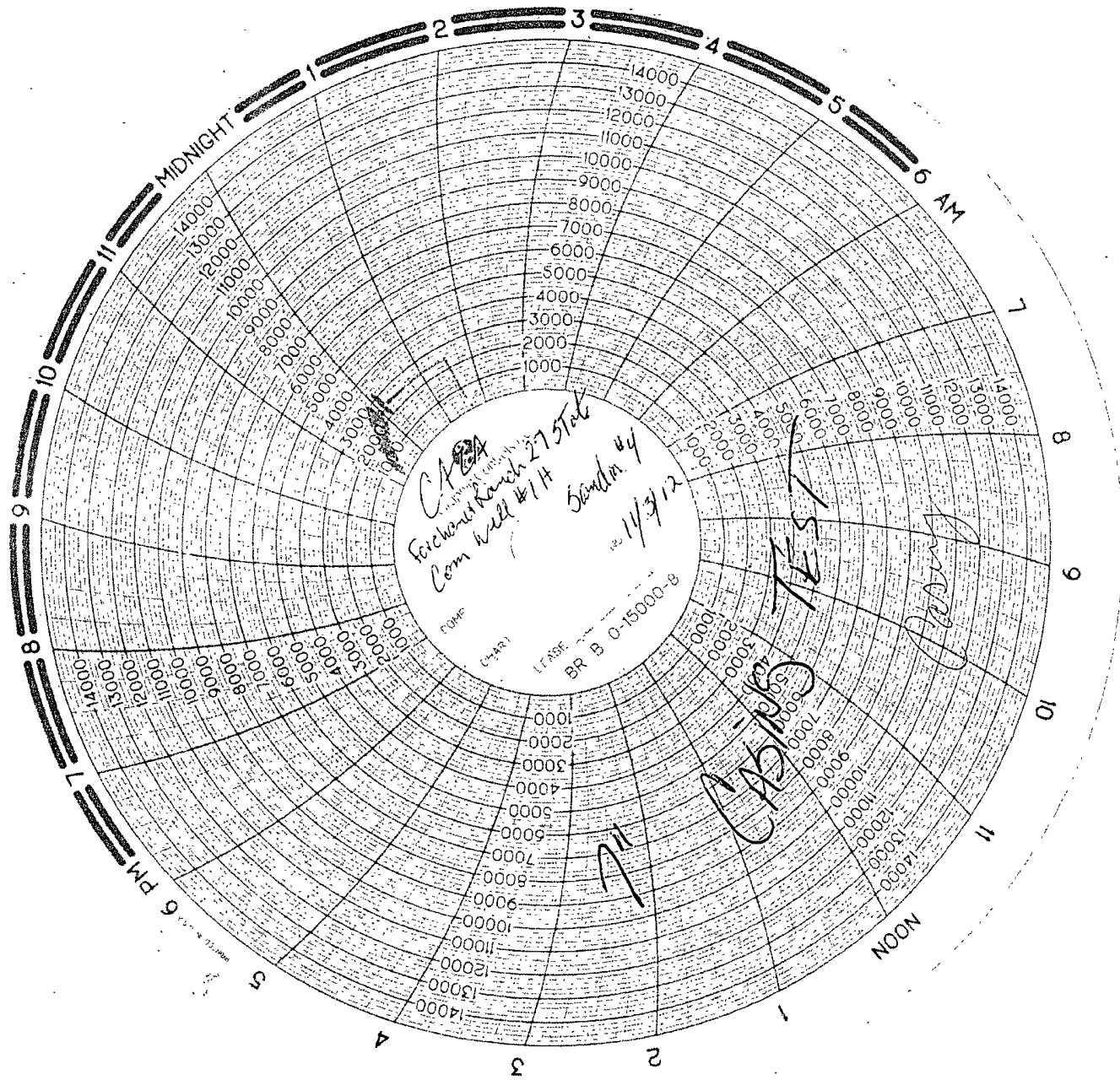


TEST #	ITEMS TESTED	TEST LENGTH	LOW PSI	HIGH PSI	REMARKS
1	25, 26, 6, 7	10/10	250	5000	
2	1, 2, 5 Blind of 8	10/10	250	5000	
3	3, 4, 5 B of 8	10/10	250	5000	
4	3, 4, 5, 11, 13	10/10	250	5000	
5	3, 4, 5, 9, 13	10/10	250	5000	
6	3, 10, 12	10/10	250	5000	
7	10, 8, 15	10	—	2500	
8	17	10/10	250	5000	
9	16	10/10	250	5000	
10	18	10/10	250	5000	
11	19	10/10	250	5000	

4 HR @ 200
M 318 HR @ 1900.00
Mileage 368 @ 368.00

SUB TOTAL 3068.00
TAX 168.74
TOTAL 3236.74





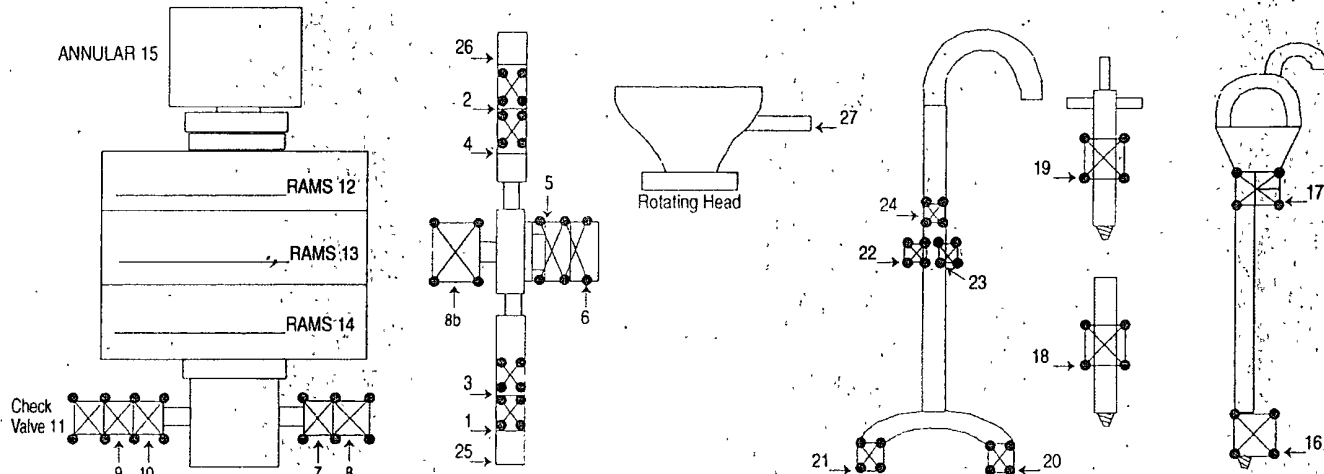


PO Box 7
Lovington, NM 88260
(575) 224-2345 (575) 942-9472

INVOICE

B 0739

Company Caza Operating LLC Date 11-4-12 Start Time 8:00 ☐ am ☐ pm
Lease Farr hand Ranch 27 st low well 1-H County Eddy State N.M.
Company Man Rick Messy
Wellhead Vendor _____ Tester Gina Gracett
Drig. Contractor Landia Rig # 4
Tool Pusher Mike
Plug Type _____ Plug Size 1A Drill Pipe Size 36 x 10
Casing Valve Opened _____ Check Valve Open _____



TEST #	ITEMS TESTED	TEST LENGTH	LOW PSI	HIGH PSI	REMARKS
1	10, 5	30	-	2000	Leaking
2	10, 8	30	-	2000	

4 HR @ 800
7 HR @ 700
Mileage 187 @ \$1.57

SUB TOTAL 1687
TAX 92.44
TOTAL 1779.44

