

District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88201
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, NM 87505

HOBBS OCD

OCT 05 2012

RECEIVED

WELL API NO.	30-025-40621
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	VB 1184
7. Lease Name or Unit Agreement Name	Caza Ridge 14 State
8. Well Number	3H
9. OGRID Number	249099
10. Pool name or Wildcat (2209)	Antelope Ridge Bone Spring-West
11. Elevation (Show whether DR, RKB, RT, GR, etc.)	3372 GR

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	
2. Name of Operator	Caza Operating, LLC
3. Address of Operator	200 North Loraine, Suite 1550, Midland, Texas 79701
4. Well Location	Unit Letter O : 330 feet from the South line and 1980 feet from the East line Section 14 Township 23 S Range 34E NMPM County Lea

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☒

OTHER: ☐

OTHER: ☐

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.

9-27-2012_TD 8-3/4" hole @ 11,590 ft 13:15 hrs. TVD 11,225'. 76° deviation w/ 2.9° Azm. KOP 10,600'.

9-28-2012_Lay Down 4-1/2" DP_ R/U and Start Running 7" 29# P-110 LtC Casing.

9-29-2012_Finish Running 7" Casing to 11,590 ft. R/U Halliburton. Cmt'd Casing w/ 340 sks Lead 11.9 ppg. Tailed w/ 1075 sks VersaCmt "H" 14.4 ppg. Lost Returns Last 50 bbls Displacement. Good Lift Pressure "1500" psi.

9-30-2012_Install "C" section. Test to 2500 psi. Test BOPE to 5000 psi high & 250 psi low. Annular to 2500 psi. Csg to 2500 psi. Good Test. Total WOC 34.5 hrs before Drill out.

Spud Date: June 28, 2012

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Richard L. Wright TITLE Operation Manager DATE 10-3-2012

Type or print name Richard L. Wright E-mail address: rwright@cazapetro.com PHONE: 432 682 7424

For State Use Only

APPROVED BY: [Signature] TITLE Petroleum Engineer DATE OCT 10 2012

Conditions of Approval (if any):

OCT 10 2012