

Submit 1 Copy To Appropriate District Office

State of New Mexico Energy, Minerals and Natural Resources

Form C-103 Revised August 1, 2011

District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
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

HOBBS OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

JAN 11 2013

WELL API NO. 30-025-40451
5. Indicate Type of Lease STATE [X] FEE []
6. State Oil & Gas Lease No. VO 7969
7. Lease Name or Unit Agreement Name Lennox Unit "32" State
8. Well Number 2H
9. OGRID Number 249099
10. Pool name or Wildcat Rock Lake-Bone Spring
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3525' 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 [X] Gas Well [] 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 "A" : 330 feet from the North line and 660 feet from the East line Section 32 Township 22 S Range 35 E 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 []
OTHER: []
SUBSEQUENT REPORT OF:
REMEDIAL WORK [] ALTERING CASING []
COMMENCE DRILLING OPNS. [] P AND A []
CASING/CEMENT JOB []
OTHER: Continue Cable Tool Drlg oper. [X]

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.

1-7-2013_ Start up Cable tool Rig Baccus # 6. Clean out hole with 16" drill head to TD 195'. Hole Stable. Drill 3' new hole to 198'. Secure well. Crews return to base. Start Moving in Heavy dirt equipment.
1-8-2013_R/D cable tool rig Baccus # 6. Cover Well bore with planking. Move off Location. Clearing Well pad with heavy dirt equipment.
314 days from spud.

Spud Date: February 29th, 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 Operations Manager DATE 1-8-2013

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

For State Use Only
APPROVED BY: Mary Brown TITLE Compliance Officer DATE 1/11/2013
Conditions of Approval (if any)