

HOBBS OCD

State of New Mexico

Form C-101
Revised November 14, 2012

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 Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

APR 05 2013

Energy Minerals and Natural Resources

RECEIVED

Oil Conservation Division

AMENDED REPORT

1220 South St. Francis Dr.

Santa Fe, NM 87505

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

Operator Name and Address CAZA OPERATING, LLC. 200 NORTH LORAINÉ SUITE 1550 MIDLAND, TEXAS 79701		OGRID Number 249099
Property Code 39801	Property Name GATEWAY "2" STATE	API Number 30025-41095
		Well No. 1

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
LOT #3	2	19S	35E	3	375'	NORTH	1980'	WEST	LEA

* Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County

9. Pool Information

Pool Name WOLFCAMP-WILDCAT	Pool Code 96794
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Additional Well Information

Work Type N	Well Type 0	Cable/Rotary ROTARY	Lease Type S	Ground Level Elevation 3870'
Multiple NO	Proposed Depth 10,300'	Formation WOLFCAMP	Contractor UNKNOWN	Spud Date WHEN APPROVED
Depth to Ground water 85'	Distance from nearest fresh water well .8 miles North		Distance to nearest surface water NA	

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surface	17 1/2"	13 3/8"	54.5#	1825'	1162 Sx.	Surface
Intermed.	12 1/2"	9 5/8"	40#	3950'	946 Sx.	Surface
Production	8 3/4"	7"	26#	10,300'	1215 Sx.	3450' FS

Casing/Cement Program: Additional Comments

SEE ATTACHED SHEET

Permit Expires 2 Years From Approval Date Unless Drilling Underway

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
	5000 PSI	1500 PSI	CAMERON OR SHAFFER

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

I further certify that I have complied with 19.15.14.9 (A) NMAC and/or 19.15.14.9 (B) NMAC , if applicable.

Signature: Joe T. Janica

Printed name: Joe T. Janica

Title: Permit Eng.

E-mail Address: joejanica@valornet.com

Date: 04/05/13

Phone: 575-391-8503

OIL CONSERVATION DIVISION

Approved By:

Title:

Approved Date: 04/08/13

Expiration Date: 04/08/15

Conditions of Approval Attached

APR 09 2013

CAZA OPERATING, LLC.
GATEWAY "2" STATE #1
UNIT "C" SECTION 2
T19S-R35E LEA Co. NM

1. Drill 26" hole to 40'. Set 40' of 20" conductor pipe and cement to surface with Redi-Mix.
2. Drill 17½" hole to 1825'. Run and set 1825' of 13 3/8" 54.5# J-55 ST&C casing. Cement 962 Sx. of Class "C" cement + 4% Gel, + 2% CaCl Yield 1.74, tail in with 200 Sx. of Class "C" cement + 2% CaCl, Yield 1.32. Circulate cement to surface.
3. Drill 12¼" hole to 3950'. Run and set 3950' of 9 5/8" 40# J-55 LT&C casing. Cement with 746 Sx. of Class "C" POZ cement + 5% Salt, + 6% Gel, Yield 2.09. Tail in with 200 Sx. of Class "C" cement + 1% CaCl, Yield 1.32. Circulate cement to surface.
4. Drill 8 3/4" hole to 10,300'. Run and set 10,300' of 7" 26# P-110 LT&C casing. Cement with 715 Sx. of 50/50 Class "H" POZ cement + 5# Gilsonite/Sx. + 0.125# cello flakes/Sx., + .25% Econolite, Yield 1.1.3, tail in with 500 Sx. of Class "H" cement Yield 1.18. 50% Excess estimate top of cement 3450' from surface.

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State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised August 1, 2011

Submit one copy to appropriate
District Office

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number 30025-41095	Pool Code 96794	Pool Name WOLFCAMP-WILDCAT
Property Code 39801	Property Name GATEWAY 2 STATE	Well Number 1
OGRID No. 249099	Operator Name CAZA OPERATING, LLC.	Elevation 3870

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C Lot 3	2	19 S	35 E	3	375	NORTH	1980	WEST	LEA

Bottom Hole Location If Different From Surface

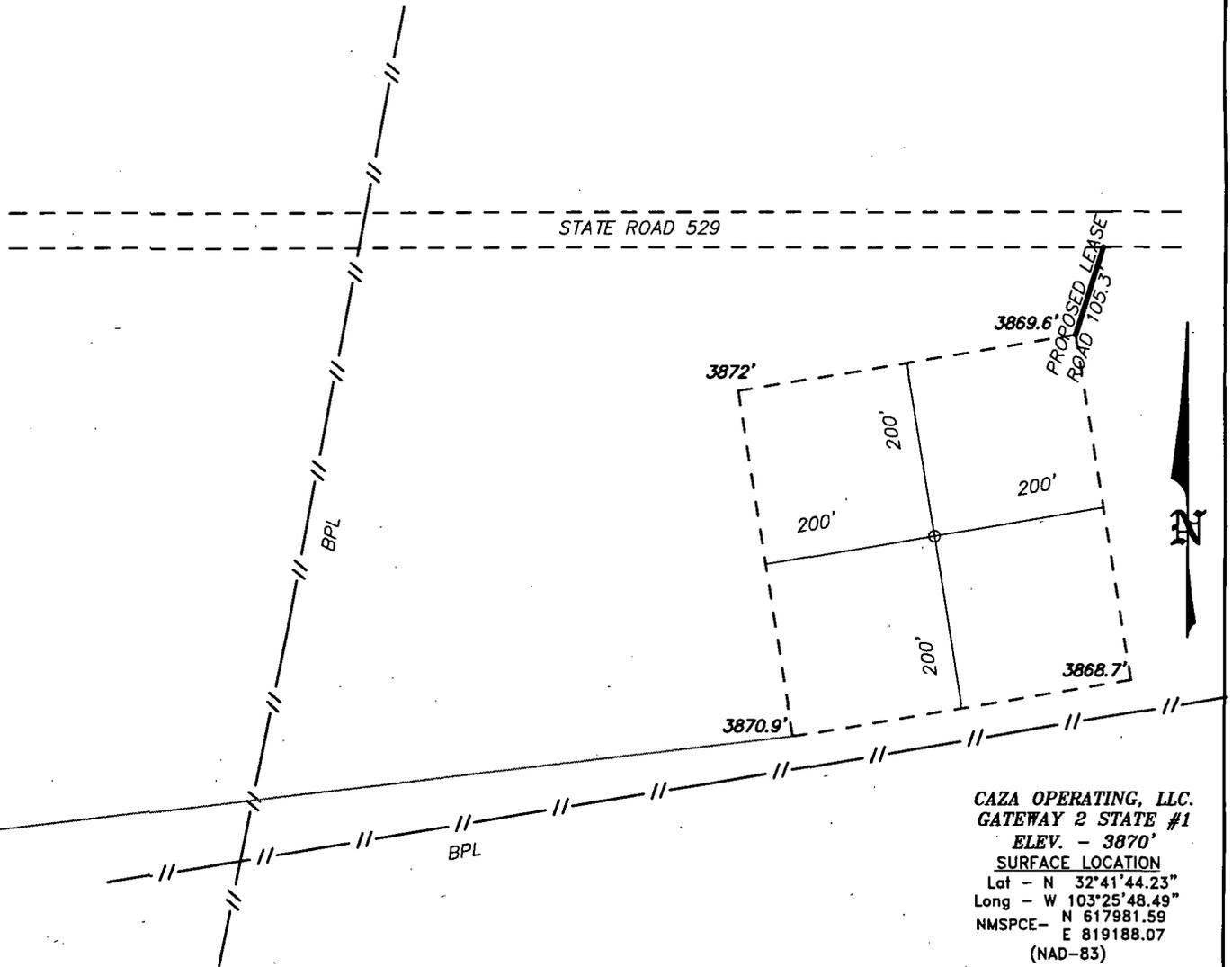
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres 4039.46	Joint or Infill	Consolidation Code	Order No.
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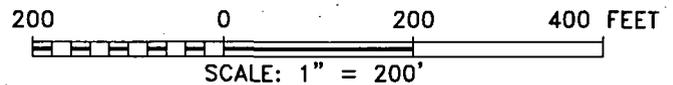
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>SURFACE LOCATION Lat - N 32°41'44.23" Long - W 103°25'48.49" NMSPE - N 617981.59 E 819188.07 (NAD-83)</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Joe T. Janica</i> Signature Date Joe T. Janica 04/03/13 Printed Name joejanica@valornet.com Email Address</p>
	<p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p>
	<p>MARCH 25 2013 Date Surveyed GARY L. JONES Signature & Seal of Professional Surveyor</p>
	<p>Certificate No. GARY L. JONES 7977 BASIN SURVEYS 28404</p>

SECTION 2, TOWNSHIP 19 SOUTH, RANGE 35 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.



FROM THE JUNCTION OF HWY 529 AND HWY 238;
TO WEST 0.3 MILES TO PROPOSED LEASE ROAD.



BASIN SURVEYS P.O. BOX 1786-HOBBS, NEW MEXICO

W.O. Number: 28404 Drawn By: D. JONES

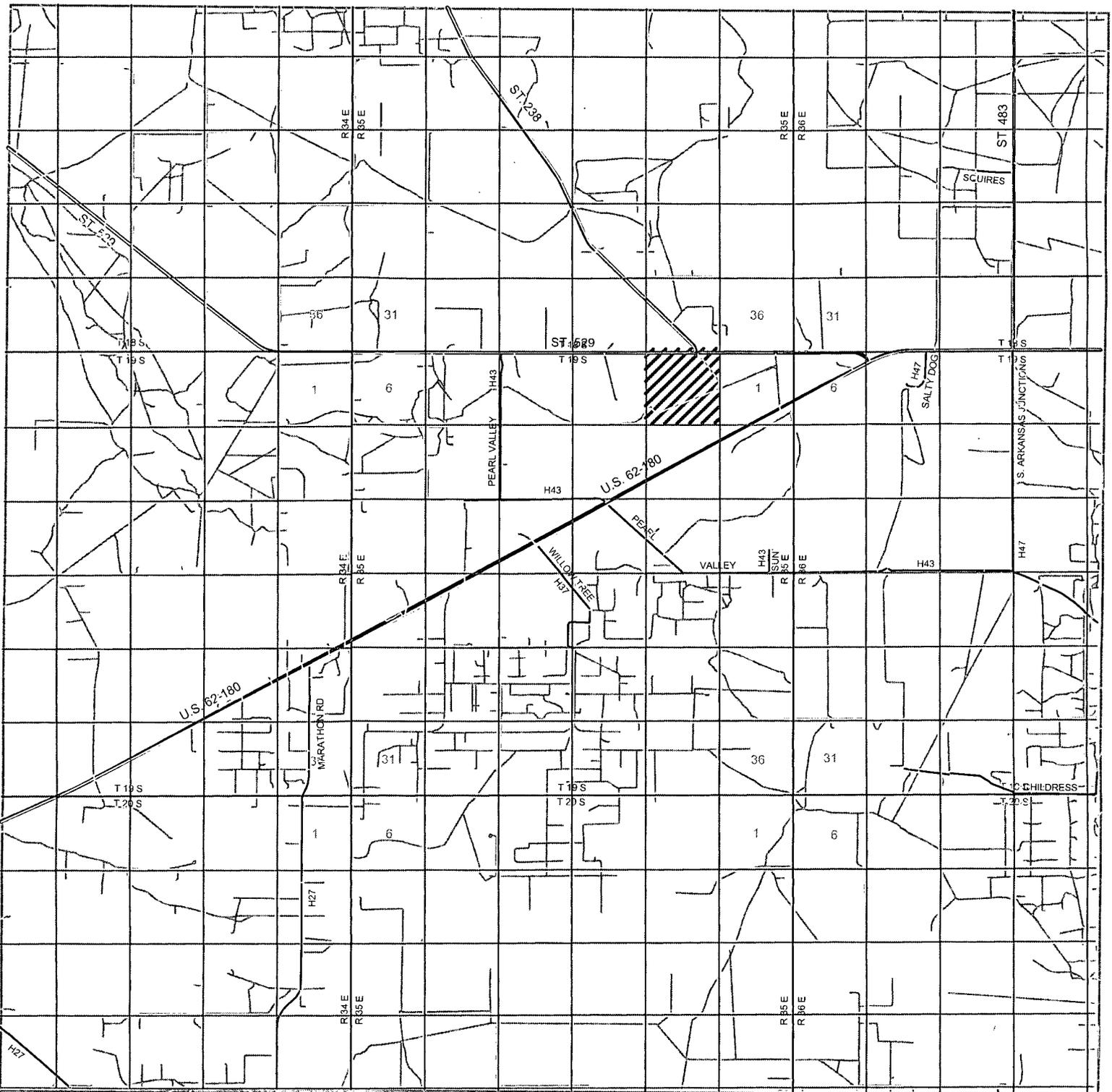
Date: 04-01-2013 Disk: DAJ 28404

CAZA OPERATING, LLC.

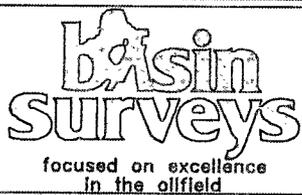
REF: GATEWAY 2 STATE #1 / WELL PAD TOPO

THE GATEWAY 2 STATE #1 LOCATED 375 FEET
FROM THE NORTH LINE AND 1980 FEET FROM THE WEST LINE OF
SECTION 2, TOWNSHIP 19 SOUTH, RANGE 35 EAST,
N.M.P.M., LEA COUNTY, NEW MEXICO.

Survey Date: 03-25-2013 Sheet 1 of 1 Sheets



GATEWAY 2 STATE #1
 Located 375' FNL and 1980' FWL
 Section 2, Township 19 South, Range 35 East,
 N.M.P.M., Eddy County, New Mexico.



P.O. Box 1786
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (575) 393-7316 - Office
 (575) 392-2206 - Fax
 basinsurveys.com

W.O. Number: DAJ 28404

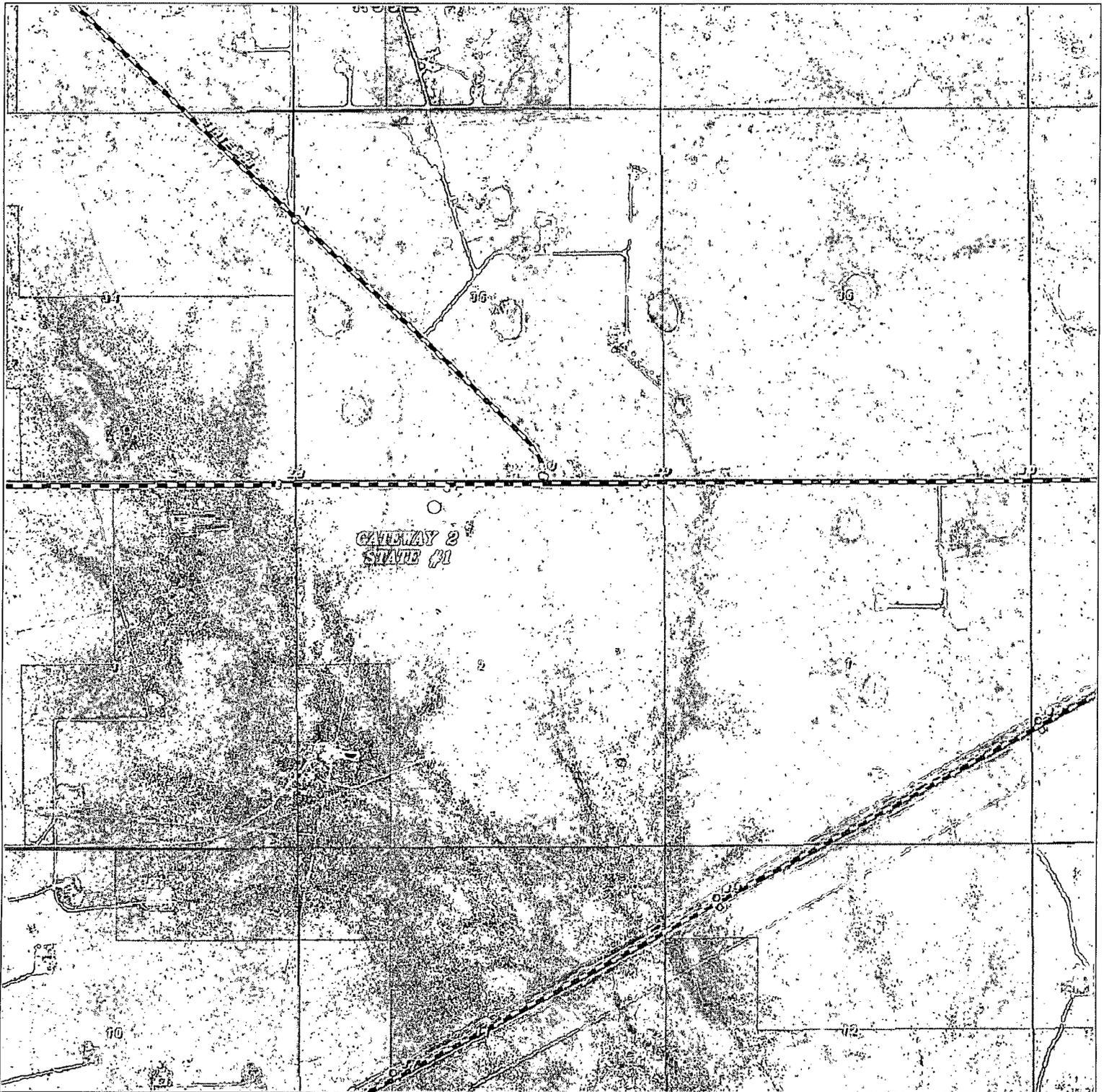
Survey Date: 03-25-2013

Scale: 1" = 2 Miles

Date: 02-21-2012



**CAZA
 OPERATING,
 LLC.**



GATEWAY 2 STATE #1
 Located 375' FNL and 1980' FWL
 Section 2, Township 19 South, Range 35 East,
 N.M.P.M., Eddy County, New Mexico.

basin
surveys
 focused on excellence
 in the oilfield

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W.O. Number: DAJ 20981

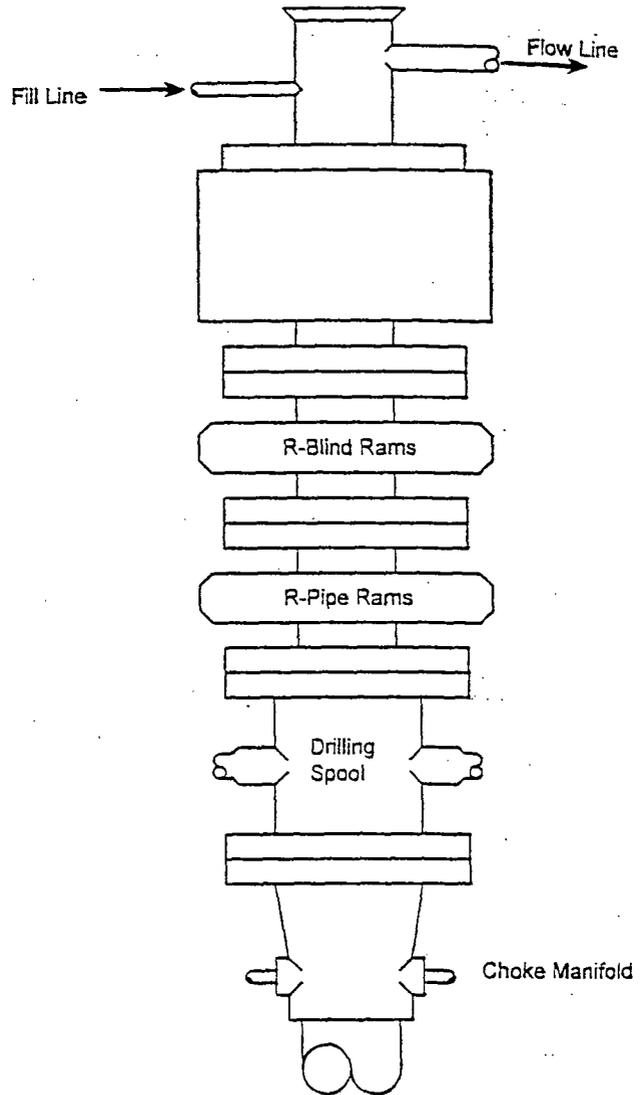
Scale: 1" = 2000'

YELLOW TINT - USA LAND
 BLUE TINT - STATE LAND
 NATURAL COLOR - FEE LAND

CAZA
OPERATING,
LLC.

BLOWOUT PREVENTER SYSTEM

5000 PSI



Type 1500 SERIES
5000 psi WP

Choke Manifold Assembly for 5M WP System

