

Submit 1 Copy To Appropriate District Office
 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

State of New Mexico
 Energy, Minerals and Natural Resources
OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

Form C-103
 Revised August 1, 2011

RECEIVED APR 05 2013 HOBBS OGD		WELL API NO. 30-025-40451
(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.)		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		6. State Oil & Gas Lease No. VO 7969
2. Name of Operator Caza Operating, LLC		7. Lease Name or Unit Agreement Name Lennox 32 State
3. Address of Operator 200 N. Loraine, Suite 1550, Midland, Texas 79701		8. Well Number 2H
4. Well Location Unit Letter <u>A</u> : <u>330</u> feet from the <u>North</u> line and <u>660</u> feet from the <u>East</u> line Section <u>32</u> Township <u>22-S</u> Range <u>35-E</u> NMPM County <u>Lea</u>		9. OGRID Number 249099
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3525' GR		10. Pool name or Wildcat Rock Lake, Bone Springs

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

<p style="text-align: center;">NOTICE OF INTENTION TO:</p> PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> DOWNHOLE COMMINGLE <input type="checkbox"/> OTHER: <input type="checkbox"/>	<p style="text-align: center;">SUBSEQUENT REPORT OF:</p> REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input checked="" type="checkbox"/> OTHER: <input type="checkbox"/>
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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.

3-(14-18)-2013_Drill 8-3/4" curve from 10813' to 11,541'. Last Survey 11,473' md, 11,343' tvd, 68.8° 177.1° Azimuth

3-(19-20)-2013_L/D Pipe_Run 7" 29# P-110 LTC casing to 11,535'. Cemented w/ 60 bbls Ultra Spacer followed by 750 sks 50/50 poz "H" 2% gel+5 pps gilsonite+1/8 pps pheno seal mixed 14.1 ppg. Tailed w/ 550 sks "H" mixed 15.6 ppg. Full returns through out job. Good Lift pressure. ± 3000 psi. Float shoe & float collar did not hold. Shut in 8 hrs. Cement Top Calculated @ < 2000' FS. N/D BOPE. Set Slips. N/U BOPE. Test BOPE 5000 psi High & 250 psi low. Test Annular to 2500 psi. Test Blinds & Casing to 3000 psi.

3-21-2013_P/U Directional Tools. TIH to cement @ 11,395'. Drill out casing to 11,492' & Test Csg to 1500 psi. Okay. Drill out Float equipment to 11,535'. Start Drilling Lateral.

Spud Date: February 29, 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 3-31-2013

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 Dist MGR DATE 4-8-2013
 Conditions of Approval (if any): _____

APR 09 2013