

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

HOBBS CO
JUN 24 2013
RECEIVED

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

Form C-103
 Revised August 1, 2011

| | |
|--------------------------------------|--|
| WELL API NO. | 30 025 41096 |
| 5. Indicate Type of Lease | STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No. | VO 8263 |
| 7. Lease Name or Unit Agreement Name | Gateway 2 State |
| 8. Well Number | # 2 |
| 9. OGRID Number | 249099 |
| 10. Pool name or Wildcat | Wolfcamp - Wildcat |

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 Gas Well Other

2. Name of Operator
 Caza Operating, LLC

3. Address of Operator
 200 N. Loraine, Suite 1550, Midland, Tx 79701

4. Well Location
 Unit Letter D : 525 feet from the North line and 660 feet from the West line
 Section 2 Township 19 S Range 35 E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
 3849 GR

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

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

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.

6-19-2013_ Baccus Rig 6 cleaned out hole to 80' from surface. Drilled 12' new 18" hole from 80' to 92'.
 Formation recovered was sand, gravel, red bed. Water level was 49' from surface. Secure well & depart location.

Spud Date: 4-30-2013 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 6/20/2013

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

For State Use Only

APPROVED BY: Accepted for Record Only TITLE _____ DATE _____

Conditions of Approval Accepted for Record Only
ELG 6-22-2013

JUL 02 2013