

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 OCD
 State of New Mexico
 Energy, Minerals and Natural Resources
APR 04 2014
RECEIVED
OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

Form C-103
 Revised July 18, 2013

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.)		WELL API NO. 30-025-41361
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Caza Operating, LLC		6. State Oil & Gas Lease No. VB-2294
3. Address of Operator 200 North Loraine, Suite 1550, Midland, Texas 79701		7. Lease Name or Unit Agreement Name Gramma 27 State
4. Well Location Unit Letter <u>O</u> : <u>330</u> feet from the <u>South</u> line and <u>1980</u> feet from the <u>East</u> line Section <u>27</u> Township <u>21 S</u> Range <u>34 E</u> NMPM County		8. Well Number <u>1 H</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3682 ft GR		9. OGRID Number 249099
10. Pool name or Wildcat Grama Ridge; Bone Spring NE 28435		

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

NOTICE OF INTENTION TO: 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"/> CLOSED-LOOP SYSTEM <input type="checkbox"/> OTHER: <input type="checkbox"/>		SUBSEQUENT REPORT OF: 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"/>	
--	--	--	--

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.

3-21-2014_Spud well 06:00 hrs CDT 3-20-2014.
 3-22-2014_Drill 17-1/2" hole to 1797'. TD surface hole @ 05:00 hrs CDT 3-21-2014.
 3-23-2014_R/U & run 13-3/8" 54.5# J-55 STC casing to 1797'. Cmt'd casing w/ 1200 sks "C" w/ 4% gel mixed 13.5 ppg. 1.74 yield. Tailed w/ 340 sks "C" w/ 2% CaCl2 mixed 14.8 ppg 1.33 yield. Circulated 649 sks excess. plug bumped @ 19:00 hrs 3-21-2014. N/U BOPE. Test 3000 psi High & 250 psi low. Tested casing to 1000 psi for 30 minutes. Drill out @ 14:30 hrs CDT 3-22-2014. Total WOC 19.5 hrs.

Spud Date: 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 4-1-2014

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 APR 07 2014

Conditions of Approval (if any):

APR 07 2014

K2 EP