

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2014

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No. NM99048
6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2 JUN 02 2014

1. Type of Well Oil Well Gas Well Other
2. Name of Operator Caza Operating, LLC RECEIVED

7. If Unit of CA/Agreement, Name and/or No.
8. Well Name and No. Mud Slide Slim 15 Fed # 1
9. API Well No. 30-025-38469

3a. Address 200 North Loraine, Suite 1550, Midland, Texas 79701
3b. Phone No. (include area code) 432 682 7424

10. Field and Pool or Exploratory Area Lea; Delaware Northeast (37584)

4. Location of Well (Footage, Sec., T., R., M., or Survey Description) F 15 20S 34E 1980 N 1980 W

11. County or Parish, State Lea County, New Mexico

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input checked="" type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input checked="" type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Perforate Delaware
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

- 11-27-2013_ RIH w/ RBP & Packer. Set RBP @ 8456'. Test RBP to 6500 psi. Test 5-1/2" casing to 5000 psi. Okay.
- 11-29-2013_ Perforate Brushy Canyon Delaware 8291-8306' (2spf) 120° spiral phase w/ 3-1/8" casing gun. Hole size .42" EHD. Acidize perms 8291-8306 with 1500 gals 7-1/2% HCL NEFE using 40 RCNB's for diversion. Balled out w/ 36 balls on formation.
- 12-16-2013_ Schlumberger fracture stimulated Brushy Canyon 8291-8306 down casing w/ 55% quality N2 ClearFRAC XT 20 with 81,620 gals total fluid plus 200,500 lbs 20/40 Jordan sand staged .5 to 4 ppg.
- 12-27-2013_ Well returned to production 12-27-2013 via rod pump. Testing Delaware only. *see attachment*

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)
Richard L. Wright
Signature *Richard L. Wright*

Title Operations Manager
Date 01/10/2014

ACCEPTED FOR RECORD

MAY 28 2014

Paul R. Swartz

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

THIS SPACE FOR FEDERAL OR STATE OFFICE USE
Approved by
Title
Office

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

Accepted for Record Only - MSB/OCD 6/3/2014 JUN 03 2014

Written Order of the Authorized Officer

**Caza Operating, LLC
Mud Slide Slim - 01
API 3002538469, T20S-R34E, Sec 15
March 28, 2014**

A NOI for a workover to open the Delaware with the possibility of comingling with the Bone Spring formation was received 08/05/2013 and not processed or approved by BLM.

The BLM Form 3160-5 Subsequent Report dated 01/16/2014 on 05/28/2014 was accepted for record. This work was done without approval. The downhole configuration of this wellbore is not in compliance with The BLM 43 Code of Federal Regulations 3160 and Onshore Oil and Gas Operations.

Since 12/27/2013 the Delaware has been open without BLM approval.

A BLM Incidence of Noncompliance was issued 03/13/2004 for improperly plugging back the Morrow and Wolfcamp formations. The compliance date for that INC has been extended until June 30, 2014. The resolution remains as stated by the Incident of Noncompliance Number 143PS011.