

HOBBSOCD

State of New Mexico

Form C-101
Revised July 18, 2013

District I
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District II
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1000 Rio Brazos Road, Aztec, NM 87410
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District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

Energy Minerals and Natural Resources **JAN 05 2015**

Oil Conservation Division

AMENDED REPORT

1220 South St. Francis Dr.

RECEIVED

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 LORAIN SUITE 1550 MIDLAND, TEXAS 79701		OGRID Number 249099
Property Code 313780	Property Name IGLOO "19" STATE	API Number 30-025-42356 Well No. 1H

Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
P	19	20S	35E		200'	SOUTH	660'	EAST	LEA

Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
A	19	20S	35E		330'	NORTH	950'	EAST	LEA

Pool Information

Pool Name LEA-BONE SPRING, SOUTH	Pool Code 37580
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Additional Well Information

Work Type N	Well Type O	Cable/Rotary ROTARY	Lease Type S	Ground Level Elevation 3698'
Multiple NO	Proposed Depth MD-15,445' TVD-10,802'	Formation 2nd Bone Spring	Contractor Unknown	Spud Date when approved
Depth to Ground water 64'	Distance from nearest fresh water well Approximately 1.25 Mi Northwest		Distance to nearest surface water None Known	

We will be using a closed-loop system in lieu of lined pits

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#	1800'	1541	SURFACE
Intermed.	12 1/4"	9 5/8"	40#	5650'	1630	SURFACE
Production	8 3/4"	5 1/2"	20#	15,445'	1848	EST. 5000' FS

Casing/Cement Program: Additional Comments

SEE ATTACHED SHEET

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	5000#	1500 PSI	Cameron or Schaffer

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: 01/05/15
Phone: 575-391-8503

OIL CONSERVATION DIVISION	
Approved By: <i>[Signature]</i>	Title: Petroleum Engineer
Approved Date: 01/06/15	Expiration Date: 01/06/17
Conditions of Approval Attached See Attached	

Conditions of Approval
JAN 07 2015

CAZA OPERATING, LLC.

IGLOO "19" STATE # 1H

1. Drill 26" hole to 140' Set 140' of 20" conductor pipe and cement to surface with Redi-mix.
2. Drill 17 1/2" hole to 1800'. Run and set 1800' of 13 3/8" 54.5# J-55 ST&C casing. Cement with 1191 Sx. Of Class "C" cement + 4% Gel, + 2% CaCl, Yield 1.74 100% excess, tail in with 350 Sx. Of Class "C" cement + 2% CaCl, Yield 1.33 100% excess, circulate cement to surface.
3. Drill 12 1/4" hole to 5650'. Run and set 5650' of 9 5/8" casing as follows: 2150' of 9 5/8" 40# HCK-55 LT&C, 3500' of 9 5/8" 40# J-55 LT&C casing. Cement in two stages, stage tool and casing packer set at 3900' . Cement 1st stage with 303 Sx. Of 35/65 Class "C" POZ cement + 5% salt, + 6% Gel, Yield 2.09 100% excess, tail in with 365 Sx. Of Class "C" cement + 1% CaCl, Yield 1.33 100% excess. Cement 2nd stage with 812 Sx. Of 35/65 Class "C" POZ cement + 5% Salt, + 6% Gel, Yield 2.09, 100% excess, tail in with 150 Sx. Of Class "C" cement +1% CasCl, Yield 1.33, 100% excess. Circulate cement to surface.
4. Drill 8 3/4" hole to 15,445'. Run and set 15,445' of 5 1/2" 20# HCP-110 CDC-HTQ CASING. Cement with 1101 Sx. of 35/65 Class "H" cement + 1lb/Sx. KOL seal, Yeild 1.89, 50% excess, tail in with 747 Sx. of Class "H" SoluCem, cement + fluid loss control, +defoamer, "Acid soluble. Yield 2.59, 50% excess. Estimate top of cement 5000' from surface.

CONDITIONS OF APPROVAL

API #	Operator	Well name & Number
30-025-42356	Caza Operating LLC	Igloo 19 State # 1H

Applicable conditions of approval marked with XXXXXX

Administrative Orders Required

XXXXXXX	Will require administrative order for non-standard location prior to placing the well on production

Other wells

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Drilling

XXXXXXX	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string

Casing

XXXXXXX	SURFACE & INTERMEDIATE(1) CASING - Cement must circulate to surface --
XXXXXXX	PRODUCTION CASING - Cement must tie back into intermediate casing --
XXXXXXX	If cement does not circulate to surface, must run temperature survey or other log to determine top of cement
	South Area
XXXXXXX	Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water