

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Aztec, NM 88201
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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HOBBS (N)

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
June 16, 2008

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit to appropriate District Office

☒ AMENDED REPORT

**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN,
PLUGBACK, OR ADD A ZONE**

| | | |
|--|---|---|
| ¹ Operator Name and Address Caza Operating, LLC, 200 N. Loraine, Suite 1550, Midland, Texas 79701 | | ² OGRID Number 249099 ✓ |
| | | ³ API Number 30 - 025-38242 39242 |
| ³ Property Code 37458 | ⁵ Property Name Moore Cowbell 23 State | ⁶ Well No. # 1H |
| ⁹ Proposed Pool 1 CAPROCK WOLFCAMP, EAST (9310) ✓ | | ⁹ Proposed Pool 2 Caprock Upper East (9120) MOORE PERMO PENN (47310) |

⁷ Surface Location

| UL or lot no | Section | Township | Range | Lot Idn | Feet from the | North/South | Feet from the | East/West line | County |
|--------------|-----------|-------------|-------------|---------|---------------|-------------------|---------------|------------------|------------|
| M | 23 | 12 S | 32 E | | 330 | South line | 330 | West Line | Lea |

⁸ Proposed Bottom Hole Location If Different From Surface

| UL or lot no | Section | Township | Range | Lot Idn | Feet from the | North/South | Feet from the | East/West | County |
|--------------|-----------|-------------|-------------|---------|---------------|-------------------|---------------|------------------|------------|
| N | 23 | 12 S | 32 E | | 990 | South line | 2310 | West Line | Lea |

Additional Well Information

| | | | | |
|--|--|---|---|---|
| ¹¹ Work Type Code N | ¹² Well Type Code O | ¹³ Cable/Rotary Rotary | ¹⁴ Lease Type Code S | ¹⁵ Ground Level Elevation 4335 ft GR |
| ¹⁶ Multiple No | ¹⁷ Proposed Depth 10,234 Md/ 8750 TVD | ¹⁸ Formation Wolcamp | ¹⁹ Contractor | ²⁰ Spud Date When Approved |

²¹ Proposed Casing and Cement Program

| Hole Size | Casing Size | Casing weight/foot | Setting Depth | Sacks of Cement | Estimated TOC |
|------------------|---------------|--------------------|------------------|----------------------|-------------------|
| 26 | 20 | 52.73 | 40 Ft GL | Grout 1.5 yds | Surface |
| 17.5 | 13.375 | 48 | 400 | 500 sks | Surface |
| 12.25 | 9.625 | 40 & 36 | 5000 ft | 1575 | Surface |
| 8.5/7.875 | 5.5 | 17 | 10,234 MD | 1780 | 4500 ft FS |

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Caza Operating LLC request OCD's permission to abandon the original plan of drilling this well vertically to the Atoka formation. We have instead proposed drilling a horizontal Wolcamp oil well. This well will be drilled according to the original APD but the TVD will be reduced to 8750 ft. Zone of interest is located ± 8350 ft. We will drill an 8.5 inch pilot hole to 8750 ft and determine exact location of our zone of interest. We will then plug back and build the curve as designed using an 8.5 inch bit. The hole size will then be reduced to 7.875 inches to drill the lateral portion. Please add the "H" to the well name and approve this well to be drilled horizontally. All other aspects of the original APD remain the same.

Attachments:

Revised C-102

Planned Production Casing Program

Planned Production Casing Cement Program

Simplified Directional Info

**Permit Expires 2 Years From Approval
Date Unless Drilling Underway**
Horizontal

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature:

Richard L. Wright

Printed name:
Richard L. Wright

Title:
Operations Manager

E-mail Address:
rwright@cazapetro.com

Date
11/15/08

Phone
432 682 7424

OIL CONSERVATION DIVISION

Approved by:

[Signature]

Title:
PETROLEUM ENGINEER

Approval Date:

Expiration Date:

DEC 01 2008

Conditions of Approval Attached ☐