

Submit 3 Copies To Appropriate District Office
District I
1625 N French Dr., Hobbs, NM 88240
District II
1301 W Grand Ave., Artesia, NM 88201
District III
1000 Rio Brazos Rd, Aztec, NM 87410
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
June 19, 2008

OIL CONSERVATION DIVISION
RECEIVED
South St. Francis Dr.
Santa Fe, NM 87505

AUG 13 2009

HOBBSOCD

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 39241
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.
3. Address of Operator 200 N. Loraine, Suite 1550, Midland, Texas 79701		7. Lease Name or Unit Agreement Name Lucky Penny 10 State
4. Well Location Unit Letter <u>P</u> : <u>660</u> feet from the <u>South</u> line and <u>990</u> feet from the <u>East</u> line Section <u>10</u> Township <u>12S</u> Range <u>32E</u> NMPM County <u>LEA</u>		8. Well Number # 1 H
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4384ft GR		9. OGRID Number 249099
		10. Pool name or Wildcat Caprock Upper Penn, East

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

OTHER: Test Production Csg Perf Toe, ☒

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

7/31/09 _ Changed out 7.0625 5K tubing head to 7.0625" 10K tubing head. Test Well head, 7" Casing, 4.5" liner & Liner top to 7800 PSI for 30 minutes. Held okay. We had 10 ppg Brine in hole during test.
8/1/09 _ R/U Enertech Wireline Ran CBL, GR and CCL _ Found TOC @ 6410 ft. Pulled Gamma Ray from 8064 ft to Surface.
8/5/09 _ P/U Tubing & Bit. Cleaned out cmt from 10,447 to 10,589 "PBTB". Cement drilled very firm. Displace w/ 2% KCL FW.
8/7/09 _ Pickled tubing w/ 500 gals 15% HCL. Spotted 5000 gals 7 1/2% HCL Double inhibited acid. POH.
8/8/09 _ TIH w/ TCP guns spaced out as to perforate Wolfcamp "Lateral Toe" 10,370 ft (8 holes); 10,267 ft (7 Holes); 10,173 ft (6 holes) 10,071 ft (6 holes); 9,971 ft (5 holes); 9,867 ft (5 holes); 9,765 ft (4 holes). Pump away acid and over displaced w/ 2% KCL FW. ISIP 5598 psi " 1.09 psi / ft frac gradient. 30 minute pressure down to 4,972 psi. R/D iron. Flow back acid load. Recovered total 207 BLW. Short 602 BLW. SDFWE.

Spud Date:

5/18/09

Rig Release Date:

7/25/2009

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 August 10, 2009

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

AUG 14 2009

Conditions of Approval (if any):