Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
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

RECEIVED
AUG 13 2009
HOBBSOCD

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
June 19, 2008

WELL API NO. **30-025-39448**	
5. Indicate Type of Lease STATE ☒ FEE ☐	
6. State Oil & Gas Lease No. **VB 1152**	
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.)	7. Lease Name or Unit Agreement Name **Moore Bailout 11 State**
1. Type of Well: Oil Well ☒ Gas Well ☐ Other	8. Well Number # **1H**
2. Name of Operator **Caza Operating, LLC**	9. OGRID Number **249099**
3. Address of Operator **200 North Loraine, Suite 1550, Midland, Texas 79701**	10. Pool name or Wildcat **Wildcat** Wolfcamp
4. Well Location Unit Letter **A** : **660** feet from the **NORTH** line and **990** feet from the **EAST** line Section **11** Township **11 S** Range **32 E** NMPM **LEA** County	
	11. Elevation *(Show whether DR, RKB, RT, GR, etc.)* **4362 GR**

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☐	ALTERING CASING ☒
TEMPORARILY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPNS. ☐	P AND A ☐
PULL OR ALTER CASING ☐	MULTIPLE COMPL ☐	CASING/CEMENT JOB ☐	
DOWNHOLE COMMINGLE ☐			
OTHER: ☐		OTHER: ☐	

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.

Caza Operating will Extend the depth of the 7" production Intermediate casing to ± 8100 ft. After Setting and cementing the 7" casing @ ± 8100 ft we will drill a 6.125" hole to a total depth of ± 8700. We will log this portion of open hole and pull the Neutron/GR to surface. We will then plug back using a cement retainer positioned 50 ft inside the base of the 7" casing. We will squeeze open hole w/ 100 sks Class "H" cmt mixed 15.6 ppg. Caza will set a permanent whipstock inside the 7" casing as to kickoff as per the original APD planned KOP. A Gyro Survey will be run prior to Whipstock positioning.
Attached: New 7" casing design showing deeper setting depth.

Spud Date: **8/6/2009** 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 **08/09/2009**

Type or print name **Richard L. Wright** E-mail address: **rwright@cazapetro.com** PHONE: **432 682 7424**

For State Use Only

APPROVED BY: TITLE PETROLEUM ENGINEER DATE AUG 14 2009

Conditions of Approval (if any):

Well name:	**Moore Bailout 11 State # 1**
Operator:	**Caza Operating, LLC**
String type:	Intermediate: Prod'n ~~WORSE CASE~~
Location:	Lea County, New Mexico

Design parameters:

Collapse
Mud weight: 9.500 ppg
Design is based on evacuated pipe.

Burst
Max anticipated surface pressure: 3,301 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 4,273 psi

No backup mud specified.

Minimum design factors:

Collapse:
Design factor 1.125

Burst:
Design factor 1.10

Tension:
8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on buoyed weight.
Neutral point: 6,943 ft

Environment:
H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 123 °F
Temperature gradient: 0.60 °F/100ft
Minimum section length: 1,500 ft
Minimum Drift: 6.125 in
Cement top: 4,100 ft

Non-directional string.

Re subsequent strings:
Next setting depth: 8,262 ft
Next mud weight: 10.000 ppg
Next setting BHP: 4,292 psi
Fracture mud wt: 30.000 ppg
Fracture depth: 8,100 ft
Injection pressure 12,623 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft^3)
1	8100	7	26.00	P-110	LT&C	8078	8100	6.151	1740.1

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	3986	5879	1.475	4270	9950	2.33	180	693	3.85 J

Prepared by: Richard Wright / Pillips
Phone: 432 682 7424
FAX: 432 682 7425
Date: August 11,2009
Midland, Texas

Remarks:
Collapse is based on a vertical depth of 8100 ft, a mud weight of 9.5 ppg The casing is considered to be evacuated for collapse purposes.
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:	**Moore Bailout 11 State # 1**
Operator:	**Caza Operating, LLC**
String type:	Production: Frac
Location:	Lea County, New Mexico

Design parameters:

Collapse
Mud weight: 10.000 ppg
Design is based on evacuated pipe.

Burst
Max anticipated surface pressure: 7,288 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 8,260 psi

No backup mud specified.

Calc based on 19.25 PPg Frac Gradient

Minimum design factors:

Collapse:
Design factor 1.125

Burst:
Design factor 1.10

Tension:
8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.60 (B)

Tension is based on buoyed weight.
Neutral point: 6,878 ft

Environment:
H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 124 °F
Temperature gradient: 0.60 °F/100ft
Minimum section length: 1,500 ft
Minimum Drift: 6.125 in
Cement top: 4,100 ft

Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost ($)
1	8100	7	26.00	P-110	LT&C	8100	8100	6.151	84199

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	4208	6230	1.481	8241	9950	1.21	178.8	693	3.88 J

Prepared by: Richard Wright
Pillips

Phone: 432 682 7424
FAX: 432 682 7425

Date: August 11,2009
Midland, Texas

Remarks:
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Collapse

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Design is based on evacuated pipe.

Burst

Max anticipated surface pressure: 7,288 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 8,260 psi

No backup mud specified.

Calc based on 19.25 PPg Frac Gradient

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.10

Tension:

8 Round STC:	1.80 (J)
8 Round LTC:	1.80 (J)
Buttress:	1.60 (J)
Premium:	1.50 (J)
Body yield:	1.60 (B)

Tension is based on buoyed weight.
Neutral point: 6,878 ft

Environment:

H2S considered?	No
Surface temperature:	75 °F
Bottom hole temperature:	124 °F
Temperature gradient:	0.60 °F/100ft
Minimum section length:	1,500 ft
Minimum Drift:	6.125 in
Cement top:	4,100 ft

Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost ($)
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Design is based on evacuated pipe.

Burst

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Calculated BHP 4,273 psi

No backup mud specified.

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Burst:

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Tension:

8 Round STC:	1.80 (J)
8 Round LTC:	1.80 (J)
Buttress:	1.60 (J)
Premium:	1.50 (J)
Body yield:	1.50 (B)

Tension is based on buoyed weight.
Neutral point: 6,943 ft

Environment:

H2S considered?	No
Surface temperature:	75 °F
Bottom hole temperature:	123 °F
Temperature gradient:	0.60 °F/100ft
Minimum section length:	1,500 ft
Minimum Drift:	6.125 in
Cement top:	4,100 ft

Non-directional string.

Re subsequent strings:

Next setting depth:	8,262 ft
Next mud weight:	10.000 ppg
Next setting BHP:	4,292 psi
Fracture mud wt:	30.000 ppg
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