

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

HOBBSS

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

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.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/>		5. Lease Serial No NM 99048
2. Name of Operator Caza Operating, LLC		6. If Indian, Allottee or Tribe Name
3a. Address 200 N. Loraine, Suite 1550, Midland, Texas 79701	3b. Phone No. (include area code) 432 682 7424	7. If Unit or CA/Agreement, Name and/or No
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1980 FNL & 1980 FWL, Sec 15, T20S, R34E, Lea County, New Mexico Unit - F		8. Well Name and No. Mud Slide Slim 15 Federal # 1
		9. API Well No. 30 025 38469
		10. Field and Pool, or Exploratory Area Lea Bone Springs
		11. County or Parish, State Lea, New Mexico

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input 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 Vent Produced Gas
	<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 shall 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 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Caza Operating, LLC respectfully request permission to vent produced gas at a rate of approximately 17 mcf per day while researching equipment which could be used to economically compress this small volume from 30 psi to 500 psi. If no equipment can be found we will request a permanent vent permit.

RECEIVED

AUG 17 2009

HOBBSSOCD

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

APPROVED FOR 3 MONTH PERIOD
ENDING NOV 13 2009



14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Richard L. Wright

Title Operations Manager

Signature

Date

06/30/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

PEI ROLEUM ENGINEER

Date

AUG 17 2009

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.

Office

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)

**Mud Slide Slim 15 Federal #1
30-025-38469
Caza Operating, LLC
August 13, 2009
Conditions of Approval**

- 1. Approval to vent gas is granted for 90 days to enable the operator time to research the equipment. After the 90 days expires, the gas must be sold or a permanent vent permit must be requested.**
- 2. Vent approval does not relieve the operator of royalty obligations for gas vented. As a result the gas should be measured; therefore, a meter must be installed and gas measurements have to be reported to the BLM.**

CRW 081309

EXHIBIT 1
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