

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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State of New Mexico
Minerals and Natural Resources

Form C-101
June 16, 2008

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 NORTH LORRAINE SUITE 1550 MIDLAND, TEXAS 79701		² OGRID Number 249099
³ Property Code 37800		⁴ Property Name BADA BING "23" STATE
⁵ Proposed Pool 1 INBE PERMO PENN (33660)		⁶ Proposed Pool 2
⁷ Surface Location		⁸ Well No. 2 H
⁹ Proposed Bottom Hole Location If Different From Surface		¹⁰ APT NUMBER 30- 025-39509

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	23	10S	33E		430'	SOUTH	830'	EAST	LEA

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	23	10S	33E		510'	NORTH	660'	EAST	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 4208
¹⁶ Multiple NO	¹⁷ Proposed Depth TVD_8800'	¹⁸ Formation MD-12938 WOLFCAMP	¹⁹ Contractor JW DRILLING CO.	²⁰ Spud Date WHEN APPROVED

²¹ Proposed Casing and Cement Program

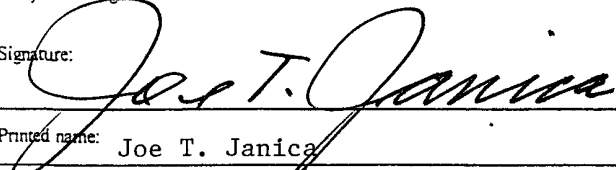
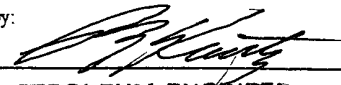
Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
26"	20"	CONDUCTOR	40'	Redi-mix	SURFACE
17 1/2"	13 3/8"	54.5#	500'	625 SX.	SURFACE
12 1/4"	9 5/8"	36 & 40#	4000'	1300 SX.	SURFACE
8 3/4"	7"	26#	9150'	1180 SX.	3500' FS
6 1/8"	4 1/2" Liner	11.6#	12,938-8010'	*	

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.

* Run a 4928' 4 1/4" 11.6# P-110 LT&C Liner Hang at 8010±', run a Halliburton Swell-Packersleeve, and a Versa flex hanger assembly.

SEE ATTACHED SHEET FOR DETAIL

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

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.		OIL CONSERVATION DIVISION	
Signature: 		Approved by: 	
Printed name: Joe T. Janica		Title: PETROLEUM ENGINEER	
Title: Permit Eng.		Approval Date: AUG 28 2009	
E-mail Address: joejanica@valornet.com		Expiration Date:	
Date:	Phone: 575-391-8503	Conditions of Approval Attached ☐	

1. Drill 26" hole to 40'. Set 40' of 20" conductor pipe and cement to surface with Redi-mix.
2. Drill 17½" hole to 500'. Run and set 500' of 13 3/8" 54.5# J-55 ST&C casing. Cement with 425 Sx. of 65/35 Class "C" POZ cement + 6% Gel, + 5% Salt, Yield 1.89, tail in with 200 Sx. of Class "C" cement + 2% CaCl. Yield 1.32, circulate cement to surface.
3. Drill 12¼" hole to 4000'. Run and set 4000' of 9 5/8" as follows: 900' of 9 5/8" 40# J-55 ST&C casing, 3100' of 9 5/8" 36# J-55 LT&C casing. Cement with 1100 Sx. of 65/35 Class "C" POZ Cement + 6% Gel, + 5% Salt, Yield 2.09, tail in with 200 Sx. of Class "C" cement + 1% CaCl, Yield 1.32, circulate cement to surface.
4. Drill 8 3/4" hole to 9200'. Run open hole logs. Set Cement plug back to 8100±'. Dress off cement plug to KO Point at 8325±'. Drill 8 3/4" hole to MD of 9153±'. Run and set 9155±' of 7" 26# P-110 LT&C casing. Cement with 880 Sx. of TXI Class "H" Light cement + additives, Yield 1.25, tail in with 300 Sx. of TXI Class "H" cement + additives, Yield 1.18. Estimate top of cement 3500' from surface.
5. Drill 6 1/8" horizontal hole to a total MD of 12,938'. Run and set a 4928±' 4½" 11.6# P-110 LT&C Liner. Run a Halliburton "Swell Packer-Sleeve completion system, with a Versa Flex liner hanger assembly hang at 8010±'.

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State of New Mexico
Energy, Minerals and Natural Resources Department

CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-102
Revised October 12, 2005

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-39509	Pool Code 33660 ✓	Pool Name INBE-PERMO PENN
Property Code 37800	Property Name BADA BING "23" STATE	Well Number 2H
OGRID No. 249099	Operator Name CAZA OPERATING, LLC	Elevation 4208'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	23	10 S	33 E		430	SOUTH	830	EAST	LEA

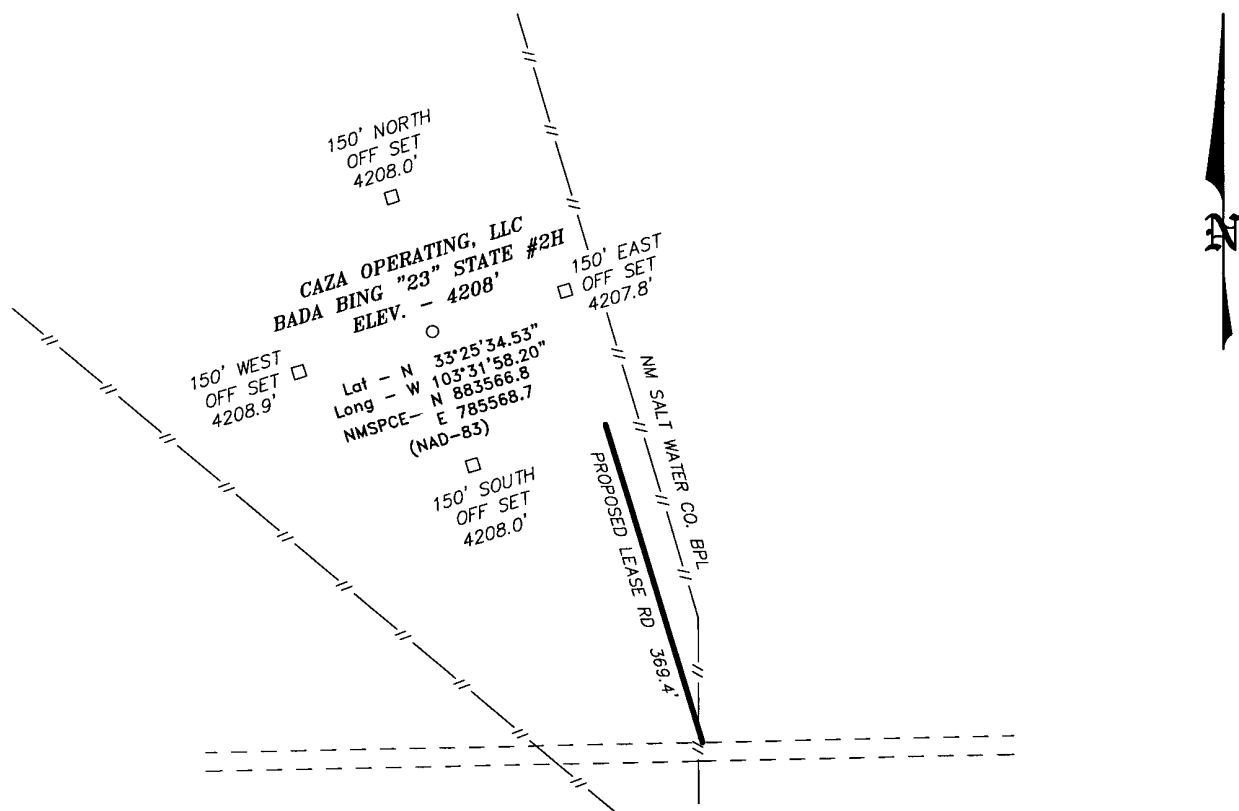
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	23	10 S	33 E		510	NORTH	660	EAST	LEA
Dedicated Acres 160	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

BOTTOM HOLE LOCATION Lat - N 33°26'17.25" Long - W 103°31'56.29" NMSPC- N 887884.516 E 785696.548 (NAD-83) PROJECT AREA → PRODUCING AREA → POE 1000' FSL & 807' FEL SURFACE LOCATION Lat - N 33°25'34.54" Long - W 103°31'58.20" NMSPC- N 883566.8 E 785568.7 (NAD-83)	OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. <i>Joe T. Janica</i> Signature Date Joe T. Janica Printed Name SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. JUNE 4, 2009 Date Surveyed Signature & Seal of Professional Surveyor W.O. No. 21428 Certificate No. Gary L. Jones 7977 BASIN SURVEYS
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SECTION 23, TOWNSHIP 10 SOUTH, RANGE 33 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.



200 0 200 400 FEET
SCALE: 1" = 200'

Directions to Location:

FROM THE JUNCTION OF HWY 380 AND CO. RD. NINE, GO NORTH ON NINE FOR 4.4 MILES TO CO. RD. LANE, ON LAND GO EAST TURNING NORTH 2.6 MILES TO LEASE ROAD, ON LEASE ROAD GO EAST 0.7 MILES TO PROPOSED LEASE ROAD.

BASIN SURVEYS P.O. BOX 1786-HOBBS, NEW MEXICO

W.O. Number: 21428 Drawn By: J. SMALL

Date: 06-05-2009 Disk: JMS 21428

CAZA OPERATING, LLC

REF: BADA BING "23" STATE #2H / WELL PAD TOPO

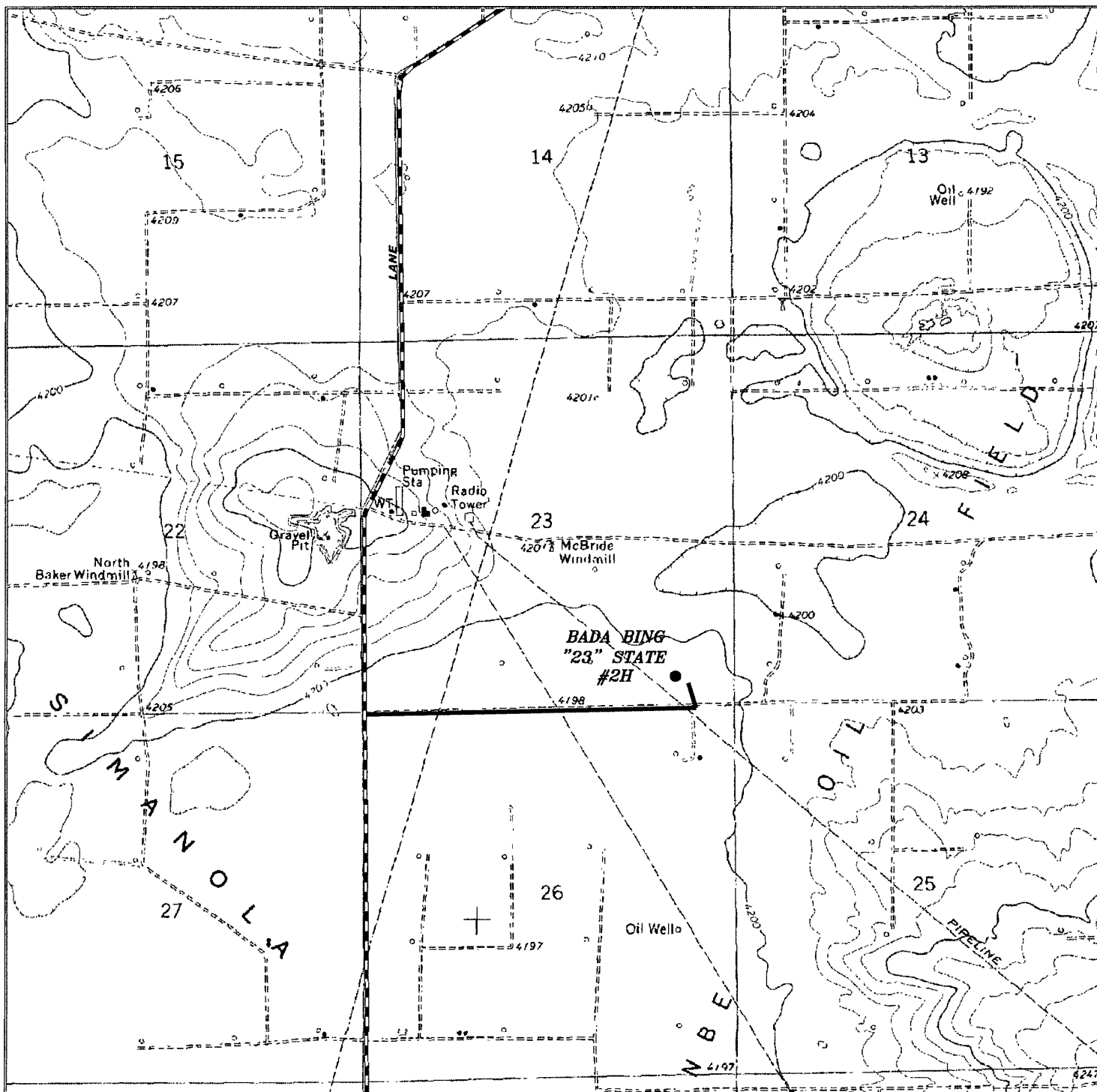
THE BADA BING "23" STATE #2H LOCATED 430'

FROM THE SOUTH LINE AND 830' FROM THE EAST LINE OF

SECTION 23, TOWNSHIP 10 SOUTH, RANGE 33 EAST,

N.M.P.M., LEA COUNTY, NEW MEXICO.

Survey Date: 06-04-2009 Sheet 1 of 1 Sheets



BADA BING "23" STATE #2H
 Located 430' FSL and 830' FEL
 Section 23, Township 10 South, Range 33 East,
 N.M.P.M., Lea County, New Mexico.

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 in the oilfield

P.O. Box 1786
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (575) 393-7316 - Office
 (575) 392-2206 - Fax
 basinsurveys.com

W.O. Number: JMS 21428

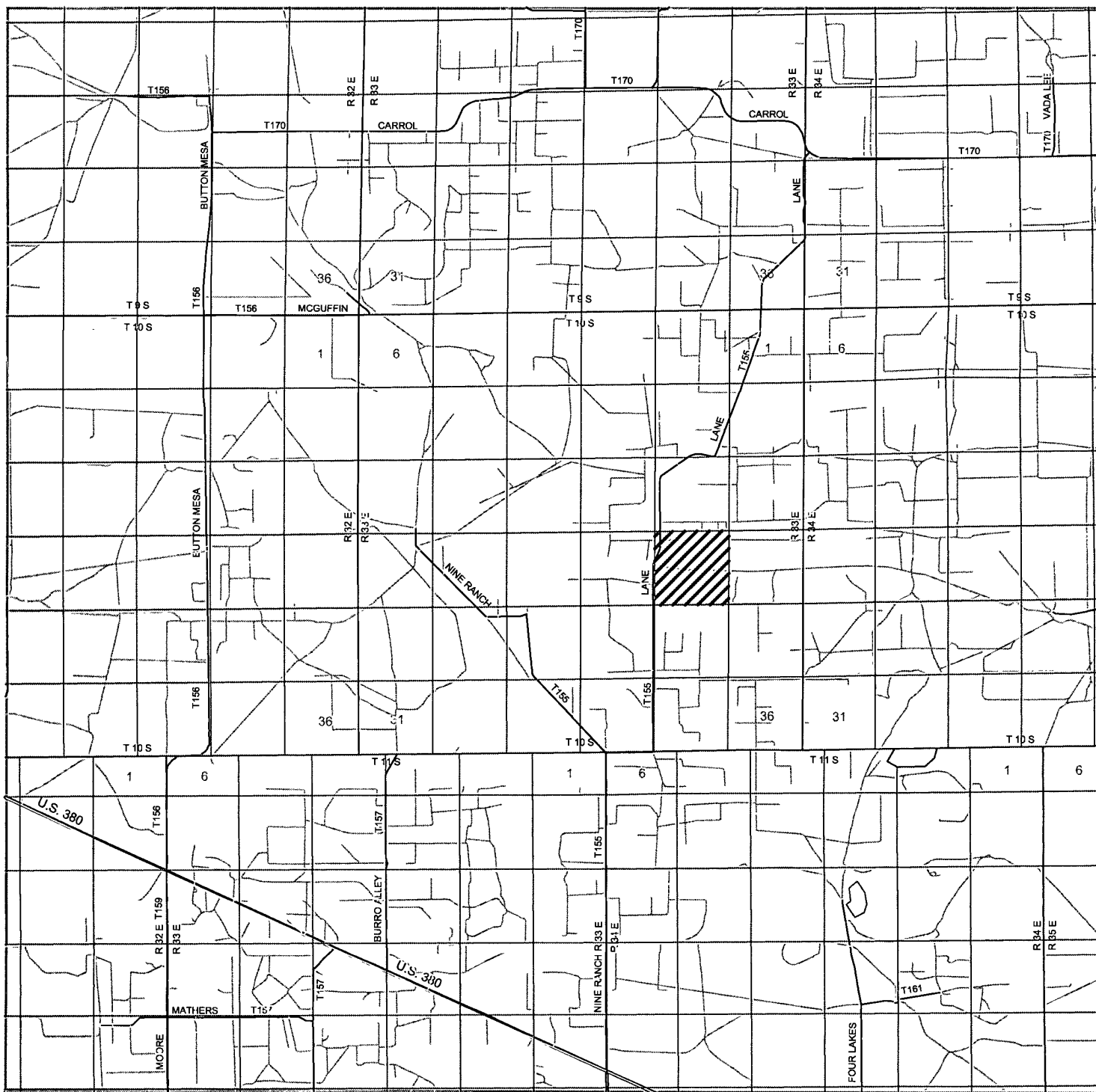
Survey Date: 06-04-2009

Scale: 1" = 2000'

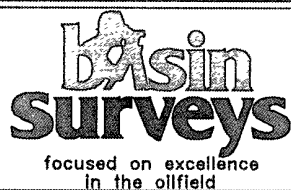
Date: 06-05-2009



CAZA
OPERATING,
LLC



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 Located 430' FSL and 830' FEL
 Section 23, Township 10 South, Range 33 East,
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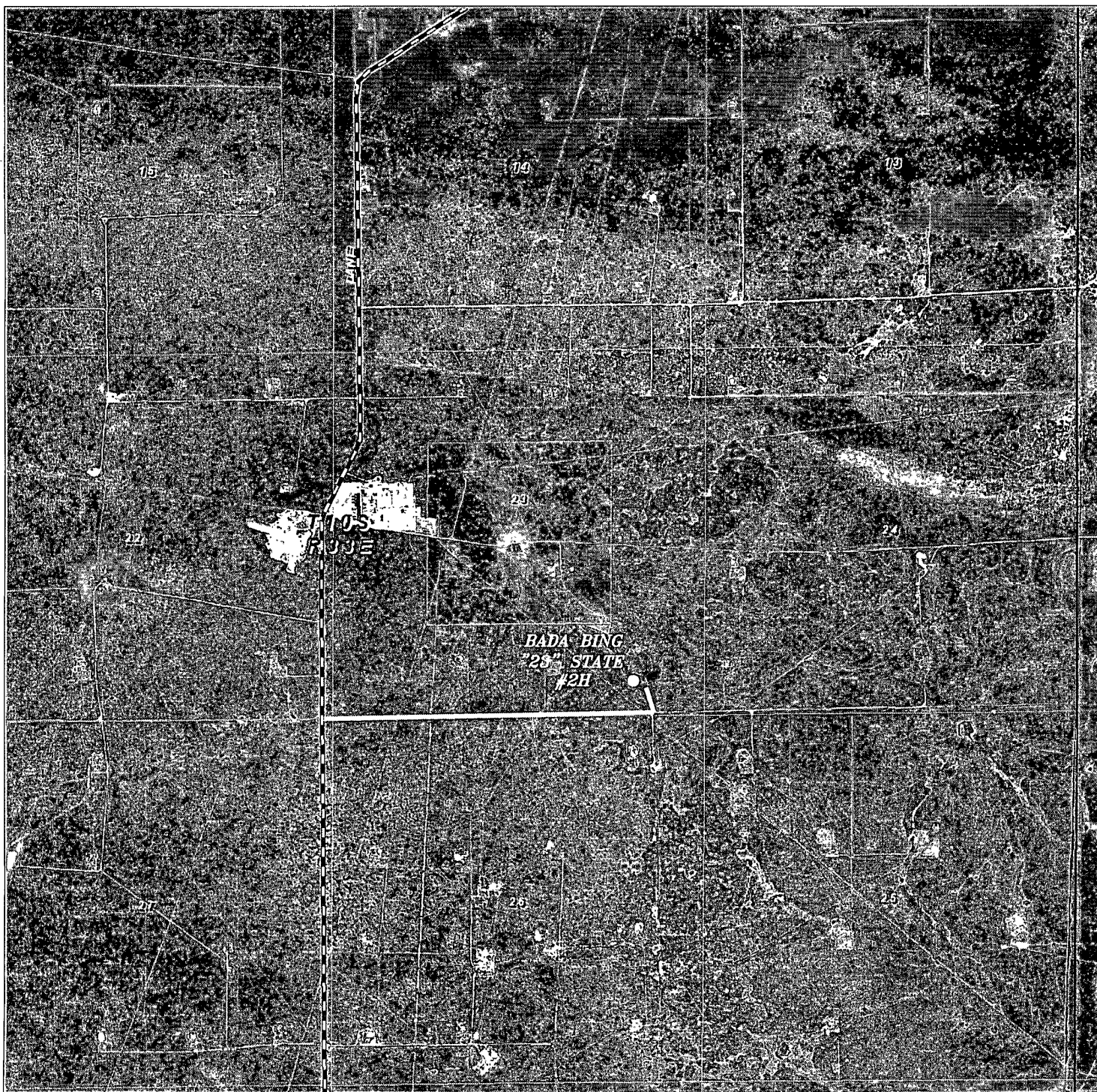
W.O. Number: JMS 21428

Survey Date: 06-04-2009

Scale: 1" = 2 Miles

Date: 06-05-2009

CAZA
OPERATING,
LLC



BADA BING "23" STATE #2H
 Located 430' FSL and 830' FEL
 Section 23, Township 10 South, Range 33 East,
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Scale: 1" = 2000'

YELLOW TINT - USA LAND
 BLUE TINT - STATE LAND
 NATURAL COLOR - FEE LAND



CAZA
OPERATING,
LLC

LONG's METHOD OF SURVEY COMPUTATION**OBLIQUE CIRCULAR ARC INTERPOLATION**

0	MD OF INTERPOLATION DEPTH,(feet)
#N/A	TVD COORDINATE OF THE DEPTH (feet)
#N/A	N/S COORDINATE OF DEPTH (feet)
#N/A	E/W COORDINATE OF DEPTH (feet)

3 D DISTANCE BETWEEN STATION A AND STATION B

DISTANCE TABLE

STATION A	STATION B
0.00	0.00
0.00	0.00
0.00	0.00
0.00	ft

Calculator =

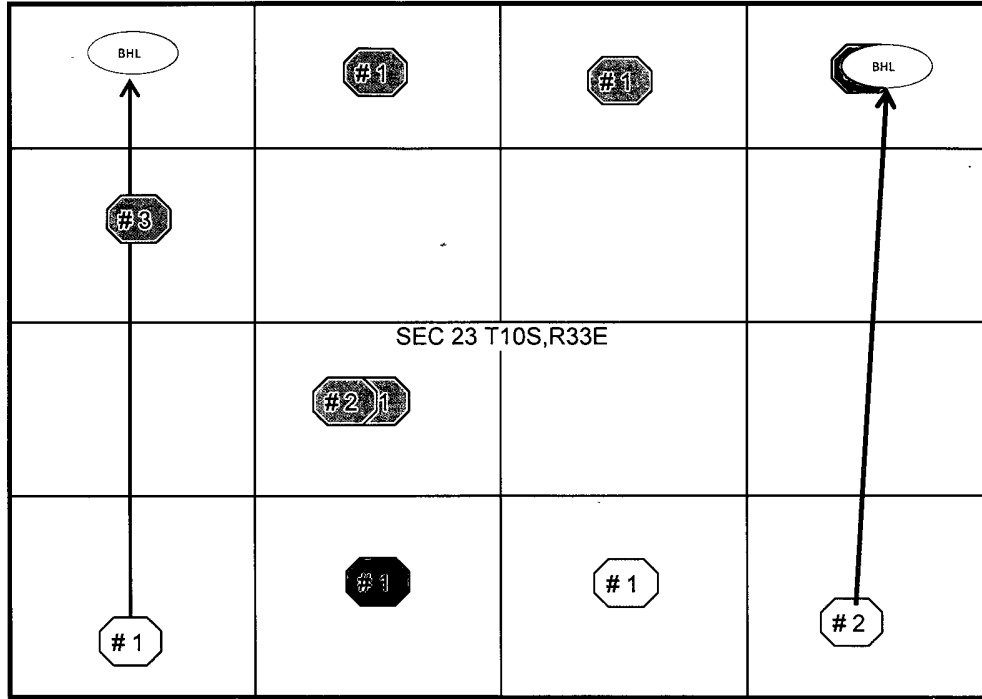
TABLE OF SURVEY STATIONS

STA #	ΔMD ft	INCL deg	AZIM deg	MD ft	TVD ft	N+S- ft	E+W- ft	DLS deg/100FT
1	TIE POINT =>	0	0	8323.00	8323.00	0.00	0.00	-
2	100	12	2.2432	8423.00	8422.27	10.43	0.41	12.00
3	100	24	2.2432	8523.00	8517.20	41.25	1.62	12.00
4	100	36	2.2432	8623.00	8603.65	91.12	3.57	12.00
5	100	48	2.2432	8723.00	8677.83	157.86	6.18	12.00
6	100	60	2.2432	8823.00	8736.50	238.55	9.34	12.00
7	100	72	2.2432	8923.00	8777.10	329.67	12.91	12.00
8	100	84	2.2432	9023.00	8797.85	427.23	16.74	12.00
9	50	90	2.2432	9073.00	8800.46	477.10	18.69	12.00
10	100	90	2.2432	9173.00	8800.46	577.02	22.60	0.00
11	100	90	2.2432	9273.00	8800.46	676.95	26.52	0.00
12	100	90	2.2432	9373.00	8800.46	776.87	30.43	0.00
13	100	90	2.2432	9473.00	8800.46	876.79	34.35	0.00
14	100	90	2.2432	9573.00	8800.46	976.72	38.26	0.00
15	100	90	2.2432	9673.00	8800.46	1076.64	42.17	0.00
16	100	90	2.2432	9773.00	8800.46	1176.56	46.09	0.00
17	100	90	2.2432	9873.00	8800.46	1276.49	50.00	0.00
18	100	90	2.2432	9973.00	8800.46	1376.41	53.92	0.00
19	100	90	2.2432	10073.00	8800.46	1476.33	57.83	0.00
20	100	90	2.2432	10173.00	8800.46	1576.26	61.74	0.00
21	133	90	2.2432	10306.00	8800.46	1709.15	66.95	0.00
22	100	90	2.2432	10406.00	8800.46	1809.08	70.86	0.00
23	100	90	2.2432	10506.00	8800.46	1909.00	74.78	0.00
24	100	90	2.2432	10606.00	8800.46	2008.92	78.69	0.00
25	100	90	2.2432	10706.00	8800.46	2108.85	82.61	0.00
26	100	90	2.2432	10806.00	8800.46	2208.77	86.52	0.00
27	100	90	2.2432	10906.00	8800.46	2308.69	90.43	0.00
28	100	90	2.2432	11006.00	8800.46	2408.62	94.35	0.00
29	100	90	2.2432	11106.00	8800.46	2508.54	98.26	0.00
30	100	90	2.2432	11206.00	8800.46	2608.46	102.18	0.00
31	100	90	2.2432	11306.00	8800.46	2708.39	106.09	0.00
32	100	90	2.2432	11406.00	8800.46	2808.31	110.01	0.00
33	100	90	2.2432	11506.00	8800.46	2908.23	113.92	0.00
34	100	90	2.2432	11606.00	8800.46	3008.16	117.83	0.00
35	100	90	2.2432	11706.00	8800.46	3108.08	121.75	0.00
36	100	90	2.2432	11806.00	8800.46	3208.00	125.66	0.00
37	100	90	2.2432	11906.00	8800.46	3307.93	129.58	0.00
38	100	90	2.2432	12006.00	8800.46	3407.85	133.49	0.00
39	100	90	2.2432	12106.00	8800.46	3507.77	137.40	0.00
40	100	90	2.2432	12206.00	8800.46	3607.70	141.32	0.00
41	100	90	2.2432	12306.00	8800.46	3707.62	145.23	0.00
42	100	90	2.2432	12406.00	8800.46	3807.54	149.15	0.00
43	100	90	2.2432	12506.00	8800.46	3907.47	153.06	0.00
44	100	90	2.2432	12606.00	8800.46	4007.39	156.97	0.00
45	100	90	2.2432	12706.00	8800.46	4107.31	160.89	0.00
46	100	90	2.2432	12806.00	8800.46	4207.24	164.80	0.00
47	100	90	2.2432	12906.00	8800.46	4307.16	168.72	0.00
48	32	90	2.2432	12938.00	8800.46	4339.14	169.97	0.00

Bada Bing Prospect Wolfcamp Horizontal

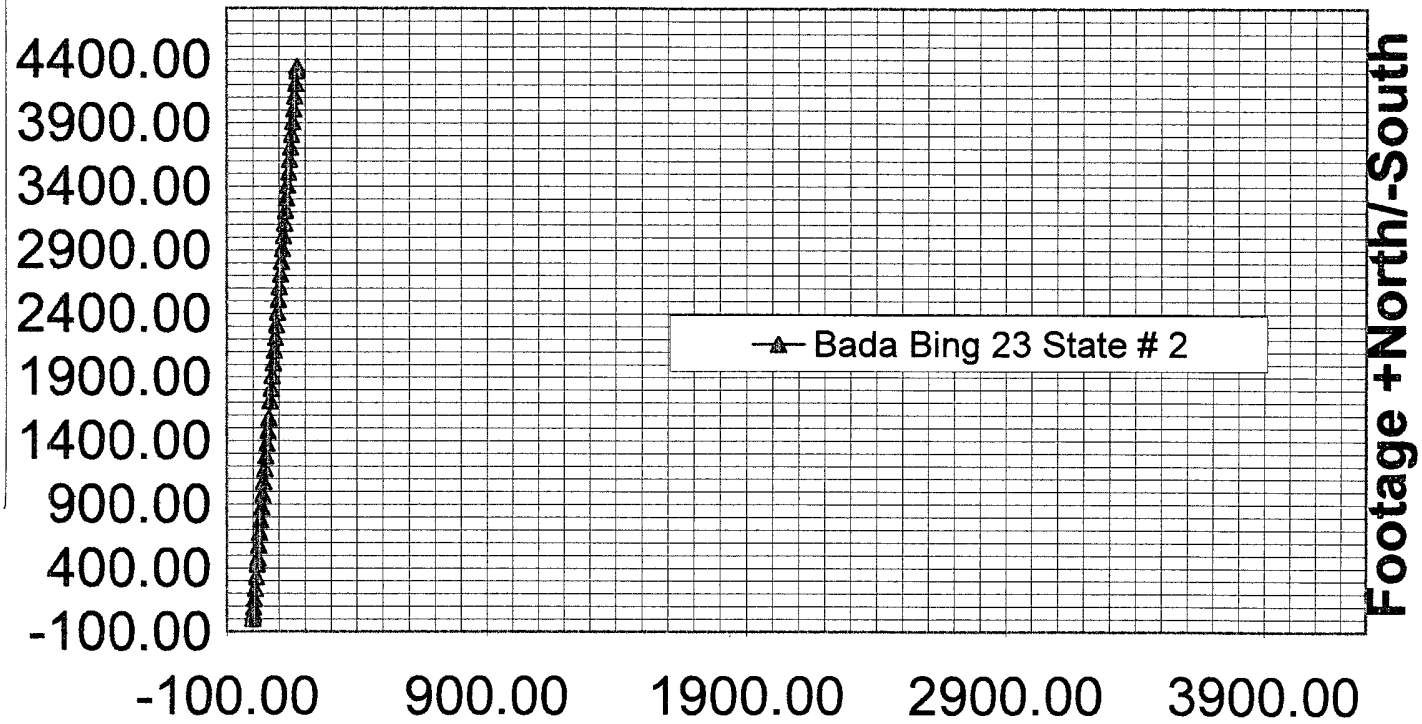
Sec 23, T-10-S, R-33-E, Lea County, New Mexico

Bada Bing 23 State # 2H

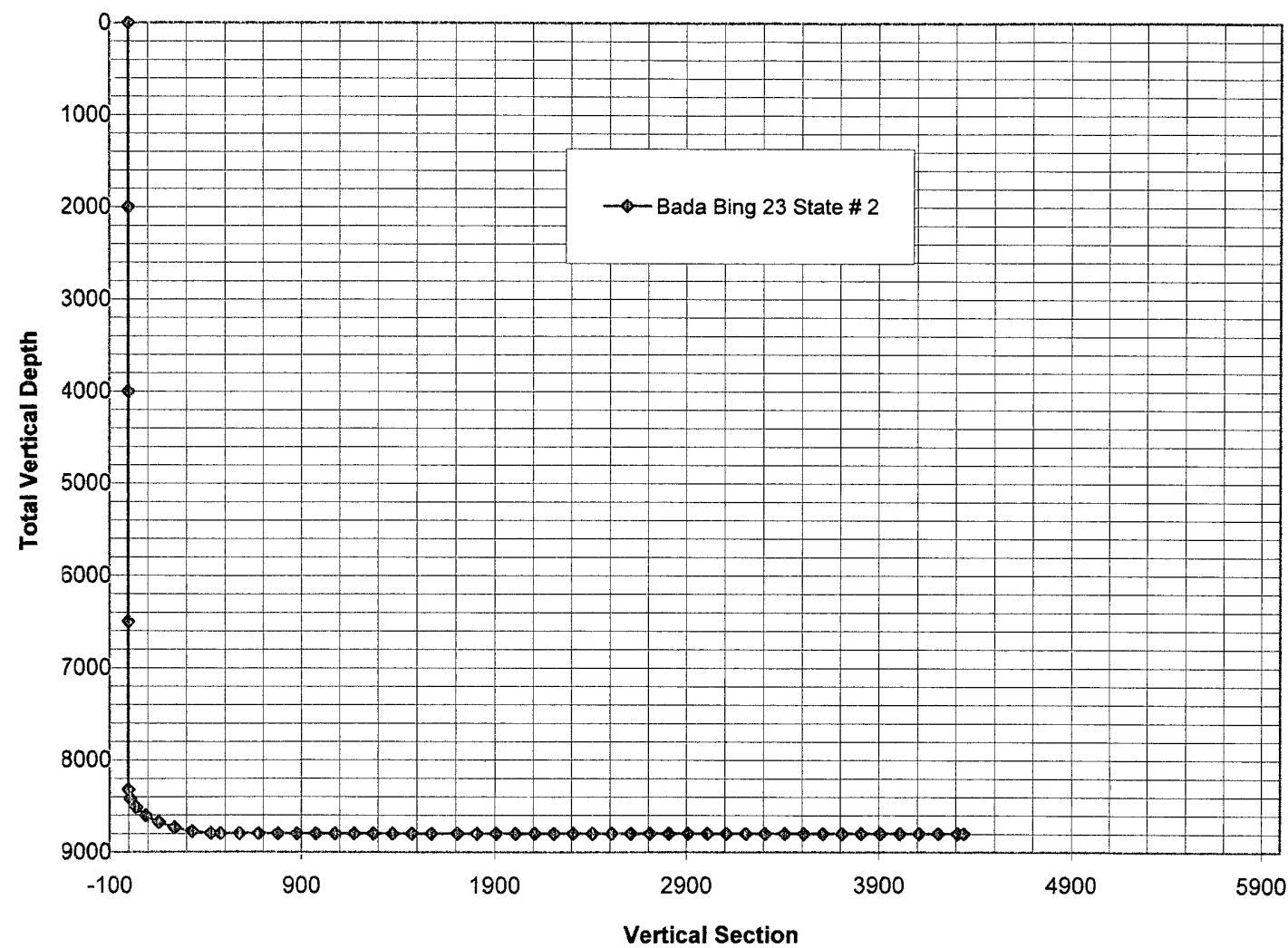


Well Name	Surface Location	Depth and Strata	Current Prod Zone	Bottom Hole Location 8800 tvd	
Bada Bing 23 St # 2H	430 FSL & 830 FEL	TD = 8800 Wolfcamp Horiz	Proposed	510 FNL & 660 FEL	Caza Operating Proposal
Bada Bing 23 St # 1H	510 FSL & 660 FWL	TD = 8800 Wolfcamp Horiz	Proposed	510 FNL & 660 FWL	Caza Operating Proposal
Midwest State #1	1980 FSL & 1980 FWL	TD = 10,000 Penn Dr'd 1962	P&A	Same	Delaware Apache Corp
British America # 1	660 FSL & 1980 FEL	TD = 9812 Penn Dr'd 1963	P&A	Same	Boren & Major & Giebel Oils
Warren State 23 # 1	810 FNL & 1980 FEL	TD = 9812 Penn Dr'd 1967	P&A	Same	H.C. Hood
Midwest "A" State #1	660 FNL & 1980 FWL	TD = 9792 Penn Dr'd 1967	P&A	Same	Delaware Apache Corp
N.M. AQ State NCT-5 # 1	660 FNL & 660 FEL	TD = 9900 Penn Dr'd 1967	P&A	Same	Texaco Inc
Warren State 23 # 2	1980 FSL & 1830 FWL	TD = 9831 Penn Dr'd 1967	P&A	Same	H.C. Hood
Midwest State # 3	1909 FNL & 791 FWL	TD = 9830 Penn Dr'd 1968	P&A	Same	Delaware Apache Corp
Nine Ranch # 1	660 FSL & 1980 FWL	TD = 9835 Penn Dr'd 1968	P&A	Same	Charles Read

Horizontal Plane Footage -West/+East

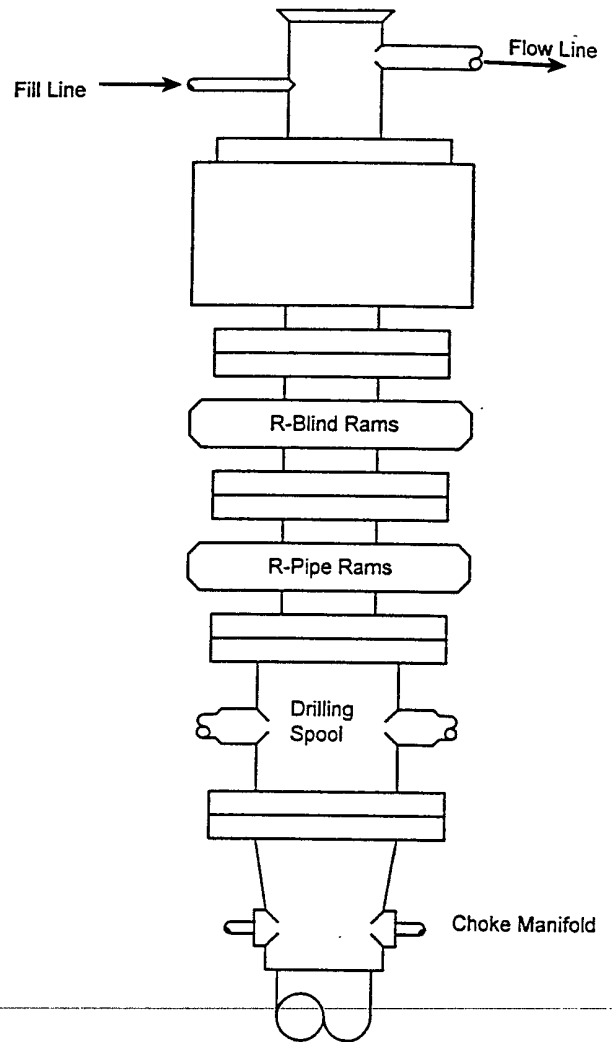


Bada Bing 23 State # 2



BLOWOUT PREVENTER SYSTEM

5000 PSI



Choke Manifold Assembly for 5M WP System

