

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 88011
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

RECEIVED

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

NOV 06 2009

HOBBS

WELL API NO. 30 025 39508
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VB-1488
7. Lease Name or Unit Agreement Name Bada Bing 23 State
8. Well Number #1H
9. OGRID Number 249099
10. Pool name or Wildcat Permo Penn

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)	
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	
2. Name of Operator Caza Operating, LLC,	
3. Address of Operator 200 N. Loraine, Suite 1550, Midland, Texas 79701	
4. Well Location Unit Letter M 330 feet from the South line and 660 feet from the West line Section 23 Township 10 South Range 33 East NMPM Lea County ✓	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4208 GR	

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 ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

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

OTHER: Set whipstock. ☒

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.

10/19/09 – 10/29/09 _ Drilled 8.75" hole from 4022 ft. to 9025 ft. TD Production Inter 14:00 Hrs CDT 10/29/2009.
10/30/09 – 10/31/09 _ L/D Drill Pipe. Run 210 jts 7.5" 26# P-110 Csg to 9025 ft. Float Collar @ 8980. HES cmt'd casing w/ 850 sks Versa cmt H mixed @ 13.2 ppg. Tailed w/ 700 sks Corossa Cmt H mixed @ 14.8 ppg. Final lift press 2510 psi. Centralizers "30" on jt # 1,2,3,4,5,6,8,10,12,14,16,18,20,22,24,26,28,30,32,34,90,92,94,96,98,100,102,104,106,108.

11/1/09 _ Test BOPE to 250 psi low & 5000 psi high w/ third party. Run Gyro. Run Cased hole Gamma Ray/neutron, CCL log 8880 to Surface.

11/2/09 _ Set WL CIBP @ 8560 WLM. P/U 6.125" bit & start P/U 3.5" Drill pipe. Pressure test 7 inch casing to 2500 psi for 30 minutes.

11/3/09 _ TIH w/ Knight Whipstock. Set same oriented 358°. Top Window will be 8542. Bottom window is 8550.

11/4/09 _ Mill Window. P/U Direction tools. Start Drilling Curve.

Spud Date:

10/10/09

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 **11/4/2009**

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

NOV 09 2009

Conditions of Approval (if any):