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

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

Form C-103
June 19, 2008

WELL API NO. **30 025 39404**

5. Indicate Type of Lease STATE ☒ FEE ☐

6. State Oil & Gas Lease No. **VB-1128**

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 Cowbell 27 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 N. Loraine, Suite 1550, Midland, Texas 79701**

10. Pool name or Wildcat: **Caprock Wolfcamp, East**

4. Well Location
Unit Letter **P** : **660** feet from the **South** line and **990** feet from the **East** line
Section **27** Township **12 South** Range **32 East** NMPM **Lea** County

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)* **4335 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 WISHES TO CHANGE THE CEMENT PLANS FOR THE SUBJECT WELL. WE WILL FORE GO USING A STAGE TOOL AND CEMENT THE 7 INCH CASING USING A ONE STAGE RECIPE. WE STILL BELIEVE WE CAN CIRCULATE CEMENT TO SURFACE. A FLUID CALIPER WILL BE RUN PRIOR TO DETERMINING FINAL VOLUMES AND ADJUSTMENTS WILL BE MADE TO THE LEAD SLURRY. ATTACHED IS THE SCHEMATIC AND RECIPE FOR THE PROPOSED JOB.

Spud Date: 11/28/2009 Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

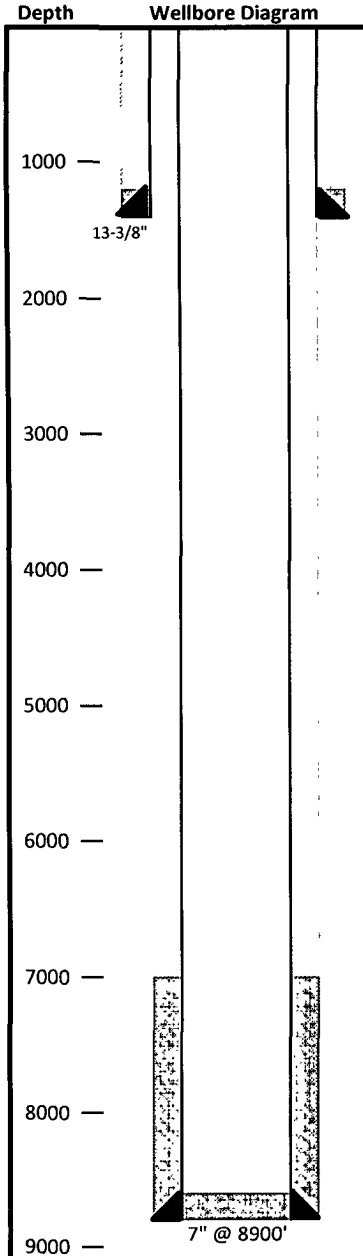
SIGNATURE Richard L Wright TITLE **Operations Manager** DATE **12/11/2009**

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

PETROLEUM ENGINEER DEC 16 2009

7" Casing and Cementing Procedure:

Depth | Wellbore Diagram



7" Casing Properties

Weight (#/ft)	Grade	Conn	Burst (psi)	Collapse (psi)	Pipe (kips)	Conn (kips)	ID (in)	Drift (in)
26.00	P-110	LTC	9950	6230	830	639	6.276	6.151
	80% of Rated Values		*7960*	*4984*	*664*	*511*		

Tally Design

Description	~ # of jts	Length	Top	Bottom
Casing	221	8857	0	8857
Float Collar		1	8857	8858
Casing	1	40	8858	8898
Float Shoe		2	8898	8900
	assumes 40' jts			

Centralizers

Run a centralizer on the 1st six jts. Run an additional 14 centralizers, spacing them every other jt.

For a TOTAL of 14 Centralizers

Place bow centralizers across the LTC collars

Hole Size:	8.750 in		
Casing Size:	7 in	**Excess:**	**50%**
Previous Csg ID:	8.835 in	Previous Csg Depth:	1490 *ft*
Csg Annulur Volume:	0.0282 *bbls/ft*	Casing Volume:	0.0383 *bbls/ft*
OH Annulur Volume:	0.0268 *bbls/ft*		

1st Lead: ***O-Tex: 50% "H"/50% poz/ 10% Gel + 0.2% C-20 + 1/4 #/sx Celloflake + 2#/sx Kolseal + 0.004 gps CF-41L***

Weight:	11.8 *ppg*	Mixing Fluid:	13.2 *gal/sx*
Yield:	2.28 *cuft/sx*	**Total Wtr Required:**	**33** ***bbls***
Top of Cement:	**0** *ft*	Column Height:	**7000** *ft*
Bottom of Cement:	**7000** *ft*		

	Gauge Volume	Excess Volume	
Cased Hole Volume:	42.1 *bbls*	42.1 *bbls*	*104 sx*
OH Annular:	187.4 *bbls*	281.1 *bbls*	*692 sx*
		323.2 bbls	**796 sx**

1st Tail: ***O-Tex: "H" + 0.8% C-16A + 0.1% C-20 + 0.004 gps CF-41L***

Weight:	15.6 *ppg*	Mixing Fluid:	5.20 *gal/sx*
Yield:	1.18 *cuft/sx*	**Total Wtr Required:**	**46** ***bbls***
Top of Cement:	**7000** *ft*	Column Height:	**1900** *ft*
Bottom of Cement:	**8900** *ft*		

	Gauge Volume	Excess Volume	
OH Annular:	50.9 *bbls*	76.3 *bbls*	363 sx
Float Track:	1.5 *bbls*	1.5 *bbls*	7 sx
		77.8 ***bbls***	**370 sx**

Required Pump Times

Fluid	Volume *bbls*	Rate *BPM*	Minutes	Lead	Tail
Water Spacer	20	6	3		
Lead	323.2	6	54	54	
Tail	77.8	6	13	13	13
Drop Plug	15		15	15	15
Displacement	338.9	8	42	42	42
Contingency			60	60	60
				184	130
			Hrs:	3.07	2.17

Lead	Tail
3 hrs : 4 min	**2 hrs : 10 min**

Caza Petroleum

Moore Cowbell 27 State #1

Lea County, New Mexico

Longstring

Prepared for Mr. Dan Breeding & Mr. Richard Wright

Caza Petroleum

0

Prepared by Brent Barbour, James Hattenbach

O-Tex *Pumping*, *LLC*

Thursday, December 10, 2009

Service point Midland, Texas
For Customer Service Call
432-686-8559
Operations Mgr., Jesse Ulate

Caza Petroleum
Moore Cowbell 27 State #1
Lea County, New Mexico
Longstring
10-Dec-09

Job Data

Job Type:	Long String Cement	RT = 120	
Hole Size	8 3/4"		
Previous Casing	9 5/8" 40# @ 1400'		
Casing	7" 26#		
Depth	8900'		
BHST			
Fluid Requirements			**excess**
Pre-flush	500 gallons of MudFlush		
Lead Cement Slurry			
835 sxs	50/50/10 H + 2/10% C-20 + 1/4#/sk Celloflake + 2#/sk Kolseal + .004 gps CF-41L		100%
weight	11.8		
Yield	2.28		
Water	13.2		
TT	4:00		
Free Water			
Fluid Loss			
Compressive Strengths			
Tail Cement Slurry			
365 sxs	H + 8/10% C-16A +1/10% C-20 + .004 gps CF-41L		50%
weight	15.6		
Yield	1.18		
Water	5.2		
TT	3:30		
Free Water			
Fluid Loss			
Compressive Strengths			
Displacement Stge I	.0383 bbls/ ft x 8900' = 341 bbls		
Top Plug	7"		