

Office

Energy, Minerals and Natural Resources

June 19, 2008

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

RECEIVED

JAN 20 2010

HOBBSUCD

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30 025 39404

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

VB-1128

7. Lease Name or Unit Agreement Name

Moore Cowbell 27 State

8. Well Number #1H

9. OGRID Number

249099

10. Pool name or Wildcat

Caprock Wolfcamp, East (9310)

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 ☒ Gas Well ☐ Other ☐

2. Name of Operator

Caza Operating, LLC,

3. Address of Operator

200 N. Loraine, Suite 1550, Midland, Texas 79701

4. Well Location

Unit Letter **P** : **660** feet from the **South** line and **990** feet from the **East** lineSection **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:

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: TD Well & Temp abandon pending evaluation ☒

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.

12-(19-21)-2009_ Ran Gyro 8500 ft to Surface. Ran Cased hole Gamma Ray/Neutron Log from 8811 to Surface. Set CIBP @ 8290 ft. Set Whipstock oriented 271° on CIBP @ 8290 ft. Cut Window 8273-8283.

12-22-09 to 1/14/10 _ Drill 6 1/8" hole for curve & lateral to 10,083 ft. Mud Weight was 12.0 ppg to hold back shale. TVD 8721-8750 ft. TD Lateral 06:00 hrs CST 1/14/2010.

1/15/2010 - 1/18/2010 _ Retrieved Whipstock @ 8273 ft. Drilled out CIBP @ 8290 ft. Push to PBTD 8785 Float Collar. Displace 12.0 ppg mud w/ 10 ppg Brine. Lay down DP. Set Composite Plug @ 8200 ft. Clean Pits and haul off cuttings & liquids. Release Rig 10:00 PM CST 1/17/2010. Well is capped with Blind Flange pending engineering evaluation.

Plans are to re enter well and perforate limestone interval not seen in lateral curve and test both the open hole lateral & Perforated vertical interval 8676-8693. Sundry for procedure is to follow.

Spud Date:

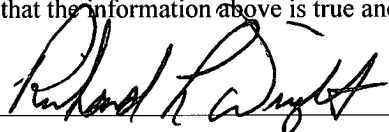
11/28/2009

Rig Release Date:

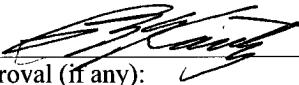
01/17/2010

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

SIGNATURE

TITLE **Operations Manager**DATE **01/18/2010**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

JAN 21 2010

Conditions of Approval (if any):