

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

Form C-103
May 27, 2004

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

WELL API NO. 30-015-32903
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No. 024010
7. Lease Name or Unit Agreement Name FUNK 49
8. Well Number 2
9. OGRID Number 024010
10. Pool name or Wildcat POW MORROW

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

RECEIVED

2. Name of Operator
V-F PETROLEUM INC.

FEB 03 2006

3. Address of Operator
P.O. BOX 1889, MIDLAND, TEXAS 79702

OCU-ANTELOPE

4. Well Location

Unit Letter A : 660 feet from the NORTH line and 990 feet from the EAST line
Section 33 Township 16-S Range 26-E NMPM EDDY County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3,351' GR

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

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 ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

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

03/12/05 Spud 17 1/2" hole 1:30 pm. MST. Drill 17 1/2" hole to 484'.

03/13/05 Ran 11 jts 13 3/8" 48# steel casing 487.40' set @ 484'. Ran float collar + 5 centralizers. BJ Services cement with 100 sx Class "H" cement followed by 410 sx Class "C" with additives. Plug down 4:00 a.m. MST 03/13/05 circulated 75 sx to surface.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE S.K. Lawlis TITLE VICE PRESIDENT DATE 01/31/06
Type or print name S.K. LAWLIS E-mail address: sandy@vfpetroleum.com Telephone No. (432) 683-3344

(This space for State use)

APPROVED BY _____ FOR RECORDS ONLY TITLE _____ DATE FEB 06 2006

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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.

03/14/05 WOC 24 hours and Nipple up 13 3/8" x 13 5/8" 3,000# wellhead + 13 5/8" drilling spool & BOP. Test to 2,000# psi for 30 min. Resume drilling 12 1/4" hole.

03/16/05 Depth 1,410'. Ran 38 jts. 9 5/8" 36# steel casing 1,417.59' set at 1,410'. Ran float shoe & float collar + centralizers at 375', 412', 1,210', 1,247', 1,284', 1,321', 1,358' & 1,395'. BJ Services cement with 180 sx Class "H" with LCM followed by 230 sx Class "C" 6% gel followed by 200 sx Class "C" 2% CaCl2 pump plug down with fresh water. Plug down 11:30 a.m. MST. Did not circulate cement to surface. TOC 712' by temp survey. Tried to run 1" could not get below 412'. Received permission from OCD to drill ahead.

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03/18/05 Nipple up 13 5/8" x 11' 5,000# wellhead "B" section + BOP stack. Pressure test to 4,000# for 30 min. Resume drilling 8 3/4" hole 8:00 a.m. MST 03/18/05.
04/01/05 DST interval 6,681' - 6,721'. Recover 5,512' gas in D.P., 600' mud and 465' water. Resume drilling.
04/09/05 Finish drilling 8 3/4" hole to 8,072'. Ran open hole logs.
04/10/05 Lay down drill pipe. Ran 187 jts 5 1/2" 17# N-80 LT&C casing 8,087.19'. Set @ 8,072'.
04/11/05 BJ Services cemented with 1,000 sx Class "C" super modified cement, with 5% salt, 3# per sack LCM + fluid loss additives, mixed at 13.2 PPG. Pump plug down with fresh water. Plug down at 7:45 a.m. MDST. 04/11/05 Release rig. WO completion.

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04/20/05 Schlumberger ran CBL/CCL/GR log from PBTD 7,991' to TOC at 4,860'. WO gas line for completion.
07/01/05 Perforate and test Morrow 7,867' - 7,869'. Recover gas in less than commercial quantities.
07/11/05 Set CIBP at 7,840'. Dump bail 35' cement on top of CIBP. Prepare to test Atoka zone.

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