

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018**SUNDRY NOTICES AND REPORTS ON WELLS**
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*5. Lease Serial No.
NMLC029096C

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 27. If Unit or CA/Agreement, Name and/or No.
NMNM118436

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other8. Well Name and No.
BUDGE FEDERAL COM 1

2. Name of Operator

V F PETROLEUM INCORPORATED

Contact: ERIC SPRINKLE

E-Mail: eric@vfpetroleum.com

9. API Well No.

30-015-33437-00-S1

3a. Address

MIDLAND, TX 79702

3b. Phone No. (include area code)

Ph: 432-683-3344

10. Field and Pool or Exploratory Area
DOS HERMANOS

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 21 T20S R30E NWSE 1336FSL 2160FEL

11. County or Parish, State

EDDY COUNTY, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input checked="" type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

Run 7 5/8 26.4# L-80 casing from 3,000 to surface. Cement as follows:

GC 2/22/19
Accepted for record - NMOCD RECEIVEDSlurry ‐ Class C: Den: 14.8 ppg, Y: 1.3353 cf/sk, TOC: 0 ft, Vol: 338 cf, 253 sks, 60 bbl,
H2O: 6.34 gal/sk
CEMENT, CLASS C, HSR, 100%; SALT, CHLORIDE, CALCIUM, PELLETS, 1 BWOB

FEB 27 2019

Run 5 1/2 17# L-80 and tie into existing casing at 4,700. Perf somewhere above 9,380 and cement up 1,000. Cement as follows:

Verify TOC & Report to BLM.

DISTRICT II-ARTESIA O.C.D.

Lead Slurry &#8208; 35:65:6 (Pozz:C:Gel): Den: 12.5 ppg, Y: 2.0044 cf/sk, TOC: 1,000 ft, Vol: 1,310 cf, 654 sks, 233.3 bbls, H2O: 11.01 gal/sk

CEMENT: CLASS C, HSR, 65%, FLY ASH, 35%; CELLO, 0.25 LBS/SK; SODIUM CHLORIDE, 3 BWOW; FLUID LOSS,

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #453885 verified by the BLM Well Information System

For V F PETROLEUM INCORPORATED, sent to the Carlsbad

Committed to AFMSS for processing by PRISCILLA PEREZ on 02/11/2019 (19PP1027SE)

Name (Printed/Typed) ERIC SPRINKLE

Title PETROLEUM ENGINEER

Signature (Electronic Submission)

Date 02/08/2019

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

RUF 2-22-19.

Additional data for EC transaction #453885 that would not fit on the form

32. Additional remarks, continued

0.4 BWOB; BENTONITE, 6 BWOB

Tail Slurry 50:50:2 (Pozz:H:Gel): Den: 14.2 ppg, Y: 1.2599 cf/sk, TOC: 6,380 ft, Vol: 992
cf, 787 sks, 176.5 bbls, H2O: 5.69 gal/sk

CEMENT: CLASS H, HSR, 50%, FLY ASH, 50%; RETARDER, 0.05 BWOB; FLUID LOSS, 0.4 BWOB; DISPERSANT, 0.4
BWOB; BENTONITE, 2 BWOB

Well: Budge Federal #1

Operator: V-F Petroleum

Location: 1336 FSL & 2160 FEL

Field: Dos Hermanos, Morrow

Sec 21 T-20-S R-30-E

Elevation: GL= 3350

Eddy County, New Mexico

KB-GL= 31

API# 30-015-33437

KB= 3381

Tot Depth	Hole Sz	Tops & Perfs	Casing & Cement
415	26"		20" 106.5# CSG w/ 1,010 sx CMT
2270	17 1/2"	T Yates @ 1,770'	9 5/8" TOC @ 860' (calc) 9 5/8" DV Tool @ 1,384' w/ 520 sx CMT
3691	12 1/4"	T Capitan Reef @ 2,283'	13 3/8" 54.5# CSG w/ 2,000 sx CMT 9 5/8" CSG Collapsed/Parted @ 2,630'
12750	8 3/4"	T Delaware @ 3,990' T Bone Spring @ 6,575' T Wolfcamp @ 10,025' T Strawn @ 11,068' T Atoka @ 11,526' T Morrow @ 11,734' Perfs: 12,480' - 12,542'	9 5/8" 40# CSG w/ 900 sx CMT 5 1/2" CSG Parted and Pulled @ 4,700' 5 1/2" TOC @ 9,380' (CBL) 5 1/2" DV Tool @ 10,316' (did not open) 5 1/2" 17# CSG w/ 590 sx CMT

REMARKS: Current

Well: Budge Federal #1

Operator: V-F Petroleum

Location: 1336 FSL & 2160 FEL

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415	26"		20" 106.5# CSG w/ 1,010 sx CMT
2270	17 1/2"	T Yates @ 1,770'	9 5/8" TOC @ 860' (calc) Prop: TOC @ 1,000' 9 5/8" DV Tool @ 1,384' w/ 520 sx CMT
3000	12 1/4"	T Capitan Reef @ 2,283'	13 3/8" 54.5# CSG w/ 2,000 sx CMT 9 5/8" CSG Colapsed/Parted @ 2,630' Prop: 7 5/8" 26.4# L-80 CSG w/ CMT to Surf
3691			9 5/8" 40# CSG w/ 900 sx CMT
12750	8 3/4"	T Delaware @ 3,990' T Bone Spring @ 6,575' T Wolfcamp @ 10,025' T Strawn @ 11,068' T Atoka @ 11,526' T Morrow @ 11,734' Perfs: 12,480' - 12,542'	Prop: Tie in New 5 1/2" 17# L-80 CSG @ 4,700' Prop: Perf and Squeeze CMT up to 2,000'+ 5 1/2" TOC @ 9,380' (CBL) 5 1/2" DV Tool @ 10,316' (did not open) 5 1/2" 17# CSG w/ 590 sx CMT

REMARKS: Proposed

V-F Petroleum Inc.

500 W. Texas, Suite 350, Midland, Texas 79701
Mailing Address: P.O. Box 1889, Midland, TX 79702

432-683-3344
E-mail: eric@vfpetroleum.com

FAX: 432-683-3352
www.vfpetroleum.com

Budge Federal Com #1
1,336' FSL & 2,160' FEL
Section 21, T-20-S, R-30-E
Eddy County, New Mexico

Run 7 5/8" 26.4# L-80 casing from 3,000' to surface. Cement as follows.

<u>Cement Properties</u>	<u>DEN (ppg)</u>	<u>Y (Cu Ft/sk)</u>	<u>TOC (Ft)</u>	<u>VOL (Cu Ft)</u>	<u>VOL (sk)</u>	<u>VOL (bbls)</u>	<u>H2O (gals/sk)</u>
Slurry - Class C	14.8	1.3353	0	338	253	60	6.34
CEMENT, CLASS C, HSR, 100%							
SALT, CHLORIDE, CALCIUM, PELLETS, 1 BWOB							

Run 5 1/2" 17# L-80 and tie into existing casing at 4,700'. Perf somewhere above 9,380' and cement up 1,000'. Cement as follows.

<u>Cement Properties</u>	<u>DEN (ppg)</u>	<u>Y (Cu Ft/sk)</u>	<u>TOC (Ft)</u>	<u>VOL (Cu Ft)</u>	<u>VOL (sk)</u>	<u>VOL (bbls)</u>	<u>H2O (gals/sk)</u>
Lead Slurry - 35:65:6 (Pozz:C:Gel)	12.5	2.0044	1,000	1,310	654	233.3	11.01
CEMENT, FLY ASH, 35%							
CEMENT, CLASS C, HSR, 65%							
CELLO, 0.25 LBS/SK							
SODIUM CHLORIDE, 3 BWOB							
FLUID LOSS, 0.4 BWOB							
BENTONITE, 6 BWOB							
Tail Slurry - 50:50:2 (Pozz:H:Gel)	14.2	1.2599	6,380	992	787	176.5	5.69
CEMENT, CLASS H, HSR, 50%							
CEMENT, FLY ASH, 50%							
RETARDER, 0.05 BWOB							
FLUID LOSS, 0.4 BWOB							
DISPERSANT, 0.4 BWOB							
BENTONITE, 2 BWOB							

V-F Petroleum Inc.

500 W. Texas, Suite 350, Midland, Texas 79701
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Budge Federal Com #1
1,336' FSL & 2,160' FEL
Section 21, T-20-S, R-30-E
Eddy County, New Mexico

Cement Properties	DEN (ppg)	Y (Cu Ft/sk)	TOC (Ft)	VOL (Cu Ft)	VOL (sks)	VOL (bbls)	H2O (gals/sk)
Lead Slurry - 35:65:6 (Pozz:C:Gel)	12.5	2.0044	1,691	1,905	951	339.3	11.01
CEMENT, FLY ASH, 35%							
CEMENT, CLASS C, HSR, 65%							
ICELLO, 0.25 LBS/SK							
SODIUM CHLORIDE, 3 BWOB							
FLUID LOSS, 0.4 BWOB							
BENTONITE, 6 BWOB							
Tail Slurry - 50:50:2 (Pozz:H:Gel)	14.2	1.2774	7,880	495	388	88.2	5.45
CEMENT, CLASS H, HSR, 50%							
CEMENT, FLY ASH, 50%							
DISPERSANT, 0.4 GALS/SK							
RETARDER, 0.05 BWOB							
FLUID LOSS, 0.4 BWOB							
BENTONITE, 2 BWOB							

BUREAU OF LAND MANAGEMENT

Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972

Conditions of Approval for Permanent Abandonment of a Production Zone

1. **Notification:** Contact the appropriate BLM office at least 24 hours prior to the commencing of any plug back operations. For wells in Eddy County, call 575-361-2822. For wells in Lea County, call 575-393-3612
2. **Blowout Preventers:** A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The BOP must be installed and maintained as per API and manufacturer recommendations. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet, a 3M system for a well not deeper than 13,636 feet, or a 5M system for a well not deeper than 22,727 feet (all depths are for measured well depth).
3. **Subsequent Reporting:** Within 30 days after plug back work is completed, file a Subsequent Report, Form 3160-5 to BLM. The report should give in detail the manner in which the plug back work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. Show date work was completed. If plugging back to a new zone submit a Completion Report, form 3160-4 with the Subsequent Report.
4. **Trash:** All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.
5. **If well location is within the Timing Limitation Stipulation Area for Lesser Prairie-Chicken:** From March 1st through June 15th annually, abandonment activities will be allowed except between the hours from 3:00 am and 9:00 am. Normal vehicle use on existing roads will not be restricted