

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, 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 & Natural Resources

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Submit to Appropriate District Office  
5 Copies

For  
Revised June 10, 1999

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

|                                                                                          |                                    |                              |
|------------------------------------------------------------------------------------------|------------------------------------|------------------------------|
| Operator name and Address<br>V-F PETROLEUM INC.<br>P.O. BOX 1889<br>MIDLAND, TEXAS 79702 |                                    | OGRID Number<br>880575 24010 |
| Reason for Filing Code/ Effective Date<br>NM 10/20/04                                    |                                    |                              |
| API Number<br>30-015-33437                                                               | Pool Name<br>DOS HERMANOS MORROW   | Pool Code<br>76080           |
| Property Code<br>34018                                                                   | Property Name<br>BUDGE FEDERAL COM | Well Number<br>1             |

SKL  
Called  
2/14/05

II. Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South Line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| J             | 21      | 20S      | 30E   |         | 1336          |                  | 2160          |                | EDDY   |

Bottom Hole Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| K             | 21      | 20S      | 30E   |         | 1688.48       |                  | 1744.8        |                | EDDY   |

| Lee Code | Perforation Method Code | Gas Connection Date | C-129 Permit Number | C-129 Effective Date | C-129 Expiration Date |
|----------|-------------------------|---------------------|---------------------|----------------------|-----------------------|
| F        | F                       | 10/20/04            |                     |                      |                       |

III. Oil and Gas Transporters

| Transporter OGRID | Transporter Name and Address | POD | O/G | POD ULSTR Location and Description |
|-------------------|------------------------------|-----|-----|------------------------------------|
|                   | PLAINS MARKETING, L.P.       |     | O   | J-21-20S-30E                       |
|                   | DUKE ENERGY FIELD SERVICE    |     | G   | J-21-20S-30E                       |
|                   |                              |     |     |                                    |
|                   |                              |     |     |                                    |
|                   |                              |     |     |                                    |

IV. Produced Water

| POD | POD ULSTR Location and Description |
|-----|------------------------------------|
|     | J-21-20S-30E                       |

V. Well Completion Data

| Spud Date | Ready Date           | MD - 12,750  | MD - 12,587  | Perforations     | DHC, MC |
|-----------|----------------------|--------------|--------------|------------------|---------|
| 04/03/04  | 10/20/04             | TVD - 12,563 | MD - 12,501  | MD 12,480-12,542 |         |
| Hole Size | Casing & Tubing Size | Depth Set    | Sacks Cement |                  |         |
| 26"       | 20"                  | 415'         | 1,010        |                  |         |
| 17 1/2"   | 13 3/8"              | 2,270'       | 3,763        |                  |         |
| 12 1/2"   | 9 5/8"               | 3,691'       | 1,970        |                  |         |
| 8 3/4"    | 5 1/2"               | 12,750'      | 590          |                  |         |

VI. Well Test Data

| Date New Oil | Gas Delivery Date | Test Date | Test Length | Tbk. Pressure | Cgr. Pressure |
|--------------|-------------------|-----------|-------------|---------------|---------------|
| 10/22/04     | 10/20/04          | 10/22/04  | 24 HR.      | 3,000#        | PACKER        |
| Choke Size   | Oil               | Water     | Gas         | AOB           | Test Method   |
| 8/64"        | 3                 | 3         | 1,483       |               |               |

"I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature: *S.K. Lantis*

Printed name:

S.K. LANTIS

Title:

VICE PRESIDENT

E-mail Address:

sandy@vfpetroleum.com

Date:

12/15/04

Phone:

(432) 683-3344

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

10-20-04