

Submit 1 Copy To Appropriate District Office
 District I – (575) 393-6161
 1625 N. French Dr., Hobbs, NM 88240
 District II – (575) 748-1283
 811 S. First St., Artesia, NM 88210
 District III – (505) 334-6178
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV – (505) 476-3460
 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
 Revised July 18, 2013

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.)		WELL API NO. 30-007-20681
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator Wapiti Operating, LLC		6. State Oil & Gas Lease No. N/A
3. Address of Operator P.O. Box 190, 309 Silver St., Raton, NM 87740		7. Lease Name or Unit Agreement Name VPR D
4. Well Location Unit Letter <u>N</u> : <u>405</u> feet from the <u>South</u> line and <u>1541</u> feet from the <u>West</u> line Section <u>35</u> Township <u>31N</u> Range <u>17E</u> NMPM County <u>Colfax</u>		8. Well Number <u>303</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 8207 GR		9. OGRID Number <u>328741</u>
		10. Pool name or Wildcat Castle Rock-Vermejo Gas

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 ☐
 CLOSED-LOOP SYSTEM ☐
 OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
 COMMENCE DRILLING OPNS. ☐ P AND A ☐
 CASING/CEMENT JOB ☐
 OTHER: ☒ Mechanical Integrity Test Results

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Mechanical Integrity Test was conducted on the above well to NMOCD guidelines on 7/6/23. The well was pressured up to 600 psi.. It was held at that pressure for 32 minutes. Pressure bleed to 570 psi. See attached chart.

Spud Date:

Rig Release Date:

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

SIGNATURE

Randy L. Madison

TITLE HSE & Regulatory Specialist, Sr. DATE 7/11/23

Type or print name Randy L. Madison E-mail address: rmadison@wapitienergy.com PHONE: 575-445-6706

For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____

Conditions of Approval (if any): _____



April 10, 2023

RE : VPR D-303, D-304 and D-308

To whom it may concern,

Wapiti Operating recently had three wells fail MIT's as required by the state. The wells are the VPR D-303 (API : 30-007-20681), VPR D-304 (API : 30-007-20682), and VPR D-308 (API : 30-007-20686). The tests were conducted when temperatures were extremely cold and had a very small leakoff. Since that time, we have retorqued the wellheads and are ready to have the state witness the new tests. The date given was April 13th for the new tests, which is coming up quickly. These wells were originally permitted as horizontal wells and direct offsets to existing wells. Over the years, Wapiti has produced various horizontal wells in the area, and the reserves have been quite attractive, especially at higher price environments. These wells all have 9-5/8" surface casing set and are awaiting the time to drill when economics make the most sense. Recently Wapiti has purchased a rig that can drill these wells and will make the economics considerably better by doing it all in house. Production casing has been purchased and is inventory as well. Wapiti had a plan and was ready to pursue these wells once the MIT's passed. The timing could not have been worse with prices going from over \$8/mmbtu to current spot prices at or below \$2/mmbtu. This has not put an end to the project but has delayed it waiting for a more favorable pricing environment. We look forward to successful MIT tests to satisfy the state requirements and putting a plan of development together that we can execute when the timing is more favorable for economic justification.

Respectfully,

Ed Skrljac
Wapiti Energy
O: (713) 365-8506
C: (281) 635-0215
eskrjac@wapitienergy.com

1251 Lumpkin, Houston Texas 77043 • 713.365.8500 • www.wapitienergy.com

55

60
0

50

7-6-23
30-007-20881
VPR D303

PASS

SMZ
nmold

45

5

Max Survey
7-6-2023

10

15

Graphic Controls

CHART NO. MC MP-1000-1HR

METER _____

CHART PUT ON _____

LOCATION M

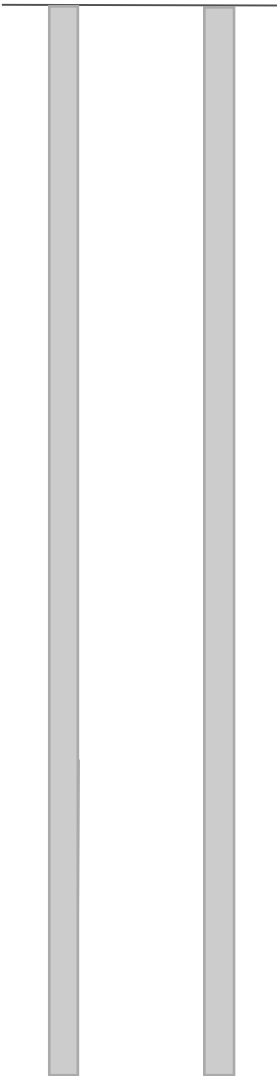
REMARKS VPR D-303

TAKEN OFF _____



VPR D-303 Well

Lease: VPR D-303
Field: Castle Rock Park - Vermejo Gas
County: Colfax
State: New Mexico
API No: 30-007-20681



9 5/8" Surface Casing

Floating Concrete Shoe

TD: 303'

Drawn: 11/11/22
Not Drawn to Scale

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CONDITIONS

Action 238692

CONDITIONS

Operator: Wapiti Operating, LLC 1251 Lumpkin Rd Houston, TX 77043	OGRID: 328741
	Action Number: 238692
	Action Type: [C-103] Sub. Temporary Abandonment (C-103U)

CONDITIONS

Created By	Condition	Condition Date
mkuehling	TA expires in one year from test date of 7/6/23 - Wapiti Operating, LLC is directed to bring VPR D #303 into beneficial purpose or plug within one year of the date of this approval for TA dated 7/13/2023	7/13/2023
mkuehling	TA expires 7/13/2024	7/13/2023