

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

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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. 30-007-20682
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>586</u> feet from the <u>South</u> line and <u>2023</u> feet from the <u>West</u> line Section <u>36</u> Township <u>31N</u> Range <u>17E</u> NMPM County <u>Colfax</u>		8. Well Number <u>304</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 8193 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:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: <input checked="" type="checkbox"/> 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 580 psi. It was held at that pressure for 32 minutes. Pressure bleed to 560 psi. See attached chart. Passed

TA expires in one year from test date of 7/6/23 - Wapiti Operating, LLC is directed to bring VPR D #304 into beneficial purpose or plug within one year -Produce or plug due 7/6/24

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 7/11/2023

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

**For State Use Only**

APPROVED BY: Monica Kushling TITLE Deputy Oil and Gas Inspector DATE 10/27/2023

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 13<sup>th</sup> 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](mailto:eskrjac@wapitienergy.com)

1251 Lumpkin, Houston Texas 77043 • 713.365.8500 • [www.wapitienergy.com](http://www.wapitienergy.com)





7-6-23  
30-007-20682  
VPR D304 Pass  
S/M Full  
NMCD

Walt Bory  
7-6-2023

CHART NO. MC MP-1000-1HR

METER \_\_\_\_\_

CHART PUT ON \_\_\_\_\_

TAKEN OFF \_\_\_\_\_

LOCATION \_\_\_\_\_

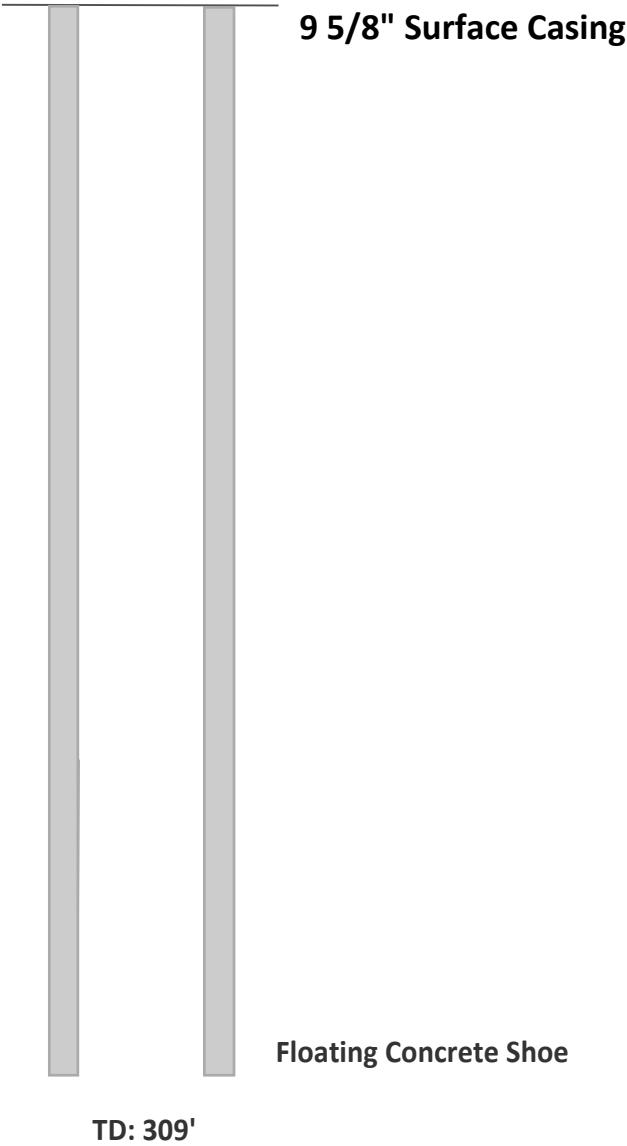
VPR D-304

REMARKS \_\_\_\_\_



VPR D-304 Well

**Lease:** VPR D-304  
**Field:** Castle Rock Park - Vermejo Gas  
**County:** Colfax  
**State:** New Mexico  
**API No:** 30-007-20682



Drawn: 11/14/22  
Not Drawn to Scale



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**Santa Fe, NM 87505**

CONDITIONS

Action 240283

CONDITIONS

Operator: Wapiti Operating, LLC 1251 Lumpkin Rd Houston, TX 77043	OGRID: 328741
	Action Number: 240283
	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 test date - Produce or plug by 7/6/2024	10/27/2023