

District I

1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

District II

811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720

District III

1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico**Energy Minerals and Natural Resources****Oil Conservation Division**

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-101

Revised July 18, 2013

☐ AMENDED REPORT

HOBBS OCD
MAY 17 2018
RECEIVED

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address V-F Petroleum Inc. P. O. Box 1889 Midland, TX 79702		² OGRID Number 24010	
		³ API Number 30-025- 44803	
⁴ Property Code 40081	⁵ Property Name Getty 1 State Com		⁶ Well No. 324H

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
P	1	22S	34E		330	S	330	E	Lea

8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
1	1	22S	34E		330	N	330	E	Lea

9. Pool Information

Pool Name Grama Ridge; Wolfcamp, West	Pool Code 97393
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Additional Well Information

¹¹ Work Type N	¹² Well Type O	¹³ Cable/Rotary R	¹⁴ Lease Type S	¹⁵ Ground Level Elevation 3598
¹⁶ Multiple N	¹⁷ Proposed Depth 15778	¹⁸ Formation Wolfcamp	¹⁹ Contractor	²⁰ Spud Date
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

☒ We will be using a closed-loop system in lieu of lined pits**21. Proposed Casing and Cement Program**

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surface	17.5	13.375	54.5	1400	1400	Surface
Intermediate	12.25	9.625	47 & 40	5811	2300	Surface
Production	8.75	5.5	28 & 20	15778	1800	4100

Casing/Cement Program: Additional Comments

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22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	5,000#	5,000#	

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

I further certify that I have complied with 19.15.14.9 (A) NMAC and/or 19.15.14.9 (B) NMAC, if applicable.

Signature: *Eric Sprinkle*

Printed name: Eric Sprinkle

Title: Petroleum Engineer

E-mail Address: eric@vfpetroleum.com

Date: 5/1/2018 Phone: 432-683-3344

GCP 5/21/18

OIL CONSERVATION DIVISION

Approved By:

[Signature]

Petroleum Engineer

Title:

Approved Date: 5/21/18 Expiration Date: 5/21/20

Conditions of Approval Attached **See Attached****Conditions of Approval**

CONDITIONS OF APPROVAL

API #	Operator	Well name & Number
30-025-	V-F PETROLEUM INC	GETTY 1 STATE COM # 324H

Applicable conditions of approval marked with XXXXXX

Administrative Orders Required

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Other wells

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Drilling

XXXXXXX	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string

Casing

XXXXXXX	SURFACE & PRODUCTION CASING - Cement must circulate to surface --
XXXXXXXXX	If cement does not circulate to surface, must run temperature survey or other log to determine top of cement
XXXXXXX	Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water

Water flows

XXXXXXX	Must notify OCD Hobbs Office of any water flow in the Salado formation at 575-370-3186. Report depth and flow rate.

Stage Tool

XXXXXXX	Must notify OCD Hobbs Office prior to running Stage Tool at 575-370-3186
XXXXXXX	If using Stage Tool on Surface casing, Stage Tool must be greater than 350' and a minimum 200 feet above surface shoe.
XXXXXXX	When using a Stage Tool on Intermediate or Production Casing Stage must be a minimum of 50 feet below previous casing shoe.

Completion & Production

XXXXXXX	Will require a directional survey with the C-104
XXXXXXX	Operator shall notify appropriate District office when setting conductor pipe.
XXXXXXX	The Operator is to notify NMOC by sundry (Form C-103) within ten (10) days of spudding a well.
XXXXXXX	It is the operator's responsibility to monitor cancellation dates of approved APDs. APD's are good for 2 years and may be extended for one year. Only one 1 year extension will be granted if submitted by C-103 before expiration date. After expiration date or after a 1 year extension must submit new APD.
XXXXXXX	If an APD expires and if site construction has occurred, site remediation is required.