

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

Form C-101
Revised July 18, 2013

Energy Minerals and Natural Resources

Oil Conservation Division

☐ AMENDED REPORT

1220 South St. Francis Dr.

Santa Fe, NM 87505

MAY 02 2016

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, Texas 79702		² OGRID Number 24010
		³ API Number 30-025-43232
⁴ Property Code 316206	⁵ Property Name DMT 7 Fee	⁶ Well No. 3

⁷ Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
F	7	15-S	38-E		1,350'	N	2,300'	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

⁹ Pool Information

Pool Name Denton; Wolfcamp	Pool Code 17290
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Additional Well Information

¹¹ Work Type N	¹² Well Type O	¹³ Cable/Rotary R	¹⁴ Lease Type P	¹⁵ Ground Level Elevation 3,778'
¹⁶ Multiple No	¹⁷ Proposed Depth 9,800'	¹⁸ Formation Wolfcamp	¹⁹ Contractor	²⁰ Spud Date
Depth to Ground water 45'	Distance from nearest fresh water well 2418'	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 1/2"	13 3/8"	48#	400'	360	Surface
Intermediate	12 1/4"	9 5/8"	40#	5,200'	1,215	Surface
Production	8 3/4"	5 1/2"	17#	9,800'	735	4,800'

Casing/Cement Program: Additional Comments

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²² Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Ram	3,000#	6,000#	Schaffer

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: 04/27/2016

Phone: 432-683-3344

OIL CONSERVATION DIVISION

Approved By:

[Signature]
Petroleum Engineer

Title:

Approved Date: 5/12/2016

Expiration Date: 5/12/2018

See attached NMOCD
Conditions of Approval

CONDITIONS OF APPROVAL

API #	Operator	Well name & Number
30-025-43231	V-F PETROLEUM Inc.	DMT 7 FEE # 002

Applicable conditions of approval marked with XXXXXX

Administrative Orders Required

XXXXXXX	Will require administrative order for non-standard location prior to placing the well on production

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 & INTERMEDIATE(1) CASING - Cement must circulate to surface --
XXXXXXX	PRODUCTION CASING - Cement must tie back into intermediate casing --
XXXXXXX	If cement does not circulate to surface, must run temperature survey or other log to determine top of cement

Lost Circulation

XXXXXXX	Must notify OCD Hobbs Office if lost circulation is encountered at 575-370-3186

Continued

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.

Pits

XXXXXXX	If using a pit for drilling and completions, must have an approved pit form prior to spudding the well

Completion & Production

	
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Gas Capture Plan

XXXXXXX	The New! Gas Capture Plan (GCP) notice is posted on the NMOCD website under Announcements. The Plan became effective May 1, 2016. A copy of the GCP form is included with the NOTICE and is also in our FORMS section under Unnumbered Forms. Please review filing dates for all applicable activities currently approved or pending and submit accordingly. Failure to file a GCP may jeopardize the operator's ability to obtain C-129 approval to flare gas after the initial 60-day completion period.