<u>District I</u> 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 Rd., Aztec, NM 87410

Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

Form C-101 August 1, 2011

Permit 321770

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

Operator Name and Address V-F PETROLEUM INC		2. OGRID Number 24010
P.O. Box 1889 Midland, TX 79702		3. API Number 30-015-49823
4. Property Code 333158	5. Property Name Burns 34-35 State Com	6. Well No. 222H

7. Surface Location

UL - Lot		Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
	С	34	18S	28E	С	405	N	2260	W	Eddy

8. Proposed Bottom Hole Location

UL - Lot		Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County		
	С	35	18S	28E	С	330	N	2540	W	Eddy		

9. Pool Information

TRAVIS; BONE	PRING(O)	97257

Additional Well Information

11. Work Type	12. Well Type	13. Cable/Rotary	14. Lease Type	15. Ground Level Elevation
New Well	OIL		State	3545
16. Multiple	17. Proposed Depth	18. Formation	19. Contractor	20. Spud Date
N	12570	2nd Bone Spring Sand		9/1/2022
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

Туре	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	54.5	450	450	0
Int1	12.25	9.625	40	3500	825	0
Prod	8.75	5.5	17	12570	1420	3000

Casing/Cement Program: Additional Comments

22. Proposed Blowout Prevention Program

Туре	Working Pressure	Test Pressure	Manufacturer
Annular	3000	1500	TBD
Double Ram	3000	3000	TBD

knowledge and	belief. I have complied with 19.15.14.9 (A)	true and complete to the best of my NMAC Mand/or 19.15.14.9 (B) NMAC		OIL CONSERVATION	DIVISION	
Signature:						
Printed Name:	Electronically filed by Pam O'Nei	I	Approved By:	Katherine Pickford		
Title:	Regulatory Manager		Title:	Geoscientist		
Email Address:	pamo@vfpetroleum.com		Approved Date:	8/19/2022	Expiration Date: 8/19/2024	
Date:	8/15/2022	Phone: 432-683-3344	Conditions of Approval Attached			

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 & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

□AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name		
30-015-49823	97257	97257 Travis; Bone Spri		
Property Code	Propo	Well Number		
333158	BURNS 34/3	5 STATE COM	222H	
OGRID No.	Opera	Elevation		
24010	V-F PET	3545'		

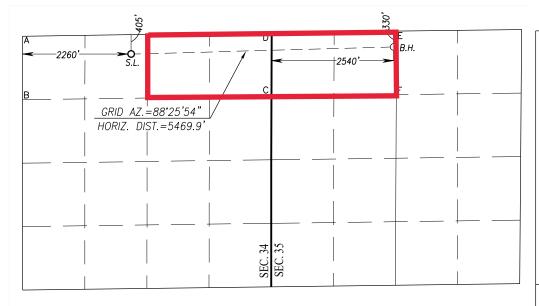
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	34	18-S	28-E		405	NORTH	2260	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Townsl	hip	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	35	18-5	S	28-E		330	NORTH	2540	WEST	EDDY
Dedicated Acres	Joint or	Infill	C	onsolidation C	ode Oro	ler No.				
160										

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



GEODETIC COORDINATES NAD 27 NME SURFACE LOCATION Y = 622169.7 N X = 551927.3 E LAT. = 32.710328* N LONG. = 104.164509* W

GEODETIC COORDINATES

NAD 83 NME
SURFACE LOCATION
Y= 622232.2 N
X= 593106.7 E
LAT.=32.710444* N
LONG.=104.165019* W

CORNER COORDINATES TABLE

NAD 27 NME

A - Y= 622541.5 N, X= 549668.2 E

B - Y= 621219.5 N, X= 549666.9 E

C - Y= 621293.5 N, X= 554851.3 E

D - Y= 622618.2 N, X= 554855.4 E

E - Y= 622650.0 N, X= 557458.2 E

F - Y= 621325.9 N, X= 557452.0 E

CORNER COORDINATES TABLE

NAD 83 NME A - Y= 622604.0 N, X= 590847.6 E B - Y= 621281.9 N, X= 590846.3 E C - Y= 621356.0 N, X= 596030.7 E D - Y= 622680.7 N, X= 596034.8 E E - Y= 622712.6 N, X= 598637.7 E F - Y= 621388.5 N, X= 598631.4 E

BOTTOM HOLE LOCATION NAD 27 NME Y= 622319.3 N X= 557393.8 E LAT.=32.710714° N

LONG. = 104.146735° W

BOTTOM HOLE LOCATION NAD 83 NME Y= 622381.8 N X= 598573.2 E LAT.=32.710831* N LONG.=104.147245* W

OPERATOR CERTIFICATION

I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

7/18/22 Date

Signature

Jason Lodge

. ...

Printed Name

jason@vfpetroleum.com

E-mail Address

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my benefit.

Date of Survey Signature & Seal of Poressional Survey

Signature & Soal of Poressional Sulveyor.

3239

3239

3239

dertificate Number Gary G. Eidson 12641 Ronald J. Eidson 3239

Ronald J. Eidson 3239

LSL Rel.: 19.11.0102 JWSC W.O.: 19.13.0664

Form APD Conditions

Permit 321770

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720

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1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

kpickford Cement is required to circulate on both surface and intermediate1 strings of casing

drilling fluids and solids must be contained in a steel closed loop system

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

PERMIT CONDITIONS OF APPROVAL

Operator I	Name and Address:	API Number:		
	V-F PETROLEUM INC [24010]	30-015-49823		
	P.O. Box 1889	Well:		
	Midland, TX 79702	Burns 34-35 State Com #222H		
OCD	Condition			
Reviewer				
kpickford	Notify OCD 24 hours prior to casing & cement			
kpickford	Will require a File As Drilled C-102 and a Directional Survey with the C-104			
kpickford	The Operator is to notify NMOCD by sundry (Form C-103) within ten (10) days of the well being spud			
kpickford	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 coment the water protection string			

kpickford Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils. Oil based mud,

V-F Petroleum Inc

Eddy County (NAD 83 NME) (Burns) Sec-34_T-18-S_R-28-E Burns 34-35 State Com #222H

OWB

Plan: Plan #1

Standard Planning Report

22 May, 2019

Database: EDM 5000.15 Single User Db

Company: V-F Petroleum Inc

Project: Eddy County (NAD 83 NME) (Burns) Sec-34_T-18-S_R-28-E Site: Well: Burns 34-35 State Com #222H

Wellbore: **OWB** Design: Plan #1 Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well Burns 34-35 State Com #222H

KB @ 3565.0usft KB @ 3565.0usft

Grid

Minimum Curvature

Project Eddy County (NAD 83 NME)

Map System: Geo Datum:

Map Zone:

US State Plane 1983 North American Datum 1983 New Mexico Eastern Zone

System Datum:

Mean Sea Level

Site (Burns) Sec-34_T-18-S_R-28-E

620,467.40 usft Northing: 32° 42' 20.137 N Site Position: Latitude: 593,105.00 usft 104° 9' 54.120 W From: Мар Easting: Longitude: **Position Uncertainty:** 0.0 usft **Slot Radius:** 13-3/16 " **Grid Convergence:** 0.09°

Well Burns 34-35 State Com #222H

Well Position +N/-S 1.764.8 usft 622.232.20 usft 32° 42' 37.600 N Northing: Latitude:

104° 9' 54.068 W 1.7 usft 593,106.70 usft +E/-W Easting: Longitude:

Position Uncertainty 0.0 usft Wellhead Elevation: Ground Level: 3,545.0 usft

OWB Wellbore

Declination Field Strength Magnetics **Model Name** Sample Date **Dip Angle** (°) (°) (nT) IGRF2015 05/22/19 7.06 60.39 47.962.89896898

Design Plan #1

Audit Notes:

PROTOTYPE Version: Phase: Tie On Depth: 0.0

Vertical Section: Depth From (TVD) +N/-S +E/-W Direction (usft) (usft) (usft) (°) 0.0 0.0 0.0 88.43

Date 05/22/19 **Plan Survey Tool Program**

Depth From Depth To

(usft)

(usft)

Survey (Wellbore) **Tool Name** Remarks

0.0 MWD 12,570.3 Plan #1 (OWB)

OWSG MWD - Standard

Plan Sections Measured Vertical Build Dogleg Turn Depth Depth Inclination **Azimuth** +N/-S +E/-W Rate Rate Rate **TFO** (usft) (usft) (usft) (usft) (°/100usft) (°/100usft) (°/100usft) (°) (°) **Target** (°) 0.00 0.00 0.0 0.00 0.00 0.00 0.00 0.0 0.0 0.0 2,500.0 0.00 0.00 2,500.0 0.0 0.0 0.00 0.00 0.00 0.00 2.778.0 5.56 38.29 2.777.5 10.6 8.3 2.00 2.00 0.00 38.29 51.7 0.00 3.499.3 5.56 38.29 3.495.5 65.4 0.00 0.00 0.00 0.00 0.01 3,773.0 76.0 60.0 2.00 -2.00 0.00 180.00 3,777.3 76.0 60.0 0.00 0.00 0.00 6,889.0 0.00 0.01 6,884.7 0.01 89.22 82.3 524.2 12.00 12.00 12.11 89.22 7,625.7 88.41 7,362.0 12,570.4 88.41 89.22 7,499.0 149.6 5,466.5 0.00 0.00 0.00 0.00 PBHL (Burns 34-35

Database: Company: EDM 5000.15 Single User Db

V-F Petroleum Inc

Project: Eddy County (NAD 83 NME) (Burns) Sec-34_T-18-S_R-28-E Site: Well: Burns 34-35 State Com #222H

Wellbore: OWB Design: Plan #1 Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well Burns 34-35 State Com #222H

KB @ 3565.0usft KB @ 3565.0usft

Grid

Minimum Curvature

Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.00	0.00
100.0	0.00	0.00	100.0	0.0	0.0	0.0	0.00	0.00	0.00
200.0	0.00	0.00	200.0	0.0	0.0	0.0	0.00	0.00	0.00
300.0	0.00	0.00	300.0	0.0	0.0	0.0	0.00	0.00	0.00
400.0	0.00	0.00	400.0	0.0	0.0	0.0	0.00	0.00	0.00
500.0	0.00	0.00	500.0	0.0	0.0	0.0	0.00	0.00	0.00
600.0	0.00	0.00	600.0	0.0	0.0	0.0	0.00	0.00	0.00
700.0	0.00	0.00	700.0	0.0	0.0	0.0	0.00	0.00	0.00
800.0	0.00	0.00	800.0	0.0	0.0	0.0	0.00	0.00	0.00
900.0	0.00	0.00	900.0	0.0	0.0	0.0	0.00	0.00	0.00
1,000.0	0.00	0.00	1,000.0	0.0	0.0	0.0	0.00	0.00	0.00
1,100.0	0.00	0.00	1,100.0	0.0	0.0	0.0	0.00	0.00	0.00
1,200.0	0.00	0.00	1,200.0	0.0	0.0	0.0	0.00	0.00	0.00
1,300.0	0.00	0.00	1,300.0	0.0	0.0	0.0	0.00	0.00	0.00
1,400.0	0.00	0.00	1,400.0	0.0	0.0	0.0	0.00	0.00	0.00
1,500.0	0.00	0.00	1,500.0	0.0	0.0	0.0	0.00	0.00	0.00
1,600.0	0.00	0.00	1,600.0	0.0	0.0	0.0	0.00	0.00	0.00
1,700.0	0.00	0.00	1,700.0	0.0	0.0	0.0	0.00	0.00	0.00
1,800.0	0.00	0.00	1,800.0	0.0	0.0	0.0	0.00	0.00	0.00
1,900.0	0.00	0.00	1,900.0	0.0	0.0	0.0	0.00	0.00	0.00
2,000.0	0.00	0.00	2,000.0	0.0	0.0	0.0	0.00	0.00	0.00
2,100.0	0.00	0.00	2,100.0	0.0	0.0	0.0	0.00	0.00	0.00
2,200.0	0.00	0.00	2,200.0	0.0	0.0	0.0	0.00	0.00	0.00
2,300.0	0.00	0.00	2,300.0	0.0	0.0	0.0	0.00	0.00	0.00
2,400.0	0.00	0.00	2,400.0	0.0	0.0	0.0	0.00	0.00	0.00
2,500.0 Nudge - B	0.00	0.00	2,500.0	0.0	0.0	0.0	0.00	0.00	0.00
2,600.0	2.00	38.29	2,600.0	1.4	1.1	1.1	2.00	2.00	0.00
2,700.0	4.00	38.29	2,699.8	5.5	4.3	4.5	2.00	2.00	0.00
2,778.0	5.56	38.29	2,777.5	10.6	8.3	8.6	2.00	2.00	0.00
Hold - 721 . 2,800.0	.3 at 2778.0 MI 5.56	3 8.29	2,799.5	12.3	9.7	10.0	0.00	0.00	0.00
2,900.0	5.56	38.29	2,899.0	19.9	15.7	16.2	0.00	0.00	0.00
3,000.0	5.56	38.29	2,998.5	27.5	21.7	22.4	0.00	0.00	0.00
3,100.0	5.56	38.29	3,098.0	35.1	27.7	28.6	0.00	0.00	0.00
3,200.0	5.56	38.29	3,197.6	42.7	33.7	34.8	0.00	0.00	0.00
3,300.0	5.56	38.29	3,297.1	50.3	39.7	41.0	0.00	0.00	0.00
3,400.0	5.56	38.29	3,396.6	57.9	45.7	47.3	0.00	0.00	0.00
3,499.3	5.56	38.29	3,495.5	65.4	51.7	53.4	0.00	0.00	0.00
Drop2.0 3,600.0 3,700.0 3,777.3	3.55	38.29	3,595.8	71.7	56.6	58.5	2.00	-2.00	0.00
	1.55	38.29	3,695.7	75.2	59.4	61.4	2.00	-2.00	0.00
	0.00	0.01	3,773.0	76.0	60.0	62.1	2.00	-2.00	0.00
	1.7 at 3777.3 M								
3,800.0	0.00	0.00	3,795.7	76.0	60.0	62.1	0.00	0.00	0.00
3,900.0	0.00	0.00	3,895.7	76.0	60.0	62.1	0.00	0.00	0.00
4,000.0	0.00	0.00	3,995.7	76.0	60.0	62.1	0.00	0.00	0.00
4,100.0	0.00	0.00	4,095.7	76.0	60.0	62.1	0.00	0.00	0.00
4,200.0	0.00	0.00	4,195.7	76.0	60.0	62.1	0.00	0.00	0.00
4,300.0	0.00	0.00	4,295.7	76.0	60.0	62.1	0.00	0.00	0.00
4,400.0	0.00	0.00	4,395.7	76.0	60.0	62.1	0.00	0.00	0.00
4,500.0	0.00	0.00	4,495.7	76.0	60.0	62.1	0.00	0.00	0.00
4,600.0	0.00	0.00	4,595.7	76.0	60.0	62.1	0.00	0.00	0.00
4,700.0	0.00	0.00	4,695.7	76.0	60.0	62.1	0.00	0.00	0.00

Database: Company: EDM 5000.15 Single User Db

V-F Petroleum Inc

Project: Eddy County (NAD 83 NME)
Site: (Burns) Sec-34_T-18-S_R-28-E
Well: Burns 34-35 State Com #222H

Wellbore: OWB
Design: Plan #1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well Burns 34-35 State Com #222H

KB @ 3565.0usft KB @ 3565.0usft

Grid Minimum Curvature

Figure Survey											
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)		
4,800.0	0.00	0.00	4,795.7	76.0	60.0	62.1	0.00	0.00	0.00		
4,900.0	0.00	0.00	4,895.7	76.0	60.0	62.1	0.00	0.00	0.00		
5,000.0	0.00	0.00	4,995.7	76.0	60.0	62.1	0.00	0.00	0.00		
5,100.0	0.00	0.00	5,095.7	76.0	60.0	62.1	0.00	0.00	0.00		
5,200.0	0.00	0.00	5,195.7	76.0	60.0	62.1	0.00	0.00	0.00		
5,300.0	0.00	0.00	5,295.7	76.0	60.0	62.1	0.00	0.00	0.00		
5,400.0	0.00	0.00	5,395.7	76.0	60.0	62.1	0.00	0.00	0.00		
5,500.0	0.00	0.00	5,495.7	76.0	60.0	62.1	0.00	0.00	0.00		
5,600.0	0.00	0.00	5,595.7	76.0	60.0	62.1	0.00	0.00	0.00		
5,700.0	0.00	0.00	5,695.7	76.0	60.0	62.1	0.00	0.00	0.00		
5,800.0	0.00	0.00	5,795.7	76.0	60.0	62.1	0.00	0.00	0.00		
5,900.0	0.00	0.00	5,895.7	76.0	60.0	62.1	0.00	0.00	0.00		
6,000.0	0.00	0.00	5,995.7	76.0	60.0	62.1	0.00	0.00	0.00		
6,100.0	0.00	0.00	6,095.7	76.0	60.0	62.1	0.00	0.00	0.00		
6,200.0	0.00	0.00	6,195.7	76.0	60.0	62.1	0.00	0.00	0.00		
6,300.0	0.00	0.00	6,295.7	76.0	60.0	62.1	0.00	0.00	0.00		
6,400.0	0.00	0.00	6,395.7	76.0	60.0	62.1	0.00	0.00	0.00		
6,500.0	0.00	0.00	6,495.7	76.0	60.0	62.1	0.00	0.00	0.00		
6,600.0	0.00	0.00	6,595.7	76.0	60.0	62.1	0.00	0.00	0.00		
6,700.0	0.00	0.00	6,695.7	76.0	60.0	62.1	0.00	0.00	0.00		
6,800.0 6,889.0	0.00 0.00 3 12.00 TFO 89	0.00 0.00	6,795.7 6,884.7	76.0 76.0	60.0 60.0	62.1 62.1	0.00 0.00	0.00 0.00	0.00 0.00		
6,900.0	1.32	89.22	6,895.7	76.0	60.1	62.2	12.00	12.00	0.00		
6,925.0	4.32	89.22	6,920.7	76.0	61.4	63.4	12.00	12.00	0.00		
6,950.0	7.32	89.22	6,945.6	76.1	63.9	66.0	12.00	12.00	0.00		
6,975.0	10.32	89.22	6,970.3	76.1	67.7	69.8	12.00	12.00	0.00		
7,000.0	13.32	89.22	6,994.7	76.2	72.9	74.9	12.00	12.00	0.00		
7,025.0	16.32	89.22	7,018.9	76.3	79.2	81.3	12.00	12.00	0.00		
7,050.0	19.32	89.22	7,042.7	76.4	86.9	89.0	12.00	12.00	0.00		
7,075.0	22.32	89.22	7,066.1	76.5	95.8	97.8	12.00	12.00	0.00		
7,100.0	25.32	89.22	7,088.9	76.6	105.9	107.9	12.00	12.00	0.00		
7,125.0	28.32	89.22	7,111.2	76.8	117.2	119.2	12.00	12.00	0.00		
7,150.0	31.32	89.22	7,132.9	76.9	129.6	131.6	12.00	12.00	0.00		
7,175.0	34.32	89.22	7,153.9	77.1	143.1	145.2	12.00	12.00	0.00		
7,200.0	37.32	89.22	7,174.2	77.3	157.8	159.8	12.00	12.00	0.00		
7,225.0	40.32	89.22	7,193.7	77.5	173.4	175.5	12.00	12.00	0.00		
7,250.0	43.32	89.22	7,212.3	77.8	190.1	192.2	12.00	12.00	0.00		
7,275.0	46.32	89.22	7,230.0	78.0	207.7	209.8	12.00	12.00	0.00		
7,300.0	49.32	89.22	7,246.8	78.3	226.2	228.3	12.00	12.00	0.00		
7,325.0	52.32	89.22	7,262.6	78.5	245.6	247.7	12.00	12.00	0.00		
7,350.0	55.32	89.22	7,277.4	78.8	265.8	267.9	12.00	12.00	0.00		
7,375.0	58.32	89.22	7,291.0	79.1	286.7	288.8	12.00	12.00	0.00		
7,400.0	61.32	89.22	7,303.6	79.4	308.3	310.4	12.00	12.00	0.00		
7,425.0	64.32	89.22	7,315.0	79.7	330.6	332.6	12.00	12.00	0.00		
7,450.0	67.32	89.22	7,325.3	80.0	353.4	355.4	12.00	12.00	0.00		
7,475.0	70.32	89.22	7,334.3	80.3	376.7	378.7	12.00	12.00	0.00		
7,500.0	73.32	89.22	7,342.1	80.6	400.4	402.5	12.00	12.00	0.00		
7,525.0	76.32	89.22	7,348.6	81.0	424.5	426.6	12.00	12.00	0.00		
7,550.0	79.32	89.22	7,353.9	81.3	449.0	451.0	12.00	12.00	0.00		
7,575.0	82.32	89.22	7,357.9	81.6	473.7	475.7	12.00	12.00	0.00		
7,600.0	85.32	89.22	7,360.6	82.0	498.5	500.6	12.00	12.00	0.00		
7,625.7	88.41	89.22	7,362.0	82.3	524.2	526.2	12.00	12.00	0.00		

Database: EDM 5000.15 Single User Db

Company: V-F Petroleum Inc

 Project:
 Eddy County (NAD 83 NME)

 Site:
 (Burns) Sec-34_T-18-S_R-28-E

 Well:
 Burns 34-35 State Com #222H

Wellbore: OWB
Design: Plan #1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well Burns 34-35 State Com #222H

KB @ 3565.0usft KB @ 3565.0usft

Grid

Minimum Curvature

							_		_
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
EOC - 4944	4.7 hold at 762	25.7 MD							
7,700.0	88.41	89.22	7,364.0	83.3	598.4	600.5	0.00	0.00	0.00
7,800.0	88.41	89.22	7,366.8	84.7	698.4	700.4	0.00	0.00	0.00
7,900.0	88.41	89.22	7,369.6	86.1	798.3	800.4	0.00	0.00	0.00
8,000.0	88.41	89.22	7,372.4	87.4	898.3	900.3	0.00	0.00	0.00
8,100.0	88.41	89.22	7,375.1	88.8	998.2	1,000.3	0.00	0.00	0.00
8,200.0 8,300.0	88.41 88.41	89.22 89.22	7,377.9 7,380.7	90.1 91.5	1,098.2 1,198.1	1,100.2 1,200.2	0.00 0.00	0.00 0.00	0.00 0.00
8,400.0	88.41	89.22	7,383.4	92.9	1,198.1	1,200.2	0.00	0.00	0.00
	88.41	89.22	7,386.2	94.2	1,398.0	1,400.1	0.00	0.00	0.00
8,500.0 8,600.0	88.41	89.22	7,366.2 7,389.0	94.2 95.6	1,396.0	1,500.1	0.00	0.00	0.00
8,700.0	88.41	89.22	7,391.7	96.9	1,597.9	1,600.0	0.00	0.00	0.00
8,800.0	88.41	89.22	7,394.5	98.3	1,697.9	1,700.0	0.00	0.00	0.00
8,900.0	88.41	89.22	7,397.3	99.7	1,797.9	1,799.9	0.00	0.00	0.00
9,000.0	88.41	89.22	7,400.1	101.0	1,897.8	1,899.9	0.00	0.00	0.00
9,100.0	88.41	89.22	7,402.8	102.4	1,997.8	1,999.8	0.00	0.00	0.00
9,200.0 9,300.0	88.41 88.41	89.22 89.22	7,405.6 7,408.4	103.7 105.1	2,097.7 2,197.7	2,099.8 2,199.7	0.00 0.00	0.00 0.00	0.00 0.00
9,400.0	88.41	89.22	7,400.4	106.5	2,197.7	2,199.7	0.00	0.00	0.00
9,500.0	88.41	89.22	7,413.9	107.8	2,397.6	2,399.6	0.00	0.00	0.00
9,600.0	88.41	89.22	7,416.7	109.2	2,497.5	2,499.6	0.00	0.00	0.00
9,700.0	88.41	89.22	7,419.5	110.5	2,597.5	2,599.5	0.00	0.00	0.00
9,800.0	88.41	89.22	7,422.2	111.9	2,697.4	2,699.5	0.00	0.00	0.00
9,900.0	88.41	89.22	7,425.0	113.3	2,797.4	2,799.4	0.00	0.00	0.00
10,000.0	88.41	89.22	7,427.8	114.6	2,897.3	2,899.4	0.00	0.00	0.00
10,100.0 10,200.0	88.41 88.41	89.22 89.22	7,430.5 7,433.3	116.0 117.3	2,997.3 3,097.2	2,999.3 3,099.3	0.00 0.00	0.00 0.00	0.00 0.00
10,300.0	88.41	89.22	7,436.1	118.7	3,197.2	3,199.2	0.00	0.00	0.00
10,400.0	88.41	89.22	7,438.9	120.1	3,297.1	3,299.2	0.00	0.00	0.00
10,500.0	88.41	89.22	7,441.6	121.4	3,397.1	3,399.1	0.00	0.00	0.00
10,600.0	88.41	89.22	7,444.4	122.8	3,497.0	3,499.1	0.00	0.00	0.00
10,700.0	88.41	89.22	7,447.2	124.1	3,597.0	3,599.0	0.00	0.00	0.00
10,800.0 10,900.0	88.41 88.41	89.22 89.22	7,449.9 7,452.7	125.5 126.9	3,696.9 3,796.9	3,699.0 3,798.9	0.00 0.00	0.00 0.00	0.00 0.00
•			•						
11,000.0 11,100.0	88.41 88.41	89.22 89.22	7,455.5 7,458.3	128.2 129.6	3,896.9 3,996.8	3,898.9 3,998.9	0.00 0.00	0.00 0.00	0.00 0.00
11,100.0	88.41	89.22	7,430.3	131.0	4,096.8	4,098.8	0.00	0.00	0.00
11,300.0	88.41	89.22	7,463.8	132.3	4,196.7	4,198.8	0.00	0.00	0.00
11,400.0	88.41	89.22	7,466.6	133.7	4,296.7	4,298.7	0.00	0.00	0.00
11,500.0	88.41	89.22	7,469.3	135.0	4,396.6	4,398.7	0.00	0.00	0.00
11,600.0	88.41	89.22	7,472.1	136.4	4,496.6	4,498.6	0.00	0.00	0.00
11,700.0 11,800.0	88.41 88.41	89.22 89.22	7,474.9 7,477.7	137.8 139.1	4,596.5 4,696.5	4,598.6 4,698.5	0.00 0.00	0.00 0.00	0.00 0.00
11,800.0	88.41 88.41	89.22 89.22	7,477.7 7,480.4	139.1 140.5	4,696.5 4,796.4	4,698.5 4,798.5	0.00	0.00	0.00
12,000.0	88.41	89.22	7,483.2	141.8	4,896.4	4,898.4	0.00	0.00	0.00
12,000.0	88.41	89.22	7,463.2 7,486.0	141.6	4,896.4	4,090.4	0.00	0.00	0.00
12,100.0	88.41	89.22	7,488.7	144.6	5,096.3	5,098.3	0.00	0.00	0.00
12,300.0	88.41	89.22	7,491.5	145.9	5,196.2	5,198.3	0.00	0.00	0.00
12,400.0	88.41	89.22	7,494.3	147.3	5,296.2	5,298.2	0.00	0.00	0.00
12,500.0	88.41	89.22	7,497.0	148.6	5,396.1	5,398.2	0.00	0.00	0.00
12,570.4	88.41	89.22	7,499.0	149.6	5,466.5	5,468.5	0.00	0.00	0.00

Database: EDM 5000.15 Single User Db

Company: V-F Petroleum Inc

 Project:
 Eddy County (NAD 83 NME)

 Site:
 (Burns) Sec-34_T-18-S_R-28-E

 Well:
 Burns 34-35 State Com #222H

Wellbore: OWB
Design: Plan #1

Diam Annatation

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well Burns 34-35 State Com #222H

KB @ 3565.0usft KB @ 3565.0usft

Grid

Minimum Curvature

Design Targets									
Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
PBHL (Burns 34-35 S - plan hits target - Point		0.01	7,499.0	149.6	5,466.5	622,381.80	598,573.20	32° 42' 38.990 N	104° 8' 50.082 W

Measured	Vertical	Local Coor	dinates	
Depth (usft)	Depth (usft)	+N/-S (usft)	+E/-W (usft)	Comment
2,500.0	2,500.0	0.0	0.0	Nudge - Build 2.00
2,778.0	2,777.5	10.6	8.3	Hold - 721.3 at 2778.0 MD
3,499.3	3,495.5	65.4	51.7	Drop2.00
3,777.3	3,773.0	76.0	60.0	Hold - 3111.7 at 3777.3 MD
6,889.0	6,884.7	76.0	60.0	KOP - DLS 12.00 TFO 89.22
7,625.7	7,362.0	82.3	524.2	EOC - 4944.7 hold at 7625.7 MD
12,570.4	7,499.0	149.6	5,466.5	TD at 12570.4

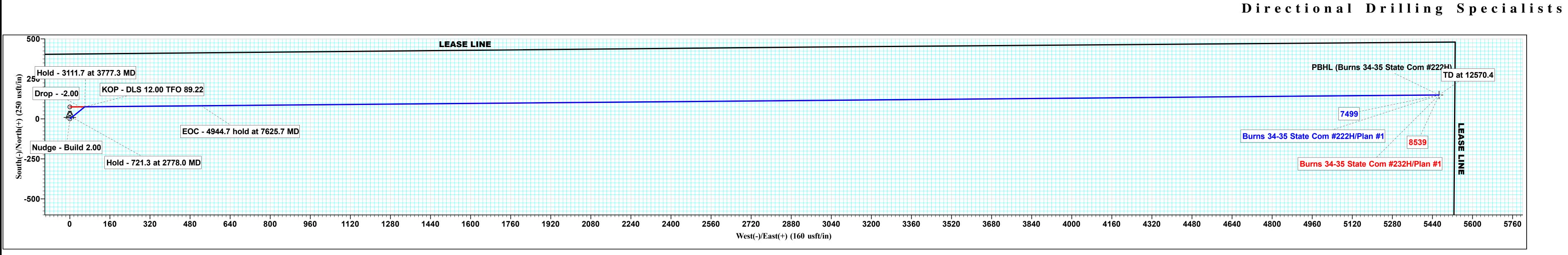
Received by OCD: 8/19/2022 9:28:03 AM

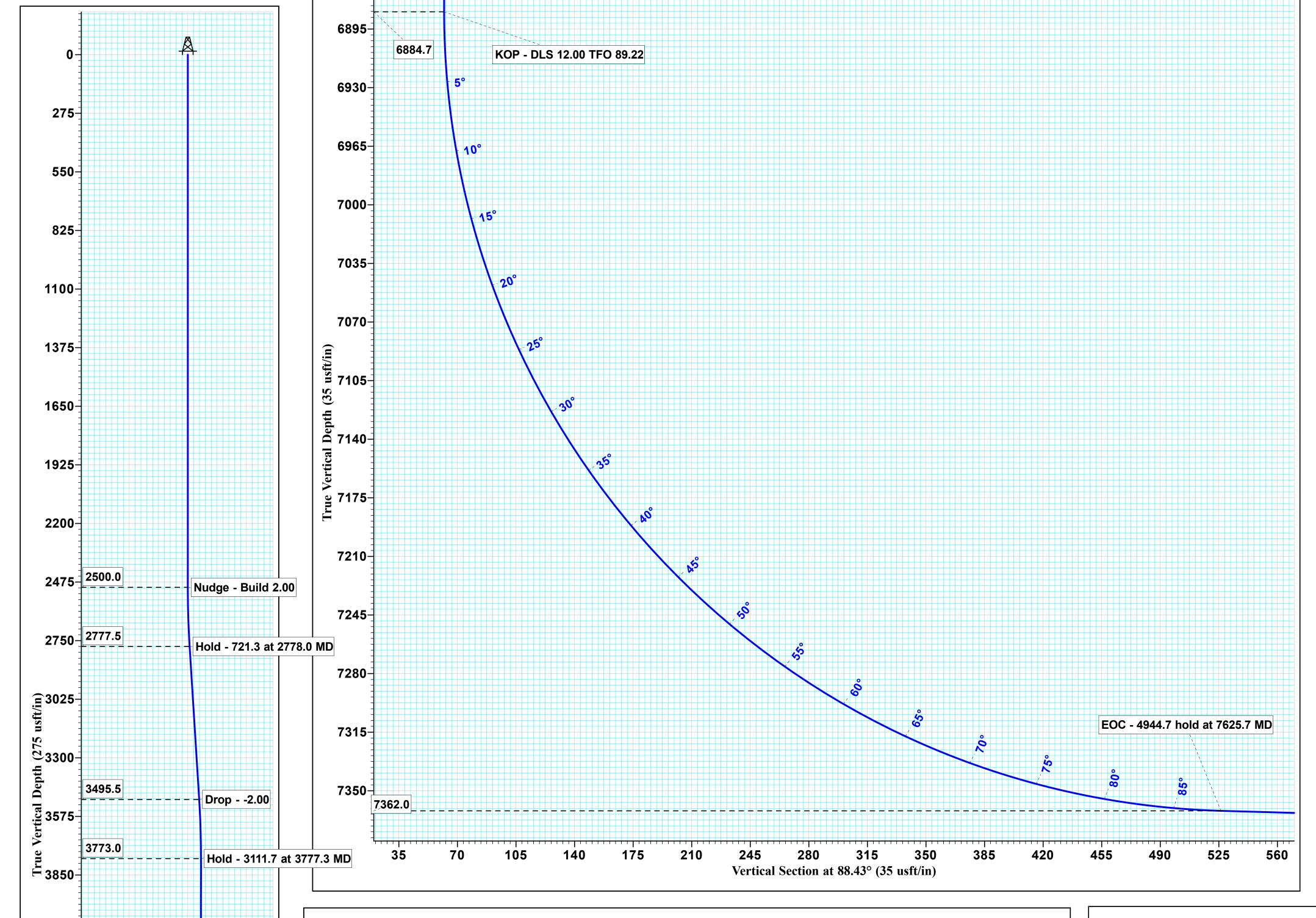
4125

4950-

6325

Page 10 of 17

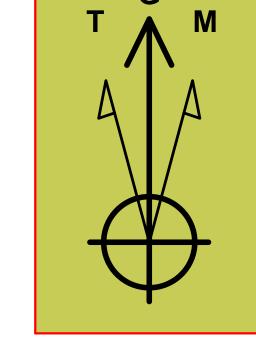




V-F Petroleum Inc Project: Eddy County (NAD 83 NME)
Site: (Burns) Sec-34_T-18-S_R-28-E
Well: Burns 34-35 State Com #222H Wellbore: OWB Design: Plan #1 Lat: 32° 42' 37.600 N Long: 104° 9' 54.068 W Pad GL: 3545.0 KB: KB @ 3565.0usft

WELL DETAILS: Burns 34-35 State Com #222H 3545.0 **Easting** Longitude Northing 32° 42' 37.600 N 622232.20 104° 9' 54.068 W SECTION DETAILS Dleg TFace VSect **Annotation** 0.00 0.0 0.00 2500.0 0.00 2.00 0.00 Nudge - Build 2.00 Hold - 721.3 at 2778.0 MD 2777.5 38.29 Drop - -2.00 5.56 38.29 3773.0 2.00 180.00 0.00 0.00 Hold - 3111.7 at 3777.3 MD 0.00 **KOP - DLS 12.00 TFO 89.22** 526.2 EOC - 4944.7 hold at 7625.7 MD 88.41 89.22 7362.0 88.41 89.22 7499.0 0.00 TD at 12570.4

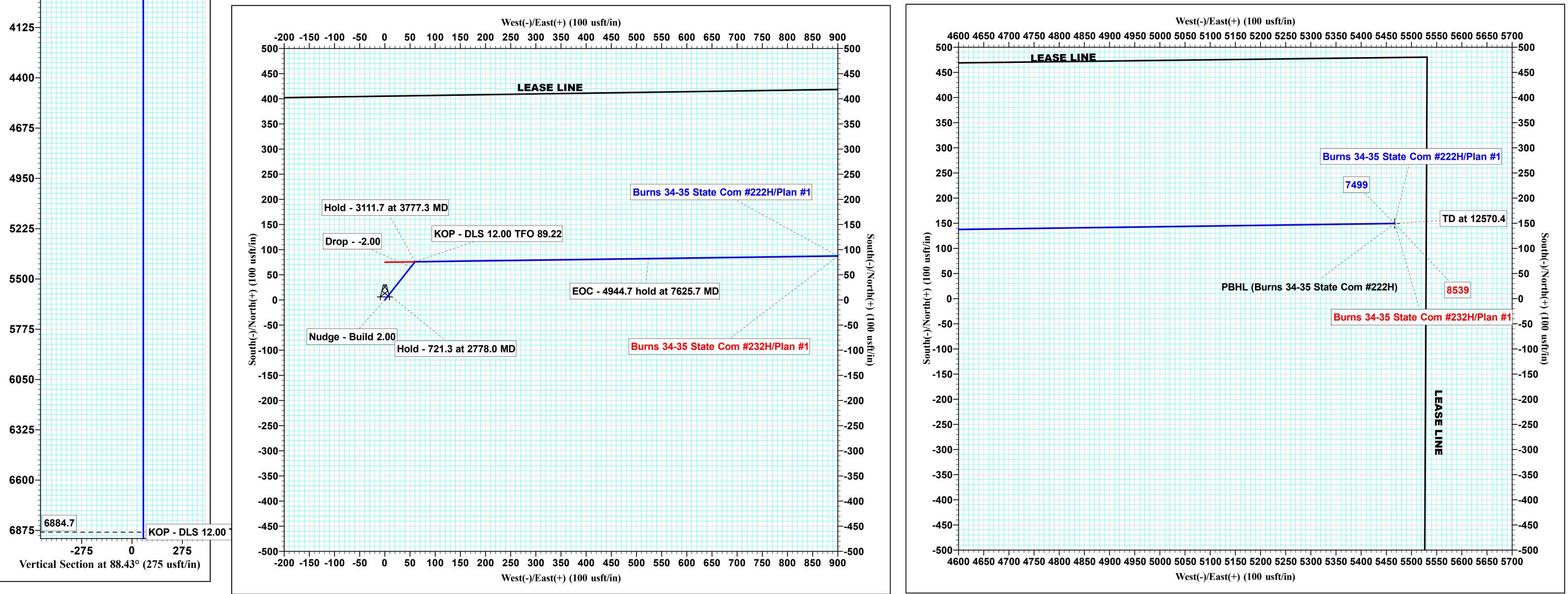
DESIGN TARGET DETAILS Northing **Easting** PBHL (Burns 34-35 State Com #222H) 7499.0 149.6 5466.5 622381.80 598573.20

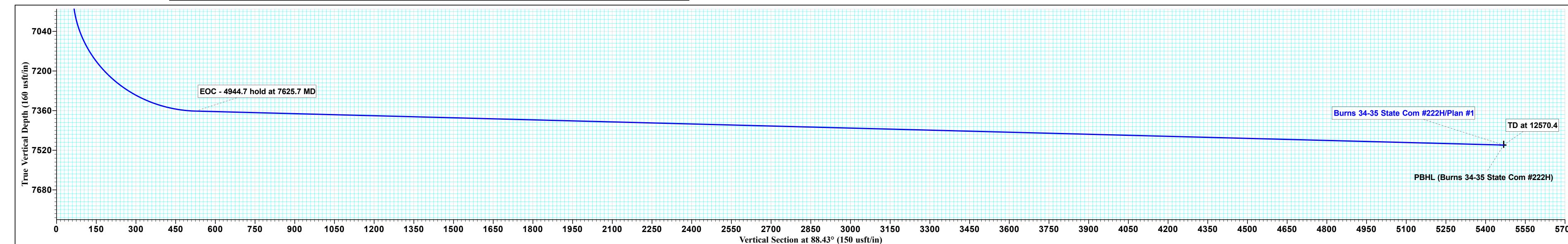


Azimuths to Grid North True North: -0.09° Magnetic North: 6.97° Magnetic Field Strength: 47962.9nT Dip Angle: 60.39° Date: 05/22/2019

Model: IGRF2015

To convert a Magnetic Direction to a Grid Direction, Add 6.97°





State of New Mexico Energy, Minerals and Natural Resources Department

Submit Electronically Via E-permitting

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

NATURAL GAS MANAGEMENT PLAN

This Natural Gas Management Plan must be submitted with each Application for Permit to Drill (APD) for a new or recompleted well.

Section 1 – Plan Description Effective May 25, 2021

I. Operator:	V-F PETROL	EUM INC	OGRID:	24010	Date: _	8 / 12 / 2022				
II. Type: ☑ Origina	al 🗆 Amendment	due to □ 19.15.27.9	9.D(6)(a) NMA	C □ 19.15.27.9.D((6)(b) NMAC □ (Other.				
If Other, please desc	ribe:									
III. Well(s): Provide be recompleted from					wells proposed to	be drilled or proposed to				
Well Name	API	ULSTR	Footages	Anticipated Oil BBL/D	Anticipated Gas MCF/D	Anticipated Produced Water BBL/D				
Burns 34-35 State Com #2	22H	C 34 18S 28E	405 FNL 2260 F	VL 1000	1500	2000				
Burns 34-35 State Com #2	32H	C 34 18S 28E	330 FNL 2260 I	WL 1000	1500	2000				
	V. Anticipated Schedule: Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point. Well Name API Spud Date TD Reached Completion Initial Flow First Production									
			Date	Commencement	Date Back D	Date Date				
Burns 34-35 State Com #222H		1/19/23	2/8/23	5/1/23	5/16/2	-				
Burns 34-35 State Com #232H		12/26/22	1/17/23	5/1/23	5/16/23	3 5/16/23				
VI. Separation Equipment: ✓ Attach a complete description of how Operator will size separation equipment to optimize gas capture. VII. Operational Practices: ✓ Attach a complete description of the actions Operator will take to comply with the requirements of Subsection A through F of 19.15.27.8 NMAC. VIII. Best Management Practices: ✓ Attach a complete description of Operator's best management practices to minimize venting during active and planned maintenance.										

Section 2 – Enhanced Plan EFFECTIVE APRIL 1, 2022

Beginning April 1, 2022, an operator that is not in compliance with its statewide natural gas capture requirement for the applicable reporting area must complete this section.

🗹 Operator certifies that it is not required to complete this section because Operator is in compliance with its statewide natural gas capture requirement for the applicable reporting area.

IX. Anticipated Natural Gas Production:

Well	API	Anticipated Average Natural Gas Rate MCF/D	Anticipated Volume of Natural Gas for the First Year MCF

X. Natural Gas Gathering System (NGGS):

Operator	System	ULSTR of Tie-in	Anticipated Gathering	Available Maximum Daily Capacity
			Start Date	of System Segment Tie-in

XI. Map. \square Attach an accurate and legible map depicting the location of the well(s), the anticipated pipeline route(s) connecting the
production operations to the existing or planned interconnect of the natural gas gathering system(s), and the maximum daily capacity of
the segment or portion of the natural gas gathering system(s) to which the well(s) will be connected.

XII. Line Capacity. The natural	gas gathering system \square wi	ll □ will not have o	capacity to gather	100% of the anticipated	natural gas
production volume from the well	prior to the date of first prod	duction.			

XIII. Line Pressure. Operator \square does \square does not anticipate that its existing well(s) connected to the same segment, or portion	on, of the
natural gas gathering system(s) described above will continue to meet anticipated increases in line pressure caused by the new	well(s).

\neg	A 44 1 4	· ,	1	4	1 4	•	4 41	1 1'	
	Апаси (Operator	s pian	to manage	production	in response	to the increa	sed line pressi	ıre

XIV.	Confidentiality: Operator asserts confidentiality pursuant to Section 71-2-8 NMSA 1978 for the information providence of the	ed in
Section	n 2 as provided in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and attaches a full description of the specific inform	ation
for w	ich confidentiality is asserted and the basis for such assertion.	

(i)

Section 3 - Certifications <u>Effective May 25, 2021</u>

Operator certifies that, after reasonable inquiry and based on the available information at the time of submittal: Departor will be able to connect the well(s) to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system: or ☐ Operator will not be able to connect to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system. If Operator checks this box, Operator will select one of the following: Well Shut-In. ☐ Operator will shut-in and not produce the well until it submits the certification required by Paragraph (4) of Subsection D of 19.15.27.9 NMAC; or Venting and Flaring Plan.

Operator has attached a venting and flaring plan that evaluates and selects one or more of the potential alternative beneficial uses for the natural gas until a natural gas gathering system is available, including: power generation on lease; (a) **(b)** power generation for grid; compression on lease; (c) (d) liquids removal on lease; reinjection for underground storage; (e) **(f)** reinjection for temporary storage; **(g)** reinjection for enhanced oil recovery; fuel cell production; and (h)

Section 4 - Notices

1. If, at any time after Operator submits this Natural Gas Management Plan and before the well is spud:

other alternative beneficial uses approved by the division.

- (a) Operator becomes aware that the natural gas gathering system it planned to connect the well(s) to has become unavailable or will not have capacity to transport one hundred percent of the production from the well(s), no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised venting and flaring plan containing the information specified in Paragraph (5) of Subsection D of 19.15.27.9 NMAC; or
- (b) Operator becomes aware that it has, cumulatively for the year, become out of compliance with its baseline natural gas capture rate or natural gas capture requirement, no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised Natural Gas Management Plan for each well it plans to spud during the next 90 days containing the information specified in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and shall file an update for each Natural Gas Management Plan until Operator is back in compliance with its baseline natural gas capture rate or natural gas capture requirement.
- 2. OCD may deny or conditionally approve an APD if Operator does not make a certification, fails to submit an adequate venting and flaring plan which includes alternative beneficial uses for the anticipated volume of natural gas produced, or if OCD determines that Operator will not have adequate natural gas takeaway capacity at the time a well will be spud.

I certify that, after reasonable inquiry, the statements in and attached to this Natural Gas Management Plan are true and correct to the best of my knowledge and acknowledge that a false statement may be subject to civil and criminal penalties under the Oil and Gas Act.

Signature:	form J. Lasa
Printed Name:	Jason J. Lodge
Title:	Geologist
E-mail Address	Jason@vfpetroleum.com
Date:	8/12/22
Phone:	432-683-3344
	OIL CONSERVATION DIVISION (Only applicable when submitted as a standalone form)
Approved By:	
Title:	
Approval Date:	
Conditions of A	pproval:

V-F Petroleum Inc Natural Gas Management Plan - Attachment

VI: Separation Equipment

V-F Petroleum Inc (V-F) has sized all separation equipment to be adequate to handle the maximum anticipated production facility rates for all three phases. Adequate separation relates to retention time for Liquid-Liquid separation and velocity for Gas-Liquid separation. Ancillary equipment and metering will be selected to be serviced without flow interruptions or the need to release gas from the well.

VII: Operational Practices

Drilling Operations

V-F will capture or combust natural gas using best industry practices and control technologies during drilling operations. A properly sized flare stack will be located at a minimum of 100 feet from the nearest surface hole location. Gas may be vented in an emergency to avoid a risk of an immediate and substantial adverse impact on safety, public health, or the environment.

<u>Completion/Recompletion Operations</u>

During initial flowback, V-F will route flowback fluids into a completion or storage tank, and if possible, flare instead of vent any natural gas with a properly sized flare stack until it is able to flow through a separator and down a line for sales. In the unlikely event that produced natural gas does not meet pipeline specifications, V-F will flare it for 60 days or until the natural gas meets pipeline specifications, whichever is sooner.

Production Operations

Natural gas will not be flared with the exceptions and provisions listed in the 19.15.27.8 D (1) through (4). If there is no adequate takeaway for the separator gas, all effected wells will be shut in until takeaway issues are resolved. Exceptions would be emergency or major malfunction situations.

<u>Performance Standards</u>

All completion, production separation equipment, and storage tanks will be properly sized to handle the maximum anticipated volumes and pressures associated with each well. Any permanent storage tank associated with production operations that is routed to a flare or control device, will be equipped with an automatic gauging system that reduces the venting of natural gas. A properly sized flare stack will be securely anchored and installed at least 100 feet away from both the well(s) and storage tanks, and will be equipped with an automatic ignitor or continuous pilot. V-F will conduct AVO inspections on the frequency specified in 19.15.27.8 E (5) (b) and (c). V-F will do everything possible to minimize waste and will resolve emergencies as quickly and safely as possible.

Measurement and Estimation

Any vented or flared natural gas volumes will be estimated and reported appropriately. V-F will install equipment to measure the volume of natural gas flared from existing process piping or a flowline piped from equipment such as high-pressure separators, heater treaters, or vapor recovery units. All measuring equipment will adhere to industry standards set forth by the American Petroleum Institute Manual of Petroleum Measurement Standards Chapter 14.10. Measuring equipment will not be designed or equipped with a manifold that allows diversion of natural gas around a metering element, except for the sole purpose of inspecting and servicing the measurement equipment. Flared/vented

V-F Petroleum Inc Natural Gas Management Plan - Attachment

natural gas will be estimated if metering is not practical due to low flow rate or low pressures. This estimation will include but will not be limited to an annual GOR test reported to the division.

VIII: Best Management Practices

V-F will utilize best management practices to minimize venting during active and planned maintenance. Potential actions that will be considered include, but are not limited to:

- Venting limited to the depressurizing of the subject equipment to ensure a safe repair
- Identifying alternate capture methods
- Temporarily reduce production or shut-in wells during maintenance
- Flare if natural gas does not meet pipeline specifications
- Perform preventative maintenance to avoid potential equipment failure

Inten	t	As Dril	led											
API #	ŧ													
Operator Name:						Prop	perty N	ame:						Well Number
Kick (Off Point	(KOP)												
UL	Section	Township	Range	Lot	Feet		From N/S		Feet F		From E/W		County	
Latit	ude				Longitu	ıde							NAD	
First	Take Poir	it (FTP)												
UL	Section	Township	Range	Lot	Feet		From N	N/S Fee		Fror		rom E/W County		
Latit	ude				Longitu	ıde							NAD	
Last T	Section	t (LTP) Township	Pango	Lot	Feet	From	m N/S	Feet		From E	:/\\	Count		
Latit		Township	Range	LOT			11 11/5	reet		FIOITIE	./ VV	Count	У	
Latit	uue				Longito	Longitude NAD								
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	ll is yes p ng Unit.	lease provi	ide API if	availak	oie, Opei	rator I	Name	and v	vell n	umber	tor E	etinir	ng well fo	r Horizontal
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						I								V7.0C/20/2010

KZ 06/29/2018