	Page 1 of 21
State of New Mexico	Form C-101
Energy Minerals and Natural Resources	Revised July 18,2013
Oil Conservation Division	AMENDED REPORT
1220 South 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

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

V-F Pe P. O Bo	troleum ox 1889	n Inc.	^{1.} Operator Name a	and Address				^{2.} OGRID Number 24010	er
Midlan	d TX 7	9702						30-025-30	735
^{4.} Prope	erty Code	820	Mitche	ell 16 State	Property Name			#1	Ell No.
				^{7.} Sı	urface Location	n			
UL - Lot	Section 16	Township 185	Range 32E	Lot Idn	Feet from 1650	N/S Line North	Feet From 990	E/W Line East	County Lea

				^{8.} Propose	ed Bottom Hol	e Location			
UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County

^{9.} Pool Information

Pool Name

Pool Code

		Α	dditional Well Information		
^{11.} Work Type	12.	Well Type	13. Cable/Rotary	^{14.} Lease Type	15. Ground Level Elevation
Recomplete		0	R	S	3791
^{16.} Multiple	^{17.} Pro	oposed Depth	^{18.} Formation	^{19.} Contractor	^{20.} Spud Date
Ν			Young; Delaware, N		3/27/2024 start recomplet
Depth to Ground water		Distance from	nearest fresh water well	Distance to a	nearest surface water
300		CP 00483	3 is 1.2 miles to the SE	400 SW	/ of Surface pond

We will be using a closed-loop system in lieu of lined pits

^{21.} Proposed Casing and CementProgram

Туре	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
No C	hanges to a	riginal casing f	or Recompletion			
		Casin	g/Cement Program: A	dditional Comments		

^{22.} Proposed Blowout Prevention Program

Туре	Working Pressure	Test Pressure	Manufacturer
Double Ram	5000	3000	

^{23.} I hereby certify that the information g best of my knowledge and belief.	given above is true and complete to the	OIL CONSERV	ATION DIVISION
I further certify that I have complied 19.15.14.9 (B) NMAC , if applicable	with 19.15.14.9 (A) NMAC 🗌 and/or le.	Approved By:	
Signature: Kristina	Lee		
Printed name: Kristina Lee		Title:	
Title: Regulatory Consultant		Approved Date:	Expiration Date:
E-mail Address:krislee@skybeam.	com		
Date: 3/18/24	Phone:303.884.4229	Conditions of Approval Attached	

Received by	OCD:	4/1/2024	1:56:44	PM
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 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

M State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

Revised August 1, 2011 Submit one copy to appropriate District Office

AMENDED REPORT

1	API Number	r		² Pool Code			³ Pool Nar	me	
30-	025-307	'35				YOUN	G; DELAW	ARE, NORT	Η
⁴ Property (Code		•		⁵ Property I	Name		6	Well Number
2182	0				Mitchell 1	6 State			1
⁷ OGRID	No.				⁸ Operator 1	Name			⁹ Elevation
2401	0				V-F Petrole	um Inc.			3791'
	·				¹⁰ Surface I	Location		·	
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Η	16	18S	32E		1650	NORTH	990	EAST	LEA
			п Bo	ttom Hol	le Location If	Different Fron	n Surface		·
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated	¹³ Joint o	or Infill ¹⁴ (Consolidatio	n ¹⁵ O	rder No				
Acres 40		Co	de						

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.

16			17 ODED A TOD CEDTIELC A TION
			"OPERATOR CERTIFICATION
			I hereby certify that the information contained herein is true and complete
		1650	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 a mineral or working
			interest, or to a voluntary pooling agreement or a compulsory pooling order
			heretofore entered by the division.
			K J 3/18/24
			Aristina Lee 3/10/24
		000'	Signature Date
		990	_
			Kristina Lee
			Printed Name
			krislee@skybeam.com
			E-mail Address
			SUDVEVOD CEDTIEICATION
			*SURVEYOR CERTIFICATION
			<i>I hereby certify that the well location shown on this plat</i>
			was plotted from field notes of actual surveys made by
			me or under my supervision, and that the same is true
			ana correct to the best of my bellej.
			11/15/89
			Date of Survey
			Signature and Seal of Professional Surveyor
			Signature and Sear OF FIOIESSIONAL SULVEYOF.
			Original Survey by V,/lynn Bezner #7920
			is in OCD's well file
			Certificate Number

		Oil Co 1220 S	onservation Di South St. France	vision cis Dr.				
		Sar	nta Fe, NM 875	505				
	N.	ATURAL G	AS MANA(GEMENT P	LAN			
his Natural Gas Mana	gement Plan m	ust be submitted w	ith each Applicat	ion for Permit to I	Drill (Al	PD) for a r	new or	recompleted we
		<u>Section</u> <u>E</u>	<u>1 – Plan De</u> ffective May 25,	escription 2021				
Operator:V	-F Petroleu	m Inc	OGRID:	24010		Date: _	3/14	/2024
. Tyne: 🛛 Original [Amendment	due to □ 19 15 27	9 D(6)(a) NMA(∩ 19 15 27 9 0	(6)(h) N		Other	
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Other, please describe	e:							
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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.

Deprator 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 Start Date	Available Maximum Daily Capacity of System Segment Tie-in

XI. Map. \Box 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 \Box will \Box will not have capacity to gather 100% of the anticipated natural gas production volume from the well prior to the date of first production.

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

□ Attach Operator's plan to manage production in response to the increased line pressure.

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

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

Operator certifies that, after reasonable inquiry and based on the available information at the time of submittal:

 \square Operator 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

 \Box 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. \Box 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. \Box 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:

- (a) power generation on lease;
- (b) power generation for grid;
- (c) compression on lease;
- (d) liquids removal on lease;
- (e) reinjection for underground storage;
- (f) reinjection for temporary storage;
- (g) reinjection for enhanced oil recovery;
- (h) fuel cell production; and
- (i) other alternative beneficial uses approved by the division.

Section 4 - Notices

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

(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: Bill Pierce
Printed Name: Bill Pierce
Title: Engineer
E-mail Address: bill@vfpetroleum.com
^{Date:} 3/15/2024
Phone: 432-683-3344
OIL CONSERVATION DIVISION (Only applicable when submitted as a standalone form)
Approved By:
Title:
Approval Date:
Conditions of Approval:

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.

Completion/Recompletion Operations

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.

Performance Standards

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

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, Items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE Southeastern New Mexico Northwestern New Mexico

_____ T. Penn. "B"_____ _____ T. Canyon _____ T. Ojo Alamo _____ T. Anhy ____ T. Salt ______ T. Strawn _____ T. Kirtland-Fruitland _____ T. Penn. "C" _____ B. Salt _____ T. Atoka _____ T. Pictured Cliffs _____ T. Penn, "D" _____ T. Yates <u>3074'</u> T. Miss _____ T. Cliff House _____ T. Leadville _____ T. Tates ______ T. Devonian ______ T. Menefee _______ T. Menefee _______ T. Queen 3826' T. Silurian _______ T. Point Lookout _______ T. Elbert _______ T. Queen 3826' T. Silurian _______ T. Mancos _______ T. McCracken _______ ______ T. Devonian ______ T. Menefee ______ T. Madison ______ T. Grayburg ______ T. Montoya ______ T. Mancos ______ T. McCracken ______ T. San Andres 4438' T. Simpson T. Gallup T. Gallup T. Ignacio Otzte T. Glorieta ______ T. McKee _____ Base Greenhorn _____ T. Granite _____ T. Ellenburger_____ T. Dakota _____ T. ____ T. T. Paddock _____ T. Morrison _____ T. ____ T. Blinebry_____ T. Gr. Wash_____ T. Tubb ______ T. Delaware Sand 5270' T. Todilto ______ T. ______ T. Drinkard T. Bone Springs <u>6626'</u> T. Abo T. Ist B.S. Sand 8146' T. Wolfcamp 10,252' T. 2nd B.S. Sand 8912' ____ T. Entrada ______ T. _____ _____ T. Wingate _______ T. ______ ______ T. Chinle _______ T. ______ T. ______ ____ T. Permain ______ T. _____ T. Penn _____ T. 3rd B.S. Sand 9536' T. Cisco (Bough C) T. lower Leonard 9824' T. Penn "A"_____ T.

OIL OR GAS SANDS OR ZONES

No. 1, fromto	No. 3, fromto
No. 2, fromto	No. 4, fromto

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.				
No. 1, from	.to	feet		
No. 2. from.	.to	feet		
No. 3, from	.to	feet		

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	То	Thickness in Feet	Lithology	From	То	Thickness in Feet	Lithology
							for a second sec
						1	



V-F Petroleum Inc.

Mitchell 16 State #1

1650' FNL & 990' FEL Section 16 – T18S - R32E Lea County, New Mexico API #: 30-025-30735

PLUG BACK & RECOMPLETE IN LOVINGTON SAND FORMATION

March 7, 2024

Objective: Plug back and recomplete in Lovington Sand.

Well Data:

- A. Elevations: 3,809' GL; 3,827' KB 18' above ground level
- B. TD: 11,004'
- C. PBTD: 10,889'
- D. Surface Casing: 13 3/8" @ 438' TOC Surface
- E. Shallow Intermediate Casing: 8 5/8" @ 2,918', TOC Surface
- F. Production Casing 5 1/2", 17#, N-80 8rd LTC @ 11,004'; DV tool @ 8,011'.

Wireline Logs: Radial Cement Bond Log (NOTE: CBL depths are recorded from GL measurement.)

Procedure: PLUG BACK OPERATIONS:

- A. MIRU well service unit. ND wellhead up BOP system. POOH w/2 7/8" production tubing Standing same back in derrick. RU wireline truck and RIH w/gauge ring and junk basket to depth of 10,215' KB measurement. If run is successful, RIH w/5 ½" CIBP and set same at depth of 10,200' KB. Tag up after setting CIBP to verify set; POOH w/setting tool. Load casing w/fresh water, RIH w/Radial CBL tool to depth of 10,000' KB and log well back to depth of 2,000'; POOH and RD wireline truck. RIH w/2 7/8" tubing string w/SN and 4' perforated sub on bottom; tag up on CIBP, PU 2' from CIBP.
- B. RU cement pump truck and establish circulation utilizing fresh water. Spot 35 sack Class H cement plug on top of CIBP (estimated fill 285'inside 5 ½'', 17# casing). LD enough 2 7/8" tubing in singles to place end of tubing at depth of 8,500', spot 35 sack Class H cement plug. Continue laying down tubing in singles so EOT is @ 6,500', spot 35 sack Class H cement plug. LD tubing in singles to top of cement plug, reverse out tubing capacity. Displace hole w/2% KCL water; resume laying down 2 7/8" tubing in singles until 4,800' +/- of

tubing remain in the hole. POOH standing remaining 2 7/8" tubing in derrick. Load casing and pressure test same to 1,000# for 15 minutes recording same on chart. If pressure test is successful, RD cement pump truck.

Procedure: RECOMPLETION OPERATIONS:

- A. MIRU wireline truck, RIH w/4.34" gauge ring and junk basket to depth of 4,900' KB measurement. If run is successful, RIH w/5 ¹/₂" CIBP and set same @ depth of 4,875'. After successfully setting CIBP; perforate the Lovington Sand formation from 4,719' 4,749', POOH and RD wireline truck.
- B. PU 5 ¹/₂" 10K double grip retrievable packer and RIH w/same, set packer @ depth of 4,650'+/-. Swab well and record results, report same to office.
- C. RU and acidize formation w/3,000 gallons of 10% Acetic acid + additives and 40 RCN ball sealers. Swab test well and report results to office.
- D. If results are successful, release packer, run packer through all perforations to make sure all ball sealers are removed from same. TOOH w/same standing tubing back in derrick. Set in 3 ½", 9.30#, N-80 frac tubing on racks and tally same. Change out BOP pipe rams from 2 7/8" to 3 ½". RIH w/10K double grip packer picking up 3 ½" frac tubing in singles. Test tubing in hole below the slips to 9,000#. Set packer @ depth of 4,650' +/- and prepare to frac well.
- E. Frac well with 25,000 gallons of 2% KCL water containing 100,000# of 20-40 sand down 3 ¹/₂" frac tubing. RD frac crew and prepare to flow well back.
- F. After rigging down frac crew, commence flowing well back. If well kicks off flowing, flow well back to frac tanks. If well flows back for a period of time then dies, leave well open to frac tank for minimum of 8 hours. If well will not sustain flow, release packer and LD 3 ¹/₂" frac string in singles. After laying down frac tubing, re-install 2 7/8" pipe rams in BOP.
- G. Make up rod pumping BHA and RIH w/2 7/8" production tubing to SN depth of 4,775'+/-. ND BOP stack and NU wellhead in rod pumping configuration. Swab well and attempt to establish flow from formation. If swabbing results are unsuccessful, RIH hole with downhole insert rod pump and steel rod string, space out same. Put well to pumping through tank battery, RD well service unit.

EXISTING TUBULAR DATA:

13 3/8", 48#, K-55, 8rd STC New Casing @ 348' w/370 sacks "C" w/2% CaCl2; circulated 75 sacks to surface.
8 5/8", 24#, K-55 8rd LTC @ 2,918'. Cemented w/1,000 sacks of Class "C"

Hallite w/9#/sack salt + .25#/sack flowseal followed by 250 sacks of Class "C" + 2% CaCl2. Circulated 100 sacks.

5 ¹/₂", 17#, N-80 8rd LTC @ 11,004²; DV tool @ 8,012². 1st stage 500 sacks "H", 2nd stage 1,170 sacks "H" 50-50 Lite + 2% CFR-2 followed by 250 sacks of Class "H" w/5% Halad 322; calculated TOC 2,500².

Prepared By: V – F Petroleum Inc. Engineering – Bill Pierce 432-683-3344

md/eng/recompletion/Mitchell 16 State #1/Mitchell 16 St #1 PB & Recompletion Prognosis 20240307

LOGS: Apollo Wireline Radial Cement Bond – Gamma Ray /CCL Log dated 05-25-2022.

Daily Reports

04-13-2022

Report Date 04-12-2022. Locate cellar boards previously installed when well was originally drilled. Dig out old cellar and removed cellar boards. Found well with no dry hole marker installed from final P & A operation. Located 13 3/8" surface casing, 8 5/8" intermediate casing and 5 $\frac{1}{2}$ " production casing. Installed temporary fence panels around cellar to keep cattle out. Will install risers on 8 5/8" and 5 $\frac{1}{2}$ " casing on Thursday.

04-14-2022

Report Date 04-13-2022. Waiting on well head to be delivered to location.

04-15-2022

Report Date 04-14-2022. Install slip weld collar on existing 5 ¹/₂" production casing and weld on same. 5 ¹/₂" casing stub will extend 3 feet above top of wellhead "A" section. Install slip weld 8 5/8" collar on existing 8 5/8" casing and weld on same. Measure exact cut-off necessary to install "A" section 3" above ground level. Weld on 10", 3000#, "A" section and test same to 3000# at test port, held successfully for 15 minutes. Making necessary repairs to location so heavy equipment required for reentry operations will not break through weak caliche areas of existing location.

04-16-2022

Report Date 04-15-2022. Shut down for Good Friday.

04-17-2022

Report Date 04-16-2022. Shut down for Easter weekend.

04-18-2022

Report Date 04-17-2022. Shut down for Easter Sunday.

04-19-2022

Report Date 04-18-2022. Resume making needed repairs to location. Welder plated in 13 3/8" x 8 5/8" annulus w/1/2" steel plate. Installed 2" HD collar in 13 3/8" casing w/ HD nipple and valve.

04-20-2022

Report Date 04-19-2022. Finished up repairs to location. Will install safety anchors tomorrow.

04-21-2022

Report Date 04-20-2022. Installed well service unit safety anchors.

04-22-2022

Report Date 04-21-2022. Waiting on well service unit to commence operations. Drop from report until operations are resumed.

04-28-2022

Pull on 5-1/2" casing and no movement, set slips, B section was 5-K wait on 3-K install and pressure test. Nipple up Bop and rig up tubing equipment, shut down for nite.

<u>04-29-2022</u>

Pressure test BOP and wellhead to 3,000# successfully. PU swivel, 3 $\frac{1}{2}$ " drill collar and 4 $\frac{3}{4}$ " Atlas Copco tri-cone rock bit, experienced difficulty passing bit through 5 $\frac{1}{2}$ " weld on collar @ depth of 5'. Commenced drilling out cement plug #1, drilled to depth of 20' and encountered metal in hole. Returns contained metal cuttings. POOH, PU 4 5/8" cone buster mill, again had difficulty passing through 5' area w/mill. Milled on metal for 1' and could not make additional hole. POOH with mill, metal pattern on cutting edge of mill measure 4" diameter, same size as 2 7/8" tubing collar. PU 4 $\frac{1}{2}$ " smooth OD shoe with catch fingers inside of shoe, RIH, again had difficulty passing through 5' area of casing. Mill on junk in hole with coring shoe, made 6 inches and plugged off shoe. POOH w/shoe and found a 4" by 2" wide piece of metal inside of coring shoe. Unknown how metal was placed in casing. Run in hole w/4 $\frac{3}{4}$ " tri-cone rock bit and resumed drilling plug #1. Drilled to depth of 64', circulate hole clean. POOH w/bit and LD DC's. Shut well in for night.

04-30-2022

Rig down tubing handling tools and ND BOP stack and "B" section tubing head. Cut off 5 $\frac{1}{2}$ " casing below problem area of existing 5 $\frac{1}{2}$ " casing; cut off 8 5/8" casing. Replace 5 $\frac{1}{2}$ " riser, re-weld 8 5/8" casing to 8 5/8". Set in correct style 5 $\frac{1}{2}$ " casing slips for "A" section. NU "B" Section, pressure test "A" section to 1,000# successfully. Install BOP, tested "B" section & BOP to 3,000# successfully. SDFN. Shut down for weekend.

05-01-2022

SDF Saturday.

05-02-2022

SDF Sunday. PU 2 3 ¹/₂" DC's and continue drilling out cement plugs.

05-03-2022

Pick up collars and power swivel. Start drilling at 64'. Drill cement to 100'. Tag up on junk. Pull out of hole with bit. Run in hole w/cone buster mill. Milled metal & composite / ceramic material to 126'. Last foot drilled appeared to be "broken cement. Pull out of hole with mill. Run in hole with bit. Could not make any hole. Pull out of hole with bit to redress mill. SDFN.

<u>05-04-22</u>

RIH w 4 $\frac{1}{2}$ " magnet w/cut lip guide; unable to pick up any metal pieces. Run re-dressed 4 $\frac{3}{4}$ " cone buster mill, milled from 126' – 168' pushing metal junk through intervals of hard and soft cement. Last 10' required no torque, 10 minutes per foot rate. POOH w/mill, recovered six pieces of quarter size flat iron pieces stuck in circulating ports and water courses. Cut rite on mill bottom plugged with cement. SWI and SDFN.

Proposed Work: Run magnet & then run bit.

05-05-22

RIH w/magnet, recovered three fairly large pieces of metal. RIH second time w/magnet recovering smaller pieces. RIH w/4 ³/₄" tri-cone bit, circulate up numerous smaller pieces of metal and clean cement cuttings. Drilled hard cement to depth of 380' (cement plug #2); fell through cement and drilled cement stringers to depth of 420'. TIH w/bit to depth of 460'. Circulate hole clean and SDFN. Proposed work: Pressure test casing to 500# & resume drilling out cement plugs.

05-06-22

Pressure test plug #2 130'-398' 500 psi held 15 minutes. Run in hole tag plug #3 at 957'. Pick up swivel and drilled. Good cement at 990' drill to 1,110'. Bit started bouncing. Stopped drilling at 1,115'. Pull bit. Found cones loose, run new bit, feathered cement had metal in returns. Pull bit, run cone buster mill with carbide inserts on blade face. Mill from1,115'- 1,175'. 3 hours with fine metal shavings in returns. Circulate clean. Pull off bottom and shut down for nite.

Feather junk, and circulate clean up bottom to run magnet.

05-07-22

Feather junk with mill. Circulate clean. POOH with mill. Run in hole with magnet. Work on top of cement. Pull magnet, nothing. Run in hole with rock bit. Drill cement and junk fell out at 1,330. Stringers to 1,403'. Circulate clean. Run in hole and tag next plug at 2,870'. Circulate and drill connection down to 2,875'. Circulate clean and pull off bottom. SDFW.

<u>05-08-22</u>

SDFW.

<u>05-09-22</u>

Pressure test and continue drilling

05-10-22

Pressure test plug #3. 500# psi held 15 minutes. Continue drilling on plug #4 at 2,875'. Good cement. Some metal in returns. Fell out of cement at 3,145'. Run 3,233'. Circulate clean shut down for high winds.

<u>05-11-22</u>

Run in hole to plug #5 5,195'-5,345'. Tag at 5,310'. Drill contaminated cement, not much there. Circulate clean at 5,500'. Pressure test 500# psi, held 15 minutes. Run in hole to plug #6 6,546' – 6,706'. Tag at 6,445'. Drill green cement fell out at 6,670'. Circulate clean and pressure test 500# psi held 15 minutes. Run in hole to plug #7 7,850' – 8,101'. Tag at 7,544'. Drill to 7,559'. Circulate clean. Pull up off bottom and shut down for nite.

05-12-22

Drill 7,559'. Green cement fell out at 7,930'. Circulate clean. Pressure test 500# psi, held 15 minutes. Run in hole to 10,162'. Circulate clean. Fluid 220 barrels. Change out of close loop system and drill cement on CIBP. Drill to 10,170'. Bit not cutting right. Rig down swivel and stripping head. Shut down for night. Prepare pad for tank battery liner and gravel.

05-13-22

Pull out of hole with bit. Run in hole with new 4-3/4" Atlas Copco bit. 6-3-1/2" drill collars and 97-stands. Shut down for high winds.

05-14-22

Run in hole with 56 stands. Pick up swivel and drill cement from 10,170'- 10,188'. CIBP circulate clean. Start drilling on plug, lost circulation. Pull off plug and let equalize. Had blow on casing and tubing. Drill on plug and got hydrostatic stuck. Load tubing with 57 barrels. Pressure up 300 psi. Went on vacuum. Had plug at 10,208'. Pull up to 10,198'. Rig down swivel and shut well in for weekend.

<u>05-15-22</u>

SDFW.

<u>05-16-22</u>

SDFW. SICP 250#. SITP 180# psi. Bled down. Pick up swivel and drill to PBTD.

<u>05-17-22</u>

SICP 250# psi. SITP 180# psi. Bled down to tank. Pick up swivel and tag plug at 10,206'. Two feet higher. Drill on plug. Broke free at install 10,215'. Made connection at 10,231'. Tag plug at 10,239'. Drill to 10,246'. Rig down swivel and pull bit. Pull out of hole with 129 stands and rig broke down. Shut down for rig repair.

<u>05-18-22</u>

Shut down for rig repair. Repair rig to be finished by 9:00 a.m.

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<u>05-19-22</u>

Well on vacuum. Finish rig repair. Pull out of hole with bit. Center of cones had the most wear. Run in hole with 4-5/8" cone buster mill. Tag up on plug at 10,246' mill 2' to 10,248'. Shut down for nite. Pull out of hole with mill. Run in hole w/4 $\frac{1}{2}$ " show and joint of wash pipe.

05-20-22

Pull cone buster mill and pick up 4- $\frac{1}{2}$ " wash pipe shoe with 4 – $\frac{3}{4}$ " crown and 1- joint of 4- $\frac{1}{2}$ " wash pipe 3 – $\frac{3}{4}$ " jars. Run in hole. Tag junk at 10,243'. Mill to 10,244.5'. SDFN.

05-21-22

Continue milling on junk from 10,244.5' to 10,248'. Quit making hole. Rig down swivel and pull out of hole with shoe found wear on inside of shoe 3' and wear on crown. Shut down for weekend

<u>05-22-22</u>

Off for weekend

<u>05-23-22</u>

Off for weekend

05-24-22

SICP 200# psi. Run in hole with 4-5/8" Box tap with $\frac{1}{2}$ " cut lip, ID with cut rite $3 - \frac{3}{4}$ " bumper sub jars and accelerator. Locate top of junk and pick up swivel. Work tubing to get over and swallow. Pull 5 points over twice. Work same place for hour. Couldn't make any hole. Rig down swivel and pull out of hole. Only marks on cut lip edge. Shut down for night.

05-25-22

Shut in casing pressure 220 psi, pick up RBP. Run in hole and set at 10,000'. Load hole with 210 barrels. Circulate gas and oil clean up and pressure test 500# psi held. Pull out of hole with 90 stands. Shut down for weather.

05-26-22

Continue out of hole with setting tool and rig up Apollo Wire line. Run in hole with CBL, log from RBP at 10,000' log to 2000'. SDFN.

05-27-22

Pick up Summit gyro tool with Apollo Wire line. Pull log from 9,900' to surface. Rig down wire line and run in hole with retrieving tool 9,970'. Swab well down.

05-28-22

Continue swabbing; swab well down 5,600'. Release bridge plug; let equalize; pull out of hole. Lost bridge plug on the way out of hole. Did not have bridge plug. SDF Holiday.

05-29-22 -05-30-22

SDFW Holiday.

05-31-22 SICP 265#

SICP 265#.

<u>06-01-22</u>

SICP 260#. Run in hole w/retrieving tool, engage RBP @ 1,200'; unable to release. Had press under plug. Load casing w/15 bbls., released RBP, POOH w/same. Pick up 5 ½" AS 1-x packer, run in hole w/same; set @ 10,208'. RU swab, run in hole w/swab to 9,600'. Had trouble w/swabline brake, would not stop swabline. Pull out of hole w/sand line, SD to repair sandline brake. No fluid on swab run.

06-02-22

SITP 0 psi, SICP 160 psi. Run in hole with swab to seating nipple at 10,208'. Recover 400' fluid with trace of oil in fluid. Made hourly runs, no fluid recovered. Left tubing open to tank, casing shut in. made 8 swab runs, 1 barrel of fluid recovered.

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<u>06-03-22</u>

SITP 0 psi, SICP 250# psi. Run in hole with swab to seating nipple at 10,208'. Pull out of hole, no fluid dry. Rig down swab and release packer. POOH with packer and pickup 4-1/2" shoe 4" clapper valve basket, 4'-extension and 3-1/2" clapper, 1-joint, 3-1/2" clapper, 15 joints and venturi tool. Run in hole to 10,200'. While rig crew was tying back tubing line, line lodged against diving board and broke off tubing rack fingers. Shut down for night

<u>06-04-22</u>

SDF rig repair.

<u>06-04-22</u> SDFW.

<u>06-04-22</u> SDFW.

06-05-22

Run in hole with two joints and pick up swivel. Start venturi tool and tag up at 10,247.5'. Milled to 10,250'. Pull out of hole with shoe. Found 4" clapper broke and first 3-1/2" clapper lost plug. Two handfuls of fine metal cuttings in second clapper. Wires in shoe were fanned to the side. SDFN.

06-06-22

Pick up 4 ¹/₂" shoe with 4' extension, 4" clapper, 4' extension and 3-1/2" clapper 1 joint 3 ¹/₂" clapper 14-joints cavity, venturi tool. Tag up on junk at 10,250'. Milled to 10,252'. SDFN.

06-07-22

Continue milling on junk and made 1' to 10,253'. RD swivel and pull out of hole with 10 stands. SDF wind.

06-08-22

Pull out of hole w/shoe & venturi tool. Had cuttings on top of 4" clapper valve, second 3 ¹/₂" clapper valve had cuttings and lot of rubber. No cement. No rubber. Flat iron could be cast & is magnetic. Lay down venturi tool & shoe.

06-09-22

Pull out of hole with shoe recovering metal debris and rubber, no cement. Run in hole with 4-3/4" impression block set down on fish and pull out of hole. 2-3/8" rough surface made on impression block.

<u>06-10-22</u>

Run in hole with 4-11/16" Overshot with 2-3/8" grapple with mill control. Tag fish at 10245' work to get over pull over and slip off either have it or not. Pull out of hole with no fish and no marks on overshot.

<u>06-11-22</u> SDFW.

<u>06-12-22</u> SDFW.

<u>06-13-22</u> SDFW. .

06-14-22

Pick up 4-1/2" wash pipe shoe with 12' extension and 2-3-1/2" clapper valves 14-joints cavity and Venturi tool run in hole tag top of fish at 10,247' work shoe to 10,251' in 6-hours water used 700 barrels total water 4-runs 2500 barrels. SDFN.

<u>06-15-22</u>

Slight blow on casing and tubing, continue milling on fish, tag 10,250' not getting hole clean. Work on knocking out debris from venturi tool left at 10,252'; attempt for two hours to knock it out. Pull out of hole with shoe, hand full of 1/2 rubber and 1/2 metal cuttings; beat-up flat Shoe, bald diamonds flat on ID of shoe. SDFN.

06-16-22

Install blow down line to gas buster tank. Run in hole with redress 4-3/4" shoe. SDFN. wait on foam unit.

<u>06-17-22</u>

Finish blow down line and wait on foam air unit rig repairs

06-18-22

RD WSU.

06-19-22 -06-20-22

SDFW. WO foam air unit.

06-21-22

MIRU WSU.

RU foam air unit to mill on fish. SITP 100#. SICP 100#.

06-22-22

RU foam air unit. Pull up to 9,900'; attempt to break circulation, required 1 ½ hours. 47 bbls per hour rate; RIH engage fish at 10,251.5'. Mill on fish to 10,257'. Last 2' look like cement. Pull up off fish and SDFN.

<u>06-23-22</u>

Run in hole. Tag fish at 10,252'. Rotate over. Tag up at 10,255'. Wash fill to 10,256.5'. Cut water and blow hole dry. Kill tubing w/15 bbls water and let equalize. Dry drill on cement, attempt to core fish into shoe. Pull out hole w/shoe. Cut rite wore out and ID of shoe and extension indicates 6' over fish. TIH w/redress shoe w/diamonds and wires; run in hole to 9,500'. SDFN.

<u>06-24-22</u>

No pressure on well. Break circulation at 9,500', run in hole to fish. Tag fish at 10,248'. Rotate $\frac{1}{2}$ turn and slip over to 10,252'. Air up and mill on fish. Made 2'. Can't keep hole clean. Mill torque up and lose hole. SDFN.

06-25-22

Dry drill on fish before leaving bottom, had some drag. RD swivel and pull out of hole w/shoe & LD same. Run in hole w/2 7/8" SN on bottom of 314 joints 2 7/8" N-80 8rd tubing, BOT @ 10,230'. ND BOP and nipple up B-1 flange; damaged B-1. Nipple up BOP and SDFN.

<u>06-26-22</u>

Nipple down BOP. Nipple up B-1 replacement flange and SWI.

<u>06-27-22</u>

RD WSU. Clean up location. SDFW.

06-28-22

SICP & SITP 75# psi. RD WSU. Clean location, release all equipment. Wait on gas sales line.

<u>08-21-22</u>

SICP & SITP 265# psi. Open well to production facilities, first gas sales to Durango Midstream meter, flow rate 18.2 mcfd. Leave well producing.

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CONDITIONS

Operator: V-F PETROLEUM INC	OGRID: 24010		
P.O. Box 1889 Midland, TX 79702	Action Number: 328426		
	Action Type: [C-101] Drilling Non-Federal/Indian (APD)		
CONDITIONS			

Created Condition Condition By Date None 4/3/2024 pkautz

CONDITIONS

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Action 328426

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