

N.M. Oil Cons. DIV-Dist. 2
1301 W. Grand Avenue

Form 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
Artesia, NM 88210

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

V-F PETROLEUM INC.

3. Address and Telephone No.

P.O. BOX 1889, MIDLAND, TEXAS 79702

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SECTION 21, T20-S, R30E
AT SURFACE 1,336' FSL & 2,160' FSL
AT PROPOSED PROD. ZONE 1,650' FSL & 1,650' FWL

RECEIVED

SEP 09 2004

OCD-ARTESIA

5. Lease Designation and Serial No.
LC-029096C

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

34018

8. Well Name and No.

BUDGE FEDERAL COM NO. 1

9. API Well No.

30-015-33437

10. Field and Pool, or Exploratory Area

DOS HERMANOS MORROW 76080

11. County or Parish, State

EDDY COUNTY, NEW MEXICO

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other DRILLING

- ☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

SEE ATTACHED

ACCEPTED FOR RECORD

SEP - 7 2004

LES BABYAK
PETROLEUM ENGINEER

14. I hereby certify that the foregoing is true and correct

Signed

M. M. Luna

Title

Production Superintendent

Date

08/31/04

(This space for Federal or State office use)

Approved by

Conditions of approval, if any:

Title

Date

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

- 06/20/04 Continue drilling 12 1/4" hole to 3,691'. Had lost circulation at various depths from 2,310' to 3,691'.
- 06/30/04 Ran 50 jts. 9 5/8" 40# J-55 LT&C new casing. Ran centralizers at 3,681', 3,639', 3,546', 3,453', 3,360', 2,256', 2,163', 2,070', and 478'. Ran DV tool at 2,209'. Cement 1st stage through float shoe at 3,691' using 200 sx Class "C" Thixset + 1% CaCl₂ (322 cu. ft.) followed by 500 sx Class "C" 50/50 poz 10% bentonite 5% salt 5# sack LCM-1 1/4# sack cello-flake (1,225 cu. ft.) followed by 200 sx Class "C" 1% CaCl₂ (268 cu. ft.). No returns during cement job. Cement 2nd stage through DV tool at 2,209' using 320 sx Class "C" 50/50 poz + 10# bentonite 5% salt 5# sack LCM-1 1/4 sack cello-flake (784 cu. ft.) followed by 100 sx Class "C" 1% CaCl₂ (134 cu. ft.) followed by 100 sx Class "C" Thixset 1% CaCl₂ (161 cu. ft.) No returns during cement job. Closed DV tool 2:00 a.m. MDST 07/01/04.
- 07/01/04 Cement 3rd stage down 9 5/8" x 13 3/8" annulus using 100 sx Class "C" Thixset 1% CaCl₂ (161 cu. ft.) followed by 450 sx Class "C" 50/50 poz 10% bentonite 5% salt 5# sx LCM-1 1/4# sx cello-flake (1102 cu. ft.) WOC 6 hr. load annulus with 57 bbls fresh water. Pressure tested annulus to 350# for 30 min. Nipple up on 9 5/8" casing. Install BOP stack. Test to 3,000# for 30 min. Run cement bond log. Drill out 9 5/8" shoe & test shoe to 1,500# for 30 min. Drill ahead with 8 3/4" bit.

*All cementing operations were discussed with BLM & performed with BLM representative on location.