Supmit 5 Copies 10 Appropriate District Form C-103 State of New Mexico Office May 27, 2004 Energy, Minerals and Natural Resources District I WELL API NO. 1625 N. French Dr., Hobbs, NM 88240 District II 30-015-34027 OIL CONSERVATION DIVISION 1301 W. Grand Ave., Artesia, NM 88210 5. Indicate Type of Lease 1220 South St. Francis Dr. District III 1000 Rio Brazos Rd., Aztec, NM 87410 STATE | FEE Santa Fe, NM 87505 District IV 1220 S. St. Francis Dr., Santa Fe, NM 6. State Oil & Gas Lease No. 87505 V05751-1 7. Lease Name or Unit Agreement SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A Name DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) 1. Type of Well: Oil Well Gas Well Other MIDNIGHT 13 STATE COM RECEIVED 8. Well Number 1 2. Name of Operator AUG 1 0 2005 9. OGRID Number 024010 V-F PETROLEUM INC. QUU-MAIESIN 3. Address of Operator 10. Pool name or Wildcat P.O. BOX 1889, MIDLAND, TEXAS 79702 PECOS RIVER; MORROW 97375 4. Well Location Unit Letter D: 660 feet from the NORTH line and 950 feet from the WEST line Section 13 Township 16-S NMPM EDDY Range 26-E County 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,387 GL Pit or Below-grade Tank Application or Closure \_Depth to Groundwater\_\_\_\_\_Distance from nearest fresh water well\_\_\_\_ Distance from nearest surface water Pit Liner Thickness: Below-Grade Tank: Volume bbls; Construction Material 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK □ PLUG AND ABANDON T REMEDIAL WORK ALTERING CASING □ TEMPORARILY ABANDON П CHANGE PLANS П COMMENCE DRILLING OPNS. P AND A PULL OR ALTER CASING MULTIPLE COMPL CASING/CEMENT JOB OTHER: OTHER: 13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion. 03/31/05 MI Auger Air Drilling & Mfg., Inc. drilling machine. Spud well 11:30 p.m. MST 03/31/05. Continued drilling conductor hole past midnight. Drilled to depth of 20'. RD Auger Air. WORT. 04/18/05 MI Auger Air drlg machine. Resumed drlg 5:00 p.m. MST. Deepened hole from depth of 20' to 25'. RD Auger Air. WORT. 05/06/05 MI Auger Air drlg machine. Resumed drlg 7:00 p.m. MST. Deepened hole from depth of 25' to 30'. RD Auger Air, WORT. 05/24/05 MI Auger Air drlg machine. Resumed drlg 8:30 p.m. MST. Deepened hole from depth of 30' to 35', RD Auger Air, WORT. 06/11/05 MI Auger Air drlg machine. Resumed drlg 2:00 p.m. MST. Deepened hole from depth of 35' to 40'. RD Auger Air. WORT. 06/29/05 MI Auger Air drlg machine. Resumed drlg 4:30 p.m. MST. Deepened hole from depth of 40' to 45'. RD Auger Air. WORT. 07/17/05 MI Auger Air drlg machine. Resumed drlg 6:30 p.m. MST. Deepened hole from depth of 45' to 50'. RD Auger Air. WORT. 08/05/05 MI Auger Air drlg machine. Resumed drlg 7:00 p.m. MST. Deepened hole from depth of 50' to 52'. RD Auger Air. WORT. I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit or an (attached) alternative QCD-approved plan . Lawles TITLE VICE PRESIDENT DATE 08/08/05 Type or print name S.K. LAWLIS E-mail address: sandy@vfpetroleum.com Telephone No. (432) 683-3344 (This space for State use)

TITLE

DATE AUG 2 2 2005

APPPROVED BY Conditions of approval, if any:

FOR RECORDS ONLY