

Santa Fe Main Office
Phone: (505) 476-3441
General Information
Phone: (505) 629-6116

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised July 18, 2013

Online Phone Directory Visit:
<https://www.emnrd.nm.gov/ocd/contact-us/>

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) 1. Type of Well: Oil Well ☒ Gas Well ☐ Other Injection ☐		WELL API NO. 30-025-38780
2. Name of Operator SOUTHWEST ROYALTIES, INC.		5. Indicate Type of Lease STATE ☒ FEE ☐
3. Address of Operator P.O. BOX 53570; MIDLAND, TEXAS 79710		6. State Oil & Gas Lease No.
4. Well Location Unit Letter <u>H</u> : <u>2310</u> feet from the <u>NORTH</u> line and <u>1310</u> feet from the <u>East</u> line Section <u>30</u> Township <u>21S</u> Range <u>37E</u> NMPM LEA County		7. Lease Name or Unit Agreement Name V M HENDERSON
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3482 GR		8. Well Number #025
9. OGRID Number 21355		10. Pool name or Wildcat GRAYBURG

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐ TEMPORARILY ABANDON ☐ CHANGE PLANS ☐ PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐ DOWNHOLE COMMINGLE ☐ CLOSED-LOOP SYSTEM ☐ OTHER: ☐		SUBSEQUENT REPORT OF: REMEDIAL WORK ☐ ALTERING CASING ☐ COMMENCE DRILLING OPNS. ☐ P AND A ☐ CASING/CEMENT JOB ☐ OTHER: TEMPORARILY ABANDON ☒	
--	--	---	--

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

1. RU Well Service Unit 11/24/2025
2. NU BOP
3. POOH, LD rods, Standback tbg
4. RU Wireline, Ran gauge ring to 3,660', Set 5-1/2" CIBP @ 3,610', Dump bail 35' Class C Cmt, WOC 4 hrs
5. RIH w/ tbg, Tag cmt @ 3,575'
6. POOH LD all tbg, ND BOP, Flanged up well, Moved off
7. 12/11/2025 Ran MIT 60 min test, Start at 585#, End at 580#, Passed

Temporarily abandon well for future work.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Lindsay Livesay TITLE Regulatory Analyst DATE 01/30/2026

Type or print name Lindsay Livesay E-mail address: llivesay@swrpermian.com PHONE: 432-207-3054

For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____
 Conditions of Approval (if any): _____

Southwest Royalties
Inc.

Development Plan for:

V M Henderson #015 30-025-33328
V M Henderson #019 30-025-37181
V M Henderson #021 30-025-37370
V M Henderson #022 30-025-37835
V M Henderson #025 30-025-38780
V M Henderson #026 30-025-38848

Southwest Royalties, Inc. is requesting a TA permit for the VM Henderson wells while we work to implement a long-term development plan. The offsetting Empire Eunice Monument Unit has produced nearly 44 MBO utilizing secondary recovery from the Grayburg formation. We believe similar potential exists in the VM Henderson lease, which currently produces marginal volumes from the Grayburg but has not been flooded. The VM Henderson #15 currently injects into the deeper San Andres formation and therefore provides no injection support to the Grayburg. SWR plans to recomplete the VM Henderson #15 in the Grayburg in Q4 2026 and produce select offsetting VM Henderson wells to evaluate potential injection support. If successful, a larger project would follow involving unitization, additional well conversions, and field-wide development over the next 1–2 years. If unsuccessful, SWR plans to P&A the wells in 2028.

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary

Todd E. Leahy, JD, PhD
Deputy Secretary

Albert C. S. Chang, Division Director
Oil Conservation Division



Date: 12/11/2025

API# 30-025-38780

A Mechanical Integrity Test (M.I.T.) was performed on, Well ✓ M HENDERSON #025

 M.I.T. is **successful**, the original chart has been retained by the Operator on site. Submit a **legible** scan of the chart with an attached **Original C-103Z Form** indicating reason for the test. A scanned image will appear on line via NMOCD website.

 M.I.T. is **unsuccessful**, the original chart is returned to the Operator. Repairs will be made; Operator is to schedule for a re-test within a 90-day period. If this is a test of a repaired well currently in non-compliance, all dates and requirements of the original are still in effect.

No expectation of extension should be construed because of this test.

X **M.I.T. for Temporary Abandonment**, shall include a detailed description on **Form C-103**, including the location of the CIBP and any other tubular goods in the well including the Operator's request for TA status timeline.

 M.I.T. is **successful**, after the secondary request of a scheduled M.I.T. is performed. Therefore, Operator has within a 30-day period from the M.I.T. to submit a current C-103 along with a legible scan of the Chart, including a detailed description of the repair(s). **Only after receipt of the C-103 will the non-compliance be closed.**

 M.I.T. is **successful**, Initial of an injection well, you must submit a **form C-103** to NMOCD within 30 days. A **C-103 form** must include a detailed description of the work performed on this well Including the position of the packer, tubing Information, the date of first Injection, the tubing pressure and Injection volume.

Please ensure all documentation requirements are in place prior to injection process.

If I can be of additional assistance, please feel free to contact me at (575) 703-4641

Thank You,


Robert Asher
EMNRD-O.C.D.
South District

Southern District
1625 N French Dr, Hobbs, NM 88240
Phone: (575) 241-7063

State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division Hobbs District Office

BRADENHEAD TEST REPORT

Operator Name Southwest Royalties	API Number 30-025-38780
Property Name V M Henderson	Well No. #25

1. Surface Location

UL - Lot H	Section 30	Township 21S	Range 37E	Feet from 2310	N/S Line FNL	Feet From 1310	E/W Line FEL	County Lea
----------------------	----------------------	------------------------	---------------------	--------------------------	------------------------	--------------------------	------------------------	----------------------

Well Status

TA'D WELL ☒ YES ☐ NO	SHUT-IN ☒ YES ☐ NO	INJ	INJECTOR SWD	PRODUCER ☒ OIL ☐ GAS	DATE 12-11-25
--	--	-----	-----------------	--	-------------------------

OBSERVED DATA

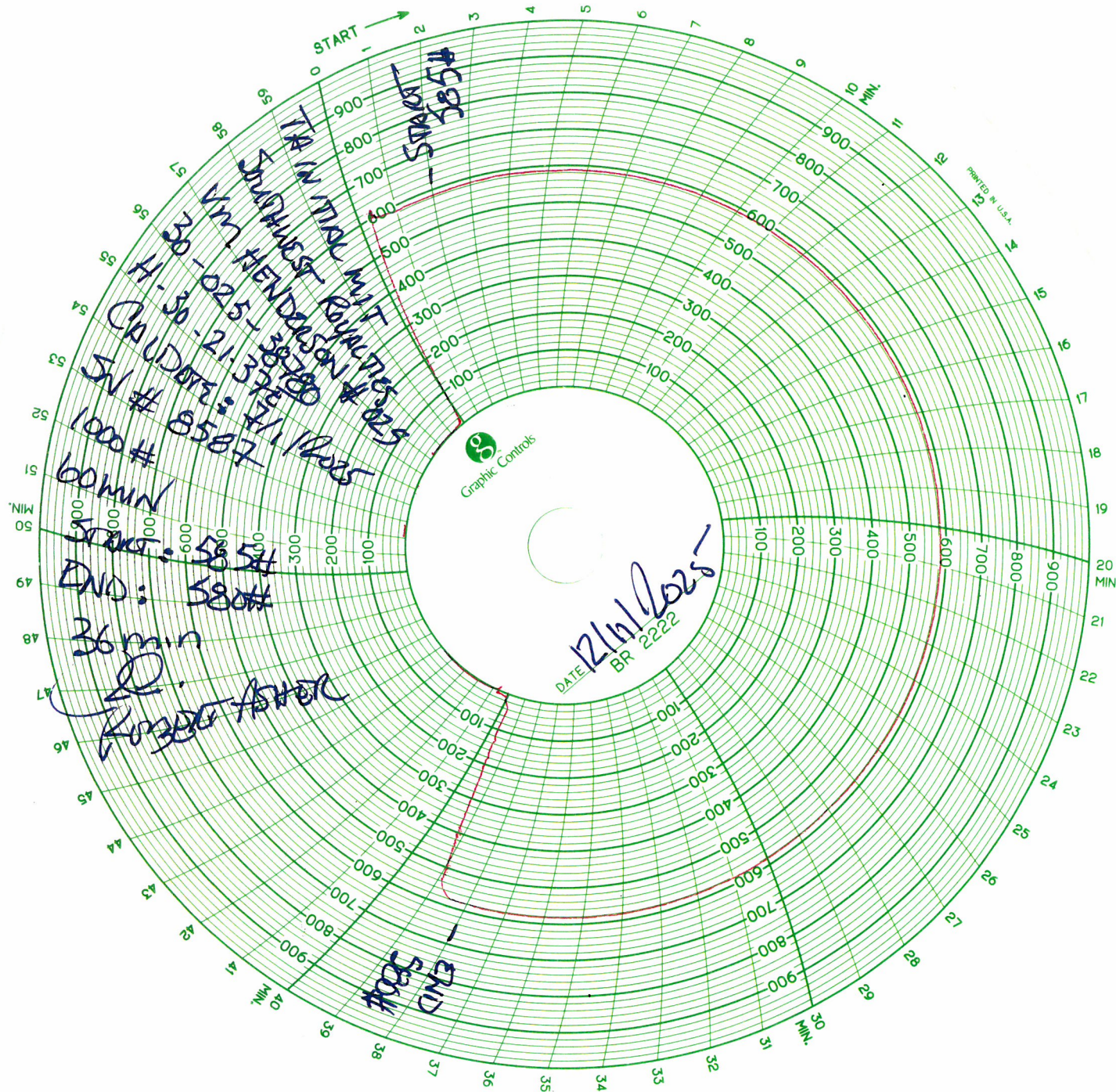
	(A)Surface	(B)Interm(1)	(C)Interm(2)	(D)Prod Casing	(E)Tubing
Pressure	0			0	
Flow Characteristics					
Puff	Y / N	Y / N	Y / N	Y / N	CO2 ☐
Steady Flow	Y / N	Y / N	Y / N	Y / N	WTR ☐
Surges	Y / N	Y / N	Y / N	Y / N	GAS ☐
Down to nothing	Y / N	Y / N	Y / N	Y / N	Type of Fluid
Gas or Oil	Y / N	Y / N	Y / N	Y / N	Injected for
Water	Y / N	Y / N	Y / N	Y / N	Waterflood if
					applies

Remarks - Please state for each string (A,B,C,D,E) pertinent information regarding bleed down or continuous build up if applies.

BHT - OK
TA INITIAL MIT - OK
TOPPERF: 3649' CIBP: 3599'
CRULDATE: 7/11/2025 SN# 8587

Signature: Ryan Martin	OIL CONSERVATION DIVISION
Printed name: Ryan Martin	Entered into RBDMS
Title: Agent	Re-test
E-mail Address: mymerch@Penrocoil.com	
Date:	Phone: 575-492-1236
Witness: Robert Asher	

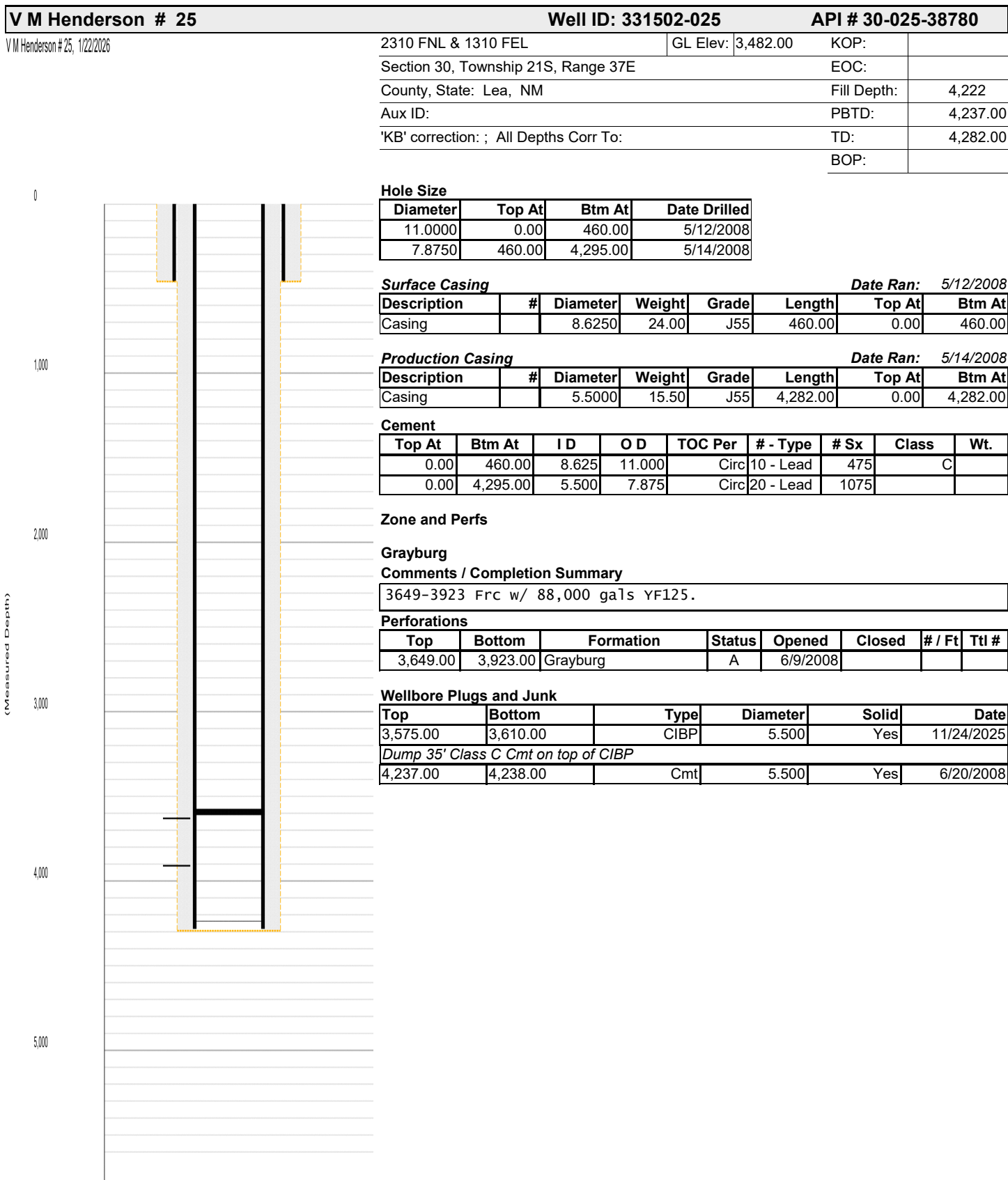
INSTRUCTIONS ON BACK OF THIS FORM



Wellbore Schematic

Printed: 1/22/2026

Page 1



Sante Fe Main Office
Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/oed/contact-us>

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

CONDITIONS

Action 551371

CONDITIONS

Operator: SOUTHWEST ROYALTIES INC P O BOX 53570 Midland, TX 79710	OGRID: 21355
	Action Number: 551371
	Action Type: [C-103] Sub. Temporary Abandonment (C-103U)

CONDITIONS

Created By	Condition	Condition Date
gcordero	None	2/12/2026