

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
June 19, 2008

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

WELL API NO. 30-045-29936
5. Indicate Type of Lease STATE ☐ FEE ☒
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Vasaly Com
8. Well Number #2
9. OGRID Number 14538
10. Pool name or Wildcat

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

2. Name of Operator

Burlington Resources Oil & Gas, LP

3. Address of Operator

P.O. Box 4289 Farmington, NM 87499-4289

4. Well Location

Unit Letter **B** : **1200'** feet from the **North** line and **2390'** feet from the **East** line
Section **22** Township **30N** Range **11W** NMPM **San Juan** County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

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 ☐

OTHER: Conduct a Step Rate Test ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

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.

Burlington Resources Oil & Gas, LP wishes to conduct a Step Rate Test on the subject well to determine if we could possibly increase the injection pressure on this well. Attached is the procedure we would like to use the conduct the test.

RCVD MAY 29 '09

OIL CONS. DIV.

DIST. 3

Spud Date:

Rig Release Date:

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

SIGNATURE Patsy Clugston TITLE Sr. Regulatory Technician DATE 05/28/09

Type or print name Patsy Clugston E-mail address: clugspl@conocohillips.com PHONE: 505-326-9518

For State Use Only

APPROVED BY: Deputy Oil & Gas Inspector, TITLE District #3 DATE JUN 10 2009

Conditions of Approval (if any): CONDUCT BRADENHEAD TEST WITH WITNESS PRIOR TO BEGINNING OPERATIONS. NOTIFY NMOC AZTEC 24 HOURS PRIOR TO BEGINNING OPERATIONS.

Vasaly Com #2 SWD

Step-Rate Test Procedure

1. Shut in injection operations 24 hours prior to commencement of test or until a time when pressure stabilization is reached
2. Install frac Y to the existing wellhead.
3. RU frac crew, trucks and lines, hold a safety meeting to discuss job.
4. RU Wireline truck.
5. NU surface data logger to monitor casing and bradenhead pressures during the test.
6. Pressure test lines to 3000 psi.
7. TIH with slickline and tandem pressure bombs set to record data every minute. Set pressure bombs at the top of the perforations.
8. Commence the step rate test. Starting pump rates and pressures will be lower than current rates and pressures and there will be 3 steps below the 0.2 psi/ft gradient and 3 steps above the breakover point as per NMOCD regulations.
9. RD Frac crew, trucks and lines.
10. TOOH with slickline and tandem pressure bombs.
11. RD slickline and ND frac Y from wellhead.
12. ND surface datalogger
13. Restart injection operations.

Vasaly Com #2

Wellbore Description, Stimulation and Injection History

- Originally drilled to 13083' in 1999 (PBSD – 12930')
4 ½" tbg to 7421' then x-over to 3 ½" 10.5# tbg (plastic coated)
Perf'd Alkali Gulch @12685'-12699', Frac'd w/X-link gel
Acidized and Perf'd the Akah from 12136'-12217'
Perf'd Lower Ismay from 11844'-11883'
Perf'd Morrison @7018'-7028' but squeezed off perms in 2006
Perf'd and Frac'd the Bluff and Entrada Intervals
Bluff(7524'-7650'), Entrada(7784'-7868')
Converted to a SWD well in 2008 and worked over to change out sealbore packer
Flowed back well in 1/2009 to remove any near wellbore plugging
Cement retainer@7908' isolates all zones lower than the Entrada.
Cumulative injection as of 4/2009 is 411,467 STB

VASALY COM 2 SWD Injection HISTORY

MONTH	PREV CUM	TOTAL INJ	AVG
	bbls	bbls	INJ PSI
Nov-08	0	89,041	1550
Dec-08	89,041	72,618	1555
Jan-09	161,659	72,746	1550
Feb-09	234,405	61,777	1575
Mar-09	296,182	60,258	1575
Apr-09	356,440	55,027	1575
May-09	411,467		

