

Form 3160-4
(August 2007)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY

FORM APPROVED
OMB NO. 1004-0137
Expires July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well ☐ Oil Well ☒ Gas Well ☐ Dry ☐ Other
 b. Type of Completion: ☒ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Resrv.,
 Other: _____

2. Name of Operator
V-F PETROLEUM INC.

3. Address P.O. Box 1889, Midland, TEXAS 79902

3a. Phone No. (include area code)
(432) 683-3344

4. Location of Well (Report location clearly and in accordance with Federal requirements)*

At surface 660' FSL & 660' FWL, Section 9, T-19-S, R-27-E, Unit Letter M

At top prod. interval reported below

At total depth

14. Date Spudded 11/12/2007

Re-entry

15. Date T.D. Reached
11/27/200716. Date Completed 03/01/2008
☐ D & A ☒ Ready to Prod.5. Lease Serial No.
NM 20060

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.

8. Lease Name and Well No.
Lone Star Federal Com #19. AFI Well No.
30-015-2017810. Field and Pool or Exploratory
Angel Ranch Atoka/Morrow11. Sec., T., R., M., on Block and
Survey or Area 9, T-15-S, R-27-E

12. County or Parish

Eddy

13. State

NM

18. Total Depth: MD 10,263
TVD 10,26319. Plug Back T.D.: MD 10,186
TVD 10,18620. Depth Bridge Plug Set: MD
TVD17. Elevations (DF, RKB, RT, GL)*
3,418 GL21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
See No. 3222. Was well cored? ☒ No ☐ Yes (Submit analysis)
Was DST run? ☒ No ☐ Yes (Submit report)
Directional Survey? ☒ No ☐ Yes (Submit copy)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt (H/ft)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks, & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
26"	20" H-40	94	Surface	30'		Ready mix		Surface	
17 1/2"	13 3/8" H-40	48	Surface	603'		600 CL-H	118	Surface	
11"	8 5/8" H-40	28	2,011	2,803'		1,740 LW +	463		
11"	8 5/8" J-55	24	Surface	2,011'		250 CL-H	53	Surface	
7 7/8"	5 1/2" L-80	17	Surface	10,263'		300 C-Poz	84	8,891	
					8,891	675 C-Poz +	314	Surface	

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2 3/8"	9,794'	9,800'	5 1/2" x 2 3/8"					

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Morrow	9,867'	10,059'	9,867-93-94-95	.41	4	Open
B)			9,865-69-70-73	.41	4	Open
C)			10,009-14-15-16-25			
D)			34-46-55-56-58-59	.41	11	Open

27. Acid, Fracture, Treatment, Cement Squeeze, etc.

Depth Interval	Amount and Type of Material
9,867' - 10,059'	1,500 gal 7 1/2% HCl acid
	frac with 58,500 gal 60g foam - 74,723# 18/40 versaprop
	15,806# 18/40 Ceramax E proppant

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
03/01/08	04/03/08	24	→	0	791	57			Flowing
Choke Size	Tbg. Press. Flowg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
48/64	700#	Packer	→	0	791	57		Flowing	

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flowg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						

ACCEPTED FOR RECORD

MAY 27 2008

JERRY FANT
PETROLEUM GEOLOGIST

*(See instructions and spaces for additional data on page 2)

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						

29. Disposition of Gas (Solid, used for fuel, vented, etc.)

Gas sales line (Agave)

Gas Sales Line (Agave)

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
			SEE COPY OF ORIGINAL WELL COMPLETION ATTACHED.		

32. Additional remarks (include plugging procedure).

Logs Run:

Platform Express Hi-Res Laterolog Array Micro-CFL/HNGS

Platform Express Three Detector Litho-Density Compensated Neutron/HNGS

Hole Volume

Cement Bond Log VDL/Map Image Gamma Ray/CCL

33. Indicate which items have been attached by placing a check in the appropriate boxes:

☒ Electrical/Mechanical Logs (1 full set req'd.)☐ Geologic Report☐ DST Report☐ Directional Survey☐ Sundry Notice for plugging and cement verification☐ Core Analysis☐ Other

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print)

Signature

Title

Date

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

(Continued on page 3)

(Form 3160-4, page 2)

INSTRUCTIONS

General: This form is designed for submitting a complete and correct well completion report and log on all types of lands and leases to either a Federal agency or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office. See instructions on items 22 and 24, and 23, below regarding separate reports for separate completions.

If not filed prior to the time this summary record is submitted, copies of all currently available logs (drillers, geologists, sample and core analysis, all types electric, etc.), formation and pressure tests, and directional surveys, should be attached hereto, to the extent required by applicable Federal and/or State laws and regulations. All attachments should be listed on this form, see item 35.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for special instructions.

Item 13: Indicate which elevation is used as reference (where not otherwise shown) for depth measurements given in other spaces on this form and in any attachments.

Items 22 and 24: If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) (if any) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

Item 25: "Racks General": Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool.

Item 33: Submit a separate completion report on this form for each interval to be separately produced. (See instruction for items 22 and 24 above.)

ORIGINAL WELL. PULSED 1-10-69

31. SUMMARY OF FORMER ZONES:		32. GEOLOGIC MARKERS	
SHOW ALL IMPORTANT ZONES OF POROSITY AND CONTENTS THEREOF; CORRELATE INTERVALS; AND ALL DRILL-STEM TESTS, INCLUDING DEPTH INTERVAL, STRAIN, CORRELATION, TIME TOOL, OPEN, FLOWING AND SHUT-IN PRESSURES, AND INCORPORATE		NAME	TOP
FORMATION	TOP		TRUE VERT. DEPTH
DST Bene Springs	3640'	7572'	
DST Wolfcamp	7600'	8080'	
DST Canyon	8060'	8780'	
DST Karton	9820'	9186'	
DST Karton	9932'	9826'	
	20,077'	10,369'	

NC, 120 min. Flow - 971 psi, GIP - 1539
 psi. Recs 2005' sulfur water
 NC, 120 min. Flow - 2945 psi, GIP - 2971
 psi. Recs 6209' sulfur water
 NC, 60 min. Flow - 3336 psi, GIP - 3336
 psi. Recs 6384' sulfur water
 NC, 90 min. Flow - 112 psi, GIP - 3336 psi
 Recs 120' mud, trace of gas
 NC, 90 min. Flow - 118 psi, GIP - 2003 psi
 Recs 50' and

CEMENT JOB REPORT



CUSTOMER V F Petroleum, Inc.		DATE 01-DEC-07		F.R. # 512510120		SERV. SUPV. STEPHEN W BUTTS	
LEASE & WELL NAME LONE STAR FEDERAL COM #1 - API 30015201780		LOCATION 9M-19S-27E		COUNTY-PARISH-BLOCK Eddy New Mexico			
DISTRICT Adele		DRILLING CONTRACTOR RIG # Pulling Unit		TYPE OF JOB Long String			
SIZE & TYPE OF PLUGS		LIST-CSG-HARDWARE		PHYSICAL SLURRY PROPERTIES			
5-1/2" Top Cem Plug, Nitrile cvr, Ph		Float Collar, Pop Valve, 5-1/2 - 8rd		SACKS OF CEMENT	SLURRY WGT PPG	SLURRY YLD FT ³	WATER GPS
		Guide Shoe, Cement Nose, 5-1/2 i					PUMP TIME HR:MIN
							Bbl SLURRY
							Bbl MIX WATER
MATERIALS FURNISHED BY BJ							
Mudclean II				0	8.3	1	0 00:00
H2O				0	8.34	1	0 00:00
61/15/11/C+6/10%FL-25+6/10%FL-52+5/10%BA-10+3#LCM-				300	13.2	1.58	7.75 00:00
H2O/Mud				0	9	1	0 00:00
Mud Clean II				0	8.3	1	0 00:00
H2O				0	8.34	1	0 00:00
35/65/6/C+6/10%FL-52+3#LCM-1+1%Salt				675	12.5	1.98	10.47 00:00
H+3/10%FL-25				360	15.6	1.18	5.2 00:00
H2O				0	8.34	1	0 00:00
Available Mix Water 500 Bbl.		Available Displ. Fluid 1000 Bbl.		TOTAL		912 268.10	
HOLE		TSG-CSG-D.P.		COLLAR DEPTHS			
SIZE	% EXCESS	DEPTH	SIZE	WGT.	TYPE	DEPTH	GRADE
7.875	0	10162	5.5	17	CSG	10266	J-55
						10266	10222
							2
LAST CASING		PKR-CMT RET-BR PL-LINER		PERF. DEPTH		TOP CONN	
SIZE	WGT	TYPE	DEPTH	BRAND & TYPE	DEPTH	TOP	RTM
8.625	24	CSG	2802	Packer	8954	0	0
						5.5	8RND WATER BASED ML
							9
DISPL. VOLUME		DISPL. FLUID		CAL. PSI	CAL. MAX PSI	OP. MAX	MAX TSG PSI
VOLUME	UOM	TYPE	WGT.	BUMP PLUG	TO REV.	SQ. PSI	RATED
238	BBLs	H2O/Mud	9	585	0	0	0
		H2O	8.34				5320
							4256
				Frac Tanks			
				R			
EXPLANATION: TROUBLE SETTING TOOL, RUNNING CSG, ETC. PRIOR TO CEMENTING: None							
PRESSURE/RATE DETAIL				EXPLANATION			
TIME HR:MIN.	PRESSURE - PSI		RATE BPM	Bbl. FLUID PUMPED	FLUID TYPE	SAFETY MEETING: BJ CREW <input checked="" type="checkbox"/> CO. REP. <input checked="" type="checkbox"/>	
	PIPE	ANNULUS				TEST LINES 3000 PSI	
						CIRCULATING WELL - RIG <input checked="" type="checkbox"/> BJ <input checked="" type="checkbox"/>	
01:00	0	0	0	0		Safety Meeting	
01:20	3000	0	1	1	H2O	Test Lines	
01:25	192	0	5.4	24	MUDCLEA	Spacer	
01:29	196	0	5.7	10	H2O	Spacer	
01:31	244	0	4	84	13.2#CMT	1st stg Slurry	
01:59	0	0	0	0		Shut Down, Wash To Pit, Drop Plug	
02:02	160	0	5.8	228	H2O/MUD	Displacement	
02:39	500	0	3.7	10	MUD	Slow Rate To Bump Plug	
02:41	1250	0	0	0		Plug Down, Float Held	
02:48	4000	0	2	320		Inflate Packer, Open Tool, Circulate Off	
						Circulated 35bbls—124sks To Pit	
05:38	451	0	5.7	24	MUDCLEA	2nd stg Spacer	
05:42	467	0	5.7	10	H2O	2nd stg Spacer	
05:44	593	0	5.8	326	12.5#CMT	2nd stg Lead	
06:34	268	0	3.7	76	15.6#CMT	2nd stg Tail	
06:52	0	0	0	0		Shut Down, Wash To Pit, Drop Plug	
06:57	163	0	5.8	198	H2O	Displacement	
07:28	2460	0	3.7	10	H2O	Slow Rate To Bump Plug	

CEMENT JOB REPORT



PRESSURE/RATE DETAIL						EXPLANATION		
TIME HR:MIN.	PRESSURE - PSI		RATE BPM	Bbl. FLUID PUMPED	FLUID TYPE	SAFETY MEETING: BJ CREW <input checked="" type="checkbox"/> CO. REP. <input checked="" type="checkbox"/>		
	PIPE	ANNULUS				TEST LINES 3000 PSI		
07:31	4089	0	0	0	---	CIRCULATING WELL - RIG <input checked="" type="checkbox"/> BJ <input checked="" type="checkbox"/>		
						Plug Down, Close Tool		
						Circulated 33bbbls--94skts		
						Thanks Stephen and Crew!!!		
BUMPED PLUG <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	PSI TO BUMP PLUG 2460	TEST FLOAT EQUIP. <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	BBL. CMT RETURNS/ REVERSED 68	TOTAL BBL. PUMPED 1001	PSI LEFT ON CSG 0	SPOT TOP OUT CEMENT Y <input checked="" type="checkbox"/> N	SERVICE SUPERVISOR SIGNATURE: <i>Van Horn</i>	

Message

Page 1 of 2

Jerry Gahr

To: Sandy Lawlis
Subject: FW: attn: Sandy Lawlis Re NM OCD -NM AS State #1 Returned to Production
Importance: High

-----Original Message-----

From: Altomare, Mikal, EMNRD [mailto:Mikal.Altomare@state.nm.us]
Sent: Monday, October 20, 2008 9:49 AM
To: VFMD@worldnet.att.net
Cc: Sanchez, Daniel J., EMNRD; Macquesten, Gail, EMNRD
Subject: attn: Sandy Lawlis Re NM OCD -NM AS State #1 Returned to Production
Importance: High

Ms. Lawliss,-

Please see below the email that was sent to all district offices advising of the receipt of the C103 from your company regarding the AS State No. 1, 30-025-00337. As I have noted to the districts, the information received from you is sufficient to indicate that the well is back online and no longer inactive, and it appears the well has been producing since 9/26/08. Per OCD Rules, a C115 should be filed no later than November 15, 2008 to report production for this well. At that time, the OCD system will officially register that this well is back online and the "y" on the financial assurance compliance report will disappear. In the interim, I have indicated to the Districts that we are to proceed as though the y has already been removed because we have been provided with information indicating that the well is back in production.

We extend this courtesy to operators to accommodate for the time lag between bringing wells back online and the date that production reports are submitted [which is when the online system will formally get updated] only. It is therefore important that V-F submit the production reports that include the production for this well on time, so that the system gets updated properly in November as anticipated.

Please let me know if you have any additional questions or concerns.

*Sincerely,
Mikal Altomare*

**Mikal M. Altomare**Assistant General Counsel
Oil Conservation DivisionEnergy, Minerals & Natural Resources Department
1220 South St. Francis Drive
Santa Fe, NM 87505Tel 505.476.3480 ~ Fax 505.476.3462
mikal.altomare@state.nm.us

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From: Altomare, Mikal, EMNRD
Sent: Monday, October 20, 2008 8:36 AM
To: Perrin, Charlie, EMNRD; Gum, Tim, EMNRD; Hill, Larry, EMNRD
Cc: Phillips, Dorothy, EMNRD; Macquesten, Gail, EMNRD; Sanchez, Daniel J., EMNRD; Mull, Donna, EMNRD; Swazo, Sonny, EMNRD

10/20/2008

Message

Page 2 of 2

Subject: V-F Petroleum, Inc - OGRID 24**Importance:** High

Districts I, II and III –

Please take note that this operator (**V-F Operator**) has adequately rebutted the presumption of inactivity with regard to its **NM AS State No. 1 Well, API No. 30-025-00337**, which is currently coming up on the financial assurance list as requiring additional financial assurance. I am in receipt of a C103 (which I have instructed them to also file formally with the appropriate district) indicating that this well was returned to production - the C103 is dated 10/17/08 and notes that work was conducted on the well beginning 8/7/08 and work and testing was completed 9/27/08, including setting of pumping unit, connecting gas line and testing of the well.

As of **9/26/08** the well appears to have been back online and producing saleable gas. As such, the OCD shall expect that production will be reported as required by Rule 1115 for this well no later than November 15, 2008, at which time the OCD online system will officially reflect that no additional bonding is due for this well (and the "y" will disappear from the financial assurance compliance report in the "in violation" column). In the interim please disregard the indication on the OCD online system that this well requires additional bonding and/or that this operator is therefore in violation as a result of not having posted a bond for the NM AS State No. 1, API 30-025-00337.

Please further note: It is still the obligation of the operator to report production as required by OCD rules (in this case by November 15, 2008), and the Division's disregard of the Rule 40 financial assurance violation noted on the OCD online system [based upon the C103 subsequent report received from the operator] therefore expires on November 16, 2008, by which time V-F's production reports for this well should be current with the Division.

If any further questions arise with regard to this matter, please feel free to contact me.

Sincerely,
Mikal Altomare

**Mikal M. Altomare**

Assistant General Counsel

Oil Conservation Division

Energy, Minerals & Natural Resources Department

1220 South St. Francis Drive

Santa Fe, NM 87505

Tel 505.476.3480 ~ Fax 505.476.3462

mikal.altomare@state.nm.us

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10/20/2008

V-F PETROLEUM INC.

P. O. Box 1889

Midland, TX 79702

Ph. 432 683-3344 Fax 432 683-3352

*** * * facsimile transmittal * * ***

To: Kimberly Wilson Company: OCD
575-
Fax #: 505-748-9720 Date: 10/20/08 Pgs: 9
From: Sandy Lawlis Our Fax#: (432) 683-3352
Re: Lone Star Federal Com #1 Completion Forms

☐ URGENT ☐ Please respond ☐ Please review ☐ I will call you ☐ Sign & return
☐ For your information xc to: _____ Fax #: _____

MESSAGE(s) if any: Kimberly, Attached are the Lone Star forms
we spoke about by telephone. We thought these forms were
in processing. When you checked, you could not locate.
You asked me to send copies to you, and you would
expedite and process/approve ASAP. Also, there was a
"bond problem" on another well (New Mexico AS State #1)
which has now been resolved (see e-mail from
Mikal Attomare, OCD). Thank you. Sandy Lawlis
VP

If you do not receive this fax properly, please call our office at (432) 683-3344 immediately and ask for the receptionist, or the subject person above. Thank you.