

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 IV1220 S. St. Francis Dr., Santa Fe, NM
87505

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO.

☐ FORMTEXT ☐ 30-025-36641 ☐

5. Indicate Type of Lease

STATE ☒ FORMCHECKBOX☐ FEE ☐ FORMCHECKBOX☐

6. State Oil & Gas Lease No.

☐ FORMTEXT ☐ VA1989 ☐

7. Lease Name or Unit Agreement Name

☐ FORMTEXT ☐ DOS MAS ☐

8. Well Number

1

9. OGRID Number

10. Pool name or Wildcat

SHOE BAR MISSISSIPPIAN, SOUTH
(GAS)

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 ☐ FORMCHECKBOX ☐ Gas Well ☐ FORMCHECKBOX ☐

Other

2. Name of Operator

V-F PETROLEUM INC.

3. Address of Operator

P.O. BOX 1889, MIDLAND, TEXAS 79702

4. Well Location

Unit Letter I : 1,848 feet from the SOUTH line and 1,153 feet from the EAST lineSection 12 Township 17S Range 35E NMPM LEA County

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

3,921' GL

Pit or Below-grade Tank Application (For pit or below-grade tank closures, a form C-144 must be attached)

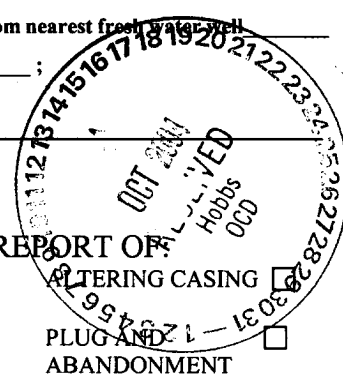
Pit Location: UL Sect Twp Rng Pit type Depth to Groundwater Distance from nearest fresh water well Distance from nearest surface water Below-grade Tank Location UL Sect Twp Rng ; feet from the line and feet from the line

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 COMPLETION ☐OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐COMMENCE DRILLING OPNS. ☒CASING TEST AND CEMENT JOB ☐OTHER: ☐ALTERING CASING ☐
PLUG AND ABANDONMENT ☐

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.

SEE ATTACHED

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 OCD-approved plan ☐.

SIGNATURE

S.K. Lawlis

TITLE VICE PRESIDENT

DATE 10/12/04

Type or print name S.K. LAWLIS

E-mail address: sandy@vfpetroleum.com

Telephone No. (432) 683-3344

(This space for State use)

APPROVED BY

[Signature]

TITLE

PETROLEUM ENGINEER

DATE

OCT 20 2004

Conditions of approval, if any:

09/12/04 – Drilling ahead to 4,100'.
09/22/04

09/23/04 - Drilling ahead to 4,937'.
09/26/04

09/27/04 Finished drilling 12 1/4" hole to 4,940'.

09/28/04

1. Ran 4,949.83' 9 5/8" 40# N-80 casing, float shoe, float collar and 8 centralizers to 4,940'.
2. Cement 9 5/8" casing with 1,600 sx Class "H" – 65/35 Poz cement, 6% Gel, 5% salt, 3# per sack LCM and .6% fl + 200 sx Class "C" 2% CaCl₂ + 100 sx Class "H" neat cement. Pump plug down with water. Plug down 6:45 a.m. MDT 09/28/04. Circulate 25 sx to pit.

09/29/04

1. WOC & Nipple up wellhead & BOP 24 hr.
2. Test BOP to 4,000#.
3. Pick up BHA. Run drill pipe and bit to 4,400'.
4. Test 9 5/8" casing to 3,000#.
5. Drill out cement inside casing.
6. Drill ahead with 8 3/4" bit.

09/30/04 – Drilling ahead to 10,530'.
10/11/04