

Form 3160-5
(June 1990)

N.M. Oil Cons. Division
1625 N. French Dr.

UNITED STATES NM 88240
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

V-F PETROLEUM INC.

3. Address and Telephone No.

P.O. BOX 1889, MIDLAND, TEXAS 79702 (432) 683-3344

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1,980' FSL & 1,980' FWL (UNIT K) SECTION 15, T-17-S, R-32-E

5. Lease Designation and Serial No.
LC-054687

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

HUDSON FEDERAL #1

9. API Well No.

30-025-25107

10. Field and Pool, or Exploratory Area

MALJAMAR ABO

11. County or Parish, State

LEA, NM

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other DOWN HOLE COMINGLE

- ☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

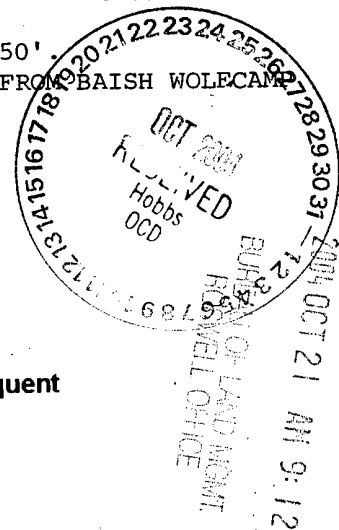
1. DRILL OUT BRIDGE PLUGS AND CEMENT CAPS AT 8,950' AND 9,650'
2. RETURN TO PRODUCTION WITH PRODUCTION DOWNHOLE COMINGLED FROM BAISH WOLECAM
9,747' - 10,123' AND MALJAMAR ABO 8,774' - 8,912'.

Per R-11363

Subject to
Like Approval
by State

Approval Also Subject To Filing A Subsequent
Report Of Downhole Commingling After
The Work Has Been Completed.

DHC Order No.
HOB-0099



RECEIVED

14. I hereby certify that the foregoing is true and correct

Signed S. K. Lawler

Title VICE PRESIDENT

Date 10/12/04

(This space for Federal or State office use)

Approved by CRIC SGD DAVID R GLASS

Title

Date OCT 21 2004

OCT 27 2004

Title 18 U.S.C. Section 1001, makes 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.

*See Instruction on Reverse Side

District I
1625 N. French Drive, Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised June 10, 2003

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

APPLICATION TYPE
☒ Single Well
☐ Establish Pre-Approved Pools
EXISTING WELLBORE
☒ Yes ☐ No

APPLICATION FOR DOWNHOLE COMMINGLING

V-F PETROLEUM INC.

P.O. BOX 1889, MIDLAND, TEXAS 79702

Operator HUDSON FEDERAL #1 Address 1,980' FSL & 1,980' FWL (UNIT K)
Lease SECTION 15, T. 17-S, R-32-E LEA
Well No. Unit Letter-Section-Township-Range County
OGRID No. 024010 Property Code 011529 API No. 30-025-25107 Lease Type: ☒ Federal ☐ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	MALJAMAR ABO		BAISH WOLFCAMP
Pool Code	43250		4480
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	8,774' - 8,912'		9,747' - 10,123'
Method of Production (Flowing or Artificial Lift)	ARTIFICIAL LIFT		ARTIFICIAL LIFT
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	NA		NA
Oil Gravity or Gas BTU (Degree API or Gas BTU)	40.9° API / 1258 BTU		36.3° API / 1502 BTU
Producing, Shut-In or New Zone	PRODUCING		SI
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: 09/01/04 Rates: 0 WATER 1 BOPD OIL 1 MCFD GAS	Date: Rates:	Date: 09/17/96 1 WATER Rates: 2.75 BOPD OIL 2.5 MCFD GAS
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil 26 % Gas 28 %	Oil % Gas %	Oil 74 % Gas 72 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones?
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?

Yes ☒ No ☐
Yes ☐ No ☐

Are all produced fluids from all commingled zones compatible with each other?

Yes ☒ No ☐

Will commingling decrease the value of production?

Yes ☐ No ☒

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application?

Yes ☒ No ☐

NMOCD Reference Case No. applicable to this well: _____

Attachments:

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

COPY

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

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

SIGNATURE S. K. Lawlis TITLE VICE PRESIDENT DATE 10/12/04
TYPE OR PRINT NAME S.K. LAWLIS TELEPHONE NO. (432) 683-3344
E-MAIL ADDRESS sandy@vfpetroleum.com

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION

COPY

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section

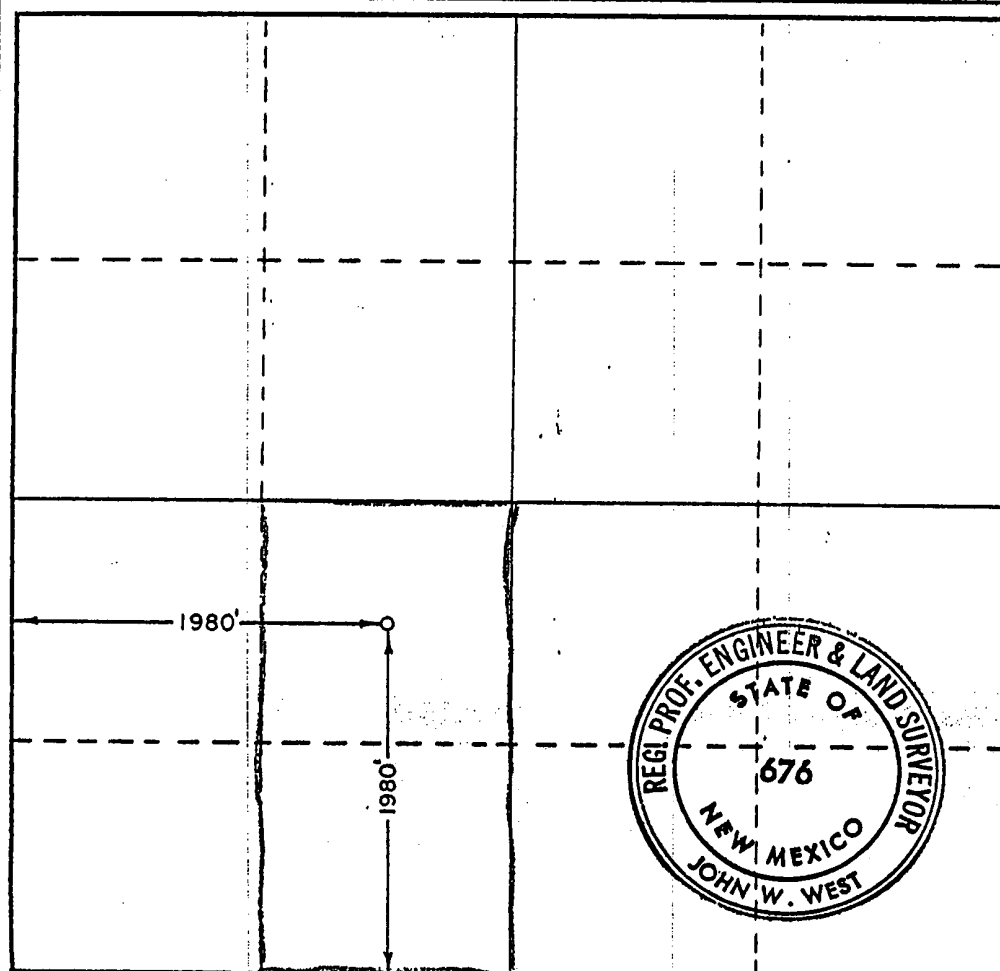
Operator V-F Petroleum Inc.			Lease Hudson Federal		Well No. 1
Unit Letter K	Section 15	Township 17 South	Range 32 East	County Lea	
Actual Footage Location of Well: 1980 feet from the South line and 1980 feet from the West line					
Ground Level Elev. 4038.5	Producing Formation Abo		Pool Maljamar	Dedicated Acreage: 80 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☒ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

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

Name R. A. Britt R. A. Britt

Position
Engineer

Company
Kirby Exploration Company

Date
July 30, 1975

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
July 29, 1975

Registered Professional Engineer and/or Land Surveyor

John W. West

Certificate No. 676

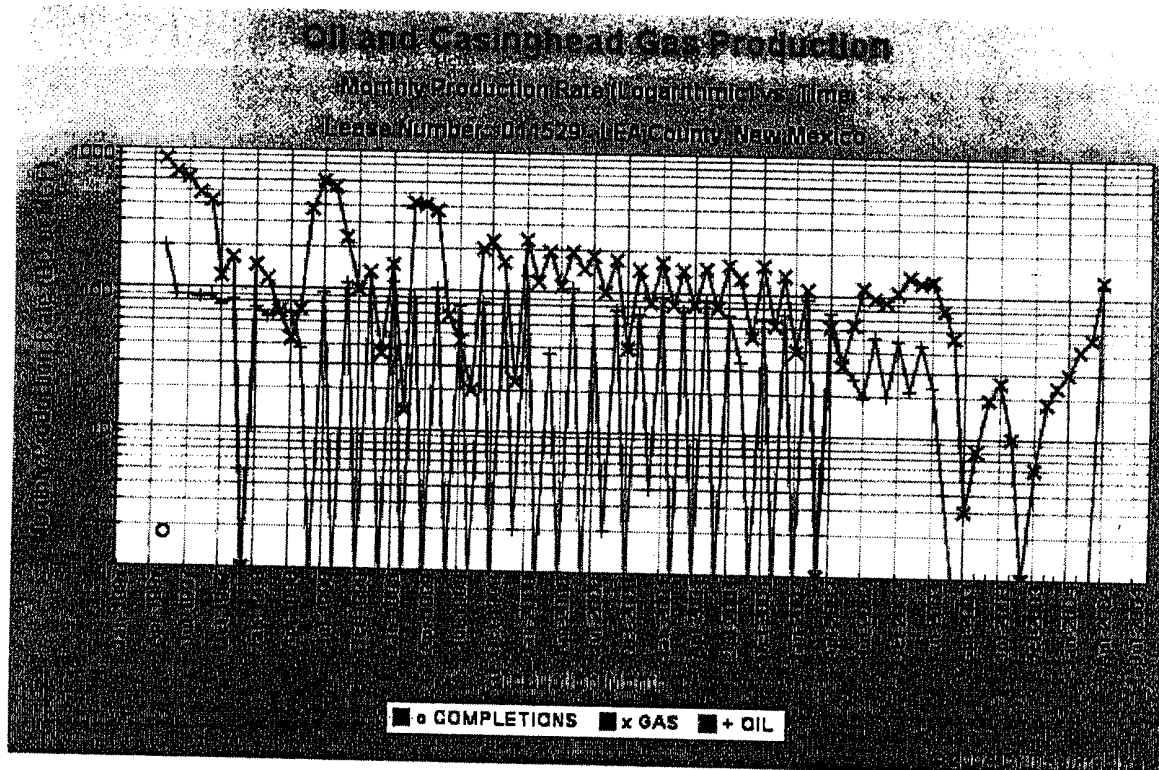
0 320 640 960 1280 1600 1920 2240 2560 2880 3200 3520 3840 4160 4480 4800 5120 5440 5760 6080 6400

COPY

COPY

V-F PETROLEUM INC.
 PRODUCTION CURVE ATTACHED TO FORM C-107A
 OCTOBER 12, 2004

Field MALJAMAR ABO	Operator V-F PETROLEUM INC	Location LEA County, New Mexico
Lease Name HUDSON FEDERAL	Oil Lease Number 011529	Cumulative (since 1997) 3,487 BO; 13 MMCF
Wells 025-25107 (001)		



Field BAISH Wolfcamp	Operator V-F PETROLEUM INC	Location LEA County, New Mexico
Lease Name HUDSON FEDERAL	Oil Lease Number 011529	Cumulative (since 1975) 32,620 BO; 125 MMCF
Wells 025-25107 (001)		

