

Submit 1 Copy To Appropriate District Office
 District I - (575) 393-6161
 1625 N. French Dr., Hobbs, NM 88240
 District II - (575) 748-1283
 811 S. First St., Artesia, NM 88210
 District III - (505) 334-6178
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV - (505) 476-3460
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised July 18, 2013

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

WELL API NO. 30-025-26349	✓
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>	✓
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name Gann	✓
8. Well Number 1	✓
9. OGRID Number 24010	✓
10. Pool name or Wildcat CAUDILL;PERMO UPPER PENN	✓
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,931' GL	

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 **OCB - HOBBS**

2. Name of Operator
V-F PETROLEUM INC. ✓ **08/04/2016 RECEIVED**

3. Address of Operator
P.O. Box 1889, Midland, Texas 79702

4. Well Location
 Unit Letter **D**: **860** feet from the **North** line and **990** feet from the **West** line
 Section **9** Township **15-S** Range **36-E** NMPM **Lea** County ✓

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data
 NOTICE OF INTENTION TO: | SUBSEQUENT REPORT OF:

PERFORM REMEDIAL WORK <input checked="" type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>	CLOSED-LOOP SYSTEM <input type="checkbox"/>	OTHER: <input type="checkbox"/>	
OTHER: <input type="checkbox"/>			

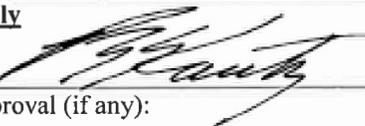
13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

- TOH with all production equipment.
- Add perfs: 10,255' - 10,672'
- Acidize perfs and swab back acid.
- Test for production.
- If new perfs are economically productive, run and cement a scab liner from 4,000' - 8,000'.

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

SIGNATURE  TITLE Petroleum Engineer DATE 08/04/2016

Type or print name Eric Sprinkle E-mail address: eric@vfpetroleum.com PHONE: 432-683-3344
For State Use Only

APPROVED BY:  TITLE Petroleum Engineer DATE 08/17/2016
 Conditions of Approval (if any):

KZ