

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

HOBBS OCD
MAY 23 2016
RECEIVED

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO. 30-025-08470
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VB-1913-0001
7. Lease Name or Unit Agreement Name State BU
8. Well Number 1
9. OGRID Number 24010
10. Pool name or Wildcat SAN SIMON; YATES, WEST

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
V-F PETROLEUM INC.

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

4. Well Location
Unit Letter **N** : **660** feet from the **South** line and **1,980** feet from the **West** line
Section **2** Township **22-S** Range **34-E** NMPM **Lea** County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3,585' GR

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

PERFORM REMEDIAL WORK <input 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: Location is ready for OCD inspection after P&A <input checked="" type="checkbox"/>	
OTHER: <input type="checkbox"/>			

- All pits have been remediated in compliance with OCD rules and the terms of the Operator's pit permit and closure plan.
- Rat hole and cellar have been filled and leveled. Cathodic protection holes have been properly abandoned.
- A steel marker at least 4" in diameter and at least 4' above ground level has been set in concrete. It shows the

OPERATOR NAME, LEASE NAME, WELL NUMBER, API NUMBER, QUARTER/QUARTER LOCATION OR UNIT LETTER, SECTION, TOWNSHIP, AND RANGE. All INFORMATION HAS BEEN WELDED OR PERMANENTLY STAMPED ON THE MARKER'S SURFACE.

- The location has been leveled as nearly as possible to original ground contour and has been cleared of all junk, trash, flow lines and other production equipment.
- Anchors, dead men, tie downs and risers have been cut off at least two feet below ground level.
- If this is a one-well lease or last remaining well on lease, the battery and pit location(s) have been remediated in compliance with OCD rules and the terms of the Operator's pit permit and closure plan. All flow lines, production equipment and junk have been removed from lease and well location.
- All metal bolts and other materials have been removed. Portable bases have been removed. (Poured onsite concrete bases do not have to be removed.)
- All other environmental concerns have been addressed as per OCD rules.
- Pipelines and flow lines have been abandoned in accordance with 19.15.35.10 NMAC. All fluids have been removed from non-retrieved flow lines and pipelines.
- If this is a one-well lease or last remaining well on lease: all electrical service poles and lines have been removed from lease and well location, except for utility's distribution infrastructure.

When all work has been completed, return this form to the appropriate District office to schedule an inspection.

SIGNATURE Eric Sprinkle TITLE Petroleum Engineer DATE 05/19/2016

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

For State Use Only

APPROVED BY: Markle Cristobal TITLE P.E.S. DATE 5/31/2016

Conditions of Approval (if any):