

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. 30-025-27005	✓
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>	✓
6. State Oil & Gas Lease No. E10775	
7. Lease Name or Unit Agreement Name Arco State	✓
8. Well Number 1	✓
9. OGRID Number 24010	✓
10. Pool name or Wildcat Dean: Permo Penn	✓
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,879' KB	

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 **HOBBS OCD** ✓

2. Name of Operator
V-F PETROLEUM INC.

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

4. Well Location
 Unit Letter **L**; **1980** feet from the **South** line and **660** feet from the **West** line
 Section **35** Township **15-S** Range **36-E** NMPM **Lea** County ✓

RECEIVED
FEB 26 2018

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 checked="" type="checkbox"/>
TEMPORARILY ABANDON	<input type="checkbox"/>	CHANGE PLANS	<input type="checkbox"/>
PULL OR ALTER CASING	<input type="checkbox"/>	MULTIPLE COMPL	<input type="checkbox"/>
DOWNHOLE COMMINGLE	<input type="checkbox"/>	CLOSED-LOOP SYSTEM	<input type="checkbox"/>
OTHER:	<input type="checkbox"/>	OTHER:	<input type="checkbox"/>

REMEDIAL WORK
 COMMENCE DRILLING OF
 CASING/CEMENT JOB

INT TO P&A **pm**
 P&A NR _____
 P&A R _____

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.

Plugging Procedure per Maxey Brown, NM OCD District II

Set cement retainer @ 7,170'
 Squeeze through retainer with 200 sx cement or until 5,000# squeeze pressure is reached
 Set 25 sk cement plug @ 4,926' - WOC and tag
 Set 25 sk cement plug @ 3,154'
 Set 25 sk cement plug @ 2,100'
 Perf 5 1/2" casing @ 397'
 Circulate cement to 3' inside and outside 5 1/2" casing

All plugs are subject to TOC being above 2,000'. If not, 5 1/2" casing will be perforated @ the selected depths.

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

SIGNATURE *Eric Sprinkle* TITLE Petroleum Engineer DATE 2/22/2018

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

For State Use Only

APPROVED BY: *Maah Whitman* TITLE Petroleum Engr. Specialist DATE 02/26/2018

Conditions of Approval (if any):

CURRENT

ARCO STATE NO. 1
30-025-27005
L-36-15S-36E

12 3/4" @ 347' w/ 400 sx. Circ

T. Salt 2118'
B. Salt 3130'
Yates 3154'
SA 4760'

8 5/8" @ 4876'

Cmt'd in 2 stages: DV Tool at 2022'

1st stage 1600 sx

2nd stage 2500 sx CircA

Encountered water flow in salt section at 2673'. Came out the ground
in 2 places 185' NE of wellbore when BOP was shut

Sundown Energy
Kochia AAM State #1 30-025-28905
O-35-15S-36E
SWD Perfs 13,800' - 14,500'

Perfs 11,481-11,544'
OH 13,650' - 692'
5 1/2" @ 13,650' w/1300 sx.

TD 10,692'