

RECEIVED

MAR 16 2009

HOBBSD

CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-025-34761

5. Indicate Type of Lease

STATE ☒FEE ☐

6. State Oil & Gas Lease No.

V-7020-1

7. Lease Name or Unit Agreement Name

STATE 11

8. Well Number 1

9. OGRID Number 024010

10. Pool name or Wildcat

WEST MIDWAY - UPPER PENN

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 SWD

2. Name of Operator

V-F PETROLEUM INC.

3. Address of Operator

P.O. BOX 1889, MIDLAND, TEXAS 79702

4. Well Location

Unit Letter M: 660 feet from the SOUTH line and 660 feet from the WEST lineSection 11 Township 17-S Range 35-E NMPM LEA County

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

3,942' GR

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

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 COMPL ☐OTHER: ☐ Re-entry ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐COMMENCE DRILLING OPNS. ☐ P AND A ☐CASING/CEMENT JOB ☐OTHER: ☐ RE-ENTRY ☒

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.

02/16/09 - 02/23/09 Building road/location/install cattle guards.

02/24/09 MI roustabout crew & welder. Cut off 13 3/8" surf csg. Install 13 3/8" x 8 5/8" WH. Weld onto 8 5/8" csg. Install 8 5/8" x 10' 900 series WH. Nipple up BOP. Move in & set reverse unit, cuttings tank. MI & rack 11,500' 2 7/8" tbg.

02/25/09 Clean and inspect threads on working tubing string.

02/26/09 MIRU Basic WSU. TIH w/7 7/8", bit sub 10 4 1/8" drill clrs + 2 7/8" 8.7# PH6 tbg. Tag top of cmt at 334'. RU power swivel. Drl cmt to 417'.

02/27/09 Drl cmt to 1,507'.

02/28/09 Drl cmt to 1,635'.

CONTINUED ON BACK

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 LawlerTITLE Vice PresidentDATE 03/12/09

Type or print name

E-mail address:

Telephone No. (432) 683-3344

(This space for State use)

APPROVED BY [Signature]TITLE PETROLEUM ENGINEERDATE MAR 23 2009

Conditions of approval, if any:

03/01/09 Drlg cmt to 1,730', drilling through 12 midnight on February 28, 2009. Cont drlg.
03/02/09 Drlg cmt to 1,743'.
03/03/09 TOH. TIH w/7 7/8" bit. Drl cmt to 3,145'.
03/04/09 Drl cmt to 4,566'. TOH. LD 4 1/4" drl clrs & 7 7/8" bit.
03/05/09 TIH w/4 3/4" bit & 6 3 1/2" drl clrs. Drill inside 5 1/2" csg to 4,575'. TOH.
03/06/09 TIH w/4 3/4" concave mill. Mill on junk.
03/07/09 Mill on junk and cmt to 4,579'. TOH. TIH w/4 3/4" mill. Mill on junk & cmt to 4,600'.
03/10/09 Mill on junk & cmt to 4,850'. TOH. TIH w/4 3/4" bit. Drill trash & cmt.
03/11/09 Drl cmt to 6,650'. Test csg to 1,000#. No leak. Drl cmt to 6,670'.
03/12/09 Push CIBP to 7,350'. TOH. TIH w/drillable cmt retainer. Position cmt retainer at 6,650'.