

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr , Hobbs, NM 88240
District II
1301 W. Grand Ave , Artesia, NM 88210
District III
1000 Rio Brazos Rd , Aztec, NM 87410
District IV
1220 S. St Francis Dr , Santa Fe, NM 87505

State of New Mexico

Energy, Minerals and Natural Resources

Form C-103

May 27, 2004

RECEIVED

JUN 01 2009

HOBBSDO

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO. 30-025-34761
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
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 line

Section 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: _____

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. Lawlis TITLE Vice President DATE 05/28/09
Type or print name E-mail address: Telephone No. (432) 683-3344

(This space for State use)

APPROVED BY [Signature] TITLE PETROLEUM ENGINEER DATE JUN 02 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 3/2" 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'.
 03/13/09 Squeeze Blinberry perforations at 6,736' - 7,318' with 200 sxs Class "C" plus fluid lose additives followed by 150 sxs Class "C" net cmt. Attained 4,000# standing squeeze pressure.
 03/14 - 16/09 SD WOC.
 03/17 - 19 /09 Drl cmt & retainer. Fall thru cmt @ 7,250'. Test csg to 1,600# for 15 min. No leak. Set pkr @ 6,650'. Press test pkr & csg to 1,000#. Swb well.
 03/21/09 Set retainer. Press test tbg to 5,000#. Press test csg to 1,000#. Get injection rate on perf 0.75 bbls per min @ 4,300#. Mix & spot 100 sxs Class "H" cmt w/water loss additives plus 25 sxs Class "H" neat cmt to within 10 bbls of cmt retainer. Squeeze perf to 5,000# walking squeeze.
 03/22 - 24/09. WOC.
 03/24 - 26/09 Drill cmt retainer & cmt to 7,580'. Press test csg to 1,000#, 15 min. No leak. Drill CIBP and push to 11,200'.
 03/27 - 28 /09 Run GR-CBL-CCL log. TOC @ 9,000'. Perf Cisco zone 11,108' to 11,120' OA w/1 deep pen JSPF
 03/29-30/09 SDFW.
 03/31 - 04/01/09 Swb well, recvd wtr. Break dwn Cisco perf w/500 gallons 15% NeFe HCl acid. Pmp acid & ball job w/1,500 gallons as acid as above plus 40 ball sealers. Swb well 7 hrs. Swb well, recvd wtr.
 04/02 - 04/03 /09 Swb well, recvd wtr. Had trace of oil throughout day.
 04/04/09 Perf 11,051' - 11,056' - 11,077' OA w/1 deep pen JSPF
 04/05/09 - 06/09 SDFW.
 04/07/09 Spot 500 gallons 15% NeFe HCl acid over perf 11,051' - 11,077' OA. .
 04/08 - 09/09 Swb well, recvd wtr. Tr of oil.
 04/10/09 Perf 10,976' - 11,018' (OA) w/1 dp pen JSPF (11 holes). Rec 58 bbls wtr
 04/11- 13/09 SDF holiday.
 04/14/09. Spot 500 gallons NeFe HCL acid.
 04/15/09 Swb well
 04/16/09 Spot 500 gallons 15% NeFe HCl acid over perf 10,976' - 11,018'. Swb well.
 04/17/09 Swb well. Acidize w/1,500 gallons 15% NeFe HCl acid plus ball sealers. Swb well.
 04/18/09 Swab well.
 04/19-22/09 - SDFW. Swb well. Tbg became stuck. Fnd tbg stuck.
 04/23 - 24/09 Run jet cutter. Cut tbg @ 4,460'. Run chemical cutter and cut tbg @ 2,800'. Jar on fish
 04/25/09 Jar on fish. Latch onto fish. Fish came free. Rec 1 full jt of tbg from inside csg collapsed.
 04/26/09 - 05/05/09 SDFW. Swdg out csg. 05/04/09 Notified Mark Whitaker at NMOCD of pipe running/cementing.
 05/06 - 07/09 Run & set 4,416' of 5 1/2" 17# csg, N-80 & J-55. Cmt w/235 sx lite wgt cmt folwd by 335 sx prem plus. Circ 71 sx to surf.
 05/08/09 Drill cmt to bttm of csg 4,416'. Test csg to 500#. No leak. Cont TIH to RBP. Circ sand off RBP. TOH. TIH w/retrieving tool for RBP. Latch onto & rel RBP. TOH. Start TIH w/retrieving tool for arrow set 1-x pkr. Run 4,000' of tbg. SWI. SDFN.
 05/09/09 Latch onto & rel arrow set 1-x pkr. TOH. Make up pmpg BHA. TIH. Position SN at 8,500'. Remove BOP. Set TAC.
 05/10/09 - 05/11/09 SDFW.
 05/12/09 - 05/14/09 TIH w/pmp & rds. Space out rd string. Seat pmp. Ck pmp action w/WSU. Install 640 PU.
 05/15/09 - 28/09 Place on production with pumping unit.

WTR: 10400