Submit 3 Copies to Appropriate District Office

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

WELL API NO.
30-025-027687

5. Indicate Type of Lease STATE [X] FEE [ ]

6. State Oil & Gas Lease No.
E-1923

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.)

7. Lease Name or Unit Agreement Name
Merchants "A"

1. Type of Well:
OIL WELL [ ] GAS WELL [X] OTHER

8. Well No.
1

2. Name of Operator
V-F Petroleum Inc.

9. Pool name or Wildcat
Wilson Bone Spring, Gas South

3. Address of Operator
P. O. BOX 1889, Midland, TX 79702

4. Well Location
Unit Letter L : 1980 Feet From The South Line and 660 Feet From The West Line

Section 30 Township 21-S Range 35-E NMPM Lea County

10. Elevation (*Show whether DF, RKB, RT, GR, etc.*)
3614 GR

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK [ ]	PLUG AND ABANDON [ ]	REMEDIAL WORK [ ]	ALTERING CASING [ ]
TEMPORARILY ABANDON [ ]	CHANGE PLANS [ ]	COMMENCE DRILLING OPNS. [ ]	PLUG AND ABANDONMENT [ ]
PULL OR ALTER CASING [ ]		CASING TEST AND CEMENT JOB [ ]	
OTHER: [ ]		OTHER: Adding and Testing Perforations [X]	

12. 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.

1. 6/5/00 MIRU WSU. TOH with all equipment. Install BOP.
2. RU Apollo Perforators. Set CIBP @ 7,900' + 35' cement. Test casing & BOP to 3,000#.
3. Perforate 6,605'-6,615'.
4. Acidize with 500 gal 15% HCl.
5. Swab well dry.
6. Set CIBP @ 6,502' + 35' cement.
7. Perforate 6,228' - 6,251'.
8. Acidize with 1,750 gal 15% HCl.
9. Swab back load. Swab 3 bbl water per hr.
10. Release WSU.

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

SIGNATURE M. Wayne Luna TITLE Production Superintendent DATE 11/27/00

TYPE OR PRINT NAME M. Wayne Luna TELEPHONE NO. 915-683-3344

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE DEC 2 4 2000

CONDITIONS OF APPROVAL, IF ANY: