

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

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

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

WELL API NO. 30-025027687
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. E-1923
7. Lease Name or Unit Agreement Name Merchants "A"
8. Well No. 1
9. Pool name or Wildcat Wilson - Bone Springs
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3614 GL

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 <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER
2. Name of Operator V-F Petroleum Inc.
3. Address of Operator 110 N. Marienfeld Street, Suite 110 Midland, TX 79701
4. Well Location Unit Letter L : 1,980 Feet From The South Line and 660 Feet From The West Line Section 30 Township 21-S Range 35-E NMPM Lea County

11. 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"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
OTHER: <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
	CASING TEST AND CEMENT JOB <input type="checkbox"/>
	OTHER: Completion Attempt. <input checked="" type="checkbox"/>

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.

- 9-12-98 - Perforate Bone Springs porosity 8,422'-43'
- 9-13-98 - Acidize with 250 gal & swab
- 9-16-98 - Re-acidize with 2,500 gal & swab
- 9-24-98 - Sand/Water frac with 30,500 gal + 35,225# sand
- 9-25-98 - Bleed off frac pressure & swab
- 10-3-98 - Bail sand
- 10-4-98 - Install pumping unit. Start well pumping to recover remainder of load water.

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

SIGNATURE Wayne Luna TITLE Production Superintendent DATE 12/17/98
TYPE OR PRINT NAME Wayne Luna TELEPHONE NO. 915-683-3344

(This space for State Use)

ORIGINAL SIGNED BY

APPROVED BY _____ TITLE _____ DATE FEB 10 1999

CONDITIONS OF APPROVAL, IF ANY: