

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

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 checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	WELL API NO. 30-015-41064
	5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator VANGUARD OPERATING, LLC	6. State Oil & Gas Lease No.
3. Address of Operator 5847 SAN FELIPE, STE. 3000, HOUSTON, TEXAS, 77057	7. Lease Name or Unit Agreement Name Staley State
4. Well Location Unit Letter <u>H</u> : <u>1,755</u> feet from the <u>NORTH</u> line and <u>970</u> feet from the <u>EAST</u> line Section <u>30</u> Township <u>17S</u> Range <u>28E</u> NMPM County <u>EDDY</u>	8. Well Number <u>23</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,587' GL	9. OGRID Number 258350
	10. Pool name or Wildcat Red Lake; Glorieta-Yeso NE (96836) Red Lake; San Andres (97253)

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

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input 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 checked="" type="checkbox"/> CLOSED-LOOP SYSTEM <input type="checkbox"/> OTHER: DHC for pre-approved pools <input type="checkbox"/>	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> OTHER: <input type="checkbox"/>
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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.

Vanguard Operating, LLC plans to downhole commingle (DHC) this San Andres oil well as follows:

- MIRUSU.
- RIH w/ 4-3/4" bit on 2-7/8" tbg and DO CBP @ 3,130'. CO to original PBDT (4,857').
- Run production tbg and land @ ~4,775' and run pump and rods.
- Produce well as a DHC well.

This work was previously submitted under the prior operator (LRE Operating) on an approved sundry dated 07/15/2015 and the well has an approved DHC order in place—DHC-4768, and these pools are pre-approved State pools. The San Andres perforations are 1,752-2,984' and the Yeso perms are 3,290-4,546'. The pool allocations will be determined using a former test of the Yeso, the current test of the San Andres and a test of the new commingled production, and will be submitted on a subsequent sundry. Downhole commingling increases total remaining reserves through production efficiency and the ownership in these two pools is identical.

Spud Date: 05/31/2013 Rig Release Date: NM OIL CONSERVATION ARTESIA DISTRICT DEC 06 2018

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

RECEIVED

SIGNATURE *Kyle Zimmermann* TITLE Operations Engineer DATE 12/06/2018
 Type or print name Kyle Zimmermann E-mail address: kzimmerman@vnrenergy.com PHONE: 432-202-0145
For State Use Only
 APPROVED BY: *Rusty Jew* TITLE Business Ops Spec A DATE 12-11-2018
 Conditions of Approval (if any):

RECEIVED

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

District II
911 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720

District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6175 Fax: (505) 334-6170

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

DEC 06 2018

Form C-102
Revised August 1, 2011
One copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-41064		² Pool Code 96836	³ Pool Name Redlake; Glanera - YESO ME
⁴ Property Code 309874	⁵ Property Name STALEY STATE		⁶ Well Number 23
⁷ OGRID No. 281994	⁸ Operator Name LURE OPERATING, LLC		⁹ Elevation 3586.1

¹⁰ Surface Location

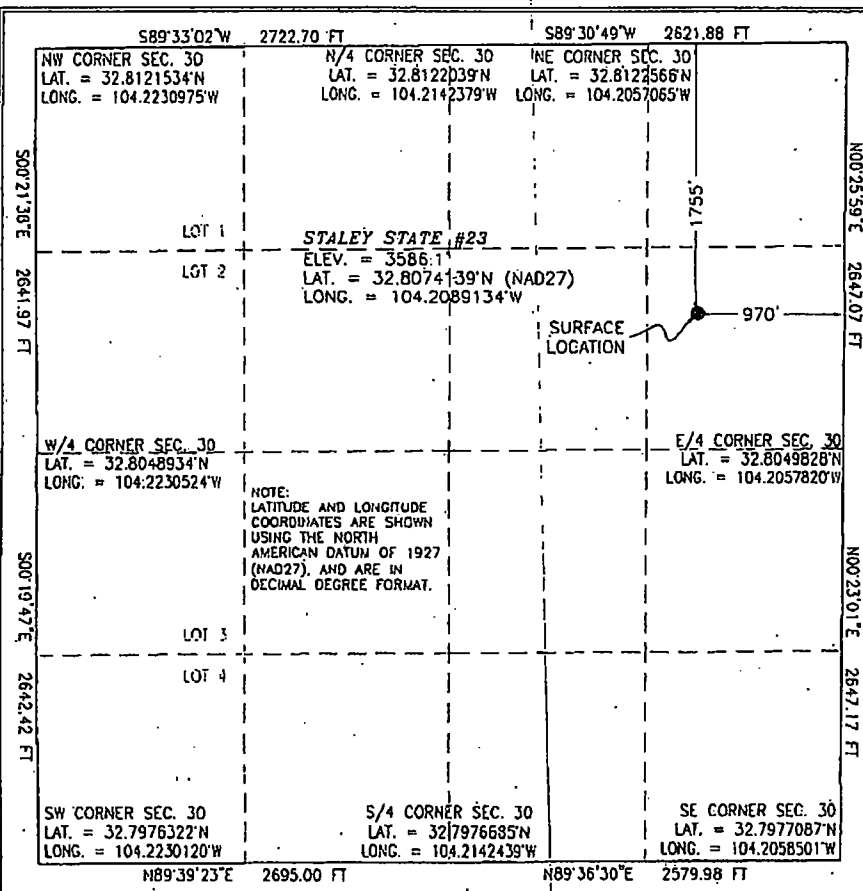
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	30	17 S	28 E		1755	NORTH	970	EAST	EDDY

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



¹⁶ OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Eric P. McCluskey 2/5/13
Signature Date

Eric McCluskey
Printed Name

emccluskey@limerockresources.com
E-mail Address

¹⁷ SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

DECEMBER 28, 2013
Date of Survey

Frank J. Ramirez
Signature and Seal of Professional Surveyor

Certificate Number: 01101017 JARAMILLO, PLS 12797
SURVEY NO. 1429

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Bruzos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-41064		² Pool Code 97253		³ Pool Name Red Lake, San Andres	
⁴ Property Code 309874		⁵ Property Name STALEY STATE			⁶ Well Number 23
⁷ OGRID No. 281994		⁸ Operator Name LRE OPERATING, LLC.			⁹ Elevation 3586' GL

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	30	17-S	28-E		1755	NORTH	970	EAST	EDDY

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UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

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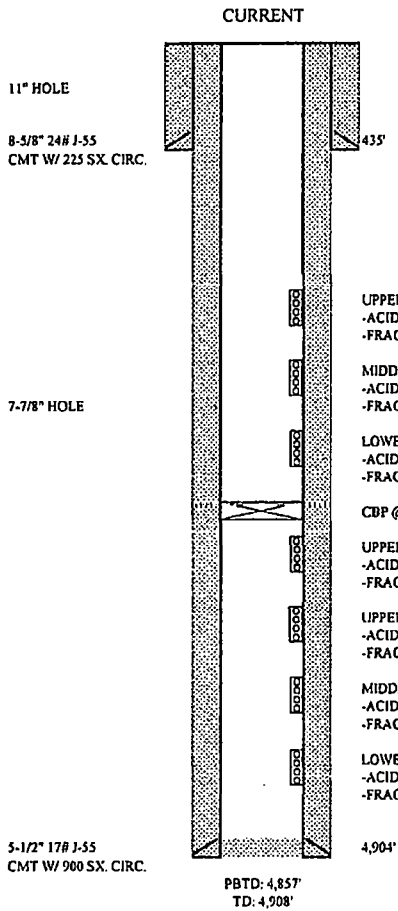
No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

30	1755'	970'	○	¹⁷ OPERATOR CERTIFICATION	
	<p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or leased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p>Signature: <u>Mike Pippin</u> Date: 6/19/15</p> <p>Printed Name: <u>Mike Pippin</u></p>				
	¹⁸ SURVEYOR CERTIFICATION				
<p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p> <p>12/28/12</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor: Filman F. Jaramillo</p> <p>12797</p> <p>Certificate Number</p>					

LEASE/WELL: STALEY STATE #23
 LOCATION 1,755' FNL & 970' FEL
 H-30-T175-R28E
 CO/ST: EDDY COUNTY, NEW MEXICO
 FIELD: RED LAKE; GLORIETA-YESO NE
 RED LAKE; SAN ANDRES
 API NO. 30-015-41064

GR 3587
 SPUNDED 5/31/2013
 COMPLETED 6/14/2013 ORIGINAL YESO COMPLETION
 7/13/2015 SAN ANDRES RECOMPLETION
 LAT 32.8075294
 LONG -104.2095108
 FORMATION TOPS PER C-105
 SEVEN RIVERS 486
 QUEEN 1049
 GRAYBURG 1476
 SAN ANDRES 1794
 GLORIETA 3169
 YESO 3288
 TUBB 4699

INCLINATION SURVEY DATA	
MD (ft)	Inclination (deg)
231	0.4
410	0.8
687	0.8
909	0.3
1416	0.3
1954	0.1
2426	0.4
2940	0.5
3444	0.7
3852	0.8
4490	0.4
4908	0.8



WELL CAN BE DHC PER DHC-4768
 ORIGINAL YESO IP: 145 BOPD, 165 MCFPD, 478 BWPD
 SAN ANDRES IP: 50 BOPD, 80 MCFPD, 600 BWPD

UPPER SAN ANDRES PERFS: 1,752-1,978 (37 HOLES)
 -ACIDIZE W/ 504 GALS 15%
 -FRAC W/ 31,840# 100 MESH & 119,523# 40/70 SAND IN SW

MIDDLE SAN ANDRES PERFS: 2,230-2,550 (33 HOLES)
 -ACIDIZE W/ 1,512 GALS 15%
 -FRAC W/ 29,574# 100 MESH & 288,226# 40/70 SAND IN SW

LOWER SAN ANDRES PERFS: 2,614-2,984 (33 HOLES)
 -ACIDIZE W/ 1,512 GALS 15%
 -FRAC W/ 30,346# 100 MESH & 312,171# 40/70 SAND IN SW

CBP @ 3,130'

UPPER YESO PERFS: 3,290-3,535 (50 HOLES)
 -ACIDIZE W/ 3,000 GALS 15%
 -FRAC W/ 72,386# 16/30 & 19,772# 16/30 SIBERPROP SAND IN XL GEL

UPPER YESO PERFS: 3,598-3,860 (22 HOLES)
 -ACIDIZE W/ 3,000 GALS 15%
 -FRAC W/ 69,102# 16/30 & 17,715# 16/30 SIBERPROP SAND IN XL GEL

MIDDLE YESO PERFS: 3,896-4,194 (26 HOLES)
 -ACIDIZE W/ 3,000 GALS 15%
 -FRAC W/ 64,429# 16/30 & 17,892# 16/30 SIBERPROP SAND IN XL GEL

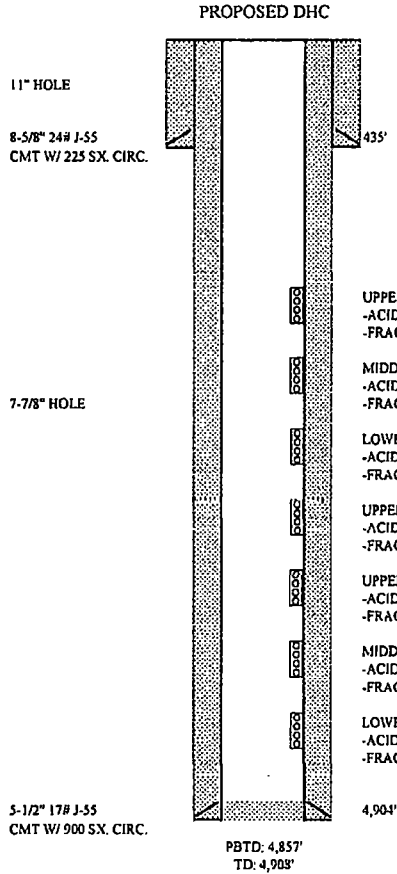
LOWER YESO PERFS: 4,244-4,546 (27 HOLES)
 -ACIDIZE W/ 3,360 GALS 15%
 -FRAC W/ 59,144# 16/30 & 11,004# 16/30 SIBERPROP SAND IN XL GEL

PBTD: 4,857' KDZ 12-06-2018
 TD: 4,908'

LEASE/WELL: STALEY STATE #13
 LOCATION 1,755' FNL & 970' FEL
 H-30-T175-R28E
 CO/ST: EDDY COUNTY, NEW MEXICO
 FIELD: RED LAKE, GLORIETA-YESO NE
 RED LAKE, SAN ANDRES
 API NO. 30-015-41064

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