

DENIED

SEE ATTACHED

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, 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 & Natural Resources

Form C-104
Revised Feb. 26, 2007

Oil Conservation Division

1220 South St. Francis Dr.
Santa Fe, NM 87505

RECEIVED

MAY 22 2009

HOBBSOCD

Submit to Appropriate District Office
5 Copies

AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

¹ Operator name and Address Vanguard Permian, LLC 1209 South Main Lovington, New Mexico 88260		² OGRID Number 258350
		³ Reason for Filing Code/ Effective Date NW
⁴ API Number 30 - 025-38962	⁵ Pool Name Lovington; Drinkard	⁶ Pool Code 40490
⁷ Property Code 305160	⁸ Property Name State Section 1 LA	⁹ Well Number 22

II. 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
G	1	17S	36E		2310'	North	2310'	East	LEA

¹¹ Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	1	17S	36E		2310'	North	2310'	East	LEA

¹² Lse Code S	¹³ Producing Method Code P	¹⁴ Gas Connection Date 12/08/08	¹⁵ C-129 Permit Number	¹⁶ C-129 Effective Date	¹⁷ C-129 Expiration Date
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III. Oil and Gas Transporters

¹⁸ Transporter OGRID	¹⁹ Transporter Name and Address	²⁰ O/G/W
36785	DCP Midstream, LP 6120 S. Yale, Suite 1100 Tulsa, OK 74136	G
157984	Occidental Energy Marketing, Inc. PO Box 27570 Houston TX 77227-7570	O
19174	Rice Operating Company 122 W. Taylor Hobbs, NM 88240	W

IV. Well Completion Data

²¹ Spud Date	²² Ready Date	²³ TD	²⁴ PBDT	²⁵ Perforations	²⁶ DHC, MC
²⁷ Hole Size	²⁸ Casing & Tubing Size	²⁹ Depth Set	³⁰ Sacks Cement		
26"	20"	40'			
11"	8 5/8"	1965'	940		
7 7/8"	5 1/2"	7995'	1210		
	2 7/8"	7583'			

V. Well Test Data

³¹ Date New Oil 12/08/08	³² Gas Delivery Date 12/08/08	³³ Test Date 12/08/08	³⁴ Test Length 24 hrs	³⁵ Tbg. Pressure 150 psig	³⁶ Csg. Pressure 25 psig
³⁷ Choke Size	³⁸ Oil 22	³⁹ Water 60	⁴⁰ Gas 5	⁴¹ Test Method p	

⁴² I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature:

[Signature]

Printed name:

Britt Pence

Title:

Vice President

E-mail Address:

bpence@vnrlc.com

Date:

05/19/09

Phone:

832-327-2252

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

SEE ATTACHED
KZ CHECK OFF FORM
AND LETTER
OF VIOLATION

Denied

CONDITION OF DENIED:
See check-off list and letter attached.

dm

API # 30-0 25 - 38962

Operator Vanguard Permian LLC OGRID # 258350

Well name & # S4 Section / LA #22 Lease Type (F) (S) (P)

Date C104 rec'd 5/22/09

Inactive Well List 25/1/1 Review Date 9/17/09

Additional Bonding / Review Date 9/17/09

Pit Permit approved / / /

C103: Spud date 11/26/08

Surface casing PT CMT Top AMENDED

Intermediate PT CMT Top AMENDED

Production PT CMT Top AMENDED

TD Reached 9/18/08 TD Footage Rig Rel'd

Deviation Survey / @ 8000'

Directional Survey TO PK FROM PK

MD TVD

Subsequent Plat BH Location

Completion Sundry

Completion Report /

LOGS

COMPLIANCE: NSL NSP

DHC Need DHC HOBBS

OTHER REQUIREMENTS: PAPERWORK DEADLINE

Need DHC approval from Santa Fe for Wildcat Tubbs & Lovington Drinkard

 Pending Status noted in RBDMS / Comments Date C104 APPROVED

Denied

9/17/09

dm

NEW MEXICO ENERGY, MINERALS and
NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

Response Required – Deadline Enclosed

17-Sep-09

VANGUARD PERMIAN, LLC
7700 SAN FELIPE, SUITE 485
HOUSTON, TX 77063-

LETTER OF VIOLATION
Delinquent Regulatory Filings

Dear Operator:

Oil Conservation Division ("OCD") records indicate that you failed to file the required reports identified below, or that your filings were incomplete or inaccurate.

NON-COMPLIANT WELL DETAIL SECTION

STATE SEC 1 LA No.022

Location: 1-17S-36E

30-025-38962-00-00

Original Well Type: Oil (Producing)

Well Status:

Determination or Violation Date: 9/17/2009

**Delinquent Report or Filing(s): - Other Paperwork or Filing - Other
Monitoring and Reporting Violation**

Comments: OCD Hobbs office at this time must DENY form C-104 approval for this well to produce in the Lovington Drinkard Pool. Per Hobbs Geologist the 1st. Set of perms are in the Wildcat Tubb pool and the 2nd. Set is in the Lovington Drinkard pool. To produce a well with multiple zone, the operator must submit to the OCD Santa Fe office for approval for Downhole Commingle per Rule 19.15.12.11.A. After DHC approval you may resubmit form C-104 for each zone with a total 24 hour test. If you have questions on this matter, please call Donna Mull (575) 393-6161 ext 115.

CORRECTIVE ACTION ON THIS WELL DUE BY: 10/17/2009

Please file or correct the reports identified above by the corrective action due date indicated. If you fail to file or correct the reports by that date, the OCD will take enforcement action that may include but is not limited to applying for an order assessing civil penalties and/or requiring you to plug and abandon the wells associated with those reports.

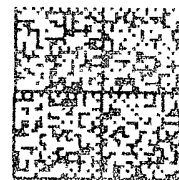
Thank you for your prompt attention to this matter and your efforts in helping to protect our environment and the infrastructure of the oil and gas industry.

Sincerely,



Hobbs OCD District Office

EMNRD
OIL CONSERVATION DIVISION
1625 N FRENCH DRIVE
HOBBS NM 88240



HASLER	017h15554612	US POSTAGE
	\$0.440	
	09/17/2009	
	Mailed From 88240	

Vanguard Permian LLC
ATT: Douglas B Pense
7700 San Felipe, Suite 485
Houston, TX 77063