

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**SUNDRY NOTICES AND REPORTS ON WELLS**  
**Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.**

OCD Artesia  
**HOBBS OCD**  
**JUL 11 2017**  
**RECEIVED**

FORM APPROVED  
OMB No. 1004-0137  
Expires: July 31, 2010

<b>SUBMIT IN TRIPLICATE - Other instructions on page 2.</b>		5. Lease Serial No. LC-061446
1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		6. If Indian, Allottee or Tribe Name
2. Name of Operator Vanguard Operating, LLC		7. If Unit of CA/Agreement, Name and/or No.
3a. Address 5847 San Felipe, Suite 3000 Houston, TX 77056	3b. Phone No. (include area code) 832-377-2206	8. Well Name and No. Please see well list below
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Please see well list below		9. API Well No. Please see well list below
		10. Field and Pool or Exploratory Area Please see well list below
		11. Country or Parish, State Lea County, NM

**12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Change of Operator</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Vanguard Operating, LLC became the operator of the subject wells effective May 1, 2015. Vanguard Permian, LLC merged with Vanguard Operating, LLC who will be the new operator, owner of record for the associated leases. Vanguard Operating, LLC accepts all applicable terms, conditions, stipulations and restrictions concerning operations conducted on this lease or portion of lease described.

Bond Coverage: BLM Nationwide Bond No COB000385.


**Well List:**

Penrose No.002, API: 30-025-10146, Field: Eunice San Andres SW, Location: E-9-22S-37E, 2086' FNL and 776' FWL  
Penrose No. 003, API: 30-025-10147, Field: Brunson (Fusselman), Location: E-9-22S-37E, 1874' FNL and 766' FWL  
Penrose No. 004, API: 30-025-10148, Field: Drinkard/Paddock, Location: E-9-22S-37E, 2310 FNL and 330' FWL  
Penrose No. 6, API: 30-025-38260, Field: Undesignated, Location: Section 9, T22S-R37E-NM, 1760' FNL and 330' FWL

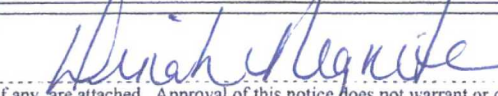
**NM OIL CONSERVATION**  
**ARTESIA DISTRICT**

**MAY 19 2017**

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14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Douglas B. Pence	Title Executive Vice President, Operations, Vanguard Operating, LLC
Signature 	Date 07/07/2015

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by  Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Title P.A.T.	Date 5/15/17
	Office Carlsbad Field Office	

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*Kz*