

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Hobbs

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2014

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.

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

AUG 05 2013

2. Name of Operator
Vanguard Permian LLC

3a. Address
PO Box 1570 281 North NM Highway 248 Eunice, NM 88231

3b. Phone No. (include area code)
575-394-1485

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
910' FNL & 990' FEL, Unit A, Sec 17, 22S, 37E, NMPM

5. Lease Serial No.

6. If Indian, Allottee or Tribe Name

7. If Unit of CA/Agreement, Name and/or No.

8. Well Name and No.
Elliott B-17 Federal #9

9. API Well No.
30-025-38010

10. Field and Pool or Exploratory Area
San Andres, Eunice, Grayburg

11. County or Parish, State
Lea County, New Mexico

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 checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<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 recomple 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 recomple 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.)

**SUBJECT TO LIKE
APPROVAL BY STATE**

1. MIRU completion rig and test anchors.
2. Unseat pump and POOH w/rods and pump.
3. ND WH and NU BOP. Kill well with 2% KCL water, if necessary. Release TAC and POOH w/tubing.
4. PU, strap and TIH with 4-3/4" bit and 2-7/8" tubing. Clean out hole to PBTD (4214') until clean returns, POOH.
5. MI wireline w/packoff. RIH w/ CBP and GR/CCL & correlate to the Western Atlas Compensated Neutron/GR log dated 12/08/1997.
6. Set CBP @ 3800'.
7. MU 3-1/8" slick casing guns set at 2 spf, 120 degrees phasing (0.40" hole, 21" penetration).
8. Perforate as follows:
 - a. 3658' - 3662' (4', 8 shots)
 - b. 3674' - 3680' (6', 12 shots)
 - c. 3704' - 3712' (8', 16 shots)
 - d. 3724' - 3730' (6', 12 shots)
 - e. 3786' - 3792' (6', 12 shots)
9. RD wireline.
10. RDMO completion rig.
11. Call out 4-500 bbl tanks & fill with 2% KCL water. Install frac valve in preparation for frac job.
12. RU frac Co. and test lines & pump as per frac schedule.
13. Monitor ISIP, 10 min., 15 min. Flowback until well dies.
14. MIRU completion rig.
15. RIH w/5-1/2" TAC, SN and 2-7/8" tubing. Set SN at 3990'.
16. RIH w/rods and pump.
17. RD & MO.
18. Turn well on to production.
19. Test well to get comingle permit.
20. See additional procedure to comingle zones, if needed.

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)
Mike Jones

Title Production Foreman

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

Signature

Mike Jones

Date 07/15/2013

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Office

KZ

APPROVED

Date

AUG 6 2013

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 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.

(Instructions on page 2)

AUG 06 2013

**Elliot B-17 Federal 9
30-025-38010
Vanguard Permian LLC
August 01, 2013
Conditions of Approval**

Notify BLM at 575-361-3612 a minimum of 24 hours prior to commencing work.

Work to be completed by November 01, 2013.

- 1. The CBP shall not remain in the well for longer than 6 months. Operator must submit NOI with proper plug back procedure if DHC is no longer desired.**
- 2. Must conduct a casing integrity test before perforating and fracturing. Submit results to BLM. The CIT is to be performed on the production casing to max treating pressure. Notify BLM if test fails.**
- 3. If CIT passes, recompletion is approved as written.**
- 4. Production test and new allocations for each formation must be submitted to the BLM prior to commingle.**
5. Before casing or a liner is added or replaced, prior BLM approval of the design is required. Use notice of intent Form 3160-5.
6. Surface disturbance beyond the originally approved pad must have prior approval.
7. Closed loop system required.
8. All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of work over operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.
9. Operator to have H2S monitoring equipment on location.

10. A minimum of a 2000 (2M) BOP to be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the size of the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 Attachment I (2M Diagrams of Choke Manifold Equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.
11. **Subsequent sundry required detailing work done. Operator to include well bore schematic of current well condition when work is complete.**

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