

HOBBS OGD

MAR 24 2014

RECEIVED

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-025-10337

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

STATE C

8. Well Number

1

9. OGRID Number

258350

10. Pool name or Wildcat

PENROSE SKELLY GRAYBURG

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 ☒ Gas Well ☐ Other ☐

2. Name of Operator

VANGUARD PERMIAN LLC

3. Address of Operator

5847 SAN FELIPE, SUITE 3000, HOUSTON, TEXAS 77057

4. Well Location

Unit Letter F: 1980 feet from the NORTH line and 1980 feet from the WEST lineSection 17 Township 22S Range 37E NMPM LEA County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐TEMPORARILY ABANDON ☐ CHANGE PLANS ☐PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐DOWNHOLE COMMINGLE ☐CLOSED-LOOP SYSTEM ☐OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☒ ALTERING CASING ☐COMMENCE DRILLING OPNS. ☐ P AND A ☐CASING/CEMENT JOB ☐OTHER: ☐

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.

1-2-14 - 1-13-14

MIRU PU and unhang well, pull out production equipment, make cleanout run with bit and scraper. RU wireline and perforate Grayburg interval 3805-3820, 3792-3798, 3781-3783, 3770-3774, 3740-3742, 3712-3716 with 2 spf, 120 phasing 60 shots. Pump 6000 gals 15% NEFE acid to break down perforation. Run production equipment and put well on production.

24 hr test: Penrose Skelly Grayburg (50350) - 1 BOPD, 30 MCF

Correcting Pool from San Andres.
RWH

Spud Date:

Rig Release Date:

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

SIGNATURE Gaye Heard TITLE AGENT DATE 3-19-14Type or print name GAYE HEARD E-mail address: gheard@oilreportsinc.com PHONE: 575-393-2727

For State Use Only

APPROVED BY: [Signature] TITLE Petroleum Engineer DATE 09/18/14

Conditions of Approval (if any):

SEP 19 2014