

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

WELL API NO. 30-025-22486 ✓
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name COLE STATE ✓
8. Well Number 12 ✓
9. OGRID Number 258350
10. Pool name or Wildcat SEE BELOW

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 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, NM 77057

4. Well Location

Unit Letter D : 990 feet from the NORTH line and 330 feet from the WEST line

Section 16 Township 22S Range 37E NMPM LEA County ✓

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
3393 GL

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.

PENROSE SKELLY GRAYBURG  
EUNICE SAN ANDRES SOUTHWEST

REMOVE CIBP @ 3840 AND COMMINGLE AS PER DHC 4718

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 Colleen Germany TITLE Agent DATE 12-5-14

Type or print name COLLEEN GERMAN E-mail address cgermany@oilreportsinc.com PHONE: 575-393-2727

For State Use Only

APPROVED BY: [Signature] TITLE Petroleum Engineer DATE 12/9/14  
Conditions of Approval (if any):

DEC 10 2014

State of New Mexico  
Energy, Minerals and Natural Resources Department

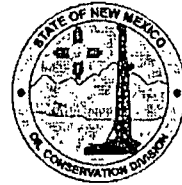
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**Susana Martinez**  
Governor

**David Martin**  
Cabinet Secretary

**Brett F. Woods, Ph.D.**  
Deputy Cabinet Secretary

**Jami Bailey, Division Director**  
Oil Conservation Division



Administrative Order DHC-4718  
Order Date: November 13, 2014  
Application Reference Number: pMAM1431741925

Vanguard Permian, LLC  
5847 San Felipe Street Suite 3000  
Houston, Texas 77057

Attention: Randall Hicks

Cole State Well No. 12  
API No. 30-025-22486  
Unit D, Section 16, Township 22 South, Range 37 East, NMPM  
Lea County, New Mexico

Pool	PENROSE SKELLY; GRAYBURG	Oil	50350
Names:	EUNICE; SAN ANDRES, SOUTHWEST	Oil	24180

Reference is made to your recent application for an exception to 19.15.12.9A. NMAC of the Division Rules and Regulations to permit the above-described well to commingle production from the subject pools in the wellbore.

It appears that the subject well qualifies for approval for such exception pursuant to the provisions of 19.15.12.11A. NMAC, and since reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion or otherwise required separation of the zones is hereby placed in abeyance.

In accordance with 19.15.12.11A.(6) NMAC, the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

As per the application, the assignment of allowable and allocation of production from the well shall be based on the well test method. The oil and gas production from each pool after testing will be divided by the combined tests to get a percentage for each pool.

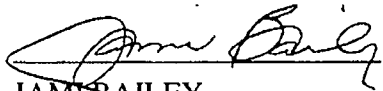
Assignment of allowable and allocation of production from the well shall be as follows:

PENROSE SKELLY; GRAYBURG	Pct. Gas: 17	Pct. Oil: 67
EUNICE; SAN ANDRES, SOUTHWEST	Pct. Gas: 83	Pct. Oil: 33

REMARKS: The operator shall notify the Division's District I Office upon implementation of commingling operations.

This Order is subject to like approval from the New Mexico State Land Office.

Pursuant to 19.15.12.11B. NMAC, the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.



JAMI BAILEY  
Director

JB/mam

cc: New Mexico Oil Conservation Division – Hobbs  
New Mexico State Land Office – Oil, Gas, and Minerals



**Cole State #12**  
**Eunice Southwest -San Andres - 30-025-22486**  
**Lea County, New Mexico**  
PROPOSED COMPLETION - 1/2014

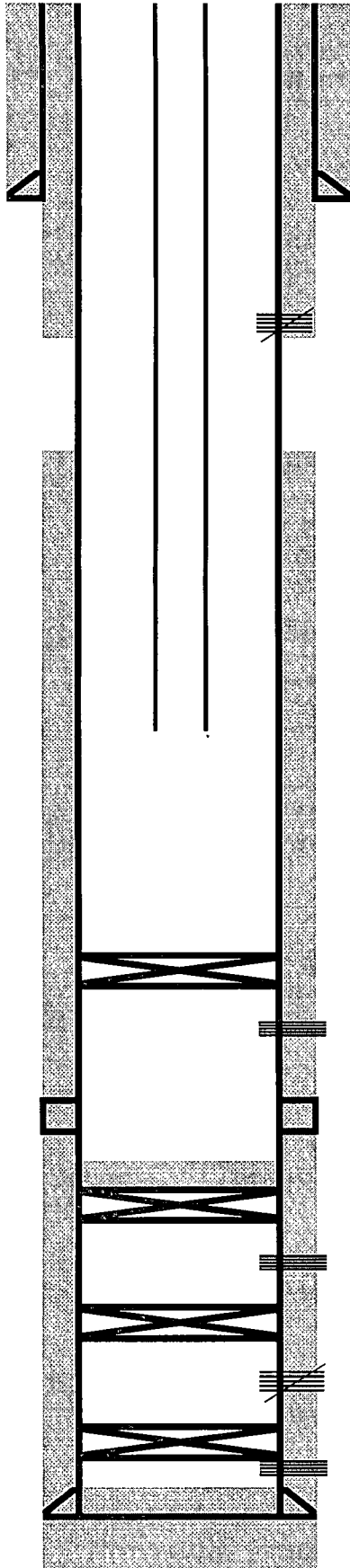
KB: -  
GL: 3393'

TOC @ surf  
500 sxs

9 5/8" csg @ 1196

TOC @ 2350'  
855 sxs

5 1/2" csg @ 7350



**CASING PROGRAM**

Depth	Size	Weight	Grade	I.D.	Collapse	Burst
1196	9 5/8"	32.3#	H-40	9.001	1,400	2,270
7350	5 1/2"	15.5#&17#	K-55	4.892	4,910	5,320

**PRODUCTION TUBING**

Depth	Size	Weight	Grade	Threads
unknown	2-3/8"	4.7#	J-55	EUE

Squeeze perms @ 1250' - 1251'  
in 1999

**Grayburg Perforations:**

3644' - 3652' (2spf, 16 shots)  
3666' - 3672' (2 spf, 12 shots)  
3692' - 3700' (2 spf, 16 shots)  
3725' - 3730' (2 spf, 10 shots)  
3770' - 3784' (2 spf, 28 shots) - 82 shots total

**CIBP @ 3840'**

San Andres Perforations:  
3,870' - 3,884'

DV Tool @ 4068'

**CIBP @ 6640' - 35' of cmt on top**

Abo  
6772' - 7011'

Mccormick - Squeezed in 1976  
7134' - 7260'

Montoya  
7307' - 7338'

**PBTD = 6,605' FC**

*Note: This schematic is not to scale. For display purposes only.*



**Cole State #12**  
**Eunice Southwest -San Andres - 30-025-22486**  
**Lea County, New Mexico**  
 COMINGLED COMPLETION - 12/2014

KB: -

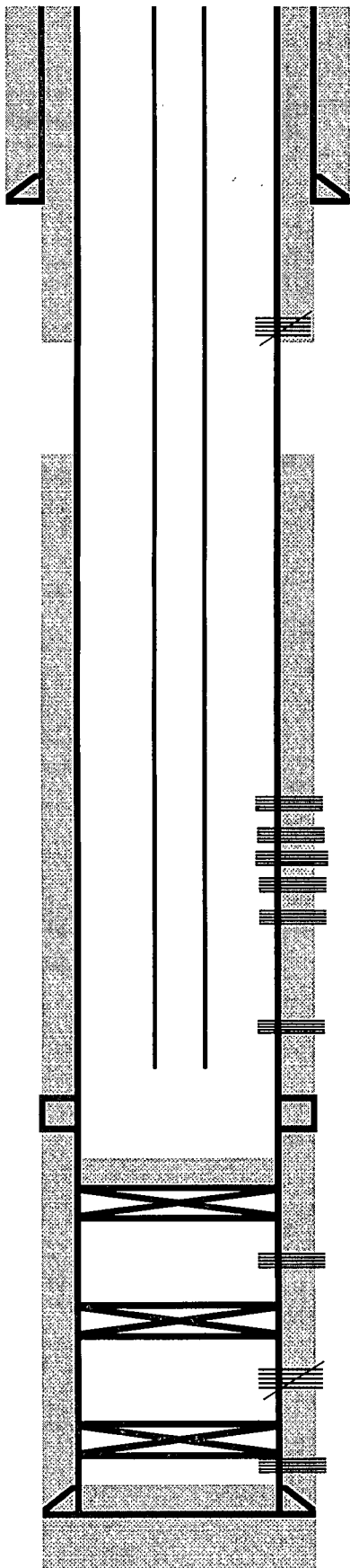
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DHC - 4718

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