

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

NM OIL CONSERVATION Energy, Minerals and Natural Resources

FEB 17 2016 CONSERVATION DIVISION

1220 South St. Francis Dr.

RECEIVED Santa Fe, NM 87505

WELL API NO. 30-015-31123
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 NO BLUFF 36 STATE COM
8. Well Number #2
9. OGRID Number 258350
10. Pool name or Wildcat Illinois Camp, Morrow, North, gas (78890)

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 OPERATING, LLC

3. Address of Operator
c/o Mike Pippin LLC, 3104 N. Sullivan, Farmington, NM 87401

4. Well Location
Unit Letter H : 1980 feet from the North line and 760 feet from the East line
Section 36 Township 17-S Range 27-E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3639' GL

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

NOTICE OF INTENTION TO:

- PERFORM REMEDIAL WORK
- TEMPORARILY ABANDON
- PULL OR ALTER CASING
- DOWNHOLE COMMINGLE
- CLOSED-LOOP SYSTEM
- OTHER: Reperf Morrow & test & TA (If Necessary)

SUBSEQUENT REPORT OF:

- REMEDIAL WORK
- COMMENCE DRILLING OPNS.
- 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.

VANGUARD OPERATING, LLC would like to reperf the Morrow (9927-9964), swab test, & if necessary, temporarily abandon (TA) this well as follows: MIRUSU. TOH with all production equipment. Reperf the Morrow @ ~9927'-9964' & swab test. If necessary, TA as follows: Set a 5-1/2" CIBP @ ~9877' & top w/25 sx cmt. Complete as a TA gas well. Schedule & perform MIT test. This will give new operator, Vanguard, time to evaluate the Yeso.

Spud Date: 3/19/01 Drilling Rig Release Date: 4/16/01

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

SIGNATURE Mike Pippin TITLE Petroleum Engineer - Agent DATE 2/11/16

Type or print name Mike Pippin E-mail address: mike@pippinllc.com PHONE: 505-327-4573

APPROVED BY: [Signature] TITLE Dist. Eng. DATE 2/18/16

Conditions of Approval (if any):