

NM OIL CONSERVATION

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 ☒ FEE ☐

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 lineSection 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 ☐ PLUG AND ABANDON ☐TEMPORARILY ABANDON ☒ CHANGE PLANS ☐PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐DOWNHOLE COMMINGLE ☐CLOSED-LOOP SYSTEM ☒OTHER: Reperf Morrow & test & TA (If Necessary) ☒

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.

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 2/11/16Type or print name Mike Pippin E-mail address: mike@pippinllc.com PHONE: 505-327-4573

For State Use Only

APPROVED BY: [Signature] TITLE Dr. J. Speer DATE 2/18/16

Conditions of Approval (if any):