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| Form 3160-5 (June 2015) D | UNITED STAT EPARTMENT OF THE | | | ł | | FORM APPROVED OMB No. 1004-0137 (pires: January 31, 2018 | · , |
| , Bt | IREAU OF LAND MAN | NAGEMENT | | 5, T | ease Serial No. | NMNM 048344 | |
| Do not use thi | / NOTICES AND REP s form for proposals I. Use Form 3160-3 (A | to drill or to re- | enter an | 6, 1 | f Indian, Allottee | or Tribe Name | |
| | IN TRIPLICATE - Other inst | | • | 7.1 | f Unit of CA/Agr | ownent, Name and/or No |). |
| 1. Type of Well | | | | 8. V | Vell Name and N | Soe Attached List | 3 |
| 2. Name of Operator Vanguard Op | erating, LLC | | | 9, A | PI Well No, | See Attached List | |
| 3a. Address 5847 San Fe Houston, Tex | lipe, Suite 3000 as 77057 | 3b, Phone No. <i>(inclus</i> (832) 377-2243 | de area code) | | | Exploratory Area See Attached list | |
| 4. Location of Well (Footage, Sec., Sec., See Attached | | 1) | | 11. | Country or Parisl | 1, State Eddy, NM | |
| | HECK THE APPROPRIATE F | BOX(ES) TO INDICAT | E NATURE O | F NOTICE. | REPORT OR OT | | ······ |
| TYPE OF SUBMISSION | | | | OF ACTION | | | |
| Notice of Intent | Acidize | Deepen Hydraulie I | | Reclamat | | Water Shut-Off | |
| Subsequent Report | Casing Repair | New Const | | Recomple Temporar Water Dis | ily Abandon | ✓ Other | |
| Describe Proposed or Complete the proposal is to deepen direction the Bond under which the work | anally or recomplete horizontal | lly, give subsurface loc | ations and mea | isured and tru | ie vertical depths | of all pertinent markers | and zones. Attach |
| is ready for final inspection.) | | | | | | | |
| | | | | | NI | VI OIL CONSEP | VATION |
| This is notification of Change Vanguard Operating, LLC, a restrictions concerning opera Bond Coverage: BLM Bond | s new operator, accepts all a ations conducted on this lea File No. NMB000797, Sure | applicable terms, cor se or portion of lease ty Bond No. B006616 | described | | N | M OIL CONSEF Artesia distr MAR 2 9 20 | UCT |
| Vanguard Operating, LLC, a restrictions concerning operation | s new operator, accepts all ations conducted on this lea File No. NMB000797, Sure ald Office: BLM Bond File to cotober 5, 2015 | applicable terms, cor se or portion of lease ty Bond No. B006616 | described b ety Bond No. | B006679 | | MAR 2 9 20 RECEIVED | ICT i d |
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| Vanguard Operating, LLC, a restrictions concerning opera Bond Coverage: BLM Bond Bond Coverage Carlsbad Fie Change of Operator Effective Former Operator: LRE Oper 4. I hereby certify that the foregoing | s new operator, accepts all ations conducted on this lear File No. NMB000797, Sure ald Office: BLM Bond File t e: October 5, 2015 rating, LLC | applicable terms, cor se or portion of lease ty Bond No. B006616 No. NMB000817, Sur inted Typed) | ety Bond No. | B006679 | ACHED ONS OF | MAR 2 9 20 RECEIVED | ист ;;;;;;;;;;;;;;;;;;;;;;;;;;;;;;;;;;;; |
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ATTACHMENT TO LEASE SERIAL NO. NMLC 48344

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| KERSEY WILLIAMS A FED 10 | 3001537248 | R1 | Т | 28 | 175 | 28E | 1650 FNL | 990 FEL |
| KERSEY WILLIAMS A FED 3 | 3001530230 | EMPIRE; YATES-SEVEN RIVERS, EAST | Ŧ | 28 | 17S | 28E | 2310 FNL | 330 FNL |
| KERSEY WILLIAMS A FED 4 | 3001531969 | EMPIRE; YATES-SEVEN RIVERS, EAST | I | 28 | 175 | 28E | 2310 FNL | 990 FEL |
| KERSEY WILLIAMS A FED 5 | 3001533987 | EMPIRE; YATES-SEVEN RIVERS, EAST | T | 28 | 175 | 28E | 1650 FNL | 330 FEL |
| | | RED LAKE;QUEEN-GRAYBURG-SA; | | | | Ī | | |
| KERSEY WILLIAMS A FED 6 | 3001533872 | ARTESIA; GLORETTA-YESO | b | 28 | 17S | 28E | 1700 FNL | 1700 FEL |
| | | RED LAKE;QUEEN-GRAYBURG-SA; | | | | | | |
| KERSEY WILLIAMS A FED 7 | 3001533689 | ARTESIA; GLORETTA-YESO | T | 28 | 17S | 28E | 2310 FNL | 620 FEL |
| KERSEY WILLIAMS A FED 9 | 3001536829 | RED LAKE;QUEEN-GRAYBURG-SA | 5 | 28 | 17S | 28E | 2282 FNL | 2267 FEL |
| PURE FEDERAL 1 | 3001535132 | RED LAKE; QUEEN-GRAYBURG-SA | r | 57 | 17S | 28E | 2310 FNL | 330 FEL |
| PURE FEDERAL 2 | 3001535584 | RED LAKE; QUEEN-GRAYBURG-SA | 5 | 21 | 17S | 28E | 1650 FNL | 2310 FEL |
| | | RED LAKE; QUEEN-GRAYBURG-SA; | - | | | | | |
| PURE FEDERAL 3 | 3001535606 | ARTESIA; GLORETTA-YESO | A | 21 | 17S | 28E | 910 FNL | 1190 FEL |
| PURE FEDERAL 4 | 3001536097 | RED LAKE; QUEEN-GRAYBURG-SA | в | 21 | 17S | 28E | 990 FNL | 2310 FEL |
| WILLIAMS A FEDERAL 1 | 3001532554 | ARTESIA; GLORIETA-YESO | z | 29 | 17S | 28E | 590 FSL | 2185 FWL |
| WILLIAMS A FEDERAL 2 | 3001532459 | ARTESIA;GLORIETA-YESO | × | 29 | 17S | 28E | 28E 1800 FSL | 1650 FWL |
| WILLIAMS A FEDERAL 3 | 3001534614 | ARTESIA; GLORIETA-YESO | | 59 | 17S | 28E | 1400 FSL | 1150 FWL |
| | | ARTESIA;GLORIETA-YESO; | | | [| | | |
| WILLIAMS A FEDERAL ¹ 4 | 3001533130 | REDLAKE;QUEEN; GRAYBURG-SA | | 29 | 17S | 28E | 1650 FSL | 330 FWL |
| | | ARTESIA;GLORIETA-YESO; | | Γ | | Γ | | |
| WILLIAMS A FEDERAL 5 | 3001533232 | REDLAKE;QUEEN; GRAYBURG-SA | Σ | 29 | 17S | 28E | 690 FSL | 530 FWL |
| WILLIAMS A FEDERAL 6 | 3001534200 | ARTESIA;GLORIETA-YESO | | 29 | 17S | 28E | 2310 FSL | 790 FWL |
| WILLIAMS A FEDERAL 7 | 3001536512 | 2 ARTESIA;GLORIETA-YESO | × | 29 | 17S | 28E | 28E 2060 FSL | 2260 FWL |

Vanguard Operating, LLC March 16, 2016 Change of Operator Conditions of Approval

- 1. Tank battery must be bermed/diked (must be able to contain 1 1/2 times the volume of the largest tank).
- 2. Submit for approval of water disposal method.
- 3. Submit updated facility diagrams as per Onshore Order #3
- 4. This agency shall be notified of any spill or discharge as required by NTL-3A.
- 5. All outstanding environmental issue must be addressed within 90 days. Contact Jim Amos for inspection and to resolve environmental issues. 575-234-5909
- 6. Install legible well sign on location with operator name, well name and number, lease number, unit number, 1/4 1/4, section, township, and range. NMOCD requires the API number on well signs.
- 7. Subject to like approval by NMOCD.
- 8. All Reporting to ONRR (OGOR Reports) must be brought current within 30 days of this approval including any past history.
- 9. If this well is incapable of producing in paying quantities submit NOI to plug and abandon this well or obtain approval to do otherwise within 90 days.
- 10. Submit plan for approval of well operations for all TA/SI wells within 30 days of this approval to change operator.
- 11. If not in place acquire operating rights on this lease within 30 days with BLM office in Santa Fe, NM.

JAM 031616