State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

David Martin Cabinet Secretary

Tony Delfin Deputy Cabinet Secretary

March 9, 2016

Vanguard Operating, LLC Attn: Swetha Pingali 5847 San Felipe, Suite 3000 Houston, TX 77057

Re: \$14,917 One-Well Plugging Bond Vanguard Operating, LLC, Principal U.S. Specialty Insurance Company, Surety API 30-015-30907 No Bluff State Com #001 660' FNL and 860' FWL Section 36, Township 17 South, Range 27 East Eddy County, NM Bond No. B009694

Dear Swetha Pingali:

The New Mexico Oil Conservation Division hereby approves the above-captioned one-well plugging bond with attached Surety Bond Rider No. 1 dated February 25, 2016.

Sincerely,

DENISE GALDEGOS Bond Administrator

cc: Oil Conservation Division - Artesia District

U.S. Specialty Insurance Company Attn: Michele K. Tyson 13403 Northwest Freeway Houston, TX 77040 David R. Catanach Division Director Oil Conservation Division



NM OIL CONSERVATION

ARTESIA DISTRICT

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