

## UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

Artesia

FORM APPROVED	
OMB No. 1004-0137	
Evnires: January 31, 2013	ç

5. Lease Serial No.

## SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

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<ol><li>If Indian, Allottee of</li></ol>	or Tribe Name	

SUBMIT IN TRIPLICATE - Other instructions on page 2		7. If Unit of CA/Agreement, Name and/or No.	
1. Type of Well Oil Well  Gas	Well Other		8. Well Name and No. CAUDILL RZ COM 6
2. Name of Operator Vanguard Operator	rating, LLC		9. API Well No. 300562114 .
3a. Address 5847 San Felip Houston TX 77	•	3b. Phone No. (include area code (832) 377-2243	le) 10. Field and Pool or Exploratory Area Pecos Slope; ABO
4. Location of Well (Footage, Sec., T., 660' FNL & 660'	R.M., or Survey Description O' FEL; A-18-06S-26E	)	11. Country or Parish, State Chaves Co., NM
12. CH	ECK THE APPROPRIATE E	BOX(ES) TO INDICATE NATURI	E OF NOTICE, REPORT OR OTHER DATA
TYPE OF SUBMISSION		TY	PE OF ACTION
Notice of Intent	Acidize Alter Casing	Deepen Hydraulic Fracturing	Production (Start/Resume) Water Shut-Off Reclamation Well Integrity
✓ Subsequent Report	Casing Repair Change Plans	New Construction Plug and Abandon	Recomplete ✓ Other  Temporarily Abandon
Final Abandonment Notice	Convert to Injection	Plug Back	Water Disposal
3. Describe Proposed or Completed C	Operation: Clearly state all pe	ertinent details, including estimate	ed starting date of any proposed work and approximate duration thereof. If

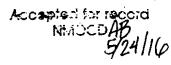
the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be perfounded or provide the Bond No, on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has detennined that the site is ready for final inspection.)

This is notification of Change of Operator on the above referenced well. Vanguard Operating, LLC, as new operator, accepts all applicable terms, conditions, stipulations and restrictions concerning operations conducted on this lease or portion of lease described. Bond Coverage: BLM Bond File No. NMB000797, Surety Bond No. B006616 Bond Coverage Roswell Field Office: BLM Bond File No. NMB000857, Surety Bond No. B007133

Change of Operator Effective: October 5, 2015 Former Operator: LRE Operating, LLC

NM OIL CONSERVATION ARTESIA DISTRICT MAY 0 9 2016

RECEIVED



## SEE ATTACHED FOR **CONDITIONS OF APPROVAL**

4. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)  Britt Pence  Tit	Title Executive Vice President, Operations  Date 10.5.2015			
Signature Mallum Da				
THE SPACE FOR FEDERA	AL OR STATE OFICE USE			
/S/ DAVID R. GLASS	Title	Date MAR 2 5 2016		
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office ROSWELL FIELD	OFFICE		

Title 18 U.S.C Section 1001 and Title 43 U.S.C Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

## Vanguard Operating, LLC **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.
- 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.