

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

BLM DISTRICT OFFICE  
**OCD-ARTESIA**

FORM APPROVED  
OMB No. 1004-0137  
Expires: January 31, 2018

**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.*

|   |                        |
|---|------------------------|
| 5. Lease Serial No.                         | NM-048344              |
| 6. If Indian, Allottee or Tribe Name        |                        |
| 7. If Unit of CA/Agreement, Name and/or No. |                        |
| 8. Well Name and No.                        | PURE FEDERAL #1 BTY    |
| 9. API Well No.                             | MULTIPLE- SEE ATTACHED |
| 10. Field and Pool or Exploratory Area      | MULTIPLE- SEE ATTACHED |
| 11. Country or Parish, State                | EDDY COUNTY, NM        |

**SUBMIT IN TRIPLICATE** - Other instructions on page 2

|  |   |
|--|---|
| 1. Type of Well<br><input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other |   |
| 2. Name of Operator<br>VANGUARD OPERATING, LLC   |   |
| 3a. Address<br>5847 SAN FELIPE, STE. 3000<br>HOUSTON, TEXAS 77057  | 3b. Phone No. (include area code)<br>(832) 377-2255 |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)<br>2,310' FNL & 330' FEL, SENE (H), SEC 21, T17S, R28E    |   |

**12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA**

| TYPE OF SUBMISSION                                    | TYPE OF ACTION                                |   |  |   |
|---|---|---|--|---|
| <input type="checkbox"/> Notice of Intent             | <input type="checkbox"/> Acidize              | <input type="checkbox"/> Deepen               | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing         | <input type="checkbox"/> Hydraulic Fracturing | <input type="checkbox"/> Reclamation               | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice     | <input type="checkbox"/> Casing Repair        | <input type="checkbox"/> New Construction     | <input type="checkbox"/> Recomplete                | <input type="checkbox"/> Other          |
|   | <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon     | <input type="checkbox"/> Temporarily Abandon       |   |
|   | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back            | <input checked="" type="checkbox"/> Water Disposal |   |

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleate 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 performed 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 recompleation 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 determined that the site is ready for final inspection.)

As per Written Order 16JH397W, the method of water disposal for this facility is attached to this sundry notice, as is a listing of the wells producing into this facility.

| Well Name       | API #        | Footage                |
|-----------------|--------------|------------------------|
| Pure Federal #1 | 30-015-35132 | 2,310' FNL, 330' FEL   |
| Pure Federal #2 | 30-015-35584 | 1,650' FNL, 2,310' FEL |
| Pure Federal #3 | 30-015-35606 | 910' FNL, 1,190' FEL   |
| Pure Federal #4 | 30-015-36097 | 990' FNL, 2,310' FEL   |

*File*

**NM OIL CONSERVATION**  
ARTESIA DISTRICT  
**SUBJECT TO LIKE APPROVAL BY STATE**

OCT 19 2016

**RECEIVED**  
**SEE ATTACHED FOR**  
**CONDITIONS OF APPROVAL**

**Accepted for record**  
**NMOCD** *10/19/16*

|  |  |                       |
|--|--|-----------------------|
| 14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)<br>KYLE ZIMMERMANN |  | OPERATIONS ENGINEER I |
| Signature <i>Kyle Zimmermann</i>   |  | Title                 |
|  |  | Date 08/29/2016       |

**THE SPACE FOR FEDERAL OR STATE OFFICE USE**

|   |        |
|---|--------|
| Approved by   | Title  |
| 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 |

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.

(Instructions on page 2)

|  |
|--|
| <b>APPROVED</b>  |
| SEP 28 2016  |
| <i>[Signature]</i>   |
| <b>BUREAU OF LAND MANAGEMENT</b><br><b>CARLSBAD FIELD OFFICE</b> |

Bureau of Land Management  
Carlsbad Field Office  
620 E. Greene Street  
Carlsbad, New Mexico 88220  
575-234-5972

**WATER PRODUCTION & DISPOSAL INFORMATION**

1. Name(s) of formation(s) producing water on the lease.  
Grayburg, San Andres, Yeso
2. Amount of water produced from all formations in barrels per day. 45 BWPD
3. How water is stored on lease. 300 bbl fiberglass tank
4. How water is moved to the disposal facility. 3" surface poly lines
5. Identify the Disposal Facility by:
  - A. Facility Operators name. Trinity Environmental SWD, LLC
  - B. Name of facility or well name and number. Red Lake State #1 SWD
  - C. Type of facility or well (WDW) (WIW) etc. WDW
  - D. Location by  $\frac{1}{4}$   $\frac{1}{4}$  SWNE Section 22 Township 17S Range 28E  
(G)
  - C. The appropriate NMOCD permit number SWD 332-A

Submit to this office, 620 EAST GREENE ST, CARLSBAD NM, 88220, the above required information on a Sundry Notice 3160-5. Submit 1 original and 5 copies, within abatement period. (This form may be used as an attachment to the Sundry Notice.)



Lease Number: NM-048344  
Facility Name: Pure Federal 1 Bty

| Well Name       | API #        | Footage                | 1/4 1/4 (UL) | Sec | Township | Range | Meridian | County | State | Pools   |
|-----------------|--------------|------------------------|--------------|-----|----------|-------|----------|--------|-------|---|
| Pure Federal #1 | 30-015-35132 | 2,310' FNL, 330' FEL   | SENE (H)     | 21  | 17S      | 28E   | NMP      | Eddy   | NM    | Red Lake; Queen-Grayburg-SA (51300)                                 |
| Pure Federal #2 | 30-015-35584 | 1,650' FNL, 2,310' FEL | SWNE (G)     | 21  | 17S      | 28E   | NMP      | Eddy   | NM    | Red Lake; Queen-Grayburg-SA (51300)                                 |
| Pure Federal #3 | 30-015-35606 | 910' FNL, 1,190' FEL   | NENE (A)     | 21  | 17S      | 28E   | NMP      | Eddy   | NM    | Red Lake; Queen-Grayburg-SA (51300); Artesia; Glorieta-Yeso (96830) |
| Pure Federal #4 | 30-015-36097 | 990' FNL, 2,310' FEL   | NWNE (B)     | 21  | 17S      | 28E   | NMP      | Eddy   | NM    | Red Lake; Queen-Grayburg-SA (51300)                                 |

**BUREAU OF LAND MANAGEMENT**  
**Carlsbad Field Office**  
**620 East Greene Street**  
**Carlsbad, New Mexico 88220**  
**575-234-5972**

**Disposal of Produced Water From Federal Wells**  
**Conditions of Approval**

Sundry approval is subject to the following conditions of approval:

1. This agency shall be notified of any change in your method or location of disposal.
2. Compliance with all provisions of Onshore Order No. 7.
3. This agency shall be notified of any spill or discharge as required by NTL-3A.
4. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
5. All above ground structures on the lease shall be painted Shale Green (5Y 4/2), or as per approved APD stipulations. This is to be done within 90 days, if you have not already done so.
6. Any on-lease open top storage tanks shall be covered with a protective cover to prevent entry by birds and other wildlife.
7. This approval should not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.
8. If water is transported via a pipeline that extends beyond the lease boundary, then you need to submit within 30 days an application for right-of-way approval to the Realty Section in this office if you have not already done so.

prs