

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

OCD Artesia
MAY 16 2018FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS DISTRICT ARTESIA O.C.D.**
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Vanguard Operating, LLC

3a. Address

5847 San Felipe St., Ste. 3000, Houston, TX 77057

3b. Phone No. (include area code)

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1980' FNL & 1980' FWL
F-10-23S-22E

5. Lease Serial No.

6. If Indian, Allottee or Tribe Name

7. If Unit of CA/Agreement, Name and/or No.

8. Well Name and No.

Big Freddy AVQ Federal #2

9. API Well No.

30-015-10054

10. Field and Pool or Exploratory Area

Huapache; Morrow

11. Country or Parish, State

Eddy, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" 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 type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<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 checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input 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 recompletable 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 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 determined that the site is ready for final inspection.)

1. Notify BLM 24 hrs prior to MIRU P&A equip.

2. Set CIBP @ 9863' RIH w/tbg tag CIBP circ hole w/MLF, test csg.

3. Spot 20' sx's cmt @ 9863' - 9763' WOC & Tag TOC. 25 SX min. 9443.

4. Spot 20' sx's cmt @ 8200' - 8100' (Strawn) PUH spot 40' sx's cmt @ 7400' - 7000' (Canyon, Penn) WOC & Tag. 25 SX min. 8020,

5. Spot 40' sx's cmt @ 5742' - 5379' (4 1/2" csg tie in, Wolfcamp, Dean) WOC & Tag.

6. Perf @ 2500' sqz 60' sx's @ 2500' - 2400' (Base Salt, 3000' plug) WOC & Tag perf @ 1200' sqz 60' sx's @ 1200' - 1100' (Top Salt) WOC Tag

perf @ 1004' sqz 60' sx's @ 1004' - 904' (10 3/4" SHOE) WOC & Tag.

7. Perf @ 200' circ cmt to surf via 4 1/2" csg & 4 1/2" x 10 3/4" csg ann (surf plug & water) WOC verify cmt @ surf.

8. RD P&A equip, cut off wellheads, install dry hole marker per BLM requirements, clean location, move off.

GC 5-17-18
Accepted for record - NMOCD

→ Add plug from 7200 - 7030 (Upper Penn) 25 SX min.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Jimmy Bagley

Title Agent

Signature

Date 03/28/2018

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Supv. PET

Date

5-9-18

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

Carlsted

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)

ENTERED
INTO AFMSS

LEASE/WELL: **BIG FREDDY AVQ FEDERAL #2**
 (formerly Huapache Unit #10)
 LOCATION 1,980' FNL & 1,980' FWL
 F-10-23S-22E
 CO/ST: EDDY COUNTY, NEW MEXICO
 FIELD: HUAPACHE; MORROW
 API NO. 30-015-10054

GR. 4517
 SPUDDED 1/27/1963
 COMPLETED 4/21/1963
 P&A'd
 RE-ENTERED 12/29/1999
 COMPLETED 1/19/2000
 LAT 32.3203583
 LONG -104.6932831

INCLINATION SURVEY DATA			
MD (ft)	Incl (deg)	MD (ft)	Incl (deg)
149	1.25	5646	1.75
335	1	5715	1.75
501	1	5814	2
659	1.25	5850	2
1003	1.5	6260	2.5
1211	1.5	6328	3
1451	1	6369	3
1578	1.5	6497	3
1855	0.75	6668	3
2074	1.75	7198	2.75
2200	0.75	7347	2.75
2543	0.75	7491	1.5
2704	0.75	7627	1.5
2865	1	7766	1.5
2931	0.5	7840	1.25
3011	0.75	7944	1.75
3139	0.75	8116	2
3248	0.75	8349	2.25
3363	0.75	8520	2
3480	0.5	8670	2.5
3813	0.75	8912	2.75
4105	1.75	9042	3.25
4489	3.5	9231	2.5
4619	3.5	9358	3
4828	3.25	9504	3.5
5000	3	9600	4
5162	2.5	9782	4.25
5232	3	9856	4.25
5368	2.75	10071	4.25
5470	2.5		
5548	2.25		
5598	2.5		

BEFORE P&A

13-3/4" HOLE

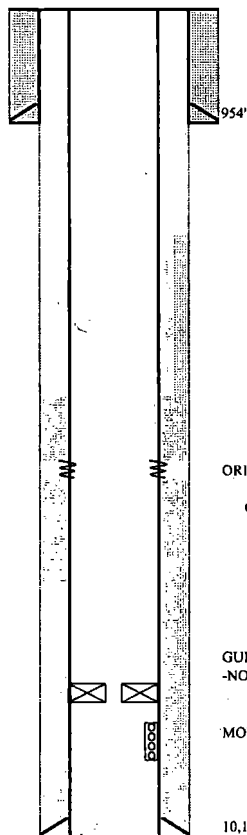
10-3/4" 40.5# J-55
 CMT W/ 700 SX. CIRC.

TOC ON NEW 4-1/2" @ 3,476'

7-7/8" HOLE

ORIGINAL TOC @ 6,000' BY TS

4-1/2" 9.5 & 11.6#
 CMT W/ 700 SX.



PBTD: 10,098'
 TD: 10,150'

ORIGINAL CSG CUT @ 5,692' DURING P&A
 TIED NEW 4-1/2" 11.6# N-80 CSG INTO EXISTING STUB W/ SLIP JOINT @ 5,702'
 CMT W/ 300 SX.

GUIBERSON UNI-VI PACKER W/ 1.81 ID "F" NIPPLE & ON/OFF TOOL @ 9,863'
 -NOTE ON 2008 WKOVER REPORT IN WELL FILE SHOWS PKR @ 9,750'

MORROW PERFS: 9,932-9,942' (41 HOLES)

10,150'

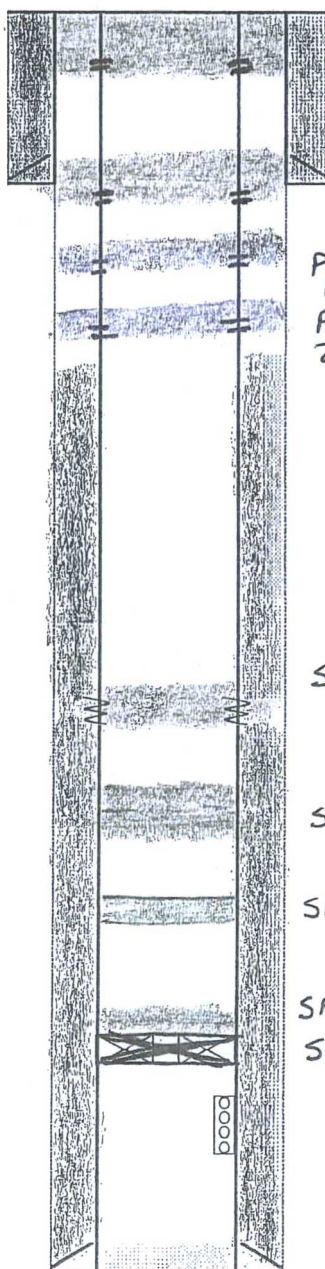
KDZ 03-20-2018

LEASE/WELL: BIG FREDDY AVQ FEDERAL #2
 (formerly Huapache Unit #10)
 LOCATION 1,980' FNL & 1,980' FWL
 F-10-23S-22E
 CO/ST: EDDY COUNTY, NEW MEXICO
 FIELD: HUAPACHE; MORROW
 API NO. 30-015-10054

AFTER P&A

13-3/4" HOLE

10-3/4" 40.5# J-55 954'
 CMT W/ 700 SX. CIRC.



PERF 200' CIRC CMT TO SURF
 IN & OUT OF ALL STRINGS WDC
 VERIFY CMT AT SURF ON ALL STRING.

954'
 PERF 1004' SQZ 60 SX'S CMT
 1004'-904' WDC & TAG

PERF 1200' SQZ 60 SX'S CMT
 1200'-1100'

PERF 2500' SQZ 60 SX'S CMT
 2500'-2400' WDC & TAG

Cherry Cya 595

TOC ON NEW 4-1/2" @ 3,476'

BS 1178

Dean 5429

WC 5671

7-7/8" HOLE

Pena Lisa 7150

Cya 7410

ORIGINAL TOC @ 6,000' BY TS

St. 8172

Beck 9204

MR 9573

Chester 10088

SPOT 40 SX'S CMT 5742'-5379' WDC & TAG

ORIGINAL CSG CUT @ 5,692' ✓

TIED NEW 4-1/2" 11.6# N-80 CSG
 CMT W/ 300 SX.

SPOT 40 SX'S CMT 7400'-7000' WDC & TAG

25 min
 SPOT 20 SX'S CMT 8200'-8100'

25 min
 SPOT 20 SX CMT 9863'-9763' WDC & TAG
 SET CIRC 9863'

MORROW PERFS: 9,932-9,942' ✓

4-1/2" 9.5 & 11.6#
 CMT W/ 700 SX.

10150

10,150'

PBTD: 10,098'
 TD: 10,150'

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

**Permanent Abandonment of Federal Wells
Conditions of Approval**

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. Plugging operations shall commence within ninety (90) days from the approval date of this Notice of Intent to Abandon.

If you are unable to plug the well by the 90th day provide this office, prior to the 90th day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged. Failure to do so will result in enforcement action.

The rig used for the plugging procedure cannot be released and moved off without the prior approval of the authorized officer. Failure to do so may result in enforcement action.

2. **Notification:** Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, call 575-627-0272; Eddy County, call 575-361-2822; Lea County, call 575-393-3612.

3. **Blowout Preventers:** A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The BOP must be installed and maintained as per API and manufacturer recommendations. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.

4. **Mud Requirement:** Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of brine water. Minimum nine (9) pounds per gallon.

5. **Cement Requirement:** Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and are not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. Any plug that requires a tag will have a minimum WOC time of 4 hours.

In lieu of a cement plug across perforations in a cased hole (not for any other plugs), a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient. **Before pumping or bailing cement on top of CIBP, tag will be required to verify depth. Based on depth, a tag of the cement may be deemed necessary.**

Unless otherwise specified in the approved procedure, the cement plug shall consist of either Neat Class "C", for up to 7,500 feet of depth or Neat Class "H", for deeper than 7,500 feet plugs.

6. Dry Hole Marker: All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). The BLM is to be notified a minimum of 4 hours prior to the wellhead being cut off to verify that cement is to surface in the casing and all annuluses. Wellhead cut off shall commence within ten (10) calendar days of the well being plugged. If the cut off cannot be done by the 10th day, the BLM is to be contacted with justification to receive an extension for completing the cut off.

The well bore shall then be capped with a 4-inch pipe, 10-feet in length, 4 feet above ground and embedded in cement, unless otherwise noted in COA (requirements will be attached). The following information shall be permanently inscribed on the dry hole marker: well name and number, name of the operator, lease serial number, surveyed location (quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer such as metes and bounds).

7. Subsequent Plugging Reporting: Within 30 days after plugging work is completed, file one original and three copies of the Subsequent Report of Abandonment, Form 3160-5 to BLM. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. Show date well was plugged.

8. Trash: All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.

Following the submission and approval of the Subsequent Report of Abandonment, surface restoration will be required. See attached reclamation objectives.