

Submit 1 Copy To Appropriate District Office
District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
Revised July 18, 2013

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-015-36976
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator VANGUARD OPERATING, LLC		6. State Oil & Gas Lease No.
3. Address of Operator 5847 SAN FELIPE, STE. 3000, HOUSTON, TEXAS, 77057		7. Lease Name or Unit Agreement Name Staley State
4. Well Location Unit Letter <u>L</u> : <u>1,650</u> feet from the <u>SOUTH</u> line and <u>330</u> feet from the <u>WEST</u> line Section <u>30</u> Township <u>17S</u> Range <u>28E</u> NMPM County <u>EDDY</u>		8. Well Number <u>11</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,586' GL		9. OGRID Number 258350
		10. Pool name or Wildcat Red Lake; Glorieta-Yeso NE (96836) Red Lake; Queen-Grayburg-San Andres (51300)

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input checked="" type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: DHC for pre-approved pools <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Vanguard Operating, LLC plans to downhole commingle (DHC) this San Andres oil well as follows:

1. MIRUSU.
2. RIH w/ 4-3/4" bit on 2-7/8" tbg and DO CBP @ 3,000'. CO to original PBTD (4,711').
3. Run production tbg and land @ ~4,600' and run pump and rods.
4. Produce well as a DHC well.

This work was previously submitted under the prior operator (LRE Operating) on an approved sundry dated 03/23/2015 and the well has an approved DHC order in place—DHC-ART-4609-T, and these pools are pre-approved State pools. The San Andres perforations are 1,686-3,466' and the Yeso perms are 3,561-4,567'. The pool allocations will be determined using a former test of the Yeso, the current test of the San Andres and a test of the new commingled production, and will be submitted on a subsequent sundry. Downhole commingling increases total remaining reserves through production efficiency and the ownership in these two pools is identical.

Spud Date: 08/26/2009 Rig Release Date: NM OIL CONSERVATION
ARTESIA DISTRICT
DEC 06 2018

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

RECEIVED

SIGNATURE Kyle Zimmermann TITLE Operations Engineer DATE 12/06/2018

Type or print name Kyle Zimmermann E-mail address: kzimmerman@vnrenergy.com PHONE: 432-202-0145
For State Use Only

APPROVED BY: Rusty Klein TITLE Business Development DATE 12-11-18
Conditions of Approval (if any)

RECEIVED

DEC 06 2018

DISTRICT I
1626 N. FRENCH DR., ROSAS, NM 88240

DISTRICT II
1201 W. GRAND AVENUE, ARTESIA, NM 88210

DISTRICT III
1000 Rio Bravos Rd., Artec, NM 87410

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-019-36976	Pool Code 91836	Pool Name Red;Glorieta-Yeso Northeast
Property Code 305451	Property Name STALEY STATE	Well Number 11
OGRID No. 255333	Operator Name LIME ROCK RESOURCES A, L.P.	Elevation 3586'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
3	30	17-S	28-E		1650	SOUTH	330	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres 40	Joint or Infill <input checked="" type="checkbox"/>	Consolidation Code	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>GEODETTIC COORDINATES NAD 27 NME Y=655572.0 N X=534199.7 E LAT.=32.802207° N LONG.=104.222030° W</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>George R. Smith</i> 12/7/09 Signature Date: George R. Smith, agent Printed Name</p>
	<p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>NOVEMBER 19, 2008 Date Surveyed Signature & Seal of Professional Surveyor 12641 RONALD J. EDSON Certificate No. 12841 RONALD J. EDSON 3239</p>

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

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ARTESIA DISTRICTJAN - Energy
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State of New Mexico

NM OIL CONSERVATION

ARTESIA DISTRICT

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

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Form C-102

Revised October 12, 2005

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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-36976	² Pool Code 51300	³ Pool Name Red Lake, Queen-Grayburg-San Andres
⁴ Property Code 309874	⁵ Property Name STALEY STATE	⁶ Well Number 11
⁷ OGRID No. 281994	⁸ Operator Name LRE OPERATING, LLC.	⁹ Elevation 3586' GL

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	30	17-S	28-E	3	1650	South	330	West	EDDY

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

	¹⁷ OPERATOR CERTIFICATION	
	I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.	
	Signature: <u>Mike Pippin</u> Date: 1/9/15 Printed Name: Mike Pippin	
	¹⁸ SURVEYOR CERTIFICATION	
	I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.	
	Date of Survey: 11/19/08 Signature and Seal of Professional Surveyor: Gary G. Eidson Certificate Number: 12641	

AD 2/11/2015
Accepted for record
RECEIVED

LEASE/WELL: STALEY STATE #11
 LOCATION 1,650' FSL & 330' FWL
 L (LOT 3)-30-T17S-R28E
 CO/ST: EDDY COUNTY, NEW MEXICO
 FIELD: RED LAKE; GLORIETA-YESO NE
 RED LAKE; QUEEN-GRAYBURG-SAN ANDRES
 API NO. 30-01S-36976

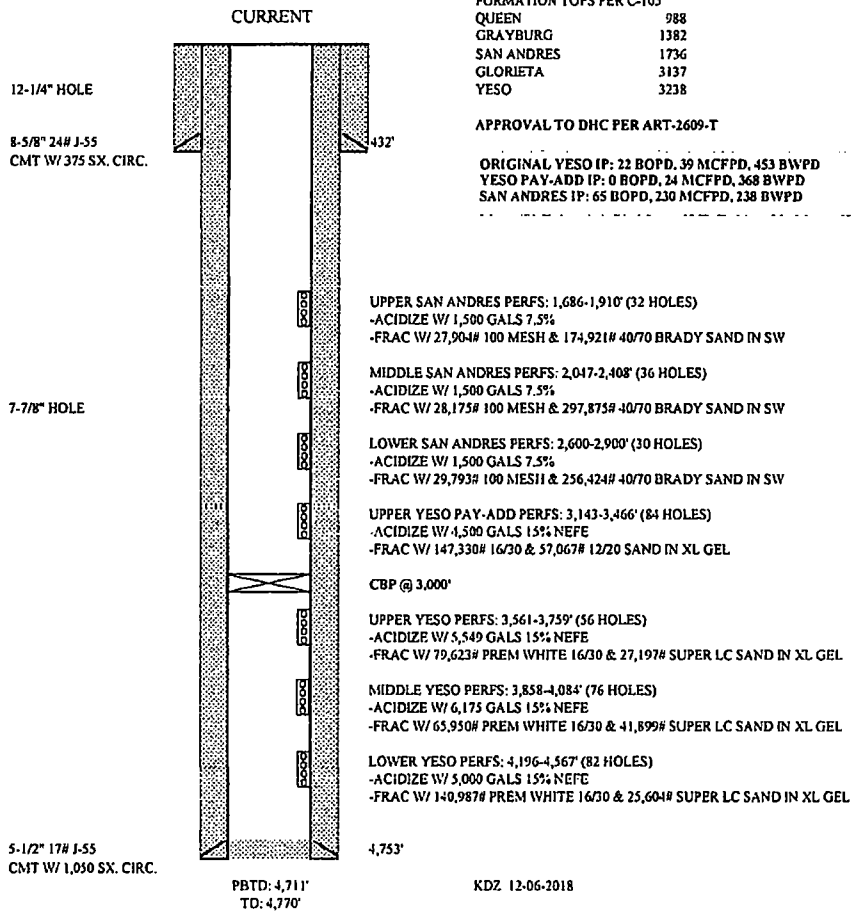
GR 3586
 SPUDDED 8/26/2009
 COMPLETED 10/22/2009 ORIGINAL YESO COMPLETION
 2/13/2010 YESO PAY-ADD
 2/6/2015 SAN ANDRES RECOMPLETION
 LAT 32.8022728
 LONG -104.22258

INCLINATION SURVEY DATA
 MD (ft) Inclination (deg)
 445 0.5
 939 0.25
 1476 0.25
 1980 0.5
 2518 0.75
 2991 1.25
 3526 1.5
 4026 1
 4532 1.25
 4770 1.25

FORMATION TOPS PER C-105
 QUEEN 988
 GRAYBURG 1382
 SAN ANDRES 1736
 GLORIETA 3137
 YESO 3238

APPROVAL TO DHC PER ART-2609-T

ORIGINAL YESO IP: 22 BOPD, 39 MCFPD, 453 BWPD
 YESO PAY-ADD IP: 0 BOPD, 24 MCFPD, 368 BWPD
 SAN ANDRES IP: 65 BOPD, 230 MCFPD, 238 BWPD



LEASE/Well: STALEY STATE #11
 LOCATION 1,650' FSL & 330' FWL
 L (LOT 3)-30-T17S-R28E
 CO/ST: EDDY COUNTY, NEW MEXICO
 FIELD: RED LAKE, GLORIETA-YESO NE
 RED LAKE, QUEEN-GRAYBURG-SAN ANDRES
 API NO. 30-015-36976

GR 3586
 SPUDDED 8/26/2009
 COMPLETED 10/22/2009 ORIGINAL YESO COMPLETION
 2/13/2010 YESO PAY-ADD
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