

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. 30-015-37674
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>H</u> : <u>2,310</u> feet from the <u>NORTH</u> line and <u>990</u> feet from the <u>EAST</u> line Section <u>30</u> Township <u>17S</u> Range <u>28E</u> NMPM County <u>EDDY</u>		8. Well Number <u>14</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) <u>3,588' GL</u>		9. OGRID Number <u>258350</u>
		10. Pool name or Wildcat Red Lake; Glorieta-Yeso NE (96836) Red Lake; San Andres (97253)

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 @ 3,202'. CO to original PBTD (4,788').
3. Run production tbg and land @ ~4,700' and run pump and rods.
4. Produce well as a DHC well.

DHC-4727

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-4P727. The San Andres perforations are 1,972-3,024' and the Yeso perms are 3,314-4,650'. 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: 06/19/2010 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.

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 Ops Spec A DATE 12-11-2018
Conditions of Approval (if any):

DEC 06 2018

DEC 06 2018

For Lease - 3 Copies

☐ AMENDED REPORT

GEODETIC COORDINATES
NAD 27 NME

SURFACE LOCATION

Y=656928.9 N
X=538183.1 E

LAT.=32.805925° N
LONG.=104.209061° W

OPERATOR CERTIFICATION

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.

George R. Smith 3/5/10
Signature Date

George R. Smith, POA agent
Printed Name

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.

FEBRUARY 2, 2010

Date Surveyed

Signature & Seal of
Professional Surveyor 12641

Gary Eidson 2/6/10
10. Professional Surveyor

Certificate No. GARY G. EIDSON 12641
RONALD J. EIDSON 3239

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

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State of New Mexico
 Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
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Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT**WELL LOCATION AND ACREAGE DEDICATION PLAT**

¹ API Number 30-015-37674		² Pool Code 97253		³ Pool Name Red Lake, San Andres	
⁴ Property Code 309874		⁵ Property Name STALEY STATE			⁶ Well Number 14
⁷ OGRID No. 281994		⁸ Operator Name LRE OPERATING, LLC.			⁹ Elevation 3588' 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
H	30	17-S	28-E		2310	NORTH	990	EAST	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.

<div style="text-align: center;"> </div>	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 undivided 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: <u>12/24/14</u> Printed Name: <u>Mike Pippin</u>	
	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: <u>2/2/10</u> Signature and Seal of Professional Surveyor: <u>Gary G. Eidson</u> Certificate Number: <u>12641</u>	

LEASE/WELL: STALEY STATE #014

LOCATION 2,310' FNL & 990' FEL
H-30-17S-28E

CO/ST: EDDY COUNTY, NEW MEXICO

FIELD: RED LAKE, GLORIETA-YESO, NE
RED LAKE, SAN ANDRES

API NO. 30-015-37674

GR 3588

SPUDDED 6/19/2010

COMPLETED 7/26/2010 ORIGINAL YESO COMPLETION
1/26/2015 SAN ANDRES RECOMPLETION

LAT 32.8060036

LONG -104.2095947

DEVIATION SURVEY DATA

MD (ft)	Inclination (deg)
440	0.5
946	0.25
1446	0.25
1925	0.5
2431	0.75
2869	0.75
3374	1
4231	1.25
4737	1.75
4831	1.5

FORMATION TOPS PER C-105

QUEEN	1053
GRAYBURG	1476
SAN ANDRES	1788
GLORIETA	3180
YESO	3299
TUBB	4708

WELL CAN BE DHC'D AS PER DHC-4727

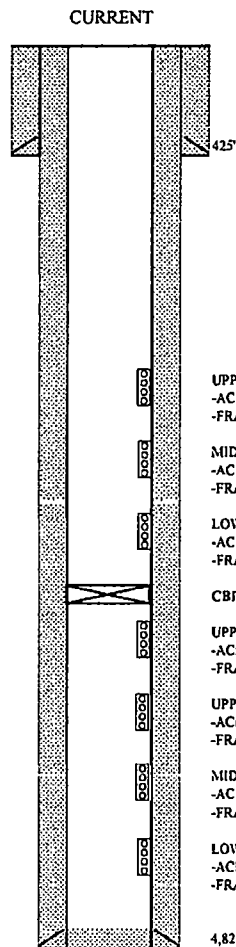
YESO IP: 44 BOPD, 90 MCFPD, 111 BWPD
SAN ANDRES IP: 75 BOPD, 200 MCFPD, 200 BWPD

12-1/4" HOLE

8-5/8" 24# J-55
CMT W/ 375 SX. CIRC.

7-7/8" HOLE

5-1/2" 17# J-55
CMT W/ 1,100 SX. CIRC.



UPPER SAN ANDRES PERFS: 1,972-2,240' (30 HOLES)

-ACIDIZE W/ 2,047 GALS 7.5%

-FRAC W/ 29,406# 100 MESH & 205,010# 40/70 WISCONSIN SAND IN SW

MIDDLE SAN ANDRES PERFS: 2,358-2,662' (30 HOLES)

-ACIDIZE W/ 2,003 7.5%

-FRAC W/ 31,649# 100 MESH & 256,650# 40/70 WISCONSIN SAND IN SW

LOWER SAN ANDRES PERFS: 2,730-3,024' (30 HOLES)

-ACIDIZE W/ 1,541 GALS 7.5%

-FRAC W/ 32,537# 100 MESH & 262,923# 40/70 WISCONSIN SAND IN SW

CBP @ 3,202'

UPPER YESO PERFS: 3,314-3,503' (48 HOLES)

-ACIDIZE W/ 6,594 GALS 15% NEFE

-FRAC W/ 85,937# 16/30 & 33,258# 16/30 SUPER LC SAND IN 20# XL GEL

UPPER YESO PERFS: 3,567-3,857' (52 HOLES)

-ACIDIZE W/ 3,500 GALS 15% NEFE

-FRAC W/ 94,410# 16/30 & 44,198# 16/30 SUPER LC SAND IN 20# XL GEL

MIDDLE YESO PERFS: 3,896-4,228' (48 HOLES)

-ACIDIZE W/ 3,500 GALS 15% NEFE

-FRAC W/ 101,808# 16/30 & 49,238# 16/30 SUPER LC SAND IN 20# XL GEL

LOWER YESO PERFS: 4,278-4,650' (36 HOLES)

-ACIDIZE W/ 3,500 GALS 15% NEFE

-FRAC W/ 112,336# 16/30 & 49,864# 16/30 SUPER LC SAND IN 20# XL GEL

4,829'

PBTD: 4,788'
TD: 4,845'

KDZ 12-06-2018

LEASE/VELL: STALEY STATE #014

LOCATION 2,310' FNL & 990' FEL
H-30-17S-28E

CO/ST: EDDY COUNTY, NEW MEXICO

FIELD: RED LAKE, GLORIETA-YESO, NE
RED LAKE, SAN ANDRES

API NO. 30-015-37674

GR 3588

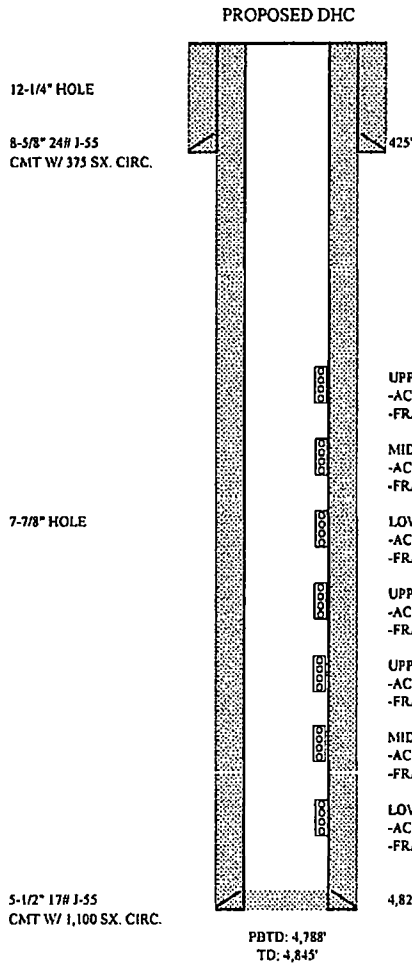
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GRAYBURG 1476
SAN ANDRES 1788
GLORIETA 3180
YESO 3299
TUBB 4708

WELL CAN BE DHC'D AS PER DHC-4727

YESO IP: 44 BOPD, 90 MCFPD, 111 BWPD
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KDZ 12-06-2018