Form 3160-5 (March 2012)

UNITED STATES DEPARTMENT OF THE INTERION Artesia BUREAU OF LAND MANAGEMENT

| FORM APPROVED |
|--------------------------|
| OMB No. 1004-0137 |
| Expires: October 31, 201 |

5. Lease Serial No. NM 63011

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.

6. If Indian, Allottee or Tribe Name

| abandoned well deet com erec eq. i. 2) i.e. even prepedue. | | | | | <u> </u> | | | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|-----------------------|--------------------------------------------------------------|------------|-----------------------------|-----------------------------|--|
| SUBMIT IN TRIPLICATE - Other instructions on page 2. | | | | | 7. If Unit of CA/Agreement, Name and/or No. YATES FEDERAL | | | | |
| I. Type of Well ☑ Oil Well ☐ Gas Well ☐ Other | | | | | 8. Well Name and No. | | | | |
| Name of Operator ANGUARD PERMIAN LLC | | | | | 9. API Well No. 30-015-26643 | | | | |
| 3a. Address 3b. Phone P O BOX 1570 281 HIGHWAY 248 575-393-2 | | | (include area code | 2) | 10: Field and Pool or Exploratory Area SHUGART Y/SR/QU/GB | | | | |
| 4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description) | | | | | 11. County or Parish, State | | | | |
| UNIT L SEC 11 T19S R31E 1650/S & 990/W | | | | | EDDY COUNTY NEW MEXICO | | | | |
| 12. CHECK T | HE APPROPRIATE BO | X(ES) TO INDI | CATE NATURE | OF NOTIO | CE, REPORT OR OT | HER DAT | Α . | | |
| TYPE OF SUBMISSION . | | | TYP | E OF ACT | ION | | | | |
| Notice of Intent | Acidize Alter Casing | Deepe Fractu | n re Treat | = | uction (Start/Resume) amation | | Vater Shu Vell Integ | grity . | |
| Subsequent Report | Casing Repair Change Plans | | Construction and Abandon | _ | mplete porarily Abandon | | | HANGE OF RATOR | |
| Final Abandonment Notice | Convert to Injection | Plug E | Back | Wate | er Disposal | | | | |
| determined that the site is ready for fine THIS IS NOTIFICATION THAT VANGUALGE Shackelford O. PER NTL89, VANGUARD PERMIAN LE OPERATIONS CONDUCTED ON THE BOND COVERAGE: BLM BOND NO: NOT CHANGE OF OPERATOR EFFECTIVE FORMER OPERATOR: RANGE OPERACQUIRING OPERATOR: VANGUARD | ARD PERMIAN LLC H Co. C ACCEPTS ALL APP LEASE LAND OR POF IMBOOO811 & NMNM : 4-1-13 (PER OCD SIGN ATING NEW MEXICO PERMIAN LLC (ORG | PLICABLE TER RTION THERE 000761 GNATURE AP TLC C (ORGID 1 ID #258350) | RMS, CONDITIO OF. PROVAL) # 227588) <i>S</i> | NS, STIP | , , | STRICTON | NS CON REC MAR OCD | EIVED 31 2014 ARTESIA | |
| | A P | SUBJECT PPROVAL | | | CONDITIO | NS OF | API | POK PROVAL | |
| 14. I hereby certify that the foregoing is true at | nd correct. Name (Printed | 1 | Title AGENT | | | | | | |
| | ard | | Date 01/30/201 | 4 | i . | | | | |
| | THIS SPACE F | OR FEDER | RAL OR STA | TE OF | ICE DSERO | VFN | | | |
| Approved by Conditions of approval, if any, are attached. And the applicant holds legal of equitable title to entitle the applicant to conduct operations there | o those rights in the subject on. | t lease which wou | old Office | | | 2014 | | | |
| Title 18 U.S. Section 1001 and Title 43 U.S. | | | | i willfull ist | CARLORAD EIEI | MANAGARANG | Wof the | Jnited States any fals | |
| fictitious or fraudulent statements or representa | mons as to any matter with | ini its jurisdiction. | | | CARLSBAD FIEL | U UFFILE | | | |
| (Instructions on page 2) | | | | | | | | • | |





Blakley, Jerry sjhlakley@nl.n qoco

Vanguard Permian Yates Fed #3 & #4

Gaye Heard <gheard@oilreportsinc.com>

Tue, Mar 25, 2014 at 3:20 PM

To: jblakley@blm.gov

Re: Yates Federal #3 API #30-015-26642 & Yates Federal #4 API #30-015-26643

Mr. Blakley,

As per our conversation regarding the sundries for Change of Operator submitted on behalf of Vanguard Permian LLC on the above wells, please change the following verbiage on those sundries "From: Range Operating New Mexico, LLC" to "From Shackelford Oil Company".

Thank You!

Gaye Heard

Oil Reports & Gas Services, Inc.

1008 W. Broadway

Hobbs, NM 88240

Ph. 575-393-2727, Fax. 575-393-5388

email: gheard@oilreportsinc.com

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

Effective 4/1/2013 Bond NMB000811 and NMB000761

3/25/2014 Approved subject to Conditions of Approval. JDB 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. Contact Jim Amos for inspection and to resolve environmental issues. 575-234-5909
- 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. If not in place acquire operating rights on this lease within 30 days with BLM office in Santa Fe, NM.