

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

Form C-103
 Revised August 1, 2011

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

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. 30-015-32312
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 St., Ste. 3000, Houston, TX 77057		7. Lease Name or Unit Agreement Name Peregrine State
4. Well Location Unit Letter <u>B</u> : <u>660</u> feet from the <u>North</u> line and <u>2460</u> feet from the <u>East</u> line Section <u>10</u> Township <u>25-S</u> Range <u>28-E</u> NMPM Eddy County NM		8. Well Number <u>1</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) GL 2971'		9. OGRID Number 281994
10. Pool name or Wildcat Willow Lake; Delaware, SW (96855)		

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

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

- Notify OCD 24 hrs prior to MIRU to P&A.
- RIH w/tbg to 5009' (50' inside 3 1/2" liner @ 4959') spot 25 sx's cmt WOC & Tag @ 4009' circ hole w/MLF.
- Perf @ 3450' sqz 75 sx's @ 3450'-3300' (Top Cherry Canyon) WOC & Tag.
- Perf @ 2560' sqz 60 sx's @ 2560'2460' (Bell Canyon) WOC & Tag.
- Perf @ 615' circ cmt to surf via 5 1/2" & 5 1/2" x 8 5/8" csg ann WOC verify cmt @ surf on all strings.
- RD P&A equipment, cut off wellhead, install dry hole marker, clean location, move off.

26 - CI&P @ 4500' or TOC whichever is lower - 25sx cmt. WOC+Tag

NM OIL CONSERVATION
 ARTESIA DISTRICT
 APR 02 2018
 RECEIVED

Spud Date: Rig Release Date:

* See Attached COAs must be plugged by 4-3-19

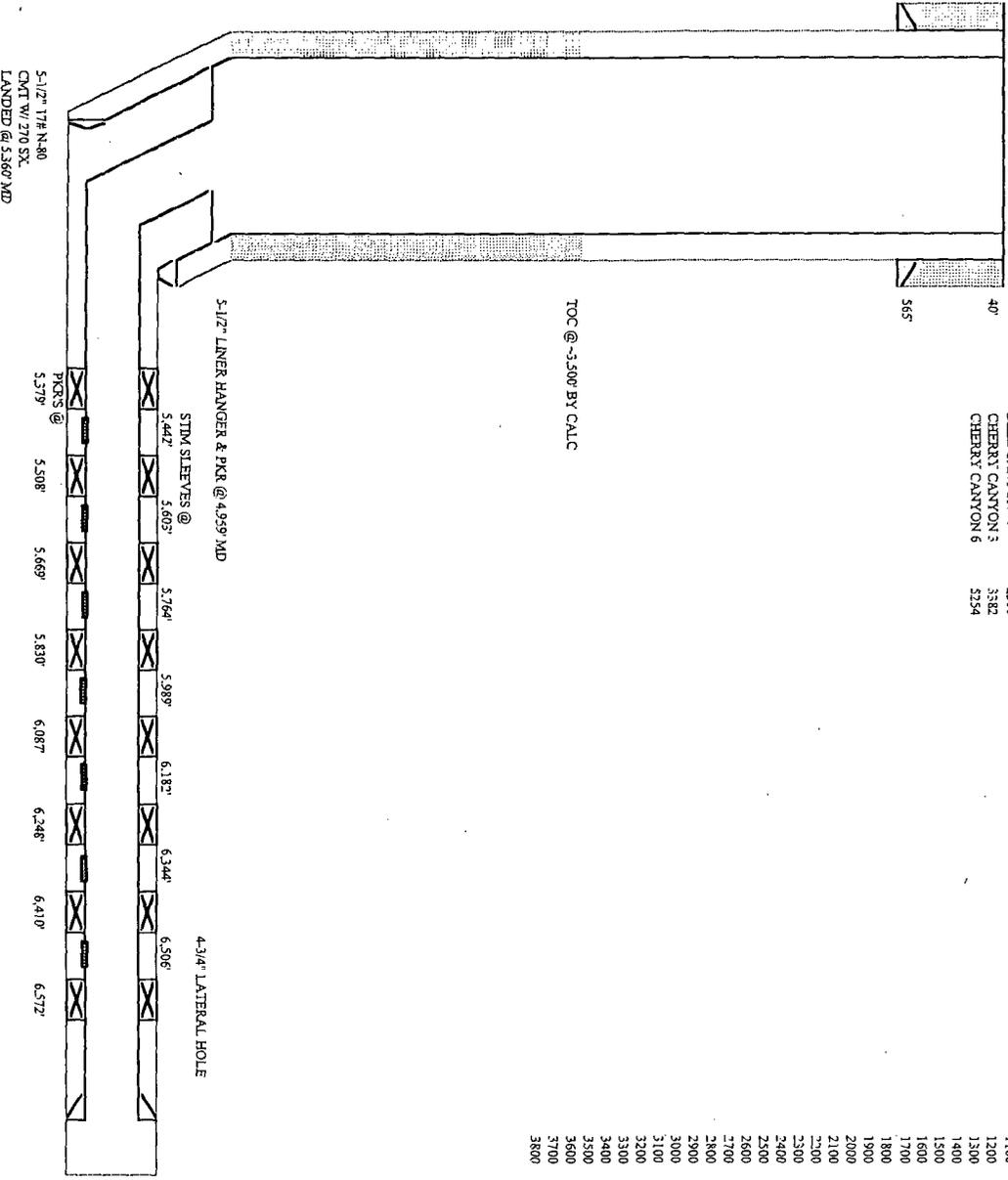
I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE TITLE Agent DATE 03/29/18
 Type or print name Jimmy Bagley E-mail address: sunsetwellservice@yahoo.com PHONE: 432-561-8600
For State Use Only

APPROVED BY: TITLE Staff Mgr DATE 4-3-18
 Conditions of Approval (if any):

PEREGRINE STATE #1
 660' FNL & 2,460' FEL
 595' FNL & 3,662' FEL
 B-SEC 10-1725-R23E
 EDDY COUNTY, NEW MEXICO
 WILLOW LAKE, DELAWARE, SW
 30-01-S-2312
BEFORE PA

GR 2971
 KB CORR
 SP/IDDED 6/4/2002
 COMPLETED 7/12/2002
 12/24/2010
 SOUTH WESTERN ENERGY PRODUCTION COMPANY
 INSTALL 3-1/2" LINER AND FRAC
 LAT 32.1300053
 LONG -104.0744934
 FORMATION TOPS PER C-105
 BELL CANYON 2560
 CHERRY CANYON 3382
 CHERRY CANYON 6 5234



MWD SURVEY DATA				MWD SURVEY DATA				MWD SURVEY DATA			
MD (ft)	Inclination (deg)	Azimuth (deg)	MD (ft)	Inclination (deg)	Azimuth (deg)	MD (ft)	Inclination (deg)	Azimuth (deg)	MD (ft)	Inclination (deg)	Azimuth (deg)
100	0.54	180.16	3900	0.93	30.5	5518	91.9	87.3	6750	89.9	89.3
200	0.48	174.17	4000	0.85	29.36	5550	91.8	87.7			
300	0.55	222.22	4100	0.71	29.23	5580	91.5	87.2			
400	0.86	232.99	4200	0.81	23.21	5610	91.6	87.2			
500	0.95	235.68	4300	0.83	17.06	5642	89.6	88.4			
600	0.86	261.23	4400	0.82	17.16	5673	87.7	89.3			
700	0.79	260.16	4477	6.5	106.5	5705	87	88.8			
800	0.88	254.25	4508	12.1	95.1	5736	88	87.7			
900	1.32	240.44	4540	18	89.6	5768	87.8	89.5			
1000	1.81	232.55	4571	23.6	86.1	5800	87	88.1			
1100	1.88	226.94	4605	29.3	82.9	5830	87.2	88.2			
1200	1.62	223.85	4638	34.2	80.7	5862	88.3	87.5			
1300	1.85	224.95	4670	36.3	81.7	5894	87.3	86.7			
1400	2.05	263.02	4702	39.8	83.1	5925	87.3	87.9			
1500	2.2	265.19	4733	43.1	84.2	5957	88.6	86.5			
1600	2.06	265.95	4765	46.3	84.7	5988	88.6	87			
1700	2	266.06	4796	49.2	83.2	6020	89	87.3			
1800	1.54	274.65	4828	53.1	83.8	6052	89.4	83.1			
1900	0.66	283.67	4860	58.9	86.1	6085	91.2	86.7			
2000	0.08	345.62	4892	64.6	87.5	6116	89.9	87			
2100	0.51	115.74	4923	69.6	90	6148	89.4	86.5			
2200	1.42	94.15	4955	73.2	92.8	6179	89.7	86.8			
2300	2.08	92.51	4987	73.6	93.7	6211	90	87.2			
2400	2.56	87.92	5017	77	93.8	6242	90.1	87.9			
2500	2.45	80.54	5050	82.9	93.2	6274	89.6	87.3			
2600	1.94	75.22	5081	86	91.4	6304	87.9	87.3			
2700	1.82	73.37	5113	87.2	92.3	6336	87.9	87.2			
2800	1.58	68.19	5144	87.6	91	6367	88.3	87			
2900	1.57	63.9	5176	83.7	91.6	6398	88.6	86.8			
3000	1.5	61.78	5197	84.9	90.3	6430	88.9	87.2			
3100	1.5	57.98	5208	84.3	90.3	6461	88.8	88.1			
3200	1.45	59.05	5239	83.3	91.6	6493	88.3	89.5			
3300	1.4	59.61	5271	83.4	91.7	6525	88.5	89.5			
3400	1.15	57.25	5309	83.7	92.1	6555	88.6	88.6			
3500	0.98	51.37	5352	87.9	89.3	6587	89.2	89.3			
3600	0.98	52.46	5425	90.3	87.3	6622	89.9	89.3			
3700	0.85	46.93	5455	90.8	88.2	6650	89.9	89.3			
3800	0.89	39.28	5487	90.7	88.1						

3-1/2" 9.3# P-110 LINER LANDED @ MD 6,700'
 TVD @ 4,889'
 TMD @ 750'
 XDCZ 05/23/2018

LEASEWELL:
SURF LOCATION:
PERFORMER STATE #1

66' PNL & 2.46' FEL
59' PNL & 3.67' FEL
B-SEC 10-1725-828E

EDDY COUNTY, NEW MEXICO

WILLOW LAKE, DELAWARE SW

30-015-5312

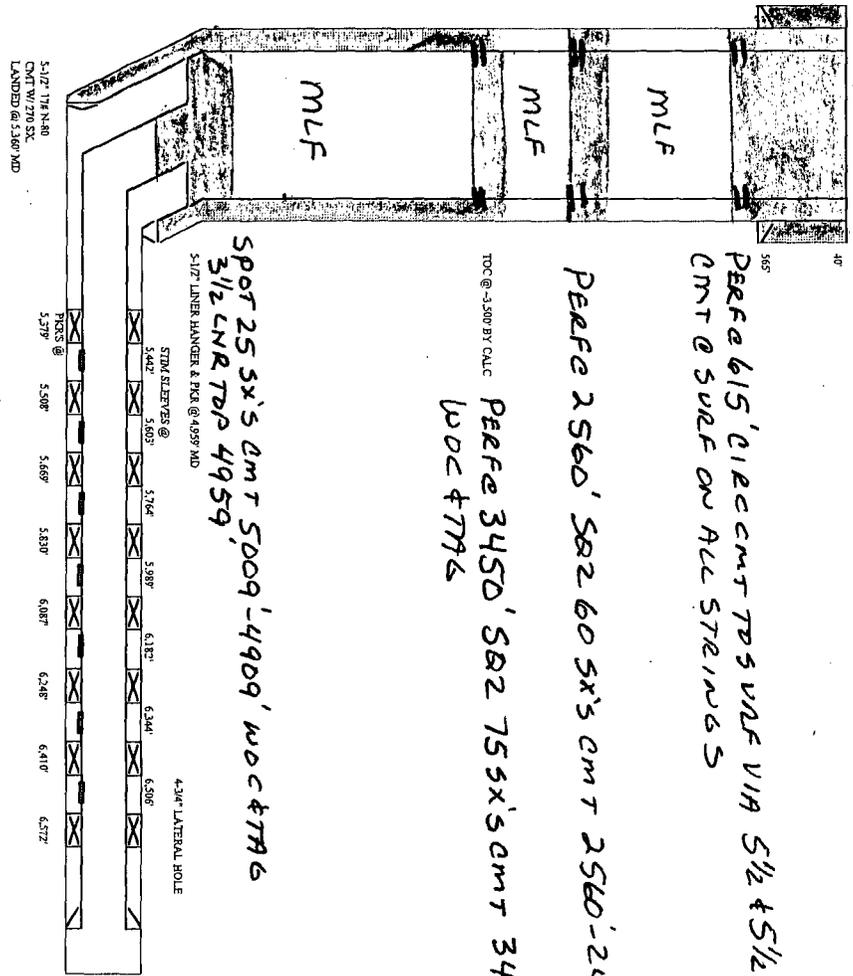
AFTER P4A

GR 2971
FB
CORR
SPUNDED
COMPLETED
L&T
LOG

6442002
7112200
12242010
SOUTHWESTERN ENERGY PRODUCTION COMPANY
INSTALL 3-1/2" LINER AND FRAC
21.150053
104.074934

2 1/2" CONDUCTOR
CMT W/ 9 SX READY MIX
12 3/4" HOLE
2 1/2" HOLE
B 3/8" 40# C/S
CMT W/ 3M SX, CMC

7 1/8" HOLE



3 1/2" 4 3/4" P.1.0 LINER LANDED @ MD 6700
TDP @ 6750
TDP @ 6750

CONDITIONS FOR PLUGGING AND ABANDONMENT

District II / Artesia N.M.

The following is a guide or checklist in preparation of a plugging program, this is not all inclusive and care must be exercised in establishing special plugging programs in unique and unusual cases, **Notify NMOCD District Office II at (575)-748-1283 at least 24 hours before beginning work.**

1. A notice of intent to plug and abandon a wellbore is required to be approved before plugging operations are conducted. A cement evaluation tool is required in order to ensure isolation of producing formations, protection of water and correlative rights. A cement bond log or other accepted cement evaluation tool is to be provided to the division for evaluation if one has not been previously run or if the well did not have cement circulated to surface during the original casing cementing job or subsequent cementing jobs.
2. Closed loop system is to be used for entire plugging operation. Upon completion, contents of steel pits are to be hauled to a permitted disposal location.
3. Trucking companies being used to haul oilfield waste fluids to a disposal – commercial or private – shall have an approved NMOCD C-133 permit. A copy of this permit shall be available in each truck used to haul waste products. It is the responsibility of the operator as well as the contractor, to verify that this permit is in place prior to performing work. Drivers shall be able to produce a copy upon request of an NMOCD Field inspector.
4. Filing a subsequent C-103 will serve as notification that the well has been plugged.
5. A final C-103 shall be filed (and a site inspection by NMOCD Inspector to determine if the location is satisfactorily cleaned, all equipment, electric poles and trash has been removed to Meet NMOCD standards) before bonding can be released.
6. If the well is not plugged within 1
7. If work has not begun within 1 Year of the approval of this procedure, an extension request must be file stating the reason the well has not been plugged.
8. **Squeeze pressures are not to exceed 500 psi, unless approval is given by NMOCD.**
9. Produced water **will not** be used during any part of the plugging operation.
10. Mud laden fluids must be placed between all cement plugs mixed at 25 sacks per 100 bbls of water.
11. All cement plugs will be a minimum of 100' in length or a minimum of 25 sacks of cement, whichever is greater. 50' of calculated cement excess required for inside casing plugs and 100% calculated cement excess required on outside casing plugs.
12. **Class 'C' cement will be used above 7500 feet.**
13. **Class 'H' cement will be used below 7500 feet.**
14. **A cement plug is required to be set 50' above and 50' below, casing stubs, DV tools, attempted casing cut offs, cement tops outside casing, salt sections and anywhere the casing is perforated, these plugs require a 4 hour WOC and then will be tagged**
15. **All Casing Shoes Will Be Perforated 50' below shoe depth and Attempted to be Squeezed, cement needs to be 50' above and 50' Below Casing Shoe inside the Production Casing**

16. When setting the top out cement plug in production, intermediate and surface casing, wellbores should remain full at least 30 minutes after plugs are set
17. **A CIBP is to be set within 100' of production perforations, capped with 100' of cement, WOC 4 hours and tag.**
18. A CIBP with 35' of cement may be used in lieu of the 100' plug if set with a bailer. This plug will be placed within 100' of the top perforation, **(WOC 4 hrs and tag).**
19. **No more than 3000' is allowed between cement plugs in cased hole and 2000' in open hole.**
20. Some of the Formations to be isolated with cement plugs are: These plugs to be set to isolate formation tops
 - A) Fusselman
 - B) Devonian
 - C) Morrow
 - D) Wolfcamp
 - E) Bone Springs
 - F) Delaware
 - G) Any salt sections
 - H) Abo
 - I) Glorieta
 - J) Yates.
 - K) **Potash---** (In the R-111-P Area (Potash Mine Area), a solid cement plug must be set across the salt section. Fluid used to mix the cement shall be saturated with the salts that are common to the section penetrated and in suitable proportions, not more than 3% calcium chloride (by weight of cement) will be considered the desired mixture whenever possible, **WOC 4 hours and tag, this plug will be 50' below the bottom and 50' above the top of the Formation.**
21. **If cement does not exist behind casing strings at recommended formation depths, the casing can be cut and pulled with plugs set at recommended depths. If casing is not pulled, perforations will be shot and cement squeezed behind casing, WOC and tagged. These plugs will be set 50' below formation bottom to 50' above formation top inside the casing**

DRY HOLE MARKER REQUIREMENTS

The operator shall mark the exact location of the plugged and abandoned well with a steel marker not less than four inches in diameter, 3' below ground level with a plate of at least ¼" welded to the top of the casing and the dry hole marker welded on the plate with the following information welded on the dry hole marker:

1. Operator name 2. Lease and Well Number 3.API Number 4. Unit Letter 5. Quarter Section (feet from the North, South, East or West) 6. Section, Township and Range 7. Plugging Date 8. County (SPECIAL CASES)-----AGRICULTURE OR PRARIE CHICKEN BREEDING AREAS

In these areas, a below ground marker is required with all pertinent information mentioned above on a plate, set 3' below ground level, a picture of the plate will be supplied to NMOCD for record, the exact location of the marker (longitude and latitude by GPS) will be provided to NMOCD (We typically require a current survey to verify the GPS)