

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

RECEIVED State of New Mexico
 Energy, Minerals and Natural Resources
OCT 16 2018
 OIL CONSERVATION DIVISION
 DISTRICT II-ARTESIA
 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. 30-015-23998
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		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. 648
3. Address of Operator 5847 San Felipe Ste 3000 Houston Texas 77057		7. Lease Name or Unit Agreement Name Millman SB State Com
4. Well Location Unit Letter <u>G: 1,980</u> feet from the <u>North</u> line and <u>1980</u> feet from the <u>East</u> line Section <u>16</u> Township <u>19S</u> Range <u>28E</u> NMPM <u>Eddy</u> County		8. Well Number 1
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,479 GR		9. OGRID Number 258350
		10. Pool name or Wildcat South Millman (Morrow)

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 type="checkbox"/> TEMPORARILY ABANDON <input checked="" type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> DOWNHOLE COMMINGLE <input type="checkbox"/> CLOSED-LOOP SYSTEM <input type="checkbox"/> OTHER: <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"/>	
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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 any work done.

1. Notify NMOCD 24 hrs before rigging up.
2. MIRU WS. LD production equipment.
3. RU WL. Set CIBP at 10,751' (top perf 10,801'). Cap with 35ft of cement.
4. Fill casing with treated water and pressure test casing to 500 psig for thirty minutes. Record pressure chart. Open all casing valves (bradenhead and intermediate) during the internal pressure tests and report a flow or pressure change occurring immediately before, during or immediately after the 30 minute pressure test.
5. RD WS & WL
6. File subsequent C103 complete with chart.

TA status may be granted after a successful MIT test is performed. Contact the OCD to schedule the test so it may be witnessed.

Spud Date:

Rig Release Date:

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

SIGNATURE [Signature] TITLE Permian District Superintendent DATE 10/15/2018

Type or print name C.M. "Marty" Bloodworth, P.E. E-mail address: mbloodworth@vnrenergy.com PHONE: 432-770-9738

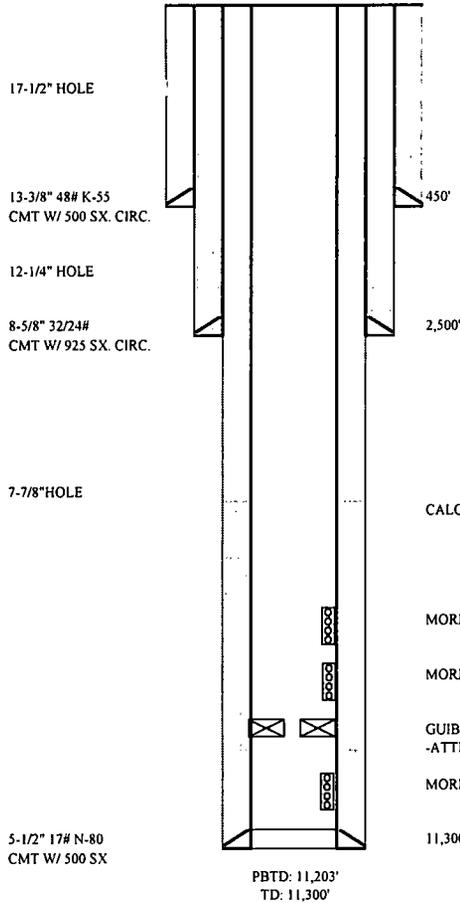
For State Use Only

APPROVED BY: [Signature] TITLE Staff Mgr DATE 10-16-18
 Conditions of Approval (if any):

LEASE/WELL: MILLMAN SB STATE COM #1
 LOCATION 1,980' FNL & 1,980' FEL
 C-16-T19S-R28E
 CO/ST: EDDY COUNTY, NEW MEXICO
 FIELD: SOUTH MILLMAN (MORROW)
 API NO. 30-015-23998

GR 3479
 SPUDDED 12/12/1981
 COMPLETED 1/27/1982
 LAT (27) 32.6624260
 LONG(27) -104.1790619

DEVIATION SURVEY DATA	
MD (ft)	Inclination (deg)
450	1
938	0.5
1307	0.5
1750	0.75
2250	0.5
2500	0.75
2658	0.5
3158	0.75
3657	0.75
4157	0.5
4627	0.75
5126	2
5202	2
5315	2
5410	2
5533	2
5659	2
5786	2
5868	1.75
6194	2
6349	2
6471	2
6682	1.5
6901	1
7304	2
7491	1.75
7706	1.5
7802	1.5
8174	1
8550	0.75
9550	1.25
10225	1.25
10825	0.75
11300	1.75



FORMATION TOPS PER C-105

YATES	691
7 RIVERS	989
BOWERS	1407
QUEEN	1578
GRAYBURG	1927
LOCO HILLS	2027
SAN ANDRES	2351
BONE SPRINGS	3146
3RD BONE SPRINGS	8196
WOLFCAMP	8659
STRAWN	9630
LOWER STRAWN MARKER	9904
ATOKA	10201
MORROW CLASTICS	10712
LOWER MORROW	10872
AUSTIN CHALK	11129

CALC TOC @ 7,491'

MORROW PERFS: 10,801-10,812' (44 HOLES)

MORROW PERFS: 10,919-10,940' (80 HOLES)

GUIBERSON L PKR W/ 1.81" ON/OFF TOOL @ 11,036'
 -ATTEMPTED TO FISH 08/1999, COULD NOT RELEASE

MORROW PERFS 11,073-11,083' (40 HOLES)

11,300'

KDZ 10-04-2018