

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

HOBBS OCD

JUL 11 2017

RECEIVED

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

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.

5. Lease Serial No.
LC-061446

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

7. If Unit of CA/Agreement, Name and/or No.

1. Type of Well

Oil Well Gas Well Other

8. Well Name and No.
Please see well list below

2. Name of Operator
Vanguard Operating, LLC

9. API Well No.
Please see well list below

3a. Address
5847 San Felipe, Suite 3000 Houston, TX 77056

3b. Phone No. (include area code)
832-377-2206

10. Field and Pool or Exploratory Area
Please see well list below

4. Location of Well (Footage, Sec., T., R., M. or Survey Description)
Please see well list below

11. Country or Parish, State
Lea County, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|--|---|---|--|---|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other <u>Change of Operator</u> |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Vanguard Operating, LLC became the operator of the subject wells effective May 1, 2015. Vanguard Permian, LLC merged with Vanguard Operating, LLC who will be the new operator, owner of record for the associated leases. Vanguard Operating, LLC accepts all applicable terms, conditions, stipulations and restrictions concerning operations conducted on this lease or portion of lease described.

Bond Coverage: BLM Nationwide Bond No COB000385.

Well List:

Penrose No.002, API: 30-025-10146, Field: Eunice San Andres SW, Location: E-9-22S-37E, 2086' FNL and 776' FWL
 Penrose No. 003, API: 30-025-10147, Field: Brunson (Fusselman), Location: E-9-22S-37E, 1874' FNL and 766' FWL
 Penrose No. 004, API: 30-025-10148, Field: Drinkard/Paddock, Location: E-9-22S-37E, 2310 FNL and 330' FWL
 Penrose No. 6, API: 30-025-38260, Field: Undesignated, Location: Section 9, T22S-R37E-NM, 1760' FNL and 330' FWL

NM OIL CONSERVATION
ARTESIA DISTRICT
MAY 19 2017

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14. I hereby certify that the foregoing is true and correct.

Name (Printed/Typed)
Douglas B. Pence

Title Executive Vice President, Operations, Vanguard Operating, LLC

Signature

Date

07/07/2015

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

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