

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
June 19, 2008

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

WELL API NO. 30-005-63654
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Barnard 3B
8. Well Number #1
9. OGRID Number 263940
10. Pool name or Wildcat Wildcat

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.)	
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	
2. Name of Operator Sovereign Eagle, LLC	
3. Address of Operator PO Box 968, Roswell NM 88202-0968	
4. Well Location Unit Letter <u>B</u> : <u>660'</u> feet from the <u>North</u> line and <u>1980'</u> feet from the <u>East</u> line Section <u>3</u> Township <u>3S</u> Range <u>29E</u> NMPM County <u>Chaves</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4354' GR	

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"/> OTHER: <input type="checkbox"/>	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING <input type="checkbox"/> R AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> OTHER: <input type="checkbox"/>
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Notify OCD 24 hrs. prior
to any work done.

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

- 1) MI & RU. NU BOP. Latch on to tbg. Release Pkr @ 810'. TOH w/ tools.
- 2) CIBP @ 3256' w/ 35 sx cement on top. Covers Glorieta perfs 3266'-3292' (24 holes) - (06/07/04)
- 3) CIBP @ 3175' w/ 35 sx cement on top. Covers San Andres perfs 3205'-3220' (20 holes) - (06/09/04)
- 4) CIBP @ 3100' w/ 35 sx cement on top. Covers San Andres perfs 3117'-3121' (6 holes) - (06/11/04)
- 5) Set CIBP @ 2930' w/ 35 sx cement on top. Cover San Andres perf's 2951'-3001'.
- 6) Break circ. Tag up @ approx. 2900'. Set cement plug to 1300'. Cover lower Queen and gates. WOC.
- 7) Tag TOC @ approx. 1300'. Set cement plug to 300'. WOC. Tag TOC. Set CIBP @ approx. 300'. Land owner will take over well bore for waterwell.
- 8) Location to be leveled and anchors cut off for land owner.

Spud Date: 04/28/04

Rig Release Date: 05/15/04

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

SIGNATURE Frank S. Morgan TITLE Manager of Operations DATE 01/05/10

Type or print name Frank S. Morgan E-mail address: fmorgan@stratanm.com PHONE: 575-622-1127
For State Use Only

APPROVED BY: [Signature] TITLE Approval Granted providing work is complete by 3/19/09 DATE 1/19/2010
Conditions of Approval (if any):