

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

HOBBSD

Energy, Minerals and Natural Resources

DEC 26 2014

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.  
Santa Fe, NM 87505

RECEIVED

Form C-103

Revised July 18, 2013

|   |  |  |
|---|--|--|
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br>(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.<br>30-041-20965   |
| 1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/>   |  | 5. Indicate Type of Lease<br>STATE <input checked="" type="checkbox"/> FEE <input checked="" type="checkbox"/> |
| 2. Name of Operator<br>SOVEREIGN EAGLE LLC  |  | 6. State Oil & Gas Lease No.   |
| 3. Address of Operator<br>PO BOX 1030 ROSWELL NM 88202  |  | 7. Lease Name or Unit Agreement Name<br>STOLTENBERG  |
| 4. Well Location<br>Unit Letter <u>F</u> : <u>1650</u> feet from the <u>NORTH</u> line and <u>2260</u> feet from the <u>WEST</u> line<br>Section <u>26</u> Township <u>2S</u> Range <u>29E</u> NMPM <u>ROOSEVELT</u> County |  | 8. Well Number<br>#2   |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.)<br>4394'   |  | 9. OGRID Number<br>263940  |
|   |  | 10. Pool name or Wildcat<br>TULE MONTOYA/PENN  |

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐  
DOWNHOLE COMMINGLE ☐  
CLOSED-LOOP SYSTEM ☐  
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☒  
OTHER: ☐

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.

11-09-2014: Moved in Silver Oak rig and drilled 17 1/2" surface hole to 375'. Ran 13 3/8" 48# H-40 ST&C casing to 375'. Cemented 350 sx cement and circulated 155 sx to surface.

11-13-2014: Drilled 12 1/4" intermediate hole to 2410' and ran 8 5/8" 24# J-55 LT&C casing to 2410'. Cemented 800 sx lead, 200 sx tail. Circulated 150 sx to surface.

11-27-2014: Drilled 7 7/8" production hole to 7360' and ran 5 1/2" 17# J-55 LTC to 7349'. Cemented 1st stage 540 sx lead, 300 sx tail and did not circulate. Cemented 2nd stage 465 sx lead, 100 sx tail and circulated 10 sx to surface.

Spud Date:

11-09-2014

Rig Release Date:

12-11-2014

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

SIGNATURE

*Paul Ragsdale*

Type or print name

Paul Ragsdale

TITLE Operations Manager

DATE 12/23/2014

E-mail address: pragsdale@stratanm.com

PHONE: 575-626-7903

For State Use Only

APPROVED BY:

*[Signature]*

TITLE Petroleum Engineer

DATE 12/29/14

E-PERMITTING

P&A NR

P&A R

INT to P&A

CSNG MB

CHG Loc

TA

*\* NEED TO REPORT DEPT  
STAGE TOOL SET @*

DEC 29 2014