

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOCD

Hobbs

HOBBS OCD

JUL 21 2017

RECEIVED

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018**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.

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. FEE
2. Name of Operator SOVEREIGN EAGLE LLC		6. If Indian, Allottee or Tribe Name
Contact: GRACE CHARBONEAU E-Mail: GRACE@STRATANM.COM		7. If Unit or CA/Agreement, Name and/or No. NMNM82102
3a. Address P.O. BOX 968 ROSWELL, NM 88202	3b. Phone No. (include area code) Ph: 575-622-1127 Ext: 20 Fx: 575-623-3533	8. Well Name and No. MORRISON 1
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 22 T2S R29E NENE 740FNL 990FEL		9. API Well No. 30-041-20846-00-S1
		10. Field and Pool or Exploratory Area TULE-PENN
		11. County or Parish, State ROOSEVELT 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"/> Hydraulic Fracturing	<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
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	ShutIn Notice
	<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 recomple 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.

THIS IS A REQUEST TO KEEP THE MORRISON #001 SHUT IN FOR AN ADDITIONAL YEAR OR UNTIL TRANSWESTERN PIPELINE CAN CONTINUOUSLY ACCEPT GAS. THIS WELL IS CAPABLE OF PRODUCING IN PAYING QUANTITIES (CUM => 620-045 MCF, 2015 => 11,539 MCF) BUT IS CURRENTLY SHUT IN BECAUSE THE GAS CONTAINS HIGH NITROGEN CONTENT AND TRANSWESTERN DOES NOT HAVE ENOUGH GAS FLOWING ON ITS PANHANDLE LATERAL TO "BLEND DOWN" THE GAS TO ACCEPTABLE LEVELS. IT IS ALSO UNECONOMIC AT CURRENT LOW GAS PRICES TO PROCESS TO REMOVE THE NITROGEN.

IT IS POSSIBLE TO PRODUCE THE WELL AND RECOVER THE CONDENSATE AND WATER BUT THE GAS WOULD HAVE TO BE VENTED OR FLARED. IN ORDER TO COMPLY WITH THE NO FLARING RULES AND PREVENT WASTE, WE REQUEST THAT THE WELL REMAIN SHUT IN.

14. I hereby certify that the foregoing is true and correct. Electronic Submission #381511 verified by the BLM Well Information System For SOVEREIGN EAGLE LLC, sent to the Roswell Committed to AFMSS for processing by DAVID GLASS on 07/17/2017 (17DRG0235SE)	
Name (Printed/Typed) PAUL RAGSDALE	Title OPERATIONS MANAGER
Signature (Electronic Submission)	Date 07/17/2017

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

ACCEPTED FOR RECORD		
Approved By DAVID R. GLASS	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 45 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)

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

Accepted for Record Only

NMOCD 7/24/2017