

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) 476-3400
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised July 18, 2013

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

WELL API NO. 30-041-20846
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 MORRISON
8. Well Number 001
9. OGRID Number 263940
10. Pool name or Wildcat TULE-PENN GAS
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4339 GL

SUNDY 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 checked="" type="checkbox"/> Other
2. Name of Operator SOVEREIGN EAGLE
3. Address of Operator PO BOX 968, ROSWELL NM 88202
4. Well Location Unit Letter A: 750 feet from the N line and 990 feet from the E line Section 22 Township 2S Range 29E NMPM ROOSEVELT County
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4339 GL

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.

THIS IS A REQUEST TO KEEP THE MORRISON #001 SHUT IN FOR AN ADDITIONAL YEAR OR UNTIL TRANSWESTERN PIPELINE CAN CONTINUOUSLY ACCEPT THE 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 N2 CONTENT AND TRANSWESTERN DOES NOT HAVE SUFFICIENT GAS FLOWING ON THE PANHANDLE LATERAL TO BLEND THE GAS TO ACCEPTABLE LEVELS. IT IS UNECONOMIC TO PROCESS THE GAS TO REMOVE THE NITROGEN.

IN ORDER TO COMPLY WITH NO FLARING RULES AND TO PREVENT WASTE, WE REQUEST THAT WELL REMAIN SHUT IN.

WELL SHUT IN ON DECEMBER 23, 2015

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 Paul Ragdale TITLE OPERATIONS MANAGER DATE 05/14/2017

Type or print name PAUL RAGSDALE E-mail address: pragsdale@stratanm.com PHONE: 575-622-1127

For State Use Only

APPROVED BY: Accepted for Record Only DATE 6/7/2017

Conditions of Approval (if any):