

SOVEREIGN EAGLE, LLC

P.O. BOX 968

ROSWELL, NM 88202-0968

575-623-1957 TEL

575-623-3533 FAX

RECEIVED

2009 MAY 6 AM 11 56

May 5, 2009

SENT VIA FEDERAL EXPRESS

State of New Mexico

Oil Conservation Division

Attn: William Jones

1220 South St. Francis DR.

Santa Fe, NM 87505

(263940)

No-C103

RE: Filing C-103 for Sovereign Eagle, LLC

Application for Downhole Commingling amendment

J.T. McGee #1

Roosevelt County, NM

30-041-20813

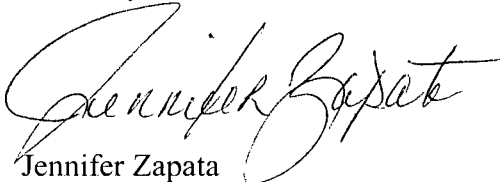
Dear Examiner,

G

The J.T. McGee #1 is a producing gas well in Roosevelt County, New Mexico. This well is producing from the Montoya and Pennsylvania formations. Due to a recompletion of this well the allocation percentage from the Montoya and Pennsylvania formations has changed.

Should you have any questions feel free to call Jennifer Zapata @ (575) 622-1127 or e-mail @ jzapata@stratanm.com. Thank you for your attention to this matter.

Sincerely,



Jennifer Zapata
Production Analyst

March 115

Montoya 651

Perm, 205

856-201.11
856-801.11

C-145 - Hobbs - 1-1-09

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
May 27, 2004

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

WELL API NO. 30-041-20813
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.

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.)		7. Lease Name or Unit Agreement Name J.T. MCGEE
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		8. Well Number 001
2. Name of Operator SOVEREIGN EAGLE, LLC		9. OGRID Number 263940
3. Address of Operator P.O. BOX 968, ROSWELL, NM 88202-0968		10. Pool name or Wildcat MONTOKA; PENN
4. Well Location Unit Letter <u>B</u> : <u>990'</u> feet from the <u>FNL</u> line and <u>1080'</u> feet from the <u>FEL</u> line Section <u>27</u> Township <u>2S</u> Range <u>29E</u> NMPM County <u>ROOSEVELT</u>		
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____		
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____		

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 ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

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

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.

SOVEREIGN EAGLE, LLC WOULD LIKE TO CHANGE THE ALLOCATION % ON OUR COMMINGLING ADMINISTRATIVE ORDER DHC-2634 FROM:

TULE-PENNSYLVANIAN GAS POOL (86443) = 24% TO THE NEW AMOUNT OF 80%

TULE-MONTOKA GAS POOL (86442) = 76% TO THE NEW AMOUNT OF 20%

THE NEW ALLOCATION PERCENTAGE WILL BE EFFECTIVE IMMEDIATELY. THE REASON FOR THE CHANGE IS A RECOMPLETION AND NEW PENN ZONES WERE OPENED.

Asked Miss Zapata to Fax Recompl. data.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Jennifer Zapata TITLE PRODUCTION ANALYST DATE 05/05/09

Type or print name JENNIFER ZAPATA E-mail address: jzapata@stratanm.com Telephone No. (575) 622-1127

For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____

Conditions of Approval (if any):

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

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

Form C-103
 June 19, 2008

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.)		WELL API NO. 30-041-20813
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator SOVEREIGN EAGLE, LLC		6. State Oil & Gas Lease No.
3. Address of Operator PO BOX 968, ROSWELL, NM 88202-0968		7. Lease Name or Unit Agreement Name MCGEE
4. Well Location Unit Letter <u>B</u> : <u>900</u> feet from the <u>NORTH</u> line and <u>1980</u> feet from the <u>EAST</u> line Section <u>27</u> Township <u>2S</u> Range <u>29E</u> NMPM ROOSEVELT County NM		8. Well Number 001
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		9. OGRID Number 263940
10. Pool name or Wildcat 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 ☐

SUBSEQUENT REPORT OF:

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

OTHER: ☐

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

3/11/09- RU TOH W/ PRODUCTION STRING. RU. REVERSE UNIT. TIH W/ TOOL'S.
 3/12-17/09- DRLG OUT PERMANENT PKR @ 7037'. CIRC HOLE CLEAN. TOH & LAY DOWN TOOL'S.
 3/18/09- TIH W/ SCRAPER. CIRC. HOLE. RU WIRELINE. TIH W/ GUNS. PERF. PENN "D" 6986-98' (8 HOLES)
 PERF PENN "A" 6921-58' (6 HOLES). PERF "COAL" 6851-56' (5 HOLES). TOH W/ GUNS.
 3/19/09- ACIDIZE PERFS W/ 3000 GAL 7 1/2% NEFE. TOH W/ PPI TOOLS.
 3/20/09- TIH W/ PRODUCTION STRING. PUT ON PUMP.
 3/21/09- RD. PUMPING...

Spud Date:

03/18/87

Rig Release Date:

04/16/87

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

SIGNATURE Jennifer Zapata TITLE PRODUCTION ANALYST DATE 04-16-09

Type or print name JENNIFER ZAPATA E-mail address: jzapata@stratanm.com PHONE: 575-622-1127
 For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____