

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

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. 30-015-35443
1. Type of Well: Oil Well ☒ Gas Well ☐ Other ☐		5. Indicate Type of Lease STATE ☒ FEE ☐
2. Name of Operator Southwestern Energy Production Company		6 State Oil & Gas Lease No VB10650000
3. Address of Operator 2350 N Sam Houston Parkway E Houston, TX 77032		7. Lease Name or Unit Agreement Name Pickett Draw 16
4. Well Location Unit Letter <u>H</u> : <u>2600</u> feet from the <u>North</u> line and <u>530</u> feet from the <u>East</u> line Section <u>16</u> Township <u>25S</u> Range <u>29E</u> NMPM County <u>Eddy</u>		8 Well Number 1H
11 Elevation (Show whether DR, RKB, RT, GR, etc) 3005		9. OGRID Number 148111
Pit or Below-grade Tank Application ☐ or Closure ☐		10. Pool name or Wildcat West Corral Canyon Delaware (13365)
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:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☐	ALTERING CASING ☐
TEMPORARILY ABANDON ☐	CHANGE PLANS ☒	COMMENCE DRILLING OPNS. ☐	P AND A ☐
PULL OR ALTER CASING ☐	MULTIPLE COMPL ☐	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.

An 8-3/4" pilot hole has been drilled to 5750' MD and wireline logs ran.

1. RIH with pipe to 5550' MD. Mix and spot a 120 sxs Class H 16 4 ppg cement plug from 5550' - 5,300' MD.
2. Spot a 400' plug from 5220' - 4,820' MD. Mix and pump a 340 sx Class H 17.5 ppg cement plug.
3. Dress off plug to 4,600' MD.
4. Pick up directional tools and kick off well to drill horizontal well (Directional Plan attached)

All conditions of Administrative Order NSL-5567 will be adhered to. The well will be completed as a cased hole with all perforations in the lateral shaft of the horizontal well being within the producing area.

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 ☐.

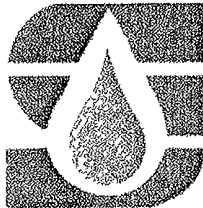
SIGNATURE Alan Grimsley TITLE Sr. Staff Drilling Engineer DATE 08/22/2007

Type or print name Alan Grimsley E-mail address: Alan_grimsley@swn.com Telephone No. 281-618-4887
For State Use Only

APPROVED BY: BRYAN G. ARANT TITLE DISTRICT II GEOLOGIST DATE AUG 22 2007
Conditions of Approval (if any):

SOUTHWESTERN ENERGY COMPANY

Field: Eddy County, NM
 Site: Pickett Draw 16 #1H
 Well: #1H
 Wellpath: Original Hole
 Plan: Plan #2 proj

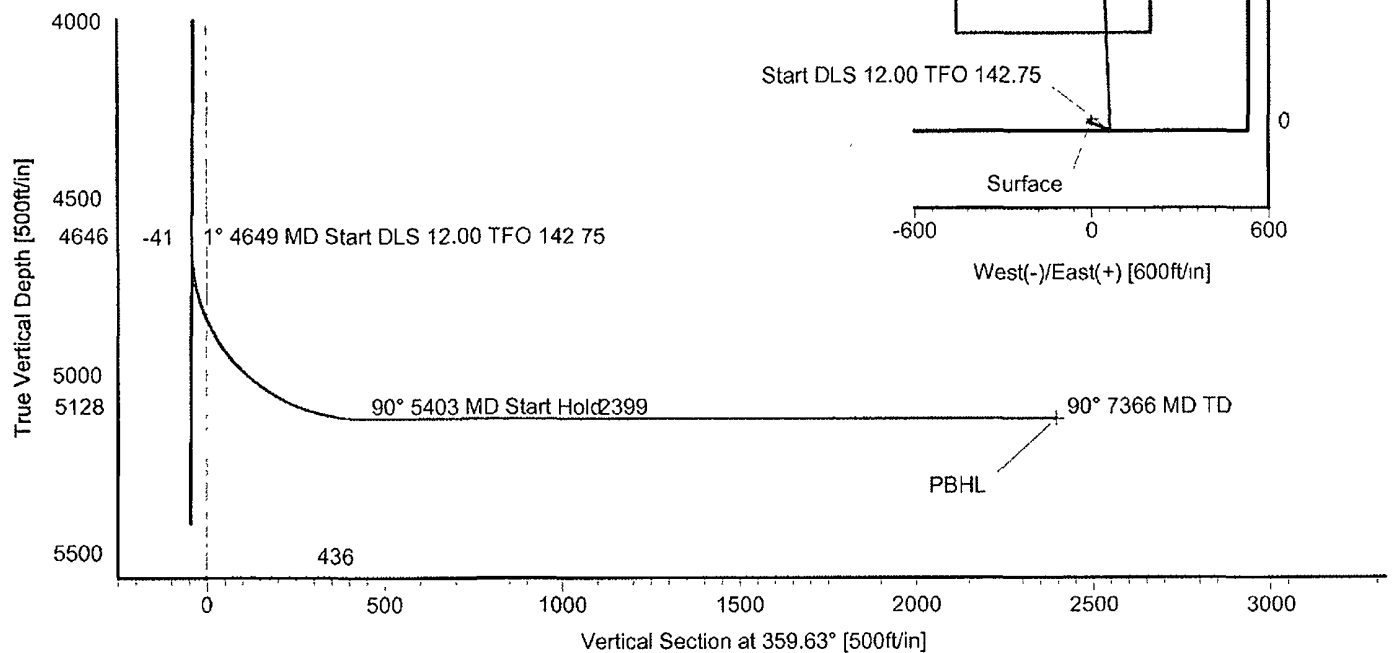


Azimuths to Grid North
 True North: -0 19°
 Magnetic North: 8.02°

Magnetic Field
 Strength: 48943nT
 Dip Angle: 60 13°
 Date: 08/13/2007
 Model: igrf2005

Section and Hardlines
 Estimated by Strata Directional

NSL In Effect



TARGET DETAILS

Name	TVD	+N/-S	+E/-W	Northing	Easting	Shape
Surface	0.00	0.00	0.00	411216.30	608723.00	Point
PBHL	5127.66	2399.30	-15.30	413615.60	608707.70	Point

SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	4648.61	0.59	215.45	4646.29	-40.53	63.96	0.00	0.00	-40.95	
2	5402.55	90.00	358.21	5127.68	436.59	46.03	12.00	142.75	436.29	
3	7366.21	90.00	358.21	5127.66	2399.30	-15.30	0.00	0.00	2399.35	PBHL

STRATA
 DIRECTIONAL TECHNOLOGY, INC.

STRATA DIRECTIONAL TECHNOLOGY, INC.
 1034 Regional Park Drive Houston, Texas 77060
 Phone: 713-934-9600 Fax: 713-934-9067

Plan: Plan #2 proj (#1H/Original Hole)
 Created By: Mekka Williams Date: 08/22/2007
 Checked: _____ Date: _____

Strata Directional Technology, Inc.

Planning Report

Company: SOUTHWESTERN ENERGY COMPANY
Field: Eddy County, NM
Site: Pickett Draw 16 #1H
Well: #1H
Wellpath: Original Hole

Date: 08/22/2007
Co-ordinate(NE) Reference: Well #1H, Grid North
Vertical (TVD) Reference: Est. 3005'GL+16'KB 3021.0
Section (VS) Reference: Well (0.00N,0.00E,359.63Azi)
Plan: Plan #2 proj

Page: 1

Field: Eddy County, NM

Map System: US State Plane Coordinate System 1927
Geo Datum: NAD27 (Clarke 1866)
Sys Datum: Mean Sea Level

Map Zone: New Mexico, Eastern Zone
Coordinate System: Well Centre
Geomagnetic Model: igrf2005

Site: Pickett Draw 16 #1H

Site Position:
From: Map
Position Uncertainty: 0.00 ft
Ground Level: 0.00 ft

Northing: 411216.30 ft
Easting: 608723.00 ft

Latitude: 32 7 48.227 N
Longitude: 103 58 55.604 W
North Reference: Grid
Grid Convergence: 0 19 deg

Well: #1H

Slot Name:

Well Position: +N/-S 0.00 ft
 +E/-W 0.00 ft
Position Uncertainty: 0.00 ft

Northing: 411216.30 ft
Easting: 608723.00 ft

Latitude: 32 7 48.227 N
Longitude: 103 58 55.604 W

Wellpath: Original Hole

Current Datum: Est. 3005'GL+16'KB
Magnetic Data: 08/13/2007
Field Strength: 48943 nT
Vertical Section: Depth From (TVD)
 ft
 0.00

Height 3021.00 ft
 +N/-S
 ft
 0.00

Drilled From: Surface
Tie-on Depth: 0.00 ft
Above System Datum: Mean Sea Level
Declination: 8 21 deg
Mag Dip Angle: 60 13 deg
 +E/-W
 ft
 0.00

Direction
 deg
 359.63

Plan: Plan #2 proj
 proj from teledrift with new Tgt TVD
Principal: No

Date Composed: 08/22/2007
Version: 1
Tied-to: From: Definitive Path

Plan Section Information

MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	TFO deg	Target
4648.61	0.59	215.45	4646.29	-40.53	63.96	0.00	0.00	0.00	0.00	
5402.55	90.00	358.21	5127.68	436.59	46.03	12.00	11.86	18.93	142.75	
7366.21	90.00	358.21	5127.66	2399.30	-15.30	0.00	0.00	0.00	0.00	PBHL

Survey

MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	VS ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	Tool/Comment
4648.61	0.59	215.45	4646.29	-40.53	63.96	-40.95	0.00	0.00	0.00	
4650.00	0.47	227.83	4647.68	-40.54	63.95	-40.96	12.00	-8.76	890.63	
4675.00	2.72	350.63	4672.68	-40.03	63.78	-40.44	12.00	8.99	491.20	
4700.00	5.71	354.62	4697.61	-38.21	63.57	-38.62	12.00	11.95	15.94	
4725.00	8.70	355.87	4722.41	-35.08	63.31	-35.49	12.00	11.98	4.99	
4750.00	11.70	356.48	4747.01	-30.66	63.02	-31.07	12.00	11.99	2.45	
4775.00	14.70	356.84	4771.34	-24.97	62.69	-25.37	12.00	12.00	1.46	
4800.00	17.70	357.09	4795.35	-18.00	62.32	-18.40	12.00	12.00	0.97	
4825.00	20.70	357.26	4818.96	-9.79	61.92	-10.19	12.00	12.00	0.70	
4850.00	23.70	357.39	4842.10	-0.36	61.48	-0.75	12.00	12.00	0.53	
4875.00	26.70	357.50	4864.72	10.27	61.00	9.88	12.00	12.00	0.42	
4900.00	29.70	357.58	4886.75	22.07	60.50	21.68	12.00	12.00	0.34	
4925.00	32.70	357.65	4908.13	35.01	59.96	34.62	12.00	12.00	0.28	
4950.00	35.70	357.71	4928.81	49.05	59.39	48.66	12.00	12.00	0.24	
4975.00	38.70	357.76	4948.72	64.15	58.79	63.77	12.00	12.00	0.21	
5000.00	41.70	357.81	4967.81	80.27	58.17	79.89	12.00	12.00	0.18	
5025.00	44.70	357.85	4986.04	97.37	57.52	97.00	12.00	12.00	0.16	
5050.00	47.70	357.88	5003.34	115.40	56.85	115.03	12.00	12.00	0.14	

Strata Directional Technology, Inc.

Planning Report

Company: SOUTHWESTERN ENERGY COMPANY
 Field: Eddy County, NM
 Site: Pickett Draw 16 #1H
 Well: #1H
 Wellpath: Original Hole

Date: 08/22/2007
 Co-ordinate(N/E) Reference: Well: #1H, Gnd North
 Vertical (TVD) Reference: Est 3005'GL+16'KB 3021.0
 Section (VS) Reference: Well (0 00N,0.00E,359 63Azi)
 Plan: Plan #2 proj

Page: 2

Survey

MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	VS ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	Tool/Comment
5075.00	50.70	357.92	5019.67	134.31	56.16	133.94	12.00	12.00	0.13	
5100.00	53.70	357.95	5035.00	154.04	55.44	153.68	12.00	12.00	0.12	
5125.00	56.70	357.97	5049.26	174.56	54.71	174.20	12.00	12.00	0.11	
5150.00	59.70	358.00	5062.44	195.79	53.97	195.43	12.00	12.00	0.10	
5175.00	62.70	358.02	5074.48	217.68	53.21	217.33	12.00	12.00	0.10	
5200.00	65.70	358.05	5085.36	240.17	52.44	239.83	12.00	12.00	0.09	
5225.00	68.70	358.07	5095.05	263.20	51.66	262.86	12.00	12.00	0.09	
5250.00	71.70	358.09	5103.52	286.70	50.87	286.37	12.00	12.00	0.08	
5275.00	74.70	358.11	5110.75	310.62	50.08	310.29	12.00	12.00	0.08	
5300.00	77.70	358.13	5116.71	334.88	49.28	334.56	12.00	12.00	0.08	
5325.00	80.70	358.15	5121.40	359.42	48.48	359.10	12.00	12.00	0.08	
5350.00	83.70	358.17	5124.79	384.18	47.69	383.86	12.00	12.00	0.08	
5375.00	86.70	358.19	5126.89	409.07	46.90	408.76	12.00	12.00	0.08	
5397.94	89.45	358.21	5127.66	431.99	46.18	431.68	12.00	12.00	0.08	CC3 Porosity
5400.00	89.69	358.21	5127.68	434.05	46.11	433.74	12.00	12.00	0.08	
5402.55	90.00	358.21	5127.68	436.59	46.03	436.29	12.00	12.00	0.08	
5500.00	90.00	358.21	5127.68	534.00	42.99	533.71	0.00	0.00	0.00	
5600.00	90.00	358.21	5127.68	633.95	39.87	633.68	0.00	0.00	0.00	
5700.00	90.00	358.21	5127.68	733.90	36.74	733.65	0.00	0.00	0.00	
5800.00	90.00	358.21	5127.68	833.85	33.62	833.62	0.00	0.00	0.00	
5900.00	90.00	358.21	5127.68	933.80	30.50	933.59	0.00	0.00	0.00	
6000.00	90.00	358.21	5127.68	1033.75	27.37	1033.55	0.00	0.00	0.00	
6100.00	90.00	358.21	5127.67	1133.70	24.25	1133.52	0.00	0.00	0.00	
6200.00	90.00	358.21	5127.67	1233.66	21.13	1233.49	0.00	0.00	0.00	
6300.00	90.00	358.21	5127.67	1333.61	18.00	1333.46	0.00	0.00	0.00	
6400.00	90.00	358.21	5127.67	1433.56	14.88	1433.43	0.00	0.00	0.00	
6500.00	90.00	358.21	5127.67	1533.51	11.76	1533.40	0.00	0.00	0.00	
6600.00	90.00	358.21	5127.67	1633.46	8.63	1633.37	0.00	0.00	0.00	
6700.00	90.00	358.21	5127.67	1733.41	5.51	1733.34	0.00	0.00	0.00	
6800.00	90.00	358.21	5127.67	1833.36	2.39	1833.31	0.00	0.00	0.00	
6900.00	90.00	358.21	5127.67	1933.31	-0.74	1933.28	0.00	0.00	0.00	
7000.00	90.00	358.21	5127.66	2033.27	-3.86	2033.25	0.00	0.00	0.00	
7100.00	90.00	358.21	5127.66	2133.22	-6.99	2133.22	0.00	0.00	0.00	
7200.00	90.00	358.21	5127.66	2233.17	-10.11	2233.19	0.00	0.00	0.00	
7300.00	90.00	358.21	5127.66	2333.12	-13.23	2333.16	0.00	0.00	0.00	
7366.21	90.00	358.21	5127.66	2399.30	-15.30	2399.35	0.00	0.00	0.00	PBHL

Targets

Name	Description Dip.	Dir.	TVD ft	+N/-S ft	+E/-W ft	Map Northing ft	Map Easting ft	<--- Latitude ---> Deg Min Sec			<--- Longitude ---> Deg Min Sec		
Surface			0.00	0.00	0.00	411216.30	608723.00	32	7	48.227 N	103	58	55.604 W
PBHL			5127.66	2399.30	-15.30	413615.60	608707.70	32	8	11.971 N	103	58	55.691 W

Formations

MD ft	TVD ft	Formations	Lithology	Dip Angle deg	Dip Direction deg
5397.94	5127.66	CC3 Porosity		0.00	0.00