

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
June 19, 2008

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

WELL API NO. 30-005-63654
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 Barnard 3B
8. Well Number #1
9. OGRID Number 263940
10. Pool name or Wildcat Wildcat

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.)

1. Type of Well: Oil Well ☐ Gas Well ☐ Other ☐

2. Name of Operator

Sovereign Eagle, LLC

3. Address of Operator

PO Box 968, Roswell NM 88202-0968

4. Well Location

Unit Letter B : 660' feet from the North line and 1980' feet from the East line
Section 3 Township 3S Range 29E NMPM County Chaves

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
4354' GR

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 ☐

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

5/18/10- MI Equipment, Remove fenced pit. Start mixing sand.

5/20/10- Digging deep bury pit.

5/25/10- Line pit and ready to transfer mud into pit.

6/10/10- Back fill pit and move caliche.

6/11/10- Spread over burden. Approved by land-owner.

6/12/10- Move out equipment and turn well over to Barnard Ranch for water well.

Spud Date:

04/28/04

Rig Release Date:

05/15/04

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

SIGNATURE

Frank S. Morgan

TITLE Manager of Operations

DATE 06/30/10

Type or print name Frank S. Morgan

E-mail address: fmorgan@stratanm.com

PHONE: 575-622-1127

For State Use Only

APPROVED BY:

Robert H. Hahn

TITLE

DATE 7/12/2010

Conditions of Approval (if any):

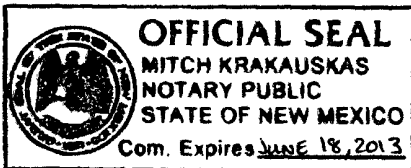
NEW MEXICO OIL CONSERVATION DIVISION
SANTA FE, NEW MEXIO

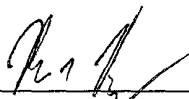
AFFIDAVIT OF RESPONSIBILITY
CONVERSION TO WATER WELL

STATE OF NEW MEXIO)
) SS.
COUNTY OF CHAVES)

MARK B. MURPHY, being first duly sworn according to law, upon his oath deposes and says:

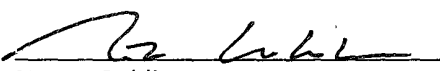
1. That he is Manager of Sovereign Eagle, LLC, whose address is P.O. Box 968; Roswell, New Mexico 88202-0968
2. That Sovereign Eagle, LLC is the operator of a well drilled on land belonging to Rose Marie Caldwell, whose address is 1102 South Michigan Avenue; Roswell, New Mexico 88201, said well being drilled to test for hydrocarbons and/or carbon dioxide gas and described as the Barnard #1, being located 660 feet from the North line and 1980 feet from the East line of Section 3, Township 3-South, Range 29-East, NMPM Chaves County, New Mexico API #30-005-63654.
3. That said well was drilled to a total depth of 3,440 feet and that casing has been set and cemented as follows:
8-5/8" 24.00#, J-55, LT&C, Range III set @ 354 feet with cement circulated to surface.
5-1/2" 15.50#, J-55, LT&C, Range III set @ 3,440 feet with cement circulated to surface
4. That operator and landowner have made an agreement whereby operator is to back fill pits, level location, and clear it of all junk. The agreement further provides that operator is to plug said well back to the plugged back total depth of 300 feet and transfers to landowner for his use as a water-well. Operator will leave casing in well as follows:
(As described in Paragraph 3 above)
5. That when operator has complied with the provisions of Paragraph 4 above, it will so notify the Oil Conservation Division of the State of New Mexico on Form C-103, together with the signed statement from the landowner that the provisions of Paragraph 4 above have been complied with to his satisfaction.




Mark B. Murphy
Sovereign Eagle, LLC

This instrument was acknowledged before me on SEPTEMBER 1, 2009 by Mark B. Murphy, Manager of Sovereign Eagle, LLC, a New Mexico limited liability company, on behalf of said company.

My Commission Expires:
JUNE 18, 2013


Notary Public


STATE OF NEW MEXIO)
) SS.
COUNTY OF CHAVES)

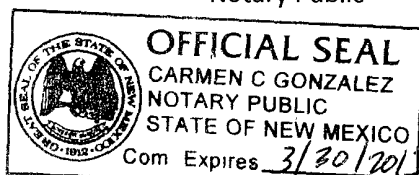
ROSE MARIE CALDWELL, dealing with her sole and separate property, being first duly sworn according to law, upon her oath deposes and says that when the provisions of Paragraph 4 and 5 above have been complied with, she will accept the above-described well for her use as water-well, and that she will assume all responsibility for the well, the location, and the conversion of the well to a water-well.

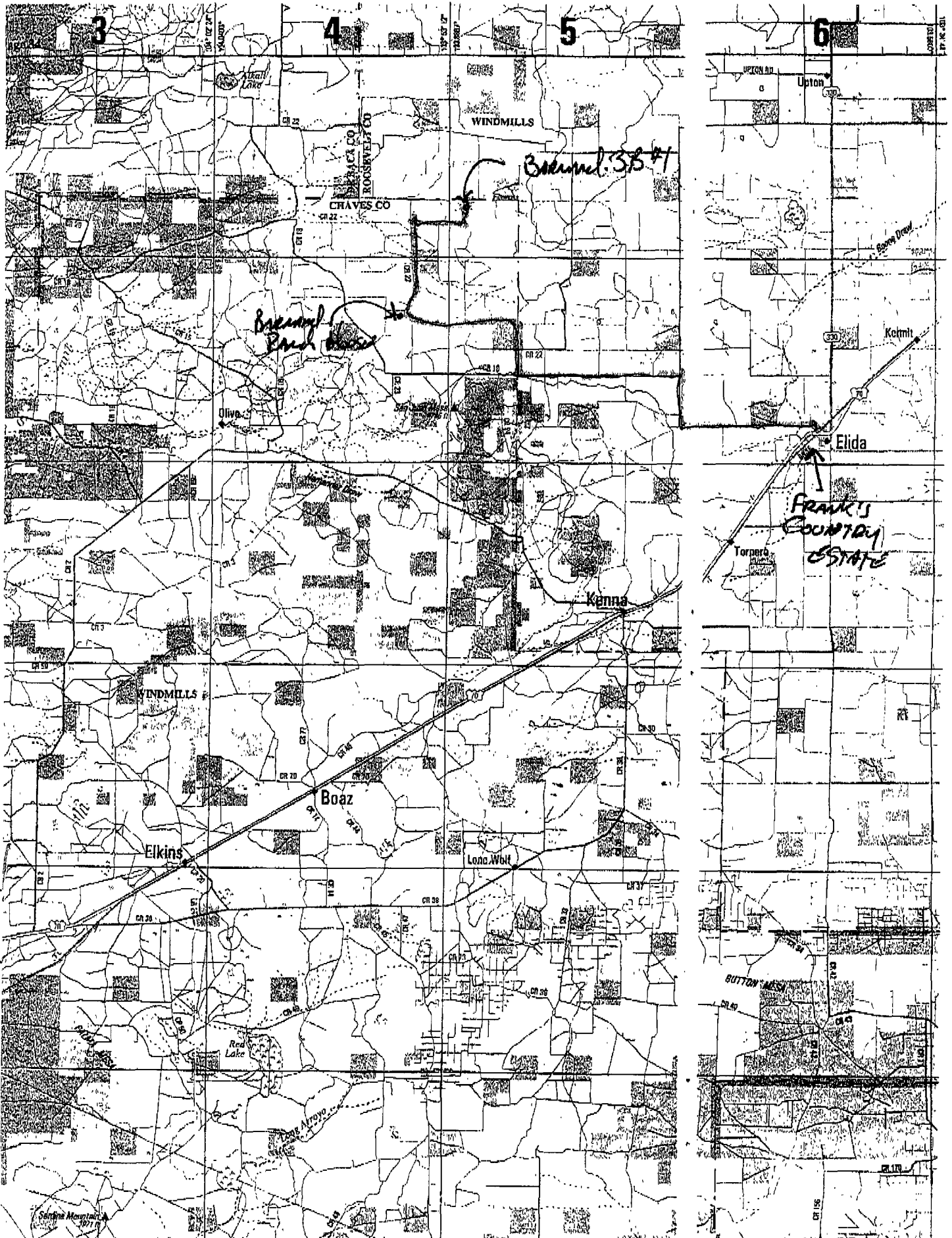

Rose Marie Caldwell

This instrument was acknowledged before me on Sept 11, 2009 by Rose Marie Caldwell, dealing with her sole and separate property.

My Commission Expires:
3/30/2013


Notary Public





0102/10/11 A

Head west from Elkh like you're going to the Tule.
Turn west on Blacktop instead of going north from Blacktop
~~be~~ on to the caliche. Follow Blacktop west to County line
Take 1st right or west on dirt County Road not well maintained.

You will go past Tujague's Tank & Transwestern station.

Setting approximately 3/4 to 1 mile Road turns back left
or west. Follow Road through approximately 3 cattle
quadrants. Bernard Ranch house will be in front of you
at 3rd cattle quadrant. Follow Road to right, which will

Take you ~~around~~ around Ranch house, pond barn & etc.
Follow Road until it will veer east then back west
around a windmill & cattle quadrant. You will pass a

Ranch house on your left. House is very close to Road.

Go through a snake or dip & follow Road. Road will

veer to left, you will want to go straight north on

a 2-track. It will take you to a Section Corner

where there is a gate. Road turns east for 2-3
miles. When you see a windmill in front of you

About 1/4 mile Follow Road to left as it meanders
north then east to Location.

The Fence Line running east & west an 1/2 mile
north of Location is county line & divides Bernard
from Woody. Big white Gate posts along east west
Fence is the way to get to Tule from Bernard
across Sid Price's (McGee) place.

01/26/2010
A