

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

HOBS OCD
 JUN 05 2017
 RECEIVED

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 <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	WELL API NO. 30-041-20846 5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator SOVEREIGN EAGLE	6. State Oil & Gas Lease No. 7. Lease Name or Unit Agreement Name MORRISON
3. Address of Operator PO BOX 968, ROSWELL NM 88202	8. Well Number 001 9. OGRID Number 263940
4. Well Location Unit Letter <u>A</u> : <u>750</u> feet from the <u>N</u> line and <u>990</u> feet from the <u>E</u> line Section <u>22</u> Township <u>2S</u> Range <u>29E</u> NMPM ROOSEVELT County	10. Pool name or Wildcat TULE-PENN GAS
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:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input checked="" type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

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 Ragsdale 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 _____
 Conditions of Approval (if any): YMS Brown 6/7/2017