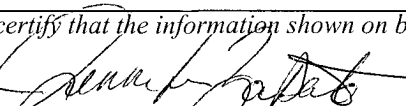


Submit To Appropriate District Office Two Copies District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505		RECEIVED State of New Mexico Energy, Minerals and Natural Resources Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 APR 05 2011 HOBBS		Form C-105 July 17, 2008											
		1. WELL API NO. 30-041-20813													
		2. Type of Lease <input type="checkbox"/> STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> FED/INDIAN													
		3. State Oil & Gas Lease No.													
WELL COMPLETION OR RECOMPLETION REPORT AND LOG															
4. Reason for filing: <input checked="" type="checkbox"/> COMPLETION REPORT (Fill in boxes #1 through #31 for State and Fee wells only) <input type="checkbox"/> C-144 CLOSURE ATTACHMENT (Fill in boxes #1 through #9, #15 Date Rig Released and #32 and/or #33; attach this and the plat to the C-144 closure report in accordance with 19.15.17.13.K NMAC)				5. Lease Name or Unit Agreement Name MCGEE											
				6. Well Number: 001											
7. Type of Completion: <input type="checkbox"/> NEW WELL <input checked="" type="checkbox"/> WORKOVER <input type="checkbox"/> DEEPENING <input type="checkbox"/> PLUGBACK <input type="checkbox"/> DIFFERENT RESERVOIR <input type="checkbox"/> OTHER															
8. Name of Operator SOVEREIGN EAGLE, LLC				9. OGRID 263940											
10. Address of Operator P.O. BOX 968, ROSWELL, NM 88202-0968				11. Pool name or Wildcat MONTOKA; PENN TOLE (Gas)											
12. Location	Unit Ltr	Section	Township	Range	Lot										
Surface:	B	27	2S	29E											
BH:															
13. Date Spudded 03/18/87		14. Date T.D. Reached 04/15/87		15. Date Rig Released 04/16/87											
				16. Date Completed (Ready to Produce) 05/13/87											
17. Elevations (DF and RKB, RT, GR, etc.) 4395' KB															
18. Total Measured Depth of Well 7206'		19. Plug Back Measured Depth 7204'		20. Was Directional Survey Made? NO											
		21. Type Electric and Other Logs Run													
22. Producing Interval(s), of this completion - Top, Bottom, Name 6759'-6998' (PENN) 7056'-7082' (MONT)															
23. CASING RECORD (Report all strings set in well)															
CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED										
13 3/8"	68#	313'	7 1/2"	300SX CL "4"	CIRC TO SURFACE										
8 5/8"	24#	2174'	11"	550SX "LITE"											
				200SX CL "C"	CIRC TO SURFACE										
5 1/2"	17#	7204'	7 7/8"	250SX PRE CFR-3											
				TOC 6034'											
24. LINER RECORD			25. TUBING RECORD												
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE										
					2 3/8"										
					DEPTH SET 7175'										
					PACKER SET NONE										
26. Perforation record (interval, size, and number) COAL 6851-56' (5 .42 HOLES) PENN "A" 6921-58' (6 .42 HOLES) PENN "D" 6986-98' (8 .42 HOLES) MONTOKA 7056-82'			27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th>DEPTH INTERVAL</th> <th>AMOUNT AND KIND MATERIAL USED</th> </tr> <tr> <td>6851-56'</td> <td>ACIDIZE W/ 1000 GAL 7 1/2% NEFE</td> </tr> <tr> <td>6921-58'</td> <td>ACIDIZE W/ 1000 GAL 7 1/2% NEFE</td> </tr> <tr> <td>6986-98'</td> <td>ACIDIZE W/ 1000 GAL 7 1/2% NEFE</td> </tr> <tr> <td>7056-82'</td> <td>ACIDIZE W/ 2000 GAL 15% MCA</td> </tr> </table>			DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED	6851-56'	ACIDIZE W/ 1000 GAL 7 1/2% NEFE	6921-58'	ACIDIZE W/ 1000 GAL 7 1/2% NEFE	6986-98'	ACIDIZE W/ 1000 GAL 7 1/2% NEFE	7056-82'	ACIDIZE W/ 2000 GAL 15% MCA
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7056-82'	ACIDIZE W/ 2000 GAL 15% MCA														
28. PRODUCTION															
Date First Production 05/13/87		Production Method (Flowing, gas lift, pumping - Size and type pump) PUMPING/FLOWING		Well Status (Prod. or Shut-in) PRODUCING											
Date of Test 08-01-10	Hours Tested 24 HRS	Choke Size 7/32"	Prod'n For Test Period	Oil - Bbl 0	Gas - MCF 1283										
				Water - Bbl. 173	Gas - Oil Ratio 36/0										
Flow Tubing Press. 1063#	Casing Pressure 0#	Calculated 24-Hour Rate	Oil - Bbl. 0	Gas - MCF 1283	Water - Bbl. 173										
				Oil Gravity - API - (Corr.)											
29. Disposition of Gas (Sold, used for fuel, vented, etc.) SOLD					30. Test Witnessed By										
31. List Attachments															
32. If a temporary pit was used at the well, attach a plat with the location of the temporary pit.															
33. If an on-site burial was used at the well, report the exact location of the on-site burial:															
Latitude		Longitude		NAD 1927 1983											
I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief															
Signature 		Printed Name JENNIFER ZAPATA		Title PRODUCTION ANALYST Date 04/04/11											
E-mail Address jzapata@stratanm.com				APR 06 2011											

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well and not later than 60 days after completion of closure. When submitted as a completion report, this shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 11, 12 and 26-31 shall be reported for each zone.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico		Northwestern New Mexico	
T. Anhy	T. Canyon	T. Ojo Alamo	T. Penn A"
T. Salt	T. Strawn	T. Kirtland	T. Penn. "B"
B. Salt	T. Atoka	T. Fruitland	T. Penn. "C"
T. Yates	T. Miss	T. Pictured Cliffs	T. Penn. "D"
T. 7 Rivers	T. Devonian	T. Cliff House	T. Leadville
T. Queen	T. Silurian	T. Menefee	T. Madison
T. Grayburg	T. Montoya 7013'	T. Point Lookout	T. Elbert
T. San Andres 2155'	T. Simpson	T. Mancos	T. McCracken
T. Glorieta 3300'	T. McKee	T. Gallup	T. Ignacio Otzte
T. Paddock	T. Ellenburger	Base Greenhorn	T. Granite
T. Blinebry	T. Gr. Wash	T. Dakota	
T. Tubb 4664'	T. Delaware Sand	T. Morrison	
T. Drinkard	T. Bone Springs	T. Todilto	
T. Abo 5214'	T. Pre Cambrian 7111'	T. Entrada	
T. Wolfcamp 5949'	T.	T. Wingate	
T. Penn 6442'	T.	T. Chinle	
T. Cisco (Bough C)	T.	T. Permian	

OIL OR GAS SANDS OR ZONES

No. 1, from...Gas: 6759.....to...6769.....
 No. 2, from...Gas: 7056.....to...7082.....
 No. 3, from.....to.....
 No. 4, from.....to.....

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from.....to.....feet.....
 No. 2, from.....to.....feet.....
 No. 3, from.....to.....feet.....

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness In Feet	Lithology	From	To	Thickness In Feet	Lithology
0	1152	1152	RED BED, SAND & LIME				
1152	2174	1022	SAND, LIME & SALT				
2174	3045	871	DOLOMITE AND ANHYDRIDE				
3045	5150	2105	DOLOMITE, SHALE AND LIME				
5150	6058	908	SHALE				
6058	6645	587	LIME AND SHALE				
6645	6759	114	SHALE AND LIME				
6759	6769	10	PENN LIME				
6769	7056	287	SAND				
7056	7082	26	MONTOKA CRYSTAL DOLOMITE				
7082	7206	124	GRANITE				
		7206					