

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTOCD-ARTESIA
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SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

Expires: March 31, 2007

5. Lease Serial No.
NM-153036. If Indian, Allottee or Tribe Name
N/A7. If Unit or CA/Agreement, Name and/or No.
N/A8. Well Name and No.
Corral Fly Federal #1H9. API Well No.
30 015 3562310. Field and Pool, or Exploratory Area
Corral Canyon, Delaware, NW11. County or Parish, State
Eddy County, New Mexico

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other2. Name of Operator
Southwestern Energy Production Company3a. Address
2350 N. Sam Houston Parkway East Houston, Tx 770323b. Phone No. (include area code)
281-618-4887

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Surface: 2520' FNL & 1650' FEL of Sect. 10, T25S R 29E Eddy County, New Mexico
BHL: 200' FNL & 1860' FEL of Sect. 10, T25S R29E Eddy County, New Mexico

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other Revised Directional Plan
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☒ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Current status of well:

- 8-3/4" hole has been drilled and logged to 5,650' MD
- Potential hydrocarbon zones from 5,240' - 60' MD, & 5,497' - 5,512' MD

Plans:

- Set 135 sx Class "H" cement plug weighing 16.4 ppg (Yield = 1.08 ft3/sx) from 5,650' - 5,400' MD
- Set 320 sx Class "H" cement plug weighing 17.5 ppg (Yield = 0.95 ft3/sx) from 5,270' - 4,870' MD.
- Dress off KOP plug and ST @ $\pm 5,020'$ MD building at 12°/100' to 90° at 5,497' TVD (5,771' MD). Drill horizontal lateral to 7,644' MD.
- Run and cement 5-1/2" Production casing per initial APD.

Verbal approval given to Alan Grimsley from Cheryl Demontigny on 8/11/07 at 1145 hrs.

Attachments:

Proposed Directional Plan
Wellbore Schematics

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Martha Howard

Title

Staff Regulatory Analyst

Signature

Martha C. Howard

Date

8-13-2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

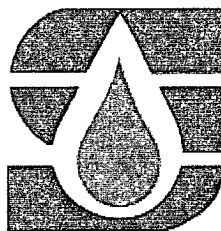


Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

SOUTHWESTERN ENERGY COMPANY

Field: Eddy County, NM
 Site: Corral Fly Federal 1-H
 Well: 1-H
 Wellpath: Original Hole
 Plan: Plan #3 proj

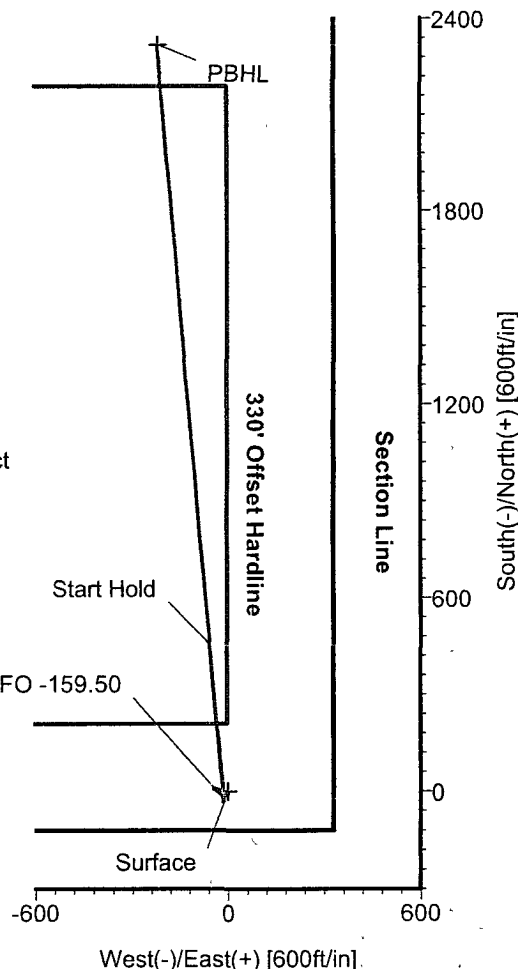
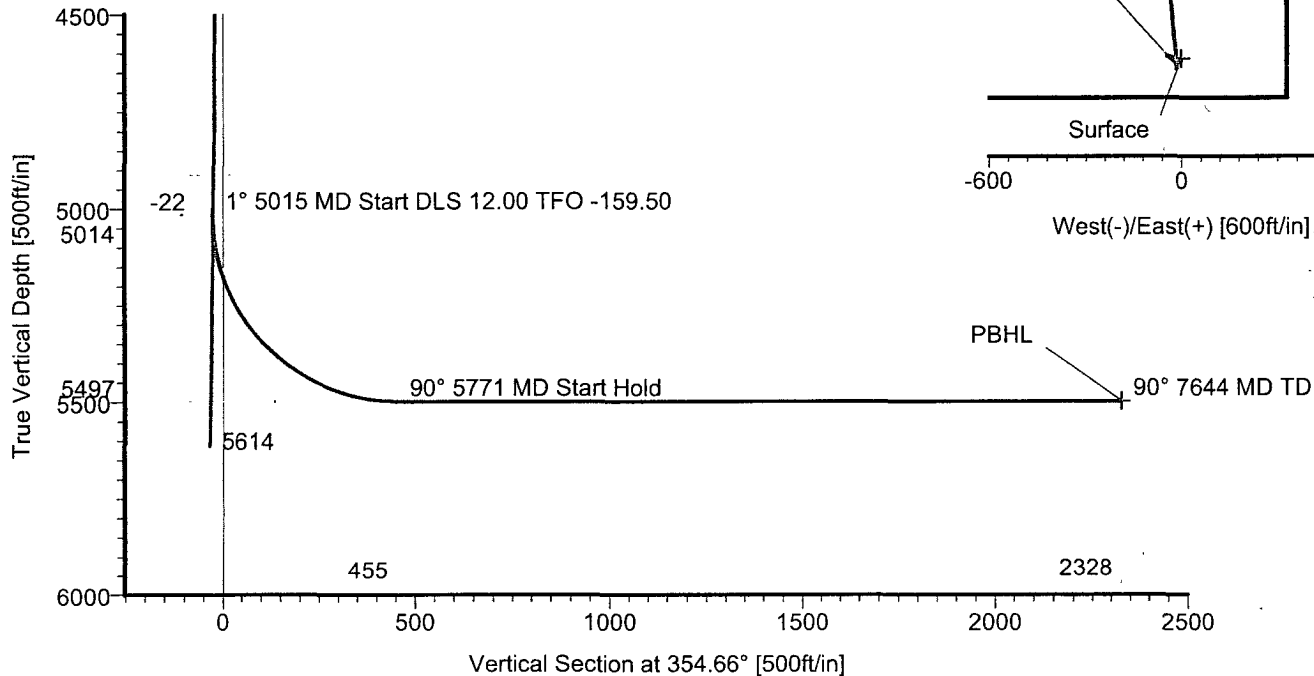


Azimuths to Grid North
 True North: -0.19°
 Magnetic North: 8.02°

Magnetic Field
 Strength: 48956nT
 Dip Angle: 60.15°
 Date: 08/06/2007
 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	416630.40	612890.80	Point
PBHL	5497.00	2318.30	-216.60	418948.70	612674.20	Point

SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	5015.25	0.74	154.44	5013.65	-23.16	-11.13	0.00	0.00	-22.02	
2	5771.03	90.00	354.93	5496.91	452.58	-51.12	12.00	-159.50	455.37	
3	7644.08	90.00	354.93	5497.00	2318.30	-216.60	0.00	0.00	2328.40	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 #3 proj (1-H/Original Hole)
 Created By: Mekka Williams Date: 08/13/2007
 Checked: _____ Date: _____

Strata Directional Technology, Inc.

Planning Report

Company: SOUTHWESTERN ENERGY COMPANY Field: Eddy County, NM Site: Corral Fly Federal 1-H Well: 1-H Wellpath: Original Hole	Date: 08/13/2007 Co-ordinate(NE) Reference: Well: 1-H, Grid North Vertical (TVD) Reference: 3040'GL+16'KB 3056.0 Section (VS) Reference: Well (0.00N,0.00E,354.66Azi) Plan: Plan #3 proj	Page: 1
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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: Corral Fly Federal 1-H

Site Position:	Northing: 416630.40 ft	Latitude: 32 8 41.669 N	
From: Map	Easting: 612890.80 ft	Longitude: 103 58 6.922 W	
Position Uncertainty: 0.00 ft		North Reference: Grid	
Ground Level: 3038.00 ft		Grid Convergence: 0.19 deg	

Well: 1-H

Slot Name:

Well Position:	Northing: 416630.40 ft	Latitude: 32 8 41.669 N	
+N/-S 0.00 ft	Easting: 612890.80 ft	Longitude: 103 58 6.922 W	
+E/-W 0.00 ft			
Position Uncertainty: 0.00 ft			

Wellpath: Original Hole

Current Datum: 3040'GL+16'KB	Height 3056.00 ft	Drilled From: Surface	
Magnetic Data: 08/06/2007		Tie-on Depth: 0.00 ft	
Field Strength: 48956 nT		Above System Datum: Mean Sea Level	
Vertical Section: Depth From (TVD)	+N/-S ft	Declination: 8.21 deg	
		Mag Dip Angle: 60.15 deg	
		+E/-W ft	Direction deg
0.00	0.00	0.00	354.66

Plan: Plan #3 proj
 Plug Back to hit TD with 12" Build
Principal: No

Date Composed: 08/13/2007
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
5015.25	0.74	154.44	5013.65	-23.16	-11.13	0.00	0.00	0.00	0.00	
5771.03	90.00	354.93	5496.91	452.58	-51.12	12.00	11.81	-21.10	-159.50	
7644.08	90.00	354.93	5497.00	2318.30	-216.60	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
6000.00	90.00	354.93	5496.92	680.65	-71.35	684.34	0.00	0.00	0.00	
6100.00	90.00	354.93	5496.93	780.26	-80.18	784.33	0.00	0.00	0.00	
6200.00	90.00	354.93	5496.93	879.87	-89.02	884.33	0.00	0.00	0.00	
6300.00	90.00	354.93	5496.94	979.48	-97.85	984.33	0.00	0.00	0.00	
6400.00	90.00	354.93	5496.94	1079.09	-106.69	1084.33	0.00	0.00	0.00	
6500.00	90.00	354.93	5496.95	1178.69	-115.52	1184.33	0.00	0.00	0.00	
6600.00	90.00	354.93	5496.95	1278.30	-124.36	1284.33	0.00	0.00	0.00	
6700.00	90.00	354.93	5496.96	1377.91	-133.19	1384.33	0.00	0.00	0.00	
6800.00	90.00	354.93	5496.96	1477.52	-142.03	1484.33	0.00	0.00	0.00	
6900.00	90.00	354.93	5496.97	1577.13	-150.86	1584.33	0.00	0.00	0.00	
7000.00	90.00	354.93	5496.97	1676.74	-159.70	1684.32	0.00	0.00	0.00	
7100.00	90.00	354.93	5496.97	1776.35	-168.53	1784.32	0.00	0.00	0.00	
7200.00	90.00	354.93	5496.98	1875.96	-177.37	1884.32	0.00	0.00	0.00	
7300.00	90.00	354.93	5496.98	1975.57	-186.20	1984.32	0.00	0.00	0.00	
7400.00	90.00	354.93	5496.99	2075.18	-195.04	2084.32	0.00	0.00	0.00	
7500.00	90.00	354.93	5496.99	2174.78	-203.87	2184.32	0.00	0.00	0.00	
7600.00	90.00	354.93	5497.00	2274.39	-212.71	2284.32	0.00	0.00	0.00	
7644.08	90.00	354.93	5497.00	2318.30	-216.60	2328.40	0.00	0.00	0.00	PBHL

Strata Directional Technology, Inc.

Planning Report

Company: SOUTHWESTERN ENERGY COMPANY
Field: Eddy County, NM
Site: Corral Fly Federal 1-H
Well: 1-H
Wellpath: Original Hole

Date: 08/13/2007 **Time:** 09:17:44
Co-ordinate(NE) Reference: Well: 1-H, Grid North
Vertical (TVD) Reference: 3040'GL+16'KB 3056.0
Section (VS) Reference: Well (0.00N,0.00E,354.66Azi)
Plan: Plan #3 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

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	416630.40	612890.80	32	8	41.669 N	103	58	6.922 W
PBHL		5497.00	2318.30	-216.60	418948.70	612674.20	32	9	4.619 N	103	58	9.350 W



DRILLING PROGNOSIS
Southwestern Energy Production Company
Current Wellbore Schematic

$$\frac{R^2}{A} \rightarrow V^+$$

WELL NAME: Corral Fly Federal #1-H

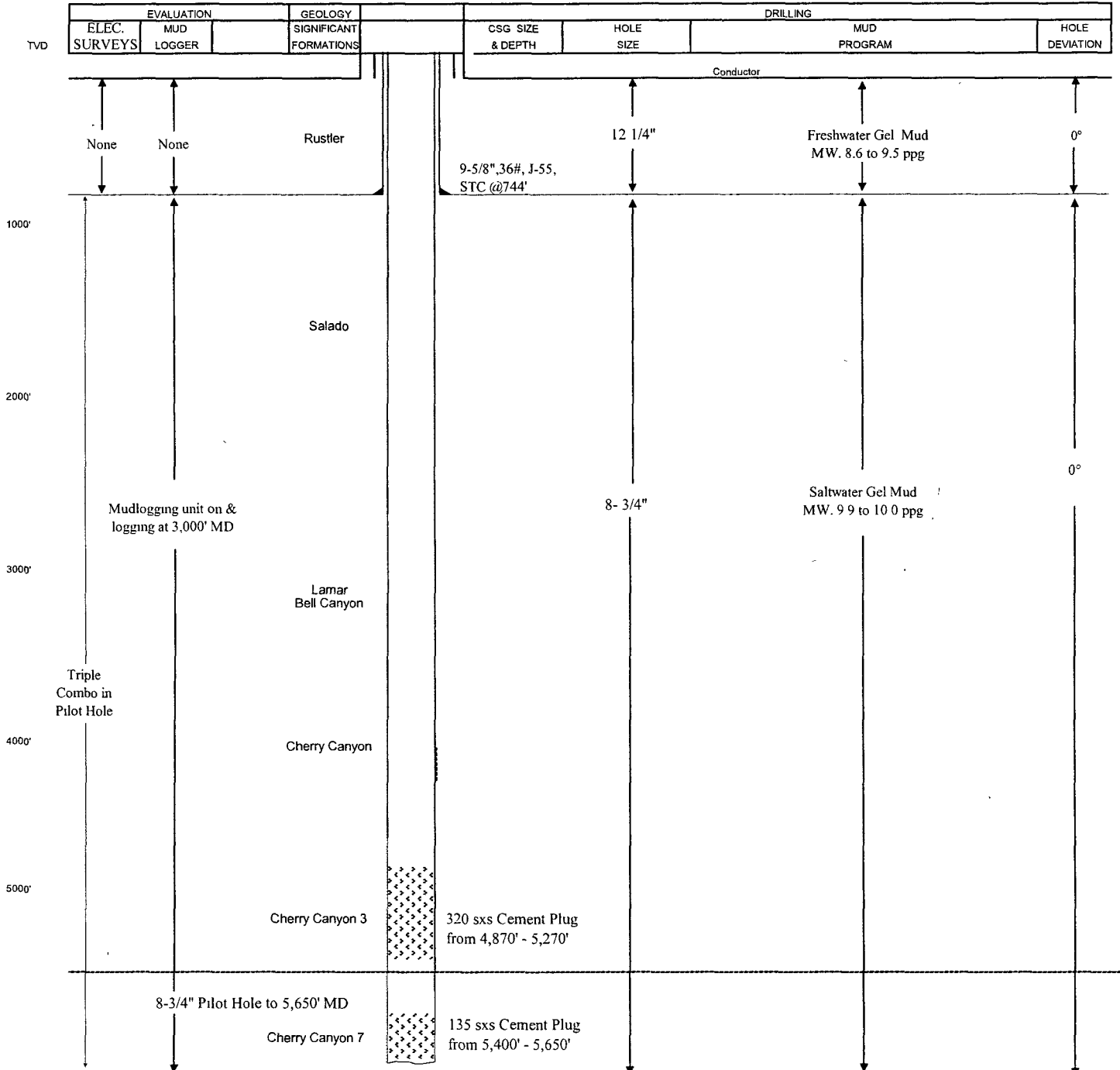
AFE NO. 103975

LOCATION: Sec. 10, T25S, R29E
Eddy County NM
SL: 2520' FNL 1650' FEL
BHL: 200' FNL 1860' FEL
TGT ENTRY PT: 2,045' FNL 1694' FEL

PROSPECT: Corral Fly

OBJECTIVE: Cherry Canyon Sd, CC-4

EST. ELEVATION: GL 3038'; RKB $\pm$ 16"





DRILLING PROGNOSIS
Southwestern Energy Production Company
Proposed Wellbore Schematic

$\frac{R^2}{A} \rightarrow V^+$

WELL NAME: Corral Fly Federal #1-H

AFE NO. 103975

LOCATION: Sec. 10, T25S, R29E
Eddy County NM
SL: 2520' FNL 1650' FEL
BHL: 200' FNL 1860' FEL
TGT ENTRY PT: 2,045' FNL 1694' FEL

PROSPECT: Corral Fly

OBJECTIVE: Cherry Canyon Sd, CC-4

EST. ELEVATION: GL 3038'; RKB ±16"

