

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

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.

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
STRATA PRODUCTION COMPANY ✓

3a. Address
P.O. BOX 1030, ROSWELL, NM 88202-1030

3b. Phone No. (include area code)
(575) 822-1127

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
480' FNL & 330' FWL, 825-T23S-R30E UL D

5. Lease Serial No.
NM-114978

6. If Indian, Allottee or Tribe Name

7. If Unit of CA/Agreement, Name and/or No.

8. Well Name and No.
Roadrunner Federal #1 H

9. API Well No.
30-015-244888-39361

10. Field and Pool or Exploratory Area
FORTY NINER RIDGE DELAWARE

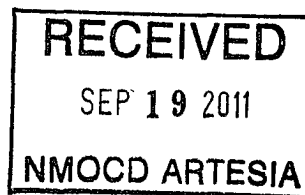
11. Country or Parish, State
EDDY, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION				
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off	
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity	
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other	
	<input checked="" type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon		
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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 recompleting 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleting in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Strata Production Company requests to set DV tool on 9 5/8" casing at a depth of approximately 2000' to assure cement to surface. Reason for DV tool is because of loss of fluid from between 1650' and 2300'. Following a cement plan for 2 stage cement job.



Accepted for record - NMOCD
DJ 10-4-11

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

Frank S. Morgan

Title Vice President

Signature

[Signature]

Date 09/06/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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.

Title
Office

APPROVED

SEP 7 2011

/s/ Chris Walls

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD 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)

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Operator Name: STRATA PRODUCTION COMPANY
Well Name: Roadrunner Federal #1
Job Description: 9 5/8" Intermediate
Date: September 6, 2011



Proposal No: 1001146375B

JOB AT A GLANCE

Depth (TVD) 3,850 ft
Depth (MD) 3,850 ft
Hole Size 12.25 in
Casing Size/Weight 9 5/8 in, 40 lbs/ft

Pump Via 9 5/8" O.D. (8.835" I.D) 40

Total Mix Water Required 12,051 gals

Stage No: 1 Float Collar set @ 3,810 ft

Lead Slurry

Class C Lead 428 sacks
Density 12.5 ppg
Yield 2.13 cf/sack

Tail Slurry

Class C Tail 200 sacks
Density 14.8 ppg
Yield 1.33 cf/sack

Displacement

Displacement fluid 289 bbls

Stage No: 2 Stage Collar set @ 2,000 ft

Lead Slurry

Class C Lead 455 sacks
Density 12.7 ppg
Yield 2.02 cf/sack

Tail Slurry

Class C Tail 200 sacks
Density 14.8 ppg
Yield 1.33 cf/sack

Displacement

Displacement Fluid 152 bbls

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WELL DATA

ANNULAR GEOMETRY

ANNULAR I.D. (in)	DEPTH(ft)	
	MEASURED	TRUE VERTICAL
12.715 CASING	270	270
12.250 HOLE	3,850	3,850

SUSPENDED PIPES

DIAMETER (in)		WEIGHT (lbs/ft)	DEPTH(ft)	
O.D.	I.D.		MEASURED	TRUE VERTICAL
9.625	8.835	40	3,850	3,850

STAGE: 1 Float Collar set @ 3,810 ft
 Mud Density 8.50 ppg
 Est. Static Temp. 111 ° F
 Est. Circ. Temp. 98 ° F

VOLUME CALCULATIONS

1,454 ft x 0.3132 cf/ft with 100 % excess = 911.4 cf
 396 ft x 0.3132 cf/ft with 100 % excess = 248.3 cf
 40 ft x 0.4257 cf/ft with 0 % excess = 17.0 cf (inside pipe)
 TOTAL SLURRY VOLUME = 1176.7 cf
 = 210 bbls

STAGE: 2 Stage Collar set @ 2,000 ft
 Mud Density 8.50 ppg
 Est. Static Temp. 96 ° F
 Est. Circ. Temp. 89 ° F

VOLUME CALCULATIONS

270 ft x 0.3765 cf/ft with 0 % excess = 101.7 cf
 1,307 ft x 0.3132 cf/ft with 100 % excess = 818.5 cf
 423 ft x 0.3132 cf/ft with 100 % excess = 265.1 cf
 TOTAL SLURRY VOLUME = 1185.3 cf
 = 211 bbls

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FLUID SPECIFICATIONS

STAGE NO. 1

<u>FLUID</u>	<u>VOLUME CU-FT</u>	<u>VOLUME FACTOR</u>	<u>AMOUNT AND TYPE OF CEMENT</u>
Lead Slurry	911	/ 2.13	= 428 sacks (35:65) Poz (Fly Ash):Class C Cement + 0.005 lbs/sack Static Free + 5% bwow Sodium Chloride + 0.125 lbs/sack Cello Flake + 5 lbs/sack LCM-1 + 1 gals/100 sack FP-6L + 4% bwoc Bentonite + 1.3% bwoc Sodium Metasilicate + 5% bwoc MPA-5 + 107.2% Fresh Water
Tail Slurry	265	/ 1.33	= 200 sacks Class C Cement + 0.15% bwoc R-3 + 0.005 lbs/sack Static Free + 1 gals/100 sack FP-6L + 56% Fresh Water
Displacement			288.9 bbls Displacement fluid

CEMENT PROPERTIES

	<u>SLURRY NO.1</u>	<u>SLURRY NO.2</u>
Slurry Weight (ppg)	12.50	14.80
Slurry Yield (cf/sack)	2.13	1.33
Amount of Mix Water (gps)	11.18	6.31
Amount of Mix Fluid (gps)	11.19	6.32
Estimated Pumping Time - 70 BC (HH:MM)	4:17	

COMPRESSIVE STRENGTH

12 hrs @ 106 ° F (psi)	500
24 hrs @ 106 ° F (psi)	804

RHEOLOGIES

<u>FLUID</u>	<u>TEMP</u>	<u>600</u>	<u>300</u>	<u>200</u>	<u>100</u>	<u>6</u>	<u>3</u>
Lead Slurry	@ 80 ° F	76	65	59	52	33	27

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Proposal No: 1001146375B

FLUID SPECIFICATIONS (Continued)

STAGE NO. 2

<u>FLUID</u>	<u>VOLUME CU-FT</u>	<u>VOLUME FACTOR</u>	<u>AMOUNT AND TYPE OF CEMENT</u>
Lead Slurry	920	/ 2.02	= 455 sacks (35:65) Poz (Fly Ash):Class C Cement + 4% bwoc Bentonite + 1.3% bwoc Sodium Metasilicate + 5% bwoc MPA-5 + 5 lbs/sack LCM-1 + 0.125 lbs/sack Cello Flake + 5% bwow Sodium Chloride + 0.005 lbs/sack Static Free + 1 gals/100 sack FP-6L + 99.8% Fresh Water
Tail Slurry	265	/ 1.33	= 200 sacks Class C Cement + 0.005 lbs/sack Static Free + 1 gals/100 sack FP-6L + 56% Fresh Water
Displacement			151.7 bbls Displacement Fluid

CEMENT PROPERTIES

	<u>SLURRY NO.1</u>	<u>SLURRY NO.2</u>
Slurry Weight (ppg)	12.70	14.80
Slurry Yield (cf/sack)	2.02	1.33
Amount of Mix Water (gps)	10.42	6.32
Amount of Mix Fluid (gps)	10.43	6.33
Estimated Pumping Time - 70 BC (HH:MM)		