

Carlsbad Field Office
UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
Old Artesia

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018

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.

5. Lease Serial No.
NMNM114356

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
SANDY FEDERAL 3

9. API Well No.
30-015-40055-00-S1

10. Field and Pool or Exploratory Area
FORTY NINER RIDGE

11. County or Parish, State
EDDY COUNTY, NM

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
STRATA PRODUCTION COMPANY Contact: GRACE CHARBONEAU
E-Mail: GRACE@STRATANM.COM

3a. Address
ROSWELL, NM 88202-1030

3b. Phone No. (include area code)
Ph: 575-622-1127 Ext: 20
Fx: 575-623-3533

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 24 T23S R30E SWSW 330FSL 330FWL

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"/> Hydraulic Fracturing	<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 checked="" type="checkbox"/> Other Venting and/or Flaring
	<input 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 recomplete 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 recompletion 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 RESPECTFULLY SUBMITS THIS SUNDRY FOR NOTICE OF INTENT TO INTERMITTENTLY FLARE GAS UNTIL ANOTHER PURCHASER IS PUT IN PLACE. ENTERPRISE NOTIFIED US THAT THEIR SYSTEM WAS "FULL AND THEY ARE NO LONGER ACCEPTING "I.T." DELIVERIES" AND "THIS IS NOT A SHORT-TERM ISSUE." SALES WILL RESUME AS SOON AS ANOTHER PURCHASER IS PUT IN PLACE. STRATA IS AWARE THAT THIS WILL BE ROYALTY BEARING FLARE. THE AMOUNT OF GAS THAT WILL BE FLARED IS APPROXIMATELY 550 MCF PER DAY. THIS SUNDRY IS SUBMITTED FOR FLARING STARTING ON 8-21-2018 UNTIL A NEW PURCHASER IS PUT IN PLACE.

WELLS CONTRIBUTING TO THE FLARING VOLUME ARE AS FOLLOWS:
LEASE NUMBER - WELL NAME - API NUMBER - LOCATION
NM114356 - SANDY #3 - 30-105-40055 - T23S-R30E-S24 330'FSL & 330'FWL
NM114978 - ROADRUNNER #1H - 30-015-39361 - T23S-R30E-S25 460'FNL & 330'FWL
NM114978 - ROADRUNNER #2H - 30-015-41041 - T23S-R30E-S25 1220'FNL & 660'FWL

NM OIL CONSERVATION DISTRICT
ARTESIA DISTRICT

NOV 14 2018

RECEIVED

Accepted for record
ABILLALBA
NM/OCD

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #442525 verified by the BLM Well Information System For STRATA PRODUCTION COMPANY, sent to the Carlsbad Committed to AFMSS for processing by PRISCILLA PEREZ on 11/05/2018 (19PP0313SE)

Name (Printed/Typed) PAUL RAGSDALE Title OPERATIONS MANAGER

Signature (Electronic Submission) Date 11/02/2018

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By /s/ Jonathon Shepard

Title **Petroleum Engineer** Date **NOV 06 2018**
Carlsbad Field Office
Office

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 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)

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

BUREAU OF LAND MANAGEMENT

**Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972**

Conditions of Approval to Flare Gas

1. Approval not to exceed 180 days from date of submission.
2. All flaring under this request is considered to be "avoidably lost". Volumes for avoidably lost gas shall be reported on OGOR "B" reports as disposition code "33".

Exceptions:

- a. The first 24 hours of a temporary emergency flare is considered "unavoidably lost" and is therefore royalty free. Flared volumes that are considered unavoidably lost are not to be included in Sundry Notice (Form 3160-5). These Volumes are not royalty bearing and shall be reported on OGOR "B" as either disposition code "21" or "22".
- b. If the operator believes that the flared volumes were "unavoidably lost", the operator can submit a request via Sundry Notice (Form 3160-5) with justification for an exception in accordance with 43 CFR 3179.4, 3179.103 - 3179.105.