Form 3160-5 (April 2004)

UNITED STATES DEPARTMENT OF THE INTERIOR

FORM APPROVED OMB No. 1004-0137

ALEXIS C. SWORODA

BUREAU OF LAND MANAGEMENT Expires: March 31, 2007 Lease Serial No. SUNDRY NOTICES AND REPORTS ON WELL'S NM-0499988 (BHL Do not use this form for proposals to drill or to re-enter an abandoned well. If Indian, Allottee or Tribe Name Use Form 3160-3 (APD) for such proposals. SUBMIT IN TRIPLICATE 7. If Unit or CA. Agreement Designation Nm759921 1. Type of Well Nash Unit Oil Gas Well Name and No. X Well Well O:her Nash Unit #34 2. Name of Operator STRATA PRODUCTION COMPANY API Well No. 3. Address and Telephone Nc P. O. Box 1030 30-015-33991 Roswell, NM 88202-1030 505-622-1127 10. Field and Pool, or Exploratory Area Nash Draw Brushy Canyon 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) S.L. 2403' FSL & 2102' FEL Section 12-T23S-R29E 11. County or Parish. State B.H.L. 330' FSL & 400' FEL Section 01, T23S-R29E Eddy County, NM CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 12. TYPE OF SUBMISSION TYPE OF ACTION Production (Start/Resume) Water Shut-Off Acidize Deepen Notice of Intent Reclamation Well Integrity Alter Casing Fracture Treat Subsequent Report Casing Repair **New Construction** Recomplete Plug & Abandon Temporily Abandon Change of Plans Plug Back Water Disposal Final Abandonment Notice Convert to Injection 13. Describe Proposed or Completed Operations (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 shall be filed within 30days following completion of the invelved 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.) SI well. RU pulling unit. NUWH & release pkr. TOH w/tbg. TIH picking up 310 jnts tbg. Tag up at 9633'. PU composite BP. TIH w/ints and set plug at 9499'. RU reverse unit and pressure up tbg to 2000 psi. TOH w/tbg & firing head. TIH w/propellant gun and firing head. Set gun at at top shot 8300 - 05'. Shot 20 holes in zone. TOH w/tbg. PU composite BP. TIH w/ints and set plug at 8402'. TOH w/tbg. TIH w/tbg opened ended to 8302'. RU. Broke formation at 3000 psi. Pump acid to end of tbg. Acidize zone w/2500 gal 7 1/2% NeFe w/no ball sealers. RU swab. Swab well. RU. Frac zone via csq. Broke dwn 2000#, Max Press 5374#, Avg Press 2138#, Final Press 1452#. Avg Rate 21.1 BPM. Total load 861 bbls. Well screened out w/3#/gal on formation. Total injection 37437# of 16/30 Ottowa sand. PU bit. TIH w/tbg. TIH w/ints. Tag up on sand at 6086'. RU and drill out BP at 9499'. Circ hole clean. RD reverse unit. Flow well dwn to frack tank. PU pkr and gas lift valves. TIH w/tbg. Set pkr and NUWH. Start compressor SD pulling unit. Flowing. 14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Kelly M. Britt Production Records ACCEPTED FOR RECORD 09/08/06 THIS SPACE FOR FEDERAL OR STATE OFFICE USE Date SEP 14 2008 Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds

PETROLEUM ENGINGEED 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.

legal or equitable title to those rights in the subject lease which

would entitle the applicant to conduct operations thereon