

OCD-ARTESIA

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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.

5. Lease Serial No
NM-15303

6. If Indian, Allottee or Tribe Name
N/A

SUBMIT IN TRIPLICATE -- Other instructions on page 2

1. Type of Well

☐ Oil Well ☐ Gas Well ☐ Other

NOV 05 2007

2. Name of Operator
Southwestern Energy Production Company

OCD-ARTESIA

3a. Address
2350 SAM HOUSTON PARKWAY, EAST, HOUSTON, TX 77032

3b. Phone No. (include area code)
281-618-4887

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

8. Well Name and No
CORRAL FLY FEDERAL 3-H

9. API Well No
30-015-35717

10. Field and Pool or Exploratory Area
CORRAL CANYON, DELAWARE, NW

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
2520' FNL & 1880' FWL OF SEC 10-T25S-R29E

11. Country or Parish, State
EDDY COUNTY, NM

12. CHECK THE 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 Survey Reports
	☐ 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 recompleat 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 recompleat 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.)

Attached is the Deviation Report dated 10.08.2007 from Patterson-UTI Drilling Company LLC and the final Survey Report from Strata Directional Technology, Inc. covering depths from the surface to a MD of 7331'.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)
MARTHA C. HOWARD

Title STAFF REGULATORY ANALYST

Signature

Martha C. Howard

Date

10.25.2007

ACCEPTED FOR RECORD

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/S/ DAVID R. GLASS

OCT 31 2007

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 1122 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.

OPERATOR Southwestern Energy Prod Co Rig 504
WELL/LEASE Corral Fly Fed 3H
COUNTY Eddy

STATE OF NEW MEXICO
DEVIATION REPORT

260	1.00
493	1.25
740	1.00
770	0.50
995	0.70
1,210	0.80
1,334	0.40
1,414	0.50
1,590	0.20
1,890	0.20
2,306	0.80
2,371	0.30
2,466	1.10
2,528	1.10
2,657	1.80
2,711	2.40
2,783	1.90
2,907	2.80
2,970	1.50
3,129	0.60
3,225	1.30
3,263	1.20
3,390	0.30
3,454	0.60
3,570	0.60
3,595	0.50
3,670	0.40
3,767	0.10
4,111	0.60
4,187	0.30
4,252	0.30
4,370	0.50
4,685	0.50

FILED / 91
OCT 15 2007
SOUTHWESTERN ENERGY

BY: [Signature]

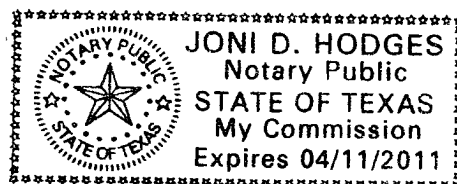
STATE OF TEXAS

COUNTY OF MIDLAND

The foregoing instrument was acknowledged before me on _____
Moore on behalf of Patterson-UTI Drilling Company LLC.

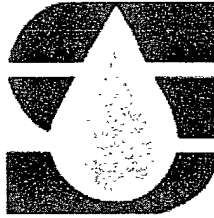
October 8, 2007 , by Steve

[Signature]
Notary Public for Midland County, Texas
My Commission Expires 4/11/11



SOUTHWESTERN ENERGY COMPANY

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



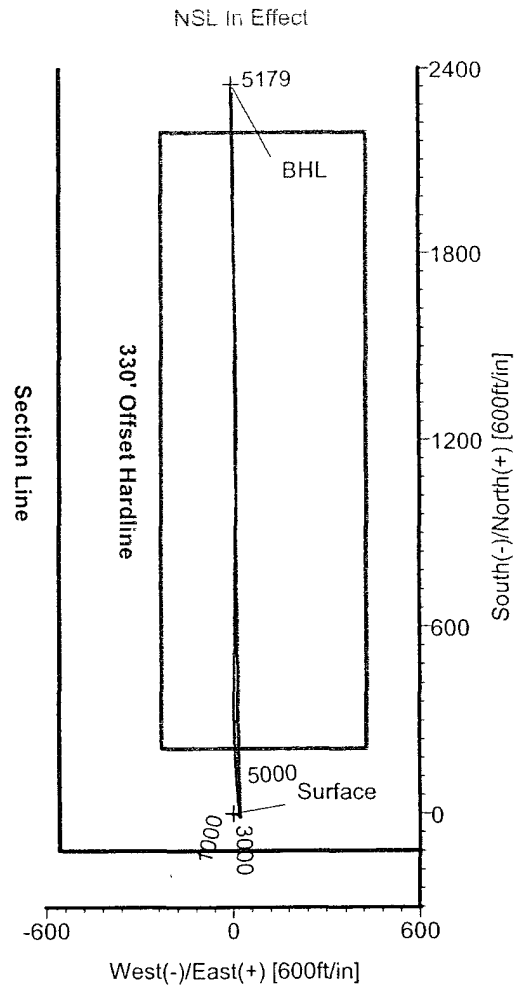
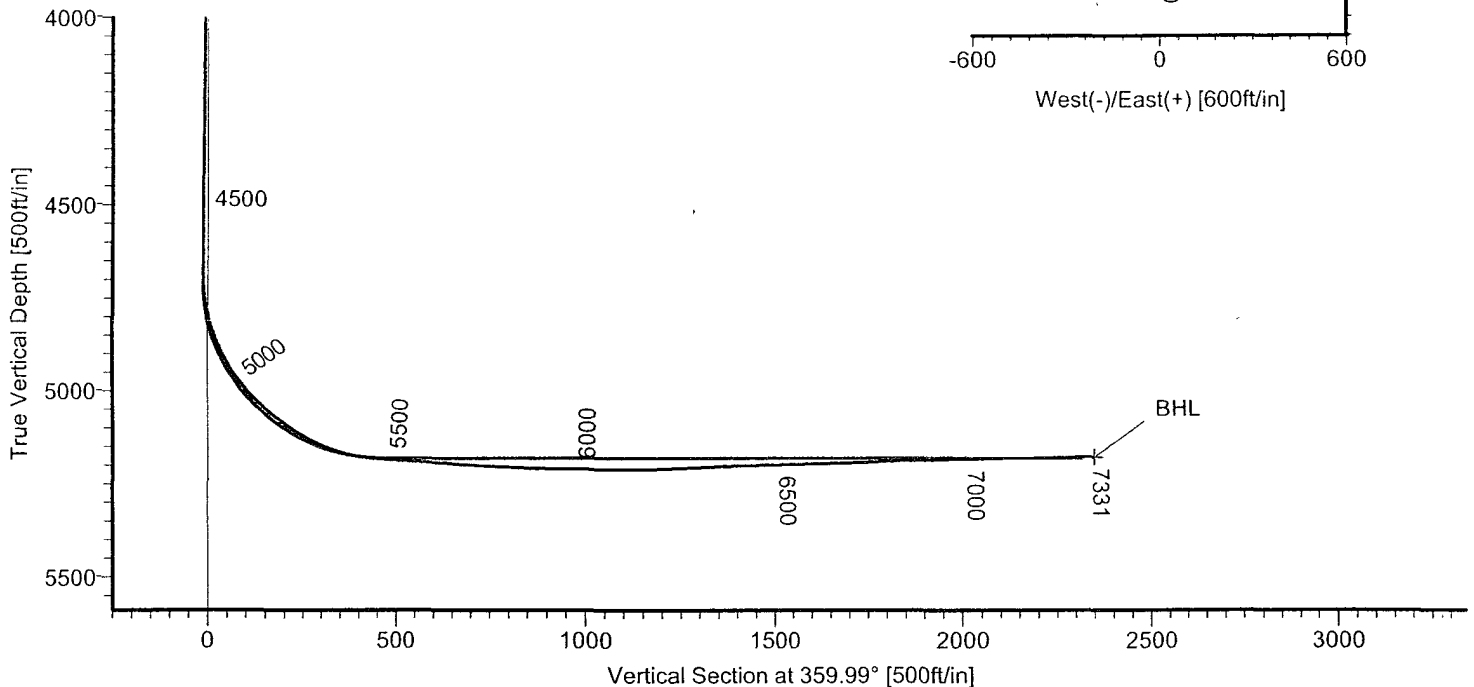
Azimuths to Grid North
 True North: -0.19°
 Magnetic North: 8.01°

Magnetic Field
 Strength: 48943nT
 Dip Angle: 60.14°
 Date: 09/21/2007
 Model: igrf2005

Section and Hardlines
 Estimated by Strata Directional

LEGEND

— #3H, Original Hole, Plan #4 proj
 — Original Hole



TARGET DETAILS

Name	TVD	+N/-S	+E/-W	Northing	Easting	Shape
Surface	0.00	0.00	0.00	416619.80	611114.20	Point
BHL	5178.85	2349.54	-4.26	418969.34	611109.94	Point

STRATA
 DIRECTIONAL TECHNOLOGY, INC.

STRATA DIRECTIONAL TECHNOLOGY, INC.
 1034 Regional Park Drive Houston, Texas 77060
 Phone: 713-934-9600 Fax: 713-934-9067

Wellpath (#3H/Original Hole)
 Created By Mekka Williams Date 10/17/2007
 Checked _____ Date _____

Strata Directional Technology, Inc.

Survey Report

Company: SOUTHWESTERN ENERGY COMPANY		Date: 10/17/2007	Time: 10:10:55	Page: 1
Field: Eddy County, NM		Co-ordinate(NE) Reference: Well #3H, Grid North		
Site: Corral Fly Federal #3H		Vertical (TVD) Reference: Est.3024'GL+15'KB 3039.0		
Well: #3H		Section (VS) Reference: Well (0 00N,0 00E,359.99Azi)		
Wellpath: Original Hole		Survey Calculation Method: Minimum Curvature	Db: Adapti	

Field: Eddy County, NM	
Map System: US State Plane Coordinate System 1927	Map Zone: New Mexico, Eastern Zone
Geo Datum: NAD27 (Clarke 1866)	Coordinate System: Well Centre
Sys Datum: Mean Sea Level	Geomagnetic Model: igrf2005

Site: Corral Fly Federal #3H	
T25S R29E Sec10	
Site Position:	Northing: 416619.80 ft
From: Map	Easting: 611114.20 ft
Position Uncertainty: 0.00 ft	Latitude: 32 8 41 623 N
Ground Level: 3024.00 ft	Longitude: 103 58 27 587 W
	North Reference: Grid
	Grid Convergence: 0 19 deg

Well: #3H		Slot Name:	
Well Position:	+N/-S 0.00 ft	Northing: 416619.80 ft	Latitude: 32 8 41 623 N
	+E/-W 0.00 ft	Easting: 611114.20 ft	Longitude: 103 58 27.587 W
Position Uncertainty:	0 00 ft		

Wellpath: Original Hole		Drilled From: Surface	
Current Datum: Est.3024'GL+15'KB	Height 3039.00 ft	Tie-on Depth: 0 00 ft	
Magnetic Data: 09/21/2007		Above System Datum: Mean Sea Level	
Field Strength: 48943 nT		Declination: 8 20 deg	
Vertical Section: Depth From (TVD)	+N/-S	Mag Dip Angle: 60 14 deg	
ft	ft	+E/-W	Direction
		ft	deg
0 00	0.00	0 00	359.99

Survey Program for Definitive Wellpath			
Date: 10/17/2007	Validated: No	Version: 0	
Actual From	To	Survey	Tool Name
ft	ft		Toolcode
200.00	4615.00	Survey #1 (200.00-4615.00)	Gyroscope
4640.00	7286.00	Survey #2 (4640.00-7286.00)	MWD
7331.00	7331.00	Survey #3 (7331.00-7331.00)	Project

Survey										
MD	Incl	Azim	TVD	+N/-S	+E/-W	VS	DLS	Build	Turn	Tool/Comment
ft	deg	deg	ft	ft	ft	ft	deg/100ft	deg/100ft	deg/100ft	
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	TIE LINE
200.00	0.00	0.00	200.00	0.00	0.00	0.00	0.00	0.00	0.00	Gyroscope
400.00	0.25	85.37	400.00	0.04	0.43	0.04	0.12	0.12	0.00	Gyroscope
600.00	0.25	323.35	600.00	0.42	0.61	0.42	0.22	0.00	-61.01	Gyroscope
800.00	0.25	198.34	800.00	0.36	0.21	0.36	0.22	0.00	-62.50	Gyroscope
1000.00	0.25	284.33	1000.00	0.05	-0.35	0.05	0.17	0.00	42.99	Gyroscope
1200.00	0.25	291.31	1199.99	0.32	-1.18	0.32	0.02	0.00	3.49	Gyroscope
1400.00	0.25	191.30	1399.99	0.05	-1.67	0.05	0.19	0.00	-50.00	Gyroscope
1600.00	0.25	85.25	1599.99	-0.34	-1.32	-0.34	0.20	0.00	-53.02	Gyroscope
1800.00	0.25	212.24	1799.99	-0.68	-1.12	-0.68	0.22	0.00	63.49	Gyroscope
2000.00	0.00	0.00	1999.99	-1.05	-1.35	-1.05	0.12	-0.12	0.00	Gyroscope
2200.00	0.25	333.22	2199.99	-0.66	-1.55	-0.66	0.12	0.12	0.00	Gyroscope
2400.00	0.75	53.21	2399.98	0.52	-0.70	0.52	0.37	0.25	40.00	Gyroscope
2600.00	1.25	96.20	2599.95	1.07	2.52	1.06	0.43	0.25	21.49	Gyroscope
2800.00	2.00	111.21	2799.87	-0.43	7.94	-0.43	0.43	0.37	7.50	Gyroscope
3000.00	1.25	88.24	2999.79	-1.63	13.38	-1.63	0.49	-0.37	-11.48	Gyroscope
3200.00	0.75	110.28	3199.76	-2.02	16.79	-2.02	0.31	-0.25	11.02	Gyroscope
3400.00	0.50	137.33	3399.75	-3.11	18.61	-3.11	0.19	-0.12	13.52	Gyroscope
3600.00	0.25	130.37	3599.75	-4.04	19.53	-4.04	-0.13	-0.12	-3.48	Gyroscope
3800.00	0.75	122.41	3799.74	-5.02	20.97	-5.02	0.25	0.25	-3.98	Gyroscope
4000.00	0.50	174.50	3999.73	-6.59	22.16	-6.59	0.30	-0.12	26.04	Gyroscope

Strata Directional Technology, Inc.

Survey Report

Company: SOUTHWESTERN ENERGY COMPANY
 Field: Eddy County, NM
 Site: Corral Fly Federal #3H
 Well: #3H
 Wellpath: Original Hole

Date: 10/17/2007 Time: 10 10:55 Page: 2
 Co-ordinate(NE) Reference: Well #3H, Grnd North
 Vertical (TVD) Reference: Est 3024'GL+15'KB 3039 0
 Section (VS) Reference: Well (0 00N,0 00E,359 99Azi)
 Survey Calculation Method: Minimum Curvature Db: Adapti

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
4200.00	0.50	157.54	4199.72	-8.26	22.57	-8.27	0.07	0.00	-8.48	Gyroscope
4400.00	0.50	160.63	4399.71	-9.89	23.20	-9.90	0.01	0.00	1.54	Gyroscope
4600.00	0.25	225.93	4599.71	-11.02	23.17	-11.03	0.23	-0.12	32.65	Gyroscope
4615.00	0.25	219.01	4614.71	-11.07	23.13	-11.07	0.20	0.00	-46.13	Gyroscope
4640.00	0.00	337.10	4639.71	-11.11	23.09	-11.12	1.00	-1.00	0.00	MWD
4659.00	0.50	161.40	4658.71	-11.19	23.12	-11.19	2.63	2.63	0.00	MWD
4691.00	0.70	18.40	4690.71	-11.14	23.23	-11.14	3.56	0.62	-446.87	MWD
4723.00	3.90	0.60	4722.68	-9.86	23.30	-9.87	10.13	10.00	-55.62	MWD
4755.00	8.20	351.80	4754.49	-6.51	22.98	-6.52	13.71	13.44	-27.50	MWD
4787.00	12.80	351.10	4785.95	-0.75	22.11	-0.75	14.38	14.37	-2.19	MWD
4819.00	17.20	352.50	4816.85	7.45	20.94	7.44	13.80	13.75	4.37	MWD
4851.00	20.00	352.60	4847.18	17.57	19.62	17.56	8.75	8.75	0.31	MWD
4882.00	22.70	353.40	4876.05	28.77	18.25	28.76	8.76	8.71	2.58	MWD
4914.00	26.40	354.10	4905.15	41.98	16.81	41.98	11.60	11.56	2.19	MWD
4946.00	30.40	354.50	4933.29	57.12	15.30	57.12	12.51	12.50	1.25	MWD
4978.00	34.20	355.40	4960.34	74.15	13.80	74.15	11.97	11.87	2.81	MWD
5010.00	38.20	356.40	4986.15	93.00	12.46	93.00	12.64	12.50	3.12	MWD
5041.00	41.80	356.40	5009.90	112.88	11.21	112.88	11.61	11.61	0.00	MWD
5073.00	45.50	357.80	5033.05	134.94	10.10	134.94	11.95	11.56	4.37	MWD
5105.00	49.40	358.20	5054.68	158.50	9.28	158.49	12.22	12.19	1.25	MWD
5137.00	52.10	358.10	5074.93	183.26	8.48	183.26	8.44	8.44	-0.31	MWD
5168.00	54.40	357.80	5093.47	208.08	7.59	208.08	7.46	7.42	-0.97	MWD
5200.00	57.70	358.10	5111.34	234.61	6.64	234.60	10.34	10.31	0.94	MWD
5232.00	61.30	358.50	5127.58	262.16	5.83	262.16	11.30	11.25	1.25	MWD
5264.00	64.80	359.00	5142.08	290.67	5.21	290.67	11.03	10.94	1.56	MWD
5296.00	68.40	358.80	5154.79	320.03	4.64	320.03	11.26	11.25	-0.62	MWD
5327.00	72.20	359.00	5165.24	349.21	4.08	349.21	12.27	12.26	0.65	MWD
5359.00	76.60	359.30	5173.84	380.02	3.63	380.02	13.78	13.75	0.94	MWD
5391.00	80.70	359.90	5180.14	411.38	3.41	411.38	12.94	12.81	1.87	MWD
5423.00	84.90	0.60	5184.15	443.12	3.55	443.12	13.30	13.12	2.19	MWD
5455.00	86.50	1.00	5186.55	475.03	3.99	475.03	5.15	5.00	1.25	MWD
5487.00	86.90	1.20	5188.39	506.97	4.61	506.97	1.40	1.25	0.62	MWD
5519.00	86.70	1.00	5190.17	538.92	5.22	538.91	0.88	-0.62	-0.62	MWD
5550.00	86.40	0.90	5192.04	569.85	5.73	569.85	1.02	-0.97	-0.32	MWD
5582.00	86.20	0.70	5194.10	601.78	6.18	601.78	0.88	-0.62	-0.62	MWD
5616.00	86.10	0.80	5196.39	635.71	6.62	635.70	0.42	-0.29	0.29	MWD
5648.00	86.10	0.70	5198.56	667.63	7.04	667.63	0.31	0.00	-0.31	MWD
5679.00	86.10	0.80	5200.67	698.55	7.45	698.55	0.32	0.00	0.32	MWD
5711.00	87.10	0.90	5202.57	730.49	7.92	730.49	3.14	3.12	0.31	MWD
5743.00	87.00	0.80	5204.22	762.45	8.39	762.45	0.44	-0.31	-0.31	MWD
5773.00	86.90	0.90	5205.81	792.40	8.84	792.40	0.47	-0.33	0.33	MWD
5805.00	87.10	0.80	5207.49	824.35	9.31	824.35	0.70	0.62	-0.31	MWD
5836.00	88.10	0.60	5208.79	855.32	9.69	855.32	3.29	3.23	-0.65	MWD
5869.00	88.60	0.70	5209.74	888.31	10.06	888.31	1.55	1.52	0.30	MWD
5900.00	88.70	0.30	5210.47	919.30	10.34	919.30	1.33	0.32	-1.29	MWD
5932.00	88.90	0.60	5211.14	951.29	10.59	951.29	1.13	0.62	0.94	MWD
5964.00	89.80	0.80	5211.50	983.29	10.98	983.28	2.88	2.81	0.62	MWD
5996.00	89.40	0.10	5211.72	1015.28	11.23	1015.28	2.52	-1.25	-2.19	MWD
6028.00	89.80	0.40	5211.95	1047.28	11.37	1047.28	1.56	1.25	0.94	MWD
6060.00	88.70	0.60	5212.37	1079.28	11.65	1079.28	3.49	-3.44	0.62	MWD
6092.00	88.70	0.80	5213.09	1111.27	12.04	1111.27	0.62	0.00	0.62	MWD
6124.00	90.80	1.00	5213.23	1143.26	12.54	1143.26	6.59	6.56	0.62	MWD
6155.00	92.50	1.20	5212.34	1174.24	13.14	1174.24	5.52	5.48	0.65	MWD
6187.00	92.60	0.80	5210.92	1206.21	13.69	1206.20	1.29	0.31	-1.25	MWD

Strata Directional Technology, Inc.

Survey Report

Company: SOUTHWESTERN ENERGY COMPANY
 Field: Eddy County, NM
 Site: Corral Fly Federal #3H
 Well: #3H
 Wellpath: Original Hole

Date: 10/17/2007 Time: 10 10 55 Page: 3
 Co-ordinate(NE) Reference: Well: #3H, Grd North
 Vertical (TVD) Reference: Est.3024'GL+15'KB 3039.0
 Section (VS) Reference: Well (0 00N,0 00E,359 99Azi)
 Survey Calculation Method: Minimum Curvature Db: Adapti

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
6219.00	92.40	0 20	5209.52	1238 17	13 97	1238 17	1 97	-0.62	-1.87	MWD
6251.00	92.30	359 80	5208 21	1270 15	13.97	1270.14	1 29	-0 31	-1.25	MWD
6283 00	92 50	359.40	5206 87	1302 12	13 75	1302 12	1.40	0 62	-1 25	MWD
6315 00	92.80	359 50	5205 39	1334 08	13.44	1334 08	0.99	0 94	0 31	MWD
6347 00	92.10	359.10	5204 02	1366 05	13 05	1366 05	2 52	-2 19	-1 25	MWD
6377.00	91 30	358 80	5203 13	1396 03	12 50	1396 03	2 85	-2 67	-1.00	MWD
6409 00	91.30	358.70	5202 40	1428 02	11.80	1428.01	0 31	0 00	-0 31	MWD
6440 00	91 60	358.60	5201 62	1459 00	11 07	1459 00	1 02	0.97	-0 32	MWD
6472.00	91.70	358.60	5200 70	1490 97	10 29	1490.97	0.31	0.31	0 00	MWD
6504.00	91 50	358.90	5199 80	1522 95	9 60	1522 95	1.13	-0 62	0 94	MWD
6536 00	91 50	359.00	5198 97	1554 94	9.01	1554 94	0 31	0.00	0.31	MWD
6568 00	91.60	358.90	5198 10	1586 92	8 42	1586 92	0.44	0.31	-0.31	MWD
6600 00	91.50	358.80	5197.24	1618.90	7 78	1618 90	0.44	-0.31	-0.31	MWD
6632 00	91.30	359 00	5196 45	1650 89	7 17	1650 89	0 88	-0 62	0.62	MWD
6664 00	91.50	358.90	5195.67	1682 87	6 58	1682 87	0 70	0 62	-0 31	MWD
6695.00	92.00	358 70	5194 73	1713 85	5.93	1713 85	1.74	1 61	-0.65	MWD
6727 00	92 80	359.10	5193.39	1745 82	5.32	1745.82	2 79	2 50	1 25	MWD
6759 00	93 20	359 00	5191.71	1777.77	4.79	1777 77	1 29	1 25	-0.31	MWD
6791.00	91 70	359.20	5190 34	1809.73	4.29	1809 73	4.73	-4 69	0 62	MWD
6823.00	91 40	359.00	5189.48	1841 72	3 78	1841 72	1.13	-0.94	-0 62	MWD
6855.00	91.30	359.00	5188.72	1873.70	3.23	1873.70	0.31	-0.31	0 00	MWD
6887.00	91.30	359.00	5188 00	1905'69	2 67	1905 69	0 00	0.00	0 00	MWD
6918.00	91 40	359.00	5187.27	1936 68	2 13	1936 68	0 32	0 32	0 00	MWD
6950.00	91.30	359.00	5186.51	1968 66	1 57	1968 66	0 31	-0.31	0 00	MWD
6982.00	91 20	359 20	5185.81	2000.65	1.07	2000 65	0 70	-0.31	0.62	MWD
7014.00	91.40	359.10	5185 09	2032 64	0.59	2032.64	0.70	0.62	-0.31	MWD
7046.00	91.30	359.10	5184 33	2064 63	0.09	2064.63	0.31	-0.31	0.00	MWD
7078 00	91.20	359 30	5183.64	2096.62	-0 36	2096.62	0 70	-0.31	0.62	MWD
7110 00	91.00	359.30	5183.02	2128.61	-0 75	2128.61	0.62	-0.62	0.00	MWD
7141.00	91.00	359.10	5182 48	2159.60	-1 18	2159 60	0.65	0.00	-0.65	MWD
7173.00	91.30	359 20	5181.84	2191.59	-1 66	2191 59	0 99	0.94	0 31	MWD
7205.00	91.10	359.20	5181.17	2223 58	-2 10	2223.58	0 62	-0 62	0.00	MWD
7237.00	91.00	358.90	5180.58	2255.57	-2 63	2255 57	0.99	-0.31	-0.94	MWD
7269.00	91.00	359.10	5180.02	2287 56	-3 19	2287.56	0 62	0 00	0.62	MWD
7286.00	91.10	359.00	5179.71	2304 56	-3 47	2304.56	0.83	0.59	-0.59	MWD
7331.00	91 10	359.00	5178 85	2349.54	-4.26	2349.54	0.00	0.00	0 00	PROJECTED to TD