

SURVEY REPORT
STRATA DIRECTIONAL
NASH DRAW #36

EDDY COUNTY, NEW MEXICO
DISTRICT TWO

SEPTEMBER 19, 2001



A Gyrodata Directional Survey

for

Strata Directional Technology

Location: J.W. DRILLING #3, EDDY COUNTY, NEW MEXICO
Well: NASH DRAW #36, 4-1/2" DRILLPIPE

Job Number: MD0701GMW278

Run Date: 9/20/01 2:06:35 PM

Surveyor: Mike Shepherd Mike Martinez

Calculation Method: MINIMUM CURVATURE

Survey Latitude: 32.316280 deg. N

Azimuth Correction:

Gyro: 0.04540 deg East to Grid North

Proposed Well Direction: 296.390 deg

Vertical Section Calculated from Well Head Location

Closure Calculated from Well Head Location

Horizontal Coordinates Calculated from Well Head Location

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MEASURED DEPTH feet	I N C L deg.	A Z I M U T H deg.	V E R T I C A L S E C T I O N feet	D O G L E G S E V E R I T Y deg./ 100 ft.	V E R T I C A L D E P T H feet	C L O S U R E D I S T. A Z I M U T H feet deg.	H O R I Z O N T A L C O O R D I N A T E S feet
0.0	0.00	0.00	0.0	0.00	0.0	0.0 0.0	0.00 N 0.00 E
----- 0 - 3133 FT RATE GYROSCOPIC MULTISHOT SURVEY RUN INSIDE 4-1/2" DRILLPIPE ALL MEASUREMENTS AND COORDINATES REFERENCED TO J.W. DRILLING #3 -----							
100.0	1.08	356.84	0.5	1.08	100.0	0.9 356.8	0.94 N 0.05 W
200.0	0.95	331.35	1.6	0.47	200.0	2.7 349.1	2.62 N 0.50 W
300.0	0.52	340.70	2.6	0.45	300.0	3.9 344.4	3.77 N 1.05 W
400.0	1.27	350.87	3.6	0.77	400.0	5.5 345.4	5.29 N 1.37 W
500.0	0.87	318.12	4.9	0.71	499.9	7.2 343.5	6.95 N 2.06 W
600.0	0.80	359.44	6.0	0.59	599.9	8.6 342.6	8.21 N 2.57 W
700.0	0.59	294.14	6.8	0.77	699.9	9.6 341.5	9.13 N 3.05 W
800.0	0.45	19.36	7.3	0.71	799.9	10.3 340.8	9.70 N 3.38 W
900.0	0.67	308.07	8.0	0.68	899.9	11.1 340.4	10.43 N 3.72 W
1000.0	0.06	172.19	8.5	0.72	999.9	11.5 338.8	10.74 N 4.18 W
1100.0	0.63	304.67	9.0	0.67	1099.9	11.9 337.2	11.01 N 4.62 W
1200.0	0.13	274.09	9.7	0.52	1199.9	12.5 335.4	11.33 N 5.19 W
1300.0	1.05	282.23	10.7	0.92	1299.9	13.1 331.8	11.53 N 6.19 W
1400.0	0.66	243.41	11.9	0.68	1399.9	13.8 326.4	11.47 N 7.61 W
1500.0	1.47	247.49	13.1	0.81	1499.9	14.2 319.0	10.71 N 9.31 W
1600.0	0.85	217.96	14.1	0.84	1599.9	14.6 311.3	9.63 N 10.96 W
1700.0	1.37	233.63	14.8	0.59	1699.8	14.9 304.0	8.34 N 12.38 W
1800.0	0.97	191.31	15.1	0.92	1799.8	15.1 296.7	6.80 N 13.51 W
1900.0	1.34	206.38	14.9	0.47	1899.8	15.0 289.1	4.92 N 14.19 W
2000.0	2.14	186.77	14.3	0.99	1999.8	15.1 277.7	2.02 N 14.93 W

A Gyrodata Directional Survey

Strata Directional Technology
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 Location: J.W. DRILLING #3, EDDY COUNTY, NEW MEXICO
 Job Number: MD0701GMW278

MEASURED DEPTH feet	I N C L deg.	A Z I M U T H deg.	V E R T I C A L S E C T I O N feet	D O G L E G S E V E R I T Y deg./ 100 ft.	V E R T I C A L D E P T H feet	C L O S U R E D I S T. A Z I M U T H feet deg.	H O R I Z O N T A L C O O R D I N A T E S feet
2100.0	2.39	195.88	13.3	0.44	2099.7	15.8 263.3	1.83 S 15.72 W
2200.0	2.64	201.41	12.7	0.35	2199.6	18.1 250.8	5.98 S 17.13 W
2300.0	2.73	192.43	11.9	0.43	2299.5	21.2 240.5	10.45 S 18.48 W
2400.0	2.33	190.35	10.8	0.41	2399.4	24.4 232.7	14.77 S 19.36 W
2500.0	3.07	192.15	9.6	0.74	2499.3	28.1 226.3	19.39 S 20.29 W
2600.0	2.82	175.65	7.6	0.88	2599.1	32.0 220.2	24.45 S 20.66 W
2700.0	2.51	179.40	5.4	0.35	2699.0	35.6 215.1	29.10 S 20.45 W
2800.0	3.02	169.58	2.8	0.69	2798.9	39.3 210.5	33.88 S 19.95 W
2900.0	2.46	157.70	-0.4	0.80	2898.8	42.7 205.9	38.46 S 18.67 W
3000.0	2.31	157.96	-3.5	0.14	2998.7	45.6 202.0	42.31 S 17.09 W
3100.0	1.98	150.08	-6.4	0.44	3098.6	48.2 198.7	45.68 S 15.47 W
3133.0	1.65	159.48	-7.3	1.35	3131.6	49.0 197.9	46.62 S 15.02 W

Final Station Closure: Distance: 48.98 ft Az: 197.86 deg.

N.M. Oil Cons. Division
UNIT STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

811 S. 1st Street
Artesia, NM 88210-2834

FORM APPROVED

Budget Bureau No. 1004-0135

Expires: March 31, 1993

clst

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT-" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Gas
☒ Well ☐ Well ☐ Other

2. Name of Operator

STRATA PRODUCTION COMPANY

3. Address and Telephone No.

P. O. Box 1030
Roswell, New Mexico 88202-1030 505-622-1127

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

1460' FSL & 1585' FWL
Section 12-23S-29E

5. Lease Designation and Serial No.

NM-0554221

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

Nash Unit

8. Well Name and No.

Nash Unit #36

9. API Well No.

30-015-30176

10. Field and Pool, or Exploratory Area

Nash Draw Brushy Canyon

11. County or Parish, State

Eddy County, New Mexico

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

TYPE OF SUBMISSION

☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
<input checked="" type="checkbox"/> OTHER <u>Spud, Casing and Cement</u>	<input type="checkbox"/> Dispose Water

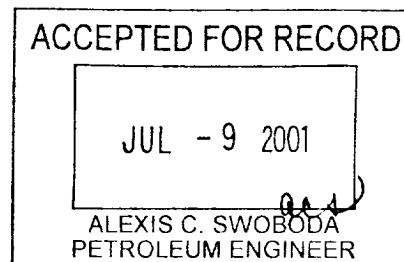
(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

06/25/2001: 08:00 a.m. commence drilling w/rotary rig. Drilled 74'.

06/26/2001: Drilled ~~211~~ 211'.

06/27/2001: Ran 7 joints 13 3/8" H-40 casing, 305'. Cemented First Stage with 425 SX Premium Plus w/2% Cacl. Plug down @ 2:15 p.m. Did not circulate cement. Ran temperature survey, TOC @ 70'. Ran 1" tubing. Cemented Second Stage with 86 SX Premium Plus.



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

Signed

Donna Bauer

Production Department

Date

6/28/2001

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. Div.
1301 W. 1st St.
Artesia, NM 87003

FORM APPROVED
Budget Bureau No. 1004-0135
Expires March 31, 1993

C197

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT-" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well Oil <input type="checkbox"/> Gas <input type="checkbox"/> <input checked="" type="checkbox"/> Well <input type="checkbox"/> Well <input type="checkbox"/> Other	5. Lease Designation and Serial No. NM-0554221
2. Name of Operator STRATA PRODUCTION COMPANY ✓	6. If Indian, Allottee or Tribe Name
3. Address and Telephone No. P. O. Box 1030 Roswell, New Mexico 88202-1030 505-622-1127	7. If Unit or CA, Agreement Designation Nash Unit
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1460' FSL & 1585' FWL Section 12-23S-29E	8. Well Name and No. Nash Unit #36
	9. API Well No. 30-015-30176
	10. Field and Pool, or Exploratory Area Nash Draw Brushy Canyon
	11. County or Parish, State Eddy County, New Mexico

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

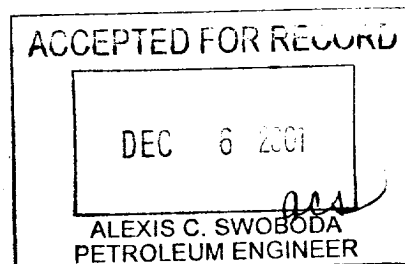
TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> OTHER <u>Casing</u>
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

07/04/2001: Drilled a 11" hole to 3112'. Ran 74 joints 8 5/8" J-55 casing at 3112'. Cemented at 3112' with 810 sacks 35/65 POZ "C" with 6% D-20, 10# sacks D-44, 0.25% D-130, 2% D-46, Tail-in with 200 sacks Class "C" with 2% S-1. Circulated 288 sacks to the pit. BLM Rep on location.

RECEIVED
OCD - ARTESIA



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

Signed Alexis C. Swoboda Title Production Analyst Date 12/05/2001

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____

Conditions of approval, if any:

RECEIVED

2004 DEC -6 AM 8:42

BY MAIL ROOM

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Cons. N.M. DIV-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210
FORM APPROVED
Bureau Order No. 1004-0135
Expires March 31, 1993
3. Lease Designation and Serial No.

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.

Use "APPLICATION FOR PERMIT-" for such proposals

SUBMIT IN TRIPLICATE

1. Type or well

Oil ☐ Gas ☐
☒ Well ☐ Well ☐ Other

2. Name of Operator

STRATA PRODUCTION COMPANY

3. Address and Telephone No.

P. O. Box 1030
Roswell, New Mexico 88202-1030 505-622-1127

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

1460' FSL & 1585' FWL
Section 12-23S-29E

NM-0554221

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. Unit Agreement Name

Nash Unit

8. Well Name and No.

Nash Unit #36

9. API Well No.

30-015-30176

10. Field and Pool, or Exploratory Area

Nash Draw Brushy Canyon

11. County or Parish, State

Eddy County, New Mexico

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

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

ACCEPTED FOR RECORD

AUG 30 2001

ALEXIS C. SWOBODA

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other

TD, LOG, CASING, CEMENT

- ☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log Form.)

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08/08/2001: TD 9786' and prepare to log.

08/09/2001: RU loggers, log and cut sidewall cores. TIH to circ and spot 144 bbls pills.

08/10/2001: POH and lay down drill pipe & drill collars. TIH w/5 1/2" csg, DV tools @ 6400' and 4400'. Tongs broke, wait on new tongs for 3.5 hrs.

08/11/2001: Ran 75 jts of 5.5" Hydril 513 P-110 334', 163 jts 5.5" LT&CN-80 to 6474'. Cmt'd @ 9786'. 1st stage cmt 600 sx 50/50 POXMIX "C" w/3%D-44m 1.5 GPX D-604 AM, .05 GPS D-174, 20 bbls chemical wash. 2nd stage cmt 400 sx 50/50 POXMIX "C" w/5% D-44, 2% D-65, 2% D-46, 3% D-174, 20 bbls chemical wash. 3rd stage cmt 725 sx 50/50 POXMIX "C" w/5% D-44, 2% D-65, 2% D-46, 3% D-174, 20 bbls chemical wash. Casing String: FS 1.58', 1 JT P-110 45.40', FC 2.00', 74 jts P-110 3288.51', DV Tool 2.15', 51 jts N-80 2013.16', DV Tool 2.15', 112 jts N-80 4461.00', Total 9815.95'.

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

Signed Kurt M. Britt

Title Production & Regulatory Analyst

Date 08/13/2001

(This space for Federal or State office use)

Approved by _____

Title _____

Date _____

Conditions of approval, if any:

2001 AUG 14 AM 8:53
BUREAU OF LAND MGMT.
ROSWELL OFFICE

RECEIVED

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Co. Division
811 S. 1st Street
Artesia, NM 88210-2834

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

C/S

SUNDRY NOTICES AND REPORTS ON WELLS

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SUBMIT IN TRIPLICATE

1. Type of Well
Oil Gas
☒ Well ☐ Well ☐ Other

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☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ OTHER Spud

☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

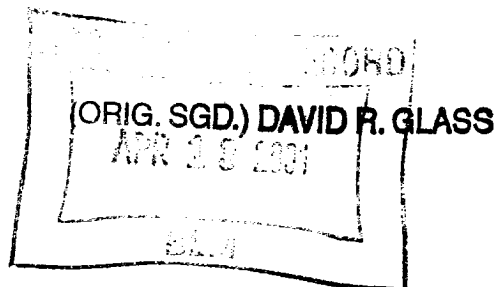
(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

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02/20/2001: Commence building location.

03/30/2001: Spud and drill 40'. Set and cement 20" conductor pipe.

03/31/2001: MIRU cable tool rig. Commence drilling at 2:00 PM. Notified Don Early with BLM Carlsbad. Drill 30'.



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

Signed

Carol J. Garcia

Title Production Records Manager

Date 4/6/2001

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any: