

Submit 3 Copies  
to Appropriate  
District Office  
DISTRICT I

1625 N. French Drive, Hobbs, NM 88240

**DISTRICT II**

1301 Grand, Artesia, NM 88210

**DISTRICT III**

1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico  
Energy, Minerals and Natural Resources Department

**OIL CONSERVATION DIVISION**

2040 South Pacheco  
Santa Fe, New Mexico 87505

**RECEIVED**

**MAR 24 2006**

**COPIES**

Form C-103  
Revised 1-1-89

WELL API NO. <b>30-015-25454</b>
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. <b>E-5229</b>
7. Lease Name or Unit Agreement Name <b>Forty Niner Ridge</b>
8. Well No. <b>#3</b>
9. Pool Name or Wildcat <b>Forty Niner Ridge Delaware</b>
10. Elevation (Show whether DF, RKB, RT, GR, etc.) <b>3124' GR</b>

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
1. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>	2. Name of Operator <b>STRATA PRODUCTION COMPANY</b>
3. Address of Operator <b>P.O. BOX 1030, ROSWELL, NEW MEXICO 88202-1030</b>	4. Well Location Unit Letter <b>F</b> : <b>2310'</b> Feet From The <b>North</b> Line and <b>1980</b> Feet From The <b>West</b> Line Section <b>16</b> Township <b>23 South</b> Range <b>30 East</b> NMPM <b>Eddy</b> County

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data	
NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
PLUG AND ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
CHANGE PLANS <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>
OTHER: <input type="checkbox"/>	OTHER: <u>Recompletion</u> <input type="checkbox"/>

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work)  
SEE RULE 1103

02/27/06: MIRU Totem Well Service. Unseat pump. TOH w/rods & pump. Release TA. Tally out of hole w/tbg. Prep to run 5 1/2" cmt retainer. SISD.

02/28/06: PU GIH w/ 5 1/2" cmt retainer. WO Dowell. Prep to squeeze lower perms. Dig workover pit and lines. SISD.

03/01/06: Set in racks and catwalk. Prep to set in trailer and drlg out. SISD.

03/02/06: RU Dowell. Squeeze perms (5952' - 5980') w/100 sx CI "H" cmt. Walk squeeze to 1375#. Sting out of retainer. TOH. RU and GIH w/5 1/2" cmt retainer. RU Dowell. Clear tbg and set retainer at 5658'. Squeeze perms (5709' - 5728') w/100 sx CI "H" w/add. Walk squeeze to 1580#. Sting out of retainer and pull 20 stnds. SISD. WOC.

03/03/06: TOH w/ret tool for retainer. Prep to PU workstring and drlg out. Set in mudlogger. PU 14 4 3/4" drill collars and 2 7/8" American open hole tbg. TIH. Stop at 5000'. SISD. Prep to PU swivel.

03/04/06: WO equipment to be delivered. SISD.

03/05/06: Set in rev tank. PU swivel and proceed to drlg. Tag TOC at 5311'. Drlg cmt to top of cmt retainer at 5648'. Circ hole clean. PU. SISD.

03/06/06: Break circ. Commence drlg cmt retainer. Drlg out of retainer. Circ hole. Test csg to 1000# for 15 min. Test okay. PU & GIH tag 2nd cmt retainer at 5836'. Drlg retainer. PU circ hole clean. SISD.

03/07/06: Break circ. Commence drlg cmt retainer. Drlg out cmt retainer and solid cmt to a depth of 5982'. Circ hole clean. Test csg to 1000# for 15 min. Test okay. Prep to tag up on float collar & drlg up shoe jnt. SISD.

03/08/06: Break circ. Tag up at 6127'. Circ frac sand & drlg cmt to top of float collar at 6310'. Drlg float collar & shoe jnt to a depth of 6400'. Drlg 3' of formation. Circ hole clean. Prep to trip for bit. SISD. TD 6403'.

03/09/06: TOH for bit trip. TIH w/ 4 3/4" button bit, 14 drill collars & workstring. RU swivel. Circ hole w/drlg mud. Prep to drlg formation. Mudlogger on location. Commence drlg operation at 6:10 p.m.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Kelly M. Britt TITLE Production Records DATE 03/24/06  
TYPE OR PRINT NAME Kelly M. Britt TELEPHONE NO. 505-622-1127 Ext 15  
(This space for State Use)

**FOR RECORDS ONLY**

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY: \_\_\_\_\_

**MAR 29 2006**

03/10/06: TD 6454'. 12 hrs rotating. No breaks and no shows.  
03/11/06: TD 6644'. 18 hrs rotating. No breaks and no shows.  
03/12/06: TD 6834'. 18 hrs rotating. Show at 6670 - 6675'. 48 units gas w/slight show. Prep to trip for bit. Circ.  
03/13/06: TD 6960'. TOH for bit. PU GIH w/4 3/4" Reed Button bit. Have no fill and no drag. Tag up at 6960'. Drlg.  
03/14/06: TD 7085'. 18 hrs rotating. No breaks. First show 7000 - 7010'.  
03/15/06: TD 7272'. 18 hrs rotating. Have 1 break and 1 show at 7200 - 7210'. Drlg to 7412'. Circ hole clean and add 300 sxs salt to bring chloride count to 62,000. Circ hole. Release mudlogger.  
03/16/06: TD 7412'. TOH w/workstring. RU Schlumberger. TIH w/logs. Logger TD 7428'. Log open hole. TOH w/logs. RD Schlumberger. TIH w/workstring. Circ hole clean. Prep to drop rabbit. TOH w/workstring.