Form 3160-5 (June 2015)

UNITED STATES DEPARTMENT OF THE INTERIOR

OMB NO. 1004-0137 Expires: January 31, 2018 **BUREAU OF LAND MANAGEMENT** 5. Lease Serial No. NMNM114356 SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter an 6. If Indian, Allottee or Tribe Name abandoned well. Use form 3160-3 (APD) for such proposals. 7. If Unit or CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on page 2 1. Type of Well 8. Well Name and No. SANDY FEDERAL 001 Oil Well Gas Well Other **GRACE CHARBONEAU** 9. API Well No. 2. Name of Operator Contact: STRATA PRODUCTION COMPANY E-Mail: GRACE@STRATANM.COM 30-015-21126 10. Field and Pool or Exploratory Area 3b. Phone No. (include area code) PO BOX 1030 FORTY NINER RIDGE; DELAWAR Ph: 575-622-1127 Ext: 20 ROSWELL, NM 88202 Fx: 575-623-3533 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, State Sec 24 T23S R30E Mer NMP 1979FSL 660FWL EDDY COUNTY COUNTY, NM 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF ACTION TYPE OF SUBMISSION ☐ Acidize □ Production (Start/Resume) ■ Water Shut-Off Deepen Notice of Intent ☐ Alter Casing ☐ Hydraulic Fracturing ☐ Reclamation ☐ Well Integrity ☐ Subsequent Report Other Casing Repair ☐ Recomplete Tinal Abandonment Notice ☐ 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 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/BlA. 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. We are requesting approval to install an electrical power distribution system from the XCEL take off point in the NE/NE quarter of Section 24 and to follow the route to the Sandy Federal #1. Please see attached diagram. NM OIL CONSERVATION The proposed primary power line will consist of 7436' of new overhead power line operating at 12,470 volts to provide power to the Sandy oil wells. The powerline will only be used for Strata ARTESIA DISTRUCT Production Company wells. It is a distribution powerline not a transmission system. It will be consist of 28 40' class 5 wood poles spaced evenly through out the project, each with a FEB 2 4 2017 8' wood crossarm, 60" crossarm braces, 1/0 ACSR conductor with no neutral and 4 320 amp 3 phase meter bases. No substations or other ancillary facilities are involved. The project will be constructed after the completion of the proposed system that Cimarex is constructing in the same right of way.

FORM APPROVED

RECEIVED

14. I hereby certify that the foregoing is true and correct. Electronic Submission #360016 verified by the BLM Well Information System For STRATA PRODUCTION COMPANY, sent to the Carlsbad Committed to AFMSS for processing by DEBORAH MCKINNEY on 01/10/2017 ()				
Name (Printed/Typed)	PAUL RAGSDALE	Title	OPERATIONS MANAGER	
Signature	(Electronic Submission)	Date	12/06/2016	
THIS SPACE FOR FEDERAL OR STATE OFFICE USE				
Approved By	ed l. lyt	Title	FIELD MANAGER	Date //0/17
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	CARLSBAD FIELD OFFICE	

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)

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

RN3-6-17

Additional data for EC transaction #360016 that would not fit on the form

32. Additional remarks, continued

Due to the sandy nature of the right of way, some minor dirt work will be necessary to get the trucks in to install the poles.

The project will commence at the North east corner of Section 24-T23S-R30E at the XCEL powerline

that has been constructed.

The powerline will be extended to the south and west and will terminate at the existing STRATA power system at the Sandy FEd #1, which is located 660' FWL & 1980 FNL in Section 24. The project will be constructed by OTI Electrical Services from Andrews, Texas and will be built to ASME standards. The entire project is contained to Section 24 which is entirely on Federal Lands. No other Federal or State agencies are involved.

The project will commence after the construction of the Cimarex powerline and should take 14 working days, weather dependent. It is anticipated that construction will commence in early 2017. The project has been surveyed and flagged and there is adequate access to the area using the existing 2 track roads. Due to the sandy nature of the area, no seeding or revegetation will take place as the existing vegetation will cover the disturbed area.

Project life span is 10 to 20 years. After the wells are plugged and abandoned, all of this

structure will be removed.

Drill Island, Potash, Soundy Power should not block Rigs

Shimpery-oak

LPC-Historic Range

Kermit-Berino time sonds, U-3/6 Syns

50% 30%

