OCD-ARTESIA



MAR 2 5 2008 Form 3160-5 UNITED STATES (April 2004) DEPARTMENT OF THE INTERIOR Expires: March 31, 2007 BUREAU OF LAND MANAGEMENT Lease Senal No NM -0531075 SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to re-enter an 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 reverse side. I Type of Well Oil Well Gas Well Other 8. Well Name and No. Forty Niner Ridge Unit #9 (28510)2 Name of Operator STRATA PRODUCTION COMPANY 9. API Well No. 30-015-35008 3a. Address 3b Phone No. (include area code) P. O. Box 1030 Roswell, New Mexico 88202-1030 575.622.1127 10 Field and Pool, or Exploratory Area Forty Niner Ridge; Delaware 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, State 330' FSL & 2630' FWL Unit Letter "N" Section 10 - T23S - R30E **Eddy County, New Mexico** 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF ACTION TYPE OF SUBMISSION Production (Start/Resume) Water Shut-Off Acidize Deepen Notice of Intent Well Integrity Alter Casing Reclamation Fracture Treat Other Setting of 8 5/8" Subsequent Report Casing Repair New Construction Recomplete Intermediate Casing Change Plans Temporarily Abandon Plug and Abandon Final Abandonment Notice 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/BIA Required subsequent reports shall 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 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) Drilled 11" hole to 3640' intermediate casing depth at 8:30 PM on 2/25/08. Ran 87 jts (3645') of 8 5/8" 32# K-55 LTC w/FS & FC. Landed FS @ 3640' w/ FC @ 3595'. Schlumberger cemented w/ 1200 sx 35:65 POZ - "C" cont'g 6% D20 gel, 5% D44 salt, 0.2% D46 anti-foamer & 0.125 pps D130 polyflakes (12.6 ppg, 2.04 yield) followed by 200 sx Class "C" w/ 2% CaCl & 0.125 pps (14.8 ppg, 1.33 yield). Bumped plug w/ 1639 psi at 12:38 PM on 2/26/08, circulated estimated 300 sx cement to surface. PU BOP, set slips w/ 95K & installed "B" section of WH - tested to 1500 psi, OK. NU BOP and third-party tested all BOPE to 250 psi (low) & 3000 psi (high), OK. TIH w/ 77/8" BHA and after total of 30 hrs WOC, tested 8 5/8" csg w/ 1500 psi, OK. Drilled float equipment and float joint - resumed drilling formation at 10:00 PM on 2/27/08 14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) D. C. Dodd / Sierra Engineering Title Agent for Strata Production-Company

Signature Date 3-7-08 THIS SPACE FOR FEDERAL OR STATE OFFICE USE 2 2 2008 Title 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 Office which would entitle the applicant to conduct operations thereon. 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 dates any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction