

Submit 1 Copy To Appropriate District Office
 District I - (575) 393-6161
 1625 N. French Dr., Hobbs, NM 88240
 District II - (575) 748-1283
 811 S. First St., Artesia, NM 88210
 District III - (505) 334-6178
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV - (505) 476-3460
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised July 18, 2013

HOBBS OGD
DEC 08 2016
RECEIVED

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-025-31153
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VB-0030
7. Lease Name or Unit Agreement Name PALOMA STATE
8. Well Number 001
9. OGRID Number 021712
10. Pool name or Wildcat BUFFALO YATES

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 Gas Well Other

2. Name of Operator
STRATA PRODUCTION COMPANY

3. Address of Operator
PO BOX 1030, ROSWELL, NM 88201

4. Well Location
 Unit Letter O : 330 feet from the SOUTH line and 1650 feet from the EAST line
 Section 28 36 Township 18S Range 32E NMPM LEA County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3710 GR

12. 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"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

REQUEST APPROVAL TO SHUT IN THE PALOMA STATE #1 DUE TO ECONOMIC HARDSHIP.
 THE WELL IS CAPABLE OF PRODUCING 3.5 BOPD BUT PRODUCES 25 BWPD.
 THE WATER HAS TO BE HAULED TO A DISPOSAL FACILITY AND TRUCKING COSTS MAKES THIS AN UNECONOMIC VENTURE.

REQUEST APPROVAL TO SHUT THE WELL IN FOR 1 YEAR FROM 10-15-2016 TO 10-15-2017.

Spud Date: 02-27-1991 Rig Release Date: 03-25-1991

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

SIGNATURE Paul Ragsdale TITLE OPERATIONS MANAGER DATE 12/06/2016
 Type or print name PAUL RAGSDALE E-mail address: pragsdale@stratanm.com PHONE: 575-622-1127
For State Use Only
 APPROVED BY: Maley S Brown TITLE AO/II DATE 12/8/2016
 Conditions of Approval (if any):