Form 3160-5 (April 2004)

OCD-HOBBS UNITED STATES

FORM APPROVED OMB No. 1004-0137

DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT Expires: March 31, 2007 Lease Serial No. SUNDRY NOTICES AND REPORTS ON WELLS NM-85940 Do not use this form for proposals to drill or to re-enter an abandoned well. If Indian, Allottee or Tribe Name Use Form 3160-3 (APD) for such proposals. SUBMIT IN TRIPLICATE 7. If Unit or CA, Agreement Designation 1. Type of Well Gas X Well Well Well Name and No. Urraca Federal #3 2. Name of Operator STRATA PRODUCTION COMPANY API Well No. 3. Address and Telephone No P. O. Box 1030 30-025-37687 Roswell, NM 88202-1030 505-622-1127 10. Field and Pool, or Exploratory Area Diamondtail Delaware 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1980' FSL & 660' FWL 11. County or Parish, State Section 11-T23S-R32E Lea County, New Mexico CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 12. TYPE OF SUBMISSION TYPE OF ACTION Notice of Intent Acidize Deepen Production (Start/Resume) Water Shut-Off Alter Casing Fracture Treat Reclamation Well Integrity Other Comp Subsequent Report Casing Repair **New Construction** Recomplete Change of Plans Plug & Abandon Temporily Abandon Final Abandonment Notice Convert to Injection Plug Back Water Disposal 13. Describe Proposed or Completed Operations (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 30days 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 MIRU. Set BOP. TIH PU 245 jnts J-55 tbg. Set tbg at 7727'. RU kill truck. Circ hole clean w/200 bbls 2% KCL. TOH w/tbg. Perforate 5 holes as follows: 7691', 93', 94', 95' and 96'. PU 5 1/2" pkr. TIH w/tbg. Left pkr at 7415'. TIH w/tbg. Set tbg at 7704'. Spot 1 bbl 7 1/2% NeFe across perfs. Move up, set pkr at 7643'. Acidize w/1000 gal 7 1/2% NeFe. 14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Kelly M. Britt **Production Records** Title ACCEPTED FOR RECORD Signature 01/17/07 Date THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Title Date 2007 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 Office FREDERICK WRIGHT 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 department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its first of the united States. United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.