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FORM APPROVED OM B No 1004-0137 Expires: March 31, 2007 UNITED STATES (April 2004) FEB 2 7 2009 DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT 5. Lease Serial No NM-85940 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. Gas Well Other 8. Well Name and No Urraca Federal #2 2. Name of Operator Strata Production Company 9. API Well No. 30-025-31625 3b. Phone No. (include area code) 3a. Address PO Box 1030, Roswell NM, 88202-1030 575-622-1127 10. Field and Pool, or Exploratory Area Diamondtail Delaware 4. Location of Well (Footage, Sec., T, R, M, or Survey Description) 11. County or Parish, State S11-T23S-R32E UL:M, 560' FSL & 660' FWL Lea, NM 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Acidize Production (Start/Resume) Water Shut-Off Deepen ✓ Notice of Intent ☐Well Integrity Alter Casing Reclamation Fracture Treat ✓ Other Off Location Gas Casing Repair New Construction Recomplete Subsequent Report Sales Change Plans Plug and Abandon Temporarily Abandon Final Abandonment Notice Plug Back Water Disposal Convert to Injection 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 zoncs. 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.) Effective February 19, 2009 there will be gas sales on this well. The DPC gas meter is located on the Urraca Federal #1 tank battery located in Section 11 T23S-R32E, 660' FSL & 1980' FWL. Both the Urraca and Cuervo tank batteries have gas meters to separately measure the gas produced from each lease which will in turn be allocated to each producing well by well test. The BLM will be notified when the proper documents are filed with the Oil Conservation Division. 14. Thereby certify that the foregoing is true and correct Name (Printed/Typed) Jennifer Zapata Title Production Analyst 02/26/2009 Signatu Date THIS SPACE FOR FEDERAL OR STATE OFFICE USE MAR 0 9 200 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. 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.