

**RECEIVED**Form 3160-5  
(April 2004)**FEB 27 2009**UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT**HOBBS****SUNDRY NOTICES AND REPORTS ON WELLS***Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

5. Lease Serial No.

**NM-84729**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

**Cuervo Federal #3**

9. API Well No.

**30-025-38680**

10. Field and Pool, or Exploratory Area

**Diamondtail Delaware**

11. County or Parish, State

**Lea, NM****SUBMIT IN TRIPLICATE- Other instructions on reverse side.**

1. Type of Well



Oil Well



Gas Well



Other

2. Name of Operator

**Strata Production Company**

3a. Address

**PO Box 1030, Roswell NM, 88202-1030**

3b. Phone No. (include area code)

**575-622-1127**

4. Location of Well (Footage, Sec, T., R., M., or Survey Description)

**S14-T23S-R32E****1980' FNL & 1650' FWL****12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <b>Off Location Gas Sales</b>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

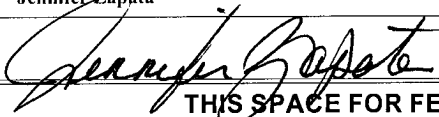
13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths 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 recompleat 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. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

**Jennifer Zapata**Title **Production Analyst**

Signature



Date

**02/26/2009****THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

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.

**PETROLEUM ENGINEER**

Title

Date

**MAR 26 2009**

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)