

Energy, Minerals and Natural Resources Department

District Office  
State Lease - 6 copies

Revised 1-1-89

## OIL CONSERVATION DIVISION

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

API NO. (assigned by OCD on New Wells)

30-005-21124

5. Indicate Type of Lease

STATE ☒

FEE ☐

6. State Oil & Gas Lease No.

VA-883

### APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

7. Lease Name or Unit Agreement Name

Faisan State

8. Well No.

#1

9. Pool name or Wildcat Wildcat  
~~North Caprock Devonian~~

1a. Type of Work:

DRILL ☒

RE-ENTER ☐

DEEPEN ☐

PLUG BACK ☐

b. Type of Well:

OIL WELL ☒

GAS WELL ☐

OTHER ☐

SINGLE ZONE ☒

MULTIPLE ZONE ☐

2. Name of Operator

Strata Production Company

3. Address of Operator

P.O. Box 1030, Roswell, NM 88202-1030

4. Well Location

Unit Letter A : 963 Feet From The North Line and 780 Feet From The East Line  
Section 36 Township 12 South Range 31 East NMPM Chaves County

10. Proposed Depth

12,000'

11. Formation

Devonian

12. Rotary or C.T.

Rotary

13. Elevations (Show whether DF, RT, GR, etc.)

4397' GR

14. Kind & Status Plug. Bond

Statewide

15. Drilling Contractor

Mc Gee Drilling Co.

16. Approx. Date Work will start

Feb. 28, 1994

17.

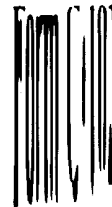
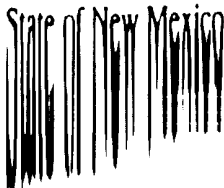
### PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
17 1/2"	13 3/8"	48#	400'	Circulated	Surface
12 1/4"	8 5/8"	32#	3650'	Circulated	Surface
7 7/8"	5 1/2"	17#	12000'	Tie back to intermediate casing	

Strata Production Company proposes to drill to a depth sufficient to test the Devonian formation. If productive, 5 1/2" casing will be set. If non-productive, the well will be plugged and abandoned in a manner consistent with State of New Mexico Regulations. Specific programs are outlined as follows:

OPER. OGRID NO. 021712

PROPERTY NO. 13629 Form C-102 Well Location and Acreage Dedication Plat  
21, 570 Exhibit "A" Equipment Description



Submit to Appropriate  
District Office  
State Lease - 4 copies  
Fee Lease - 3 copies

Energy, Minerals and Natural Resources Department

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## OIL CONSERVATION DIVISION

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

P.O. Box 2088

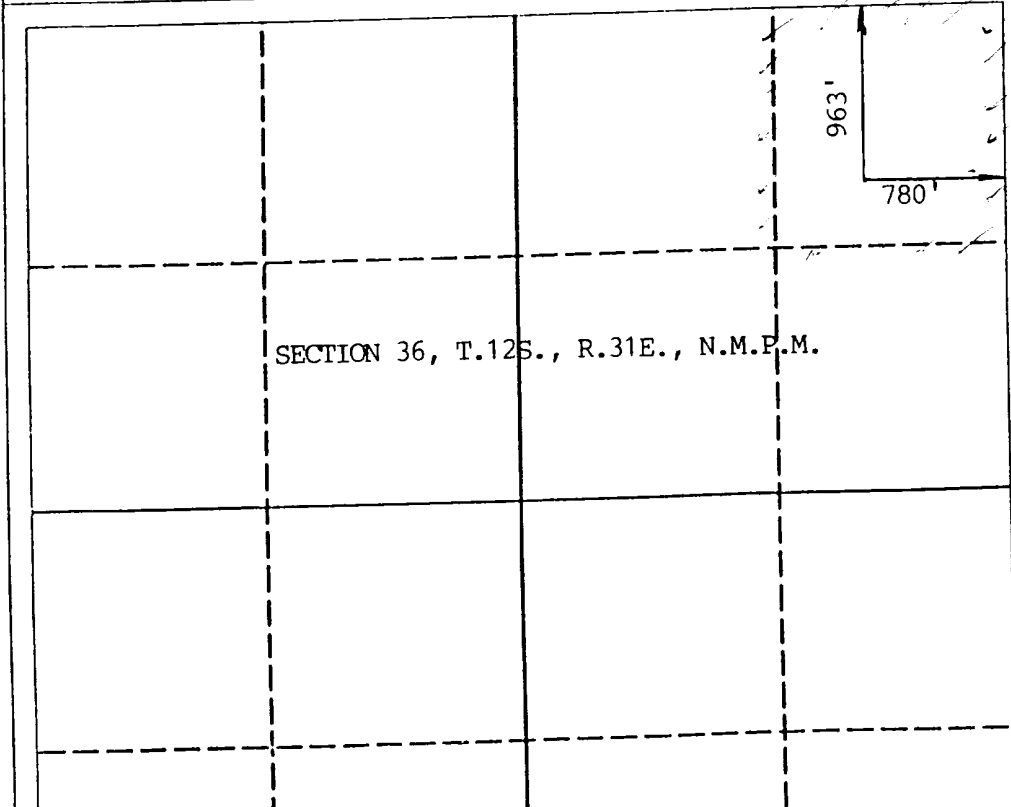
Santa Fe, New Mexico 87504-2088

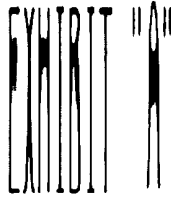
DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

### WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator <b>STRATA PRODUCTION</b>		Lease <b>FAISAN STATE</b>		Well No. <b>#1</b>
Unit Letter <b>A</b>	Section <b>36</b>	Township <b>12S.</b>	Range <b>31E.</b>	County <b>CHAVES</b>
Actual Footage Location of Well: <b>963</b>		feet from the <b>NORTH</b> line and <b>780</b> feet from the <b>EAST</b> line		
Ground level Elev. <b>4397</b>	Producing Formation <b>DEVONIAN</b>	Pool <b>NORTH CAPROCK Wildcat</b>		Dedicated Acreage: <b>40.80.00 Acres</b>
<p>1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.</p> <p>2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).</p> <p>3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If answer is "yes" type of consolidation <b>COMMUNITIZATION</b></p> <p>If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)</p> <p>No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.</p>				
			<b>OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
			Signature <i>Carol J. Garcia</i> Printed Name <b>CAROL J. GARCIA</b> Position <b>PRODUCTION RECORDS MANAGER</b> Company <b>STRATA PRODUCTION COMPANY</b> Date <b>FEBRUARY 7, 1994</b>	
			<b>SURVEYOR CERTIFICATION</b> I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.	
			Date Surveyed <b>1/18/93</b> Signature & Seal of Professional Surveyor <i>[Seal]</i> <b>6290</b>	



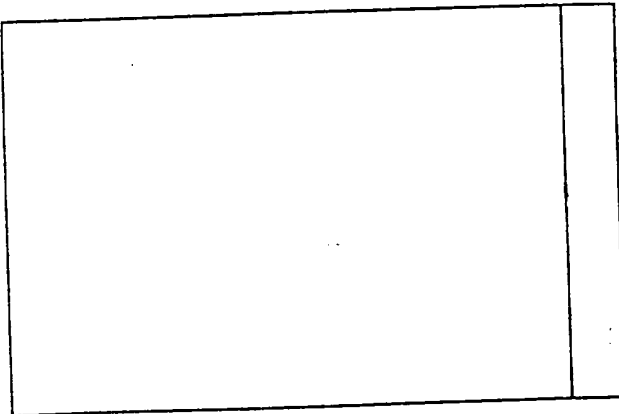
### EQUIPMENT DESCRIPTION

All equipment should be at least 3,000 psi WP or higher unless otherwise specified.

1. Bell nipple
2. Hydril bag type preventer
3. Ram type pressure operated blowout preventer with blind rams.
4. Flanged spool with one 3" and one 2" (minimum) outlet.
5. 2" (minimum) flanged plug or gate valve.
6. 2"x 2"x 2" (minimum) flanged.
7. 3" gate valve.
8. Ram type pressure operated blowout preventer with pipe rams.
9. Flanged type casing head with one side outlet.
10. 2" threaded (or flanged) plug or gate valve. Flanged on 5000# WP, threaded on 3000# WP or less.
11. 3" flanged spacer spool.
12. 3"x 2"x 2" flanged cross.
13. 2" flanged plug or gate valve.
14. 2" flanged adjustable choke.
15. 2" threaded flange.
16. 2" XXH nipple.
17. 2" forged steel 90° Ell.
18. Cameron (or equal) threaded pressure gauge.
19. Threaded flange.
20. 2" flanged tee.
21. 2" flanged plug or gate valve.
22. 2 1/2" pipe, 300' to pit, anchored.
23. 2 1/2" SE valve.
24. 2 1/2" line to steel pit or separator.

### NOTES:

- 1). Items 3, 4 and 8 may be replaced with double ram type preventer with side outlets between the rams.
- 2). The two valves next to the stack on the fill and kill line to be closed unless drill string is being pulled.
- 3). Kill line is for emergency use only. This connection shall not be used for filling.
- 4). Replacement pipe rams and blind rams shall be on location at all times.
- 5). Only type U, LSW and QRC ram type preventers with secondary seals are acceptable for 5000 psi WP and higher BOP stacks.
- 6). Type E ram-type BOP's with factory modified side outlets may be used on 3000 psi or lower WP BOP stacks.

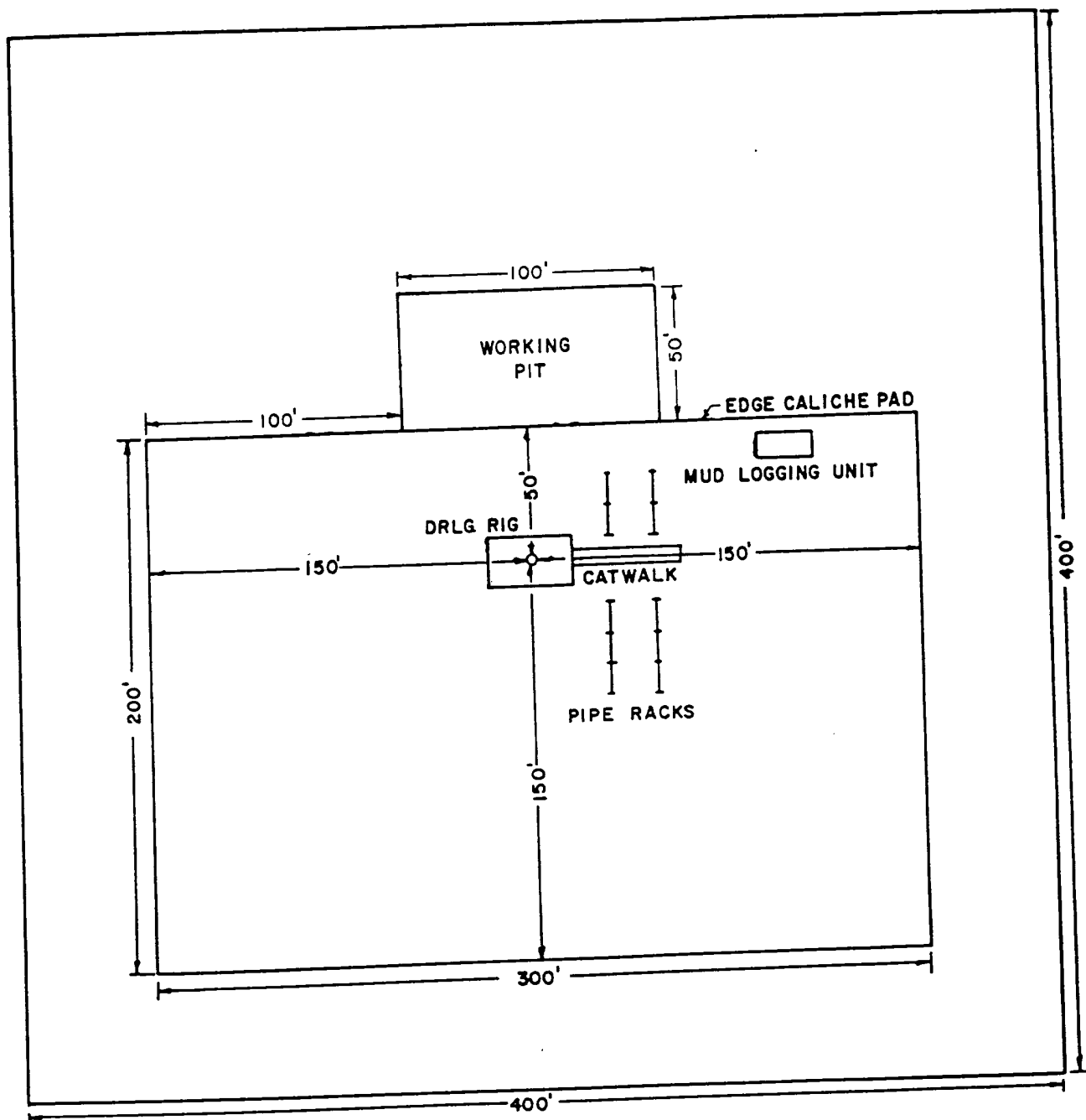


hydraulic operating system which is to be a closed system. (2) Accumulators with a precharge of nitrogen shall be used to supplement the fluid volume during the changing pumps shut down, the pressurized fluid volume stored in the accumulator must be sufficient to close all the pressure-operated devices simultaneously within \_\_\_\_\_ seconds, after which the remaining accumulator pressure shall be not less than 1000 PSI with the remaining accumulator fluid volume at least \_\_\_\_\_ percent of the original. (3) When required, an additional source of power, remote and equivalent, is to be available to operate the above pumps; or there shall be additional pumps operated by separate power and equal in performance capabilities.

The closing manifold and remote closing manifold shall have a separate control for each pressure-operated device. Controls are to be labeled, with control handles indicating open and closed positions. A pressure regulator and regulator must be provided for operating the Hydril preventer, when required; a second pressure reducer shall be available to limit generating fluid pressures to ram preventers. Gulf Legion No. 38 hydraulic oil, an equivalent or better, is to be used as the fluid to operate the hydraulic equipment.

The choke manifold, choke flow line, relief line, and choke lines are to be supported by metal stands and adequately anchored. The choke flow line, relief line, and choke lines shall be constructed as straight as possible and without sharp bends. Easy and safe access is to be maintained to the choke manifold. If deemed necessary, walkways and stairways shall be erected in and around the choke manifold. All valves are to be selected for operation in the presence of oil, gas, and drilling fluids. The choke flow line valves connected to the drilling spool and all ram type preventers must be equipped with stem extensions, universal joints if needed, and hand wheels which are to extend beyond the edge of the derrick substructure. All other valves are to be equipped with handles.

**\* To Include derrick floor mounted controls.**



# STRATA PRODUCTION COMPANY

DRILLING RIG LAYOUT PLAN  
 FAISAN STATE #1  
 963' FNL & 780' FEL  
 Section 36-12S-31E  
 Chaves County, New Mexico

EXHIBIT "B"