District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-101
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

[1] Operator Name and Address.	[2] OGRID Number
Strata Production Company P. O. Box 1030 Roswell, New Mexico 88202-1030	021712
	[3] API Number 30 - 041-20874

[4] Property Code	[5] Property Name	[6] Well No.
15857	Pavón Fee	#1

[7] Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	34	5S	35E		1980	South	1980	West	Roosevelt

[8] Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

[9] Proposed Pool 1	[10] Proposed Pool 2
Wildcat ~~Precambrian~~ Granite Wash	Devonian

[11] Work Type Code	[12] Well Type Code	[13] Cable/Rotary	[14] Lease Type Code	[15] Ground Level Elevation
N	O	R	P	4145'
[16] Multiple	**[17] Proposed Depth**	**[18] Formation**	**[19] Contractor**	**[20] Spud Date**
N	8100'	Granite Wash ~~Precambrian~~	WEK	10/24/94

[21] Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17"	13 3/8"	48#	390'	425	Surface
12 1/4"	8 5/8"	24# & 32#	3470'	1600	Surface
7 7/8"	5 1/2"	15.5# & 17#	8100'	610	3200'

[22] Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Strata Production Company proposes to drill to a depth sufficient to test the Precambrian 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:

Form C-102 Well Location and Acreage Dedication Plat
Well Program
Exhibit "A" Equipment Description
Exhibit "B" Drilling Rig Layout Plan

Permit Expires 6 Months From Approval Date Unless Drilling Underway

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

Signature: Carol J. Garcia
Printed name: Carol J. Garcia
Title: Production Records Manager
Date: 10/17/94
Phone: 505-622-1127

OIL CONSERVATION DIVISION

Approved by:
Title:
Approval Date: OCT 20 1994
Expiration Date:
Conditions of Approval:
Attached ☐

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State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code	³ Pool Name
30-041-20874	96036	WILDCAT ~~PRECAMBRIAN~~ Granite Wash

⁴ Property Code	⁵ Property Name	⁶ Well Number
15857	PAVON FEE	#1

⁷ OGRID No.	⁸ Operator Name	⁹ Elevation
021712	STRATA PRODUCTION COMPANY	4145

¹⁰ Surface Location

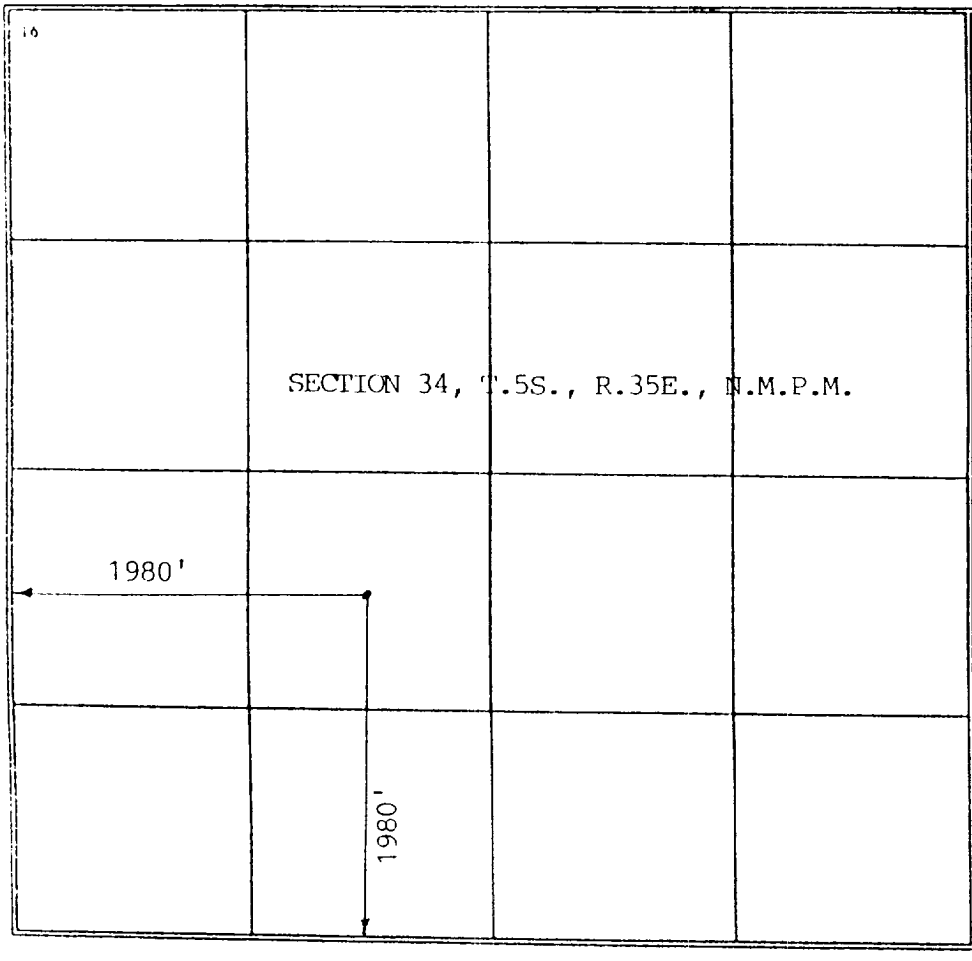
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	34	5S.	35E.		1980	SOUTH	1980	WEST	ROOSEVELT

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
40.00	N		

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



¹⁷ OPERATOR CERTIFICATION

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

Carol J. Garcia
Signature

CAROL J. GARCIA
Printed Name

PRODUCTION RECORDS MANAGER
Title

OCTOBER 17, 1994
Date

¹⁸ SURVEYOR CERTIFICATION

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 belief.

OCTOBER 12, 1994
Date of Survey

Signature and Seal of Professional Surveyor

TERRY D. RAINS, JR. STATE OF NEW MEXICO 12516 REGISTERED PROFESSIONAL LAND SURVEYOR

12516
Certificate Number

STRATA PRODUCTION COMPANY

P.O. BOX 1030
ROSWELL, N.M. 88202

WELL PROGRAM

WELL NAME: PAVON #1
A.F.E. No: P-5-35-1K

LOCATION: 1980' FSL & 1980' FWL SECTION 34-T5S-R35E, ROOSEVELT COUNTY, N.M.
DIRECTIONS: NORTH OF PEP, N.M. ON HWY. #18 ONE MILE, TURN EAST ON HWY. #458, GO EAST FOUR MILES, TURN SOUTH AND GO TWO MILES, TURN EAST AND GO 4/10 MILE, TURN NORTH 4/10 MILE TO LOCATION.
ELEVATION: 4145' (EST.) K.B.: 4156' (EST.)

FORMATIONS	DEPTH	SUBSEA	FORMATIONS	DEPTH	SUBSEA
RUSTLER ANHY.	2100	2056	ABO	6700	-2544
SALADO (SALT)	2180	1976	HUECO	7450	-3294
YATES	2230	1926	CISCO	7740	-3584
SAN ANDRES	3280	876	MONTOYA (DEV.)	7900	-3744
YESO	4630	-474	PRECAMBRIAN	8050	-3894
TUBB	5950	-1794	T.D.	8100	-3944

SAMPLES: 10' SAMPLES FROM INTERMEDIATE CASING TO T.D.
DRLG. TIME: 1 FOOT DRLG. TIME BY GEOLOGRAPH FROM INTERMEDIATE CASING TO T.D.
LOGS: GR-CNL-LDT INT. TO T.D., GR-CNL SURF. TO T.D., GR-DLL-MSFL-S.P.-SONIC INTERMEDIATE CASING TO T.D.
CORES: SIDEWALL CORES AS NEEDED
DST'S: DRILL STEM TEST PLANNED FOR FUSSELMAN/MONTOYA.
REMARKS: MUD LOGGER ON FROM INTERMEDIATE CASING TO T.D.

CASING PROGRAM

INTERVALS	LENGTH	CASING	BURST	COLLAPSE	TENSION	TORQUE FT-LBS OPTIMUM
SURFACE						
0-390'	390	13 3/8 48# H-40, ST&C	1730	770	322,000	3220
INTERMEDIATE						
0-50'	50	8 5/8 32#J-55, LT&C	3930	2530	372,000	4520
50-2250'	2200	8 5/8 24#J-55, ST&C	2950	1370	244,000	2630
2250-3470'	1220	8 5/8 32#J-55, LT&C	3930	2530	372,000	4520

NOTE: SPECIAL DRIFT 32# FOR 7 7/8" BIT

PRODUCTION						
0-100	100	5 1/2" 17#, K-55, LT&C	5320	4910	272,000	2720
100-5500'	5400	5 1/2 15.5#, K-55, LT&C	4810	4040	239,000	2390
5500-8100	2600	5 1/2" 17#, K-55, LT&C	5320	4910	272,000	2720

CEMENTING PROGRAM

HOLE SIZE	DEPTH	CASING	% EXCESS	CEMENT	YIELD
SURFACE					
17"	390	13 3/8"	100	425 SX. PREM. PLUS W/ .2% D-46	1.32
			(CIRC.)	1/4# D-29 & 2% CaCl	
INTERMEDIATE					
12 1/4"	3470	8 5/8"	100*	1400 SX. 35/65 POZ "C", 15# D-4	1.75
			(CIRC.)	6% D-20, 1/4# D-29 & .2% D-46	
				200 SX "C" W/ 1% CaCl	1.32
PRODUCTION					
7 7/8"	8100	5 1/2"	25	440 SX. 35/65 POZ "C", 8# D-44,	2.10
			(TOC @ 3200')	6% D-20, 1/4# D-29 & .2% D-46	
				170 SX. 50/50 POZ "H" W/ 5# D-44	1.31
				3/10% D-60, 2.5# B-28, 1/4# D-29 &	
				2/10% D-46	

* RUN FLUID CALIPER AND ADD 25% EXCESS TO CALIPER VOLUME.

CASING EQUIPMENT	DAVIS LYNCH
SURFACE	INSERT FLOAT, FLOAT SHOE, 13 3/8" WOODEN PLUG, 3 CENTRALIZERS, AND 1 LIMIT CLAMP
INTERMEDIATE	FLOAT COLLAR, FLOAT SHOE, 6 CENTRALIZERS, 1 LIMIT CLAMP AND RUBBER PLUG. 3 CENTALIZERS ON BOTTOM AND 3 INSIDE 13 3/8" CASING
PRODUCTION	FLOAT COLLAR, FLOAT SHOE, 15 CENTRALIZERS, 1 LIMIT CLAMP , RUBBER PLUG

MUD PROGRAM — MUD-TECH, INC. , JERRY BUTTS, 915-684-5070

INTERVAL	WEIGHT	VIS. (SEC)	PH	W.L. (CC)	TYPE MUD AND ADDITIVES
0-390'	8.6-9.5	29-36	>8	N.C.	FRESH WATER W/ LIME & GEL PAPER & FIBER FOR SEAPAGE
390-3470'	8.6-10.5	28-34	9-10	N.C.	SATURATED BRINE, PAPER & FIBER FOR SEAPAGE
3470-6500	9.8-10.1	28-30	9-10	N.C.	BRINE, GEL & STARCH, 20-50
6500-7300	10.0-10.4	31-35	9-10	15	PPM NITRATES, CAUSTIC FOR
7300-7800	10.0-10.4	35-40	9-10	15	ph CONTROL AND PAPER FOR
7800-8100	10.0-10.4	40-45	9-10	6-10	SEAPAGE, 5% DEAD OIL OR
NOTE: BRING VIS UP TO +45 FOR LOGGING AND TESTING.					DIESEL @ 6500', MAINTAIN OIL
FROM 3470-TD USE SI-450 TO MAINTAIN SALT SATURATION					VOLUME AT 3%

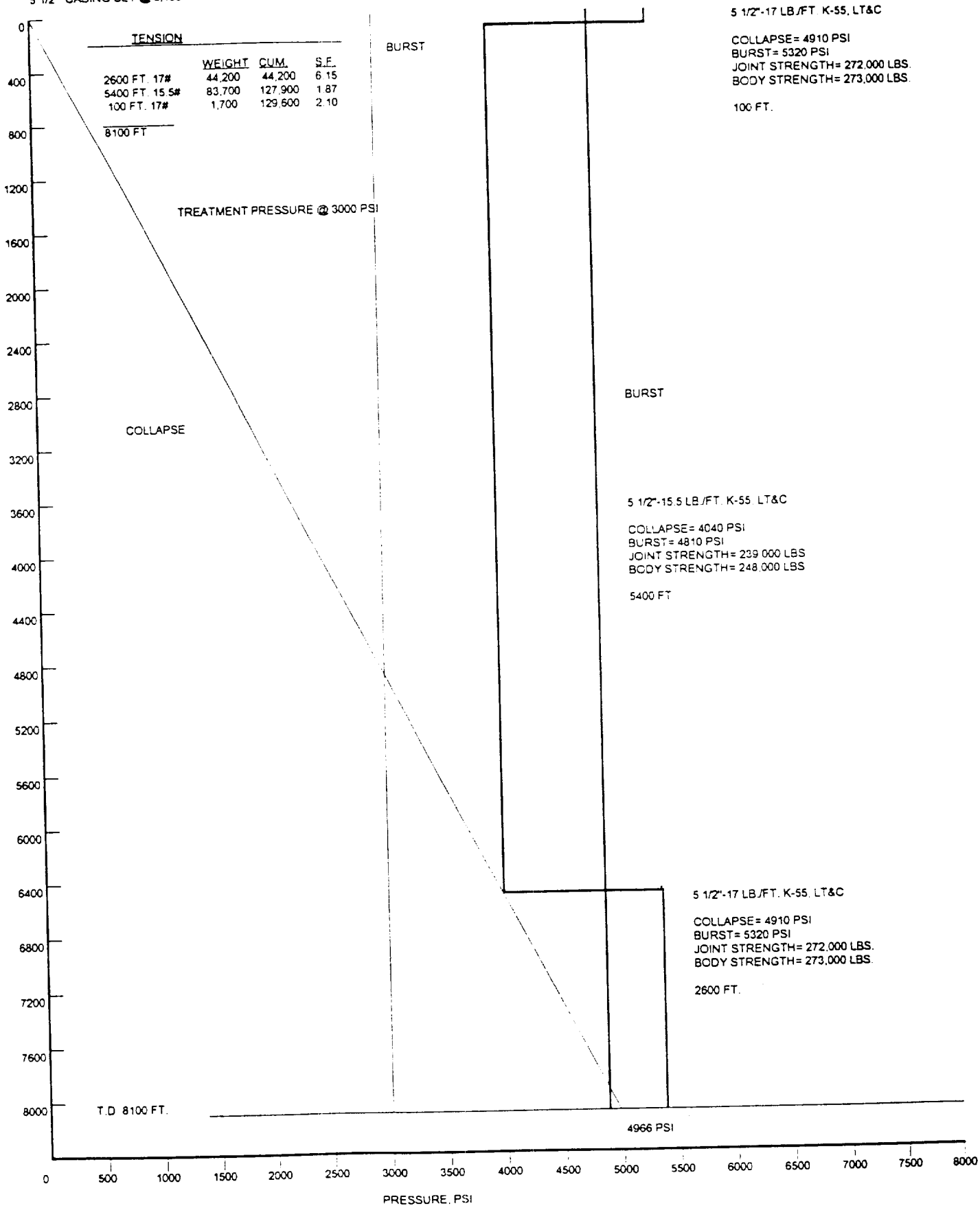
NOTIFICATION:

NAME	TITLE	OFFICE PHONE	HOME PHONE	MOBILE PHONE
RONNIE WILLIS	DRILLING. FOREMAN	622-1127	396-6601	626-7387
FRANK MORGAN	PRODUCTION SUPT.	622-1127	365-2919	C-887-582 01200
				B.L.-393-7771 -01148
				M-624-0259 -16148
GEORGE SCOTT JR.	GEOLOGIST	622-5891		
STEVE MITCHELL	GEOLOGIST	622-5891	623-1404	
MARK MURPHY	PRESIDENT	622-1127		
BRUCE STUBBS	ENGINEER	624-2800	623-6466	

PAVON #1
SECTION 34-T5S-R35E
ROOSEVELT COUNTY, NEW MEXICO

5 1/2 " CASING SET @ 8,100 FT.

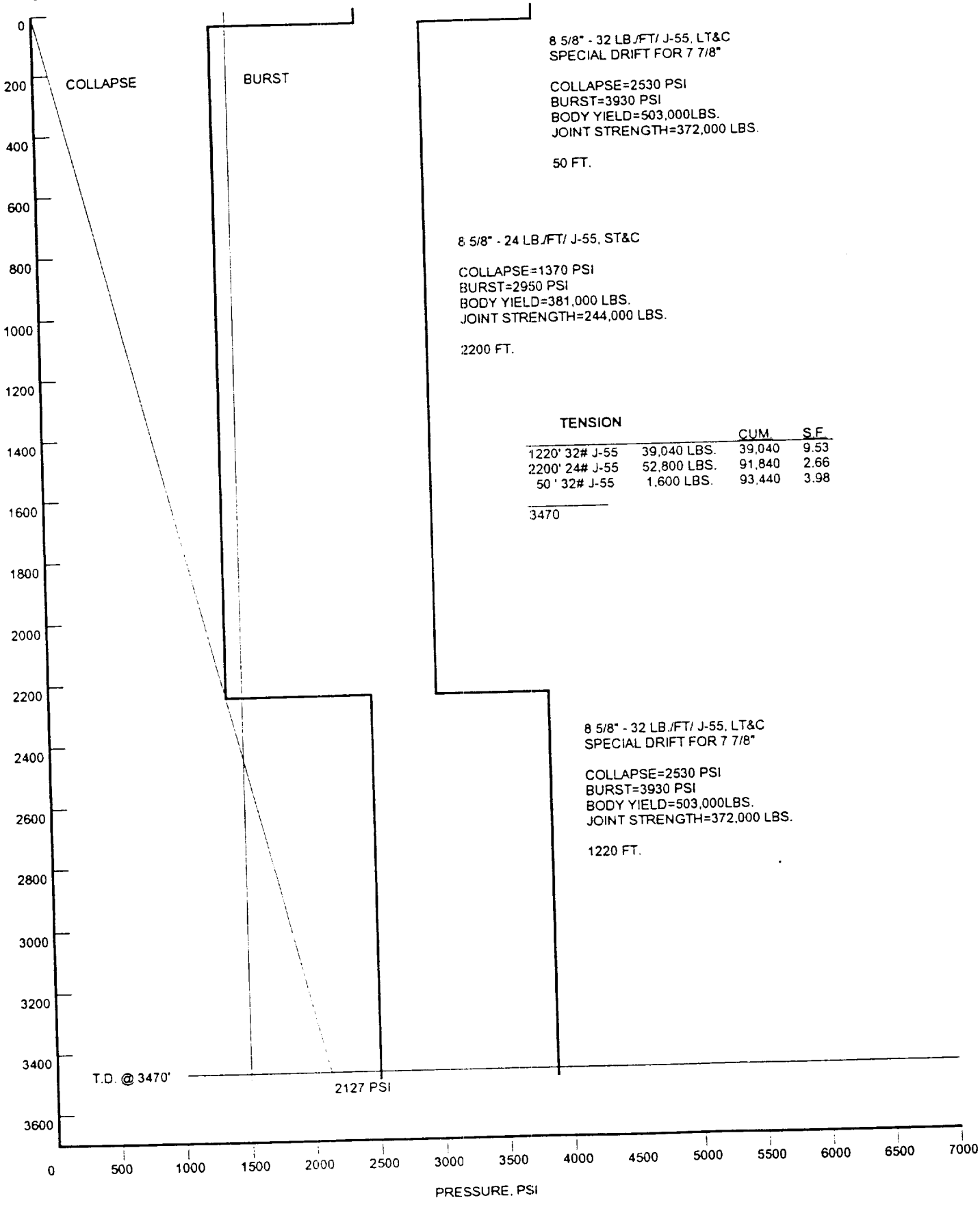
S.F. BURST 1.125
S.F. COLLAPSE 1.125
S.F. TENSION 1.8
MUD WEIGHT=10.4 LBS./GAL.



PAVON #1
SECTION 34-T5S-R35E
ROOSEVELT COUNTY, NEW MEXICO

8 5/8 " CASING SET @ 3470 FT.

S.F BURST 1.125
S.F. COLLAPSE 1.125
S.F. TENSION 1.8
MUD WEIGHT=10.5 LBS./GAL.



8 5/8" - 32 LB./FT/ J-55, LT&C
SPECIAL DRIFT FOR 7 7/8"

COLLAPSE=2530 PSI
BURST=3930 PSI
BODY YIELD=503,000LBS.
JOINT STRENGTH=372,000 LBS.

50 FT.

8 5/8" - 24 LB./FT/ J-55, ST&C

COLLAPSE=1370 PSI
BURST=2950 PSI
BODY YIELD=381,000 LBS.
JOINT STRENGTH=244,000 LBS.

2200 FT.

TENSION

		CUM.	S.F.
1220' 32# J-55	39,040 LBS.	39,040	9.53
2200' 24# J-55	52,800 LBS.	91,840	2.66
50 ' 32# J-55	1,600 LBS.	93,440	3.98
3470			

8 5/8" - 32 LB./FT/ J-55, LT&C
SPECIAL DRIFT FOR 7 7/8"

COLLAPSE=2530 PSI
BURST=3930 PSI
BODY YIELD=503,000LBS.
JOINT STRENGTH=372,000 LBS.

1220 FT.

PAVON #1
SECTION 34-T5S-R35E
ROOSEVELT COUNTY, NEW MEXICO

13 3/8 " CASING SET @ 390 FT.

S.F BURST 1.125
S.F. COLLAPSE 1.125
S.F. TENSION 1.8
MUD WT.=9.7 LB./GAL.

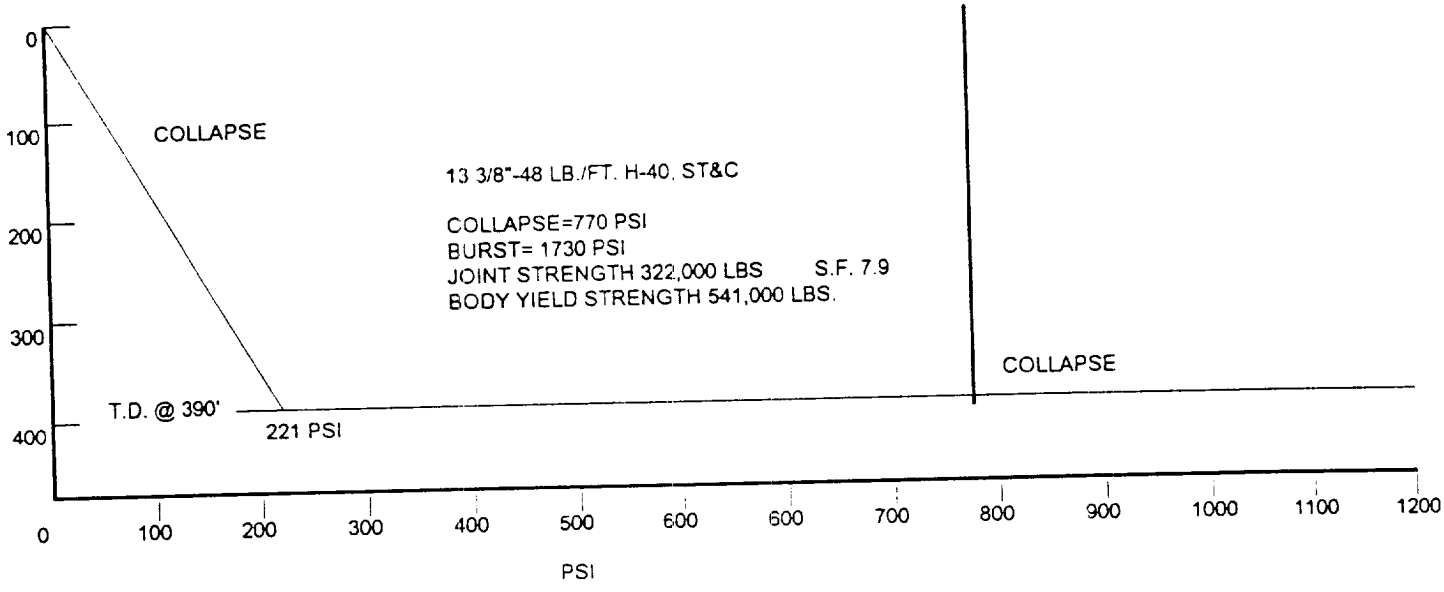


EXHIBIT "A"

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"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.

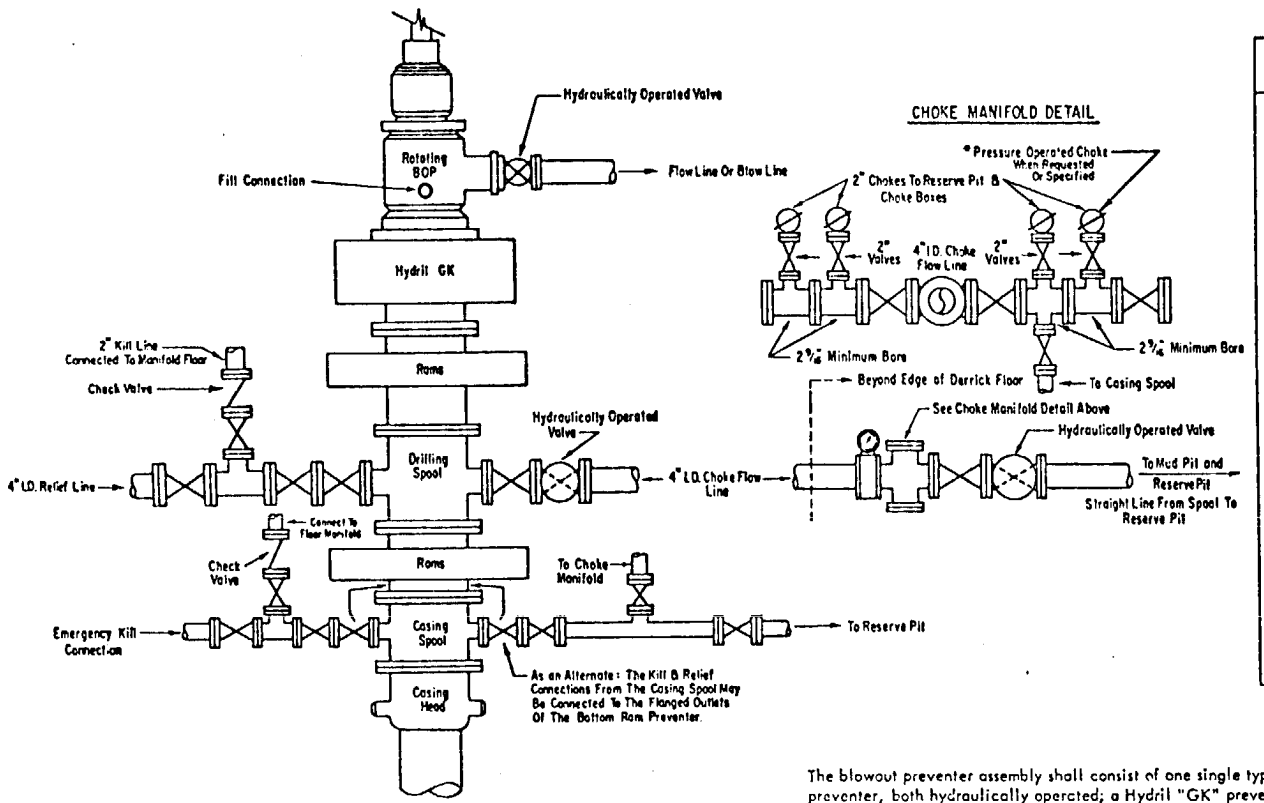
2). The two valves next tho the stack on the fill and kill line to be closed unless drill string is being pulled.

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.



3000# PSI WORKING PRESSURE
BLOWOUT PREVENTER HOOK-UP

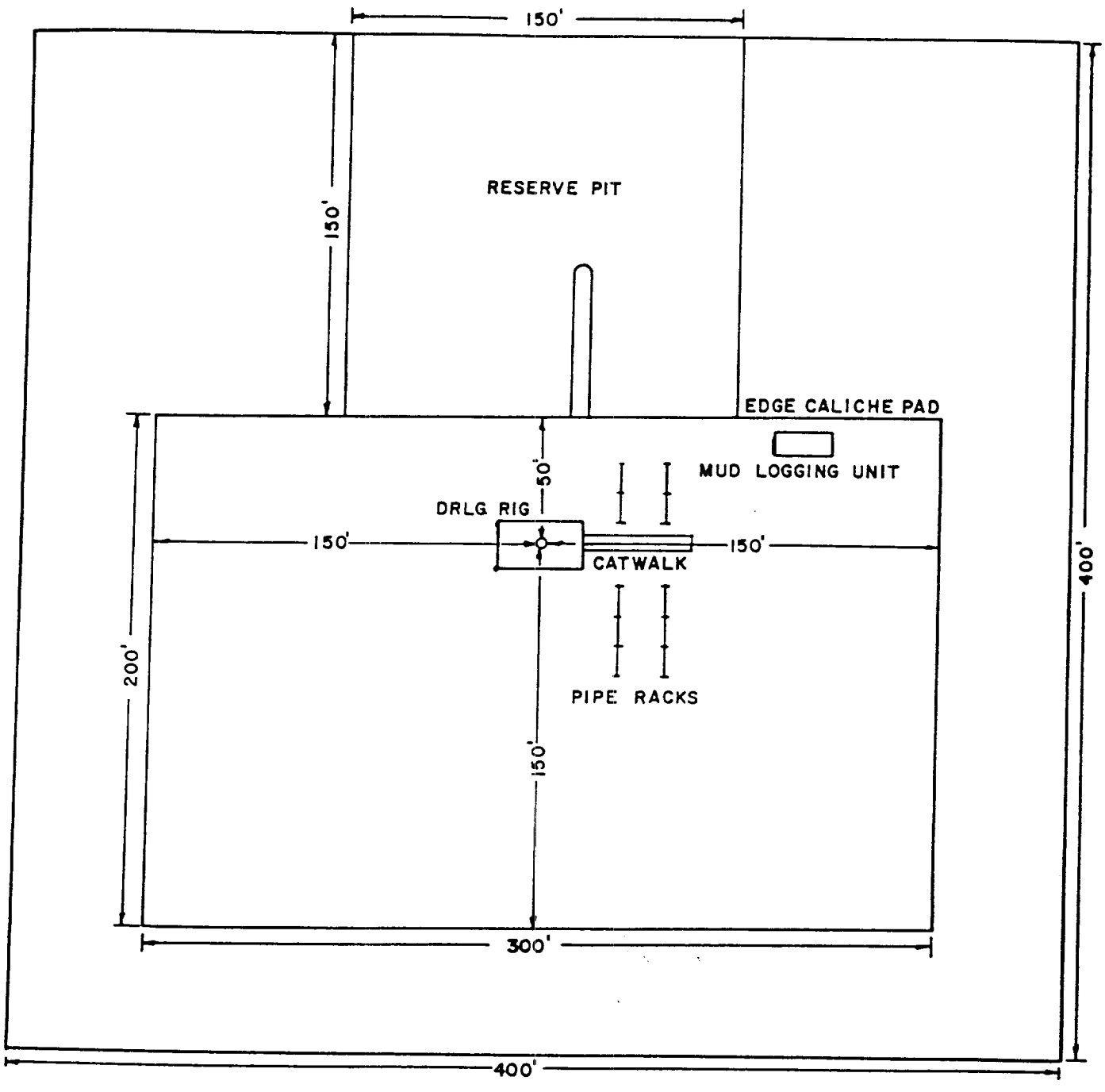
The blowout preventer assembly shall consist of one single type blind ram preventer and one single type pipe ram preventer, both hydraulically operated; a Hydril "GK" preventer; a rotating blowout preventer; valves; chokes and connections, as illustrated. If a tapered drill string is used, a ram preventer must be provided for each size of drill pipe. Casing and tubing rams to fit the preventers are to be available as needed. If correct in size, the flanged outlets of the ram preventer may be used for connecting to the 4-inch I.D. choke flow line and 4-inch I.D. relief line, except when air or gas drilling. All preventer connections are to be open-face flanged.

Minimum operating equipment for the preventers and hydraulically operated valves shall be as follows: (1)Multiple pumps, driven by a continuous source of power, capable of fluid charging the total accumulator volume from the nitrogen precharge pressure to its rated pressure within_____ minutes. Also, the pumps are to be connected to the hydraulic operating system which is to be a closed system. (2) Accumulators with a precharge of nitrogen of not less than 750 PSI and connected so as to receive the aforementioned fluid charge. With the charging pumps shut down, the pressurized fluid volume stored in the accumulators must be sufficient to close all the pressure-operated devices simultaneously within_____ seconds; after closure, 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 requested, 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 reducer and regulator must be provided for operating the Hydril preventer. When requested, a second pressure reducer shall be available to limit operating 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 and relief 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

Pavon Fee #1
1980' FSL & 1980' FWL
Section 34-5S-35E
Roosevelt County, New Mexico

EXHIBIT "B"