

H. M. ...  
P. O. ...  
HOBBS, ...

CONTACT RECEIVING  
OFFICE FOR FR  
OF COPIES REQUIRED  
(Other instructions on  
reverse side)

30-025-31849

BLM Roswell District  
Modified Form No.  
NM60-3160-2

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. NM-77058	
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR Strata Production Company		7. UNIT AGREEMENT NAME	
3. ADDRESS OF OPERATOR P. O. Box 1030, Roswell, New Mexico 88202-1030		8. FARM OR LEASE NAME Cercion Federal	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 330' FNL & 330' FEL Unit A At proposed prod. zone		9. WELL NO. #5	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* Approximately 35 miles east of Carlsbad, New Mexico		10. FIELD AND POOL, OR WILDCAT Delaware East Livingston Ridge	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drilg. unit line, if any) 390'		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Section 21-22S-32E	
16. NO. OF ACRES IN LEASE 640.00		12. COUNTY OR PARISH Lea	
17. NO. OF ACRES ASSIGNED TO THIS WELL 40.00		13. STATE NM	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1000'		20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3695' GR		22. APPROX. DATE WORK WILL START* January 2, 1992	

PROPOSED CASING AND CEMENTING PROGRAM

HOLE SIZE	CASING SIZE	WEIGHT/FOOT	GRADE	THREAD TYPE	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8"	48#	H-40	8 rd. ST&C	600'	Circulated
11"	8 5/8"	24# & 32#	J-55	8 rd. ST&C	4460'	Circulated to surf
7 7/8"	5 1/2"	17#	J-55	8 rd. LT&C	8950'	Tie back to inter-mediate csq

The Operator proposes to drill to a depth sufficient to test the Delaware formation for oil. If productive, 5 1/2" casing will be set. If non-productive, the well will be plugged and abandoned in a manner consistent with Federal Regulations. Specific programs as per Onshore Oil and Gas Order #1 are outlined in the following attachments:

Hole Prognosis  
Surface Use and Operating Plan  
Location and Elevation Plat  
Exhibit "A" Equipment Description  
Exhibit "B" Planned Access Roads  
Exhibit "C" One mile Radius Map  
Exhibit "D" Drilling Rig Layout Plan

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED Carol J. Garcia TITLE Production Supervisor DATE 12/10/92

(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

APPROVED BY One signed by Production Supervisor TITLE CARLSBAD RESOURCE AREA DATE 1-4-93

APPROVAL SUBJECT TO

GENERAL REQUIREMENTS AND  
SPECIAL STIPULATIONS

ATTACHED

\*See Instructions On Reverse Side

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

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised 1-1-89

OIL CONSERVATION DIVISION

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

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

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

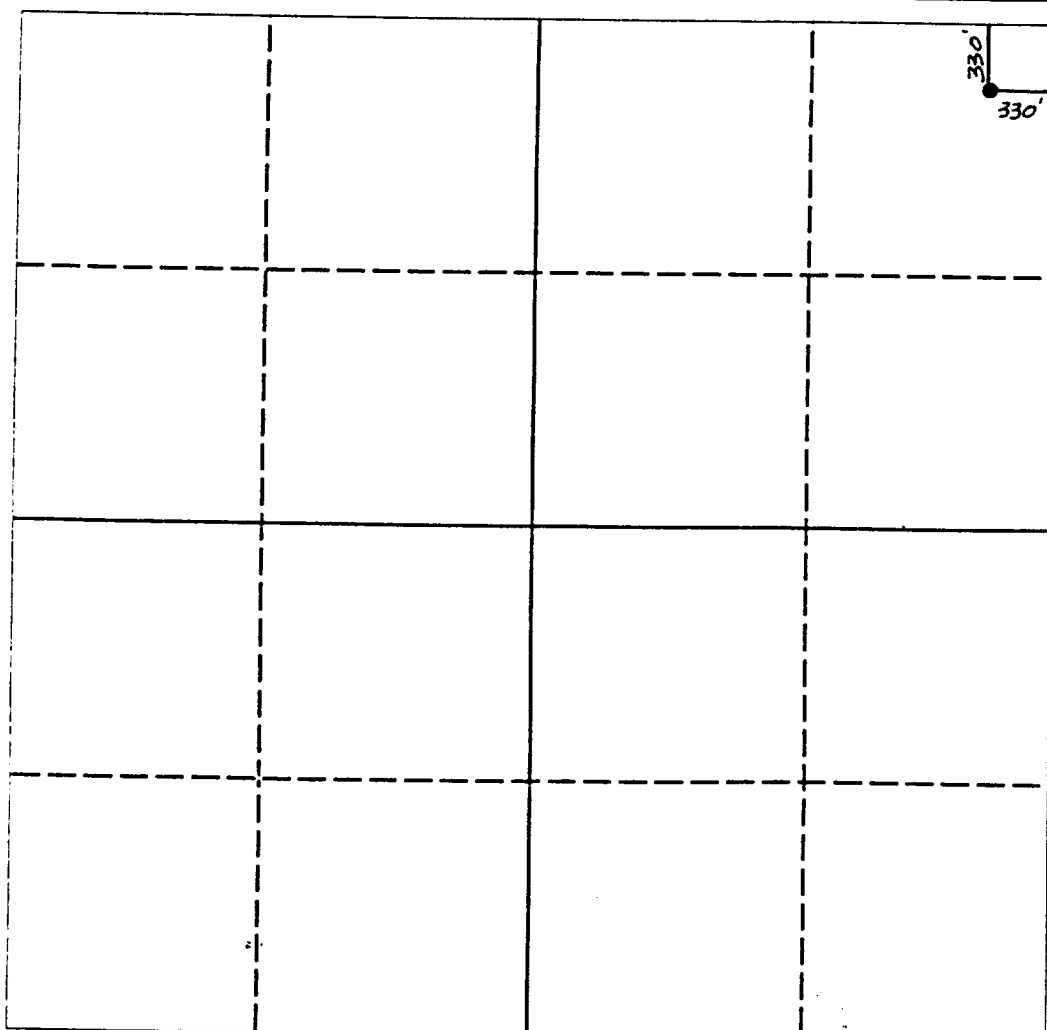
DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator <b>STRATA PRODUCTION Co.</b>			Lease <b>CERCION FEDERAL</b>		Well No. <b>5</b>
Unit Letter <b>A</b>	Section <b>21</b>	Township <b>22 SOUTH</b>	Range <b>32 EAST</b>	County <b>LEA COUNTY, NM</b>	
Actual Footage Location of Well: <b>330</b> feet from the <b>NORTH</b> line and <b>330</b> feet from the <b>EAST</b> line					
Ground level Elev. <b>3695.</b>	Producing Formation <b>Delaware</b>		Pool <b>East Livingston Ridge Delaware</b>		Dedicated Acreage: <b>40.00 Acres</b>

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
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).
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.?  
☐ Yes ☐ No If answer is "yes" type of consolidation \_\_\_\_\_  
If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary).  
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.



OPERATOR CERTIFICATION

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

Signature  
*Carol J. Garcia*  
Printed Name  
**Carol J. Garcia**  
Position  
**Production Supervisor**  
Company  
**Strata Production Company**  
Date  
**December 10, 1992**

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 knowledge and belief.

Date Surveyed  
**NOVEMBER 13, 1992**  
Signature & Seal of Professional Surveyor  
*[Signature]*  
Certificate No. **5412**  
**REGISTERED PROFESSIONAL ENGINEER**  
**NM PREPARED BY 12**

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

HOLE PROGNOSIS  
APPLICATION FOR PERMIT TO DRILL  
STRATA PRODUCTION COMPANY  
CERCION FEDERAL #5 WELL  
330' FNL & 330' FEL  
SECTION 21, T22S, R32E

In conjunction with form 3160-3, Application for Permit to Drill, Strata Production Company submits the following items in accordance with Onshore Oil and Gas Order Numbers 1 and 2, and all other applicable federal and state regulations.

1. Geologic Name of Surface Formation:

Permian

2. Estimated Tops of Geologic Markers:

Rustler	870'	Lamar	4720'
Top of Salt	1020'	Bone Spring	8610'
Base of Salt	4410'	T.D.	8950'

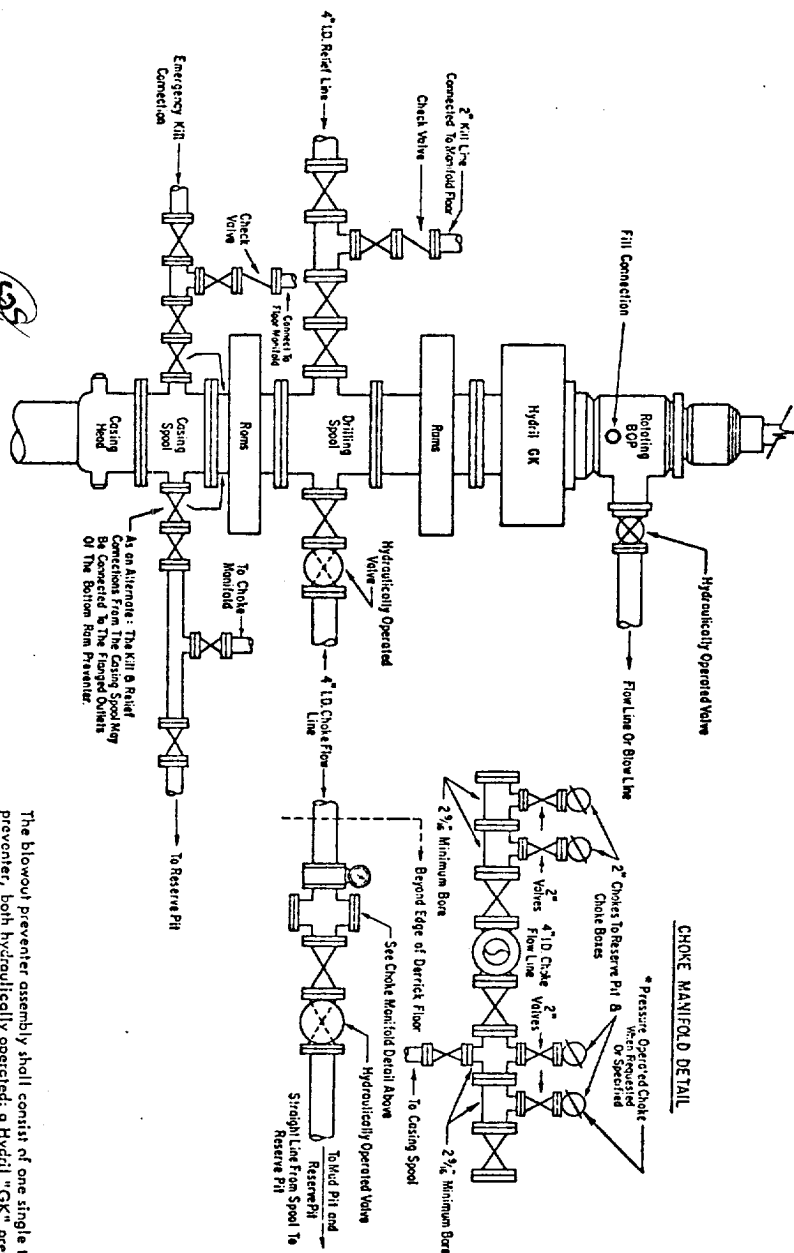
3. Estimated Depths of Anticipated Fresh Water, Oil or Gas:

Surface	150'	Fresh Water
Delaware	4720' - 8750'	Oil or Gas

No other formations are expected to produce oil, gas or fresh water in measurable quantities. The surface fresh water sands will be protected by setting 13 3/8" casing at 600' and circulating cement back to surface. Any shallower zones above TD which contain commercial quantities of oil and/or gas will have cement circulated across the zone by inserting a cementing stage tool into the 5 1/2" production casing which will be run at TD.

4. Casing Program:

<u>Hole Size</u>	<u>Interval</u>	<u>OD csq</u>	<u>Weight, Grade, Jt. Cond, Type</u>
17 1/2"	0-600'	13 3/8"	48#, H-40, ST&C, New
11"	0-4460'	8 5/8"	24# & 32#, J-55, ST&C, New
7 7/8"	0-TD	5 1/2"	17#, J-55, LT&C, New



### 3000 # PSI WORKING PRESSURE BLOWOUT PREVENTER HOOK-UP

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 accumulator 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 choke 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.