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Appropriate District Office  
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P.O. Box 1980, Hobbs, NM 88240

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P.O. Drawer DD, Artesia, NM 88210

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

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-104  
Revised 1-1-89  
See Instructions  
at Bottom of Page

OIL CONSERVATION DIVISION

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

REQUEST FOR ALLOWABLE AND AUTHORIZATION  
TO TRANSPORT OIL AND NATURAL GAS

|   |  |                                |
|---|--|--------------------------------|
| Operator<br>Strata Production Company   |  | Well API No.<br>30-025-31146   |
| Address<br>P. O. Box 1030, Roswell, New Mexico 88202-1030                               |  |                                |
| Reason(s) for Filing (Check proper box) <input type="checkbox"/> Other (Please explain) |  |                                |
| New Well <input type="checkbox"/>   | Change in Transporter of: <input type="checkbox"/>                                     |                                |
| Recompletion <input type="checkbox"/>   | Oil <input checked="" type="checkbox"/> Dry Gas <input type="checkbox"/>               | Change effective April 1, 1992 |
| Change in Operator <input type="checkbox"/>   | Casinghead Gas <input checked="" type="checkbox"/> Condensate <input type="checkbox"/> |                                |
| If change of operator give name and address of previous operator                        |  |                                |

II. DESCRIPTION OF WELL AND LEASE

|  |               |   |  |                       |
|--|---------------|---|--|-----------------------|
| Lease Name<br>New Mexico Federal   | Well No.<br>5 | Pool Name, Including Formation<br>Hat Mesa Delaware | Kind of Lease<br><del>State</del> Federal <del>or</del> <del>Lease</del> | Lease No.<br>NM-14791 |
| Location<br>Unit Letter <u>D</u> : <u>330</u> Feet From The <u>North</u> Line and <u>860</u> Feet From The <u>West</u> Line<br>Section <u>4</u> Township <u>21</u> South Range <u>32</u> East , NMPM, Lea County |               |   |  |                       |

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

|   |  |           |             |             |                                   |                   |             |
|---|--|-----------|-------------|-------------|-----------------------------------|-------------------|-------------|
| Name of Authorized Transporter of Oil <input checked="" type="checkbox"/> or Condensate <input type="checkbox"/><br>Petro Source Partners, Ltd. | Address (Give address to which approved copy of this form is to be sent)<br>P. O. Box 1356, Dumas, TX 79029        |           |             |             |                                   |                   |             |
| Name of Authorized Transporter of Casinghead Gas <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/><br>GPM Gas Corporation | Address (Give address to which approved copy of this form is to be sent)<br>1010 Plaza Office Bldg., Bartlesville, |           |             |             |                                   |                   |             |
| If well produces oil or liquids, give location of tanks.  | Unit<br>D  | Sec.<br>4 | Twp.<br>21S | Rge.<br>32E | Is gas actually connected?<br>Yes | When?<br>11/02/91 | OK<br>74004 |

If this production is commingled with that from any other lease or pool, give commingling order number:

IV. COMPLETION DATA

|                                     |                             |          |                 |          |        |                   |            |            |
|-------------------------------------|-----------------------------|----------|-----------------|----------|--------|-------------------|------------|------------|
| Designate Type of Completion - (X)  | Oil Well                    | Gas Well | New Well        | Workover | Deepen | Plug Back         | Same Res'v | Diff Res'v |
| Date Spudded                        | Date Compl. Ready to Prod.  |          | Total Depth     |          |        | P.B.T.D.          |            |            |
| Elevations (DF, RKB, RT, GR, etc.)  | Name of Producing Formation |          | Top Oil/Gas Pay |          |        | Tubing Depth      |            |            |
| Perforations                        |                             |          |                 |          |        | Depth Casing Shoe |            |            |
| TUBING, CASING AND CEMENTING RECORD |                             |          |                 |          |        |                   |            |            |
| HOLE SIZE                           | CASING & TUBING SIZE        |          | DEPTH SET       |          |        | SACKS CEMENT      |            |            |
|                                     |                             |          |                 |          |        |                   |            |            |
|                                     |                             |          |                 |          |        |                   |            |            |
|                                     |                             |          |                 |          |        |                   |            |            |

V. TEST DATA AND REQUEST FOR ALLOWABLE

OIL WELL (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours.)

|                                |                 |   |            |
|--------------------------------|-----------------|---|------------|
| Date First New Oil Run To Tank | Date of Test    | Producing Method (Flow, pump, gas lift, etc.) |            |
| Length of Test                 | Tubing Pressure | Casing Pressure                               | Choke Size |
| Actual Prod. During Test       | Oil - Bbls.     | Water - Bbls.                                 | Gas- MCF   |

GAS WELL

|                                  |                           |                           |                       |
|----------------------------------|---------------------------|---------------------------|-----------------------|
| Actual Prod. Test - MCF/D        | Length of Test            | Bbls. Condensate/MMCF     | Gravity of Condensate |
| Testing Method (pilot, back pr.) | Tubing Pressure (Shut-in) | Casing Pressure (Shut-in) | Choke Size            |

VI. OPERATOR CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Carol J. Garcia  
Signature  
Carol J. Garcia, Production Analyst  
Printed Name  
4/8/92  
Date  
505-622-1127  
Telephone No.

OIL CONSERVATION DIVISION

Date Approved APR 24 '92  
By Paul  
Title \_\_\_\_\_

INSTRUCTIONS: This form is to be filed in compliance with Rule 1104

- 1) Request for allowable for newly drilled or deepened well must be accompanied by tabulation of deviation tests taken in accordance with Rule 111.
- 2) All sections of this form must be filled out for allowable on new and recompleted wells.
- 3) Fill out only Sections I, II, III, and VI for changes of operator, well name or number, transporter, or other such changes.
- 4) Separate Form C-104 must be filed for each pool in multiply completed wells.

(July 1989)

(formerly 3160)

CONTACT RECEIVING  
OFFICE FOR NUMBER  
OF COPIES REQUIREDBLM Roswell District  
Modified Form No.  
NMO60-3160-3UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT(See other In-  
structions on  
reverse side)

5. LEASE DESIGNATION AND SERIAL NO.

NM-14791

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

New Mexico Federal

9. WELL NO.

#5

10. FIELD AND POOL, OR WILDCAT

Hat Mesa Delaware

11. SEC. T., R., M., OR BLOCK AND SURVEY  
OR AREA

Sec. 4, T21S, R32E

12. COUNTY OR  
PARISH

Lea

13. STATE

NM

14. ELEVATIONS (DE, RKB, RT, GR, ETC.)\*

3646' GL

15. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD &amp; TVD

8370'

21. PLUG BACK T.D., MD &amp; TVD

8334'

22. IF MULTIPLE COMPLE-  
TIONS, HOW MANY\*23. INTERVALS  
DRILLED BY

ROTARY TOOLS

CABLE TOOLS

WEK

25. WAS DIRECTIONAL  
SURVEY MADE

Yes

27. WAS WELL CORED

Side-wall cores

26. TYPE ELECTRIC AND OTHER LOGS RUN

CNL/DLL

29. CASING RECORD (Report all strings set in well)

| CASING SIZE | WEIGHT, LB/FT. | DEPTH SET (MD) | HOLE SIZE | CEMENTING RECORD       | AMOUNT PULLED |
|-------------|----------------|----------------|-----------|------------------------|---------------|
| 13 3/8"     | 48#            | 362'           | 17 1/2"   | Circ.                  |               |
| 8 5/8"      | 24#            | 3164'          | 12 1/4"   | 900sx Lite, 2%CaCl&200 |               |
|             |                |                |           | "C"5#salt. Circ. 150sx |               |
| 5 1/2"      | 17#            | 8370'          | 7 7/8"    | 250sx"H"&510sx Lite.   |               |

29. LINER RECORD

| SIZE | TOP (MD) | BOTTOM (MD) | SACKS CEMENT* | SCREEN (MD) | SIZE   | DEPTH SET (MD) | PACKER SET (MD) |
|------|----------|-------------|---------------|-------------|--------|----------------|-----------------|
|      |          |             |               |             | 2 7/8" | 8150'          | None            |

31. PERFORATION RECORD (Interval, size and number)

6885'-6955'-9 .42 holes

7130'-7186'-18 .42 holes

8052'-8077'-16 .42 holes

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

| DEPTH INTERVAL (MD) | AMOUNT AND KIND OF MATERIAL USED |
|---------------------|----------------------------------|
| 6885-6955           | 1000 gal 7 1/2% NeFe             |
| 7130-7186           | 2000 gal 7 1/2%, 60,000#         |
|                     | 20/40 with CO2                   |
| 8052-8077           | 1500 gal 7 1/2% NeFe             |

33.\* PRODUCTION

|                       |                 |  |                         |          |            |                                    |               |
|-----------------------|-----------------|--|-------------------------|----------|------------|------------------------------------|---------------|
| DATE FIRST PRODUCTION |                 | PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) |                         |          |            | WELL STATUS (Producing or shut-in) |               |
| 3/28/91               |                 | Pumping  |                         |          |            | Producing                          |               |
| DATE OF TEST          | HOURS TESTED    | CHOKE SIZE   | PROD'N. FOR TEST PERIOD | OIL—BBL. | GAS—MCF.   | WATER—BBL.                         | GAS-OIL RATIO |
| 3/22/91               | 24              | -0-  | →                       | 153 BO   | 80mcf      | 119 BW                             | 522/1         |
| FLOW, TURING PRESS.   | CASING PRESSURE | CALCULATED 24-HOUR RATE  | OIL—BBL.                | GAS—MCF. | WATER—BBL. | OIL GRAVITY-API (CORR.)            |               |
| -0-                   | 35#             | →  |                         |          |            | 39.7                               |               |

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

Vented (Waiting on gas hook-up)

TEST WITNESSED BY

Frank S. Morgan

35. LIST OF ATTACHMENTS

Tops, Logs, Deviation Survey

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED

*James C. McCall*

TITLE V.P. Field Operations

DATE 3/28/91

\*(See Instructions and Spaces for Additional Data on Reverse Side)

17 SUMMARY OF POROUS ZONES. (Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries).

30.

WILSONVILLE, MISSISSIPPI

| FORMATION     | TOP     | BOTTOM | DESCRIPTION, CONTENTS, ETC. | NAME | TOP         |                  |
|---------------|---------|--------|-----------------------------|------|-------------|------------------|
|               |         |        |                             |      | MEAS. DEPTH | TRUE VERT. DEPTH |
| Red-Bed       | Surface |        |                             |      |             |                  |
| Rustler       | 1345'   |        |                             |      |             |                  |
| Top Salt      | 1485'   |        |                             |      |             |                  |
| Castille      | 3115'   |        |                             |      |             |                  |
| Yates         | 3185'   |        |                             |      |             |                  |
| Capitan       | 3525'   |        |                             |      |             |                  |
| Delaware      | 4750'   |        |                             |      |             |                  |
| Cherry Can.   | 5603'   |        |                             |      |             |                  |
| A Zone        | 6576'   |        |                             |      |             |                  |
| B Zone        | 6665'   |        |                             |      |             |                  |
| C Zone        | 6748'   |        |                             |      |             |                  |
| D Zone        | 6861'   |        |                             |      |             |                  |
| E Zone        | 7018'   |        |                             |      |             |                  |
| F Zone        | 7113'   |        |                             |      |             |                  |
| J Zone        | 8050'   |        |                             |      |             |                  |
| B of Delaware | 8325'   |        |                             |      |             |                  |

APR 1

600

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPL  
(Other instructions  
verse side)

Form approved.  
Budget Bureau No. 1004-0135  
Expires August 31, 1985

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.  
Use "APPLICATION FOR PERMIT" for such proposals.)

|   |   |
|---|---|
| 1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>  | 5. LEASE DESIGNATION AND SERIAL NO.<br>NM-14791                       |
| 2. NAME OF OPERATOR<br>Strata Production Company  | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME                                  |
| 3. ADDRESS OF OPERATOR<br>648 Petroleum Building, Roswell, NM 88201   | 7. UNIT AGREEMENT NAME  |
| 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.<br>See also space 17 below.)<br>At surface<br>330' FNL & 860' FWL | 8. FARM OR LEASE NAME<br>New Mexico Federal                           |
| 14. PERMIT NO.<br>API#-30-025-31146   | 9. WELL NO.<br>5  |
| 15. ELEVATIONS (Show whether DF, RT, OR, etc.)<br>3646' GL  | 10. FIELD AND POOL, OR WILDCAT<br>Hat Mesa, Delaware                  |
|   | 11. SEC., T., R., W., OR BLK. AND SURVEY OR AREA<br>Sec 4: T21S, R32E |
|   | 12. COUNTY OR PARISH<br>Lea   |
|   | 13. STATE<br>NM   |

Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

| NOTICE OF INTENTION TO:                      |   | SUBSEQUENT REPORT OF:   |  |
|--|---|---|--|
| TEST WATER SHUT-OFF <input type="checkbox"/> | PULL OR ALTER CASING <input type="checkbox"/> | WATER SHUT-OFF <input type="checkbox"/>   | REPAIRING WELL <input type="checkbox"/>  |
| FRACTURE TREAT <input type="checkbox"/>      | MULTIPLE COMPLETION <input type="checkbox"/>  | FRACTURE TREATMENT <input type="checkbox"/>   | ALTERING CASING <input type="checkbox"/> |
| SHOOT OR ACIDIZE <input type="checkbox"/>    | ABANDON* <input type="checkbox"/>             | SHOOTING OR ACIDIZING <input checked="" type="checkbox"/>   | ABANDONMENT* <input type="checkbox"/>    |
| REPAIR WELL <input type="checkbox"/>         | CHANGE PLANE <input type="checkbox"/>         | (Other) Re-completion   |  |
| (Other) <input type="checkbox"/>             |   | (NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.) |  |

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

10/31/91: HLS on location. TIH w/guns; perf (12) holes as follows: 8099'-8111', 7004'-7017'. TOH w/guns. Acidize perfs 8052'-8111' w/ 1500 gal 7 1/2% Nefe & 40 ball sealers. Frac via 2 7/8" tbg w/ 20000# 20/40 & 10000# 16/30 w/22000 gal gel.

11/01/91: Treat perfs 7004'-7017' w/1000 gal 7 1/2% Nefe. Frac via 5 1/2" csg w/ 55000# 20/40 OHAWA, 20000# 16/30 LC w/45000 gal gel & additives.

11/02/91: RU HLS & perf (8) .42 holes as follows: 6702'-6710'. Acidize w/ 1000 gal 7 1/2% Nefe. Frac via 2 7/8" tbg w/136000 gal I-35 gel, 22000# 16/30 Super LC & additives.

11/04/91: Put well on pump. Testing.

NEW PERFS:

6702'-6710' - (4) holes  
7004'-7017' - (8) holes  
8052'-8111' - (8) holes

RECEIVED  
NOV 18 8 36 AM '91  
CARTER  
ARL

18. I hereby certify that the foregoing is true and correct

SIGNED Regina Finley

TITLE Production Analyst

DATE 11/15/91

(This space for Federal or State office use)

APPROVED BY  
CONDITIONS OF APPROVAL, IF ANY:

TITLE

DATE

\*See Instructions on Reverse Side