

**HOLE PROGNOSIS
FORM C-101 APPLICATION FOR PERMIT TO DRILL
STRATA PRODUCTION COMPANY
ANTELOPE RIDGE UNIT #5 WELL
2310' FSL & 990' FWL
SECTION 33-23S-34E
LEA COUNTY, NEW MEXICO**

In conjunction with Form C-101, Application for Permit to Drill, Deepen, or Plug Back, Strata Production Company submits the following items in accordance with applicable regulations to re-enter the plugged and abandoned wellbore to recomplete as a SWD well as approved by Administrative Order SWD-578 in the following manner:

1. MIRU completion unit. Dig out cellar. NU to 10 3/4" casing. RU reverse unit. Prep to drill out plugs.
2. PU and TIH with 10 1/2" bit, bit sub and DC. Drill out plugs at Surface, 1090'-1217' and 5110'-5237'. Circulate hole clean. TOH with tools.
3. TIH with RBP and set at approximately 5130'. Test 10 3/4" casing to 750# for 30 minutes. TOH with tools.
4. TIH with work string. Tag up on plug at 7090'. Set cement plug from 7090' to not less than 6200'. TOH with work string.
5. TIH with packer and set at approximately 5130'. Acidize open-hole from 5167' to 6200' with 3000 gallons 7 1/2% NEFE. Swab back. TOH with packer.
6. PU and TIH with plastic coated 2 3/8" tubing with zinc and plastic coated Loc-Set 10 3/4" packer. Circulate hole with packer fluid. Set packer at approximately 5130'.
7. Flange up and build wellhead. Start injection.