

N. M. OIL CONS. COMMISSION
P. O. BOX 1030
HOBBS, NEW MEXICO 88240

Form 3160-3
(July 1989)
(formerly 9-331C)

CONTACT RE.
OFFICE FOR MAINT.
OF COPIES REQUIRED
(Other instructions on
reverse side)

30-025-31650

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 ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☒

GAS
WELL ☐

OTHER ☐

SINGLE
ZONE ☐

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Strata Production Company

3a. Area Code & Phone No.

505-622-1127

3. ADDRESS OF OPERATOR

Post Office Box 1030, Roswell, NM 88202

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

2310' FEL & 330' FSL

At proposed prod. zone

Delaware

unit 8

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

Approximately 33 miles east of Carlsbad, New Mexico

19. DISTANCE FROM PROPOSED*
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drg. unit line, if any)

330'

16. NO. OF ACRES IN LEASE

640.00

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40.00

13. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

5000'

19. PROPOSED DEPTH

8800'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

3677'GR

22. APPROX. DATE WORK WILL START*

July 30, 1992

23. 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	350'	circ to surface
11"	8 5/8"	24# & 32#	J-55	8 RD ST&C *	4530'	600' above casing shoe
7 7/8"	5 1/2"	17#	J-55	8 RD LT&C	8800'	100' into intermediate csg

*cement will be tied back
to Rustler Anhydrite @ 1100'.
(See)

A. Will drill to a depth sufficient to test Delaware formation.

B. Mud Program: Native Mud to 350'

Brine 350' to 4530'

*Produced water (Brine) cut w/fresh 4530' to 6700' (see attached)

Cut Brine w/Starch 6700' to TD (WL=15 to 20).

C. BOP will be installed - See Exhibit "D".

D. Logs to be run: LDT-CNL, Gr-Neutron, DLL/MSFL.

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.

24.

SIGNED

Regina Finley

TITLE

Production Records Mgr.

DATE

06/24/92

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

Ken Dutton

TITLE

MANAGER, PRODUCTION

DATE

7-14-92

CONDITIONS OF APPROVAL, IF ANY:

APPROVAL SUBJECT TO

GENERAL REQUIREMENTS AND

SPECIAL STIPULATIONS

ATTACHED

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001 makes it a crime for any person knowingly and willfully to make to any department or agency of the

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

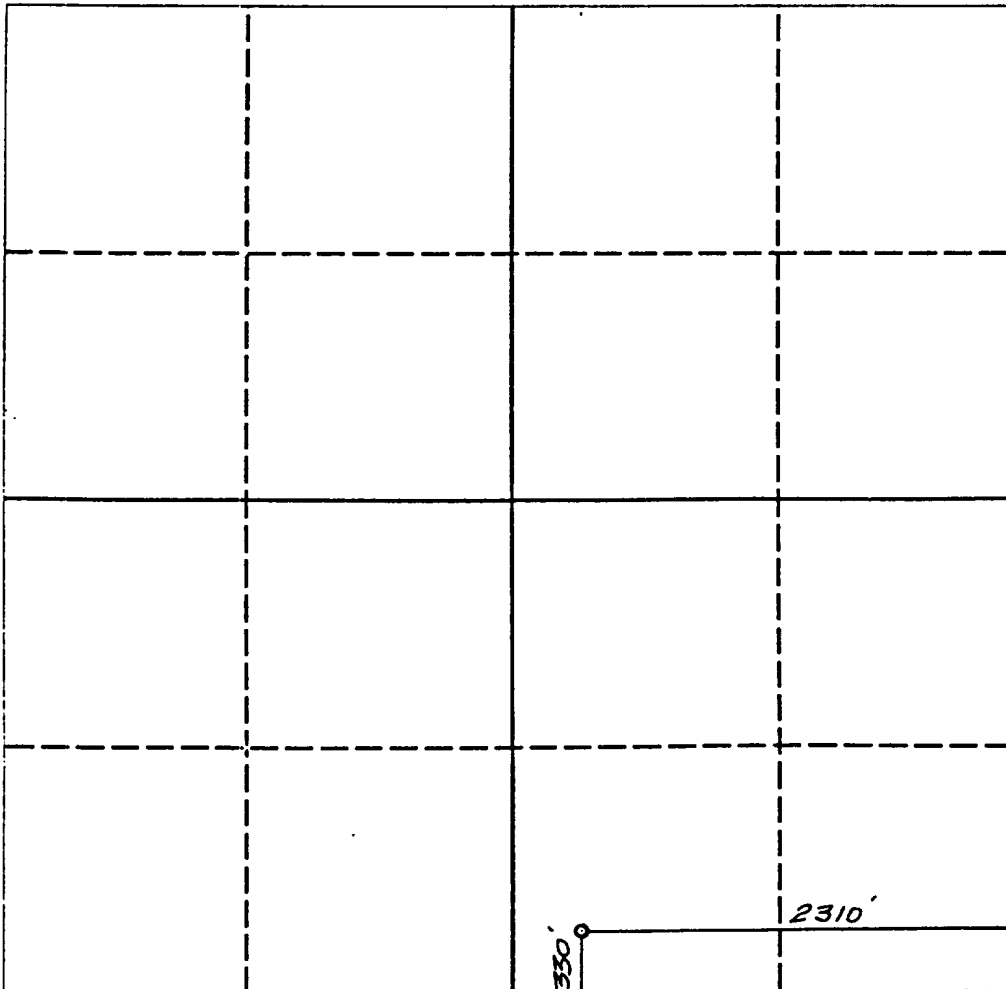
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator STRATA PRODUCTION			Lease ARAGANGA FEDERAL		Well No. 1
Unit Letter 0	Section 4	Township 23 SOUTH	Range 32 EAST	County LEA COUNTY, NM	
Actual Footage Location of Well: 2310 feet from the EAST line and 330 feet from the SOUTH line					
Ground level Elev. 3677.	Producing Formation Delaware		Pool Wildcat	Dedicated Acreage: 40.0 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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

Regina Finley

Printed Name

Regina Finley

Position

Production Records/Land Mgr.
Company

Strata Production Company

Date

June 10, 1992

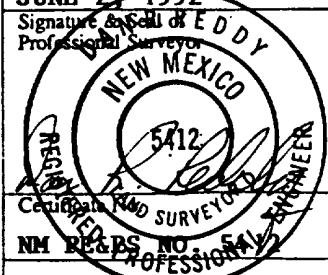
SURVEYOR CERTIFICATION

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

JUNE 2, 1992

Signature & Seal of
Professional Surveyor



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

HOLE PROGNOSIS
APPLICATION FOR PERMIT TO DRILL
STRATA PRODUCTION COMPANY
ARACANGA FEDERAL #1 WELL
2310' FEL & 330' FSL
SECTION 4, T23S, 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 & 2, and with all other applicable federal and state regulations.

1. Estimated tops of geologic markers are as follows:

Triassic Red Beds	Surface	Bell Canyon	4780'
Rustler Anhydrite	1140'	Cherry Canyon	5720'
Salado Salt	1270'	Brushy Canyon	6760'
Castille Anhydrite	3480'	Bone Spring	8700'
Lamar Limestone	4740'	TD	8750'

2. The estimated depths at which water, oil or gas formations are expected to be encountered are:

*Water: 150'
**Oil or Gas: Delaware 4720' - 8750'

* NOTE: Groundwater to be protected by 13 3/8" surface casing with cement circulated to the surface.

**NOTE: Potentially productive horizons to be protected by 5 1/2" production casing with cement tied back to intermediate casing.

3. Casing Program: (See Form 3160-3)

4. Pressure Control Equipment: See Exhibit "D", BOP diagram.

5. Mud Program: See Application to Drill 3160-3.

6. Auxiliary Equipment: None required.

7. Testing, Logging, and Coring Program:

Two (2) man Mudlogging unit from top of Delaware to TD
DLL-MSFL, CNL-Density, Gamma Ray, Caliper.

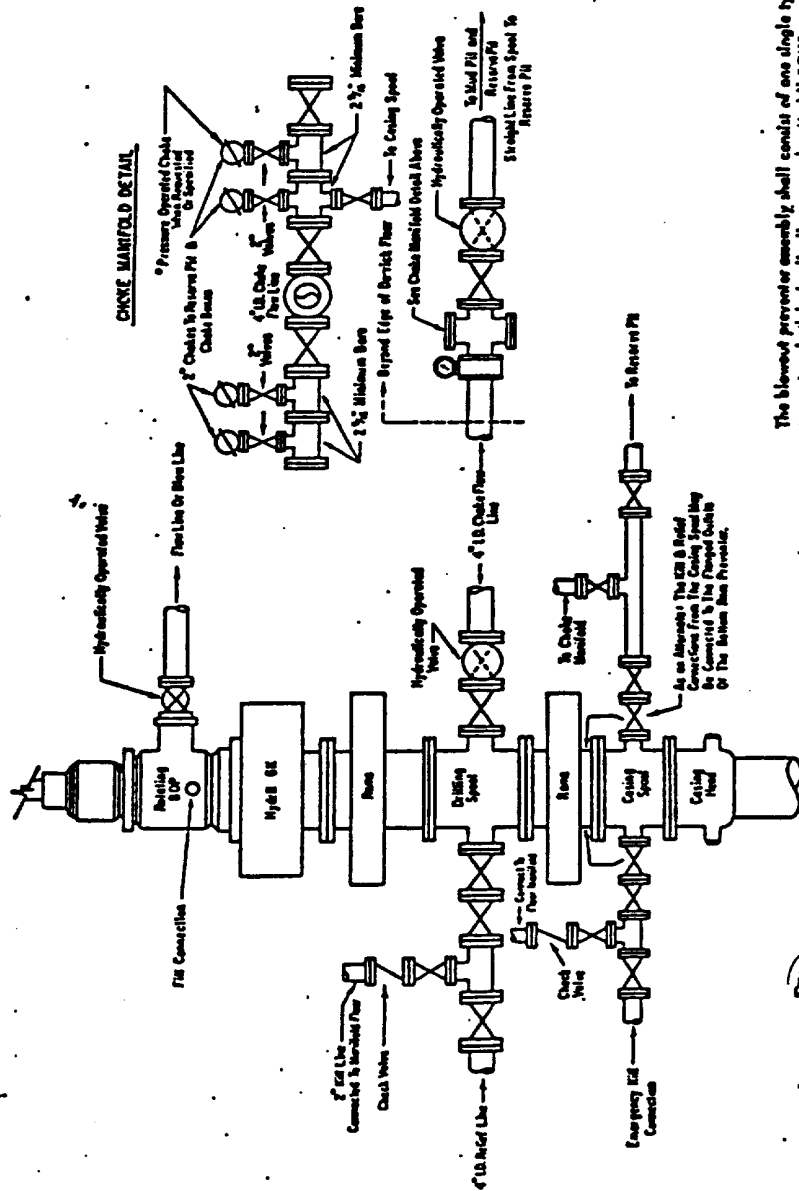
8. Abnormal Pressures, Temperature, or other Hazards:

Loss of circulation is possible in the Delaware section of the hole, however, no loss was seen in the recent drilling of offsetting wells.

9. Anticipated starting date: July 30, 1992

Forecasted duration of operations:

Drilling: 25 days
Completion: 15 days



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 runs 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 nitrogen precharge pressure of not less than 750 PSI and connected to an accumulator 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 of 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 pressure to ram preventers. A 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. Entry and exit access is to be maintained to the choke manifold. If deemed necessary, walkways shall be erected in and around the choke manifold. All valves are to be selected for operation in the presence of air, 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.

ADDITIONS - DELETIONS - CHANGES SPECIFY

12-8-43

RECEIVED

12-1-43

U.S. DEPARTMENT OF JUSTICE