

District I  
PO Box 1980, Hobbs, NM 58241-1980  
District II  
811 S. First Street, Artesia, NM 88210  
District III  
1000 Rio Brazos Rd, Aztec, NM 87410  
District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
2040 South Pacheco  
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 Strata Production Company P. O. Box 1030 Roswell, New Mexico 88202-1030		2 OGRID Number 021712
3 API Number 30-025-33241		
4 Property Code 18251	5 Property Name Pronghorn State	6 Well No. #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
G	34	23S	34E		1980	North	1980	East	Lea

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 <i>Wildcat</i> Bell Lake Bone Spring					10 Proposed Pool 2 Bell Lake Delaware East				

11 Work Type Code N	12 Well Type Code O	13 Cable/Rotary R	14 Lease Type Code S	15 Ground Level Elevation 3453'
16 Multiple No	17 Proposed Depth 9000'	18 Formation Bone Spring	19 Contractor McGee Drilling Co	20 Spud Date January 25, 1996

21 Proposed Casing and Cement Program					
Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2"	13 3/8"	48#	550'	700 Premium Plus	Circulate
11"	8 5/8"	32#/2750' 24#/2150'	4900'	1200 Poz C & 200 C	Circulate
7 7/8"	5 1/2"	17#/1100' 15.5#/7900'	9000'	300 Poz H & 600 C	4500' +/-

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 Bone Spring and Delaware formations. 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.		OIL CONSERVATION DIVISION	
Signature: <i>Carol J. Garcia</i>		ORIGINAL SIGNATURE REQUIRED	
Printed name: Carol J. Garcia		Approved By: DISTRICT ENGINEER	
Title: Production Records Manager		Title:	
Date: 1/4/96		Approval Date: JAN 08 1996	
Phone: 505-622-1127		Expiration Date:	
		Conditions of Approval:	
		Attached	

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

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Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-025-33241		2 Pool Code		3 Pool Name BELL LAKE Wildcat Bone Spring		
4 Property Code 18251		5 Property Name PRONGHORN STATE			6 Well Number 1	
7 OGRID No. 021712		8 Operator Name STRATA PRODUCTION COMPANY			9 Elevation 3453.	

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
G	34	23S	34E		1980	NORTH	1980	EAST	LEA

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

16						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 1/4/96 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.  DECEMBER 30 1995 Date of Survey Signature and Seal of Professional Surveyor: 5412 RECEIVED NEW MEXICO ENGINEER Certificate Number NM PE&PS NO: 5412

# STRATA PRODUCTION COMPANY

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

## WELL PROGRAM

WELL NAME: PRONGHORN STATE #1

A.F.E. No: P-34-23-34-1G

**LOCATION:** 1980' FNL & 1980' FEL SECTION 34-T23S-R34E, LEA COUNTY, N.M.  
**DIRECTIONS:** SOUTH OF EUNICE ON HWY 207 2 MILES, TURN WEST ON DELAWARE BASIN ROAD 9 MILES, SOUTH 4 MILES, WEST 12 MILES, SOUTH 5 MILES, TURN EAST OFF OF BLACKTOP 2.5 MILES, NORTH 1/2 MILE TO LOCATION.  
**ELEVATION:** 3460' (EST.) K.B.: 3476' (EST.)

FORMATIONS	DEPTH	SUBSEA	FORMATIONS	DEPTH	SUBSEA
RUSTLER ANHY.	985	2491	"D-1" SAND	7640	-4164
B. ANHYDRITE	5100	-1624	"K-2" SAND	8330	-4854
DELAWARE	5150	-1674	BONE SPRINGS	8520	-5044
"AAA" SAND	6900	-3424	T.D.	8800	-5324
"A" SAND	7230	-3754			
"B-1" SAND	7490	-4014			

**SAMPLES:** 10' SAMPLES FROM INTERMEDIATE CASING TO T.D.  
**DRLG. TIME:** TWO FOOT DRLG. TIME BY GEOLOGRAPH FROM INT. CASING TO T.D.  
**LOGS:** GR-CNL-LDT INT. TO T.D., GR-CNL SURF. TO T.D.  
**CORES:** NONE  
**DST'S:** NONE  
**REMARKS:** MUD LOGGER ON FROM INTERMEDIATE CASING TO T.D.

CASING PROGRAM		BEARING SERV. & SUPPLY, ARTESIA, N.M., 505-746-9811				TORQUE
INTERVALS	LENGTH	CASING	BURST	COLLAPSE	TENSION	FT-LBS OPTIMUM
<b>SURFACE</b>						
0-550'	550	13 3/8 48# H-40, ST&C	1730	770	322,000	3220

<b>INTERMEDIATE</b>						
0-150'	150	8 5/8 32#J-55, LT&C	3930	2530	372,000	4520
150-2300'	2150	8 5/8 24#J-55, ST&C	2950	1370	244,000	2630
2300-4200'	1900	8 5/8 32#J-55, LT&C	3930	2530	372,000	4520
4200-4900'	700	8 5/8 32#S-80, LT&C		4130	497,000	5560

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

<b>PRODUCTION</b>						
0-200'	200	5 1/2 17#, K-55, LT&C	5320	4910	272,000	2720
200-8100'	7900	5 1/2 15.5#, K-55, LT&C	4810	4040	239,000	2390
8100-9000'	900	5 1/2 17#, K-55, LT&C	5320	4910	272,000	2720

**CEMENTING PROGRAM****DOWELL HOBBS, N.M., TEDDY GANDY, 505-393-6186**

HOLE SIZE	DEPTH	CASING	% EXCESS	CEMENT	YIELD
<b>SURFACE</b>					
17 1/2"	550	13 3/8"	100 (CIRC.)	700 SX. PREM. PLUS W/ 2/10% D-46, 1/4# D-29 & 2% CaCl	1.32
<b>INTERMEDIATE</b>					
12 1/4" & 11"	4900	8 5/8"	100* (CIRC.)	1200 SX. 35/65 POZ "C", 15# D-44 6% D-20, 1/4# D-29 & 2/10% D-46	1.75
				200 SX "C" W/ 2% CaCl	1.32

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

**PRODUCTION**

7 7/8"	9000	5 1/2"	25 (TOC @ 4500')	1ST STAGE- 300 SX. 50/50 POZ "H" W/ 5# D-44, 3/10% D-60, 2.5# B-28, 1/4# D-29 & 2/10% D-46	1.31
			D.V. TOOL @ 7700'	2ND STAGE- 600 SX. 50/50 POZ "C" W/ 2% D-20, 8# D-44 & 1/4# D-29	2.17

**CASING EQUIPMENT****DAVIS LYNCH**

<b>SURFACE</b>	INSERT FLOAT, FLOAT SHOE, 13 3/8" WOODEN PLUG, 3 CENTRALIZERS, AND 1 LIMIT CLAMP
<b>INTERMEDIATE</b>	FLOAT COLLAR, FLOAT SHOE, 6 CENTRALIZERS, 1 LIMIT CLAMP AND RUBBER PLUG. 3 CENTALIZERS ON BOTTOM AND 3 INSIDE 13 3/8" CASING
<b>PRODUCTION</b>	FLOAT COLLAR, FLOAT SHOE, D.V. TOOL @ +/- 7700', 25 CENTRALIZERS, 1 LIMIT CLAMP , LATCH-IN PLUG & D.V. PLUG SET

**MUD PROGRAM****MUD-TECH, INC. , JERRY BUTTS, 505-746-2907**

INTERVAL	WEIGHT	VIS. (SEC)	PH	W.L. (CC)	TYPE MUD AND ADDITIVES
0-550'	8.4-8.6	29-36	>8	N.C.	FRESH WATER W/ LIME & GEL PAPER & FIBER FOR SEAPAGE
550-4900'	8.6-10.5	32-34	10	N.C.	SATURATED BRINE, PAPER & FIBER FOR SEAPAGE
4900-9000	8.5-8.9	29-34	9-10	N.C. -50	3% KCL, 20-50 PPM NITRATES CL 30,000 PPM, CAUSTIC FOR ph CONTROL AND PAPER FOR SEAPAGE. ADD STARCH FOR FLUID LOSS CONTROL, SWEEP HOLE AS NEEDED WITH +/- 50 VIS. PILLS FROM PREMIX TANK

**NOTIFICATION:**

NAME	TITLE	OFFICE PHONE	HOME PHONE	MOBILE PHONE
RONNIE WILLIS	DRILLING. FOREMAN	622-1127	396-6601	626-3745
FRANK MORGAN	PRODUCTION SUPT.	622-1127	365-2919	365-7596
BRUCE USZYNSKI	WELL SITE GEOLOGIST	627-6573	622-7990	
JOHN WORRALL	GEOLOGIST	622-5891	622-2768	
MARK MURPHY	PRESIDENT	622-1127		
BRUCE STUBBS	ENGINEER	624-2800	623-6466	

## EXHIBIT "A"

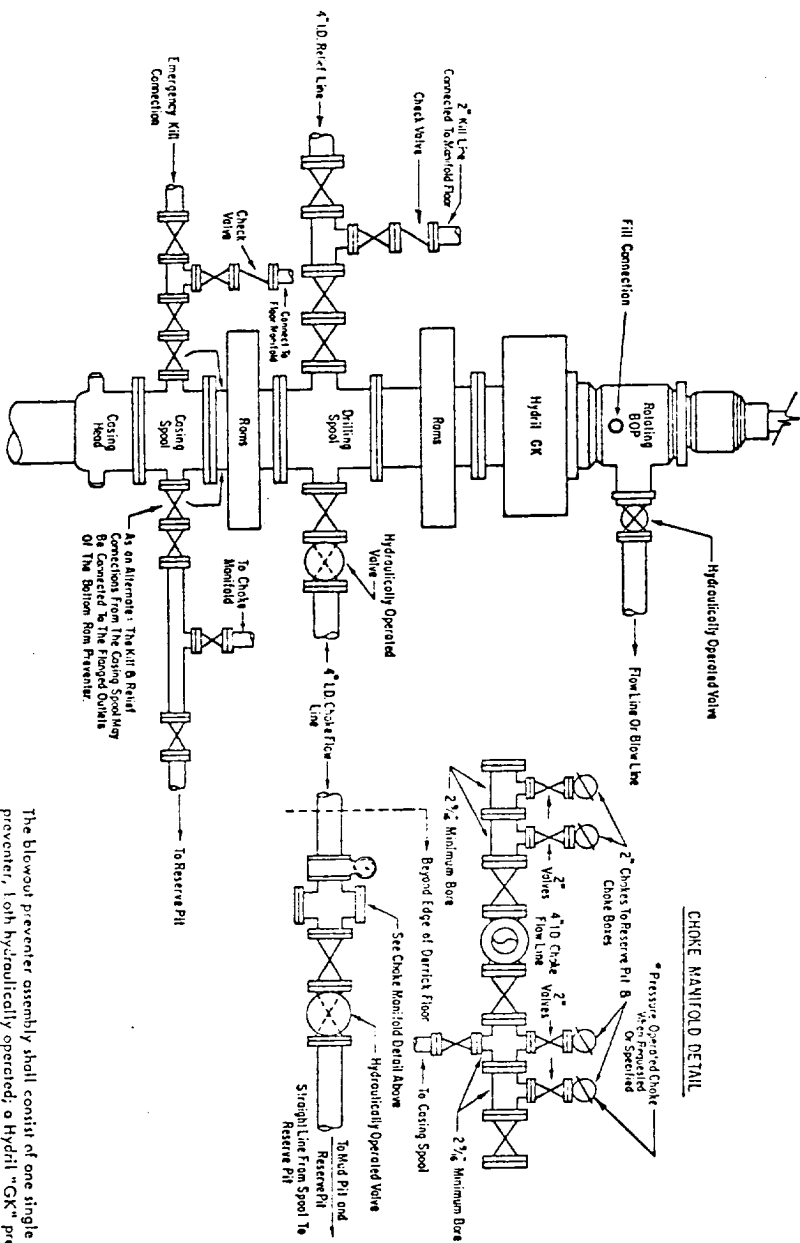
### EQUIPMENT DESCRIPTION

All equipment should be at least 3,000 psi WP or higher unless otherwise specified.

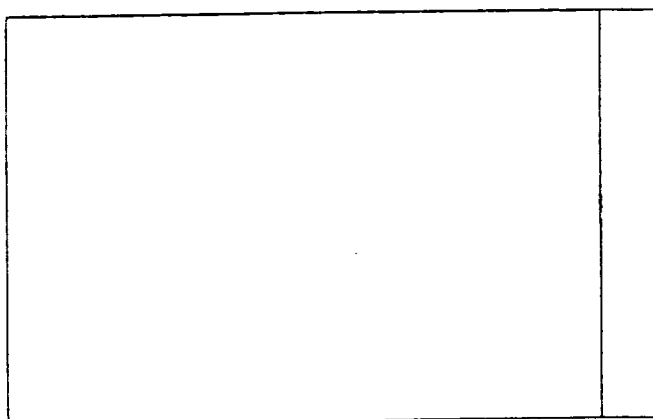
1. Bell nipple
2. Hydril bag type preventer
3. Ram type pressure operated blowout preventer with blind rams.
4. Flanged spool with one 3" and one 2" (minimum) outlet.
5. 2" (minimum) flanged plug or gate valve.
6. 2"x 2"x 2" (minimum) flanged.
7. 3" gate valve.
8. Ram type pressure operated blowout preventer 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 to 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.



CHOKES MANIFOLD DETAIL



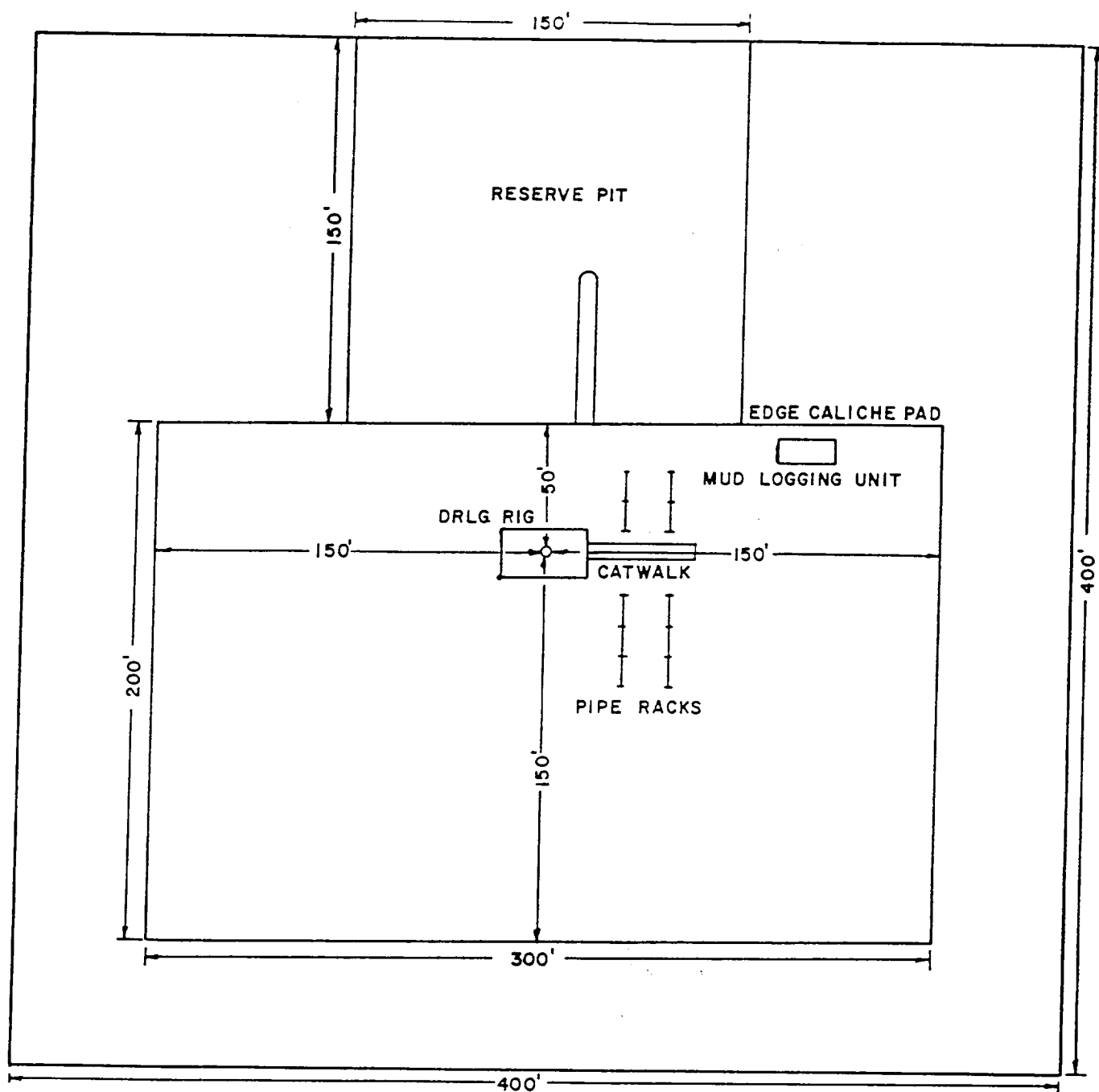
### 3000 # PSI WORKING PRESSURE BLOWOUT PREVENTER HOOK-UP

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 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 position. 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 preventer. 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 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

PRONGHORN STATE #1  
 1980' FNL & 1980' FEL  
 SECTION 34-23S-34E  
 LEA COUNTY, NEW MEXICO

EXHIBIT "B"

8/19/20  
2020

2020