and Case for the 7-27-STRATTON & CAVIN, P.A. ^{31, GONSERS} ATTORNEYS & COUNSELORS AT LAW 320 GOLD AVENUE, S.W. TELEPHONE HAROLD D. STRATTON, JR.* 195 JU GT 8 J5051 243-5400 SEALY H. CAVIN, JR.1 SUITE 1200 STEPHEN D. INGRAMT FACSIMILE P. O. BOX 1216 ~ (505) 243-1700 ALSO ADMITTED IN OKLAHOMA TALSO ADMITTED IN TEXAS ALBUQUERQUE, NEW MEXICO 87103-1216 NEW MEXICO BOARD OF LEGAL SPECIALIZATION RECOGNIZED SPECIALIST IN THE AREA OF July 6, 1995 NATURAL RESOURCES - OIL AND GAS LAW **CERTIFIED MAIL/RETURN RECEIPT REQUESTED** Addressees Listed at Exhibit A hereto.

Re: Application by Strata Production Company for Approval of an Unorthodox Location, Roosevelt County, New Mexico

Gentlemen:

This letter is to advise you that Strata Production Company has filed the enclosed Application with the New Mexico Oil Conservation Division seeking approval of an exception to the well location requirements of Oil Conservation Division Rule 104 to permit the drilling at an unorthodox location of the Alondra No. 1 Well at a location 1213 feet from the South line and 888 feet from the West of Section 17, Township 7 South, Range 34 East, N.M.P.M., Roosevelt County, New Mexico, to a depth sufficient to adequately test the Devonian Formation.

Our records indicate that you are a party entitled to notice pursuant to New Mexico Oil Conservation Division Rules.

The Application has been set for hearing before a division examiner on July 27, 1995. The Application was filed with the New Mexico Oil Conservation Division on July 3, 1995 and notice of the case by publication was properly made. We are enclosed for your information a copy of the Application.

r truly yours, avin. Jr.

SHC/skc

Enclosures

cc: William J. LeMay, New Mexico Oil Conservation Division (w/o encl.) Jo McInerney, Landman, Strata Production Company (w/encl.)

EXHIBIT A

American Trading & Production Company 1331 Lamar, Suite 1250 Houston, Texas 77057 Attn: John McCreary, Land Manager

Larry and Patricia Jeter 8 HCR 4, Box 533 Denver City, Texas 79323

Permian Resources, Inc. Post Office box 590 Midland, Texas 79702-0590 Attn: Randy Bruno, President

Shell Onshore Ventures, Inc.Post Office Box 576Houston, Texas 77001Attn: D. B. Champlin, Western Asset Continental Division

Texas Secondary Oil Company Post Office Box 218712 Houston, Texas 77218

UMC Petroleum Corporation 410 17th Street, Suite 1400 Denver, Colorado 80202 Attn: Georgia Kofoed, Land Department