

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING  
GOVERNOR



POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

January 13, 1993

Strata Production Company  
P. O. Drawer 1030  
Roswell, New Mexico 88202

RE: CASE NO. 10601  
ORDER NO. R-9823

Dear Sir:

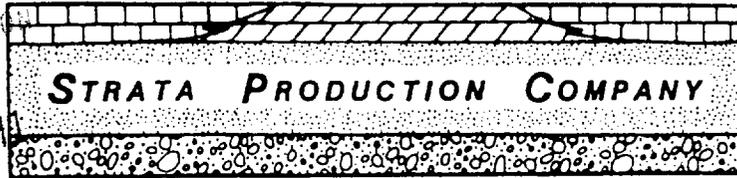
Enclosed herewith are two copies of the each of the above-referenced Division order recently entered in the subject case.

Sincerely,

*Sally Leichtle*  
Sally E. Leichtle  
Administrative Secretary

cc: BLM - Carlsbad  
T. Kellahin

POST OFFICE DRAWER 1030  
ROSWELL, NM 88202-1030



TELEPHONE (505) 622-1127  
FACSIMILE (505) 623-3533

92 DE 23 AM 9 41

200 WEST FIRST STREET, ROSWELL PETROLEUM BUILDING, SUITE 700  
ROSWELL, NEW MEXICO 88201

December 23, 1992

*M.S.*

Energy Minerals and Natural Resources Department  
Oil Consecutive Division  
Post Office Box 2088  
Santa Fe, New Mexico 88201

Attention: Mr. Michael E. Stogner, Examiner

Re: NMOCD Case #10601  
Application for Salt Water Disposal  
Doris Federal Well No. 2  
Unit J, Section 26  
T-20's, R-28-F, NM PM  
Eddy County, New Mexico

Gentlemen:

Strata Production Company respectfully withdraws the above referenced application for salt water disposal. As you are aware, OXY USA, INC. has opposed Strata's application and while we have been unable to resolve our dispute with regard to the Doris Federal Well #2, we believe that an alternative well suitable to both parties has been located.

Thank you for your cooperation, if you have any questions please call me.

Sincerely,

STRATA PRODUCTION COMPANY

  
Mark B. Murphy  
President

cc: Richard Foppiano, OXY USA INC.  
W. Thomas Kellahin, Attorney for OXY USA, INC.

MBM/mo



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION



BRUCE KING  
GOVERNOR

ANITA LOCKWOOD  
CABINET SECRETARY

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

Strata Production Company  
P.O. Box Drawer 1030  
Roswell, New Mexico 88202-1030

Attn: Mark B. Murphy, President

RE: Case 10601  
Applicant for a saltwater disposal well.  
Doris Federal Well No.2  
Unit J of Section 26, Township 20 South, Range 28 East, Eddy County

Dear Mr. Murphy,

Per your letter dated November 12, 1992 the subject application is hereby continued to the January 7, 1993 Examiners Hearing.

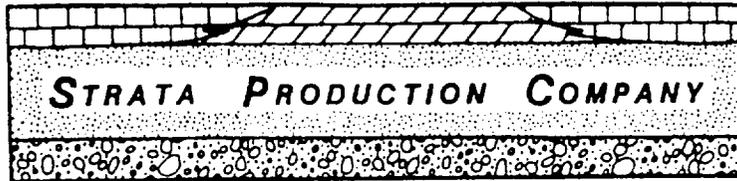
Sincerely,

A handwritten signature in black ink, appearing to read "Michael E. Stogner", with a long horizontal flourish extending to the right.

MICHAEL E. STOGNER,  
Chief Hearing Officer/Engineer

c.c Richard E. Foppiano; OXY - Midland

POST OFFICE DRAWER 1030  
ROSWELL, NM 88202-1030



200 WEST FIRST STREET, ROSWELL PETROLEUM BUILDING, SUITE 700  
ROSWELL, NEW MEXICO 88201

TELEPHONE (505) 622-1127  
FACSIMILE (505) 623-3533

OIL CONSERVATION DIVISION  
RECEIVED

'92 NOV 16 AM 9 02

November 12, 1992

VIA TELEFAX (505) 827-5741/HARD COPY BY U.S. MAIL

Energy, Minerals and Natural Resources Department  
Oil Conservation Division  
Post Office Box 2088  
Santa Fe, New Mexico 87504

Attention: Mr. Michael E. Stogner, Examiner

Re: Docket No. 39-92 Case #10601  
Application for Salt Water Disposal  
Doris Federal Well No. 2  
Unit J, Section T-20-S, R-28-E, NMPM  
Eddy County, New Mexico

Gentlemen:

Strata Production Company respectfully requests that the above styled case be postponed until a later date. As you are aware, in correspondence dated October 8, 1992, Oxy U.S.A. Inc. has objected to Strata's application for administrative approval. Strata is continuing to review Oxy's objections in an attempt to satisfy their concerns. It is not Strata's intent to withdraw our application and if we are unable to reach agreement with Oxy, then Strata may request that our case be rescheduled sometime in early 1993.

Thank you for your cooperation.

Sincerely,

STRATA PRODUCTION COMPANY

  
Mark B. Murphy  
President

MBM/clk

cc: Oxy U.S.A. Inc.  
Post Office Box 50250  
Midland, Texas 79710  
Attention: Mr. Richard E. Foppiano

*Continued  
to Jan 7, 1993  
M.S.*

KELLAHIN AND KELLAHIN

ATTORNEYS AT LAW

EL PATIO BUILDING

117 NORTH GUADALUPE

POST OFFICE BOX 2265

SANTA FE, NEW MEXICO 87504-2265

TELEPHONE (505) 982-4285

TELEFAX (505) 982-2047

W. THOMAS KELLAHIN\*

\*NEW MEXICO BOARD OF LEGAL SPECIALIZATION  
RECOGNIZED SPECIALIST IN THE AREA OF  
NATURAL RESOURCES-OIL AND GAS LAW

JASON KELLAHIN (RETIRED 1991)

November 12, 1992

William J. LeMay  
Oil Conservation Division  
310 Old Santa Fe Trail  
Room 219  
Santa Fe, New Mexico 87501

**HAND DELIVERED**

RE: Application of Strata Production  
Company for Salt Water Disposal,  
Eddy County, New Mexico  
NMOCD Case No. 10601

RECEIVED

NOV 12 1992

OIL CONSERVATION DIVISION

Dear Mr. LeMay:

On behalf of Oxy USA Inc., I request that the Oil Conservation Division issue the enclosed Subpoena to Strata Production Company. An additional copy is enclosed for the OCD File in this matter. Please have your office call when the Subpoena has been issued and we will send a messenger to pick it up.

Your attention to this request is appreciated.

Very truly yours,

*W. Thomas Kellahin*  
W. Thomas Kellahin

WTK/jcl

Enclosures

xc: Richard Foppiano  
Oxy USA Inc.

subt1112.009

STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES  
BEFORE THE OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY  
THE OIL CONSERVATION DIVISION FOR THE  
PURPOSE OF CONSIDERING:

THE APPLICATION OF STRATA PRODUCTION  
COMPANY FOR SALT WATER DISPOSAL,  
EDDY COUNTY, NEW MEXICO

CASE NO. 10601

**SUBPOENA DUCES TECUM**

TO: STRATA PRODUCTION COMPANY  
c/o Ernest Padilla, Esq.  
Padilla and Snyder  
200 West Marcy, Suite 216  
Santa Fe, New Mexico 87501

Pursuant to the power vested in this Division, you are commanded to produce at 8:15 a.m., November 19, 1992, to the offices of the Oil Conservation Division, State Land Office Building, 310 Old Santa Fe Trail, Santa Fe, New Mexico 87501 and make available to Oxy USA Inc. and its attorney, W. Thomas Kellahin, for copying, all the following documents under the possession or control of Strata Production Company:

**I. FOR THE FOLLOWING WELL:**

The Doris Federal No. 2 Well, located in Unit J, Section 26, Township 20 South, Range 28 East, NMPM, Eddy County, New Mexico

**PRODUCE THE FOLLOWING DATA:**

1. Any and all cement bond logs.

**INSTRUCTIONS**

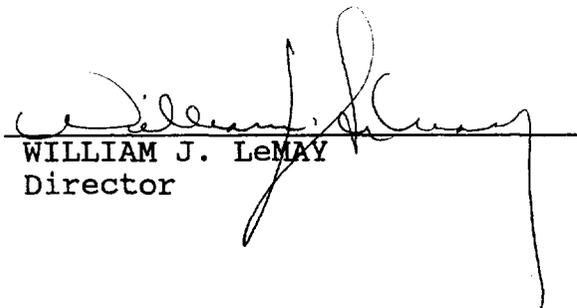
This Subpoena Duces Tecum seeks all information available to you or in your possession, custody or control from any source, wherever situated, including but not limited to information from any files, records, documents, employees, former employees, counsel and former counsel. It is directed to each person to whom such information is a matter of personal knowledge.

When used herein, "you" or "your" refers to the person or entity to whom this Subpoena Duces Tecum is addressed to including all of his or its attorneys, officers, agent, employees, directors, representatives, officials, departments, divisions, subdivisions, subsidiaries, or predecessors.

ISSUED THIS 17<sup>th</sup> day of November, 1992 at Santa Fe, New Mexico.

NEW MEXICO OIL CONSERVATION  
DIVISION

BY:

  
WILLIAM J. LEMAY  
Director



DATE 10-8-92

TO: ADDRESSEE Mr. Dave Catanach

COMPANY NMOCB

ADDRESS Santa Fe, NM

ADDRESSEE'S TELEPHONE NUMBER \_\_\_\_\_

ADDRESSEE'S FACSIMILE NUMBER 505-827-5741

COMMENTS Please see attached.

FROM: ORIGINATOR Richard E. Foppiano

COMPANY OXY USA Inc.

ADDRESS P.O. Box 50250  
Midland, Texas 79710 BLOG \_\_\_\_\_

TELEPHONE NUMBER 915-685-5913 ROOM NO. \_\_\_\_\_

NUMBER OF PAGES (INCLUDING THE COVER) 2  
(PLEASE NUMBER ALL PAGES)

IF YOU DID NOT RECEIVE A PAGE(S), OR THE DOCUMENTS ARE NOT LEGIBLE, PLEASE CALL THE VERIFICATION NUMBER BELOW WITHIN 15 MINUTES AFTER RECEIPT OF TRANSMISSION IF YOU DO NOT CALL WE WILL ASSUME YOU RECEIVED THE PAGES SATISFACTORILY  
THANK YOU.

FACSIMILE NUMBER	<u>915-685-5635</u>	VERIFICATION NUMBER	<u>915-685-5913</u>
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136



OXY USA INC.  
Box 50250, Midland, TX 79710

October 8, 1992

New Mexico Oil Conservation Division  
P. O. Box 2088, State Land Office Bldg.  
Santa Fe, New Mexico 87504

\*\*\* BY FAX \*\*\*

Attention: Mr. David Catanach, Hearing Officer

10601

Re: Application of Strata Production Company for  
Administrative Approval of C-108 for their  
Doris Federal #2 Well, Section 26-T20S-R28E,  
Eddy County, New Mexico.

Dear Mr. Catanach:

OXY USA Inc. objects to administrative approval of the subject application. We are concerned about the effect of water disposal into the requested zone because we operate several Wolfcamp and Morrow wells immediately north of the proposed disposal well. Our wells do not appear to be cemented across the proposed injection zone, hence our concerns.

Our copy of the application was mailed to "Cities Service Oil and Gas Corp., Tulsa, Oklahoma", an entity that doesn't exist, instead of OXY USA Inc.'s Midland office, Consequently, we have had very little time to completely review the application. It is possible that after further review and discussions with the applicant, we may withdraw our protest. By copy of this letter we are notifying Strata of our protest and the reasons for it. All future correspondence should be sent to the undersigned at OXY's Midland office. I can be reached at 915/685-5913.

Thank you for your consideration of this matter.

Sincerely,

Richard E. Foppiano  
Regulatory Affairs Advisor - Western Region

REF/ref

xc: Strata Production Company (by regular mail)  
P. O. Box 1030  
Roswell, New Mexico 88202-1030  
Attention: Mr. Frank Morgan