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February 22, 1994

**VIA FEDERAL EXPRESS and FACSIMILE 1-827-5741**

10935

William J. LeMay, Director  
Oil Conversation Division  
New Mexico Department of Energy,  
Minerals and Natural Resources  
State Land Office Building  
Santa Fe, New Mexico 87503

**Re: Application of Strata Production Company for Special Pool Rules, Eddy  
County, New Mexico**

Dear Mr. LeMay:

Enclosed in triplicate is the Application of Strata Production Company in the above-referenced case as well as a copy of a legal advertisement. Strata Production Company respectfully requests that this matter be placed on the docket for the March 17, 1994 Examiner hearings.

Very truly yours,

STRATTON & CAVIN, P.A.

By:

  
Sealy H. Cavin, Jr.

SHC/eb

Enclosures

cc: Kim Allison, Landman

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

IN THE MATTER OF THE APPLICATION OF  
STRATA PRODUCTION COMPANY FOR  
SPECIAL POOL RULES, FOR THE NASH  
DRAW BRUSHY CANYON DELAWARE  
POOL, EDDY COUNTY, NEW MEXICO.

CASE NO. \_\_\_\_\_

APPLICATION

COMES NOW STRATA PRODUCTION COMPANY ("Applicant"), through its undersigned attorneys, makes application to the Oil Conservation Division for promulgation of Special Pool Rules and Regulations for the Nash Draw Brushy Canyon Delaware Pool, including a gas oil ratio of 10,000 cubic feet of gas per barrel of oil produced and in support thereof states:

1. Applicant is the operator of all wells in the Nash Draw Brushy Canyon Delaware Pool.
2. The Nash Draw Brushy Canyon Delaware Pool was created by Oil Conservation Division Order No. 10042, dated January 1, 1994, and now includes the following described acreage:

Township 23 South, Range 29 East, N.M.P.M.:

Section 12: S/2

Section 13: E/2

Township 23 South, Range 30 East, N.M.P.M.:

Section 18: NW/4

3. The wells in the pool are produced under statewide rules that limit production to 142 barrels of oil per day and a gas oil ratio of 2,000 cubic feet of gas per barrel of oil produced.

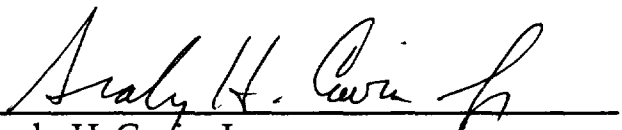
4. The Applicant seeks the promulgation of special pool rules and regulations for this pool which will increase the limiting gas oil ratio to 10,000 cubic feet of gas per barrel of oil produced.

5. Approval of this Application will result in the production of hydrocarbons which otherwise will not be produced, will protect the correlative rights that will be in the best interest of conversation.

WHEREFORE, Strata Production Company requests that this application be set for hearing before a duly appointed Examiner of the Oil Conservation Division on March 17, 1994 and that, after notice and hearing as required by law and the rules of the Division, the Division enter its Order promulgating Special Pool Rules and Regulations for the Nash Draw Brushy Canyon Delaware Pool including provisions for special Gas/Oil Ratio of 10,000 cubic feet of gas per barrel of oil produced.

RESPECTFULLY SUBMITTED,

STRATTON & CAVIN, P.A.

By:   
Sealy H. Cavin, Jr.

Attorneys for Strata Production Company  
Post Office Box 1216  
Albuquerque, New Mexico 87103  
Telephone: (505) 243-5400

CASE \_\_\_\_\_

Application of Strata Production Company for special pool rules, Eddy County, New Mexico. Applicant, in the above-styled case, seeks the promulgation of special rules for the Nash Draw Brushy Canyon Delaware Pool which covers the S/2 of Section 12, and the E/2 of Section 13, all in Township 23 South, Range 29 East, N.M.P.M., and the NW/4 of Section 18, Township 23 South, Range 30 East, N.M.P.M., including a provision for a gas-oil ratio of 10,000 cubic feet of gas per barrel of oil. Said area is located approximately 20 miles Southeast of Carlsbad, New Mexico.

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