

Sherman & Howard
A LAW PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

500 MARQUETTE N.W., SUITE 500
POST OFFICE BOX 2043
ALBUQUERQUE, NEW MEXICO 87103-2043

TELEPHONE: 505 764-8100
TELECOPIER: 505 764-8202

WITH OFFICES IN:
COLORADO SPRINGS
DENVER
RENO
SANTA FE
SOUTHEAST DENVER

SEALY H. CAVIN, JR.

June 14, 1990

CERTIFIED MAIL/RETURN RECEIPT REQUESTED
ARTICLE NO. P 557 205 707

Mr. William J. LeMay, Chmn. and Director
Oil Conservation Division
State of New Mexico
Energy & Minerals Department
State Land Office Building
Old Santa Fe Trail
Santa Fe, New Mexico 87501

Re: OCD Case 9924 - Application of Strata Production Company for Amendment of
Order No. R-9097

Dear Mr. LeMay:

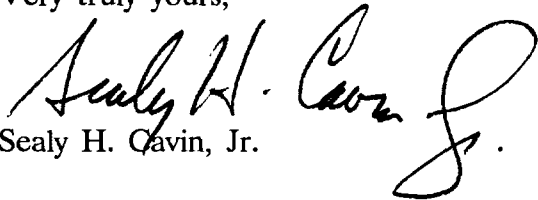
On behalf of Strata Production Company, the applicant in the captioned case which is now set for hearing on the Division Examiner's Docket of June 27, 1990, I would ask that the application and hearing be cancelled and the case concluded without further action. As we have discussed with Mr. Stogner of your office, the well has been plugged back with a polymer plug to a terminus that is consistent with OCD Order No. R-9097 and, therefore, the proposed amendment is no longer necessary. I have enclosed for your information certain materials that were provided to me by Strata Production Company which illustrate by vertical section plane and horizontal plane the location of the original

Sherman & Howard

Mr. William J. LeMay
June 14, 1990
Page 2

well bore as plugged back by the polyacrylamide permanent plug. If you have any questions or if we can provide additional information, please let me know. Thank you for your consideration.

Very truly yours,

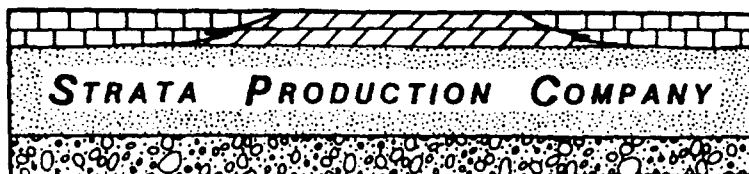

Sealy H. Cavin, Jr.

SHC:tms

Enclosure

cc: Mr. George Scott
Mr. Jim McClelland
Mr. Dan Leonard
Mr. John Byers
Mr. Bernard Mahony
AH 1980 Program (Via Certified Mail/Return Receipt Requested
Article No. P 557 205 708)
Bonneville Fuels Corporation (Via Certified Mail/Return Receipt Requested
Article No. P 557 205 706)
El Paso Natural Gas (Via Certified Mail/Return Receipt Requested
Article No. P 557 205 709)

GEORGE L. SCOTT, JR.
FRANK S. MORGAN
JAMES G. MCCLELLAND



648 PETROLEUM BLDG.
ROSWELL, N.M. 88201
(505) 622-1127
(505) 622-5891

June 2, 1990

To: Mr. Sealy H. Cavin, Jr.
Sherman & Howard Law Firm
PO Box 2043
Albu. NM 87103-2043

Re: Plugback Report to NMOCD
Yeso Hills Federal #1
Sec. 18, T-26-S, R-25-E
Eddy County, NM

Dear Sealy,

As per your request, enclosed you will find the following:

1. Daily Drilling Reports concerning the above.
2. NMOCD form C-102 showing surface location.
3. Well plat showing bottom hole location.

On the well plat, I've indicated where the plug was set and it should be rather clear where the bottom hole location is when compared to the surface location. Also, the drilling reports will give any volumes or treatment parameters that Stogner may be interested in.

Please contact me for anything further.

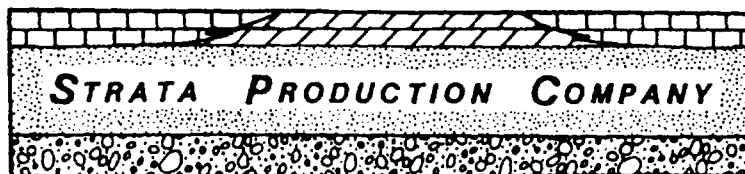
Regards,


James G. McClelland

JGM/leb

encl.

GEORGE L. SCOTT, JR.
FRANK S. MORGAN
JAMES G. MCCLELLAND



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DAILY DRILLING REPORT
YESO HILLS FEDERAL #1
SECTION 18, T-26-S, R-25-E
EDDY COUNTY, NEW MEXICO
TOTAL AFE ESTIMATED COSTS \$ 673,582.00

=====

5-4-90 SITP 30#. Swbbg continuously all day. Rec 375 BTF. Tot fl rec 500 BTF. Wat smpl @ 2:PM, 5-3-90 aft rec 341 BTF had 57000 PPM Chlorides. Wat smpl @ 3:30 PM aft rec 383 BTF had 61000 PPM Chlorides. FL stndg @ 300' FS. Moving 2400' fl on each run. Slight gas flare ahead of swb w/ intermittent flare during swb. RDMO compl rig.

5-5-90 SD.

5-6-90 SD.

5-7-90 SD.

5-8-90 MIRU Pride Compl Rig. TOH w/ tbg & pkr. RU Schlumberger & ran cement bond logs. Cmt looks OK over entire string from csg pkr to surface. TIH w/ tbg & pkr. RD Compl Rig. WOO.

5-9-90 Held meeting w/ geologists, engineers, & owners. Decided to set polyacrylamide plug over bottom 400' of horizontal hole in an attempt to plug off water zone. Plug will be set Monday, 5-14-90.

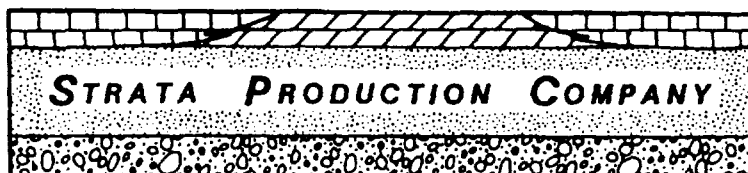
5-14-90 SD.

EGIN → 5-15-90 MIRU Pride Compl Unit. TOH w/ tbg & pkr, TIH w/ full opening retrievable pkr w/ one jt of tbg below pkr. Set pkr @ 5697' MD. MIRU Freemyer Co. pmp & blndg equip. Establish injectivity w/ 10 Bbl F/W w/ 1% KCL, left annulus open. Pmp plug into annulus between 5 1/2" csg & 8 3/4" hole, mix & pmp 25 Bbls of polymer w/ delayed crosslinker & pH buffer as follows:

1. 5 Bbls 2#/Bbl w/ 5-6 hrs Gel time.
2. 18 Bbls 3#/Bbl w/ 3-4 hrs Gel time.
3. 2 Bbls 2#/Bbl w/ 4 hrs Gel time.

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ere

GEORGE L. SCOTT, JR.
FRANK S. MORGAN
JAMES G. MCCLELLAND



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DAILY DRILLING REPORT
YESO HILLS FEDERAL #1
SECTION 18, T-26-S. R-25-E
EDDY COUNTY, NEW MEXICO
TOTAL AFE ESTIMATED COSTS \$ 673,582.00

=====

Displace polymer w/ F/W & 1% KCL to pkr. SD for 1 hr to allow gelation. Move pkr downhole 6 tbgs jts & set @ 5877'. Pmp 3 Bbls F/W & 1% KCL to clear tbgs & pkr. SD 1 hr for gelation. TIH w/ Schlumberger BHP recorder. Mix & pmp 20 Bbls 2#/Bbl delayed crosslink polyacrylamide polymer w/ 8 hrs crosslinking time. Set pkr & SI annulus to monitor pressure differential. Mixd & pmpd 230 Bbls delay crosslinked polymer in 25 Bbl batches w/ 2.5#/Bbl concentration. Avg inj rate 1.5 BPM & ATP 168#. Displace polymer w/ 5 Bbls of non crosslinked polymer & 18 Bbls F/W w/ 1% KCL to pkr. SI. Will leave well SI for 48 hrs.

5-16-90 SD. WD gelation.

5-17-90 SD. WD gelation.

5-18-90 Prss up on polymer plug to 150#, slight bleed off to 125# in 10 mins. No Prss on csg. Rls pkr & LD 48 jts 2-3/8" tbgs. Est 10 Bbls polymer at sfc inside first five jts of tbgs. Rec smpl. Set pkr @ 4625'. Break circ w/ 110 bbls 2% KCL. Tie on bcksd. Prss to 1500#, pkr held OK. RU & comm swbbg. Rec 175 BTF, FL stndg @ 750' FS w/ some gas. Prep to RD compl rig & RU swbbg unit. SDON.

5-19-90 RU Pedco swbbg unit & comm swbbg. Rec 157 BTF, FL 800' FS. Some gas ahead of each swb run. SION.

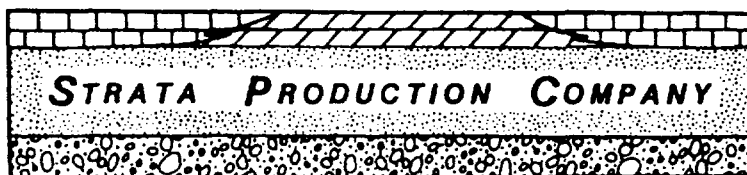
5-20-90 SITP 60#, FL 100' FS. Slight gas sho ahead of each swb run. FL stndg @ 800'. Rec 178 BTF. SION.

5-21-90 SDON.

5-22-90 SITP 60#. FL 60' FS. Some burnable gas ahead of each swb run. FL 800' FS. Rec 185 BTF. Wtr spl #3 5-17-90, Rw 0.085 @ 75 deg, SG 1.06, pH 6.05, Ca 1,797, Mg 1,440, Cl 51,000, Sulfates - heavy, Soluble Iron - heavy, KCL - nil. Wtr spl #4 5-19-90, Rw 0.073 @ 75 deg, SG 1.077, pH 6.25, Ca 2,326, Mg 1,833, Cl 66,000, Sulfates - heavy, Soluble Iron - heavy, KCL - nil.

5-23-90 SITP 60#. FL 120' FS. Some gas ahead of each swb. FL 800' FS. Rec 167 BTF. RD Pedco swbbg unit. WOO.

GEORGE L. SCOTT, JR.
FRANK S. MORGAN
JAMES G. MCCLELLAND



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DAILY DRILLING REPORT
YESO HILLS FEDERAL #1
SECTION 18, T-26-S, R-25-E
EDDY COUNTY, NEW MEXICO
TOTAL AFE ESTIMATED COSTS \$ 673,582.00

=====

5-24-90 SD. WOO.

5-25-90 SD. WOO.

5-26-90 MIRU Pride Pet Svcs compl rig. Prep to TOH w/ tbg & pkr.
SD due to high winds.

5-27-90 to 5-29-90 SD.

5-30-90 Rls pkr & TOH w/ tbg & tools. Bearing Svcs del tbg pmp &
rods to lcn & off load. TIH w/ tbg & tbg pmp. Set anchor @ 4100'.
SD due to high winds. Prep to TIH w/ rods & set pmpg unit.

5-31-90 TIH w/ rods & hang in WH. RU stffg box. RDMD Pride
compl rig. Pmpg Unit to be delivered & set Friday, June 1, 1990.

6-1-90 Pmpg unit del to lcn. Will mount ajax & should have unit
pmpg by Monday, 6-4-90.

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

Box 1980, Hobbs, NM 88240

Drawer DD, Artesia, NM 88210

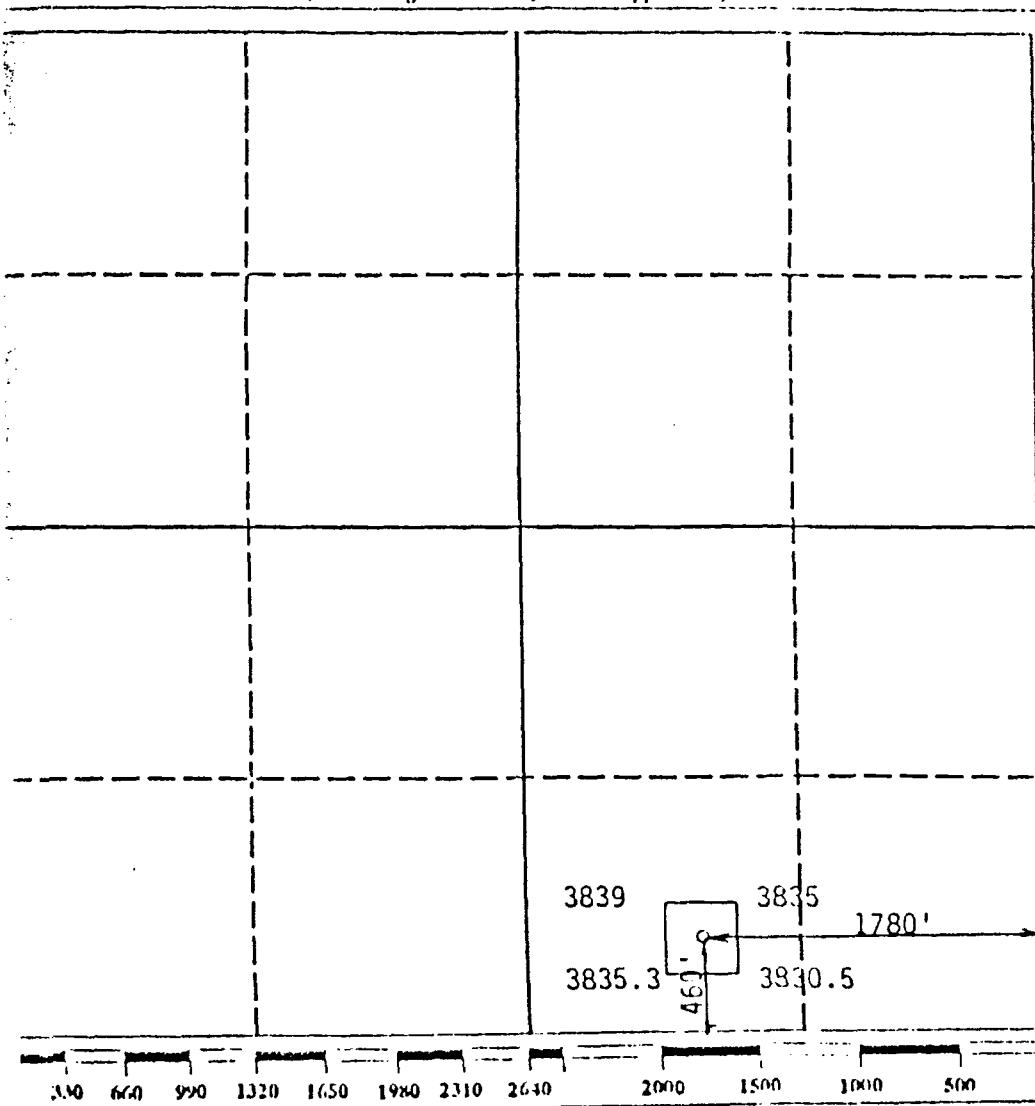
Box 1980, Hobbs, NM 88240

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Strata Production Company			Lease Yeso Hills Federal		Well No. 1
Section 0	Section 18	Township 26 South	Range 25 East	County Eddy	
Actual Footage Location of Well: 460 feet from the South line and 1780 feet from the East line					
Land level Elev. 3834	Producing Formation		Pool		Dedicated Acreage: 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.

James G. McClelland
Signature

James G. McClelland
Printed Name

Vice Pres/Admin
Position

Strata Production Co.
Company

November 29, 1989
Date

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

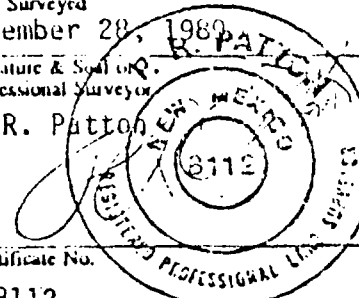
November 28, 1989

Signature & Seal of
Professional Surveyor

P. R. Patton

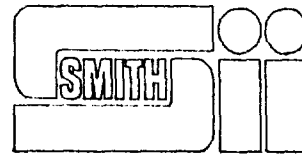
Certificate No.

8112



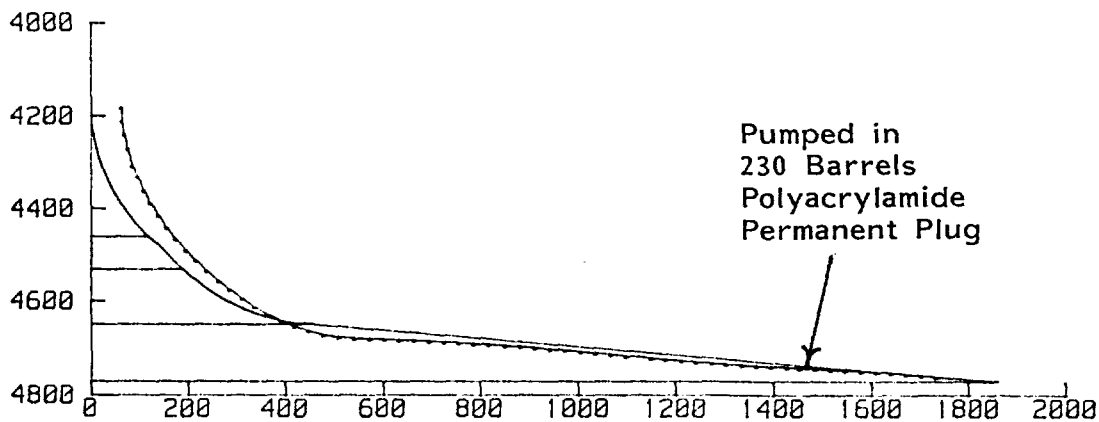
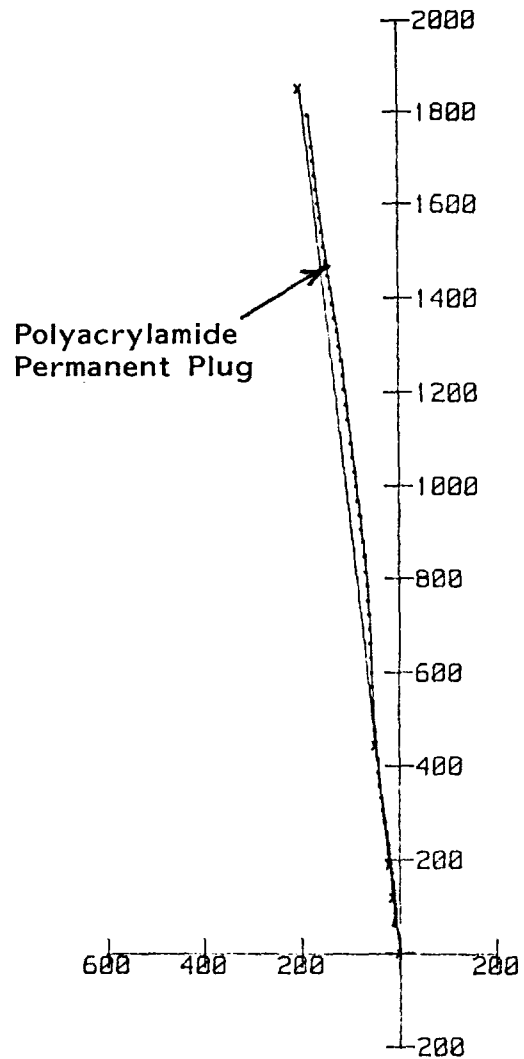
25 Apr 1990 @ 08:15

STRATA PRODUCTION CO.
YESO HILL FEDERAL #1
SEC 18, T26S, R25E
EDDY COUNTY, NEW MEXICO



VERTICAL PLANE
SCALE: 200 FEET/DIVISION

HORIZONTAL PLANE
SCALE: 200 FEET/DIVISION



VERTICAL SECTION PLANE: N 6.17 W

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SOUTHEAST DENVER

SEALY H. CAVIN, JR.

June 11, 1990

CERTIFIED MAIL/RETURN RECEIPT REQUESTED
ARTICLE NO. P 557 205 702

Mr. William J. LeMay, Chmn. and Director
Oil Conservation Division
State of New Mexico
Energy & Minerals Department
State Land Office Building
Old Santa Fe Trail
Santa Fe, New Mexico 87501

Re: OCD Case 9924 -- Application of Strata Production Company for Amendment of
Order No. R-90-97

Dear Mr. LeMay:

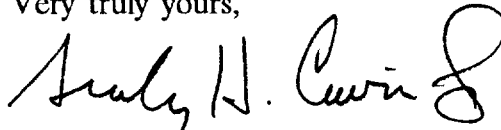
On behalf of Strata Production Company, the applicant in the captioned case which is now set for hearing on the Division Examiner's docket of May 30, 1990, I would ask that the application be continued and rescheduled for hearing on the next available Examiner's docket now scheduled for June 27, 1990. By copy of this letter we are notifying the offset operators of our request for continuance to June 27, 1990.

Sherman & Howard

Mr. William J. LeMay
June 11, 1990
Page 2

Thank you for your consideration.

Very truly yours,

A handwritten signature in cursive script, reading "Sealy H. Cavin, Jr.", written in dark ink.

Sealy H. Cavin, Jr.

SHC:tms

cc: Mr. George L. Scott, Jr.
Mr. Jim McClelland
Mr. Dan Leonard
Mr. John Byers
Mr. Bernard Mahoney
AH 1980 Program (Via Certified Mail/Return Receipt Requested
Article No. P 557 205 703)
Bonneville Fuels Corporation (Via Certified Mail/Return Receipt Requested,
Article No. P 557 205 704)
El Paso Natural Gas (Via Certified Mail/Return Receipt Requested
Article No. P. 557 205 705)

Sherman & Howard

A LAW PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

500 MARQUETTE N.W., SUITE 500
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WITH OFFICES IN:
COLORADO SPRINGS
DENVER
RENO
SANTA FE
SOUTHEAST DENVER

SEALY H. CAVIN, JR.

May 25, 1990

RECEIVED

MAY 30 1990

OIL CONSERVATION DIVISION

CERTIFIED MAIL/RETURN RECEIPT REQUESTED
ARTICLE NO. P 057 097 795

Mr. William J. LeMay, Chmn. and Director
Oil Conservation Division
State of New Mexico
Energy & Minerals Department
State Land Office Building
Old Santa Fe Trail
Santa Fe, New Mexico 87501

Re: OCD Case 9924 -- Application of Strata Production Company for Amendment of
Order No. R-90-97

Dear Mr. LeMay:

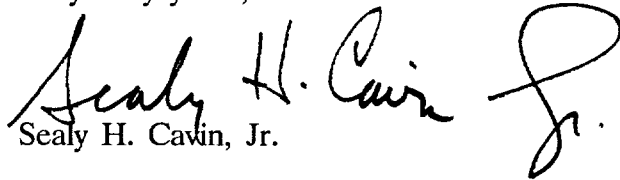
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Sherman & Howard

Mr. William J. LeMay
May 25, 1990
Page 2

Thank you for your consideration.

Very truly yours,


Sealy H. Cavin, Jr.

SHC:tms

cc: Mr. George L. Scott, Jr.
Mr. Jim McClelland
Mr. Dan Leonard
Mr. John Byers
Mr. Bernard Mahoney
AH 1980 Program (Via Certified Mail/Return Receipt Requested
Article No. P 057 097 796)
Bonneville Fuels Corporation (Via Certified Mail/Return Receipt Requested,
Article No. P. 057 097 797)
El Paso Natural Gas (Via Certified Mail/Return Receipt Requested
Article No. P. 057 097 798)

Sherman & Howard
A LAW PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

500 MARQUETTE N.W., SUITE 500
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ALBUQUERQUE, NEW MEXICO 87103-2043

TELEPHONE: 505 764-8100
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WITH OFFICES IN:
COLORADO SPRINGS
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RECEIVED
MAY 11 AM 9 03

SEALY H. CAVIN, JR.

May 11, 1990

CERTIFIED MAIL/RETURN RECEIPT REQUESTED
ARTICLE NO. P 057 097 777

Mr. William J. LeMay, Chmn. and Director
Oil Conservation Division
State of New Mexico
Energy & Minerals Department
State Land Office Building
Old Santa Fe Trail
Santa Fe, New Mexico 87501

M.S.

Re: OCD Case 9924 -- Application of Strata Production Company for Amendment of
Order No. R-90-97

Dear Mr. LeMay:

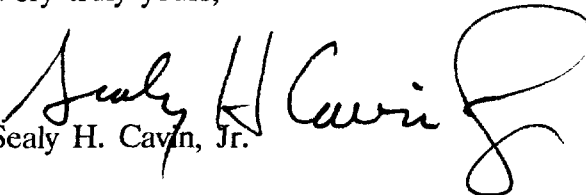
On behalf of Strata Production Company, the applicant in the captioned case which is now set for hearing on the Division Examiner's docket of May 16, 1990, I would ask that the application be continued and rescheduled for hearing on the next available Examiner's docket now scheduled for May 30, 1990. By copy of this letter we are notifying the offset operators of our request for continuance to May 30, 1990.

Sherman & Howard

Mr. William J. LeMay
May 11, 1990
Page 2

Thank you for your consideration.

Very truly yours,


Sealy H. Cavin, Jr.

SHC:tms

cc: Mr. George L. Scott, Jr.
Mr. Jim McClelland
Mr. Dan Leonard
Mr. John Byers
Mr. Bernard Mahoney
AH 1980 Program (Via Certified Mail/Return Receipt Requested
Article No. P 057 097 789)
Bonneville Fuels Corporation (Via Certified Mail/Return Receipt Requested,
Article No. P. 057 097 788)
El Paso Natural Gas (Via Certified Mail/Return Receipt Requested
Article No. P. 057 097 787)

Sherman & Howard
A LAW PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

500 MARQUETTE N.W., SUITE 500
POST OFFICE BOX 2043
ALBUQUERQUE, NEW MEXICO 87103-2043

TELEPHONE: 505 764-8100
TELECOPIER: 505 764-8202

WITH OFFICES IN:
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APR 30 1990
FBI S 08

Die

SEALY H. CAVIN, JR.

CERTIFIED MAIL/RETURN RECEIPT REQUESTED
ARTICLE NO. P 057 097 746

Mr. William J. LeMay, Chmn. and Director
Oil Conservation Division
State of New Mexico
Energy & Minerals Department
State Land Office Building
Old Santa Fe Trail
Santa Fe, New Mexico 87501

Re: OCD Case 9924 -- Application of Strata Production Company for Amendment of
Order No. R-90-97

Dear Mr. LeMay:

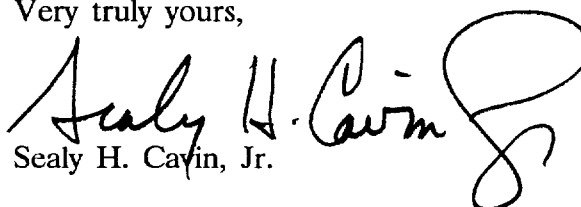
On behalf of Strata Production Company, the applicant in the captioned case which is now set for hearing on the Division Examiner's docket of May 2, 1990, I would ask that the application be continued and rescheduled for hearing on the next available Examiner's docket now scheduled for May 16, 1990. By copy of this letter we are notifying the offset operators of our request for continuance to May 16, 1990.

Sherman & Howard

Mr. William J. LeMay
April 26, 1990
Page 2

Thank you for your consideration.

Very truly yours,


Sealy H. Cavin, Jr.

SHC:tms

cc: Mr. George L. Scott, Jr.
Mr. Jim McClelland
Mr. Dan Leonard
Mr. John Byers
Mr. Bernard Mahoney
AH 1980 Program (Via Certified Mail/Return Receipt Requested
Article No. P 057 097 740)
Bonneville Fuels Corporation (Via Certified Mail/Return Receipt Requested,
Article No. P. 057 097 741)
El Paso Natural Gas (Via Certified Mail/Return Receipt Requested
Article No. P. 057 097 742)