STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL
RESOURCES DEPARTMENT

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

FORM C-108
Revised 4-1-98

APPLICATION FOR AUTHORIZATION TO INJECT

I. PURPOSE: _____Secondary Recovery _____Pressure Maintenance ___X__ Disposal _____Storage
Application qualifies for administrative approval? __X__ Yes _____No

II. OPERATOR: Strata Production Company

ADDRESS: P.O. Box 1030
CONTACT PARTY: Bruce A. Stubbs PHONE: 505-624-2800

III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection. Additional sheets may be attached if necessary.

IV. Is this an expansion of an existing project? _____ Yes ___X___ No
If yes, give the Division order number authorizing the project: _____

V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.

VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.

VII. Attach data on the proposed operation, including:

1. Proposed average and maximum daily rate and volume of fluids to be injected;
2. Whether the system is open or closed;
3. Proposed average and maximum injection pressure;
4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).

*VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.

IX. Describe the proposed stimulation program, if any.

*X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted).

*XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.

XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.

XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.

XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

NAME: Bruce A. Stubbs TITLE: Consulting Engineer

SIGNATURE: B A Stubbs DATE: 6-28-02

* If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal: _____

DISTRIBUTION: Original and one copy to Santa Fe with one copy to the appropriate District Office

III. WELL DATA

A. The following well data must be submitted for each injection well covered by this application. The data must be both in tabular and schematic form and shall include:

(1) Lease name; Well No.; Location by Section, Township and Range; and footage location within the section.

(2) Each casing string used with its size, setting depth, sacks of cement used, hole size, top of cement, and how such top was determined.

(3) A description of the tubing to be used including its size, lining material, and setting depth.

(4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.

Division District Offices have supplies of Well Data Sheets which may be used or which may be used as models for this purpose. Applicants for several identical wells may submit a "typical data sheet" rather than submitting the data for each well.

B. The following must be submitted for each injection well covered by this application. All items must be addressed for the initial well. Responses for additional wells need be shown only when different. Information shown on schematics need not be repeated.

(1) The name of the injection formation and, if applicable, the field or pool name.

(2) The injection interval and whether it is perforated or open-hole.

(3) State if the well was drilled for injection or, if not, the original purpose of the well.

(4) Give the depths of any other perforated intervals and detail on the sacks of cement or bridge plugs used to seal off such perforations.

(5) Give the depth to and the name of the next higher and next lower oil or gas zone in the area of the well, if any.

XIV. PROOF OF NOTICE

All applicants must furnish proof that a copy of the application has been furnished, by certified or registered mail, to the owner of the surface of the land on which the well is to be located and to each leasehold operator within one-half mile of the well location.

Where an application is subject to administrative approval, a proof of publication must be submitted. Such proof shall consist of a copy of the legal advertisement which was published in the county in which the well is located. The contents of such advertisement must include:

(1) The name, address, phone number, and contact party for the applicant;

(2) The intended purpose of the injection well; with the exact location of single wells or the Section, Township, and Range location of multiple wells;

(3) The formation name and depth with expected maximum injection rates and pressures; and,

(4) A notation that interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505, within 15 days.

NO ACTION WILL BE TAKEN ON THE APPLICATION UNTIL PROPER PROOF OF NOTICE HAS BEEN SUBMITTED.

NOTICE: Surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date this application was mailed to them.

Side 1

INJECTION WELL DATA SHEET

OPERATOR: Strata Production Company

WELL NAME & NUMBER: Forty Niner Ridge Unit #1

WELL LOCATION:	1980' FSL & 1980' FEL	J	16	23S	30E
	FOOTAGE LOCATION	UNIT LETTER	SECTION	TOWNSHIP	RANGE

WELLBORE SCHEMATIC

WELL CONSTRUCTION DATA

Surface Casing

****

Hole Size: 26" Casing Size: 20"

Cemented with: 2940 sx. ***or*** _____ ft^3

Top of Cement: Circ. Method Determined: _____

Intermediate Casing

Hole Size: 17 1/2" Casing Size: 13 3/8"

Cemented with: 3225 sx. ***or*** _____ ft^3

Top of Cement: Circ. Method Determined: _____

Production Casing

Hole Size: 12 1/4" Casing Size: 9 5/8"

Cemented with: 3075 sx. ***or*** _____ ft^3

Top of Cement: Circ.' Method Determined: _____

Total Depth: 14,507

Injection Interval

4433 feet to 5952

Perforated 4433-72', 5422-44', 5769-87', 5935-52'

(Perforated or Open Hole; indicate which)

INJECTION WELL DATA SHEET

Tubing Size: 2 7/8" Lining Material: Plastic

Type of Packer: Nickel plated 5 ½" Arrow Type "H" Packer

Packer Setting Depth: +/-4300 ft.

Other Type of Tubing/Casing Seal (if applicable): _____

Additional Data

1. Is this a new well drilled for injection? _____Yes __X__No

   If no, for what purpose was the well originally drilled? Gas Well

2. Name of the Injection Formation: Bell Canyon and Cherry Canyon and Top of Brushy Canyon

3. Name of Field or Pool (if applicable): Forty Niner Ridge

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. 13,914-14,187', 10,690-10,735', 9343-9419', 7564-74, 7578-89'. Plugged CIBP @ 13,735' w/ 35' CMT., CIBP @ 10,650' w/ 35' CMT., CIBP @ 9300' w/ 35' CMT., CIBP @ 7525' w/ 35' CMT., cibp @ 6510'

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: Morrow 13,914-14,392', Wolfcamp 10,690-10,736', Bone Spring 7564-7589' & 9343-9419'

6-28-2002

NEW MEXICO OIL CONSERVATION DIVISION - Form C-108

III. SALT WATER DISPOSAL WELL DATA

Forty Niner Ridge Unit #1 : Bell Canyon and Cherry Canyon Intervals

Unit Letter J, 1980' FSL & 1980 FEL, Section 16, T-23-S, R-30-E Eddy County, New Mexico

All pertinent data for the above proposed salt water disposal well is included on the well schematic sheets in this application.

V. SUBJECT AREA MAPS AND AREA OF REVIEW

A map of the subject area, Forty Niner Ridge Unit #1 lease, including all wells within a 2 mile radius is attached. Also attached is a map showing the subject well's area of-review (or 1/2 mile radius circle).

VI. TABULATION OF DATA ON WELLS WITHIN AREA OF REVIEW

To date, the following wells are within a half mile radius of the proposed salt water disposal well:

T-23-S, R-30-E

Section 16 : 2 Wells: Forty Niner Ridge Unit #1 and #3
W/2 Section 15 : None
NW/4 Section 22 : None
N/2 Section 21 : None

Attached is a schematic and summary report for each well within the area of review.

VII. PROPOSED OPERATION

Currently, Strata Production Company operates the Nash Draw Unit and the Forty-Niner Ridge Unit producing approximately 300 BOPD, 2,500 MCFPD and 1,000 BWPD. The proposed well will be converted as soon as possible to facilitate water disposal. Attached is a schematic of the subject disposal well and its proposed completion and tubing/packer arrangement.

The intent of this application is to seek approval, either through a NMOCD administrative approval, or through a New Mexico Oil Conservation Commission sponsored hearing to convert the subject well to salt water disposal. This application is pursuant to the continuation of development and production on Strata's Nash Draw Unit and the Forty-Niner Ridge Unit, which produce from the Bell Canyon, Cherry Canyon

and Brushy Canyon intervals. The approval of this application will enhance Strata's, efforts to operate the subject lease as optimally as possible and increase the reserve potential by lowering the economic limit on each producing well.

The proposed completion within the Forty Niner ridge Unit #1 wellbore will be in the Bell Canyon and Cherry Canyon interval with perforations between 4433' and 5952'. The packer will be placed within approximately 50' to 100' above the top perforation at +/- 4300'. The tubing will be internally plastic coated. The proposed maximum salt water disposal rate is expected to be 1,000 BWPD. The initial disposal rate is expected to be 500 BWPD. Maximum injection pressure will not exceed 886 psig (0.2 psi/ft OCD allowable rate) until a step rate test establishes a higher limit. Injected fluids will be produced fluids from the Bell Canyon, Cherry Canyon and Brushy Canyon intervals. These zones and the proposed injection interval (Bell Canyon and Cherry Canyon) all contain saline waters with total dissolved solids (TDS) and salinity above 10,000 ppm (mg/1) . A chemical analysis of the disposed water is included. The system will be closed.

VIII. GEOLOGICAL DATA

The injection interval consists of an interbedded, fine to medium grain sorted sandstone reservoir. The saturation within the reservoir show a low oil saturation which is non-mobile making the formation non-commercial. The Bell Canyon and Cherry Canyon interval has a total thickness of approximately 2100' within the subject area. It overlays the Brushy Canyon and Bone Spring intervals which are the main productive interval within the subject area.

The known sources of fresh water within the subject area exist from approximately 120' to 400' deep in windmills that are approximately 250' deep. Based on a current geological and engineering data and a petrophysical rock-properties evaluation, there is no evidence of any natural or artificially created open faults within the unitized interval, or above, which would communicate salt water to the shallow fresh water strata. A representative shallow water analysis is included with this application.

IX. PROPOSED STIMULATION PROGRAM

No additional stimulation is planned for the Bell Canyon and Cherry Canyon intervals. The Bell Canyon was initially stimulated with 3,000 gallons 15% NEFE acid followed by 39,000 gallons of 30# crosslinked gelled 2% KCL water carrying 7,400 pounds of 20-40 sand and 10,000 pounds of 12-20 curable resin coated sand. The Cherry Canyon was initially stimulated with 1,000 gallons of 15% acid followed by 21,000 gallons of gelled KCL water, 5,000 gallons of methanol, 33,000 gallons of CO2, carrying 30,000 pounds of 20-40 sand and 70,000 pounds of 10-20 sand.

STATEMENT OF SURFACE OWNER AND OFFSET OPERATOR

40 ACRE SURFACE OWNER State of New Mexico

OFFSET OPERATORS OR MINERAL INTEREST LEASEE :

Forty Niner Ridge Unit - Section 15, 16, 21 & 22 : T20S-R30E
Strata Production Company (Shallow)
P.O. Box 1030
Roswell, New Mexico 88202-1030

Texaco Exploration & Production Inc. (Deep)
Permian Basin Unit
Attn: Mike Mullins
15 Smith Road
Midland, Texas 79705

Forty Niner Ridge Unit #1 6/28/02
1980' FSL & 1980' FEL, J-16-23S-30E
Eddy County, New Mexico

Bell Canyon and Cherry Canyon Injection Intervals

Well Data

Tubing:	2-7/8"	Casing:	9 5/8" @ 11,340'		
TD:	14,519'	PBTD:	6510'	Elevation:	3170' GR

Injection Perforations:

Bell Canyon	4433-72'
Cherry Canyon	5422, 24, 26, 28, 30, 32, 34, 36, 38, 40, 42, 44, 5769, 71, 73, 75, 85, 87, 5935, 37, 38, 43, 46, 49 & 52'

CIBP at 6510' (will place 35' of cement on top of CIBP)

Plugged Back Perforations:

Procedure

I. Rig up pulling unit. ND wellhead. NU BOP. P.O.H. with tubing and production equipment.

2. TIH with bit and scrapper on 2-7/8" workstring. T.I.H. to 6510'.T.I.H. with bailer and cap CIBP with 35' of cement.

3. Test casing at 1000 psi for 30 minutes.

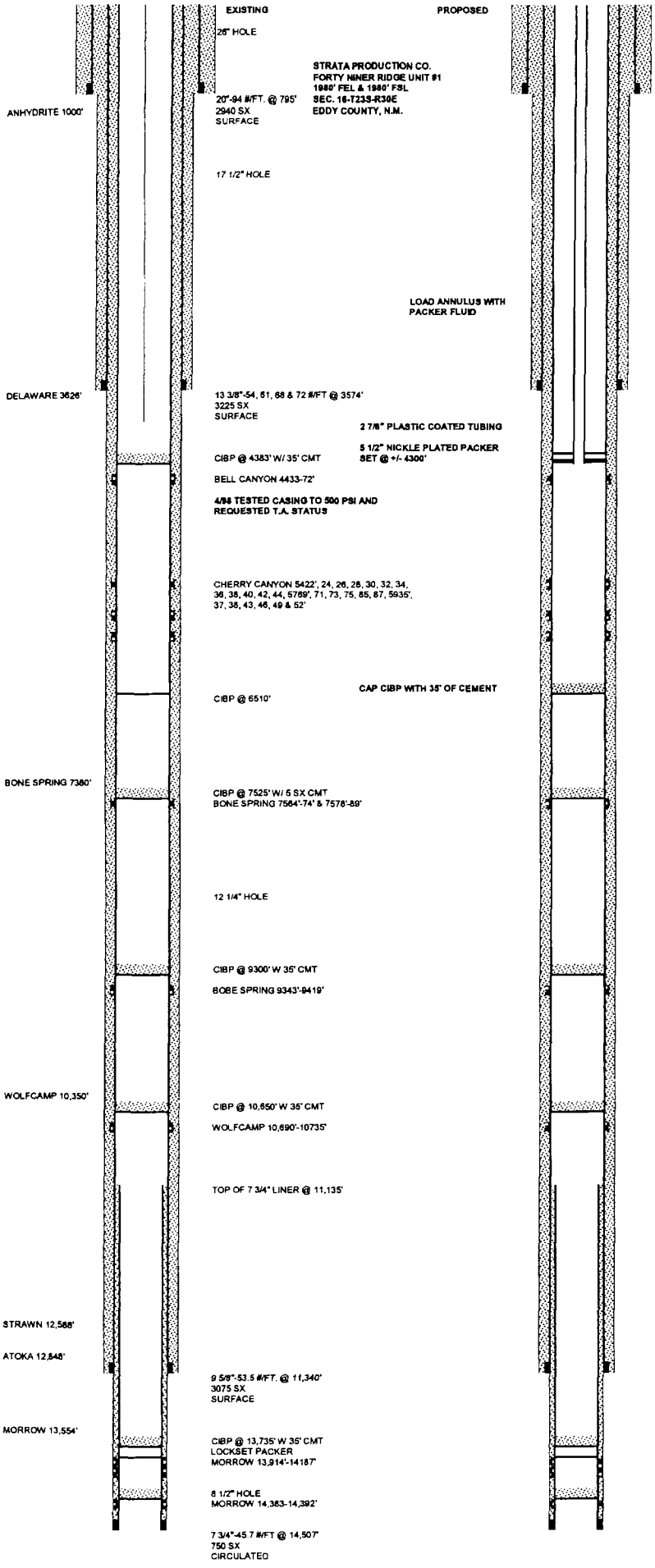
4. TIH with 9 5/8" X 2 7/8", 53.5# full bore nickle plated packer on 2-7/8" plastic coated tubing.

5. Circulate hole with packer fluid and set packer at +/- 4300'.

6. Test annulus to 1000 psi. Establish injection rate into formation.

7. Install pumping equipment and related equipment and put well on injection.

8. Put well on injection. Maximum injection rate is 1000 BWPD at a maximum pressure of 886 psig at the surface. RD pulling unit. Monitor surface injection pressure and rate.


EXISTING
PROPOSED
26" HOLE
STRATA PRODUCTION CO.
FORTY NINER RIDGE UNIT #1
1980' FEL & 1980' FSL
SEC. 16-T23S-R30E
EDDY COUNTY, N.M.
20"-94 #/FT. @ 795'
2940 SX
SURFACE
ANHYDRITE 1000'
17 1/2" HOLE
LOAD ANNULUS WITH
PACKER FLUID
DELAWARE 3626'
13 3/8"-54, 61, 68 & 72 #/FT @ 3574'
3225 SX
SURFACE
2 7/8" PLASTIC COATED TUBING
5 1/2" NICKLE PLATED PACKER
SET @ +/- 4300'
CIBP @ 4383' W/ 35' CMT
BELL CANYON 4433-72'
4/98 TESTED CASING TO 500 PSI AND
REQUESTED T.A. STATUS
CHERRY CANYON 5422', 24, 26, 28, 30, 32, 34,
36, 38, 40, 42, 44, 5769', 71, 73, 75, 85, 87, 5935',
37, 38, 43, 46, 49 & 52'
CAP CIBP WITH 35' OF CEMENT
CIBP @ 6510'
BONE SPRING 7380'
CIBP @ 7525' W/ 5 SX CMT
BONE SPRING 7564'-74' & 7578'-89'
12 1/4" HOLE
CIBP @ 9300' W 35' CMT
BOBE SPRING 9343'-9419'
WOLFCAMP 10,350'
CIBP @ 10,650' W 35' CMT
WOLFCAMP 10,690'-10735'
TOP OF 7 3/4" LINER @ 11,135'
STRAWN 12,588'
ATOKA 12,848'
9 5/8"-53.5 #/FT. @ 11,340'
3075 SX
SURFACE
MORROW 13,554'
CIBP @ 13,735' W 35' CMT
LOCKSET PACKER
MORROW 13,914'-14187'
8 1/2" HOLE
MORROW 14,383-14,392'
7 3/4"-45.7 #/FT @ 14,507'
750 SX
CIRCULATED

III

Gally

49er RIDGE No. 1

Cherry C. perfs 5,953-5,422

5300-5450 very good perfs.

8/6/84 completed (after Frac)

FFP BHT = 223°F

↑ Mixed Res.

7380' = Top Bone SPRINGS

~~FFP~~

#3

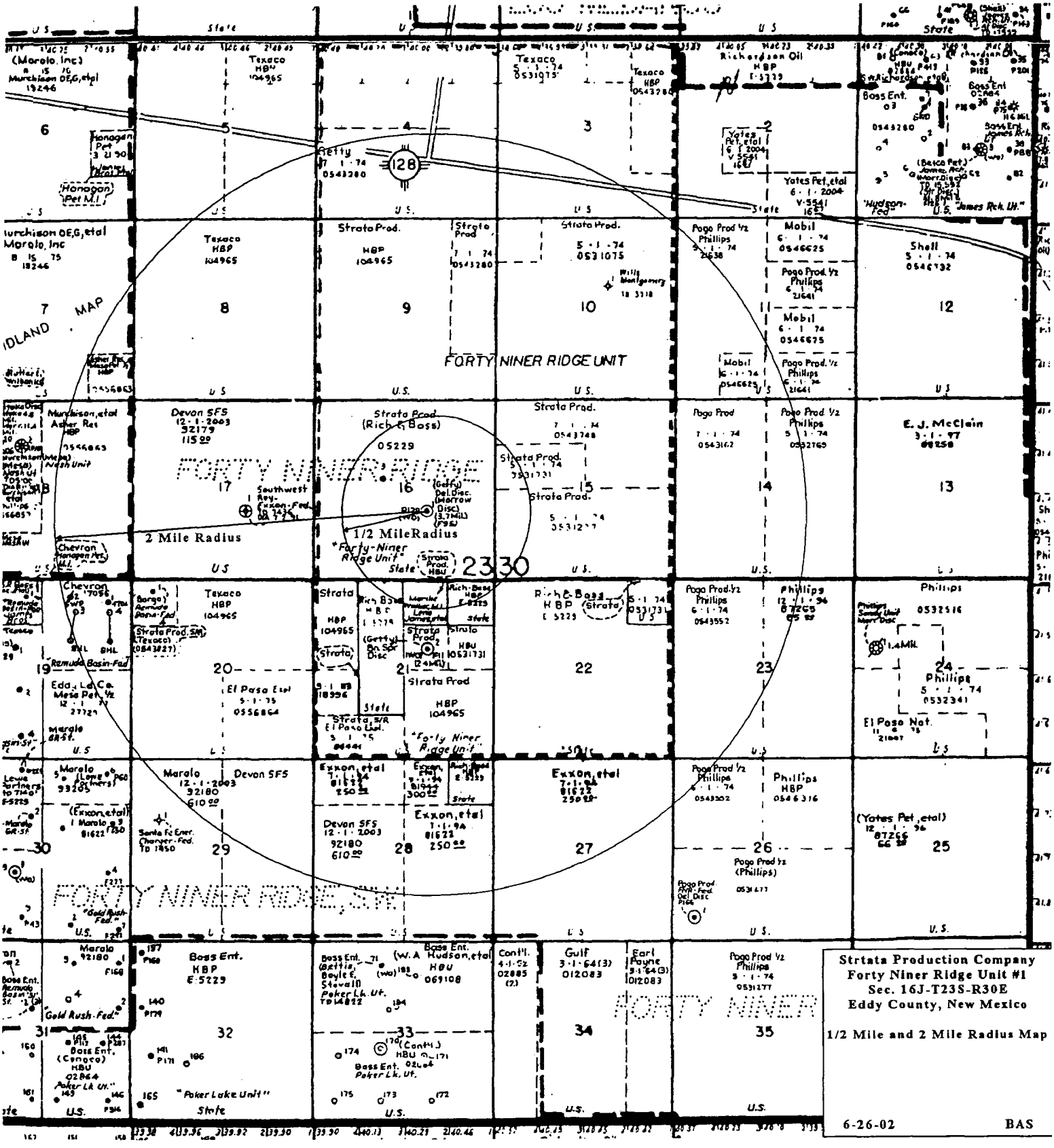
5268-5728 Brush Cyl

Tops:

3,544' = Bell C.

4420' = C. C.

5,784' = B. C.

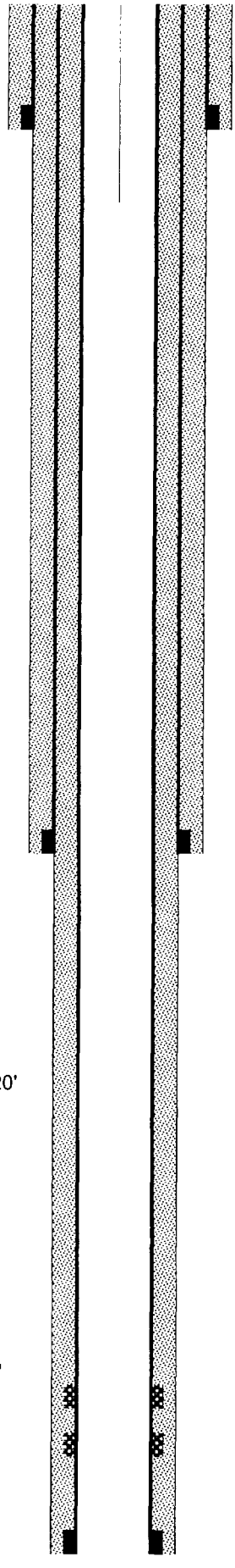

FORTY NINER RIDGE UNIT
2 Mile Radius
1/2 MileRadius
"Forty-Niner Ridge Unit"
2330
Strtata Production Company
Forty Niner Ridge Unit #1
Sec. 16J-T23S-R30E
Eddy County, New Mexico
1/2 Mile and 2 Mile Radius Map
6-26-02
BAS

V

PRODUCTION ID	API	LEASE NAME	WELL #	OPERATOR NAME	LOCATION	FIELD NAME	STATUS	PROD ZONE NAME
2300220152089970000	30015208990000	FORTY NINER	1	GETTY OIL COMPANY	16J 23S 30E	FORTY NINER RIDGE	INA	MORROW
1300220152089920000	30015208990000	FORTY NINER RIDGE UNIT	1	GETTY OIL COMPANY	16J 23S 30E	FORTY NINER RIDGE	INA	BONE SPRING
1300220152089920000	30015208990000	FORTY NINER RIDGE UNIT	1	STRATA PROD COMPANY	16J 23S 30E	FORTY NINER RIDGE	INA	DELAWARE
1300220152545420000	30015254540000	FORTY NINER RIDGE UNIT	3	STRATA PROD COMPANY	16F 23S 30E SE NW	FORTY NINER RIDGE	ACT	DELAWARE

LEASE NAME	WELL #	LEASE CODE	OIL CUM	GAS CUM	WTR CUM	FIRST PROD DATE	ST PROD DA	TD
FORTY NINER	1	238445	558	869557	1125	19740401	19800731	14519
FORTY NINER RIDGE UNI	1	238450	2744		2999	19820601	19840831	14519
FORTY NINER RIDGE UNI	1	10939	68898	60678	454153	19840801	19931231	14519
FORTY NINER RIDGE UNI	3	10939	19823	48005	188435	19880101	20010228	6400

LEASE NAME	WELL #	UPPER PERF	OWER PER	LATITUDE	LONGITUDE	L&L SRCE
FORTY NINER	1	13914	14187	32.30308	-103.88368 US	
FORTY NINER RIDGE UNI	1	7564	7589	32.30308	-103.88368 US	
FORTY NINER RIDGE UNI	1	4433	5952	32.30308	-103.88368 US	
FORTY NINER RIDGE UNI	3	5908	5980	32.30593	-103.88815 US	



17 1/2" HOLE

13 3/8" 54.5 #/FT, @ 420'
650 SX
CIRCULATED

STRATA PRODUCTION COMPANY
FORTY NINER RIDGE UNIT #3
2310' FNL & 1980' FWL
SEC. 16-T23S-R30E
EDDY COUNTY, N.M.

12 1/4" HOLE

LAMAR 3492'
BELL CANYON 3544'

8 5/8"-32 #/FT @ 3500'
1500 SX
SURFACE

CHERRY CANYON 4420'

BRUSHY CANON 5784'

5908-5913'

5952'-5980'

PBTD @ 6178'

5 1/2"-15.5 #/FT @ 6400'
700 SX +515 SX
SURFACE

VI

HALLIBURTON DIVISION LABORATO

HALLIBURTON SERVICES

ARTESIA DISTRICT

LABORATORY REPORT No. W121, W122, & W123-93

TO Strata Production

648 Petroleum Building

Roswell, NM 88201

Date March 25, 1993

Submitted by _____ Date Rec. _____

Well No. _____ Depth _____ Formation _____

Field _____ County _____ Source _____

	3-25-93 Nash Draw #10	3-24-93 Nash Draw #10	3-24-93 Fresh Water
Resistivity	0.050 @ 70°	0.051 @ 70°	4.18 @ 70°
Specific Gravity ..	1.204 @ 70°	1.1200 @ 70°	1.0016 @ 70°
pH	7.0	7.2	7.0
Calcium	33,040	29,901	2,478
Magnesium	3,607	4,008	902
Chlorides	188,000	184,000	600
Sulfates	600	800	200
Bicarbonates	275	244	153
Soluble Iron	250	250	0
KCL	Trace	1/2%	

Remarks:

MAR 29 1993

Respectfully submitted

Analyst: Eric Jacobson - Operations Engineer

HALLIBURTON SERVICES

VII

XI

Offset Operators
Forty Niner Ridge Unit #1 SWD
NW/SE Section 16, T23S-R30E, Eddy Coun!y, NM

Forty Niner Ridge Unit - Section 15, 16, 21 & 22 : T20S-R30E
Strata Production Company (Shallow)
P.O. Box 1030
Roswell, New Mexico 88202-1030

Texaco Exploration & Production Inc. (Deep)
Permian Basin Unit
Attn: Mike Mullins
15 Smith Road
Midland, Texas 79705

SENDER: *COMPLETE THIS SECTION*

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Texaco Exploration & Prod. Inc.
Permian Basin Unit
Attn: Mike Mullins
15 Smith Road
Midland, TX 79705

COMPLETE THIS SECTION ON DELIVERY

A. Received by *(Please Print Clearly)* B. Date of Delivery 7-1-02

C. Signature
X L. Johnson ☐ Agent ☐ Addressee

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? *(Extra Fee)* ☐ Yes

2. Article Number *(Copy from service label)* 7001 1940 0006 3695 4818

PS Form 3811, July 1999 Domestic Return Receipt 102595-00-M-0952

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only: No Insurance Coverage Provided)

OFFICIAL USE

Postage	$ .80
Certified Fee	2.30
Return Receipt Fee (Endorsement Required)	1.75
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	$ 4.85

USPS Postmark Here JUN 28 ROSWELL NM 88201

7001 1940 0006 3695 4818

Sent To Texaco Expl. & Prod. Inc. Permian Basin Unit/Attn: Mike Mullins
Street, Apt. No.; or PO Box No. 15 Smith Road
City, State, ZIP+4 Midland, Texas 79705

PS Form 3800, January 2001 See Reverse for Instructions

Affidavit of Publication

196

State of New Mexico,
County of Eddy, ss.

Dawn Higgins,
being first duly sworn, on oath says:

That she is Business Manager of the Carlsbad Current-Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

July 4, 2002

, 2002

, 2002

, 2002

, 2002

, 2002

That the cost of publication is $ 69.87 and that payment thereof has been made and will be assessed as court costs.

Dawn Higgins

Subscribed and sworn to before me this

5 day of July, 2002

Stephanie Dobson

My commission expires 12/13/05
Notary Public

July 4, 2002

LEGAL NOTICE

APPLICATION FOR WATER DISPOSAL

Strata Production Company, P.O. Box 1030, Roswell, New Mexico 882092-1030, (Contact: Bruce Stubbs, 505-624-2800), has filed Application with the Oil Conservation Division, Energy, Minerals and Natural Resources Department, State of New Mexico, for Administrative Approval and authority to inject salt water into the Forty Niner Ridge Unit #1 well located 1980' FSL and 1980' FEL of Section 16, Township 23 South, Range 30 East, NMPM, Eddy County, New Mexico.

The purpose of the water injection well is to dispose of salt water produced from the Nash Draw Delaware field as currently designated by the Oil Conservation Division and as may be extended by additional drilling.

Water to be disposed will be injected into the Bell Canyon and Cherry Canyon formation of the Delaware Mountain group at an interval between 4433 feet to 5952 feet beneath the surface.

The minimum injection rate is expected to be approximately 500 barrels of water per day. The maximum injection rate is expected to be approximately 1000 barrels of water per day.

Minimum injection pressure is expected to be approximately 300 PSI. The maximum injection pressure is expected to be approximately 886 PSI.

Any interested party may file an objection to the Application or may request a public hearing. Any objection or request for hearing must be filed with the Oil Conservation Division, P.O. Box 2088, Santa Fe, New Mexico 87504-2088 within 15 days from the date of publication.

Strata Production Company

By: **Bruce Stubbs/ Kelly Britt**
P.O. Box 1030
Roswell, New Mexico
88202-1030
Telephone 505-624-2800

7/01

GL	SUF	WELL NO.	SUB	DECK	AMOUNT
50	125	162330	J01		

RECEIVED
JUL 10 2002

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Texaco Exploration & Prod, Inc.
Permian Basin Unit
Attn: Mike Mullins
15 Smith Road
Midland, TX 79705

COMPLETE THIS SECTION ON DELIVERY

A. Received by *(Please Print Clearly)* B. Date of Delivery 7-1-02

C. Signature
X D. Johnson ☐ Agent ☐ Addressee

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
XX Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? *(Extra Fee)* ☐ Yes

2. Article Number *(Copy from service label)* 7001 1940 0006 3695 4818

PS Form 3811, July 1999 Domestic Return Receipt 102595-00-M-0952

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

7001 1940 0006 3695 4818

OFFICIAL USE

Postage	$ .80
Certified Fee	2.30
Return Receipt Fee (Endorsement Required)	1.75
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	**$ 4.85**

USPS 88201 ROSWELL NM JUN 28 Postmark Here

Sent To Texaco Expl. & Prod. Inc. Permian Basin Unit/Attn: Mike Mullins
Street, Apt. No.; or PO Box No. 15 Smith Road
City, State, ZIP+ 4 Midland, Texas 79705

PS Form 3800, January 2001 See Reverse for Instructions

Affidavit of Publication

196

State of New Mexico,
County of Eddy, ss.

Dawn Higgins,
being first duly sworn, on oath says:

That she is Business Manager of the Carlsbad Current-Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

July 4, 2002

, 2002

, 2002

, 2002

, 2002

, 2002

That the cost of publication is $ 69.87 and that payment thereof has been made and will be assessed as court costs.

Dawn Higgins

Subscribed and sworn to before me this

5 day of July, 2002

Stephanie Dobson

My commission expires 12/13/05
Notary Public

July 4, 2002

LEGAL NOTICE

APPLICATION FOR WATER DISPOSAL

Strata Production Company, P.O. Box 1030, Roswell, New Mexico 882092-1030, (Contact: Bruce Stubbs, 505-624-2800), has filed Application with the Oil Conservation Division, Energy, Minerals and Natural Resources Department, State of New Mexico, for Administrative Approval and authority to inject salt water into the Forty Niner Ridge Unit #1 well located 1980' FSL and 1980' FEL of Section 16, Township 23 South, Range 30 East, NMPM, Eddy County, New Mexico.

The purpose of the water injection well is to dispose of salt water produced from the Nash Draw Delaware field as currently designated by the Oil Conservation Division and as may be extended by additional drilling.

Water to be disposed will be injected into the Bell Canyon and Cherry Canyon formation of the Delaware Mountain group at an interval between 4433 feet to 5952 feet beneath the surface.

The minimum injection rate is expected to be approximately 500 barrels of water per day. The maximum injection rate is expected to be approximately 1000 barrels of water per day.

Minimum injection pressure is expected to be approximately 300 PSI. The maximum injection pressure is expected to be approximately 886 PSI.

Any interested party may file an objection to the Application or may request a public hearing. Any objection or request for hearing must be filed with the Oil Conservation Division, P.O. Box 2088, Santa Fe, New Mexico 87504-2088 within 15 days from the date of publication.

Strata Production Company

By: **Bruce Stubbs/ Kelly Britt**
P.O. Box 1030
Roswell, New Mexico
88202-1030
Telephone 505-624-2800

7/01

GL	SHS	WELL NO.	SUB	DECK	AMOUNT
510	125	162330	T01		

RECEIVED
JUL 10 2002

POST OFFICE DRAWER 1030
ROSWELL, NM 88202-1030

STRATA PRODUCTION COMPANY

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

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

Fax

To: Will Jones

Of: Oil Conservation Division

Fax: 505-476-3462

Phone: 505-476-3448

Pages: 3, including this cover sheet.

Re: Saltwater Disposal Application-Forty Niner Ridge Unit #1

Date: August 26, 2002

Mr. Jones,

Please find attached a copy of the Affidavit of Publication from the Carlsbad Current-Argus and a copy of the return receipt from the New Mexico State Land Office regarding the SWD application on the Forty Niner Ridge Unit #1. If you need anything further for the application please advise.

From the desk of...

Kelly M. Britt
Production Analyst
505-622-1127
505-623-3533 fax

Affidavit of Publication

State of New Mexico,
County of Eddy, ss.

Dawn Higgins,
being first duly sworn, on oath says:

That she is Business Manager of the Carlsbad Current-Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

August 21, 2002
, 2002
, 2002
, 2002
, 2002
, 2002

That the cost of publication is $ 69.14 and that payment thereof has been made and will be assessed as court costs.

Dawn Higgins

Subscribed and sworn to before me this 22 day of August, 2002

Stephanie Dobson

My commission expires 12/13/05
Notary Public

August 21, 2002

AMENDED LEGAL NOTICE

APPLICATION FOR WATER DISPOSAL

Strata Production Company, P.O. Box 1030, Roswell, New Mexico 882092-1030, (Contact: Bruce Stubbs, 505-624-2800); has filed Application with the Oil Conservation Division, Energy, Minerals, and Natural Resources Department, State of New Mexico, for Administrative approval and authority to inject salt water into the Forty Niner Ridge Unit #1 well located 1980' FSL and 1980' FEL of Section 16, Township 23 South, Range 30 East, NMPM, Eddy County, New Mexico.

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The minimum injection rate is expected to be approximately 500 barrels of water per day. The maximum injection rate is expected to be approximately 1000 barrels of water per day.

Minimum injection pressure is expected to be approximately 300 PSI. The maximum injection pressure is expected to be approximately 886 PSI.

Any interested party may file an objection to the Application or may request a public hearing. Any objection or request for hearing must be filed with the Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505 within 15 days from the date of publication.

Strata Production Company

By: Bruce Stubbs
P.O. Box 1030
Roswell, New Mexico
88202-1030
Telephone 505-624-2800

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

New Mexico State Land Office
Attn: Linda Vieira
P. O. Box 1148
Santa Fe, NM 87504

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X
☐ Agent
☐ Addressee

B. Received by (Printed Name) | C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

AUG 19 2002

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number
(Transfer from service label) 7002 0460 0000 9342 6591

PS Form 3811, August 2001 Domestic Return Receipt 102595-01-M-0381