

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]

[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]

[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]

[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]

[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]

[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication

☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement

☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☒ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or X Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☐ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Ben Stone

Print or Type Name

Signature

Agent for Strata Production Co. 3/05/13

Title

Date

ben@sosconsulting.us

e-mail Address

RECEIVED 000
2013 MAR -7 A 11:19

1980 FSL/FEL
J/16/235/30E
30-015-20899 (SLO)
Forty Niner Ridge Unit #1
(SWD-845) 9/10/02

B/S +
Brushy C
is main production
interval

Perfs
4433-5152
886 PSI
B/EUC
change



March 4, 2013

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

Attn: Mr. Will Jones, P.E., Engineering Bureau

1301 N. SYCAMORE AVE
ROSELLE, NM 88201
GRID 21712

Re: Request of Strata Production Company for an injection pressure increase on two of its salt water disposal wells, those being the Forty Niner Ridge No1. SWD c located in Township 23 South, Range 30 East, NMPM, Eddy County, New Mexico.

Dear Mr. Jones,

Strata Production Company recently conducted step rate tests on both of the subject wells. Both wells are permitted by the OCD as salt water disposal wells. The No.1 well is permitted by SWD-845 Both wells are currently injecting at the original permitted pressures of .2 psi/ft.

Strata furnished me the resulting data for analysis and presentation. The first test was conducted on February 4, 2013. Both test are presented and neither test indicated that formation parting pressure was ever obtained.

The No.1 well step rate test was conducted on February 5, 2013. This test was routine in application and did indicate a formation parting pressure of approximately 2015 psi at surface.

Strata Production Company seeks to optimize efficiency, both economically and operationally, of its operations and approval of an increase in surface injection pressures would be in line with that goal. Based on the results of the step rate test, we hereby request that both wells be allowed to inject at pressures of 1650 psi each, keeping the wells set well below what the data indicates and thereby preventing any damage to the formation.

I respectfully request that the approval of this injection pressure increase proceed swiftly and if you require additional information or have any questions, please do not hesitate to call or email me.

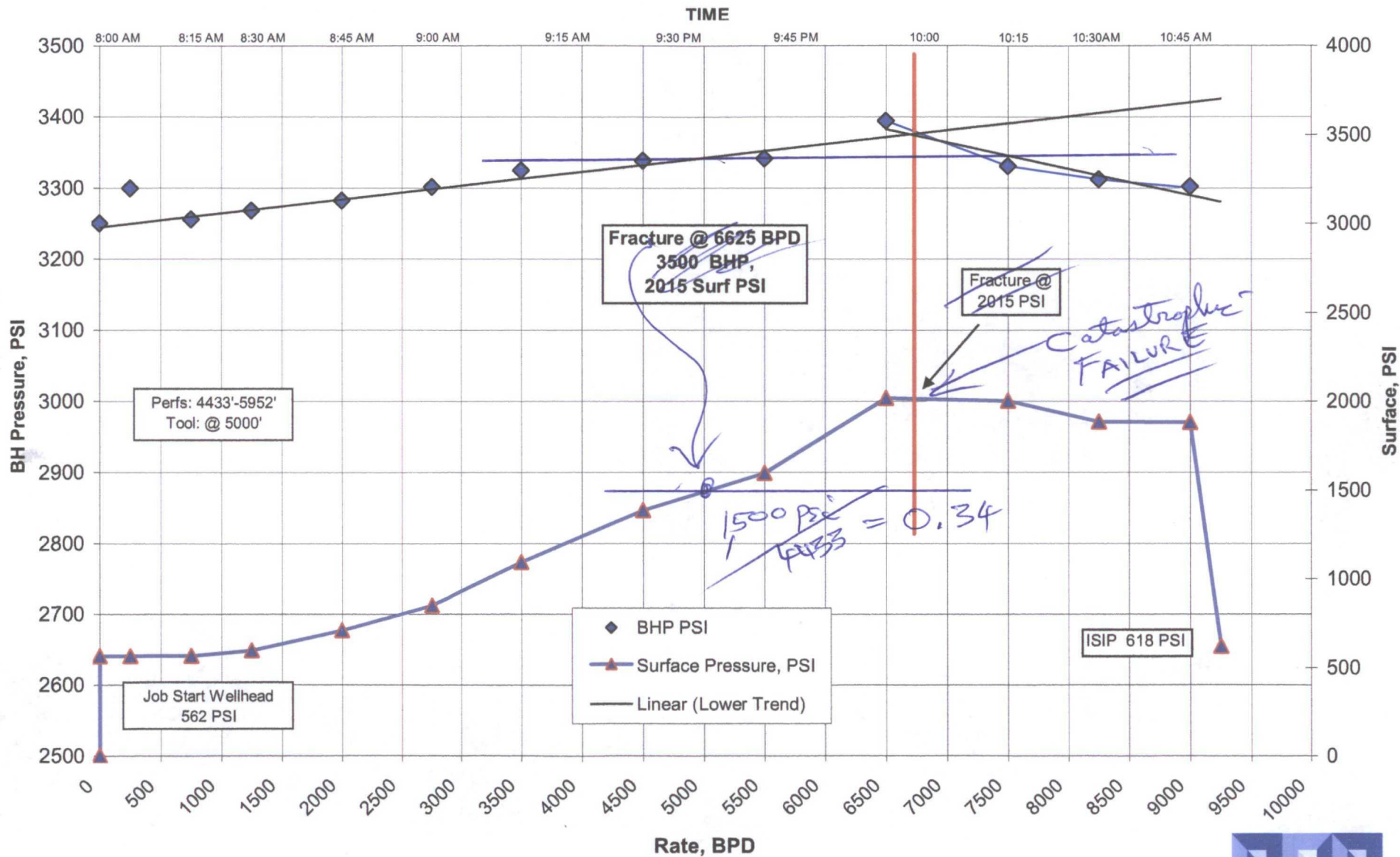
Best regards,

Ben Stone, Partner
SOS Consulting, LLC
Agent for Strata Production Company

Cc: Application attachment and file

Strata Production Company - Forty Niner Ridge No.1 SWD

Step Rate Test 2/05/2013



Step Rate Test

Strata Production Company
Forty Niner Ridge No.1 SWD

Eddy County , New Mexico

	S Time	E Time	D Time Min	Last Rate BPD	Step BPD	B. H. Pressure PSIA	Surf PSIA	Cum BBL	Delta BBL	Avg. BPD	Lower Trend	Upper Trend
1	7:24 AM	7:30 AM	6	0	0	9	0	0	0.00	0		
2	7:30 AM	7:45 AM	15	0	0	3250	562	5	5.00	239		
3	7:45 AM	8:00 AM	15	250	250	3299	562	11	6.00	239		
4	8:00 AM	8:15 AM	15	750	500	3255	562	17	6.00	1612	3255	
5	8:15 AM	8:30 AM	15	1250	500	3268	595	33	16.00	3191	3268	
6	8:30 AM	8:45 AM	15	2000	750	3282	709	44	11.00	4349	3282	
7	8:45 AM	9:00 PM	15	2750	750	3301	849	62	18.00	4349	3301	
8	9:00 PM	9:15 PM	15	3500	750	3324	1092	93	31.00	6048	3324	
9	9:15 PM	9:30 PM	15	4500	1000	3338	1385	129	36.00	7416	3338	
10	9:30 PM	9:45 PM	15	5500	1000	3341	1594	140	11.00	8568	3341	
11	9:45 PM	10:00 PM	15	6500	1000	3394	2015	154	14.00	1344		3394
12	10:00 PM	10:15 PM	15	7500	1000	3330	2000	199	45.00	4320		3330
13	10:15 PM	10:30 PM	15	8250	750	3312	1882.8	200	1.00	1612		3312
14	10:30 PM	10:45 PM	15	9000	750	3302	1880	201	1.00	96		3300
15	10:45 PM	11:00 PM	15	9250	250	2492	618					
16	11:00 PM	11:15 PM	15	9750	500	13	562					