

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

**IN THE MATTER OF THE APPLICATION
OF STRATA PRODUCTION COMPANY FOR
AUTHORIZATION TO INJECT, EDDY
COUNTY, NEW MEXICO.**

CASE NO. 20209

APPLICATION

Strata Production Company ("Strata" or "Applicant"), through its undersigned counsel, Montgomery & Andrews, P.A., applies pursuant to 19.15.26.8 NMAC for an order authorizing injection of oil field produced water for disposal into the Devonian formation, Forty Niner Ridge, Devonian SWD pool (96100), in Eddy County, New Mexico. In support of its Application, Strata states as follows:

1. Applicant is the operator of the Sandy Federal SWD #10 well at a surface location 2,430 feet from the North line and 460 feet from the West line of Section 24, Unit E, Township 23 South, Range 30 East, Eddy County, New Mexico
2. Applicant proposes to drill the Sandy Federal SWD #10 to a depth of approximately 16,500 feet. Strata proposes to complete the well for injection of oil field produced water into the non-commercial Devonian formation at depths between 15,545 and 16,500 feet.
3. Applicant proposes to conduct injection operations through the well at an anticipated average injection pressure of 2,000 psi and maximum injection pressure of 3,120 psi. Applicant proposes injection volumes between 3,000 and 15,000 barrels per day with an average volume of 10,000 barrels per day. The source of injected fluids will be from Strata wells in the area as well as other operated Delaware and Bone Spring wells in the area.

4. Applicant's proposed injection operation can be conducted in a safe and responsible manner without causing waste, impairing correlative rights, or endangering fresh water, public health, or the environment.

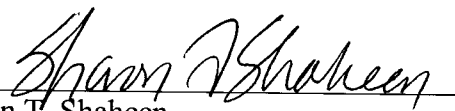
5. Applicant filed its original request for administrative approval with the Oil Conservation Division on September 13, 2018. The Oil Conservation Division received a written objection, so the matter must be set for hearing pursuant to 19.15.26.8(D) NMAC, with notice given by the Oil Conservation Division.

6. Attached hereto as Exhibit A is the original application.

WHEREFORE, Strata requests that this Application be set for hearing before a duly appointed examiner of the Oil Conservation Division on January 24, 2019, and that after notice and hearing as required by law, the Oil Conservation Division enter its Order approving the utilization of the Sandy Federal SWD #10 for injection of oil field produced water into the Devonian formation at the intervals, pressures, volumes, and rates indicated, and making such other and further provisions as the Division determines is appropriate.

Respectfully submitted,

MONTGOMERY & ANDREWS, P.A.

By: 
Sharon T. Shaheen
Kaleb W. Brooks
P.O. Box 2307
Santa Fe, New Mexico 87504
(505) 982-3873
sshaheen@montand.com
kwbrooks@montand.com

Attorneys for Strata Production Company

POST OFFICE DRAWER 1030
ROSWELL, NM 88202-1030

TELEPHONE (575) 622-1127
FACSIMILE (575) 623-3533

1301 NORTH SYCAMORE AVENUE
ROSWELL, NEW MEXICO 88201
www.stratanm.com

September 13, 2018

VIA CERTIFIED MAIL

New Mexico Oil Conservation Division
Attn: Phillip Goetze
1220 South St. Francis Drive
Santa Fe, NM 87505


Re: Application for Salt Water Disposal
Sandy Federal SWD #10
Devonian Formation
2430' FNL & 460' FWL
Unit Letter E, Sec 24-T23S-R30E
Eddy County, NM

Dear Mr. Goetze:

Strata Production Company requests administrative approval for the enclosed C-108 Form with the requested documentation, to drill the Sandy Federal #10 salt water disposal well, down to the non-commercial Devonian formation, at 16,500' located 2430' FNL & 460' FWL Unit E, Section 24-T23S-R30E, Eddy County, New Mexico. The purpose of the project is to allow Strata to dispose of produced fluids from the Sandy and Roadrunner Delaware wells, as well as produced fluids from other producing wells in the area, and the anticipated continual development of the Forty Niner Ridge field.

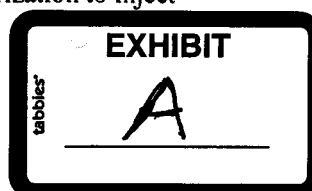
As you know, any interested party may file an objection of the Application or may request a public hearing. Any objection or request for hearing must be filed with the Oil Conservation Division, PO Box 2088, Santa Fe, NM 87504-2088 within 15 days from the date of publication.

Sincerely,



Paul Ragsdale
Operations Manager
Strata Production Company

Enclosure: Application for Authorization to Inject



RECEIVED:	REVIEWER:	TYPE:	APP NO:
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & 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

Applicant: Strata Production Company **OGRID Number:** 21712
Well Name: Sandy Federal SWD #10 **API:** _____
Pool: Forty Niner Ridge, Devonian SWD **Pool Code:** 96100

**SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION
 INDICATED BELOW**

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]
 A. Location – Spacing Unit – Simultaneous Dedication
☐ NSL ☐ NSP (PROJECT AREA) ☐ NSP (PRORATION UNIT) ☐ SD
- B. Check one only for [I] or [II]
 [I] Commingling – Storage – Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM
 [II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery
☐ WFX ☐ PMX ☒ SWD ☐ IPI ☐ EOR ☐ PPR

2) **NOTIFICATION REQUIRED TO:** Check those which apply.

- A. ☒ **Offset operators or lease holders**
 B. ☐ Royalty, overriding royalty owners, revenue owners
 C. ☒ **Application requires published notice**
 D. ☐ Notification and/or concurrent approval by SLO
 E. ☒ **Notification and/or concurrent approval by BLM**
 F. ☒ **Surface owner**
 G. ☒ **For all of the above, proof of notification or publication is attached, and/or,**
 H. ☐ No notice required

FOR OCD ONLY

- ☐ Notice Complete
☐ Application
 Content Complete

- 3) **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.

Paul Ragsdale
 Print Name

9-13-18
 Date

Paul Ragsdale
 Signature

575-622-1127 ext. 18
 Phone Number

pragsdale@stratanm.com
 E-mail Address

APPLICATION FOR AUTHORIZATION TO INJECT

I. PURPOSE: _____ Secondary Recovery _____ Pressure Maintenance X _____ Disposal _____ Storage
Application qualifies for administrative approval? _____ Yes _____ No

II. OPERATOR: Strata Production Company

ADDRESS: PO Box 1030, Roswell, NM 88202

CONTACT PARTY: Paul Ragsdale, Operations Manager PHONE: 575-622-1127 ext. 18

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: Shammy Dennis

TITLE: Admin Support

SIGNATURE: Shammy Dennis

DATE: 8/22/18

E-MAIL ADDRESS: sdennis@stratanm.com

* 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.

APPLICATION FOR AUTHORIZATION TO INJECT**III. WELL DATA SHEETS*****SEE ATTACHMENT 1***

- V. *Included is a map of the subject area that identifies all wells and leases within a two-mile radius circle and the area of review in a one-half mile radius circle. SEE ATTACHMENT 2*
- VI. *Included is a tabulation of data on all wells of public record within the area of review of the proposed salt water disposal. Please note that none of the wells penetrate the proposed injection zone. SEE ATTACHMENT 3*
- VII. ***SEE ATTACHMENT 1 - data on the proposed operation INCLUDING THE FOLLOWING:***
1. **Proposed average and maximum daily rate and volume of fluids to be injected:** *Between 10,000 to 15,000 bwpd.*
 2. **Whether the system is open or closed:** *The system is a closed system.*
 3. **Proposed average and maximum injection pressure:** *Average - 2000 psi and the maximum injection pressure is estimated at 3120 psi (0.2 psi/ft x 15,600 ft).*
 4. *Injection fluid will be produced water from Strata Production Company as well as other operated Delaware and Bone Spring wells in the area.*
 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.).** *We will be injecting into the Devonian formation. Devonian formation water is known to be compatible with the formation water of the Delaware and Bone Spring, however, a Devonian water analysis is unavailable.*
- *VIII. Geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth:** *The proposed injection interval is within the Devonian formation which is porous dolomite limestone from 15,600' to 16,500'.*
- 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:** *The underground fresh water aquifers (unnamed) are present at shallow depths <375'. There are no known fresh water intervals underlying the injecting formation.*

- IX.** Describe the proposed stimulation program, if any: *The proposed stimulation is an open-hole acid treatment of 20,000 gallons of 15% HCL.*
- X.** Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted): *No logs are currently on file with the Division. The appropriate log data will be filed upon drilling and completion of proposed well.*
- XI.** A chemical analysis of fresh water from two or more fresh water wells:
Water Analysis: *Resistivity 4.18, Specific Gravity 1.0016, Temperature 70°, pH 7.0, Calcium 2,478, Magnesium 902, Chlorides 600, Sulfates 200, Bicarbonates 153, Soluble Iron 0.*
- 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.
SEE ATTACHMENT 4
- XIII.** "Proof of Notice" section: *Included is a list of notified persons as well as the letters of public notice. SEE ATTACHMENT 5*

Side 1

INJECTION WELL DATA SHEET

OPERATOR: Strata Production Company

WELL NAME & NUMBER: Sandy Federal #10 SWD

WELL LOCATION: 2430 FNL & 460 FWL
FOOTAGE LOCATION

E

UNIT LETTER

24

SECTION

23S

TOWNSHIP

30E

RANGE

WELLSBORE SCHEMATIC

WELL CONSTRUCTION DATA

Surface Casing

Hole Size: 26" Casing Size: 20" @385'

Cemented with: 1000 sx. or ft³

Top of Cement: Surface Method Determined: Circulated

Intermediate Casing

Hole Size: 17 1/2" Casing Size 13 3/8" @3800'

Cemented with: 1850 sx. or ft³

Top of Cement: Surface Method Determined: Circulated

Intermediate Casing 2

Hole Size: 12 1/4" Casing Size: 9 5/8" @12,000'

Cemented with: 2100 sx. or ft³

Top of Cement: Surface Method Determined: Circulated

Production Casing

Hole Size: 8 1/2" Casing Size: 7" 26#
Cemented with: 1000 sx. or ft³
Top of Cement: Surface Method Determined: Circulated

Total Depth: 16,500'

Injection Interval

15,545' feet to 16,500'
(Perforated or Open Hole; indicate which) Open Hole

INJECTION WELL DATA SHEET

Tubing Size: 4 1/2" 13.5# Lining Material: TK99 IPC

Type of Packer: Arrowset 1X (nickel plated)

Packer Setting Depth: +/- 15,500

Other Type of Tubing/Casing Seal (if applicable): External Casing Packer @ 15,580'

Additional Data

1. Is this a new well drilled for injection? X Yes No

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

2. Name of the Injection Formation: Devonian

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. N/A

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: **Morrow, 13,960' – 14,727'**

No underlying producing zone

General	Company:	Strata Production Company		Prospect:	Forty Niner Ridge
	Well Name:	Sandy Federal #10 SWD		TD (MD/TVD):	16,500' TVD
	County:	Eddy		Elevation:	N/A
	State:	New Mexico		Latitude & longitude:	N/A
	API Number:	N/A		Section-Township-Range	Section 24 - T23S - R30E
	DIRECTIONS: From Loving, Go east to NM State Highway 128, turn right (toward Jal) and go 7 miles to mile marker 7, turn right at Mobley Ranch Road (CR 795), go ¼ mile to Y, take left fork and go 2.5 miles to lease road on left (look for Strata – Sandy Sign), turn left 2 miles, turn left at "T" and follow road ¼ mile to location.			Surface Location:	2430' FNL & 460' FWL
			Bottom Hole Location:	NA	
Hole size, casing specs, & depth		Casing Profile			
26" x 20" J-55 STC casing set @ 385' Cemented w/1000 sx circulated to surface					
17 1/2" x 13 3/8" 61# J-55 STC casing set @ 3800' Cemented w/1850 sx circulated to surface					
DV Tool set @ 11,500'					
12 1/4" x 9 5/8" 43.5# HCL80 LTC casing set at 12,000' Cemented w/2100 sx circulated to surface					
1st stage cement with 600 sx					
2nd stage cement with 1000 sx					
8 1/2" x 7" 26# HCP 110 LTC casing set @ 11,500'-15,600' Cemented with 600 sx					
6 3/4" Open hole TD @ 16,500'					
		Injection String: 4 1/2" 13.50# L80 tubing IPC w/TK99			
		Arrowset 1X Nickel Pltd Pkr set @ 15,500'			
		External Csg Pkr set @ 15,580'			
		Injection Interval 15,545'-16,500'			
Comments					

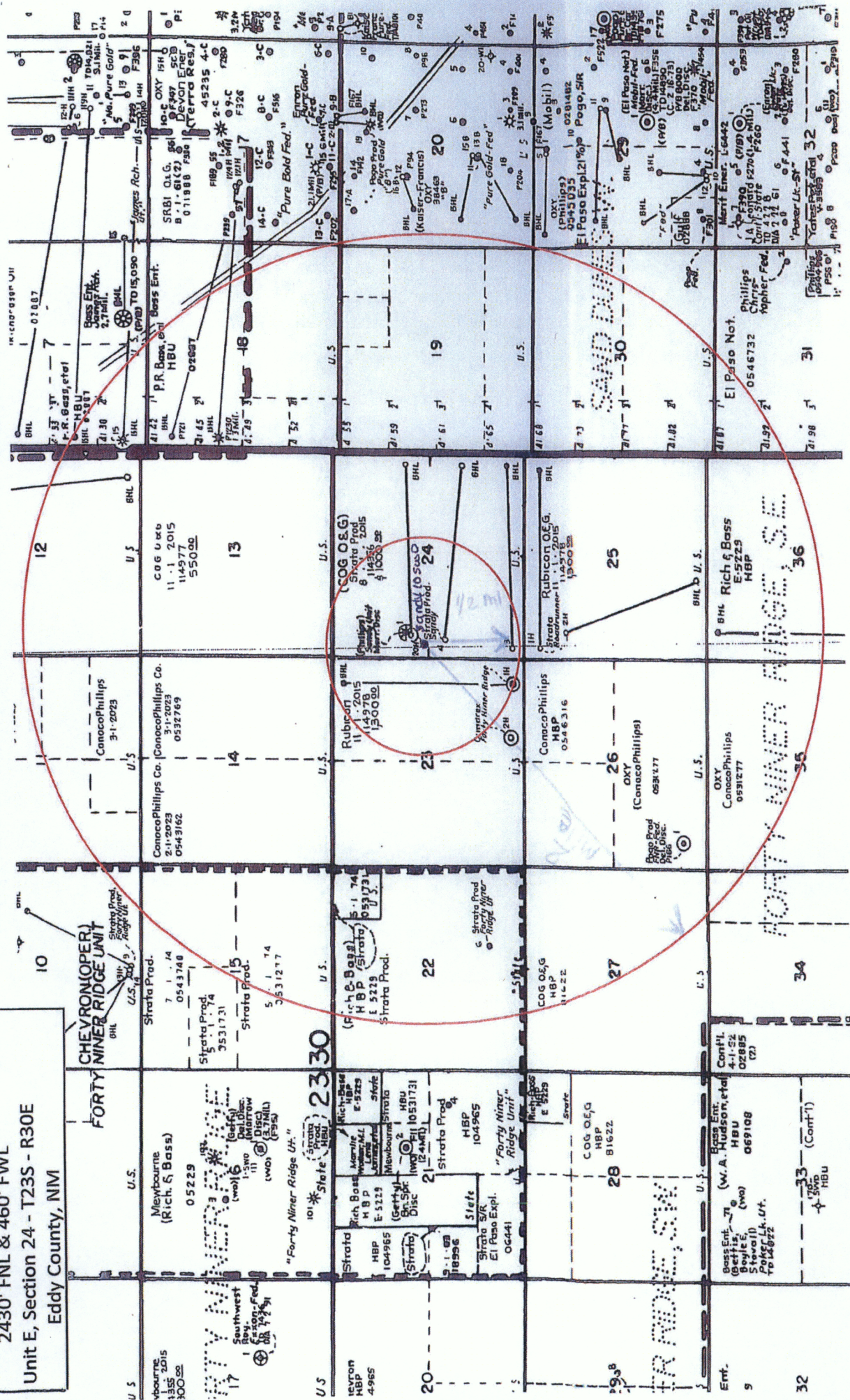
AREA OF REVIEW

Sandy Federal #10 SWD

2430' FNL & 460' FWL

Unit E, Section 24 - T23S - R30E

Eddy County, NM



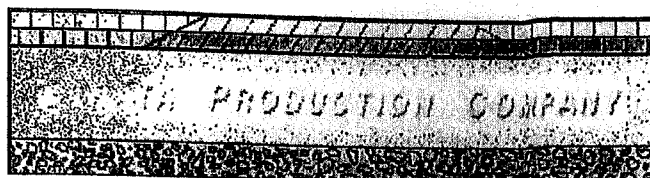
AREA OF REVIEW

Sandy Federal #10 SWD
2430' FNL & 460' FWL
Unit E, Section 24 - T23S - R30E
Eddy County, NM

PRODUCING	Well Name	Well #	Section	Township	Range	Quarter	Operator	Producing Reservoir	TVD	Well Status
API										
30015406150000	FORTY NINER RIDGE 23 FEDERAL	001H	23	23S	30E	A	CIMAREX	BONE SPRING	9924.33	ACTIVE
30015413880000	FORTY NINER RIDGE 25 FEDERAL	001H	25	23S	30E	M	CIMAREX	BONE SPRING	9918.16	ACTIVE
30015414260000	SANDY FEDERAL	020H	24	23S	30E	A	CIMAREX	BONE SPRING	9891.59	ACTIVE
30015417920000	SANDY FEDERAL	022H	24	23S	30E	A	CIMAREX	BONE SPRING		ACTIVE
30015417930000	FORTY NINER RIDGE 25 FEDERAL	222H	25	23S	30E	H	CIMAREX	BONE SPRING	9864.5	ACTIVE
30015393610000	ROADRUNNER FEDERAL	001H	25	23S	30E	A	STRATA PROD	DELAWARE		ACTIVE
30015400550000	SANDY FEDERAL	003	24	23S	30E	P	STRATA PROD	DELAWARE	7736.55	ACTIVE
P/A										
30015413880100	FORTY NINER RIDGE 25 FEDERAL	001H	25	23S	30E	M	CIMAREX		9816.39	P & A

Please note that none of the wells penetrate the proposed injection zone.

POST OFFICE DRAWER 1030
ROSWELL, NM 88202-1030



TELEPHONE (575) 622-1127
FACSIMILE (575) 623-3533

1301 NORTH SYCAMORE AVENUE
ROSWELL, NEW MEXICO 88201
www.stratanm.com

August 21, 2018

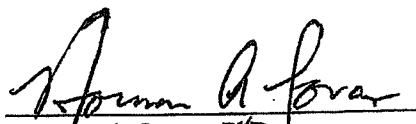
New Mexico Energy, Minerals and Natural Resources Department
Engineering Bureau, Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

Re: Application for Authorization to Inject
Strata Production Co Sandy Federal #10 SWD

To whom it may concern:

This letter is in regard to the Strata Production Company "Application for Authorization to Inject," into the Sandy Federal #10 SWD, located 2430' FNL & 460' FWL, Unit E, Section 24 - T23S - R30E, Eddy County, New Mexico.

Available geologic and engineering data has been examined and no evidence of open faults or any other hydrological connection between the proposed injection-disposal zone and any underground sources of drinking water has been found.


Norman A. Lovan, PhD.
Consulting Geologist

ATTACHMENT 4

Sandy Federal SWD #10 - Water Analysis

Well Name	API	Section	Township	Range	Unit	Formation	TDS_mgL
Forty Niner Ridge SWD #6	3001533637	22	23S	30E	O	Delaware	198654.5
Forty Niner Ridge SWD #1	3001520899	16	23S	30E	J	Bone Springs	141674.9
Belloq 2 State #002H	3001542895	2	23S	31E	C	Wolfcamp	119471.8
Todd 26 G Federal #001	3001520242	26	23S	31E	G	Atoka	202478
Midwest L Federal Gas Com #001	3001520828	34	22S	26E	K	Morrow	179513

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name	
4 Property Code		5 Property Name SANDY FEDERAL SWD			6 Well Number 10
7 GRID NO.		8 Operator Name STRATA PRODUCTION COMPANY			9 Elevation 3255'

10 Surface Location

UL or lot no. E	Section 24	Township 23S	Range 30E	Lot Idn	Feet from the 2430	North/South line NORTH	Feet From the 460	East/West line WEST	County EDDY
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11 Bottom Hole Location If Different From Surface

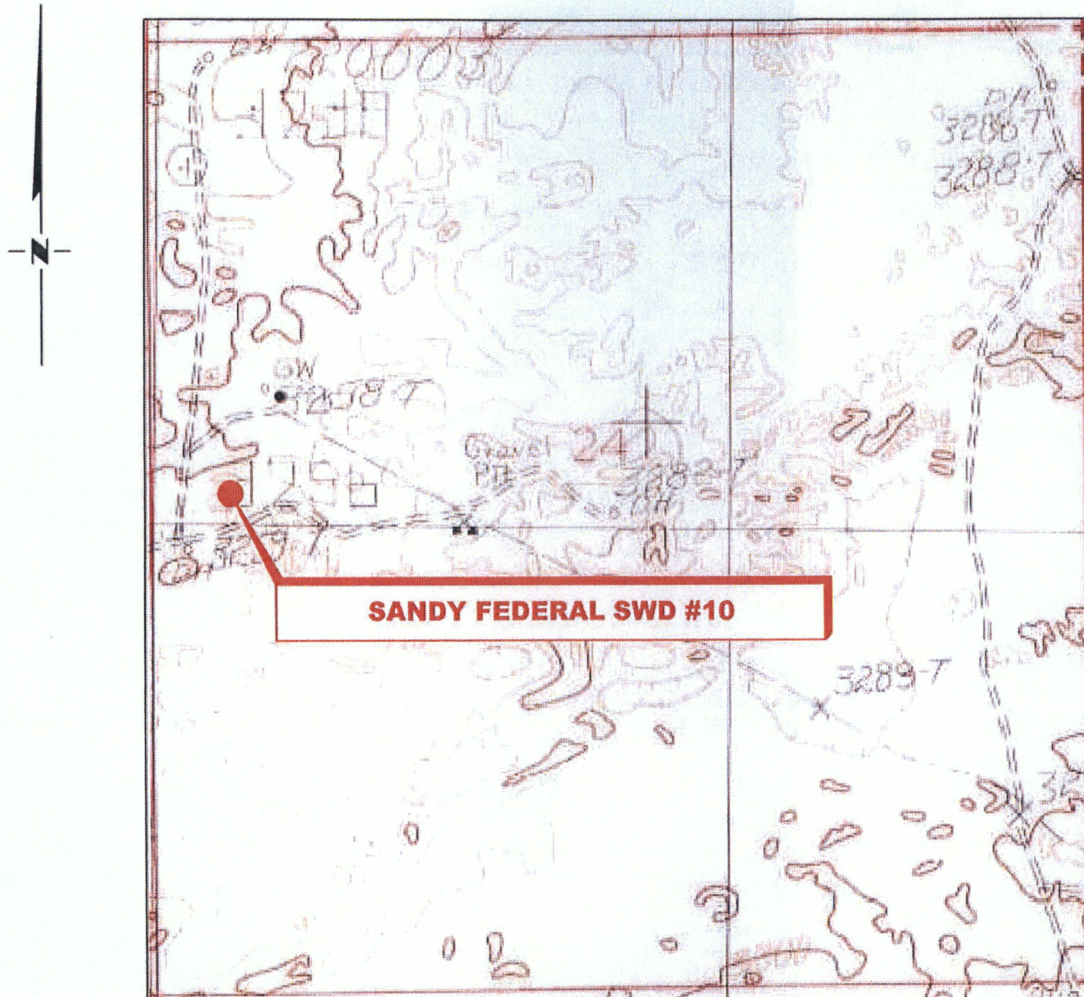
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedicated Acres		13 Joint or Infill		14 Consolidation Code		15 Order No.			

No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.

<p>16</p> <p>N 00°23'20" W 2641.38'</p> <p>2430'</p> <p>460'</p> <p>S. L.</p> <p>24</p> <p>N 00°25'32" W 2642.44'</p> <p>17</p>		<p>18</p> <p>S 89°37'39" W 2682.65'</p> <p>S 89°36'16" W 2682.78'</p> <p>GEODETIC DATA NAD 83 GRID - NM EAST</p> <p>SURFACE LOCATION N: 469964.3 - E: 693320.6</p> <p>LAT: 32.2910477° N LONG: 103.8414891° W</p> <p>CORNER DATA NAD 83 GRID - NM EAST</p> <p>A: CALCULATED CORNER N: 467108.3 - E: 692881.7</p> <p>B: FOUND BRASS CAP "1942" N: 469750.0 - E: 692862.1</p> <p>C: FOUND BRASS CAP "1942" N: 472390.8 - E: 692844.2</p> <p>D: FOUND BRASS CAP "1942" N: 472408.2 - E: 695526.2</p> <p>E: FOUND BRASS CAP "1916" N: 472426.7 - E: 698208.3</p> <p>F: FOUND BRASS CAP "1916" N: 469787.4 - E: 698219.9</p> <p>G: CALCULATED CORNER N: 467146.1 - E: 698232.1</p> <p>H: FOUND BRASS CAP "1942" N: 467128.0 - E: 695556.6</p>		<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p>	
<p>18 SURVEYOR CERTIFICATION</p> <p>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 belief.</p> <p>8-23-18</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p> <p>19680</p> <p>Certificate Number</p>		<p>19</p> <p>S 89°34'35" W 2675.52'</p> <p>S 89°36'44" W 2676.20'</p> <p>RRC-Job No.: LS1808981A</p>			

LOCATION VERIFICATION MAP

NOT TO SCALE



*SECTION 24, TWP. 23 SOUTH, RGE. 30 EAST,
N. M. P. M., EDDY CO., NEW MEXICO*

OPERATOR: Strata Production Company
LEASE: Sandy Federal SWD
WELL NO.: 10
ELEVATION: 3255'

LOCATION: 2430' FNL & 460' FWL
CONTOUR INTERVAL: 10'
USGS TOPO. SOURCE MAP:
Los Medaños, NM (P.E. 1985)

Copyright 2016 - All Rights Reserved

NO.	REVISION	DATE
JOB NO.:	LS1808981A	
DWG. NO.:	1808981A_LVM	

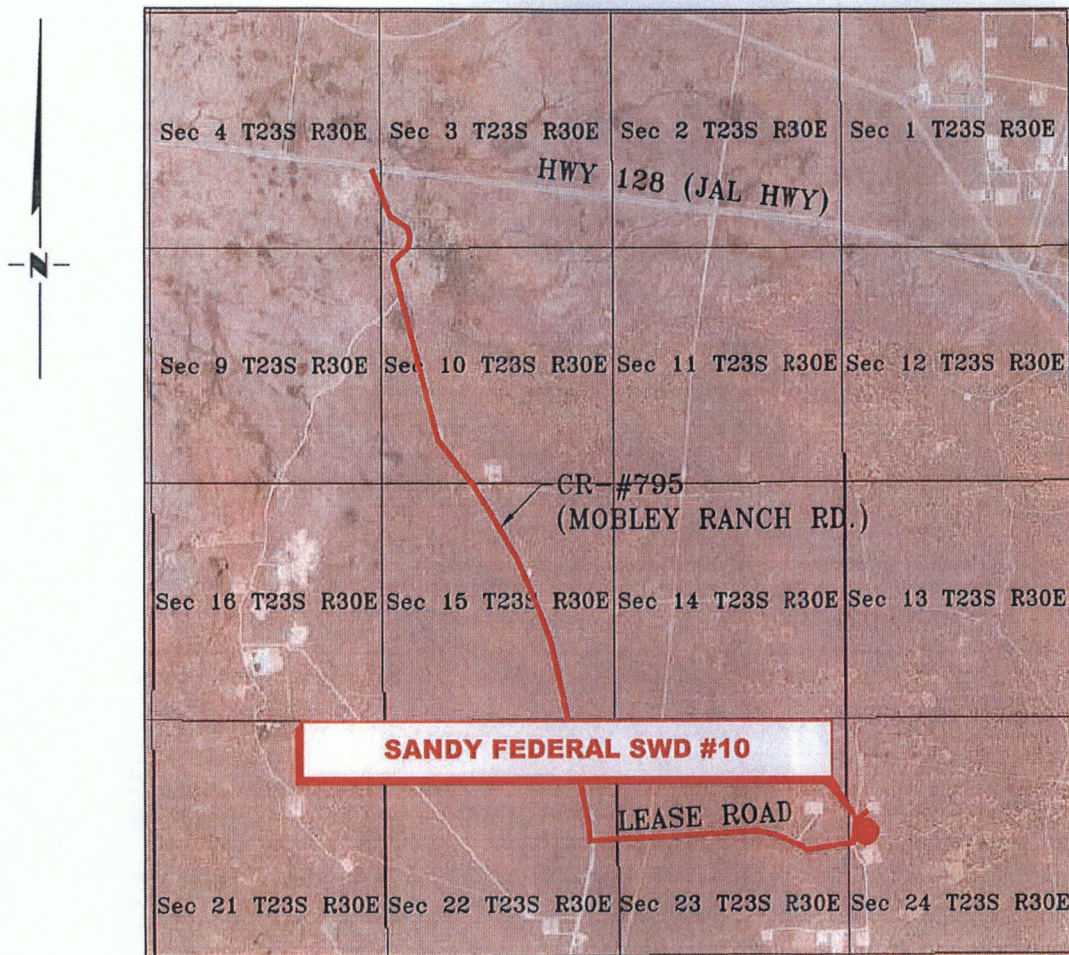


308 W. BROADWAY ST., HOBBS, NM 88240 (575) 964-8200

SCALE: N. T. S.
DATE: 6-4-18
SURVEYED BY: BK/AS
DRAWN BY: GA
APPROVED BY: RMH
SHEET: 1 OF 1

VICINITY MAP

NOT TO SCALE



*SECTION 24, TWP. 23 SOUTH, RGE. 30 EAST,
N. M. P. M., EDDY CO., NEW MEXICO*

OPERATOR: Strata Production Company

LOCATION: 2430' FNL & 460' FWL

LEASE: Sandy Federal SWD

ELEVATION: 3255'

WELL NO.: 10

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NO.	REVISION	DATE
JOB NO.: LS1808981A		
DWG. NO.: 1808981A_VM		

RRC

308 W. BROADWAY ST., HOBBS, NM 88240 (575) 964-8200

SCALE: N. T. S.
DATE: 8-23-18
SURVEYED BY: BK/AS
DRAWN BY: GA
APPROVED BY: RMH
SHEET: 1 OF 1

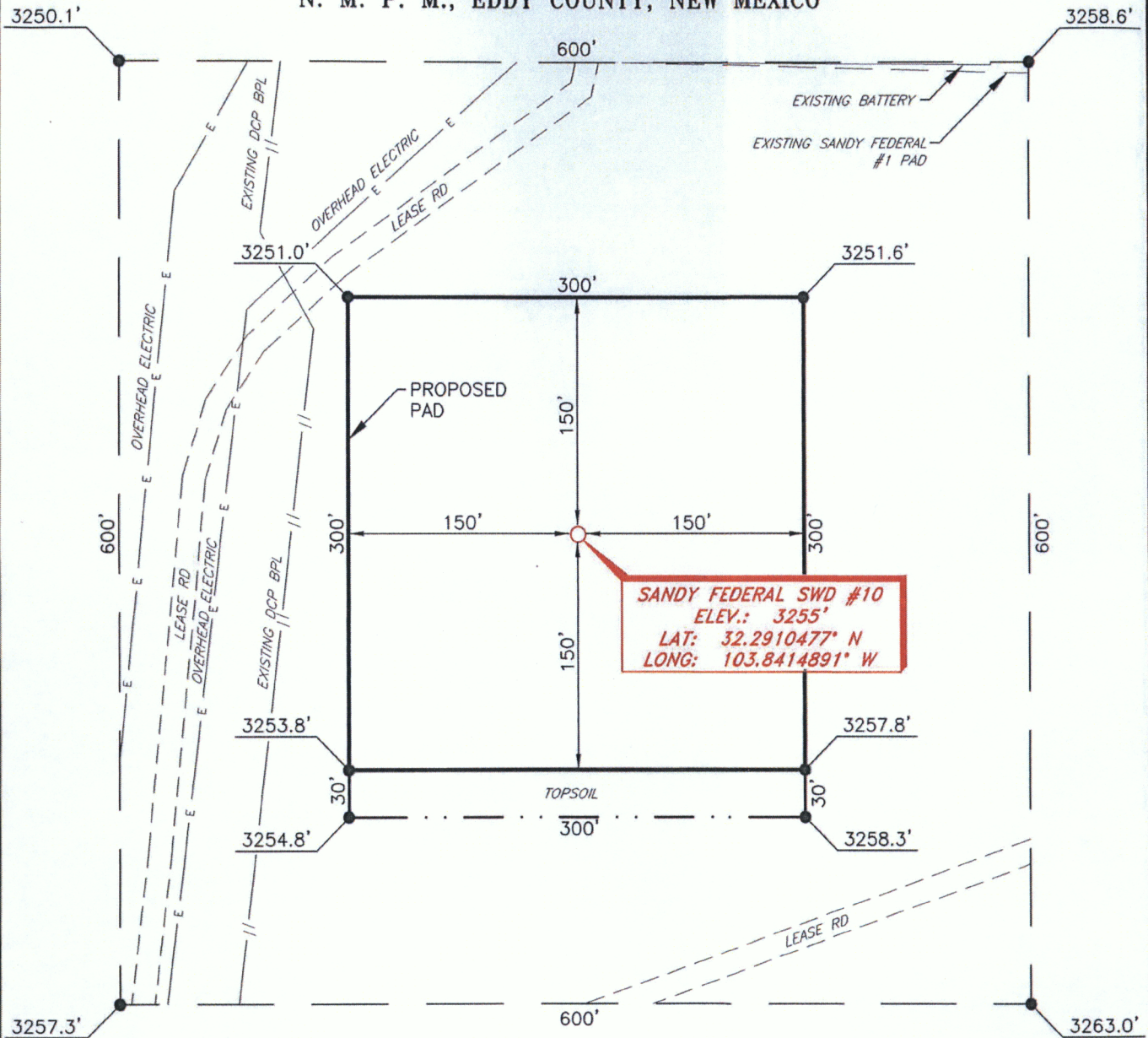
STRATA PRODUCTION COMPANY

SANDY FEDERAL SWD #10

(2430' FNL & 460' FWL)

SECTION 24, T23S, R30E

N. M. P. M., EDDY COUNTY, NEW MEXICO



DIRECTIONS TO LOCATION

From the intersection of CR-795 (Mobley Ranch Rd.) and N.M. Hwy 128 (Jal Hwy).

Go Southeast on CR-795 approx. 3.11 miles to a lease road on the left;

Turn left and go East approx. 1.1 miles to a "Y";

Keep left and go Northeast approx. 0.8 miles to a "Y";

Keep right and go Northeast approx. 0.6 miles to location on the right.



POST OFFICE DRAWER 1030
ROSWELL, NM 88202-1030

TELEPHONE (575) 622-1127
FACSIMILE (575) 623-3533

1301 NORTH SYCAMORE AVENUE
ROSWELL, NEW MEXICO 88201
www.stratanm.com

August 23, 2018

VIA CERTIFIED MAIL

Carlsbad Field Office
Bureau of Land Management
620 E. Greene St.
Carlsbad, NM 88220

Re: Application for Salt Water Disposal
Sandy Federal #10 SWD
Devonian Formation
2430' FNL & 460' FWL
Unit Letter E, Sec 24-T23S-R30E
Eddy County, NM

Ladies and Gentlemen:

Enclosed, please find an Application that has been filed with the New Mexico Oil Conservation Division requesting approval to drill the Sandy Federal #10 salt water disposal well to dispose of produced water in the non-commercial Devonian formation at 16,500' located 2430' FNL & 460' FWL Unit E-Section 24-T23S-R30E, Eddy County, New Mexico.

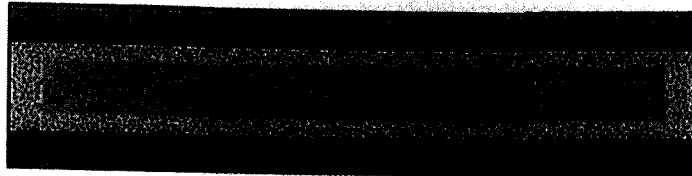
As you know, any interested party may file an objection of the Application or may request a public hearing. Any objection or request for hearing must be filed with the Oil Conservation Division, PO Box 2088, Santa Fe, NM 87504-2088 within 15 days from the date of publication. Failure to object will preclude you from contesting this matter at a later date.

Sincerely yours,

Paul Ragsdale
Operations Manager
Strata Production Company

Enclosure: APPLICATION FOR AUTHORIZATION TO INJECT

POST OFFICE DRAWER 1030
ROSWELL, NM 88202-1030



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FACSIMILE (575) 623-3533

1301 NORTH SYCAMORE AVENUE
ROSWELL, NEW MEXICO 88201
www.stratanm.com

August 23, 2018

VIA CERTIFIED MAIL

Cimarex Energy
600 N Marienfield St # 600
Midland, TX 79701

Re: Application for Salt Water Disposal
Sandy Federal #10 SWD
Devonian Formation
2430' FNL & 460' FWL
Unit Letter E, Sec 24-T23S-R30E
Eddy County, NM

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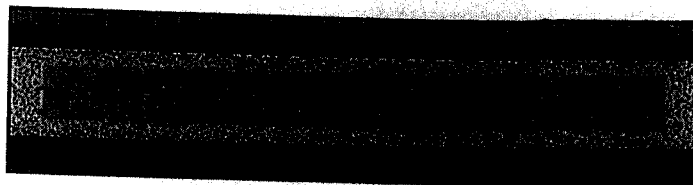
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Strata Production Company

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1301 NORTH SYCAMORE AVENUE
ROSWELL, NEW MEXICO 88201
www.stratanm.com

August 23, 2018

VIA CERTIFIED MAIL

ConocoPhillips
Mid-America – Permian Basin
600 N. Dairy Ashford, P10-5046
Houston, TX 77079

Re: Application for Salt Water Disposal
Sandy Federal #10 SWD
Devonian Formation
2430' FNL & 460' FWL
Unit Letter E, Sec 24-T23S-R30E
Eddy County, NM

Ladies and Gentlemen:

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Paul Ragsdale
Operations Manager
Strata Production Company

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FACSIMILE (575) 623-3533

1301 NORTH SYCAMORE AVENUE
ROSWELL, NEW MEXICO 88201
www.stratanm.com

August 23, 2018

VIA CERTIFIED MAIL

OXY USA Inc.
5 Greenway Plaza, STE 110
Houston, TX 77046

Re: Application for Salt Water Disposal
Sandy Federal #10 SWD
Devonian Formation
2430' FNL & 460' FWL
Unit Letter E, Sec 24-T23S-R30E
Eddy County, NM

Ladies and Gentlemen:

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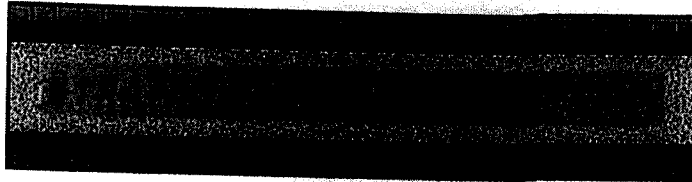
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Sincerely yours,

Paul Ragsdale
Operations Manager
Strata Production Company

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FACSIMILE (575) 623-3533

1301 NORTH SYCAMORE AVENUE
ROSWELL, NEW MEXICO 88201
www.stratanm.com

August 23, 2018

VIA CERTIFIED MAIL

Percheron Pro Services, LLC
1904 W. Grand Parkway N #200
Katy, TX 77449

Re: Application for Salt Water Disposal
Sandy Federal #10 SWD
Devonian Formation
2430' FNL & 460' FWL
Unit Letter E, Sec 24-T23S-R30E
Eddy County, NM

Ladies and Gentlemen:

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Sincerely yours,

Paul Ragsdale
Operations Manager
Strata Production Company

Enclosure: APPLICATION FOR AUTHORIZATION TO INJECT

Case No. _____: Application of Strata Production Company for approval of a salt water disposal well in Eddy County, New Mexico. Applicant seeks an order approving disposal into the non-commercial Devonian formation through the **Sandy Federal SWD #10** well at a surface location 2,430 feet from the North line and 460 feet from the West line of Section 24, Unit E, Township 23 South, Range 30 East, Eddy County, New Mexico, for the purpose of operating a salt water disposal well. Applicant seeks authority to inject salt water into the non-commercial Devonian formation at a depth of 15,545 to 16,500 feet. Applicant seeks approval to use 20 inch casing in the surface casing, 13 3/8 inch casing in the intermediate casing at 3,800 feet of depth, 9 5/8 inch casing in the intermediate casing at 12,000 feet of depth, and seven inch production casing for an injection rate between 3,000 and 15,000 barrels per day. Said area is located approximately 14.6 miles East of Loving, New Mexico.