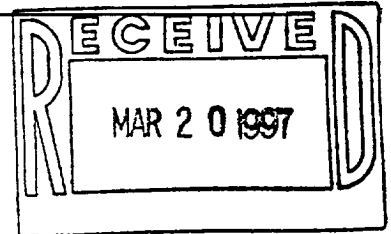




NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131



ADMINISTRATIVE ORDER SWD-655

*APPLICATION OF STRATA PRODUCTION COMPANY FOR SALT WATER DISPOSAL,  
EDDY COUNTY, NEW MEXICO.*

ADMINISTRATIVE ORDER  
OF THE OIL CONSERVATION DIVISION

Under the provisions of Rule 701(B), Strata Production Company made application to the New Mexico Oil Conservation Division on February 2, 1997, for permission to complete for salt water disposal its Lee Federal Well No.2 located 1980 feet from the North line and 1980 feet from the East line (Unit G) of Section 25, Township 20 South, Range 28 East, NMPM, Eddy County, New Mexico.

THE DIVISION DIRECTOR FINDS THAT:

- (1) The application has been duly filed under the provisions of Rule 701(B) of the Division Rules and Regulations;
- (2) Satisfactory information has been provided that all offset operators and surface owners have been duly notified;
- (3) The applicant has presented satisfactory evidence that all requirements prescribed in Rule 701 will be met; and
- (4) No objections have been received within the waiting period prescribed by said rule.

IT IS THEREFORE ORDERED THAT:

The applicant herein, is hereby authorized to complete its Lee Federal Well No.2 located 1980 feet from the North line and 1980 feet from the East line (Unit G) of Section 25, Township 20 South, Range 28 East, NMPM, Eddy County, New Mexico, in such manner as to permit the injection of salt water for disposal purposes into the Lower Cherry Canyon and Upper Brushy Canyon formations at approximately 3290 feet to 4450 feet through 2 3/8-inch plastic-lined tubing set in a packer located at approximately 3250 feet.