



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

FINAL NOTICE

CERTIFIED MAIL

DECEMBER 26, 2000

STRATA PRODUCTION CO
P.O. BOX 1030
ROSWELL NM 88202-1030

RE: INACTIVE NON-COMPLIANCE WELLS

The Oil Conservation Division (OCD) currently is addressing all inactive non-compliance wells as a top priority statewide project. A mass mail out was made on May 11, 2000 requesting information from each operator that had inactive wells. A second mail out was made on September 8, directing each operator as part of this project to provide additional information based on how they had responded to the May 11, 2000 letter.

By copy of this letter, the OCD director is requested to schedule a "Show Cause Hearing" to allow you the opportunity to appear and to show way a shut in order, order to plug and abandon all inactive non-compliance wells and/or to call for the forfeiture of your statewide bond is not issued. If your bond is called you can no longer operate in the State of New Mexico.

The "Show Cause Hearing" will be stayed if an aggressive plan being detailed and specific as to type of work and time frame to bring all non-compliance wells into compliance is received in this office within 30 days of receipt of this letter.

Attached is the latest (11/16/00) OCD list of inactive non-compliance wells for your company.

TIM W. GUM

Tim W. Gum

DISTRICT II SUPERVISOR
OIL CONSERVATION DIVISION

XC: LORI WROTENBERY ---- DIRECTOR
OCD ATTORNEY
ATTACHMENT

BEFORE EXAMINED STOCKER
OIL CONSERVATION DIVISION
OCD 12/26/00 190
CASE NO. 12811

STRATAINACT111600.xls

API #	Type	Last Production/ Injection	Well Name and Number	ULSTR	FNS	FEW
30-005-62340	G	07-1993	OBRIEN #001	C-25-07S-29E	600N	1900W
30-015-22748	G	05-1997	NORMAN FEDERAL #001	K-14-16S-30E	1980S	1980W
30-015-22937	G	05-1997	DUNCAN FEDERAL #001	M-11-16S-30E	860S	660W
30-015-24891	O	09-1996	LEE FEDERAL #006	K-25-20S-28E	1875S	1765W

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

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For an additional fee, delivery may be restricted to the addressee's authorized agent. Advise the clerk or mark the mailpiece with a duplicate return receipt, a USPS postmark on your Certified Mail, or a Return Receipt Requested. To receive a fee waiver for a duplicate return receipt, a Return Receipt Requested may be requested with Certified Mail. For an additional fee, a Return Receipt Requested may be requested with First-Class Mail or Priority Mail. For a duplicate return receipt, a Return Receipt Requested may be requested with First-Class Mail or Priority Mail. For a duplicate return receipt, a Return Receipt Requested may be requested with First-Class Mail or Priority Mail.

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 - For an additional fee, a Return Receipt Requested may be requested with First-Class Mail or Priority Mail.

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<p>■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</p> <p>■ Print your name and address on the reverse so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece, or on the front if space permits.</p>		<p>A. Received by (Please Print Clearly) <i>[Signature]</i> B. Date of Delivery <i>DEC 18 2000</i></p> <p>C. Signature <i>[Signature]</i> <input type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee</p> <p>D. Is delivery address different from item 1? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If YES, enter delivery address below:</p>	
<p>1. Article Addressed to:</p> <p>Strata Production CO PO Box 1030 Roswell NM 88202-1030</p>		<p>3. Service Type</p> <p><input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail</p> <p><input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p>	
<p>2. Article Number (Copy from service label)</p> <p>7000 0600 0026 1537 0366</p>		<p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>	