



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

December 5, 1997

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 383-6161

Strata Production Company
P. O. Box 1030
Roswell, New Mexico 88202-1030

Re: Stivason Federal (SWD) #1-A, Sec. 33, T19S, R34E

Gentlemen:

According to the stipulations of Division Order SWD-420 permitting disposal of water into the above referenced well, the injection interval is to be 4510 to 4555 feet in the Queen formation, with the packer set at approximately 4400 feet.

The sundry notice submitted to the BLM states that the packer has been moved up hole and set at 3816 feet.

Paul Kautz, the OCD geologist, made a study of the well records and notes that the packer is set above the Queen into the Yates formation. This packer setting depth leaves the Yates formation open to take water.

It was our understanding in a conversation on October 7, 1997, that you would contact David Catanach for approval to amend the permit. In consulting with Mr. Catanach this date, he had not heard anything regarding this matter.

We request that you make application for an amendment to the order to include the Yates formation, or that you make any repairs necessary and set the packer at the approved depth.

Whichever option you choose to exercise is to be accomplished on or before January 15, 1998.

If you have any questions regarding this matter, please feel free to call.

Very truly yours

OIL CONSERVATION DIVISION

Chris Williams
Supervisor, District I

cc: David Catanach
File