

This interval does not produce oil in the vicinity. The lowest injection zone is approximately 600 feet above the uppermost pay objective in the Antelope Ridge Delaware field. The uppermost injection zone is 2000' below the top of the Delaware. Mudlog shows were not encountered in any of the Antelope Ridge Unit wells in this interval.

TYPE INJECTION SYSTEM:	Closed
PROPOSED DAILY INJECTION RATE:	400 barrels initial (1 BPM)
MAXIMUM DAILY INJECTION RATE:	600 barrels (1.5 BPM)
AVERAGE INJECTION PRESSURE:	350 psi
MAXIMUM INJECTION PRESSURE:	1035 psi

Water Compatibility: The water to be injected will initially be produced from the Papagayo Federal #1 well producing from 6892' to 7656'. Currently the field produces approximately 100 BOPD and 60 BWPD. Additional drilling and workovers in the Delaware are slated for December, 1994, and should produce additional oil and water.

- IX. Stimulation Program: Inject 3000 gal 7 1/2% NEFE.
- X. See attached log showing open-hole.
- XI. Water Analysis attached.
- XII. Strata Production Company has examined all available geologic and engineering data in this area and finds no evidence of open faults or other hydrologic connections between the disposal zone and any potable aquifers.

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