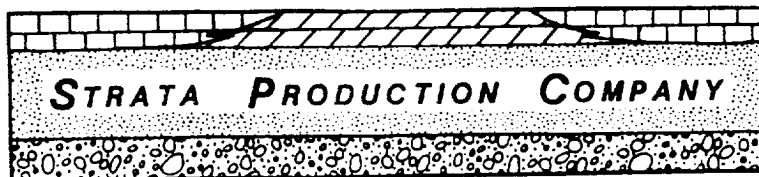


GEORGE L. SCOTT, JR.  
FRANK S. MORGAN  
JAMES G. McCLELLAND



648 PETROLEUM BLDG.  
ROSWELL, N.M. 88201  
(505) 622-1127  
(505) 622-5891

June 24, 1991

Oil Conservation Division  
P.O. Box 2088  
Santa Fe, New Mexico 87501

RE: Proposed Water Disposal Well  
Strata Production Company, Cuervo Federal #1  
Section 14-T23S-R32E; 1980 FSL, 1980 FEL  
Lea County, New Mexico

Gentlemen:

Strata Production Company proposes to convert captioned well for water disposal into the lower Bell Canyon formation of the Delaware Mountain Group. This well will be used to dispose of produced water from the Diamondtail Delaware field from Cherry and Brushy Canyon formation sandstones. Please find enclosed the following data pertinent to our application:

1. Form C-108 with answers attached.
2. Area of Review Map
3. Wellbore Diagram - Cuervo Federal #1
4. Proposed Wellbore Diagram - Cuervo Federal #1
5. Wellbore Diagram - Triste Draw Federal #2
6. Logs of the Cuervo Federal #1 showing proposed disposal perforations.
7. Copies of public notice and notices to offset operators.

If you have any questions, please contact me at the above address or phone number.

Respectfully yours,

George L. Scott, Jr.  
President