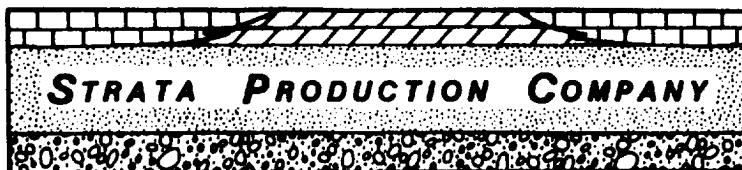


GEORGE L. SCOTT, JR.
FRANK S. MORGAN
JAMES G. MCCLELLAND



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

PUBLIC NOTICE

APPLICATION FOR WATER DISPOSAL

Strata Production Company, 648 Petroleum Bldg, Roswell, New Mexico 88201, (Contact: James G. McClelland, (505) 622-1127) has made Application to the Oil Conservation Division, Energy, Minerals and Natural Resources Department, State of New Mexico, for Administrative Approval and authority to inject salt water into the Cuervo Federal #1 well, located 1980' FSL and 1980' FEL of Section 14, T-23-S, R-32-E, NMPM, Lea County, New Mexico.

The purpose of this water injection well is to dispose of salt water produced from the Diamondtail Delaware field as currently designated by the Oil Conservation Division and as may be extended by additional drilling.

Water to be disposed of will be injected into the Lower Bell Canyon formation of the Delaware Mountain group at an interval lying between 5496 feet - 6014 feet beneath the surface.

The minimum injection rate is expected to be approximately 200 barrels of water per day. The maximum injection rate is expected to be approximately 800 barrels of water per day.

Minimum injection pressure will be approximately 430 psi. The maximum injection pressure is expected to be 1200 psi.

Any interested party may file an objection to this Application or may request a public hearing. Any objection or request for hearing must be filed with the Oil Conservation Division, PO Box 2088, Santa Fe, NM 87504-2088, within 15 days from the date of this publication.

STRATA PRODUCTION COMPANY

By: James G. McClelland
648 Petroleum Bldg.
Roswell, NM 88201
Telephone: (505) 622-1127