STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

APPLICATION OF APACHE CORPORATION FOR APPROVAL OF A WATERFLOOD PROJECT AND QUALIFICATION OF THE PROJECT AREA FOR THE RECOVERED OIL TAX RATE PURSUANT TO THE ENHANCED OIL RECOVERY ACT LEA COUNTY, NEW MEXICO. BEFORE THE
OIL CONSERVATION DIVISION
Case # 13503 & 13504 Exhibit No.—
Submitted By:
Apache Corporation
Hearing Date: June 16, 2005

CASE NO. 13503

CERTIFICATE OF MAILING AND COMPLIANCE WITH ORDER R-8054

STATE OF NEW MEXICO)

Output

W. Thomas Kellahin, being first duly sworn, hereby certifies that he is an attorney for the Applicant and responsible for notification in these matters and that the notice provisions of Division Rule 1207 (Order R-8054) have been complied with, that Applicant has caused to be conducted a good faith diligent effort to find the correct addresses of all interested parties entitled to receive notice, that on May 10, 2005, he caused to be mailed by certified mail return-receipt requested the attached notice of this hearing and a copy of the application for the above referenced cases, at least twenty days prior to the hearing of this case set for June 2, 2005 to the parties shown in said application and as evidenced by the attached copies of return receipt cards and/or receipts of certified mailing, and that pursuant to Division Rule 1207, notice has been given at the correct addresses provided by such rule.

Thomas Kellahin

SUBSCRIBED AND SWORN to before me this 26th day of May 2005, by W. Thomas Kellahin.

Lynda Kellahin, Notary Public

My Commission Expires: June 18, 2008

OFFICIAL SEAL
Lynda Kellahin
NOTARY PUBLIC
STATE OF NEW MEXICO
My Commission Expires: 6/8/07

KELLAHIN & KELLAHIN Attorney at Law

W. Thomas Kellahin Recognized Specialist in the Area of Natural Resources-oil and gas law-New Mexico Board of Legal Specialization P.O. Box 2265
Santa Fe, New Mexico 87504
117 North Guadalupe
Santa Fe, New Mexico 87501

Telephone 505-982-4285 Facsimile 505-982-2047 kellahin@earthlink.net

May 12, 2005

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

TO: NOTICE OF THE HEARING OF THE FOLLOWING NEW MEXICO OIL CONSERVATION DIVISION CASE:

Re: Application of Apache Corporation for

Approval of its East Blinebry-Drinkard Unit Waterflood Project

and to qualify this project for the recovered oil tax rate,

Lea County, New Mexico
(East Blinebry-Drinkard Unit)

Dear Interest Owner:

I am assisting with Apache Corporation's efforts to obtain approval from the New Mexico Oil Conversation Division ("Division") for its proposed East Blinebry-Drinkard Waterflood Project including an application for statutory unit and an application for the associated waterflood. As part of that approval process, I am required to send this notice to all interest owners. You are not required to attend this hearing, but failure to appear at the hearing and become a party of record will preclude you from challenging the matter at a later date. This referenced application will be heard by a Division Examiner on a docket scheduled to start at 8:15 am on June 2, 2005. The hearing will be held at the Division hearing room located in the Pinon Building, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87502 (phone 505-472-3458).

As an interest owner who may be affected by this application, we are notifying you of your right to appear at the hearing and participate in this case, including the right to present evidence either in support of or in opposition to the application. Pursuant to Division Rule 1208.B, you are further notified that if you desire to appear in this case, then you are required to file a Pre-Hearing Statement with the Division not later than 4:00 PM on Friday, May 27, 2005, with a copy delivered to the undersigned. This statement must include: the names of the parties and attorneys; a concise statement of your position in this case; the names of all witnesses you will call to testify at the hearing, the approximate time you will need to present your case and identification of any procedural matters that area to be resolve prior to the hearing. If you have any questions please call Mario Moreno, Apache Corporation (918) 491-4963.

W. Thomas Kellahin

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	OLD WELL NAM					CONVERTED		
	LEASE NAME	WELL #	LOCATION	FOOTAGE	TYPE	INJ VOLUMES	Tract	Surface Owners
	;				!			Luca: 5 Luca (
								William F. McNeill, et al
1	ELLIATE D	1	1 210 375	2970 FSL, 330 FWL	OIL	429	1C	P.O. Box 339
'	ELLIOTT B	<u> </u>	12133/E	2970 FSL, 330 FWL	UIL	429	10	Bridger, MT 59014
				1				State of New Mexico
2	ELLIOTT-MONTEREY	5	1 21S 37E	660 FSL, 810 FWL	OIL	641	3	State of New Mexico
-=					1			William F. McNeill, et al
							İ	P.O. Box 339
3	LOCKHART B 11	4	11 21S 37E	330 FNL, 1650 FWL	OIL	392	5A	Bridger, MT 59014
								William F. McNeill, et al
								P.O. Box 339
4	LOCKHART B 11	6	11 21S 37E	330 FNL, 330 FEL	OIL	250	5A	Bridger, MT 59014
								James Allan & Lucille Bryant
								8204 Indigo Court NE
5	LOCKHART B 11	8	11 21S 37E	660 FSL, 1980 FEL	OIL	870	5 A	Albuquerque, NM 87122
							1	William F. McNeill, et al
	I COMMENT DAA		44 240 275	660 ENI 220 EE1	OII	500	E A	P.O. Box 339
-6	LOCKHART B 11	9	11 215 3/E	660 FNL, 330 FEL	OIL	528	5A	Bridger, MT 59014 James Allan & Lucille Bryant
								8204 Indigo Court NE
7	LOCKHART B 11	- 11	11 218 37E	1980 FSL, 330 FEL	OIL	717	5A	Albuquerque, NM 87122
-	LUCKHARIBII		1121337L	1900 1 3L, 330 1 LL	OIL	711	JA	William F. McNeill, et al
								P.O. Box 339
B	LOCKHART B 11	14	11 21S 37F	1650 FNL, 1650 FEL	OIL	661	5A	Bridger, MT 59014
			= : = . = . = .					William F. McNeill, et al
							ĺ	P.O. Box 339
9	LOCKHART B 11	17	11 21S 37E	1980 FNL, 1980 FEL	OIL	393	5A	Bridger, MT 59014
								William F. McNeill, et al
								P.O. Box 339
10	LOCKHART B 11 E	1	11 21S 37E	2310 FNL, 660 FWL	OIL	817	5B	Bridger, MT 59014
								William F. McNeill, et al
ļ	, 1						_	P.O. Box 339
11	LOCKHART B 12	4	12 21S 37E	1650 FNL, 660 FWL	OIL	60	5C	Bridger, MT 59014
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12	LOCKHART B 12	0	122153/E	330 FNL, 1980 FWL	OIL	486	5C	Bridger, MT 59014 William F. McNeill, et al
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- 13	LOOKITATO 12		12210012	10001112, 0001112	0.20.		-	Eva Mae Tousiant, et al
								Box 115
14	LOCKHART B 13 A	2	13 21S 37E	1980 FNL, 660 FWL	OIL	346	5C	Eunice, NM 88231
								James Allan & Lucille Bryant
						1		8204 Indigo Court NE
15	LOCKHART B-14 A	3	14 21S 37E	660 FNL, 330 FEL	OIL	519	5C	Albuquerque, NM 87122
		1						William F. McNeill, et al
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16	CHESHER	2	12 21S 37E	660 FSL, 660 FWL	OIL-TA	436	9	Bridger, MT 59014
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17	GULF BUNIN	2	13 219 275	660 FNL, 1650 FWL	OIL	529	13	P.O. Box 65 Lincoln City, OR 97367
-'-'	GULF BUNIN		10 2 10 3/E	OUDINE, IDOU FVVL	OIL	529	13	LINCOIN City, ON 9/30/
						8324		
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List of Surface Owners 4/12/2005

Operators	Well
XTO Energy, Inc. (Formerly Cross Timbers) 810 Houston St. Fort Worth, TX 76102 Attn: Land Dept.	Dauron
McElvain Oil & Gas Properties, Inc 1050 17th Street Suite 1800 Denver, CO 80265 Attn: James Hohenstein	Coogan
Exxon Mobil Corporation P.O. Box 4697 Houston, TX 77210-4697 Attn: Dan Barber	Wantz
Chevron U.S.A. Inc 11111 South Wilcrest Houston, TX 77099 Attn: James Baca	Naomi Keenum

COMPLETE THIS SECTION ON A. Signature A. Signature A. Signature A. Signature B. Received by (Printed Name) D. Is delivery address different from if YES, enter delivery address by Apache Blinebry June 2, 2005 3. i 5/10/05 I. neguaveiru C. neguaveiru D. insured Mall C.O.D. 4. Restricted Delivery? (Extra Fee) Im Receint	SENDER: CoMPLETE THIS SECTION SENDER: COMPLETE THIS SECTION Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. Eva Mae Tousiant, et al Box 115 Eunice, NM 88231 2. Article Number This is number	TETHIS SECTION ON DELIVERY THE THIS SECTION ON DELIVERY THOUGH OF CONTROL O	
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