

**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

OFFICIAL SEAL  
Lynda Kellahin  
NOTARY PUBLIC  
STATE OF NEW MEXICO  
My Commission Expires: 6/19/02

**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:

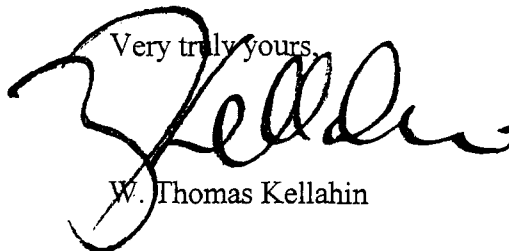
**Re: *Application of Apache Corporation for  
Approval of its East Blinebry-Drinkard Unit Waterflood Project  
and to qualify this project for the recovered oil tax rate,  
Lea County, New Mexico  
(East Blinebry-Drinkard Unit)***

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.

Very truly yours,



W. Thomas Kellahin

OLD WELL NAMES					CONVERTED		
LEASE NAME	WELL #	LOCATION	FOOTAGE	TYPE	INJ VOLUMES	Tract	Surface Owners
1 ELLIOTT B	1	1 21S 37E	2970 FSL, 330 FWL	OIL	429	1C	William F. McNeill, et al P.O. Box 339 Bridger, MT 59014
2 ELLIOTT-MONTEREY	5	1 21S 37E	660 FSL, 810 FWL	OIL	641	3	State of New Mexico
3 LOCKHART B 11	4	11 21S 37E	330 FNL, 1650 FWL	OIL	392	5A	William F. McNeill, et al P.O. Box 339 Bridger, MT 59014
4 LOCKHART B 11	6	11 21S 37E	330 FNL, 330 FEL	OIL	250	5A	William F. McNeill, et al P.O. Box 339 Bridger, MT 59014
5 LOCKHART B 11	8	11 21S 37E	660 FSL, 1980 FEL	OIL	870	5A	James Allan & Lucille Bryant 8204 Indigo Court NE Albuquerque, NM 87122
6 LOCKHART B 11	9	11 21S 37E	660 FNL, 330 FEL	OIL	528	5A	William F. McNeill, et al P.O. Box 339 Bridger, MT 59014
7 LOCKHART B 11	11	11 21S 37E	1980 FSL, 330 FEL	OIL	717	5A	James Allan & Lucille Bryant 8204 Indigo Court NE Albuquerque, NM 87122
8 LOCKHART B 11	14	11 21S 37E	1650 FNL, 1650 FEL	OIL	661	5A	William F. McNeill, et al P.O. Box 339 Bridger, MT 59014
9 LOCKHART B 11	17	11 21S 37E	1980 FNL, 1980 FEL	OIL	393	5A	William F. McNeill, et al P.O. Box 339 Bridger, MT 59014
10 LOCKHART B 11 E	1	11 21S 37E	2310 FNL, 660 FWL	OIL	817	5B	William F. McNeill, et al P.O. Box 339 Bridger, MT 59014
11 LOCKHART B 12	4	12 21S 37E	1650 FNL, 660 FWL	OIL	60	5C	William F. McNeill, et al P.O. Box 339 Bridger, MT 59014
12 LOCKHART B 12	6	12 21S 37E	330 FNL, 1980 FWL	OIL	486	5C	William F. McNeill, et al P.O. Box 339 Bridger, MT 59014
13 LOCKHART B 12	11	12 21S 37E	1980 FNL, 660 FWL	OIL-SI	250	5C	William F. McNeill, et al P.O. Box 339 Bridger, MT 59014
14 LOCKHART B 13 A	2	13 21S 37E	1980 FNL, 660 FWL	OIL	346	5C	Eva Mae Tousiant, et al Box 115 Eunice, NM 88231
15 LOCKHART B-14 A	3	14 21S 37E	660 FNL, 330 FEL	OIL	519	5C	James Allan & Lucille Bryant 8204 Indigo Court NE Albuquerque, NM 87122
16 CHESHER	2	12 21S 37E	660 FSL, 660 FWL	OIL-TA	436	9	William F. McNeill, et al P.O. Box 339 Bridger, MT 59014
17 GULF BUNIN	2	13 21S 37E	660 FNL, 1650 FWL	OIL	529	13	N.B. Bunin Properties P.O. Box 65 Lincoln City, OR 97367
					8324		
<b>Incremental Oil = 3.4 MMBO</b>							

**Operators****Well**

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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

# 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.

Chevron Oil USA Inc.  
11111 South Wilcrest  
Houston, TX 77099  
Attn: James Baca

## COMPLETE THIS SECTION ON DELIVERY

A. Signature ☒ Agent ☐ Addressee  
 B. Received by (Printed Name) M. Ramos C. Date of Delivery 5-19  
 D. Is delivery address different from item 1? ☐ Yes ☐ No  
 If YES, enter delivery address below:

Apache  
Blinebry  
June 2, 2005  
5/10/05

☐ Insured Mail ☐ C.O.D.  
 4. Restricted Delivery? (Extra Fee) ☐ Yes

Article Number  
(Transfer from service label) **7004 2890 0001 4493 3435**  
 PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

# 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.

James Allan & Lucille Bryant  
8204 Indigo Court NE  
Albuquerque, NM 87122

## COMPLETE THIS SECTION ON DELIVERY

A. Signature ☒ Agent ☐ Addressee  
 B. Received by (Printed Name) James O. Bryant C. Date of Delivery 5/19  
 D. Is delivery address different from item 1? ☐ Yes ☐ No  
 If YES, enter delivery address below:

Apache  
Blinebry  
June 2, 2005  
5/10/05

☐ Insured Mail ☐ C.O.D.  
 4. Restricted Delivery? (Extra Fee) ☐ Yes

Article Number  
(Transfer from service label) **7004 2890 0001 4493 3374**  
 PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

## 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.

William F Mc Neill, et al  
PO Box 339  
Bridger, MT 59014

## COMPLETE THIS SECTION ON DELIVERY

A. Signature ☒ Agent ☐ Addressee  
 B. Received by (Printed Name) W F Mc Neill C. Date of Delivery 5-16-05  
 D. Is delivery address different from item 1? ☐ Yes ☐ No  
 If YES, enter delivery address below:

Apache  
Blinebry  
June 2, 2005  
5/10/05

4. Restricted Delivery? (Extra Fee) ☐ Yes

Article Number  
(Transfer from service label) **7004 2890 0001 4493 3367**  
 PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

## 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

## COMPLETE THIS SECTION ON DELIVERY

A. Signature ☒ Agent ☐ Addressee  
 B. Received by (Printed Name) William F. Mc Neill C. Date of Delivery 5/10/05  
 D. Is delivery address different from item 1? ☐ Yes ☐ No  
 If YES, enter delivery address below:

Apache  
Blinebry  
June 2, 2005  
5/10/05

☐ Insured Mail ☐ C.O.D.  
 4. Restricted Delivery? (Extra Fee) ☐ Yes

Article Number  
(Transfer from service label) **7004 2890 0001 4493 3381**  
 PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
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.		A. Signature <b>X</b> <i>M. Johnson</i> B. Received by (Printed Name) <i>M. Johnson</i> C. Date of Delivery <i>5/10/05</i> D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input type="checkbox"/> No If YES, enter delivery address below:  McElvain Oil & Gas Properties, Inc 1050 17th Street Denver, Colorado 80265 Attn: James Hohenstein	
Article Number (Transfer from service label) 7004 2890 0001 4493 3404		3. <input type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D. 4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes <input type="checkbox"/> No	
Domestic Return Receipt Form 3811, February 2004		102595-02-M-1540	

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
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.		A. Signature <b>X</b> <i>[Signature]</i> B. Received by (Printed Name) <i>Apache</i> C. Date of Delivery <i>5/10/05</i> D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input type="checkbox"/> No If YES, enter delivery address below:  Commissioner of Public Land or Stae of New Mexico 310 Old Santa Fe Trail Santa Fe, NM 87501	
Article Number (Transfer from service label) 7004 2890 0001 4493 3428		3. <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D. 4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes <input type="checkbox"/> No	
Domestic Return Receipt Form 3811, February 2004		102595-02-M-1540	

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
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.		A. Signature <b>X</b> <i>[Signature]</i> B. Received by (Printed Name) <i>Apache</i> C. Date of Delivery <i>5/10/05</i> D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input type="checkbox"/> No If YES, enter delivery address below:  Apache Blinebry June 2, 2005 5/10/05	
Article Number (Transfer from service label) 7004 2890 0001 4493 3398		4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes <input type="checkbox"/> No	
Domestic Return Receipt Form 3811, February 2004		102595-02-M-1540	

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
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.		A. Signature <b>X</b> <i>[Signature]</i> B. Received by (Printed Name) <i>Apache</i> C. Date of Delivery <i>5/10/05</i> D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input type="checkbox"/> No If YES, enter delivery address below:  Apache Blinebry June 2, 2005 5/10/05	
Article Number (Transfer from service label) 7004 2890 0001 4493 3411		4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes <input type="checkbox"/> No	
Domestic Return Receipt Form 3811, February 2004		102595-02-M-1540	

**(Domestic Mail Only; No Insurance Coverage Provided)**

5/10/05

City, State, \_\_\_\_\_

See the back cover for instructions.

**Transfer from service label)**

PS Form 3811, February 2004

## 07151

## Domestic Return Receipt

PS Form 3811, February 2004

See the back cover for instructions.