

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

APPLICATION OF CHI OPERATING,  
INC. FOR COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO.

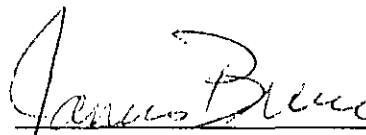
Case No. 15,133

AFFIDAVIT OF NOTICE

COUNTY OF SANTA FE    )  
                                  ) ss.  
STATE OF NEW MEXICO    )

James Bruce, being duly sworn upon his oath, deposes and states:

1. I am over the age of 18, and have personal knowledge of the matters stated herein.
2. I am an attorney for Chi Operating, Inc.
3. Applicant has conducted a good faith, diligent effort to find the names and correct addresses of the interest owners entitled to receive notice of the application filed herein.
4. Notice of the application was provided to the interest owners, at their correct addresses, by certified mail. Copies of the notice letter and certified return receipts are attached hereto as Exhibit A.
5. Applicant has complied with the notice provisions of Form C-108, and Division Rules NMAC 19.15.4.

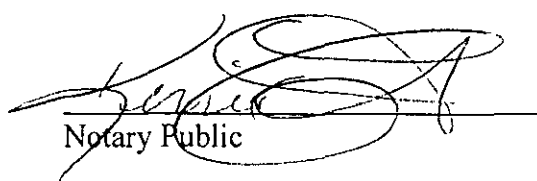
  
James Bruce

SUBSCRIBED AND SWORN TO before me this 9<sup>th</sup> day of June, 2014 by James Bruce.

My Commission Expires 10-22-14



OFFICIAL SEAL  
**KERRIE C. ALLEN**  
Notary Public  
State of New Mexico

  
Notary Public

Oil Conservation Division  
Case No. 15133  
Exhibit No. 2

**JAMES BRUCE**  
ATTORNEY AT LAW

POST OFFICE BOX 1056  
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213  
SANTA FE, NEW MEXICO 87501

(505) 982-2043 (Phone)  
(505) 660-6612 (Cell)  
(505) 982-2151 (Fax)  
[jamesbruce@aol.com](mailto:jamesbruce@aol.com)

May 22, 2014

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

To: Persons listed on Exhibit A

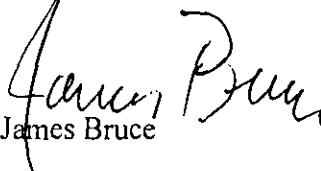
Ladies and gentlemen:

Enclosed is a copy of an application for compulsory pooling, filed with the New Mexico Oil Conservation Division by Chi Operating, Inc., regarding the S½ of Section 10, Township 17 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. **This pooling is sought only for purposes of obtaining approval of a communitization agreement for the subject well.**

This matter is scheduled for hearing at 8:15 a.m. on Thursday, June 12, 2014, at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting the matter at a later date.

A party appearing in a Division case is required by Division Rules to file a Pre-Hearing Statement no later than Thursday, June 5, 2014. This statement must be filed with the Division's Santa Fe office at the above address, and should include: The names of the party and its attorney; a concise statement of the case; the names of the witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to the undersigned.

Very truly yours,

  
James Bruce

Attorney for Chi Operating, Inc.

EXHIBIT

A

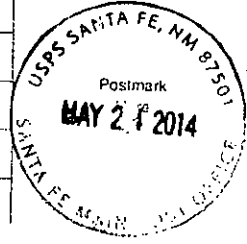
EXHIBIT A

Kathryn Alexander  
P.O. Box 1248  
Fredericksburg, Texas 78624

Marie Wade  
P.O. Box 1248  
Fredericksburg, Texas 78624

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> <li>Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>		A. Signature <i>X Ken Wade</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee B. Received by (Printed Name) <i>Ken Wade</i> C. Date of Delivery <i>6-9-14</i> D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
1. Article Addressed to:  Marie Wade P.O. Box 1248 Fredericksburg, Texas 78624		3. Service Type <input checked="" type="checkbox"/> Certified Mail® <input type="checkbox"/> Priority Mail Express™ <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> Collect on Delivery 4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	
2. Article Number (Transfer from service label)		7013 3020 0000 4641 5644	

PS Form 3811, July 2013 Domestic Return Receipt *Chi - CT*

U.S. Postal Service™	
<b>CERTIFIED MAIL™ RECEIPT</b> (Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at <a href="http://www.usps.com">www.usps.com</a>	
Postage \$	
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees \$	
Sent To Kathryn Alexander P.O. Box 1248 Fredericksburg, Texas 78624 Street, Apt. No., or PO Box No. City, State, ZIP+4	
PS Form 3800, August 2006 See Reverse for Instructions	

U.S. Postal Service™	
<b>CERTIFIED MAIL™ RECEIPT</b> (Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at <a href="http://www.usps.com">www.usps.com</a>	
Postage \$	
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees \$	
Sent To Marie Wade P.O. Box 1248 Fredericksburg, Texas 78624 Street, Apt. No., or PO Box No. City, State, ZIP+4	
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1. Article Addressed to:  Kathryn Alexander P.O. Box 1248 Fredericksburg, Texas 78624		3. Service Type <input checked="" type="checkbox"/> Certified Mail® <input type="checkbox"/> Priority Mail Express™ <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> Collect on Delivery 4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	
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