



# MILLER STRATVERT

PROFESSIONAL ASSOCIATION

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*Of Counsel*  
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James B. Collins  
Sharon P. Gross  
Robert D. Taichert

## Reply to Santa Fe

150 Washington Ave., Suite 300  
Santa Fe, NM 87501

Mailing Address:  
P.O. Box 1986  
Santa Fe, NM 87504-1986

Telephone: (505) 989-9614  
Facsimile: (505) 989-9857

Writer's Direct E-Mail:  
shall@mstlaw.com

\* Board Certified Specialist: Natural Resources - Oil & Gas Law  
\*\* Board Certified Specialist: Real Estate Law

February 22, 2007

## **CERTIFIED MAIL/RETURN RECEIPT REQUESTED**

Mr. John Brazeal  
Ms. Patricia Brazeal  
32 Canyon Drive  
Mayhill, NM 88339

Re: NMOCD Case No. 13771; Application of Kaiser-Francis Oil Company for Promulgation of Special Pool Rules for the East Happy Valley Bone Spring Pool, for an Exception to the Gas-Oil Ratio Limitation, and Assignment of a Special Depth Bracket Allowable, Eddy County, New Mexico

Dear Mr. & Ms. Brazeal:

This will advise that Kaiser-Francis Oil Company has filed an application with the New Mexico Oil Conservation Division seeking an order for the promulgation of special pool rules establishing 160-acre spacing and proration units with the option for a second well and designated well locations in the East Happy Valley Bone Spring Pool located in the W/2 of Section 11, T22S, R26E, NMPM, Eddy County, New Mexico. Applicant further seeks an exception from the oil and gas oil ratio limitation under Division Rule 506-A providing for a 4,000:1 gas-oil ration and the establishment of a 382 barrel of oil per day depth bracket allowable. A copy of the application is enclosed.

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EXHIBIT "A"

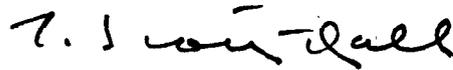
ALBUQUERQUE  
(505) 842-1950

FARN  
(505)

SANTA FE  
(505) 989-9614

Mr. John Brazeal  
Ms. Patricia Brazeal  
February 22, 2007  
Page 2

Very truly yours,  
MILLER STRATVERT P.A.

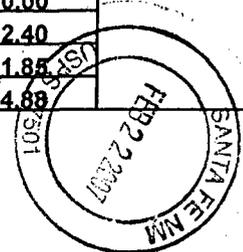
A handwritten signature in black ink, appearing to read "J. Scott Hall". The signature is written in a cursive, flowing style.

J. Scott Hall

JSH/glb  
Enclosure

7161 8863 9710 0000 6636

<b>RETURN RECEIPT SERVICE</b>	POSTAGE	\$0.63	POSTMARK OR DATE
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	CERTIFIED FEE	\$2.40	
	RETURN RECEIPT FEE	\$1.85	
<b>SENT TO:</b>	TOTAL POSTAGE AND FEE'S	\$4.88	
<p>Mr. John Brazeal Ms. Patricia Brazeal 32 Canyon Drive Mayhill, NM 88339</p> <p>2/22/2007 3:06 PM</p>			



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\*\* Board Certified Specialist: Real Estate Law

February 22, 2007

## **CERTIFIED MAIL/RETURN RECEIPT REQUESTED**

Chi Operating  
Post Office Box 1799  
Midland, Texas 79702

Re: NMOCD Case No. 13771; Application of Kaiser-Francis Oil Company for Promulgation of Special Pool Rules for the East Happy Valley Bone Spring Pool, for an Exception to the Gas-Oil Ratio Limitation, and Assignment of a Special Depth Bracket Allowable, Eddy County, New Mexico

To Whom It May Concern:

This will advise that Kaiser-Francis Oil Company has filed an application with the New Mexico Oil Conservation Division seeking an order for the promulgation of special pool rules establishing 160-acre spacing and proration units with the option for a second well and designated well locations in the East Happy Valley Bone Spring Pool located in the W/2 of Section 11, T22S, R26E, NMPM, Eddy County, New Mexico. Applicant further seeks an exception from the oil and gas oil ratio limitation under Division Rule 506-A providing for a 4,000:1 gas-oil ration and the establishment of a 382 barrel of oil per day depth bracket allowable. A copy of the application is enclosed.

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## LAW OFFICES

ALBUQUERQUE  
(505) 842-1950

FARMINGTON  
(505) 326-4521

LAS CRUCES  
(505) 523-2481

SANTA FE  
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Chi Operating  
February 22, 2007  
Page 2

Very truly yours,  
MILLER STRATVERT P.A.

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J. Scott Hall

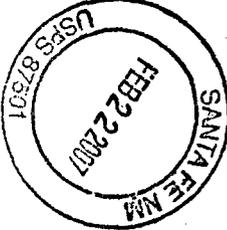
JSH/glb  
Enclosure

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	CERTIFIED FEE	\$2.40	
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Chi Operating  
Post Office Box 1799  
Midland, Texas 79702

2/22/2007 3:02 PM



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2. Article Number	COMPLETE THIS SECTION ON DELIVERY	
7161 8863 9710 0000 6629	A. Signature <i>D. Mahowry</i>	<input type="checkbox"/> Agent <input type="checkbox"/> Addressee
	B. Received By (Printed Name) <i>D. Mahowry</i>	C. Date of Delivery <i>2/1/07</i>
1. Article Addressed to:	D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES enter delivery address below: <input type="checkbox"/> No	
Chi Operating Post Office Box 1799 Midland, Texas 79702	3. Service Type <input checked="" type="checkbox"/> Certified	
2/22/2007 3:02 PM	4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	

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shall@mstlaw.com

- \* Board Certified Specialist: Natural Resources - Oil & Gas Law
- \*\* Board Certified Specialist: Real Estate Law

February 22, 2007

**CERTIFIED MAIL/RETURN RECEIPT REQUESTED**

Devon Energy Production Co.  
20 N. Broadway, Suite 1500  
Oklahoma City, OK 73102

Re: NMOCD Case No. 13771; Application of Kaiser-Francis Oil Company for Promulgation of Special Pool Rules for the East Happy Valley Bone Spring Pool, for an Exception to the Gas-Oil Ratio Limitation, and Assignment of a Special Depth Bracket Allowable, Eddy County, New Mexico

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LAW OFFICES

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February 22, 2007  
Page 2

Very truly yours,  
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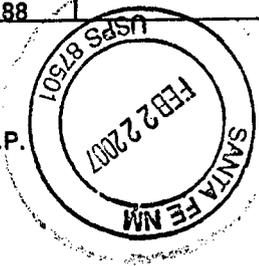
A handwritten signature in black ink, appearing to read "J. Scott Hall". The signature is written in a cursive style with a horizontal line above the "i" in "Hall".

J. Scott Hall

JSH/glb  
Enclosure

7161 8863 9710 0000 6674

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	RESTRICTED DELIVERY FEE	\$0.00	
	CERTIFIED FEE	\$2.40	
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	TOTAL POSTAGE AND FEE'S	\$4.88	
SENT TO:			
Devon Energy Production Co., L.P. 20 N. Broadway, Suite 1500 Oklahoma City, OK 73102  2/22/2007 3:24 PM			



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<b>2. Article Number</b>	<b>COMPLETE THIS SECTION ON DELIVERY</b>	
7161 8863 9710 0000 6674	A. Signature <span style="float: right;"><input type="checkbox"/> Agent <input type="checkbox"/> Addressee</span> X <i>M. J.</i>	
	B. Received by (Printed Name)	C. Date of Delivery
1. Article Addressed to:  Devon Energy Production Co., L.P. 20 N. Broadway, Suite 1500 Oklahoma City, OK 73102  2/22/2007 3:24 PM	D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES enter delivery address below: <input type="checkbox"/> No	
	3. Service Type <input checked="" type="checkbox"/> <b>Certified</b>	
	4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	

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\*\* Board Certified Specialist: Real Estate Law

February 22, 2007

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Ms. Marilyn Brazeal  
1202 Maxwell St.  
Colorado Springs, CO 80906

Re: NMOCD Case No. 13771; Application of Kaiser-Francis Oil Company for Promulgation of Special Pool Rules for the East Happy Valley Bone Spring Pool, for an Exception to the Gas-Oil Ratio Limitation, and Assignment of a Special Depth Bracket Allowable, Eddy County, New Mexico

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Page 2

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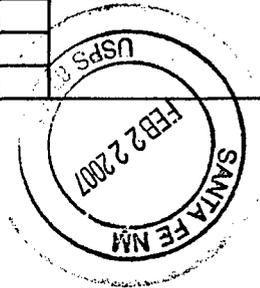
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J. Scott Hall

JSH/glb  
Enclosure

7161 8863 9710 0000 6667

<b>RETURN RECEIPT SERVICE</b>	POSTAGE	\$0.63	POSTMARK OR DATE
	RESTRICTED DELIVERY FEE	\$0.00	
	CERTIFIED FEE	\$2.40	
	RETURN RECEIPT FEE	\$1.85	
<b>SENT TO:</b>	TOTAL POSTAGE AND FEE'S	\$4.88	
<p>Ms. Marilyn Brazeal 1202 Maxwell Street Colorado Springs, CO 80906</p> <p>2/22/2007 3:22 PM</p>			



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NO INSURANCE COVERAGE PROVIDED  
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<b>2. Article Number</b>	<b>COMPLETE THIS SECTION ON DELIVERY</b>	
<p>7161 8863 9710 0000 6667</p> <p>1. Article Addressed to:</p> <p><b>Ms. Marilyn Brazeal 1202 Maxwell Street Colorado Springs, CO 80906</b></p> <p>2/22/2007 3:22 PM</p>	<p>A. Signature <input checked="" type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee</p> <p><i>M. Brazeal</i></p>	
	<p>B. Received by (Printed Name)</p> <p><i>M. Brazeal</i></p>	<p>C. Date of Delivery</p> <p><i>24 Feb 07</i></p>
	<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>If YES enter delivery address below:</p>	
	<p>3. Service Type <input checked="" type="checkbox"/> <b>Certified</b></p>	
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February 22, 2007

## **CERTIFIED MAIL/RETURN RECEIPT REQUESTED**

Mr. Sammy J. Miller  
Ms. Barbara L. Miller  
212 Jewel Street  
Carlsbad, NM 88220

Re: NMOCD Case No. 13771; Application of Kaiser-Francis Oil Company for Promulgation of Special Pool Rules for the East Happy Valley Bone Spring Pool, for an Exception to the Gas-Oil Ratio Limitation, and Assignment of a Special Depth Bracket Allowable, Eddy County, New Mexico

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February 22, 2007  
Page 2

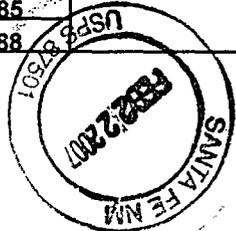
Very truly yours,  
MILLER STRATVERT P.A.

A handwritten signature in black ink, appearing to read "J. Scott Hall". The signature is written in a cursive style with a horizontal line above the "i" in "Hall".

J. Scott Hall

JSH/glb  
Enclosure

7161 8863 9710 0000 6643

RETURN RECEIPT SERVICE	POSTAGE	\$0.63	POSTMARK OR DATE
	RESTRICTED DELIVERY FEE	\$0.00	
	CERTIFIED FEE	\$2.40	
	RETURN RECEIPT FEE	\$1.85	
SENT TO:		TOTAL POSTAGE AND FEE'S	
Mr. Sammy J. Miller Ms. Barbara L. Miller 212 Jewel Street Carlsbad, NM 88220  2/22/2007 3:08 PM			

PS FORM 3800



RECEIPT FOR CERTIFIED MAIL  
NO INSURANCE COVERAGE PROVIDED  
NOT FOR INTERNATIONAL MAIL  
(SEE OTHER SIDE)

<b>2. Article Number</b>		<b>COMPLETE THIS SECTION ON DELIVERY</b>	
7161 8863 9710 0000 6643		A. Signature	<input type="checkbox"/> Agent
		X <i>Barbara L. Miller</i>	<input type="checkbox"/> Addressee
1. Article Addressed to:		B. Received by (Printed Name)	C. Date of Delivery
		<i>Barbara L. Miller</i>	
Mr. Sammy J. Miller Ms. Barbara L. Miller 212 Jewel Street Carlsbad, NM 88220  2/22/2007 3:08 PM		D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES enter delivery address below: <input type="checkbox"/> No	
		3. Service Type <input checked="" type="checkbox"/> Certified	
		4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	

PS Form 3811

Domestic Return Receipt