

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

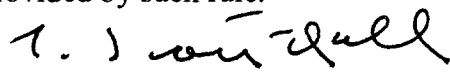
**IN THE MATTER OF THE APPLICATION OF
KAISER-FRANCIS OIL COMPANY TO AMEND
ADMINISTRATIVE ORDER NSL-5133 TO ESTABLISH
A NONSTANDARD SPACING AND PRORATION UNIT
AND FOR AN EXCEPTION TO RULE 104(B)(1),
EDDY COUNTY, NEW MEXICO**

CASE NO. 13594

AFFIDAVIT

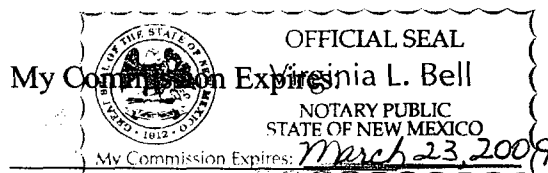
STATE OF NEW MEXICO)
)ss.
COUNTY OF SANTA FE)

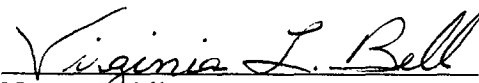
J. SCOTT HALL, attorney and authorized representative of Kaiser-Francis Oil Company, the Applicant herein, being first duly sworn, upon oath, states that the notice provisions of Rule 1210 of the New Mexico Oil Conservation Division have been complied with, that Applicant has caused to be conducted a good faith diligent effort to find the correct addresses of all interested persons entitled to receive notice, as shown by Exhibit "A" attached hereto, and that pursuant to Rule 1210, notice has been given at the correct addresses provided by such rule.



J. SCOTT HALL

SUBSCRIBED AND SWORN to before me this 13th day of September, 2006





Notary Public

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NMOCD CASE NO. 13594
SEPTEMBER 14, 2006
KAISER-FRANCIS OIL COMPANY
EXHIBIT NO. 1

MILLER STRATVERT

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* Board Certified Specialist: Natural Resources - Oil & Gas Law
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August 15, 2006

CERTIFIED MAIL/71618863971000004687

Hayes Land & Production Corporation
Post Office 51407
Midland, Texas 79710

Re: NMOCD Case No. 13594; Application of Kaiser-Francis Oil Company to Amend
Administrative Order NSL-5133 to Establish a Nonstandard Spacing and Proration
Unit and for an Exception to Rule 104(B)(1), 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 amending Administrative Order NSL-5133 to establish an 80-acre nonstandard spacing and proration unit consisting of the SW/NW and NW/SW of Section 11, T-22-S R-26-E NMPM, Eddy County, New Mexico. Applicant further seeks an exception to the Division's well locational requirements under Rule 104(B)(1) for the completion of the Mesa Grande "11" Well No. 2 in the Bonespring and Delaware formations at an unorthodox location 2661' from the south line and 660' from the west line of Section 11. A copy of the application is enclosed.

This application will be set for hearing before a Division Examiner at 8:15 a.m. on September 14, 2006, at the New Mexico Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico. You are not required to attend this hearing, but as an owner of an interest that may be affected, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later time.

Very truly yours,

MILLER STRATVERT P.A.



J. Scott Hall

Hays Land & Production Corporation

August 15, 2006

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JSH/glb

Enclosure

cc (w/encl.): James Bruce Esq.

7161 8863 9710 0000 4687

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	\$4.88
<p>Hayes Land & Production Corporation Post Office 51407 Midland, Texas 79710</p> <p>8/15/2006 11:19 AM</p>			

PS FORM 3800



RECEIPT FOR CERTIFIED MAIL

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

2. Article Number		COMPLETE THIS SECTION ON DELIVERY	
7161 8863 9710 0000 4687		A. Signature X <i>Bel B</i>	<input type="checkbox"/> Agent <input type="checkbox"/> Addressee
		B. Received by (Printed Name) <i>Bel B</i>	C. Date of Delivery <i>8-15-06</i>
		D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES enter delivery address below: <input type="checkbox"/> No	
		<p>Hayes Land & Production Corporation Post Office 51407 Midland, Texas 79710</p> <p>8/15/2006 11:19 AM</p>	
1. Article Addressed to:		3. Service Type	<input checked="" type="checkbox"/> Certified
		4. Restricted Delivery? (Extra Fee)	<input type="checkbox"/> Yes

PS Form 3811

Domestic Return Receipt