RECEIVED

STATE OF NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURALZES OURSESON 7 29 OIL CONSERVATION DIVISON

IN THE MATTER OF THE APPLICATION OF YATES PETROLEUM CORPORATION FOR COMPULSORY POOLING, CHAVES COUNTY, NEW MEXICO.

CASE NO. 14060

AFFIDAVIT

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

Ocean Munds-Dry, attorney in fact and authorized representative of Yates Petroleum Corporation., the Applicant herein, states that notice of the above-referenced Application was mailed to the interested parties shown on Exhibit "A" attached hereto in accordance with Oil Conservation Division Rules, and that true and correct copies of the notice letter and proof of notice are attached hereto.

For Ocean Munds-Dry

SUBCRIBED AND SWORN to before me this _____ day of March_ 2008 by Ocean Munds-Dry.

My Commission Expires: 3-10-1乙



BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico
Case No. 14060..... Exhibit No. 5
Submitted by:
YATES PETROLEUM CORPORATION

Hearing Date: March 6, 2008

AFFIDAVIT OF PUBLICATION STATE OF NEW MEXICO

I, Fran Saunders Legals Clerk

Of the Roswell Daily Record, a daily newspaper published at Roswell, New Mexico do solemnly swear that the clipping hereto attached was published in the regular and entire issue of said paper and not in a supplement thereof for a period of:

one time

beginning with the issue dated

February

10th

2008

and ending with the issue dated

February

10th

2008

Clerk

Sworn and subscribed to before me

this 11th day of February 2008

/ Notary Public

My Commission expires

June 13, 2010

(SEAL)

Publish February 10, 2008

NOTICE OF PUBLICATION

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT.
OIL CONSERVATION DIVISION:
SANTA FE, NEW MEXICO.

The State of New Mexico through its Oil Conservation Division hereby gives notice pursuant to law and the Rules and Regulations of the Division of the to-lowing public hearing to be held at 8:15 AM on March 6:2008, in the Oil Conservation Division Hearing Room at 1220 South St. Francis, Santa Fe, New Mexico, before an examiner duly appoint for the hearing, if you are an individual with a disability who is 1-fraced of 6 reaster account of account stage interpreter; or any other form of auctiony and or service to ettend or participate in the hearing, please contact. Florene Davisson at 505-476-3458 or through the New Mexico Relay Network 1-800-659-1779 by February 25, 2008. Public documents including the agenda and minutes, can be provided in various accessible forms. Please contact Florene Davisson if a summary or other type of accessible forms. Please contact Florene Davisson if a summary or other type of accessible form is needed.

STATE OF NEW MEXICO TO

All named parties and persons
having any right, title, interest
or claim in the following cases
and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

CASE 14060

pooling, Chaves County, New Mexico. Applicant in the above siyed cause seeks an order pooling all mineral interests from the surface to the base of the Siture-Devonian formation in the following described specing and providing units located in the E/2 of Section 2, Township 8, South, Range 26 East. N.M.P.M., Chaves County, New Mexico the E/2 for all formations and/or pools developed on 320-acre spacing water this vertical extent including the North Foor Ranch-Pre-Permian Gas Pool and the Undesignated South Lestie Spring-Wolfcamp Gas Pool; the NE/4 for all formations and/or pools developed on 160-acre spacing within this vertical auteral including the Pecos Slope Abo Gas Poot; and the MWA NEW for all formations and/or pools developed on 40 acre spacing within this vertical extent. Said unit is to be dedicated to its value BCV State Com Well No. 2 which has been drilled at a location 660 feet. from the North line and 1980 teet from the East line of Section 2, Township 8 South, Range 26 East, NMPM; Chaves County, New Mexico to an approximate depth of 5,875 feet to test any and all formations from the surface to the base of the Siluro-Devonian formation. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Yates Petroleum Comeration as operator of the well and a charge for risk involved in chaing said well. Said area is located 23 miles east of Roswell, New Mexico. 证的 生物的 生物性不足。"

Given under the Seal of the State of New Mexico Oil Conservation Commission at Santa Fe, New Mexico on this 7th day January 2008.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Mark E. Fesmire, P.E. Director







Ocean Munds-Dry omundsdry@hollandhart.com

January 10, 2008

<u>CERTIFIED MAIL</u> RETURN RECIEPT REQUESTED

Re: Application of Yates Petroleum Corporation for compulsory pooling, Chaves County, New Mexico.

Ladies and Gentlemen:

This letter is to advise you that Yates Petroleum Corporation has filed the enclosed application with the New Mexico Oil Conservation Division seeking an order pooling all mineral interests from the surface to the base of the Siluro-Devonian formation in certain spacing and proration units in the E/2 of Section 2, Township 8 South, Range 26 East, N.M.P.M., Chaves County, New Mexico. Said pooled units are to be dedicated to Yates's Value BCV State Com Well No. 2 which has been drilled at a location 660 feet from the North line and 1980 feet from the East line of Section 2, Township 8 South, Range 26 East, NMPM, Chaves County, New Mexico to an approximate depth of 5,675 feet to test any and all formations from the surface to the base of the Siluro-Devonian formation.

This application has been set for hearing before a Division Examiner at 8:15 a.m. on February 7, 2008. The hearing will be held in Porter Hall in the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint 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 challenging the matter at a later date.

Parties appearing in cases are required by Division Rule 1208.B to file a Pre-hearing Statement four days in advance of a scheduled hearing. This statement must be filed at the Division's Santa Fe office at the above specified address and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all 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 are to be resolved prior to the hearing.

Sincerely,

Ocean Munds-Dry **ATTORNEYS FOR**

YATES PETROLEUM CORPORATION

Polete X	3. Service Type Certified Mail Ef Express Mail D Registered Effetum Receipt for Merchandis Insured Mail C.O.D. 4. Restricted Delivery (Extra Fee) D 7es B 2750 001, 5392 8075	omestic Return Receipt COMPLETE THIS SECTION ON DELIVERY A. Signaulre	B. Received by (Printed Marrie) C. D. D. Is delivery address different from Item 17	Statebotos Type Certified Mail Registered Insured Mail C.O.D. Restricted Delivery? (Extra Fee) Yes	06 군구노미 미미미, 노크막군 &미노역 Domestic Return Receipt
SENDE Complete items 1, 2, and 3. Also complete items 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 malipiece, or on the front if space permits. 1. Article Addressed to: John Cadigan and the Estate of Linda Cadigan	Cashmere, WA-98815 Cashmere, WA-98815 2. Aride Number (Transfer from service label) 7005	SiSECTION 3. Also complet		100 Mt. Highway 287 Ennis, MT 57929	2. Article Number (fransfer from service label) PS Form 3811, February 2004 Dom
CERNICAL SCANF RECEIPER CONTROLLED INVALLE RECEIPER CONTROLLED INVALLE RECEIPER CONTROLLED INVALLED	Linda Cadigan Drawer F Cashmere, WA 98815	USI Postal Service H. RECEIPT CENTRAL CONTROL OF THE CENTRAL CONTROL	Certified Fee Ce	Greg Vujovich 100 Mt. Highway 287 Ennis, MT 57929	

102595-02-M-1540

E Express Mail Marketurn Receipt for Merchandise 口 C.O.D.

☐ Agent ☐ Addressee

C. Date of Delivery

1	STATE OF NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
2	OIL CONSERVATION DIVISION
3	
4	
5	APPLICATION OF YATES PETROLEUM CORPORATION FOR COMPULSORY POOLING, CHAVES COUNTY,
6	NEW MEXICO
7	CASE NO. 14060
8	206
9	2000 MBR E
10	PAR 25 AM 7 Docket No. 7-08 Margh 6 2008
11	
12	Malcil D. 2000
13	1220 South St. Francis Santa Fe, New Mexico 87505
14	
15	
16	
17	
18	
19	
20	BEFORE: DAVID K. BROOKS, Hearing Examiner
21	
22	
23	
24	
25	

1	<u>APPEARANCES</u>	
2	FOR THE APPLICANT:	
3	HOLLAND & HART, LLP Attorneys at Law	
4	Post Office Box 2208 Santa Fe, New Mexico 87504-2208	
5	BY: OCEAN MUNDS-DRY	
6		
7		
8	<u>INDEX</u>	PAGE
9	Court Deporture/a Cortifiante	
10	Court Reporter's Certificate	5
11		
12		
13	<u>EXHIBITS</u>	
14	Applicant's Exhibit No.	Admitted
15		
16	5. Affidavit	4
17		
18		
19		
20		
21		
22)		
23		
24		
25		

EXAMINER BROOKS: At this time, we will call
Case Number 14060, the application of Yates Petroleum
Corporation for compulsory pooling, Chaves County, New
Mexico.

MS. MUNDS-DRY: Ocean Munds-Dry with the law firm of Holland & Hart here representing Yates Petroleum Corporation this morning.

EXAMINER BROOKS: You may proceed, Ms.

Munds-Dry.

Ezeanyim?

2.4

MS. MUNDS-DRY: Thank you, Mr. Examiner. This case was originally heard in December, and while the case was being heard, we realized that there was a mistake in the advertisement in the notice letter, so we -- they had originally -- I think we advertised for this being a Wolfcamp. We have since changed that to the base of the Siluro-Devonian formation.

EXAMINER BROOKS: Was this heard by Chief

MS. MUNDS-DRY: Yes, it was. And we then, of course, republished as you see here in Exhibit Number 5 to reflect that change and also renotified the interest owners that we seek to pool to reflect that change as well. And with that, I would move the admission of Exhibit Number 5 into evidence.

EXAMINER BROOKS: Exhibit 5 will be admitted.

(Applicant's Exhibit 5 admitted into evidence.) MS. MUNDS-DRY: And ask that this matter be taken under advisement. EXAMINER BROOKS: Very good. Case Number 14060 will be taken under advisement. Unless there is anything else, Docket Number 7-08 is adjourned. I do hereby certify that the foregoing is. a complete record of the proceedings in the Examiner hearing of Case No. heard by me on_____ Oil Conservation Division

REPORTER'S CERTIFICATE

I, CONNIE JURADO, do hereby certify that I
reported the foregoing case in stenographic shorthand and
transcribed, or had the same transcribed under my supervision
and direction, the foregoing matter and that the same is a
true and correct record of the proceedings had at the time and

place.

I FURTHER CERTIFY that I am neither employed by nor related to any of the parties or attorneys in this case, and that I have no interest whatsoever in the final disposition of this case in any court.

WITNESS MY HAND this 6th day of March, 2008.

Connie Jurado, CCR, RPR New Mexico CCR No. 254 Expires: December 31, 2008