

STATE OF NEW MEXICO

OIL CONSERVATION DIVISION

DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES


APPLICATION OF YATES PETROLEUM
CORPORATION, HANLEY PETROLEUM, INC.
AND ENERGEN RESOURCES CORPORATION
(Consolidated) FOR ALLOWABLE REDUCTION
AND ESCROW OF PRODUCTION PROCEEDS,
WEST LOVINGTON STRAWN POOL, LEA COUNTY,
NEW MEXICO.

CASE NO. 12086

AFFIDAVIT

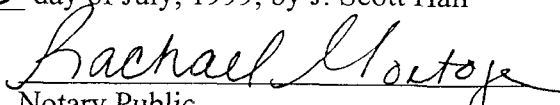
STATE OF NEW MEXICO)
)ss
COUNTY OF SANTA FE)

J. SCOTT HALL, attorney for Energen Resources Corporation, the Applicant herein,
being first duly sworn, upon oath, states that to the best of his knowledge the notice provisions of
Rule 1207 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 address of all
interested persons entitled to received notice, as shown by Exhibits "A," "B" and "C" attached
hereto, and that pursuant to Rule 1207, notice has been given by certified mail at the correct
address provided by such rule.



J. SCOTT HALL

SUBSCRIBED AND SWORN to before me this 6 day of July, 1999, by J. Scott Hall



Notary Public

My Commission Expires:

11-14-01

ENERGEN RESOURCES
EXHIBIT NO. 16
NMOCD CASE NO. 12086

MILLER, STRATVERT & TORGERSON, P. A.
LAW OFFICES

RANNE B. MILLER
ALAN C. TORGERSON
ALICE TOMLINSON LORENZ
GREGORY W. CHASE
ALAN KONRAD
LYMAN G. SANDY
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ALBUQUERQUE

500 MARQUETTE N.W. SUITE 1100
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ALBUQUERQUE, NM 87125-0687
TELEPHONE: (505) 842-1950
FACSIMILE: (505) 243-4408

LAS CRUCES

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LAS CRUCES, NM 88004-1209
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FACSIMILE: (505) 526-2215

FARMINGTON

300 WEST ARRINGTON
POST OFFICE BOX 869
FARMINGTON, NM 87499-0869
TELEPHONE: (505) 326-4521
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SANTA FE

150 WASHINGTON AVE., SUITE 300
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WILLIAM K. STRATVERT, COUNSEL
PAUL W. ROBINSON, COUNSEL
RALPH WM. RICHARDS, COUNSEL
ROSS B. PERKAL, COUNSEL
JAMES J. WIDLAND, COUNSEL

PLEASE REPLY TO SANTA FE

May 12, 1999

**CERTIFIED MAIL
RETURN RECEIPT REQUIRED**

Leonard S. Anderson
71-332 San Gorgonio Rd
Rancho Mirage, CA 92270

Re: New Mexico Oil Conservation Division Case No. 12086 (Consolidated);
Application of Yates Petroleum Corporation and Hanley Petroleum, Inc. For
Allowable Reduction and Escrow of Production Proceeds, Lea County, New
Mexico; Application of Energen Resources Corporation For Allowable Reduction
and Escrow of Production Proceeds, Lea County, New Mexico.

Dear Mr. Anderson:

Please be advised that Energen Resources Corporation has filed an Application with the New Mexico Oil Conservation Division (NMOCD) seeking the issuance of an order (1) temporarily reducing the production allowable for wells in the West Lovington Strawn Pool to the minimum level which will avoid the termination of leases for the failure to produce in paying quantities, and (2) requiring the operator of the West Lovington Strawn Unit to escrow production payments from wells it operates adjacent to the Unit. Energen will also seek authorization to produce and escrow production proceeds for its Beadle No. 1 well to be drilled to the Strawn formation in the W/2 SW/4 of Section 35, T-15-S, R-35-E, NMPM for an appropriate period of time preparatory to the inclusion of the well in the West Lovington Strawn Unit. A copy of Energen's Application is enclosed.

May 12, 1999

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Very truly yours,

MILLER, STRATVERT & TORGERSON, P.A.

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

J. Scott Hall
ATTORNEY FOR ENERGEN RESOURCES
CORPORATION

JSH/ao

Enclosure(s) – as stated

6621/21043/notice

letter.doc

Z 461 515 733

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	
Leonard S. Anderson	
Street & Number	
71-332 San Geronio Rd.	
Post Office, State, & ZIP Code	
Rancho Mirage, CA 92270	
Postage	\$.55
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.00
Postmark or Date	
5/12/99	

PS Form 3800, April 1995

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- ☐ Addressee's Address
- ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Leonard S. Anderson
71-332 San Geronio Rd.
Rancho Mirage, CA 92270

4a. Article Number

Z 461 515 733

4b. Service Type

- ☐ Registered ☒ Certified
- ☐ Express Mail ☐ Insured
- ☒ Return Receipt for Merchandise ☐ COD

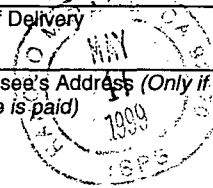
7. Date of Delivery

5. Received By: (Print Name)

6. Signature: (Addressee or Agent)

X *Leonard S. Anderson*

8. Addressee's Address (Only if requested and fee is paid)



PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

, STRATVERT & TORGERSON, P.A.
LAW OFFICES
POST OFFICE BOX 1986
SANTA FE, NEW MEXICO 87504-1986

CERTIFIED

Z 461 515 732

MAIL

William R. Crow
5007 Canterbury Drive
Midland, TX 79705

TURNED
TO
SENDER
JUN 15 1994
5-19
5-29

JUN

Is your RETURN ADDRESS completed on the reverse side?

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RALPH WM. RICHARDS, COUNSEL
ROSS B. PERKAL, COUNSEL
JAMES J. WIDLAND, COUNSEL

PLEASE REPLY TO SANTA FE

May 12, 1999

CERTIFIED MAIL
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William R. Crow
5007 Canterbury Drive
Midland, TX 79705

Re: New Mexico Oil Conservation Division Case No. 12086 (Consolidated);
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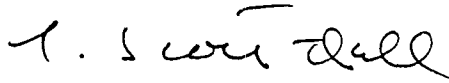
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Very truly yours.

MILLER, STRATVERT & TORGERSON, P.A.

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J. Scott Hall
ATTORNEY FOR ENERGEN RESOURCES
CORPORATION

JSH/ao

Enclosure(s) -- as stated

6621/21043/notice

letter.doc

Z 461 515 732

US Postal Service

Receipt for Certified Mail

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PS Form 3800, April 1995

Sent to	
William R. Crow	
Street & Number	
5007 Canterbury Drive	
Post Office, State, & ZIP Code	
Midland, TX 79705	
Postage	\$.55
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.00
Postmark or Date	
5/12/99 <i>R</i>	

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JAMES J. WIDLAND, COUNSEL

PLEASE REPLY TO SANTA FE

May 12, 1999

CERTIFIED MAIL
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Joseph B. Matthews
Post Office Box 6409
Abilene, TX 79608-6409

Re: New Mexico Oil Conservation Division Case No. 12086 (Consolidated);
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Very truly yours,

MILLER, STRATVERT & TORGERSON, P.A.

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J. Scott Hall
ATTORNEY FOR ENERGEN RESOURCES
CORPORATION

JSH/ao

Enclosure(s) -- as stated

6621/21043/notice

letter.doc

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Joseph B. Matthews	
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Abilene, TX 79608-6409	
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Postmark or Date	
5/12/99 Rm	

PS Form 3800, April 1995

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 Post Office Box 6409
 Abilene, TX 79608-6409

4a. Article Number

Z 461 515 730

4b. Service Type

- ☐ Registered ☒ Certified
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7. Date of Delivery

5-17-99

5. Received By: (Print Name)

8. Addressee's Address (Only if requested and fee is paid)

6. Signature (Addressee or Agent)

X Joseph B. Matthews

PS Form 3811, December 1994

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LAW OFFICES

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415 W. Wall Street, Suite 1500
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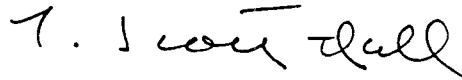
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Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	
Hanley Petroleum, Inc.	
Street & Number	
415 W. Wall Street, Suite 1500	
Post Office, State, & ZIP Code	
Midland, TX 79701	
Postage	\$.55
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.00
Postmark or Date	
5/12/99 Rm	

PS Form 3800, April 1995

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- ☐ Addressee's Address
- ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Hanley Petroleum, Inc.
415 W. Wall Street, Suite 1500
Midland, TX 79701

4a. Article Number

Z 461 515 729

4b. Service Type

- ☐ Registered ☒ Certified
☐ Express Mail ☐ Insured
☒ Return Receipt for Merchandise ☐ COD

7. Date of Delivery

5-14-99

5. Received By: (Print Name)

A. James

6. Signature: (Addressee or Agent)

X

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

MILLER, STRATVERT & TORGERSON, P. A.
LAW OFFICES

RANNE B. MILLER
ALAN C. TORGERSON
ALICE TOMLINSON LORENZ
GREGORY W. CHASE
ALAN KONRAD
LYMAN G. SANDY
STEPHEN M. WILLIAMS
STEPHAN M. VIDMAR
ROBERT C. GUTIERREZ
SETH V. BINGHAM
JAMES B. COLLINS
TIMOTHY R. BRIGGS
RUDOLPH LUCERO
DEBORAH A. SOLOVE
GARY L. GORDON
LAWRENCE R. WHITE
SHARON P. GROSS
VIRGINIA ANDERMAN
MARTE D. LIGHTSTONE
J. SCOTT HALL
THOMAS R. MACK
TERRI L. SAUER

JOEL T. NEWTON
THOMAS M. DOMME
RUTH O. PREGENZER
JEFFREY E. JONES
MANUEL I. ARRIETA
ROBIN A. GOBLE
JAMES R. WOOD
DANA M. KYLE
KIRK R. ALLEN
RUTH M. FUESS
KYLE M. FINCH
H. BROOK LASKEY
KATHERINE W. HALL
FRED SCHILLER
LARA L. WHITE
PAULA G. MAYNES
DEAN B. CROSS
MICHAEL C. ROSS
ANDREW M. SANCHEZ
CARLA PRANDO
KATHERINE N. BLACKETT
JENNIFER L. STONE

ALBUQUERQUE

500 MARQUETTE N.W. SUITE 1100
POST OFFICE BOX 25687
ALBUQUERQUE, NM 87125-0687
TELEPHONE: (505) 842-1950
FACSIMILE: (505) 243-4408

LAS CRUCES

500 S. MAIN ST., SUITE 800
POST OFFICE BOX 1209
LAS CRUCES, NM 88004-1209
TELEPHONE: (505) 523-2481
FACSIMILE: (505) 526-2215

FARMINGTON

300 WEST ARRINGTON
POST OFFICE BOX 869
FARMINGTON, NM 87499-0869
TELEPHONE: (505) 326-4521
FACSIMILE: (505) 325-5474

SANTA FE

150 WASHINGTON AVE., SUITE 300
POST OFFICE BOX 1986
SANTA FE, NM 87504-1986
TELEPHONE: (505) 989-9614
FACSIMILE: (505) 989-9857

WILLIAM K. STRATVERT, COUNSEL
PAUL W. ROBINSON, COUNSEL
RALPH WM. RICHARDS, COUNSEL
ROSS B. PERKAL, COUNSEL
JAMES J. WIDLAND, COUNSEL

PLEASE REPLY TO SANTA FE

May 12, 1999

**CERTIFIED MAIL
RETURN RECEIPT REQUIRED**

Roger and Holly L. Elliot
3907 Crestgate
Midland, TX 79707

Re: New Mexico Oil Conservation Division Case No. 12086 (Consolidated);
Application of Yates Petroleum Corporation and Hanley Petroleum, Inc. For
Allowable Reduction and Escrow of Production Proceeds, Lea County, New
Mexico; Application of Energen Resources Corporation For Allowable Reduction
and Escrow of Production Proceeds, Lea County, New Mexico.

Dear Sir and Madam:

Please be advised that Energen Resources Corporation has filed an Application with the New Mexico Oil Conservation Division (NMOCD) seeking the issuance of an order (1) temporarily reducing the production allowable for wells in the West Lovington Strawn Pool to the minimum level which will avoid the termination of leases for the failure to produce in paying quantities, and (2) requiring the operator of the West Lovington Strawn Unit to escrow production payments from wells it operates adjacent to the Unit. Energen will also seek authorization to produce and escrow production proceeds for its Beadle No. 1 well to be drilled to the Strawn formation in the W/2 SW/4 of Section 35, T-15-S, R-35-E, NMPM for an appropriate period of time preparatory to the inclusion of the well in the West Lovington Strawn Unit. A copy of Energen's Application is enclosed.

May 12, 1999

Page two

Energen's Application, originally filed with the New Mexico Oil Conservation Commission, was consolidated with a substantially similar Application filed before the NMOCD on behalf of Yates Petroleum Corporation and Hanley Petroleum, Inc. The consolidated proceeding has been set for hearing before a Division Examiner at 8:15 a.m. on Thursday, June 10, 1999 at the NMOCD's office at 2040 South Pacheco Street in Santa Fe, New Mexico. You are not required to attend this hearing, but as an operator of a well, a mineral lessee or the owner of an unleased mineral interest in the pool, you have the right to appear and participate in the hearing. Failure to appear at that time and become a party of record will preclude you from challenging this matter at a later date.

Very truly yours,

MILLER, STRATVERT & TORGERSON, P.A.

A handwritten signature in black ink, appearing to read "J. Scott Hall", is written over the typed name.

J. Scott Hall
ATTORNEY FOR ENERGEN RESOURCES
CORPORATION

JSH/ao

Enclosure(s) – as stated

6621/21043/notice

letter.doc

Z 461 515 728

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

PS Form 3800 April 1995

Sent to	
Roger & Holly L. Elliot	
Street & Number	
3907 Crestgate	
Post Office, State, & ZIP Code	
Midland, TX 79707	
Postage	\$.55
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.00
Postmark or Date	
5/12/99 Rm	

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- ☐ Addressee's Address
- ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Roger and Holly L. Elliot
3907 Crestgate
Midland, TX 79707

4a. Article Number

Z 461 515 728

4b. Service Type

- | | |
|--|---|
| <input type="checkbox"/> Registered | <input checked="" type="checkbox"/> Certified |
| <input type="checkbox"/> Express Mail | <input type="checkbox"/> Insured |
| <input checked="" type="checkbox"/> Return Receipt for Merchandise | <input type="checkbox"/> COD |

7. Date of Delivery

14 May 99

5. Received By: (Print Name)

8. Addressee's Address (Only if requested and fee is paid)

6. Signature: (Addressee or Agent)

X Holly Elliot

PS Form 3811 December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

MILLER, STRATVERT & TORGERSO, P. A.
LAW OFFICES

RANNE B. MILLER
ALAN C. TORGERSO
ALICE TOMLINSON LORENZ
GREGORY W. CHASE
ALAN KONRAD
LYMAN G. SANDY
STEPHEN M. WILLIAMS
STEPHAN M. VIDMAR
ROBERT C. GUTIERREZ
SETH V. BINGHAM
JAMES B. COLLINS
TIMOTHY R. BRIGGS
RUDOLPH LUCERO
DEBORAH A. SOLOVE
GARY L. GORDON
LAWRENCE R. WHITE
SHARON P. GROSS
VIRGINIA ANDERMAN
MARTE D. LIGHTSTONE
J. SCOTT HALL
THOMAS R. MACK
TERRI L. SAUER

JOEL T. NEWTON
THOMAS M. DOMME
RUTH O. PREGENZER
JEFFREY E. JONES
MANUEL I. ARRIETA
ROBIN A. GOBLE
JAMES R. WOOD
DANA M. KYLE
KIRK R. ALLEN
RUTH M. FUESS
KYLE M. FINCH
H. BROOK LASKEY
KATHERINE W. HALL
FRED SCHILLER
LARA L. WHITE
PAULA G. MAYNES
DEAN B. CROSS
MICHAEL C. ROSS
ANDREW M. SANCHEZ
CARLA PRANDO
KATHERINE N. BLACKETT
JENNIFER L. STONE

ALBUQUERQUE

500 MARQUETTE N.W. SUITE 1100
POST OFFICE BOX 25687
ALBUQUERQUE, NM 87125-0687
TELEPHONE: (505) 842-1950
FACSIMILE: (505) 243-4408

LAS CRUCES

500 S. MAIN ST., SUITE 800
POST OFFICE BOX 1209
LAS CRUCES, NM 88004-1209
TELEPHONE: (505) 523-2481
FACSIMILE: (505) 526-2215

FARMINGTON

300 WEST ARRINGTON
POST OFFICE BOX 869
FARMINGTON, NM 87499-0869
TELEPHONE: (505) 326-4521
FACSIMILE: (505) 325-5474

SANTA FE

150 WASHINGTON AVE., SUITE 300
POST OFFICE BOX 1986
SANTA FE, NM 87504-1986
TELEPHONE: (505) 989-9614
FACSIMILE: (505) 989-9657

WILLIAM K. STRATVERT, COUNSEL
PAUL W. ROBINSON, COUNSEL
RALPH WM. RICHARDS, COUNSEL
ROSS B. PERKAL, COUNSEL
JAMES J. WIDLAND, COUNSEL

PLEASE REPLY TO SANTA FE

May 12, 1999

CERTIFIED MAIL
RETURN RECEIPT REQUIRED

David Petroleum Corporation
116 West Fifth St.
Roswell, New Mexico 88201

Re: New Mexico Oil Conservation Division Case No. 12086 (Consolidated);
Application of Yates Petroleum Corporation and Hanley Petroleum, Inc. For
Allowable Reduction and Escrow of Production Proceeds, Lea County, New
Mexico; Application of Energen Resources Corporation For Allowable Reduction
and Escrow of Production Proceeds, Lea County, New Mexico.

Dear Sir or Madam:

Please be advised that Energen Resources Corporation has filed an Application with the New Mexico Oil Conservation Division (NMOCD) seeking the issuance of an order (1) temporarily reducing the production allowable for wells in the West Lovington Strawn Pool to the minimum level which will avoid the termination of leases for the failure to produce in paying quantities, and (2) requiring the operator of the West Lovington Strawn Unit to escrow production payments from wells it operates adjacent to the Unit. Energen will also seek authorization to produce and escrow production proceeds for its Beadle No. 1 well to be drilled to the Strawn formation in the W/2 SW/4 of Section 35, T-15-S, R-35-E, NMPPM for an appropriate period of time preparatory to the inclusion of the well in the West Lovington Strawn Unit. A copy of Energen's Application is enclosed.

May 12, 1999

Page two

Energen's Application, originally filed with the New Mexico Oil Conservation Commission, was consolidated with a substantially similar Application filed before the NMOCD on behalf of Yates Petroleum Corporation and Hanley Petroleum, Inc. The consolidated proceeding has been set for hearing before a Division Examiner at 8:15 a.m. on Thursday, June 10, 1999 at the NMOCD's office at 2040 South Pacheco Street in Santa Fe, New Mexico. You are not required to attend this hearing, but as an operator of a well, a mineral lessee or the owner of an unleased mineral interest in the pool, you have the right to appear and participate in the hearing. Failure to appear at that time and become a party of record will preclude you from challenging this matter at a later date.

Very truly yours,

MILLER, STRATVERT & TORGERSON, P.A.

A handwritten signature in dark ink, appearing to read "J. Scott Hall", is written over the typed name.

J. Scott Hall
ATTORNEY FOR ENERGEN RESOURCES
CORPORATION

JSH/ao

Enclosure(s) -- as stated

6621/21043/notice

letter.doc

Z 461 515 731

US Postal Service
Receipt for Certified Mail
 No Insurance Coverage Provided.
 Do not use for International Mail (See reverse)

Sent to David Petroleum Corp.	
Street & Number 116 W. 5th St.	
Post Office, State, & ZIP Code Roswell, N.M. 88201	
Postage	\$ 55
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.00
Postmark or Date 5/12/99 Rm	

PS Form 3800, April 1995

Is your RETURN ADDRESS completed on the reverse side?

SENDER: ■ Complete items 1 and/or 2 for additional services. ■ Complete items 3, 4a, and 4b. ■ Print your name and address on the reverse of this form so that we can return this card to you. ■ Attach this form to the front of the mailpiece, or on the back if space does not permit. ■ Write "Return Receipt Requested" on the mailpiece below the article number. ■ The Return Receipt will show to whom the article was delivered and the date delivered.		I also wish to receive the following services (for an extra fee): 1. <input type="checkbox"/> Addressee's Address 2. <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.
3. Article Addressed to: David Petroleum Corporation 116 West Fifth Street Roswell, New Mexico 88201 Burt Bellini	4a. Article Number Z 461 515 731 4b. Service Type <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express Mail <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> COD	Thank you for using Return Receipt Service.
5. Received By: (Print Name) Burt Bellini	7. Date of Delivery 5-17-99	
6. Signature: (Addressee or Agent) X	8. Addressee's Address (Only if requested and fee is paid)	

PS Form 3811, December 1994 Domestic Return Receipt

MILLER, STRATVERT & TORGERSON, P. A.
LAW OFFICES

RANNE B. MILLER
ALAN C. TORGERSON
ALICE TOMLINSON LORENZ
GREGORY W. CHASE
ALAN KONRAD
LYMAN G. SANDY
STEPHEN M. WILLIAMS
STEPHAN M. VIDMAR
ROBERT C. GUTIERREZ
SETH V. BINGHAM
JAMES B. COLLINS
TIMOTHY R. BRIGGS
RUDOLPH LUCERO
DEBORAH A. SOLOVE
GARY L. GORDON
LAWRENCE R. WHITE
SHARON P. GROSS
VIRGINIA ANDERMAN
MARTE D. LIGHTSTONE
J. SCOTT HALL
THOMAS R. MACK
TERRI L. SAUER

JOEL T. NEWTON
THOMAS M. DOMME
RUTH O. PREGENZER
JEFFREY E. JONES
MANUEL I. ARRIETA
ROBIN A. GOBLE
JAMES R. WOOD
DANA M. KYLE
KIRK R. ALLEN
RUTH M. FUESS
KYLE M. FINCH
H. BROOK LASKEY
KATHERINE W. HALL
FRED SCHILLER
LARA L. WHITE
PAULA G. MAYNES
DEAN B. CROSS
MICHAEL C. ROSS
ANDREW M. SANCHEZ
CARLA PRANDO
KATHERINE N. SLACKETT
JENNIFER L. STONE

ALBUQUERQUE

500 MARQUETTE N.W. SUITE 1100
POST OFFICE BOX 25687
ALBUQUERQUE, NM 87125-0687
TELEPHONE: (505) 842-1950
FACSIMILE: (505) 243-4408

LAS CRUCES

500 S. MAIN ST., SUITE 800
POST OFFICE BOX 1209
LAS CRUCES, NM 88004-1209
TELEPHONE: (505) 523-2481
FACSIMILE: (505) 526-2215

FARMINGTON

300 WEST ARRINGTON
POST OFFICE BOX 869
FARMINGTON, NM 87499-0869
TELEPHONE: (505) 326-4521
FACSIMILE: (505) 325-5474

SANTA FE

150 WASHINGTON AVE., SUITE 300
POST OFFICE BOX 1986
SANTA FE, NM 87504-1986
TELEPHONE: (505) 989-9614
FACSIMILE: (505) 989-9857

WILLIAM K. STRATVERT, COUNSEL
PAUL W. ROBINSON, COUNSEL
RALPH WM. RICHARDS, COUNSEL
ROSS B. PERKAL, COUNSEL
JAMES J. WIDLAND, COUNSEL

PLEASE REPLY TO SANTA FE

May 12, 1999

CERTIFIED MAIL
RETURN RECEIPT REQUIRED

Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210

Re: New Mexico Oil Conservation Division Case No. 12086 (Consolidated);
Application of Yates Petroleum Corporation and Hanley Petroleum, Inc. For
Allowable Reduction and Escrow of Production Proceeds, Lea County, New
Mexico; Application of Energen Resources Corporation For Allowable Reduction
and Escrow of Production Proceeds, Lea County, New Mexico.

Dear Sir or Madam:

Please be advised that Energen Resources Corporation has filed an Application with the New Mexico Oil Conservation Division (NMOCD) seeking the issuance of an order (1) temporarily reducing the production allowable for wells in the West Lovington Strawn Pool to the minimum level which will avoid the termination of leases for the failure to produce in paying quantities, and (2) requiring the operator of the West Lovington Strawn Unit to escrow production payments from wells it operates adjacent to the Unit. Energen will also seek authorization to produce and escrow production proceeds for its Beadle No. 1 well to be drilled to the Strawn formation in the W/2 SW/4 of Section 35, T-15-S, R-35-E, NMMPM for an appropriate period of time preparatory to the inclusion of the well in the West Lovington Strawn Unit. A copy of Energen's Application is enclosed.

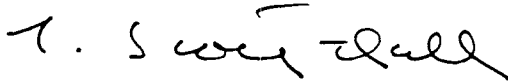
May 12, 1999

Page two

Energen's Application, originally filed with the New Mexico Oil Conservation Commission, was consolidated with a substantially similar Application filed before the NMOCD on behalf of Yates Petroleum Corporation and Hanley Petroleum, Inc. The consolidated proceeding has been set for hearing before a Division Examiner at 8:15 a.m. on Thursday, June 10, 1999 at the NMOCD's office at 2040 South Pacheco Street in Santa Fe, New Mexico. You are not required to attend this hearing, but as an operator of a well, a mineral lessee or the owner of an unleased mineral interest in the pool, you have the right to appear and participate in the hearing. Failure to appear at that time and become a party of record will preclude you from challenging this matter at a later date.

Very truly yours,

MILLER, STRATVERT & TORGERSON, P.A.

A handwritten signature in black ink, appearing to read "J. Scott Hall", is written over the typed name.

J. Scott Hall

ATTORNEY FOR ENERGEN RESOURCES
CORPORATION

JSH/ao

Enclosure(s) – as stated

6621/21043/notice

letter.doc

Z 461 515 726

US Postal Service
Receipt for Certified Mail
 No Insurance Coverage Provided.
 Do not use for International Mail (See reverse)

Sent to Yates Petroleum Corp.	
Street & Number 105 S. 4th St.	
Post Office, State, & ZIP Code Artesia, N.M.	
Postage	\$.55
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.00
Postmark or Date MAY 12	

PS Form 3800, April 1995

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- ☐ Addressee's Address
- ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Yates Petroleum Corporation
 105 South Fourth Street
 Artesia, New Mexico 88210

4a. Article Number

Z 461 515 726

4b. Service Type

- ☐ Registered
- ☐ Express Mail
- ☒ Return Receipt for Merchandise
- ☒ Certified
- ☐ Insured
- ☐ COD

7. Date of Delivery

5. Received By: (Print Name)

JOANN GRIGGS

8. Addressee's Address (Only if requested and fee is paid)

6. Signature: (Addressee or Agent)

X

Jo Ann Griggs

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

MILLER, STRATVERT & TORGERSO, P. A.
LAW OFFICES

RANNE B. MILLER
ALAN C. TORGERSO
ALICE TOMLINSON LORENZ
GREGORY W. CHASE
ALAN KONRAD
LYMAN G. SANDY
STEPHEN M. WILLIAMS
STEPHAN M. VIDMAR
ROBERT C. GUTIERREZ
SETH V. BINGHAM
JAMES B. COLLINS
TIMOTHY R. BRIGGS
RUDOLPH LUCERO
DEBORAH A. SOLOVE
GARY L. GORDON
LAWRENCE R. WHITE
SHARON P. GROSS
VIRGINIA ANDERMAN
MARTE D. LIGHTSTONE
J. SCOTT HALL
THOMAS R. MACK
TERRI L. SAUER

JOEL T. NEWTON
THOMAS M. DOMME
RUTH O. PREGENZER
JEFFREY E. JONES
MANUEL I. ARRIETA
ROBIN A. GOBLE
JAMES R. WOOD
DANA M. KYLE
KIRK R. ALLEN
RUTH M. FUESS
KYLE M. FINCH
H. BROOK LASKEY
KATHERINE W. HALL
FRED SCHILLER
LARA L. WHITE
PAULA G. MAYNES
DEAN B. CROSS
MICHAEL C. ROSS
ANDREW M. SANCHEZ
CARLA PRANDO
KATHERINE N. BLACKETT
JENNIFER L. STONE

ALBUQUERQUE

500 MARQUETTE N.W. SUITE 1100
POST OFFICE BOX 25687
ALBUQUERQUE, NM 87125-0687
TELEPHONE: (505) 842-1950
FACSIMILE: (505) 243-4408

LAS CRUCES

500 S. MAIN ST., SUITE 800
POST OFFICE BOX 1209
LAS CRUCES, NM 88004-1209
TELEPHONE: (505) 523-2481
FACSIMILE: (505) 526-2215

FARMINGTON

300 WEST ARRINGTON
POST OFFICE BOX 889
FARMINGTON, NM 87499-0889
TELEPHONE: (505) 326-4521
FACSIMILE: (505) 325-5474

SANTA FE

150 WASHINGTON AVE., SUITE 300
POST OFFICE BOX 1986
SANTA FE, NM 87504-1986
TELEPHONE: (505) 989-9614
FACSIMILE: (505) 989-9857

WILLIAM K. STRATVERT, COUNSEL
PAUL W. ROBINSON, COUNSEL
RALPH WM. RICHARDS, COUNSEL
ROSS B. PERKAL, COUNSEL
JAMES J. WIDLAND, COUNSEL

PLEASE REPLY TO SANTA FE

May 12, 1999

CERTIFIED MAIL
RETURN RECEIPT REQUIRED

Phillips Petroleum Company
4001 Penbrook
Odessa, TX 79762

Re: New Mexico Oil Conservation Division Case No. 12086 (Consolidated);
Application of Yates Petroleum Corporation and Hanley Petroleum, Inc. For
Allowable Reduction and Escrow of Production Proceeds, Lea County, New
Mexico; Application of Energen Resources Corporation For Allowable Reduction
and Escrow of Production Proceeds, Lea County, New Mexico.

Dear Sir or Madam:

Please be advised that Energen Resources Corporation has filed an Application with
the New Mexico Oil Conservation Division (NMOCD) seeking the issuance of an order (1)
temporarily reducing the production allowable for wells in the West Lovington Strawn Pool
to the minimum level which will avoid the termination of leases for the failure to produce
in paying quantities, and (2) requiring the operator of the West Lovington Strawn Unit to
escrow production payments from wells it operates adjacent to the Unit. Energen will also
seek authorization to produce and escrow production proceeds for its Beadle No. 1 well to
be drilled to the Strawn formation in the W/2 SW/4 of Section 35, T-15-S, R-35-E, NMPM
for an appropriate period of time preparatory to the inclusion of the well in the West
Lovington Strawn Unit. A copy of Energen's Application is enclosed.

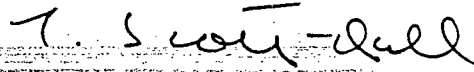
May 12, 1999

Page two

Energen's Application, originally filed with the New Mexico Oil Conservation Commission, was consolidated with a substantially similar Application filed before the NMOCD on behalf of Yates Petroleum Corporation and Hanley Petroleum, Inc. The consolidated proceeding has been set for hearing before a Division Examiner at 8:15 a.m. on Thursday, June 10, 1999 at the NMOCD's office at 2040 South Pacheco Street in Santa Fe, New Mexico. You are not required to attend this hearing, but as an operator of a well, a mineral lessee or the owner of an unleased mineral interest in the pool, you have the right to appear and participate in the hearing. Failure to appear at that time and become a party of record will preclude you from challenging this matter at a later date.

Very truly yours,

MILLER, STRATVERT & TORGERSON, P.A.



J. Scott Hall
ATTORNEY FOR ENERGEN RESOURCES
CORPORATION

JSH/ao

Enclosure(s) - as stated

6621/21043/notice

letter.doc

Z 461 515 735

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	
Phillips Petroleum Co.	
Street & Number	
4001 Penbrook	
Post Office, State, & ZIP Code	
Odessa, TX 79762	
Postage	\$.55
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.00
Postmark or Date	
5/12/99 RM	

PS Form 3800 April 1995

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- ☐ Addressee's Address
- ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Phillips Petroleum Company
4001 Penbrook
Odessa, TX 79762

4a. Article Number

2461515735

4b. Service Type

- | | |
|--|---|
| <input type="checkbox"/> Registered | <input checked="" type="checkbox"/> Certified |
| <input type="checkbox"/> Express Mail | <input type="checkbox"/> Insured |
| <input checked="" type="checkbox"/> Return Receipt for Merchandise | <input type="checkbox"/> COD |

7. Date of Delivery

5-14-99

8. Addressee's Address (Only if requested and fee is paid)

5. Received By: (Print Name)

Christy Ortiz

6. Signature: (Addressee or Agent)

x Christy Ortiz

Domestic Return Receipt

PS Form 3811, December 1994

Thank you for using Return Receipt Service.

MILLER, STRATVERT & TORGERSON, P. A.
LAW OFFICES

RANNE B. MILLER
ALAN C. TORGERSON
ALICE TOMLINSON LORENZ
GREGORY W. CHASE
ALAN KONRAD
LYMAN G. SANDY
STEPHEN M. WILLIAMS
STEPHAN M. VIDMAR
ROBERT C. GUTIERREZ
SETH V. BINGHAM
JAMES B. COLLINS
TIMOTHY R. BRIGGS
RUDOLPH LUCERO
DEBORAH A. SOLOVE
GARY L. GORDON
LAWRENCE R. WHITE
SHARON P. GROSS
VIRGINIA ANDERMAN
MARTE D. LIGHTSTONE
J. SCOTT HALL
THOMAS R. MACK
TERRI L. SAUER

JOEL T. NEWTON
THOMAS M. DOMME
RUTH O. PREGENZER
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ROBIN A. GOBLE
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PAULA G. MAYNES
DEAN B. CROSS
MICHAEL C. ROSS
ANDREW M. SANCHEZ
CARLA PRANDO
KATHERINE N. BLACKETT
JENNIFER L. STONE

ALBUQUERQUE

500 MARQUETTE N.W. SUITE 1100
POST OFFICE BOX 25687
ALBUQUERQUE, NM 87125-0687
TELEPHONE: (505) 842-1950
FACSIMILE: (505) 243-4408

LAS CRUCES

500 S. MAIN ST., SUITE 800
POST OFFICE BOX 1209
LAS CRUCES, NM 88004-1209
TELEPHONE: (505) 523-2481
FACSIMILE: (505) 526-2215

FARMINGTON

300 WEST ARRINGTON
POST OFFICE BOX 869
FARMINGTON, NM 87499-0869
TELEPHONE: (505) 326-4521
FACSIMILE: (505) 325-5474

SANTA FE

150 WASHINGTON AVE., SUITE 300
POST OFFICE BOX 1986
SANTA FE, NM 87504-1986
TELEPHONE: (505) 989-9614
FACSIMILE: (505) 989-9857

WILLIAM K. STRATVERT, COUNSEL
PAUL W. ROBINSON, COUNSEL
RALPH WM. RICHARDS, COUNSEL
ROSS B. PERKAL, COUNSEL
JAMES J. WIDLAND, COUNSEL

PLEASE REPLY TO SANTA FE

May 12, 1999

CERTIFIED MAIL
RETURN RECEIPT REQUIRED

Adia Enterprises, Inc.
4209 Cardinal Lane
Midland, TX 79707

Re: New Mexico Oil Conservation Division Case No. 12086 (Consolidated);
Application of Yates Petroleum Corporation and Hanley Petroleum, Inc. For
Allowable Reduction and Escrow of Production Proceeds, Lea County, New
Mexico; Application of Energen Resources Corporation For Allowable Reduction
and Escrow of Production Proceeds, Lea County, New Mexico.

Dear Sir or Madam:

Please be advised that Energen Resources Corporation has filed an Application with the New Mexico Oil Conservation Division (NMOCD) seeking the issuance of an order (1) temporarily reducing the production allowable for wells in the West Lovington Strawn Pool to the minimum level which will avoid the termination of leases for the failure to produce in paying quantities, and (2) requiring the operator of the West Lovington Strawn Unit to escrow production payments from wells it operates adjacent to the Unit. Energen will also seek authorization to produce and escrow production proceeds for its Beadle No. 1 well to be drilled to the Strawn formation in the W/2 SW/4 of Section 35, T-15-S, R-35-E, NMPM for an appropriate period of time preparatory to the inclusion of the well in the West Lovington Strawn Unit. A copy of Energen's Application is enclosed.

May 12, 1999
Page two

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Very truly yours,

MILLER, STRATVERT & TORGERSON, P.A.

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

J. Scott Hall
ATTORNEY FOR ENERGEN RESOURCES
CORPORATION

JSH/ao

Enclosure(s) – as stated

6621/21043/notice

letter.doc

Z 461 515 727

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

PS Form 3800, April 1995

Sent to	
Adia Enterprises Inc.	
Street & Number	
4209 Cardinal Lane	
Post Office, State, & ZIP Code	
Midland, TX 79707	
Postage	\$.55
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$3.00
Postmark or Date	
5/12/99 Rm	

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- ☐ Addressee's Address
- ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Adia Enterprises, Inc.
4209 Cardinal Lane
Midland, TX 79707

4a. Article Number

Z 461 515 727

4b. Service Type

- | | |
|--|---|
| <input type="checkbox"/> Registered | <input checked="" type="checkbox"/> Certified |
| <input type="checkbox"/> Express Mail | <input type="checkbox"/> Insured |
| <input checked="" type="checkbox"/> Return Receipt for Merchandise | <input type="checkbox"/> COD |

7. Date of Delivery

5-14-99

5. Received By: (Print Name)

Alan Jackson

6. Signature: (Addressee or Agent)

X

8. Addressee's Address (Only if requested and fee is paid)

Thank you for using Return Receipt Service.

PS Form 3811, December 1994

Domestic Return Receipt

MILLER, STRATVERT & TORGERSON, P. A.
LAW OFFICES

RANNE B. MILLER
ALAN C. TORGERSON
ALICE TOMLINSON LORENZ
GREGORY W. CHASE
ALAN KONRAD
LYMAN G. SANDY
STEPHEN M. WILLIAMS
STEPHAN M. VIDMAR
ROBERT C. GUTIERREZ
SETH V. BINGHAM
JAMES B. COLLINS
TIMOTHY R. BRIGGS
RUDOLPH LUCERO
DEBORAH A. SOLOVE
GARY L. GORDON
LAWRENCE R. WHITE
SHARON P. GROSS
VIRGINIA ANDERMAN
MARTE D. LIGHTSTONE
J. SCOTT HALL
THOMAS R. MACK
TERRI L. SAUER

JOEL T. NEWTON
THOMAS M. DOMME
RUTH O. PREGENZER
JEFFREY E. JONES
MANUEL I. ARRIETA
ROBIN A. GOBLE
JAMES R. WOOD
DANA M. KYLE
KIRK R. ALLEN
RUTH M. FUESS
KYLE M. FINCH
H. BROOK LASKEY
KATHERINE W. HALL
FRED SCHILLER
LARA L. WHITE
PAULA G. MAYNES
DEAN B. CROSS
MICHAEL C. ROSS
ANDREW M. SANCHEZ
CARLA PRANDO
KATHERINE N. BLACKETT
JENNIFER L. STONE

ALBUQUERQUE

500 MARQUETTE N.W. SUITE 1100
POST OFFICE BOX 25687
ALBUQUERQUE, NM 87125-0687
TELEPHONE: (505) 842-1950
FACSIMILE: (505) 243-4408

LAS CRUCES

500 S. MAIN ST., SUITE 800
POST OFFICE BOX 1209
LAS CRUCES, NM 88004-1209
TELEPHONE: (505) 523-2481
FACSIMILE: (505) 526-2215

FARMINGTON

300 WEST ARRINGTON
POST OFFICE BOX 869
FARMINGTON, NM 87499-0869
TELEPHONE: (505) 326-4521
FACSIMILE: (505) 325-5474

SANTA FE

150 WASHINGTON AVE., SUITE 300
POST OFFICE BOX 1986
SANTA FE, NM 87504-1986
TELEPHONE: (505) 989-9614
FACSIMILE: (505) 989-9857

WILLIAM K. STRATVERT, COUNSEL
PAUL W. ROBINSON, COUNSEL
RALPH WM. RICHARDS, COUNSEL
ROSS B. PERKAL, COUNSEL
JAMES J. WIDLAND, COUNSEL

PLEASE REPLY TO SANTA FE

May 12, 1999

CERTIFIED MAIL
RETURN RECEIPT REQUIRED

J&B Trust
Post Office Box 2557
Midland, TX 79707

Re: New Mexico Oil Conservation Division Case No. 12086 (Consolidated);
Application of Yates Petroleum Corporation and Hanley Petroleum, Inc. For
Allowable Reduction and Escrow of Production Proceeds, Lea County, New
Mexico; Application of Energen Resources Corporation For Allowable Reduction
and Escrow of Production Proceeds, Lea County, New Mexico.

Dear Sir or Madam:

Please be advised that Energen Resources Corporation has filed an Application with the New Mexico Oil Conservation Division (NMOCD) seeking the issuance of an order (1) temporarily reducing the production allowable for wells in the West Lovington Strawn Pool to the minimum level which will avoid the termination of leases for the failure to produce in paying quantities, and (2) requiring the operator of the West Lovington Strawn Unit to escrow production payments from wells it operates adjacent to the Unit. Energen will also seek authorization to produce and escrow production proceeds for its Beadle No. 1 well to be drilled to the Strawn formation in the W/2 SW/4 of Section 35, T-15-S, R-35-E, NMPM for an appropriate period of time preparatory to the inclusion of the well in the West Lovington Strawn Unit. A copy of Energen's Application is enclosed.

May 12, 1999
Page two

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Very truly yours,

MILLER, STRATVERT & TORGERSON, P.A.

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

J. Scott Hall
ATTORNEY FOR ENERGEN RESOURCES
CORPORATION

JSH/ao

Enclosure(s) – as stated

6621/21043/notice

letter.doc

Z 461 515 734

US Postal Service
Receipt for Certified Mail
 No Insurance Coverage Provided.
 Do not use for International Mail (See reverse)

Sent to	
J&B TRUST	
Street & Number	
P.O. Box 2557	
Post Office, State, & ZIP Code	
Midland, TX 79707	
Postage	\$.55
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.00
Postmark or Date	
5/12/99 PM	

PS Form 3800, April 1995

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

1. ☐ Addressee's Address
2. ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

J&B Trust
 Post Office Box 2557
 Midland, TX 79707

4a. Article Number

Z 461 515 734

Service Type

- | | |
|---|---|
| <input type="checkbox"/> Registered | <input checked="" type="checkbox"/> Certified |
| <input type="checkbox"/> Express Mail | <input type="checkbox"/> Insured |
| <input type="checkbox"/> Return Receipt for Merchandise | <input type="checkbox"/> COD |

Date of Delivery

5. Received By: (Print Name)

6. Signature: (Addressee or Agent)

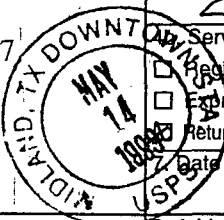
[Signature]

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.



MILLER, STRATVERT & TORGERSON, P. A.
LAW OFFICES

RANNE B. MILLER
ALAN C. TORGERSON
ALICE TOMLINSON LORENZ
GREGORY W. CHASE
ALAN KONRAD
LYMAN G. SANDY
STEPHEN M. WILLIAMS
STEPHAN M. VIDMAR
ROBERT C. GUTIERREZ
SETH V. BINGHAM
JAMES B. COLLINS
TIMOTHY R. BRIGGS
RUDOLPH LUCERO
DEBORAH A. SOLOVE
GARY L. GORDON
LAWRENCE R. WHITE
SHARON P. GROSS
VIRGINIA ANDERMAN
MARTE D. LIGHTSTONE
J. SCOTT HALL
THOMAS R. MACK
TERRI L. SAUER

JOEL T. NEWTON
THOMAS M. DOMME
RUTH O. PREGENZER
JEFFREY E. JONES
MANUEL I. ARRIETA
ROBIN A. GOBLE
JAMES R. WOOD
DANA M. KYLE
KIRK R. ALLEN
RUTH M. FUESS
KYLE M. FINCH
H. BROOK LASKEY
KATHERINE W. HALL
FRED SCHILLER
LARA L. WHITE
PAULA G. MAYNES
DEAN B. CROSS
MICHAEL C. ROSS
ANDREW M. SANCHEZ
CARLA PRANDO
KATHERINE N. BLACKETT
JENNIFER L. STONE

ALBUQUERQUE

500 MARQUETTE N.W. SUITE 1100
POST OFFICE BOX 25687
ALBUQUERQUE, NM 87125-0687
TELEPHONE: (505) 842-1950
FACSIMILE: (505) 243-4408

LAS CRUCES

500 S. MAIN ST., SUITE 800
POST OFFICE BOX 1209
LAS CRUCES, NM 88004-1209
TELEPHONE: (505) 523-2481
FACSIMILE: (505) 526-2215

FARMINGTON

300 WEST ARRINGTON
POST OFFICE BOX 869
FARMINGTON, NM 87499-0869
TELEPHONE: (505) 326-4521
FACSIMILE: (505) 325-5474

SANTA FE

150 WASHINGTON AVE., SUITE 300
POST OFFICE BOX 1986
SANTA FE, NM 87504-1986
TELEPHONE: (505) 969-9614
FACSIMILE: (505) 969-9857

WILLIAM K. STRATVERT, COUNSEL
PAUL W. ROBINSON, COUNSEL
RALPH WM. RICHARDS, COUNSEL
ROSS B. PERKAL, COUNSEL
JAMES J. WIDLAND, COUNSEL

PLEASE REPLY TO SANTA FE

May 12, 1999

CERTIFIED MAIL
RETURN RECEIPT REQUIRED

Commissioner of Public Lands
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501

Re: New Mexico Oil Conservation Division Case No. 12086 (Consolidated);
Application of Yates Petroleum Corporation and Hanley Petroleum, Inc. For
Allowable Reduction and Escrow of Production Proceeds, Lea County, New
Mexico; Application of Energen Resources Corporation For Allowable Reduction
and Escrow of Production Proceeds, Lea County, New Mexico.

Dear Sir or Madam:

Please be advised that Energen Resources Corporation has filed an Application with the New Mexico Oil Conservation Division (NMOCD) seeking the issuance of an order (1) temporarily reducing the production allowable for wells in the West Lovington Strawn Pool to the minimum level which will avoid the termination of leases for the failure to produce in paying quantities, and (2) requiring the operator of the West Lovington Strawn Unit to escrow production payments from wells it operates adjacent to the Unit. Energen will also seek authorization to produce and escrow production proceeds for its Beadle No. 1 well to be drilled to the Strawn formation in the W/2 SW/4 of Section 35, T-15-S, R-35-E, NMMP for an appropriate period of time preparatory to the inclusion of the well in the West Lovington Strawn Unit. A copy of Energen's Application is enclosed.

May 12, 1999
Page two

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Very truly yours,

MILLER, STRATVERT & TORGERSON, P.A.

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

J. Scott Hall
ATTORNEY FOR ENERGEN RESOURCES
CORPORATION

JSH/ao

Enclosure(s) – as stated

6621/21043/notice

letter.doc

Z 461 515 722

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

PS Form 3800 April 1995

Sent to	
Commissioner of Public Lands	
Street & Number	
310 Old Santa Fe Trail	
Post Office, State, & ZIP Code	
Santa Fe, NM 87501	
Postage	\$.55
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.00
Postmark or Date	
MAY 12	

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

1. ☐ Addressee's Address
2. ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Commissioner of Public Lands
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501

4a. Article Number

Z 461 515 722

4b. Service Type

- | | |
|--|---|
| <input type="checkbox"/> Registered | <input checked="" type="checkbox"/> Certified |
| <input type="checkbox"/> Express Mail | <input type="checkbox"/> Insured |
| <input checked="" type="checkbox"/> Return Receipt for Merchandise | <input type="checkbox"/> COD |

7. Date of Delivery

5. Received By: (Print Name)

6. Signature: (Addressee or Agent)

8. Addressee's Address (Only if requested and fee is paid)

MAY 13 1999

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

MILLER, STRATVERT & TORGERSON, P. A.
LAW OFFICES

RANNE B. MILLER
ALAN C. TORGERSON
ALICE TOMLINSON LORENZ
GREGORY W. CHASE
ALAN KONRAD
LYMAN G. SANDY
STEPHEN M. WILLIAMS
STEPHAN M. VIDMAR
ROBERT C. GUTIERREZ
SETH V. BINGHAM
JAMES B. COLLINS
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RUDOLPH LUCERO
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GARY L. GORDON
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SHARON P. GROSS
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MARTE D. LIGHTSTONE
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THOMAS R. MACK
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JOEL T. NEWTON
THOMAS M. DOMME
RUTH O. PREGENZER
JEFFREY E. JONES
MANUEL I. ARRIETA
ROBIN A. GOBLE
JAMES R. WOOD
DANA M. KYLE
KIRK R. ALLEN
RUTH M. FUESS
KYLE M. FINCH
H. BROOK LASKEY
KATHERINE W. HALL
FRED SCHILLER
LARA L. WHITE
PAULA G. MAYNES
DEAN B. CROSS
MICHAEL C. ROSS
ANDREW M. SANCHEZ
CARLA PRANDO
KATHERINE N. BLACKETT
JENNIFER L. STONE

ALBUQUERQUE

500 MARQUETTE N.W. SUITE 1100
POST OFFICE BOX 25687
ALBUQUERQUE, NM 87125-0687
TELEPHONE: (505) 842-1950
FACSIMILE: (505) 243-4408

LAS CRUCES

500 S. MAIN ST., SUITE 800
POST OFFICE BOX 1209
LAS CRUCES, NM 88004-1209
TELEPHONE: (505) 523-2481
FACSIMILE: (505) 526-2215

FARMINGTON

300 WEST ARRINGTON
POST OFFICE BOX 869
FARMINGTON, NM 87499-0869
TELEPHONE: (505) 326-4521
FACSIMILE: (505) 325-5474

SANTA FE

150 WASHINGTON AVE., SUITE 300
POST OFFICE BOX 1986
SANTA FE, NM 87504-1986
TELEPHONE: (505) 989-9614
FACSIMILE: (505) 989-9857

WILLIAM K. STRATVERT, COUNSEL
PAUL W. ROBINSON, COUNSEL
RALPH WM. RICHARDS, COUNSEL
ROSS B. PERKAL, COUNSEL
JAMES J. WIDLAND, COUNSEL

PLEASE REPLY TO SANTA FE

May 12, 1999

CERTIFIED MAIL
RETURN RECEIPT REQUIRED

Abo Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210

Re: New Mexico Oil Conservation Division Case No. 12086 (Consolidated);
Application of Yates Petroleum Corporation and Hanley Petroleum, Inc. For
Allowable Reduction and Escrow of Production Proceeds, Lea County, New
Mexico; Application of Energen Resources Corporation For Allowable Reduction
and Escrow of Production Proceeds, Lea County, New Mexico.

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May 12, 1999

Page two

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Very truly yours,

MILLER, STRATVERT & TORGERSON. P.A.

A handwritten signature in dark ink, appearing to read "J. Scott Hall", is written over the typed name.

J. Scott Hall
ATTORNEY FOR ENERGEN RESOURCES
CORPORATION

JSH/ao

Enclosure(s) – as stated

6621/21043/notice

letter.doc

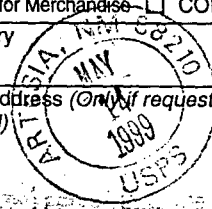
Z 461 515 723

US Postal Service
Receipt for Certified Mail
 No Insurance Coverage Provided.
 Do not use for International Mail (See reverse)

Sent to	
Abo Petroleum Corporation	
Street & Number	
105 South Fourth St.	
Post Office, State, & ZIP Code	
Artesia, N.M. 88201	
Postage	\$.55
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.00
Postmark or Date	MAY 12

PS Form 3800 April 1995

Is your RETURN ADDRESS completed on the reverse side?

SENDER: ■ Complete items 1 and/or 2 for additional services. ■ Complete items 3, 4a, and 4b. ■ Print your name and address on the reverse of this form so that we can return this card to you. ■ Attach this form to the front of the mailpiece, or on the back if space does not permit. ■ Write "Return Receipt Requested" on the mailpiece below the article number. ■ The Return Receipt will show to whom the article was delivered and the date delivered.		I also wish to receive the following services (for an extra fee): 1. <input type="checkbox"/> Addressee's Address 2. <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.
3. Article Addressed to: Abo Petroleum Corporation 105 South Fourth Street Artesia, New Mexico 88201	4a. Article Number Z 461 515 723	7. Date of Delivery 
5. Received By: (Print Name) JOANN GRIGGS	4b. Service Type <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express Mail <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> COD	
6. Signature: <i>Joann Griggs</i> X	8. Addressee's Address (Only if requested and fee is paid)	

Thank you for using Return Receipt Service.

MILLER, STRATVERT & TORGERSON, P. A.
LAW OFFICES

RANNE B. MILLER
ALAN C. TORGERSON
ALICE TOMLINSON LORENZ
GREGORY W. CHASE
ALAN KONRAD
LYMAN G. SANDY
STEPHEN M. WILLIAMS
STEPHAN M. VIDMAR
ROBERT C. GUTIERREZ
SETH V. BINGHAM
JAMES B. COLLINS
TIMOTHY R. BRIGGS
RUDOLPH LUCERO
DEBORAH A. SOLOVE
GARY L. GORDON
LAWRENCE R. WHITE
SHARON P. GROSS
VIRGINIA ANDERMAN
MARTE D. LIGHTSTONE
J. SCOTT HALL
THOMAS R. MACK
TERRI L. SAUER

JOEL T. NEWTON
THOMAS M. DOMME
RUTH O. PREGENZER
JEFFREY E. JONES
MANUEL I. ARRIETA
ROBIN A. GOBLE
JAMES R. WOOD
DANA M. KYLE
KIRK R. ALLEN
RUTH M. FUESS
KYLE M. FINCH
H. BROOK LASKEY
KATHERINE W. HALL
FRED SCHILLER
LARA L. WHITE
PAULA G. MAYNES
DEAN B. CROSS
MICHAEL C. ROSS
ANDREW M. SANCHEZ
CARLA PRANDO
KATHERINE N. BLACKETT
JENNIFER L. STONE

ALBUQUERQUE

500 MARQUETTE N.W. SUITE 1100
POST OFFICE BOX 25687
ALBUQUERQUE, NM 87125-0687
TELEPHONE: (505) 842-1950
FACSIMILE: (505) 243-4408

LAS CRUCES

500 S. MAIN ST., SUITE 800
POST OFFICE BOX 1209
LAS CRUCES, NM 88004-1209
TELEPHONE: (505) 523-2481
FACSIMILE: (505) 526-2215

FARMINGTON

300 WEST ARRINGTON
POST OFFICE BOX 869
FARMINGTON, NM 87499-0869
TELEPHONE: (505) 326-4521
FACSIMILE: (505) 325-5474

SANTA FE

150 WASHINGTON AVE., SUITE 300
POST OFFICE BOX 1986
SANTA FE, NM 87504-1986
TELEPHONE: (505) 989-9614
FACSIMILE: (505) 989-9857

WILLIAM K. STRATVERT, COUNSEL
PAUL W. ROBINSON, COUNSEL
RALPH WM. RICHARDS, COUNSEL
ROSS B. PERKAL, COUNSEL
JAMES J. WIDLAND, COUNSEL

PLEASE REPLY TO SANTA FE

May 12, 1999

CERTIFIED MAIL
RETURN RECEIPT REQUIRED

Lario Oil & Gas Company
301 S. Market Street
Wichita, KS 67202

Re: New Mexico Oil Conservation Division Case No. 12086 (Consolidated);
Application of Yates Petroleum Corporation and Hanley Petroleum, Inc. For
Allowable Reduction and Escrow of Production Proceeds, Lea County, New
Mexico; Application of Energen Resources Corporation For Allowable Reduction
and Escrow of Production Proceeds, Lea County, New Mexico.

Dear Sir or Madam:

Please be advised that Energen Resources Corporation has filed an Application with the New Mexico Oil Conservation Division (NMOCD) seeking the issuance of an order (1) temporarily reducing the production allowable for wells in the West Lovington Strawn Pool to the minimum level which will avoid the termination of leases for the failure to produce in paying quantities, and (2) requiring the operator of the West Lovington Strawn Unit to escrow production payments from wells it operates adjacent to the Unit. Energen will also seek authorization to produce and escrow production proceeds for its Beadle No. 1 well to be drilled to the Strawn formation in the W/2 SW/4 of Section 35, T-15-S, R-35-E, NMMPM for an appropriate period of time preparatory to the inclusion of the well in the West Lovington Strawn Unit. A copy of Energen's Application is enclosed.

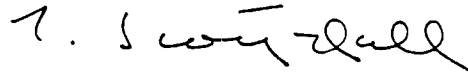
May 12, 1999

Page two

Energen's Application, originally filed with the New Mexico Oil Conservation Commission, was consolidated with a substantially similar Application filed before the NMOCD on behalf of Yates Petroleum Corporation and Hanley Petroleum, Inc. The consolidated proceeding has been set for hearing before a Division Examiner at 8:15 a.m. on Thursday, June 10, 1999 at the NMOCD's office at 2040 South Pacheco Street in Santa Fe, New Mexico. You are not required to attend this hearing, but as an operator of a well, a mineral lessee or the owner of an unleased mineral interest in the pool, you have the right to appear and participate in the hearing. Failure to appear at that time and become a party of record will preclude you from challenging this matter at a later date.

Very truly yours,

MILLER, STRATVERT & TORGERSON, P.A.

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

J. Scott Hall
ATTORNEY FOR ENERGEN RESOURCES
CORPORATION

JSH/ao

Enclosure(s) -- as stated

6621/21043/notice

letter.doc

Z 461 515 717

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

PS Form 3800, April 1995

Sent to	
Wichita, KS 67202	
Street & Number	
Lario Oil & Gas Co.	
Post Office, State, & ZIP Code	
301 S. Market St.	
Postage	\$.55
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$3.00
Postmark or Date	
5/12/99 Rm	

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- ☐ Addressee's Address
- ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Lario Oil & Gas Company
301 S. Market Street
Wichita, KS 67202

4a. Article Number

Z 461 515 717

4b. Service Type

- ☐ Registered ☒ Certified
☐ Express Mail ☐ Insured
☒ Return Receipt for Merchandise ☐ COD

7. Date of Delivery

5/18/99

5. Received By: (Print Name)

Adrienne Loefer

6. Signature: (Addressee or Agent)

X Adrienne Loefer

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

MILLER, STRATVERT & TORGERSON, P. A.
LAW OFFICES

RANNE B. MILLER
ALAN C. TORGERSON
ALICE TOMLINSON LORENZ
GREGORY W. CHASE
ALAN KONRAD
LYMAN G. SANDY
STEPHEN M. WILLIAMS
STEPHAN M. VIDMAR
ROBERT C. GUTIERREZ
SETH V. BINGHAM
JAMES B. COLLINS
TIMOTHY R. BRIGGS
RUDOLPH LUCERO
DEBORAH A. SOLOVE
GARY L. GORDON
LAWRENCE R. WHITE
SHARON P. GROSS
VIRGINIA ANDERMAN
MARTE D. LIGHTSTONE
J. SCOTT HALL
THOMAS R. MACK
TERRIL SAUER

JOEL T. NEWTON
THOMAS M. DOMME
RUTH O. PREGENZER
JEFFREY E. JONES
MANUEL I. ARRIETA
ROBIN A. GOBLE
JAMES R. WOOD
DANA M. KYLE
KIRK R. ALLEN
RUTH M. FUESS
KYLE M. FINCH
H. BROOK LASKEY
KATHERINE W. HALL
FRED SCHILLER
LARA L. WHITE
PAULA G. MAYNES
DEAN B. CROSS
MICHAEL C. ROSS
ANDREW M. SANCHEZ
CARLA PRANDO
KATHERINE N. BLACKETT
JENNIFER L. STONE

ALBUQUERQUE

500 MARQUETTE N.W. SUITE 1100
POST OFFICE BOX 25687
ALBUQUERQUE, NM 87125-0687
TELEPHONE: (505) 842-1950
FACSIMILE: (505) 243-4408

LAS CRUCES

500 S. MAIN ST., SUITE 800
POST OFFICE BOX 1209
LAS CRUCES, NM 88004-1209
TELEPHONE: (505) 523-2481
FACSIMILE: (505) 526-2215

FARMINGTON

300 WEST ARRINGTON
POST OFFICE BOX 869
FARMINGTON, NM 87499-0869
TELEPHONE: (505) 326-4521
FACSIMILE: (505) 325-5474

SANTA FE

150 WASHINGTON AVE., SUITE 300
POST OFFICE BOX 1986
SANTA FE, NM 87504-1986
TELEPHONE: (505) 989-9614
FACSIMILE: (505) 989-9857

WILLIAM K. STRATVERT, COUNSEL
PAUL W. ROBINSON, COUNSEL
RALPH WM. RICHARDS, COUNSEL
ROSS B. PERKAL, COUNSEL
JAMES J. WIDLAND, COUNSEL

PLEASE REPLY TO SANTA FE

May 12, 1999

CERTIFIED MAIL
RETURN RECEIPT REQUIRED

Hollyhock Corporation
3907 Crestgate
Midland, TX 79707

Re: New Mexico Oil Conservation Division Case No. 12086 (Consolidated);
Application of Yates Petroleum Corporation and Hanley Petroleum, Inc. For
Allowable Reduction and Escrow of Production Proceeds, Lea County, New
Mexico; Application of Energen Resources Corporation For Allowable Reduction
and Escrow of Production Proceeds, Lea County, New Mexico.

Dear Sir or Madam:

Please be advised that Energen Resources Corporation has filed an Application with the New Mexico Oil Conservation Division (NMOCD) seeking the issuance of an order: (1) temporarily reducing the production allowable for wells in the West Lovington Strawn Pool to the minimum level which will avoid the termination of leases for the failure to produce in paying quantities, and (2) requiring the operator of the West Lovington Strawn Unit to escrow production payments from wells it operates adjacent to the Unit. Energen will also seek authorization to produce and escrow production proceeds for its Beadle No. 1 well to be drilled to the Strawn formation in the W/2-SW/4 of Section 35, T-15-S, R-35-E, NMMPM for an appropriate period of time preparatory to the inclusion of the well in the West Lovington Strawn Unit. A copy of Energen's Application is enclosed.

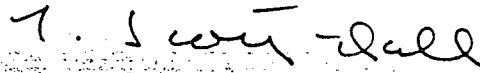
May 12, 1999

Page two

Energen's Application, originally filed with the New Mexico Oil Conservation Commission, was consolidated with a substantially similar Application filed before the NMOCD on behalf of Yates Petroleum Corporation and Hanley Petroleum, Inc. The consolidated proceeding has been set for hearing before a Division Examiner at 8:15 a.m. on Thursday, June 10, 1999 at the NMOCD's office at 2040 South Pacheco Street in Santa Fe, New Mexico. You are not required to attend this hearing, but as an operator of a well, a mineral lessee or the owner of an unleased mineral interest in the pool, you have the right to appear and participate in the hearing. Failure to appear at that time and become a party of record will preclude you from challenging this matter at a later date.

Very truly yours,

MILLER, STRATVERT & TORGERSON, P.A.



J. Scott Hall
ATTORNEY FOR ENERGEN RESOURCES
CORPORATION

JSH/ao

Enclosure(s) – as stated

6621/21043/notice

letter.doc

Z 461 515 718

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to Hollyhock Corporation	
Street & Number 3907 Crestgate	
Post Office, State, & ZIP Code Midland, TX 79707	
Postage	\$ 55
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.00
Postmark or Date 5/12/99 PM	

PS Form 3800, April 1995

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- ☐ Addressee's Address
- ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Hollyhock Corporation
3907 Crestgate
Midland, TX 79707

4a. Article Number

2 461 515 718

4b. Service Type

- | | |
|--|---|
| <input type="checkbox"/> Registered | <input checked="" type="checkbox"/> Certified |
| <input type="checkbox"/> Express Mail | <input type="checkbox"/> Insured |
| <input checked="" type="checkbox"/> Return Receipt for Merchandise | <input type="checkbox"/> COD |

7. Date of Delivery

14 May 99

5. Received By: (Print Name)

8. Addressee's Address (Only if requested and fee is paid)

6. Signature: (Addressee or Agent)

X Holly Elliott

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

MILLER, STRATVERT & TORGERSON, P. A.
LAW OFFICES

RANNE B. MILLER
ALAN C. TORGERSON
ALICE TOMLINSON LORENZ
GREGORY W. CHASE
ALAN KONRAD
LYMAN G. SANDY
STEPHEN M. WILLIAMS
STEPHAN M. VIDMAR
ROBERT C. GUTIERREZ
SETH V. BINGHAM
JAMES B. COLLINS
TIMOTHY R. BRIGGS
RUDOLPH LUCERO
DEBORAH A. SOLOVE
GARY L. GORDON
LAWRENCE R. WHITE
SHARON P. GROSS
VIRGINIA ANDERMAN
MARTE D. LIGHTSTONE
J. SCOTT HALL
THOMAS R. MACK
TERRI L. SAUER

JOEL T. NEWTON
THOMAS M. DOMME
RUTH O. PREGENZER
JEFFREY E. JONES
MANUEL I. ARRIETA
ROBIN A. GOBLE
JAMES R. WOOD
DANA M. KYLE
KIRK R. ALLEN
RUTH M. FUESS
KYLE M. FINCH
H. BROOK LASKEY
KATHERINE W. HALL
FRED SCHILLER
LARA L. WHITE
PAULA G. MAYNES
DEAN B. CROSS
MICHAEL C. ROSS
ANDREW M. SANCHEZ
CARLA PRANDO
KATHERINE N. BLACKETT
JENNIFER L. STONE

ALBUQUERQUE

500 MARQUETTE N.W. SUITE 1100
POST OFFICE BOX 25687
ALBUQUERQUE, NM 87125-0687
TELEPHONE: (505) 842-1950
FACSIMILE: (505) 243-4408

LAS CRUCES

500 S. MAIN ST., SUITE 800
POST OFFICE BOX 1209
LAS CRUCES, NM 88004-1209
TELEPHONE: (505) 523-2481
FACSIMILE: (505) 526-2215

FARMINGTON

300 WEST ARRINGTON
POST OFFICE BOX 869
FARMINGTON, NM 87499-0869
TELEPHONE: (505) 326-4521
FACSIMILE: (505) 325-5474

SANTA FE

150 WASHINGTON AVE., SUITE 300
POST OFFICE BOX 1986
SANTA FE, NM 87504-1986
TELEPHONE: (505) 989-9614
FACSIMILE: (505) 989-9857

WILLIAM K. STRATVERT, COUNSEL
PAUL W. ROBINSON, COUNSEL
RALPH WM. RICHARDS, COUNSEL
ROSS B. PERKAL, COUNSEL
JAMES J. WIDLAND, COUNSEL

PLEASE REPLY TO SANTA FE

May 12, 1999

CERTIFIED MAIL
RETURN RECEIPT REQUIRED

Charles B. Gillespie, Jr.
Post Office Box 2557
Midland, TX 79702

Re: New Mexico Oil Conservation Division Case No. 12086 (Consolidated);
Application of Yates Petroleum Corporation and Hanley Petroleum, Inc. For
Allowable Reduction and Escrow of Production Proceeds, Lea County, New
Mexico; Application of Energen Resources Corporation For Allowable Reduction
and Escrow of Production Proceeds, Lea County, New Mexico.

Dear Mr. Gillespie:

Please be advised that Energen Resources Corporation has filed an Application with the New Mexico Oil Conservation Division (NMOCD) seeking the issuance of an order (1) temporarily reducing the production allowable for wells in the West Lovington Strawn Pool to the minimum level which will avoid the termination of leases for the failure to produce in paying quantities, and (2) requiring the operator of the West Lovington Strawn Unit to escrow production payments from wells it operates adjacent to the Unit. Energen will also seek authorization to produce and escrow production proceeds for its Beadle No. 1 well to be drilled to the Strawn formation in the W/2 SW/4 of Section 35, T-15-S, R-35-E, NMPM for an appropriate period of time preparatory to the inclusion of the well in the West Lovington Strawn Unit. A copy of Energen's Application is enclosed.

May 12, 1999

Page two

Energen's Application, originally filed with the New Mexico Oil Conservation Commission, was consolidated with a substantially similar Application filed before the NMOCD on behalf of Yates Petroleum Corporation and Hanley Petroleum, Inc. The consolidated proceeding has been set for hearing before a Division Examiner at 8:15 a.m. on Thursday, June 10, 1999 at the NMOCD's office at 2040 South Pacheco Street in Santa Fe, New Mexico. You are not required to attend this hearing, but as an operator of a well, a mineral lessee or the owner of an unleased mineral interest in the pool, you have the right to appear and participate in the hearing. Failure to appear at that time and become a party of record will preclude you from challenging this matter at a later date.

Very truly yours,

MILLER, STRATVERT & TORGERSON, P.A.

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

J. Scott Hall
ATTORNEY FOR ENERGEN RESOURCES
CORPORATION

JSH/ao

Enclosure(s) – as stated

6621/21043/notice

letter.doc

Z 461 515 724

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

PS Form 3800, April 1995

Sent to	
Charles B. Gillespie, JR.	
Street & Number	
P.O. Box 2557	
Post Office, State, & ZIP Code	
Midland, TX 79702	
Postage	\$ 55
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.00
Postmark or Date	
5/12/99 PM	

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- ☐ Addressee's Address
- ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Charles B. Gillespie
Post Office Box
Midland, TX 79702



4a. Article Number

Z 461 515 724

4b. Service Type

- | | |
|--|---|
| <input type="checkbox"/> Registered | <input checked="" type="checkbox"/> Certified |
| <input type="checkbox"/> Express Mail | <input type="checkbox"/> Insured |
| <input checked="" type="checkbox"/> Return Receipt for Merchandise | <input type="checkbox"/> COD |

7. Date of Delivery

5. Received By: (Print Name)

8. Addressee's Address (Only if requested and fee is paid)

6. Signature: (Addressee or Agent)

Lisa Ferguson

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

MILLER, STRATVERT & TORGERSON, P. A.
LAW OFFICES

RANNE B. MILLER
ALAN C. TORGERSON
ALICE TOMLINSON LORENZ
GREGORY W. CHASE
ALAN KONRAD
LYMAN G. SANDY
STEPHEN M. WILLIAMS
STEPHAN M. VIDMAR
ROBERT C. GUTIERREZ
SETH V. BINGHAM
JAMES B. COLLINS
TIMOTHY R. BRIGGS
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DEBORAH A. SOLOVE
GARY L. GORDON
LAWRENCE R. WHITE
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VIRGINIA ANDERMAN
MARTE D. LIGHTSTONE
J. SCOTT HALL
THOMAS R. MACK
TERRI L. SAUER

JOEL T. NEWTON
THOMAS M. DOMME
RUTH O. PREGENZER
JEFFREY E. JONES
MANUEL I. ARRIETA
ROBIN A. GOBLE
JAMES R. WOOD
DANA M. KYLE
KIRK R. ALLEN
RUTH M. FUESS
KYLE M. FINCH
H. BROOK LASKEY
KATHERINE W. HALL
FRED SCHILLER
LARA L. WHITE
PAULA G. MAYNES
DEAN B. CROSS
MICHAEL C. ROSS
ANDREW M. SANCHEZ
CARLA PRANDO
KATHERINE N. BLACKETT
JENNIFER L. STONE

ALBUQUERQUE

500 MARQUETTE N.W. SUITE 1100
POST OFFICE BOX 25687
ALBUQUERQUE, NM 87125-0687
TELEPHONE: (505) 842-1950
FACSIMILE: (505) 243-4408

LAS CRUCES

500 S. MAIN ST., SUITE 800
POST OFFICE BOX 1209
LAS CRUCES, NM 88004-1209
TELEPHONE: (505) 523-2481
FACSIMILE: (505) 526-2215

FARMINGTON

300 WEST ARRINGTON
POST OFFICE BOX 869
FARMINGTON, NM 87499-0869
TELEPHONE: (505) 326-4521
FACSIMILE: (505) 325-5474

SANTA FE

150 WASHINGTON AVE., SUITE 300
POST OFFICE BOX 1986
SANTA FE, NM 87504-1986
TELEPHONE: (505) 989-9614
FACSIMILE: (505) 989-9857

WILLIAM K. STRATVERT, COUNSEL
PAUL W. ROBINSON, COUNSEL
RALPH WM. RICHARDS, COUNSEL
ROSS B. PERKAL, COUNSEL
JAMES J. WIDLAND, COUNSEL

PLEASE REPLY TO SANTA FE

May 12, 1999

CERTIFIED MAIL
RETURN RECEIPT REQUIRED

Myco Industries, Inc.
105 South Fourth Street
Artesia, New Mexico 88210

Re: New Mexico Oil Conservation Division Case No. 12086 (Consolidated);
Application of Yates Petroleum Corporation and Hanley Petroleum, Inc. For
Allowable Reduction and Escrow of Production Proceeds, Lea County, New
Mexico; Application of Energen Resources Corporation For Allowable Reduction
and Escrow of Production Proceeds, Lea County, New Mexico.

Dear Sir or Madam:

Please be advised that Energen Resources Corporation has filed an Application with the New Mexico Oil Conservation Division (NMOCD) seeking the issuance of an order (1) temporarily reducing the production allowable for wells in the West Lovington Strawn Pool to the minimum level which will avoid the termination of leases for the failure to produce in paying quantities, and (2) requiring the operator of the West Lovington Strawn Unit to escrow production payments from wells it operates adjacent to the Unit. Energen will also seek authorization to produce and escrow production proceeds for its Beadle No. 1 well to be drilled to the Strawn formation in the W/2 SW/4 of Section 35, T-15-S, R-35-E, NMPM for an appropriate period of time preparatory to the inclusion of the well in the West Lovington Strawn Unit. A copy of Energen's Application is enclosed.

May 12, 1999

Page two

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Very truly yours,

MILLER, STRATVERT & TORGERSON, P.A.

A handwritten signature in black ink, appearing to read "J. Scott Hall", is written over the typed name.

J. Scott Hall
ATTORNEY FOR ENERGEN RESOURCES
CORPORATION

JSH/ao

Enclosure(s) – as stated

6621/21043/notice

letter.doc

Z 461 515 725

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

PS Form 3800, April 1995

Sent to	
MYCO INDUSTRIES, INC.	
Street & Number	
105 S. 4 th St.	
Post Office, State, & ZIP Code	
ARTESIA, N.M. 88201	
Postage	\$.55
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.00
Postmark or Date	
5/12/99pm	

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

1. ☐ Addressee's Address
2. ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Myco Industries, Inc.
105 South Fourth Street
Artesia, New Mexico 88201

JOANN GRIGGS

5. Received By: (Print Name)

6. Signature (Addressee or Agent)

X

4a. Article Number

Z 461 515 725

4b. Service Type

- ☐ Registered ☒ Certified
☐ Express Mail ☐ Insured
☒ Return Receipt for Merchandise ☐ COD

7. Date of Delivery

8. Addressee's Address (Only if requested and fee is paid)

Thank you for using Return Receipt Service.

PS Form 3811, December 1994

Domestic Return Receipt

MILLER, STRATVERT & TORGERSON, P. A.
LAW OFFICES

RANNE B. MILLER
ALAN C. TORGERSON
ALICE TOMLINSON LORENZ
GREGORY W. CHASE
ALAN KONRAD
LYMAN G. SANDY
STEPHEN M. WILLIAMS
STEPHAN M. VIDMAR
ROBERT C. GUTIERREZ
SETH V. BINGHAM
JAMES B. COLLINS
TIMOTHY R. BRIGGS
RUDOLPH LUCERO
DEBORAH A. SOLOVE
GARY L. GORDON
LAWRENCE R. WHITE
SHARON P. GROSS
VIRGINIA ANDERMAN
MARTE D. LIGHTSTONE
J. SCOTT HALL
THOMAS R. MACK
TERRI L. SAUER

JOEL T. NEWTON
THOMAS M. DOMME
RUTH O. PREGENZER
JEFFREY E. JONES
MANUEL I. ARRIETA
ROBIN A. GOBLE
JAMES R. WOOD
DANA M. KYLE
KIRK R. ALLEN
RUTH M. FUESS
KYLE M. FINCH
H. BROOK LASKEY
KATHERINE W. HALL
FRED SCHILLER
LARA L. WHITE
PAULA G. MAYNES
DEAN B. CROSS
MICHAEL C. ROSS
ANDREW M. SANCHEZ
CARLA PRANDO
KATHERINE N. BLACKETT
JENNIFER L. STONE

ALBUQUERQUE

500 MARQUETTE N.W. SUITE 1100
POST OFFICE BOX 25687
ALBUQUERQUE, NM 87125-0687
TELEPHONE: (505) 842-1950
FACSIMILE: (505) 243-4408

LAS CRUCES

500 S. MAIN ST., SUITE 800
POST OFFICE BOX 1209
LAS CRUCES, NM 88004-1209
TELEPHONE: (505) 523-2481
FACSIMILE: (505) 526-2215

FARMINGTON

300 WEST ARRINGTON
POST OFFICE BOX 869
FARMINGTON, NM 87499-0869
TELEPHONE: (505) 326-4521
FACSIMILE: (505) 325-5474

SANTA FE

150 WASHINGTON AVE., SUITE 300
POST OFFICE BOX 1986
SANTA FE, NM 87504-1986
TELEPHONE: (505) 989-9614
FACSIMILE: (505) 989-9857

WILLIAM K. STRATVERT, COUNSEL
PAUL W. ROBINSON, COUNSEL
RALPH WM. RICHARDS, COUNSEL
ROSS B. PERKAL, COUNSEL
JAMES J. WIDLAND, COUNSEL

PLEASE REPLY TO SANTA FE

May 12, 1999

CERTIFIED MAIL
RETURN RECEIPT REQUIRED

Cannon Exploration Company
3608 SCR 1184
Midland, TX 79706

Re: New Mexico Oil Conservation Division Case No. 12086 (Consolidated);
Application of Yates Petroleum Corporation and Hanley Petroleum, Inc. For
Allowable Reduction and Escrow of Production Proceeds, Lea County, New
Mexico; Application of Energen Resources Corporation For Allowable Reduction
and Escrow of Production Proceeds, Lea County, New Mexico.

Dear Sir or Madam:

Please be advised that Energen Resources Corporation has filed an Application with the New Mexico Oil Conservation Division (NMOCD) seeking the issuance of an order (1) temporarily reducing the production allowable for wells in the West Lovington Strawn Pool to the minimum level which will avoid the termination of leases for the failure to produce in paying quantities, and (2) requiring the operator of the West Lovington Strawn Unit to escrow production payments from wells it operates adjacent to the Unit. Energen will also seek authorization to produce and escrow production proceeds for its Beadle No. 1 well to be drilled to the Strawn formation in the W/2 SW/4 of Section 35, T-15-S, R-35-E, NMPM for an appropriate period of time preparatory to the inclusion of the well in the West Lovington Strawn Unit. A copy of Energen's Application is enclosed.

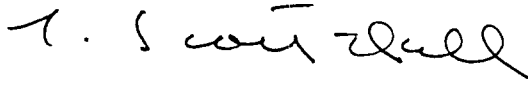
May 12, 1999

Page two

Energen's Application, originally filed with the New Mexico Oil Conservation Commission, was consolidated with a substantially similar Application filed before the NMOCD on behalf of Yates Petroleum Corporation and Hanley Petroleum, Inc. The consolidated proceeding has been set for hearing before a Division Examiner at 8:15 a.m. on Thursday, June 10, 1999 at the NMOCD's office at 2040 South Pacheco Street in Santa Fe, New Mexico. You are not required to attend this hearing, but as an operator of a well, a mineral lessee or the owner of an unleased mineral interest in the pool, you have the right to appear and participate in the hearing. Failure to appear at that time and become a party of record will preclude you from challenging this matter at a later date.

Very truly yours,

MILLER, STRATVERT & TORGERSON, P.A.

A handwritten signature in black ink, appearing to read "J. Scott Hall", is written over the typed name.

J. Scott Hall
ATTORNEY FOR ENERGEN RESOURCES
CORPORATION

JSH/ao

Enclosure(s) – as stated

6621/21043/notice

letter.doc

Z 461 515 715

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

PS Form 3800 April 1995

Sent to Cannon Exploration Co.	
Street & Number 3608 SCR 1184	
Post Office, State, & ZIP Code Midland, TX 79706	
Postage	\$ 55
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$3.00
Postmark or Date 5/12/99 PM	

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- ☐ Addressee's Address
- ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Cannon Exploration Company
3608 SCR 1184
Midland, TX 79706

4a. Article Number:

Z 461 515 715

4b. Service Type

- | | |
|--|---|
| <input type="checkbox"/> Registered | <input checked="" type="checkbox"/> Certified |
| <input type="checkbox"/> Express Mail | <input type="checkbox"/> Insured |
| <input checked="" type="checkbox"/> Return Receipt for Merchandise | <input type="checkbox"/> COD |

7. Date of Delivery

05/14/99 ED

5. Received By: (Print Name)

Todd M. Wilson

6. Signature: (Addressee or Agent)

X Todd M. Wilson

8. Addressee's Address (Only if requested and fee is paid)

Thank you for using Return Receipt Service.

PS Form 3811, December 1994

Domestic Return Receipt

MILLER, STRATVERT & TORGERSON, P. A.
LAW OFFICES

RANNE B. MILLER
ALAN C. TORGERSON
ALICE TOMLINSON LORENZ
GREGORY W. CHASE
ALAN KONRAD
LYMAN G. SANDY
STEPHEN M. WILLIAMS
STEPHAN M. VIDMAR
ROBERT C. GUTIERREZ
SETH V. BINGHAM
JAMES B. COLLINS
TIMOTHY R. BRIGGS
RUDOLPH LUCERO
DEBORAH A. SOLOVE
GARY L. GORDON
LAWRENCE R. WHITE
SHARON P. GROSS
VIRGINIA ANDERMAN
MARTE D. LIGHTSTONE
J. SCOTT HALL
THOMAS R. MACK
TERRI L. SAUER

JOEL T. NEWTON
THOMAS M. DOMME
RUTH O. PREGENZER
JEFFREY E. JONES
MANUEL I. ARRIETA
ROBIN A. GOBLE
JAMES R. WOOD
DANA M. KYLE
KIRK R. ALLEN
RUTH M. FUESS
KYLE M. FINCH
H. BROOK LASKEY
KATHERINE W. HALL
FRED SCHILLER
LARA L. WHITE
PAULA G. MAYNES
DEAN B. CROSS
MICHAEL C. ROSS
ANDREW M. SANCHEZ
CARLA PRANDO
KATHERINE N. BLACKETT
JENNIFER L. STONE

ALBUQUERQUE

500 MARQUETTE N.W. SUITE 1100
POST OFFICE BOX 25687
ALBUQUERQUE, NM 87125-0687
TELEPHONE: (505) 842-1950
FACSIMILE: (505) 243-4408

LAS CRUCES

500 S. MAIN ST., SUITE 800
POST OFFICE BOX 1209
LAS CRUCES, NM 88004-1209
TELEPHONE: (505) 523-2481
FACSIMILE: (505) 526-2215

FARMINGTON

300 WEST ARRINGTON
POST OFFICE BOX 869
FARMINGTON, NM 87499-0869
TELEPHONE: (505) 326-4521
FACSIMILE: (505) 326-5474

SANTA FE

150 WASHINGTON AVE., SUITE 300
POST OFFICE BOX 1986
SANTA FE, NM 87504-1986
TELEPHONE: (505) 989-9614
FACSIMILE: (505) 989-9857

WILLIAM K. STRATVERT, COUNSEL
PAUL W. ROBINSON, COUNSEL
RALPH WM. RICHARDS, COUNSEL
ROSS B. PERKAL, COUNSEL
JAMES J. WIDLAND, COUNSEL

PLEASE REPLY TO SANTA FE

May 12, 1999

CERTIFIED MAIL
RETURN RECEIPT REQUIRED

Hanley OAD, Ltd. II
415 W. Wall Street, Suite 1500
Midland, TX 79701

Re: New Mexico Oil Conservation Division Case No. 12086 (Consolidated);
Application of Yates Petroleum Corporation and Hanley Petroleum, Inc. For
Allowable Reduction and Escrow of Production Proceeds, Lea County, New
Mexico; Application of Energen Resources Corporation For Allowable Reduction
and Escrow of Production Proceeds, Lea County, New Mexico.

Dear Sir or Madam:

Please be advised that Energen Resources Corporation has filed an Application with the New Mexico Oil Conservation Division (NMOCD) seeking the issuance of an order (1) temporarily reducing the production allowable for wells in the West Lovington Strawn Pool to the minimum level which will avoid the termination of leases for the failure to produce in paying quantities, and (2) requiring the operator of the West Lovington Strawn Unit to escrow production payments from wells it operates adjacent to the Unit. Energen will also seek authorization to produce and escrow production proceeds for its Beadle No. 1 well to be drilled to the Strawn formation in the W/2 SW/4 of Section 35, T-15-S, R-35-E, NMPM for an appropriate period of time preparatory to the inclusion of the well in the West Lovington Strawn Unit. A copy of Energen's Application is enclosed.

May 12, 1999

Page two

Energen's Application, originally filed with the New Mexico Oil Conservation Commission, was consolidated with a substantially similar Application filed before the NMOCD on behalf of Yates Petroleum Corporation and Hanley Petroleum, Inc. The consolidated proceeding has been set for hearing before a Division Examiner at 8:15 a.m. on Thursday, June 10, 1999 at the NMOCD's office at 2040 South Pacheco Street in Santa Fe, New Mexico. You are not required to attend this hearing, but as an operator of a well, a mineral lessee or the owner of an unleased mineral interest in the pool, you have the right to appear and participate in the hearing. Failure to appear at that time and become a party of record will preclude you from challenging this matter at a later date.

Very truly yours,

MILLER, STRATVERT & TORGERSON, P.A.

A handwritten signature in dark ink, appearing to read "J. Scott Hall", is written over the typed name.

J. Scott Hall
ATTORNEY FOR ENERGEN RESOURCES
CORPORATION

JSH/ao

Enclosure(s) – as stated

6621/21043/notice

letter.doc

Z 461 515 741

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to Hanley OAD, Ltd II	
Street & Number 415 W Wall St. #1500	
Post Office, State, & ZIP Code Midland, TX 79701	
Postage	\$.55
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.00
Postmark or Date 5/12/99 PM	

PS Form 3800, April 1995

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- ☐ Complete items 1 and/or 2 for additional services.
- ☐ Complete items 3, 4a, and 4b.
- ☐ Print your name and address on the reverse of this form so that we can return this card to you.
- ☐ Attach this form to the front of the mailpiece, or on the back if space does not permit.
- ☐ Write "Return Receipt Requested" on the mailpiece below the article number.
- ☐ The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1. ☐ Addressee's Address
- 2. ☐ Restricted Delivery

3. Article Addressed to:

Hanley OAD, Ltd. II
415 West Wall Street, Suite 1500
Midland, TX 79701

4a. Article Number

Z 461 515 741

4b. Service Type

- ☐ Registered ☒ Certified
- ☐ Express Mail ☐ Insured
- ☒ Return Receipt for Merchandise ☐ COD

7. Date of Delivery

5-14-99

5. Received By (Print Name)

H. Farrer

6. Signature (Addressee or Agent)

8. Addressee's Address (Only if requested and fee is paid)

Thank you for using Return Receipt Service.

MILLER, STRATVERT & TORGERSON, P. A.
LAW OFFICES

RANNE B. MILLER
ALAN C. TORGERSON
ALICE TOMLINSON LORENZ
GREGORY W. CHASE
ALAN KONRAD
LYMAN G. SANDY
STEPHEN M. WILLIAMS
STEPHAN M. VIDMAR
ROBERT C. GUTIERREZ
SETH V. BINGHAM
JAMES B. COLLINS
TIMOTHY R. BRIGGS
RUDOLPH LUCERO
DEBORAH A. SOLOVE
GARY L. GORDON
LAWRENCE R. WHITE
SHARON P. GROSS
VIRGINIA ANDERMAN
MARTE D. LIGHTSTONE
J. SCOTT HALL
THOMAS R. MACK
TERRI L. SAUER

JOEL T. NEWTON
THOMAS M. DOMME
RUTH O. PREGENZER
JEFFREY E. JONES
MANUEL I. ARRIETA
ROBIN A. GOBLE
JAMES R. WOOD
DANA M. KYLE
KIRK R. ALLEN
RUTH M. FUESS
KYLE M. FINCH
H. BROOK LASKEY
KATHERINE W. HALL
FRED SCHILLER
LARA L. WHITE
PAULA G. MAYNES
DEAN B. CROSS
MICHAEL C. ROSS
ANDREW M. SANCHEZ
CARLA PRANDO
KATHERINE N. BLACKETT
JENNIFER L. STONE

ALBUQUERQUE

500 MARQUETTE N.W. SUITE 1100
POST OFFICE BOX 25687
ALBUQUERQUE, NM 87125-0687
TELEPHONE: (505) 842-1950
FACSIMILE: (505) 243-4408

LAS CRUCES

500 S. MAIN ST., SUITE 800
POST OFFICE BOX 1209
LAS CRUCES, NM 88004-1209
TELEPHONE: (505) 523-2481
FACSIMILE: (505) 526-2215

FARMINGTON

300 WEST ARRINGTON
POST OFFICE BOX 869
FARMINGTON, NM 87499-0869
TELEPHONE: (505) 326-4521
FACSIMILE: (505) 325-5474

SANTA FE

150 WASHINGTON AVE., SUITE 300
POST OFFICE BOX 1986
SANTA FE, NM 87504-1986
TELEPHONE: (505) 989-9614
FACSIMILE: (505) 989-9657

WILLIAM K. STRATVERT, COUNSEL
PAUL W. ROBINSON, COUNSEL
RALPH WM. RICHARDS, COUNSEL
ROSS B. PERKAL, COUNSEL
JAMES J. WIDLAND, COUNSEL

PLEASE REPLY TO SANTA FE

May 12, 1999

**CERTIFIED MAIL
RETURN RECEIPT REQUIRED**

Permian Exploration Corporation
118 West Fifth St.
Roswell, New Mexico 88201

Re: New Mexico Oil Conservation Division Case No. 12086 (Consolidated);
Application of Yates Petroleum Corporation and Hanley Petroleum, Inc. For
Allowable Reduction and Escrow of Production Proceeds, Lea County, New
Mexico; Application of Energen Resources Corporation For Allowable Reduction
and Escrow of Production Proceeds, Lea County, New Mexico.

Dear Sir or Madam:

Please be advised that Energen Resources Corporation has filed an Application with the New Mexico Oil Conservation Division (NMOCD) seeking the issuance of an order (1) temporarily reducing the production allowable for wells in the West Lovington Strawn Pool to the minimum level which will avoid the termination of leases for the failure to produce in paying quantities, and (2) requiring the operator of the West Lovington Strawn Unit to escrow production payments from wells it operates adjacent to the Unit. Energen will also seek authorization to produce and escrow production proceeds for its Beadle No. 1 well to be drilled to the Strawn formation in the W/2 SW/4 of Section 35, T-15-S, R-35-E, NMPM for an appropriate period of time preparatory to the inclusion of the well in the West Lovington Strawn Unit. A copy of Energen's Application is enclosed.

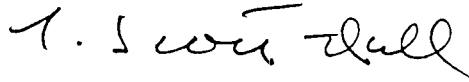
May 12, 1999

Page two

Energen's Application, originally filed with the New Mexico Oil Conservation Commission, was consolidated with a substantially similar Application filed before the NMOCD on behalf of Yates Petroleum Corporation and Hanley Petroleum, Inc. The consolidated proceeding has been set for hearing before a Division Examiner at 8:15 a.m. on Thursday, June 10, 1999 at the NMOCD's office at 2040 South Pacheco Street in Santa Fe, New Mexico. You are not required to attend this hearing, but as an operator of a well, a mineral lessee or the owner of an unleased mineral interest in the pool, you have the right to appear and participate in the hearing. Failure to appear at that time and become a party of record will preclude you from challenging this matter at a later date.

Very truly yours,

MILLER, STRATVERT & TORGERSON, P.A.



J. Scott Hall

ATTORNEY FOR ENERGEN RESOURCES
CORPORATION

JSH/ao

Enclosure(s) – as stated

6621/21043/notice

letter.doc

Z 461 515 742

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

PS Form 3800 April 1995

Sent to <i>Permian Exploration Corp.</i>	
Street & Number <i>118 W. 5th St.</i>	
Post Office, State, & ZIP Code <i>Roswell, N.M. 88201</i>	
Postage	\$ <i>.55</i>
Certified Fee	<i>1.35</i>
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	<i>1.10</i>
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ <i>3.00</i>
Postmark or Date <i>5/12/99 RM</i>	

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- ☐ Complete items 1 and/or 2 for additional services. Complete items 3, 4a, and 4b.
- ☐ Print your name and address on the reverse of this form so that we can return this card to you.
- ☐ Attach this form to the front of the mailpiece, or on the back if space does not permit.
- ☐ Write "Return Receipt Requested" on the mailpiece below the article number.
- ☐ The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1. ☐ Addressee's Address
- 2. ☐ Restricted Delivery

3. Article Addressed to:

*Permian Exploration Corporation
118 West Fifth Street
Roswell, New Mexico 88201*

4a. Article Number

Z 461 515 742

4b. Service Type

- ☐ Registered ☒ Certified
- ☐ Express Mail ☐ Insured
- ☒ Return Receipt for Merchandise ☐ COD

7. Date of Delivery

5-14-99

5. Received By: (Print Name)

Jackie Powell

6. Signature (Addressee or Agent)

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1994

102595-99-B-0223

Domestic Return Receipt

Thank you for using Return Receipt Service.

MILLER, STRATVERT & TORGERSON, P. A.
LAW OFFICES

RANNE B. MILLER
ALAN C. TORGERSON
ALICE TOMLINSON LORENZ
GREGORY W. CHASE
ALAN KONRAD
LYMAN G. SANDY
STEPHEN M. WILLIAMS
STEPHAN M. VIDMAR
ROBERT C. GUTIERREZ
SETH V. BINGHAM
JAMES B. COLLINS
TIMOTHY R. BRIGGS
RUDOLPH LUCERO
DEBORAH A. SOLOVE
GARY L. GORDON
LAWRENCE R. WHITE
SHARON P. GROSS
VIRGINIA ANDERMAN
MARTE D. LIGHTSTONE
J. SCOTT HALL
THOMAS R. MACK
TERRI L. SAUER

JOEL T. NEWTON
THOMAS M. DOMME
RUTH O. PREGENZER
JEFFREY E. JONES
MANUEL I. ARRIETA
ROBIN A. GOBLE
JAMES R. WOOD
DANA M. KYLE
KIRK R. ALLEN
RUTH M. FUESS
KYLE M. FINCH
H. BROOK LASKEY
KATHERINE W. HALL
FRED SCHILLER
LARA L. WHITE
PAULA G. MAYNES
DEAN B. CROSS
MICHAEL C. ROSS
ANDREW M. SANCHEZ
CARLA PRANDO
KATHERINE N. BLACKETT
JENNIFER L. STONE

ALBUQUERQUE

500 MARQUETTE N.W. SUITE 1100
POST OFFICE BOX 25687
ALBUQUERQUE, NM 87125-0687
TELEPHONE: (505) 842-1950
FACSIMILE: (505) 243-4408

LAS CRUCES

500 S. MAIN ST., SUITE 800
POST OFFICE BOX 1209
LAS CRUCES, NM 88004-1209
TELEPHONE: (505) 523-2481
FACSIMILE: (505) 526-2215

FARMINGTON

300 WEST ARRINGTON
POST OFFICE BOX 869
FARMINGTON, NM 87499-0869
TELEPHONE: (505) 328-4521
FACSIMILE: (505) 325-5474

SANTA FE

150 WASHINGTON AVE., SUITE 300
POST OFFICE BOX 1986
SANTA FE, NM 87504-1986
TELEPHONE: (505) 989-9614
FACSIMILE: (505) 989-9857

WILLIAM K. STRATVERT, COUNSEL
PAUL W. ROBINSON, COUNSEL
RALPH WM. RICHARDS, COUNSEL
ROSS B. PERKAL, COUNSEL
JAMES J. WIDLAND, COUNSEL

PLEASE REPLY TO SANTA FE

May 12, 1999

**CERTIFIED MAIL
RETURN RECEIPT REQUIRED**

Chesapeake Operating, Inc.
Post Office Box 18496
Oklahoma City, OK 73154-1525

Re: New Mexico Oil Conservation Division Case No. 12086 (Consolidated);
Application of Yates Petroleum Corporation and Hanley Petroleum, Inc. For
Allowable Reduction and Escrow of Production Proceeds, Lea County, New
Mexico; Application of Energen Resources Corporation For Allowable Reduction
and Escrow of Production Proceeds, Lea County, New Mexico.

Dear Sir or Madam:

Please be advised that Energen Resources Corporation has filed an Application with the New Mexico Oil Conservation Division (NMOCD) seeking the issuance of an order (1) temporarily reducing the production allowable for wells in the West Lovington Strawn Pool to the minimum level which will avoid the termination of leases for the failure to produce in paying quantities, and (2) requiring the operator of the West Lovington Strawn Unit to escrow production payments from wells it operates adjacent to the Unit. Energen will also seek authorization to produce and escrow production proceeds for its Beadle No. 1 well to be drilled to the Strawn formation in the W/2 SW/4 of Section 35, T-15-S, R-35-E, NMPM for an appropriate period of time preparatory to the inclusion of the well in the West Lovington Strawn Unit. A copy of Energen's Application is enclosed.

May 12, 1999

Page two

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Very truly yours,

MILLER, STRATVERT & TORGERSON, P.A.

A handwritten signature in dark ink, appearing to read "J. Scott Hall", is written over the typed name.

J. Scott Hall
ATTORNEY FOR ENERGEN RESOURCES
CORPORATION

JSH/ao

Enclosure(s) -- as stated

6621/21043/notice

letter.doc

Z 461 515 707

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

PS Form 3800, April 1995

Sent to	
Chesapeake Operating, Inc.	
Street & Number	
P.O. Box 18496	
Post Office, State, & ZIP Code	
Oklahoma City, OK 73154-1525	
Postage	\$.55
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.00
Postmark or Date	
5/12/99 Rm	

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- ☐ Complete items 1 and/or 2 for additional services. Complete items 3, 4a, and 4b.
- ☐ Print your name and address on the reverse of this form so that we can return this card to you.
- ☐ Attach this form to the front of the mailpiece, or on the back if space does not permit.
- ☐ Write "Return Receipt Requested" on the mailpiece below the article number.
- ☐ The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1. ☐ Addressee's Address
- 2. ☐ Restricted Delivery

3. Article Addressed to:

Chesapeake Operating, Inc.
Post Office Box 18496
Oklahoma City, OK 73154-1525

4a. Article Number

2461515707

4b. Service Type

- ☐ Registered ☒ Certified
- ☐ Express Mail ☐ Insured
- ☒ Return Receipt for Merchandise ☐ COD

7. Date of Delivery

5. Received By: (Print Name)

Bruce Jones

6. Signature (Addressee or Agent)

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1994

102595-99-B-423

Domestic Return Receipt



Thank you for using Return Receipt Service.

MILLER, STRATVERT & TORGERSON, P. A.
LAW OFFICES

RANNE B. MILLER
ALAN C. TORGERSON
ALICE TOMLINSON LORENZ
GREGORY W. CHASE
ALAN KONRAD
LYMAN G. SANDY
STEPHEN M. WILLIAMS
STEPHAN M. VIDMAR
ROBERT C. GUTIERREZ
SETH V. BINGHAM
JAMES B. COLLINS
TIMOTHY R. BRIGGS
RUDOLPH LUCERO
DEBORAH A. SOLOVE
GARY L. GORDON
LAWRENCE R. WHITE
SHARON P. GROSS
VIRGINIA ANDERMAN
MARTE D. LIGHTSTONE
J. SCOTT HALL
THOMAS R. MACK
TERRI L. SAUER

JOEL T. NEWTON
THOMAS M. DOMME
RUTH O. PREGENZER
JEFFREY E. JONES
MANUEL I. ARRIETA
ROBIN A. GOBLE
JAMES R. WOOD
DANA M. KYLE
KIRK R. ALLEN
RUTH M. FUESS
KYLE M. FINCH
H. BROOK LASKEY
KATHERINE W. HALL
FRED SCHILLER
LARA L. WHITE
PAULA G. MAYNES
DEAN B. CROSS
MICHAEL C. ROSS
ANDREW M. SANCHEZ
CARLA PRANDO
KATHERINE N. BLACKETT
JENNIFER L. STONE

ALBUQUERQUE

500 MARQUETTE N.W. SUITE 1100
POST OFFICE BOX 25687
ALBUQUERQUE, NM 87125-0687
TELEPHONE: (505) 842-1950
FACSIMILE: (505) 243-4408

LAS CRUCES

500 S. MAIN ST., SUITE 800
POST OFFICE BOX 1209
LAS CRUCES, NM 88004-1209
TELEPHONE: (505) 523-2481
FACSIMILE: (505) 526-2215

FARMINGTON

300 WEST ARRINGTON
POST OFFICE BOX 869
FARMINGTON, NM 87499-0869
TELEPHONE: (505) 326-4521
FACSIMILE: (505) 325-5474

SANTA FE

150 WASHINGTON AVE., SUITE 300
POST OFFICE BOX 1986
SANTA FE, NM 87504-1986
TELEPHONE: (505) 989-9614
FACSIMILE: (505) 989-9857

WILLIAM K. STRATVERT, COUNSEL
PAUL W. ROBINSON, COUNSEL
RALPH WM. RICHARDS, COUNSEL
ROSS B. PERKAL, COUNSEL
JAMES J. WIDLAND, COUNSEL

PLEASE REPLY TO SANTA FE

May 12, 1999

CERTIFIED MAIL
RETURN RECEIPT REQUIRED

McMillian Production Company, Inc.
118 West Fifth St.
Roswell, New Mexico 88201

Re: New Mexico Oil Conservation Division Case No. 12086 (Consolidated);
Application of Yates Petroleum Corporation and Hanley Petroleum, Inc. For
Allowable Reduction and Escrow of Production Proceeds, Lea County, New
Mexico; Application of Energen Resources Corporation For Allowable Reduction
and Escrow of Production Proceeds, Lea County, New Mexico.

Dear Sir or Madam:

Please be advised that Energen Resources Corporation has filed an Application with the New Mexico Oil Conservation Division (NMOCD) seeking the issuance of an order (1) temporarily reducing the production allowable for wells in the West Lovington Strawn Pool to the minimum level which will avoid the termination of leases for the failure to produce in paying quantities, and (2) requiring the operator of the West Lovington Strawn Unit to escrow production payments from wells it operates adjacent to the Unit. Energen will also seek authorization to produce and escrow production proceeds for its Beadle No. 1 well to be drilled to the Strawn formation in the W/2 SW/4 of Section 35, T-15-S, R-35-E, NMPM for an appropriate period of time preparatory to the inclusion of the well in the West Lovington Strawn Unit. A copy of Energen's Application is enclosed.

May 12, 1999
Page two

Energen's Application, originally filed with the New Mexico Oil Conservation Commission, was consolidated with a substantially similar Application filed before the NMOCD on behalf of Yates Petroleum Corporation and Hanley Petroleum, Inc. The consolidated proceeding has been set for hearing before a Division Examiner at 8:15 a.m. on Thursday, June 10, 1999 at the NMOCD's office at 2040 South Pacheco Street in Santa Fe, New Mexico. You are not required to attend this hearing, but as an operator of a well, a mineral lessee or the owner of an unleased mineral interest in the pool, you have the right to appear and participate in the hearing. Failure to appear at that time and become a party of record will preclude you from challenging this matter at a later date.

Very truly yours,

MILLER, STRATVERT & TORGERSON, P.A.

A handwritten signature in cursive script, appearing to read "J. Scott Hall".

J. Scott Hall
ATTORNEY FOR ENERGEN RESOURCES
CORPORATION

JSH/ao

Enclosure(s) – as stated

6621/21043/notice

letter.doc

Z 461 515 737

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

PS Form 3800, April 1995

Sent to	
McMillian Prod. Co., Inc.	
Street & Number	
118 W. 5th St.	
Post Office, State, & ZIP Code	
Roswell, NM N.M. 88201	
Postage	\$ 55
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$3.00
Postmark or Date	
5/12/99 RM	

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- ☐ Addressee's Address
- ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

McMillian Production Company, Inc.
118 West Fifth Street
Roswell, New Mexico 88201

5. Received By: (Print Name)

6. Signature: (Addressee or Agent)

X Jackie Powell

4a. Article Number

2461 515 737

4b. Service Type

- ☐ Registered ☒ Certified
☐ Express Mail ☐ Insured
☒ Return Receipt for Merchandise ☐ COD

7. Date of Delivery

5-17-99

8. Addressee's Address (Only if requested and fee is paid)

Domestic Return Receipt

PS Form 3811, December 1994

Thank you for using Return Receipt Service.

MILLER, STRATVERT & TORGERSO, P. A.
LAW OFFICES

RANNE B. MILLER
ALAN C. TORGERSO
ALICE TOMLINSON LORENZ
GREGORY W. CHASE
ALAN KONRAD
LYMAN G. SANDY
STEPHEN M. WILLIAMS
STEPHAN M. VIDMAR
ROBERT C. GUTIERREZ
SETH V. BINGHAM
JAMES B. COLLINS
TIMOTHY R. BRIGGS
RUDOLPH LUCERO
DEBORAH A. SOLOVE
GARY L. GORDON
LAWRENCE R. WHITE
SHARON P. GROSS
VIRGINIA ANDERMAN
MARTE D. LIGHTSTONE
J. SCOTT HALL
THOMAS R. MACK
TERRI L. SAUER

JOEL T. NEWTON
THOMAS M. DOMME
RUTH O. PREGENZER
JEFFREY E. JONES
MANUEL I. ARRIETA
ROBIN A. GOBLE
JAMES R. WOOD
DANA M. KYLE
KIRK R. ALLEN
RUTH M. FUESS
KYLE M. FINCH
H. BROOK LASKEY
KATHERINE W. HALL
FRED SCHILLER
LARA L. WHITE
PAULA G. MAYNES
DEAN B. CROSS
MICHAEL C. ROSS
ANDREW M. SANCHEZ
CARLA PRANDO
KATHERINE N. BLACKETT
JENNIFER L. STONE

ALBUQUERQUE

500 MARQUETTE N.W. SUITE 1100
POST OFFICE BOX 25687
ALBUQUERQUE, NM 87125-0687
TELEPHONE: (505) 842-1950
FACSIMILE: (505) 243-4408

LAS CRUCES

500 S. MAIN ST., SUITE 800
POST OFFICE BOX 1209
LAS CRUCES, NM 88004-1209
TELEPHONE: (505) 523-2481
FACSIMILE: (505) 526-2215

FARMINGTON

300 WEST ARRINGTON
POST OFFICE BOX 869
FARMINGTON, NM 87499-0869
TELEPHONE: (505) 326-4521
FACSIMILE: (505) 325-4474

SANTA FE

150 WASHINGTON AVE., SUITE 300
POST OFFICE BOX 1986
SANTA FE, NM 87504-1986
TELEPHONE: (505) 989-9614
FACSIMILE: (505) 989-9857

WILLIAM K. STRATVERT, COUNSEL
PAUL W. ROBINSON, COUNSEL
RALPH WM. RICHARDS, COUNSEL
ROSS B. PERKAL, COUNSEL
JAMES J. WIDLAND, COUNSEL

PLEASE REPLY TO SANTA FE

May 12, 1999

CERTIFIED MAIL
RETURN RECEIPT REQUIRED

Vierson Oil & Gas Co.
Post Office Box 280
Okmulgee, OK 74447

Re: New Mexico Oil Conservation Division Case No. 12086 (Consolidated);
Application of Yates Petroleum Corporation and Hanley Petroleum, Inc. For
Allowable Reduction and Escrow of Production Proceeds, Lea County, New
Mexico; Application of Energen Resources Corporation For Allowable Reduction
and Escrow of Production Proceeds, Lea County, New Mexico.

Dear Sir or Madam:

Please be advised that Energen Resources Corporation has filed an Application with the New Mexico Oil Conservation Division (NMOCD) seeking the issuance of an order (1) temporarily reducing the production allowable for wells in the West Lovington Strawn Pool to the minimum level which will avoid the termination of leases for the failure to produce in paying quantities, and (2) requiring the operator of the West Lovington Strawn Unit to escrow production payments from wells it operates adjacent to the Unit. Energen will also seek authorization to produce and escrow production proceeds for its Beadle No. 1 well to be drilled to the Strawn formation in the W/2 SW/4 of Section 35, T-15-S, R-35-E, NMPM for an appropriate period of time preparatory to the inclusion of the well in the West Lovington Strawn Unit. A copy of Energen's Application is enclosed.

May 12, 1999

Page two

Energen's Application, originally filed with the New Mexico Oil Conservation Commission, was consolidated with a substantially similar Application filed before the NMOCD on behalf of Yates Petroleum Corporation and Hanley Petroleum, Inc. The consolidated proceeding has been set for hearing before a Division Examiner at 8:15 a.m. on Thursday, June 10, 1999 at the NMOCD's office at 2040 South Pacheco Street in Santa Fe, New Mexico. You are not required to attend this hearing, but as an operator of a well, a mineral lessee or the owner of an unleased mineral interest in the pool, you have the right to appear and participate in the hearing. Failure to appear at that time and become a party of record will preclude you from challenging this matter at a later date.

Very truly yours,

MILLER, STRATVERT & TORGERSON, P.A.

A handwritten signature in dark ink, appearing to read "J. Scott Hall", is written over the typed name.

J. Scott Hall
ATTORNEY FOR ENERGEN RESOURCES
CORPORATION

JSH/ao

Enclosure(s) – as stated

6621/21043/notice

letter.doc

Z 461 515 719

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	
Vierson Oil & Gas Co.	
Street & Number	
P.O. Box 280	
Post Office, State, & ZIP Code	
Okmulgee, OK 74447	
Postage	\$.55
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.00
Postmark or Date	
5/12/99 PM	

PS Form 3800 April 1995

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- ☐ Addressee's Address
- ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Vierson Oil & Gas. Company
Post Office Box 280
Okmulgee, OK 74447

4a. Article Number

Z 461 515 719

4b. Service Type

- | | |
|--|---|
| <input type="checkbox"/> Registered | <input checked="" type="checkbox"/> Certified |
| <input type="checkbox"/> Express Mail | <input type="checkbox"/> Insured |
| <input checked="" type="checkbox"/> Return Receipt for Merchandise | <input type="checkbox"/> COD |

7. Date of Delivery

5-18-99

5. Received By: (Print Name)

8. Addressee's Address (Only if requested and fee is paid)

6. Signature: (Addressee or Agent)

[Signature]

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

MILLER, STRATVERT & TORGERSON, P. A.
LAW OFFICES

RANNE B. MILLER
ALAN C. TORGERSON
ALICE TOMLINSON LORENZ
GREGORY W. CHASE
ALAN KONRAD
LYMAN G. SANDY
STEPHEN M. WILLIAMS
STEPHAN M. VIDMAR
ROBERT C. GUTIERREZ
SETH V. BINGHAM
JAMES B. COLLINS
TIMOTHY R. BRIGGS
RUDOLPH LUCERO
DEBORAH A. SOLOVE
GARY L. GORDON
LAWRENCE R. WHITE
SHARON P. GROSS
VIRGINIA ANDERMAN
MARTE D. LIGHTSTONE
J. SCOTT HALL
THOMAS R. MACK
TERRI L. SAUER

JOEL T. NEWTON
THOMAS M. DOMME
RUTH O. PREGENZER
JEFFREY E. JONES
MANUEL I. ARRIETA
ROBIN A. GOBLE
JAMES R. WOOD
DANA M. KYLE
KIRK R. ALLEN
RUTH M. FUESS
KYLE M. FINCH
H. BROOK LASKEY
KATHERINE W. HALL
FRED SCHILLER
LARA L. WHITE
PAULA G. MAYNES
DEAN B. CROSS
MICHAEL C. ROSS
ANDREW M. SANCHEZ
CARLA PRANDO
KATHERINE N. BLACKETT
JENNIFER L. STONE

ALBUQUERQUE

500 MARQUETTE N.W. SUITE 1100
POST OFFICE BOX 25687
ALBUQUERQUE, NM 87125-0687
TELEPHONE: (505) 842-1950
FACSIMILE: (505) 243-4408

LAS CRUCES

500 S. MAIN ST., SUITE 800
POST OFFICE BOX 1209
LAS CRUCES, NM 88004-1209
TELEPHONE: (505) 523-2481
FACSIMILE: (505) 526-2215

FARMINGTON

300 WEST ARRINGTON
POST OFFICE BOX 869
FARMINGTON, NM 87499-0869
TELEPHONE: (505) 326-4521
FACSIMILE: (505) 325-5474

SANTA FE

150 WASHINGTON AVE., SUITE 300
POST OFFICE BOX 1986
SANTA FE, NM 87504-1986
TELEPHONE: (505) 989-9614
FACSIMILE: (505) 989-9857

WILLIAM K. STRATVERT, COUNSEL
PAUL W. ROBINSON, COUNSEL
RALPH WM. RICHARDS, COUNSEL
ROSS B. PERKAL, COUNSEL
JAMES J. WIDLAND, COUNSEL

PLEASE REPLY TO SANTA FE

May 12, 1999

CERTIFIED MAIL
RETURN RECEIPT REQUIRED

Tara-Jon Corporation
6003 Meadow View Lane
Midland, TX 79707

Re: New Mexico Oil Conservation Division Case No. 12086 (Consolidated);
Application of Yates Petroleum Corporation and Hanley Petroleum, Inc. For
Allowable Reduction and Escrow of Production Proceeds, Lea County, New
Mexico; Application of Energen Resources Corporation For Allowable Reduction
and Escrow of Production Proceeds, Lea County, New Mexico.

Dear Sir or Madam:

Please be advised that Energen Resources Corporation has filed an Application with the New Mexico Oil Conservation Division (NMOCD) seeking the issuance of an order (1) temporarily reducing the production allowable for wells in the West Lovington Strawn Pool to the minimum level which will avoid the termination of leases for the failure to produce in paying quantities, and (2) requiring the operator of the West Lovington Strawn Unit to escrow production payments from wells it operates adjacent to the Unit. Energen will also seek authorization to produce and escrow production proceeds for its Beadle No. 1 well to be drilled to the Strawn formation in the W/2 SW/4 of Section 35, T-15-S, R-35-E, NMPM for an appropriate period of time preparatory to the inclusion of the well in the West Lovington Strawn Unit. A copy of Energen's Application is enclosed.

May 12, 1999

Page two

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Very truly yours,

MILLER, STRATVERT & TORGERSON, P.A.

A handwritten signature in dark ink, appearing to read "J. Scott Hall", is written over the typed name.

J. Scott Hall
ATTORNEY FOR ENERGEN RESOURCES
CORPORATION

JSH/ao

Enclosure(s) – as stated

6621/21043/notice

letter.doc

Z 461 515 720

US Postal Service
Receipt for Certified Mail
 No Insurance Coverage Provided.
 Do not use for International Mail (See reverse)

Sent to	
Tara-John Corp.	
Street & Number	
6003 Meadow View Lane	
Post Office, State, & ZIP Code	
Midland, TX 79707	
Postage	\$.55
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$3.00
Postmark or Date	
5/12/99 RM	

PS Form 3800, April 1995

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- ☐ Addressee's Address
- ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Tara-John Corporation
 6003 Meadow View Lane
 Midland, TX 79707

4a. Article Number

Z 461 515 720

4b. Service Type

- | | |
|--|---|
| <input type="checkbox"/> Registered | <input checked="" type="checkbox"/> Certified |
| <input type="checkbox"/> Express Mail | <input type="checkbox"/> Insured |
| <input checked="" type="checkbox"/> Return Receipt for Merchandise | <input type="checkbox"/> COD |

7. Date of Delivery

MAY 24 1999

5. Received By: (Print Name)

Heather Echols

6. Signature: (Addressee or Agent)

X Heather Echols

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

MILLER, STRATVERT & TORGERSON, P. A.
LAW OFFICES

RANNE B. MILLER
ALAN C. TORGERSON
ALICE TOMLINSON LORENZ
GREGORY W. CHASE
ALAN KONRAD
LYMAN G. SANDY
STEPHEN M. WILLIAMS
STEPHAN M. VIDMAR
ROBERT C. GUTIERREZ
SETH V. BINGHAM
JAMES B. COLLINS
TIMOTHY R. BRIGGS
RUDOLPH LUCERO
DEBORAH A. SOLOVE
GARY L. GORDON
LAWRENCE R. WHITE
SHARON P. GROSS
VIRGINIA ANDERMAN
MARTE D. LIGHTSTONE
J. SCOTT HALL
THOMAS R. MACK
TERRI L. SAUER

JOEL T. NEWTON
THOMAS M. DOMME
RUTH O. PREGENZER
JEFFREY E. JONES
MANUEL I. ARRIETA
ROBIN A. GOBLE
JAMES R. WOOD
DANA M. KYLE
KIRK R. ALLEN
RUTH M. FUESS
KYLE M. FINCH
H. BROOK LASKEY
KATHERINE W. HALL
FRED SCHILLER
LARA L. WHITE
PAULA G. MAYNES
DEAN B. CROSS
MICHAEL C. ROSS
ANDREW M. SANCHEZ
CARLA PRANDO
KATHERINE N. BLACKETT
JENNIFER L. STONE

ALBUQUERQUE

500 MARQUETTE N.W. SUITE 1100
POST OFFICE BOX 25687
ALBUQUERQUE, NM 87125-0687
TELEPHONE: (505) 842-1950
FACSIMILE: (505) 243-4408

LAS CRUCES

500 S. MAIN ST., SUITE 800
POST OFFICE BOX 1209
LAS CRUCES, NM 88004-1209
TELEPHONE: (505) 523-2481
FACSIMILE: (505) 526-2215

FARMINGTON

300 WEST ARRINGTON
POST OFFICE BOX 869
FARMINGTON, NM 87499-0869
TELEPHONE: (505) 326-4521
FACSIMILE: (505) 325-5474

SANTA FE

150 WASHINGTON AVE., SUITE 300
POST OFFICE BOX 1986
SANTA FE, NM 87504-1986
TELEPHONE: (505) 989-9614
FACSIMILE: (505) 989-9657

WILLIAM K. STRATVERT, COUNSEL
PAUL W. ROBINSON, COUNSEL
RALPH WM. RICHARDS, COUNSEL
ROSS B. PERKAL, COUNSEL
JAMES J. WIDLAND, COUNSEL

PLEASE REPLY TO SANTA FE

May 12, 1999

**CERTIFIED MAIL
RETURN RECEIPT REQUIRED**

Vierson & Cochran, Bridgeport II
6450 S. Lewis, Suite 200
Tulsa, OK 74136-1059

Re: New Mexico Oil Conservation Division Case No. 12086 (Consolidated);
Application of Yates Petroleum Corporation and Hanley Petroleum, Inc. For
Allowable Reduction and Escrow of Production Proceeds, Lea County, New
Mexico; Application of Energen Resources Corporation For Allowable Reduction
and Escrow of Production Proceeds, Lea County, New Mexico.

Dear Sir or Madam:

Please be advised that Energen Resources Corporation has filed an Application with the New Mexico Oil Conservation Division (NMOCD) seeking the issuance of an order (1) temporarily reducing the production allowable for wells in the West Lovington Strawn Pool to the minimum level which will avoid the termination of leases for the failure to produce in paying quantities, and (2) requiring the operator of the West Lovington Strawn Unit to escrow production payments from wells it operates adjacent to the Unit. Energen will also seek authorization to produce and escrow production proceeds for its Beadle No. 1 well to be drilled to the Strawn formation in the W/2 SW/4 of Section 35, T-15-S, R-35-E, NMPM for an appropriate period of time preparatory to the inclusion of the well in the West Lovington Strawn Unit. A copy of Energen's Application is enclosed.

May 12, 1999

Page two

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Very truly yours,

MILLER, STRATVERT & TORGERSON, P.A.

A handwritten signature in dark ink, appearing to read "J. Scott Hall", written in a cursive style.

J. Scott Hall
ATTORNEY FOR ENERGEN RESOURCES
CORPORATION

JSH/ao

Enclosure(s) – as stated

6621/21043/notice

letter.doc

Z 461 515 714

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	
Vierson & Cochran, Bridgeport II	
Street & Number	
6450 S. Lewis, Suite 200	
Post Office, State, & ZIP Code	
Tulsa, OK 74136-1059	
Postage	\$.55
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.00
Postmark or Date	
5/12/99 RM	

PS Form 3800, April 1995

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- ☐ Addressee's Address
- ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Vierson & Cochran, Bridgeport II
6450 S. Lewis, Suite 200
Tulsa, OK 74136-1059

4a. Article Number

2461515714

4b. Service Type

- | | |
|--|---|
| <input type="checkbox"/> Registered | <input checked="" type="checkbox"/> Certified |
| <input type="checkbox"/> Express Mail | <input type="checkbox"/> Insured |
| <input checked="" type="checkbox"/> Return Receipt for Merchandise | <input type="checkbox"/> COD |

7. Date of Delivery

5-14-99

5. Received By: (Print Name)

6. Signature: (Addressee or Agent)

X

8. Addressee's Address (Only if requested and fee is paid)

Thank you for using Return Receipt Service.

PS Form 3811, December 1994

Domestic Return Receipt

MILLER, STRATVERT & TORGERSON, P. A.
LAW OFFICES

RANNE B. MILLER
ALAN C. TORGERSON
ALICE TOMLINSON LORENZ
GREGORY W. CHASE
ALAN KONRAD
LYMAN G. SANDY
STEPHEN M. WILLIAMS
STEPHAN M. VIDMAR
ROBERT C. GUTIERREZ
SETH V. BINGHAM
JAMES B. COLLINS
TIMOTHY R. BRIGGS
RUDOLPH LUCERO
DEBORAH A. SOLOVE
GARY L. GORDON
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DANA M. KYLE
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DEAN B. CROSS
MICHAEL C. ROSS
ANDREW M. SANCHEZ
CARLA PRANDO
KATHERINE N. BLACKETT
JENNIFER L. STONE

ALBUQUERQUE

500 MARQUETTE N.W. SUITE 1100
POST OFFICE BOX 25687
ALBUQUERQUE, NM 87125-0687
TELEPHONE: (505) 842-1950
FACSIMILE: (505) 243-4408

LAS CRUCES

500 S. MAIN ST., SUITE 800
POST OFFICE BOX 1209
LAS CRUCES, NM 88004-1209
TELEPHONE: (505) 523-2481
FACSIMILE: (505) 526-2215

FARMINGTON

300 WEST ARRINGTON
POST OFFICE BOX 869
FARMINGTON, NM 87499-0869
TELEPHONE: (505) 326-4521
FACSIMILE: (505) 325-5474

SANTA FE

150 WASHINGTON AVE., SUITE 300
POST OFFICE BOX 1986
SANTA FE, NM 87504-1986
TELEPHONE: (505) 989-9614
FACSIMILE: (505) 989-9857

WILLIAM K. STRATVERT, COUNSEL
PAUL W. ROBINSON, COUNSEL
RALPH WM. RICHARDS, COUNSEL
ROSS B. PERKAL, COUNSEL
JAMES J. WIDLAND, COUNSEL

PLEASE REPLY TO SANTA FE

May 12, 1999

CERTIFIED MAIL
RETURN RECEIPT REQUIRED

Rio Pecos Corporation
4501 Greentree Blvd.
Midland, TX 79707

Re: New Mexico Oil Conservation Division Case No. 12086 (Consolidated);
Application of Yates Petroleum Corporation and Hanley Petroleum, Inc. For
Allowable Reduction and Escrow of Production Proceeds, Lea County, New
Mexico; Application of Energen Resources Corporation For Allowable Reduction
and Escrow of Production Proceeds, Lea County, New Mexico.

Dear Sir or Madam:

Please be advised that Energen Resources Corporation has filed an Application with the New Mexico Oil Conservation Division (NMOCD) seeking the issuance of an order (1) temporarily reducing the production allowable for wells in the West Lovington Strawn Pool to the minimum level which will avoid the termination of leases for the failure to produce in paying quantities, and (2) requiring the operator of the West Lovington Strawn Unit to escrow production payments from wells it operates adjacent to the Unit. Energen will also seek authorization to produce and escrow production proceeds for its Beadle No. 1 well to be drilled to the Strawn formation in the W/2 SW/4 of Section 35, T-15-S, R-35-E, NMPM for an appropriate period of time preparatory to the inclusion of the well in the West Lovington Strawn Unit. A copy of Energen's Application is enclosed.

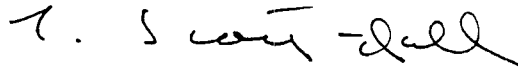
May 12, 1999

Page two

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Very truly yours,

MILLER, STRATVERT & TORGERSON, P.A.

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

J. Scott Hall
ATTORNEY FOR ENERGEN RESOURCES
CORPORATION

JSH/ao

Enclosure(s) – as stated

6621/21043/notice

letter.doc

Z 461 515 716

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to Rio Pecos Corporation	
Street & Number 4501 Greentree Blvd.	
Post Office, State, & ZIP Code Midland, TX 79707	
Postage	\$.55
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.00
Postmark or Date 5/12/99 PM	

PS Form 3800, April 1995

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- ☐ Addressee's Address
- ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

**Rio Pecos Corporation
4501 Greentree Blvd.
Midland, TX 79707**

4a. Article Number

Z 461 515 716

4b. Service Type

- | | |
|--|---|
| <input type="checkbox"/> Registered | <input checked="" type="checkbox"/> Certified |
| <input type="checkbox"/> Express Mail | <input type="checkbox"/> Insured |
| <input checked="" type="checkbox"/> Return Receipt for Merchandise | <input type="checkbox"/> COD |

7. Date of Delivery

5-14-99

5. Received By: (Print Name)

MARTINEZ

6. Signature: (Addressee or Agent)

X [Signature]

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

CERTIFIED

Z 461 515 721

STRATVERT & TORGERSON, P.A.

LAW OFFICES

POST OFFICE BOX 1986

ANTA FE, NEW MEXICO 87504-1986

MAIL

Pathfinder Exploration
4306 Crestgate
Midland, TX 79707

- REASON CHECKED**
- ☐ Moved, Left No Address
☒ Unable To Forward
☐ Attempted - Not Known
☐ Unclaimed
☐ No Such Street
☐ Insufficient Address
☐ Refused
☐ No Such Number

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

1. ☐ Addressee's Address
2. ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Pathfinder Exploration
4306 Crestgate
Midland, TX 79707

4a. Article Number

Z 461 515 721

4b. Service Type

- ☐ Registered ☒ Certified
☐ Express Mail ☐ Insured
☒ Return Receipt for Merchandise ☐ COD

7. Date of Delivery

5. Received By: (Print Name)

6. Signature: (Addressee or Agent)

X

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Registered Mail.

MILLER, STRATVERT & TORGERSO, P. A.
LAW OFFICES

RANNE B. MILLER
ALAN C. TORGERSO
ALICE TOMLINSON LORENZ
GREGORY W. CHASE
ALAN KONRAD
LYMAN G. SANDY
STEPHEN M. WILLIAMS
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MICHAEL C. ROSS
ANDREW M. SANCHEZ
CARLA PRANDO
KATHERINE N. BLACKETT
JENNIFER L. STONE

ALBUQUERQUE

500 MARQUETTE N.W. SUITE 1100
POST OFFICE BOX 25687
ALBUQUERQUE, NM 87125-0687
TELEPHONE: (505) 842-1950
FACSIMILE: (505) 243-4408

LAS CRUCES

500 S. MAIN ST., SUITE 800
POST OFFICE BOX 1209
LAS CRUCES, NM 88004-1209
TELEPHONE: (505) 523-2481
FACSIMILE: (505) 526-2215

FARMINGTON

300 WEST ARRINGTON
POST OFFICE BOX 869
FARMINGTON, NM 87499-0869
TELEPHONE: (505) 326-4521
FACSIMILE: (505) 325-5474

SANTA FE

150 WASHINGTON AVE., SUITE 300
POST OFFICE BOX 1986
SANTA FE, NM 87504-1986
TELEPHONE: (505) 989-9614
FACSIMILE: (505) 989-9857

WILLIAM K. STRATVERT, COUNSEL
PAUL W. ROBINSON, COUNSEL
RALPH WM. RICHARDS, COUNSEL
ROSS B. PERKAL, COUNSEL
JAMES J. WIDLAND, COUNSEL

PLEASE REPLY TO SANTA FE

May 12, 1999

CERTIFIED MAIL
RETURN RECEIPT REQUIRED

Pathfinder Exploration
4306 Crestgate
Midland, TX 79707

Re: New Mexico Oil Conservation Division Case No. 12086 (Consolidated);
Application of Yates Petroleum Corporation and Hanley Petroleum, Inc. For
Allowable Reduction and Escrow of Production Proceeds, Lea County, New
Mexico; Application of Energen Resources Corporation For Allowable Reduction
and Escrow of Production Proceeds, Lea County, New Mexico.

Dear Sir or Madam:

Please be advised that Energen Resources Corporation has filed an Application with the New Mexico Oil Conservation Division (NMOCD) seeking the issuance of an order (1) temporarily reducing the production allowable for wells in the West Lovington Strawn Pool to the minimum level which will avoid the termination of leases for the failure to produce in paying quantities, and (2) requiring the operator of the West Lovington Strawn Unit to escrow production payments from wells it operates adjacent to the Unit. Energen will also seek authorization to produce and escrow production proceeds for its Beadle No. 1 well to be drilled to the Strawn formation in the W/2 SW/4 of Section 35, T-15-S, R-35-E, NMPM for an appropriate period of time preparatory to the inclusion of the well in the West Lovington Strawn Unit. A copy of Energen's Application is enclosed.

May 12, 1999

Page two

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Very truly yours.

MILLER, STRATVERT & TORGERSON, P.A.

A handwritten signature in black ink, appearing to read "J. Scott Hall", is written over the typed name.

J. Scott Hall
ATTORNEY FOR ENERGEN RESOURCES
CORPORATION

JSH/ao

Enclosure(s) – as stated

6621/21043/notice

letter.doc

Z 461 515 721

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	
Pathfinder Exploration	
Street & Number	
4306 Crestgate	
Post Office, State, & ZIP Code	
Midland, TX 79702	
Postage	\$.55
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom: Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.00
Postmark or Date	MAY 12

PS Form 3800 April 1995

MILLER, STRATVERT & TORGERSON, P. A.
LAW OFFICES

RANNE B. MILLER
ALAN C. TORGERSON
ALICE TOMLINSON LORENZ
GREGORY W. CHASE
ALAN KONRAD
LYMAN G. SANDY
STEPHEN M. WILLIAMS
STEPHAN M. VIDMAR
ROBERT C. GUTIERREZ
SETH V. BINGHAM
JAMES B. COLLINS
TIMOTHY R. BRIGGS
RUDOLPH LUCERO
DEBORAH A. SOLOVE
GARY L. GORDON
LAWRENCE R. WHITE
SHARON P. GROSS
VIRGINIA ANDERMAN
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J. SCOTT HALL
THOMAS R. MACK
TERRI L. SAUER

JOEL T. NEWTON
THOMAS M. DOMME
RUTH O. PREGENZER
JEFFREY E. JONES
MANUEL I. ARRIETA
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H. BROOK LASKEY
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LARA L. WHITE
PAULA G. MAYNES
DEAN B. CROSS
MICHAEL C. ROSS
ANDREW M. SANCHEZ
CARLA PRANDO
KATHERINE N. BLACKETT
JENNIFER L. STONE

ALBUQUERQUE

500 MARQUETTE N.W. SUITE 1100
POST OFFICE BOX 25687
ALBUQUERQUE, NM 87125-0687
TELEPHONE: (505) 842-1950
FACSIMILE: (505) 243-4408

LAS CRUCES

500 S. MAIN ST., SUITE 800
POST OFFICE BOX 1209
LAS CRUCES, NM 88004-1209
TELEPHONE: (505) 523-2481
FACSIMILE: (505) 526-2215

FARMINGTON

300 WEST ARRINGTON
POST OFFICE BOX 869
FARMINGTON, NM 87499-0869
TELEPHONE: (505) 326-4521
FACSIMILE: (505) 325-5474

SANTA FE

150 WASHINGTON AVE., SUITE 300
POST OFFICE BOX 1986
SANTA FE, NM 87504-1986
TELEPHONE: (505) 989-9614
FACSIMILE: (505) 989-9857

WILLIAM K. STRATVERT, COUNSEL
PAUL W. ROBINSON, COUNSEL
RALPH WM. RICHARDS, COUNSEL
ROSS B. PERKAL, COUNSEL
JAMES J. WIDLAND, COUNSEL

PLEASE REPLY TO SANTA FE

May 12, 1999

**CERTIFIED MAIL
RETURN RECEIPT REQUIRED**

Gillespie Oil, Inc.
Post Office Box 8
Midland TX 79702

Re: New Mexico Oil Conservation Division Case No. 12086 (Consolidated);
Application of Yates Petroleum Corporation and Hanley Petroleum, Inc. For
Allowable Reduction and Escrow of Production Proceeds, Lea County, New
Mexico; Application of Energen Resources Corporation For Allowable Reduction
and Escrow of Production Proceeds, Lea County, New Mexico.

Dear Sir or Madam:

Please be advised that Energen Resources Corporation has filed an Application with the New Mexico Oil Conservation Division (NMOCD) seeking the issuance of an order (1) temporarily reducing the production allowable for wells in the West Lovington Strawn Pool to the minimum level which will avoid the termination of leases for the failure to produce in paying quantities, and (2) requiring the operator of the West Lovington Strawn Unit to escrow production payments from wells it operates adjacent to the Unit. Energen will also seek authorization to produce and escrow production proceeds for its Beadle No. 1 well to be drilled to the Strawn formation in the W/2 SW/4 of Section 35, T-15-S, R-35-E, NMPM for an appropriate period of time preparatory to the inclusion of the well in the West Lovington Strawn Unit. A copy of Energen's Application is enclosed.

May 12, 1999
Page two

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Very truly yours,

MILLER, STRATVERT & TORGERSON, P.A.

A handwritten signature in dark ink, appearing to read "J. Scott Hall", written in a cursive style.

J. Scott Hall
ATTORNEY FOR ENERGEN RESOURCES
CORPORATION

JSH/ao

Enclosure(s) – as stated

6621/21043/notice

letter.doc

Z 461 515 706

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to		Gillès pie Oil, INC.
Street & Number		PO Box 8
Post Office, State, & ZIP Code		Midland, TX 79702
Postage		\$.55
Certified Fee		1.35
Special Delivery Fee		
Restricted Delivery Fee		
Return Receipt Showing to Whom & Date Delivered		
Return Receipt Showing to Whom, Date, & Addressee's Address		1.00
TOTAL Postage & Fees	\$	
Postmark or Date		3.00 May 12-1994

PS Form 3800 April 1995

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

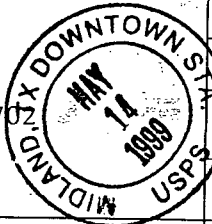
- ☐ Complete items 1 and/or 2 for additional services. Complete items 3, 4a, and 4b.
- ☐ Print your name and address on the reverse of this form so that we can return this card to you.
- ☐ Attach this form to the front of the mailpiece, or on the back if space does not permit.
- ☐ Write "Return Receipt Requested" on the mailpiece below the article number.
- ☐ The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

1. ☐ Addressee's Address
2. ☐ Restricted Delivery

3. Article Addressed to:

Gillespie Oil
PO Box 8
Midland, TX 79702



4a. Article Number

Z 461-515-706

4b. Service Type

- ☐ Registered ☒ Certified
- ☐ Express Mail ☐ Insured
- ☐ Return Receipt for Merchandise ☐ COD

7. Date of Delivery

5. Received By: (Print Name)

6. Signature (Addressee or Agent)

[Signature]

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1994

102595-99-B-0223

Domestic Return Receipt

Thank you for using Return Receipt Service.

MILLER, STRATVERT & TORGERSON, P. A.
LAW OFFICES

RANNE B. MILLER
ALAN C. TORGERSON
ALICE TOMLINSON LORENZ
GREGORY W. CHASE
ALAN KONRAD
LYMAN G. SANDY
STEPHEN M. WILLIAMS
STEPHAN M. VIDMAR
ROBERT C. GUTIERREZ
SETH V. BINGHAM
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TIMOTHY R. BRIGGS
RUDOLPH LUCERO
DEBORAH A. SOLOVE
GARY L. GORDON
LAWRENCE R. WHITE
SHARON P. GROSS
VIRGINIA ANDERMAN
MARTE D. LIGHTSTONE
J. SCOTT HALL
THOMAS R. MACK
TERRI L. SAUER

JOEL T. NEWTON
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JEFFREY E. JONES
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ROBIN A. GOBLE
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DANA M. KYLE
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MICHAEL C. ROSS
ANDREW M. SANCHEZ
CARLA PRANDO
KATHERINE N. BLACKETT
JENNIFER L. STONE

ALBUQUERQUE

500 MARQUETTE N.W. SUITE 1100
POST OFFICE BOX 25687
ALBUQUERQUE, NM 87125-0687
TELEPHONE: (505) 842-1950
FACSIMILE: (505) 243-4408

LAS CRUCES

500 S. MAIN ST., SUITE 800
POST OFFICE BOX 1209
LAS CRUCES, NM 88004-1209
TELEPHONE: (505) 523-2481
FACSIMILE: (505) 526-2215

FARMINGTON

300 WEST ARRINGTON
POST OFFICE BOX 869
FARMINGTON, NM 87499-0869
TELEPHONE: (505) 326-4521
FACSIMILE: (505) 325-5474

SANTA FE

150 WASHINGTON AVE., SUITE 300
POST OFFICE BOX 1986
SANTA FE, NM 87504-1986
TELEPHONE: (505) 989-9614
FACSIMILE: (505) 989-9857

WILLIAM K. STRATVERT, COUNSEL
PAUL W. ROBINSON, COUNSEL
RALPH WM. RICHARDS, COUNSEL
ROSS B. PERKAL, COUNSEL
JAMES J. WIDLAND, COUNSEL

PLEASE REPLY TO SANTA FE

May 12, 1999

CERTIFIED MAIL
RETURN RECEIPT REQUIRED

Snyder Ranches, Inc.
Post Office Box 2158
Hobbs, New Mexico 88241

Re: New Mexico Oil Conservation Division Case No. 12086 (Consolidated);
Application of Yates Petroleum Corporation and Hanley Petroleum, Inc. For
Allowable Reduction and Escrow of Production Proceeds, Lea County, New
Mexico; Application of Energen Resources Corporation For Allowable Reduction
and Escrow of Production Proceeds, Lea County, New Mexico.

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May 12, 1999
Page two

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Very truly yours,

MILLER, STRATVERT & TORGERSON, P.A.

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J. Scott Hall
ATTORNEY FOR ENERGEN RESOURCES
CORPORATION

JSH/ao

Enclosure(s) – as stated

6621/21043/notice

letter.doc

1 2 461 515 740

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to Snyder Ranches, Inc.	
Street & Number P.O. Box 2158	
Post Office, State, & ZIP Code Hobbs, N.M. 88241	
Postage	\$.55
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.00
Postmark or Date 5/12/99 Rm	

PS Form 3800, April 1995

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- ☐ Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- ☐ Print your name and address on the reverse of this form so that we can return this card to you.
- ☐ Attach this form to the front of the mailpiece, or on the back if space does not permit.
- ☐ Write "Return Receipt Requested" on the mailpiece below the article number.
- ☐ The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1. ☐ Addressee's Address
- 2. ☐ Restricted Delivery

3. Article Addressed to:

**Snyder Ranches, Inc.
Post Office Box 2158
Hobbs, New Mexico 88241**

4a. Article Number

2 461 515 740

4b. Service Type

- ☐ Registered ☒ Certified
- ☐ Express Mail ☐ Insured
- ☒ Return Receipt for Merchandise ☐ COD

7. Date of Delivery

5/11/99

5. Received By: (Print Name)

LARRY SUMMIT

6. Signature (Addressee or Agent)

Larry Summit

8. Addressee's Address (Only if requested and fee is paid)

Thank you for using Return Receipt Service.

PS Form 3811, December 1994

102595-99-B-0223

Domestic Return Receipt

MILLER, STRATVERT & TORGERSO, P. A.
LAW OFFICES

RANNE B. MILLER
ALAN C. TORGERSO
ALICE TOMLINSON LORENZ
GREGORY W. CHASE
ALAN KONRAD
LYMAN G. SANDY
STEPHEN M. WILLIAMS
STEPHAN M. VIDMAR
ROBERT C. GUTIERREZ
SETH V. BINGHAM
JAMES B. COLLINS
TIMOTHY R. BRIGGS
RUDOLPH LUCERO
DEBORAH A. SOLOVE
GARY L. GORDON
LAWRENCE R. WHITE
SHARON P. GROSS
VIRGINIA ANDERMAN
MARTE D. LIGHTSTONE
J. SCOTT HALL
THOMAS R. MACK
TERRI L. SAUER

JOEL T. NEWTON
THOMAS M. DOMME
RUTH O. PREGENZER
JEFFREY E. JONES
MANUEL I. ARRIETA
ROBIN A. GOBLE
JAMES R. WOOD
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KATHERINE W. HALL
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LARA L. WHITE
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DEAN B. CROSS
MICHAEL C. ROSS
ANDREW M. SANCHEZ
CARLA PRANDO
KATHERINE N. BLACKETT
JENNIFER L. STONE

ALBUQUERQUE

500 MARQUETTE N.W. SUITE 1100
POST OFFICE BOX 25687
ALBUQUERQUE, NM 87125-0687
TELEPHONE: (505) 842-1950
FACSIMILE: (505) 243-4408

LAS CRUCES

500 S. MAIN ST., SUITE 800
POST OFFICE BOX 1209
LAS CRUCES, NM 88004-1209
TELEPHONE: (505) 523-2481
FACSIMILE: (505) 526-2215

FARMINGTON

300 WEST ARRINGTON
POST OFFICE BOX 869
FARMINGTON, NM 87499-0869
TELEPHONE: (505) 326-4521
FACSIMILE: (505) 325-5474

SANTA FE

150 WASHINGTON AVE., SUITE 300
POST OFFICE BOX 1986
SANTA FE, NM 87504-1986
TELEPHONE: (505) 989-9614
FACSIMILE: (505) 989-9857

WILLIAM K. STRATVERT, COUNSEL
PAUL W. ROBINSON, COUNSEL
RALPH WM. RICHARDS, COUNSEL
ROSS B. PERKAL, COUNSEL
JAMES J. WIDLAND, COUNSEL

PLEASE REPLY TO SANTA FE

May 12, 1999

CERTIFIED MAIL
RETURN RECEIPT REQUIRED

Geraldine Anderson Hill
Laura Geraldine Hill
30357 Palos Verdes Dr. East
Rancho Palos Verdes, CA 90275

Re: New Mexico Oil Conservation Division Case No. 12086 (Consolidated);
Application of Yates Petroleum Corporation and Hanley Petroleum, Inc. For
Allowable Reduction and Escrow of Production Proceeds, Lea County, New
Mexico; Application of Energen Resources Corporation For Allowable Reduction
and Escrow of Production Proceeds, Lea County, New Mexico.

Dear Ms. Hill and Ms. Hill:

Please be advised that Energen Resources Corporation has filed an Application with the New Mexico Oil Conservation Division (NMOCD) seeking the issuance of an order (1) temporarily reducing the production allowable for wells in the West Lovington Strawn Pool to the minimum level which will avoid the termination of leases for the failure to produce in paying quantities, and (2) requiring the operator of the West Lovington Strawn Unit to escrow production payments from wells it operates adjacent to the Unit. Energen will also seek authorization to produce and escrow production proceeds for its Beadle No. 1 well to be drilled to the Strawn formation in the W/2 SW/4 of Section 35, T-15-S, R-35-E, NMMPM for an appropriate period of time preparatory to the inclusion of the well in the West Lovington Strawn Unit. A copy of Energen's Application is enclosed.

May 12, 1999

Page two

Energen's Application, originally filed with the New Mexico Oil Conservation Commission, was consolidated with a substantially similar Application filed before the NMOCD on behalf of Yates Petroleum Corporation and Hanley Petroleum, Inc. The consolidated proceeding has been set for hearing before a Division Examiner at 8:15 a.m. on Thursday, June 10, 1999 at the NMOCD's office at 2040 South Pacheco Street in Santa Fe, New Mexico. You are not required to attend this hearing, but as an operator of a well, a mineral lessee or the owner of an unleased mineral interest in the pool, you have the right to appear and participate in the hearing. Failure to appear at that time and become a party of record will preclude you from challenging this matter at a later date.

Very truly yours,

MILLER, STRATVERT & TORGERSON. P.A.



J. Scott Hall
ATTORNEY FOR ENERGEN RESOURCES
CORPORATION

JSH/ao

Enclosure(s) – as stated

6621/21043/notice

letter.doc

Z 461 515 739

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	
Geraldine Anderson Hill/Laura	
Street & Number	
30357 Palos Verdes Dr. E	
Post Office, State, & ZIP Code	
Rancho Palos Verdes, CA	
Postage	\$.55
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.00
Postmark or Date	
5/12/99 RM	

Geraldine Hill 90275

PS Form 3800 April 1995

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- ☐ Complete items 1 and/or 2 for additional services.
- ☐ Complete items 3, 4a, and 4b.
- ☐ Print your name and address on the reverse of this form so that we can return this card to you.
- ☐ Attach this form to the front of the mailpiece, or on the back if space does not permit.
- ☐ Write "Return Receipt Requested" on the mailpiece below the article number.
- ☐ The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1. ☐ Addressee's Address
- 2. ☐ Restricted Delivery

3. Article Addressed to:

Geraldine Anderson Hill
 Laura Geraldine Hill
 30357 Palos Verdes Dr. East
 Rancho Palos Verdes, CA 90275

4a. Article Number

Z 461 515 739

4b. Service Type

- ☐ Registered ☒ Certified
- ☐ Express Mail ☐ Insured
- ☒ Return Receipt for Merchandise ☐ COD

7. Date of Delivery

5-17-99

5. Received By: (Print Name)

8. Addressee's Address (Only if requested and fee is paid)

6. Signature (Addressee or Agent)

[Signature]

PS Form 3811, December 1994

102595-99-8-0223

Domestic Return Receipt

Thank you for using Return Receipt Service.

MILLER, STRATVERT & TORGERSO, P. A.
LAW OFFICES

RANNE B. MILLER
ALAN C. TORGERSO
ALICE TOMLINSON LORENZ
GREGORY W. CHASE
ALAN KONRAD
LYMAN G. SANDY
STEPHEN M. WILLIAMS
STEPHAN M. VIDMAR
ROBERT C. GUTIERREZ
SETH V. BINGHAM
JAMES B. COLLINS
TIMOTHY R. BRIGGS
RUDOLPH LUCERO
DEBORAH A. SOLOVE
GARY L. GORDON
LAWRENCE R. WHITE
SHARON P. GROSS
VIRGINIA ANDERMAN
MARTE D. LIGHTSTONE
J. SCOTT HALL
THOMAS R. MACK
TERRI L. SAUER

JOEL T. NEWTON
THOMAS M. DOMME
RUTH O. PREGENZER
JEFFREY E. JONES
MANUEL I. ARRIETA
ROBIN A. GOBLE
JAMES R. WOOD
DANA M. KYLE
KIRK R. ALLEN
RUTH M. FUESS
KYLE M. FINCH
H. BROOK LASKEY
KATHERINE W. HALL
FRED SCHILLER
LARA L. WHITE
PAULA G. MAYNES
DEAN B. CROSS
MICHAEL C. ROSS
ANDREW M. SANCHEZ
CARLA PRANDO
KATHERINE N. BLACKETT
JENNIFER L. STONE

ALBUQUERQUE

500 MARQUETTE N.W. SUITE 1100
POST OFFICE BOX 25687
ALBUQUERQUE, NM 87125-0687
TELEPHONE: (505) 842-1950
FACSIMILE: (505) 243-4408

LAS CRUCES

500 S. MAIN ST., SUITE 800
POST OFFICE BOX 1209
LAS CRUCES, NM 88004-1209
TELEPHONE: (505) 523-2481
FACSIMILE: (505) 526-2215

FARMINGTON

300 WEST ARRINGTON
POST OFFICE BOX 869
FARMINGTON, NM 87499-0869
TELEPHONE: (505) 326-4521
FACSIMILE: (505) 325-5474

SANTA FE

150 WASHINGTON AVE., SUITE 300
POST OFFICE BOX 1986
SANTA FE, NM 87504-1986
TELEPHONE: (505) 989-9614
FACSIMILE: (505) 989-9857

WILLIAM K. STRATVERT, COUNSEL
PAUL W. ROBINSON, COUNSEL
RALPH WM. RICHARDS, COUNSEL
ROSS B. PERKAL, COUNSEL
JAMES J. WIDLAND, COUNSEL

PLEASE REPLY TO SANTA FE

May 12, 1999

CERTIFIED MAIL
RETURN RECEIPT REQUIRED

David H. Arrington Oil & Gas, Inc.
Post Office Box 2071
Midland, TX 79702

Re: New Mexico Oil Conservation Division Case No. 12086 (Consolidated);
Application of Yates Petroleum Corporation and Hanley Petroleum, Inc. For
Allowable Reduction and Escrow of Production Proceeds, Lea County, New
Mexico; Application of Energen Resources Corporation For Allowable Reduction
and Escrow of Production Proceeds, Lea County, New Mexico.

Dear Sir or Madam:

Please be advised that Energen Resources Corporation has filed an Application with the New Mexico Oil Conservation Division (NMOCD) seeking the issuance of an order (1) temporarily reducing the production allowable for wells in the West Lovington Strawn Pool to the minimum level which will avoid the termination of leases for the failure to produce in paying quantities, and (2) requiring the operator of the West Lovington Strawn Unit to escrow production payments from wells it operates adjacent to the Unit. Energen will also seek authorization to produce and escrow production proceeds for its Beadle No. 1 well to be drilled to the Strawn formation in the W/2 SW/4 of Section 35, T-15-S, R-35-E, NMPM for an appropriate period of time preparatory to the inclusion of the well in the West Lovington Strawn Unit. A copy of Energen's Application is enclosed.

May 12, 1999

Page two

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Very truly yours,

MILLER, STRATVERT & TORGERSON, P.A.

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

J. Scott Hall
ATTORNEY FOR ENERGEN RESOURCES
CORPORATION

JSH/ao

Enclosure(s) – as stated

6621/21043/notice

letter.doc

Z 461 515 738

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	
David H. Arrington Oil & Gas, Inc.	
Street & Number	
P.O. Box 2701	
Post Office, State, & ZIP Code	
Midland, TX 79702	
Postage	\$ 55
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$3.00
Postmark or Date	
5/12/99 RM	

PS Form 3800, April 1995

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- ☐ Complete items 1 and/or 2 for additional services. Complete items 3, 4a, and 4b.
- ☐ Print your name and address on the reverse of this form so that we can return this card to you.
- ☐ Attach this form to the front of the mailpiece, or on the back if space does not permit.
- ☐ Write "Return Receipt Requested" on the mailpiece below the article number.
- ☐ The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1. ☐ Addressee's Address
- 2. ☐ Restricted Delivery

3. Article Addressed to:

David H. Arrington Oil & Gas, Inc.
Post Office Box 2701
Midland, TX 79702

4a. Article Number

Z 461 515 738

4b. Service Type

- ☐ Registered
- ☐ Express Mail
- ☒ Return Receipt for Merchandise
- ☒ Certified
- ☐ Insured

7. Date of Delivery

8. Addressee's Address (Only if requested and fee is paid)

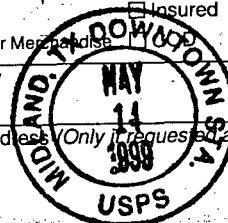
5. Received By: (Print Name)

6. Signature (Addressee or Agent)

PS Form 3811, December 1994

102595-99-B-0223

Domestic Return Receipt



Thank you for using Return Receipt Service.

MILLER, STRATVERT & TORGERSON, P. A.
LAW OFFICES

RANNE B. MILLER
ALAN C. TORGERSON
ALICE TOMLINSON LORENZ
GREGORY W. CHASE
ALAN KONRAD
LYMAN G. SANDY
STEPHEN M. WILLIAMS
STEPHAN M. VIDMAR
ROBERT C. GUTIERREZ
SETH V. BINGHAM
JAMES B. COLLINS
TIMOTHY R. BRIGGS
RUDOLPH LUCERO
DEBORAH A. SOLOVE
GARY L. GORDON
LAWRENCE R. WHITE
SHARON P. GROSS
VIRGINIA ANDERMAN
MARTE D. LIGHTSTONE
J. SCOTT HALL
THOMAS R. MACK
TERRI L. SAUER

JOEL T. NEWTON
THOMAS M. DOMME
RUTH O. PREGENZER
JEFFREY E. JONES
MANUEL I. ARRIETA
ROBIN A. GOBLE
JAMES R. WOOD
DANA M. KYLE
KIRK R. ALLEN
RUTH M. FUESS
KYLE M. FINCH
H. BROOK LASKEY
KATHERINE W. HALL
FRED SCHILLER
LARA L. WHITE
PAULA G. MAYNES
DEAN B. CROSS
MICHAEL C. ROSS
ANDREW M. SANCHEZ
CARLA PRANDO
KATHERINE N. BLACKETT
JENNIFER L. STONE

ALBUQUERQUE

500 MARQUETTE N.W. SUITE 1100
POST OFFICE BOX 25687
ALBUQUERQUE, NM 87125-0687
TELEPHONE: (505) 842-1950
FACSIMILE: (505) 243-4408

LAS CRUCES

500 S. MAIN ST., SUITE 800
POST OFFICE BOX 1209
LAS CRUCES, NM 88004-1209
TELEPHONE: (505) 523-2481
FACSIMILE: (505) 526-2215

FARMINGTON

300 WEST ARRINGTON
POST OFFICE BOX 869
FARMINGTON, NM 87499-0869
TELEPHONE: (505) 326-4521
FACSIMILE: (505) 325-5474

SANTA FE

150 WASHINGTON AVE., SUITE 300
POST OFFICE BOX 1986
SANTA FE, NM 87504-1986
TELEPHONE: (505) 989-9614
FACSIMILE: (505) 989-9857

WILLIAM K. STRATVERT, COUNSEL
PAUL W. ROBINSON, COUNSEL
RALPH WM. RICHARDS, COUNSEL
ROSS B. PERKAL, COUNSEL
JAMES J. WIDLAND, COUNSEL

PLEASE REPLY TO SANTA FE

May 12, 1999

CERTIFIED MAIL
RETURN RECEIPT REQUIRED

Yates Drilling Company
105 South Fourth Street
Artesia, New Mexico 88210

Re: New Mexico Oil Conservation Division Case No. 12086 (Consolidated);
Application of Yates Petroleum Corporation and Hanley Petroleum, Inc. For
Allowable Reduction and Escrow of Production Proceeds, Lea County, New
Mexico; Application of Energen Resources Corporation For Allowable Reduction
and Escrow of Production Proceeds, Lea County, New Mexico.

Dear Sir or Madam:

Please be advised that Energen Resources Corporation has filed an Application with the New Mexico Oil Conservation Division (NMOCD) seeking the issuance of an order (1) temporarily reducing the production allowable for wells in the West Lovington Strawn Pool to the minimum level which will avoid the termination of leases for the failure to produce in paying quantities, and (2) requiring the operator of the West Lovington Strawn Unit to escrow production payments from wells it operates adjacent to the Unit. Energen will also seek authorization to produce and escrow production proceeds for its Beadle No. 1 well to be drilled to the Strawn formation in the W/2 SW/4 of Section 35, T-15-S, R-35-E, NMPPM for an appropriate period of time preparatory to the inclusion of the well in the West Lovington Strawn Unit. A copy of Energen's Application is enclosed.

May 12, 1999

Page two

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Very truly yours,

MILLER, STRATVERT & TORGERSON, P.A.

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

J. Scott Hall
ATTORNEY FOR ENERGEN RESOURCES
CORPORATION

JSH/ao

Enclosure(s) – as stated

6621/21043/notice

letter.doc

Z 461 515 736

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	Yates Drilling Co.
Street & Number	105 S. 4th St.
Post Office, State, & ZIP Code	ARTESIA, NM 88201
Postage	\$.55
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$3.00
Postmark or Date	5/12/99/Rm

PS Form 3800 April 1995

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- ☐ Addressee's Address
- ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Yates Drilling Company
105 South Fourth Street
Artesia, New Mexico 88201

4a. Article Number

Z 461 515 736

4b. Service Type

- ☐ Registered ☒ Certified
☐ Express Mail ☐ Insured
☒ Return Receipt for Merchandise ☐ COD

7. Date of Delivery

8. Addressee's Address (Only if requested and fee is paid)

5. Received By: (Print Name)

JOANN GRIGGS

6. Signature (Addressee or Agent)

X

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

MILLER, STRATVERT & TORGERSON, P. A.
LAW OFFICES

RANNE B. MILLER
ALAN C. TORGERSON
ALICE TOMLINSON LORENZ
GREGORY W. CHASE
ALAN KONRAD
LYMAN G. SANDY
STEPHEN M. WILLIAMS
STEPHAN M. VIDMAR
ROBERT C. GUTIERREZ
SETH V. BINGHAM
JAMES B. COLLINS
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VIRGINIA ANDERMAN
MARTE D. LIGHTSTONE
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THOMAS R. MACK
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JOEL T. NEWTON
THOMAS M. DOMME
RUTH O. PREGENZER
JEFFREY E. JONES
MANUEL I. ARRIETA
ROBIN A. GOBLE
JAMES R. WOOD
DANA M. KYLE
KIRK R. ALLEN
RUTH M. FUESS
KYLE M. FINCH
H. BROOK LASKEY
KATHERINE W. HALL
FRED SCHILLER
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PAULA G. MAYNES
DEAN B. GROSS
MICHAEL C. ROSS
ANDREW M. SANCHEZ
CARLA PRANDO
KATHERINE N. BLACKETT
JENNIFER L. STONE

ALBUQUERQUE

500 MARQUETTE N.W. SUITE 1100
POST OFFICE BOX 25687
ALBUQUERQUE, NM 87125-0687
TELEPHONE: (505) 842-1950
FACSIMILE: (505) 243-4408

LAS CRUCES

500 S. MAIN ST., SUITE 800
POST OFFICE BOX 1209
LAS CRUCES, NM 88004-1209
TELEPHONE: (505) 523-2481
FACSIMILE: (505) 526-2215

FARMINGTON

300 WEST ARRINGTON
POST OFFICE BOX 869
FARMINGTON, NM 87499-0869
TELEPHONE: (505) 326-4521
FACSIMILE: (505) 325-5474

SANTA FE

150 WASHINGTON AVE., SUITE 300
POST OFFICE BOX 1986
SANTA FE, NM 87504-1986
TELEPHONE: (505) 989-9614
FACSIMILE: (505) 989-9857

WILLIAM K. STRATVERT, COUNSEL
PAUL W. ROBINSON, COUNSEL
RALPH WM. RICHARDS, COUNSEL
ROSS B. PERKAL, COUNSEL
JAMES J. WIDLAND, COUNSEL

PLEASE REPLY TO SANTA FE

May 12, 1999

CERTIFIED MAIL
RETURN RECEIPT REQUIRED

Visa Industries of Arizona
9201 North 7th Street
Phoenix, AZ 85201

Re: New Mexico Oil Conservation Division Case No. 12086 (Consolidated);
Application of Yates Petroleum Corporation and Hanley Petroleum, Inc. For
Allowable Reduction and Escrow of Production Proceeds, Lea County, New
Mexico; Application of Energen Resources Corporation For Allowable Reduction
and Escrow of Production Proceeds, Lea County, New Mexico.

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May 12, 1999

Page two

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Very truly yours,

MILLER, STRATVERT & TORGERSON, P.A.

A handwritten signature in cursive script, appearing to read "J. Scott Hall".

J. Scott Hall
ATTORNEY FOR ENERGEN RESOURCES
CORPORATION

JSH/ao

Enclosure(s) – as stated

6621/21043/notice

letter.doc

Z 461 515 713

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	
Visa Ind. of Arizona	
Street & Number	
9201 N. 7th St.	
Post Office, State, & ZIP Code	
Phoenix, AZ 85201	
Postage	\$.55
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$3.00
Postmark or Date	
5/12/99 rm	

PS Form 3800, April 1995

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- ☐ Addressee's Address
- ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Visa Industries of Arizona
9201 North 7th Street
Phoenix, AZ 85201

4a. Article Number

2461515713

4b. Service Type

- | | |
|--|---|
| <input type="checkbox"/> Registered | <input checked="" type="checkbox"/> Certified |
| <input type="checkbox"/> Express Mail | <input type="checkbox"/> Insured |
| <input checked="" type="checkbox"/> Return Receipt for Merchandise | <input type="checkbox"/> COD |

7. Date of Delivery

5-14-99

5. Received By: (Print Name)

SM

8. Addressee's Address (Only if requested and fee is paid)

6. Signature: (Addressee or Agent)

X M. Skamny

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.