

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

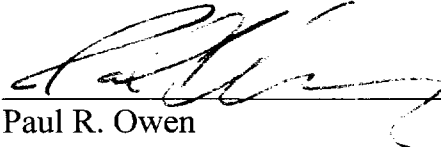
APPLICATION OF HANAGAN
PETROLEUM CORPORATION FOR
AMENDMENT OF DIVISION ORDER
NO. 8611 TO AUTHORIZE A 40-ACRE
FIVE SPOT INJECTION PATTERN
IN ITS TWIN LAKES SAN ANDRES UNIT
WATERFLOOD PROJECT AREA, AND
TO QUALIFY THIS PROJECT FOR THE
RECOVERED OIL TAX RATE PURSUANT
TO THE ENHANCED OIL RECOVERY ACT,
CHAVES COUNTY, NEW MEXICO.

20
CASE NO. 12023

AFFIDAVIT

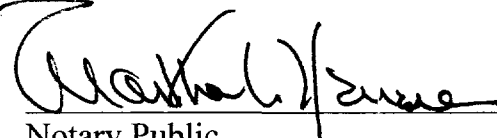
STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

Paul R. Owen, authorized representative of Hanagan Petroleum Corporation, the Applicant herein, being first duly sworn, upon oath, states that in accordance with the notice provisions of Division rules, the Applicant has attempted to find the correct addresses of all interested persons entitled to receive notice of this application and that notice has been given at the addresses shown on Exhibit "A" attached hereto.



Paul R. Owen

SUBSCRIBED AND SWORN to before me this 20th day of August, 1998 by Paul R. Owen.



Notary Public

My Commission Expires:

August 19, 1999

EXHIBIT A

David Kent Gabel
Route 3
Hereford, TX 79045

Willow Pipeline Company
Post Office Box 131
Weatherford, OK 73096

20

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.
LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
MICHAEL H. FELDEWERT
ANTHONY F. MEDEIROS
PAUL R. OWEN
KATHERINE M. MOSS

JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
FACSIMILE: (505) 983-6043
E-MAIL: ccbspa@ix.netcom.com

July 29, 1998

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

David Kent Gabel
Route 3
Hereford, TX 79045

Re: Application of Hanagan Petroleum Corporation for amendment of Division Order No. R-8611 which authorized the Twin Lakes San Andres Unit Waterflood Project, and to qualify said project, as amended, for the recovered oil tax rate pursuant to the Enhanced Oil Recovery Act, Chaves County, New Mexico

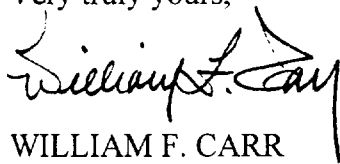
Gentlemen:

Enclosed is a copy of Form C-108 which has been filed with the Oil Conservation Division in the above-captioned case. If you would like to obtain a complete copy of Form C-108 with all attachments, let me know and I will forward a copy to you.

This application has been set for hearing before a Division Examiner on August 6, 1998. Following the hearing the case will be continued to August 20, 1998 at which time it can be taken under advisement. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Parties appearing in cases have been requested by the Division (Memorandum 2-90) to file a Prehearing Statement substantially in the form prescribed by the Division. Prehearing statements should be filed by 4:00 o'clock p.m. on the Friday before a scheduled hearing.

Very truly yours,



WILLIAM F. CARR
ATTORNEY FOR HANAGAN PETROLEUM CORPORATION
Enc.

Z 211 156 252

US Postal Service

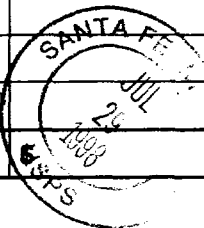
Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to David Kent Gabel	
Street & Number Route 3	
Post Office, State, & ZIP Code Hereford, TX 79045	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 1.00
Postmark or Date	

PS Form 3800, April 1995



CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.
LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
MICHAEL H. FELDEWERT
ANTHONY F. MEDEIROS
PAUL R. OWEN
KATHERINE M. MOSS

JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
FACSIMILE: (505) 983-6043
E-MAIL: ccb3pa@ix.netcom.com

July 29, 1998

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Willow Pipeline Company
Post Office Box 131
Weatherford, OK 73096

Re: Application of Hanagan Petroleum Corporation for amendment of Division Order No. R-8611 which authorized the Twin Lakes San Andres Unit Waterflood Project, and to qualify said project, as amended, for the recovered oil tax rate pursuant to the Enhanced Oil Recovery Act, Chaves County, New Mexico

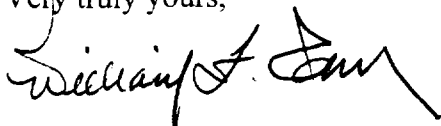
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Very truly yours,



WILLIAM F. CARR
ATTORNEY FOR HANAGAN PETROLEUM CORPORATION
Enc.

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:

Willow Pipeline Company
Post Office Box 131
Weatherford, OK 73096

4a. Article Number

Z 211 156 372

4b. Service Type

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

7. Date of Delivery

8-3-98

5. Received By: (Print Name)

JOHN WRIGHT

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.

Z 211 156 372

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

Sent to	Willow Pipeline Company
Street & Number	Post Office Box 131
Post Office, State, & ZIP Code	Weatherford, OK 73096
Postage	\$ 1.25
Certified Fee	\$ 2.80
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 4.05
Postmark or Date	

PS Form 3800, April 1995

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.
LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
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JEFFERSON PLACE
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SANTA FE, NEW MEXICO 87504-2208
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FACSIMILE: (505) 983-6043
E-MAIL: ccbspa@ix.netcom.com

July 16, 1998

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

David Kent Gabel
Route 3
Hereford, TX 79045

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Dear Mr. Gabel:

This letter is to advise you that Hanagan Petroleum Corporation has filed the enclosed application with the New Mexico Oil Conservation Division seeking an amendment to Order No. R-8611 to permit the implementation of a 40-acre five spot injection pattern within the Twin Lakes San Andres Unit Waterflood Project for the injection of water into the San Andres formation, Twin Lakes Associated Pool and the qualification of this project for the recovered tax rate pursuant to the provisions of the New Mexico Enhanced Oil Recovery Act. Said project area is located in portions of Townships 8 and 9 South, Range 28 and 29 East, NMPM, Chaves County, New Mexico.


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July 16, 1998

Page 2

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Very truly yours,

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WILLIAM F. CARR
ATTORNEY FOR HANAGAN PETROLEUM CORPORATION

Enc.

cc: Mike Hanagan
Hanagan Petroleum Corporation
Post Office Box 1737
Roswell, New Mexico 88202-1737

CAMPBELL, CARR, BERGE & SHERIDAN, P.A.

LAWYERS

POST OFFICE BOX 2208

SANTA FE, NEW MEXICO 87504-2208

CERTIFIED

Z 211 156 317

MAIL

David Kent Gabel
Route
Hereford, TX 79045

1ST NOTICE 8-9-98
2ND NOTICE
RETURN

Z 211 156 317

US Postal Service

Receipt for Certified Mail

David Kent Gabel
Route 3
Hereford, TX 79045

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	1998

PS Form 3800, April 1995

RECEIVED
AUG 11 1998
CAMPBELL, CARR, et. al.

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.
LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
MICHAEL H. FELDEWERT
ANTHONY F. MEDEIROS
PAUL R. OWEN
KATHERINE M. MOSS

JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
FACSIMILE: (505) 983-6043
E-MAIL: ccbspa@ix.netcom.com

July 16, 1998

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Sandco Oil & Gas, Inc.
Post Office Box 881
Mesilla Park, NM 88047

Re: Application of Hanagan Petroleum Corporation for amendment of Division Order No. R-8611 which authorized the Twin Lakes San Andres Unit Waterflood Project, and to qualify said project, as amended, for the recovered oil tax rate pursuant to the Enhanced Oil Recovery Act, Chaves County, New Mexico

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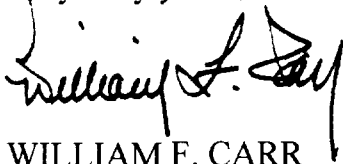
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Very truly yours,

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WILLIAM F. CARR
ATTORNEY FOR HANAGAN PETROLEUM CORPORATION

Enc.

cc: Mike Hanagan
Hanagan Petroleum Corporation
Post Office Box 1737
Roswell, New Mexico 88202-1737

CAMPBELL, CARR, BERGE & SHERIDAN, P.A.

LAWYERS

POST OFFICE BOX 2208

SANTA FE, NEW MEXICO 87504-2208

CERTIFIED

Z 211 156 318

MAIL



FORWARDING ORDER EXPIRED

Sandco Oil & Gas, Inc.
Post Office Box 881
Mesilla Park, NM 88047

1ST NOTICE JUL 20 1998
2ND NOTICE
CERTIFIED

FIRST NOTICE
SECOND NOTICE
RETURN DATE

Z 211 156 318

US Postal Service

Receipt for Certified Mail

Sandco Oil & Gas, Inc.
Post Office Box 881
Mesilla Park, NM 88047

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

JUL 16 1998

PS Form 3800, April 1995

CAMPBELL, CARR, BERGE & SHERIDAN, P.A.

LAWYERS

POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208

CERTIFIED

Z 211 156 317

MAIL

David Kent Gabel
Route 3
Hereford, TX 79045

1ST NOTICE 8-9-98
2ND NOTICE
RETURN

US Postal Service
Receipt for Certified Mail

David Kent Gabel
Route 3
Hereford, TX 79045

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	

PS Form 3800, April 1995

RECEIVED
AUG 11 1998
CAMPBELL, CARR, et. al.

CAMPBELL, CARR, BERGE & SHERIDAN, P.A.

LAWYERS

POST OFFICE BOX 2208

SANTA FE, NEW MEXICO 87504-2208

CERTIFIED

Z 211 156 318

MAIL



FORWARDING
ORDER
EXPRESS

Sandco Oil & Gas, Inc.
Post Office Box 881

Mesilla Park, NM 88047

1ST NOTICE JUL 20 1998
2ND NOTICE
OPTIONAL

1ST NOTICE
2ND NOTICE
RETURN DATE

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PS Form 3800, April 1995

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& SHERIDAN, P.A.
LAWYERS

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July 16, 1998

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RETURN RECEIPT REQUESTED

Willow Pipeline Company
Post Office Box 131
Weatherford, OK 73096

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WILLIAM F. CARR
ATTORNEY FOR HANAGAN PETROLEUM CORPORATION

Enc.

cc: Mike Hanagan
Hanagan Petroleum Corporation
Post Office Box 1737
Roswell, New Mexico 88202-1737

PS Form 3811, December 1994

102595-98-B-0229

Domestic Return Receipt

Thank you for using Return Receipt Service.

- Complete items 1 and/or 2 for additional services.

- 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:

4a. Article Number
Z211 156319

Willow Pipeline Company
Post Office Box 131
Weatherford, OK 73096

4b. Service Type

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

7. Date of Delivery 7/8/

5. Received By: (Print Name)

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

6. Signature: (Addressee or Agent)

PS Form 381, December 1994

Z 211 156 319

US Postal Service

Receipt for Certified Mail

Willow Pipeline Company
Post Office Box 131
Weatherford, OK 73096

Postage	\$ 1.55
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 of Date	

PS Form 3800, April 1995