

AFFIDAVIT OF NOTICE

Before me, the undersigned authority, on this day personally appeared DAVID K. BROOKS, well known to me to be a credible person, and after being duly sworn, did solemnly declare upon his oath as follows:

“My name is David K. Brooks. I am employed by the Energy, Minerals and Natural Resources Department of the State of New Mexico as Assistant General Counsel.

“I am attorney of record for the New Mexico Oil Conservation Division, as Applicant, in Case No. 12739, Application of the New Mexico Oil Conservation Division for an Order Requiring Operators to Bring One Hundred Twenty-One (121) Wells into Compliance with Rule 201.B, and Assessing Appropriate Civil Penalties; San Juan, Rio Arriba, Sandoval and McKinley Counties, New Mexico.

“On September 27, 2001, I prepared the letter a letter to all of the operators named as respondents in the Application filed in Case No. 12739. Attachment A to this Affidavit is a true copy of the letter that I prepared. I then caused a copy of Attachment A to be mailed to each of the operators named on the second page of Attachment A, by Certified Mail, Return Receipt Requested. A copy of the Application filed with the Division is Case No. 12739 was enclosed with each letter.

“A copy of the notification letter (Attachment A) was sent to Coulthurst Mgt. & Inv., Inc., by Certified Mail, Return Receipt Requested, as evidenced by receipt for certified mail a true copy whereof is attached hereto as Attachment B. Such notification letter was not returned to the Division, nor has a return receipt been received by the Division as of this date.

“Personnel of the Division acting under my direction caused notice of the hearing scheduled for October 18, 2001 in this Case No. 12739 to be published in the Observer, a newspaper of general circulation in Sandoval County, New Mexico, on October 3, 2001. A true copy of the notice published in the Artesia Daily Press is attached hereto as Attachment C.”

Further Affiant sayeth not.

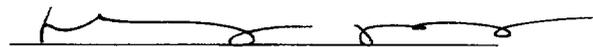
BEFORE EXAMINER STOCNER	
OIL CONSERVATION DIVISION	
OCD	EXHIBIT NO. 2
CASE NO.	12739

David K. Brooks

David K. Brooks

OIL CONSERVATION DIVISION	
CASE NO.	12739
EXHIBIT NO.	OCD
DATE	3/26/02

Subscribed and sworn to in the City of Santa Fe, County of Santa Fe, State of New Mexico, this 18th day of October, 2001. Witness my hand and seal of office.



Notary Public
State of New Mexico

[SEAL]

My commission expires 2/18, 2003



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

September 27, 2001

Lori Wrotenbery
Director
Oil Conservation Division

ADDRESS LIST

VIA: CERTIFIED MAIL, RETURN RECEIPT REQUESTED

Re: Case No. 12739: **Application of the New Mexico Oil Conservation Division for an Order Requiring Operators to Bring One Hundred Twenty-One (121) Wells into Compliance with Rule 201.B, and Assessing Appropriate Civil Penalties; Eddy and Chaves Counties, New Mexico.**

Ladies and Gentlemen:

You are hereby notified that the New Mexico Oil Conservation Division has filed the referenced Application, a copy of which is enclosed herewith, seeking an Order requiring you to bring specified inactive wells in San Juan, Rio Arriba, Sandoval and McKinley Counties, New Mexico into compliance with Division Rule 201.B, by either restoring such wells to production or beneficial use, permanently abandoning or temporarily abandoning them. In addition, the Division seeks assessment of civil penalties for your failure to comply with previous administrative notices to bring these wells into compliance.

A hearing on this Application will take place before a Division hearing officer on Thursday, October 18, 2001, at 8:15 a.m., in the Division Hearing Room, First Floor, 1220 South St. Francis Drive in Santa Fe, New Mexico. At that hearing you will have an opportunity to show cause, if any there be, why an order should not be entered as requested in the Application.

Operational inquiries concerning the subject of this hearing should be directed to Mr. Frank Chavez, District Supervisor, Oil Conservation Division, 1000 Rio Brazos Road, Aztec, NM 87410; phone (505)-334-6178. Counsel may contact the undersigned in the Santa Fe office at (505)-476-3450.

Very truly yours,

Handwritten signature of David K. Brooks in cursive.

David K. Brooks
Assistant General Counsel

CHAPARRAL ENERGY INC
701 CEDAR LAKE BLVD
OKLAHOMA CITY, OK 73114

CLAYTON INVESTMENT CO
710 E 20TH
FARMINGTON, NM 87401

COULTHURST MGT & INV INC
1990 MARIN AVE
BERKELEY, CA 94707

10141HART OIL & GAS INC
PO BOX 307
FARMINGTON, NM 87499

J C WELL SERVICE
PO BOX 51
FARMINGTON, NM 87499

JIMMY ROBERSON ENERGY
CORPORATION
110 LINDA
TEXARKANA, TX 75503

JULIUS CHODOROW
9811 SNOW HEIGHT NE
ALBUQUERQUE, NM 87110

KEYSTONE ENERGY LLC
PO BOX 962
FARMINGTON, NM 87499

LAQUINTA OIL CO
PO BOX 356
FLORA VISTA, NM 87415

MANANA GAS INC
2520 TRAMWAY TERRACE CT NE
ALBUQUERQUE, NM 87122

NM & O OPERATING CO
6 E 5TH ST, STE 900
TULSA, OK 74103

MOUNTAIN STATES PETROLEUM CORP
PO BOX 1936
ROSWELL, NM 88201

NOEL REYNOLDS
PO BOX 356
FLORA VISTA, NM 87415

PHOENIX HYDROCARBONS OPERATING
CORP
PO BOX 3638
MIDLAND, TX 79702

R - J ENTERPRISES
PO BOX 51
FARMINGTON, NM 87499-0051

SMOKEY OIL COMPANY
PO BOX 2360
CASPER, WY 82602

TASCO

TORREON OIL CO
PO BOX 356
FLORA VISTA, NM 87415

U S ENERCORP LLC
153 TREELINE PARK, STE 300
SAN ANTONIO, TX 78209-1880

**U.S. Postal Service
CERTIFIED MAIL RECEIPT**

(Domestic Mail Only; No Insurance Coverage Provided)

7000 1670 0000 0000 8000 9000 4252 7611

Postage		\$
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees		\$

Sent To
Coulthurst Mgt. & Inv. Inc.
Street, Apt. No., or PO Box No.
1990 Marin Ave.
City, State, ZIP+4
Berkeley, CA 94707

PS Form 3800, May 2000 See Reverse for Instructions



Attachment **B**