

Stogner, Michael, EMNRD

From: Stogner, Michael, EMNRD
To: Ocean Munds-Dry
Cc:
Subject: Paladin Energy's W. W. Hamilton Well No. 2-Y
Attachments:

Sent: Wed 10/12/2005 1:24 PM

Exhibit "C" appears to be incomplete, do any of the people listed have surnames? Also, what offsetting acreage do these interests represent?

 Attachments can contain viruses that may harm your computer. Attachments may not display correctly.

Stogner, Michael, EMNRD

From: Ocean Munds-Dry [Omundsdry@hollandhart.com] **Sent:** Fri 10/14/2005 7:52 AM
To: Stogner, Michael, EMNRD
Cc:
Subject: RE: Paladin Energy's W. W. Hamilton Well No. 2-Y
Attachments:  Exhibit C Complete.xls(50KB)

For some reason the Exhibit C I gave you cut off the last names. I've attached the correct list here. I also have a similar list Paladin faxed me that shows where the interest owners title is and since I'm helping Bill with the hearing today, I'll drop off at your office. I hope this answers your questions, but if not, let me know and I'll be happy to call you or stop by your office. Thank you!

Ocean

From: Stogner, Michael, EMNRD [mailto:michael.stogner@state.nm.us]
Sent: Wednesday, October 12, 2005 1:25 PM
To: Ocean Munds-Dry
Subject: Paladin Energy's W. W. Hamilton Well No. 2-Y

Exhibit "C" appears to be incomplete, do any of the people listed have surnames? Also, what offsetting acreage do these interests represent?

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| FirstName | LastName | JobTitle | Company | Address1 | Address2 | City | State | PostalCode |
|-----------------|-------------|----------|-------------------------|--------------------------|----------|------------------|-------|------------|
| Mattie Waite | Bainbridge | | c/o Barry Bainbridge | 120 Pinedale Drive | | Clanton | AL | 35045 |
| Steven C. | Barnes | | | P. O. Box 505 | | Midland | TX | 79702 |
| V. Elaine | Barnes | | | P. O. Box 505 | | Midland | TX | 79702 |
| Julie | Barnes | | | P. O. Box 505 | | Midland | TX | 79702 |
| Laurie B. | Barr | | | P. O. Box 8098 | | Asheville | NC | 28814 |
| Eleanor | Barsh | | | 9 Pugh Street | | Kingston | PA | 18704-1632 |
| Roy G. | Barton, Jr. | | | 1919 N. Turner | | Hobbs | NM | 88240 |
| Quita S. | Benton | | | 6737 East Redbird | | Cave Creek | AZ | 85331 |
| Patricia Palmer | Brodt | | | 2187 Twin Lakes Blvd. | | West Columbia | TX | 77486 |
| Ben S. | Carson | | | 4804 Knight Place | | Midland | TX | 79705 |
| Carolyn | Carson | | | 4804 Knight Place | | Midland | TX | 79705 |
| Stephen | Cone, Jr. | | | P O Box 10321 | | Lubbock | TX | 79408 |
| Steve | Cone, Jr. | | | 1306 Broadway | | Lubbock | TX | 79401 |
| Frances J. | Cueneo, Jr. | | | 232 North Washington | | Naperville | IL | 60540 |
| Sharon R. | Daniel | | | 3475 State Highway W | | Ozark | MO | 65721 |
| Keith Pratt | Daniels | | | P O Box 190766 | | Dallas | TX | 75219 |
| Jean | Davie | | | | | Houston | TX | |
| Farrell | Davis | | | P. O. Box 3061 | | Midland | TX | 79702 |

| | | | | | | | | |
|------------------------|-------------------|-------------|---------------------------|-----------------------------|---------|-------------------------|-------|-------------|
| Paul | Davis, Jr. | | | P. O. Box 871 | | Midland | TX | 79702 |
| Thomas and Debra | Dupray | | | 1240 Jefsumark Circle | | Tucson | AZ | 85749 |
| Marguerite V. Thomas M | Eversden Eversole | | | c/o 2509 Prosser | | Sandia Park Los Angeles | NM CA | 87047 90064 |
| Billy C. | Farmer | | | P O Box 1397 | | Windsor | CO | 80550 |
| Jeanne P. | Fuller | | | 4339 Roanoke Parkway | Apt 303 | Kansas City | MO | 64111 |
| Paul D. | Fuller | | | 4917 Binderwald Road | | Torrance | CA | 90505 |
| Lyle B. | Gallivan | Mary Boxell | | 8270 4th | | Lakewood | CO | 80226 |
| V. H. | Gourley, III | | | P. O. Box 572782 | | Houston | TX | 77257 |
| Dorothy | Hamilton | | c/o John Richard Hamilton | 2910 W County Club Road 116 | | Midland | TX | 79706 |
| John Richard | Hamilton | | | 2910 W County Club Road 116 | | Midland | TX | 79706 |
| Jerry Glen | Hamilton | | | 501 East Campbell Street | | Hobbs | NM | 88240 |
| Raymond Walter | Hamilton | | | 1212 North 6th | | La Mesa | TX | 79331 |
| Shawn P. | Hannifin | | | 518 17th Street | #5210 | Denver | CO | 80202 |
| Alan R. | Hannifin | | | 518 17th Street | #5210 | Denver | CO | 80202 |
| Hellen Childers | Harkins | | | | | Pima | AZ | |
| Harry B. | Heutel | | 3918 Harry Hines Blvd | Suite 206 | | Dallas | TX | 75219 |

| | | | | | | | | |
|------------------|--------------|--|---|----------------------------------|-----------|-------------|----|------------|
| Harlan | Hodges | | | 1st National Bank Building | | Lubbock | TX | |
| Kathy Keil | Johnson | | | P O Box 1654 | | Wimberly | TX | 78676 |
| Katherine Jean | Johnson | | | 612 East Yuca | | Hobbs | NM | 88240 |
| Oliver | Keill III | | | P O Box 1654 | | Wimberly | TX | 78676 |
| E. L. | Lide | | | 5427 7th Street | | Lubbock | TX | 79416 |
| Jack Daniels | Maddy Mann | | | P O Box 1258 | | Hobbs | NM | 88241 |
| Christine B. | Mallams | | | P. O. Box 505 | | Midland | TX | 79702 |
| Alfred | Martin | | | 1415 Kingstree | | Houston | TX | 77058 |
| James F | Martin | | | 3909 Reche Road | Space 129 | Fallbrook | CA | needs zip |
| Hollie G. | McClain | | | P O Box 670 | | Gilmer | TX | 75644 |
| George Glenn | McDuff | | | 4017 93rd Street | | Lubbock | TX | 79423 |
| Maxine | Moody | | | 6021 Golden Center Court | #211 | Placerville | CA | 95667 |
| Richard L. | Moore | | | 310 West Wall Street | Suite 404 | Midland | TX | 79704 |
| Michael Harrison | Moore | | | 310 West Wall Street | Suite 404 | Midland | TX | 79704 |
| Richard Lyons | Moore, et al | | Trustees u/w/o Stephen Scott Moore | 310 West Wall Street | Suite 404 | Midland | TX | 79704 |
| Jane | Mosbacher | | | 712 Main Street #2200 | | Houston | TX | 77002-3290 |
| John David | Mosbacher | | | Melrose 500 on Melrose Avenue | | Grenwich | CT | 6830 |

| | | | | | | | |
|------------------|----------------|------------------|-------------------------------|------|--------------|----|------------|
| Emil | Mosbacher III | | Melrose 500 on Melrose Avenue | | Grenwich | CT | 6830 |
| Mark J. | Mourne | Mourne Oil & Gas | 1500 Four Mile Lane | | Canon City | CO | 81212-9130 |
| Dorothy Coe | Nelson | | 517 Mary Street | | Gilmer | TX | 75644 |
| Richard | Noble | | P O Box 67605 | | Los Angeles | CA | 90067 |
| L. E. | Operman | | 1505 Neely | | Midland | TX | 79705 |
| John K. | Overbey | | 4131 Spicewood Springs Road | #A-3 | Austin | TX | 78759 |
| Lorna G. | Overbey | | 3504 Asbury Avenue | | Dallas | TX | 75205 |
| Marjorie Coe | Presley | | 212 Crescent | | Longview | TX | 75602 |
| Jane D. | Ramsland Trust | | P. O. Box 10505 | | Midland | TX | 79702 |
| Linda Pratt | Rast | | 1202 Marlee Lane | | Arlington | TX | 76014 |
| James Riddle III | Riddle | | 4247 Goodfellow | | Dallas | TX | 75229 |
| Sam and Lisa | Seed | | 13207 Calle Alto | | Hobbs | NM | 88242 |
| Ruth Reynolds | Simms | | P O Box 26900 | | Albuquerque | NM | 87125 |
| Charlotte | Simms | | P O Box 2124 | | Tijeras | NM | 87059 |
| Joshua Reynolds | Simms | | P O Box 26900 | | Albuquerque | NM | 87125 |
| Thomas Hamilton | Simms | | P O Box 553 | | Black Canyon | AZ | 85324 |
| Albert G. | Simms | | | | Albuquerque | NM | |

| | | | | | | | | |
|--------------------------------|---------------------------------|--|--------------------------------------|-----------------------------|------------|-------------|----|------------|
| John Fields | Simms III | | c/o Joshua R. Simms | P O Box 25421 | | Albuquerque | NM | 87125 |
| Joseph Montcalm | Simms III | | | 45446 22nd Street | | Phoenix | AZ | 85027 |
| Paul L. Davis Ltd. | Sir | | | P O Box 871 | | Midland | TX | 79702 |
| Collins Partners Ltd. | Sir | | | 5000 Burnet Road | | Austin | TX | 78756 |
| June Danglade | Speight | | | P. O. Drawer 1687 | | Lovington | NM | 88260 |
| Joan Skelly | Stuart | | c/o John R. Stuart | 4590 East 29th Street | | Tulsa | OK | 74114 |
| James Cleo | Thompson | | | 325 N. St. Paul Street | Suite 4300 | Dallas | TX | 75201 |
| J Cleo | Thompson Estate | | | 325 N. St. Paul Street | Suite 4300 | Dallas | TX | 75201 |
| J. Cleo | Thompson, Jr. | | Estate of J. Cleo Thompson, deceased | 325 N. St. Paul, Suite 4300 | | Dallas | TX | 75201 |
| J. Cleo | Thompson, Jr. | | | 325 N. St. Paul, Suite 4300 | | Dallas | TX | 75201 |
| Mike | Tinley | | | P O Box 1258 | | Hobbs | NM | 88241 |
| Bernice Pearson | Trotter | | | 6112 East 21st Street | | Tulsa | OK | 74128 |
| First National Bank of Lubbock | Trustee of Eleanor Barsch Trust | | | P O Box 1241 | | Lubbock | TX | 79408-1241 |

| | | | | | | | | |
|----------------------------|----------|--|----------------------------------|----------------------------|------------------------------|-------------|----|------------|
| Betty M. | Tylander | | Betty M. Tylander RC Trust | 3401 Washington Road | | Palm Beach | FL | 33405-1937 |
| L. H. | Tyson | | | c/o Jon Tyson | 1306 Broadway | Lubbock | TX | 79401 |
| Jont | Tyson | | | 1306 Broadway | | Lubbock | TX | 79401 |
| Alison Eversole | Walker | | | c/o 2509 Prosser | | Los Angeles | CA | 90064 |
| Patricia N. | Wilson | | | P O Box 670368 | | Dallas | TX | 75367-0368 |
| Randolph E. | Wilson | | | P O Box 670368 | | Dallas | TX | 75367-0368 |
| Herbert and Hazel | Winsberg | | | 6201 North Clark Street | | Chicago | IL | 60660 |
| Shirley B. | Wynn | | | 4925 Greenville Avenue | Suite 900 | Dallas | TX | 75206 |
| Joan Pearson | Yager | | | 11856 East 15th Place | | Tulsa | OK | 74128 |
| Frances Cuneo Jr. Trust | | | | 232 North Washington | | Naperville | IL | 60540 |
| Christmann Mineral Co. | | | | 3110 FM Road, 113 North | | Weatherford | TX | 76088 |
| | | | Jim Wellborne Trust | P O Box 1401 | | Lubbock | TX | 79408-1401 |
| Geodyne Nominee Corp. | | | | Samson Plaza | Two West Second Street | Tulsa | OK | 74103 |
| Petro Tiger I Ltd. | | | | P O Box 3166 | | Tulsa | OK | 74101-3166 |

| | | | | | | | | |
|---------------------------------------|--|--|-----------------------|-----------------------------|-------------|-------------|----|------------|
| Mourne Oil and Gas Co. | | | | 1500 Four Mile Lane | | Canyon City | CO | 81212 |
| Amanda Drew Loud Living Trust | | | | P O Box 724 | | Holderness | NH | 3245 |
| College Church | | | | | | | | |
| J C Barnes Jr. Testamentary Trust | | | | c/o Julie Barnes | P O Box 505 | Midland | TX | 79702 |
| Estate of Iris Platt | | | | | | Eddy | NM | |
| Roy G. Barton & Opal Barton Trust UTA | | | | P O Box 978 | | Hobbs | NM | 88240 |
| 1/28/82 | | | | | | | | |
| Woodrow W. Carter Trust | | | | P O Box 3992 | | Long Beach | CA | 90803 |
| Alcus James Carter III | | | | 894 FM 237 | | Victoria | TX | 77905 |
| The Madd Ranch | | | | P O Box 536 | | Hobbs | NM | 88241 |
| MW Oil and Investment | | | Attr: Land Department | P O Box 8687 | | Denver | CO | 80201-8687 |
| FFF Inc. | | | | P O Box 8687 | | Denver | CO | 80201-8687 |
| Bush Overbey Oil, c/o John Overbey | | | | 4131 Spicewood Springs Road | #A-3 | Austin | TX | 78759 |

| | | | | | | | | |
|--|--|--|--|---|---------------------|------------|----|------------|
| BOA, Trustee of University of Kansas u/w of Gertrude Pearce | | | Attn: Oil and Gas Division | P O Box 830308 | | Dallas | TX | 75283 |
| Winona Jones, Trustee of Frederick Jones Trust 8/30/89 | | | | P O Box 195 | | Burton | KS | 67020 |
| Bank One Investment Management Group | | | | P. O. Box 2605 | | Fort Worth | TX | 76113-2605 |
| | | | Mekusukey Oil Co., Inc. | P. O. Box 816 | | Wewoka | OK | 74884-0816 |
| Brenand Energy Ltd. | | | | 1330 Post Oak, Suite 2540 | | Houston | TX | 77056 |
| Bank of America, Trustee | | | | St. Joseph's Orphanage | P. O. Box 830308 | Dallas | TX | 75283 |
| Scottish Rite Hospital for Crippled Children | | | Attn: Oil and Gas Division | 2222 Welborn Street | | Dallas | TX | 75219 |
| | | | Corsicana National Bank & Trust | Agent for J.L. Collins Educational Fund | P. O. Box 624 | Corsicana | TX | 75151-9004 |

| | | | | | | | | | |
|---|--|--|------------------------------------|---------------|--|-------|----|------------|--|
| Estate of Lutishie Brewer | | | | | | | | | |
| Shriners Hospital for Crippled Children | | | Attn: Oil and Gas Department | P O Box 31356 | | Tampa | FL | 33631-3356 | |

Stogner, Michael, EMNRD

From: Ocean Munds-Dry [Omundsdry@hollandhart.com] **Sent:** Thu 10/27/2005 11:06 AM
To: Stogner, Michael, EMNRD
Cc:
Subject: Paladin Hamilton 2Y Well - UWL Application
Attachments:

Mr. Stogner:

I am following up with you to make sure the documents I provided you answered your questions regarding the offset interests? Let me know if you need anything else.

Thanks,
Ocean

Ocean Munds-Dry
Holland & Hart LLP
110 N. Guadalupe Suite 1
Santa Fe, NM 87501
Phone (505) 988-4421
Fax (866) 851-8340
E-mail: Omundsdry@hollandhart.com

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Stogner, Michael, EMNRD

From: Stogner, Michael, EMNRD **Sent:** Thu 10/27/2005 1:04 PM
To: Ocean Munds-Dry
Cc:
Subject: RE: Paladin Hamilton 2Y Well - UWL Application
Attachments:

You provided me a list with the complete names of those notified on Friday, Oct. 14th; however, I never received the second list showing "where" the interests are actually located.

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Subject: Paladin Hamilton 2Y Well - UWL Application

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110 N. Guadalupe Suite 1
Santa Fe, NM 87501
Phone (505) 988-4421
Fax (866) 851-8340
E-mail: Omundsdry@hollandhart.com

HOLLAND & HART 

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Stogner, Michael, EMNRD

From: Stogner, Michael, EMNRD **Sent:** Wed 11/16/2005 2:32 PM
To: Ocean Munds-Dry
Cc:
Subject: RE: Paladin Hamilton 2Y Well - UWL Application
Attachments:

My Dear Ms. Munds-Dry

It's been nearly three weeks since my last e-mail and a-month-and-a-half since you first filed this application (Division administrative application reference No. pSEM0-526626768). I still need to know "where" in offsetting Section 34-T16S-R38E the parties that were notified have their interest.

The reason this is an issue is the McGee formation, or zone of interest, is spaced on 320-acre spacing units. There is no McGee producing gas well in Section 34; therefore, there is no operator to notify, but there were working interests. However, since there is no McGee gas well in Section 34, there consequently are no spacing units in Section 34. So any future McGee gas development in Section 34 can either be based on stand-up (E/2, W/2) or lay-down (N/2, S/2) units. Since we don't know how the McGee will be developed in Section 34 yet, essentially both the affected offsetting units to the W. W. Hamilton Well No. 2-Y in Section 34 (and that's the E/2 and the S/2) needs notifying.

In accordance with Division policy enacted over four years ago, the Division cannot proceed with your application until the required information is submitted in a timely manner. Please provide the necessary information and, if necessary, supporting data to complete this application by Monday, November 28, 2005, otherwise your incomplete application will be denied and returned to you. Thank you for your assistance in this matter.

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From: Ocean Munds-Dry [Omundsdry@hollandhart.com] **Sent:** Wed 11/16/2005 4:40 PM
To: Stogner, Michael, EMNRD
Cc:
Subject: RE: Paladin Hamilton 2Y Well - UWL Application
Attachments:

Thank you for your email. Please do not think I have been ignoring your request! I have responded to you twice - on 10/15 and on 10/27 by email but they must have failed to reach you. I have tried to send you title sheets which lists where the offset interest owners are located. Do you think this will answer your question? Instead of trying to email you again, I will have it delivered to you tomorrow for your review. If you find this is not enough data, I will see if I can get something else from Paladin.

Thank you,
 Ocean

From: Stogner, Michael, EMNRD [mailto:michael.stogner@state.nm.us]
Sent: Wednesday, November 16, 2005 2:33 PM
To: Ocean Munds-Dry
Subject: RE: Paladin Hamilton 2Y Well - UWL Application

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Ocean Munds-Dry
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Santa Fe, NM 87501
Phone (505) 988-4421
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E-mail: Omundsdry@hollandhart.com

HOLLAND & HART 

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Stogner, Michael, EMNRD

From: Stogner, Michael, EMNRD **Sent:** Thu 11/17/2005 8:12 AM
To: Ocean Munds-Dry
Cc:
Subject: RE: Paladin Hamilton 2Y Well - UWL Application
Attachments:

I looked at my computer log and show nothing was received on the 15th. The 27th e-mail I have was an inquiry (see e-mail below). Hopefully the title sheets you speak of will have the needed information.

Thanks.

From: Ocean Munds-Dry [mailto:Omundsdry@hollandhart.com]
Sent: Wed 11/16/2005 4:40 PM
To: Stogner, Michael, EMNRD
Subject: RE: Paladin Hamilton 2Y Well - UWL Application

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Phone (505) 988-4421
Fax (866) 851-8340
E-mail: Omundsdry@hollandhart.com



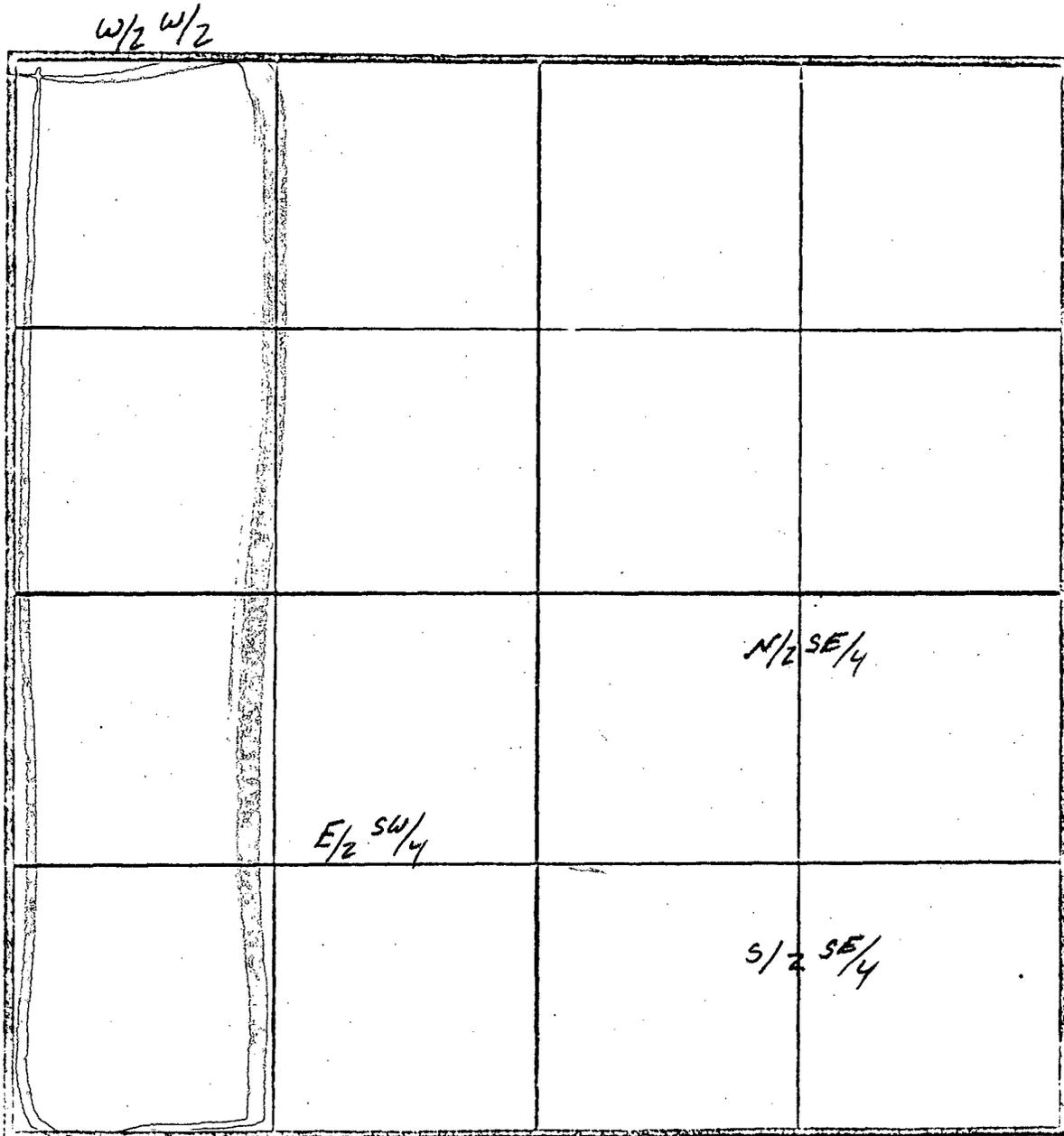
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~ 8:30am

11-17-2005

Sec 34 Township No. 16 South of Range No. 38 East



~ 8:30 meeting w/ Ocean

- provided me with title sheet for the acreage shown above

- NE/4 interest however is still not reconciled

TOWNSHIP 16 SOUTH, RANGE 38 EAST, N.M.P.M.

Section 34: N2SE4, E2SW4

County, New Mexico

Containing 160.00 acres, more or less

RECORD DATE: 7/30/04

MINERAL OWNERSHIP

| NAME OF MINERAL OWNERS | INTEREST | NET ACRES | LEASEHOLD STATUS |
|------------------------|----------|-----------|------------------|
|------------------------|----------|-----------|------------------|

NELL WILSON FAMILY

| | | | |
|---|---------|--------|----------------|
| Patricia N. Wilson, ssp P.O. Box 670368 Dallas, TX 75367-0368 (1998) | 1.5625% | 2.5000 | Open of Record |
| Randolph E. Wilson, ssp P.O. Box 670368 Dallas, TX 75367-0368 (1998) | 1.5625% | 2.5000 | Open of Record |

GERTRUDE PEARSON FAMILY

| | | | |
|---|----------|---------|----------------|
| Bank of America, Trustee of the Trust for the benefit of the University of Kansas U/W of Gertrude Pearce, deceased P.O. Box 830308 Dallas, TX 75283 (1998) | 3.1250% | 5.0000 | Open of Record |
| Jeanne P. Fuller 4339 Roanoke Parkway, Apt 303 Kansas City, MO 64111 (1997) | .094697% | .151515 | Open of Record |
| Paul D. Fuller 4917 Bindewald Road Torrance, CA 90505 (1997) | .094697% | .151515 | Open of Record |
| Winona C. Jones, Trustee of the Frederick L. Jones & Winona c. Jones Trust 8/30/89 P.O. Box 195 Burrton, KS 67020 (2000) | .094697% | .151515 | Open of Record |
| Sharon R. Daniel 3475 State Highway W Ozark, MO 65721 (1997) | .094697% | .151515 | Open of Record |
| Bernice Pearson Trotter 6112 E. 21 st Street Tulsa, OK 74128 (1997) | .142045% | .227273 | Open of Record |
| Joan Pearson Vassar | .142045% | .227273 | Open of Record |

MEKUSUKEY OIL CO., INC.

| | | | |
|--|---------|-------|----------------|
| Mekusukey Oil Co., Inc. P.O.Box 816 Wewoka, OK 7488-0816 (1998) | .40625% | .6500 | Open of Record |
|--|---------|-------|----------------|

BRENNAN ENERGY LTD.

| | | | |
|---|---------|--------|----------------|
| Brennan Energy Ltd. 1360 Post Oak, Suite 1400 Houston, TX 77056 (2003) | 3.1250% | 5.0000 | Open of Record |
|---|---------|--------|----------------|

J.L. COLLINS HEIRS

| | | | |
|---|---------|---------|----------------|
| Bank of America, Trustee of the St. Joseph's Orphanage P.O. Box 830308 Dallas, TX 75283 (1998) | 1.0417% | 1.66672 | Open of Record |
| Texas Scottish Rite Hospital for Crippled Children 2222 Welborn Street Dallas, TX (no zip code) (1998) | 1.0417% | 1.66672 | Open of Record |
| Corsicana National Bank & Trust, agent for the J.L. Collins Educational Fund P.O. Box 624 Corsicana, TX 75151-9004 (1998) | 1.0417% | 1.66672 | Open of Record |

PAUL DAVIS FAMILY

| | | | |
|---|---------|--------|----------------|
| Paul Davis, Jr., ssp P.O. Box 871 Midland, TX 79702 (1998) | .78125% | 1.2500 | Open of Record |
| Farrell Davis, ssp P.O. Box 3061 Midland, TX 79702 (1998) | .78125% | 1.2500 | Open of Record |

JOAN SKELLY STUART FAMILY

| | | | |
|--|---------|--------|----------------|
| John R. Stuart Interest, LLC 4590 E. 29 th Street Tulsa, OK 74114 (1998) | 1.5625% | 2.5000 | Open of Record |
| Joan Skelly Stuart Address Unknown See Note 3 | 1.5625% | 2.5000 | Open of Record |

W.B. COLLINS FAMILY

| | | | |
|--|---------|--------|----------------|
| Collins Partners, Ltd. 2000 E. 29 th Street Tulsa, OK 74114 (1998) | 1.5625% | 2.5000 | Open of Record |
|--|---------|--------|----------------|

PATRICIA PALMER BRODT FAMILY

| | | | |
|--|---------|--------|----------------|
| Patricia Palmer Brodt, ssp 2187 Twin lakes Blvd W. Columbia, TX 77486 (1998) | 1.2500% | 2.0000 | Open of Record |
| | | | |

MOURNEY OIL & GAS

| | | | |
|---|---------|--------|----------------|
| Mark J. Mourné, single, dba Mourné Oil & Gas 1500 Four Mile Lane Canon City, Co 81212-9130 (1998) | 1.8750% | 3.0000 | Open of Record |
| | | | |

J. CLEO THOMPSON FAMILY

| | | | |
|---|--------|--------|----------------|
| Est. of J. Cleo Thompson, deceased c/o J. Cleo Thompson, Jr. 325 N. St. Paul, Suite 4300 Dallas, TX 75201 (1998) | .3125% | .50000 | Open of Record |
| J. Cleo Thompson, Jr. 325 N. St. Paul, Suite 4300 Dallas, TX 75201 (1998) | .3125% | .50000 | Open of Record |
| | | | |

J.C. BARNES FAMILY

| | | | |
|---|---------|---------|----------------|
| Jane D. Ramsland Trust P.O. Box 10505 Midland, TX 79702 (1998) | 1.0417% | 1.66672 | Open of Record |
| Jane D. Ramsland Oil & Gas P/S Ltd. P.O. Box 10505 Midland, TX 79702 (1998) | 1.0417% | 1.66672 | Open of Record |
| Shirley B. Wynn, ssp 4925 Greenville Ave, Suite 900 Dallas, TX 75206 (1998) | 2.0833% | 3.33328 | Open of Record |
| Laurie B. Barr, ssp P.O. Box 8098 Ashville, NC 28814 (1998) | .4166% | .66656 | Open of Record |
| Steve C. Barnes, ssp P.O. Box 505 Midland, TX 79702 (1998) | .4166% | .66656 | Open of Record |
| Christine B. Mallams, ssp P.O. Box 505 Midland, TX 79702 (1998) | .4166% | .66656 | Open of Record |
| V. Elaine Barnes, ssp P.O. Box 505 Midland, TX 79702 (1998) | .4166% | .66656 | Open of Record |
| Julie Barnes, ssp P.O. Box 505 | .4166% | .66656 | Open of Record |

| | | | |
|--|--------|-------|----------------|
| Est. of Gertrude Tyson, deceased c/o Carolyn Carson 4804 Knight Place Midland, TX 79705 (1998) | .3125% | .5000 | Open of Record |
|--|--------|-------|----------------|

J. HIRAM MOORE FAMILY

| | | | |
|---|---------|--------|----------------|
| J. Hiram Moore, Betty Jane Moore and Michael L. Moore, Trustees of the J. Hiram Moore Trust 7/1/71 P.O. Box 10908 Midland, TX 79702 (1998) | 1.8750% | 3.0000 | Open of Record |
|---|---------|--------|----------------|

ROY G. BARTON FAMILY

| | | | |
|--|-----------|---------|----------------|
| Roy G. Barton, Jr., ssp 1919 N. Turner Hobbs, NM 88240 (1998) | 1.40625% | 2.2500 | Open of Record |
| Roy G. Barton and Opal Barton Trust 1919 N. Turner Hobbs, NM 88240 (1998) | 12.34375% | 19.7500 | Open of Record |
| V.H. Gourley III, ssp P.O. Box 572782 Houston, TX 77257 (1998) | 1.2500% | 2.0000 | Open of Record |

GEORGE GLENN MCDUFF FAMILY

| | | | |
|---|---------|--------|----------------|
| George Glenn McDuff, ssp 4017 93 rd Street Lubbock, TX 79423 (1998) | 1.5625% | 2.5000 | Open of Record |
|---|---------|--------|----------------|

A.G. BARSH FAMILY

| | | | |
|----------------------------------|---------|--------|----------------|
| Eleanor Barsh Address Unknown | 1.5625% | 2.5000 | Open of Record |
|----------------------------------|---------|--------|----------------|

STEVE CONE, JR. FAMILY

| | | | |
|--|---------|---------|----------------|
| Steve Cone, Jr., ssp 1306 Broadway Lubbock, TX 79401 (1998) | 9.6875% | 15.5000 | Open of Record |
|--|---------|---------|----------------|

J.M. WELBORN FAMILY

| | | | |
|--|---------|--------|----------------|
| J.M. Welborn Trust 10/23/92 P.O. Box 1401 Lubbock, TX 79408-1401 (1998) | 3.1250% | 5.0000 | Open of Record |
|--|---------|--------|----------------|

JUNE DANGLADE SPEIGHT FAMILY

| | | | |
|---|---------|--------|----------------|
| June Danglede Speight P.O. Drawer 1687 Lovington, NM 88260 (2003) | 4.6875% | 7.5000 | Open of Record |
|---|---------|--------|----------------|

LMA ROYALTY LTD

| | | | |
|--|--------|--------|----------------|
| LMA Royalty Ltd P.O. Box 1778 Colorado Springs, CO 80901-1778 (1998) | 3.125% | 5.0000 | Open of Record |
|--|--------|--------|----------------|

NORTH CENTRAL TEXAS OIL

| | | | |
|--|---------|--------|----------------|
| North Central Oil Corp. 6001 Savoy Suite 600 Houston, TX 77036-3381 (1998) | 3.5000% | 5.6000 | Open of Record |
|--|---------|--------|----------------|

EMIL MOSBACHER FAMILY

| | | | |
|--|----------|----------|----------------|
| Jane Mosbacher 712 Main Street #2200 Houston, TX 77002-3290 (2004) | .087891% | .140625 | Open of Record |
| Mosbacher USA, Inc. 712 Main Street #2200 Houston, TX 77002-3290 (2004) | .943511% | 1.509618 | Open of Record |
| Emil Mosbacher III Melrose 500 on Melrose Ave. Grenwich, CT 06830 (2004) | .03125% | .0500 | Open of Record |
| John David Mosbacher Melrose 500 on Melrose Ave. Grenwich, CT 06830 (2004) | .03125% | .0500 | Open of Record |

JAMES R. HAMILTON FAMILY

| | | | |
|---|---------|--------|----------------|
| Dorothy Hamilton, ssp Address Unknown See Note 4 | 2.5000% | 4.0000 | Open of Record |
| John Richard Hamilton, ssp aka John R. Hamilton 2910 W. County Club Road 116 Midland, TX 79706 (1998) | 2.5000% | 4.0000 | Open of Record |
| Jerry Glen Hamilton, ssp aka J.G. Hamilton aka Jerry G. Hamilton 501 E. Campbell Street Hobbs, NM 88240 (1998) | 2.5000% | 4.0000 | Open of Record |

| | | | |
|--|---------|--------|----------------|
| Est. of Lutishie Brewer, deceased Address Unknown | 3.1250% | 5.0000 | Open of Record |
| See Note 4 | | | |

F.E. CHARTIER FAMILY

| | | | |
|---|------------------|-----------------|----------------|
| Keith Pratt Daniels, ssp P.O. Box 190766 Dallas, TX 75219 (1998) | .6250% | 1.0000 | Open of Record |
| Linda Pratt Rast, ssp 1202 Marlee Lane Arlington, TX 76014 (1998) | .6250% | 1.00000 | Open of Record |
| Total | 100.0000% | 160.0000 | |

NOTES

1. In a Mineral Deed dated 10/20/51 (144/356), The Heller Co. conveyed 30/560 mineral interest to Harvey A. Heller and Harvey A. Heller, Jr. The Heller Co. appears to be a stranger to title. However, Harry A. Heller and Harry A. Heller, Jr. never appear in title again.
2. In a Quitclaim Deed dated 3/31/66 (325/634), Jennie Bell Lee conveyed 1/5th mineral interest to E.M. Proctor and Martha Proctor, husband and wife. Jennie Bell Lee appears to be a stranger to title. However, E.M. and Martha Proctor never appear in title again.
3. Joan Kelly Stuart was the owner of 5/32nd mineral interest. There is a oil and gas lease executed by the Estate of Carolyn M. Skelly, Bessmer Trust Co., as Administrator, 630 5th Ave., New York, NY 10111-0100. It is believed that Carolyn M. Skelly may be the heir to Joan Kelly Stuart.
4. Lutishie Brewer and Elizabeth Brewer Barker were heirs to B.C. Brewer, who owned 1/32 mineral interest. In a Quitclaim Deed dated 8/16/84 (414/512), Elizabeth Brewer Barker quitclaimed all her interest to Lutishie Brewer. In a Warranty Deed dated 3/11/98 (861/263) involving a Tract in the E2SW4, Bobby Glen Weaver executed the document as surviving spouse of Dorothy Lutishie Weaver, deceased and Dorothy L. Hamilton, deceased. Further, Bobby Glen Weaver and Elizabeth Brewer Barker have executed oil and gas leases in 1998 and 2000 (1030/583 and 1041/228 respectfully).
5. J. Don Hudgens was the owner of various mineral interests. From 1948 through 1951, he acquired an sold numerous percentages of interests. However, it appears that he sold all of his interest, but in 1998, A. Gayle Hudgens, P.O. Box 1195, Manchaca TX 78652-1195 and Gary R. Hudgens, 4032 Windrift Drive, Houston, TX 77066 executed oil and gas leases. They appear to be strangers to title.

TOWNSHIP 16 SOUTH, RANGE 38 EAST, N.M.P.M.

Section 34: N2SE4, E2SW4

County, New Mexico

Containing 160.00 acres, more or less

RECORD DATE: 7/30/04

MINERAL OWNERSHIP

| NAME OF MINERAL OWNERS | INTEREST | NET ACRES | LEASEHOLD STATUS |
|------------------------|----------|-----------|------------------|
|------------------------|----------|-----------|------------------|

WELL WILSON FAMILY

| | | | |
|---|---------|--------|----------------|
| Patricia N. Wilson, ssp P.O. Box 670368 Dallas, TX 75367-0368 (1998) | 1.5625% | 2.5000 | Open of Record |
| Randolph E. Wilson, ssp P.O. Box 670368 Dallas, TX 75367-0368 (1998) | 1.5625% | 2.5000 | Open of Record |

GERTRUDE PEARSON FAMILY

| | | | |
|---|----------|---------|----------------|
| Bank of America, Trustee of Trust for the benefit of the University of Gertrude Pearce, deceased P.O. Box 830308 Dallas, TX 75283 (1998) | 3.1250% | 5.0000 | Open of Record |
| Jeanne P. Fuller 4339 Roanoke Parkway, Apt. 3 Kansas City, MO 64111 (1997) | .094697% | .151515 | Open of Record |
| Paul D. Fuller 4917 Bindewald Road Torrance, CA 90505 (1997) | .094697% | .151515 | Open of Record |
| Winona C. Jones, Trustee of Frederick L. Jones & Winona c. Jones Trust 8/30/89 P.O. Box 195 Burrton, KS 67020 (2000) | .094697% | .151515 | Open of Record |
| Sharon E. Daniel 3475 State Highway W Ozark, MO 65721 (1997) | .094697% | .151515 | Open of Record |
| Bernice Pearson Trotter 6112 E. 21 st Street Tulsa, OK 74128 (1997) | .142045% | .227273 | Open of Record |
| Joan Pearson Yager 11856 East 15 th Place Tulsa, OK 74128 (1997) | .142045% | .227273 | Open of Record |

MEKUSUKEY OIL CO., INC.

| | | | | |
|--|--------|---------|-------|----------------|
| Mekusukey Oil Co., Inc. P.O.Box 816 Wewoka, OK 7488-0816 | (1998) | .40625% | .6500 | Open of Record |
|--|--------|---------|-------|----------------|

BRENNAN ENERGY LTD.

| | | | | |
|---|--------|---------|--------|----------------|
| Brennan Energy Ltd. 1360 Post Oak, Suite 1400 Houston, TX 77056 | (2003) | 3.1250% | 5.0000 | Open of Record |
|---|--------|---------|--------|----------------|

J.L. COLLINS HEIRS

| | | | | |
|---|------------------------|---------|---------|----------------|
| Bank of America, Trustee of Orphanage P.O. Box 830308 Dallas, TX 75283 | St. Joseph's (1998) | 1.0417% | 1.66672 | Open of Record |
| Texas Scottish Rite Hospital for Children 2222 Welborn Street Dallas, TX (no zip code) | Crippled (1998) | 1.0417% | 1.66672 | Open of Record |
| Corsicana National Bank & Trust, agent for the J.L. Collins Educational Fund P.O. Box 624 Corsicana, TX 75151-9004 | (1998) | 1.0417% | 1.66672 | Open of Record |

PAUL DAVIS FAMILY

| | | | | |
|---|--------|---------|--------|----------------|
| Paul Davis, Jr., ssp P.O. Box 871 Midland, TX 79702 | (1998) | .78125% | 1.2500 | Open of Record |
| Farrell Davis, ssp P.O. Box 3061 Midland, TX 79702 | (1998) | .78125% | 1.2500 | Open of Record |

JOAN SKELLY STUART FAMILY

| | | | | |
|--|--------|---------|--------|----------------|
| John R. Stuart Interest, LLC 4590 E. 29 th Street Tulsa, OK 74114 | (1998) | 1.5625% | 2.5000 | Open of Record |
| Joan Skelly Stuart Address Unknown See Note 3 | | 1.5625% | 2.5000 | Open of Record |

W.B. COLLINS FAMILY

| | | | | |
|--|--|---------|--------|----------------|
| Collins Partners, Ltd. 5000 Burnet Road | | 1.5625% | 2.5000 | Open of Record |
|--|--|---------|--------|----------------|

PATRICIA PALMER BRODT FAMILY

| | | | | |
|---|--------|---------|--------|----------------|
| Patricia Palmer Brodt, ssp 2187 Twin lakes Blvd W. Columbia, TX 77486 | (1998) | 1.2500% | 2.0000 | Open of Record |
|---|--------|---------|--------|----------------|

MOURNEY OIL & GAS

| | | | | |
|---|--------|---------|--------|----------------|
| Mark J. Mournie, single, dba Gas 1500 Four Mile Lane Canon City, Co 81212-9130 | (1998) | 1.8750% | 3.0000 | Open of Record |
|---|--------|---------|--------|----------------|

J. C LEO THOMPSON FAMILY

| | | | | |
|---|--------|--------|--------|----------------|
| Est. of J. Cleo Thompson, dec'd c/o J. Cleo Thompson, Jr. 325 N. St. Paul, Suite 4300 Dallas, TX 75201 | (1998) | .3125% | .50000 | Open of Record |
| J. Cleo Thompson, Jr. 325 N. St. Paul, Suite 4300 Dallas, TX 75201 | (1998) | .3125% | .50000 | Open of Record |

J.C. BARNES FAMILY

| | | | | |
|--|--------|---------|---------|----------------|
| Jane D. Ramsland Trust P.O. Box 10505 Midland, TX 79702 | (1998) | 1.0417% | 1.66672 | Open of Record |
| Jane D. Ramsland Oil & Gas S Ltd. P.O. Box 10505 Midland, TX 79702 | (1998) | 1.0417% | 1.66672 | Open of Record |
| Shirley B. Wynn, ssp 4925 Greenville Ave, Suite 901 Dallas, TX 75206 | (1998) | 2.0833% | 3.33328 | Open of Record |
| Lauris B. Barr, ssp P.O. Box 8098 Ashville, NC 28814 | (1998) | .4166% | .66656 | Open of Record |
| Steve C. Barnes, ssp P.O. Box 505 Midland, TX 79702 | (1998) | .4166% | .66656 | Open of Record |
| Christine B. Mallams, ssp P.O. Box 505 Midland, TX 79702 | (1998) | .4166% | .66656 | Open of Record |
| V. Elaine Barnes, ssp P.O. Box 505 Midland, TX 79702 | (1998) | .4166% | .66656 | Open of Record |
| Julie Barnes, ssp P.O. Box 505 Midland, TX 79702 | (1998) | .4166% | .66656 | Open of Record |

| | | | | |
|--|--------|--------|-------|----------------|
| Est. of Gertrude Tyson, deceased c/o Carolyn Carson 4804 Knight Place Midland, TX 79705 | (1998) | .3125% | .5000 | Open of Record |
|--|--------|--------|-------|----------------|

J. HIRAM MOORE FAMILY

| | | | | |
|---|--------|---------|--------|----------------|
| J. Hiram Moore, Betty Jane Moore and Michael L. Moore, Trustees of the J. Hiram Moore Trust 7/1/71 P.O. Box 10908 Midland, TX 79702 | (1998) | 1.8750% | 3.0000 | Open of Record |
|---|--------|---------|--------|----------------|

ROY G. BARTON FAMILY

| | | | | |
|--|--------|-----------|---------|----------------|
| Roy G. Barton, Jr., ssp 1919 N. Turner Hobbs, NM 88240 | (1998) | 1.40625% | 2.2500 | Open of Record |
| Roy G. Barton and Opal Barton Trust 1919 N. Turner Hobbs, NM 88240 | (1998) | 12.34375% | 19.7500 | Open of Record |
| V.H. Gourley III, ssp P.O. Box 572782 Houston, TX 77257 | (1998) | 1.2500% | 2.0000 | Open of Record |

GEORGE GLENN MCDUFF FAMILY

| | | | | |
|---|--------|---------|--------|----------------|
| George Glenn McDuff, ssp 4017 93 rd Street Lubbock, TX 79423 | (1998) | 1.5625% | 2.5000 | Open of Record |
|---|--------|---------|--------|----------------|

A.G. BARSH FAMILY

| | | | | |
|----------------------------------|--|---------|--------|----------------|
| Eleanor Barsh Address Unknown | | 1.5625% | 2.5000 | Open of Record |
|----------------------------------|--|---------|--------|----------------|

STEVE CONE, JR. FAMILY

| | | | | |
|--|--------|---------|---------|----------------|
| Steve Cone, Jr., ssp 1306 Broadway Lubbock, TX 79401 | (1998) | 9.6875% | 15.5000 | Open of Record |
|--|--------|---------|---------|----------------|

J.M. WELBORN FAMILY

| | | | | |
|--|--------|---------|--------|----------------|
| J.M. Welborn Trust 10/23/92 P.O. Box 1401 Lubbock, TX 79408-1401 | (1998) | 3.1250% | 5.0000 | Open of Record |
|--|--------|---------|--------|----------------|

JUNE DANGLADE SPEIGHT FAMILY

| | | | | |
|--|--------|---------|--------|----------------|
| June Danglede Speight P.O. Drawer 1687 Lovington, NM 88260 | (2003) | 4.6875% | 7.5000 | Open of Record |
|--|--------|---------|--------|----------------|

LMA ROYALTY LTD

| | | | | |
|---|-----------|--------|--------|----------------|
| LMA Royalty Ltd P.O. Box 1778 Colorado Springs, CO 80901- | 78 (1998) | 3.125% | 5.0000 | Open of Record |
|---|-----------|--------|--------|----------------|

NORTH CENTRAL TEXAS OIL

| | | | | |
|---|--------|---------|--------|----------------|
| North Central Oil Corp. 6001 Savoy Suite 600 Houston, TX 77036-3381 | (1998) | 3.5000% | 5.6000 | Open of Record |
|---|--------|---------|--------|----------------|

EMIL MOSBACHER FAMILY

| | | | | |
|--|--------|----------|----------|----------------|
| Jane Mosbacher 712 Main Street #2200 Houston, TX 77002-3290 | (2004) | .087891% | .140625 | Open of Record |
| Mosbacher USA, Inc. 712 Main Street #2200 Houston, TX 77002-3290 | (2004) | .943511% | 1.509618 | Open of Record |
| Emil Mosbacher III Melrose 500 on Melrose Ave. Greenwich, CT 06830 | (2004) | .03125% | .0500 | Open of Record |
| John David Mosbacher Melrose 500 on Melrose Ave. Greenwich, CT 06830 | (2004) | .03125% | .0500 | Open of Record |

JAMES R. HAMILTON FAMILY

| | | | | |
|--|-----------------------|---------|--------|----------------|
| Dorothy Hamilton, ssp Address Unknown See Note 4 | | 2.5000% | 4.0000 | Open of Record |
| John Richard Hamilton, ssp aka Hamilton 2910 W. County Club Road 115 Midland, TX 79706 | John R. (1998) | 2.5000% | 4.0000 | Open of Record |
| Jerry Glen Hamilton, ssp aka aka Jerry G. Hamilton 501 E. Campbell Street Hobbs, NM 88240 | G. Hamilton (1998) | 2.5000% | 4.0000 | Open of Record |

| | | | | |
|--|--|---------|--------|----------------|
| Est. of Lutishie Brewer, deceased Address Unknown | | 3.1250% | 5.0000 | Open of Record |
| See Note 4 | | | | |

F.E. CHARTIER FAMILY

| | | | | |
|--|--------|------------------|-----------------|----------------|
| Keith Pratt Daniels, asp P.O. Box 190766 Dallas, TX 75219 | (1998) | .6250% | 1.0000 | Open of Record |
| Linda Pratt Rant, asp 1202 Marlee Lane Arlington, TX 76014 | (1998) | .6250% | 1.0000 | Open of Record |
| Total | | 100.0000% | 160.0000 | |

NOTES

- In a Mineral Deed dated 10/20/51 (144/356), The Heller Co. conveyed 30/560 mineral interest to Harvey A. Heller and Harry A. Heller, Jr. The Heller Co. appears to be a stranger to title. However, Harry A. Heller and Harry A. Heller, Jr. never appear in title again.
- In a Quitclaim Deed dated 3/31/66 (323/634), Jennie Bell Lee conveyed 1/5th mineral interest to E.M. Proctor and Martha Proctor, husband and wife. Jennie Bell Lee appears to be a stranger to title. However, E.M. and Martha Proctor never appear in title again.
- Joan Kelly Stuart was the owner of 5/32nd mineral interest. There is a oil and gas lease executed by the Estate of Carolyn M. Skelly, Bessmer Trust Co., as Administrator, 630 5th Ave., New York, NY 10111-0100. It is believed that Carolyn M. Skelly may be the heir to Joan Kelly Stuart.
- Lutishie Brewer and Elizabeth Brewer Barker were heirs to B.C. Brewer, who owned 1/32 mineral interest. In a Quitclaim Deed dated 8/16/84 (414/512), Elizabeth Brewer Barker quitclaimed all her interest to Lutishie Brewer. In a Warranty Deed dated 3/11/98 (861/263) involving a Tract in the E2SW4, Bobby Glen Weaver executed the document as surviving spouse of Dorothy Lutishie Weaver, deceased and Dorothy L. Hamilton, deceased. Further, Bobby Glen Weaver and Elizabeth Brewer Barker have executed oil and gas leases in 1998 and 2000 (130/583 and 1041/228 respectfully).
- J. Don Hudgens was the owner of various mineral interests. From 1948 through 1951, he acquired and sold numerous percentages of interests. However, it appears that he sold all of his interest, but in 1998, A. Gayle Hudgens, P.O. Box 1195, Manchaca TX 78652-1195 and Gary R. Hudgens, 4032 Windrift Drive, Houston, TX 77066 executed oil and gas leases. They appear to be strangers to title.

TOWNSHIP 16 SOUTH, RANGE 38 EAST, N.M.P.M.

Section 34: S2SE4

Lea County, New Mexico

Containing 80 acres, more or less

RECORD DATE: 07/16/04

MINERAL OWNERSHIP

| NAME OF MINERAL OWNER | RS | INTEREST | NET ACRES | LEASEHOLD STATUS |
|-----------------------|----|----------|-----------|------------------|
|-----------------------|----|----------|-----------|------------------|

THE NORA T. AXVIG FAMILY

| | | | | |
|---|--------|--------|---------|----------------|
| Alfred Martin (Dora) 1415 Kingstree Houston, TX 77058 | (1975) | 5.5556 | 4.44448 | Open of Record |
| Alison Eversole Walker C/o 2509 Prosser Los Angeles, CA 90064 | (1988) | 2.7778 | 2.22224 | Open of Record |
| Thomas M. Eversole C/o 2509 Prosser Los Angeles, CA 90064 | (1988) | 2.7778 | 2.22224 | Open of Record |
| Mattie Waite Bainbridge Bessemer, CA | (1985) | 5.5556 | 4.44448 | Open of Record |
| Maxine M. Moody 6021 Golden Center Ct. #21 Placerville, CA 95667 | (1998) | 5.5556 | 4.44448 | Open of Record |
| James F. Martin (Minzy) 3909 Reche Rd., Space 129 Fallbrook, CA | (1998) | 5.5556 | 4.44448 | Open of Record |
| Betty M. Tylander (RC) Tru. 3401 Washington Rd. Palm Beach, FL 33405-1937 | (1975) | 5.5556 | 4.44448 | Open of Record |

THE ALBERT G. SIMMS FAMILY

| | | | | |
|---|--------|--------|---------|----------------|
| Ruth Reynolds Simms P.O. Box 26900 Albuquerque, NM 87125 | | 8.3333 | 6.66664 | Open of Record |
| John Fields Simms III C/o Joshua R. Simms P.O. Box 25421 Albuquerque, NM 87125 | (1997) | 1.3889 | 1.11112 | Open of Record |

| | | | | |
|--|--------|---------|----------|----------------|
| Thomas Hamilton Simms P.O. Box 553 Black Canyon, AZ 85324 | (1995) | 1.3889 | 1.11112 | Open of Record |
| Joseph Montcalm Simms III 45446 22 nd Phoenix, AZ 85027 | (1995) | 1.3889 | 1.11112 | Open of Record |
| Albert G. Simms Albuquerque, NM | (1985) | 16.6667 | 13.33336 | Open of Record |

THE SHRINERS HOSPITAL FOR CRIPPLED CHILDREN

| | | | | |
|--|--------|------------------|-----------------|----------------|
| The Shriners Hospital for Crippl Children P.O. Box 31356 Tampa, FL 33631-3356 | (2000) | 33.3333 | 26.66664 | Open of Record |
| Total | | 100.0000% | 80.00000 | |

NOTES

1. In a Notice of Probate Dated 1/30/67 (261/64), the Estate of Eugene L. Connelly Claimed a 1/3rd Mineral interest in this tract of land. The estate of Eugene L. Connelly appears to be a stranger to title.
2. In a Mineral Deed dated 1/30/96 (1069/782), Frances Freeman aka Patsy Shipp Freeman gave 1/16 to Western Commerce Bank as Trustee in the S2S2. Frances Freeman appears to be a stranger to title.
3. In a Mineral Deed dated 5/24/71 (324/566), Madison Coombs receives 1/2 interest in the surface in the S2SE. in a Salt Water Disposal Lease dated 3/17/75 (327/748), Madison leases to Amerada Hess Corp. Madison Coombs appears to be a stranger to title.
4. In a Mineral Deed dated 3/4/49 (112/422), JC and RC Barnes, husband and wife, put 1/32 interest in the S2SE into the JC and RC Barnes Trust. The RC and JC Barnes Trust appear to be a stranger to title.

TOWNSHIP 16 SOUTH, RANGE 38 EAST, N.M.P.M.

**Section 34 : W2W2
Lea County, New Mexico**

Containing 160.00 acres, more or less

RECORD DATE: 07/21/04

MINERAL OWNERSHIP

| NAME OF MINERAL OWNERS | INTEREST | NET ACRES | LEASEHOLD STATUS |
|-------------------------------|-----------------|------------------|-------------------------|
|-------------------------------|-----------------|------------------|-------------------------|

THE LE OPPERMAN FAMILY

| | | | |
|--|-----------------|----------------|-----------------------|
| LE Opperman 1505 Neely Midland, TX 79705 (1998) | 50.0000% | 80.0000 | Open of Record |
|--|-----------------|----------------|-----------------------|

THE BILLY C. FARMER FAMILY

| | | | |
|---|---------------|---------------|-----------------------|
| Billy C. Farmer P.O. Box 1397 Windsor, CO 80550 (1986) | .6250% | 1.0000 | Open of Record |
| Hollie G. McClain P.O. Box 670 Gilmer, TX 75644 (1986) | .6250% | 1.0000 | Open of Record |

THE JOHN K. OVERBEY FAMILY

| | | | |
|---|----------------|---------------|-----------------------|
| John K. Overbey 4131 Spicewood Springs Rd. #A3 Austin, TX 78759 (1994) | 5.7875% | 9.2600 | Open of Record |
| Lorna G. Overbey 3504 Asbury Ave. Dallas, TX 75205 (1994) | 5.7875% | 9.2600 | Open of Record |

THE LN COE FAMILY

| | | | |
|--|---------------|---------------|-----------------------|
| Dorothy Coe Nelson 517 Mary St. Gilmer, TX 75644 (1989) | .6250% | 1.0000 | Open of Record |
| Marjorie Coe Presley 212 Crescent Longview, TX 75602 (1994) | .6250% | 1.0000 | Open of Record |

THE MIKE TINLEY FAMILY

| | | | |
|---|--------|-------|----------------|
| Mike Tinley P.O. Box 1258 Hobbs, NM 88241 (2000) | .1595% | .2552 | Open of Record |
|---|--------|-------|----------------|

THE MADD RANCH

| | | | |
|---|--------|-------|----------------|
| The Madd Ranch P.O. Box 536 Hobbs, NM 88241 (1999) | .2279% | .3646 | Open of Record |
|---|--------|-------|----------------|

THE SAM H. SEED FAMILY

| | | | |
|--|--------|-------|----------------|
| Sam H. Seed and Lisa J Seed 13207 Calle Alto Hobbs, NM 88242 (2004) | .1595% | .2500 | Open of Record |
|--|--------|-------|----------------|

MW OIL AND INVESTMENT

| | | | |
|---|---------|-------|----------------|
| MW Oil and Investment P.O. Box 8687 Denver, CO 80201-8687 (2003) | .06835% | .1093 | Open of Record |
|---|---------|-------|----------------|

FFF INC.

| | | | |
|--|---------|-------|----------------|
| FFF Inc. P.O. Box 8687 Denver, CO 80201-8687 | .06835% | .1093 | Open of Record |
|--|---------|-------|----------------|

THE LYLE B. GALLIVAN FAMILY

| | | | |
|--|--------|-------|----------------|
| Lyle B. Gallivan (Mary Boxell) 8270 4 th . Lakewood, CO 80226 (2004) | .1367% | .2187 | Open of Record |
|--|--------|-------|----------------|

THE SHAWN P. HANNIFIN FAMILY

| | | | |
|---|--------|-------|----------------|
| Shawn P. Hannifin 518 17 th #5210 Denver, CO 80202 (2001) | .1367% | .2187 | Open of Record |
| Alan R. Hannifin 518 17 th #5210 Denver, CO 80202 (2001) | .1367% | .2187 | Open of Record |

TOWNSHIP 16 SOUTH, RANGE 38 EAST, N.M.P.M.

Section 34 : W2W2

Isla County, New Mexico

Containing 160.00 acres, more or less

RECORD DATE: 07/21/04

MINERAL OWNERSHIP

| NAME OF MINERAL OWNER | RS | INTEREST | NET ACRES | LEASEHOLD STATUS |
|-----------------------|----|----------|-----------|------------------|
|-----------------------|----|----------|-----------|------------------|

THE LE OPPERMAN FAMILY

| | | | | |
|--|--------|---------|---------|----------------|
| LE Opperman 1505 Neely Midland, TX 79705 | (1998) | 50.0000 | 80.0000 | Open of Record |
|--|--------|---------|---------|----------------|

THE BILLY C. FARMER FAMILY

| | | | | |
|---|--------|-------|--------|----------------|
| Billy C. Farmer P.O. Box 1397 Windsor, CO 80550 | (1986) | .6250 | 1.0000 | Open of Record |
| Hollie G. McClain P.O. Box 670 Gilmer, TX 75644 | (1986) | .6250 | 1.0000 | Open of Record |

THE JOHN K. OVERBEY FAMILY

| | | | | |
|---|--------------|--------|--------|----------------|
| John K. Overbey 4131 Spicewood Springs Rd. Austin, TX 78759 | A3 (1994) | 5.7875 | 9.2600 | Open of Record |
| Lorna G. Overbey 3504 Asbury Ave. Dallas, TX 75205 | (1994) | 5.7875 | 9.2600 | Open of Record |

THE LN COE FAMILY

| | | | | |
|--|--------|-------|--------|----------------|
| Dorothy Coe Nelson 517 Mary St. Gilmer, TX 75644 | (1989) | .6250 | 1.0000 | Open of Record |
| Marjorie Coe Presley 212 Crescent Longview, TX 75602 | (1994) | .6250 | 1.0000 | Open of Record |

THE MIKE TINLEY FAMILY

| | | | | |
|---|--------|-------|-------|----------------|
| Mike Tinley P.O. Box 1258 Hobbs, NM 88241 | (2000) | .1595 | .2552 | Open of Record |
|---|--------|-------|-------|----------------|

THE MADD RANCH

| | | | | |
|---|--------|-------|-------|----------------|
| The Madd Ranch P.O. Box 536 Hobbs, NM 88241 | (1999) | .2279 | .3646 | Open of Record |
|---|--------|-------|-------|----------------|

THE SAM H. SEED FAMILY

| | | | | |
|--|--------|-------|-------|----------------|
| Sam H. Seed and Lisa J Seed 13207 Calle Alto Hobbs, NM 88242 | (2004) | .1595 | .2500 | Open of Record |
|--|--------|-------|-------|----------------|

MW OIL AND INVESTMENT

| | | | | |
|---|--------|--------|-------|----------------|
| MW Oil and Investment P.O. Box 8687 Denver, CO 80201-8687 | (2003) | .06835 | .1093 | Open of Record |
|---|--------|--------|-------|----------------|

FFF INC.

| | | | | |
|--|--|--------|-------|----------------|
| FFF Inc. P.O. Box 8687 Denver, CO 80201-8687 | | .06835 | .1093 | Open of Record |
|--|--|--------|-------|----------------|

THE LYLE B. GALLIVAN FAMILY

| | | | | |
|---|--------|-------|-------|----------------|
| Lyle B. Gallivan (Mary Box) 8270 4 th . Lakewood, CO 80226 | (2004) | .1367 | .2187 | Open of Record |
|---|--------|-------|-------|----------------|

THE SHAWN P. HANNIFIN FAMILY

| | | | | |
|---|--------|-------|-------|----------------|
| Shawn P. Hannifin 518 17 th #5210 Denver, CO 80202 | (2001) | .1367 | .2187 | Open of Record |
| Alan R. Hannifin 518 17 th #5210 Denver, CO 80202 | (2001) | .1367 | .2187 | |

BUSH OVERBEY OIL

| | | | | |
|---------------------------------|--------|----------|---------|----------------|
| Bush Overbey Oil Midland, TX | (1953) | 34.67505 | 55.4800 | Open of Record |
|---------------------------------|--------|----------|---------|----------------|

Stogner, Michael, EMNRD

From: Ocean Munds-Dry [Omundsdry@hollandhart.com] **Sent:** Fri 11/18/2005 6:54 AM
To: Stogner, Michael, EMNRD
Cc:
Subject: RE: Paladin Hamilton 2Y Well - UWL Application
Attachments:

Good morning Mr. Stogner,

I am working with Paladin right now to determine if everyone was properly notified. In the meantime, I want to make sure I understood you correctly yesterday when we met. Did you say the whole section of 34 needed to be notified or rather as your email indicates below, the E/2 and the S/2? The latter makes more sense, but I want to make sure I'm on the same page as you.

Thank you for all your help,
 Ocean

From: Stogner, Michael, EMNRD [mailto:michael.stogner@state.nm.us]
Sent: Wednesday, November 16, 2005 2:33 PM
To: Ocean Munds-Dry
Subject: RE: Paladin Hamilton 2Y Well - UWL Application

My Dear Ms. Munds-Dry

It's been nearly three weeks since my last e-mail and a-month-and-a-half since you first filed this application (Division administrative application reference No. pSEM0-526626768). I still need to know "where" in offsetting Section 34-T16S-R38E the parties that were notified have their interest.

The reason this is an issue is the McGee formation, or zone of interest, is spaced on 320-acre spacing units. There is no McGee producing gas well in Section 34; therefore, there is no operator to notify, but there were working interests. However, since there is no McGee gas well in Section 34, there consequently are no spacing units in Section 34. So any future McGee gas development in Section 34 can either be based on stand-up (E/2, W/2) or lay-down (N/2, S/2) units. Since we don't know how the McGee will be developed in Section 34 yet, essentially both the affected offsetting units to the W. W. Hamilton Well No. 2-Y in Section 34 (and that's the E/2 and the S/2) needs notifying.

In accordance with Division policy enacted over four years ago, the Division cannot proceed with your application until the required information is submitted in a timely manner. Please provide the necessary information and, if necessary, supporting data to complete this application by Monday, November 28, 2005, otherwise your incomplete application will be denied and returned to you. Thank you for your assistance in this matter.

From: Stogner, Michael, EMNRD
Sent: Thu 10/27/2005 1:04 PM
To: Ocean Munds-Dry
Subject: RE: Paladin Hamilton 2Y Well - UWL Application

You provided me a list with the complete names of those notified on Friday, Oct. 14th; however, I never received the second list showing "where" the interests are actually located.

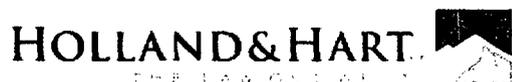
From: Ocean Munds-Dry [mailto:Omundsdry@hollandhart.com]
Sent: Thu 10/27/2005 11:06 AM
To: Stogner, Michael, EMNRD
Subject: Paladin Hamilton 2Y Well - UWL Application

Mr. Stogner:

I am following up with you to make sure the documents I provided you answered your questions regarding the offset interests? Let me know if you need anything else.

Thanks,
Ocean

Ocean Munds-Dry
Holland & Hart LLP
110 N. Guadalupe Suite 1
Santa Fe, NM 87501
Phone (505) 988-4421
Fax (866) 851-8340
E-mail: Omundsdry@hollandhart.com



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Stogner, Michael, EMNRD

From: Stogner, Michael, EMNRD **Sent:** Fri 11/18/2005 7:49 AM
To: Ocean Munds-Dry
Cc:
Subject: RE: Paladin Hamilton 2Y Well - UWL Application
Attachments:

The E/2 and S/2 is correct.

From: Ocean Munds-Dry [mailto:Omundsdry@hollandhart.com]
Sent: Fri 11/18/2005 6:54 AM
To: Stogner, Michael, EMNRD
Subject: RE: Paladin Hamilton 2Y Well - UWL Application

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You provided me a list with the complete names of those notified on Friday, Oct.14th; however, I never

received the second list showing "where" the interests are actually located.

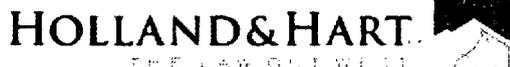
From: Ocean Munds-Dry [mailto:Omundsdry@hollandhart.com]
Sent: Thu 10/27/2005 11:06 AM
To: Stogner, Michael, EMNRD
Subject: Paladin Hamilton 2Y Well - UWL Application

Mr. Stogner:

I am following up with you to make sure the documents I provided you answered your questions regarding the offset interests? Let me know if you need anything else.

Thanks,
Ocean

Ocean Munds-Dry
Holland & Hart LLP
110 N. Guadalupe Suite 1
Santa Fe, NM 87501
Phone (505) 988-4421
Fax (866) 851-8340
E-mail: Omundsdry@hollandhart.com



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Confidentiality Notice: This e-mail, including all attachments is for the sole use of the intended recipient(s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure or distribution is prohibited unless specifically provided under the New Mexico Inspection of Public Records Act. If you are not the intended recipient, please contact the sender and destroy all copies of this message. -- This email has been scanned by the Sybari - Antigen Email System.

HOLLAND & HART **Ocean Munds-Dry**
Associate
omundsdry@hollandhart.com

November 22, 2005

VIA FACSIMILE

Michael Stogner
New Mexico Oil Conservation Division
1220 S. Saint Francis Drive
Santa Fe, New Mexico 87505
Fax (505) 476-3462

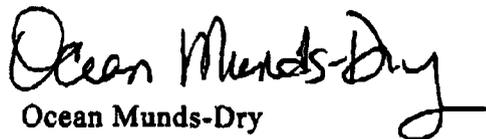
**Re: *Paladin Energy Corporation's Administrative Application for an
Unorthodox Well Location for its' Hamilton 2-Y Well***

Dear Mr. Stogner:

Attached you will find additional title sheets of the interest owners in the NE/4 of Section 34. This information supplements the title sheets I hand-delivered to you on Thursday, ~~October 17~~ ^{November 17}. These interest owners were also given proper notice of Paladin's application for an unorthodox well location for the Hamilton 2-Y Well. I have also re-sent you the complete notice list for your file.

Please let me know if this will satisfy your inquiry or if there is further information that I may provide to you. Thank you for your time and attention to this matter.

Sincerely,


Ocean Munds-Dry

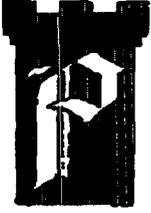
OM

Holland & Hart

Phone (505) 988-4421 Fax (505) 983-6043 www.hollandhart.com

110 North Guadalupe Suite 1 Santa Fe, NM 87501 Mailing Address P.O. Box 2208 Santa Fe, NM 87504-2208

Aspen Billings Boise Boulder Cheyenne Colorado Springs Denver Denver Tech Center Jackson Hole Salt Lake City Santa Fe Washington, D.C. 



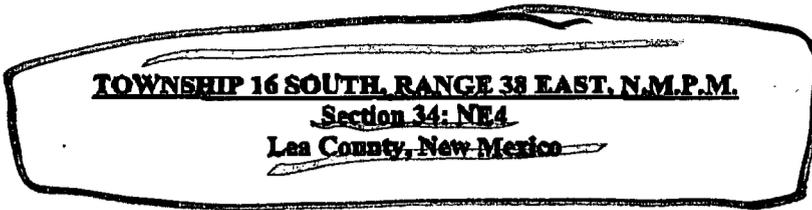
Paladin Energy Corp.
10200 Monroe Drive
Suite 301
Dallas, TX 75229
214-654-0132 x 6

FAX

| | |
|----------------------------|--------------------------------|
| To: Ocean Munds-Dry | From: Gail Cotton |
| Fax: 505/983-6043 | Date: November 21, 2005 |
| Phone: | Pages: 6 |
| Re: | CG: |

Attached is the title for the NE/4 of Section 34 as per our discussion on Friday. A notice was sent to all on this list along with the owners in the other quarters.

11/21/05



Containing 160.00 acres, more or less

RECORD DATE: 7/12/05

MINERAL OWNERSHIP

| NAME OF MINERAL OWNERS | INTEREST | NET ACRES | LEASEHOLD STATUS |
|------------------------|----------|-----------|------------------|
|------------------------|----------|-----------|------------------|

RICHARD NOBLE

| | | | |
|--|----------|----------|-------------------------------------|
| Richard Noble P.O. Box 67605 Los Angeles, CA 90067 (1995) | 14.2857% | 22.85712 | Open of Record <i>Box closed</i> |
|--|----------|----------|-------------------------------------|

HELEN CHILDERS HARKINS

| | | | |
|---|---------|--------|----------------|
| Helen Childers Harkins Pima County, AZ (1995) | 3.5714% | 5.7142 | Open of Record |
|---|---------|--------|----------------|

DURPAY FAMILY

| | | | |
|--|---------|--------|----------------|
| Thomas and Debra Dupray 1240 Jefsumark Circle Tucson, AZ 85749 (2001) | 3.5714% | 5.7142 | Open of Record |
|--|---------|--------|----------------|

HARRY B. HEUTEL

| | | | |
|--|---------|---------|--|
| Harry B. Heutel 3918 Harry Hines Blvd Suite 206 Dallas, TX 75219 (1997) | 8.0333% | 12.8533 | Open of Record <i>unable to forward</i> |
|--|---------|---------|--|

FRANCES J CUNEO JR.

| | | | |
|---|---------|--------|----------------|
| Frances J. Cuneo Jr. 232 N. Washington Naperville, IL 60540 (2001) | 2.0833% | 3.3320 | Open of Record |
| Frances J. Cuneo Jr. Exemption Trust 232 N. Washington Naperville, IL 60540 (2001) | 3.7500% | 6.0000 | Open of Record |

HERBERT AND HAZEL WINSBERG

| | | | |
|---|--------|--------|--|
| Herbert and Hazel Winsberg 6201 N. N. Clark St. Chicago, IL (1996) | .8310% | 1.3296 | Open of Record <i>unable to forward</i> |
|---|--------|--------|--|

STEPHEN CONE JR.

| | | | |
|---|---------|--------|---|
| Stephen Cone Jr. P.O. Box 10321 Lubbock, TX 79408 (2003) | 3.3333% | 5.3332 | Open of Record "attempted - not known" |
|---|---------|--------|---|

CHRISTMANN MINERAL CO.

| | | | |
|---|-------|-------|-------------------------------------|
| Christmann Mineral Co. 3110 FM Rd. 113 N Wethorford, TX 76088 (2003) | .2450 | .3920 | Open of Record "not deliverable" |
|---|-------|-------|-------------------------------------|

JIM WELBORNE TRUST

| | | | |
|--|--------|-------|---|
| Jim Welborne Trust Lea County, NM See Note Below <i>2 used</i> <i>POB 1401</i> <i>Lubbock TX 79408-1401</i> (1946) | .2450% | .3920 | Open of Record <i>July search for</i> <i>1998 has 1500 Broadway</i> <i>Suite 1212, Lubbock 79401</i> |
|--|--------|-------|---|

GEODYNE NOMINEE CORP.

| | | | |
|---|---------|--------|----------------|
| Geodyne Nominee Corp. Samson Plaza Two West Second Street Tulsa, OK 74103 (2005) | 4.2100% | 6.7360 | Open of Record |
|---|---------|--------|----------------|

PETROTIGER I LTD

| | | | |
|--|---------|--------|----------------|
| PetroTiger I Ltd. P.O. Box 3166 Tulsa, OK 74101-3166 (2004) | 1.2000% | 1.9200 | Open of Record |
|--|---------|--------|----------------|

HARLAN HODGES

| | | | |
|--|---------|--------|--|
| Harlan Hodges 1 st National Bank Bldg Lubbock, TX (1948) | 1.2500% | 2.0000 | Open of Record "insufficient address" |
|--|---------|--------|--|

ELEANOR BARSCH TRUST

| | | | |
|--|---------|--------|----------------|
| First National Bank of Lubbock Trustee of the Eleanor Barsch Trust P.O. Box 1241 Lubbock, TX 79408-1241 (1988) | 1.2500% | 2.0000 | Open of Record |
|--|---------|--------|----------------|

MOURNE OIL AND GAS CO.

| | | | |
|--|--------|-------|----------------|
| Mourne Oil and Gas Co. 1500 Four Mile Lane Canyon City, CO 81212 (2001) | .4155% | .6648 | Open of Record |
|--|--------|-------|----------------|

AMANDA DREW LOUD LIVING TRUST

| | | | |
|---|--------|-------|----------------|
| Amanda Drew Loud Living Trust P.O. Box 724 Holderness, NH 03245 (2004) | .5200% | .8320 | Open of Record |
|---|--------|-------|----------------|

COLLEGE CHURCH

| | | | |
|---------------------------------------|--------|-------|-------------------------------------|
| College Church Tax ID # 04-2499484 | .5200% | .8320 | <i>NO address</i> Open of Record |
|---------------------------------------|--------|-------|-------------------------------------|

J. C. BARNES FAMILY

| | | | |
|---|---------|--------|---|
| Shirley B. Wynn 4925 Greenville Ave Ste 900 Dallas, TX 75206 (2001) | 4.1550% | 6.6480 | Open of Record |
| J. C. Barnes Jr. Testamentary Trust Address Unknown See Note Below | 4.1550% | 6.6480 | Open of Record 1998 Will has Julie Barnes, POB 505, Midland 79702 |

LH + Joint envelopes were returned. E. TYSON "attempted - Not known"

| | | | |
|--|--------|--------|--|
| L. H. Tyson Midland County, TX (1948) See Note Below <i>unlisted</i> | .6250% | 1.0000 | Open of Record <i>old bill, shows</i> JUNT E Tyson, 8554 Johnson Rd, Ironwood MI 49938 <i>After Fred Jupon 2104 Woodlawn, Midland 79705</i> |
|--|--------|--------|--|

HARRY ADAMS FAMILY

| | | | |
|--|--------|-------|----------------|
| J. Cleo Thompson Est 325 N. St Paul Suite 4300 Dallas, TX 75201 (2005) See Note Below | .3100% | .4960 | Open of Record |
| James Cleo Thompson 325 N. St Paul Suite 4300 Dallas, TX 75201 (2005) See Note Below | .3100% | .4960 | Open of Record |

J. HIRAM MOORE FAMILY

| | | | |
|---|--------|-------|----------------|
| Richard L. Moore 310 W. Wall, Suite 404 Midland, TX 79704 (2004) | .5166% | .8266 | Open of Record |
| Michael Harrison Moore and Richard Lyons Moore Trustees under the Will of Stephen Scott Moore 310 W. Wall, Suite 404 Midland, TX 79704 (2004) | .5166% | .8266 | Open of Record |
| Michael Harrison Moore 310 W. Wall, Suite 404 Midland, TX 79704 (2004) | .5166% | .8266 | Open of Record |

KATHY KEIL JOHNSON FAMILY

| | | | |
|---|---------|--------|----------------|
| Kathy Keil Johnson P.O. Box 1654 Wimberley, TX 78676 (2001) | .6250% | 1.0000 | Open of Record |
| Oliver Keil III P.O. Box 1654 Wimberley, TX 78676 (2001) | 1.0410% | 1.6656 | Open of Record |

PAUL DAVIS FAMILY

| | | | |
|---|---------|--------|----------------|
| F. Ferrell Davis P.O. Box 3061 Midland, TX 79702 (2005) | 1.0410% | 1.6656 | Open of Record |
| Paul L. Davis Ltd. P.O. Box 871 Midland, TX 79702 (2004) | 1.0410% | 1.6656 | Open of Record |

COLLINS PARTNERS LTD.

| | | | |
|--|---------|--------|----------------|
| Collins Partners Ltd. 5000 Burnet Rd. Austin, TX 78756 (2000) | 2.0833% | 3.3320 | Open of Record |
|--|---------|--------|----------------|

JAMES RIDDLE III

| | | | |
|---|---------|--------|----------------|
| James Riddle III 4247 Goodfellow Dallas, TX 75229 (2001) | 1.2500% | 2.0000 | Open of Record |
|---|---------|--------|----------------|

ESTATE OF IRIS PLATT

| | | | |
|---|---------|--------|----------------|
| Est. Of Iris Platt (PB-3372) Eddy County, NM | 2.5000% | 4.0000 | Open of Record |
|---|---------|--------|----------------|

JEAN DAVIE FAMILY

| | | | |
|--|---------|--------|----------------|
| Jean Davie Houston, TX See Note Below (1968) <i>unlisted</i> | 2.5000% | 4.0000 | Open of Record |
|--|---------|--------|----------------|

E. L. LIDE

| | | | |
|---|--------|-------|--|
| E. L. Lide 5427 7 th St. Lubbock, TX 79416 (1988) | .4155% | .6648 | Open of Record <i>"unable to forward"</i> |
|---|--------|-------|--|

ROY G. BARTON FAMILY

| | | | |
|---|---------|--------|---|
| Roy G. Barton and Opal Barton Revocable Trust Roy G. Barton Jr., Trustee Trust UTA 1/28/82 P.O. Box 978 Hobbs, NM 88240 (2004) | 2.0833% | 3.3320 | Open of Record <i>"Not documented"</i> |
|---|---------|--------|---|

W. W. CARTER FAMILY

| | | | |
|--|------------------|-----------------|----------------|
| Woodrow W. Carter Trust P.O. Box 3992 Long Beach, CA 90803 (2001) | 12.5000% | 20.0000 | Open of Record |
| Alcus James Carter III 894 FM 237 Victoria, TX 77905 (2001) | 12.5000% | 20.0000 | Open of Record |
| Total | 100.0000% | 160.0000 | |

NOTES

1. Jean Davie was given her interest by L. P Teas. When this interest was conveyed it stated that she was getting a undivided 3/80ths interest. The only interest that appeared to be owned was 1/40th. This appears to be an over conveyance.
2. J. Hiram Moore conveys 1/64th to W. R. Childers however W. R. Childers only shows having 1/14th previous interest in his estate and J. Hiram Moore later leases in this tract of land. For the purpose of this report we are not showing the conveyance.
3. In the Administrative Waived document (PB 2341) Harry Adams estate lists 14 heirs and their respective interests. However, previously to this document Harry Adams conveys his interest into a trust which later conveys the interest further. For the purpose of this report it appears that the 14 heirs listed in the probate are not entitled to any interest in this section.
4. In Mineral Deed (338/539) Harlan A. Hood conveys all his interest to George Glen McDuff. Harlan A. Hood appears to be a stranger to title.
5. Alice Childers was the heir of W. R. Childers. No probate was found for Alice Childers but she is known to be deceased. However, Helen Childers Harkins later claims the same interest owned and conveys half of the interest. For the purpose of this report we are assuming that Helen Childers Harkins is the sole heir of Alice Childers.
6. It appears that Iris Calderhead Pratt is deceased and has a probate in Eddy County, NM. It is unknown who her heirs and or devisees are. Therefore we are showing her interest in her estate.
7. The Trust of Jim Wellborne last appeared of record in 1946. It is unknown if his interest was further conveyed.
8. The Trust of LH Tyson last appeared of record in 1948. It is unknown if his interest was further conveyed.
9. In the Last Will and Testament of JC Barnes, Jr., it states,
"I give, devise, and bequeath unto my beloved wife Viola S. Barnes if she survives me that fractional share of my estate which will equal the maximum estate tax marital deduction allowable in determining the federal estate tax on my estate or federal estate tax purposes, less the aggregate value for federal estate tax purposes of all interest in property which passed to my wife under other provisions of this will or which have already passed to her for the benefit otherwise than under this will, by operation of law, through life insurance policies, or otherwise, but only to the extent that such interests are included in determining my gross estate and are allowable as a marital deduction for federal estate tax purposes;"
The residual estate is left to the JC Barnes, Jr. Testamentary Trust for the benefit of his children, who are not listed. For the purpose of this report, because it is unclear any fractional interest being conveyed to the wife of JC Barnes, Jr., it appears that all interest of JC Barnes, Jr. was conveyed to the JC Barnes, Jr. Testamentary Trust, for which no address was found.

| FirstName | LastName | JobTitle | Company | Address1 | Address2 | City | State | PostalCode |
|-----------------|-------------|----------|-------------------------|--------------------------|----------|------------------|-------|------------|
| Mattie Waite | Bainbridge | | c/o Barry Bainbridge | 120 Pinedale Drive | | Clanton | AL | 35045 |
| Steven C. | Barnes | | | P. O. Box 505 | | Midland | TX | 79702 |
| V. Elaine | Barnes | | | P. O. Box 505 | | Midland | TX | 79702 |
| Julie | Barnes | | | P. O. Box 505 | | Midland | TX | 79702 |
| Laurie B. | Barr | | | P. O. Box 8098 | | Asheville | NC | 28814 |
| Eleanor | Barsh | | | 9 Pugh Street | | Kingston | PA | 18704-1632 |
| Roy G. | Barton, Jr. | | | 1919 N. Turner | | Hobbs | NM | 88240 |
| Quita S. | Benton | | | 6737 East Redbird | | Cave Creek | AZ | 85331 |
| Patricia Palmer | Brodts | | | 2187 Twin Lakes Blvd. | | West Columbia | TX | 77486 |
| Ben S. | Carson | | | 4804 Knight Place | | Midland | TX | 79705 |
| Carolyn | Carson | | | 4804 Knight Place | | Midland | TX | 79705 |
| Stephen | Cone, Jr. | | | P O Box 10321 | | Lubbock | TX | 79408 |
| Steve | Cone, Jr. | | | 1306 Broadway | | Lubbock | TX | 79401 |
| Frances J. | Cuenco, Jr. | | | 232 North Washington | | Naperville | IL | 60540 |
| Sharon R. | Daniel | | | 3475 State Highway W | | Ozark | MO | 65721 |
| Keith Pratt | Daniels | | | P O Box 190766 | | Dallas | TX | 75219 |
| Jean | Davie | | | | | Houston | TX | |
| Farrell | Davis | | | P. O. Box 3061 | | Midland | TX | 79702 |

| | | | | | | | |
|------------------------|----------------------|-------------|---------------------------|-----------------------------|----------------------------|----------|----------------|
| Paul | Davis, Jr. | | | P. O. Box 871 | Midland | TX | 79702 |
| Thomas and Debra | Dupray | | | 1240 Jefsumark Circle | Tucson | AZ | 85749 |
| Marguerite V. Thomas M | Eversden Eversole | | | c/o 2509 Prosser | Sandia Park Los Angeles | NM CA | 87047 90064 |
| Billy C. | Farmer | | | P O Box 1397 | Windsor | CO | 80550 |
| Jeanne P. | Fuller | | | 4339 Roanoke Parkway | Kansas City | MO | 64111 |
| Paul D. | Fuller | | | 4917 Binderwald Road | Torrance | CA | 90505 |
| Lyle B. | Gallivan | Mary Boxell | | 8270 4th | Lakewood | CO | 80226 |
| V. H. | Gourley, III | | | P. O. Box 572782 | Houston | TX | 77257 |
| Dorothy | Hamilton | | c/o John Richard Hamilton | 2910 W County Club Road 116 | Midland | TX | 79706 |
| John Richard | Hamilton | | | 2910 W County Club Road 116 | Midland | TX | 79706 |
| Jerry Glen | Hamilton | | | 501 East Campbell Street | Hobbs | NM | 88240 |
| Raymond Walter | Hamilton | | | 1212 North 6th | La Mesa | TX | 79331 |
| Shawn P. | Hannifin | | | 518 17th Street | Denver | CO | 80202 |
| Alan R. | Hannifin | | | 518 17th Street | Denver | CO | 80202 |
| Hellen Childers | Harkins | | | | Pima | AZ | |
| Harry B. | Heutel | | 3918 Harry Hines Blvd | Suite 206 | Dallas | TX | 75219 |

| | | | | | | | | | | |
|--------------------------|----------------------|--|--|---|----------------------------------|--|-----------|-------------------|----------|----------------|
| Harlan | Hodges | | | | 1st National Bank Building | | | Lubbock | TX | |
| Kathy Keil | Johnson | | | | P O Box 1654 | | | Wimberly | TX | 78676 |
| Katherine Jean Oliver | Johnson Keill III | | | | 612 East Yucca P O Box 1654 | | | Hobbs Wimberly | NM TX | 88240 78676 |
| E. L. | Lide | | | | 5427 7th Street | | | Lubbock | TX | 79416 |
| Jack Daniels | Maddy Mann | | | | P O Box 1258 | | | Hobbs | NM | 88241 |
| Christine B. | Mallams | | | | P. O. Box 505 | | | Midland | TX | 79702 |
| Alfred | Martin | | | | 1415 Kingstree | | | Houston | TX | 77058 |
| James F | Martin | | | | 3909 Reche Road | | Space 129 | Fallbrook | CA | needs zip |
| Hollie G. | McClain | | | | P O Box 670 | | | Gilmer | TX | 75644 |
| George Glenn | McDuff | | | | 4017 93rd Street | | | Lubbock | TX | 79423 |
| Maxine | Moody | | | | 6021 Golden Center Court | | #211 | Placerville | CA | 95667 |
| Richard L. | Moore | | | | 310 West Wall Street | | Suite 404 | Midland | TX | 79704 |
| Michael Harrison | Moore | | | | 310 West Wall Street | | Suite 404 | Midland | TX | 79704 |
| Richard Lyons | Moore, et al | | | Trustees u/w/o Stephen Scott Moore | 310 West Wall Street | | Suite 404 | Midland | TX | 79704 |
| Jane | Mosbacher | | | | 712 Main Street #2200 | | | Houston | TX | 77002-3290 |
| John David | Mosbacher | | | | Melrose 500 on Melrose Avenue | | | Grenwich | CT | 6830 |

| | | | | | | | | | | | |
|------------------|----------------|--|--|------------------|-------------------------------|--|------|--------------|----|--|------------|
| Emil | Mosbacher III | | | | Melrose 500 on Melrose Avenue | | | Grenwich | CT | | 6830 |
| Mark J. | Mourne | | | Mourne Oil & Gas | 1500 Four Mile Lane | | | Canon City | CO | | 81212-9130 |
| Dorothy Coe | Nelson | | | | 517 Mary Street | | | Gilmer | TX | | 75644 |
| Richard | Noble | | | | P O Box 67605 | | | Los Angeles | CA | | 90067 |
| L. E. | Operman | | | | 1505 Neely | | | Midland | TX | | 79705 |
| John K. | Overbey | | | | 4131 Spicewood Springs Road | | #A-3 | Austin | TX | | 78759 |
| Lorna G. | Overbey | | | | 3504 Asbury Avenue | | | Dallas | TX | | 75205 |
| Marjorie Coe | Presley | | | | 212 Crescent | | | Longview | TX | | 75602 |
| Jane D. | Ramsland Trust | | | | P. O. Box 10505 | | | Midland | TX | | 79702 |
| Linda Pratt | Rast | | | | 1202 Marlee Lane | | | Arlington | TX | | 76014 |
| James Riddle III | Riddle | | | | 4247 Goodfellow | | | Dallas | TX | | 75229 |
| Sam and Lisa | Seed | | | | 13207 Calle Alto | | | Hobbs | NM | | 88242 |
| Ruth Reynolds | Simms | | | | P O Box 26900 | | | Albuquerque | NM | | 87125 |
| Charlotte | Simms | | | | P O Box 2124 | | | Tijeras | NM | | 87059 |
| Joshua Reynolds | Simms | | | | P O Box 26900 | | | Albuquerque | NM | | 87125 |
| Thomas Hamilton | Simms | | | | P O Box 553 | | | Black Canyon | AZ | | 85324 |
| Albert G. | Simms | | | | | | | Albuquerque | NM | | |

| | | | | | | | | |
|--------------------------------|---------------------------------|--|--------------------------------------|-----------------------------|------------|-------------|----|------------|
| John Fields | Simms III | | c/o Joshua R. Simms | P O Box 25421 | | Albuquerque | NM | 87125 |
| Joseph Montcalm | Simms III | | | 45446 22nd Street | | Phoenix | AZ | 85027 |
| Paul L. Davis Ltd. | Sir | | | P O Box 871 | | Midland | TX | 79702 |
| Collins Partners Ltd. | Sir | | | 5000 Burnet Road | | Austin | TX | 78756 |
| June Dangleade | Speight | | | P. O. Drawer 1687 | | Livingston | NM | 88260 |
| Joan Skelly | Stuart | | c/o John R. Stuart | 4590 East 29th Street | | Tulsa | OK | 74114 |
| James Cleo | Thompson | | | 325 N. St. Paul Street | Suite 4300 | Dallas | TX | 75201 |
| J Cleo | Thompson Estate | | | 325 N. St. Paul Street | Suite 4300 | Dallas | TX | 75201 |
| J. Cleo | Thompson, Jr. | | Estate of J. Cleo Thompson, deceased | 325 N. St. Paul, Suite 4300 | | Dallas | TX | 75201 |
| J. Cleo | Thompson, Jr. | | | 325 N. St. Paul, Suite 4300 | | Dallas | TX | 75201 |
| Mike | Tinley | | | P O Box 1258 | | Hobbs | NM | 88241 |
| Bernice Pearson | Trotter | | | 6112 East 21st Street | | Tulsa | OK | 74128 |
| First National Bank of Lubbock | Trustee of Eleanor Barsch Trust | | | P O Box 1241 | | Lubbock | TX | 79408-1241 |

| | | | | | | | |
|----------------------------|----------|----------------------------------|----------------------------|------------------------------|-------------|----|------------|
| Betty M. | Tylander | Betty M. Tylander RC Trust | 3401 Washington Road | | Palm Beach | FL | 33405-1937 |
| L. H. | Tyson | | c/o Jon Tyson | 1306 Broadway | Lubbock | TX | 79401 |
| Jont | Tyson | | 1306 Broadway | | Lubbock | TX | 79401 |
| Alison Eversole | Walker | | c/o 2509 Prosser | | Los Angeles | CA | 90064 |
| Patricia N. | Wilson | | P O Box 670368 | | Dallas | TX | 75367-0368 |
| Randolph E. | Wilson | | P O Box 670368 | | Dallas | TX | 75367-0368 |
| Herbert and Hazel | Winsberg | | 6201 North Clark Street | | Chicago | IL | 60660 |
| Shirley B. | Wynn | | 4925 Greenville Avenue | Suite 900 | Dallas | TX | 75206 |
| Joan Pearson | Yager | | 11856 East 15th Place | | Tulsa | OK | 74128 |
| Frances Cuneo Jr. Trust | | | 232 North Washington | | Naperville | IL | 60540 |
| Christmann Mineral Co. | | | 3110 FM Road, 113 North | | Weatherford | TX | 76088 |
| | | Jim Wellborne Trust | P O Box 1401 | | Lubbock | TX | 79408-1401 |
| Geodyne Nominee Corp. | | | Samson Plaza | Two West Second Street | Tulsa | OK | 74103 |
| Petro Tiger I Ltd. | | | P O Box 3166 | | Tulsa | OK | 74101-3166 |

| | | | | | | | | | |
|---|--|--|--|-----------------------------|--|-----------------------|-------------|----|------------|
| Mourne Oil and Gas Co. | | | | 1500 Four Mile Lane | | | Canyon City | CO | 81212 |
| Amanda Drew Loud Living Trust | | | | P O Box 724 | | | Holderness | NH | 3245 |
| College Church | | | | | | | | | |
| J C Barnes Jr. Testamentary Trust | | | | c/o Julie Barnes | | P O Box 505 | Midland | TX | 79702 |
| Estate of Iris Platt | | | | | | | Eddy | NM | |
| Roy G. Barton & Opal Barton Trust UTA 1/28/82 | | | | P O Box 978 | | | Hobbs | NM | 88240 |
| Woodrow W. Carter Trust | | | | P O Box 3992 | | | Long Beach | CA | 90803 |
| Alcus James Carter III | | | | 894 FM 237 | | | Victoria | TX | 77905 |
| The Madd Ranch | | | | P O Box 536 | | | Hobbs | NM | 88241 |
| MW Oil and Investment | | | | P O Box 8687 | | Attn: Land Department | Denver | CO | 80201-8687 |
| FFR Inc. | | | | P O Box 8687 | | | Denver | CO | 80201-8687 |
| Bush Overbey Oil, c/o John Overbey | | | | 4131 Spicewood Springs Road | | #A-3 | Austin | TX | 78759 |

| | | | | | | | |
|--|--|--|--|---|------------|----|------------|
| BOA, Trustee of University of Kansas u/w of Gertrude Pearce | | | | P O Box 830308 | Dallas | TX | 75283 |
| Winona Jones, Trustee of Frederick Jones Trust 8/30/89 | | | | P O Box 195 | Burton | KS | 67020 |
| Bank One Investment Management Group | | | | P. O. Box 2605 | Fort Worth | TX | 76113-2605 |
| | | | | P. O. Box 816 | Wewoka | OK | 74884-0816 |
| Brennand Energy Ltd. | | | | 1330 Post Oak, Suite 2540 | Houston | TX | 77056 |
| Bank of America, Trustee | | | | St. Joseph's Orphanage | Dallas | TX | 75283 |
| Scottish Rite Hospital for Crippled Children | | | | 2222 Welborn Street | Dallas | TX | 75219 |
| | | | | Agent for J.L. Collins Educational Fund | Corsicana | TX | 75151-9004 |

| | | | | | | | | | |
|--|--|--|--|--------------------------------------|-----------------------------|-----------------|------------------|----|------------|
| | | | | John R. Stuart Interest, LLC | 4590 East 29th Street | | Tulsa | OK | 74114 |
| | | | | Collins Partners, Ltd. | 5000 Burnet Road | | Austin | TX | 78756 |
| | | | | James D. Ramsland Oil & Gas P/S Ltd. | P. O. Box 10505 | | Midland | TX | 79702 |
| | | | | J. Hiram Moore, et al, Trustees | J. Hiram Moore Trust 7/1/71 | P. O. Box 10908 | Midland | TX | 79702 |
| | | | | Roy G. Barton and | Opal Barton Trust | 1919 N. Turner | Hobbs | NM | 88240 |
| | | | | J.M. Welborn Trust 10/23/92 | P. O. Box 1041 | | Lubbock | TX | 79408-1401 |
| | | | | Christmann Mineral Co. | P. O. Box 66 | | Pinedale | WY | 82941-0066 |
| | | | | LMA Royalty Ltd. | P. O. Box 1778 | | Colorado Springs | CO | 80901-1778 |
| | | | | North Central Oil Corp. | 6001 Savoy, Suite 600 | | Houston | TX | 77036-3381 |
| | | | | Mosbacher USA, Inc. | 712 Main Street | #2200 | Houston | TX | 77002-3290 |

| | | | | | | | | | | | |
|--|--|--|--|--|---|----------------------|--|--------------|-----------|-------------------|--|
| Estate of Lutishie Brewer Shriners Hospital for Crippled Children | | | | | Attn: Oil and Gas Department | P O Box 31356 | | Tampa | FL | 33631-3356 | |
|--|--|--|--|--|---|----------------------|--|--------------|-----------|-------------------|--|

TRANSACTION REPORT

P.01

NOV-22-2005 TUE 09:06 AM

FOR:

RECEIVE

| DATE | START | SENDER | RX TIME | PAGES | TYPE | NOTE | M# | DP |
|--------|----------|-------------|---------|-------|---------|------|----|----|
| NOV-22 | 09:04 AM | 505 9836043 | 1'55" | 17 | RECEIVE | OK | | |

Stogner, Michael, EMNRD

From: Ocean Munds-Dry [Omundsdry@hollandhart.com]
To: Stogner, Michael, EMNRD
Cc:
Subject: Received fax?
Attachments:

Sent: Wed 11/23/2005 11:12 AM

Mr. Stogner:

I just wanted to make sure you received my fax dated yesterday and that the information was sufficient. Please let me know if you did not received the fax or if there is further information you need.

Thanks and Happy Thanksgiving,
Ocean

Ocean Munds-Dry
Holland & Hart LLP
110 N. Guadalupe Suite 1
Santa Fe, NM 87501
Phone (505) 988-4421
Fax (866) 851-8340
E-mail: Omundsdry@hollandhart.com



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Stogner, Michael, EMNRD

From: Stogner, Michael, EMNRD
To: Ocean Munds-Dry
Cc:
Subject: RE: Received fax?
Attachments:

Sent: Fri 11/25/2005 9:17 AM

Yes I received your e-mail. All required notice appears to be in order. However, when you say in the November 22nd letter, "these interest owners were also given proper notice;" were they all notified earlier or are any of these notifications new. Where do I start the required 20-day notice period?

From: Ocean Munds-Dry [mailto:Omundsdry@hollandhart.com]
Sent: Wed 11/23/2005 11:12 AM
To: Stogner, Michael, EMNRD
Subject: Received fax?

Mr. Stogner:

I just wanted to make sure you received my fax dated yesterday and that the information was sufficient. Please let me know if you did not received the fax or if there is further information you need.

Thanks and Happy Thanksgiving,
Ocean

Ocean Munds-Dry
Holland & Hart LLP
110 N. Guadalupe Suite 1
Santa Fe, NM 87501
Phone (505) 988-4421
Fax (866) 851-8340
E-mail: Omundsdry@hollandhart.com

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Stogner, Michael, EMNRD

From: Ocean Munds-Dry [Omundsdry@hollandhart.com] **Sent:** Fri 11/25/2005 9:29 AM
To: Stogner, Michael, EMNRD
Cc:
Subject: RE: Received fax?
Attachments:

They were all given notice on September 22, 2005.

From: Stogner, Michael, EMNRD [mailto:michael.stogner@state.nm.us]
Sent: Friday, November 25, 2005 9:17 AM
To: Ocean Munds-Dry
Subject: RE: Received fax?

Yes I received your e-mail. All required notice appears to be in order. However, when you say in the November 22nd letter, "these interest owners were also given proper notice;" were they all notified earlier or are any of these notifications new. Where do I start the required 20-day notice period?

From: Ocean Munds-Dry [mailto:Omundsdry@hollandhart.com]
Sent: Wed 11/23/2005 11:12 AM
To: Stogner, Michael, EMNRD
Subject: Received fax?

Mr. Stogner:

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Thanks and Happy Thanksgiving,
Ocean

Ocean Munds-Dry
Holland & Hart LLP
110 N. Guadalupe Suite 1
Santa Fe, NM 87501
Phone (505) 988-4421
Fax (866) 851-8340
E-mail: Omundsdry@hollandhart.com

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Stogner, Michael, EMNRD

From: Stogner, Michael, EMNRD **Sent:** Fri 11/25/2005 9:30 AM
To: Ocean Munds-Dry
Cc:
Subject: RE: Received fax?
Attachments:

Thanks for the varification. I'm processing order now.

From: Ocean Munds-Dry [mailto:Omundsdry@hollandhart.com]
Sent: Fri 11/25/2005 9:29 AM
To: Stogner, Michael, EMNRD
Subject: RE: Received fax?

They were all given notice on September 22, 2005.

From: Stogner, Michael, EMNRD [mailto:michael.stogner@state.nm.us]
Sent: Friday, November 25, 2005 9:17 AM
To: Ocean Munds-Dry
Subject: RE: Received fax?

Yes I received your e-mail. All required notice appears to be in order. However, when you say in the Nover 22nd letter, "these interest owners were also given proper notice;" were they all notified earlier or are any c these notifications new. Where do I start the required 20-day notice period?

From: Ocean Munds-Dry [mailto:Omundsdry@hollandhart.com]
Sent: Wed 11/23/2005 11:12 AM
To: Stogner, Michael, EMNRD
Subject: Received fax?

Mr. Stogner:

I just wanted to make sure you received my fax dated yesterday and that the information was sufficient. Pl let me know if you did not received the fax or if there is further information you need.

Thanks and Happy Thanksgiving,
Ocean

Ocean Munds-Dry
Holland & Hart LLP
110 N. Guadalupe Suite 1
Santa Fe, NM 87501
Phone (505) 988-4421
Fax (866) 851-8340
E-mail: Omundsdry@hollandhart.com

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THE LAW OUT WEST

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Stogner, Michael, EMNRD

From: Stogner, Michael, EMNRD **Sent:** Fri 11/25/2005 9:57 AM
To: Ocean Munds-Dry
Cc: Williams, Chris, EMNRD; Mull, Donna, EMNRD; Kautz, Paul, EMNRD
Subject: RE: Received fax?
Attachments:  [NSL-2193.A.doc\(35KB\)](#)

Finalized draft administrative order (NSL-2913-A) attached:

From: Ocean Munds-Dry [mailto:Omundsdry@hollandhart.com]
Sent: Fri 11/25/2005 9:29 AM
To: Stogner, Michael, EMNRD
Subject: RE: Received fax?

They were all given notice on September 22, 2005.

From: Stogner, Michael, EMNRD [mailto:michael.stogner@state.nm.us]
Sent: Friday, November 25, 2005 9:17 AM
To: Ocean Munds-Dry
Subject: RE: Received fax?

Yes I received your e-mail. All required notice appears to be in order. However, when you say in the Nover 22nd letter, "these interest owners were also given proper notice;" were they all notified earlier or are any of these notifications new. Where do I start the required 20-day notice period?

From: Ocean Munds-Dry [mailto:Omundsdry@hollandhart.com]
Sent: Wed 11/23/2005 11:12 AM
To: Stogner, Michael, EMNRD
Subject: Received fax?

Mr. Stogner:

I just wanted to make sure you received my fax dated yesterday and that the information was sufficient. Please let me know if you did not received the fax or if there is further information you need.

Thanks and Happy Thanksgiving,
 Ocean

Ocean Munds-Dry
 Holland & Hart LLP
 110 N. Guadalupe Suite 1
 Santa Fe, NM 87501
 Phone (505) 988-4421
 Fax (866) 851-8340
 E-mail: Omundsdry@hollandhart.com

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November 25, 2005

**Paladin Energy Corporation
c/o Holland & Hart, LLP
P. O. Box 2208
Santa Fe, New Mexico 87504-2208**

Attention: Ocean Munds-Dry
omundsdry@hollandhart.com

Administrative Order NSL-2193-A

Dear Ms. Munds-Dry:

Reference is made to the following: (i) your application on behalf of the operator, Paladin Energy Corporation of Dallas, Texas ("Paladin") that was submitted to the New Mexico Oil Conservation Division ("Division") in Santa Fe, New Mexico on September 22, 2005 (*administrative application reference No. pSEM0-526626768*); (ii) the Division's initial response by e-mail on Wednesday afternoon, October 12, 2005 from Mr. Michael E. Stogner, Engineer with the Division in Santa Fe requesting additional information; (iii) your e-mail response to Mr. Stogner on Friday morning, October 14, 2005 with additional information, insufficient however to complete your application; (iv) yours and Mr. Stogner's numerous subsequent correspondence between October 27, 2005 and November 25, 2005, where the required information to complete your application was finally assimilated; (v) yours and Mr. Stogner's meeting on Thursday morning, November 17, 2005; and (vi) the Division's records in Hobbs and Santa Fe, including the file on Division Administrative Order NSL-2193: all concerning Paladin's request to deepen and recomplete its W. W. Hamilton Well No. 2-Y (*API No. 30-025-29316*), located 1520 feet from the South line and 500 feet from the West line (Unit L) of Section 35, Township 16 South, Range 38 East, NMPM, Lea County, New Mexico, into the McKee formation at an unorthodox deep gas well location within a standard lay-down 320-acre gas spacing unit comprising the S/2 of Section 35.

By Division Administrative Order NSL-2193, dated December 3, 1985, Amerada Hess Corporation received authorization to drill and complete the W. W. Hamilton Well No. 2-Y into the Knowles-Devonian Pool (*36290*) within a standard 80-acre stand-up oil spacing and proration unit comprising the E/2 SW/4 of Section 35 at the above-described unorthodox oil well location.

Pursuant to Division Rule 104.C (3), the location of the W. W. Hamilton Well No. 2-Y within the S/2 of Section 35 is also considered an unorthodox wildcat McKee gas well location.

Your application for Paladin has been duly filed under the provisions of Division Rules 104.F and 1210.A (2).

By the authority granted me under the provisions of Division Rule 104.F (2), the above-described unorthodox McKee gas well location for the W. W. Hamilton Well No. 2-Y is hereby approved. Further, Division Administrative Order NSL-2193 shall remain in full force and affect until further notice.

Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

Mark E. Fesmire, P. E.
Director

MEF/ms

cc: New Mexico Oil Conservation Division – Hobbs
File: NSL-2193