

# CANO PETRO OF NEW MEXICO, INC.

Burnett Plaza · 801 Cherry Street  
Suite 3200, Unit 25  
Fort Worth, TX 76102

Phone (US) - 817.698.0900

Fax - 817.698.0796

April 14, 2008

**Certified Mail/Return Receipt Requested**

Mr. David Glass  
Division of Lands & Minerals  
Bureau of Land Management  
2909 West Second Street  
Roswell, NM 88201-1287

RE: Application for Waterflood Permit in Cato Unit, Chaves County, New Mexico

Dear Mr. Glass:

Enclosed is a copy of an application for a waterflood permit filed with the New Mexico Oil Conservation Division by Cano Petro of New Mexico, Inc. ("Cano Petro"), regarding the following lands in Chaves County, New Mexico:

Surface

S/2 of SW/4, SW/4 of SE/4, Section 2, T8S - R30E,  
All of Section 11, T8S - R30E,  
W/2 of W/2, Section 12, T8S - R30E,  
W/2 of W/2, Section 13, T8S - R30E,  
All of Section 14, T8S - R30E,

Subsurface

SW/4, W/2 of SE/4, Section 1, T8S - R30E,  
SE/4 of NW/4, S/2 of NE/4, NE/4 of SE/4, Section 2, T8S - R30E,  
W/2 of E/2, Section 12, T8S - R30E,  
W/2 of E/2, SE/4 of SW/4, Section 13, T8S - R30E,  
NW/4 of Section 24, T8S - R30E,

Cano Petro, the operator of the Cato Unit, plans to waterflood the northeastern portion of the Cato Unit beginning in late-May 2008 as part of the secondary recovery effort.

The application is set for hearing on Thursday, May 15, 2008, at 8:15 a.m. at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505.

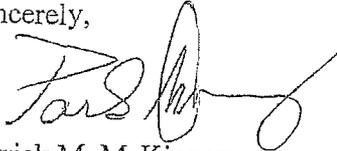
Case No. 14128  
Cano Petro of NM  
Exhibit #7

April 14, 2008  
Page 2

As an interest owner in the affected lands, you are required to notify (in writing) the Division, and the undersigned, by Thursday, May 8, 2008, if you intend to participate in the hearing. Failure to appear at the hearing will preclude you from contesting the matter at a later date.

Contact Alex Azizi at (817) 698-0900 if you have any questions.

Sincerely,



Patrick M. McKinney  
Vice-President of Operations

7008 0150 0002 8769 0746

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Sent To: Mr. David Glass  
Division of Lands & Minerals  
Bureau of Land Management  
2909 West Second Street  
Roswell, NM 88201-1287

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Mr. David Glass  
Division of Lands & Minerals  
Bureau of Land Management  
2909 West Second Street  
Roswell, NM 88201-1287

2. Article Number  
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 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes

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Phone (US) - 817.698.0900

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April 14, 2008

## Certified Mail/Return Receipt Requested

Robert W. Hodge  
Northstar Operating Company  
400 W. Illinois Avenue, Ste. 1110  
Midland, TX 79701-4310

RE: Application for Waterflood Permit in Cato Unit, Chaves County, New Mexico

Dear Mr. Hodge:

Enclosed is a copy of an application for a waterflood permit filed with the New Mexico Oil Conservation Division by Cano Petro of New Mexico, Inc. ("Cano Petro"), regarding the following lands in Chaves County, New Mexico:

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April 14, 2008  
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Sincerely,



Patrick M. McKinney  
Vice-President of Operations

7002 0510 0004 2085 6552

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Sent To **Robert W. Hodge**  
**Northstar Operating Company**  
Street, Apt. No. or PO Box No. **400 W. Illinois Avenue, Ste. 11**  
City, State, Zip **Midland, TX 79701-4310**

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1. Article Addressed to:

**Robert W. Hodge**  
**Northstar Operating Company**  
**400 W. Illinois Avenue, Ste. 1110**  
**Midland, TX 79701-4310**

2. Article Number  
(Transfer from service label) **7002 0510 0004 2085 6552**

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  Agent  Addressee  
*Patrick M. McKinney*

B. Received by (Printed Name) *Donnie Goff* C. Date of Delivery *4-28-08*

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If YES, enter delivery address below

3. Service Type  
 Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes

# CANO PETRO OF NEW MEXICO, INC.

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Suite 3200, Unit 25  
Fort Worth, TX 76102

Phone (US) - 817.698.0900

Fax - 817.698.0796

April 14, 2008

**Certified Mail/Return Receipt Requested**

Mr. Edward Judson, ux Marilyn M.  
c/o Judson Investment Corp.  
P.O. Box 10010  
Midland, TX 79702

RE: Application for Waterflood Permit in Cato Unit, Chaves County, New Mexico

Dear Mr. & Mrs. Judson:

Enclosed is a copy of an application for a waterflood permit filed with the New Mexico Oil Conservation Division by Cano Petro of New Mexico, Inc. ("Cano Petro"), regarding the following lands in Chaves County, New Mexico:

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April 14, 2008  
Page 2

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Sincerely,



Patrick M. McKinney  
Vice-President of Operations

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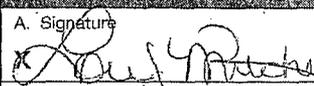
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Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees \$		

7008 0150 0002 8769 0722

Sent To	Edward Judson, ux Marilyn M.
Street, Apt. No., or PO Box No.	c/o Judson Investment Corp.
City, State, ZIP+4	P.O. Box 10010 Midland, TX 79702

PS Form 3811, August 2006 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"><li>Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li><li>Print your name and address on the reverse so that we can return the card to you.</li><li>Attach this card to the back of the mailpiece, or on the front if space permits.</li></ul>	A. Signature  <input type="checkbox"/> Agent <input type="checkbox"/> Addressee
1. Article Addressed to:	B. Received by (Printed Name) Lou J. Mitchell C. Date of Delivery 4/24/08
Edward Judson, ux Marilyn M. c/o Judson Investment Corp. P.O. Box 10010 Midland, TX 79702	D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No
2. Article Number (Transfer from service label)	3. Service Type <input type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.
7008 0150 0002 8769 0722	4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes

# CANO PETRO OF NEW MEXICO, INC.

Burnett Plaza · 801 Cherry Street  
Suite 3200, Unit 25  
Fort Worth, TX 76102

Phone (US) - 817.698.0900

Fax - 817.698.0796

April 14, 2008

## Certified Mail/Return Receipt Requested

Sole Trustee of the Selma Andrews Trust For the Benefit of Peggy Barrett  
Bank of America, N.A.  
P.O. Box 830308  
Dallas, TX 75283

RE: Application for Waterflood Permit in Cato Unit, Chaves County, New Mexico

Dear Sole Trustee of the For the Benefit of Peggy Barrett:

Enclosed is a copy of an application for a waterflood permit filed with the New Mexico Oil Conservation Division by Cano Petro of New Mexico, Inc. ("Cano Petro"), regarding the following lands in Chaves County, New Mexico:

### Surface

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All of Section 11, T8S - R30E,  
W/2 of W/2, Section 12, T8S - R30E,  
W/2 of W/2, Section 13, T8S - R30E,  
All of Section 14, T8S - R30E,

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Contact Alex Azizi at (817) 698-0900 if you have any questions.

Sincerely,



Patrick M. McKinney  
Vice-President of Operations

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Sole Trustee of the Selma Andrews  
For the Benefit of Peggy Barrett

Sent To: Bank of America, N.A.  
P.O. Box 830308  
Dallas, TX 75283

PS Form 3800, August 2006 See Reverse for Instructions

7008 0150 0002 8769 0647

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7008 0150 0002 8769 0647

# CANO PETRO OF NEW MEXICO, INC.

Burnett Plaza · 801 Cherry Street  
Suite 3200, Unit 25  
Fort Worth, TX 76102

Phone (US) - 817.698.0900

Fax - 817.698.0796

April 14, 2008

## Certified Mail/Return Receipt Requested

Selma Andrews Perpetual Charitable Trust  
Bank of America, N.A.  
P.O. Box 830308  
Dallas, TX 75283

RE: Application for Waterflood Permit in Cato Unit, Chaves County, New Mexico

Dear Selma Andrews Perpetual Charitable Trust:

Enclosed is a copy of an application for a waterflood permit filed with the New Mexico Oil Conservation Division by Cano Petro of New Mexico, Inc. ("Cano Petro"), regarding the following lands in Chaves County, New Mexico:

### Surface

S/2 of SW/4, SW/4 of SE/4, Section 2, T8S - R30E,  
All of Section 11, T8S - R30E,  
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Contact Alex Azizi at (817) 698-0900 if you have any questions.

Sincerely,



Patrick M. McKinney  
Vice-President of Operations

7008 0150 0002 8769 0654

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Sent To <b>Sole Trustee of the Selma Andrews</b> <b>Perpetual Charitable Trust</b> Street, Apt. No., or PO Box No. <b>Bank of America, N.A.</b> City, State, ZIP+4 <b>P.O. Box 830308</b> <b>Dallas, TX 75283</b>	
<small>PS Form 3800, August 2006 See Reverse for Instructions</small>	

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1. Article Addressed to:  <div style="text-align: center;">                     Sole Trustee of the Selma Andrews                      Perpetual Charitable Trust                      Bank of America, N.A.                      P.O. Box 830308                      Dallas, TX 75283                 </div>	B. Received by (Printed Name) _____ C. Date of Deliver _____  D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No <div style="text-align: center;">                     Production Manager                      APR 18 2008                 </div>
2. Article Number (Transfer from service label) <b>7008 0150 0002 8769 0654</b>	3. Service Type <span style="float: right;">Received</span> <input type="checkbox"/> Certified Mail <input checked="" type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.
4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	

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Suite 3200, Unit 25  
Fort Worth, TX 76102

Phone (US) - 817.698.0900

Fax - 817.698.0796

April 14, 2008

**Certified Mail/Return Receipt Requested**

Mobile Producing Texas & New Mexico, Inc.  
P.O. Box 4697  
Houston, TX 77210

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Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees \$	
Postmark Here <b>APR 15 2008</b>	
Sent To	Mobile Producing Texas & New Mexico, Inc.
Street, Apt. No., or PO Box No.	P.O. Box 4697
City, State, ZIP+4	Houston, TX 77210
PS Form 3811, August 2006 See Reverse for Instructions	

7008 0150 0002 8769 0661

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<p>1. Article Addressed to:</p> <p style="text-align: center;">Mobile Producing Texas &amp; New Mexico, Inc. P.O. Box 4697 Houston, TX 77210</p>	<p>3. Service Type</p> <p><input type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail</p> <p><input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p>
<p>2. Article Number (Transfer from service label)</p>	<p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>

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Phone (US) - 817.698.0900

Fax - 817.698.0796

April 14, 2008

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Mr. R. Ken Williams, ux Jane  
P.O. Box 10626  
Midland, TX 79702

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The application is set for hearing on Thursday, May 15, 2008, at 8:15 a.m. at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505.

As an interest owner in the affected lands, you are required to notify (in writing) the Division, and the undersigned, by Thursday, May 8, 2008, if you intend to participate in the hearing. Failure to appear at the hearing will preclude you from contesting the matter at a later date.

Contact Alex Azizi at (817) 698-0900 if you have any questions.

Sincerely,



Patrick M. McKinney  
Vice-President of Operations

U.S. Postal Service	
<b>CERTIFIED MAIL RECEIPT</b> (Domestic Mail Only, No Insurance Coverage Provided)	
For delivery information, visit our website at www.usps.com	
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Postage \$	Postmark Here
Certified Fee	
Return Receipt Fee (Endorsement Required)	
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Total Postage & Fees \$	
Sent to <b>R. Ken Williams, ux Jane</b>	
Street, Apt. No., or PO Box No. <b>P.O. Box 10626</b>	
City, State, ZIP+4 <b>Midland, TX 79702</b>	
PS Form 3811, August 2004 See Reverse for Instructions	

7008 0150 0002 8769 0715

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> <li>Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>		<p>A. Signature <i>Connie Gessner</i> <input type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <i>Connie Gessner</i> C. Date of Delivery <i>4/14/08</i></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If YES, enter delivery address below:</p>	
1. Article Addressed to:		3. Service Type	
<p>R. Ken Williams, ux Jane P.O. Box 10626 Midland, TX 79702</p>		<input type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.	
2. Article Number (Transfer from service label)		4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	
		7008 0150 0002 8769 0715	

# CANO PETRO OF NEW MEXICO, INC.

Burnett Plaza · 801 Cherry Street  
Suite 3200, Unit 25  
Fort Worth, TX 76102

Phone (US) - 817.698.0900

Fax - 817.698.0796

April 14, 2008

## Certified Mail/Return Receipt Requested

Good Earth Minerals, LLC  
849 Broken Arrow  
Roswell, NM 88201

RE: Application for Waterflood Permit in Cato Unit, Chaves County, New Mexico

Dear Sir or Madam:

Enclosed is a copy of an application for a waterflood permit filed with the New Mexico Oil Conservation Division by Cano Petro of New Mexico, Inc. ("Cano Petro"), regarding the following lands in Chaves County, New Mexico:

### Surface

S/2 of SW/4, SW/4 of SE/4, Section 2, T8S - R30E,  
All of Section 11, T8S - R30E,  
W/2 of W/2, Section 12, T8S - R30E,  
W/2 of W/2, Section 13, T8S - R30E,  
All of Section 14, T8S - R30E,

### Subsurface

SW/4, W/2 of SE/4, Section 1, T8S - R30E,  
SE/4 of NW/4, S/2 of NE/4, NE/4 of SE/4, Section 2, T8S - R30E,  
W/2 of E/2, Section 12, T8S - R30E,  
W/2 of E/2, SE/4 of SW/4, Section 13, T8S - R30E,  
NW/4 of Section 24, T8S - R30E,

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# CANO PETRO OF NEW MEXICO, INC.

Burnett Plaza · 801 Cherry Street  
Suite 3200, Unit 25  
Fort Worth, TX 76102

Phone (US) - 817.698.0900

Fax - 817.698.0796

April 14, 2008

## Certified Mail/Return Receipt Requested

Judson Properties, Ltd.  
P.O. Box 3340  
Midland, TX 79702-3340

RE: Application for Waterflood Permit in Cato Unit, Chaves County, New Mexico

Dear Sir or Madam:

Enclosed is a copy of an application for a waterflood permit filed with the New Mexico Oil Conservation Division by Cano Petro of New Mexico, Inc. ("Cano Petro"), regarding the following lands in Chaves County, New Mexico:

### Surface

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All of Section 11, T8S - R30E,  
W/2 of W/2, Section 12, T8S - R30E,  
W/2 of W/2, Section 13, T8S - R30E,  
All of Section 14, T8S - R30E,

### Subsurface

SW/4, W/2 of SE/4, Section 1, T8S - R30E,  
SE/4 of NW/4, S/2 of NE/4, NE/4 of SE/4, Section 2, T8S - R30E,  
W/2 of E/2, Section 12, T8S - R30E,  
W/2 of E/2, SE/4 of SW/4, Section 13, T8S - R30E,  
NW/4 of Section 24, T8S - R30E,

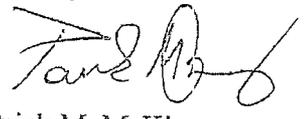
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Contact Alex Azizi at (817) 698-0900 if you have any questions.

Sincerely,



Patrick M. McKinney  
Vice-President of Operations

7008 0150 0002 8769 0845

U.S. Postal Service  
**CERTIFIED MAIL RECEIPT**  
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For delivery information visit our website at [www.usps.com](http://www.usps.com)  
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Postage	\$
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Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

Postmark  
Here

Sent To  
Street, Apt. No.,  
or PO Box No. Judson Properties, Ltd.  
P.O. Box 3340  
City, State, ZIP+4

**SENDER: COMPLETE THIS SECTION**

Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.  
Print your name and address on the reverse so that we can return the card to you.  
Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:  
  
Judson Properties, Ltd.  
P.O. Box 3340  
Midland, TX 79702-3340

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  
[Signature]  Agent  Addressee

B. Received by (Printed Name) Lois Mitchell C. Date of Delivery 2/22/08

D. Is delivery address different from Item 1?  Yes  No  
If YES, enter delivery address below:

3. Service Type  
 Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes

# CANO PETRO OF NEW MEXICO, INC.

Burnett Plaza · 801 Cherry Street  
Suite 3200, Unit 25  
Fort Worth, TX 76102

Phone (US) - 817.698.0900

Fax - 817.698.0796

April 14, 2008

## Certified Mail/Return Receipt Requested

Mathis Land & Cattle Company  
P.O. Box 45  
Kenna, NM 88122

RE: Application for Waterflood Permit in Cato Unit, Chaves County, New Mexico

Dear Sir or Madam:

Enclosed is a copy of an application for a waterflood permit filed with the New Mexico Oil Conservation Division by Cano Petro of New Mexico, Inc. ("Cano Petro"), regarding the following lands in Chaves County, New Mexico:

### Surface

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All of Section 11, T8S - R30E,  
W/2 of W/2, Section 12, T8S - R30E,  
W/2 of W/2, Section 13, T8S - R30E,  
All of Section 14, T8S - R30E,

### Subsurface

SW/4, W/2 of SE/4, Section 1, T8S - R30E,  
SE/4 of NW/4, S/2 of NE/4, NE/4 of SE/4, Section 2, T8S - R30E,  
W/2 of E/2, Section 12, T8S - R30E,  
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NW/4 of Section 24, T8S - R30E,

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Contact Alex Azizi at (817) 698-0900 if you have any questions.

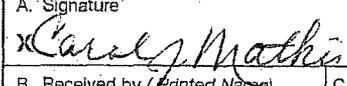
Sincerely,



Patrick M. McKinney  
Vice-President of Operations

7008 0150 0002 8769 0739

<b>U.S. Postal Service</b> <b>CERTIFIED MAIL RECEIPT</b> <small>(Domestic Mail Only; No Insurance Coverage Provided)</small>	
<small>For delivery information visit our website at www.usps.com</small>	
<b>OFFICIAL USE</b>	
Postage	\$
Certified Fee	
Return Receipt Fee <small>(Endorsement Required)</small>	
Restricted Delivery Fee <small>(Endorsement Required)</small>	
Total Postage & Fees	\$ <u>9.40</u>
Sent To Mathis Land & Cattle Company Street, Apt. No., or PO Box No. P.O. Box 45 City, State, ZIP+4 Kenna, NM 88122	
<small>PS Form 3811, August 2005 See Reverse for Instructions</small>	

<b>SENDER: COMPLETE THIS SECTION</b> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits.  1. Article Addressed to:  <p style="text-align: center;">Mathis Land &amp; Cattle Company P.O. Box 45 Kenna, NM 88122</p>	<b>COMPLETE THIS SECTION ON DELIVERY</b> A. Signature <input type="checkbox"/> Agent <input type="checkbox"/> Addressee  B. Received by (Printed Name) <u>CAROL J MATHIS</u> C. Date of Delivery <u>4-17-08</u> D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input type="checkbox"/> No If YES, enter delivery address below:  3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D. 4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes
2. Article Number <small>(Transfer from service label)</small>	7008 0150 0002 8769 0739

# CANO PETRO OF NEW MEXICO, INC.

Burnett Plaza · 801 Cherry Street  
Suite 3200, Unit 25  
Fort Worth, TX 76102

Phone (US) - 817.698.0900

Fax - 817.698.0796

April 14, 2008

**Certified Mail/Return Receipt Requested**

Matlock Minerals Ltd. Co.  
11101 Bermuda Dunes Drive, NE  
Albuquerque, NM 87111-7504

RE: Application for Waterflood Permit in Cato Unit, Chaves County, New Mexico

Dear Sir or Madam:

Enclosed is a copy of an application for a waterflood permit filed with the New Mexico Oil Conservation Division by Cano Petro of New Mexico, Inc. ("Cano Petro"), regarding the following lands in Chaves County, New Mexico:

Surface

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W/2 of W/2, Section 12, T8S - R30E,  
W/2 of W/2, Section 13, T8S - R30E,  
All of Section 14, T8S - R30E,

Subsurface

SW/4, W/2 of SE/4, Section 1, T8S - R30E,  
SE/4 of NW/4, S/2 of NE/4, NE/4 of SE/4, Section 2, T8S - R30E,  
W/2 of E/2, Section 12, T8S - R30E,  
W/2 of E/2, SE/4 of SW/4, Section 13, T8S - R30E,  
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Sincerely,



Patrick M. McKinney  
Vice-President of Operations

**U.S. Postal Service**  
**CERTIFIED MAIL RECEIPT**  
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7002 0510 0004 2085 6392

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

Sent To: **Matlock Minerals Ltd. Co.**  
Street, Apt. No. or PO Box No.: **11101 Bermuda Dunes Drive NE**  
City, State, ZIP: **Albuquerque, NM 87111-7504**

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

**Matlock Minerals Ltd. Co.  
11101 Bermuda Dunes Drive NE  
Albuquerque, NM 87111-7504**

2. Article Number  
(Transfer from service label)

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  
 *Patricia Rodgers*  Agent  
 Addressed  Date of Delivery

B. Received by (Printed Name)  
**PATRICIA RODGERS**

D. Is delivery address different from item 1?  Yes  
 If YES, enter delivery address below:  No

3. Service Type

<input type="checkbox"/> Certified Mail	<input type="checkbox"/> Express Mail
<input type="checkbox"/> Registered	<input type="checkbox"/> Return Receipt for Merchandise
<input type="checkbox"/> Insured Mail	<input type="checkbox"/> C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes

7002 0510 0004 2085 6392

# CANO PETRO OF NEW MEXICO, INC.

Burnett Plaza · 801 Cherry Street  
Suite 3200, Unit 25  
Fort Worth, TX 76102

Phone (US) - 817.698.0900

Fax - 817.698.0796

April 14, 2008

## Certified Mail/Return Receipt Requested

McQuiddy Communications & Energy, Inc.  
P.O. Box 2072  
Roswell, NM 88202

RE: Application for Waterflood Permit in Cato Unit, Chaves County, New Mexico

Dear Sir or Madam:

Enclosed is a copy of an application for a waterflood permit filed with the New Mexico Oil Conservation Division by Cano Petro of New Mexico, Inc. ("Cano Petro"), regarding the following lands in Chaves County, New Mexico:

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W/2 of W/2, Section 13, T8S - R30E,  
All of Section 14, T8S - R30E,

### Subsurface

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W/2 of E/2, Section 12, T8S - R30E,  
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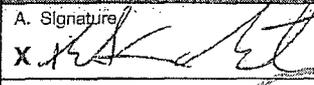
Sincerely,



Patrick M. McKinney  
Vice-President of Operations

<b>U.S. Postal Service</b> <b>CERTIFIED MAIL - RECEIPT</b> <i>(Domestic Mail Only; No Insurance Coverage Provided)</i>	
<small>For delivery information visit our website at www.usps.com</small>	
<b>OFFICIAL USE</b>	
Postage \$ _____ Certified Fee _____ Return Receipt Fee (Endorsement Required) _____ Restricted Delivery Fee (Endorsement Required) _____ Total Postage & Fees \$ _____	Postmark Here 
Sent To <b>McQuiddy Communications &amp; Energy, Inc.</b> Street, Apt. No., or PO Box No. <b>P.O. Box 2072</b> City, State, ZIP+4 <b>Roswell, NM 88202</b>	
<small>PS Form 3811, August 2005 See Reverse for Instructions</small>	

7008 0150 0002 8769 0821

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li><input checked="" type="checkbox"/> Print your name and address on the reverse so that we can return the card to you.</li> <li><input checked="" type="checkbox"/> Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	A. Signature <input type="checkbox"/> Agent  <input type="checkbox"/> Addressee B. Received by (Printed Name) <input type="checkbox"/> Agent <b>NICHOLAS GREUT</b> <input type="checkbox"/> Addressee C. Date of Delivery _____ D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No
1. Article Addressed to:  <p style="text-align: center;">                     McQuiddy Communications &amp;                      Energy, Inc.                      P.O. Box 2072                      Roswell, NM 88202                 </p>	3. Service Type <input type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D. 4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes
2. Article Number <small>(Transfer from service label)</small>	7008 0150 0002 8769 0821

# CANO PETRO OF NEW MEXICO, INC.

Burnett Plaza • 801 Cherry Street  
Suite 3200, Unit 25  
Fort Worth, TX 76102

Phone (US) - 817.698.0900

Fax - 817.698.0796

April 14, 2008

## Certified Mail/Return Receipt Requested

Mr. William H. Martin, ux Karen V.  
c/o Sigmar Inc.  
400 W. Illinois, Suite 1120  
Midland, TX 79701

RE: Application for Waterflood Permit in Cato Unit, Chaves County, New Mexico

Dear Mr. & Mrs. Martin:

Enclosed is a copy of an application for a waterflood permit filed with the New Mexico Oil Conservation Division by Cano Petro of New Mexico, Inc. ("Cano Petro"), regarding the following lands in Chaves County, New Mexico:

### Surface

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All of Section 11, T8S - R30E,  
W/2 of W/2, Section 12, T8S - R30E,  
W/2 of W/2, Section 13, T8S - R30E,  
All of Section 14, T8S - R30E,

### Subsurface

SW/4, W/2 of SE/4, Section 1, T8S - R30E,  
SE/4 of NW/4, S/2 of NE/4, NE/4 of SE/4, Section 2, T8S - R30E,  
W/2 of E/2, Section 12, T8S - R30E,  
W/2 of E/2, SE/4 of SW/4, Section 13, T8S - R30E,  
NW/4 of Section 24, T8S - R30E,

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Contact Alex Azizi at (817) 698-0900 if you have any questions.

Sincerely,



Patrick M. McKinney  
Vice-President of Operations

7008 0150 0002 8769 0708

U.S. Postal Service  
**CERTIFIED MAIL RECEIPT**  
*(Domestic Mail Only; No Insurance Coverage Provided)*

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**POSTAL USE**

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

Postmark Here  
APR 15 2008

Sent To William H. Martin, ux Karen V.  
c/o Sigmar Inc.  
400 W. Illinois, Suit 1120  
Midland, TX 79701

PS Form 3811, August 2005

**COMPLETE THIS SECTION**

is 1, 2, and 3. Also complete icted Delivery is desired.  
ie and address on the reverse  
so that we can return the card to you.  
Attach this card to the back of the mailpiece,  
or on the front if space permits.

1. Article Addressed to:

William H. Martin, ex. Karen V.  
c/o Sigmar Inc.  
400 N. Marienfeld, Ste. 100  
Midland, TX 79701

2. Article Number

(Transfer from service label) 7002 0510 0004 2085 6422

7002 0510 0004 2085 6422

U.S. Postal Service  
**CERTIFIED MAIL RECEIPT**  
*(Domestic Mail Only; No Insurance Coverage Provided)*

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

4/23/08  
Postmark Here

Sent To William H. Martin, ex. Karen V.  
c/o Sigmar Inc.  
400 N. Marienfeld, Ste. 100  
Midland, TX 79701

PS Form 3811, August 2005

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  Agent  
M. Bates  Addressee

B. Received by (Printed Name) M. Bates  
C. Date of Delivery 4-25-08

D. Is delivery address different from item 1?  Yes  
If YES, enter delivery address below:  No

3. Service Type  
 Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes



7008 0150 0002 8769 0708

# First Class Mail

**CANO PETRO OF NEW MEXICO, INC.**  
Burnett Plaza - 801 Cherry Street  
Suite 3200, Unit 25  
Fort Worth, TX 76102

**201 DELIVERABLE IS PROMISE, PROMISE TO FULFILL**

William H. Martin, ux Karen V.  
c/o Sigmair Inc.  
400 W. Illinois, Suit 1120  
Midland, TX 79701

*400 N. Mansfield*

**SENDER - COMPLETE THIS SECTION**

Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.

Print your name and address on the reverse so that we can return the card to you.

Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:  
 William H. Martin, ux Karen V.  
 c/o Sigmair Inc.  
 400 W. Illinois, Suit 1120  
 Midland, TX 79701

2. Article Number (Transfer from service label)  
 7008 0150 0002 8769 0708

3. Service Type  
 Certified Mail  
 Express Mail  
 Return Receipt for Merchandise  
 Registered  
 Insured Mail  
 C.O.D.

4. Restricted Delivery? (Extra Fee)  
 Yes  
 No

A. Signature  X  
 Addressee  
 Agent

B. Received by (Printed Name) \_\_\_\_\_  
 C. Date of Delivery \_\_\_\_\_

D. Is delivery address different from item 1?  Yes  
 If YES, enter delivery address below: \_\_\_\_\_

PS Form 3811, February 2004  
 Domestic Return Receipt  
 102995-02-M-1540

# CANO PETRO OF NEW MEXICO, INC.

Burnett Plaza · 801 Cherry Street  
Suite 3200, Unit 25  
Fort Worth, TX 76102

Phone (US) - 817.698.0900

Fax - 817.698.0796

April 14, 2008

## Certified Mail/Return Receipt Requested

Sigmar, Inc.  
400 W. Illinois St.  
Suite 1100  
Midland, TX 79701

RE: Application for Waterflood Permit in Cato Unit, Chaves County, New Mexico

Dear Sir or Madam:

Enclosed is a copy of an application for a waterflood permit filed with the New Mexico Oil Conservation Division by Cano Petro of New Mexico, Inc. ("Cano Petro"), regarding the following lands in Chaves County, New Mexico:

### Surface

S/2 of SW/4, SW/4 of SE/4, Section 2, T8S - R30E,  
All of Section 11, T8S - R30E,  
W/2 of W/2, Section 12, T8S - R30E,  
W/2 of W/2, Section 13, T8S - R30E,  
All of Section 14, T8S - R30E,

### Subsurface

SW/4, W/2 of SE/4, Section 1, T8S - R30E,  
SE/4 of NW/4, S/2 of NE/4, NE/4 of SE/4, Section 2, T8S - R30E,  
W/2 of E/2, Section 12, T8S - R30E,  
W/2 of E/2, SE/4 of SW/4, Section 13, T8S - R30E,  
NW/4 of Section 24, T8S - R30E,

Cano Petro, the operator of the Cato Unit, plans to waterflood the northeastern portion of the Cato Unit beginning in late-May 2008 as part of the secondary recovery effort.

The application is set for hearing on Thursday, May 15, 2008, at 8:15 a.m. at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505.

April 14, 2008  
Page 2

As an interest owner in the affected lands, you are required to notify (in writing) the Division, and the undersigned, by Thursday, May 8, 2008, if you intend to participate in the hearing. Failure to appear at the hearing will preclude you from contesting the matter at a later date.

Contact Alex Azizi at (817) 698-0900 if you have any questions.

Sincerely,



Patrick M. McKinney  
Vice-President of Operations

**U.S. Postal Service**  
**CERTIFIED MAIL RECEIPT**  
*(Domestic Mail Only; No Insurance Coverage Provided)*

7002 0510 0004 2085 6446

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

Sent To **Sigmar Inc.**  
Street, Apt. No. or PO Box No. **400 N. Marienfeld, Ste. 100**  
City, State, ZIP+4 **Midland, TX 79701**

7008 0150 0002 8769 0777

**U.S. Postal Service**  
**CERTIFIED MAIL RECEIPT**  
*(Domestic Mail Only; No Insurance Coverage Provided)*  
For delivery information visit our website at [www.usps.com](http://www.usps.com)  
**OFFICIAL USE**

*Returned to sender APR 15 2008*

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

Sent To **Sigmar, Inc.**  
Street, Apt. No. or PO Box No. **400 W. Illinois Street Suite 1100**  
City, State, ZIP+4 **Midland, TX 79701**

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

**Sigmar Inc.  
400 N. Marienfeld, Ste. 100  
Midland, TX 79701**

2. Article Number  
(Transfer from service label)

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  
*M. Bates*  Agent  Addressee

B. Received by (Printed Name)  
*M. Bates*

C. Date of Delivery  
*4-25-08*

D. Is delivery address different from item 1?  Yes  No  
If YES, enter delivery address below:

3. Service Type  
 Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes

7002 0510 0004 2085 6446

UNITED STATES SERVICE  
 02 IP  
 000422224 APR 15 2004  
 MAILED FROM 3000076102  
 \$09.40



7008 0150 0002 8769 0777

**FIRST CLASS MAIL**

**CANO PETRO OF NEW MEXICO, INC.**  
 Burnett Plaza · 801 Cherry Street  
 Suite 3200, Unit 25  
 Fort Worth, TX 76102

NO POSTAGE  
 NECESSARY  
 IF MAILED  
 IN THE  
 UNITED STATES

Sigmar, Inc.  
 400 W. Illinois Street  
 Suite 1100  
 Midland, TX 79701

<b>SENDER: COMPLETE THIS SECTION</b> <input checked="" type="checkbox"/> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. <input type="checkbox"/> Print your name and address on the reverse so that we can return the card to you. <input type="checkbox"/> Attach this card to the back of the mailpiece, or on the front if space permits.		<b>RECIPIENT: COMPLETE THIS SECTION ON DELIVERY</b> A. Signature <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee <input type="checkbox"/> B. Received by (Printed Name) <input type="checkbox"/> C. Date of Delivery <input type="checkbox"/> D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input type="checkbox"/> No If YES, enter delivery address below:	
3. Service Type <input type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.		4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes <input type="checkbox"/> No	
1. Article Addressed to: Sigmar, Inc. 400 W. Illinois St. Suite 1100 Midland, TX 79701		2. Article Number 7008 0150 0002 8769 0777 (Transfer from service label)	
PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1510			

# CANO PETRO OF NEW MEXICO, INC.

Burnett Plaza · 801 Cherry Street  
Suite 3200, Unit 25  
Fort Worth, TX 76102

Phone (US) - 817.698.0900

Fax - 817.698.0796

April 14, 2008

## Certified Mail/Return Receipt Requested

Mr. John L. Shlagal, ux Helen B.  
1804 First National Bank Bldg  
Midland, TX 79701

RE: Application for Waterflood Permit in Cato Unit, Chaves County, New Mexico

Dear Mr. & Mrs. Shlagal:

Enclosed is a copy of an application for a waterflood permit filed with the New Mexico Oil Conservation Division by Cano Petro of New Mexico, Inc. ("Cano Petro"), regarding the following lands in Chaves County, New Mexico:

### Surface

S/2 of SW/4, SW/4 of SE/4, Section 2, T8S - R30E,  
All of Section 11, T8S - R30E,  
W/2 of W/2, Section 12, T8S - R30E,  
W/2 of W/2, Section 13, T8S - R30E,  
All of Section 14, T8S - R30E,

### Subsurface

SW/4, W/2 of SE/4, Section 1, T8S - R30E,  
SE/4 of NW/4, S/2 of NE/4, NE/4 of SE/4, Section 2, T8S - R30E,  
W/2 of E/2, Section 12, T8S - R30E,  
W/2 of E/2, SE/4 of SW/4, Section 13, T8S - R30E,  
NW/4 of Section 24, T8S - R30E,

Cano Petro, the operator of the Cato Unit, plans to waterflood the northeastern portion of the Cato Unit beginning in late-May 2008 as part of the secondary recovery effort.

The application is set for hearing on Thursday, May 15, 2008, at 8:15 a.m. at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505.

As an interest owner in the affected lands, you are required to notify (in writing) the Division, and the undersigned, by Thursday, May 8, 2008, if you intend to participate in the hearing. Failure to appear at the hearing will preclude you from contesting the matter at a later date.

Contact Alex Azizi at (817) 698-0900 if you have any questions.

Sincerely,



Patrick M. McKinney  
Vice-President of Operations

**U.S. Postal Service**  
**CERTIFIED MAIL RECEIPT**  
*(Domestic Mail Only, No Insurance Coverage Provided)*

7002 0510 0004 2085 6439

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

4/22/08  
Postmark Here

Sent To  
John L. Schlagal, ux Helen B.  
Street, Apt. No., or PO Box No. 5707 S. County Road, Ste. 1200  
City, State, ZIP+4 Midland, TX 79706

7008 0150 0002 8769 0692

**U.S. Postal Service**  
**CERTIFIED MAIL RECEIPT**  
*(Domestic Mail Only, No Insurance Coverage Provided)*

For delivery info, visit our website at [www.usps.com](http://www.usps.com)  
**OFFICIAL USE**

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

Sent To  
John L. Schlagal, ux Helen B.  
Street, Apt. No., or PO Box No. 1804 First National Bank  
City, State, ZIP+4 Midland, TX 79701

Postmark

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

John. L. Schlagal, ux Helen B.  
5707 S. County Road, Ste. 1200  
Midland, TX 79706

2. Article Number  
(Transfer from service label)

7002 0510 0004 2085 6439

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  Agent  Addressee  
*J.L. Schlagal*

B. Received by (Printed Name) *J.L. Schlagal* C. Date of Delivery *4-28-08*

D. Is delivery address different from item 1?  Yes  No  
If YES, enter delivery address below:

3. Service Type  
 Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes

UNITED STATES POSTAGE  
 PERMIT NO. 1008  
 PHOENIX, ARIZONA  
 \$09.40  
 02 EP  
 000242024 APR 15 2004  
 MAIL PERMIT ZIP CODE 73102

**First Class Mail**  
**First Class Mail**

**CANO PETRO OF NEW MEXICO, INC.**  
 Burnett Plaza · 801 Cherry Street  
 Suite 3200, Unit 25  
 Fort Worth, TX 76102

NOT DELIVERABLE  
 AS ADDRESSEE  
 UNABLE TO FORWARD

JH RF

John L. Schlagal, ux Helen B.  
 1804 First National Bank Building  
 Midland, TX 79701

7008 0150 0002 8769 0692

PS Form 3811, February 2004  
 Domestic Return Receipt  
 102595-02-91-1540

2. Article Number  
 7008 0150 0002 8769 0692  
 (Transfer from service label)

**SENDER: COMPLETE THIS SECTION**

1. Article Addressed to:  
 John L. Schlagal, ux Helen B.  
 1804 First National Bank Building  
 Midland, TX 79701

2. Attach this card to the back of the mailpiece, so that we can return the card to you.  
 3. Print your name and address on the reverse.  
 4. If Restricted Delivery is desired, item 4 if Restricted Delivery is desired.

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  Agent  Addressee

B. Received by (Printed Name)  C. Date of Delivery

D. Is delivery address different from item 1?  Yes  No  
 If YES, enter delivery address below:

3. Service Type  
 Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes  No

# CANO PETRO OF NEW MEXICO, INC.

Burnett Plaza · 801 Cherry Street  
Suite 3200, Unit 25  
Fort Worth, TX 76102

Phone (US) - 817.698.0900

Fax - 817.698.0796

April 14, 2008

**Certified Mail/Return Receipt Requested**

Kelt Ohio, Inc.  
5784 Glenn Highway  
Cambridge, OH 43725

RE: Application for Waterflood Permit in Cato Unit, Chaves County, New Mexico

Dear Sir or Madam:

Enclosed is a copy of an application for a waterflood permit filed with the New Mexico Oil Conservation Division by Cano Petro of New Mexico, Inc. ("Cano Petro"), regarding the following lands in Chaves County, New Mexico:

Surface

S/2 of SW/4, SW/4 of SE/4, Section 2, T8S - R30E,  
All of Section 11, T8S - R30E,  
W/2 of W/2, Section 12, T8S - R30E,  
W/2 of W/2, Section 13, T8S - R30E,  
All of Section 14, T8S - R30E,

Subsurface

SW/4, W/2 of SE/4, Section 1, T8S - R30E,  
SE/4 of NW/4, S/2 of NE/4, NE/4 of SE/4, Section 2, T8S - R30E,  
W/2 of E/2, Section 12, T8S - R30E,  
W/2 of E/2, SE/4 of SW/4, Section 13, T8S - R30E,  
NW/4 of Section 24, T8S - R30E,

Cano Petro, the operator of the Cato Unit, plans to waterflood the northeastern portion of the Cato Unit beginning in late-May 2008 as part of the secondary recovery effort.

The application is set for hearing on Thursday, May 15, 2008, at 8:15 a.m. at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505.

As an interest owner in the affected lands, you are required to notify (in writing) the Division, and the undersigned, by Thursday, May 8, 2008, if you intend to participate in the hearing. Failure to appear at the hearing will preclude you from contesting the matter at a later date.

April 14, 2008  
Page 2

Contact Alex Azizi at (817) 698-0900 if you have any questions.

Sincerely,



Patrick M. McKinney  
Vice-President of Operations

7008 0150 0002 8769 0685

U.S. Postal Service	
<b>CERTIFIED MAIL RECEIPT</b> <i>(Domestic Mail Only; No Insurance Coverage Provided)</i>	
For details, visit our website at <a href="http://www.usps.com">www.usps.com</a> .	
<b>OFFICIAL USE</b>	
Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$
Postmark Here	
APR 15 2008	
Sent To	
Kelt Ohio, Inc.	
Street, Apt. No., or PO Box No. 5748 Glenn Highway	
City, State, ZIP+4 Cambridge, OH 43725	
PS Form 3800, April 2008	



# CANO PETRO OF NEW MEXICO, INC.

Burnett Plaza · 801 Cherry Street  
Suite 3200, Unit 25  
Fort Worth, TX 76102

Phone (US) - 817.698.0900

Fax - 817.698.0796

April 14, 2008

## Certified Mail/Return Receipt Requested

Occidental Permian Ltd.  
c/o OXY USA, Inc., GP  
580 Westlake Park Blvd.  
Houston, TX 77079

RE: Application for Waterflood Permit in Cato Unit, Chaves County, New Mexico

Dear Sir or Madam:

Enclosed is a copy of an application for a waterflood permit filed with the New Mexico Oil Conservation Division by Cano Petro of New Mexico, Inc. ("Cano Petro"), regarding the following lands in Chaves County, New Mexico:

### Surface

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W/2 of W/2, Section 12, T8S - R30E,  
W/2 of W/2, Section 13, T8S - R30E,  
All of Section 14, T8S - R30E,

### Subsurface

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SE/4 of NW/4, S/2 of NE/4, NE/4 of SE/4, Section 2, T8S - R30E,  
W/2 of E/2, Section 12, T8S - R30E,  
W/2 of E/2, SE/4 of SW/4, Section 13, T8S - R30E,  
NW/4 of Section 24, T8S - R30E,

Cano Petro, the operator of the Cato Unit, plans to waterflood the northeastern portion of the Cato Unit beginning in late-May 2008 as part of the secondary recovery effort.

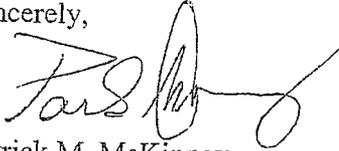
The application is set for hearing on Thursday, May 15, 2008, at 8:15 a.m. at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505.

April 14, 2008  
Page 2

As an interest owner in the affected lands, you are required to notify (in writing) the Division, and the undersigned, by Thursday, May 8, 2008, if you intend to participate in the hearing. Failure to appear at the hearing will preclude you from contesting the matter at a later date.

Contact Alex Azizi at (817) 698-0900 if you have any questions.

Sincerely,



Patrick M. McKinney  
Vice-President of Operations

7008 0150 0002 8769 0678

U.S. Postal Service	
<b>CERTIFIED MAIL RECEIPT</b> <i>(Domestic Mail Only. No Insurance Coverage Provided)</i>	
For delivery information visit our website at <a href="http://www.usps.com">www.usps.com</a>	
<b>OFFICIAL USE</b>	
Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$
Postmark Here	
Sent To	
Occidental Permian Ltd.	
Street, Apt. No. or PO Box No. OXY USA, Inc., General Partner	
City, State, ZIP+4® 80 Westlake Park Blvd.	
Houston, TX 77079	
PS Form 3800, July 2006 See Reverse for Instructions	

# CANO PETRO OF NEW MEXICO, INC.

Burnett Plaza • 801 Cherry Street  
Suite 3200, Unit 25  
Fort Worth, TX 76102

Phone (US) - 817.698.0900

Fax - 817.698.0796

April 14, 2008

**Certified Mail/Return Receipt Requested**

LAJ Corp.  
400 W. Illinois St.  
Suite 1100  
Midland, TX 79701

RE: Application for Waterflood Permit in Cato Unit, Chaves County, New Mexico

Dear Sir or Madam:

Enclosed is a copy of an application for a waterflood permit filed with the New Mexico Oil Conservation Division by Cano Petro of New Mexico, Inc. ("Cano Petro"), regarding the following lands in Chaves County, New Mexico:

Surface

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W/2 of W/2, Section 12, T8S - R30E,  
W/2 of W/2, Section 13, T8S - R30E,  
All of Section 14, T8S - R30E,

Subsurface

SW/4, W/2 of SE/4, Section 1, T8S - R30E,  
SE/4 of NW/4, S/2 of NE/4, NE/4 of SE/4, Section 2, T8S - R30E,  
W/2 of E/2, Section 12, T8S - R30E,  
W/2 of E/2, SE/4 of SW/4, Section 13, T8S - R30E,  
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April 14, 2008  
Page 2

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Contact Alex Azizi at (817) 698-0900 if you have any questions.

Sincerely,



Patrick M. McKinney  
Vice-President of Operations

7008 0150 0002 8769 0838

U.S. Postal Service  
**CERTIFIED MAIL RECEIPT**  
(Domestic Mail Only; Insurance Coverage Provided)  
For delivery information visit our website at [www.usps.com](http://www.usps.com)

**OFFICIAL USE**

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

Postmark: APR 15 2008

*Handwritten: Return to sender*

Sent To: LAJ Corp.  
Street, Apt. No., or PO Box No.: 400 W. Illinois St.  
City, State, ZIP+4: Suite 1100  
Midland, TX 79701

PS Form 3800, August 2005. See Reverse for Instructions.



7008 0150 0002 8769 0838

# First Class Mail

**CANO PETRO OF NEW MEXICO, INC.**

Burnett Plaza · 801 Cherry Street  
Suite 3200, Unit 25  
Fort Worth, TX 76102

LAJ Corp.  
400 W. Illinois St.  
Suite 1100  
Midland, TX 79701

**NOT DELIVERABLE  
AS ADDRESSED  
UNABLE TO RETURN**

**SENDER: COMPLETE THIS SECTION**

1. Article Addressed to:  
 Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.  
 Print your name and address on the reverse so that we can return the card to you.  
 Attach this card to the back of the mailpiece, or on the front if space permits.

2. Article Addressed to:  
 LAJ Corp.  
 400 W. Illinois St.  
 Suite 1100  
 Midland, TX 79701

3. Service Type  
 Certified Mail  
 Express Mail  
 Return Receipt for Merchandise  
 Registered  
 Insured Mail  
 C.O.D.

4. Restricted Delivery? (Extra Fee)  
 Yes  
 No

A. Signature  Agent  
 Addressee

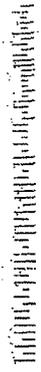
B. Received by (Printed Name) \_\_\_\_\_  
 C. Date of Delivery \_\_\_\_\_

D. Is delivery address different from item 1?  Yes  
 No  
 If YES, enter delivery address below:

2. Article Number  
 7008 0150 0002 8769 0838  
 (Transfer from service label)

PS Form 3811, February 2004  
 Domestic Return Receipt  
 102595-02-M-1540

**COMPLETE THIS SECTION ON DELIVERY**



# CANO PETRO OF NEW MEXICO, INC.

Burnett Plaza · 801 Cherry Street  
Suite 3200, Unit 25  
Fort Worth, TX 76102

Phone (US) - 817.698.0900

Fax - 817.698.0796

April 14, 2008

## Certified Mail/Return Receipt Requested

Ms. Laura Boeckman  
10141 Daria Place  
Dallas, TX 75229

RE: Application for Waterflood Permit in Cato Unit, Chaves County, New Mexico

Dear Ms. Boeckman:

Enclosed is a copy of an application for a waterflood permit filed with the New Mexico Oil Conservation Division by Cano Petro of New Mexico, Inc. ("Cano Petro"), regarding the following lands in Chaves County, New Mexico:

### Surface

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All of Section 11, T8S - R30E,  
W/2 of W/2, Section 12, T8S - R30E,  
W/2 of W/2, Section 13, T8S - R30E,  
All of Section 14, T8S - R30E,

### Subsurface

SW/4, W/2 of SE/4, Section 1, T8S - R30E,  
SE/4 of NW/4, S/2 of NE/4, NE/4 of SE/4, Section 2, T8S - R30E,  
W/2 of E/2, Section 12, T8S - R30E,  
W/2 of E/2, SE/4 of SW/4, Section 13, T8S - R30E,  
NW/4 of Section 24, T8S - R30E,

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The application is set for hearing on Thursday, May 15, 2008, at 8:15 a.m. at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505.

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April 14, 2008  
Page 2

Contact Alex Azizi at (817) 698-0900 if you have any questions.

Sincerely,



Patrick M. McKinney  
Vice-President of Operations

7008 0150 0002 8769 0814

U.S. Postal Service <sup>®</sup>	
<b>CERTIFIED MAIL<sup>®</sup> RECEIPT</b> <i>(Domestic Mail Only, No Insurance Coverage Provided)</i>	
For delivery information visit our website at <a href="http://www.usps.com">www.usps.com</a>	
<b>OFFICIAL USE</b>	
Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	\$ 2.40
TOTAL POSTAGE & FEES	\$
Postmark Here	
APR 15 2008	
Laura Boedeman 10141 Davis Place Dallas, Tx 75229	
SEE BACK FOR INSTRUCTIONS	



**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Laura Boeckman  
10141 Daria Place  
Dallas, TX 75229

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  Agent  Addressee  
 X

B. Received by (Printed Name) C. Date of Delivery

D. Is delivery address different from item 1?  Yes  
 if YES, enter delivery address below:  No

3. Service Type

Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes

2. Article Number (Transfer from service label) **7008 0150 0002 8769 0814**

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

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# CANO PETRO OF NEW MEXICO, INC.

Burnett Plaza · 801 Cherry Street  
Suite 3200, Unit 25  
Fort Worth, TX 76102

Phone (US) - 817.698.0900

Fax - 817.698.0796

April 14, 2008

## Certified Mail/Return Receipt Requested

Ms. Forine Davidson  
New Mexico Energy, Minerals & Natural Resources Dept.  
Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, NM 87505

RE: Application for Waterflood Permit in Cato Unit, Chaves County, New Mexico

Dear Ms. Davidson:

Enclosed is a copy of an application for a waterflood permit filed with the New Mexico Oil Conservation Division by Cano Petro of New Mexico, Inc. ("Cano Petro"), regarding the following lands in Chaves County, New Mexico:

### Surface

S/2 of SW/4, SW/4 of SE/4, Section 2, T8S - R30E,  
All of Section 11, T8S - R30E,  
W/2 of W/2, Section 12, T8S - R30E,  
W/2 of W/2, Section 13, T8S - R30E,  
All of Section 14, T8S - R30E,

### Subsurface

SW/4, W/2 of SE/4, Section 1, T8S - R30E,  
SE/4 of NW/4, S/2 of NE/4, NE/4 of SE/4, Section 2, T8S - R30E,  
W/2 of E/2, Section 12, T8S - R30E,  
W/2 of E/2, SE/4 of SW/4, Section 13, T8S - R30E,  
NW/4 of Section 24, T8S - R30E,

Cano Petro, the operator of the Cato Unit, plans to waterflood the northeastern portion of the Cato Unit beginning in late-May 2008 as part of the secondary recovery effort.

The application is set for hearing on Thursday, May 15, 2008, at 8:15 a.m. at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505.

As an interest owner in the affected lands, you are required to notify (in writing) the Division, and the undersigned, by Thursday, May 8, 2008, if you intend to participate in the hearing. Failure to appear at the hearing will preclude you from contesting the matter at a later date.

Contact Alex Azizi at (817) 698-0900 if you have any questions.

Sincerely,



Patrick M. McKinney  
Vice-President of Operations

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Sent To: **New Mexico Energy, Minerals & Natural Resources Department**  
Oil Conservation Division  
Attn: Forine Davidson  
Street, Apt. No., or PO Box No. 1220 South St. Francis Drive  
City, State, ZIP+4 Santa Fe, NM 87505

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PS Form 3811, February 2004

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<p>1. Article Addressed to:</p> <p style="text-align: center;">New Mexico Energy, Minerals &amp; Natural Resources Department Oil Conservation Division Attn: Forine Davidson 1220 South St. Francis Drive Santa Fe, NM 87505</p>	<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p> <p>3. Service Type  <input type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail  <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise  <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>
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