

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213
SANTA FE, NEW MEXICO 87501

(505) 982-2043 (PHONE)
(505) 660-6612 (CELL)
(505) 982-2151 (FAX)

jamesbruc@aol.com

RECEIVED

JAN 13 2004

**OIL CONSERVATION
DIVISION**

January 10, 2004

Michael E. Stogner
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: Application Reference Nos. pMES0-325255283 and pLR0-333627423

<u>Well:</u>	State "16" Well No. 1Y
<u>Location:</u>	330 feet FSL & 940 feet FEL
<u>Well Unit:</u>	E½ of Section 16, Township 9 South, Range 37 East, N.M.P.M., Lea County, New Mexico

Dear Mr. Stogner:

John R. Stearns applied for administrative approval of an unorthodox gas well location for the above well. Due to an objection by an offsetting interest owner, the matter was set for hearing on January 8, 2004 (Case No. 13203). At the hearing, no objector appeared. As a result, I ask that the matter be processed administratively.

Attached is Exhibit 1 presented at the hearing, which shows that the offset mineral owners were notified of the January 8th hearing.

Please call me if you need any further information on this matter.

Very truly yours,


James Bruce

Attorney for Applicant

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF JOHN R. STEARNS FOR
AN UNORTHODOX GAS WELL LOCATION, LEA
COUNTY, NEW MEXICO.

Case No. 13203

AFFIDAVIT REGARDING NOTICE

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

James Bruce, being duly sworn upon his oath, deposes and states:

1. I am over the age of 18, and have personal knowledge of the matters set forth herein.

2. I am an attorney for Applicant.

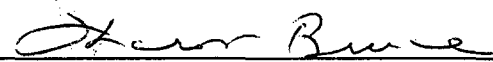
3. Applicant has conducted a good faith, diligent effort to find the names and correct addresses of the interest owners entitled to receive notice of the Application filed herein.

4. Notice of the Application was provided to the interest owners at their correct addresses by certified mail. Copies of the notice letter and certified return receipts are attached hereto as Exhibit A.

5. Applicant has complied with the notice provisions of Division Rule 1207.


James Bruce

SUBSCRIBED AND SWORN TO before me this 5th day of January, 2004, by James Bruce.


Notary Public

My Commission Expires:
3/14/05

OIL CONSERVATION DIVISION

CASE NUMBER

EXHIBIT NUMBER 1

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213
SANTA FE, NEW MEXICO 87501

(505) 982-2043 (PHONE)
(505) 982-2151 (FAX)

jamesbruce@aol.com

December 18, 2003

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

To: Mineral Owners in the N½
of Section 21, Township 9
South, Range 37 East, N.M.P.M.,
Lea County, New Mexico

Ladies and gentlemen:

John R. Stearns has filed an application with the New Mexico Oil Conservation Division requesting administrative approval of an unorthodox gas well location in the E½ of Section 16, Township 9 South, Range 37 East, NMPM, Lea County, New Mexico. The existing State 16 Well No. 1Y, to be re-completed in the Morrow formation, is located at an unorthodox location 330 feet from the south line and 940 feet from the east line of Section 16. This application is scheduled to be heard at 8:15 a.m. on Thursday, January 8, 2004 at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. You own a mineral interest in the offsetting acreage (the N½ of Section 21). As an offset owner, you have the right to appear at the hearing and present evidence. Failure to appear at the hearing will preclude you from contesting this matter at a later date.

You are required to notify the Division, and the undersigned, by Friday, January 2, 2004, if you intend to enter an appearance and participate in the case.

Very truly yours,


James Bruce

Attorney for John R. Stearns





NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop
Cabinet Secretary

December 15, 2003

Lori Wrotenbery

Director

Oil Conservation Division

John R. Stearns d/b/a Stearns
c/o **James Bruce**
P. O. Box 1056
Santa Fe, New Mexico 87504

Re: *Administrative application (application reference Nos. pMES0-325255283 and pLR0-333627423) for an exception to Division Rule 104.C (2) (a), revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999, for John R. Stearns d/b/a Stearns existing State "16" Well No. 1-Y (API No. 30-025-34070) to be recompleted into the Undesignated West Sawyer-Morrow Gas Pool (97103) at an unorthodox deep gas well location 330 feet from the South line and 940 feet from the East line (Unit P) of Section 16, Township 9 South, Range 37 East, NMPM, Lea County, New Mexico, within a standard 320-acre stand-up gas spacing unit comprising the E/2 of Section 16.*

Dear Mr. Bruce:

The Division is in receipt of an objection filed in a timely manner by Richard Donald Jones, Jr. to the subject application; see copy of letter dated December 11, 2003 attached.

This application will be set for hearing before a Division Hearing Examiner on the next available docket scheduled for January 8, 2004. I have prepared the following advertisement in this matter:

"Application of John R. Stearns d/b/a Stearns for an unorthodox gas well location, Lea County, New Mexico. Applicant seeks an exception to Division Rule 104.C (2) (a) for the existing State "16" Well No. 1-Y (API No. 30-025-34070) to be recompleted into the Undesignated West Sawyer-Morrow Gas Pool (97103) at an unorthodox deep gas well location 330 feet from the South line and 940 feet from the East line (Unit P) of Section 16, Township 9 South, Range 37 East. The E/2 of Section 16 is to be dedicated to this well in order to form a standard 320-acre stand-up gas spacing unit for the Morrow formation. This unit is located approximately 11 miles east by north of Crossroads, New Mexico".

Should you have any questions concerning this matter, please contact me in Santa Fe by phone at (505) 476-3465 or by e-mail at mstogner@state.nm.us.

Sincerely,

Michael E. Stogner
Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division - Hobbs
New Mexico State Land Office - Santa Fe
Richard Donald Jones, Jr. - Cedar Creek, TX

OFFSET OWNERS

Marilyn B. Salter
20031 82nd Avenue
Edmonds, Washington 98020

Beverly B. Strohl
4353 Brownfield Avenue
San Diego, California 92122

Patricia Boyle Young
P.O. Box 1639
Solana Beach, California 90806

J.L. Burke III
8428 Meadowknoll
Dallas, Texas 75243

Bill C. Cotner
P.O. Box 2236
Midland, Texas 79702

William J. Hill
1613 Winfield
Midland, Texas 79705

College of the Southwest
6610 Lovington Highway
Hobbs, New Mexico 88240

Texas Tech University
P.O. Box 41081
Lubbock, Texas 79409

W.L. Pevey, Jr.
P.O. Box 295
Hobbs, New Mexico 88241

Gary Don Reagan
P.O. Box 780
Hobbs, New Mexico 88241

Richard L. Westlake
P.O. Box 647
Salado, Texas 76571

Osler C. Hutson
P.O. Box 550
Gladewater, Texas 75647

Richard D. Jones, Jr.
200 North Gaines Road
Cedar Creek, Texas 78612

Wells Fargo Bank Texas, NA, Trustee
U/W/O Mary Catherine Jones FBO
Angela Leigh Simpson Starrett
3301 North Big Spring
Midland, Texas 79705

Kingdon R. Hughes
P.O. Box 2424
Midland, Texas 79702

Roy G. Barton, Individually
and as Trustee
P.O. Box 978
Hobbs, New Mexico 88241

Nancy B. Farmer
5136 East 35th Street
Tulsa, Oklahoma 74135

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Total Postage & Fees	\$

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Sent

Richard L. Westlake
P.O. Box 647
Salado, Texas 76571

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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:

Richard L. Westlake
P.O. Box 647
Salado, Texas 76571

2. Article Number

(Transfer from service label)

7003 1010 0003 6980 5384

PS Form 3800, June 2002

Domestic Return Receipt

102595-02-M-1540

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- 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:

Wells Fargo Bank Texas, NA, Trustee
U/W/O Mary Catherine Jones FBO
Angela Leigh Simpson Starrett
3301 North Big Spring
Midland, Texas 79705

2. Article Number

(Transfer from service label)

PS Form 3800, June 2002

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

- A. Signature ☒ Agent
- B. Received by (Printed Name) ☒ Addressee
- C. Date of Delivery
- D. Is delivery address different from item 1? ☐ Yes ☐ No

If YES, enter delivery address below:

- Service Type
- ☒ Certified Mail
- ☐ Registered
- ☐ Insured Mail
- ☐ Restricted Delivery? (Extra Fee)
- ☐ Express Mail
- ☐ Return Receipt for Merchandise
- ☐ C.O.D.

7003 1010 0003 6980 5353

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U/W/O Mary Catherine Jones FBO
Angela Leigh Simpson Starrett
3301 North Big Spring
Midland, Texas 79705

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Certified Fee

Return Receipt Fee
(Endorsement Required)

Restricted Delivery Fee
(Endorsement Required)

Total Postage & Fees \$

Sent To

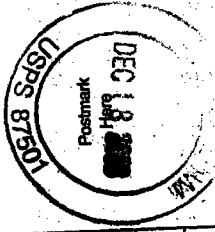
Street A Gary Don Reagan

or PO Box P.O. Box 780

City, State, ZIP+4 Hobbs, New Mexico 88241

PS Form 3800, June 2002

See Reverse 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:

NANCY FARMER
5136 E 35th St
Tulsa, OK 74135

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly)

B. Date of Delivery
12/30/01

C. Signature

X Nancy Farmer

☐ Agent

D. Is delivery address different from item 1? ☐ Yes

If YES, enter delivery address below:

☐ No

3. Service Type

☐ Certified Mail

☐ Registered

☐ Insured Mail

☐ Express Mail

☐ Return Receipt for Merchandise

☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

2. Article Number (Copy from service label)

7003 2260 0006 7446 0582

PS Form 3811, July 1999

Domestic Return Receipt

102595-00-M-0952

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:

Gary Don Reagan

P.O. Box 780

Hobbs, New Mexico 88241

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X Nancy Farmer

☐ Agent

B. Received by (Printed Name)

Nancy Farmer

C. Date of Delivery

12-26-03

D. Is delivery address different from item 1? ☐ Yes

If YES, enter delivery address below:

☐ No

3. Service Type

☐ Certified Mail

☐ Registered

☐ Insured Mail

☐ Express Mail

☐ Return Receipt for Merchandise

☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

2. Article Number

(Transfer from service label)

7003 1010 0003 6980 5391

PS Form 3811, August 2001

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(Endorsement Required)

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(Endorsement Required)

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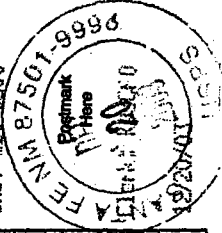
0.31

2.30

1.75

4.42

UNIT 1107 0500



Sent To

Nancy B. Farmer

Street Apt No. 5136 East 35th Street

or PO Box No.

City, State, ZIP+4 Tulsa, Oklahoma 74135

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

Sent Marilyn B. Salter
 Street 20031 82nd Avenue
 or P.O. Edmonds, Washington 98020
 City

PS Form 3800, June 2002

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- 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:

Marilyn B. Salter
 20031 82nd Avenue
 Edmonds, Washington 98020

2. Article Number

(Transfer from service label)

7003 1680 0000 7594 2734

PS Form 3811, August 2001

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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

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:

College of the Southwest
 6610 Lovington Highway
 Hobbs, New Mexico 88240

2. Article Number

(Transfer from service label)

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7003 1010 0003 6980 5421

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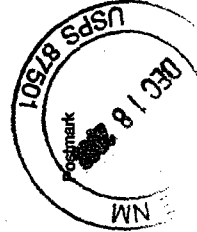
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Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees \$	

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

1. Article Addressed to:
 Richard D. Jones, Jr.
 200 North Gaines Road
 Cedar Creek, Texas 78612

2. Article Number (Transfer from service label)
 7003 1010 0003 6980 5360

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 200 North Gaines Road
 Cedar Creek, Texas 78612

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3. Service Type
☒ Certified Mail
☐ Registered
☐ Insured Mail
☐ Express Mail
☐ Return Receipt for Merchandise
☐ C.O.D.
☐ Restricted Delivery? (Extra Fee)
☐ Yes
☐ No

4. Restricted Delivery? (Extra Fee)
☐ Yes
☐ No

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:
 Beverly B. Strohl
 4353 Brownfield Avenue
 San Diego, California 92122

2. Article Number (Transfer from service label)
 7003 1680 0000 7594 2727

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3. Service Type
☒ Certified Mail
☐ Registered
☐ Insured Mail
☐ Express Mail
☐ Return Receipt for Merchandise
☐ C.O.D.
☐ Restricted Delivery? (Extra Fee)
☐ Yes
☐ No

4. Restricted Delivery? (Extra Fee)
☐ Yes
☐ No

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

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 Beverly B. Strohl
 4353 Brownfield Avenue
 San Diego, California 92122

2. Article Number (Transfer from service label)
 7003 1680 0000 7594 2727

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3. Service Type
☒ Certified Mail
☐ Registered
☐ Insured Mail
☐ Express Mail
☐ Return Receipt for Merchandise
☐ C.O.D.
☐ Restricted Delivery? (Extra Fee)
☐ Yes
☐ No

4. Restricted Delivery? (Extra Fee)
☐ Yes
☐ No

COMPLETE THIS SECTION ON DELIVERY

A. Signature
 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:

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

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

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 Beverly B. Strohl
 4353 Brownfield Avenue
 San Diego, California 92122

2. Article Number (Transfer from service label)
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3. Service Type
☒ Certified Mail
☐ Registered
☐ Insured Mail
☐ Express Mail
☐ Return Receipt for Merchandise
☐ C.O.D.
☐ Restricted Delivery? (Extra Fee)
☐ Yes
☐ No

4. Restricted Delivery? (Extra Fee)
☐ Yes
☐ No

SENDER: COMPLETE THIS SECTION

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- Print your name and address on the reverse so that we can return the card to you.
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1. Article Addressed to:

W.L. Pevey, Jr.
P.O. Box 295
Hobbs, New Mexico 88241

2. Article Number

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COMPLETE THIS SECTION ON DELIVERY

A. Signature

W.L. Pevey

☒ Agent

☒ Addressee

B. Received by (Printed Name)

W.L. Pevey

C. Date of Delivery

12-22-03

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

☐ No

7003 1010 0003 6980 5407

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



Sent To

W.L. Pevey, Jr.
P.O. Box 295
City, Sta. Hobbs, New Mexico 88241

PS Form 3800, June 2002

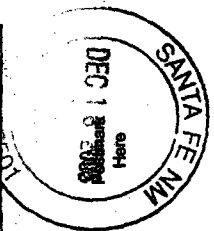
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Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

Sent To
Bill C. Cotner
P.O. Box 2236
Midland, Texas 79702
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- 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:

Kingdon R. Hughes
P.O. Box 2424
Midland, Texas 79702

2. Article Number

(Transfer from service label)

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7003 1010 0003 6980 5346

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature *[Signature]* ☒ Agent ☐ Addressee
B. Received by (Printed Name) *C. Postner* C. Date of Delivery *12/24/03*
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

SENDER: COMPLETE THIS SECTION

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- 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.

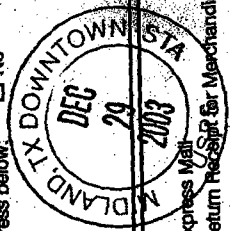
1. Article Addressed to:

Bill C. Cotner
P.O. Box 2236
Midland, Texas 79702

COMPLETE THIS SECTION ON DELIVERY

A. Signature *[Signature]* ☐ Agent ☐ Addressee
B. Received by (Printed Name) *Perry Scher* C. Date of Delivery *12-29-03*
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



7003 1010 0003 6980 5445

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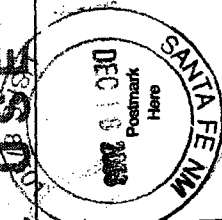
102595-02-M-1540

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For delivery information visit our website at www.usps.com

OFFICIAL USE

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

Sent To
Kingdon R. Hughes
P.O. Box 2424
Midland, Texas 79702
PS Form 3800, June 2002 See Reverse for Instructions



U.S. Postal ServiceTM
CERTIFIED MAILTM RECEIPT¹
(Domestic Mail Only: No Insurance Coverage Provided)
 For delivery information visit our website at www.usps.com
OFFICIAL USE

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

Sent To
 Patricia Boyle Young
 or PO Box P.O. Box 1639
 City, Sta Solana Beach, California 90806
 PS Form 3800, June 2002 See Reverse 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:
 Patricia Boyle Young
 P.O. Box 1639
 Solana Beach, California 90806

2. Article Number
(Transfer from service label)
 7003 1010 0003 6980 5469
 PS Form 3811, August 2001 Domestic Return Receipt

102595-02-M-1540

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:
 Texas Tech University
 P.O. Box 41081
 Lubbock, Texas 79409

2. Article Number
(Transfer from service label)
 7003 1010 0003 6980 5414
 PS Form 3811, August 2001 Domestic Return Receipt

102595-02-M-1540

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:
 Patricia Boyle Young
 P.O. Box 1639
 Solana Beach, California 90806

2. Article Number
(Transfer from service label)
 7003 1010 0003 6980 5469
 PS Form 3811, August 2001 Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature
 [Signature]
☒ Agent
☐ Addressee

B. Received by (Printed Name)
 MARI GONZALEZ
C. Date of Delivery
 DEC 12 2003

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

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

4. Restricted Delivery? (Extra Fee)
☐ Yes
☐ No

5. Restricted Delivery? (Extra Fee)
☐ Yes
☐ No

6. Restricted Delivery? (Extra Fee)
☐ Yes
☐ No

7. Restricted Delivery? (Extra Fee)
☐ Yes
☐ No

8. Restricted Delivery? (Extra Fee)
☐ Yes
☐ No

9. Restricted Delivery? (Extra Fee)
☐ Yes
☐ No

10. Restricted Delivery? (Extra Fee)
☐ Yes
☐ No

11. Restricted Delivery? (Extra Fee)
☐ Yes
☐ No

12. Restricted Delivery? (Extra Fee)
☐ Yes
☐ No

13. Restricted Delivery? (Extra Fee)
☐ Yes
☐ No

U.S. Postal ServiceTM
CERTIFIED MAILTM RECEIPT¹
(Domestic Mail Only: No Insurance Coverage Provided)
 For delivery information visit our website at www.usps.com
OFFICIAL USE

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

Sent To
 Texas Tech University
 P.O. Box 41081
 Lubbock, Texas 79409
 PS Form 3800, June 2002 See Reverse for Instructions

2. Article Number
(Transfer from service label)
 7003 1010 0003 6980 5414
 PS Form 3811, August 2001 Domestic Return Receipt

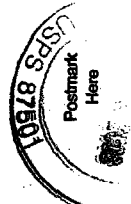
102595-02-M-1540

U.S. Postal ServiceTM
CERTIFIED MAILTM RECEIPT¹
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

OFFICIAL USE

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



Sent To
J. L. Burke III
Street Apt 8428 Meadowknoll
or PO Box, Dallas, Texas 75243
City, State, _____

PS Form 3800, June 2002 See Reverse for Instructions

2565 0869 E000 0707 E002

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:

Roy G. Barton, Individually
and as Trustee
P.O. Box 978
Hobbs, New Mexico 88241

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
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)

7003 1010 0003 6980 5339

PS Form 3811, August 2001

Domestic Return Receipt

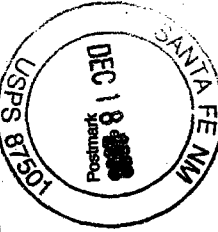
102595-02-M-1540

U.S. Postal Service[®]
CERTIFIED MAIL[™] RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

OFFICIAL USE

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



Sent To Roy G. Barton, Individually
and as Trustee
Street Apt. No P.O. Box 978
or PO Box No. Hobbs, New Mexico 88241
City, State, ZIP

See Reverse for Instructions

PS Form 3800, June 2002



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop
Cabinet Secretary

December 15, 2003

Lori Wrotenbery

Director

Oil Conservation Division

John R. Stearns d/b/a Stearns
c/o **James Bruce**
P. O. Box 1056
Santa Fe, New Mexico 87504

Case 13283

Re: *Administrative application (application reference Nos. pMES0-325255283 and pLR0-333627423) for an exception to Division Rule 104.C (2) (a), revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999, for John R. Stearns d/b/a Stearns existing State "16" Well No. 1-Y (API No. 30-025-34070) to be recompleted into the Undesignated West Sawyer-Morrow Gas Pool (97103) at an unorthodox deep gas well location 330 feet from the South line and 940 feet from the East line (Unit P) of Section 16, Township 9 South, Range 37 East, NMPM, Lea County, New Mexico, within a standard 320-acre stand-up gas spacing unit comprising the E/2 of Section 16.*

Dear Mr. Bruce:

The Division is in receipt of an objection filed in a timely manner by Richard Donald Jones, Jr. to the subject application; see copy of letter dated December 11, 2003 attached.

This application will be set for hearing before a Division Hearing Examiner on the next available docket scheduled for January 8, 2004. I have prepared the following advertisement in this matter:

"Application of John R. Stearns d/b/a Stearns for an unorthodox gas well location, Lea County, New Mexico. Applicant seeks an exception to Division Rule 104.C (2) (a) for the existing State "16" Well No. 1-Y (API No. 30-025-34070) to be recompleted into the Undesignated West Sawyer-Morrow Gas Pool (97103) at an unorthodox deep gas well location 330 feet from the South line and 940 feet from the East line (Unit P) of Section 16, Township 9 South, Range 37 East. The E/2 of Section 16 is to be dedicated to this well in order to form a standard 320-acre stand-up gas spacing unit for the Morrow formation. This unit is located approximately 11 miles east by north of Crossroads, New Mexico".

Should you have any questions concerning this matter, please contact me in Santa Fe by phone at (505) 476-3465 or by e-mail at mstogner@state.nm.us.

Sincerely,

Michael E. Stogner
Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division - Hobbs
New Mexico State Land Office - Santa Fe
Richard Donald Jones, Jr. - Cedar Creek, TX

To: Mr. Michael E. Stogner
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
Via Regular Mail (overnight delivery)
Via Certified Mail RR# 7002 3150 0006 0223 5314

Mr. James Bruce
Attorney At Law
369 Montezuma, No. 213
Santa Fe, New Mexico 87501
Via Facsimile (505) 982-2151

From: Richard Donald Jones Jr.
200 North Gaines Road
Cedar Creek, Texas 78612
(512) 303-7733

RE: N/2 Section 21 T-9-S, R-37-E
Lea County, New Mexico

RECEIVED

DEC 15 2003

Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

Case 18203

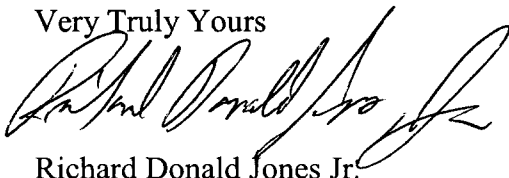
December 11th 2003

Dear Sirs:

I hereby object to Mr. John R. Stearns application (API Number 30-025-34070) filed with the New Mexico Oil Conservation Division for Section 16, T-9-S, R-37-E as this will affect my un-leased acreage in the N/2 of Section 21. I own a 1/2 of 0.125 mineral interest in this particular Section of land situated in Lea County, New Mexico. Mr. Bruce's letter and notice of November 26th 2003, (enclosed) fails to specify how my interest may be affected if this application is approved.

Currently this interest in un-leased and I am certainly willing to entertain any offers to lease at this time. Thank you for your consideration and if you have any further questions please do not hesitate to contact me at the above address and/or telephone number.

Very Truly Yours



Richard Donald Jones Jr.

To: Mr. Michael E. Stogner
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
Via Regular Mail (overnight delivery)
Via Certified Mail RR# 7002 3150 0006 0223 5314

Mr. James Bruce
Attorney At Law
369 Montezuma, No. 213
Santa Fe, New Mexico 87501
Via Facsimile (505) 982-2151

From: Richard Donald Jones Jr.
200 North Gaines Road
Cedar Creek, Texas 78612
(512) 303-7733

RE: N/2 Section 21 T-9-S, R-37-E
Lea County, New Mexico

RECEIVED

DEC 15 2003

Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

Case 13203

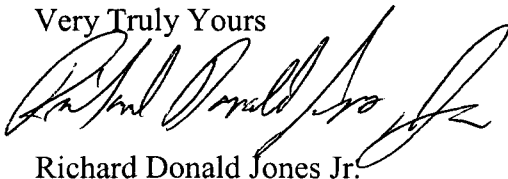
December 11th 2003

Dear Sirs:

I hereby **object** to Mr. John R. Stearns application (API Number 30-025-34070) filed with the New Mexico Oil Conservation Division for Section 16, T-9-S, R-37-E as this will affect my un-leased acreage in the N/2 of Section 21. I own a ½ of 0.125 mineral interest in this particular Section of land situated in Lea County, New Mexico. Mr. Bruce's letter and notice of November 26th 2003, (enclosed) fails to specify how my interest may be affected if this application is approved.

Currently this interest in un-leased and I am certainly willing to entertain any offers to lease at this time. Thank you for your consideration and if you have any further questions please do not hesitate to contact me at the above address and/or telephone number.

Very Truly Yours



Richard Donald Jones Jr.

JAMES BRUCE

ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213
SANTA FE, NEW MEXICO 87501

(505) 982-2043 (PHONE)
(505) 982-2151 (FAX)

jamesbruc@aol.com

November 26, 2003

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

Ladies and gentlemen:

Enclosed is a copy of an application, filed with the New Mexico Oil Conservation Division by John R. Stearns, requesting administrative approval of an unorthodox gas well location in the E½ of Section 16, Township 9 South, Range 37 East, NMPM, Eddy County, New Mexico. You own a mineral interest in the offsetting acreage in the N½ of Section 21. If you object to the well's location, you must notify the Division in writing no later than Tuesday, December 16, 2003 (1220 South St. Francis Drive, Santa Fe, New Mexico 87505; attention: Michael E. Stogner). Failure to object will preclude you from contesting this matter at a later date.

Very truly yours,



James Bruce

Attorney Mewbourne Oil Company

EXHIBIT A

Marilyn B. Salter
20031 82nd Avenue
Edmonds, Washington 98020

Beverly B. Strohl
4353 Brownfield Avenue
San Diego, California 92122

Patricia Boyle Young
P.O. Box 1639
Solana Beach, California 90806

J.L. Burke III
8428 Meadowknoll
Dallas, Texas 75243

Bill C. Cotner
P.O. Box 2236
Midland, Texas 79702

William J. Hill
1613 Winfield
Midland, Texas 79705

College of the Southwest
6610 Lovington Highway
Hobbs, New Mexico 88240

Texas Tech University
P.O. Box 41081
Lubbock, Texas 79409

W.L. Pevey, Jr.
P.O. Box 295
Hobbs, New Mexico 88241

Gary Don Reagan
P.O. Box 780
Hobbs, New Mexico 88241

Richard L. Westlake
P.O. Box 647
Salado, Texas 76571

Osler C. Hutson
P.O. Box 550
Gladewater, Texas 75647

Richard D. Jones, Jr.
Rte 2, Box 57B
Cedar Creek, Texas 78612

Chase Bank of Texas, National
Association, Trustee U/W/O
Mary Catherine Jones FBO
Angela Leigh Simpson Starrett
500 West Illinois
Midland, Texas 79701

Kingdon R. Hughes
P.O. Box 2424
Midland, Texas 79702

Roy G. Barton, Individually
and as Trustee
P.O. Box 978
Hobbs, New Mexico 88241

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213
SANTA FE, NEW MEXICO 87501

(505) 982-2043 (PHONE)
(505) 982-2151 (FAX)

jamesbruc@aol.com

November 26, 2003

Michael E. Stogner
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: Application Reference No. pMES0-325255283

Dear Mr. Stogner:

Pursuant to Division Rule 104.F.(2), John R. Stearns re-applies for administrative approval of an unorthodox gas well location for the following well:

<u>Well:</u>	State "16" Well No. 1Y
<u>Location:</u>	330 feet FSL & 940 feet FEL
<u>Well Unit:</u>	E $\frac{1}{4}$ of Section 16, Township 9 South, Range 37 East, N.M.P.M., Lea County, New Mexico

The well was originally drilled to test the Devonian formation, and applicant intends to re-complete the well in the Morrow formation (Undesignated West Sawyer-Morrow Gas Pool). A Form C-102 for the well is attached as Exhibit A. Because the well is a re-completion, geologic plats are not attached.

Attached as Exhibit B is a land plat of the area. The acreage affected by the unorthodox location is the N $\frac{1}{4}$ of Section 21. The N $\frac{1}{4}$ of Section 21 is fee acreage, which is currently unleased. The unleased mineral interest owners have been notified, as shown on Exhibit C. The owners of said acreage were verified by an examination of the Lea County records as of October 31, 2003.

Please call me if you need any further information on this matter.

Very truly yours,


James Bruce

Attorney for Mewbourne Oil Company

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-102

Revised June 10, 2003

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-34070	² Pool Code	³ Pool Name MORROW
⁴ Property Code 28926	⁵ Property Name STATE 16	⁶ Well Number 1Y
⁷ OGRID No. 21566	⁸ Operator Name John R. Stearns dba STEARNS	⁹ Elevation 3989'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn.	Feet from the	North/South line	Feet from the	East/West line	County
P	16	9S	37E		330'	South	940'	EAST	LEA

¹¹ Bottom Hole Location If Different From Surface

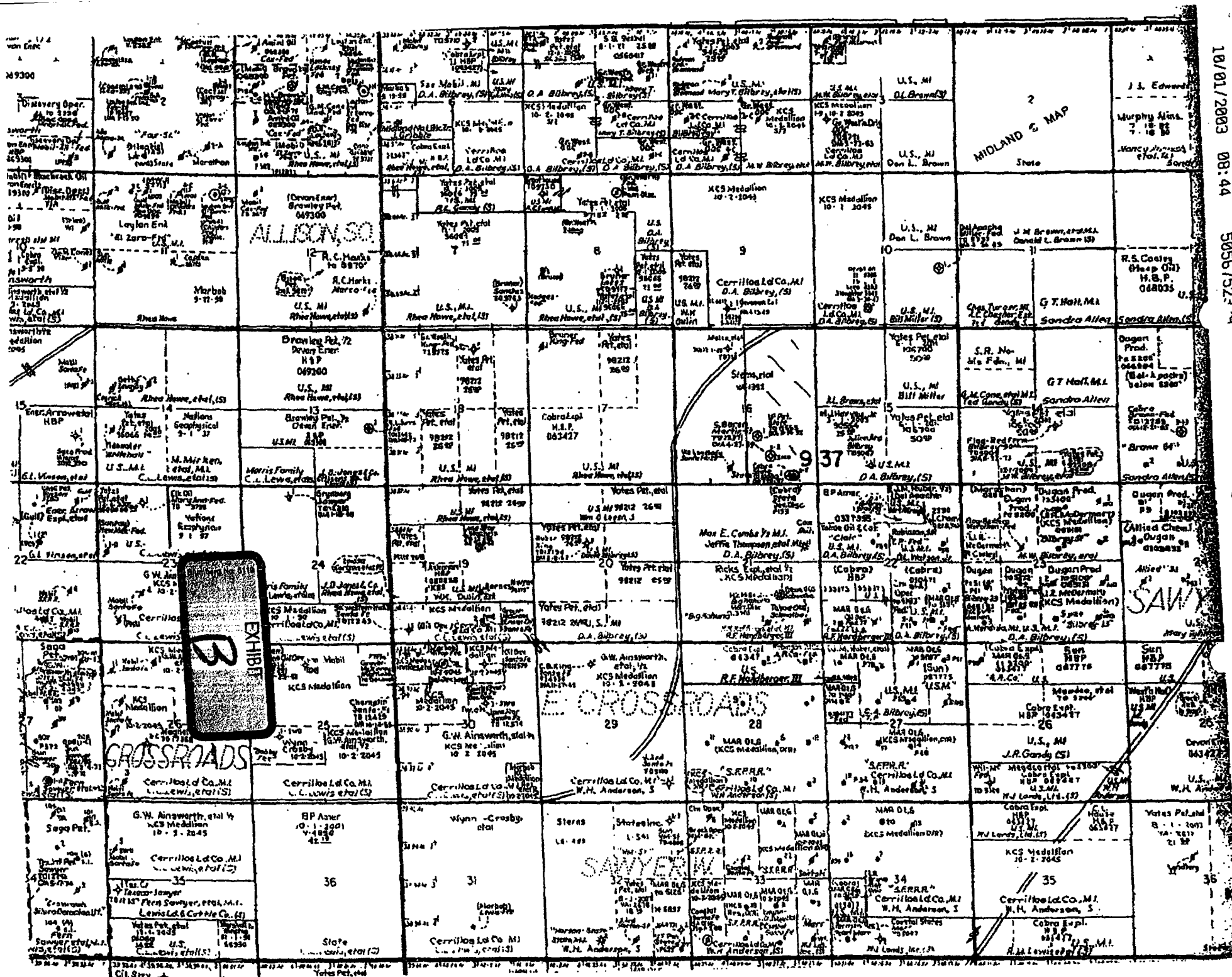
UL or lot no.	Section	Township	Range	Lot Idn.	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 320	¹³ Joint or Infill N	¹⁴ Consolidation Code —	¹⁵ Order No.
--------------------------------------	------------------------------------	---------------------------------------	-------------------------

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

¹⁶ 	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature John R. STEARNS Printed Name OWNER Title and E-mail Address Aug 28, 2003 Date	
	¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. MARCH 17, 1997 Date of Survey Signature and Seal of Professional Surveyor: Certificate Number	





DATE IN 12/1/03	SUSPENSE 12/21/03	ENGINEER MS	LOGGED IN LR	TYPE NSL	APP NO. PLR0333627423
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



Page 13203

ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Simultaneous Dedication
☒ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

- [D] Other: Specify _____

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

- [A] ☒ Working, Royalty or Overriding Royalty Interest Owners
[B] ☐ Offset Operators, Leaseholders or Surface Owner
[C] ☐ Application is One Which Requires Published Legal Notice
[D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
[E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or,
[F] ☐ Waivers are Attached

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] CERTIFICATION: I hereby certify that the information submitted with this application for administrative approval is accurate and complete to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

James Bruce

Print or Type Name

Signature

Attorney for Applicant

Title

jamesbruc@aol.com

e-mail Address

Date

11/26/03

RECEIVED
DEC 1 2003
Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213
SANTA FE, NEW MEXICO 87501

(505) 982-2043 (PHONE)
(505) 982-2151 (FAX)

jamesbruc@aol.com

November 26, 2003

Michael E. Stogner
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: Application Reference No. pMES0-325255283

Dear Mr. Stogner:

Pursuant to Division Rule 104.F.(2), John R. Stearns re-applies for administrative approval of an unorthodox gas well location for the following well:

<u>Well:</u>	State "16" Well No. 1Y
<u>Location:</u>	330 feet FSL & 940 feet FEL
<u>Well Unit:</u>	E½ of Section 16, Township 9 South, Range 37 East, N.M.P.M., Lea County, New Mexico

The well was originally drilled to test the Devonian formation, and applicant intends to re-complete the well in the Morrow formation (Undesignated West Sawyer-Morrow Gas Pool). A Form C-102 for the well is attached as Exhibit A. Because the well is a re-completion, geologic plats are not attached.

Attached as Exhibit B is a land plat of the area. The acreage affected by the unorthodox location is the N½ of Section 21. The N½ of Section 21 is fee acreage, which is currently unleased. The unleased mineral interest owners have been notified, as shown on Exhibit C. The owners of said acreage were verified by an examination of the Lea County records as of October 31, 2003.

Please call me if you need any further information on this matter.

Very truly yours,


James Bruce

Attorney for Mewbourne Oil Company

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102

Revised June 10, 2003

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT**WELL LOCATION AND ACREAGE DEDICATION PLAT**

¹ API Number 30-025-34070	² Pool Code	³ Pool Name MORROW
⁴ Property Code 28926	⁵ Property Name STATE 16	⁶ Well Number 1Y
⁷ OGRID No. 21566	⁸ Operator Name JOHN R. STEARNS dba STEARNS	⁹ Elevation 3989'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn.	Feet from the	North/South line	Feet from the	East/West line	County
P	16	9S	37E		330'	South	940'	EAST	LEA

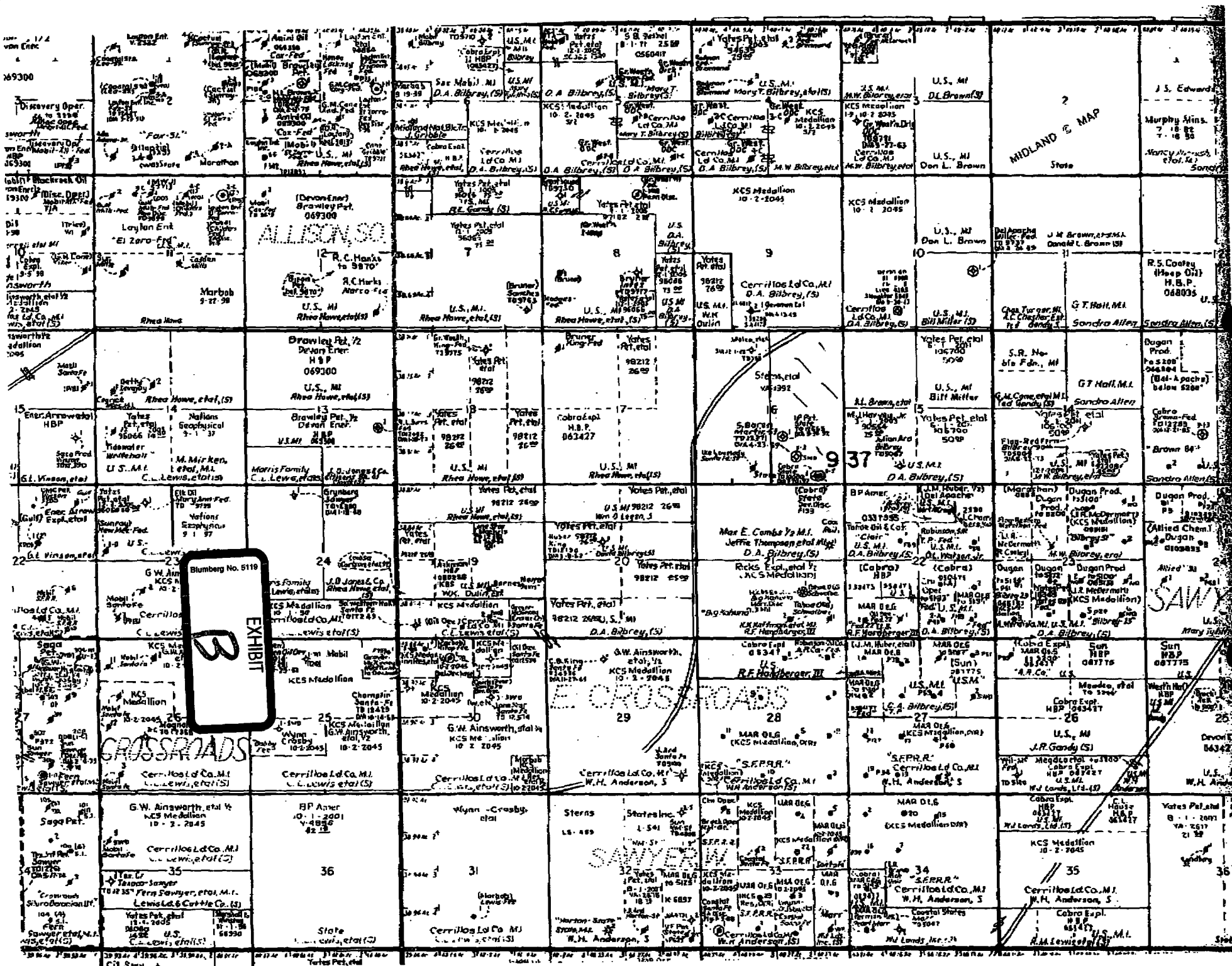
¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn.	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 320	¹³ Joint or Infill N	¹⁴ Consolidation Code -	¹⁵ Order No.
---	---	--	-------------------------

**NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A
NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION**

¹⁶ 	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature JOHN R. STEARNS Printed Name OWNER Title and E-mail Address Aug 28, 2003 Date	
	¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. MARCH 17, 1997 Date of Survey _____ Signature and Seal of Professional Surveyor	
	EXHIBIT A Blumberg No. 5119	
	940' Certificate Number	



JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213
SANTA FE, NEW MEXICO 87501

(505) 982-2043 (PHONE)
(505) 982-2151 (FAX)

jamesbruc@aol.com

November 26, 2003

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

Ladies and gentlemen:

Enclosed is a copy of an application, filed with the New Mexico Oil Conservation Division by John R. Stearns, requesting administrative approval of an unorthodox gas well location in the E½ of Section 16, Township 9 South, Range 37 East, NMPM, Eddy County, New Mexico. You own a mineral interest in the offsetting acreage in the N½ of Section 21. If you object to the well's location, you must notify the Division in writing no later than Tuesday, December 16, 2003 (1220 South St. Francis Drive, Santa Fe, New Mexico 87505; attention: Michael E. Stogner). Failure to object will preclude you from contesting this matter at a later date.

Very truly yours,


James Bruce

Attorney Mewbourne Oil Company



EXHIBIT A

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