

Affidavit of Publication

State of New Mexico,
County of Eddy, ss.

Dawn Higgins, being first duly sworn, on oath says:

That she is Business Manager of the Carlsbad Current-Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

December 29	2004
_____	2004
_____	2004
_____	2004

That the cost of publication is \$ 64.08

and that payment thereof has been made and will be assessed as court costs.

Dawn Higgins

Subscribed and sworn to before me this

29 day of December, 2004
Stephanie Wilson

My commission expires 12-13-05

Notary Public

December 29, 2004

NOTICE

To: Harry M. White, or his successors: Chi Energy, Inc. has filed an application with the New Mexico Oil Conservation Division (Case No. 13379) seeking an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the following described acreage in Section 29, Township 22 South, Range 27 East, N.M.P.M., Eddy County, New Mexico, and in the following manner: The $\frac{1}{2}$ to form a standard 320-acre gas spacing and proration unit for any and all formations developed on 320-acre spacing within that vertical extent; the $\frac{1}{4}$ to form a standard 160-acre gas spacing and proration unit for any and all formations developed on 160-acre spacing within that vertical extent; and the $\frac{1}{4}$ to form a standard 40-acre oil spacing and proration

unit for any and all formations developed on 40-acre spacing within that vertical extent. The unit will be dedicated to the Rogers Well No. 1, to be drilled at an orthodox location in the NE $\frac{1}{4}$ SE $\frac{1}{4}$ (Unit 1) of Section 29. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of Chi Operating, Inc. as operator of the well, and a 200% charge for the risk involved in re-entering and completing the well. This matter will be heard at 8:15 a.m. on Thursday, January 6, 2005 at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. As an interest owner in the well unit, you have the right to enter an appearance and participate in the case. The units are located approximately $2\frac{1}{2}$ miles west-northwest of Otis, New Mexico.

OIL CONSERVATION DIVISION
CASE NUMBER
EXHIBIT NUMBER 5