

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION, THROUGH THE SUPERVISOR OF DISTRICT I, FOR AN ORDER REQUIRING ECLIPSE OIL AND GAS, INC. TO PLUG AND ABANDON TEN WELLS IN ACCORDANCE WITH THE REQUIREMENTS OF 19.15.4.202 NMAC BY A DATE CERTAIN, AND AUTHORIZING THE DIVISION TO PLUG THE WELLS AND FORFEIT THE APPLICABLE SECURITY IN THE EVENT THE OPERATOR FAILS TO COMPLY; LEA COUNTY, NEW MEXICO.

CASE NO. 13456

CERTIFICATE OF NOTICE

In accordance with Division Rule 1207 (19.15.14.1207 NMAC) I hereby certify that notice of the April 7, 2005 hearing setting in the above-captioned case, with a copy of the application, was mailed to the following by certified mail, return receipt requested, at least 20 days prior to that hearing date:

Eclipse Oil & Gas, Inc.
P.O. Box 15122
Odessa, TX 79768

Eclipse Oil & Gas, Inc.
5030 East University Blvd., Suite A-103
Odessa, TX 79762

Eclipse Oil & Gas, Inc.
505 E. University, Suite A-103
Odessa, TX 79768

James Bruce, Registered Agent for
Eclipse Oil & Gas, Inc.
P.O. Box 1056
Santa Fe, NM 87504-1056

Eclipse Oil & Gas, Inc.
P.O. Box 4455
Midland, TX 79704-4455

Carter D. Copeland, Registered Agent for
Eclipse Oil & Gas, Inc.
218 W. Illinois, Suite 200
Midland, TX 79701

Roy C. Die, Vice President
Underwriters Indemnity Division of
RLI Insurance Company
8 Greenway Plaza, Suite 400
Houston, TX 77046

A copy of the notice is "Attachment A" to this certificate. Copies of proof of receipt (where available) and returned envelopes (where available) are "Attachment B." Notice was also published in The Lovington Daily Leader, a daily newspaper of general circulation in Lea County, New Mexico, on March 18, 2005. The affidavit of publication is "Attachment C."


Gail MacQuesten

SUBSCRIBED AND SWORN to before me this 29th day of March, 2005.


Notary Public

My Commission Expires:

4/2/07



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

March 16, 2005

Attachment A

Eclipse Oil & Gas, Inc.
P.O. Box 15122
Odessa, TX 79768

Certified Mail: 7002 3150 0004 4924 2414

Eclipse Oil & Gas, Inc.
5030 East University Blvd., Suite A-103
Odessa, TX 79762

Certified Mail: 7002 3150 0004 4924 2421

Eclipse Oil & Gas, Inc.
505 E. University, Suite A-103
Odessa, TX 79768

Certified Mail: 7002 3150 0004 4924 2438

James Bruce, Registered Agent for
Eclipse Oil & Gas, Inc.
P.O. Box 1056
Santa Fe, NM 87504-1056

Certified Mail: 7002 3150 0004 4924 2445

Eclipse Oil & Gas, Inc.
P.O. Box 4455
Midland, TX 79704-4455

Certified Mail: 7002 3150 0004 4924 2452

Carter D. Copeland, Registered Agent for
Eclipse Oil & Gas, Inc.
218 W. Illinois, Suite 200
Midland, TX 79701

Certified Mail: 7002 3150 0004 4924 2469

Roy C. Die, Vice President
Underwriters Indemnity Division of
RLI Insurance Company
8 Greenway Plaza, Suite 400
Houston, TX 77046

Certified Mail: 7002 3150 0004 4924 2476

CASE NO. 13456: APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION, THROUGH THE SUPERVISOR OF DISTRICT I, FOR AN ORDER REQUIRING ECLIPSE OIL AND GAS, INC. TO PLUG AND ABANDON TEN WELLS IN ACCORDANCE WITH THE REQUIREMENTS OF 19.15.4.202 NMAC BY A DATE CERTAIN, AND AUTHORIZING THE DIVISION TO PLUG THE WELLS AND FORFEIT THE APPLICABLE SECURITY IN THE EVENT THE OPERATOR FAILS TO COMPLY; LEA COUNTY, NEW MEXICO.

Ladies and Gentlemen:

You are hereby notified that the New Mexico Oil Conservation Division (Division) has filed the above-captioned application seeking an order requiring Eclipse Oil & Gas, Inc. (Eclipse) to plug and abandon the following wells in accordance with the requirements of 19.15.4.202 NMAC by a date certain:

State D SWD #001, API # 30-025-36171, UL I, Sec. 9, Twp. 14S, R33E
Lion State #1, API 30-025-01119, UL J, Sec. 9, Twp. 14S, R33E
Lion A State #2, API 30-025-01120, UL P, Sec. 9, Twp. 14S, R33E
Saunders State #1, API 30-025-28205, UL N, Sec. 9, Twp. 14S, R33E
Saunders State #2, API 30-025-28622, UL E, Sec. 16, Twp. 14S, R33E
Saunders State #3, API 30-025-28631, UL O, Sec. 9, Twp. 14S, R33E
Saunders A State #1, API 30-025-28206, UL J, Sec. 16, Twp. 14S, R33E
Tenneco Sunshine #1, API 30-025-25316, UL I, Sec. 1, Twp. 12S, R32E
Tenneco Sunshine #2, API 30-025-25374, UL P, Sec. 1, Twp. 12S, R32E
Tenneco Sunshine #3, API 30-025-25427, UL N, Sec. 1, Twp. 12S, R32E

If Eclipse does not plug these wells by the deadline set in the order, the Division requests authority to plug and abandon the wells and forfeit the applicable financial assurance. A copy of the application is enclosed.

A hearing on this application will take place before a Division hearing officer on Thursday, April 7, 2005 at 8:15 a.m., in Porter Hall, First Floor, 1220 South St. Francis Drive in Santa Fe, New Mexico. At that hearing you will have an opportunity to show cause why an order should not be entered as requested in the application. If you intend to present evidence at the hearing, you should file a pre-hearing statement at least four days in advance of the hearing, as required by 19.15.14.1208.B NMAC.

According to Division records, Eclipse posted \$50,000 blanket bond number B7299 to secure its obligations to plug and abandon its wells in compliance with Division rules. Underwriters Indemnity Company, now RLI Insurance Company, is the surety on the bond. That security will be forfeited if an order is entered as requested in the attached application and the wells are not properly plugged and abandoned in accordance with Division rules by the date set by the order.

If you have questions about this application, please call me at (505) 476-3451.

Very truly yours,


Gail MacQuesten
Assistant General Counsel

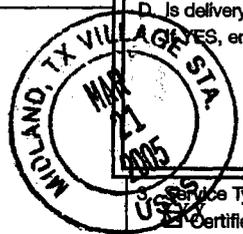
Ec: Daniel Sanchez, Oil Conservation Division Compliance Manager
Chris Williams and Billy Prichard, Oil Conservation Division District I

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:

Eclipse Oil & Gas, Inc.
 P. O. Box 4455
 Midland, TX 79704-4455



COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent Addressee
X [Signature]

B. Received by (Printed Name) Agent Addressee
RODOLFO G. MARTINEZ

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

2. Article Number 7002 3150 0004 4924 2452
 (Transfer from service label)

PS Form 3811, August 2001 Domestic Return Receipt 102595-02-M-1540

Duplicate

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:

*Eclipse Oil & Gas
 P.O. Box 4455
 Midland, Tx.
 79704*

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent Addressee
X [Signature]

B. Received by (Printed Name) Agent Addressee
Michelle Aly

C. Date of Delivery

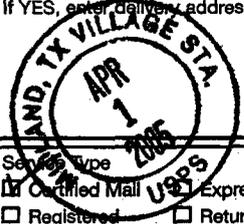
D. Is delivery address different from item 1? Yes No
 If YES, enter delivery address below:

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

4. Restricted Delivery? (Extra Fee) Yes

2. Article Number 7002 3150 0004 4924 2452
 (Transfer from service label)

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

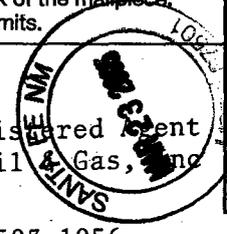


SENDER: COMPLETE THIS SECTION

- 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:

James Bruce, Registered Agent
 for Eclipse Oil & Gas, Inc.
 P. O Box 1056
 Santa Fe, NM 87503-1056



COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent Addressee
X [Signature]

B. Received by (Printed Name) Agent Addressee
James Bruce

C. Date of Delivery *3/23/05*

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

2. Article Number 7002 3150 0004 4924 2445
 (Transfer from service label)

PS Form 3811, August 2001 Domestic Return Receipt 102595-02-M-1540

Attachment B

SENDER: COMPLETE THIS SECTION**COMPLETE THIS SECTION ON DELIVERY**

- 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.

A. Signature
 Michelle Aly Agent
 Addressee

B. Received by (Printed Name) Date of Delivery
Michelle Aly *3/21/05*

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

1. Article Addressed to:

Carter D. Copeland, Registered
 Agent for Eclipse Oil & Gas, Inc.
 218 E. Illinois, Suite 200
 Midland, TX 79701

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

4. Restricted Delivery? (Extra Fee) Yes2. Article Number
(Transfer from service label)

7002 3150 0004 4924 2469

PS Form 3811, August 2001

Domestic Return Receipt

102595-02-M-1540

SENDER: COMPLETE THIS SECTION**COMPLETE THIS SECTION ON DELIVERY**

- 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.

A. Signature
 Taylor Agent
 Addressee

B. Received by (Printed Name) Date of Delivery
P. TAYLOR *3/23/05*

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

1. Article Addressed to:

Roy C. Die, Vice President
 Underwriters Indemnity Division
 of RLI Insurance Company
 8 Greenway Plaza, Suite 400
 Houston, TX 77046

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

4. Restricted Delivery? (Extra Fee) Yes2. Article Number
(Transfer from service label)

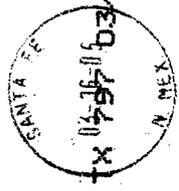
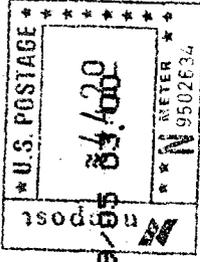
7002 3150 0004 4924 2476

PS Form 3811, August 2001

Domestic Return Receipt

102595-02-M-1540

STATE OF NEW MEXICO
ENERGY MINERALS AND
NATURAL RESOURCES DEPARTMENT
1220 SOUTH SAINT FRANCIS DRIVE
SANTA FE, NEW MEXICO 87505



MIDLAND/ODESSA TX 79705

Handwritten: 101 DELIVERABLE
101 AS ADDRESS
101 MAIL ROOM

Handwritten: good

Handwritten: UTR

Eclipse Oil & Gas, Inc.
505 E. University, Suite A-103
Odessa, TX 79768

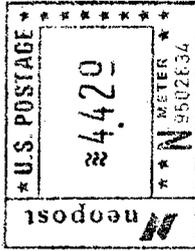
PLACE TICKET AT TOP OF ENVELOPE TO THE RIGHT
OF THE RETURN ADDRESS. FOLD AT DOTTED LINE.
CERTIFIED MAILTM

7002 3150 0004 4924 2438

STATE OF NEW MEXICO
ENERGY MINERALS AND
NATURAL RESOURCES DEPARTMENT
1220 SOUTH SAINT FRANCIS DRIVE
SANTA FE, NEW MEXICO 87505



VACANT



PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT
OF THE RETURN ADDRESS. FOLD AT DOTTED LINE

CERTIFIED MAIL™

Joe
Eclipse Oil & Gas, Inc.
5030 East University Blvd.
Suite A-103
Odessa, TX 79762

7002 3150 0004 4924 2414



STATE OF NEW MEXICO
ENERGY MINERALS AND
NATURAL RESOURCES DEPARTMENT
1220 SOUTH SAINT FRANCIS DRIVE
SANTA FE, NEW MEXICO 87505

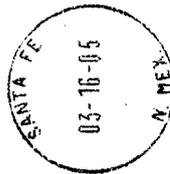
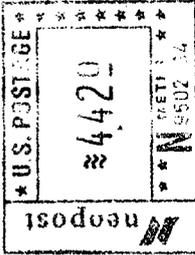
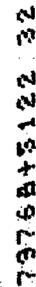
PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT
OF THE RETURN ADDRESS. FOLD AT DOTTED LINE

CERTIFIED MAIL™

7002 3150 0004 4924 2414

Joe
Eclipse Oil & Gas, Inc.
P.O. Box 15122
Odessa, TX 79768

7002 3150 0004 4924 2414



**MOVED, LEFT
NO ADDRESS**



agenda and minutes, can be provided in various accessible forms. Please contact Florene Davidson if a summary or other type of accessible form is needed.

STATE OF NEW MEXICO TO: All named parties and persons having any right, title, interest or claim in the following cases and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

CASE 13456: Application of the New Mexico Oil Conservation Division for a Compliance Order against Eclipse Oil and Gas, Inc. The Applicant seeks an order requiring Eclipse Oil and Gas, Inc. to plug and abandon ten wells in accordance with 19.15.4.202 NMAC by a date certain; authorizing the Division to plug said wells and forfeit the applicable financial assurance in the event the operator fails to comply and for such other relief as the Director deems appropriate. The affected wells are:

State D SWD #001, API # 30-025-36171, UL I, Sec. 9, Twp. 14S, R 33E Lion State #1, API 30-025-01119, UL J, Sec. 9, Twp. 14S, R33E Lion A State #2, API 30-025-01120, UL P, Sec. 9, Twp. 14S, R33E Saunders State #1, API 30-025-28205, UL N, Sec. 9, Twp. 14S, R33E Saunders State #2, API 30-025-28622, UL E, Sec. 16, Twp. 14S, R33E Saunders State #3, API 30-025-28631, UL O, Sec. 9, Twp. 14S, R33E Saunders A State #1, API 30-025-28206, UL J, Sec. 16, Twp. 14S, R33E Tenneco Sunshine #1, API 30-025-25316, UL I, Sec. 1, Twp. 12S, R32E Tenneco Sunshine #2, API 30-025-25374, UL P, Sec. 1, Twp. 12S, R32E Tenneco Sunshine #3, API 30-025-25427, UL N, Sec. 1, Twp. 12S, R32E

The wells are located approximately 15-25 miles northwest of Lovington in Lea County, New Mexico.

Given under the Seal of the State of New Mexico Oil Conservation Commission at Santa Fe, New Mexico on this 16th day of March, 2005.

Mark E. Resnick, Director

SEAL Published in the Lovington Daily Leader March 18, 2005.

OK for

Affidavit of Publication

STATE OF NEW MEXICO))
) ss.
COUNTY OF LEA)

Joyce Clemens being first duly sworn on oath deposes and says that she is Advertising Director of **THE LOVINGTON DAILY LEADER**, a daily newspaper of general paid circulation published in the English language at Lovington, Lea County, New Mexico; that said newspaper has been so published in such county continuously and uninterruptedly for a period in excess of Twenty-six (26) consecutive weeks next prior to the first publication of the notice hereto attached as hereinafter shown; and that said newspaper is in all things duly qualified to publish legal notices within the meaning of Chapter 167 of the 1937 Session Laws of the State of New Mexico.

That the notice which is hereto attached, entitled

Legal Notice

was published in a regular and entire issue of **THE LOVINGTON DAILY LEADER** and not in any supplement thereof, for one (1) day, beginning with the issue of March 18, 2005 and ending with the issue of March 18, 2005.

And that the cost of publishing said notice is the sum of \$ 59.84 which sum has been (Paid) as Court Costs.

Joyce Clemens

Subscribed and sworn to before me this 23rd day of March 2005

Debbie Schilling

Debbie Schilling
Notary Public, Lea County, New Mexico
My Commission Expires June 22, 2006

LEGAL NOTICE
NOTICE OF HEARING
STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
SANTA FE, NEW MEXICO

The State of New Mexico through its Oil Conservation Division hereby gives notice pursuant to law and the Rules and Regulations of the Division of the following public hearing to be held at 8:15 A.M. on April 7, 2005, in the Oil Conservation Division Hearing Room at 1220 South St. Francis Drive, Santa Fe, New Mexico, before an examiner duly appointed for the hearing. If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aids or service to attend or participate in the hearing, please contact Florene Davidson at 505-476-3458 or through the New Mexico Relay Network, 1-800-659-1779 by March 28, 2005. Public documents, including the