

BEFORE THE
OIL CONSERVATION DIVISION
Santa Fe, New Mexico

Case No. 11359 Exhibit No. 1

Submitted by: Damar Energy Company

Hearing Date: September 7, 1995

DAMAR ENERGY COMPANY

1416 J Avenue, Ste. 200
Plano, TX 75074

LEASE OWNERSHIP & WELL PLAT

T-23-S R-28-E Eddy County, New Mexico
9-7-95

*Delaware wells are
only shown*

*- farming, ranching structures
hampers well location; however well will be drilled @ a stand. loc.*

LEASE OWNERSHIP PERCENTAGES

40 Acre Spaced Proration Unit
SE/SE/4 Section 22 T-23-S R-28-E
Eddy County, New Mexico

<u>LEASE OWNER</u>	<u>%</u>
Amoco Production Company (LTA to BK Exploration Corporation)	51.30078
BHF Corporation	0.11230
BK Exploration Corporation (exclusive of Amoco Limited Term Assignment)	0.33691
Barton, Jr., Roy G.	3.21325
Barton, Jr., Roy G., Trustee of the Roy G. Barton, Sr., and Opal Barton Revocable Trust u/t/a January 28, 1982	6.25000
Chanley, Norma J.	3.21325 *
Damar Energy Company	30.00000
Fort, Inc., R. F.	2.24928 *
May, Rhonda L., Trustee of the Leonard T. May and Virginia Louise May Living Trust	0.44922 *
May, Ronald T.	0.44922 *
Power, Claiborne	0.62891
Primavera Resources, Inc.	1.79688 *
TOTAL	100.00000

*no response
in a letter asked*

contacted but no response

→ uncontacted

→ were contacted

* Denotes Lease Owners not voluntarily committed to proposal.

92% have volunteered

BEFORE THE
OIL CONSERVATION DIVISION
Santa Fe, New Mexico

Case No. 11359 Exhibit No. 2

Submitted by: Damar Energy Company

Hearing Date: September 7, 1995

AUTHORIZATION FOR EXPENDITURE ("AFE")

LEASE NAME: M.B. "22" WELL NUMBER: 1

Location: 800' FSL 660' FEL, Sec. 22, T-23-S R-28-E, NMPM
 Field: Loving County: Eddy State: New Mexico
 Objective: Drill Delaware producer (a + A + B + C Sands)
 TD: 6,750' Prepared By: Brad D. Burks Date: 6-7-95

<u>INTANGIBLES</u>	<u>DRY HOLE</u>	<u>COMPLETION</u>
	\$	
1. Abstract & Title	<u>15,000</u>	<u>1,000</u>
2. Survey	<u>500</u>	
3. Damages	<u>6,000</u>	
4. Dirtwork	<u>10,000</u>	<u>4,000</u>
5. Drilling, Footage \$ <u>12.50/ft</u>	<u>84,400</u>	
Daywork \$ <u>4,500/Day</u>		<u>9,000</u>
6. Water	<u>5,000</u>	<u>5,000</u>
7. Transportation	<u>500</u>	<u>500</u>
8. Mud & Chemicals	<u>2,500</u>	
9. Mud Logger	<u>4,000</u>	
10. Cementing	<u>3,200</u>	<u>8,000</u>
11. Casing Crew		<u>2,500</u>
12. Supervision	<u>2,500</u>	<u>6,000</u>
13. Geological		
14. Drill Stem Tests		
15. Coring & Analysis		
16. Logging, Open Hole Services	<u>7,000</u>	
Cased Services		<u>2,500</u>
17. Administrative Overhead	<u>2,500</u>	<u>2,500</u>
18. Insurance	<u>3,000</u>	
19. Completion Unit, \$ <u>1,500/Day</u>		<u>12,000</u>
20. Stimulation		<u>65,000</u>
21. Rentals	<u>500</u>	<u>2,500</u>
22. Labor	<u>500</u>	<u>1,500</u>
23. Contingencies, <u>5</u> %	<u>7,400</u>	<u>6,100</u>
24. ESTIMATED TOTAL (1-23)	<u>154,500</u>	<u>128,100</u>
25. ESTIMATED TOTAL INTANGIBLES	<u>282,600</u>	

TANGIBLES

26. Pipe, Surface <u>410' 8.625" \$ 8.00</u>	<u>3,300</u>	
Intermed	<u>0</u>	
Long <u>6750' 5.5" \$ 4.10</u>		<u>27,700</u>
Tubing <u>6250' 2.875" \$ 1.60</u>		<u>10,000</u>
27. Float Equipment	<u>500</u>	<u>600</u>
28. Packer, Anchor, Plugs, Retainers		<u>500</u>
29. Wellhead		<u>4,500</u>
30. Tanks, <u>3</u>		<u>10,000</u>
31. Heater Treator & Separator		<u>7,500</u>
32. Battery Connections		<u>8,500</u>
33. Pumping Unit <u>228 Conventional</u>		<u>14,000</u>
34. Electric Motor		<u>1,000</u>
35. Rods and Accessories		<u>8,000</u>
36. Downhole Pump		<u>2,000</u>
37. Gas Sales Lines		<u>5,000</u>
38. Electrical		<u>14,000</u>
39. Equipment, Miscellaneous		<u>1,000</u>
40. Labor on Equipment		<u>7,000</u>
41. Contingencies, <u>5</u> %	<u>200</u>	<u>6,100</u>
42. ESTIMATED TOTAL (26-41)	<u>4,000</u>	<u>127,400</u>
43. ESTIMATED TOTAL TANGIBLES	<u>131,400</u>	
44. ESTIMATED DRY HOLE TOTAL (24+42)	<u>158,500</u>	
45. ESTIMATED COMPLETION TOTAL (24+42)		<u>255,500</u>
46. TOTAL ESTIMATED EXPENDITURE (44+45)	<u>\$ 414,000</u>	

APPROVED BY: _____ TITLE: _____

COMPANY: _____ DATE: _____

**BEFORE THE
OIL CONSERVATION DIVISION**
Santa Fe, New Mexico

Case No. 11359 Exhibit No. 3

Submitted by: Damar Energy Company

Hearing Date: September 7, 1995

DAMAR ENERGY COMPANY

1416 J Avenue, Ste. 200
Plano, TX 75074
Ph.(214) 423-8989
Fax(214) 423-6365

June 15, 1995

Working Interest Owners
MB #22-1

Re: MB #22-1
SE/4 SE/4 Section 22-23S-28E
Eddy County, New Mexico

Enclosed are a proposed Joint Operating Agreement and an AFE for the subject well.

Also enclosed, if applicable, is a listing of pre-drilling title requirements (from the drilling title opinion). These must be satisfied before drilling commences.

Since time is of the essence in this matter, Damar Energy Company would appreciate your timely review and approval of this proposal. Please return, to the letterhead address, a properly executed signature page of the Joint Operating Agreement and an approved copy of the AFE.

Yours very truly,

C. Dan Smith

CDS/bk

Enclosures

Distribution:

Amoco Production Company
Attention: Jerry West
P.O. Box 3092
Houston, Texas 77253-3092

Roy G. Barton, Jr.
P.O. Box 978
Hobbs, New Mexico 88241

Roy G. Barton, Jr., Trustee of the Roy G. Barton, Sr. and Opal Barton
Revocable Trust u/t/a January 28, 1982
P.O. Box 978
Hobbs, New Mexico 88241

**BEFORE THE
OIL CONSERVATION DIVISION**
Santa Fe, New Mexico

Case No. 11359 Exhibit No. 4

Submitted by: Damar Energy Company

Hearing Date: September 7, 1995

DAMAR ENERGY COMPANY

1416 J Avenue, Ste. 200
Plano, TX 75074
Ph.(214) 423-8989
Fax(214) 423-6365

Page 2, June 15, 1995 MB #22-1

BHF Corporation
P.O. Box 52573
Tulsa, Oklahoma 74152

BK Exploration Corporation
810 S. Cincinnati, Suite 208
Tulsa, Oklahoma 74119

John Draper Brantley and Claiborne Power
1317 E. Wood
Carlsbad, New Mexico 88220

Norma J. Chanley
P.O. Box 729
Hobbs, New Mexico 88241

R. F. Fort, Inc.
P.O. Box 2044
Midland, Texas 79701

Rhonda L. May, Trustee of the Leonard T. May and Virginia Louise May
Living Trust
11118 Wurzbach Road, Suite 101
San Antonio, Texas 78230-2571

Ronald T. May
4195 Naco-Perrin
San Antonio, Texas 78217

BK EXPLORATION CORPORATION

AUTHORIZATION FOR EXPENDITURE ("AFE")

LEASE NAME: M.B. "22" WELL NUMBER: 1

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46. TOTAL ESTIMATED EXPENDITURE (44+45)	\$ 414,000	

APPROVED BY: _____ TITLE: _____

COMPANY: _____ DATE: _____

DAMAR ENERGY COMPANY

1416 J Avenue, Ste. 200
Plano, TX 75074
Ph.(214) 423-8989
Fax(214) 423-6365

July 10, 1995

Working Interest Owners
MB #22-1
SE/4SE/4 Section 22-23S-28E
Eddy County, New Mexico

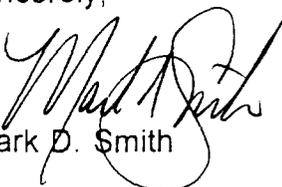
RE: Force Pool Hearing

Damar Energy Company is unable to locate one of the working interest owners in the subject well. Therefore, we are scheduling a force pool hearing before the Oil Conversation Division. This hearing is being set for August 10, 1995.

Our intent is to reach an agreement regarding the drilling of this well with each of you prior to the date of the hearing. If this can be accomplished, you will, of course, be dropped from the hearing.

Our representative, Larry W. Robinette, will be calling each of you soon to discuss your position regarding this proposed well.

Sincerely,


Mark D. Smith

Distribution:

Amoco Production Company
Attention: Jerry West
P.O. Box 3092
Houston, TX 77253-3092

BHF Corporation
P.O. Box 52573
Tulsa, Oklahoma 74152

DAMAR ENERGY COMPANY

1416 J Avenue, Ste. 200
Plano, TX 75074
Ph.(214) 423-8989
Fax(214) 423-6365

BK Exploration Corporation
810 S. Cincinnati, Suite 208
Tulsa, Oklahoma 74119

John Draper Brantley and Claiborne Power
1317 E. Wood
Carlsbad, New Mexico 88220

Norma J. Chanley
P.O. Box 729
Hobbs, New Mexico 88241

R.F. Fort, Inc.
P.O. Box 2044
Midland, TX 79701

Rhonda L. May, Trustee of the Leonard
T. May and Virginia Louise May Living Trust
11118 Wurzbach Rd. Suite 101
San Antonio, TX 78230-2571

Ronald T. May
4195 Naco-Perrin
San Antonio, Texas 78217

Roy G. Barton, Jr.
P.O. Box 978
Hobbs, New Mexico 88241

Roy G. Barton, Jr., Trustee
of the Roy G. Barton, Sr. and
Opal Barton Revocable
Trust u/t/a January 28, 1982
P.O. Box 978
Hobbs, New Mexico, 88241

August 15, 1995

R.F. Fort, Inc.
P.O. Box 2044
Midland, TX 79701

RE: MB #22-1
SE/4 SE/4, Section 22-23G-28E
Eddy County, New Mexico

Dear Mr. Fort,

As you requested, enclosed are:

- a revised page 4 of the Joint Operating Agreement
- a revised page 4 of Exhibit "C" to the Joint Operating Agreement
- a portion of the page from the drilling title opinion reflecting the calculation of your interest in the proposed well.

Damar Energy is not prepared to modify our previous acquisition or form in proposals, but we will be happy to consider any alternatives you may wish to propose.

Since I am frequently out of the office, please feel free to contact Mr. Robinette if you have any need to contact us regarding this proposal.

Very truly yours,

Mark D. Smith

MDS/rh
Enclosures



**ATLAS
WIRELINE
SERVICES**

Compensated DENSILOG
Compensated NEUTRON
Gamma Ray Caliper

FILE NO.

COMPANY AMOCO PRODUCTION COMPANY

WELL BRANTLEY WELL NO: 2

API NO.

FIELD EAST LOVING DELAWARE

COUNTY EDDY STATE NEW MEXICO

LOCATION:
1872' FSL & 1653' FEL

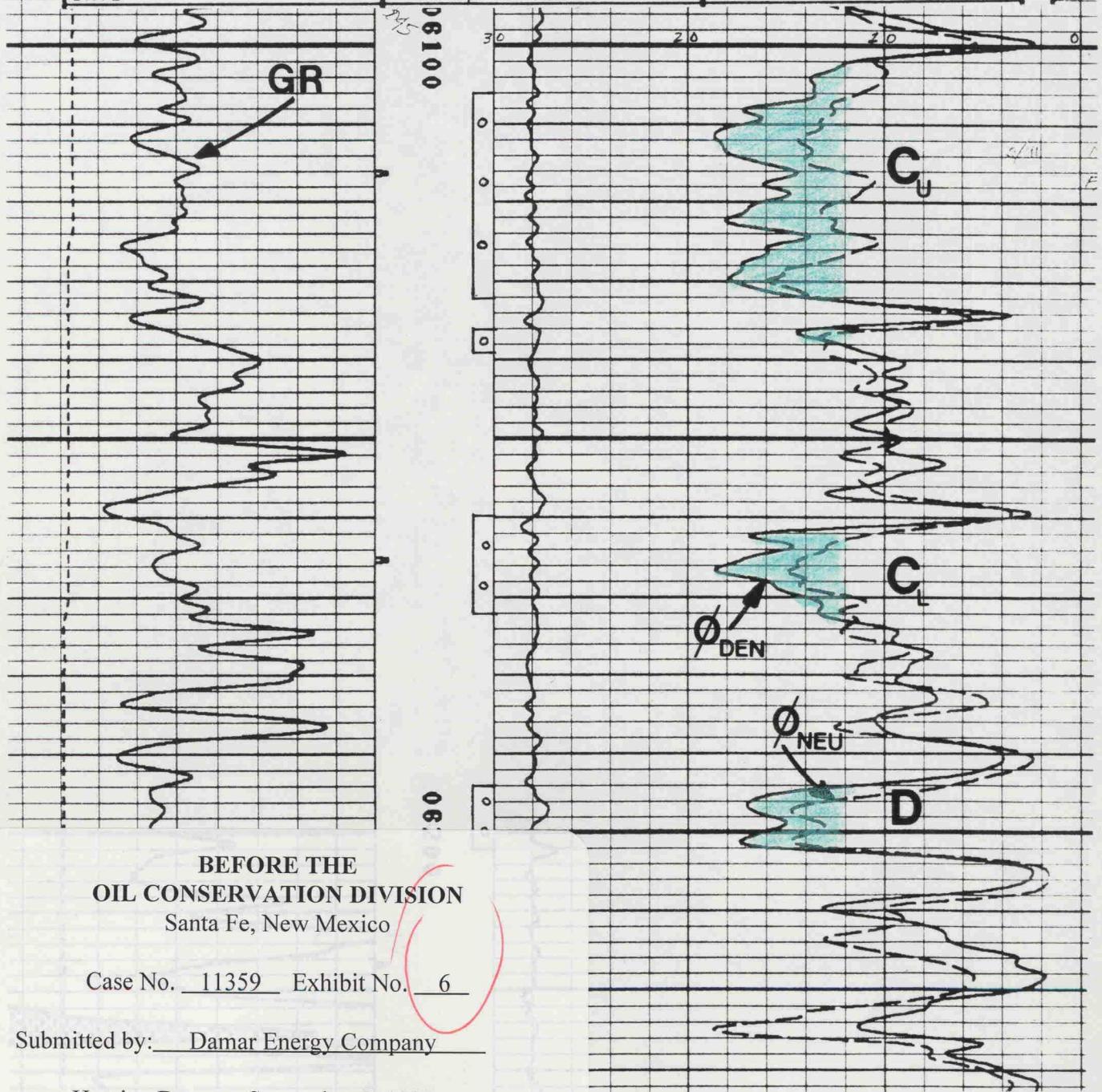
OTHER SERVICES
DLL/MLL/GR

SEC 22 TWP 23-S RGE 28-E

PERMANENT DATUM Ground Level ELEVATION 3033.8 FT.
LOG MEASURED FROM Kelly Bushing 15 FT. ABOVE PERMANENT DATUM
DRILL. MEAS. FROM Kelly Bushing

ELEVATIONS
KB 3048.8'
DF 3047.8'
GL 3033.8'

DATE 12 April 1991



**BEFORE THE
OIL CONSERVATION DIVISION**
Santa Fe, New Mexico

Case No. 11359 Exhibit No. 6

Submitted by: Damar Energy Company

Hearing Date: September 7, 1995

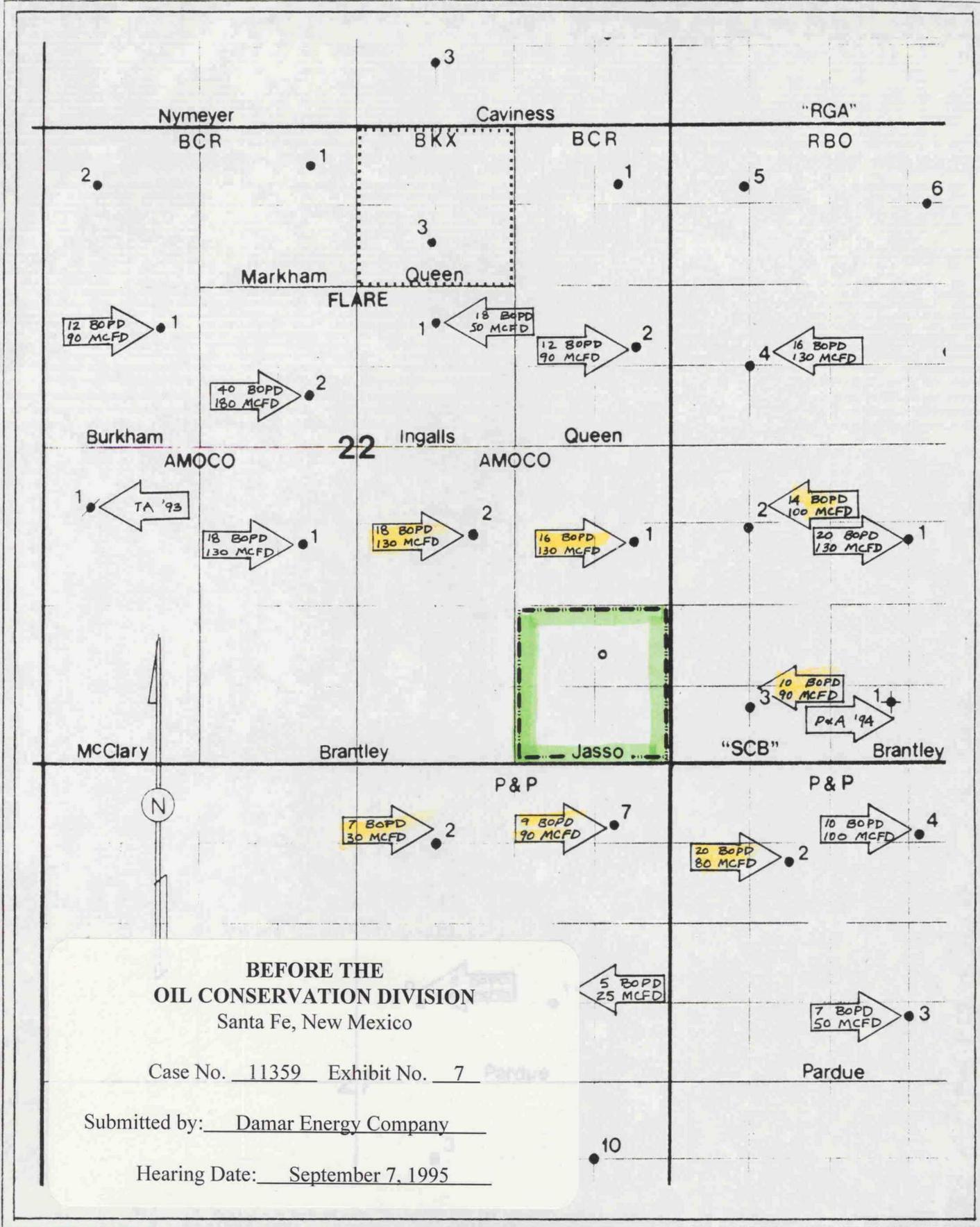
DAMAR ENERGY COMPANY

1416 J Avenue, Ste. 200
Plano, TX 75074

TYPE LOG

E. LOVING BRUSHY CANYON (DELAWARE) FIELD

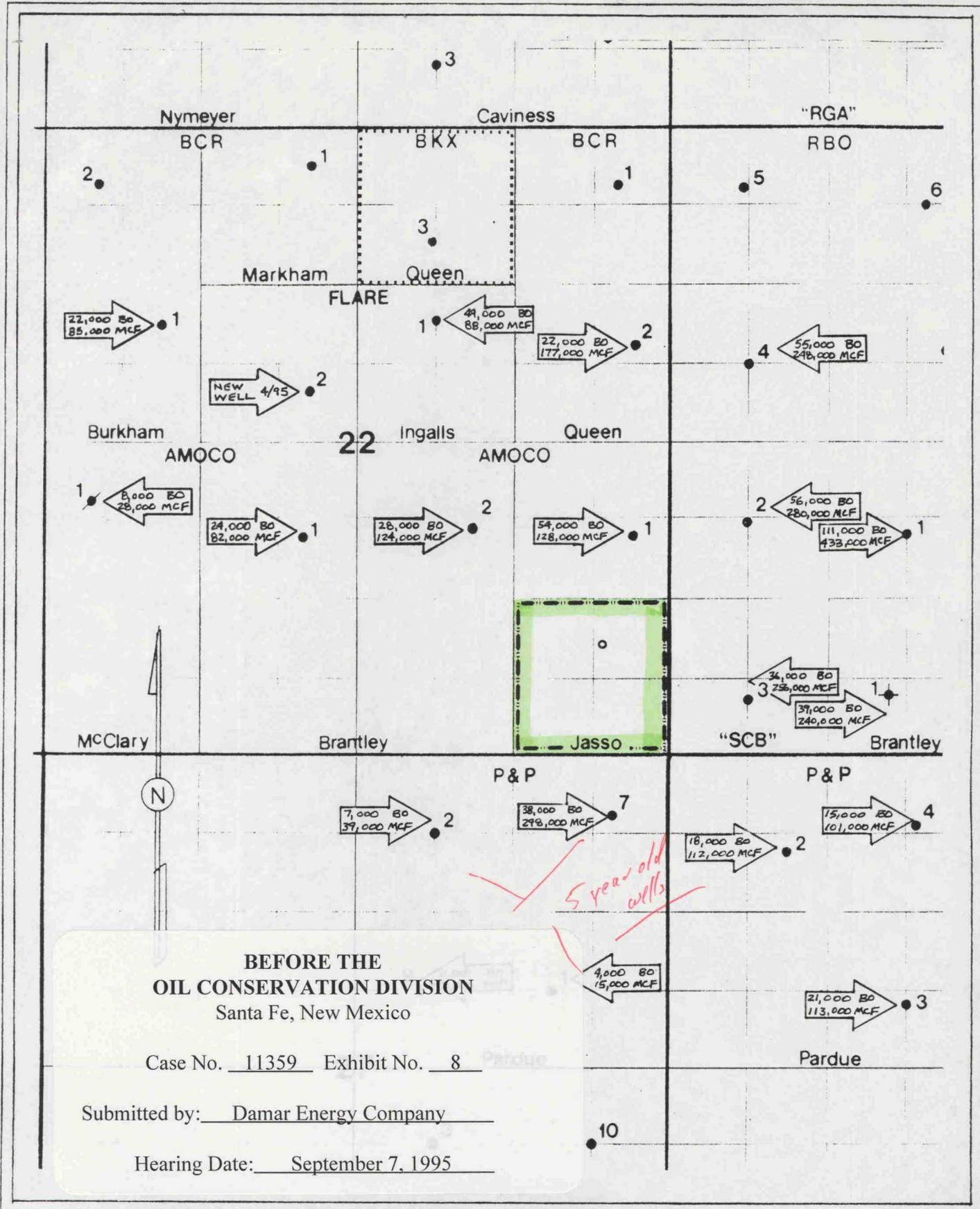
T-23-S R-28-E Eddy County, New Mexico
9-7-95



DAMAR ENERGY COMPANY

CURRENT HYDROCARBON PRODUCTION PLAT

E. LOVING BRUSHY CANYON (DELAWARE) FIELD
 Latest Available Daily Production
 Oil (BOPD) & Gas (MCFD), 1994-95
 T-23-S R-28-E Eddy County, New Mexico
 9-7-95



BEFORE THE
OIL CONSERVATION DIVISION
Santa Fe, New Mexico

Case No. 11359 Exhibit No. 8

Submitted by: Damar Energy Company

Hearing Date: September 7, 1995

DAMAR ENERGY COMPANY

1416 J Avenue, Ste. 200
Plano, TX 75074

CUMULATIVE HYDROCARBON PRODUCTION PLAT

E. LOVING BRUSHY CANYON (DELAWARE) FIELD
Cumulative Oil (BO) & Gas (MCF) Through 1-1-94
T-23-S R-28-E Eddy County, New Mexico
9-7-95

EXHIBIT A

Amoco Production Company
Attention: Jerry West
(Regulatory Affairs)
Post Office Box 3092
Houston, TX 77253-3092

Roy G. Barton, Jr.
Post Office Box 978
Hobbs, New Mexico 88241

Roy G. Barton, Jr. Trust of the
Roy G. Barton, Sr. and Opal Barton
Revocable Trust u/t/a 1/28/82
Post Office Box 978
Hobbs, New Mexico 88241

BHF Corporation
Post Office Box 52573
Tulsa, OK 74152

BK Exploration Corporation
810 S. Cincinnati, Suite 208
Tulsa, OK 74119

John Draper Brantley and
Claiborne Power
1317 E. Wood
Carlsbad, New Mexico 88220

Claiborne Power
Post Office Box 954
Castle Rock, CO 80104

Norma J. Chanley
Post Office Box 729
Hobbs, New Mexico 88241

AFFIDAVIT,
Page 2

BEFORE THE
OIL CONSERVATION DIVISION
Santa Fe, New Mexico

Case No. 11359 Exhibit No. 5

Submitted by: Damar Energy Company

Hearing Date: September 7, 1995

R.F. Fort, Inc.
Post Office Box 2044
Midland, TX 79701

Ronald T. May
4195 Naco-Perrin
San Antonio, TX 78217

Rhonda L. May, Trustee of the
Leonard T. May & Virginia L. May Living Trust
1118 Wurzbach Rd., Suite 101
San Antonio, TX 78230-2571

CAMPBELL, CARR & BERGE, P.A.
LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE

MICHAEL H. FELDEWERT
TANNIS L. FOX
TANYA M. TRUJILLO

JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 1110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

July 19, 1995

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Amoco Production Company
Attention: Jerry West
(Regulatory Affairs)
Post Office Box 3092
Houston, TX 77253-3092

Re: Application of Damar Energy Company for Compulsory Pooling, Eddy
County, New Mexico

Dear Mr. West:

This letter is to advise you that Damar Energy Company has filed the enclosed application with the New Mexico Oil Conservation Division seeking the force pooling of certain mineral interests in all formations from the surface to the base of the Delaware formation, in and under the SE/4 SE/4 of Section 22, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. Damar Energy Company proposes to dedicate the referenced pooled unit to its MB #22-1 Well to be drilled at an orthodox location 800 feet from the South line and 660 feet from the East line of Section 22, to test all formations to the base of the Delaware formation, East Loving-Brushy Canyon Pool (formerly the East Loving-Delaware Pool).

This application has been set for hearing before a Division Examiner on August 10, 1995. You are not required to attend this hearing, but as an owner of an interest that may be subject to pooling, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

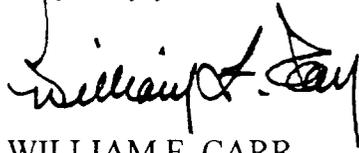
Amoco Production Company

July 19, 1995

Page 2

Parties appearing in cases have been requested by the Division (Memorandum 2-90) to file a Prehearing Statement substantially in the form prescribed by the Division. Prehearing statements should be filed by 4:00 o'clock p.m. on the Friday before a scheduled hearing.

Very truly yours,

A handwritten signature in black ink, appearing to read "William F. Carr". The signature is written in a cursive style with a large initial "W" and a stylized "C".

WILLIAM F. CARR
ATTORNEY FOR DAMAR ENERGY COMPANY

WFC:mlh

Enc.

cc: Mr. Mark D. Smith

CAMPBELL, CARR & BERGE, P.A.

LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE

MICHAEL H. FELDEWERT
TANNIS L. FOX
TANYA M. TRUJILLO

JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

July 19, 1995

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Roy G. Barton, Jr.
Post Office Box 978
Hobbs, New Mexico 88241

Re: Application of Damar Energy Company for Compulsory Pooling, Eddy
County, New Mexico

Dear Mr. Barton:

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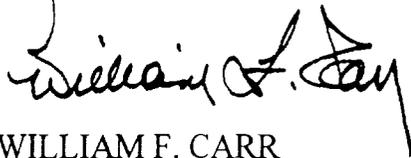
Roy G. Barton, Jr.

July 19, 1995

Page 2

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WILLIAM F. CARR
ATTORNEY FOR DAMAR ENERGY COMPANY
WFC:mlh

Enc.

cc: Mr. Mark D. Smith

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

- I also wish to receive the following services (for an extra fee):
- Addressee's Address
 - Restricted Delivery Consult postmaster for fee.

3. Article Addressed to:

Roy G. Barton, Jr.
Post Office Box 978
Hobbs, New Mexico 88241

4a. Article Number

P 176 015 918

4b. Service Type

- Registered Insured
 Certified COD
 Express Mail Return Receipt for Merchandise

7. Date of Delivery

8. Addressee's Address (Only if requested and fee is paid)

5. Signature of Addressee

6. Signature (Agent)

PS Form 3811, December 1991

U.S. GPO: 1993-352-714

DOMESTIC RETURN RECEIPT

Thank you for using Return Receipt Service.

P 176 015 918



Receipt for Certified Mail

Roy G. Barton, Jr.
Post Office Box 978
Hobbs, New Mexico 88241

\$	\$
JUL 19 1995	

0083

CAMPBELL, CARR & BERGE, P.A.

LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE

MICHAEL H. FELDEWERT
TANNIS L. FOX
TANYA M. TRUJILLO

JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

July 19, 1995

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RETURN RECEIPT REQUESTED

Roy G. Barton, Jr. Trust of the
Roy G. Barton, Sr. and Opal Barton
Revocable Trust u/t/a 1/28/82
Post Office Box 978
Hobbs, New Mexico 88241

Re: Application of Damar Energy Company for Compulsory Pooling, Eddy
County, New Mexico

Dear Mr. Barton:

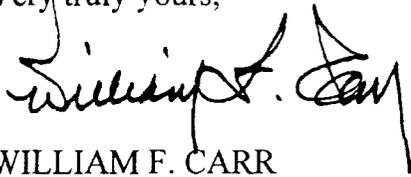
This letter is to advise you that Damar Energy Company has filed the enclosed application with the New Mexico Oil Conservation Division seeking the force pooling of certain mineral interests in all formations from the surface to the base of the Delaware formation, in and under the SE/4 SE/4 of Section 22, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. Damar Energy Company proposes to dedicate the referenced pooled unit to its MB #22-1 Well to be drilled at an orthodox location 800 feet from the South line and 660 feet from the East line of Section 22, to test all formations to the base of the Delaware formation, East Loving-Brushy Canyon Pool (formerly the East Loving-Delaware Pool).

This application has been set for hearing before a Division Examiner on August 10, 1995. You are not required to attend this hearing, but as an owner of an interest that may be subject to pooling, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Roy G. Barton, Jr. Trustee of the Roy G. Barton, Sr.
and Opal Barton Revocable Trust u/t/a January 28, 1982
July 19, 1995
Page 2

Parties appearing in cases have been requested by the Division (Memorandum 2-90) to file a Prehearing Statement substantially in the form prescribed by the Division. Prehearing statements should be filed by 4:00 o'clock p.m. on the Friday before a scheduled hearing.

Very truly yours,

A handwritten signature in black ink, appearing to read "William F. Carr". The signature is written in a cursive style with a large, stylized initial "W".

WILLIAM F. CARR
ATTORNEY FOR DAMAR ENERGY COMPANY

WFC:mlh

Enc.

cc: Mr. Mark D. Smith

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

- 1. I also wish to receive the following services (for an extra fee):
- 1. Addressee's Address
- 2. Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

Roy G. Barton, Jr. Trust of the
 Roy G. Barton, Sr. and Opal Barton
 Revocable Trust u/t/a 1/28/82
 Post Office Box 978
 Hobbs, New Mexico 88241

4. Article Number

176 015 915

4b. Service Type

- Registered
- Certified
- Express Mail
- Insured
- COD
- Return Receipt for Merchandise

7. Date of Delivery

8. Addressee's Address (Only if requested and fee is paid)

Signature (Addresser)
 Signature (Agent)
 7.6.95

Form 3811, September 1991 *U.S. GPO: 1993-352-714 **DOMESTIC RETURN RECEIPT**

P 176 015 915



Receipt for Certified Mail

Roy G. Barton, Jr. Trust of the
 Roy G. Barton, Sr. and Opal Barton
 Revocable Trust u/t/a 1/28/82
 Post Office Box 978
 Hobbs, New Mexico 88241

JUL 19 1995

0088C

Thank you for using Return Receipt Service.

CAMPBELL, CARR & BERGE, P.A.
LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE

MICHAEL H. FELDEWERT
TANNIS L. FOX
TANYA M. TRUJILLO

JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

July 19, 1995

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

BHF Corporation
Post Office Box 52573
Tulsa, OK 74152

Re: Application of Damar Energy Company for Compulsory Pooling, Eddy
County, New Mexico

Gentlemen:

This letter is to advise you that Damar Energy Company has filed the enclosed application with the New Mexico Oil Conservation Division seeking the force pooling of certain mineral interests in all formations from the surface to the base of the Delaware formation, in and under the SE/4 SE/4 of Section 22, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. Damar Energy Company proposes to dedicate the referenced pooled unit to its MB #22-1 Well to be drilled at an orthodox location 800 feet from the South line and 660 feet from the East line of Section 22, to test all formations to the base of the Delaware formation, East Loving-Brushy Canyon Pool (formerly the East Loving-Delaware Pool).

This application has been set for hearing before a Division Examiner on August 10, 1995. You are not required to attend this hearing, but as an owner of an interest that may be subject to pooling, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

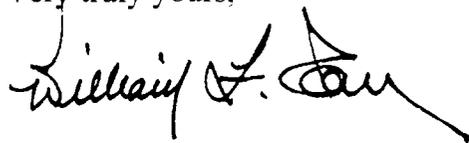
BHF Corporation

July 19, 1995

Page 2

Parties appearing in cases have been requested by the Division (Memorandum 2-90) to file a Prehearing Statement substantially in the form prescribed by the Division. Prehearing statements should be filed by 4:00 o'clock p.m. on the Friday before a scheduled hearing.

Very truly yours,

A handwritten signature in black ink, appearing to read "William F. Carr". The signature is written in a cursive style with a long, sweeping tail on the final letter.

WILLIAM F. CARR

ATTORNEY FOR DAMAR ENERGY COMPANY

WFC:mlh

Enc.

cc: Mr. Mark D. Smith

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
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- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1. Addressee's Address
 - 2. Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

BHF Corporation
Post Office Box 52573
Tulsa, OK 74152

4a. Article Number
P176 D15 912

- 4b. Service Type
- Registered
 - Certified
 - Express Mail
 - Insured
 - COD
 - Return Receipt for Merchandise

7. Date of Delivery
7-31-95

8. Addressee's Address (Only if requested and fee is paid)

5. Signature (Addressee)
[Signature]

6. Signature (Agent)

PS Form 3811, December 1991 R.U.S. GPO: 1993-352-714 **DOMESTIC RETURN RECEIPT**

Thank you for using Return Receipt Service.

P 176 015 912



Certified Mail

BHF Corporation
Post Office Box 52573
Tulsa, OK 74152

\$									
\$									

JUL 19 1995

0088

CAMPBELL, CARR & BERGE, P.A.
LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE

MICHAEL H. FELDEWERT
TANNIS L. FOX
TANYA M. TRUJILLO

JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

July 19, 1995

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

BK Exploration Corporation
810 S. Cincinnati, Suite 208
Tulsa, OK 74119

Re: Application of Damar Energy Company for Compulsory Pooling, Eddy
County, New Mexico

Gentlemen:

This letter is to advise you that Damar Energy Company has filed the enclosed application with the New Mexico Oil Conservation Division seeking the force pooling of certain mineral interests in all formations from the surface to the base of the Delaware formation, in and under the SE/4 SE/4 of Section 22, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. Damar Energy Company proposes to dedicate the referenced pooled unit to its MB #22-1 Well to be drilled at an orthodox location 800 feet from the South line and 660 feet from the East line of Section 22, to test all formations to the base of the Delaware formation, East Loving-Brushy Canyon Pool (formerly the East Loving-Delaware Pool).

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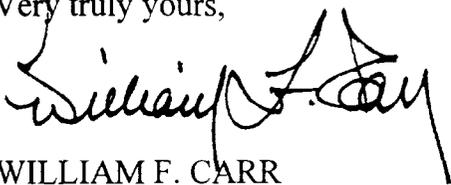
BK Exploration Corporation

July 19, 1995

Page 2

Parties appearing in cases have been requested by the Division (Memorandum 2-90) to file a Prehearing Statement substantially in the form prescribed by the Division. Prehearing statements should be filed by 4:00 o'clock p.m. on the Friday before a scheduled hearing.

Very truly yours,

A handwritten signature in black ink, appearing to read "William F. Carr". The signature is written in a cursive style with a large, stylized initial "W".

WILLIAM F. CARR

ATTORNEY FOR DAMAR ENERGY COMPANY

WFC:mlh

Enc.

cc: Mr. Mark D. Smith

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
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I also wish to receive the following services (for an extra fee):

1. Addressee's Address

2. Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

BK Exploration Corporation
810 S. Cincinnati, Suite 208
Tulsa, OK 74119

4a. Article Number

P176 015 920

4b. Service Type Insured

Registered COD

Certified Return Receipt for Merchandise

Express Mail Return Receipt for Merchandise

7. Date of Delivery

JUL 19 1995

8. Addressee's Address (Only if requested and fee is paid)

5. Signature (Addressee)

[Handwritten Signature]

6. Signature (Agent)

PS Form 3811, December 1991 R.U.S. GPO: 1993-352-714 DOMESTIC RETURN RECEIPT

P 176 015 920



BK Exploration Corporation
810 S. Cincinnati, Suite 208
Tulsa, OK 74119

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\$	

JUL 19 1995

0083

Thank you for using Return Receipts

CAMPBELL, CARR & BERGE, P.A.
LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE

MICHAEL H. FELDEWERT
TANNIS L. FOX
TANYA M. TRUJILLO

JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

July 19, 1995

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

John Draper Brantley and
Claiborne Power
1317 E. Wood
Carlsbad, New Mexico 88220

Re: Application of Damar Energy Company for Compulsory Pooling, Eddy
County, New Mexico

Dear Mr. Brantley and Ms. Power:

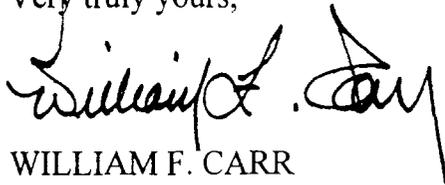
This letter is to advise you that Damar Energy Company has filed the enclosed application with the New Mexico Oil Conservation Division seeking the force pooling of certain mineral interests in all formations from the surface to the base of the Delaware formation, in and under the SE/4 SE/4 of Section 22, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. Damar Energy Company proposes to dedicate the referenced pooled unit to its MB #22-1 Well to be drilled at an orthodox location 800 feet from the South line and 660 feet from the Est line of Section 22, to test all formations to the base of the Delaware formation, East Loving-Brushy Canyon Pool (formerly the East Loving-Delaware Pool).

This application has been set for hearing before a Division Examiner on August 10, 1995. You are not required to attend this hearing, but as an owner of an interest that may be subject to pooling, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

John Draper Brantley and
Claiborne Power
July 19, 1995
Page 2

Parties appearing in cases have been requested by the Division (Memorandum 2-90) to file a Prehearing Statement substantially in the form prescribed by the Division. Prehearing statements should be filed by 4:00 o'clock p.m. on the Friday before a scheduled hearing.

Very truly yours,

A handwritten signature in black ink, appearing to read "William F. Carr". The signature is written in a cursive style with a large, stylized initial "W".

WILLIAM F. CARR
ATTORNEY FOR DAMAR ENERGY COMPANY

WFC:mlh

Enc.

cc: Mr. Mark D. Smith

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a & b.
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I also wish to receive the following services (for an extra fee):

1. Addressee's Address

2. Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

John Draper Brantley and
 Claiborne Power
 1317 E. Wood
 Carlsbad, New Mexico 88220

4a. Article Number
 P 176 015 914

- 4b. Service Type
- Registered Insured
- Certified COD
- Express Mail Return Receipt for Merchandise

Date of Delivery

7-24-95

5. Signature (Addressee)

8. Addressee's Address (Only if requested and fee is paid)

6. Signature (Agent)

John Draper Brantley

PS Form 3811, December 1991

U.S. GPO: 1993-552-714

DOMESTIC RETURN RECEIPT

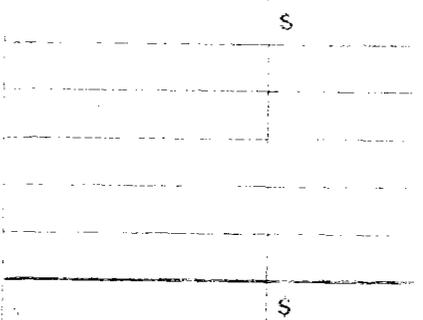
Thank you for using Return Receipt Service.

P 176 015 914



Certified Mail

John Draper Brantley and
 Claiborne Power
 1317 E. Wood
 Carlsbad, New Mexico 88220



JUL 19 1995

0083

CAMPBELL, CARR & BERGE, P.A.
LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE

MICHAEL H. FELDEWERT
TANNIS L. FOX
TANYA M. TRUJILLO
PAUL R. OWEN

JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

August 2, 1995

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Claiborne Power
Post Office Box 954
Castle Rock, CO 80104

Re: Application of Damar Energy Company for Compulsory Pooling, Eddy
County, New Mexico

Dear Mr. Power:

This letter is to advise you that Damar Energy Company has filed the enclosed application with the New Mexico Oil Conservation Division seeking the force pooling of certain mineral interests in all formations from the surface to the base of the Delaware formation, in and under the SE/4 SE/4 of Section 22, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. Damar Energy Company proposes to dedicate the referenced pooled unit to its MB #22-1 Well to be drilled at an orthodox location 800 feet from the South line and 660 feet from the East line of Section 22, to test all formations to the base of the Delaware formation, East Loving-Brushy Canyon Pool (formerly the East Loving-Delaware Pool).

This application has been set for hearing before a Division Examiner on August 24, 1995. You are not required to attend this hearing, but as an owner of an interest that may be subject to pooling, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Claiborne Power

August 2, 1995

Page 2

Parties appearing in cases have been requested by the Division (Memorandum 2-90) to file a Prehearing Statement substantially in the form prescribed by the Division. Prehearing statements should be filed by 4:00 o'clock p.m. on the Friday before a scheduled hearing.

Very truly yours,

A handwritten signature in black ink, appearing to read "William F. Carr". The signature is written in a cursive style with a large initial "W" and a distinct "C" at the end.

WILLIAM F. CARR

ATTORNEY FOR DAMAR ENERGY COMPANY

WFC:mlh

Enc.

cc: Mr. Mark D. Smith

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
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- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1. Addressee's Address
 - 2. Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

Claiborne Power
Post Office Box 954
Castle Rock, CO 80104

4a. Article Number

P 176 015 921

4b. Service Type

- Registered
- Insured
- Certified
- COD
- Express Mail
- Return Receipt for Merchandise

7. Date of Delivery

8-5-95

8. Addressee's Address (Only if requested and fee is paid)

5. Signature (Addressee)
William M. Power

6. Signature (Agent)

PS Form 3811, December 1991

*U.S. GPO: 1989-352-714

DOMESTIC RETURN RECEIPT

Thank you for using Return Receipt Service.

P 176 015 921



Receipt for
Certified Mail

Not valid for return to sender. Do not use for return to sender. (See Reverse)

Claiborne Power

Post Office Box 954

Castle Rock, CO 80104

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August 2, 1995

CAMPBELL, CARR & BERGE, P.A.
LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
—
MICHAEL H. FELDEWERT
TANNIS L. FOX
TANYA M. TRUJILLO
—
JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

July 19, 1995

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Norma J. Chanley
Post Office Box 729
Hobbs, New Mexico 88241

Re: Application of Damar Energy Company for Compulsory Pooling, Eddy
County, New Mexico

Dear Ms. Chanley:

This letter is to advise you that Damar Energy Company has filed the enclosed application with the New Mexico Oil Conservation Division seeking the force pooling of certain mineral interests in all formations from the surface to the base of the Delaware formation, in and under the SE/4 SE/4 of Section 22, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. Damar Energy Company proposes to dedicate the referenced pooled unit to its MB #22-1 Well to be drilled at an orthodox location 800 feet from the South line and 660 feet from the East line of Section 22, to test all formations to the base of the Delaware formation, East Loving-Brushy Canyon Pool (formerly the East Loving-Delaware Pool).

This application has been set for hearing before a Division Examiner on August 10, 1995. You are not required to attend this hearing, but as an owner of an interest that may be subject to pooling, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Norma J. Chanley

July 19, 1995

Page 2

Parties appearing in cases have been requested by the Division (Memorandum 2-90) to file a Prehearing Statement substantially in the form prescribed by the Division. Prehearing statements should be filed by 4:00 o'clock p.m. on the Friday before a scheduled hearing.

Very truly yours,

A handwritten signature in black ink, appearing to read "William F. Carr". The signature is written in a cursive style with a large, stylized initial "W".

WILLIAM F. CARR

ATTORNEY FOR DAMAR ENERGY COMPANY

WFC:mlh

Enc.

cc: Mr. Mark D. Smith

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

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- 1. Addressee's Address
 - 2. Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

Norma J. Chanley
Post Office Box 729
Hobbs, New Mexico 88241

4a. Article Number

P 176 015 913

4b. Service Type

- Registered
- Certified
- Express Mail
- Insured
- COD
- Return Receipt for Merchandise

7. Date of Delivery

8. Addressee's Address (Only if requested and fee is paid)

5. Signature (Addressee)

6. Signature (Agent)

PS Form 3811, December 1991

*U.S. GPO: 1983-352-714

DOMESTIC RETURN RECEIPT

Thank you for using Return Receipt Service.

P 176 015 913



Return to
Certified Mail

Norma J. Chanley
Post Office Box 729
Hobbs, New Mexico 88241

	\$
	\$

JUL 19 1995

1991 change 0083 (rev. 4-91)

CAMPBELL, CARR & BERGE, P.A.
LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE

MICHAEL H. FELDEWERT
TANNIS L. FOX
TANYA M. TRUJILLO

JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

July 19, 1995

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

R.F. Fort, Inc.
Post Office Box 2044
Midland, TX 79701

Re: Application of Damar Energy Company for Compulsory Pooling, Eddy
County, New Mexico

Gentlemen:

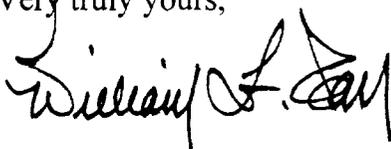
This letter is to advise you that Damar Energy Company has filed the enclosed application with the New Mexico Oil Conservation Division seeking the force pooling of certain mineral interests in all formations from the surface to the base of the Delaware formation, in and under the SE/4 SE/4 of Section 22, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. Damar Energy Company proposes to dedicate the referenced pooled unit to its MB #22-1 Well to be drilled at an orthodox location 800 feet from the South line and 660 feet from the East line of Section 22, to test all formations to the base of the Delaware formation, East Loving-Brushy Canyon Pool (formerly the East Loving-Delaware Pool).

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R.F. Fort, Inc.
July 19, 1995
Page 2

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Very truly yours,

A handwritten signature in black ink, appearing to read "William F. Carr". The signature is fluid and cursive, with a large initial "W" and "C".

WILLIAM F. CARR
ATTORNEY FOR DAMAR ENERGY COMPANY
WFC:mlh
Enc.
cc: Mr. Mark D. Smith

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

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I also wish to receive the following services (for an extra fee):

- 1. Addressee's Address
 - 2. Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

R.F. Fort, Inc.
Post Office Box 2044
Midland, TX 79701

4a. Article Number

P176 015 919

4b. Service Type

- Registered
- Certified
- Express Mail
- Insured
- COD
- Return Receipt for Merchandise

7. Date of Delivery

7-25-95

8. Addressee's Address (Only if requested and fee is paid)

5. Signature (Addressee)
6. Signature (Agent)

PS Form 3811, December 1991

*U.S. GPO: 1993-552-714

DOMESTIC RETURN RECEIPT

Thank you for using Return Receipt Service.

P 176 015 919



Receipt for Certified Mail

R.F. Fort, Inc.
Post Office Box 2044
Midland, TX 79701

\$				
\$				

JUL 19 1995

PS Form 3883 (09-93)

CAMPBELL, CARR & BERGE, P.A.
LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE

MICHAEL H. FELDEWERT
TANNIS L. FOX
TANYA M. TRUJILLO

JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

July 19, 1995

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Ronald T. May
4195 Naco-Perrin
San Antonio, TX 78217

Re: Application of Damar Energy Company for Compulsory Pooling, Eddy
County, New Mexico

Dear Mr. May:

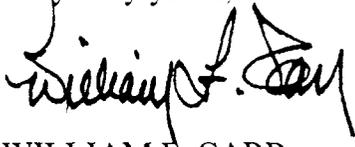
This letter is to advise you that Damar Energy Company has filed the enclosed application with the New Mexico Oil Conservation Division seeking the force pooling of certain mineral interests in all formations from the surface to the base of the Delaware formation, in and under the SE/4 SE/4 of Section 22, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. Damar Energy Company proposes to dedicate the referenced pooled unit to its MB #22-1 Well to be drilled at an orthodox location 800 feet from the South line and 660 feet from the East line of Section 22, to test all formations to the base of the Delaware formation, East Loving-Brushy Canyon Pool (formerly the East Loving-Delaware Pool).

This application has been set for hearing before a Division Examiner on August 10, 1995. You are not required to attend this hearing, but as an owner of an interest that may be subject to pooling, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

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Parties appearing in cases have been requested by the Division (Memorandum 2-90) to file a Prehearing Statement substantially in the form prescribed by the Division. Prehearing statements should be filed by 4:00 o'clock p.m. on the Friday before a scheduled hearing.

Very truly yours,

A handwritten signature in black ink, appearing to read "William F. Carr". The signature is written in a cursive style with a large, stylized initial "W".

WILLIAM F. CARR
ATTORNEY FOR DAMAR ENERGY COMPANY
WFC:mlh

Enc.

cc: Mr. Mark D. Smith

