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ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 01-01-2002 BY 1043

October 22, 2002

Hand Delivered

Case 12959

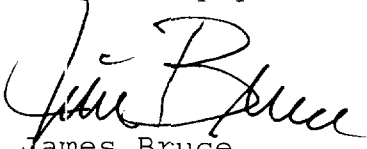
Florene Davidson
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Dear Florene:

Enclosed are an original and one copy of an application for compulsory pooling, together with a proposed advertisement, filed on behalf of Chi Energy, Inc. Please set this matter for the November 14, 2002 Examiner hearing.

The application and advertisement are also on the enclosed disk under "CHI." Thank you.

Very truly yours,



James Bruce

Attorney for Chi Energy, Inc.

PARTIES BEING POOLED

Sklarco LLC
401 Edwards Street
Shreveport, Louisiana 71101

James S. Strohmeier, Trustee of the
Estate of Betty Baish Strohmeier
5311 East 5th Street
Tucson, Arizona 85711

Karen Elizabeth Charles
110 Hudson Avenue
Altoona Pennsylvania 16602

Katherine Mary Scott
809 Sheridan Street
Altoona, Pennsylvania 16602

Mary Elizabeth Baish Weston
220 Fran Street
Lilly, Pennsylvania 15938

Higgins Trust, Inc.
P.O. Box 2421
Gainesville, Georgia 30503

Michael R. McGuire
3209 Estrella Driver
Roswell, New Mexico 88201

Estate of Elyse Saunders Patterson
c/o Commerce Bank of Kansas City
Personal Trust Department
P.O. Box 419248
Kansas City, Missouri 64141

Donald S. Iverson
No. 1 Terrace Mountain Cove
Austin, Texas 78746

Jareed Partners, Ltd.
2407 Bellechase Court
Midland, Texas 79705

Penwell Employee Royalty Pool
Suite 600
600 North Marienfeld
Midland, Texas 79701

Devon Energy Production Company, L.P.
P.O. Box 108838
Oklahoma City, Oklahoma 73101-8838