

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF CHI ENERGY, INC.  
FOR COMPULSORY POOLING, EDDY  
COUNTY, NEW MEXICO.

Case No. 12978

AFFIDAVIT REGARDING NOTICE

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

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

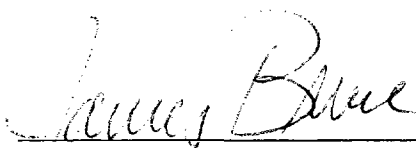
1. I am over the age of 18, and have personal knowledge of the matters set forth herein.

2. I am an attorney for Applicant.

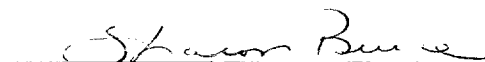
3. Applicant has conducted a good faith, diligent effort to find the names and correct addresses of the interest owners entitled to receive notice of the Application filed herein.

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 16th day of December, 2002, by James Bruce.

  
Notary Public

My Commission Expires:  
3/14/2005

OIL CONSERVATION DIVISION

CASE NUMBER

EXHIBIT

4

# 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 27, 2002

## CERTIFIED MAIL RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

Ladies and Gentlemen:

Enclosed is a copy of an application for compulsory pooling, filed with the New Mexico Oil Conservation Division by Chi Energy, Inc., regarding the S½ of Section 32, Township 18 South, Range 31 East, NMPM, Eddy County, New Mexico. This matter will be heard at 8:15 a.m. on Thursday, December 19, 2002 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 appear at the hearing and participate in the case. Failure to appear at the hearing will preclude you from contesting this matter at a later date.

Please note that this application was filed to pool record title interests only, in order to obtain State Land Office approval of a communitization agreement which includes an expiring lease. Working interests are not being pooled, and a non-consent penalty is not being sought against any party.

Very truly yours,



James Bruce

Attorney for Chi Energy, Inc.



EXHIBIT A

Exxon Mobil Corporation  
Mobil Producing Texas & New Mexico Inc.  
P.O. Box 4697  
Houston, Texas 77210-4697

Attention: Paul Keffer

Nearburg Exploration Company, L.L.C.  
Suite 120  
3300 North A Street  
Midland, Texas 79705

Attention: Duke Roush

Burlington Resources Oil & Gas Company LP  
P.O. Box 51810  
Midland, Texas 79710

Fina Oil and Chemical Company  
c/o Total Fina Elf E&P, USA, Inc.  
Suite 700  
800 Gessner  
Houston, Texas 77024

Chambers & Kennedy  
c/o Duncan Kennedy  
Suite 1225  
550 West Texas  
Midland, Texas 79701

U.S. Postal Service<sup>TM</sup>  
**CERTIFIED MAIL<sup>TM</sup> RECEIPT**  
(Domestic Mail Only. No Insurance Coverage Provided)  
For delivery information visit our website at [www.usps.com](http://www.usps.com)

|                                                   |         |
|---------------------------------------------------|---------|
| Postage                                           | \$ 0.60 |
| Certified Fee                                     | 2.30    |
| Return Receipt Fee<br>(Endorsement Required)      | 1.75    |
| Restricted Delivery Fee<br>(Endorsement Required) | 4.65    |
| Total Postage & Fees                              | \$ 8.30 |

Sent To  
Exxon Mobil Corporation  
Street, Apt. A Mobil Producing Texas & New Mexico Inc.  
P.O. Box 4697  
City, State, ZIP+4  
Houston, Texas 77210-4697



**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:

Burlington Resources Oil & Gas Company L.P.  
P.O. Box 51810  
Midland, Texas 79710

**COMPLETE THIS SECTION ON DELIVERY**

|                                                                                                                                                 |                                               |
|-------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|
| A. Signature                                                                                                                                    | <input checked="" type="checkbox"/> Agent     |
| B. Received by (Printed Name)                                                                                                                   | <input checked="" type="checkbox"/> Addressee |
| C. Date of Delivery                                                                                                                             | 11/27/01                                      |
| D. Is delivery address different from item 1? <input type="checkbox"/> Yes<br>If YES, enter delivery address below: <input type="checkbox"/> No |                                               |

|                                     |                                                    |                                                                    |
|-------------------------------------|----------------------------------------------------|--------------------------------------------------------------------|
| 3. Service Type                     | <input checked="" type="checkbox"/> Certified Mail | <input type="checkbox"/> Express Mail                              |
|                                     | <input type="checkbox"/> Registered                | <input checked="" type="checkbox"/> Return Receipt for Merchandise |
|                                     | <input type="checkbox"/> Insured Mail              | <input type="checkbox"/> C.O.D.                                    |
| 4. Restricted Delivery? (Extra Fee) | <input type="checkbox"/> Yes                       |                                                                    |

2. Article Number  
(Transfer from service label)  
7002 2030 0003 3714 1959  
PS Form 3811, August 2001  
Domestic Return Receipt  
102595-01-M-0381

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
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Exxon Mobil Corporation  
Mobil Producing Texas & New Mexico Inc.  
P.O. Box 4697  
Houston, Texas 77210-4697

**COMPLETE THIS SECTION ON DELIVERY**

|                                                                                                                                                 |                                               |
|-------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|
| A. Signature                                                                                                                                    | <input checked="" type="checkbox"/> Agent     |
| B. Received by (Printed Name)                                                                                                                   | <input checked="" type="checkbox"/> Addressee |
| C. Date of Delivery                                                                                                                             | 11/27/01                                      |
| D. Is delivery address different from item 1? <input type="checkbox"/> Yes<br>If YES, enter delivery address below: <input type="checkbox"/> No |                                               |

|                                     |                                                    |                                                                    |
|-------------------------------------|----------------------------------------------------|--------------------------------------------------------------------|
| 3. Service Type                     | <input checked="" type="checkbox"/> Certified Mail | <input type="checkbox"/> Express Mail                              |
|                                     | <input type="checkbox"/> Registered                | <input checked="" type="checkbox"/> Return Receipt for Merchandise |
|                                     | <input type="checkbox"/> Insured Mail              | <input type="checkbox"/> C.O.D.                                    |
| 4. Restricted Delivery? (Extra Fee) | <input type="checkbox"/> Yes                       |                                                                    |

2. Article Number  
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Domestic Return Receipt  
102595-01-M-0381

U.S. Postal Service<sup>TM</sup>  
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(Domestic Mail Only. No Insurance Coverage Provided)

|                                                   |         |
|---------------------------------------------------|---------|
| Postage                                           | \$ 0.60 |
| Certified Fee                                     | 2.30    |
| Return Receipt Fee<br>(Endorsement Required)      | 1.75    |
| Restricted Delivery Fee<br>(Endorsement Required) | 4.65    |
| Total Postage & Fees                              | \$ 9.30 |

Sent To  
Burlington Resources Oil & Gas Company LP  
Street, Apt. No., P.O. Box 51810  
or PO Box No. Midland, Texas 79710  
City, State, ZIP+4



U.S. Postal Service™  
CERTIFIED MAIL™ RECEIPT  
(Domestic Mail Only: No Insurance Coverage Provided)

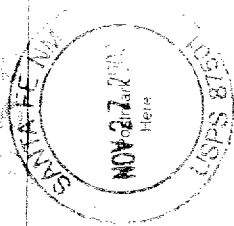
For delivery information, visit our website at [www.usps.com](http://www.usps.com)

|                                                   |         |
|---------------------------------------------------|---------|
| Postage                                           | \$ 0.60 |
| Certified Fee                                     | 2.30    |
| Return Receipt Fee<br>(Endorsement Required)      | 1.75    |
| Restricted Delivery Fee<br>(Endorsement Required) | 4.65    |
| Total Postage & Fees                              | \$      |

Sent To  
Fina Oil and Chemical Company  
c/o Total Fina Elf E&P, USA, Inc.  
Suite 700  
800 Gessner  
Houston, Texas 77024

Street, Apt. No.,  
or PO Box No.  
City, State, Zip+4

PS Form 3811, June 2001



SENDER: COMPLETE THIS SECTION

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1. Article Addressed to:

Nearburg Exploration Company, L.L.C.  
Suite 120  
3300 North A Street  
Midland, Texas 79705

2. Article Number  
(Transfer from service lab)  
7002 2030 0003 3714 1942  
PS Form 3811, August 2001

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

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- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Fina Oil and Chemical Company  
c/o Total Fina Elf E&P, USA, Inc.  
Suite 700  
800 Gessner  
Houston, Texas 77024

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

2. Article Number  
(Transfer from service lab)  
7002 2030 0003 3714 1966  
PS Form 3811, August 2001

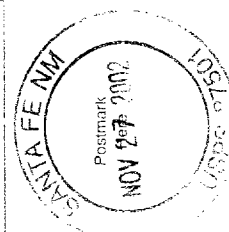
Domestic Return Receipt

102595-01-M-0381

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|                                                   |         |
|---------------------------------------------------|---------|
| Postage                                           | \$ 0.60 |
| Certified Fee                                     | 2.30    |
| Return Receipt Fee<br>(Endorsement Required)      | 1.75    |
| Restricted Delivery Fee<br>(Endorsement Required) | 4.65    |
| Total Postage & Fees                              | \$      |



Sent To  
Nearburg Exploration Company, L.L.C.  
Suite 120  
3300 North A Street  
Midland, Texas 79705

PS Form 3811, June 2001

See Reverse for Instructions

**SENDER: COMPLETE THIS SECTION**

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- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Chambers & Kennedy  
c/o Duncan Kennedy  
Suite 1225  
550 West Texas  
Midland, Texas 79701

2. Article Number

(Transfer from service label)

7002 2030 0003 3714 1973

PS Form 3811, August 2001

Domestic Return Receipt

102595-01-M-0381

*Ch*

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature *X Beling Evan* ☒ Agent ☐ Addressee  
B. Received by (Printed Name) *EVAUS* C. Date of Delivery *12/2/02*  
D. Is delivery address different from item 1? ☐ Yes ☐ No  
If YES, enter delivery address below:

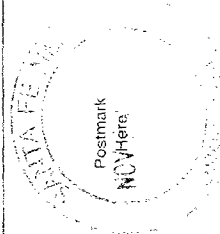
3. Service Type  
☒ Certified Mail ☐ Express Mail  
☐ Registered ☒ Return Receipt for Merchandise  
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

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|---------------------------------------------------|---------|
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| Certified Fee                                     | 2.30    |
| Return Receipt Fee<br>(Endorsement Required)      | 1.75    |
| Restricted Delivery Fee<br>(Endorsement Required) | 4.65    |
| Total Postage & Fees                              | \$      |



Sent To

Chambers & Kennedy  
c/o Duncan Kennedy  
Suite 1225  
550 West Texas  
Midland, Texas 79701

PS Form 3800, June 2002

See Reverse for Instructions

7002 2030 0003 3714 1973