

COPY

BEFORE THE
OIL CONSERVATION DIVISION
NEW MEXICO DEPARTMENT OF ENERGY, MINERALS
AND NATURAL RESOURCES

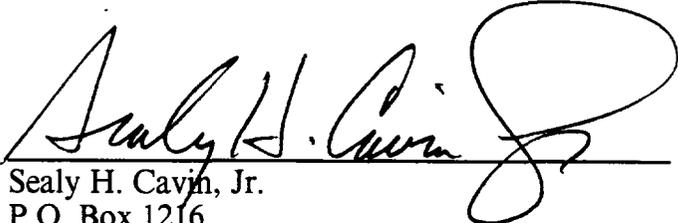
IN THE MATTER OF THE APPLICATION
OF COQUINA OIL CORPORATION
FOR AN UNORTHODOX WELL LOCATION,
EDDY COUNTY, NEW MEXICO.

BEFORE EXAMINER STOGNER CASE NO. 10417
OIL CONSERVATION DIVISION
EXHIBIT NO. <u>3</u>
CASE NO. <u>10417</u>

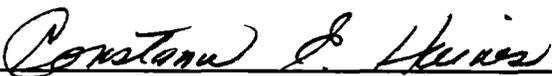
AFFIDAVIT

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

Sealy H. Cavin, Jr., Attorney-in-Fact and authorized representative of Coquina Oil Corporation, the Applicant herein, being first duly sworn, upon oath, states that the Notice provisions of Rule 1207 of the New Mexico Oil Conservation Division have been complied with, that Applicant has caused to be conducted a good faith diligent effort to find the correct addresses of all interested persons entitled to receive Notice as shown by Exhibit A attached hereto, and that pursuant to Rule 1207, Notice has been given at the correct address as provided by such rule. A copy of the notice sent and proof of receipt is attached hereto as Exhibit B.

By: 
Sealy H. Cavin, Jr.
P.O. Box 1216
Albuquerque, New Mexico 87103-1216
Telephone: (505) 243-5400
Attorneys for Coquina Oil Corporation

Subscribed and sworn to me this 16th day of December, 1991.


Notary Public

My Commission Expires:

9-28-93

EXHIBIT A

Nearburg Producing Company
One Petroleum Center
Building 8, Suite 100
Midland, Texas 79705

Attention: Bob Shelton

EXHIBIT B

Stratton & Cavin, P.A.

Attorneys & Counselors at Law

Harold D. Stratton, Jr.
Sealy H. Cavin, Jr.

320 Gold Avenue, S.W.
Suite 918
P.O. Box 1216
Albuquerque, New Mexico 87103-1216

Telephone: 505/243-5400
Facsimile: 505/243-1700

November 12, 1991

CERTIFIED MAIL -- RETURN RECEIPT REQUESTED

Nearburg Producing Company
One Petroleum Center
Building 8, Suite 100
Midland, Texas 79705

Attention: Bob Shelton

**Re: Application of Coquina Oil Corporation for an Unorthodox Well Location,
Eddy County, New Mexico**

Gentlemen:

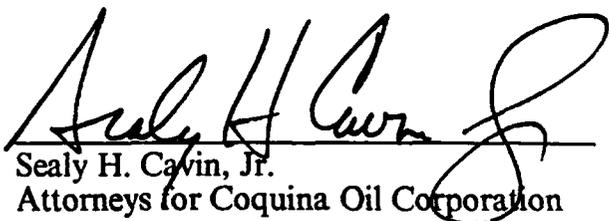
This letter is to advise you that Coquina Oil Corporation has filed an application with the New Mexico Oil Conservation Division seeking to drill its No. 4 Pan Canadian Well at an unorthodox location in the N½ of Section 34, Township 19 South, Range 25 East, N.M.P.M., Eddy County, New Mexico. By its application, Coquina Oil Corporation proposes to drill its No. 4 Pan Canadian Well at a location 990 feet from the north line and 990 feet from the east line of Section 34.

This application has been set for hearing before a Division Examiner on December 5, 1991. You are not required to attend this meeting, but as the owner of an interest which may be affected by this application, 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.

Very truly yours,

STRATTON & CAVIN, P.A.

By:


Sealy H. Cavin, Jr.
Attorneys for Coquina Oil Corporation

SHC/jas

Enclosure (Application)

cc: Dave Cromwell, Coquina Oil Corporation

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.
 Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. Show to whom delivered, date, and addressee's address. 2. Restricted Delivery (Extra charge)

3. Article Addressed to: Nearburg Producing Company One Petroleum Ctr. Bldg 8 - Ste. 100 Midland TX 79705 Attention: Bob Shelton	4. Article Number 671 282 972
5. Signature - Addressee X	Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input checked="" type="checkbox"/> Return Receipt for Merchandise
6. Signature - Agent C. Grandmason	Always obtain signature of addressee or agent and DATE DELIVERED.
7. Date of Delivery 11-15-91	8. Addressee's Address (ONLY if requested and fee paid)

PS Form 3811, Apr. 1989 *U.S.G.P.O. 1989-238-815 DOMESTIC RETURN RECEIPT

P 671 282 972

Certified Mail Receipt
 No Insurance Coverage Provided
 Do not use for International Mail
 (See Reverse)

UNITED STATES POSTAL SERVICE

Sent to Nearburg Producing Co. One Petroleum Ctr.	
Street Bldg 8 - Ste 100 Midland TX 79705	
P.O. State & ZIP Code Attn: Bob Shelton	
Postage	\$.29
Certification	1.00
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.00
Return Receipt Showing to Whom, Date & Address of Delivery	
TOTAL Postage & Fees	\$ 2.29
Postmark Date 11-12-91	

PS Form 3800, June 1990