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August 6, 2004

Hand Delivered

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 and an unorthodox well location, together with a proposed advertisement, filed on behalf of JTD Resources, LLC. Please set this matter for the April 29, 2004 Examiner hearing. Thank you.

The advertisement is also on the enclosed disk.

Very truly yours,


James Bruce

Attorney for JTD Resources, LLC

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APR 6 2004

Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

Case 13255

PROPOSED ADVERTISEMENT

Case 13255: Application of JTD Resources, LLC for compulsory pooling and unorthodox oil well locations, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Abo formation underlying the NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 2, Township 20 South, Range 38 East, NMPM, to form a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within that vertical extent, including but not limited to the Undesignated House Yates-Seven Rivers Pool, Undesignated House-San Andres Pool, Undesignated House-Blinbry Pool, Undesignated House-Tubb Pool, Undesignated House (Drinkard) Pool, and Undesignated House-Abo Pool. The unit is to be dedicated to applicant's White Owl Well No. 1, to be drilled from an orthodox surface location 500 feet from the north line and 330 feet from the west line of Section 2, to a bottomhole location approximately 1310 feet from the north line and 330 feet from the west line of Section 2. The well will be unorthodox in the Tubb, Drinkard, and Abo formations. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of Capataz Operating, Inc. as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The units are located approximately 2 miles southeast of Nadine, New Mexico.

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APR 6 2004

Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

PARTIES BEING POOLED

Bank of America, N.A., Trustee
of the Myrtle Davis Trust
17th Floor
901 Main Street
Dallas, Texas 79202

Trustees of the M&M Families Trust
1308 SW 114th Street
Oklahoma City, Oklahoma 73170

Robert Joe Reichert
2800 NW 34th Street
Oklahoma City, Oklahoma 73112

Trustees of the Coates Energy Trust
Suite 510
Energy Plaza II
8610 New Braunfels
San Antonio, Texas 78217

Attention: Sherrie Green

Levy Brothers, LLC
5715 North Western
Oklahoma City, Oklahoma 73118

C.S. Daley

Robert Joe Reichert

J. Kenneth Fasken

Beverly B. Nelson

Pat Farris

Joseph Nelson

Cheryl Menz

Veva (Neva) K. Nelson

Douglas Menz

Libby Underwood Morrish

Virginia Luttrell

Audrey M. Baker

The Colorado Corporation

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