BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

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

Case No. 13,378

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 stated 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.

ames Bruce

SUBSCRIBED AND SWORN TO before me this <u>17th</u> day of November, 2004, by James Bruce.

My Commission Expires:

Notary Public

OIL CONSERVATION DIVISION

CASE NUMBER EXHIBIT NUMBER

JAMES BRUCE ATTORNEY AT LAW

a .

POST OFFICE BOX 1056 SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213 SANTA FE, NEW MEXICO 87501

(505) 982-2043 (Phone) (505) 660-6612 (Cell) (505) 982-2151 (Fax)

jamesbruc@aol.com

October 28, 2004

<u>Certified Mail - Return Receipt Requested</u>

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 28, Township 22 South, Range 27 East, N.M.P.M., Eddy County, New Mexico. This application is scheduled to be heard at 8:15 a.m. on Thursday, November 18, 2004 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 present evidence. Failure to appear at the hearing will preclude you from contesting this matter at a later date.

You are required to notify the Division, and the undersigned, by Friday, November 12, 2004, if you intend to enter an appearance and participate in the case.

Very truly yours,

ames Brud

Attorney for Chi Energy, Inc.



EXHIBIT A

<u>e</u>

Bird Creek Resources, Inc. P.O. Box 21470 Tulsa, Oklahoma 74121

BK Exploration Corp. Suite 208 810 South Cincinnati Tulsa, Oklahoma 74119

verse inplex in	3. Solvice type 3. Solvice type 2. Certified Mail D. Express Mail 2. Certified Mail D. Express Mail 2. Insured Mail D. C.O.D. 4. Restricted Delivery/ (Extra Fee) 1 Yeas 7004 0750 000 70 0150 9053 9.4 1 Solvery C.O.D.	A LAND AND AND AND AND AND AND AND AND AND
SENDER: Complete Items 1, 2. Item 4 If Restricted D Print your name and so that we can return Attach this card to th Attach this card to th or on the front if apa 1. Article Addressed to: 1. Article Addressed to: T. A	Article Number 3. Article Number (Transfer from service label) (PS Form 38)11, February 2004	Converting This Secton on DELIVERY A Sumature X. M. W. C. Day M. C. Par of Dalivery X. M. O. TG O'MEU B. Raceived by (Printed Name) C. Par of Dalivery C. Par o
U.S. Postal Service CERTIFIED MAIL RECEI COMESTIC Mail Only: No Insurance cover For dallocry information visit our website at ww For dallocry information visit our website at ww Pounds in the contract of the	Address of the second s	SENDER: COMPLETE THIS SECTION Complete items 1, 2, and 3. Also complete them 4 if Restricted Delivery is desired. Phint your name and address on the reverse brint your name and address on the reverse so that we can return the card to you. Attach this card to the back of the malplace, or on the fromt if space permits. Attach this card to the back of the malplace, or on the fromt if space permits. Attach this card to the back of the malplace, or on the fromt if space permits. Attach this card to the back of the malplace, or on the fromt if space permits. Attach this card to the back of the malplace, or on the fromt if space permits. Attach this card to the back of the malplace, a Attach this card to the back of the malplace, Attach the form if it are active in the rest of the malplace, a Attach the section corp. Bis 10 attach attach attach attach Attach number Attach attach attach attach Attach attach attach attach PS Form 38111, February 2004 Domestic Return Receipt

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