## STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

# APPLICATION OF PRINCIPAL PROPERTIES FOR APPROVAL OF A NON-STANDARD GAS SPACING AND PRORATION UNIT, EDDY COUNTY, NEW MEXICO.

Case No. 14,755

## **AFFIDAVIT OF NOTICE**

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

10

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 Principal Properties.

3. Principal Properties 3. Purvis Operating Co. 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 letters and certified return receipts are attached hereto as Exhibits A and B.

5. Applicant has complied with the notice provisions of Division Rules NMAC 19.15.4.9 and 19.15.4.12.C.

James Bruce

SUBSCRIBED AND SWORN TO before me this  $\frac{1}{28 \pm h}$  day of November, 2011 by James Bruce.

Shown Bunce

Notary Public

Oil Conservation Division Case No. \_\_\_\_\_ Exhibit No. \_\_\_\_

My Commission Expires:

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

jamesbruc@aol.com

October 20, 2011

### <u>CERTIFIED MAIL – RETURN RECEIPT REQUESTED</u>

To: Persons on Exhibit A

Ladies and gentlemen:

Enclosed is a copy of an application for a non-standard unit, filed with the New Mexico Oil Conservation Division by Principal Properties, regarding the SW<sup>1</sup>/<sub>4</sub> of Section 1 and the NW<sup>1</sup>/<sub>4</sub> of Section (2, Township 21 South, Range 21 East, N.M.P.M., Eddy County, New Mexico. This matter is scheduled for hearing at 8:15 a.m. on Thursday, November 10, 2011, at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. As an offset operator or lessee, you have the right to enter an appearance and participate in the case. Failure to appear will preclude you from contesting this matter at a later date.

You are required to notify (in writing) the Division, and the undersigned, by Thursday, November 3, 2011 if you intend to participate in the hearing.

Very truly yours,

Attorney for Principal Properties

EXHIBIT

#### HILLTOP FEDERAL #1 & NASSER FED. #1 SEC. 1-T21S-R21E EDDY CO., NEW MEXICO

OWNER NAME AND ADDRESS NADEL AND GUSSMAN PERMIAN, L.L.C. 610 N. MARIENFELD, SUITE 508 MIDLAND, TEXAS 79701

RIO PECOS CORPORATION 4501 GREEN TREE BLVD. MIDLAND, TEXAS 79707-1607

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HOLLYHOCK CORPORATION 4105 BAYBROOK DRIVE MIDLAND, TEXAS 79707-1433

TARA-JON CORPORATION 6003 MEADOWVIEW LANE MIDLAND, TEXAS 79707-1661

MARK D. WILSON 4501 GREENTREE BLVD. MIDLAND, TEXAS 79701

OXY Y-1 OXY Y-1 -JIB'S P.O. BOX 27570 HOUSTON, TEXAS 77227

D & D PARTNERSHIP 830 EAST BIG BRIAR WAY LACANADA, CALIFORNIA 91011-1819

ABO PETROLEUM CORPORATION P.O. BOX 900 ARTESIA, NEW MEXICO 88211-0900

MYCO INDUSTRIES, INC. P.O. BOX 840 ARTESIA, NEW MEXICO 88211

PRESIDIO RESOURCES, INC. 3918 FAIRWOOD COURT MIDLAND, TEXAS 79707

APACHE CORP. 303 VETERIANS AIR PARK LANE MIDLAND, TEXAS 79705

JOEL MARTIN OIL & GAS, INC 6301 HAYWOOD DRIVE MIDLAND, TEXAS 79707

DORALEX ENERGY, INC. 3619 SOUTH JACKSON SAN ANGELO, TEXAS 76904-5598 OWNER NAME AND ADDRESS SCOTT E. MUEHLBRAD 2511 TERRACE MIDLAND, TEXAS 79705

CAL-MON OIL COMPANY 500 WEST TEXAS AVENUE, SUITE 1200 MIDLAND, TEXAS 79701

ANDREWS OIL L.P. 1015 BEE CAVE WOODS DRIVE, SUITE 300 A AUSTIN, TEXAS 78746

ESTATE OF SIDNEY W. COWAN, DAVID CLAY COWAN, EXECUTOR 1010 SOUTH MAIN DEL RIO, TEXAS 78840

MARY BETH BARTON 5506 NORTH COUNTY ROAD 1260 MIDLAND, TEXAS 79707

JAMES A MCCLATCHY 3411 MEADOWRIDGE LANE MIDLAND, TEXAS 79707

KEN MACHO AND KLM PETRO CORP. 1720 CROSS POINT ROAD MCKINNEY, TEXAS 75070

DON MCCLUNG 4110 EAST 37TH STREET ODESSA, TEXAS 79762

PARTNERSHIP MANAGEMENT, INC. 6003 MEADOWVIEW LANE MIDLAND, TEXAS 79707

KLM PETROLEUM CORPORATION 1305 TERRA COURT MIDLAND, TEXAS 79705

JAMES B WOODARD 3405 FELDSPAR LANE MIDLAND, TEXAS 79707-2404

DILLARD FISHER DILLARD PRTN 415 WEST WALL, SUITE 1510 MIDLAND, TEXAS 79701

YATES PETROLEUM CORPORTATION 105 SOUTH FORTH STREET ARTESIA, NEW MEXICO 88210



#### MULE DEER ATU FEDERAL COM SEC. 11-T21S-R21E EDDY CO., NEW MEXICO

OWNER NAME AND ADDRESS YATES PETROLEUM CORPORTATION (Operator) (W/2 and SE/4) 105 SOUTH FORTH STREET ARTESIA, NEW MEXICO 88210

EXXON MOBIL CORPORATION (NE/4) P.O. BOX 4610 CORP. - WGR-706 HOUSTON, TEXAS 77210-4610 ATTN: DYLAN BOYER

#### SEC. 12, N/2 - T21S-R21E EDDY CO., NEW MEXICO

ORR EXPLORATION LTD. 3600 STENERIDGE ROAD, # A-101 AUSTIN, TEXAS 78746-7720

Section 2 N/2 - T21S - R21E EDDY CO., NEW MEXICO

STATE OF NEW MEXICO - OPEN

SEC. 2, S/2 - T21S-R21E EDDY CO., NEW MEXICO

ORR EXPLORATION LTD. 3600 STENERIDGE ROAD, # A-101 AUSTIN, TEXAS 78746-7720

#### Section 12 S/2 - T21S - R21E EDDY CO., NEW MEXICO

#### **OWNER NAME AND ADDRESS**

NADEL AND GUSSMAN PERMIAN, L.L.C. 601 N. MARIENFELD, SUITE 508 MIDLAND, TX 79701

HEATHER WILSON ECHOLS 6003 MEADOWVIEW LANE MIDLAND, TX 79707-1661

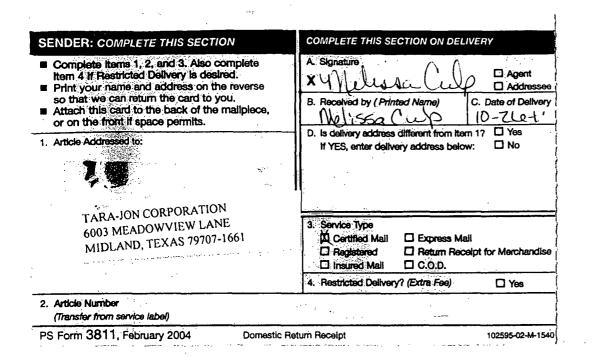
TARA-JON CORPORATION 6003 MEADOWVIEW LANE MIDLAND, TX 79707-1661

J. CLEO THOMPSON AND JAMES CLEO THOMPSON JR., L.P. 325 NORTH ST. PAUL, SUITE 4300 DALLAS, TX 75201

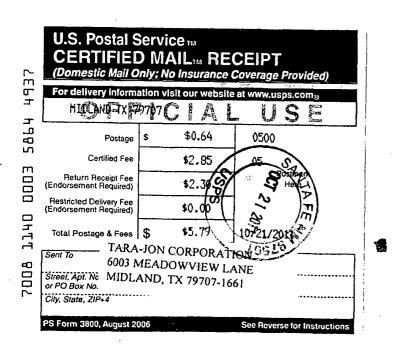
MCCOMBS ENERGY, LTD 5599 SAN FELIPE, SUITE 1200 HOUSTON, TX 77056-2794

GERONIMO HOLDING CORPORATION P.O. BOX 804 MIDLAND, TX 79702-0804

RIO PECOS CORPORATION 4501 GREEN TREE BLVD. MIDLAND, TX 79701-1607



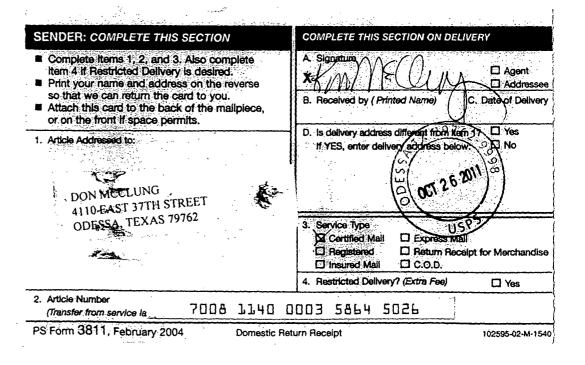


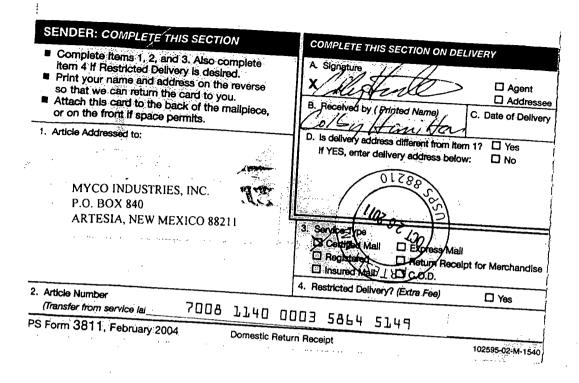




<ul> <li>SENDER: COMPLETE THIS SECTION</li> <li>Complete Items 1, 2, and 3. Also complete Item 4 If Restricted Delivery is desired.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the maliplece, or on the front if space permits.</li> </ul>	COMPLETE THIS SECTION ON DELIVERY  A. Signature  X  A. Signature  X  A. Signature  C. Date of Delivery  C. Date of Delivery	U.S. Postal Service TA CERTIFIED MAIL TH RECEIPT (Domestic Mail Only; No Insurance Coverage Provided) For delivery information visit our website at www.usps.comp OILSA FR 19762 C A			
1. Article Addressed to: JOEL MARTIN OIL & GAS, INC 6301 HAYWOOD DRIVE MIDLAND, TEXAS 79707	D. Is delivery address different from item 1/ D Yes If YES, enter delivery address below: D No	Postage \$ \$0.64 0500 Certified Fee \$2.85 Return Receipt Fee \$2.85 (Endorsement Required) Restricted Delivery Fee \$0.00 (Endorsement Required) Restricted Delivery Fee \$0.00 (Endorsement Required)			
2. Article Number (Transfer from service lat 7008 1.1.40 r	3. Service Type         S. Centified Mail       Express Mail         Registered       Return Receipt for Merchandise         Insured Mail       C.O.D.         4. Restricted Delivery? (Extra Fee)       Yes         003       5864	Total Postage & Fees \$ \$5.79 Sent To DON MCCLUNG Street, Apr. No. City, State, Zif DOESSA, TEXAS 79762			
PS Form 3811, February 2004 Domestic Ref		PS Form 3800, August 2006 See Reverse for Instructions			

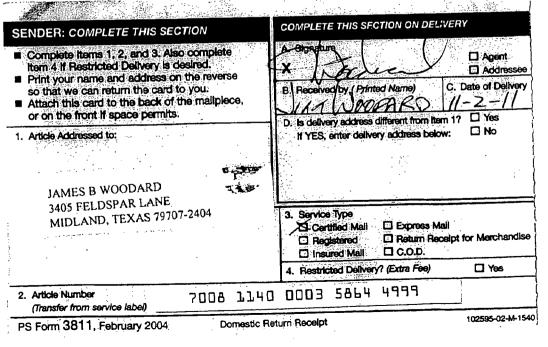








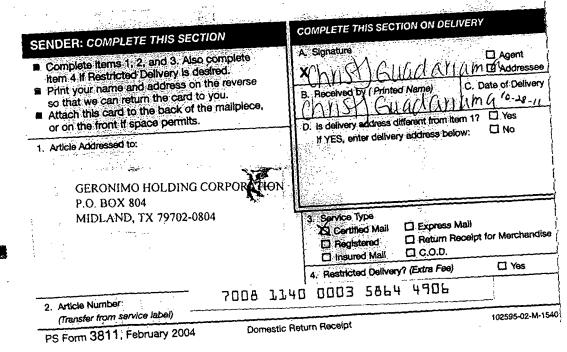


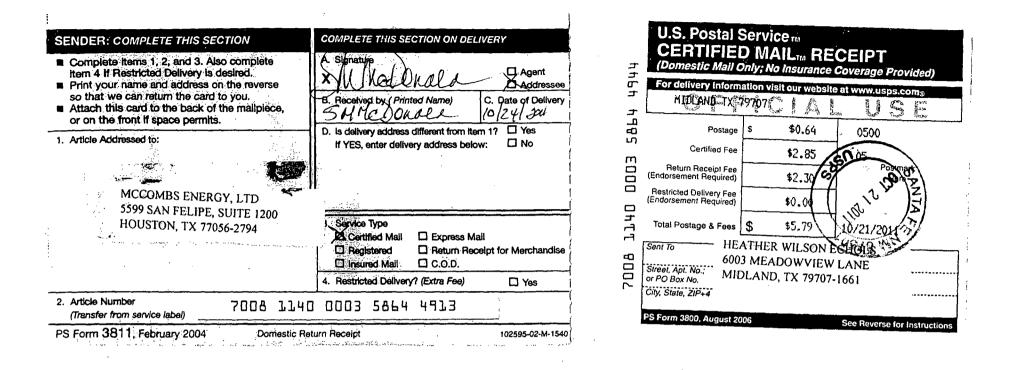


COMPLETE THIS SECTION ON DELIVERY				
A Signature X W Addresse B. Received by (Printed Name) M. Scale (1) C. Date of Deliver 10 - 24 - (1) C. Ja delivery address different from item 12 Yes				
D. Is delivery address different from item 17				
Service Type     Service Type     Service Mail     Express Mail     Registered     Return Receipt for Merchandis				
Insured Mail     C.O.D.     A. Restricted Delivery? (Extra Fee)     Yes				
0003 5864 5019				

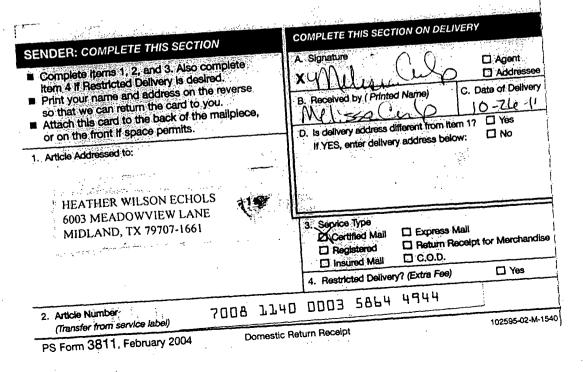


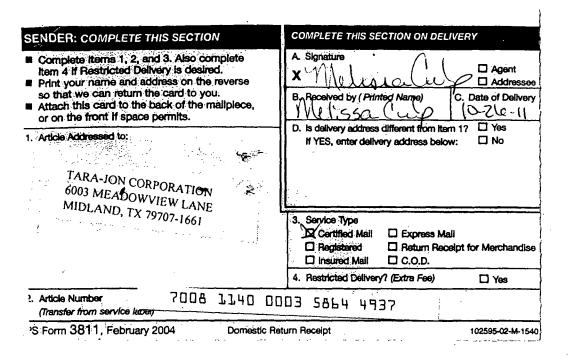






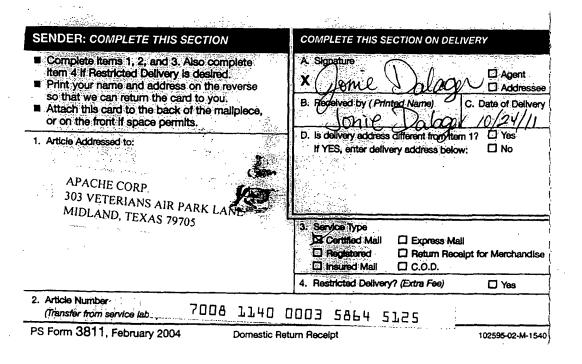


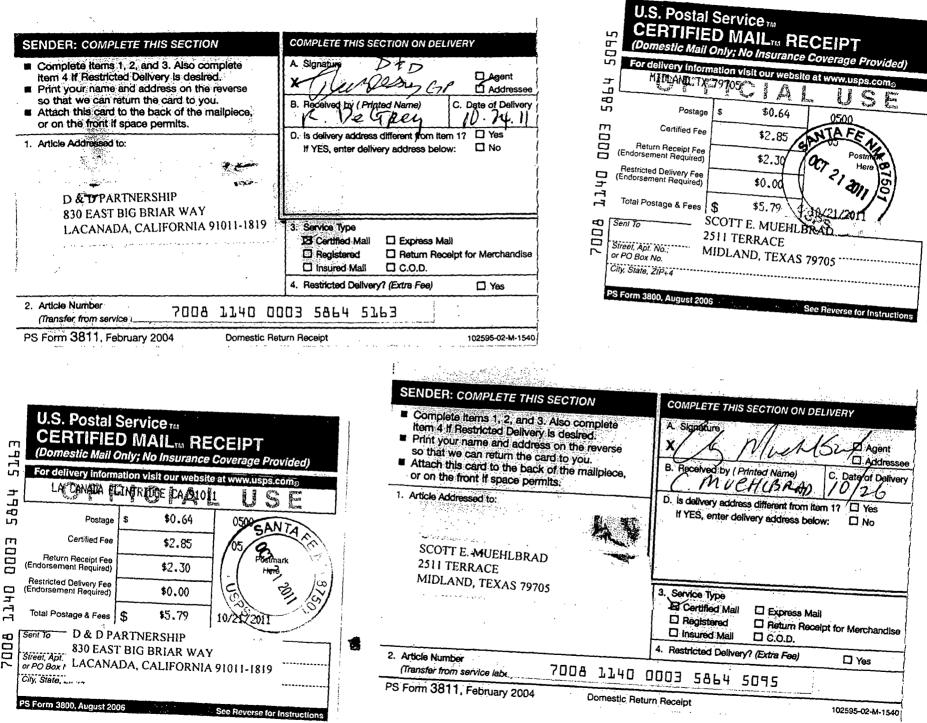


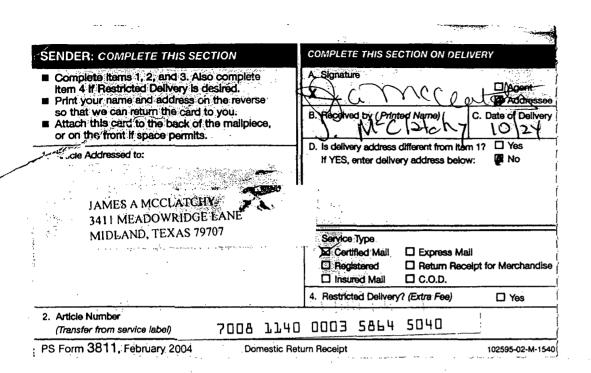






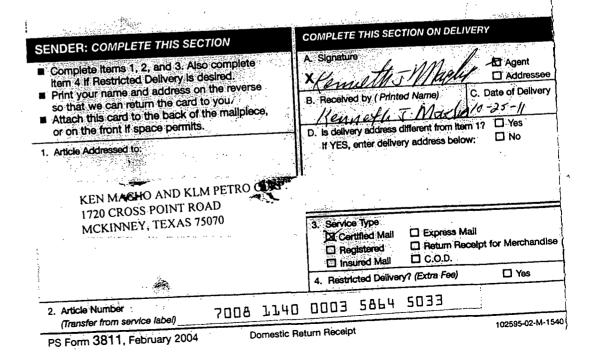


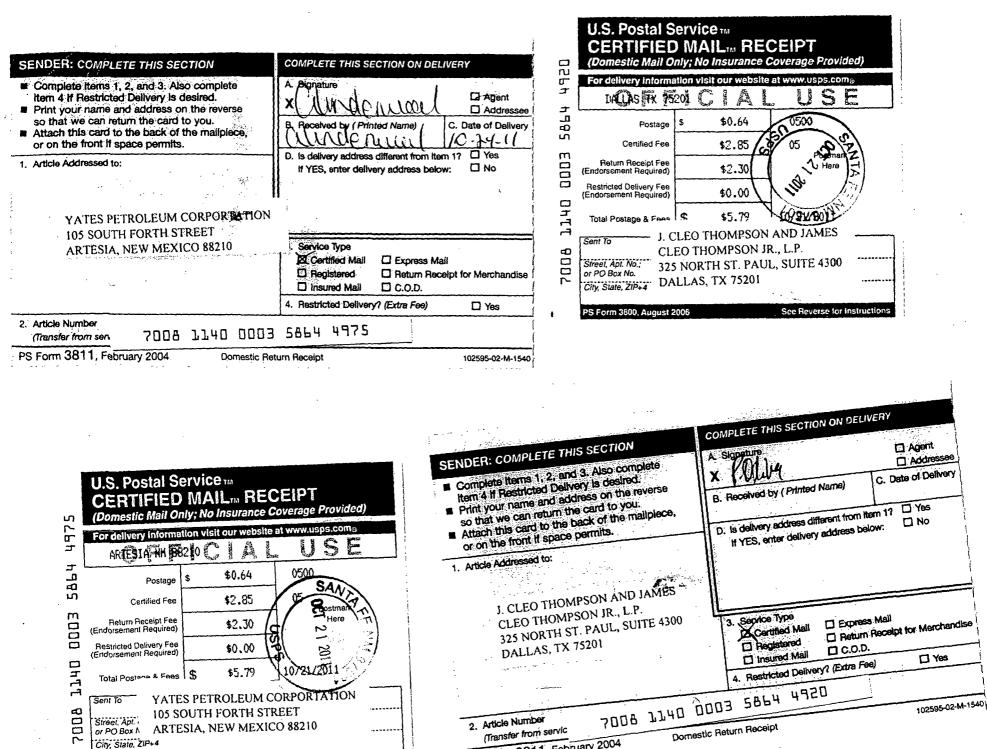








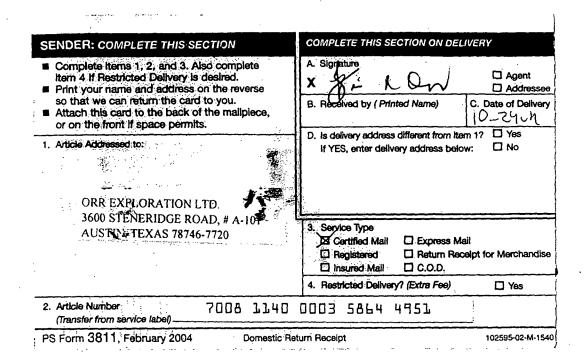




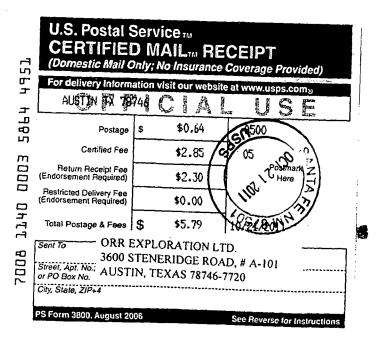
PS Form 3811, February 2004

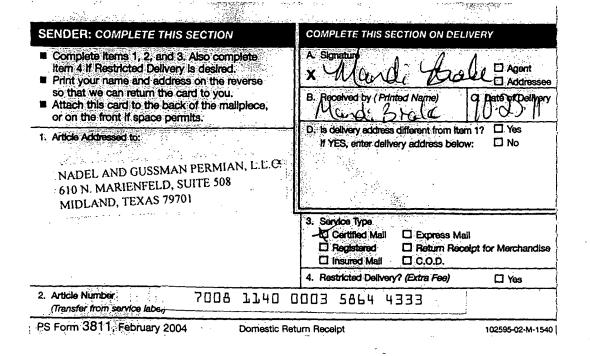
See Reverse for Instructions

PS Form 3800, August 2006



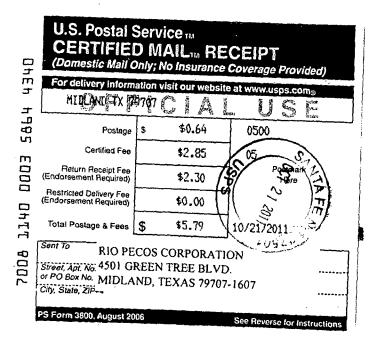


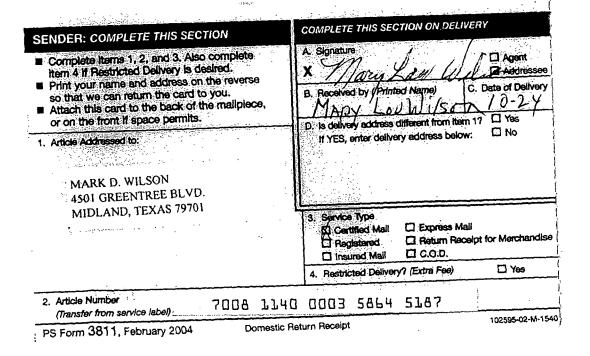




SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul> <li>Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>Print your name and address on the reverso that we can return the card to you.</li> <li>Attach this card to the back of the maliple or on the front if space permits.</li> </ul>	A Signature X Maty Lu Martel Agent B. Received by (Printed Name) C. Date of Delivery MARY LOV WISCH (0-24)
1. Article Addressed to: RIO PECOS CORPORATION	D. Is dellyéry address different from item 17 🖸 Yes L If YES, enter dellyery address below: 🔲 No
4501 GREEN TREE BLVD. MIDLAND, TEXAS 79707-1607	3. Service Type Certified Mall  Express Mail Registered  Receipt for Merchandise Insured Mail  C.O.D.
	4. Restricted Delivery? (Extra Fee)
2. Article Number (Transfer from service lab 7008 1)	140 0003 5864 4340
PS Form 3811, February 2004 Do	mestic Return Receipt 102595-02-M-1540

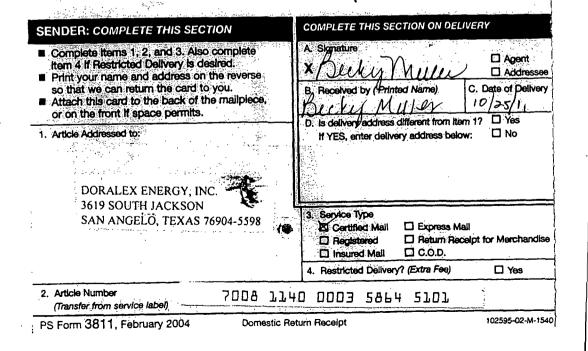
4 5187	U.S. Postal S CERTIFIED (Domestic Mail O For delivery information MINTANII-TX	MAI niy; No li tion visit	LTM REC	loverage f at www.usp	os.comp	
5864	Postage	\$	\$0.64	1500	RIATE	
m	Certified Fee		\$2.85	19		n)
0003	Return Receipt Fee (Endorsement Required)		\$2.30	l lov l b	HE S	-/
	Restricted Delivery Fee (Endorsement Required)	\$0.00			10518	/
1140	Total Postage & Fees	\$	\$5.79	10/21/2		
7008	Sent To MARK D Street, Ap. or PO Box MIDLAN City, State	EENTRE	E BLVD.			
	PS Form 3800, August 2	2006		See Reve	rse for instruction	ns





SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	U.S. Postal Service M CERTIFIED MAIL RECEIPT
<ul> <li>Complete Items 1, 2, and 3. Also complete Item 4 if Restricted Delivery is desired.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the maliplece, or on the front if space permits.</li> <li>Article Addressed to:</li> <li>OXY Y-1 OXY Y-1 -JIB'S P.O. BOX 27570 HOUSTON, TEXAS 77227</li> </ul>	A Signature  A Signature  A Signature  A Signature  A Agent  Addressee  B Received by (Printed Name)  C. Date of Delivery  D. Is delivery address different from Item 17  Yes If YES, enter delivery address below:  No  No  St.Centified Mail  Registered  Return Receipt for Merchandise Insured Mail  C.O.D.  Agent Addressee Addre	CERTIFIED With List or Website at www.usps.comp         (Domestic Mall Only; No Insurance Coverage Provided).         For delivery information visit our website at www.usps.comp         SAV ANSELQ X 76603         Postage       \$ \$0.64       D SE         Postage       \$ \$0.64       10 SE         Postage       \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$
2. Article Number 7008 1140 (Transfer from service label)	0003 5864 5170	PS Form 3800, August 2006 See Reverse for Instructions
PS Form 3811, Fébruary 2004 Domestic Retu	urn Receipt 102595-02-M-1540	

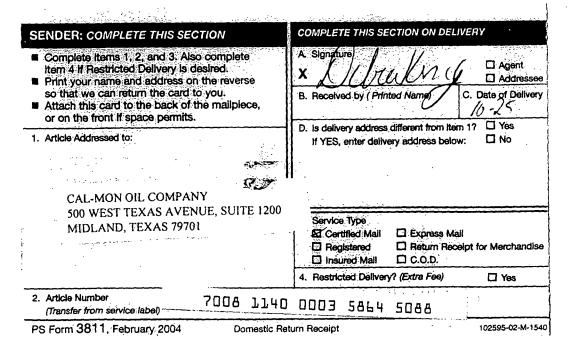


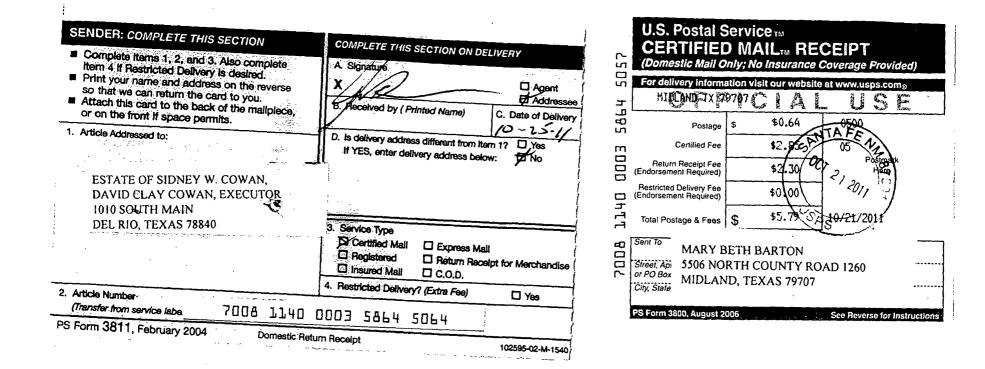


SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DEL	IVERY
<ul> <li>Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> </ul>	A Signature	Agent
Attach this card to the back of the maliplece, or on the front it space permits.	B. Received by (Printed Name) FRHIN HUFF MAN	C. Date of Delivery
1. Article Addressection	D. is delivery address different from iter if YES, enter delivery address below	n 1? 🛛 Yes w: 🖾 No
ABO PETRUL CORPORATION P.O. BOX 900 ARTESIA, NEW MEXICO 88211-0900	PO Box 90	3
a de la companya de La companya de la comp	S. Service Type C. Certified Mail Registered Mail C. Return Rece C. Return Rece	l Not for Merchandise
2. Article Number	4. Restricted Delivery! (Extra Fee)	🗆 Yes
(Transfer from service label) 2008 1140	0003 5864 5156	
PS Form 3811, February 2004 Domestic Re	turn Receipt	102595-02-M-1540

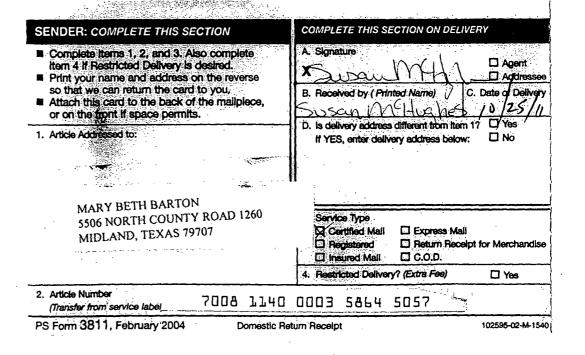








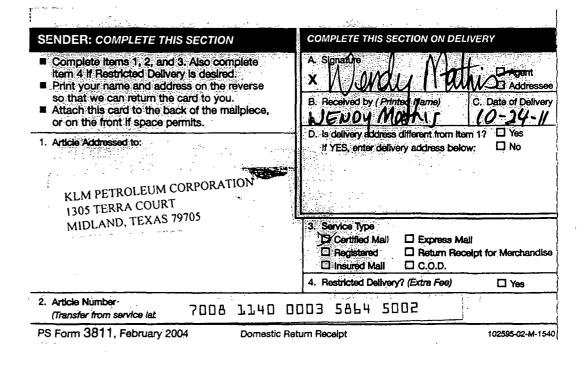


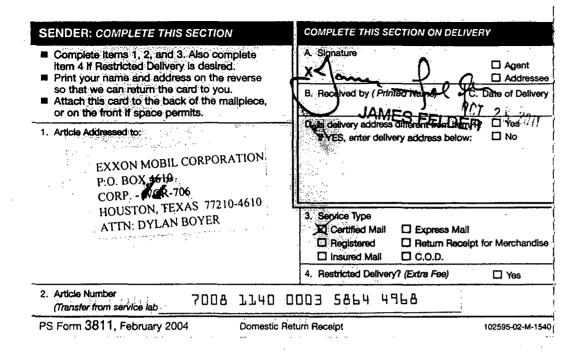


SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul> <li>Complete Items 1, 2, and 3. Also complete Item 4 If Restricted Delivery is desired.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the malipiece, or on the front if space permits.</li> </ul>	A Signifure Agent A Agent Addresse B. Received by (Printed Name) C. Date of Deliver
1. Article Addressed to: DILLARD FISHER DILLARD PRTN 415 WEST WALL, SUITE 1510	D. Is delivery address different from item 17  Yes If YES, enter delivery address below: No
MIDLAND, TEXAS 79701	Service Type     Service Type     Certified Mail     Registered     Return Receipt for Merchandise     Insured Mail     C.O.D.     Kra Fee     Yes
Article Number 7008 1140	0003 5864 4982



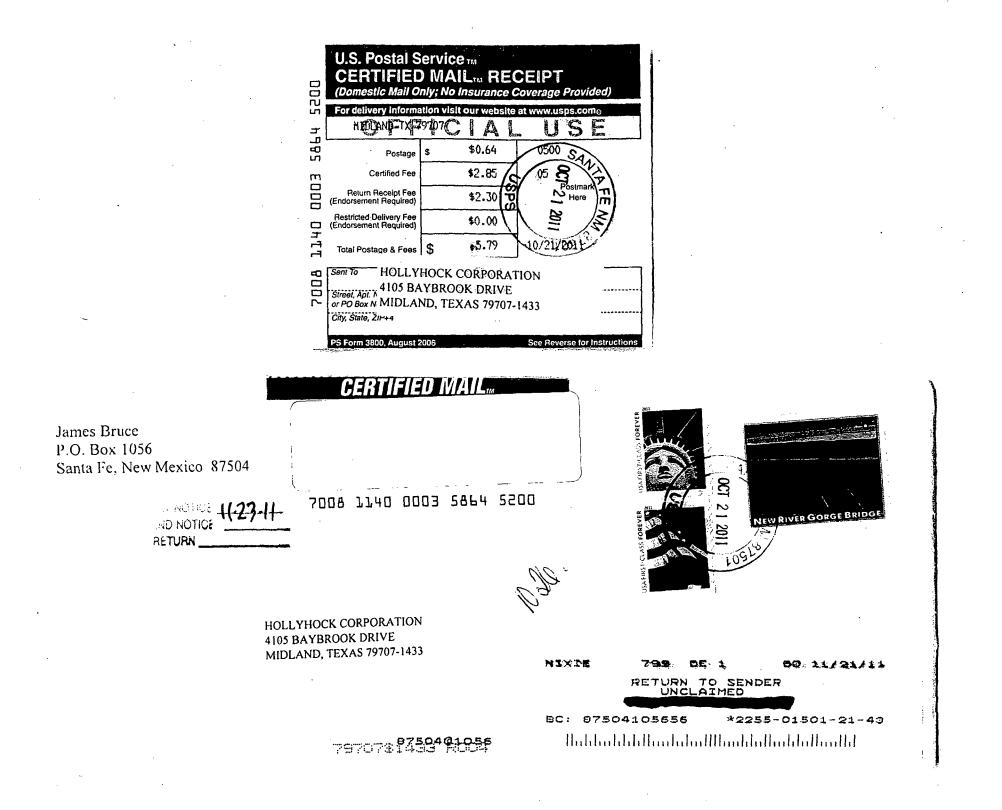






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m	Certilied Fee	·	\$2	.85		05		
E D D D	Return Receipt Fee (Endorsement Required)		\$2	.30			rk	
	Restricted Delivery Fee (Endorsement Required)		\$0	.00				
1.14	Total Postage & Fees			.79		14/21/2	011	
PRESIDIO RESOURCES, INC.								
9	Sent To 3918 FAIRWOOD COURT							
7008	Sireei, Apt. No MIDLAND, TEXAS 79707							
	City, State, ZIP+4							
	PS Form 3800, August 2	006		•••		See Reve	erse foi	Instructions





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

jamesbruc@aol.com

October 20, 2011

### CERTIFIED MAIL – RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

Ladies and gentlemen:

Enclosed is a copy of an application for a non-standard unit, filed with the New Mexico Oil Conservation Division by Principal Properties, regarding the SW¼ of Section 1 and the NW¼ of Section 12, Township 21 South, Range 21 East, N.M.P.M., Eddy County, New Mexico. This matter is scheduled for hearing at 8:15 a.m. on Thursday, November 10, 2011, at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. As an offset interest owner, you have the right to enter an appearance and participate in the case. Failure to appear will preclude you from contesting this matter at a later date.

You are required to notify (in writing) the Division, and the undersigned, by Thursday, November 3, 2011 if you intend to participate in the hearing.

Very truly yours,

ames Bruce

Attorney for Principal Properties



# EXHIBIT A

Bureau of Land Management 620 East Greene Carlsbad, New Mexico 88220

Oil, Gas and Minerals Division Commissioner of Public Lands 310 Old Santa Fe Trail Santa Fe, New Mexico 87501

