Affidavit of Publication

STATE OF NEW MEXICO)
) ss
COUNTY OF LEA)

Joyce Clemens being first duly sworn on oath deposes and says that she is Advertisting Director of THE LOVINGTON DAILY LEADER, a daily newspaper of general paid circulation published in the English language at Lovington, Lea County, New Mexico; that said newspaper has been so published in such county continuously and uninterruptedly for a period in excess of Twenty-six (26) consecutive weeks next prior to the first publication of the notice hereto attached as hereinafter shown; and that said newspaper is in all things duly qualified to publish legal notices within the meaning of Chapter 167 of the 1937 Session Laws of the State of New Mexico.

That the notice which is hereto attached, entitled

Legal Notice

And that the cost of publishing sald notice is the sum of $\$^{46.92}$ which sum has been (Paid) as Court Costs.

Subscribed and sworn to before me this 10th day of August 2005

Debbie Schlling

Notary Public, Lea County, New Mexico My Commission Expires June 22, 2006 LEGAL NOTICE NOTICE OF PUBLICATION

STATE OF
NEW MEXICO
ENERGY, MINERALS
AND NATURAL
HESOURCES
DEPARTMENT
OIL CONSERVATION
DIVISION
SANTA FE,
NEW MEXICO

The State of Now Mexico through its Oil Division Conservation hereby gives notice pursuant to law and the Rules and Regulations of the Division of the following public hearing to be held at 8:15 A.M. on August 11, 2005, in the Conservation Division Hearing Room at 1220 South St. Francis, Santa Fe. New Mexico, before an examiner duly appoint for the hearing. If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxillary aid or service to attend or participate in the hearing, please contact: Florene Davidson at 505-476-3458 or through the New Mexico Relay Network, 1-800-659-1779 by August 1, 2005. Public documents including the agenda and minutes, can be provided in various accessible forms. Please contact Florene Davidson if a summary or other type of accessible form is needed.

STATE OF NEW MEXICO

All named parties and persons having any right, title, interest or claim in the following cases and notice to the public.

(NOTE: All land descriptions herein refer to the New México Principal Meridian whether or not so stated.)

CASE 13535:

Application ρſ Yalas Petroleum Corporation for approval of a Unit Agreement, Lea County. New Mexico. Applicant seeks approval of the like State Exploratory Unit from the surface to the base of the Mississippian formation in an area comprising 3016.04 acres of State of New Mexico lands in Sections 25 and 36 in Township 12 South. Flange 34 East, NMPM and Sections 29, 30, 31. and 32 in Township 12 South, Range 35 East. NMPM which is located approximately 10 miles Talum, New west of Mexico.

Given under the Seat of the State of New Mexico Oil Conservation Commission at Santa Fe, New Mexico on this 20th day of July 2005.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

Mark E. Fesmire, P.E., Director

Published in the Lovington Daily Leader July 28, 2005

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Case No. 13535 Exhibit No. 3

Submitted by:

Yates Petroleum Corporation

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