

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

APPLICATION OF CHI OPERATING,
INC. TO AMEND ORDER NO. R-13262,
EDDY COUNTY, NEW MEXICO.

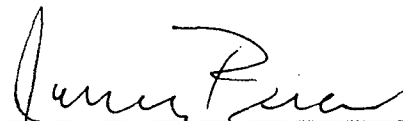
Case No. 15,019

AFFIDAVIT OF NOTICE

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

James Bruce, being duly sworn upon his oath, deposes and states:

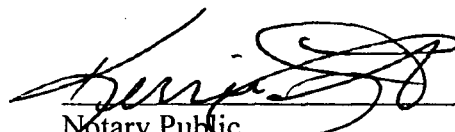
1. I am over the age of 18, and have personal knowledge of the matters stated herein.
2. I am an attorney for Chi Operating, Inc.
3. Applicant has conducted a good faith, diligent effort to find the names and correct addresses of the interest owners entitled to receive notice of the application filed 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 Rules NMAC 19.15.4.9 and 19.15.4.12.C.


James Bruce

SUBSCRIBED AND SWORN TO before me this 10th day of July, 2013 by James Bruce.



My Commission Expires


Notary Public

Oil Conservation Division
Case No. 2
Exhibit No. 2

JAMES BRUCE
ATTORNEY AT LAW

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SANTA FE, NEW MEXICO 87504

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June 15, 2013

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

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

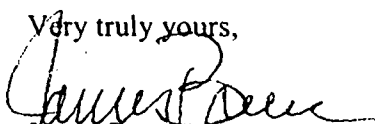
Ladies and gentlemen:

Enclosed is a copy of an application to amend Order No. R-13262, regarding unitization of and secondary recovery operations in the Benson Delaware Unit, filed with the New Mexico Oil Conservation Division by Chi Operating, Inc.

This matter is scheduled for hearing at 8:15 a.m. on Thursday, July 11, 2013, in Porter Hall at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an owner of an interest that 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 contesting this matter at a later date.

A party appearing in a Division case is required by Division Rule to file a Pre-Hearing Statement no later than Wednesday, July 3, 2013. This statement must be filed with the Division's Santa Fe office at the above address, and with the attorney for Chi Energy, Inc., and should include: The names of the party and its attorney; a concise statement of the case; the names of the witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that need to be resolved prior to the hearing.

Very truly yours,


James Bruce

Attorney for Chi Operating, Inc.

EXHIBIT



SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

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

COMPLETE THIS SECTION ON DELIVERY**A. Signature**☐ Agent☐ Addressee**B. Received by (Printed Name)****C. Date of Delivery****D. Is delivery address different from item 1?** ☐ YesIf YES, enter delivery address below: ☐ No**3. Service Type**☒ Certified Mail☐ Express Mail☐ Registered☐ Return Receipt for Merchandise☐ Insured Mail☐ C.O.D.**4. Restricted Delivery? (Extra Fee)**☐ Yes**2. Article Number**

(Transfer from service label)

7012 0470 0001 5976 8065

PS Form 3811, February 2004

Domestic Return Receipt

Chi Benson

102595-02-M-1540