

**Affidavit of Publication**

State of New Mexico,  
County of Eddy, ss.

**Kathy McCarroll**, being first duly sworn,  
on oath says:

That she is the Classified Supervisor of the Carlsbad Current-Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

May 29 2014

That the cost of publication is **\$62.08**  
and that payment thereof has been  
made and will be assessed as court  
costs.

*Kathy McCarroll*

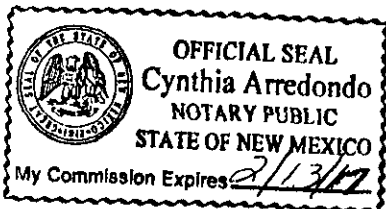
Subscribed and sworn to before me this

29 day of May, 2014  
*Cynthia Arredondo*

My commission Expires

2/13/17

Notary Public



May 29, 2014  
**NOTICE**  
To: Bayshore Production Co. and Union Texas Petroleum Corporation, Chi Operating, Inc. has filed an application with the New Mexico Oil Conservation Division seeking an order pooling all mineral interests in the Morrow formation underlying the S/2 of Section 10, Township 17, South, Range 28 East, N.M.P.M., Eddy County, New Mexico, to form a standard 320-acre gas spacing and proration unit for any formations and/or pools developed on 320 acre spacing within that vertical extent. The unit will be dedicated to the Coal Train Fed. Com. Well No. 1, drilled at an orthodox location in the SW/4SW/4 of Section 10. Also to be considered will be the designation of applicant as operator of the well. The application is scheduled to be heard at 8:15 a.m. on Thursday, June 12, 2014 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 enter an appearance and participate in the case. Failure to appear will preclude you from contesting this matter at a later date. The attorney for applicant is James Bruce, P.O. Box 1056, Santa Fe, New Mexico 87504. The unit is located approximately 14 miles east of Artesia, New Mexico.

Oil Conservation Division

Case No. 15133

Exhibit No. 3