

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

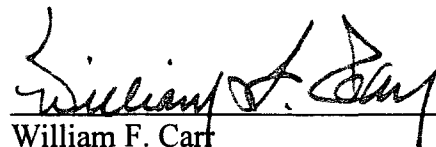
**IN THE MATTER OF THE APPLICATION OF
GRUY PETROLEUM MANAGEMENT COMPANY
FOR SIMULTANEOUS DEDICATION, LEA COUNTY,
NEW MEXICO.**

CASE NO. 13572

AFFIDAVIT

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

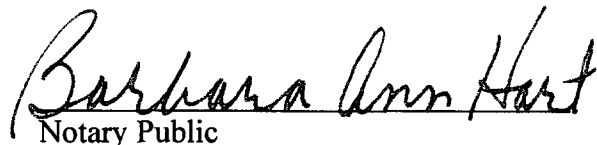
William F. Carr, attorney in fact and authorized representative of Gruy Petroleum Management Company, the Applicant herein, being first duly sworn, upon oath, states that notice of the above-referenced Application was mailed to the addresses shown on Exhibit "A" attached hereto, and that true and correct copies of the notice letter and proof of receipt are attached hereto.



William F. Carr

SUBSCRIBED AND SWORN to before me this 21st day of September 2005 by William F.

Carr.



Notary Public

My Commission Expires: March 28, 2008

3453885_1.DOC

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Case No. 13567-13572 Exhibit No. 9
Submitted by:
GRUY PETROLEUM MANAGEMENT CO.
Hearing Date: October 20, 2005

EXHIBIT A

NOTIFICATION LIST

APPLICATION OF GRUY PETROLEUM MANAGEMENT COMPANY
FOR SIMULTANEOUS DEDICATION,
LEA COUNTY, NEW MEXICO.

Rhodes Federal Unit Well No. 102
Cagle C Federal Com Well No. 6

Offset Operators:

Doyle Hartman
Post Office Box 10426
Midland, Texas 79702

Gruy Petroleum Management Co.
Post Office Box 140907
Irving, Texas 75014-0907

**Leasehold owners SE/4 Section 3 and NE/4 Section 10,
T-26-S, R-37-E – LC-030176-B**

Apache Corporation
6120 South Yale Ave., Suite 1500
Tulsa, Oklahoma 74136-4224
Attention: Mario Moreno

OXY USA, Inc.
6 Desta Drive
Midland, Texas 79705
Attention: Pat Sparks



September 15, 2005

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO AFFECTED INTEREST OWNERS:

Re: Application of Gruy Petroleum Management Company for Simultaneous Dedication, Lea County, New Mexico.

Ladies and Gentlemen:

This letter is to advise you that Gruy Petroleum Management Company has filed the enclosed application with the New Mexico Oil Conservation Division seeking authorization to simultaneously dedicate a standard 160-acre spacing or proration unit in the Rhodes Yates-Seven Rivers Gas Pool comprised of the NW/4 of Section 10, Township 26 South, Range 37 East, NMPM, to its Cagle C Federal Com Well No. 6 and its RFU Well No. 102.

This application has been set for hearing before a Division Examiner on October 6, 2005. The hearing will be held in Porter Hall at the Division's Santa Fe offices located at 1220 South Saint 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 challenging the matter at a later date.

Parties appearing in cases are required by Division Rule 1208.B to file a Pre-Hearing Statement with the Oil Conservation Division's Santa Fe office, four days in advance of a scheduled hearing. This statement must include: the names of the parties and their attorneys; a concise statement of the case; the names of all 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 are to be resolved prior to the hearing.

Very truly yours,

WILLIAM F. CARR
ATTORNEY FOR GRUY PETROLEUM MANAGEMENT COMPANY

Enc.

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

**IN THE MATTER OF THE APPLICATION OF
GRUY PETROLEUM MANAGEMENT COMPANY
FOR SIMULTANEOUS DEDICATION,
LEA COUNTY, NEW MEXICO.**

CASE NO. _____

APPLICATION

GRUY PETROLEUM MANAGEMENT COMPANY ("Gruy"), through its undersigned attorneys, pursuant to Oil Conservation Division Rule 104.D (3), hereby makes application for an order authorizing the simultaneous dedication of the following two wells located in the NW/4 of Section 10, Township 26 South, Range 37 East, NMPM, Lea County, New Mexico to the 160-acre spacing and proration unit in the Rhodes Yates-Seven Rivers Gas Pool comprised of the NW/4 of said Section 10:

- A. Cagle C Federal Com Well No. 6 ("Cagle Well No. 6") located in Unit C at a standard gas well location 660 feet from the North line and 1977 feet from the West line; and
- B. Rhodes Federal Unit Well No. 102 (API No. 30-025-24537) (RFU Well No. 102") located in Unit E at an standard gas well location 1980 feet from the North line and 660 feet from the West line.

In support of its application, Gruy states:

- 1. Gruy is the operator of a standard 160-acre gas spacing and proration unit in the Rhodes Yates-Seven Rivers Gas Pool comprised of the NW/4 of Section 10, Township 26 South, Range 37 East, NMPM, Lea County, New Mexico. Gruy's RFU Well No. 102 located in Unit E of said Section 10 currently produces from the Yates Seven-Rivers formation, Rhodes Yates-Seven Rivers Gas Pool.
- 2. Gruy's RFU Well No. 102 is not efficiently producing the reserves under this spacing unit.
- 3. To produce the reserves under this spacing unit, Gruy seeks an exception to the provisions of Division Rule 104.D(3) for its Cagle Well No. 6 which it proposes to drill at a standard

location in Unit C of Section 10 for the production of hydrocarbons from the Yates-Seven Rivers formation.

4. The simultaneous dedication of the NW/4 of said Section 10 to the Cagle Well No. 6 and the RFU Well No. 102 will afford Gruy the opportunity to efficiently produce the Yates-Seven Rivers formation under this spacing and proration unit, thereby protecting its correlative rights. The correlative rights of no other owner in this reservoir will be adversely affected.

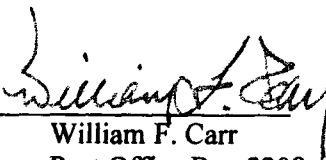
5. Notice of this application has been provided to those affected parties identified on the Notification List marked Exhibit A and attached hereto.

6. Approval of this application will result in the efficient recovery of hydrocarbons from the Rhodes Yates-Seven Rivers Gas Pool, thereby preventing waste, and will otherwise be in the best interest of conservation.

WHEREFORE, Gruy Petroleum Management Company requests that this application be set for hearing before an Examiner of the Oil Conservation Division on October 6, 2005 and, after notice and hearing as required by law, the Division enter its order approving the simultaneous dedication of the NW/4 of Section 10, Township 26 South, Range 37 East, NMPM, to the Cagle C Federal Com Well No. 6 and the RFU Well No. 102.

Respectfully submitted,

HOLLAND & HART LLP

By: 
William F. Carr
Post Office Box 2208
Santa Fe, New Mexico 87504
Telephone: (505) 988-4421

ATTORNEYS FOR GRUY PETROLEUM
MANAGEMENT COMPANY

CASE____: **Application of Gruy Petroleum Management Company for simultaneous dedication, Lea County, New Mexico.** Applicant in the above-styled cause seeks authorization to simultaneously dedicate the standard 160-acre gas spacing unit in Rhodes formation, Rhodes Yates-Seven Rivers Gas Pool, comprised of the NW/4 of Section 10, Township 26 South, Range 37 East, NMPM, to its Cagle C Federal Com Well No. 6 located in Unit C at a standard location 660 feet from the North line and 1977 feet from the West line of said Section 10 and its Rhodes Federal Unit Well No. 102 (API No. 30-025-24537) located in Unit E at an standard gas well location 1980 feet from the North line and 660 feet from the West line of said Section 10. Said unit is located approximately 3 miles south of Jal, New Mexico.

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only - No Insurance Coverage Provided)

OFFICIAL
WFC/Grady Rhodes
Cagle
Postage \$ 1.60
Certified Fee 2.30
Return Receipt Fee 1.75
Restricted Delivery Fee (Endorsement Required)
Total Postage & Fees \$ 7.65

Sent To Apache Corporation
Attn: Mario Moreno
Street, Apt. No., or PO Box No. 6120 South Yale Avenue
City, State, ZIP+ Suite 1500
Tulsa, OK 74136-4224
PS Form 3800

SEP 15 2003
Postmark Here
USPS
MEXICO 87601-9998

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only - No Insurance Coverage Provided)

OFFICIAL
WFC/Grady Rhodes
Cagle
Postage \$ 1.60
Certified Fee 2.30
Return Receipt Fee 1.75
Restricted Delivery Fee (Endorsement Required)
Total Postage & Fees \$ 7.65

Sent To Gruy Petroleum Management Co.
Street, Apt. No., or PO Box No. P. O. Box 140907
City, State, ZIP+ Irving, Texas 75014-0907
PS Form 3800

SEP 15 2003
Postmark Here
USPS
MEXICO 87601-9998

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:
Apache Corporation
Attn: Mario Moreno
6120 South Yale Avenue
Suite 1500
Tulsa, OK 74136-4224

2. Article Number (Copy 7001 1140 0002 9558 4270)

PS Form 3811, July 1999 Domestic Return Receipt

■ 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:
Gruy Petroleum Management Co.
P. O. Box 140907
Irving, Texas 75014-0907

2. Article Number (Copy from 7001 1140 0002 9558 4263)

PS Form 3811, July 1999 Domestic Return Receipt

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery
Stanley Allen 9/19/03

C. Signature
X Agent
Addresssee

D. Is delivery address different from item 1? Yes No
If YES, enter delivery address below:

3. Service Type
X Certified Mail Express Mail
Registered Return Receipt for Merchandise
Insured Mail C.O.D.
Restricted Delivery? (Extra Fee) Yes

4. Restricted Delivery? (Extra Fee) Yes

102595-00-M-0952

A. Received by (Please Print Clearly) B. Date of Delivery
Stanley Allen 9-19-03

C. Signature
X Agent
Addresssee

D. Is delivery address different from item 1? Yes No
If YES, enter delivery address below:

3. Service Type
X Certified Mail Express Mail
Registered Return Receipt for Merchandise
Insured Mail C.O.D.
Restricted Delivery? (Extra Fee) Yes

4. Restricted Delivery? (Extra Fee) Yes

102595-00-M-0952

U.S. Postal Service
CERTIFIED MAIL RECEIPT
 (Domestic Mail Only, No Insurance Coverage Provided)

OFFICIAL MAIL

WFE/brv Rhodes	Postage \$	1.60
Cagle	Certified Fee	2.30
	Return Receipt Fee (Endorsement Required)	1.75
	Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees		\$ 4.65

SEP 15 2005
 Postmark Here
 USPS

Sent To Doyle Hartman
 Street, Apt. No., or PO Box No. P.O. Box 10426
 City, State, ZIP+4 Midland, TX 79702
 PS Form 3800, January 2001 See Reverse for Instructions

U.S. Postal Service
CERTIFIED MAIL RECEIPT
 (Domestic Mail Only, No Insurance Coverage Provided)

OFFICIAL MAIL

WFE/brv Rhodes	Postage \$	1.60
Cagle	Certified Fee	2.30
	Return Receipt Fee (Endorsement Required)	1.75
	Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees		\$ 4.65

SEP 15 2005
 Postmark Here
 USPS

Sent To OXY USA, Inc.
 Street, Apt. No., or PO Box No. Attn: Pat Sparks
 City, State, ZIP+4 6 Desta Drive
 Midland, Texas 79705
 PS Form 3800

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:
 Doyle Hartman
 P. O. Box 10426
 Midland, TX 79702

2. Article Number (Copy to 7001 1140 0002 9558 4256
 PS Form 3811, July 1999 Domestic Return Receipt 102595-00-M-0952

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery
 Doyle Hartman 9-21-05
 C. Signature
 Doyle Hartman
 D. Is delivery address different from item 1? ☐ Yes ☐ No
 If YES, enter delivery address below:

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☒ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.
 4. Restricted Delivery? (Extra Fee) ☐ Yes

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:
 OXY USA, Inc.
 Attn: Pat Sparks
 6 Desta Drive
 Midland, Texas 79705

2. Article Number (Copy to 7001 1140 0002 9558 4287
 PS Form 3811, July 1999 Domestic Return Receipt 102595-00-M-0952

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery
 OXY USA, Inc. 9-21-05
 C. Signature
 Pat Sparks
 D. Is delivery address different from item 1? ☐ Yes ☐ No
 If YES, enter delivery address below:

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☒ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.
 4. Restricted Delivery? (Extra Fee) ☐ Yes

Affidavit of Publication

STATE OF NEW MEXICO)
) ss.
COUNTY OF LEA)

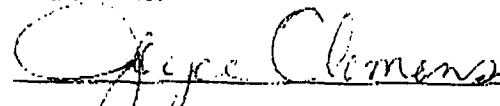
Joyce Clemens being first duly sworn on oath deposes and says that she is Advertising Director of **THE LOVINGTON DAILY LEADER**, a daily newspaper of general paid circulation published in the English language at Lovington, Lea County, New Mexico; that said newspaper has been so published in such county 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

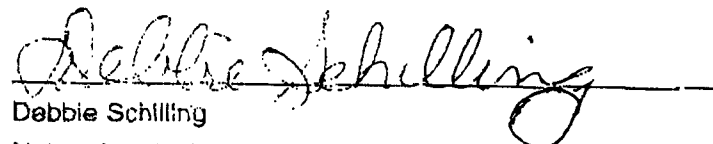
Notice Of Publication

was published in a regular and entire issue of **THE LOVINGTON DAILY LEADER** and not in any supplement thereof, for one (1) day, beginning with the issue of September 18, 2005 and ending with the issue of September 18, 2005.

And that the cost of publishing said notice is the sum of \$ 52.54 which sum has been (Paid) as Court Costs.



Subscribed and sworn to before me this 19th day of October 2005.


Debbie Schilling

Notary Public, Lea County, New Mexico
My Commission Expires June 22, 2006

the interest or claim in the following cases and notice to the public.

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

CASE 13572

Application of GHW Petroleum Management Company for simultaneous dedication, Lea County, New Mexico. Applicant in the above styled cause seeks authorization to simultaneously dedicate the standard 160-acre gas spacing unit in Rhodes formation, Rhodes Yates-Solver Rivers Gas Pool, comprised of the NW/4 of Section 10, Township 28 South, Range 37 East, NMPM, to its Eagle C Federal Com Well No. 3 located in Unit C at a standard location 660 feet from the North line and 1977 feet from the West line of said Section 10 and its Rhodes Federal Unit Well No. 102 (API No. 30-025-24537) located in Unit E at an standard gas well location 1930 feet from the North line and 660 feet from the West line of said Section 10. Said Unit is located approximately 3 miles south of Jal, New Mexico.

LEGAL NOTICE
NOTICE OF
PUBLICATION
STATE OF
NEW MEXICO
ENERGY, MINERALS
AND
NATURAL RESOURCES
DEPARTMENT
OIL CONSERVATION
DIVISION
SANTA FE
NEW MEXICO

The State of New Mexico through its Oil Conservation Division 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 October 6, 2005, in the Oil Conservation Division Hearing Room at 1220 South St. Francis, Santa Fe, New Mexico, before an examiner duly appointed 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 auxiliary 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 September 28, 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
TO

Given under the Seal of the State of New Mexico Oil Conservation Commission at Santa Fe, New Mexico on this 15th day of September 2005.

STATE OF
NEW MEXICO
OIL CONSERVATION
DIVISION

Mark E. Fesmire, P.E.
Director
Published in the Lovington
Daily Leader September
18, 2005