

**BEFORE THE OIL CONSERVATION DIVISION
NEW MEXICO ENERGY, MINERALS AND
NATURAL RESOURCES DEPARTMENT**

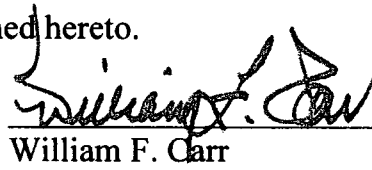
**APPLICATION OF BLACK HILLS EXPLORATION &
PRODUCTION, INC. FOR THE CREATION OF THE JICARILLA
APACHE TRIBAL LANDS-PRODUCTION AREA AND THE
ADOPTION OF SPECIAL RULES AND REGULATIONS
THEREFORE FOR THE PICTURED CLIFFS FORMATION, EAST
BLANCO-PICTURED CLIFFS POOL, AND THE TERTIARY
FORMATION, CABRESTO CANYON-TERTIARY POOL, RIO
ARRIBA COUNTY, NEW MEXICO.**

CASE NO. 13816

AFFIDAVIT

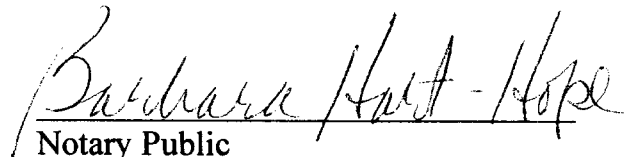
STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

William F. Carr, attorney in fact and authorized representative of Black Hills Exploration & Production, Inc., the Applicant herein, states that notice of the above-referenced Application was mailed to the interested parties shown on Exhibit "A" attached hereto in accordance with Oil Conservation Division Rules, and that true and correct copies of the notice letter and proof of notice are attached hereto.



William F. Carr

SUBSCRIBED AND SWORN to before me this 18th day of October 2006.



Notary Public

My Commission Expires:

March 28, 2008

3618902_1.DOC

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Case No. 13816 Exhibit No. 3
Submitted by:
BLACK HILLS EXPLORATION & PROD., INC.
Hearing Date: November 30, 2006

EXHIBIT A

NOTIFICATION LIST

**APPLICATION OF BLACK HILLS EXPLORATION & PRODUCTION, INC. FOR THE
CREATION OF THE
JICARILLA APACHE TRIBAL LANDS-PRODUCTION AREA AND
THE ADOPTION OF SPECIAL RULES AND REGULATIONS THEREFORE
IN THE FOR THE PICTURED CLIFFS FORMATION,
EAST BLANCO-PICTURED CLIFFS POOL, AND THE
TERTIARY FORMATION, CABRESTO CANYON-TERTIARY POOL,
RIO ARriba COUNTY, NEW MEXICO.**

Burlington Resources Oil and Gas Company
3401 East 30th Street
Farmington, New Mexico 87402
Attn: Alan Alexander

ConocoPhillips Company
3401 East 30th Street
Farmington, New Mexico 87402
Attn: Alan Alexander

Energren Resources Oil & Gas Company, Inc.
2198 Bloomfield Highway
Farmington, New Mexico 87402

Schalk Development Company
Post Office Box 25825
Albuquerque, New Mexico 87125

Williams Production Company
One Williams Center, Suite 2500
Tulsa, Oklahoma 74172

Williams Production Company
999 Godard Ave.
Ignacio, Colorado 81137

Bureau of Land Management
Farmington District Office
1235 La Plata Highway
Suite A
Farmington, New Mexico 87401-8731

Jicarilla Apache Nation
Oil & Gas Administrator
Dulce, New Mexico 87255



October 12, 2006

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

AFFECTED INTEREST OWNERS

Re: Application of Black Hills Exploration & Production, Inc. for the creation of the Jicarilla Apache Tribal Lands Production Area and the adoption of Special Rules and Regulations therefore in the Pictured Cliffs formation, East Blanco-Pictured Cliffs Pool, and the Tertiary formation, Cabresto Canyon-Tertiary Pool, Rio Arriba County New Mexico.

Ladies and Gentlemen:

This letter is to advise you that Black Hills Exploration & Production, Inc. has filed the enclosed application with the New Mexico Oil Conservation Division seeking an order creating the Jicarilla Apache Tribal Lands Production Area and the adoption of Special Rules and Regulations for this area in the Pictured Cliffs formation, East Blanco Pictured Cliffs Pool and the Tertiary formation, Cabresto Canyon-Tertiary Pool Rio Arriba County, New Mexico.

This application has been set for hearing before a Division Examiner on November 9, 2006. 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 located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505, four days in advance of a scheduled hearing, but at least on the Thursday preceding the 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.

Sincerely,

William F. Carr

ATTORNEY FOR BLACK HILLS EXPLORATION & PRODUCTION, INC.

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

IN THE MATTER OF THE APPLICATION OF BLACK HILLS EXPLORATION & PRODUCTION, INC. FOR THE CREATION OF THE JICARILLA APACHE TRIBAL LANDS-PRODUCTION AREA AND THE ADOPTION OF SPECIAL RULES AND REGULATIONS THEREFORE IN THE FOR THE PICTURED CLIFFS FORMATION, EAST BLANCO-PICTURED CLIFFS POOL, AND THE TERTIARY FORMATION, CABRESTO CANYON-TERTIARY POOL, RIO ARriba COUNTY, NEW MEXICO.

CASE NO. _____

APPLICATION

BLACK HILLS EXPLORATION & PRODUCTION, INC. ("Black Hills") through its undersigned attorneys, hereby makes application to the Oil Conservation Division for an order creating the "Jicarilla Apache Tribal Lands Production Area" comprised of the following lands in Rio Arriba, County, New Mexico:

TOWNSHIP 30 NORTH, RANGE 3 WEST, NMPM

Sections 4 through 9:	All
Sections 15 through 22:	All
Sections 26 through 35:	All

TOWNSHIP 31 NORTH, RANGE 3 WEST, NMPM

Section 32:	S/2
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TOWNSHIP 29 NORTH, RANGE 3 WEST, NMPM

Sections 3 through 10:	All
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and the adoption of Special Rules and Regulations for this area which authorize the drilling of up to two wells on each 160-acre gas spacing unit (80-acre infill wells) and for special well location requirements in the Pictured Cliffs formation, East Blanco-Pictured Cliffs Pool (72400) and in the Tertiary formation, Cabresto Canyon-Tertiary Pool

(97037), created by Nomenclature Order No. R-11445, dated September 5, 2000, and in support of its application states.

1. Black Hills is the oil and gas operator and a working interest owner in Jicarilla Apache Tribal Lands Production Area. These lands were acquired from Mallon Oil Company in March of 2003.

2. Black Hills is the sole owner and operator the oil and gas minerals under certain tracts and the partial owner and operator of other tracts in this area pursuant to Indian Mineral Development Agreements ("IMDA") and other contracts between the Jicarilla Apache Nation and Black Hills.

3. The gas bearing zones that are the subject of this application are currently governed by Oil Conservation Division General Rule 104.C(3) which provides for (i) 160-acre gas spacing and proration units, (ii) wells to be located no closer than 660 feet from the outer boundary of the dedicated quarter section nor 10 feet to any quarter-quarter section line or subdivision inner boundary, and (iii) precludes the drilling, recompletion, and production of a second well within a single 160-acre gas spacing unit.

4. Because of topographical, archeological, geological and cultural factors, it is difficult to comply with Division well location rules in the Jicarilla Apache Tribal Lands Production Area.

5. To address this difficulty, the Oil Conservation Division entered Administrative Order NSL-4355, dated September 7, 1999, as corrected by order dated October 29, 2002, which:

- A. identified 60,167.64 acres of Jicarilla Apache Lands in which Mallon [now Black Hills] is the operator of the oil and gas mineral rights ("Mallon/Jicarilla Consolidated Contract Area");

- B. recognized that as exploration and development on these lands progressed unorthodox gas well locations would be necessary to (i) avoid archeological sites; (ii) minimize disturbance to forested and wildlife habitats; (iii) minimize construction of well pads by avoiding rugged terrain when practical; and (iv) position well bores within geologically more favorable locations in order to maximize the likelihood of obtaining commercial gas production; and
- C. authorized Mallon to recomplete existing wells and drill new wells on the Mallon/Jicarilla Consolidated Contract Area to any and all formations and/or pools developed on 160-acre spacing from the surface to the base of the Pictured Cliffs formation, which presently includes the East Blanco-Pictured Cliffs Pool and the Cabresto Canyon-Tertiary Pool..., at locations that are unorthodox based the location requirements of Division Rule 104.C (3), provided that any such unorthodox well location is no closer than the required minimum orthodox distance (660 feet) from the outer boundary of the Mallon/Jicarilla Consolidated Contract Area nor closer than 10 feet to any quarter-quarter section line or subdivision inner boundary.

6. By Order No. R-11858, entered on November 1, 2002 in Case 12892, the Oil Conservation Division granted the application of Mallon Oil Company for a pilot project comprised of four separate areas in Townships 29 and 30 West, Range 3 West, NMPM, Rio Arriba County, New Mexico, in the Jicarilla Apache Tribal Lands Project Area to gather information on the complex geology and reservoir characteristics of each of the producing intervals in the Pictured Cliffs and the Ojo Alamo, Nacimiento and San Jose formations of the Tertiary system. The well data was to be gathered to enable Mallon to determine proper well density requirements in the Pictured Cliffs and Tertiary system in this portion of the San Juan Basin.

7. Other operators in the San Juan Basin have conducted pilot projects to evaluate other portions of the Pictured Cliffs formation for the institution of infill programs but did not evaluate the "peripheral portions" of the reservoir to determine if increased density was required to prevent the waste of hydrocarbons. (See Case No. 12,857, May 2, 2002).

8. The Jicarilla Apache Tribal Lands Production Area is on the eastern edge of the Pictured Cliffs formation and in a "peripheral portion" of this reservoir.

9. Data obtained from wells drilled in the Pilot Project Area approved for Mallon, as well as data from other wells in the Jicarilla Apache Tribal Lands Production Area, demonstrates that infill development of this portion of East Blanco- Pictured Cliffs Pool and the Cabresto Canyon-Tertiary Pool will result in the recovery of incremental reserves from each pool that cannot be recovered with only one well on each 160-acre spacing unit thereby preventing waste.

10. Black Hills therefore seeks an order from the Division that:

A. creates the "Jicarilla Apache Tribal Lands Production Area" comprised of the following lands in Rio Arriba, County, New Mexico:

TOWNSHIP 30 NORTH, RANGE 3 WEST, NMPM

Sections 4 through 9:	All
Sections 15 through 22:	All
Sections 26 through 35:	All

TOWNSHIP 31 NORTH, RANGE 3 WEST, NMPM

Section 32:	S/2
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TOWNSHIP 29 NORTH, RANGE 3 WEST, NMPM

Sections 3 through 10:	All
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B. provides for wells to be drilled and recompleted at unorthodox well locations in the Jicarilla Apache Tribal Lands Production Area in the East Blanco-Pictured Cliffs Pool and the Cabresto Canyon-Tertiary Pool at locations that are unorthodox based the location requirements of Division Rule 104.C (3), provided that any such unorthodox well location is no

closer than the required minimum orthodox distance (660 feet) from the outer boundary of the Jicarilla Apache Tribal Lands Production Area nor closer than 10 feet to any quarter-quarter section line or subdivision inner boundary, and

- C. authorizes an optional infill well on each 160-acre spacing and proration unit in the Jicarilla Apache Tribal Lands Production Area.

11. Approval of this application will result in the recovery of incremental hydrocarbons from the East Blanco-Pictured Cliffs Pool and the Cabresto Canyon-Tertiary Pool that otherwise would be wasted and will otherwise be in the best interest of conservation and the protection of correlative rights.

12. Notice of this application has been provided in accordance with the rules of the Oil Conservation Division by Certified Mail to the affected parties identified on Exhibit A to this application.

Wherefore, Black Hills Exploration & Production, Inc. request that this application be set for hearing before an examiner of the Oil Conservation Division on November 9, 2006, and that after notice and hearing as required by law, the Division enter its order granting this application.

Respectfully submitted,
Holland & Hart, LLP

By: 

William H. Carr

ATTORNEYS FOR BLACK HILLS
EXPLORATION & PRODUCTION, INC.

CASE ____: **Application of Black Hills Exploration & Production, Inc. for the creation of the Jicarilla Apache Tribal Lands Production Area and the adoption of Special Pool Rules and Regulations therefore in the Pictured Cliffs formation, East-Blanco Pictured Cliffs Pool, and the Tertiary formation, Cabresto Canyon-Tertiary Pool, Rio Arriba County New Mexico.** Applicant seeks the creation of the Jicarilla Apache Tribal Lands Production Area to be comprised of the following lands located in Rio Arriba, County, New Mexico:

TOWNSHIP 30 NORTH, RANGE 3 WEST, NMPM

Sections 4 through 9:	All
Sections 15 through 22:	All
Sections 26 through 35:	All

TOWNSHIP 31 NORTH, RANGE 3 WEST, NMPM

Section 32:	S/2
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TOWNSHIP 29 NORTH, RANGE 3 WEST, NMPM

Sections 3 through 10:	All
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Applicant also seeks the adoption of Special Rules and Regulations for the Jicarilla Apache Tribal Lands Production Area that provide for increased well density within each standard 160-acre spacing and proration unit from the current maximum of one well as provided by Division General Rule 104.C, to a maximum of two wells (80-acre infill wells) per 160-acre gas spacing and proration unit and for special well location requirements. This area is located approximately 4 miles to 6 miles Southwest of Burns, New Mexico.

**Burlington Resources Oil & Gas
Co.**
Attn: Alan Alexander
3401 East 30th Street
Farmington, NM 87402

2076 8556 2000 0477 7002

9406	8556	2000	0477	7004
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SENDER: COMPLETE THIS SECTION	<p> <input checked="" type="checkbox"/> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. <input checked="" type="checkbox"/> Print your name and address on the reverse so that we can return the card to you. <input checked="" type="checkbox"/> Attach this card to the back of the mailpiece, or on the front if space permits. </p>
<p> 1. Article Addressed to: Bureau of Land Management Farmington District Office 1235 LaPlata Highway, Ste A Farmington, NM 87401-8731 </p>	<p> 2. Article Number (Copy 1) 7001 1140 0002 9558 9107 </p>
<p>Domestic Return Receipt</p>	
<p>PS Form 3811, July 1999</p>	

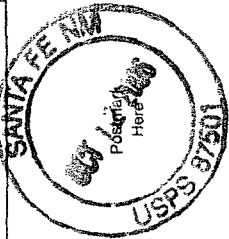
COMPLETE THIS SECTION ON DELIVERY	
<p> A. Received by (Please Print Clearly) Eleanor Tippeconnie, BLM </p> <p> C. Signature X </p> <p> D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input type="checkbox"/> No If YES, enter delivery address below: </p>	<p> Date of Delivery BLM </p> <p> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee </p> <p> 3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D. </p> <p> 4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes </p>

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<p>■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</p> <p>■ Print your name and address on the reverse so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece, or on the front if space permits.</p>		<p>A. Received by (Please Print Clearly) _____ B. Date of Delivery _____</p>	
<p>1. Article Addressed to:</p> <p style="text-align: center; font-size: 1.2em;">Burlington Resources Oil & Gas Co.</p> <p style="text-align: center;">Attn: Alan Alexander 3401 East 30th Street Farmington, NM 87402</p>		<p>C. Signature □ Agent</p> <p style="font-size: 1.5em; text-align: center;"><i>Alan Alexander</i> □ Addressee</p> <p>D. Is delivery address different from item 1? □ Yes If YES, enter delivery address below: □ No</p>	
<p>2. Article Number (Copy from PS Form 3811, July 1989)</p> <p style="font-size: 1.2em;">7001 1140 0002 9558 9046</p>		<p>3. Service Type</p> <p><input checked="" type="checkbox"/> Certified Mail □ Express Mail</p> <p><input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Insured Mail □ C.O.D.</p>	
<p>2. Article Number (Copy from PS Form 3811, July 1989)</p> <p style="font-size: 1.2em;">7001 1140 0002 9558 9046</p>		<p>4. Restricted Delivery? (Extra Fee) □ Yes</p>	
<p>Domestic Return Receipt</p>		<p>102595-00-14-0962</p>	

2002 JUL 11 04 20 00 55 06

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

OFFICIAL USE	
WFC 47167-0015	Postage \$ 1.11
B1 H:15	Certified Fee 2.40
	Return Receipt Fee 1.85
	Restricted Delivery Fee (Endorsement Required)
Total Postage & Fees \$ 5.46	

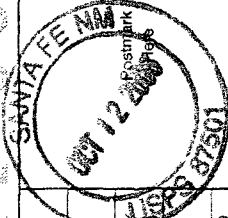


Sent To ConocoPhillips Company
Attn: Alan Alexander
3401 East 30th Street
Farmington, NM 87402
PS Form 3800

2002 JUL 11 04 20 00 55 06

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

OFFICIAL USE	
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	Return Receipt Fee 1.85
	Restricted Delivery Fee (Endorsement Required)
Total Postage & Fees \$ 5.46	



Sent To Energen Resources Oil & Gas Co., Inc.
2198 Bloomfield Highway
Farmington, NM 87402
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:

ConocoPhillips Company
Attn: Alan Alexander
3401 East 30th Street
Farmington, NM 87402

2. Article Number (Copy to 7001 1140 0002 9558 9053)

PS Form 3811, July 1999

Domestic Return Receipt

102595-00-M-0852

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly)	B. Date of Delivery
C. Signature <i>Alan Alexander</i>	<input type="checkbox"/> Agent <input type="checkbox"/> Addressee
D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	

3. Service Type	<input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail
<input type="checkbox"/> Registered <input type="checkbox"/> Insured Mail	<input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> C.O.D.
4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> 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:

Energen Resources Oil & Gas Co., Inc.
2198 Bloomfield Highway
Farmington, NM 87402

2. Article Number (Copy from 7001 1140 0002 9558 9060)

PS Form 3811, July 1999

Domestic Return Receipt

102595-00-M-0852

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) <i>F. Chavez</i>	B. Date of Delivery
C. Signature <i>F. Chavez</i>	<input type="checkbox"/> Agent <input type="checkbox"/> Addressee
D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	

3. Service Type	<input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail
<input type="checkbox"/> Registered <input type="checkbox"/> Insured Mail	<input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> C.O.D.
4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	

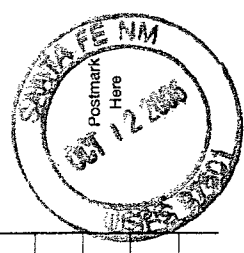
U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only - No Insurance Coverage Provided)

WFC 47167.0015
Postage \$ 1.11
Certified Fee 2.40
Return Receipt Fee 1.85
(Endorsement Required)
Restricted Delivery Fee 5.46
(Endorsement Required)
Total Postage & Fees \$

Sent To Jicarilla Apache Nation
Oil & Gas Administration
Dulce, New Mexico 87255

Street, Apt. No., or PO Box No.
City, State, ZIP+ 4
PS Form 3800-11

72001 1140 0411 2000 8556 4716



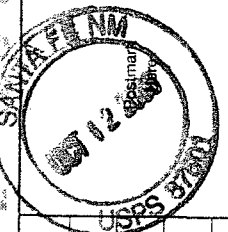
U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only - No Insurance Coverage Provided)

WFC 47167.0015
Postage \$ 1.11
Certified Fee 2.40
Return Receipt Fee 1.85
(Endorsement Required)
Restricted Delivery Fee 5.46
(Endorsement Required)
Total Postage & Fees \$

Sent To Schalk Development Company
Post Office Box 25825
Albuquerque, NM 87125

Street, Apt. No., or PO Box No.
City, State, ZIP+ 4
PS Form 3800-11

72001 1140 0411 2000 8556 4716



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:

Jicarilla Apache Nation
Oil & Gas Administration
Dulce, New Mexico 87255

2. Article Number (Copy from 7001 1140 0002 9556 9114)

PS Form 3811, July 1999 Domestic Return Receipt

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery
Alberta James 10-25-06

C. Signature X Alberto James Agent
Addresssee

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 No

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:

Schalk Development Company
Post Office Box 25825
Albuquerque, NM 87125

2. Article Number (Copy from 7001 1140 0002 9556 9077)

PS Form 3811, July 1999 Domestic Return Receipt

COMPLETE THIS SECTION ON DELIVERY

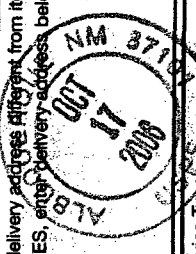
A. Received by (Please Print Clearly) B. Date of Delivery
Steve Schalk

C. Signature X Steve Schalk Agent
Addresssee

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 No



7606 8556 2000 0477 7002

U.S. Postal Service CERTIFIED MAIL RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)	
0 3 7 4 0 1 2 2 3	
WFC 47167.0015	Postage \$ 1.11
B1.4115	Certified Fee 2.40
	Return Receipt Fee 1.85
	Restricted Delivery Fee (Endorsement Required) 5.46
Total Postage & Fees \$ 5.46	
Sent To Williams Production Company	
Street, Apt. No. 999 Godard Avenue	
or PO Box No. Ignascio, CO 81137	
City, State, Zip	
PS Form 3800	

7606 8556 2000 0477 7002

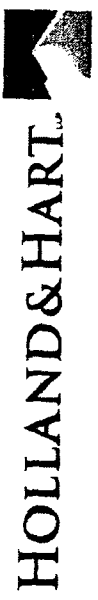
U.S. Postal Service CERTIFIED MAIL RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)	
0 3 7 4 0 1 2 2 3	
WFC 47167.0015	Postage \$ 1.11
B1.4115	Certified Fee 2.40
	Return Receipt Fee 1.85
	Restricted Delivery Fee (Endorsement Required) 5.46
Total Postage & Fees \$ 5.46	
Sent To Williams Production Company	
Street, Apt. No. One Williams Center, Suite 2500	
or PO Box No. Tulsa, Oklahoma 74172	
City, State, Zip	
PS Form 3800	

MA1C
RETURNED

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
1. Article Addressed to: Williams Production Company One Williams Center, Suite 2500 Tulsa, Oklahoma 74172		A. Received by (Please Print Clearly) B. Date of Delivery 2008	
2. 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.		C. Signature X <i>Ignascio</i> Agent D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input type="checkbox"/> No If YES, enter delivery address below:	
3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.		4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	
2. Article Number (Cg) 7001 2140 0002 9558 9084		Domestic Return Receipt	
PS Form 3811, July 1999		102595-00-14-0952	



01 1140 0002 9558 9091



JEFFERSON PLACE
110 NORTH GUADALUPE
SUITE 1
SANTA FE, NEW MEXICO 87501
MAILING ADDRESS
P.O. BOX 2208
SANTA FE, NEW MEXICO 87504-2208

1ST NOTICE 10-22-06
2ND NOTICE _____
RETURN _____

- FOE**
- ☐ Not Deliverable As Addressed
☐ Unable To Forward
☐ Insufficient Address
☐ Moved, Left No Address
☐ Unclaimed
☐ Refused
- ☐ Addressed - Not Forwarded
☐ No Such Street
☐ Number
☐ Vacant
☐ Illegible
☐ No Mail Recipient
☐ Box Closed - No Order
☐ Returned For Better Address
☐ Postage Due

UNDER: 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.

Article Addressed to:

Williams Production Company
999 Godard Avenue
Ignacio, CO 81137

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly)	B. Date of Delivery
C. Signature X	<input type="checkbox"/> Agent <input type="checkbox"/> Addressee
D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	

3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Registered <input type="checkbox"/> Insured Mail <input type="checkbox"/> Express Mail <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> C.O.D.	4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes <input type="checkbox"/> No
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Article Number (Copy) 7001 1140 0002 9558 9091

S Form 3811, July 1999

Domestic Return Receipt

102595-00-04-0852

RETURN RECEIPT
REQUESTED

Affidavit of Publication

State of New Mexico

County of Rio Arriba

I, Robert Trapp, being first duly sworn, declare and say I am the publisher of the Rio Grande SUN, a weekly newspaper published in the English language and having a general circulation in the County of Rio Arriba, State of New Mexico, and being a newspaper duly qualified to publish legal notices and advertisements under the provisions of Chapter 167 of the Session Laws of 1937. The publication, a copy of which is hereto attached, was published in said paper once each week for

Publisher's Bill

120 lines one time at 84.00

 lines times at

Affidavit 5.00

Subtotal 89.00

Tax 6.68

Total \$95.68

1 consecutive weeks and on the same day of each week in the regular issue of the paper during the time of publication and the notice was published in the newspaper proper, and not in any supplement. The first publication being on the

19th day of October, 2006

and the last publication on the 19th day of

October, 2006 payment for said advertisement has been duly made, or assessed as court costs. The undersigned has personal knowledge of the matters and things set forth in this affidavit.

Robert Trapp
Publisher

Subscribed and sworn to before me this 19th
day of Oct A.D. 2006

Maria V. Lopez-Garcia

Maria V. Lopez-Garcia/Notary Public

My commission expires 13 July 2009

Payment received at Rio Grande SUN

Date 10/20/06

By Maria Chavez

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 November 9, 2006, 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 October 30, 2006. 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:

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 Mexico Principal Meridian whether or not so stated.)

CASE 13816:

Application of Black Hills Exploration & Production, Inc. for the creation of the Jicarilla Apache Tribal Lands Production Area and the adoption of Special Pool Rules and Regulations therefore in the Pictured Cliffs formation, East-Blanco Pictured Cliffs Pool, and the Tertiary formation, Cabresto Canyon-Tertiary Pool, Rio Arriba County, New Mexico. Applicant seeks the creation of the Jicarilla Apache Tribal Lands Production Area to be comprised of the following lands located in Rio Arriba County, New Mexico:

TOWNSHIP 30 NORTH, RANGE 3 WEST, NMPM

Sections 4 through 9: All

Sections 15 through 22: All

Sections 26 through 35: All

TOWNSHIP 31 NORTH, RANGE 3 WEST, NMPM

Section 32: S/2

TOWNSHIP 29 NORTH, RANGE 3 WEST, NMPM

Sections 3 through 10: All

Applicant also seeks the adoption of Special Rules and Regulations for the Jicarilla Apache Tribal Lands Production Area that provide for increased well density within each standard 160-acre spacing and proration unit from the current maximum of one well as provided by Division General Rule 104.C. to a maximum of two wells (80-acre spacing wells) per 160-acre gas spacing and proration unit and infill well location requirements. This area is located approximately 4 miles to 6 miles Southwest of Pecos, New Mexico.

Given under the Seal of the State of New Mexico Oil Conservation Commission at Santa Fe, New Mexico on this 12th day of October 2006.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION
Fesmire, P.E., Director

2006