NOTICE

To: Eugene H. Perry, and other mineral interest owners within one-half mile of the lands described below: Pogo Producing Company has filed an application with the New Mexico Oil Conservation Division seeking approval to institute a cooperative tertiary recovery project and to qualify the project for the Recovered Oil Tax Rate, Lea County, New Mexico. Applicant seeks approval to institute a tertiary recovery project in the Paduca-Delaware Pool by the injection of water and carbon dioxide into approximately 55 wells located on the following state and federal lands in Lea County, New Mexico:

Township 25 South, Range 32 East, N.M.P.M.

Section 9: E½SE¼

Section 10: SW¼NE¼, SE¼NW¼, and SW¼

Section 15: $W\frac{1}{2}NE\frac{1}{4}$ and $W\frac{1}{2}$

Section 16: $E\frac{1}{2}NE\frac{1}{4}$ and $S\frac{1}{2}$

Section 20: E½SE¼

Section 21: All

Section 22: NW¹/₄ and NW¹/₄SW¹/₄

Section 28: $N\frac{1}{2}N\frac{1}{2}$ and $SE\frac{1}{4}NW\frac{1}{4}$

Section 29: NE¹/₄NE¹/₄

Applicant further seeks to qualify the project for the recovered oil tax rate pursuant to the "New Mexico Enhanced Oil Recovery Act" (Laws 1992, Chapter 38, Sections 1-5). This matter is scheduled for hearing at 8:15 a.m. on Thursday, October 20, 2005, at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. 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 project is located approximately 29 miles west of Jal, New Mexico. The attorney for applicant is James Bruce, P.O. Box 1056, Santa Fe, New Mexico 87504.

OIL CONSERVATION DIVISION CASE NUMBER EXHIBIT NUMBER