

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

APPLICATION OF CHEVRON, U.S.A., INC.
FOR QUALIFICATION OF THE VACUUM
GRAYBURG-SAN ANDRES UNIT TERTIARY
RECOVERY PROJECT FOR THE RECOVERED
OIL TAX RATE PURSUANT TO THE
ENHANCED OIL RECOVERY ACT,
LEA COUNTY, NEW MEXICO.

CASE NO. 14139

AFFIDAVIT OF SCOTT M. INGRAM

STATE OF TEXAS)
) ss.
COUNTY OF MIDLAND)

I, Scott M. Ingram, being first duly sworn on oath, states as follows:

1. My name is Scott Ingram. I reside in Midland, Texas. I am the earth scientist/project manager employed by Chevron U.S.A., Inc. ("Chevron") who is responsible for the Vacuum Grayburg-San Andres Unit ("the Unit") which is comprised of 1485.64 acres, more or less, of State of New Mexico lands situated in Lea County, New Mexico. The horizontal limits of said Unit Area are described as follows:

Township 17 South, Range 34 East, N.M.P.M.

Section 35: W/2 SW/4

Township 18 South, Range 34 East, N.M.P.M.

Sections 1 and 2:	All
Section 11:	NE/4 NE/4
Section 12:	N/2 NW/4

2. In Orders No. R-4433 and R-4442, both dated November 1, 1972, the Division approved the Vacuum Grayburg-San Andres Unit and a pressure maintenance project by water injection in the Vacuum Grayburg-San Andres Pressure Maintenance Project in the Unit.

3. Division Order No. R-4442-B, dated December 11, 2007, granted Chevron's application for an enhanced oil tertiary recovery project by combining or alternating injection of water, carbon dioxide and other produced gases into the Grayburg and San Andres formations in the Vacuum Grayburg-San Andres Unit Tertiary Recovery Project in the Unit. Finding 12 of the Order stated: "Chevron did present an exhibit and testimony toward qualifying this project for the recovered Oil Tax Rate; however the request for qualification was not included in this case as advertised and Chevron asked it to be considered at a future time."

4. Attachment A to the Affidavit is a copy of Chevron's letter application to the Division which contains all the information required by Division rules to qualify this project under the Enhanced Oil Recovery Act. This letter was previously admitted into evidence as Chevron's Exhibit 15 in Case No. 13961 (held on August 23, 2007).

5. As indicated in Attachment A, Chevron estimates the capital costs for additional facilities to be \$64.5 million for field installations, upgrades and well remediation and \$168.2 million for CO2 injectant purchase for a total project cost of \$233.6 million.

6. It is estimated that an additional 24.5 MMB of oil will be recovered as a result of this project.

7. Since Attachment A was originally submitted, Chevron has commenced construction on the delivery and gathering facilities, contracted for the delivery of injectants and is upgrading existing installations. Chevron plans to initiate carbon dioxide injection during the third quarter of 2008.

8. Division Order No. R-4442-C, dated May 30, 2008, granted Chevron's application to expand the vertical limits of the Unit to include a residual oil zone in the Grayburg-San Andres formation and authorizing 13 additional carbon dioxide injection wells in the Tertiary Recovery Project Area.

9. In Case Nos. 13961 & 14114, Chevron offered evidence that showed that the project area had been depleted and that proposed enhanced recovery techniques should result in an increase in the amount of crude oil that may be ultimately recovered therefrom. Chevron also showed that the application was economically and technically reasonable and was not prematurely filed.

10. The methods that Chevron has proposed to utilize in its tertiary recovery operations will prevent waste of oil and gas and with a reasonable probability substantially increase the amount of hydrocarbons produced from the reservoir.

11. Attachment B to this affidavit is the list of interested parties sent notice of this application in accordance with Division rules.

12. Attachment C is the Affidavit of Publication showing notice of this

application was also published in the newspaper.

13. Chevron therefore seeks certification from the Division that the Tertiary Recovery Project is an "Enhanced Oil Recovery Project" pursuant to the Enhanced Oil Recovery Act, N.M.S.A. 1978 7-29A-1 through 7-29A-6.

14. Approval of this application is in the best interest of conservation, the prevention of waste and the protection of correlative rights.

FURTHER AFFIANT SAYETH NOT.

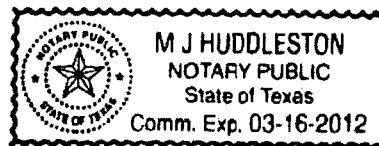
Scott M. Ingram
Scott Ingram

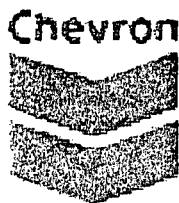
SUBSCRIBED AND SWORN before me on this 11th day of June, 2008.

M J Huddleston
Notary Public

My Commission Expires:

3/16/2012





August 22, 2007

Mark E. Fesmire, P.E.
Director
Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Case 13961: Application of Chevron USA Inc. for Enhanced Oil Recovery Project Qualification for the Recovered Oil Tax Rate in the Vacuum Grayburg-San Andres Unit, Lea County, New Mexico.

Dear Mr. Fesmire:

Chevron USA Inc. ("Chevron") hereby makes application to qualify a portion of the Vacuum Grayburg San Andres Unit ("VGSAU") for the recovered oil tax rate authorized by the Enhanced Oil Recovery Act. Chevron plans to commence construction on delivery and gathering facilities, contract for delivery of injectants and upgrade existing installations in a timeline which will allow initiation of miscible Carbon Dioxide (CO₂) flood during the second quarter of 2008. Chevron is making application pursuant to the rules promulgated by Oil Conservation Commission Order No. R-9708 entered on August 27, 1992.

In accordance with this Order, Chevron provides the following information:

A. Operator's name and address:

Chevron USA Inc.
15 Smith Road
Midland, Texas 79705

B. Description of the project area:

1. Provide a plat outlining the project area:

See Exhibit 11, Case No. 13961 for a plat of the project area.

2. Describe the project area by section, township and range:

Township 18 South, Range 34 East, NMPM

Section 1: All
Section 2: All
Section 11: NE/4 NE/4
Section 12: N/2 NW/4

ATTACHMENT A

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Case No. 13961...Exhibit No. **15**
Submitted by:
Chevron USA Inc.
Hearing Date: August 23, 2007

Township 17 South, Range 34 East, NMPM
Section 35: W/2 SW/4

The proposed project will only impact 86% of the VGSAU acreage and is more accurately identified as those injection patterns highlighted on Exhibit 11, Case No. 13691, which include those wells listed in Exhibit A to this application.

3. Total acres:

The VGSAU contains a total of 1,486 Acres(m/l)
Chevron is targeting 1,280 Acres (m/l) for the CO2 project. The area is highlighted on Exhibit 11, Case No. 13691.

4. Provide the name of the subject pool and formation.

The VGSAU is within the Vacuum Pool.
The VGSAU includes portions of the Grayburg and San Andres Formations.
The type log identified in the Unit Agreement is Exhibit No. 6, Case No. 13961.

C. Status of operations in the project area:

1. Provide the name of the unit and the date and number of the Division Order approving the unit plan of operation:

The proposed CO2 project is at the Chevron operated Vacuum Grayburg San Andres Unit ("VGSAU").
The Commission approved the VGSAU on November 8, 1972 with Order No. R-4443.
The VGSAU pressure maintenance project has been approved and is governed by Order No. R-4433-A (11-08-72); R-4422 (11-27-72); R-6094 (09-01-79); and R-7010 (07-01-82).

D. Method of recovery to be used:

1. Identify fluids to be injected:

Recovery is to be enhanced with the introduction of CO2. Produced gases will be recycled (re injected). Water will continue to be injected outside of the target area, and in the target area with alternating slugs with the CO2 in what the industry calls a WAG injection scenario.

2. If the Division has not approved the project, provide the date the application for approval was filed with the Division on Form C-108.



A Form C-108 is provided with this application dated January 15, 2001 (Exhibit No. 12, Case No. 13961) as supplemented and revised on August 15, 2007 (Exhibit No. 13, Case No. 13961).

E. Description of the project:

1. A list of producing wells:

See Exhibit A to this application for a list identifying producing wells within the project area.

2. A list of injection wells:

See Exhibit A for a list of the injection wells in the project target area. This list identifies all injection wells in the project area including the 25 injection wells and the one well to be converted to injection identified in the application in Case No. 13961.

3. Capital cost of additional facilities: (Current Cost)

Field Installations/Upgrades/Well remediation:	\$ 65.4 million
CO2 Injectant Purchase:	\$168.2 million

4. Total project cost:

The project will cost \$233.6 million inclusive of associated injectant expenses. Of this total, \$65.4 million will go toward facilities and well work on the VGSAU.

5. Provide the estimated total value of the additional production that will be recovered as a result of this project:

An additional 24.5 MMB of oil are anticipated to be recovered as a result of this project. Based on current capital of \$45/BO and \$30/BNGL, and the current CO2 Targeted Area, the estimated value of the hydrocarbons produced from the proposed project is \$504 million.

6. Provide anticipated date for commencement of injection:

The anticipated initial CO2 injection date is May, 2008.

7. What type of fluid will be injected and what are the anticipated volumes?

A total of 70 BCF of CO2 will be purchased for the project. Produced gases will be recycled back to the reservoir resulting an ultimate injection of 140 BCF of gas during a 50 year period. The recycled gas would consist of CO2, certain hydrocarbons that cannot be economically marketed, and associated non-

hydrocarbon gases. The injection scheme to be employed is known as a WAG, or water-alternating-gas injection. Alternating slugs of gas and slugs of water would be introduced in varying volumes with the length of injection (time) dependent on reservoir response.

- F. Production data: Provide graphs, charts and other supporting data to show the production history and production forecast of oil, gas, casinghead gas and water from the project area.**

Exhibit B provides the VGSAU production and injection history along with the forecast of enhanced recovery due to the introduction of CO₂.

Chevron requests that this application be approved.

Very truly yours,


Brent Brugger
Chevron USA Inc.

VACUUM GRAYBURG SAN ANDRES UNIT

Wells within Proposed CO2 Target Area

Producers		Injectors	
VGSAU Well	API Well Number	VGSAU Well	API Well Number
1*	3002521634	4	3002524332
2*	3002521421	5	3002524333
3*	3002502326	14	3002524359
6	3002521420	15	3002524378
7	3002502277	16	3002524308
8	3002502275	17	3002524316
9	3002502274	18	3002524317
10	3002502258	19	3002524331
11	3002502257	20	3002524360
12	3002502259	31	3002524314
13	3002502260	32	3002524330
21	3002502276	33*	3002524323
22	3002502273	34	3002524312
23	3002502272	35	3002524361
24	3002502271	46	3002524364
25	3002502256	47	3002524365
26	3002502255	48	3002524322
27	3002502254	49*	3002524329
28*	3002502253	50*	3002524366
38	3002502265	63	3002527974
39	3002502264	68*	3002502110
40	3002502252	132	3002536683
41	3002502249	133	3002535686
42	3002502245	134	3002536681
43	3002502247	135	3002535561
52	3002502267	146	3002530846
53	3002502262	147	3002530798
54	3002502263	148	3002530799
55	3002502250	149	3002530847
56	3002502251	150	3002530917
57	3002502248	233	3002536355
58*	3002502246	235	3002535562
122**	3002530721	249	3002535563
126	3002532026	250	3002538001
127*	3002532027		
128	3002532028		
139	3002530755		
140	3002530756		
141	3002530797		
142	3002530843		
143	3002530844		
153	3002530802		
154	3002530801		
155	3002530800		
156	3002530851		
157	3002530717		
158	3002530818		
159	3002533464		
211*	3002535687		
212	3002532004		
227	3002531993		
258	3002532009		

* P&A'd Well

**Well to be converted to injection

8/15/2007

131 30-025-38553

438 30-025-38785

439 30-025-38786

440 30-025-38787

441 30-025-38788

327 30-025-38627

228 30-025-38628

405 30-025-38783

Vacuum Grayburg San Andres Unit History

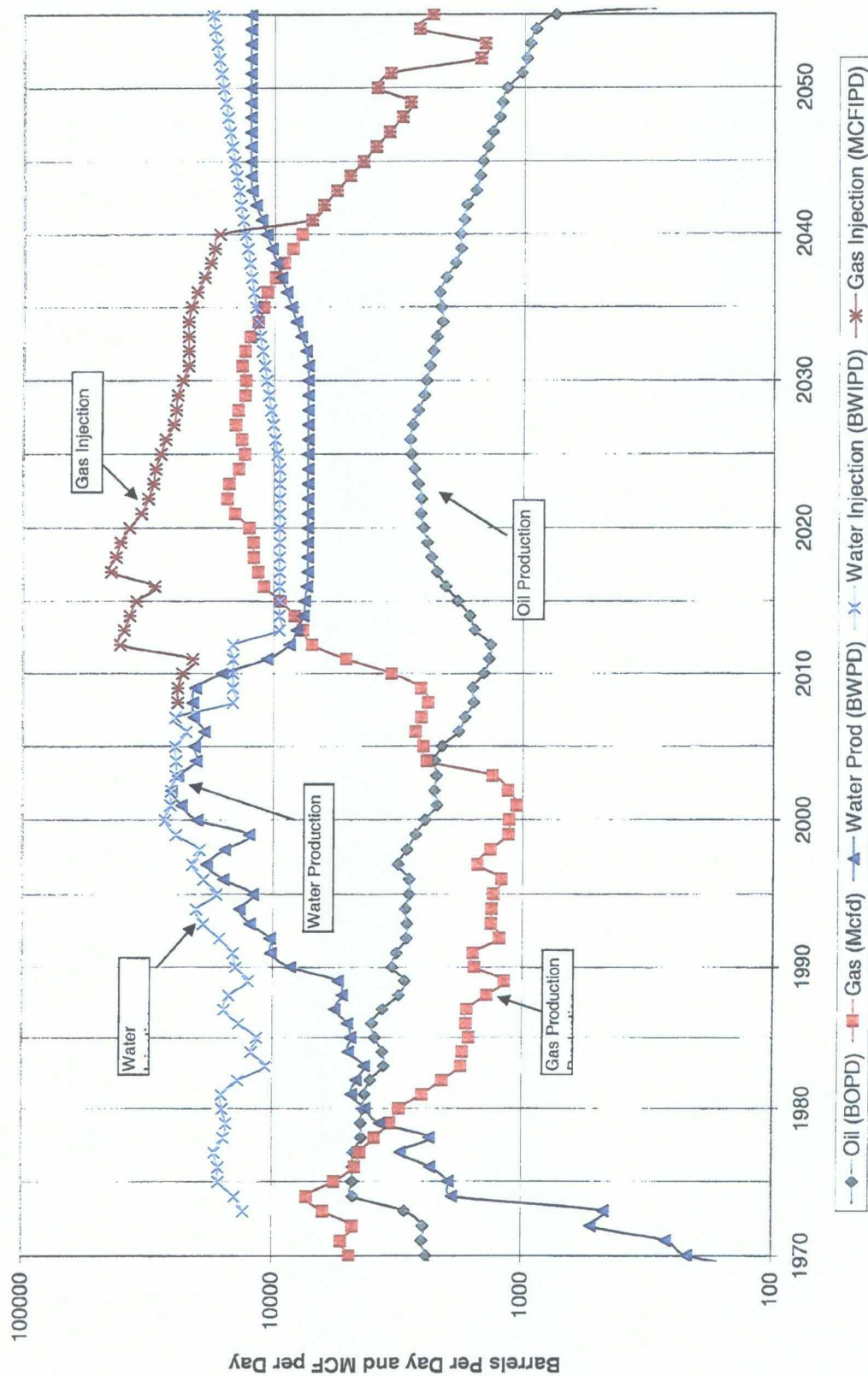


EXHIBIT B

**APPLICATION OF CHEVRON U.S.A., IN
FOR QUALIFICATION OF THE
VACUUM GRAYBURG-SAN ANDRES UNIT PRESSURE MAINTENANCE PROJECT
FOR THE RECOVERED OIL TAX RATE PURSUANT TO
THE ENHANCED OIL RECOVERY ACT,
LEA COUNTY, NEW MEXICO.**

NOTICE LIST

Offset Operators:

Brazos Limited Partnership
P.O. Box 911
Breckenridge, TX 76424

BP America Production Co.
P.O. Box 3092
Houston, TX 77253

ConocoPhillips Co.
P.O. Box 7500
Bartlesville, OK 74005

Chase Oil Corp.
P.O. Box 1210
Graham, TX 76046

Chase Oil Corp.
P.O. Box 1767
Artesia, NM 88211

Dalport Oil Corp.
5646 Milton St. #413
Dallas, TX 75206

Douglas Oil & Gas LP
500 W. Texas Ave Ste 940
Midland, TX 79701

ExxonMobil Corp.
P.O. Box 2305
Houston, TX 77252

David Gonzales
P.O. Box 2475
Santa Fe, NM 87504-2475

Gordon M. Cove Estate
P.O. Box 64244
Lubbock, TX 79424

Headington Oil Co.
7557 Rambles Rd. Suite 1150
Dallas, TX 75231

J.M. Leonard & BP Exploration, Inc.
1100 Penn Tower
Oklahoma, OK 73118

Marathon Oil Company
P.O. Box 2069
Houston, TX 77252

Mobil Producing Texas & New Mexico
P.O. Box 2305
Houston, TX 77252

Nadel and Gussman Permian LLC
15 E. 5th St. Ste 3200
Tulsa, OK 74103

OXY USA WTP Limited Partnership
P.O. Box 50250
Midland, TX 79710

Occidental Permian Limited Partnership
P.O. Box 4294
Houston, TX 77210

Shinnery Oil Co., Inc.
606 W. Tennessee Ste 107
Midland, TX 79701

XTO Energy Inc.
810 Houston Street
Fort Worth, TX 76192

Triple T Resources, LP
4809 Cole Ave Ste 108
Dallas, TX 75205

Surface Owners:

State of New Mexico
Commissioner of Public Lands
P.O. Box 1148
Santa Fe, NM 87504

Pearce Trust
Roy F. Pearce Sr & Roy Pearce Jr Co-
Trustees
1717 Jackson
Pecos, TX 79772

Lee Cattle Company L.P.
HC 60 Box 465
Lovington, NM 88260

Hiles M. Lee and Joie A. Lee
HC 60 Swamp Rd.
Lovington, NM 88260

HOLLAND & HART LLP



May 14, 2008

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: ALL AFFECTED INTEREST OWNERS

REVISED REVISION

Re: Application of Chevron U.S.A., Inc. for qualification of the Vacuum Grayburg-San Andres Unit Tertiary Recovery Project for the Recovered Oil Tax Rate Pursuant to the Enhanced Oil Recovery Act, Lea County, New Mexico.

Ladies and Gentlemen:

This letter is to advise you that Chevron U.S.A., Inc. has filed the enclosed application with the New Mexico Oil Conservation Division. You are the owner of an interest that may be affected by this application.

This application has been set for hearing before a Division Examiner at 8:15 AM on June 12, 2008. The hearing will be held in Porter Hall in the Oil Conservation 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, 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.

Very truly yours,

William F. Carr
Attorney for Chevron U.S.A., Inc.
enc.

Holland & Hart LLP

Phone [505] 988-4421 Fax [505] 983-6043 www.hollandhart.com

110 North Guadalupe Suite 1 Santa Fe, NM 87501 Mailing Address P.O. Box 2208 Santa Fe, NM 87504-2208

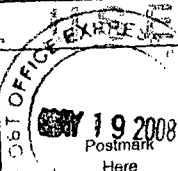
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 P.O. Box 911
 Breckenridge, TX 76424

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 Houston, TX 77253

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Total Postage & Fees	\$ 5.61

ConocoPhillips Co.
 P.O. Box 7500
 Bartlesville, OK 74005

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☒ Addressee

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☒ No

MAY 22 2008

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☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

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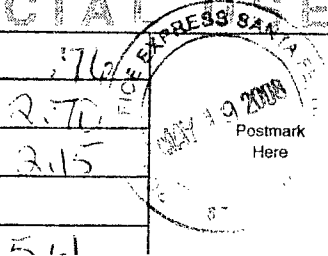
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 Graham, TX 76046

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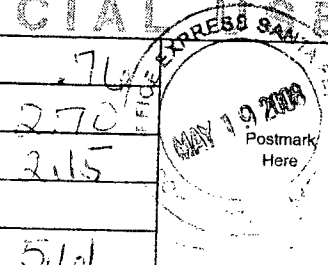
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 Artesia, NM 88211

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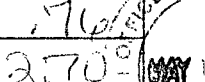
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 5646 Milton St. #413
 Dallas, TX 75206

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 Dallas, TX 75206


2. Article Number
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102595-02-M-1540

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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 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		

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Total Postage & Fees	\$ 5.11

Douglas Oil & Gas LP
 500 W. Texas Ave Ste 940
 Midland, TX 79701

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1. Article Addressed to:

Douglas Oil & Gas LP
 500 W. Texas Ave Ste 940
 Midland, TX 79701

A. Signature

X *Sheng Hui* ☐ Agent ☒ Addressee

B. Received by (Printed Name)

C. Date of Delivery

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

3. Service Type

☒ Certified Mail ☐ Express Mail
☐ Registered ☒ Return Receipt for Merchandise
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4. Restricted Delivery? (Extra Fee)

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Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 5.11

ExxonMobil Corp.
 P.O. Box 2305
 Houston, TX 77252

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1. Article Addressed to:

ExxonMobil Corp.
 P.O. Box 2305
 Houston, TX 77252

A. Signature

X *GEE* ☐ Agent ☒ Addressee

B. Received by (Printed Name)

C. Date of Delivery

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

3. Service Type

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☐ Yes

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Certified Fee	2.70
Return Receipt Fee (Endorsement Required)	2.15
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 5.11

David Gonzales
 P.O. Box 2475
 Santa Fe, NM 87504-2475

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1. Article Addressed to:

David Gonzales
 P.O. Box 2475
 Santa Fe, NM 87504-2475

A. Signature

X *David Gonzales* ☐ Agent ☒ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
 If 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)

7006 2760 0001 6392 9394

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-15401

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

For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage	\$ 2.76
Certified Fee	2.70
Return Receipt Fee (Endorsement Required)	2.15
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 5.61

MAY 19 2008
 Postmark
 Here

Gordon M. Cove Estate
 P.O. Box 64244
 Lubbock, TX 79424

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

For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage	\$ 2.76
Certified Fee	2.70
Return Receipt Fee (Endorsement Required)	2.15
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 5.61

SENDER'S COPY (Domestic Mail Only; No Insurance Coverage Provided)
 PLACE STICKER ABOVE OR TO THE RIGHT OF THE RETURN ADDRESS, FOLD AT DOTTED LINE

- 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:

Headington Oil Co.
 7557 Rambles Rd. Suite 1150
 Dallas, TX 75231

A. Signature ☒ Agent
☒ Addressee

B. Received by (Printed Name) C. Date of Delivery
 5-21-08

D. Is delivery address different from item 1? ☐ Yes
 If 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)

PS Form 3811, February 2004

7006 2760 0001 6392 9417

Domestic Return Receipt

102595-02-M-1540

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

For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage	\$ 2.76
Certified Fee	2.70
Return Receipt Fee (Endorsement Required)	2.15
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 5.61

MAY 19 2008
 Postmark
 Here

J.M. Leonard & BP Exploration, Inc
 1100 Penn Tower
 Oklahoma, OK 73118

7006 2760 0001 6392 9424

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

For delivery information, visit our website at www.usps.com

OFFICIAL

Postage	\$ 76
Certified Fee	2.70
Return Receipt Fee (Endorsement Required)	3.15
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 5.61

Marathon Oil Company
 P.O. Box 2069
 Houston, TX 77252

7006 2760 0001 6392 9431

SENDER: COMPLETE THIS SECTION

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

1. Article Addressed to:

Marathon Oil Company
 P.O. Box 2069
 Houston, TX 77252

COMPLETE THIS SECTION ON DELIVERY

A. Signature **GEE** ☐ Agent ☐ Addressee

B. Received by (Printed Name) **MAE** C. Date of Delivery **MAY 23 2004**

D. Is delivery address different from item 1? ☐ Yes
 If 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

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

For delivery information, visit our website at www.usps.com

OFFICIAL

Postage	\$ 76
Certified Fee	2.70
Return Receipt Fee (Endorsement Required)	3.15
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 5.61

Mobil Producing Texas & New Mexico
 P.O. Box 2305
 Houston, TX 77252

7006 2760 0001 6392 9448

SENDER: COMPLETE THIS SECTION

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

1. Article Addressed to:

Mobil Producing Texas & New Mexico
 P.O. Box 2305
 Houston, TX 77252

COMPLETE THIS SECTION ON DELIVERY

A. Signature **GEE** ☐ Agent ☐ Addressee

B. Received by (Printed Name) **MAE** C. Date of Delivery **MAY 23 2004**

D. Is delivery address different from item 1? ☐ Yes
 If 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

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

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

For delivery information, visit our website at www.usps.com

OFFICIAL

Postage	\$ 76
Certified Fee	2.70
Return Receipt Fee (Endorsement Required)	3.15
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 5.61

Nadel and Gussman Permian
 15 E. 5th St. Ste 3200
 Tulsa, OK 74103

7006 2760 0001 6392 9455

SENDER: COMPLETE THIS SECTION

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

1. Article Addressed to:

Nadel and Gussman Permian LLC
 15 E. 5th St. Ste 3200
 Tulsa, OK 74103

COMPLETE THIS SECTION ON DELIVERY

A. Signature **Blawn** ☐ Agent ☐ Addressee

B. Received by (Printed Name) **Blawn** C. Date of Delivery **5/23/04**

D. Is delivery address different from item 1? ☐ Yes
 If 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) 7006 2760 0001 6392 9455
 PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

7006 2760 0001 6392 9462

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
 (Domestic Mail Only; No Insurance Coverage Provided)
 For delivery information visit our website at www.usps.com

OFFICIAL

Postage	\$ 1.76
Certified Fee	2.70
Return Receipt Fee (Endorsement Required)	2.15
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 5.61

Postmark: 19 2009
97505-5455

OXY USA WTP Limited Partnershi
 P.O. Box 50250
 Midland, TX 79710

For Instructions

7006 2760 0001 6392 9479

U.S. Postal Service™
CERTIFIED MAIL™ RE
 (Domestic Mail Only; No Insurance Coverage Provided)
 For delivery information visit our website at www.usps.com

OFFICIAL

Postage	\$ 1.76
Certified Fee	2.70
Return Receipt Fee (Endorsement Required)	2.15
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 5.61

Occidental Permian Limited Partnership
 P.O. Box 4294
 Houston, TX 77210

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:

Occidental Permian Limited Partnership
 P.O. Box 4294
 Houston, TX 77210

2. Article Number
 (Transfer from service label)

7006 2760 0001 6392 9479

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

U.S. Postal Service™
CERTIFIED MAIL™ RE
 (Domestic Mail Only; No Insurance Coverage Provided)
 For delivery information visit our website at www.usps.com

OFFICIAL

Postage	\$ 1.76
Certified Fee	2.70
Return Receipt Fee (Endorsement Required)	2.15
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 5.61

Shinnery Oil Co., Inc.
 606 W. Tennessee Ste 107
 Midland, TX 79701

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:

Shinnery Oil Co., Inc.
 606 W. Tennessee Ste 107
 Midland, TX 79701

2. Article Number
 (Transfer from service label)

7006 2760 0001 6392 9486

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature
 [Signature] ☐ Agent ☐ Addressee

B. Received by (Printed Name)
 [Signature]

C. Date of Delivery
 [Signature]

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

A. Signature
 X [Signature] ☐ Agent ☐ Addressee

B. Received by (Printed Name)
 [Signature]

C. Date of Delivery
 5/21/08

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

7006 2760 0001 6392 9486

7006 2760 0001 6392 9493

U.S. Postal Service™
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For delivery information, visit our website at www.usps.com

OFFICIAL USE

Postage	\$ 76
Certified Fee	2.70
Return Receipt Fee (Endorsement Required)	2.15
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 5.61

XTO Energy Inc.
 810 Houston Street
 Fort Worth, TX 76192

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:

XTO Energy Inc.
 810 Houston Street
 Fort Worth, TX 76192

2. Article Number
 (Transfer from service label) 7006 2760 0001 6392 9493

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature *[Signature]* ☐ Agent ☐ Addressee

B. Received by (Printed Name) C. Date of Delivery **MAY 22 2004**

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

7006 2760 0001 6392 9509

U.S. Postal Service™
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 (Domestic Mail Only, No Insurance Coverage Provided)

For delivery information, visit our website at www.usps.com

OFFICIAL USE

Postage	\$ 76
Certified Fee	2.70
Return Receipt Fee (Endorsement Required)	2.15
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 5.61

Triple T Resources, LP
 4809 Cole Ave Ste 108
 Dallas, TX 75205

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:

Triple T Resources, LP
 4809 Cole Ave Ste 108
 Dallas, TX 75205

2. Article Number
 (Transfer from service label) 7006 2760 0001 6392 9509

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature *[Signature]* ☐ Agent ☐ Addressee

B. Received by (Printed Name) C. Date of Delivery **MAY 21 2004**

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

7006 2760 0001 6392 9516

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

For delivery information, visit our website at www.usps.com

OFFICIAL USE

Postage	\$
Certified Fee	2.70
Return Receipt Fee (Endorsement Required)	2.15
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

State of New Mexico
 Commissioner of Public Lands
 P.O. Box 1148
 Santa Fe, NM 87504

SENDER: COMPLETE THIS SECTION

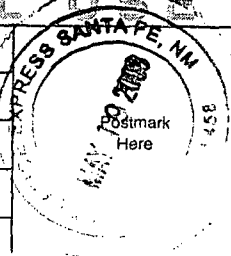
- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

State of New Mexico
 Commissioner of Public Lands
 P.O. Box 1148
 Santa Fe, NM 87504

2. Article Number
 (Transfer from service label) 7006 2760 0001 6392 9516

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540



7006 2760 0001 6392 9523

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
 (Domestic Mail Only; No Insurance Coverage Provided)
For delivery information visit our website at www.usps.com**OFFICIAL USE**

Postage	\$	
Certified Fee		2.70
Return Receipt Fee (Endorsement Required)		2.15
Restricted Delivery Fee (Endorsement Required)		

Total Postage & Fees \$

Pearce Trust

Roy F. Pearce Sr & Roy Pearce

Trustees

1717 Jackson

Pecos, TX 79772

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:

Pearce Trust

Roy F. Pearce Sr & Roy Pearce Jr

Trustees

1717 Jackson

Pecos, TX 79772

2. Article Number

(Transfer from service label)

PS Form 3811, February 2004

COMPLETE THIS SECTION ON DELIVERY

A. Signature

x Roy Pearce

☐ Agent☐ Addressee

B. Received by (Printed Name)

Roy Pearce

C. Date of Delivery

3-21-08

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

7006 2760 0001 6392 9523

Domestic Return Receipt

102595-02-M-1540

7006 2760 0001 6392 9530

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
 (Domestic Mail Only; No Insurance Coverage Provided)
For delivery information visit our website at www.usps.com**OFFICIAL USE**

Postage	\$	1.76
Certified Fee		2.70
Return Receipt Fee (Endorsement Required)		2.15
Restricted Delivery Fee (Endorsement Required)		

Total Postage & Fees \$ 5.11

Lee Cattle Company L.P.

HC 60 Box 465

Lovington, NM 88260

2. Article Number

(Transfer from service label)

PS Form 3811, February 2004

For delivery information visit our website at www.usps.com**OFFICIAL USE**

Postage	\$	1.76
Certified Fee		2.70
Return Receipt Fee (Endorsement Required)		2.15
Restricted Delivery Fee (Endorsement Required)		

Total Postage & Fees \$ 5.11

Lee Cattle Company L.P.

HC 60 Box 465

Lovington, NM 88260

2. Article Number

(Transfer from service label)

PS Form 3811, February 2004

For delivery information visit our website at www.usps.com**OFFICIAL USE**

Postage	\$	1.76
Certified Fee		2.70
Return Receipt Fee (Endorsement Required)		2.15
Restricted Delivery Fee (Endorsement Required)		

Total Postage & Fees \$ 5.11

Lee Cattle Company L.P.

HC 60 Box 465

Lovington, NM 88260

7006 2760 0001 6392 9547

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
 (Domestic Mail Only; No Insurance Coverage Provided)
For delivery information visit our website at www.usps.com**OFFICIAL USE**

Postage	\$	1.76
Certified Fee		2.70
Return Receipt Fee (Endorsement Required)		2.15
Restricted Delivery Fee (Endorsement Required)		

Total Postage & Fees \$ 5.11

Hiles M. Lee and Joie A. Lee

HC 60 Swamp Rd.

Lovington, NM 88260

2. Article Number

(Transfer from service label)

PS Form 3811, February 2004

For delivery information visit our website at www.usps.com**OFFICIAL USE**

Postage	\$	1.76
Certified Fee		2.70
Return Receipt Fee (Endorsement Required)		2.15
Restricted Delivery Fee (Endorsement Required)		

Total Postage & Fees \$ 5.11

Lee Cattle Company L.P.

HC 60 Box 465

Lovington, NM 88260

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 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

Legal Notice
was published in a regular and entire issue of **THE LOVINGTON LEADER** and not in any supplement thereof, for one (1) day, beginning with the issue of May 17, 2008 and ending with the issue of May 17, 2008.

And that the cost of publishing said notice is the sum of \$64.49 which sum has been (Paid) as Court Costs.

Joyce Clemens
Subscribed and sworn to before me this 22nd day of May 2008

Debbie Schilling
Debbie Schilling

Notary Public, Lea County, New Mexico

My Commission Expires June 22, 2010

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 June 12, 2008, in the Oil Conservation Division Hearing Room at 1220 South St. Francis, Santa Fe, New Mexico, before an examiner duly appoint 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 June 2, 2008. 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 14139:

Application of Chevron U.S.A., Inc. for qualification of the Vacuum

Grayburg-San Andres Unit Tertiary Recovery Project for the Recovery of Oil Tax Rate Pursuant to the Enhanced Oil Recovery Act, Lea County, New Mexico. Applicant seeks to qualify the Vacuum Grayburg-San Andres Unit Tertiary Recovery Project for the recovered oil tax rate pursuant to the "New Mexico Enhanced Oil Recovery Act" (Laws 1992, Chapter 38, Sections 1 through 5). The Vacuum Grayburg-San Andres Unit Tertiary Recovery Project encompasses portions of Section 35 of Township 17 South Range 34 East and portions of Sections 1, 2, 11 and 12 of Township 18 South Range 34 East N.M.P.M. Said unit is located approximately 22 miles northwest of Hobbs, New Mexico.

Given under the Seal of the State of New Mexico Oil Conservation Commission at Santa Fe, New Mexico on this 15th day May 2008.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

Mark E. Fesmire, P.E.,
Director
Published in the Lovington Leader May 17, 2008.

LEGAL NOTICE
NOTICE OF
PUBLICATION
STATE OF
NEW MEXICO
ENERGY, MINERALS
AND NATURAL
RESOURCES