

December 20, 2010

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

State of New Mexico State Land Office
310 Old Santa Fe Trail
P. O. Box 1148
Santa Fe, NM 87504

RE: Agave Energy Company Application

This letter is to advise you that Agave Energy Company ("Agave") filed the enclosed application on December 20, 2010 with the New Mexico Oil Conservation Division ("NMOCD" or "the Division"). The application requests authority to inject acid gas and carbon dioxide (CO₂) into Agave's existing Metropolis Disposal #1 Well (API No. 30-015-31905). The well is located approximately 8 miles southwest of Artesia, New Mexico, between the Rio Peñasco and Four Mile Draw. More specifically, it is located 1,650 feet from the West line and 1,650 feet from the South line of Section 36, Township 18 South, Range 25 East, in Eddy County, roughly one mile south of Agave's Dagger Draw Processing Plant.

Agave proposes to recomplete and modify the Metropolis Disposal #1 Well in a manner that will ensure safe injection. The proposed injection would be into the basal Devonian, the Fusselman and the Montoya Formations through an injection interval from 9,930 to 10,500 feet. Agave proposes a maximum injection pressure of 3,300 psi and a maximum daily injection rate of 205 barrels. The recompleted well will serve as the disposal well for acid gas currently being flared at the Dagger Draw Processing Plant.

This application has been set for hearing before a Division Examiner at 8:15 am on Thursday, January 20, 2011 in Porter Hall at the NMOCD's Santa Fe office 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 Agave's 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 application at a later date.

A party appearing at the hearing is required by the Division's rules to file a Pre-Hearing Statement with the NMOCD's Santa Fe office no later than January 13, 2011. This statement must be served on counsel for Agave and on all other parties and should include: your name and the name of your attorney, if any; a concise statement of the case; the names of all witnesses you will call to testify at the hearing; the approximate time you will need to present your case; and an identification of any procedural matters that need to be resolved prior to the hearing.

OCD Case No. 14601

AGAVE ENERGY
Exhibit # 4

State of New Mexico State Land Office

December 20, 2010

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If you have any questions concerning this application, you may contact Mr. Alberto Gutiérrez at (505) 842-8000 at Geolex, Inc. 500 Marquette Avenue NW, Suite 1350, Albuquerque, New Mexico 87102 or Agave's counsel, Mr. Thomas Hnasko, at (505) 982-4554 at Hinkle, Hensley, Shanor & Martin, L.L.P., 218 Montezuma, Santa Fe, NM 87504.

Sincerely,
Geolex, Inc.



Alberto A. Gutiérrez, C.P.G.
President
Consultant to Agave Energy Company

Enclosure

AAG/lh

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:

Chase Oil Corp.
PO Box 1767
Artesia NM 88210

COMPLETE THIS SECTION ON DELIVERY

- A. Signature X Anthony Donald ☐ Agent ☐ Addressee
B. Received by (Printed Name) ANTHONY DONALD C. Date of Delivery DEC 22 2000
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

2. Article Number

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7008 1300 0001 2837 7232

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102595-02-M-1540

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■ 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:

DMD LLC
PO Box 300
Artesia NM 88211

COMPLETE THIS SECTION ON DELIVERY

- A. Signature X Andrew Wats ☐ Agent ☐ Addressee
B. Received by (Printed Name) ANDREW WATTS C. Date of Delivery DEC 22 2000
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

2. Article Number

(Transfer from service label)

7007 2680 0002 7514 5622

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■ 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:

US Bureau of Land Mgt.
Carlsbad Field Office
620 East Greene St.
Carlsbad NM 88220-6292

COMPLETE THIS SECTION ON DELIVERY

- A. Signature X [Signature] ☐ Agent ☐ Addressee
B. Received by (Printed Name) [Signature] C. Date of Delivery 12/22
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

2. Article Number

(Transfer from service label)

7007 2680 0002 7514 5969

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■ 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 NM Land Office
310 Old Santa Fe Trail
PO Box 1148
Santa Fe NM 87501

COMPLETE THIS SECTION ON DELIVERY

- A. Signature X [Signature] ☐ Agent ☐ Addressee
B. Received by (Printed Name) [Signature] C. Date of Delivery DEC 22 2000
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

2. Article Number

(Transfer from service label)

7007 2680 0002 7514 5631

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- 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:

Alb. Petroleum Corp.
105 South 4th St
Artesia NM 88210

2. Article Number
(Transfer from service label)

PS Form 3811, February 2004
7007 2680 0002 7514 5639

Domestic Return Receipt

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COMPLETE THIS SECTION ON DELIVERY

A. Signature
Charania

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

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:

Atlas Petroleum Corp.
105 So. 4th St
Artesia NM 88210

2. Article Number
(Transfer from service label)

PS Form 3811, February 2004
7007 2680 0002 7514 5723

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature
Charania

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

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:

Ronald Metcalf
South Valley Rd
PO Box 37
Palmer Lake Co 80133

2. Article Number
(Transfer from service label)

PS Form 3811, February 2004
7007 2680 0002 7514 5747

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature
Charania

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

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:

Pitch Energy Corp.
105 So. 4th St
Artesia NM 88210

2. Article Number
(Transfer from service label)

PS Form 3811, February 2004
7007 2680 0002 7514 5761

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature
Charania

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

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.

Article Addressed to:
Christine Baeza
314 N. 14th St.
Acton, NM 88210

COMPLETE THIS SECTION ON DELIVERY

- A. Signature
X Maria Baeza ☐ Agent ☐ Addressee
- B. Received by (Printed Name) C. Date of Delivery
- D. Is delivery address different from item 1? ☐ Yes ☐ No
If YES, enter delivery address below:

Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes ☐ No

Article Number
(Transfer from service label) 7007 2680 0002 7514 5662

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102595-02-M-1540

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.

Article Addressed to:
Basil & Delish Baeza
314 N. 14th St.
Acton, NM 88210

COMPLETE THIS SECTION ON DELIVERY

- A. Signature
X Maria Baeza ☐ Agent ☐ Addressee
- B. Received by (Printed Name) C. Date of Delivery
- D. Is delivery address different from item 1? ☐ Yes ☐ No
If YES, enter delivery address below:

Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes ☐ No

Article Number
(Transfer from service label) 7007 2680 0002 7514 5938

PS Form 3811, February 2004 Domestic Return Receipt

102595-02-M-1540

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.

Article Addressed to:
Christine Baeza
314 N. 14th St.
Acton, NM 88210

COMPLETE THIS SECTION ON DELIVERY

- A. Signature
X Maria Baeza ☐ Agent ☐ Addressee
- B. Received by (Printed Name) C. Date of Delivery
- D. Is delivery address different from item 1? ☐ Yes ☐ No
If YES, enter delivery address below:

Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes ☐ No

Article Number
(Transfer from service label) 7007 2680 0002 7514 5945

PS Form 3811, February 2004 Domestic Return Receipt

102595-02-M-1540

THIS SECTION

- Items 1, 2, and 3. Also complete so that we can return the card to you, or on the front if space permits.
- Article Addressed to:

Myco Industries, Inc
105 South 4th St.
Artesia NM 88210

2. Article Number
(Transfer from service label)

PS Form 3811, February 2004

7007 2680 0002 7514 5846

Domestic Return Receipt

- Complete items 1, 2, and 3. Also complete so that we can return the card to you, or on the front if space permits.
- Article Addressed to:

Myco Ind Inc
105 S 4th
Artesia NM 88201

2. Article Number
(Transfer from service label)

PS Form 3811, February 2004

Domestic Return Receipt

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X *51 gubergs attached*

B. Received by (Printed Name)

C. Date of Delivery

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

A. Signature
X *gubergs attached*

B. Received by (Printed Name)

C. Date of Delivery

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

102595-02-M-1540

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:

Woodward Trust
Doris & Dale Woodward
4748 Elder Avenue
Seal Beach CA 90740

COMPLETE THIS SECTION ON DELIVERY

- A. Signature X *Doris Woodward* ☐ Agent ☐ Addressee
B. Received by (Printed Name) Doris Woodward C. Date of Delivery 12/27
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)

7007 2680 0002 7514 5648

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■ 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:

Dwight Lee & Cindy McDermid
11177 Captains Cove Drive
Soddy-Daisy TN 37379

COMPLETE THIS SECTION ON DELIVERY

- A. Signature X *Cindy McDermid* ☐ Agent ☐ Addressee
B. Received by (Printed Name) Cindy McDermid C. Date of Delivery 12/28/10
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)

7007 2680 0002 7514 5778

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- 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:

H.D. Larson
Greeta Edgington
1715-20th St
Gering NE 69341

COMPLETE THIS SECTION ON DELIVERY

- A. Signature X *Greeta Edgington* ☐ Agent ☐ Addressee
B. Received by (Printed Name) Greeta Edgington C. Date of Delivery 12-28-10
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

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7007 2680 0002 7514 5730

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■ Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Marbob Energy Corp.
PO Box 227
Artesia NM 88211

COMPLETE THIS SECTION ON DELIVERY

- A. Signature X *Kandi Palmer* ☐ Agent ☐ Addressee
B. Received by (Printed Name) Kandi Palmer C. Date of Delivery 12/28/10
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

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7007 2680 0002 7514 5815

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■ Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Thomas & Wanda Wilson
David & Diana Wilson
235 North Lake Rd.
Actesio NM 88210

2. Article Number

(Transfer from service label)

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7007 2680 0002 7514 5655

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

- A. Signature ☒ Mark Wilson
B. Received by (Printed Name) ☐ Agent
C. Date of Delivery ☐ Addressee
12-22-10
D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

- ☒ Certified Mail
☐ Registered
☐ Insured Mail
☐ Express Mail
☐ Return Receipt for Merchandise
☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

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■ Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

David Wilson
235 North Lake Rd.
Actesio NM 88210

2. Article Number

(Transfer from service label)

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Domestic Return Receipt

7007 2680 0002 7514 5952

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

- A. Signature ☒ Mark Wilson
B. Received by (Printed Name) ☐ Agent
C. Date of Delivery ☐ Addressee
12-22-10
D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

- ☒ Certified Mail
☐ Registered
☐ Insured Mail
☐ Express Mail
☐ Return Receipt for Merchandise
☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

SENDER: COMPLETE THIS SECTION

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■ 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:

B.E. Spencer Trust
1st National Bank
PO Drawer AA
Actesio NM 88211

2. Article Number

(Transfer from service label)

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Domestic Return Receipt

7007 2680 0002 7514 5792

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

- A. Signature ☒ Phillip Lawson
B. Received by (Printed Name) ☐ Agent
C. Date of Delivery ☐ Addressee
12-22-10
D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

- ☒ Certified Mail
☐ Registered
☐ Insured Mail
☐ Express Mail
☐ Return Receipt for Merchandise
☐ 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:

Shonbro Oil Company, Ltd.
PO Box 840
Actesio NM 88211

2. Article Number

(Transfer from service label)

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Domestic Return Receipt

7007 2680 0002 7514 5679

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

- A. Signature ☒ Phillip Lawson
B. Received by (Printed Name) ☐ Agent
C. Date of Delivery ☐ Addressee
12-22-10
D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

- ☒ Certified Mail
☐ Registered
☐ Insured Mail
☐ Express Mail
☐ Return Receipt for Merchandise
☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes