

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

IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION DIVISION
FOR THE PURPOSE OF CONSIDERING:

CASE NO. _____

APPLICATION OF XERIC OIL & GAS CORPORATION
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.

AFFIDAVIT OF _____

STATE OF TEXAS }
 }
COUNTY OF MIDLAND }

Before me, the undersigned authority, personally appeared LISA M. SNELSON and RANDY C. HALL, who being duly sworn, stated:

A. Our names and our qualifications as experts are as follows:

LISA M. SNELSON
Education: Petroleum Landman
Experience: Eleven (11) years

RANDY C. HALL
Education: Petroleum Geologist
Experience: Fourteen (14) years

B. We are over the age of majority and are competent to make this Affidavit.

We have been responsible for and involved in preparing the necessary documents for
submittal to the New Mexico Oil Conservation Division for this case.

We are each personally knowledgeable and familiar with the facts and circumstances of
this case and the following factual statements.

C. Our expert opinions are based on the following facts and events:

CHRONOLOGICAL SUMMARY OF SIGNIFICANT EVENTS

1. Xeric Oil & Gas Corporation ("Xeric") has a working interest ownership in the oil and gas minerals underlying the S/2 of Section 19, T-20-S, R-39-E, NMPM, Lea County, New Mexico.
2. Xeric proposes to drill and complete its Carter "19" Well No. 2, aka Carter Well No. 2, at a standard oil (gas) well location and to test any and all formations in the pooled interval from the surface to the base of the Abo formation.
3. Based upon an oil & gas title opinion, Xeric believes that the following individuals and entities are owners of an unleased mineral interest in the subject spacing unit in the following percentages:

NAME	PERCENTAGE
Alice T. Bannatyne	9/320
The Heirs or Devisees of Harald Muller, dec'd and Helen Muller, dec'd	9/320
William J. Foster	9/640
Mary C. Foster Geddes	9/640

OIL CONSERVATION DIVISION
BEFORE THE
Case No. 12088 Exhibit No. — 1
Submitted By:
Xeric Oil & Gas
Hearing Date: November 19, 1998

4. Despite its good faith efforts, Xeric has been unable to lease the foregoing parties.
5. Pursuant to Section 70-2-17(c) NMSA (1978) and in order to obtain its just and equitable share of potential production underlying this spacing unit. Xeric needs an order of the Division pooling the identified and described mineral interests involved in order to protect correlative rights and prevent waste.
6. In accordance with Division Rule 1207.A(2) attached are the following exhibits in support of this case:

Exhibit A: map outlining the spacing unit to be pooled which is the NW/4SW/4 of Section 19, T-20-S, R-39-E;

Exhibit B: a list of the names and last known addresses of all parties to be pooled with the nature and percent of their interest;

Exhibit C: written evidence of attempts to reach voluntary agreement;

Exhibit D: geologic displays of the Abo formation to be tested which forms the basis for the opinion that the maximum 200% risk factor penalty is justified;

Exhibit E: type log for the principal formations. This is expected to be an oil well on 40 acre oil (gas) well spacing but pooling should include all from the surface to the base of the Abo formation and include but are not limited to the Nadine Drinkard Abo Pool;

Exhibit F: a copy of Ernest & Young average well costs overhead rates of \$4,000/month drilling and \$400/month producing well rates which we request be authorized for this case;

Exhibit G: copy of Division form C-102 showing the well location;


Exhibit H: copy of the AFE in the amount of \$393,415.00 completed well costs for this well which I conclude is fair reasonable and current for wells of this type in this area.

7. We recommend that a compulsory pooling order be entered which provides that:
 - (a) Xeric Oil & Gas Corporation be named Operator;
 - (b) Provisions for applicant and all working interest owners to participate in the costs of drilling, completing, equipping and operating the well;
 - (c) In the event a working interest owner fails to elect to participate, then provision be made to recover out of the production, the costs of drilling, completing, equipping and operating the well, including a risk factor penalty of 200%; and
 - (d) Provision for overhead rates of \$4,000 per month drilling and \$400 per month operating and a provision providing for an adjustment method of the overhead rates as provided by COPAS;
- D. We have formed the following opinions based upon our respective expertise and upon the foregoing chronology of events:
 - (1) That approval of Xeric Oil & Gas Corporation's application in this Case is necessary in order to consolidate the interest ownership within this spacing unit for the drilling, completing and producing the subject well, will not violate correlative rights and will help prevent waste and promote the conservation of natural resources.
 - (2) That the New Mexico Oil Conservation Division should enter an order pooling all mineral interests from the surface to the base of the Abo formation underlying the NW/4 SW/4 of Section 19, T-20-S, R-39-E, NMPM, Lea County, New Mexico, forming a standard 40 acre spacing and proration unit for any and all formations and/or pools developed on 40 acre spacing within said vertical extent, which presently includes but is not necessarily limited to the D-K Abo Pool to dedicate this pooled unit to its Carter "19" well number 2 to be drilled and completed at a standard oil (gas) well location within said

spacing unit including the costs of drilling and completing said well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a 200% charge for risk involved in drilling and completing said well. Said 200% charge for risk based on the fact that the primary objectives for drilling both the Carter "19" #1 and #2 are the Drinkard and the Abo formations which are the only producing zones in the D-K field in the adjacent south Section 30. However, the Carter "19" #1 was non-commercial after acidizing the Abo section. The Drinkard section was subsequently acidized and fracture treated resulting in approximately 98% water production. The Tubb formation was also acidized and fracture treated which was estimated to be 80% water production. The Blinbry formation was then also acidized and fracture treated and has been producing at a marginal rate of approximately 20 barrels of oil per day. All zones in the Carter "19" #1 appear to be marginal at best. The Carter "19" #2 was drilled for the same primary objectives as the Carter "19" #1. The Abo formation was completed open hole at a rate of approximately 25 barrels oil per day with 100 barrels water per day. At current oil prices and water disposal costs, this zone also appears to be uneconomical.


FURTHER AFFIANTS SAYETH NOT:


LISA M. SNELSON

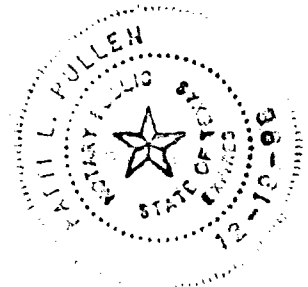

RANDY C. HALL

STATE OF TEXAS }
 }
COUNTY OF MIDLAND }

SUBSCRIBED AND SWORN TO before me this 17th day of November, 1998, by
LISA M. SNELSON and RANDY C. HALL.


NOTARY PUBLIC in and for the
STATE OF TEXAS

My Commission Expires:
12-19-98



<p>19-12-2000 to 7176 Trown Am. Petro Dawson 07120</p>	<p>Collins & Ware 15 13 4</p>	<p>Penwell Ener.</p>	<p>Okla. Op.</p>	<p>Energyquest Parker & Parsley</p>	<p>M.</p>
<p>Leonard Res 14-27-98 Collins & Ware, W R.A.E. McCasland(S)</p>	<p>R.A.E. D.M. McCasland(S) Collins & Ware 4-22-2000 E12 E12</p>	<p>11-6-99 5-6-99 Parker & Parsley Energyquest Res. 10-25-99 Todd West moreland 1-1-2000</p>	<p>11-6-99 5-6-99 Parker & Parsley Energyquest Res. 10-25-99 Todd West moreland 1-1-2000</p>	<p>Howe, MI M. Deck Est. (S) Parker & Parsley Energyquest 10-25-99 1-7-98 Xeric OEG 5-20-99</p>	<p>Robert C. Koch 9-22-98 J.E.E. L.E. Mc Feb, 98 TXO 8-3-98 R. A. E. Parker & Parsley M. De</p>
<p>Xeric OEG 9-1-2006 97163 430 U.S.</p>	<p>Xeric 4-29-2000</p>	<p>11-6-99 5-6-99 Parker & Parsley Energyquest Res. 10-25-99 Todd West moreland 1-1-2000</p>	<p>11-6-99 5-6-99 Parker & Parsley Energyquest Res. 10-25-99 Todd West moreland 1-1-2000</p>	<p>Howe, MI M. Deck Est. (S) Parker & Parsley Energyquest 10-25-99 1-7-98 Xeric OEG 5-20-99</p>	<p>Robert C. Koch 9-22-98 J.E.E. L.E. Mc Feb, 98 TXO 8-3-98 R. A. E. Parker & Parsley M. De</p>
<p>Xeric OEG 9-1-2006 97163 430 U.S.</p>	<p>Yates Per etal 2-13-99 Burrill Caroline Devey 10-7500 01-10-17-81 1-23-99</p>	<p>11-6-99 5-6-99 Parker & Parsley Energyquest Res. 10-25-99 Todd West moreland 1-1-2000</p>	<p>11-6-99 5-6-99 Parker & Parsley Energyquest Res. 10-25-99 Todd West moreland 1-1-2000</p>	<p>Howe, MI M. Deck Est. (S) Parker & Parsley Energyquest 10-25-99 1-7-98 Xeric OEG 5-20-99</p>	<p>Robert C. Koch 9-22-98 J.E.E. L.E. Mc Feb, 98 TXO 8-3-98 R. A. E. Parker & Parsley M. De</p>
<p>Stevens & Tull 9-1-2006 97164 858 00 U.S. R.A.E. D.M. McCasland(S)</p>	<p>Yates Per etal 2-13-99 Burrill Caroline Devey 10-7500 01-10-17-81 1-23-99</p>	<p>11-6-99 5-6-99 Parker & Parsley Energyquest Res. 10-25-99 Todd West moreland 1-1-2000</p>	<p>11-6-99 5-6-99 Parker & Parsley Energyquest Res. 10-25-99 Todd West moreland 1-1-2000</p>	<p>Howe, MI M. Deck Est. (S) Parker & Parsley Energyquest 10-25-99 1-7-98 Xeric OEG 5-20-99</p>	<p>Robert C. Koch 9-22-98 J.E.E. L.E. Mc Feb, 98 TXO 8-3-98 R. A. E. Parker & Parsley M. De</p>
<p>Stevens & Tull E12</p>	<p>Yates Per etal 2-13-99 Burrill Caroline Devey 10-7500 01-10-17-81 1-23-99</p>	<p>11-6-99 5-6-99 Parker & Parsley Energyquest Res. 10-25-99 Todd West moreland 1-1-2000</p>	<p>11-6-99 5-6-99 Parker & Parsley Energyquest Res. 10-25-99 Todd West moreland 1-1-2000</p>	<p>Howe, MI M. Deck Est. (S) Parker & Parsley Energyquest 10-25-99 1-7-98 Xeric OEG 5-20-99</p>	<p>Robert C. Koch 9-22-98 J.E.E. L.E. Mc Feb, 98 TXO 8-3-98 R. A. E. Parker & Parsley M. De</p>

EXHIBIT "A" to that certain
Application of Xeric Oil & Gas Corporation for Compulsory Pooling
Lea County, New Mexico
dated November 18, 1998

Texas
Crude
HBP
0634 C

Penwell
Ener.
12-1-2006
97915
110 00

Xeric OEG
3-21-2000
9-23-99
6-26-98
11-4-97

U.S., MI

Min. divided

Stevens & Tull
9-1-2006
97164
858 00

U.S.
R.A.E.
D.M. McCasland(S)

1-A Tex Cr
Carter
Carter

R.A.E, D.M.
McCasland (S)

Mowbraine Oil

Mowbraine Oil

Tex.

**EXHIBIT "B" to that certain
Application of Xeric Oil & Gas Corporation for Compulsory Pooling
Lea County, New Mexico
dated November 18, 1998**

<u>MINERAL OWNER/ ADDRESS</u>	<u>FRACTIONAL INTEREST</u>	<u>TYPE INTEREST</u>
Alice T. Bannatyne	9/320	Mineral/Royalty
The Heirs or Devisees of Harald Muller, dec'd and Helen Muller, dec'd	9/320	Mineral/Royalty
William J. Foster	9/640	Mineral/Royalty
Mary C. Foster Geddes	9/640	Mineral/Royalty

**EXHIBIT "C hereby attached to and made a part of that certain
AFFIDAVIT OF APPLICATION OF XERIC OIL & GAS CORPORATION
FOR COMPULSORY POOLING dated November 18, 1998**

WRITTEN ATTEMPTS TO LOCATE MISSING MINERAL OWNERS

1) **ALICE T. BANNATYNE**

Premise: Last document filed of record in Lea County, New Mexico by Alice T. Bannatyne, an "Affidavit of Surviving Spouse" dated November 4, 1960, stated that when her husband, Matthew Bannatyne died, he was a resident of San Francisco County, California. Furthermore, the notary public omitted the portion of the acknowledgment which indicates the county name. Therefore, we have no indication from the document as to Mrs. Bannatyne's address as of the date of this Affidavit.

Attempts:

- 1) Checked the local area phone books for Lovington and Hobbs, New Mexico area.
- 2) Researched the records of the office of the County Clerk of Lea County, New Mexico.
- 3) Ran her name on the 1996 and 1999 Phone Directory called "Select Phone CD" on CD Rom on computer, using the discs for all parts of the U.S;
- 4) Ran her name on CD Rom on computer on program entitled Social Security Death Benefit Records, November 1994 Edition.
- 5) Wrote to the Clerk of the Superior Court in San Francisco on January 23, 1997 requesting a search of their probate records for a copy of the Will and Final Decree for the Estate of Alice T. Bannatyne, a/k/a Mrs. M. S. Bannatyne for the period beginning 1960 (the date of the Affidavit of Surviving Spouse) and ending 1970.

Results:

- 1) Located no Alice T. or Matthew Bannatyne in local phone books for Hobbs or Lovington, New Mexico.
- 2) Found no more recent document filed by the Bannatynes than that described in the Premise above.
- 3) Located no one by that name on any of the computer discs for the 1996 and 1999 Phone Directory;
- 4) Located only one Alice Bannatyne who died in 1985 in Cheboygan, Michigan; I phoned the Cheboygan County Probate Court and and requested all probate information available. The Probate Court sent me a copy of the Petition and Order for Assignment, Estate Not Exceeding \$2,500, which indicated that the full name of the Page

EXHIBIT "C" to that certain AFFIDAVIT by Lisa M. Snelson and Randy C. Hall dated Nov. 18, 1998 re: Compulsory Pooling - CARTER #19-2 - Lea County, NM

deceased was Alice R. Bannatyne and not the Alice T. Bannatyne who signed the Affidavit of Surviving Spouse referenced above. However, I did write a letter of inquiry dated August 27, 1996 to the son of Alice R. Bannatyne, being Terry B. Bannatyne, as indicated in the Petition I received from Cheboygan County Probate Court. In his call in response to my letter, Terry Bannatyne indicated that his parents did not own mineral interest in Lea County, New Mexico and his father was not named Matthew Bannatyne, thereby disclaiming the association to the Alice T. Bannatyne who is the owner we seek.

5) The Clerk of the Superior Court in San Francisco, California responded to our request of January 23, 1997 and indicated that they found no record of a will or probate filed in their county for Alice T. Bannatyne for the years 1960 through 1970.

2) HEIRS OF HARALD MULLER AND HELEN MULLER, husband and wife

Premise: The last document signed by Harald Muller found filed of record in Lea County, New Mexico, an Oil and Gas Lease dated November 16, 1983, was notarized in San Francisco County, California.

Attempts:

- 1) Checked the local area phone books for Lovington and Hobbs, New Mexico area.
- 2) Researched the records of the office of the County Clerk of Lea County, New Mexico.
- 3) Ran his and her name on the 1996 and 1999 Phone Directory called "Select Phone CD" on CD Rom on computer, using the disk for the Pacific Coast of the U.S.;
- 4) Ran his name on CD Rom on computer on program entitled Social Security Death Benefit Records, November 1994 Edition.
- 5) Wrote to the Clerk of the Superior Court in San Francisco on September 17, 1996 requesting a search of their probate records for a copy of the Will and Final Decree for the Estate of Harald Muller, a/k/a Harold Muller, indicating the date of death and the social security number of the deceased as indicated by the Social Security Death Benefit Records report.
- 6) Wrote to the Clerk of the Superior Court in San Francisco on January 23, 1997 requesting a search of their probate records for a copy of the Will and Final Decree for the Estate of Helen Muller, a/k/a Mrs. Harald Muller, for the period of 1983 to the present.

Results:

- 1) Located no Helen or Harald Muller in local phone books for Hobbs or Lovington, New Mexico.
- 2) Found no more recent document filed by the Mullers than that described in the Premise above.
- 3) Located no one by the name of Harald or Helen Muller on any of the computer discs for the 1996 and 1999 Phone Directory; however, I did locate a Mrs. Harald Muller in San Francisco. Secondly, by inquiry letter dated August 27, 1996 to Mrs. Harald Muller at 124 Saint Charles, San Francisco, California 94132, I requested she contact me in this regard. I received no response to this letter. Therefore, I wrote to her a second time on January 13, 1997 sent by certified return receipt mail. She responded by contacting me by phone and advising me that she was not Helen Muller and that she owned no mineral interest in New Mexico.

EXHIBIT "C" to that certain AFFIDAVIT by Lisa M. Snelson and Randy C. Hall dated Nov. 18, 1998 re: Compulsory Pooling - CARTER #19-2 - Lea County, NM

- 4) Located only one Harald Muller who died in September of 1985 in San Francisco, California.
- 5) The Clerk of the Superior Court in San Francisco, California responded to our request of September 17, 1996 and indicated that they found no copy of a will or probate filed in their county for Harald Muller for the years beginning 1985 to present.
- 6) The Clerk of the Superior Court in San Francisco, California responded to our request of January 23, 1997 and indicated that they found no copy of a will or probate filed in their county for Helen Muller for the years beginning 1983 to present.

3) WILLIAM J. FOSTER

Premise: The last document found filed of record in Lea County, New Mexico, which was signed by William J. Foster and Mary Foster Geddes was a Quitclaim Deed from the Estate of William H. Foster to themselves as his legal heirs recorded in Book 420, page 36 of the Oil and Gas Records. In the document it lists an address for William J. Foster, being the address listed in Exhibit "B" of this Affidavit, as 6303 Wood Drive, Oakland, California 94611.

- Attempts:
- 1) Checked the local area phone books for Lovington and Hobbs, New Mexico area.
 - 2) Researched the records of the office of the County Clerk of Lea County, New Mexico.
 - 3) Ran his name on the 1996 and 1999 Phone Directory called "Select Phone CD" on CD Rom on computer, using the disk for the Pacific Coast of the U.S.;
 - 4) Sent offer letter dated July 12, 1996 to last known address as indicated in the Premise above.

- Results:
- 1) Located no William J. Foster in local phone books for Hobbs or Lovington, New Mexico.
 - 2) Found no more recent document filed by the Fosters than that described in the Premise above.
 - 3) Located on the Phone Directories a William J. Foster (at 2723 S. Hillrise Drive, Walnut Creek, California 91789) and wrote a letter of inquiry on September 29, 1996, requesting he contact me by phone in this regard. Since I received no response to this letter, I followed up by sending another copy of the letter by certified return receipt mail. I later received a phone call from this William J. Foster, who indicated his father was not named William Hartry Foster and he did not own any mineral interest in Lea County, New Mexico. Therefore, it was determined that he was not the same William J. Foster who inherited this interest from his parents William H. Foster and Hilda C. Foster.
 - 4) Received no response to our letter dated July 12, 1996 to the last known address.

4) MARY C. FOSTER GEDDES

Premise: The last document found filed of record in Lea County, New

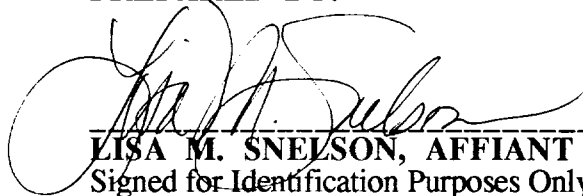
EXHIBIT "C" to that certain AFFIDAVIT by Lisa M. Snelson and Randy C. Hall dated Nov. 18, 1998 re: Compulsory Pooling - CARTER #19-2 - Lea County, NM

Mexico, which was signed by Mary C. Foster Geddes and William J. Foster was a Quitclaim Deed from the Estate of William H. Foster to themselves as his legal heirs recorded in Book 420, page 36 of the Oil and Gas Records. In the document it lists an address for William J. Foster, being the address listed in Exhibit "B" of this Affidavit, as 6303 Wood Drive, Oakland, California 94611.

- Attempts:
- 1) Checked the local area phone books for Lovington and Hobbs, New Mexico area.
 - 2) Researched the records of the office of the County Clerk of Lea County, New Mexico.
 - 3) Ran her name on the 1996 and 1999 Phone Directory called "Select Phone CD" on CD Rom on computer, using the disk for the Pacific Coast of the U.S.;
 - 4) Called each "M. Geddes" listed by the 1996 and 1999 Phone directory for the Pacific Coast.

- Results:
- 1) Located no Mary Geddes or Mary Foster in local phone books for Hobbs or Lovington, New Mexico.
 - 2) Found no more recent document filed by Mary Geddes than that described in the Premise above.
 - 1) Found no listing on 1996 and 1999 Phone Directory for Pacific Coast area for a Mary Geddes. However, found five listings for an "M. Geddes".
 - 2) Talked to one of the "M. Geddes" listed by the 1996 Phone Directory and left messages on answering machines for the remainder. Received no response to calls.

PREPARED BY:


LISA M. SNELSON, AFFIANT
Signed for Identification Purposes Only

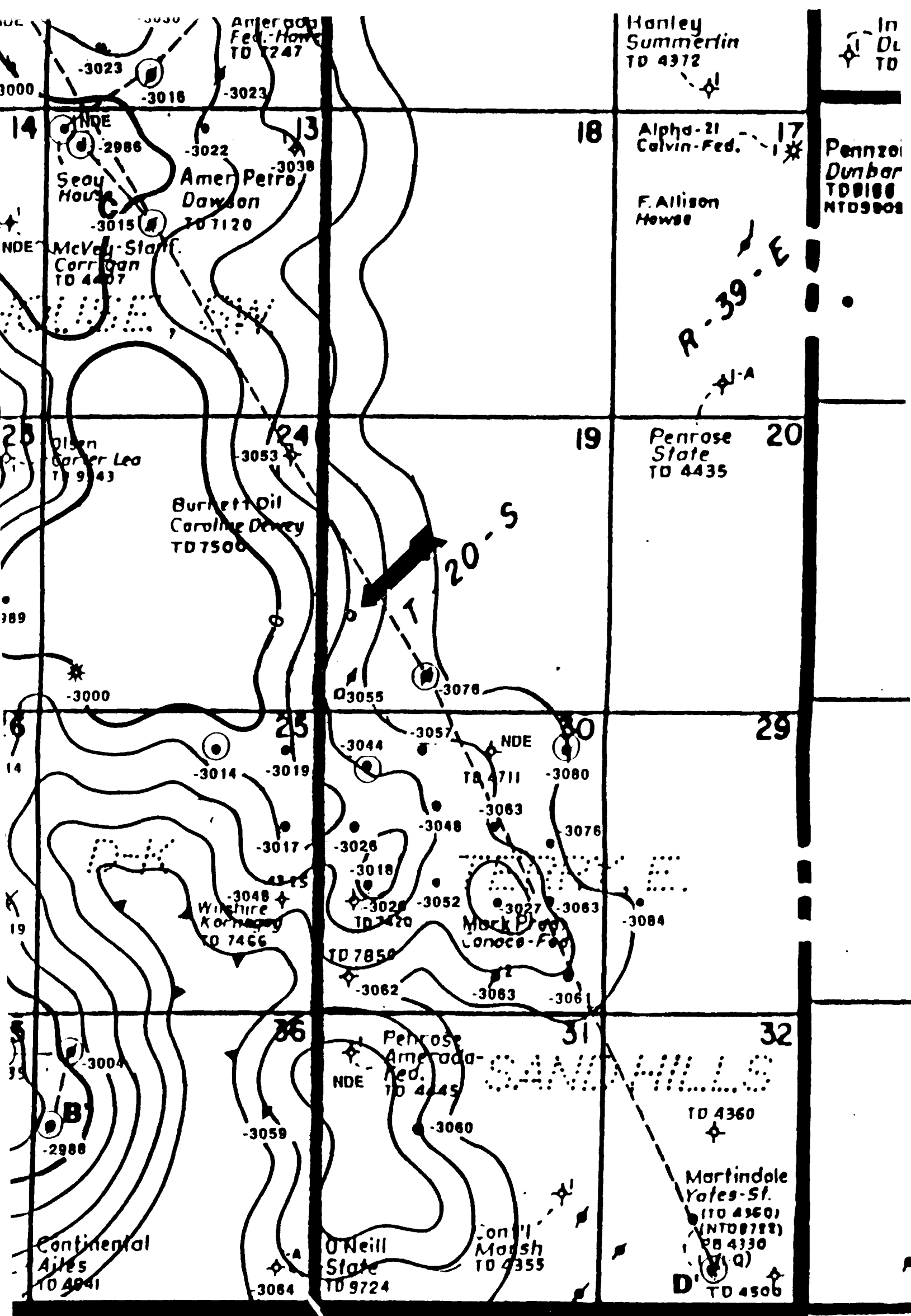


EXHIBIT "D" to that certain
Application of Xeric Oil & Gas Corporation for Compulsory Pooling
Lea County, New Mexico
dated November 18, 1998

TOP/TUBB STRUCTURE

CONTOUR INTERVAL: 20 FT.

SCALE: 1" = 2000'

AND

|||||

TYPE LOG

EXHIBIT "F" to that certain

Application of Xeric Oil & Gas Corporation for Compulsory Pooling

Lea County, New Mexico

dated November 18, 1998

Oil Wells

Responses
1995 1994

5	7									Drilling Well Rates	
										1994	
										Mean	Median
8	9	5,001—10,000	4,305	4,861	5,884	6,202	7,10	460		\$455	\$418
2	1	10,001—15,000	7,639	7,639	7,317	7,317	670	670		524	441
1	1	15,001—20,000	7,639	7,639	7,317	7,317	762	762		730	730
1	1	20,001+	8,596	8,596	8,234	8,234	861	861		730	730
1		No Depth Limit	7,491	7,491			749	749		825	825

Gas Wells

Responses
1995 1994

13	11	0— 5,000	\$4,956	\$4,708	\$4,966	\$5,000	\$421	\$429	\$412	\$450
7	14	5,001—10,000	5,222	4,940	5,610	5,500	494	488	500	450
3	3	10,001—15,000	4,032	4,032	7,317	7,317	546	577	730	730
1	1	15,001—20,000	7,639	7,639	7,317	7,317	762	762	730	730
1	1	20,001+	8,596	8,596	8,234	8,234	861	861	825	825
1	1	No Depth Limit	7,491	7,491			749	749	590	590

Region: Rocky Mountains and Northern Great Plains—4

Oil Wells

Responses
1995 1994

19	10	0— 5,000	\$4,126	\$4,000	\$3,710	\$4,000	\$447	\$400	\$468	\$466
30	17	5,001—10,000	5,688	5,546	4,333	4,350	575	578	504	500
14	8	10,001—15,000	6,935	7,193	5,388	5,450	651	613	581	565
1		15,001—20,000	7,639	7,639			762	762		
1		20,001+	8,596	8,596			861	861		
3	4	No Depth Limit	7,515	7,721	5,852	5,500	751	772	622	641

Gas Wells

Responses
1995 1994

11	8	0— 5,000	\$4,731	\$5,000	\$5,039	\$4,000	\$462	\$462	\$429	\$442
10	3	5,001—10,000	5,848	5,620	4,833	4,000	609	549	602	616
7	2	10,001—15,000	7,262	7,639			706	762	758	758
2	1	15,001—20,000	7,595	7,595	5,000	5,000	870	870	500	500
2		20,001+	9,033	9,033			970	970		
3	2	No Depth Limit	7,362	7,262	6,956	6,956	730	708	558	558

Region: West Texas and Eastern New Mexico—5

Oil Wells

Responses
1995 1994

118	88	0— 5,000	\$3,316	\$3,000	\$3,145	\$3,000	\$347	\$350	\$322	\$300
98	67	5,001—10,000	4,178	4,500	4,183	4,000	440	450	419	400
32	20	10,001—15,000	5,603	5,400	4,299	4,750	563	545	474	499
4	4	15,001—20,000	6,961	7,639	6,000	6,000	684	706	454	377
1	2	20,001+	8,536	8,536	8,500	8,500	861	861	675	675
14	5	No Depth Limit	4,887	5,400	5,317	5,900	499	520	550	632

Gas Wells

Responses
1995 1994

41	47	0— 5,000	\$3,261	\$3,000	\$3,515	\$3,000	\$365	\$330	\$330	\$300
48	37	5,001—10,000	4,266	4,000	3,982	4,000	452	400	525	400
20	18	10,001—15,000	5,828	5,819	4,614	5,000	546	564	507	500
3	5	15,001—20,000	6,046	5,500	6,000	6,000	587	500	627	654
2	3	20,001+	9,048	9,048	8,500	8,500	806	806	738	738
12	5	No Depth Limit	5,008	5,209	5,177	5,000	541	527	555	550

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

EXHIBIT "G" to that certain
Application of Xeric Oil & Gas Corporation for Compulsory Pooling
Lea County, New Mexico
dated November 18, 1998

Form C-102
Revised February 10, 1994
Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-34469	Pool Code 15200	Pool Name DK; 260
Property Code 20660	Property Name CARTER	Well Number 2
GRID No. 25482	Operator Name XERIC OIL AND GAS CORPORATION	Elevation 3558

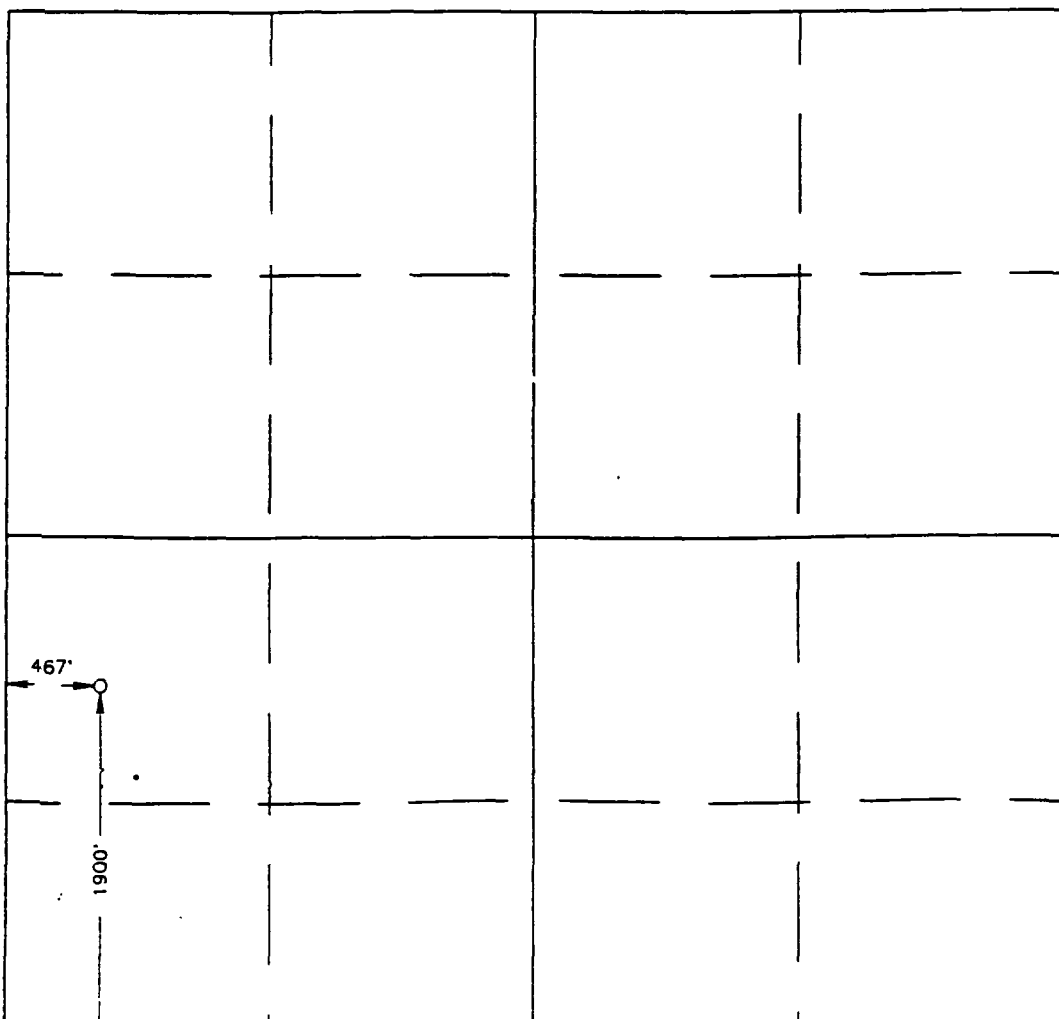
Surface Location

UL or lot No. L	Section 19	Township 20 S	Range 39 E	Lot Idn	Feet from the 1900	North/South line SOUTH	Feet from the 467	East/West line WEST	County LEA
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Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 40		Joint or Infill	Consolidation Code	Order No.					

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. Signature _____ Printed Name _____ Title _____ Date _____	
	SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. JULY 17, 1998 Date Surveyed _____ DMCC Signature of State Professional Surveyor _____ 7-21-98 7-21-98 Certificate No. RONALD S. EDSON 3239 GARY EDSON 12641 WESLEY McDONALD 12185	

AUTHORITY FOR EXPENDITURE

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