

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

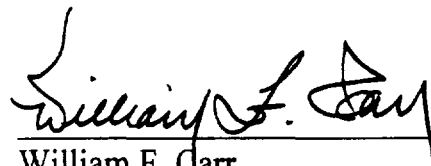
IN THE MATTER OF THE APPLICATION OF
NEARBURG EXPLORATION COMPANY, L.L.C.
FOR POOL CREATION AND
SPECIAL POOL RULES,
LEA COUNTY, NEW MEXICO.

CASE NO. 12132

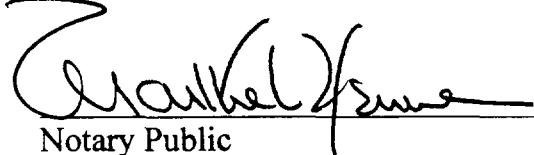
AFFIDAVIT

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

William F. Carr, authorized representative of Nearburg Exploration Company, L.L.C.,
the Applicant herein, being first duly sworn, upon oath, states that notice has been given to
all interested persons entitled to receive notice of this application under Oil Conservation
Division rules, and that notice has been given at the addresses shown on Exhibit "A" attached
hereto.


William F. Carr

SUBSCRIBED AND SWORN to before me this 31st day of March, 1999.


Notary Public

My Commission Expires: August 19, 1999

EXHIBIT A

Union Pacific Resources Company
Post Office Box 7
Ft. Worth, TX 76101

Exxon Corporation
Post Office Box 4697
Houston, TX 77210

Grand Banks Energy Company
10 Desta Drive, Suite 300 East
Midland, TX 79705

Atlantic Richfield Company
Post Office Box 1610
Midland, TX 79702

Brian H. Scarborough
10 Desta Drive, Suite 300 East
Midland, TX 79705

Texaco Exploration and Production, Inc.
Post Office Box 3109
Midland, TX 79702

Chevron USA Production Company
Post Office Box 1150
Midland, TX 79702

Yates Petroleum Corporation
105 South Fourth Street
Artesia, NM 88210

-
Autry C. Stephens
110 N. Marienfeld, Suite 200
Midland, TX 79701

Mobil Exploration and Production US Inc.
Post Office Box 633
Midland, TX 79702

**BEFORE THE
OIL CONSERVATION DIVISION**
Santa Fe, New Mexico

Case No. 12132 Exhibit No. 2

Submitted by: Nearburg Exploration Company, L.L.C.

Hearing Date: April 1, 1999

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.
LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
MICHAEL H. FELDEWERT
ANTHONY F. MEDEIROS
PAUL R. OWEN
KATHERINE M. MOSS

JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
FACSIMILE: (505) 983-6043
E-MAIL: ccbspa@ix.netcom.com

February 25, 1999

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO AFFECTED INTEREST OWNERS:

Re: *Amended Application of Nearburg Exploration Company, L.L.C. for Pool
Creation and Special Pool Rules, Lea County, New Mexico*

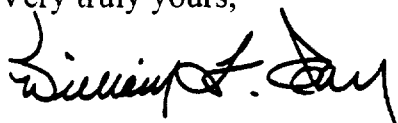
Gentlemen:

This letter is to advise you that Nearburg Exploration Company, L.L.C. has filed the enclosed amended application with the New Mexico Oil Conservation Division seeking the creation of a new pool in Section 15, Township 16 South, Range 32 East, NMPM, Lea County, New Mexico in the Strawn formation. Applicant also seeks the promulgation of Special Pool Rules and Regulations for this pool including provisions for 80-acre spacing and proration units and special well location requirements.

This amended application has been set for hearing before a Division Examiner on March 18, 1999. 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 have been requested by the Division (Memorandum 2-90) to file a Prehearing Statement substantially in the form prescribed by the Division. Prehearing statements should be filed by 4:00 o'clock p.m. on the Friday before a scheduled hearing.

Very truly yours,



WILLIAM F. CARR
ATTORNEY FOR NEARBURG EXPLORATION COMPANY, L.L.C.
WFC:mlh
Enc.

US Postal Service
Receipt for Certified Mail

Union Pacific Resources Company
 Post Office Box 7
 Ft. Worth, TX 76101

Postage	\$ 1.33
Certified Fee	1.40
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.25
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 2.98
Postmark or Date	MAR 01 1995

PS Form 3800 April 1995

7 559 541 831

Is your **RETURN ADDRESS** completed on the reverse side?

SENDER: ■ Complete items 1 and/or 2 for additional services ■ Complete items 3, 4a, and 4b ■ Print your name and address on the reverse of this form so that we can return this card to you ■ Attach this form to the front of the mailpiece, or on the back if space does not permit ■ Write "Return Receipt Requested" on the mailpiece below the article number. ■ The Return Receipt will show to whom the article was delivered and the date delivered.		I also wish to receive the following services (for an extra fee): 1. <input type="checkbox"/> Addressee's Address 2. <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.	
3. Article Addressed to: Union Pacific Resources Company Post Office Box 7 Ft. Worth, TX 76101		4a. Article Number Z 559 541 831	
5. Received By: (Print Name) 		4b. Service Type <input type="checkbox"/> Registered <input type="checkbox"/> Express Mail <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Insured <input type="checkbox"/> COD	
6. Signature: (Addressee or Agent) X		7. Date of Delivery MAR 01 1995	
PS Form 3811, December 1994		8. Addressee's Address (Only if requested and fee is paid) Domestic Return Receipt	

Thank you for using Return Receipt Service.

Is your **RETURN ADDRESS** completed on the reverse side?

SENDER: <input type="checkbox"/> Complete items 1 and/or 2 for additional services <input type="checkbox"/> Complete items 3, 4a, and 4b <input type="checkbox"/> Print your name and address on the reverse of this form so that we can return this card to you <input type="checkbox"/> Attach this form to the front of the mailpiece, or on the back if space does not permit <input type="checkbox"/> Write "Return Receipt Requested" on the mailpiece below the article number <input type="checkbox"/> The Return Receipt will show to whom the article was delivered and the date delivered		I also wish to receive the following services (for an extra fee): 1. <input type="checkbox"/> Addressee's Address 2. <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.	
3. Article Addressed to: Grand Banks Energy Company 10 Desta Drive, Suite 300 East Midland, TX 79705		4a. Article Number Z 559 541 832	
5. Received By: (Print Name) 6. Signature: (Addressee or Agent) X <i>Don't sign</i>		4b. Service type <input type="checkbox"/> Registered <input type="checkbox"/> Express Mail <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Certified <input type="checkbox"/> Insured <input type="checkbox"/> COD	
7. Date of Delivery		8. Addressee's Address (Only if requested and fee is paid)	
PS Form 3811, December 1994		102595-98-R-0229 Domestic Return Receipt	

Thank you for using Return Receipt Service.

Z 559 541 832

US Postal Service

Receipt for Certified Mail

Grand Banks Energy Company
 10 Desta Drive, Suite 300 East
 Midland, TX 79705

Postage	\$ 1.33
Certified Fee	1.40
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.25
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$19932.98
Postmark or Date	

PS Form 3800, April 1995

Is your **RETURN ADDRESS** completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services
- Complete items 3, 4a, and 4b
- Print your name and address on the reverse of this form so that we can return this card to you
- Attach this form to the front of the mailpiece, or on the back if space does not permit
- Write "Return Receipt Requested" on the mailpiece below the article number
- The Return Receipt will show to whom the article was delivered and the date delivered

I also wish to receive the following services (for an extra fee):

- 1. ☐ Addressee's Address
 - 2. ☐ Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

Brian H. Scarborough
10 Desta Drive, Suite 300 East
Midland, TX 79705

4a. Article Number
Z 559 541 833

4b. Service Type

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

7. Date of Delivery

2/1

8. Addressee's Address (Only if requested and fee is paid)

5. Received By: (Print Name)

6. Signature: (Addressee or Agent)

X *[Signature]*

PS Form 3811, December 1994

102595-98-8-0229

Domestic Return Receipt

Z 559 541 833

US Postal Service
Receipt for Certified Mail

Brian H. Scarborough
10 Desta Drive, Suite 300 East
Midland, TX 79705

Postage	\$ 1.33
Certified Fee	1.40
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.25
Return Receipt Showing to Whom Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.98
Postmark or Date	FEB 25 1995

PS Form 3800, April 1995

Thank you for using Return Receipt Service.

Z 559 541 834

US Postal Service
Receipt for Certified Mail

Texaco Exploration and Production, Inc.
Post Office Box 3109
Midland, TX 79702

Postage	\$.33
Certified Fee	1.40
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.25
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 2.98
Postmark or Date	MAR 25 1995

PS Form 3800, April 1995

Is your **RETURN ADDRESS** completed on the reverse side?

SENDER: <input type="checkbox"/> Complete items 1 and/or 2 for additional services. <input type="checkbox"/> Complete items 3, 4a, and 4b. <input type="checkbox"/> Print your name and address on the reverse of this form so that we can return this card to you. <input type="checkbox"/> Attach this form to the front of the mailpiece, or on the back if space does not permit. <input type="checkbox"/> Write "Return Receipt Requested" on the mailpiece below the article number. <input type="checkbox"/> The Return Receipt will show to whom the article was delivered and the date delivered.		I also wish to receive the following services (for an extra fee): 1. <input type="checkbox"/> Addressee's Address 2. <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.	
3. Article Addressed to: Texaco Exploration and Production, Inc. Post Office Box 3109 Midland, TX 79702		4a. Article Number Z 559 541 834	
5. Received By: (Print Name) _____		4b. Service type <input type="checkbox"/> Registered <input type="checkbox"/> Express Mail <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Certified <input type="checkbox"/> Insured <input type="checkbox"/> COD	
6. Signature: (Addressee or Agent) X <i>[Signature]</i>		7. Date of Delivery MAR 01 1995	
PS Form 3811, December 1994		8. Addressee's Address (Only if requested and fee is paid) Domestic Return Receipt	

Thank you for using Return Receipt Service.

Is your **RETURN ADDRESS** completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services
- Complete items 3, 4a, and 4b
- Print your name and address on the reverse of this form so that we can return this card to you
- Attach this form to the front of the mailpiece, or on the back if space does not permit
- Write "Return Receipt Requested" on the mailpiece below the article number
- The Return Receipt will show to whom the article was delivered and the date delivered

I also wish to receive the following services (for an extra fee):

- 1. ☐ Addressee's Address
 - 2. ☐ Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

Chevron USA Production Company
Post Office Box 1150
Midland, TX 79702

4a. Article Number

Z 559 541 835

4b. Service type

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

7. Date of Delivery

FEB 01 1999

5. Received By: (Print Name)

[Signature]

8. Addressee's Address (Only if requested and fee is paid)

6. Signature: (Addressee or Agent)

[Signature]

PS Form 3811, December 1994

102595-98-B-0229

Domestic Return Receipt

Thank you for using Return Receipt Service.

Z 559 541 835

US Postal Service
Receipt for Certified Mail

Chevron USA Production Company
Post Office Box 1150
Midland, TX 79702

Postage	\$.33
Certified Fee	1.40
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	<i>[Stamp: VARGAS, CARLOS]</i>
Return Receipt Showing to Whom, Date, & Addressee's Address	<i>[Stamp: FEB 25 1999]</i>
TOTAL Postage & Fees	<i>[Stamp: FEB 25 1999]</i>
Postmark or Date	<i>[Stamp: USP 8 - 87594]</i>

PS Form 3800, April 1995

Z 559 541 836

US Postal Service

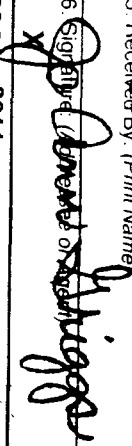
Receipt for Certified Mail

Yates Petroleum Corporation
105 South Fourth Street
Artesia, NM 88210

Postage	\$ 1.33
Certified Fee	1.40
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.25
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 2.98
Postmark or Date	FEB 5 1999

PS Form 3800, April 1995

Is your RETURN ADDRESS completed on the reverse side?

SENDER: ■ Complete items 1 and/or 2 for additional services. ■ Complete items 3, 4a, and 4b. ■ Print your name and address on the reverse of this form so that we can return this card to you. ■ Attach this form to the front of the mailpiece, or on the back if space does not permit. ■ Write "Return Receipt Requested" on the mailpiece below the article number. ■ The Return Receipt will show to whom the article was delivered and the date delivered.		I also wish to receive the following services (for an extra fee): 1. <input type="checkbox"/> Addressee's Address 2. <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.	
3. Article Addressed to: Yates Petroleum Corporation 105 South Fourth Street Artesia, NM 88210		4a. Article Number Z 559 541 836	
5. Received by: (Print Name) JOANN GRIGGS		4b. Service type <input type="checkbox"/> Registered <input type="checkbox"/> Express Mail <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> COD <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Insured	
6. Signature (Handwritten or stamped) 		7. Date of Delivery FEB 5 1999	
8. Addressee's Address (Only if requested and fee is paid)			

PS Form 3811, December 1994

105595 98 R-0229

Domestic Return Receipt

Thank you for using Return Receipt Service.

Is your **RETURN ADDRESS** completed on the reverse side?

SENDER:

- ☐ Complete items 1 and/or 2 for additional services.
- ☐ Complete items 3, 4a, and 4b
- ☐ Print your name and address on the reverse of this form so that we can return this card to you
- ☐ Attach this form to the front of the mailpiece, or on the back if space does not permit
- ☐ Write "Return Receipt Requested" on the mailpiece below the article number.
- ☐ The Return Receipt will show to whom the article was delivered and the date delivered

- I also wish to receive the following services (for an extra fee):
- 1. ☐ Addressee's Address
 - 2. ☐ Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

Autry C. Stephens
110 N. Marienfeld, Suite 200
Midland, TX 79701

4a. Article Number
Z 559 541 837

4b. Service Type

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

7. Date of Delivery
3-1-99

8. Addressee's Address (Only if requested and fee is paid)

5. Received By: (Print Name)

Lori Jones

6. Signature: (Addressee or Agent)

[Signature]

PS Form 3811, December 1994

102595-98-B-0229

Domestic Return Receipt

Thank you for using Return Receipt Service.

Z 559 541 837

US Postal Service
Receipt for Certified Mail

Autry C. Stephens
110 N. Marienfeld, Suite 200
Midland, TX 79701

Postage	\$ 1.33
Certified Fee	1.40
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.25
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 2.98
Postmark or Date	3-1-99

PS Form 3800, April 1995

Is your **RETURN ADDRESS** completed on the reverse side?

SENDER:

- ☐ Complete items 1 and/or 2 for additional services.
- ☐ Complete items 3, 4a, and 4b.
- ☐ Print your name and address on the reverse of this form so that we can return this card to you.
- ☐ Attach this form to the front of the mailpiece, or on the back if space does not permit.
- ☐ Write "Return Receipt Requested" on the mailpiece below the article number.
- ☐ The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

1. ☐ Addressee's Address

2. ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Mobil Exploration and Production US Inc.
Post Office Box 633
Midland, TX 79702

4a. Article Number
Z 559 541 838

4b. Service Type

☐ Registered ☒ Certified

☐ Express Mail ☐ Insured

☒ Return Receipt for Merchandise ☐ COD

7. Date of Delivery
MAR 01 1999

5. Received By: (Print Name)

8. Addressee's Address (Only if requested and fee is paid)

6. Signature: (Addressee or Agent)

PS Form 3811, December 1994

102595-98-B-0229

Domestic Return Receipt

Z 559 541 838

US Postal Service
Receipt for Certified Mail

Mobil Exploration and Production US Inc.
Post Office Box 633
Midland, TX 79702

Postage	\$.33
Certified Fee	1.40
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.25
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 2.98
Postmark or Date	MAR 01 1999

USPS - 87594

Thank you for using Return Receipt Service.

Is your **RETURN ADDRESS** completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

1. ☐ Addressee's Address

2. ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Exxon Corporation
Post Office Box 4697
Houston, TX 77210

4a. Article Number
Z 559 541 839

4b. Service type

- ☐ Registered
- ☐ Express Mail
- ☒ Return Receipt for Merchandise
- ☐ Insured
- ☐ COD

5. Received By: (Print Name)

6. Signature: (Addressee or Agent)

X

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1994

102595-96-B-0229

Domestic Return Receipt

Thank you for using Return Receipt Service.

Z 559 541 839

US Postal Service
Receipt for Certified Mail

Exxon Corporation
Post Office Box 4697
Houston, TX 77210

Postage	\$ 1.33
Certified Fee	1.40
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 2.73
Postmark or Date	

PS Form 3800 April 1995

Is your **RETURN ADDRESS** completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services
- Complete items 3, 4a, and 4b
- Print your name and address on the reverse of this form so that we can return this card to you
- Attach this form to the front of the mailpiece, or on the back if space does not permit
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered

I also wish to receive the following services (for an extra fee):
 1. ☐ Addressee's Address
 2. ☐ Restricted Delivery
 Consult postmaster for fee.

3. Article Addressed to:

Atlantic Richfield Company
 Post Office Box 1610
 Midland, TX 79702

4a. Article Number
 Z 559 541 840

4b. Service type

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

7. Date of Delivery
 FEB 01 1999

8. Addressee's Address (Only if requested and fee is paid)

5. Received By: (Print Name)

6. Signature: (Addressee or Agent)

X

PS Form 3811, December 1994

102595-98-B-0229

Domestic Return Receipt

Thank you for using Return Receipt Service.

Z 559 541 840

US Postal Service

Receipt for Certified Mail

Atlantic Richfield Company
 Post Office Box 1610
 Midland, TX 79702

Postage	\$.33
Certified Fee	1.40
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.25
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	2.98
Postmark or Date	FEB 25 1999

PS Form 3800, April 1995