

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF CHI ENERGY, INC. FOR
AN UNORTHODOX GAS WELL LOCATION OR
IN THE ALTERNATIVE FOR A NON-STANDARD
SUBSURFACE GAS WELL LOCATION/PRODUCING
AREA, LEA COUNTY, NEW MEXICO.

Case No. 12,158

AFFIDAVIT REGARDING NOTICE

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

James Bruce, being duly sworn upon his oath, deposes and states:

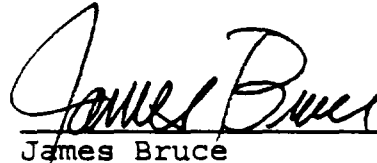
1. I am over the age of 18, and have personal knowledge of the matters stated herein.

2. I am an attorney for Applicant.

3. Applicant has conducted a good faith, diligent effort to find the names and correct addresses of the interest owners entitled to receive notice of the Application filed herein.

4. Notice of the Application was provided to the interest owners at their correct addresses by mailing them, by first certified mail, copies of the Application. Copies of the notice letters and return receipts are attached hereto as Exhibit A.

5. Applicant has complied with the notice provisions of Division Rule 1207.


James Bruce

SUBSCRIBED AND SWORN TO before me this 6th day of April, 1999, by James Bruce.



BEFORE THE
OIL CONSERVATION DIVISION
Santa Fe, New Mexico

My Commission Expires:

3/14/2001

Case Nos. 12157 and 12158 Exhibit No. 7
(Consolidated)
Submitted by: Chi Energy, Inc.

Hearing Date: April 15, 1999

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

3304 CAMINO LISA
SANTA FE, NEW MEXICO 87501

(505) 982-2043
(505) 982-2151 (FAX)

March 12, 1999

**CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

Santa Fe Energy Resources, Inc.
Suite 1330
550 West Texas
Midland, Texas 79701
Attention: Steven J. Smith

Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210

Louis Dreyfus Natural Gas Corp.
Suite 600
14000 Quail Springs Parkway
Oklahoma City, Oklahoma 74134
Attention: Joe W. Hammond

Harvard Petroleum Corp.
P.O. Box 936
Roswell, New Mexico 88202

Southwestern Energy Production Company
Suite 300
2350 North Sam Houston Parkway East
Houston, Texas 77032
Attention: Samuel Glenn Thompson

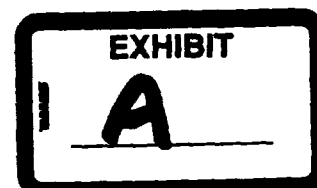
Gentlemen:

Chi Energy, Inc. previously mailed you an application for administrative approval of an unorthodox gas well location regarding a well in the SW~~1~~SE~~4~~ (E~~1~~ unit) of Section 19, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico. This matter has been set for hearing on April 1, 1999, at the offices of the Oil Conservation Division at 2040 South Pacheco Street, Santa Fe, New Mexico 87505. As an offset operator, you have the right to appear in the case and present evidence. Failure to appear at the hearing will preclude you from contesting this matter at a later date.

Very truly yours,


James Bruce

Attorney for Chi Energy, Inc.



11. December 1994

US Postal Service
Receipt for Certified Mail
No Insurance Coverage Provided.
Do not use for International Mail (See reverse)

Sent to	
Harvard Petroleum Corp.	
P.O. Box 936	
Roswell, New Mexico 88202	
Post Office, State, & ZIP Code	
Postage	\$ 0.33
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	

PS Form 3800, April 1995

SENDER:

- Complete items 1 and/c . additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this card to you.
- Attach this form to the front of the mailpiece, or on permit.
- Write "Return Receipt Requested" on the mailpiece.
- The Return Receipt will show to whom the article was delivered.

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

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

3. Article Addressed to:

4a. Article Number 717 10-

Louis Dreyfus Natural Gas Corp.
Suite 600
14000 Quail Springs Parkway
Oklahoma City, Oklahoma 74134
Attention: Joe W. Hammond

4b. Service Type

☐ Registered ☒ Certified

☐ Express Mail ☐ Insured

☒ Return Receipt for Merchandise ☐ COD

7 Date of Delivery

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

Domestic Return Receipt

102695-98-H-0229

Thank you for using Return Receipt Service.

SENDER:

- ☐ Complete items 1 and 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 _____ to receive the following services (for an extra fee):

1. ☐ Addressee's Address
2. ☐ Restricted Delivery

Consult postmaster for fee.

4a. Article Number

[illegible]

4b. Service Type

☐ Registered ☒ Certified

☐ Express Mail ☐ Insured

☒ Return Receipt for Merchandise ☐ COD

7. Date of Delivery

5. Received By: (Print Name)

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

6. Signature: Addressee or Agent

U.S. Form 3811, December 1994

Domestic Return Receipt

102595-98-B-0229

is your RETURN ADDRESS completed on the reverse side?

Thank you for using Return Receipt Service.

US Postal Service
Receipt for Certified Mail
No Insurance Coverage Provided.

Do: Louis Dreyfus Natural Gas Corp. 91	
Ser Suite 600 14000 Quail Springs Parkway SRE Oklahoma City, Oklahoma 74134 Attention: Joe W. Hammond	
Post Office, State, & ZIP Code	
Postage	\$ 0.33
Certified Fee	1.40
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	7-25
Return Receipt Showing to Whom, Date, & Addressee's Address	13
TOTAL Postage & Fees	\$2.98
Postmark or Date	1993 SEP

PS Form 3800, April 1995

Z 559 543 790

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 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.

3. Article Addressed to:

Southwestern Energy Production Company
Suite 300
2350 North Sam Houston Parkway East
Houston, Texas 77032
Attention: Samuel Glenn Thompson

5. Received by: (Print Name)
SAMUEL G. THOMPSON

6. Signature: (Addressee or Agent)
SAMUEL G. THOMPSON

X

PS Form 3811, December 1994

chi

102595-98-B-0229

Domestic Return Receipt

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

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

4a. Article Number
2559 542 540

4b. Service Type
☐ Registered ☒ Certified
☐ Express Mail ☐ Insured
☒ Return Receipt for Merchandise ☐ COD

7. Date of Delivery
3-10-99

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

Thank you for using Return Receipt Service.

2 559 542 540

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Southwestern Energy Production Company
Suite 300
2350 North Sam Houston Parkway East
Houston, Texas 77032
Attention: Samuel Glenn Thompson

PS Form 3800, April 1995

Postage	\$ <i>0.33</i>
Certified Fee	<i>1.40</i>
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	<i>1.25</i>
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ <i>2.98</i>
Postmark or Date	<i>PS</i>

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:

Bureau of Land Management
2909 West Second Street
Roswell, New Mexico 88201

4a. Article Number

Z 559 543 948

4b. Service Type

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

7. Date of Delivery

3-1-94

5. Received By: (Print Name)

6. Signature: (Address of Agent)

[Signature]

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

Thank you for using Return Receipt Service.

PS Form 3811, December 1994

102565-98-B-0229

Domestic Return Receipt

Z 559 543 948

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	
Bureau of Land Management Street & 2909 West Second Street Roswell, New Mexico 88201	
Post Office, State, & ZIP Code	
Postage	\$ 0.33
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 of Origin	1994

PS Form 3800, April 1995

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

3304 CAMINO LISA
SANTA FE, NEW MEXICO 87501

(505) 982-2043
(505) 982-2151 (FAX)

February 25, 1999

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Bureau of Land Management
2909 West Second Street
Roswell, New Mexico 88201

Ladies and Gentlemen:

Enclosed is a copy of an application for administrative approval of an unorthodox gas well location, filed with the New Mexico Oil Conservation Division by Chi Energy, Inc., regarding the E½ of Section 19, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico.

This application was filed on February 15, 1999, and the Division subsequently requested that we notify the lessees of the W¼ of Section 29 of the application. The BLM's records indicate that the N½SW¼ and SW¼SW¼ of Section 29 are unleased federal minerals. If you object to the application, you must notify the Division in writing no later than Wednesday, March 17, 1999. The Division's address is 2040 South Pacheco Street, Santa Fe, New Mexico 87505 (Attention: Michael E. Stogner).

Please call me if you have any questions.

Very truly yours, .



James Bruce

Attorney for Chi Energy, Inc.