

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

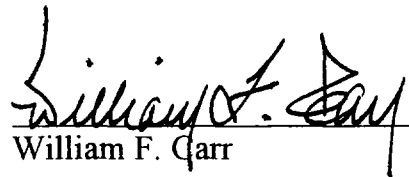
**IN THE MATTER OF THE APPLICATION OF
EOG RESOURCES, INC. FOR AMENDMENT
OF DIVISION ORDER NO. r-11389 TO
AUTHORIZE A PRESSURE MAINTENANCE
PROJECT IN THE RED HILLS NORTH UNIT
AREA, ESTABLISH PROCEDURES FOR
APPROVAL OF ADDITIONAL INJECTION
WELLS, AND FOR QUALIFICATION OF THE
PROJECT AREA FOR THE RECOVERED OIL
TAX RATE PURUSANT TO THE ENHANCED
OIL RECOVERY ACT, LEA COUNTY, NEW
MEXICO.**

CASE NO. 12399 (REOPENED)

AFFIDAVIT

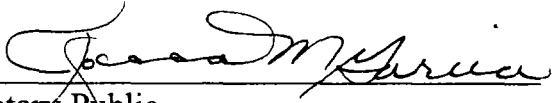
STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

William F. Carr, attorney in fact and authorized representative of EOG Resources, Inc., the applicant herein, being first duly sworn, upon oath, states that notice has been given to all interested parties 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 this 28th day of February 2002 by William F. Carr.



Notary Public

My Commission Expires: Aug 23, 2005

**EXHIBIT A
CASE NO. 12399 (REOPENED)**

**APPLICATION OF
EOG RESOURCES, INC. FOR AMENDMENT
OF DIVISION ORDER NO. R-11389
TO AUTHORIZE A PRESSURE MAINTENANCE
PROJECT IN THE RED HILLS NORTH UNIT AREA,
ESTABLISH PROCEDURES FOR APPROVAL OF
ADDITIONAL INJECTION WELLS,
AND FOR QUALIFICATION OF THE PROJECT
AREA FOR THE RECOVERED OIL TAX RATE
PURSUANT TO THE ENHANCED OIL RECOVERY ACT,
LEA COUNTY, NEW MEXICO.**

NOTIFICATION LIST

Bureau of Land Management
2902 West Second Street
Roswell, New Mexico 88201
Attention: Armando Lopez
Les Babyak

Commissioner of Public Lands
New Mexico State Land Office Building
310 Old Pecos Trail
Santa Fe, New Mexico 87501
Attention: Pete Martinez

Hallwood Petroleum, Inc.
c/o Pure Resources, L.P.
500 West Illinois
Midland, Texas 79701
Attention: J. Robert Ready
Land Director

Mr. Mark McCloy
Post Office Box 1076
Jal, New Mexico 88252

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

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

Sent To
Bureau of Land Management
2902 West Second Street
Roswell, New Mexico 88201

Street, Apt. No., or PO Box No.
City, State, ZIP+4

PS Form 3800, Jan 99

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:

Bureau of Land Management
2902 West Second Street
Roswell, New Mexico 88201

EOG/Div.Order R-11389

2. Article Number (Copy from service label)

PS Form 3811, July 1999

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery

C. Signature X  ☐ Agent ☐ Addressee

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

7001 1140 0002 5600 5042

Domestic Return Receipt

102595-00-M-0952

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

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

Sent To
Commissioner of Public Lands
Attn: Pete Martinez
New Mexico State Land Office Building
310 Old Pecos Trail
Santa Fe, New Mexico 87501
EOG/Div.Order R-11389

PS Form 3800, Jan 99

- 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:

Commissioner of Public Lands
Attn: Pete Martinez
New Mexico State Land Office Building
310 Old Pecos Trail
Santa Fe, New Mexico 87501
EOG/Div.Order R-11389

2. Article Number (Copy from service label)

PS Form 3811, July 1999

A. Received by (Please Print Clearly) B. Date of Delivery

C. Signature X  ☐ Agent ☐ Addressee

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

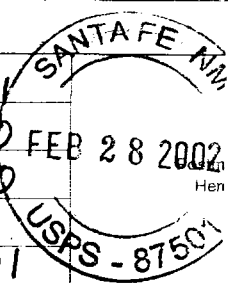
7001 1140 0002 5600 5059

Domestic Return Receipt

102595-00-M-0952

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

Postage \$ **2.41**
 Certified Fee **2.10**
 Return Receipt Fee (Endorsement Required) **1.50**
 Restricted Delivery Fee (Endorsement Required)
 Total Postage & Fees \$ **6.01**



Sent To
 Street, Apt. No., or PO Box No.
 City, State, ZIP+4

Hallwood Petroleum, Inc.
 Attn: J. Robert Ready, Land Director
 C/o Pure Resources, L.P.
 500 West Illinois
 Midland, Texas 79701
 EOG/Div.Order R-11389

PS Form 3800, 5-99

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:

Hallwood Petroleum, Inc.
 Attn: J. Robert Ready, Land Director
 C/o Pure Resources, L.P.
 500 West Illinois
 Midland, Texas 79701
 EOG/Div.Order R-11389

2. Article Number (Copy from service label)

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) **KAREN INKLE** B. Date of Delivery **3-4-2**

C. Signature *[Signature]*
☐ Agent
☐ Address
 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

7001 1140 0002 5600 5066

PS Form 3811, July 1999

Domestic Return Receipt

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:

Mr. Mark McCloy
 Post Office Box 1076
 Jal, New Mexico 88252

EOG/Div.Order R-11389

2. Article Number (Copy from service label)

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) **ANNETTE MCLOY** B. Date of Delivery **3-5**

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

7001 1140 0002 5600 5073

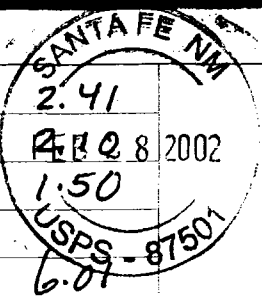
PS Form 3811, July 1999

Domestic Return Receipt

102595-00-M-0952

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

Postage \$ **2.41**
 Certified Fee **2.10**
 Return Receipt Fee (Endorsement Required) **1.50**
 Restricted Delivery Fee (Endorsement Required)
 Total Postage & Fees \$ **6.01**



Sent To
 Street, Apt. No., or PO Box No.
 City, State, ZIP+4

Mr. Mark McCloy
 Post Office Box 1076
 Jal, New Mexico 88252

EOG/Div.Order R-11389

PS Form 3800, 5-99

HOLLAND & HART LLP
ATTORNEYS AT LAW

DENVER • ASPEN
BOULDER • COLORADO SPRINGS
DENVER TECH CENTER
BILLINGS • BOISE
CHEYENNE • JACKSON HOLE
SALT LAKE CITY • SANTA FE
WASHINGTON, D.C.

P.O. BOX 2208
SANTA FE, NEW MEXICO 87504-2208
110 NORTH GUADALUPE, SUITE 1
SANTA FE, NEW MEXICO 87501-6525

TELEPHONE (505) 988-4421
FACSIMILE (505) 983-6043

William F. Carr

wcarr@hollandhart.com

February 28, 2002

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Hallwood Petroleum, Inc.
C/o Pure Resources, L.P.
500 West Illinois
Midland, Texas 79701

Attention: J. Robert Ready
Land Director

Re: Application of EOG Resources, Inc. for Amendment of Division Order No. R-11389 to Authorize a Pressure Maintenance project in the Red Hills North Unit Area, Establishment of Procedures for Approval of Additional Injection Wells, and for Qualification of the Project for the Recovered Oil Tax Rate pursuant to the Enhanced Oil Recovery Act, Lea County, New Mexico.

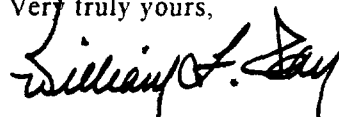
Gentlemen:

Enclosed is a copy of the application of EOG Resources, Inc. in the above-referenced case with attached Oil Conservation Division Form C-108 in which EOG seeks the approval of a waterflood project in its Red Hills North Unit Area. This waterflood project will be expanded as additional injection wells are added until it includes the entire Unit Area as fully described in the application. Water will be injected into the unitized interval of the Bone Spring formation, Red Hills-Bone Spring Pool.

This application has been set for hearing before a Division Examiner on March 21, 2002. You are not required to attend this hearing, but as an owner of the surface of the land upon which the injection well will be located, 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 three days in advance of a scheduled 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 EOG Resources, Inc.

Enclosure

HOLLAND & HART LLP
ATTORNEYS AT LAW

DENVER • ASPEN
BOULDER • COLORADO SPRINGS
DENVER TECH CENTER
BILLINGS • BOISE
CHEYENNE • JACKSON HOLE
SALT LAKE CITY • SANTA FE
WASHINGTON, D.C.

P.O. BOX 2208
SANTA FE, NEW MEXICO 87504-2208
110 NORTH GUADALUPE, SUITE 1
SANTA FE, NEW MEXICO 87501-6525

TELEPHONE (505) 988-4421
FACSIMILE (505) 983-6043

William F. Carr

wcarr@hollandhart.com

February 28, 2002

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Commissioner of Public Lands
New Mexico State Land Office Building
310 Old Pecos Trail
Santa Fe, New Mexico 87501

Attention: Pete Martinez

Re: Application of EOG Resources, Inc. for Amendment of Division Order No. R-11389 to Authorize a Pressure Maintenance project in the Red Hills North Unit Area, Establishment of Procedures for Approval of Additional Injection Wells, and for Qualification of the Project for the Recovered Oil Tax Rate pursuant to the Enhanced Oil Recovery Act, Lea County, New Mexico.

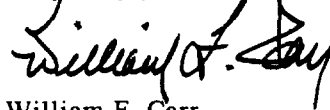
Gentlemen:

Enclosed is a copy of the application of EOG Resources, Inc. in the above-referenced case with attached Oil Conservation Division Form C-108 in which EOG seeks the approval of a waterflood project in its Red Hills North Unit Area. This waterflood project will be expanded as additional injection wells are added until it includes the entire Unit Area as fully described in the application. Water will be injected into the unitized interval of the Bone Spring formation, Red Hills-Bone Spring Pool.

This application has been set for hearing before a Division Examiner on March 21, 2002. You are not required to attend this hearing, but as an owner of the surface of the land upon which the injection well will be located, 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 three days in advance of a scheduled 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 EOG Resources, Inc.

Enclosure

HOLLAND & HART^{LLP}
ATTORNEYS AT LAW

DENVER • ASPEN
BOULDER • COLORADO SPRINGS
DENVER TECH CENTER
BILLINGS • BOISE
CHEYENNE • JACKSON HOLE
SALT LAKE CITY • SANTA FE
WASHINGTON, D.C.

P.O. BOX 2208
SANTA FE, NEW MEXICO 87504-2208
110 NORTH GUADALUPE, SUITE 1
SANTA FE, NEW MEXICO 87501-6525

TELEPHONE (505) 988-4421
FACSIMILE (505) 983-6043

William F. Carr

wcarr@hollandhart.com

February 28, 2002

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Bureau of Land Management
2902 West Second Street
Roswell, New Mexico 88201

Attention: Armando Lopez
Les Babyak

Re: Application of EOG Resources, Inc. for Amendment of Division Order No. R-11389 to Authorize a Pressure Maintenance project in the Red Hills North Unit Area, Establishment of Procedures for Approval of Additional Injection Wells, and for Qualification of the Project for the Recovered Oil Tax Rate pursuant to the Enhanced Oil Recovery Act, Lea County, New Mexico.

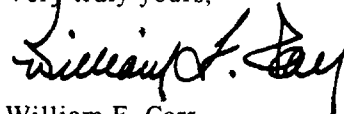
Gentlemen:

Enclosed is a copy of the application of EOG Resources, Inc. in the above-referenced case with attached Oil Conservation Division Form C-108 in which EOG seeks the approval of a waterflood project in its Red Hills North Unit Area. This waterflood project will be expanded as additional injection wells are added until it includes the entire Unit Area as fully described in the application. Water will be injected into the unitized interval of the Bone Spring formation, Red Hills-Bone Spring Pool.

This application has been set for hearing before a Division Examiner on March 21, 2002. You are not required to attend this hearing, but as an owner of the surface of the land upon which the injection well will be located, 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 three days in advance of a scheduled 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 EOG Resources, Inc.

Enclosure

HOLLAND & HART LLP
ATTORNEYS AT LAW

DENVER • ASPEN
BOULDER • COLORADO SPRINGS
DENVER TECH CENTER
BILLINGS • BOISE
CHEYENNE • JACKSON HOLE
SALT LAKE CITY • SANTA FE
WASHINGTON, D.C.

P.O. BOX 2208
SANTA FE, NEW MEXICO 87504-2208
110 NORTH GUADALUPE, SUITE 1
SANTA FE, NEW MEXICO 87501-6525

TELEPHONE (505) 988-4421
FACSIMILE (505) 983-6043

William F. Carr

wcarr@hollandhart.com

February 28, 2002

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Mark McCloy
Post Office Box 1076
Jal, New Mexico 88252

Re: Application of EOG Resources, Inc. for Amendment of Division Order No. R-11389 to Authorize a Pressure Maintenance project in the Red Hills North Unit Area, Establishment of Procedures for Approval of Additional Injection Wells, and for Qualification of the Project for the Recovered Oil Tax Rate pursuant to the Enhanced Oil Recovery Act, Lea County, New Mexico.

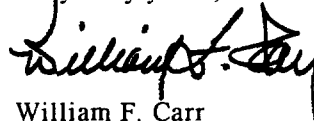
Gentlemen:

Enclosed is a copy of the application of EOG Resources, Inc. in the above-referenced case with attached Oil Conservation Division Form C-108 in which EOG seeks the approval of a waterflood project in its Red Hills North Unit Area. This waterflood project will be expanded as additional injection wells are added until it includes the entire Unit Area as fully described in the application. Water will be injected into the unitized interval of the Bone Spring formation, Red Hills-Bone Spring Pool.

This application has been set for hearing before a Division Examiner on March 21, 2002. You are not required to attend this hearing, but as an owner of the surface of the land upon which the injection well will be located, 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 three days in advance of a scheduled 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 EOG Resources, Inc.

Enclosure