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

APPLICATION OF OXY USA WTP LIMITED PARTNERSHIP FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

)

CASE NO.

AFFIDAVIT

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

William F. Carr, attorney in fact and authorized representative of OXY USA WTP Limited Partnership, 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.

SUBSCRIBED AND SWORN to before me this 21st day of February 2003.

Notary Public

OFFICIAL SEAL LISAMARIE ORTIZ NOTARY PUBLIC-STATE OF NEW MEXICO My commission expires

My Commission Expires:

3050605_1.DOC

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Case No. <u>13017</u> Exhibit No. 7 Submitted by: <u>OXY USA INC.</u> Hearing Date: <u>March 13, 2003</u>

EXHIBIT A

APPLICATION OF OXY USA WTP LIMITED PARTNERSHIP FOR COMPULSORY POOLING LEA COUNTY, NEW MEXICO.

NOTICE LIST

Lodene A. Garcia 2 Amanda Ct. Napa, California 94559

Betty Akers 440 CR 232, Space 13 Durango, Colorado 81303

Estate of Alice Dragoo 10000 Miller Circle #13 Oklahoma City, Oklahoma 73132

Ira Dragoo 10000 Miller Circle #13 Oklahoma City, Oklahoma 73132

Drury Tankersley 900 Front Street Soledad, California 93960

Kathleen Hayes Kavooras 9711 Wheatland Ave Shadow Hills, California 91040

James S. Hayes, Jr. Post Office Box 1473 Wainscott, New York 11975

Mary Sue Paddock 2319 West Avenue "L" San Angelo, Texas 76901 Maecenas Minerals, L.L.P. Post Office Box 176 Abilene, Texas 79604

Republic Royalty Company 3738 Oak Lawn Ave., Suite 300 Dallas, Texas 75219

The Fasken Foundation 500 W. Texas, Suite 1160 Midland, Texas 79701

Kendy L. Cirbo 1433 E. Glenhaven Drive Phoenix, Arizona 85048

Jon L. Houston 1445 Bodwell Rd., Apt. 7 Manchester, New Hampshire 03109

Ralph W. Houston 121 Cordelia Drive Myrtle Creek, Oregon 97457

Estate of William Edward Scarlett 12917 West 92nd Street Lanexa, Kansas 66215

Elizabeth Scarlett 12917 West 92nd Street Lanexa, Kansas 66215

Estate of George Price Scarlett 3310 Riviera W Drive Kelseyville, California 95451

Siew Scarlett Beardsley 3310 Riviera W Drive Kelseyville, California 95451 Warren Akers/sp 2465 Mustang Drive Arroyo Grande, CA 93420

Janelle Crabtree/sp 440 CR 232, Space 13 Durango, CO 81303

Mary Lou Davis/sp 5337 E. Highway 79 Milano, TX 76556

Ruth Lorance/sp 3265 Frick Road Houston, TX 77086

Ellen F. Barnes/sp 2516 Northwest 104th Street Oklahoma City, Ok 73112

Lori Jean Houston/sp 2335 SW Landers Roseburg, OR 97470

Brian Thomas Houston/sp 2335 SW Landers Roseburg, OR 97470

HOLLAND & HARTLLP

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 20, 2003

CERTIFIED MAIL -- RETURN RECEIPT REQUESTED

TO: AFFECTED INTEREST OWNERS:

Re: Application of OXY USA WTP Limited Partnership for compulsory pooling, Lea County, New Mexico

Ladies and Gentlemen:

This letter is to advise you that OXY USA WTP Limited Partnership has filed the enclosed application with the New Mexico Oil Conservation Division seeking the force pooling all mineral interests in all formations in certain spacing and proration units located in Section 8, Township 22 South, Range 38 East, NMPM, Lea County, New Mexico. OXY proposes to dedicate the referenced pooled unit to its Brabant Well No. 1 to be drilled at a standard oil well location 1980 feet from the North and East lines of said Section 8.

This application has been set for hearing before a Division Examiner on March 13, 2003. 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 are required by Division Rule 1208.B to file a Pre-Hearing Statement at the Santa Fe Office of the Oil Conservation Division 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. Unless you declare in this Pre-Hearing Statement your intention to oppose the imposition of a 200% risk penalty against any interest not voluntarily committed to this spacing unit, OXY will request that this penalty be imposed by the order that results from this hearing without the presentation of evidence in support thereof.

William F. Carr I ATTORNEY FOR OXY USA WTP LIMITED PARTNERSHIP

Enclosure

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

IN THE MATTER OF THE APPLICATION OF OXY USA WTP LIMITED PARTNERSHIP FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

APPLICATION

OXY USA WTP Limited Partnership ("OXY"), through its undersigned attorneys, hereby makes application pursuant to the provisions of N.M.Stat.Ann.§70-2-17, (1978), for an order pooling all mineral interests in all formations in the following described spacing and proration units located in Section 8, Township 22 South, Range 38 East, NMPM, Lea County, New Mexico: the N/2 for all formations and/or pools developed on 320-acre spacing; the NE/4 for all formations and/or pools developed on 160-acre spacing which includes but is not limited to the Undesignated Tubb Oil and Gas Pool; and the SW/4 NE/4 for all formations and/or pools developed on 40-acre spacing which includes but is not necessarily limited to the Undesignated Wantz-Granite Wash Pool, Undesignated South Brunson Drinkard-Abo Pool, Undesignated Tubb Oil and Gas Pool, Undesignated Blinebry Oil and Gas Pool and Undesignated Paddock Pool, and in support of its application states:

1. OXY is a working interest owner in the N/2 of Section 8, Township 22 South, Range 38 East, NMPM, on which it proposes to drill its Brabant Well No. 1 at a standard oil and gas well location 1980 feet from the North and East lines of the section to an approximate total depth of 10,500 feet to test any and all formations from the surface through the base of the Ellenberger formation.

2. OXY has sought and been unable to obtain a voluntary agreement for the development of this acreage from the owners of interest, including the owners of unleased mineral interests, in the N/2 of Section 8 identified on Exhibit A to this application to whom notice of this application will be provided in accordance with the rules of the Division.

3. Said pooling of interests will avoid the drilling of unnecessary wells, will prevent waste and will protect correlative rights.

4. In order to permit OXY to obtain its just and fair share of the oil and gas underlying the subject lands, all mineral interests should be pooled, and OXY should be designated the operator of the well.

WHEREFORE, OXY USA WTP Limited Partnership requests that this application be set for hearing before an Examiner of the Oil Conservation Division on March 13, 2003, and, after notice and hearing as required by law, the Division enter its order:

A. pooling all mineral interests in the subject spacing and proration units,

B. designating OXY USA WTP Limited Partnership operator of the unit and the well to be drilled thereon,

APPLICATION, Page 2

- C. authorizing OXY to recover its costs of drilling, equipping and completing the well,
- D. approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures, and
- E. imposing a 200% penalty for the risk assumed by OXY in drilling and completing the well against any working interest owner and any unleased mineral interest owners who does not voluntarily participate in the well.

Respectfully submitted,

HOLLAND & HART LLP

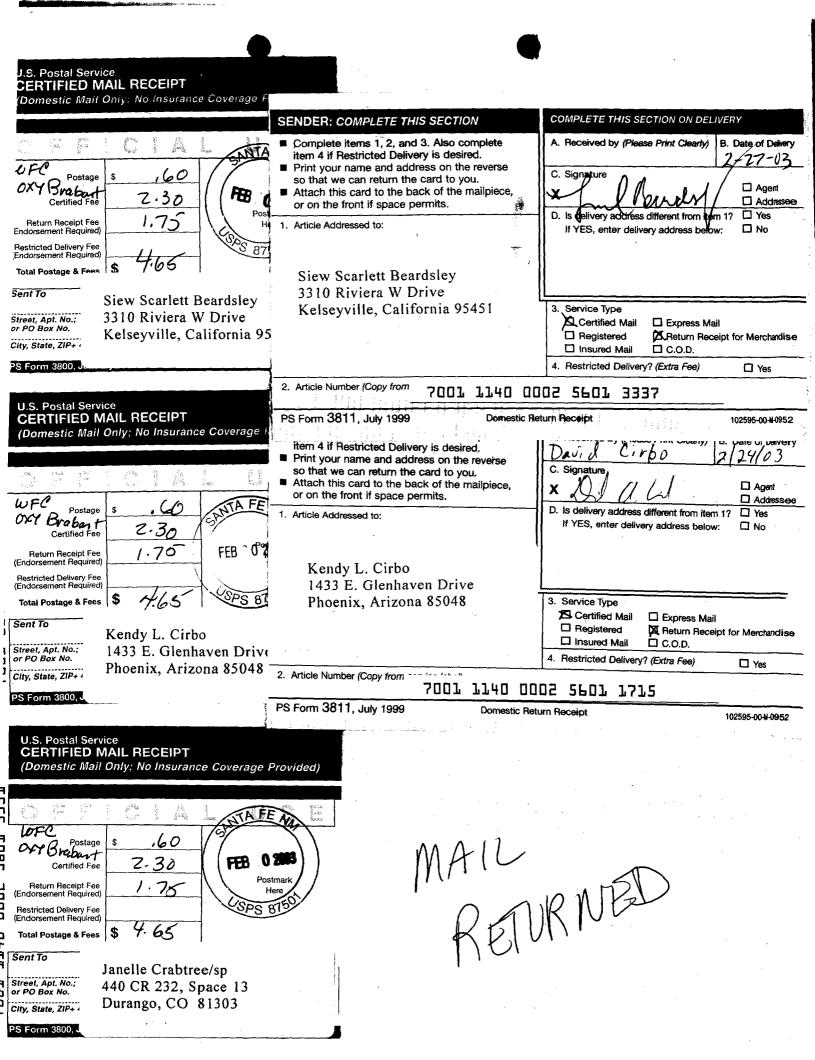
By:

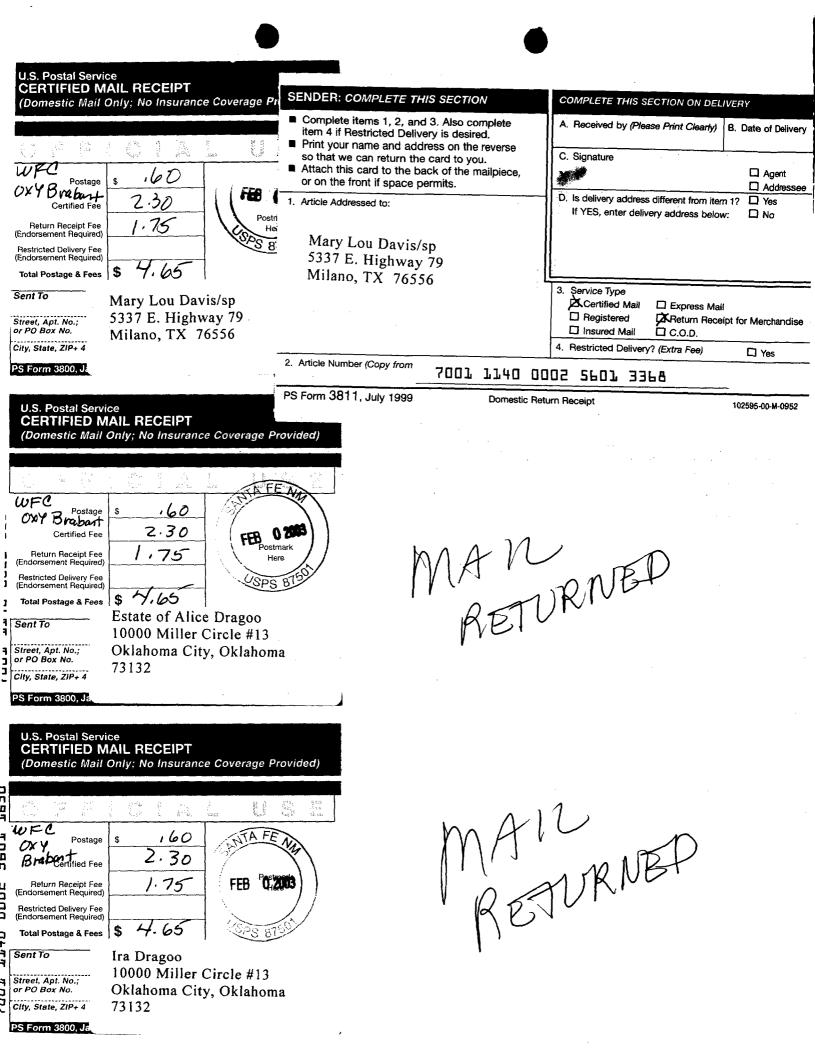
William F. Carr Post Office Box 2208 Santa Fe, New Mexico 87504 Telephone: (505) 988-4421

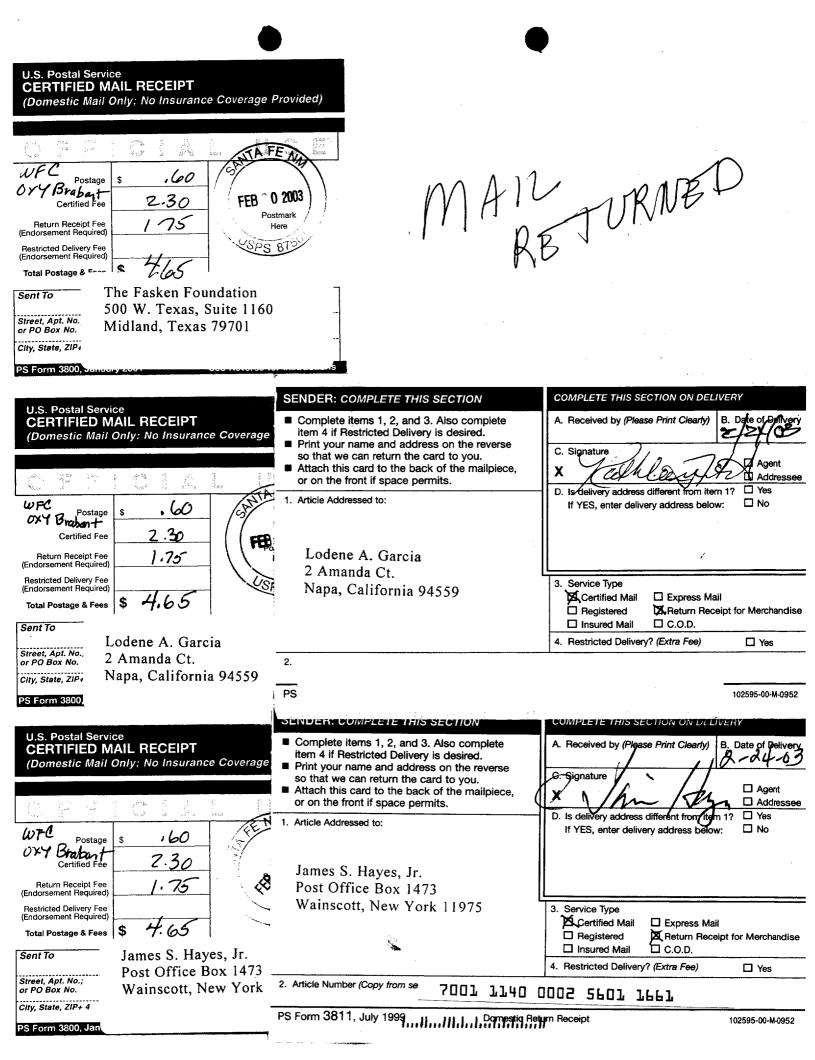
ATTORNEYS FOR OXY USA WTP LIMITED PARTNERSHIP

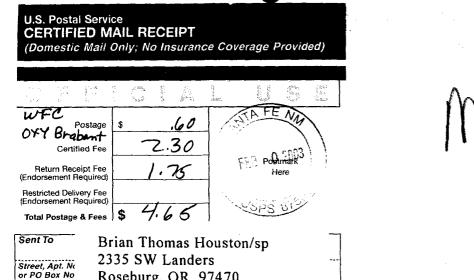
Application of OXY USA WTP Limited Partnership for CASE compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all mineral interests in all formations in the following described spacing and proration units located in Section 8, Township 22 South, Range 38 East, NMPM, Lea County, New Mexico: the N/2 for all formations and/or pools developed on 320-acre spacing; the NE/4 for all formations and/or pools developed on 160-acre spacing which includes the Undesignated Tubb Oil and Gas Pool ; and the SW/4 NE/4 for all formations and/or pools developed on 40-acre spacing which includes but is not necessarily limited to the Undesignated Wantz-Granite Wash Pool, Undesignated South Brunson Drinkard-Abo Pool, Undesignated Tubb Oil and Gas Pool, Undesignated Blinebry Oil and Gas Pool and Undesignated Paddock Pool. Applicant proposes to dedicate the pooled units to its Brabant Well No. 1 to be drilled at a standard gas well location 1980 feet from the North and East lines of said Section 8. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 6 miles southeast of Eunice, New Mexico.

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U.S. Postal Service CERTIFIED MAIL RECEIPT (Domestic Mail Only; No Insurance Coverage		
	SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
	 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: 	A. Received by (Please Print Clearly) B. Date of Delivery 2/2-5 C. Signature X Decent D. Is delivery address different from item 12 Yes
Restricted Delivery Fee Endorsement Required) Total Postage & Fees \$ 7.65 Sent To Betty Akers Street, Apt. No.; 440 CR 232 Space 13	B Betty Akers 440 CR 232, Space 13 Durango, Colorado 81303	If YES, enter delivery address below: INO No 3. Service Type Certified Mail I Express Mail
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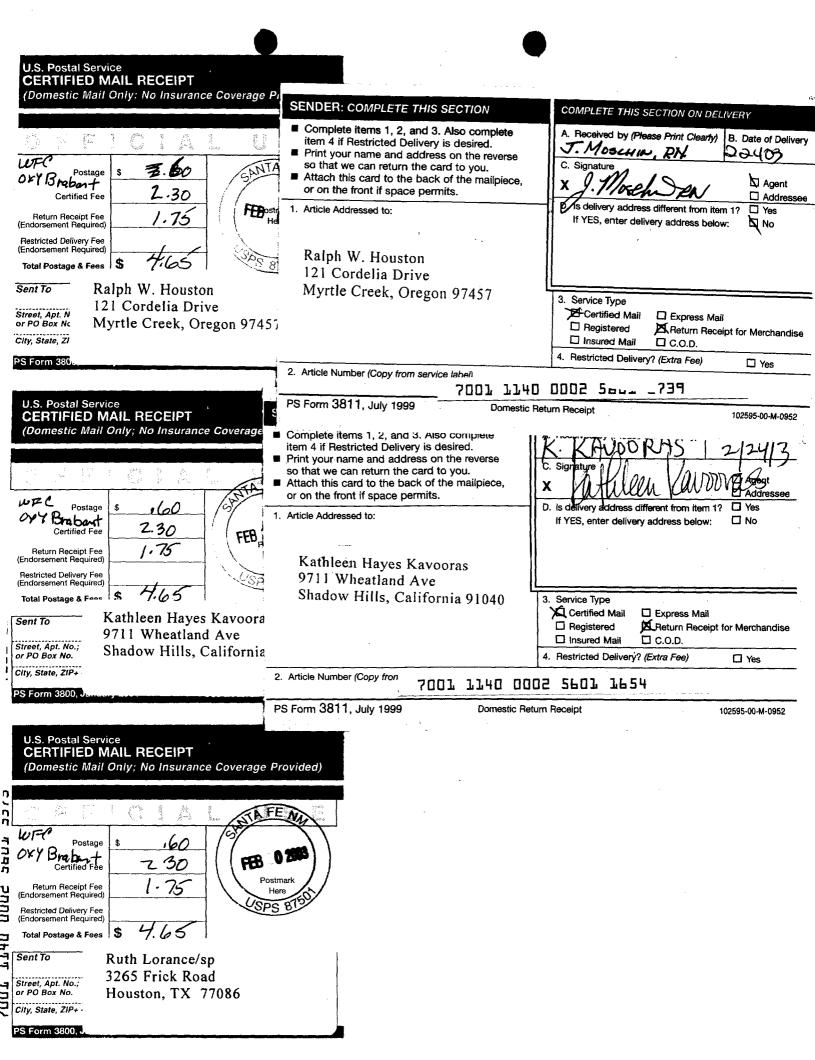
Roseburg, OR 97470

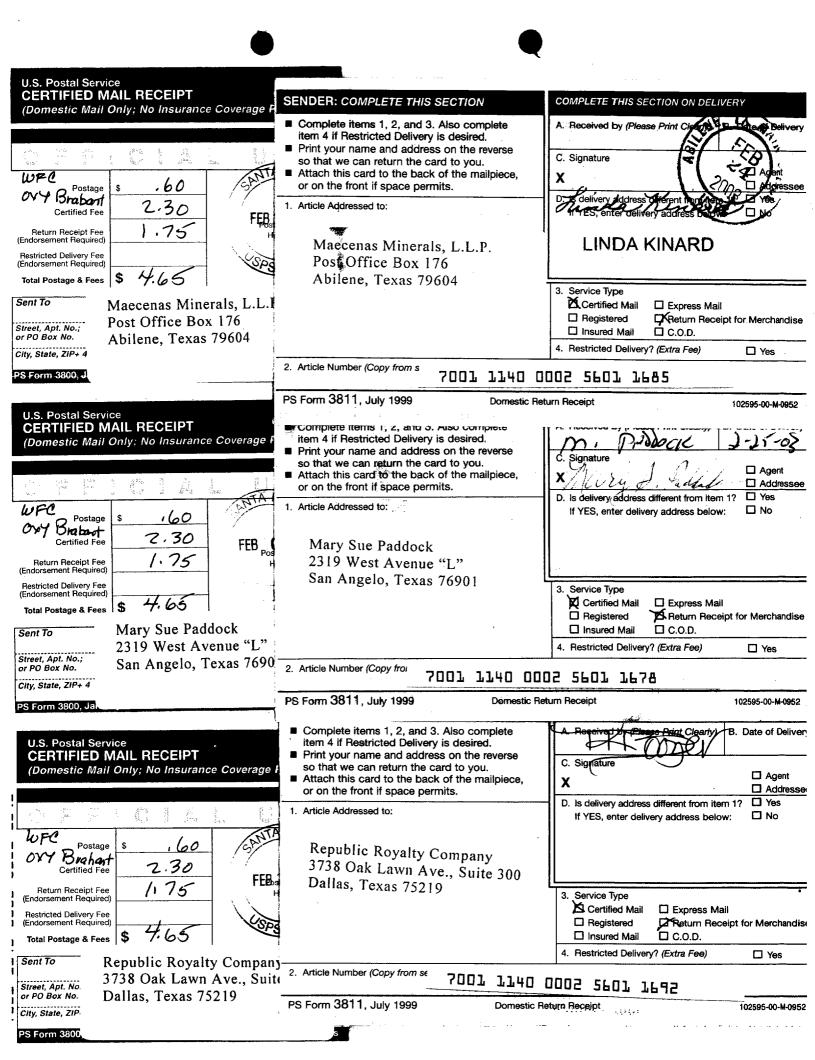
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