

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

IN THE MATTER OF THE APPLICATION
OF AMOCO PRODUCTION COMPANY FOR
DIRECTIONAL DRILLING AND AN UNORTHODOX
BOTTOMHOLE GAS WELL LOCATION,
EDDY COUNTY, NEW MEXICO.

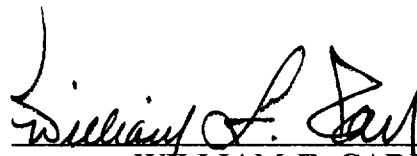
CASE NO. 10272

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

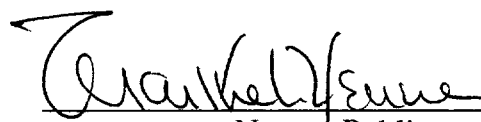
AFFIDAVIT

| | |
|---------------------------|----------------------|
| BEFORE EXAMINER STOGNER | |
| OIL CONSERVATION DIVISION | |
| <u>Amoco</u> | EXHIBIT NO. <u>A</u> |
| CASE NO. <u>10272</u> | |

WILLIAM F. CARR, attorney in fact and authorized representative of Amoco Production Company, the Applicant herein, being first duly sworn, upon oath, states that the notice provisions of Rule 1207 of the New Mexico Oil Conservation Division have been complied with, that Applicant has caused to be conducted a good faith diligent effort to find the correct addresses of all interested persons entitled to receive notice as shown by Exhibit "A" attached hereto, and that pursuant to Rule 1207, notice has been given at the correct addresses provided by such rule.


WILLIAM F. CARR

SUBSCRIBED AND SWORN to before me this 1st day of May, 1991.


Notary Public

My Commission Expires:
August 19, 1991

EXHIBIT A

Musselman, Owen & King Operating, Inc.
507 North Marienfeld Street
Suite 100
Midland, TX 79701

ORYX Energy Company
Post Office Box 2880
Dallas, TX 75221-2880

Marathon Oil Company
125 West Missouri
Midland, TX 79701

Hondo Oil & Gas Company
109 West Third Street
Roswell, NM 88201

Bill Fenn, Inc.
Post Office Drawer 569
Giddings, TX 78942

Yates Petroleum Corporation
105 South Fourth Street
Artesia, NM 88210

CAMPBELL & BLACK, P.A.

LAWYERS

JACK M. CAMPBELL
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
WILLIAM P. SLATTERY
ANNIE-LAURIE COOGAN

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

April 10, 1991

CERTIFIED MAIL -
RETURN RECEIPT REQUESTED

Musselman, Owen & King Operating, Inc.
507 North Marienfeld Street
Suite 100
Midland, TX 79701

Re: Oil Conservation Division Case No. 10272:
Application of Amoco Production Company for Directional Drilling and an
Unorthodox Bottomhole Gas Well Location, Eddy County, New Mexico

Gentlemen:

This letter is to advise you that Amoco Production Company has filed an application with the New Mexico Oil Conservation Division seeking approval to recomplete its Smith Federal Gas Com Well No. 1 located 1613 feet from the North line and 2336 feet from the West line (Unit F) of Section 12, Township 22 South, Range 23 East, by directionally drilling from the existing wellbore in such a manner as to bottom the deviated well in the Indian-Basin Upper Pennsylvanian Gas Pool at an unorthodox gas well location within a target area described as a rectangle 1800 feet to 2000 feet from the North line and 330 feet to 430 feet from the West line of said Section 12, Township 22 South, Range 23 East, N.M.P.M., Eddy County, New Mexico. A standard 640-acre gas spacing and proration unit comprised of all of Section 12 will be dedicated to this well.

This application has been set for hearing before a Division Examiner on May 2, 1991. You are not required to attend this hearing but, as the 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.

Musselman, Owen & King Operating, Inc.
April 10, 1991
Page Two

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,

A handwritten signature in black ink, appearing to read "William F. Carr". The signature is fluid and cursive, with a long, sweeping tail that extends downwards and to the right.

WILLIAM F. CARR
ATTORNEY FOR AMOCO PRODUCTION COMPANY
WFC:mlh

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.

Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent the card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check boxes for additional services requested.

1. ☒ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to:

Musselman, Owen & King
Operating, Inc.
507 North Marienfeld Street
Suite 100
Midland, TX 79701

4. Article Number
P 106 677 907

Type of Service:
☐ Registered
☒ Certified
☐ Insured
☐ Express Mail
☐ COD
☐ Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature — Address
X

6. Signature — Agent
X *Musselman*

7. Date of Delivery
4-12-91

8. Addressee's Address (ONLY if requested and fee paid)
Same

PS Form 3811, Mar. 1988 * U.S.G.P.O. 1988-212-865 DOMESTIC RETURN RECEIPT

P-106 677 907

RECEIPT FOR CERTIFIED MAIL
 INSURANCE COVERAGE PROVIDED
 WITH INTERNATIONAL MAIL
 (See Reverse)

Musselman, Owen & King
 Operating, Inc.
 507 North Marienfeld Street
 Suite 100
 Midland, TX 79701

| | |
|---|-------------|
| Certified Fee | |
| Special Delivery Fee | |
| Restricted Delivery Fee | |
| Return Receipt showing to whom and Date Delivered | |
| Return Receipt showing to whom, Date, and Address of Delivery | |
| TOTAL Postage and Fees | \$ |
| Postmark or Date | APR 10 1991 |

CAMPBELL & BLACK. P.A.

LAWYERS

JACK M. CAMPBELL
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
WILLIAM P. SLATTERY
ANNIE-LAURIE COOGAN

JEFFERSON PLACE
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POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

April 10, 1991

CERTIFIED MAIL -
RETURN RECEIPT REQUESTED

ORYX Energy Company
Post Office Box 2880
Dallas, TX 75221-2880

Re: Oil Conservation Division Case No. 10272:
Application of Amoco Production Company for Directional Drilling and an
Unorthodox Bottomhole Gas Well Location, Eddy County, New Mexico

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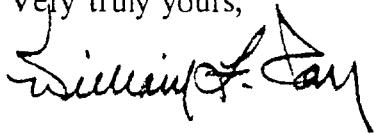
ORYX Energy Company

April 10, 1991

Page Two

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WILLIAM F. CARR

ATTORNEY FOR AMOCO PRODUCTION COMPANY

WFC:mlh

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 1. ☒ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to:

ORYX Energy Company
 Post Office Box 2880
 Dallas, TX 75221-2880

4. Article Number
 P 106 677 908

Type of Service:
☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail ☐ Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature - Address
 X

6. Signature - Agent
 X *Richard H. Dean*

7. Date of Delivery
 APR 12 1991

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

PS Form 3811, Mar. 1988 * U.S.G.P.O. 1988-212-865 DOMESTIC RETURN RECEIPT

P-106 677 908

RECEIPT FOR CERTIFIED MAIL
 AND INSURANCE COVERAGE PROVIDED
 NOT FOR INTERNATIONAL MAIL
 (See Reverse)

ORYX Energy Company
 Post Office Box 2880
 Dallas, TX 75221-2880

| | |
|---|----|
| Certified Fee | |
| Special Delivery Fee | |
| Restricted Delivery Fee | |
| Return Receipt showing to whom and Date Delivered | |
| Return Receipt showing to whom Date and Address of Delivery | |
| TOTAL Postage and Fees | \$ |
| Postmark or Date APR 10 1991 | |

PS Form 3800, June 1985

CAMPBELL & BLACK, P.A.

LAWYERS

JACK M. CAMPBELL
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
WILLIAM P. SLATTERY
ANNIE-LAURIE COOGAN

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

April 10, 1991

CERTIFIED MAIL -
RETURN RECEIPT REQUESTED

Marathon Oil Company
125 West Missouri
Midland, TX 79701

Re: Oil Conservation Division Case No. 10272:
Application of Amoco Production Company for Directional Drilling and an
Unorthodox Bottomhole Gas Well Location, Eddy County, New Mexico

Gentlemen:

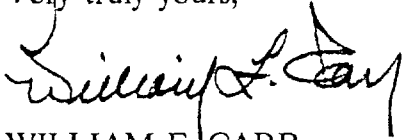
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Marathon Oil Company
April 10, 1991
Page Two

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Very truly yours,

A handwritten signature in black ink, appearing to read "William F. Carr". The signature is fluid and cursive, with a large initial "W" and a stylized "C" at the end.

WILLIAM F. CARR
ATTORNEY FOR AMOCO PRODUCTION COMPANY
WFC:mlh

P-106 677 906

RECEIPT FOR CERTIFIED MAIL
NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL
(See Reverse)

Marathon Oil Company
125 West Missouri
Midland, TX 79701

| | |
|---|----|
| Certified Fee | |
| Special Delivery Fee | |
| Restricted Delivery Fee | |
| Return Receipt showing to whom and Date Delivered | |
| Return Receipt showing to whom, Date, and Address of Delivery | |
| TOTAL Postage and Fees | \$ |
| Postmark or Date APR 10 1991 | |

PS Form 3800, June 1985

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.

Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check boxes for additional service(s) requested.

1. ☒ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to: Marathon Oil Company
125 West Missouri
Midland, TX 79701

4. Article Number
P 106 677 906

Type of Service:
☒ Registered
☒ Certified
☐ Insured
☐ COD
☐ Express Mail
☐ Return Receipt for Merchandise
 Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature - Address
X

6. Signature - Agent
X *Shelly Ramsey*

7. Date of Delivery
4/11/91

8. Addressee's Address (ONLY if requested and fee paid)
SMC

PS Form 3811, Mar. 1988 * U.S.G.P.O. 1988-212-865 DOMESTIC RETURN RECEIPT

CAMPBELL & BLACK, P.A.
LAWYERS

JACK M. CAMPBELL
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
WILLIAM P. SLATTERY
ANNIE-LAURIE COOGAN

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

April 10, 1991

CERTIFIED MAIL -
RETURN RECEIPT REQUESTED

Hondo Oil & Gas Company
109 West Third Street
Roswell, NM 88201

Re: Oil Conservation Division Case No. 10272:
Application of Amoco Production Company for Directional Drilling and an
Unorthodox Bottomhole Gas Well Location, Eddy County, New Mexico

Gentlemen:

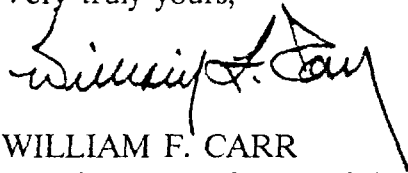
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Hondo Oil & Gas Company
April 10, 1991
Page Two

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Very truly yours,

A handwritten signature in black ink, appearing to read "William F. Carr". The signature is written in a cursive, somewhat stylized script. The first name "William" is written with a large, looping 'W'. The last name "Carr" is written with a large, looping 'C' and a trailing flourish.

WILLIAM F. CARR
ATTORNEY FOR AMOCO PRODUCTION COMPANY
WFC:mlh

P-106 677 905

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

Hondo Oil & Gas Company
109 West Third Street
Roswell, NM 88201

| | |
|--|-------------|
| Certified Fee | |
| Special Delivery Fee | |
| Restricted Delivery Fee | |
| Return Receipt showing to whom and Date Delivered | |
| Return Receipt showing to whom, Date, and Address of Delivery | |
| TOTAL Postage and Fees | \$ |
| Postmark or Date | APR 10 1991 |

PS Form 3800, June 1985

PS Form 3811, Mar. 1988 * U.S.G.P.O. 1988-212-665 DOMESTIC RETURN RECEIPT

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1. ☒ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery (Extra charge)

| | |
|---|---|
| 3. Article Addressed to: Hondo Oil & Gas Company 109 West Third Street Roswell, NM 88201 | 4. Article Number P 106 677 905 |
| 5. Signature - Address X | Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise |
| 6. Signature - Agent X | 8. Addressee's Address (ONLY if requested and fee paid) Always obtain signature of addressee or agent and DATE DELIVERED. |
| 7. Date of Delivery X | |

CAMPBELL & BLACK, P.A.

LAWYERS

JACK M. CAMPBELL
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
WILLIAM P. SLATTERY
ANNIE-LAURIE COOGAN

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

April 10, 1991

CERTIFIED MAIL -
RETURN RECEIPT REQUESTED

Bill Fenn, Inc.
Post Office Drawer 569
Giddings, TX 78942

Re: Oil Conservation Division Case No. 10272:
Application of Amoco Production Company for Directional Drilling and an
Unorthodox Bottomhole Gas Well Location, Eddy County, New Mexico

Gentlemen:

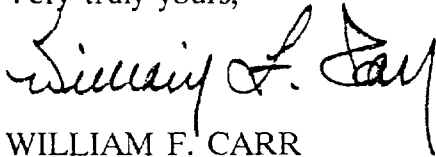
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Bill Fenn, Inc.
April 10, 1991
Page Two

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Very truly yours,

A handwritten signature in cursive script, appearing to read "William F. Carr".

WILLIAM F. CARR
ATTORNEY FOR AMOCO PRODUCTION COMPANY
WFC:mlh

P-106 677 904

RECEIPT FOR CERTIFIED MAIL

NO ASSURANCE OF DAMAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

Bill Fenn, Inc.
Post Office Drawer 569
Giddings, TX 78942

| | |
|---|-------------|
| Certified Fee | |
| Special Delivery Fee | |
| Restricted Delivery Fee | |
| Return Receipt showing to whom and Date Delivered | |
| Return Receipt showing to whom, Date, and Address of Delivery | |
| TOTAL Postage and Fees | \$ |
| Postmark or Date | APR 10 1991 |

PS Form 3800, June 1985

PS Form 3811, Mar. 1988 * U.S.G.P.O. 1988-212-865 DOMESTIC RETURN RECEIPT

| | | | |
|--|--|--|--|
| 3. Article Addressed to: Bill Fenn, Inc. Post Office Drawer 569 Giddings, TX 78942 | | 4. Article Number P 106 677 904 | |
| 5. Signature - Address X | | 6. Type of Service: <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Insured <input type="checkbox"/> Express Mail <input type="checkbox"/> COD <input type="checkbox"/> Return Receipt for Merchandise | |
| 7. Signature - Agent X <i>[Signature]</i> | | 8. Addressee's Address (ONLY if requested and fee paid) Always obtain signature of addressee or agent and DATE DELIVERED. | |
| 7. Date of Delivery <i>[Signature]</i> APR 10 1991 | | | |

1. Show to whom delivered, date, and addressee's address. 2. Restricted Delivery (Extra charge)

3 and 4. SENDER: Complete Items 1 and 2 when additional services are desired, and complete Items 3 and 4.

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CAMPBELL & BLACK, P.A.

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WILLIAM F. CARR
BRADFORD C. BERGE
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WILLIAM P. SLATTERY
ANNIE-LAURIE COOGAN

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

April 10, 1991

CERTIFIED MAIL -
RETURN RECEIPT REQUESTED

Yates Petroleum Corporation
105 South Fourth Street
Artesia, NM 88210

Re: Oil Conservation Division Case No. 10272:
Application of Amoco Production Company for Directional Drilling and an
Unorthodox Bottomhole Gas Well Location, Eddy County, New Mexico

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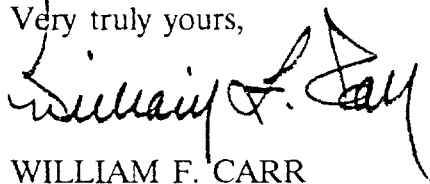
Yates Petroleum Corporation

April 10, 1991

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WILLIAM F. CARR

ATTORNEY FOR AMOCO PRODUCTION COMPANY

WFC:mlh

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3. Article Addressed to:
 Yates Petroleum Corporation
 105 South Fourth Street
 Artesia, NM 88210

4. Article Number
 P 106 677 903

Type of Service:
☐ Registered
☒ Certified
☐ Insured
☐ Express Mail
☐ COD
☐ Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature - Address
 X

6. Signature - Agent
 X Mike Bunk

7. Date of Delivery
 4-12-91

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

PS Form 3811, Mar. 1988 * U.S.G.P.O. 1988-212-865 DOMESTIC RETURN RECEIPT

P-106 677 903

NOT FOR CERTIFIED MAIL
 NO INSURANCE COVERAGE PROVIDED
 NOT FOR INTERNATIONAL MAIL
 (See Reverse)

Yates Petroleum Corporation
 105 South Fourth Street
 Artesia, NM 88210

| | |
|--|----|
| Certified Fee | |
| Special Delivery Fee | |
| Restricted Delivery Fee | |
| Return Receipt showing to whom and Date Delivered | |
| Return Receipt showing to whom Date, and Address of Delivery | |
| TOTAL Postage and Fees | \$ |
| Postmark or Date APR 10 1991 | |