

~~EXHIBIT 7~~

**GEOLOGICAL AND ENGINEERING REVIEW
PROPOSED K-M CHAVEROO SAN ANDRES UNIT**

General

The Chaveroo pool produces from the San Andres formation. It is located in Roosevelt and Chaves Counties, New Mexico. Production is found at a depth of approximately 4250'. This field was discovered in 1965 and was essentially developed over the next two years. It is currently producing at or near the economic limit on primary depletion in the area operated by Kerr-McGee Corporation (Exhibit 8).

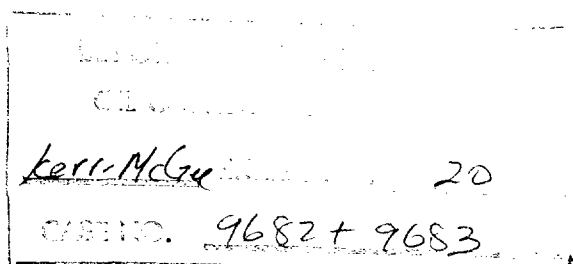
San Andres Geology

The San Andres formation is one of the most widespread hydrocarbon bearing formations in New Mexico. Production is from a cyclic sequence of shallow-water carbonates and evaporites which progressed thru the northwest shelf. These fields are primarily stratigraphic traps and produce from interbedded dolomites and minor limestones. The rock is gray to brown fine crystalline to fine granular anhydritic dolomite with fine vuggy intercrystalline and fracture porosity zones. A more complete description of this field was prepared for the Roswell Geological Society Symposium by George L. Scott, Jr. in November, 1966 (Exhibit 9).

The San Andres can be divided into upper and lower parts based on the occurrence of a regionally correlatable marker bed, a siltstone 5-10' thick, known as the "Pi" marker, which typically occurs 400-650' below the formation top. At Chaveroo, the "Pi" marker is about 100-150' above the top of the porosity. A log cross-section was prepared for the proposed Kerr-McGee unit and shows typical San Andres continuity (Exhibit 10). Logs were located on a datum 100' above sea level. In the project area, the Chaveroo San Andres gross pay zone is up to 200' thick with 40-50' of net effective pay in the P1 and P2 and only isolated porosity stringers in the P3 and P4 zones. Between the P1 and P2 zones, there is an anhydrite layer. San Andres porosities average 7.5% in the project area. Permeabilities in the field are low and are typically less than 1 millidarcy.

Chaveroo San Andres Field

This field produces a sour crude of 24.5° API gravity and it was developed on 40 acre spacing. Cumulative field production was 22.9 million barrels of oil, 33.6 BCF of gas and 27.2 million barrels of water as of January 1, 1988. The field now has about 400 wells. The rapid decline in oil producing rates after development was completed, and rising producing gas-oil ratio's is indicative of



solution gas drive on primary. Water-oil contacts are hard to pick in this San Andres reservoir and wells in the project area typically start to produce water with depletion. This water production does not correlate with primary oil recovery and should not materially affect secondary oil recovery (Exhibit 11 and 12). Champlin had a degree of success at Chaveroo using produced water on a dump flood basis. In spite of the generally limited and uncoordinated injection, one 40 acre five-spot that was flooded by Champlin had a secondary to primary ratio (SPR) of 0.86. We anticipate a secondary to primary ratio of up to 1.0 based on favorable characteristics of the proposed Kerr-McGee Unit on primary depletion.

Proposed K-M Chaveroo San Andres Unit

The K-M Chaveroo Sand Andres Unit area has geologic characteristics and reservoir conditions that are similar to or superior to a typical well of the Chaveroo Field. It is in an area of relatively high per well recovery as shown in Exhibit 13, "Derivation of Tract Participation Factors", attached. Nineteen (19) wells in the K-M Chaveroo San Andres Unit have recovered 1,660,627 barrels of oil to December 31, 1988, or an average of 87,401 barrels of oil per well. A participation formula for the proposed Kerr-McGee Unit is a simple unit formula which credits cumulative production (essentially ultimate primary recovery) to December 31, 1988 as 100%.

Summary

A review of technical data and the proposed operational plans indicate that the K-M Chaveroo San Andres Unit is similar or perhaps somewhat superior to the rest of the Chaveroo field. The Unit area is considered typical of numerous other San Andres fields located in New Mexico that have been waterflooded successfully. The proposed operational plans appear to be sound and provide a water injection pattern consistent with the offset Murphy Haley Chaveroo San Andres Unit. The unitization and waterflooding of the Unit should: a) protect correlative rights; b) promote the conservation of petroleum; and c) prove beneficial to the interest owners, and county, state and federal treasuries.

RJQ029P2/rw4

ROSWELL GEOLOGICAL SOCIETY SYMPOSIUM

Author: George L. Scott, Jr.
 Affiliation: Consulting Geologist
 Date: November 1966

Field Name: Chaveroo
 Location: T-7,8-S, R-33, 34-E
 County & State: Chaves & Roosevelt Counties,
 New Mexico

Discovery Well: Champlin Pet. Co. & Warren American Oil Co. #1 Hondo State, SE/4 NE/4
 Section 32, T-7-S, R-33-E. Completed 3/20/65
 IPP 148 BOPD + 2 BWPD, GOR 810.

Exploration Method Leading to Discovery: 80% subsurface 20% seismic

Kerr m'ce 22

CASE NO. 9682+9683

Pay Zone:

Top of field pay is at 4184 (+255)

Formation Name: San Andres

Depth & Datum Discovery Well: Top perf in disc. well 4299.

Lithology Description: Tan to brown, fine to medium crystalline dolomite with scattered anhydrite inclusions, and vugular, inter-crystalline and fracture porosity. Most wells complete from 1st to 2nd porosities; scattered wells also perf 3rd porosity. The net porosity is based on a cut-off of 4% and covers only 1st and 2nd porosities. (Cont. under Type Trap)

Approximate average pay: 210 gross 40 net Productive Area 11,000 acres (on Nov. 1, 1966)

Type Trap:

Stratigraphic. Porosity and permeability fails up dip along the north and west margin of the field to provide the trap.

Pay Zone (cont. from above). Net porosity map is not a strict net pay map as there are wells where extensive fracturing has lowered the porosity cut-off to 2 1/2%. It also includes porosity in the 2nd porosity interval at the south and southeast field margin that is

Reservoir Data: below the irregular oil-water contact.

6% Porosity, 7 Md Permeability, 25% Sw, 16% So

Oil: 26° API, black, sour

Gas: GOR 400 to 1000

Water: 66,600 Na+K, 27,680 Ca, 4860 Mg, 165,600 Cl, 200 SO₄, 240 HCO₃, Fe

Specific Gravity 1.174 Resistivity .035 ohms @ 110 °F

Initial Field Pressure: 1340 psi @ +140 datum Reservoir Temp. 110°

Type of Drive: Solution gas

Normal Completion Practices: Set casing through pay and selectively perforate with one shot per interval. Acidize with 2000 gallons of acid, and sand fracture with 30,000 gallons of oil and 30,000 pounds of sand.

Type completion: Both flowing and pumping Normal Well Spacing 40 Acres

Deepest Horizon Penetrated & Depth: Bough "C" at 9100' in the discovery well. At the south end of the field several abandoned Bough "C" wells have been plugged back to the San Andres

Other Producing Formations in Field: None within the area of San Andres production, however, Bough "C" production in the Tobac field adjoins the Chaveroo San Andres field on the south.

Production Data:

YEAR	TYPE	No. of wells @ yr. end		PRODUCTION OIL IN BARRELS GAS IN M MCF		YEAR	TYPE	No. of wells @ yr. end		PRODUCTION OIL IN BARRELS GAS IN M MCF	
		Prod.	S.I. or Abd.	ANNUAL	CUMULATIVE			Prod.	S.I. or Abd.	ANNUAL	CUMULATIVE
1965	OIL	45		166,896	166,896		OIL				
	GAS			179,400	179,400		GAS				
1966*	OIL	24		1,474,705	1,641,601		OIL				
	GAS			1,084,527	1,263,927		GAS				
	OIL						OIL				
	GAS						GAS				
	OIL						OIL				
	GAS						GAS				

* 1966 production to September 30, 1966.



U. S. Onshore Oper.

MAR 03 1988

E & P DIV.

STATE OF NEW MEXICO

STATE ENGINEER OFFICE

SANTA FE

S. E. REYNOLDS
STATE ENGINEER

BATAAN MEMORIAL BUILDING
STATE CAPITOL
SANTA FE NEW MEXICO 87503

February 29, 1988

Kerr McGee Corporation
c/o R.J. Quance
Exploration and Production Division
P.O. Box 25861
Oklahoma City, OK 73125

Dear Mr. Quance:

Your February 3, 1988, letter requests assistance in attempting to locate a suitable fresh, brackish, or saltwater source capable of supplying from 2,000 to 4,000 BWPD. You indicate that your investigation relates to leases in Sections 1 and 2, Township 8 South, Range 33 East. This area is not located within a declared underground water basin in the State of New Mexico; therefore the drilling of wells and appropriation of water in this area would not require a permit from this office. The State Engineer would have no jurisdiction over ground water development other than to prevent waste. A map showing the declared underground water-basins in New Mexico is enclosed.

The USGS Button Mesa NE Quadrangle map indicates that there is at least one windmill in Section 2, T8S, R33E with additional windmills in adjacent sections. The major water bearing formation in this area is the Ogallala Formation. The western boundary of the Ogallala is located just a few miles west from your area of interest and dips to the east from New Mexico into Texas. The gradient of water movement in the Ogallala is generally from west to east with the saturated thickness increasing from west to east. In your area of interest, the saturated thickness of the Ogallala may be very small, which may be indicative of low producing wells. The State Engineer Office has checked its records and does not have any specific information on ground water quality or quantity for your area. There are, however, the following reports available for the surrounding areas that may be of interest to you.

McAda, Douglas, 1984, Projected Water Level Declines in the Ogallala Aquifer in Lea County, New Mexico, U. S. Geological Survey Water Resources Investigations Report 84-4062 84 p., This report was prepared to provide information to planners and water users in determining how much water was available for use and to estimate the present quantity of water in the Ogallala Aquifer in Lea County and is available through the Open File Service Section Branch of Distribution, US Geological Survey, MS 306, Box 25425, Denver Federal Center, Denver, Colorado 80225.

~~EXHIBIT 14~~

Kerr-McGee

23

9682+9683

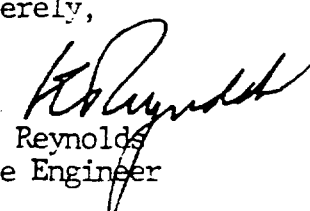
Kerr McGee Corporation
February 29, 1988
Page 2

Cooper, J. B., 1960, Ground Water in the Causey-Lingo Area, Roosevelt County, New Mexico, New Mexico State Engineer Technical Report 14, 51 p., The Causey-Lingo area is located in south-central Roosevelt County. This report addresses water quantity, quality and water levels for the study area. Enclosed is a copy of this report.

Lansford, Robert R., 1974, Water Resources Evaluation of the Southern High Plains of New Mexico, New Mexico Water Resources Research Institute, WRRI Report No. 44 59 p., The Southern High Plains includes your area of interest. This report indicates that groundwater in the Southern High Plains is normally encountered at reasonably shallow depths with a saturated thickness generally less than 200 feet. This report is available through the NMWRRI, New Mexico State University, Box 3167, Las Cruces, New Mexico 88003.

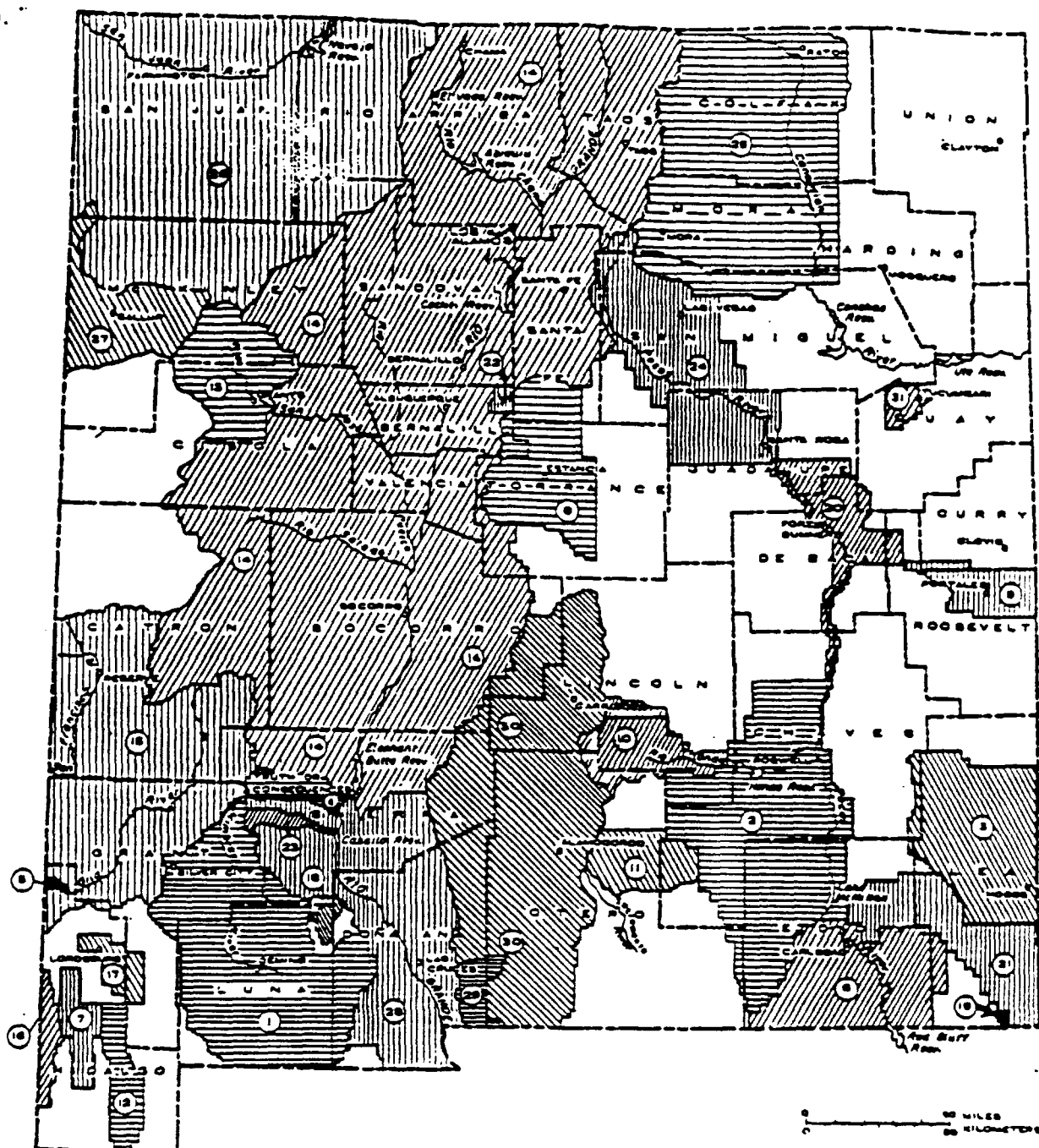
Please let me know if further discussion of this matter would be helpful.

Sincerely,


S.E. Reynolds
State Engineer

SER:egr

Enclosure



DECLARED UNDERGROUND WATER-BASINS IN NEW MEXICO

<u>BASIN</u>	<u>AREA</u> <u>IN SQUARE MI.</u>	<u>BASIN</u>	<u>AREA</u> <u>IN SQUARE MI.</u>
1. MIMBRES VALLEY	4,278	16. SAN SIMON	263
2. ROSWELL	4,281	17. LOROSBURG VALLEY	329
3. LEA COUNTY	2,180	18. NUTT-HOCKETT	133
4. HOT SPRINGS	284	19. JAL	18
5. VIRGEN VALLEY	19	20. FORT SUMNER	1,059
6. CARLSBAD	1,868	21. CAPITAN	1,560
7. ANIMAS	428	22. SANDIA	73
8. ESTANCIA	1,724	23. LAS ANIMAS CREEK	131
9. PORTALES	826	24. UPPER PECOS	2,708
10. MONDO	301	25. CANADIAN RIVER	5,888
11. PENASCO	723	26. SAN JUAN	9,787
12. PLAYAS VALLEY	318	27. GALLUP	1,438
13. BLUEWATER	1,318	28. LOWER RIO GRANDE	2988
14. RIO GRANDE	28,208	29. MUEGO	888
15. GILA-SAN FRANCISCO	8,668	30. TULAROSA	6,870
		31. TUGUMCARI	177
			<u>84,723</u>

State of New Mexico
Energy and Minerals Department
Oil Conservation Division

COUNTY OF OKLAHOMA)

STATE OF OKLAHOMA)

BEFORE ME, I, _____ CLERK OF DISTRICT COURT, COUNTY OF OKLAHOMA, DO HEREBY CERTIFY THAT Kern McGee, No. 24 CLERK NO. 9682, 9683
--

Affidavit of Mailing

The undersigned hereby certifies that on this 20th day of April, 1989, he sent copies of the attached Application for Authorization to Inject by certified U. S. Mail, return receipt requested, to the parties listed below:

Surface Owners

Paul Davis, Thomas E. Davis, Jr., Margurete S. Davis and Thomas H. Davis,
trustees for H. H. and Margurete S. Davis Trust dated 6/16/87
South Star Route
Elida, NM 88116

Finus M. and Laura J. Tucker Revocable Trust
United New Mexico Trust Co.
P. O. Box 1927
Roswell, NM 88201

Leasehold Operators Within One-Half Mile

Murphy Operating Co.
P. O. Box 2648
Roswell, New Mexico 88202-2648
Attn: Ann Murphy Ezzell

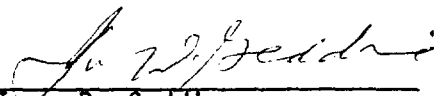
Fina Oil and Chemical Company
1004 N. Big Spring Street
Suite 400
P. O. Box 2990
Midland, TX 79701

Yates Petroleum Corporation
Yates Building
207 South Fourth
Artesia, NM 88210

Bristol Resources Corporation
3601 East 51st St.
Suites B&C
Tulsa, OK 74136
Attn: Mr. Bob Key

Warren American Oil Company
P. O. Box 971
Midland, TX 79702
Attn: Mr. James A. O'Neill


Marathon Oil Company
P. O. Box 552
125 West Missouri Street
Midland, TX 79702


Ivan D. Geddie
T-25C McGee Tower
P. O. Box 25861
Oklahoma City, OK 73125
Tel: (405) 270-2124

Sworn to before me, a Notary Public, this 20th day of April, 1989.

My commission expires:

4-13-93


Notary Public in and for
Oklahoma County, Oklahoma

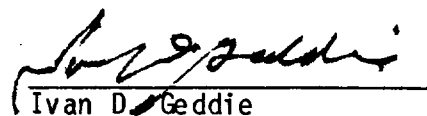
State of New Mexico
Energy and Minerals Department
Oil Conservation Division

County of Oklahoma)
)
State of Oklahoma)


Affidavit of Mailing

The undersigned hereby certifies that on May 12, 1989, he sent a copy of the K-M Chaveroo San Andres Application for Authorization to Inject by certified U. S. Mail, return receipt requested, to the additional party listed below:

Texaco, Inc.
P. O. Box 3109
Midland, TX 79702


Ivan D. Geddie
T-25C McGee Tower
P. O. Box 25861
Oklahoma City, OK 73125
Tel: (405) 270-2124

Sworn to before me, a Notary Public, this 23rd day of May, 1989.


Notary Public in and for
Oklahoma County, Oklahoma

My Commission Expires:

4-13-93



KERR-McGEE CORPORATION

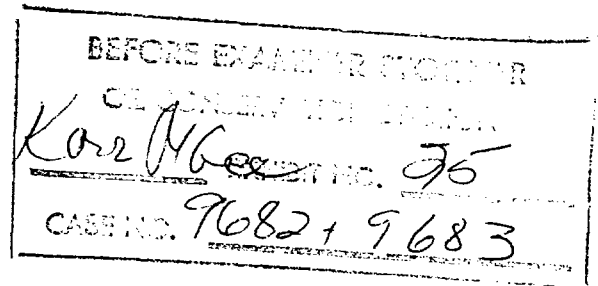
KERR-McGEE CENTER • OKLAHOMA CITY, OKLAHOMA 73125

EXPLORATION AND PRODUCTION DIVISION

May 12, 1989

Texaco, Inc.
P. O. Box 3109
Midland, TX 79702

PROPOSED K-M CHAVEROO
SAN ANDRES UNIT
CHAVES COUNTY, NEW MEXICO



You are hereby given notice that the New Mexico Oil Conservation Division will hold a hearing on May 24, 1989, to consider the application of Kerr-McGee Corporation for an order establishing the subject unit and granting permission to conduct waterflood operations. You will find attached pertinent information concerning the waterflood.

If you have no objections to Kerr-McGee's application, please so indicate by signing below and returning one copy of this letter to the undersigned by May 22, 1989.

Ivan D. Geddie
T-25C McGee Tower
P. O. Box 25861
Oklahoma City, OK 73125
Tel: (405) 270-2124

IDG:rb

The undersigned has no objections
to the subject application:

Texaco, Inc.

By: A. J. Simon

Date: 5/19/89

cc: Karen Aubrey
P. O. Box 2265
Santa Fe, NM 87504-2265

RECEIVED

MAY 21 1989

EXPLORATION AND PRODUCTION
CONSERVATION AND UNITIZATION

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

IN THE MATTER OF THE APPLICATION
OF KERR MCGEE CORPORATION
FOR STATUTORY UNITIZATION
CHAVES COUNTY, NEW MEXICO

CASE NO. 9682

CERTIFICATE OF MAILING


AND

COMPLIANCE WITH ORDER R-8054

In accordance with Division Rule 1207 (Order R-8054) I hereby certify that on May 2, 1989, I caused to be mailed by certified mail-return receipt requested, a notice of this hearing and a copy of the application for the above referenced case along with the cover letter, at least twenty days prior to the hearing set for June 7, 1989 to the parties shown in the Application evidenced by the attached Exhibit A.


KAREN AUBREY

SUBSCRIBED AND SWORN TO before me this 5th day of June, 1989 by Karen Aubrey, attorney for the applicant.


Notary Public

My Commission Expires:

March 3, 1993

KELLAHIN, KELLAHIN and AUBREY

Attorneys at Law

W. Thomas Kellahin
Karen Aubrey

El Patio - 117 North Guadalupe
Post Office Box 2265

Telephone 982-4285
Area Code 505

Jason Kellahin
Of Counsel

Santa Fé, New Mexico 87504-2265

May 2, 1989

HAND DELIVERED

William J. LeMay
Director
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501

RECEIVED

MAY 2 1989

OIL CONSERVATION DIVISION

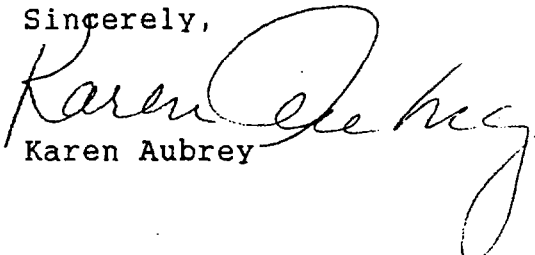
Re: Application of Kerr-McGee Corporation for Statutory
Unitization, Chaves County, New Mexico

Dear Mr. LeMay:

Enclosed are the original and one copy of the application of Kerr-McGee for statutory unitization which we would appreciate being set for hearing on the Examiner's docket on May 24, 1989.

We are sending all affected parties copies of the application and this letter by certified mail.

Sincerely,


Karen Aubrey

KA/rs
Encl.

cc: All persons on attached service list

Service List

Floyd Prondo
State Land Office, with C-108
P.O. Box 1148
Santa Fe, New Mexico 87504-1148

Paul Davis, Thomas E. Davis, Jr., Margurete S. Davis
and Thomas H. Davis, trustees for H.H. and Margurete S. Davis Trust dated 6/16/87
South Star Route
Elida, New Mexico 88116

Finus M. and Laura J. Tucker Revocable Trust
United New Mexico Trust Company
P.O. Box 1927
Roswell, New Mexico 88201

Murphy Operating Company
P.O. Box 2648
Roswell, New Mexico 88202
Attn: Ann Murphy Ezzell

Fina Oil and Chemical Company
P.O. Box 2990
Midland, Texas 79701

Yates Petroleum Corporation
Yates Building
207 South Fourth
Artesia, New Mexico 88210

Bristol Resources Corporation
3601 East 51st Street
Suites B & C
Tulsa, Oklahoma 74136
Attn. Mr. Bob Key

Warren American Oil Company
P.O. Box 971
Midland, Texas 70702
Attn: Mr. James A. O'Neill

Marathon Oil Company
P.O. Box 552
Midland, Texas 79702

BEFORE THE OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY,

MINERALS AND NATURAL RESOURCES

RECEIVED

MAY 2 1989

OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION
OF KERR-MCGEE CORPORATION FOR
APPROVAL OF STATUTORY UNITIZATION,
CHAVES COUNTY, NEW MEXICO

CASE NO. _____

A P P L I C A T I O N

COMES NOW KERR-MCGEE CORPORATION, by and through its attorneys, Kellahin, Kellahin & Aubrey, and pursuant to the provision of the Statutory Unitization Act (Sections 70-7-1 through 70-7-21, N.M.S.A., 1978 Comp.) hereby applies to the New Mexico Oil Conservation Division for an order unitizing the K-M CHAVEROO SAN ANDRES UNIT, Chaves County, New Mexico, and in support of its application states:

1. Kerr-McGee Corporation is a Delaware corporation authorized to transact business in the State of New Mexico, is engaged in the business of, among other things, producing and selling oil and gas and seeks to be designated operator of the K-M Chevroo San Andres Unit.

2. The proposed unit area for which this application is made consists of 1280.37 acres, more or less, of State of

New Mexico lands located in Chaves County, New Mexico, and is more particularly described in Exhibit A attached hereto and incorporated herein by reference. Kerr-McGee Corporation seeks an order pursuant to the Statutory Unitization Act providing for unitized management, operation and further development of the project area.

3. The vertical limits of the formation to be included within the proposed unit area includes that interval known as the San Andres formation which extends from 4211 feet to 4341 feet as measured on the compensated formation density log run in the Kerr-McGee Corporation State "F" Well No. 1 on April 29, 1966, said well located 660 feet from the North line and 660 feet from the West line of Section 2, Township 8 South, Range 33 East, Chaves County, New Mexico. The Unitized Formation shall further include all subsurface points throughout the Unit which are correlative to the aforementioned identified depths.

4. The portion of the reservoir involved in this application has been reasonably defined by development.

5. The type of operations to be conducted in this unit is secondary recovery by means of water flooding.

6. Attached to this application as Exhibit B and incorporated herein by reference is a copy of the proposed plan of unitization which Kerr-McGee considers fair, reasonable and equitable.

7. Attached to this application as Exhibit C and incorporated herein by reference is a copy of the proposed operating plan covering the manner in which the unit will be supervised and managed and costs allocated and paid.

8. Kerr-McGee Corporation has obtained the concurrence of at least 94% of the working interest ownership within the unit area of the proposed plan of unit operations, thereby assuring effective and efficient control of the unit.

9. Kerr-McGee Corporation further states:

a. Unitized management, operating and further development of the K-M Chaveroo San Andres Unit is reasonably necessary in order to effectively carry on secondary recovery and to substantially increase the ultimate recovery of oil from the unitized portion thereof.

b. Unitized methods of operations applied to the K-M Chaveroo San Andres Unit are feasible, will prevent waste and will result with reasonable probability in the increased recovery of substantially more oil than would otherwise be recovered.

c. The estimated additional costs, if any, of conducting such operations will not exceed the estimated value of additional oil so recovered plus reasonable profit.

d. Unitization and adoption of unitized methods of operation will benefit the working interest owners, royalty owners and overriding royalty owner of the oil and gas rights within the pool.

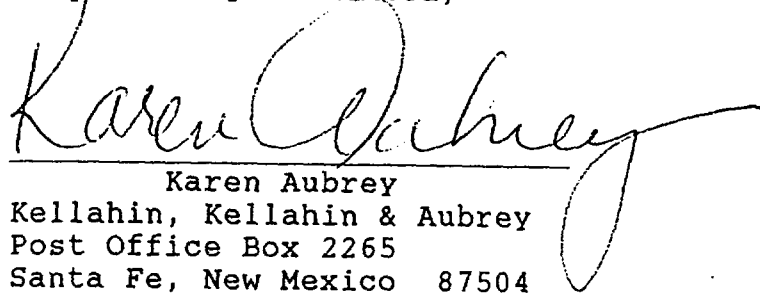
e. Kerr-McGee Corporation, as operator, has made a good faith effort to secure voluntary unitization of all interests in the pool.

f. The participation formula contained in the unitization agreement allocated the produced and saved unitized hydrocarbons to the separately owned tracts in the unit area on a fair, reasonable and equitable basis.

9. Statutory unitization of the San Andres formation is in the best interest of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, Kerr-McGee Corporation respectfully requests that this application be set for hearing before a duly appointed Examiner of the Oil Conservation Division on May 24, 1989, and, that after notice and hearing as required by law and the rules of the Division, the Division enter its order granting this application to statutorily unitize the San Andres formation, Chaves County, New Mexico.

Respectfully submitted,


Karen Aubrey

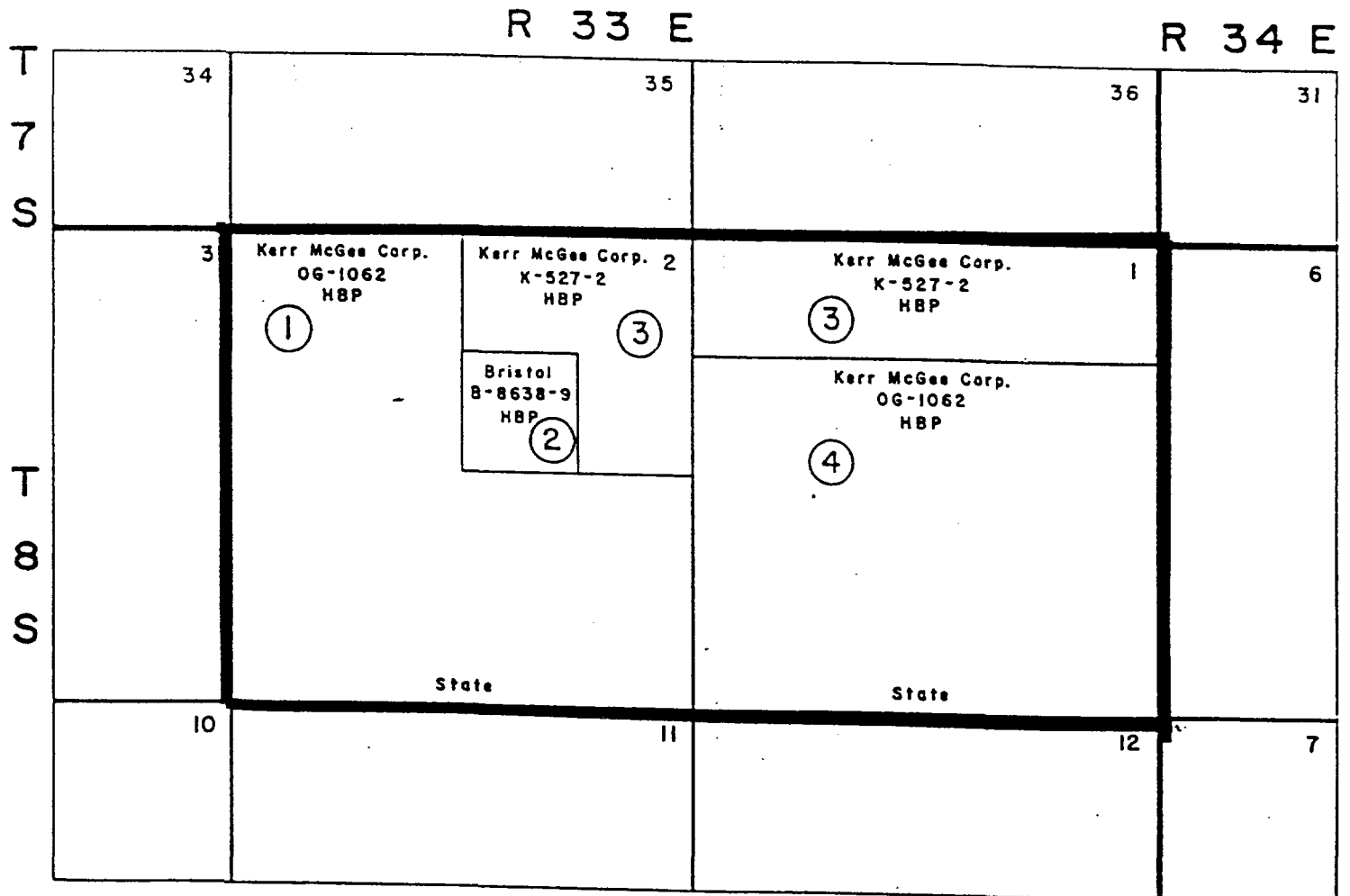
Kellahin, Kellahin & Aubrey
Post Office Box 2265
Santa Fe, New Mexico 87504

(505) 982-4285

Attorneys for Kerr-McGee
Corporation

EXHIBIT "A"

K-M CHAVEROO SAN ANDRES UNIT CHAVES COUNTY, NEW MEXICO



○ Tract Number

■ Unit Outline

1280.37 Acres
100% Unit Area
Scale: 1" = 2000'

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 box(es) for additional service(s) requested. 1. ☒ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to:	4. Article Number
Yates Petroleum Co 207 S. 4th St Artesia, NM 88210	P 155 278 617
Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise	
Always obtain signature of addressee or agent and DATE DELIVERED.	
5. Signature - Address X	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature - Agent X	
7. Date of Delivery 5/5/89	

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

KA/Kerr McGee/Unit

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 box(es) for additional service(s) requested. 1. ☒ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to:	4. Article Number
Thomas H. Davis South Star Route Elida, NM 88116	P 155 278 613
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	
Always obtain signature of addressee or agent and DATE DELIVERED.	
5. Signature - Address X	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature - Agent X	
7. Date of Delivery May 6 1989	

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

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 box(es) for additional service(s) requested. 1. ☒ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to:	4. Article Number
Bristol Resources Corp 3601 E. 51st Street Suite B & C Tulsa, OK 74136	P 155 278 618
Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise	
Always obtain signature of addressee or agent and DATE DELIVERED.	
5. Signature - Address X	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature - Agent X	
7. Date of Delivery 5-5-89	

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

KA/Kerr McGee/Unit

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 box(es) for additional service(s) requested. 1. ☒ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to:	4. Article Number
Warren American Oil Co P.O. Box 971 Midland, TX 79702 Attn James O'Neill	P 155 278 519
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	
Always obtain signature of addressee or agent and DATE DELIVERED.	
5. Signature - Address X	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature - Agent X	
7. Date of Delivery 5-5-89	

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

3. Article Addressed to: Fina Oil & Chemical Co P.O. Box 2990 Midland, TX 79701	4. Article Number P 155 278 616 Type of Service: <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express Mail Always obtain signature of addressee or agent and DATE DELIVERED . 8. Addressee's Address (ONLY if requested and fee paid) P.O. Box 2990 MIDLAND, TX 79702
5. Signature - Agent <i>[Signature]</i>	
6. Signature - Agent <i>[Signature]</i>	
7. Date of Delivery May 89	

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

KA/Kerr McGee/Waterflood Proj

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

3. Article Addressed to: Finus M. & Laura J Tucker Revocable Trust United New Mexico Trust Co P.O. Box 1927 Roswell, NM 88201	4. Article Number P 484 051 614 Type of Service: <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express Mail Always obtain signature of addressee or agent and DATE DELIVERED . 8. Addressee's Address (ONLY if requested and fee paid) <i>[Signature]</i> paid for
5. Signature - Agent <i>[Signature]</i>	
6. Signature - Agent <i>[Signature]</i>	
7. Date of Delivery May 89	

PS Form 3811, Mar. 1988 * U.S.G.P.O. 1988-212-865 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: Murphy Operating Co P.O. Box 2648 Roswell, NM 88202 Ann; Ann Murphy Ezzell	4. Article Number P 155 278 615 Type of Service: <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express Mail Always obtain signature of addressee or agent and DATE DELIVERED . 8. Addressee's Address (ONLY if requested and fee paid) Box 2648
5. Signature - Agent <i>[Signature]</i>	
6. Signature - Agent <i>[Signature]</i>	
7. Date of Delivery May 89	

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

KA/Kerr McGee/Unit

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

3. Article Addressed to: Marguerite Davis South Star Route Elida. NM 88116	4. Article Number P 155 278 612 Type of Service: <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express Mail Always obtain signature of addressee or agent and DATE DELIVERED . 8. Addressee's Address (ONLY if requested and fee paid) <i>[Signature]</i> 5-8-88
5. Signature - Agent <i>[Signature]</i>	
6. Signature - Agent <i>[Signature]</i>	
7. Date of Delivery 5-8-88	

PS Form 3811, Mar. 1988 * U.S.G.P.O. 1988-212-865 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:
Thomas E. Davis, Jr.
South Star Route HC60 Box 45
Elida, NM 88116
4. Article Number
P 155 278 611
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
Thomas E. Davis
6. Signature - Agent
7. Date of Delivery
05-29-89

PS Form 3811, Mar. 1988 • U.S.G.P.O. 1988-212-865 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:
Marathon Oil Co.
P.O. Box 552
Midland, TX 79702
4. Article Number
P 155 278 609
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
John M. Nica
6. Signature - Agent
7. Date of Delivery
JMA/89

PS Form 3811, Mar. 1988 • U.S.G.P.O. 1988-212-865 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:
Paul Davis
South Star Route
Elida, NM 88116
4. Article Number
P 155 278 610
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
Paul Davis
6. Signature - Agent
7. Date of Delivery
5-29-89

PS Form 3811, Mar. 1988 • U.S.G.P.O. 1988-212-865 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:
Floyd Prondo
State Land Office
P.O. Box 1148
Santa Fe, NM 87504
4. Article Number
P 155 278 608
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
Floyd Prondo
6. Signature - Agent
7. Date of Delivery

PS Form 3811, Mar. 1988 • U.S.G.P.O. 1988-212-865 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: Finnis & Laura Tucker Trust United New Mexico Bank P.O. Box 1927 Roswell, NM 88201		4. Article Number PA 155 278 614	
5. Signature of Agent <i>Edna M. Tucker</i>		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 of Addressee <i>Edna M. Tucker</i>		Always obtain signature of addressee or agent and DATE DELIVERED	
7. Date of Delivery 5 May 87		8. Addressee's Address (ONLY if requested and fee paid) <i>Box 7 1927</i>	

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

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION
OF KERR MCGEE CORPORATION
FOR WATERFLOOD PROJECT
CHAVES COUNTY, NEW MEXICO

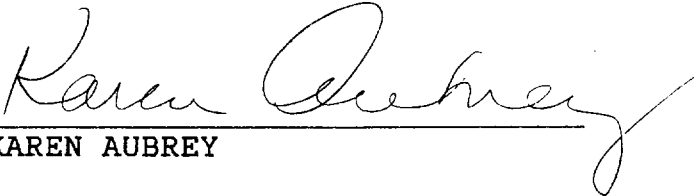
CASE NO. 9683

CERTIFICATE OF MAILING

AND

COMPLIANCE WITH ORDER R-8054

In accordance with Division Rule 1207 (Order R-8054) I hereby certify that on May 1, 1989, I caused to be mailed by certified mail-return receipt requested, a notice of this hearing and a copy of the application for the above referenced case along with the cover letter, at least twenty days prior to the hearing set for June 7, 1989 to the parties shown in the Application evidenced by the attached Exhibit A. -


KAREN AUBREY

SUBSCRIBED AND SWORN TO before me this 5th day of June, 1989 by Karen Aubrey, attorney for the applicant.


Notary Public

My Commission Expires:

March 3, 1993

KELLAHIN, KELLAHIN and AUBREY
Attorneys at Law

W. Thomas Kellahin
Karen Aubrey

El Patio - 117 North Guadalupe
Post Office Box 2265

Telephone 982-4285
Area Code 505

Jason Kellahin
Of Counsel

Santa Fé, New Mexico 87504-2265

May 1, 1989

RECEIVED

MAY 2 1989

OIL CONSERVATION DIVISION

HAND DELIVERED

William J. LeMay, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
State Land Office Building
Santa Fe, New Mexico 87501

Re: Application of Kerr McGee Corporation for Waterflood
Project, Chaves County, New Mexico

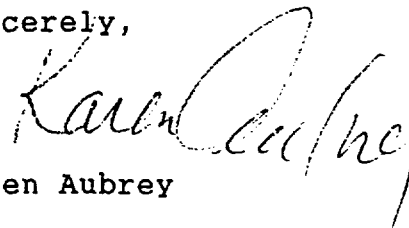
Dear Mr. LeMay:

Enclosed are the original and one copy of Oil Conservation Division Form C-108 and attachments which constitutes the application of Kerr McGee Corporation for a Waterflood Project, Chaves County, New Mexico.

We would appreciate it if you would set this application for hearing before the Division's Examiner on May 24, 1989.

Copies of the Form C-108 were sent by certified mail to the surface owners and leasehold operators within one-half mile on April 20, 1989. By copy of this letter, sent certified mail, we are notifying the surface owners and leasehold operators of our request for a hearing on May 24, 1989.

Sincerely,



Karen Aubrey

KA/rs
Encl.

cc: Ivan Geddie
Kerr McGee Corporation

KELLAHIN, KELLAHIN and AUBREY

Mr. William J. LeMay
May 1, 1989
Page 2

CERTIFIED MAIL RETURN RECEIPT REQUESTED:

w/encl:

Floyd Prondo
State Land Office, with C-108

w/o encl:

Paul Davis, Thomas E. Davis, Jr., Marqurete S. Davis
and Thomas H. Davis, trustees for H.H. and Mar-
qurete S. Davis Trust dated 6/16/87

Finus M. and Laura J. Tucker Revocable Trust
United New Mexico Trust Company

Murphy Operating Company

Fina Oil and Chemical Company

Yates Petroleum Corporation

Bristol Resources Corporation

Warren American Oil Company

Marathon Oil Company

RECEIVED

APPLICATION FOR AUTHORIZATION TO INJECT

- I. Purpose: ☒ Secondary Recovery ☐ Pressure Maintenance ☐ Disposal ☐ Storage
Application qualifies for administrative approval? ☐ yes ☒ no
MAY 2 1989
OIL CONSERVATION DIVISION
- II. Operator: KERR-MCGEE CORPORATION
Address: P. O. BOX 25861, OKLAHOMA CITY, OKLAHOMA 73125
Contact party: R. J. QUANCE Phone: (405) 848-9750
- III. Well data: Complete the data required on the reverse side of this form for each well proposed for injection. Additional sheets may be attached if necessary.
- IV. Is this an expansion of an existing project? ☐ yes ☒ no
If yes, give the Division order number authorizing the project _____.
- V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.
- VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, data drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.
- VII. Attach data on the proposed operation, including:
1. Proposed average and maximum daily rate and volume of fluids to be injected;
 2. Whether the system is open or closed;
 3. Proposed average and maximum injection pressure;
 4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and
 5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).
- VIII. Attach appropriate geological data on the injection zone including appropriate lithologic detail, geological name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such source known to be immediately underlying the injection interval.
- IX. Describe the proposed stimulation program, if any.
- X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division they need not be resubmitted.)
- XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.
- XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground source of drinking water.
- XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.
- XIV. Certification

I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

Name: R. J. QUANCE Title: SENIOR STAFF ENGINEER

Signature: [Signature] Date: APRIL 1, 1989

- * If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be duplicated and resubmitted. Please show the date and circumstance of the earlier submittal.

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 box(es) for additional service(s) requested.
1. ☒ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to: Warren Amer. Oil Co P.O. Box 971 Midland, TX 79702 Attn: Mr. James A. O'Neill	4. Article Number P 484 051 619 Type of Service: <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express Mail <input type="checkbox"/> Insured <input type="checkbox"/> COD <input type="checkbox"/> Return Receipt for Merchandise Always obtain signature of addressee or agent and DATE DELIVERED. 8. Addressee's Address (ONLY if requested and fee paid) <i>For not paid</i>
5. Signature — Address <input checked="" type="checkbox"/>	6. Signature — Agent <input checked="" type="checkbox"/> <i>James A. O'Neill</i>
7. Date of Delivery MAY - 4 1989	

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

KA/Kerr McGee/Waterflood Project Chaves County

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

3. Article Addressed to: Margarete S. Davis South Star Route Elida, NM 89116	4. Article Number P 484 051 622 Type of Service: <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express Mail <input type="checkbox"/> Insured <input type="checkbox"/> COD <input type="checkbox"/> Return Receipt for Merchandise Always obtain signature of addressee or agent and DATE DELIVERED. 8. Addressee's Address (ONLY if requested and fee paid)
5. Signature — Address <input checked="" type="checkbox"/>	6. Signature — Agent <input checked="" type="checkbox"/> <i>Margarete S. Davis</i>
7. Date of Delivery MAY 8 1989	

PS Form 3811, Mar. 1988 * U.S.G.P.O. 1988-212-865 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: Marathon Oil Company P.O. Box 552 Midland, Texas 79702	4. Article Number P 484 051 620 Type of Service: <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express Mail <input type="checkbox"/> Insured <input type="checkbox"/> COD <input type="checkbox"/> Return Receipt for Merchandise Always obtain signature of addressee or agent and DATE DELIVERED. 8. Addressee's Address (ONLY if requested and fee paid)
5. Signature — Address <input checked="" type="checkbox"/>	6. Signature — Agent <input checked="" type="checkbox"/> <i>Don Marcoe</i>
7. Date of Delivery 4 MAY 89	

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

KA/Kerr McGee/Waterflood Proj Chaves CO

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

3. Article Addressed to: Paul Davis South Star Route Elida, NM 88116	4. Article Number P 484 051 621 Type of Service: <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express Mail <input type="checkbox"/> Insured <input type="checkbox"/> COD <input type="checkbox"/> Return Receipt for Merchandise Always obtain signature of addressee or agent and DATE DELIVERED. 8. Addressee's Address (ONLY if requested and fee paid)
5. Signature — Address <input checked="" type="checkbox"/>	6. Signature — Agent <input checked="" type="checkbox"/>
7. Date of Delivery	

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

3. Article Addressed to: Floyd Prondo State Land Office P.O. Box 1148 Santa Fe, NM 87504-1148	4. Article Number P 484 051 613
Type of Service: <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express Mail <input type="checkbox"/> Insured <input type="checkbox"/> COD <input type="checkbox"/> Return Receipt for Merchandise	
Always obtain signature of addressee or agent and DATE DELIVERED.	
5. Signature — Address X <i>[Signature]</i>	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature — Agent X	
7. Date of Delivery MAY 3 1989	

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

KA/Kerr McGee/Waterflood Proj-Chaves Co

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

3. Article Addressed to: Yates Petroleum Corp. Yates Building 207 S. 4th Street Artesia, NM 88210	4. Article Number P 494- 051-617
Type of Service: <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express Mail <input type="checkbox"/> Insured <input type="checkbox"/> COD <input type="checkbox"/> Return Receipt for Merchandise	
Always obtain signature of addressee or agent and DATE DELIVERED.	
5. Signature — Address X <i>[Signature]</i>	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature — Agent X	
7. Date of Delivery 5/3/89	

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

3. Article Addressed to: Fina Oil & Chemical Co. P.O. Box 2990 Midland, TX 70701	4. Article Number P 484-051-616
Type of Service: <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express Mail <input type="checkbox"/> Insured <input type="checkbox"/> COD <input type="checkbox"/> Return Receipt for Merchandise	
Always obtain signature of addressee or agent and DATE DELIVERED.	
5. Signature — Address X	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature — Agent X <i>[Signature]</i>	
7. Date of Delivery MAY - 4 1989	

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

KA/Kerr McGee/Waterflood Project-Chaves Co

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

3. Article Addressed to: Bristol Resources Corp 3601 East 51st St Suites B & C Tulsa, OK 74136 Attn: Bob Key	4. Article Number P 484 051 618
Type of Service: <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express Mail <input type="checkbox"/> Insured <input type="checkbox"/> COD <input type="checkbox"/> Return Receipt for Merchandise	
Always obtain signature of addressee or agent and DATE DELIVERED.	
5. Signature — Address X	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature — Agent X <i>[Signature]</i>	
7. Date of Delivery 5-4-89	

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

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

3. Article Addressed to: Thomas E. Davis, South Star Route HC 60 Box 45 Elida, NM 88116	4. Article Number P 484 051 624
Type of Service: <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express Mail <input type="checkbox"/> Insured <input type="checkbox"/> COD <input type="checkbox"/> Return Receipt for Merchandise	
Always obtain signature of addressee or agent and DATE DELIVERED.	
5. Signature — Address <i>Thomas E. Davis</i>	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature — Agent <i>X</i>	
7. Date of Delivery 05-04-89	

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

KA/Kerr MCGEE/WATERFLOOD PROJ-CHAVES CO

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

3. Article Addressed to: Murphy Operating Company P.O. Box 2648 Roswell, NM 88202 ATTN: Ann Murphy Ezzel	4. Article Number P 484 051 615
Type of Service: <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express Mail <input type="checkbox"/> Insured <input type="checkbox"/> COD <input type="checkbox"/> Return Receipt for Merchandise	
Always obtain signature of addressee or agent and DATE DELIVERED.	
5. Signature — Address <i>AS</i>	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature — Agent <i>X</i>	
7. Date of Delivery 5-3-89	

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

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

3. Article Addressed to: Thomas E. Davis South Star Route HC 60 Box 45 Elida, NM 88116	4. Article Number P 484 051 623
Type of Service: <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express Mail <input type="checkbox"/> Insured <input type="checkbox"/> COD <input type="checkbox"/> Return Receipt for Merchandise	
Always obtain signature of addressee or agent and DATE DELIVERED.	
5. Signature — Address <i>Thomas E. Davis</i>	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature — Agent <i>X</i>	
7. Date of Delivery 05-04-89	

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

KA/Kerr MCGEE/WATERFLOOD PROJ-CHAVES CO

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

3. Article Addressed to: Finns & Laura Thacker must United New Mexico Bank P.O. Box 1927 Roswell, NM 88201	4. Article Number P 155 278 614
Type of Service: <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express Mail <input type="checkbox"/> Insured <input type="checkbox"/> COD <input type="checkbox"/> Return Receipt for Merchandise	
Always obtain signature of addressee or agent and DATE DELIVERED.	
5. Signature — Address <i>X</i>	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature — Agent <i>X</i>	
7. Date of Delivery 5 May 89	

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

<p>SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.</p> <p>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 box(es) for additional service(s) requested.</p> <p><input type="checkbox"/> Show to whom delivered, date, and addressee's address. <input type="checkbox"/> Restricted Delivery (Extra charge)</p>	
<p>3. Article Addressed to:</p> <p>United New Mexico Bank P.O. Box 1927 Roswell, NM 88201</p>	<p>4. Article Number</p> <p>P 155 278 614</p>
<p>5. Signature - Agent</p> <p><i>Bob McKel...</i></p>	<p>Type of Service:</p> <p><input checked="" type="checkbox"/> Registered <input type="checkbox"/> Insured <input type="checkbox"/> COD <input type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Certified <input type="checkbox"/> Express Mail</p>
<p>6. Signature - Addressee</p> <p><i>Bob McKel...</i></p>	<p>7. Date of Delivery</p> <p>5 May 89</p>
<p>8. Addressee's Address (ONLY if requested and fee paid)</p> <p><i>Bob McKel...</i></p>	



KERR-MCGEE CORPORATION

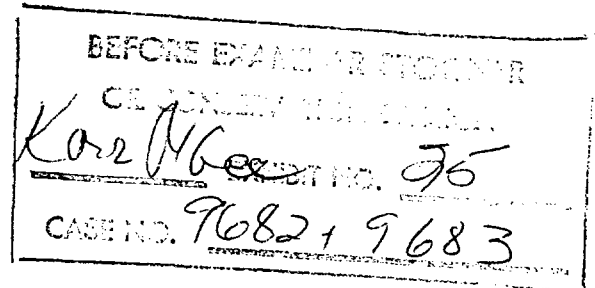
KERR-MCGEE CENTER • OKLAHOMA CITY, OKLAHOMA 73125

EXPLORATION AND PRODUCTION DIVISION

May 12, 1989

Texaco, Inc.
P. O. Box 3109
Midland, TX 79702

PROPOSED K-M CHAVEROO
SAN ANDRES UNIT
CHAVES COUNTY, NEW MEXICO



You are hereby given notice that the New Mexico Oil Conservation Division will hold a hearing on May 24, 1989, to consider the application of Kerr-McGee Corporation for an order establishing the subject unit and granting permission to conduct waterflood operations. You will find attached pertinent information concerning the waterflood.

If you have no objections to Kerr-McGee's application, please so indicate by signing below and returning one copy of this letter to the undersigned by May 22, 1989.

Ivan D. Geddie
T-25C McGee Tower
P. O. Box 25861
Oklahoma City, OK 73125
Tel: (405) 270-2124

IDG:rb

The undersigned has no objections
to the subject application:

Texaco, Inc.

By:

Date: 5/19/89

cc: Karen Aubrey
P. O. Box 2265
Santa Fe, NM 87504-2265

RECEIVED

MAY 24 1989

EXPLORATION AND PRODUCTION
CONSERVATION AND UNITIZATION