

12418

Recd.

12418  
A

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

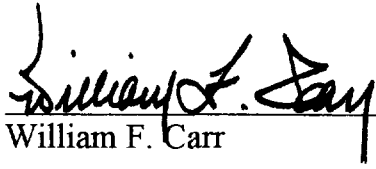
IN THE MATTER OF THE APPLICATION OF SAGA PETROLEUM, L.L.C.  
FOR APPROVAL OF A WATERFLOOD PROJECT FOR ITS  
CROSSROADS SILURO-DEVONIAN UNIT AREA AND QUALIFICATION  
OF SAID PROJECT FOR THE RECOVERED OIL TAX RATE  
PURSUANT TO THE ENHANCED OIL RECOVERY ACT,  
LEA COUNTY, NEW MEXICO.

CASE NO. 12418 (Reopened)


AFFIDAVIT

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

William F. Carr, attorney in fact and authorized representative of Saga Petroleum, L.L.C., 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 me this 21<sup>st</sup> day of June, 2001.

  
Notary Public

My Commission Expires:  
Aug 21, 2001

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Case No. 12418 (Reopened) Exhibit A  
Submitted by:  
Saga Petroleum, L.L.C.  
Hearing Date: July 12, 2001

**EXHIBIT A**

**Waterflood Project  
Crossroads Siluro-Devonian Unit Area  
Sections 27 and 34, Township 9 South, Range 36 East, NMPM  
Lea County, New Mexico**

Marbob Energy  
P. O. Box 227  
Artesia, NM 88211-0227  
KCS Medallion Resources, Inc.  
Attn: Rick Deffenbaugh, Land Manager  
7130 South Lewis Avenue, Suite 700  
Tulsa, OK 74136-5489

C. L. House  
401 W. Texas  
Midland, TX 79701

Meteor Development  
216 16th Street, Suite 730  
Denver, CO 80202

Kelly H. Baxter  
P. O. Box 11193  
Midland, Texas 79702

Williams Ranch  
Crossroads, NM 88114

Yates Petroleum  
105 South 4th  
Artesia, NM 88210

Southwest Royalty  
Drawer 11390  
Midland, TX 79701

Gates-O'Brian  
550 W. Texas #1140  
Midland, Texas 79701

Special Energy Corp.  
P. O. Box 369  
Stillwater, OK 74076-0369

HOLLAND & HART <sup>LLP</sup>  
AND  
CAMPBELL & CARR  
ATTORNEYS AT LAW

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

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

TELEPHONE (505) 988-4421  
FACSIMILE (505) 983-6043  
[www.hollandhart.com](http://www.hollandhart.com)

June 21, 2001

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

**TO ALL AFFECTED INTEREST OWNERS**

**Re: New Mexico Oil Conservation Division Case No. 12418 (Reopened):  
Application of Saga Petroleum, L.L.C. for approval of a waterflood project  
for its Crossroads Siluro-Devonian Unit Area and qualification of said  
project for the recovered oil tax rate pursuant to the Enhanced Oil Recovery  
Act, Lea County, New Mexico.**

Ladies and Gentlemen:

This letter is to advise you that Saga Petroleum, L.L.C. has filed an application with the New Mexico Oil Conservation Division seeking an order approving a waterflood project in its proposed Crossroads Siluro-Devonian Unit Area located in portions of Sections 27 and 34 of Township 9 South, Range 36 East, NMPM, Lea County, New Mexico. A copy of this application with attached Form C-108 is enclosed for your information.

This application was originally heard by a Division Examiner on September 7, 2000 and has been reopened for hearing before a Division Examiner on July 12, 2001, at the Oil Conservation Division hearing room, located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. 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 these matters at a later date.

Parties appearing in cases are required by Division Rule 1208.B to file a Prehearing 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

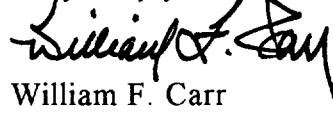
Notice to All Affected Interest Owners

June 21, 2001

Page 2

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,

A handwritten signature in black ink, appearing to read "William F. Carr", with a stylized flourish at the end.

William F. Carr

Attorney for Saga Petroleum L.L.C..

Enclosures

**U.S. Postal Service  
CERTIFIED MAIL RECEIPT**

(Domestic Mail Only; No Insurance Coverage Provided)

**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:

G. W. Ainsworth  
P. O. Box 7  
Milnesand, NM 88215

**COMPLETE THIS SECTION ON DELIVERY**

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

C. Signature

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

2. Article Number (Copy from service label)

1000 0000 0024 3127 6172

PS Form 3811, July 1999 (WFP) Domestic Return Receipt

102595-99-M-1

Postage \$ 1.39  
Certified Fee 1.90  
Return Receipt Fee (Endorsement Required) 1.50  
Restricted Delivery Fee (Endorsement Required)  
Total Postage & Fees 4.79

Recipient's Name G. W. Ainsworth  
Street, Apt. No. P. O. Box 7  
City, State, ZIP Milnesand, NM 88215

**U.S. Postal Service  
CERTIFIED MAIL RECEIPT**

(Domestic Mail Only; No Insurance Coverage Provided)

**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:

Gates-O'Brian  
550 W. Texas #1140  
Midland, Texas 79701

**COMPLETE THIS SECTION ON DELIVERY**

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

C. Signature

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

2. Article Number (Copy from service label)

1000 0000 0024 3127 8730

PS Form 3811, July 1999

Domestic Return Receipt

102595-99-M-178

Postage \$ 1.39  
Certified Fee 1.90  
Return Receipt Fee (Endorsement Required) 1.50  
Restricted Delivery Fee (Endorsement Required)  
Total Postage & Fees 4.79

Recipient's Name Kelly H. Baxter  
Street, Apt. No. P. O. Box 11193  
City, State, ZIP Midland, Texas 79702

**U.S. Postal Service  
CERTIFIED MAIL RECEIPT**

(Domestic Mail Only; No Insurance Coverage Provided)

1. Article Addressed to:

Gates-O'Brian  
550 W. Texas #1140  
Midland, Texas 79701

**COMPLETE THIS SECTION ON DELIVERY**

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

C. Signature

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

2. Article Number (Copy from service label)

1000 0000 0024 3127 8730

PS Form 3811, July 1999

Domestic Return Receipt

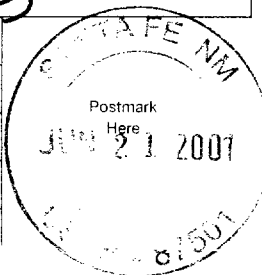
102595-99-M-178

**U.S. Postal Service  
CERTIFIED MAIL RECEIPT**

(Domestic Mail Only; No Insurance Coverage Provided)

WFC 8445/10001 (WFP)

Postage \$ 1.39  
Certified Fee 1.90  
Return Receipt Fee (Endorsement Required) 1.50  
Restricted Delivery Fee (Endorsement Required)  
Total Postage & Fees 4.79



Recipient's Name: C. L. House  
Street, Apt. No.: 401 W. Texas  
City, State, ZIP+4: Midland, TX 79701

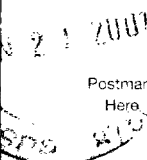
MAIL RETURNED  
- Not Deliverable

**U.S. Postal Service  
CERTIFIED MAIL RECEIPT**

(Domestic Mail Only; No Insurance Coverage Provided)

WFC 8445/10001 (WFP)

Postage \$ 1.39  
Certified Fee 1.90  
Return Receipt Fee (Endorsement Required) 1.50  
Restricted Delivery Fee (Endorsement Required)  
Total Postage & Fees 4.79



Recipient's Name: Marbob Energy  
Street, Apt. No.: P. O. Box 227  
City, State, ZIP+4: Artesia, NM 88211-0227

**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:

Marbob Energy  
P. O. Box 227  
Artesia, NM 88211-0227

**COMPLETE THIS SECTION ON DELIVERY**

A. Received by (Please Print Clearly) MISTY McLurg B. Date of Delivery 6-25-01

C. Signature x/Misty McLurg ☒ Agent ☐ Address

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

2. Article Number (Copy from service label)

1000 0600 0024 3127 6789

PS Form 3811, July 1999

Domestic Return Receipt

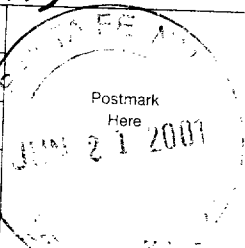
102595-99-M-171

**U.S. Postal Service  
CERTIFIED MAIL RECEIPT**

(Domestic Mail Only; No Insurance Coverage Provided)

WFC 8446/10001 (WFP)

Postage \$ 1.39  
Certified Fee 1.90  
Return Receipt Fee (Endorsement Required) 1.50  
Restricted Delivery Fee (Endorsement Required)  
Total Postage & Fees 4.79



Recipient's Name: Meteor Development  
Street, Apt. No.: 216 16th Street, Suite 730  
City, State, ZIP+4: Denver, CO 80202

Mail Returned  
- Not Deliverable

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

WFC 9445110001 (WFD)

Postage	\$ 1.39
Certified Fee	1.90
Return Receipt Fee (Endorsement Required)	1.50
Restricted Delivery Fee (Endorsement Required)	
<b>Total Postage &amp; Fees</b>	<b>\$ 4.79</b>

**Recipient's Name** Southwest Royalty  
**Street, Apt. No., or** Drawer 11390  
**City, State, ZIP+4** Midland, TX 79701

PS Form 3800, Feb

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

WFC 9445110001 (WFD)

Postage	\$ 1.39
Certified Fee	1.90
Return Receipt Fee (Endorsement Required)	1.50
Restricted Delivery Fee (Endorsement Required)	
<b>Total Postage &amp; Fees</b>	<b>\$ 4.79</b>

**Recipient's Name** Special Energy Corp.  
**Street, Apt. No., or** P. O. Box 369  
**City, State, ZIP+4** Stillwater, OK 74076-0

PS Form 3800, Feb

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

WFC 9445110001 (WFD)

Postage	\$ 1.39
Certified Fee	1.90
Return Receipt Fee (Endorsement Required)	1.50
Restricted Delivery Fee (Endorsement Required)	
<b>Total Postage &amp; Fees</b>	<b>\$ 4.79</b>

**Recipient's Name** Williams Ranch  
**Street, Apt. No., or** Crossroads, NM 88114  
**City, State, ZIP+4**

**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:

Southwest Royalty  
Drawer 11390  
Midland, TX 79701

2. Article Number (Copy from service label)

7000 0600 0024 3127 8785

PS Form 3811, July 1999

Domestic Return Receipt

102595-99-M-1785

- 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:

Special Energy Corp.  
P. O. Box 369  
Stillwater, OK 74076-0369

2. Article Number (Copy from service label)

7000 0600 0024 3127 8747

PS Form 3811, July 1999

Domestic Return Receipt

102595-99-M-1789

- 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:

Williams Ranch  
Crossroads, NM 88114

2. Article Number (Copy from service label)

7000 0600 0024 3127 8754

PS Form 3811, July 1999

Domestic Return Receipt

102595-99-M-178

**COMPLETE THIS SECTION ON DELIVERY**

A. Received by (Please Print Clearly) M. M. M. B. Date of Delivery JUN 26 2001

C. Signature X [Signature] ☐ 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

A. Received by (Please Print Clearly) B. Date of Delivery 6-25-01

C. Signature X [Signature] ☐ 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

C. Signature X [Signature] ☐ 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



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

WFC 445117489

Postage	\$ 1.39	UNIT ID: 04
Certified Fee	1.90	Postm Hen
Return Receipt Fee (Endorsement Required)	1.50	2001
Restricted Delivery Fee (Endorsement Required)		Clerk: KPSS
Total Postage & Fees	\$ 4.79	06/25/01

Recipient's Name (Please Print Clearly) (to be completed by mailer)  
Rick Deffenbaugh, KCS Medallion Resources, Inc.  
Street, Apt. No., or PO Box No.  
7130 South Lewis Avenue, Suite 700  
City, State, ZIP+4  
Tulsa, OK 74136-5489

PS Form 3800, February 2000

See Reverse

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

WFC 445110001/WFE

Postage	\$ 1.39	Postm Hen
Certified Fee	1.90	
Return Receipt Fee (Endorsement Required)	1.50	
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$ 4.79	

Recipient's Name  
Street, Apt. No.,  
City, State, ZIP+4  
Yates Petroleum  
105 South 4th  
Artesia, NM 88210

**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:

KCS Medallion Resources, Inc.  
Attn: Rick Deffenbaugh  
7130 South Lewis Ave.  
Suite 700  
Tulsa, OK 74136-5489

2. Article Number (Copy from service label)

1000 0600 0024 3127 8778

PS Form 3811, July 1999

Domestic Return Receipt

102595-99-M-1785

**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:

Yates Petroleum  
105 South 4th  
Artesia, NM 88210

2. Article Number (Copy from service label)

1000 0600 0024 3127 8778

PS Form 3811, July 1999

**COMPLETE THIS SECTION ON DELIVERY**

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

C. 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

**COMPLETE THIS SECTION ON DELIVERY**

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

C. 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

**CERTIFIED MAIL**



7000 0600 0024 3127 6996

**RECEIVED**  
JUL 3 2001  
HOLLAND & HART LLP

HOLLAND & HART LLP  
AND  
CAMPBELL & CARR  
ATTORNEYS AT LAW

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



**ATTEMPTED, NOT DELIVERED**  
C. L. HARRIS  
401 W. TEXAS  
Midland, TX 79701

1ST NOTICE  
2ND NOTICE  
RETURN

CERTIFIED MAIL



7000 0600 0024 3127 7009

RECEIVED  
JUL 3 2001  
HOLLAND & HART LLP

JUL 02 2001

1ST NOTICE \_\_\_\_\_  
2ND NOTICE \_\_\_\_\_  
RETURN \_\_\_\_\_

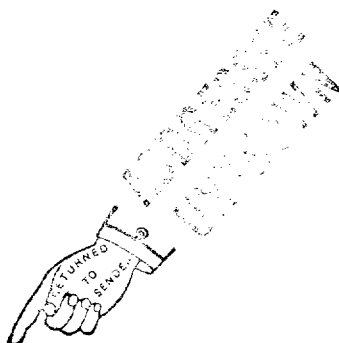
HOLLAND & HART LLP

AND

CAMPBELL & CARR

ATTORNEYS AT LAW

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



Meteor Development  
216 16th Street, Suite 730  
Denver, CO 80202

JUL 02 2001  
1ST NOTICE \_\_\_\_\_  
2ND NOTICE \_\_\_\_\_  
RETURN \_\_\_\_\_