

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

IN THE MATTER OF THE APPLICATION OF PRESTON
EXPLORATION, L.L.C. FOR COMPULSORY POOLING
EDDY COUNTY, NEW MEXICO

RECEIVED
CASE NO. _____
FEB 20 2004

APPLICATION

PRESTON EXPLORATION, L.L.C., by its undersigned attorneys, Miller, Stratvert P.A., (J. Scott Hall) hereby makes application pursuant to Section 70-2-17 (1995) for an order pooling all mineral interests in the Strawn formation, (Eagle Creek Strawn Gas Pool), Atoka and Morrow formations, (Eagle Creek East Atoka-Morrow Gas Pool) and the Pennsylvanian formation (Eagle Creek Permo-Pennsylvanian Gas Pool) underlying the N/2 of Section 29, Township 17 South, Range 26 East, NMPM, Eddy County, New Mexico, to form standard 320-acre spacing and proration units for each of the referenced formations and pools. Applicant would show the Division:

1. Applicant owns certain working interests in and under the N/2 of Section 29, and has the right to drill thereon.
2. Applicant proposes to dedicate the above-referenced pooled units to its Roughneck Red 29 Com No. 1 Well to be drilled at a standard gas well location 1480' from the North line and 1980' from the West line of said Section 29 to a depth sufficient to test the Atoka Morrow, Strawn and Pennsylvanian formations underlying the N/2 of Section 29.
3. Applicant has been unable to obtain leases or voluntary agreement for pooling or farmout from certain other interest owners in the above-referenced formations underlying the N/2 of said Section 29.

Oil Conservation Division
1220 St. Francis Drive
Santa Fe, NM 87505

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

5. The pooling of interests will afford the Applicant the opportunity to produce its just and equitable share of hydrocarbons underlying the spacing units, will avoid the drilling of unnecessary wells, will prevent waste and will protect correlative rights.

WHEREFORE Applicant requests that this Application be set for hearing before a duly appointed examiner of the Oil Conservation Division on March 18, 2004 and that after notice and hearing as required by law, the Division enter its Order pooling the lands, including provisions for Applicant to recover its costs of drilling, equipping and completing the well, and the allocation of the cost thereof, its costs of supervision while drilling and after completion, including overhead charges and providing for adjustments to such rates in accordance with accepted COPAS accounting procedures, and imposing a 200% risk factor for the risk assumed by the Applicant in drilling, completing and equipping the well, and making such other and further provisions as may be proper.

MILLER STRATVERT P.A.

By: J. Scott Hall

J. Scott Hall
Attorneys for Preston Exploration, L.L.C.
Post Office Box 1986
Santa Fe, New Mexico 87504-1986
(505) 989-9614

MILLER STRATVERT

PROFESSIONAL ASSOCIATION

Ranne B. Miller
Alice T. Lorenz
Stephen M. Williams
Stephan M. Vidmar
Seth V. Bingham
Timothy R. Briggs
Rudolph Lucero
Deborah A. Solove
Gary L. Gordon
Lawrence R. White
Virginia Anderman
Marte D. Lightstone
J. Scott Hall*

Thomas R. Mack
Thomas M. Domme
Ruth O. Pregoner
Jeffrey E. Jones
James J. Widland
Bradley D. Tepper**
Robin A. Goble
James R. Wood
Dana M. Kyle
Kirk R. Allen
Ruth Fuess
H. Brook Laskey
Paula G. Maynes

Michael C. Ross
Carla Prando
Jennifer L. Stone
Gary Risley
M. Dylan O'Reilly
Jennifer D. Hall
Jennifer L. Olson
Todd A. Schwarz
Neill Graham Sale
Scott P. Hatcher
Leonard D. Sanchez
Michelle K. Ostrye
Kelsey D. Green

Marcy Baysinger
David J. Marrin
Caroline Blankenship
Matthew S. Rappaport
Karen E. Wootton
Somer K. Chyz

Counsel

William K. Stratvert
James B. Collins
Sharon P. Gross
Robert D. Taichert

Reply to Santa Fe

150 Washington Ave., Suite 300
Santa Fe, NM 87501

Mailing Address:

P.O. Box 1986
Santa Fe, NM 87504-1986

Telephone: (505) 989-9614

Facsimile: (505) 989-9857

- * New Mexico Board of Specialization Recognized Specialist in Natural Resources - Oil & Gas Law
- ** New Mexico Board of Specialization Recognized Specialist in Real Estate Law

February 25, 2004

CERTIFIED MAIL/RETURN RECEIPT REQUESTED

Robert C. Chase
Post Office Box 1767
Artesia, New Mexico 88211

Re: New Mexico Oil Conservation Division Case No. _____; Application of Preston Exploration, L.L.C. for Compulsory Pooling, Eddy County, New Mexico

Dear Mr. Chase:

This will advise that Preston Exploration, L.L.C. has filed an application with the New Mexico Oil Conservation Division seeking the issuance of an order pooling all mineral interests in the Strawn formation, (Eagle Creek Strawn Gas Pool), Atoka and Morrow formations, (Eagle Creek East Atoka-Morrow Gas Pool) and the Pennsylvanian formation (Eagle Creek Permo-Pennsylvanian Gas Pool) underlying the N/2 of Section 29, Township 17 South, Range 26 East, NMPM, Eddy County, New Mexico, to form standard 320-acre spacing and proration units for each of the referenced formations and pools. A copy of the application is enclosed.

This application will be set for hearing before a Division Examiner on March 18, 2004, at the New Mexico Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico. You are not required to attend this hearing, but as an owner of an interest that may be affected, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later time.

Very truly yours,

MILLER STRATVERT P.A.


J. Scott Hall

JSH/glb

Enclosure

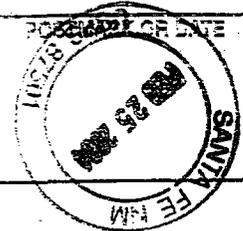
cc: Mark Wheeler
Jesse Blue

94EZ 0000 0116 6988 1911

POSTAGE	\$0.60
RESTRICTED DELIVERY FEE	\$0.00
CERTIFIED FEE	\$2.30
RETURN RECEIPT FEE	\$1.75
SENT TO: TOTAL POSTAGE AND FEES	\$4.65

Robert C. Chase
Post Office Box 1767
Artesia, New Mexico 88211

2/25/2004 1:46 PM

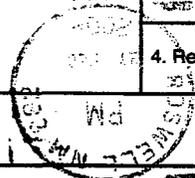
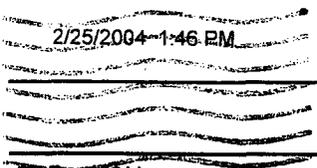


PS FORM 3800



RECEIPT FOR CERTIFIED MAIL
NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL
SEE OTHER SIDE

2. Article Number	COMPLETE THIS SECTION ON DELIVERY
7161 8863 9710 0000 2348	<p>A. Signature <input checked="" type="checkbox"/> D. Pennington <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <input checked="" type="checkbox"/> Pennington C. Date of Delivery</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If YES enter delivery address below:</p>
1. Article Addressed to: Robert C. Chase Post Office Box 1767 Artesia, New Mexico 88211	<p>3. Service Type <input checked="" type="checkbox"/> Certified</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>



PS Form 3811

Domestic Return Receipt

MILLER STRATVERT

PROFESSIONAL ASSOCIATION

Ranne B. Miller
Alice T. Lorenz
Stephen M. Williams
Stephan M. Vidmar
Seth V. Bingham
Timothy R. Briggs
Rudolph Lucero
Deborah A. Solove
Gary L. Gordon
Lawrence R. White
Virginia Anderman
Marte D. Lightstone
J. Scott Hall*

Thomas R. Mack
Thomas M. Domme
Ruth O. Pregonzer
Jeffrey E. Jones
James J. Widland
Bradley D. Tepper**
Robin A. Goble
James R. Wood
Dana M. Kyle
Kirk R. Allen
Ruth Fuess
H. Brook Laskey
Paula G. Maynes

Michael C. Ross
Carla Prando
Jennifer L. Stone
Gary Risley
M. Dylan O'Reilly
Jennifer D. Hall
Jennifer L. Olson
Todd A. Schwarz
Nell Graham Sale
Scott P. Hatcher
Leonard D. Sanchez
Michelle K. Ostrye
Kelsey D. Green

Marcy Baysinger
David J. Martin
Caroline Blankenship
Matthew S. Rappaport
Karen E. Wootton
Somer K. Chyz

Counsel

William K. Stratvert
James B. Collins
Sharon P. Gross
Robert D. Taichert

Reply to Santa Fe

150 Washington Ave., Suite 300
Santa Fe, NM 87501

Mailing Address:
P.O. Box 1986
Santa Fe, NM 87504-1986

Telephone: (505) 989-9614
Facsimile: (505) 989-9857

* New Mexico Board of Specialization Recognized Specialist in Natural Resources - Oil & Gas Law
** New Mexico Board of Specialization Recognized Specialist in Real Estate Law

February 25, 2004

CERTIFIED MAIL/RETURN RECEIPT REQUESTED

Richard L. Chase
Post Office Box 1767
Artesia, New Mexico 88211

Re: New Mexico Oil Conservation Division Case No. _____; Application of Preston Exploration, L.L.C. for Compulsory Pooling, Eddy County, New Mexico

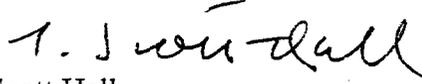
Dear Mr. Chase:

This will advise that Preston Exploration, L.L.C. has filed an application with the New Mexico Oil Conservation Division seeking the issuance of an order pooling all mineral interests in the Strawn formation, (Eagle Creek Strawn Gas Pool), Atoka and Morrow formations, (Eagle Creek East Atoka-Morrow Gas Pool) and the Pennsylvanian formation (Eagle Creek Permo-Pennsylvanian Gas Pool) underlying the N/2 of Section 29, Township 17 South, Range 26 East, NMPM, Eddy County, New Mexico, to form standard 320-acre spacing and proration units for each of the referenced formations and pools. A copy of the application is enclosed.

This application will be set for hearing before a Division Examiner on March 18, 2004, at the New Mexico Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico. You are not required to attend this hearing, but as an owner of an interest that may be affected, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later time.

Very truly yours,

MILLER STRATVERT P.A.


J. Scott Hall

JSH/glb

Enclosure

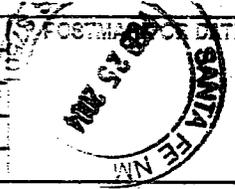
cc: Mark Wheeler
Jesse Blue

7161 8863 9710 0000 2355

RETURN RECEIPT SERVICE	POSTAGE	\$0.60
	RESTRICTED DELIVERY FEE	\$0.00
	CERTIFIED FEE	\$2.30
	RETURN RECEIPT FEE	\$1.75
SENT TO:		TOTAL POSTAGE AND FEES \$4.65

Richard L. Chase
Post Office Box 1767
Artesia, New Mexico 88211

2/25/2004 1:48 PM



PS FORM 3800



RECEIPT FOR CERTIFIED MAIL
NO POSTAGE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL
(SEE OTHER SIDE)

2. Article Number	COMPLETE THIS SECTION ON DELIVERY
7161 8863 9710 0000 2355	<p>A. Signature <input type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee <i>D. Stennington</i></p> <p>B. Received by (Printed Name) C. Date of Delivery <i>D. Stennington</i></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If YES, enter delivery address below:</p>
1. Article Addressed to:	3. Service Type <input checked="" type="checkbox"/> Certified
Richard L. Chase Post Office Box 1767 Artesia, New Mexico 88211	4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes
2/25/2004 1:48 PM	

PS Form 3811

Domestic Return Receipt

MILLER STRATVERT

PROFESSIONAL ASSOCIATION

Ranne B. Miller
Alice T. Lorenz
Stephen M. Williams
Stephan M. Vidmar
Seth V. Bingham
Timothy R. Briggs
Rudolph Lucero
Deborah A. Solove
Gary L. Gordon
Lawrence R. White
Virginia Anderman
Marte D. Lightstone
J. Scott Hall*

Thomas R. Mack
Thomas M. Domme
Ruth O. Pregenzer
Jeffrey E. Jones
James J. Widland
Bradley D. Tepper**
Robin A. Gobie
James R. Wood
Dana M. Kyle
Kirk R. Allen
Ruth Fuess
H. Brook Laskey
Paula G. Maynes

Michael C. Ross
Carla Prando
Jennifer L. Stone
Gary Risley
M. Dylan O'Reilly
Jennifer D. Hall
Jennifer L. Olson
Todd A. Schwarz
Neil Graham Sale
Scott P. Hatcher
Leonard D. Sanchez
Michelle K. Ostrye
Kelsey D. Green

Marcy Baysinger
David J. Martin
Caroline Blankenship
Matthew S. Rappaport
Karen E. Wootton
Somer K. Chyz

Counsel

William K. Stratvert
James B. Collins
Sharon P. Gross
Robert D. Taichert

Reply to Santa Fe

150 Washington Ave., Suite 300
Santa Fe, NM 87501

Mailing Address:
P.O. Box 1986
Santa Fe, NM 87504-1986

Telephone: (505) 989-9614
Facsimile: (505) 989-9857

* New Mexico Board of Specialization Recognized Specialist in Natural Resources - Oil & Gas Law
** New Mexico Board of Specialization Recognized Specialist in Real Estate Law

February 25, 2004

CERTIFIED MAIL/RETURN RECEIPT REQUESTED

Chase Oil Corporation
Post Office Box 1767
Artesia, New Mexico 88211

Re: New Mexico Oil Conservation Division Case No. _____; Application of Preston Exploration, L.L.C. for Compulsory Pooling, Eddy County, New Mexico

Dear Sir or Madam:

This will advise that Preston Exploration, L.L.C. has filed an application with the New Mexico Oil Conservation Division seeking the issuance of an order pooling all mineral interests in the Strawn formation, (Eagle Creek Strawn Gas Pool), Atoka and Morrow formations, (Eagle Creek East Atoka-Morrow Gas Pool) and the Pennsylvanian formation (Eagle Creek Permo-Pennsylvanian Gas Pool) underlying the N/2 of Section 29, Township 17 South, Range 26 East, NMPM, Eddy County, New Mexico, to form standard 320-acre spacing and proration units for each of the referenced formations and pools. A copy of the application is enclosed.

This application will be set for hearing before a Division Examiner on March 18, 2004, at the New Mexico Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico. You are not required to attend this hearing, but as an owner of an interest that may be affected, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later time.

Very truly yours,

MILLER STRATVERT P.A.


J. Scott Hall

JSH/glb

Enclosure

cc: Mark Wheeler
Jesse Blue

7161 8863 9710 0000 2331

RETURN RECEIPT SERVICE	POSTAGE	\$0.60	POSTAGE PAID DATE FEB 25 2004 SANTA FE NM
	RESTRICTED DELIVERY FEE	\$0.00	
	CERTIFIED FEE	\$2.30	
	RETURN RECEIPT FEE	\$1.75	
SENT TO:		TOTAL POSTAGE AND FEES	\$4.65

Chase Oil Corporation
Post Office Box 1767
Artesia, New Mexico 88211

2/25/2004 1:41 PM
PS FORM 3800



RECEIPT FOR CERTIFIED MAIL
NO INSURANCE COVERAGE PROVIDED
EXCEPT FOR CERTIFIED MAIL
SEE OTHER SIDE

2. Article Number	COMPLETE THIS SECTION ON DELIVERY
<p style="text-align: center;">7161 8863 9710 0000 2331</p>	<p>A. Signature <input checked="" type="checkbox"/> <i>D Pennington</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) C. Date of Delivery <i>D Pennington</i></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES enter delivery address below: <input type="checkbox"/> No</p>
<p>1. Article Addressed to:</p> <p style="text-align: center;">Chase Oil Corporation Post Office Box 1767 Artesia, New Mexico 88211</p> <p style="text-align: center;">2/25/2004 1:41 PM</p>	<p>3. Service Type <input checked="" type="checkbox"/> Certified</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>

PS Form 3811

Domestic Return Receipt

MILLER STRATVERT

PROFESSIONAL ASSOCIATION

Ranne B. Miller
Alice T. Lorenz
Stephen M. Williams
Stephan M. Vidmar
Seth V. Bingham
Timothy R. Briggs
Rudolph Lucero
Deborah A. Solove
Gary L. Gordon
Lawrence R. White
Virginia Anderman
Marte D. Lightstone
J. Scott Hall*

Thomas R. Mack
Thomas M. Domme
Ruth O. Pregenzer
Jeffrey E. Jones
James J. Widland
Bradley D. Tepper**
Robin A. Gobie
James R. Wood
Dana M. Kyle
Kirk R. Allen
Ruth Fuess
H. Brook Laskey
Paula G. Maynes

Michael C. Ross
Carla Prando
Jennifer L. Stone
Gary Risley
M. Dylan O'Reilly
Jennifer D. Hall
Jennifer L. Olson
Todd A. Schwarz
Neil Graham Sale
Scott P. Hatcher
Leonard D. Sanchez
Michelle K. Ostrye
Kelsey D. Green

Marcy Baysinger
David J. Martin
Caroline Blankenship
Matthew S. Rappaport
Karen E. Wootton
Somar K. Chyz

Counsel

William K. Stratvert
James B. Collins
Sharon P. Gross
Robert D. Taichert

Reply to Santa Fe

150 Washington Ave., Suite 300
Santa Fe, NM 87501

Mailing Address:
P.O. Box 1986
Santa Fe, NM 87504-1986

Telephone: (505) 989-9614
Facsimile: (505) 989-9857

* New Mexico Board of Specialization Recognized Specialist in Natural Resources - Oil & Gas Law
** New Mexico Board of Specialization Recognized Specialist in Real Estate Law

February 25, 2004

CERTIFIED MAIL/RETURN RECEIPT REQUESTED

Gerene Diane Chase Crouch
Post Office Box 1767
Artesia, New Mexico 88211

Re: New Mexico Oil Conservation Division Case No. _____; Application of Preston Exploration, L.L.C. for Compulsory Pooling, Eddy County, New Mexico

Dear Ms. Crouch:

This will advise that Preston Exploration, L.L.C. has filed an application with the New Mexico Oil Conservation Division seeking the issuance of an order pooling all mineral interests in the Strawn formation, (Eagle Creek Strawn Gas Pool), Atoka and Morrow formations, (Eagle Creek East Atoka-Morrow Gas Pool) and the Pennsylvanian formation (Eagle Creek Permo-Pennsylvanian Gas Pool) underlying the N/2 of Section 29, Township 17 South, Range 26 East, NMPM, Eddy County, New Mexico, to form standard 320-acre spacing and proration units for each of the referenced formations and pools. A copy of the application is enclosed.

This application will be set for hearing before a Division Examiner on March 18, 2004, at the New Mexico Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico. You are not required to attend this hearing, but as an owner of an interest that may be affected, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later time.

Very truly yours,

MILLER STRATVERT P.A.


J. Scott Hall

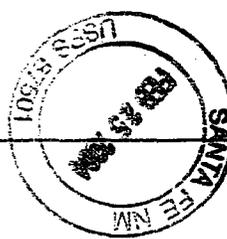
JSH/glb

Enclosure

cc: Mark Wheeler
Jesse Blue

7161 8863 0000 0176 9989 1917

RETURN RECEIPT SERVICE	POSTAGE	\$0.60
	RESTRICTED DELIVERY FEE	\$0.00
	CERTIFIED FEE	\$2.30
	RETURN RECEIPT FEE	\$1.75
SENT TO:	TOTAL POSTAGE AND FEES	\$4.65

POSTMARK OR DATE


Gerene Diane Chase Crouch
 Post Office Box 1767
 Artesia, New Mexico 88211

2/25/2004 1:49 PM
 PS FORM 3800



RECEIPT FOR CERTIFIED MAIL
NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL
(SEE OTHER SIDE)

<p>2. Article Number</p> <p style="text-align: center;">7161 8863 9710 0000 2362</p> <p>1. Article Addressed to:</p> <p style="text-align: center;">Gerene Diane Chase Crouch Post Office Box 1767 Artesia, New Mexico 88211</p> <p style="text-align: center;">2/25/2004 1:49 PM</p>	<p style="text-align: center;">COMPLETE THIS SECTION ON DELIVERY</p> <p>A. Signature <input checked="" type="checkbox"/> <i>D Pennington</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <i>D Pennington</i></p> <p>C. Date of Delivery</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES enter delivery address below: <input type="checkbox"/> No</p> <p>3. Service Type <input checked="" type="checkbox"/> Certified</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>
---	---

PS Form 3811

Domestic Return Receipt

MILLER STRATVERT

PROFESSIONAL ASSOCIATION

Ranne B. Miller
Alice T. Lorenz
Stephen M. Williams
Stephan M. Vidmar
Seth V. Bingham
Timothy R. Briggs
Rudolph Lucero
Deborah A. Solove
Gary L. Gordon
Lawrence R. White
Virginia Anderman
Marte D. Lightstone
J. Scott Hall*

Thomas R. Mack
Thomas M. Domme
Ruth O. Pregonzer
Jeffrey E. Jones
James J. Widland
Bradley D. Tepper**
Robin A. Goble
James R. Wood
Dana M. Kyle
Kirk R. Allen
Ruth Fuess
H. Brook Laskey
Paula G. Maynes

Michael C. Ross
Carla Prando
Jennifer L. Stone
Gary Risley
M. Dylan O'Reilly
Jennifer D. Hall
Jennifer L. Olson
Todd A. Schwarz
Neil Graham Sale
Scott P. Hatcher
Leonard D. Sanchez
Michelle K. Ostrye
Kelsey D. Green

Marcy Baysinger
David J. Martin
Caroline Blankenship
Matthew S. Rappaport
Karen E. Wootton
Somer K. Chyz

Counsel

William K. Stratvert
James B. Collins
Sharon P. Gross
Robert D. Taichert

Replv to Santa Fe

150 Washington Ave., Suite 300
Santa Fe, NM 87501

Mailing Address:
P.O. Box 1986
Santa Fe, NM 87504-1986

Telephone: (505) 989-9614
Facsimile: (505) 989-9857

- * New Mexico Board of Specialization Recognized Specialist in Natural Resources - Oil & Gas Law
- ** New Mexico Board of Specialization Recognized Specialist in Real Estate Law

February 25, 2004

CERTIFIED MAIL/RETURN RECEIPT REQUESTED

Caza Energy L.L.C.
Post Office Box 1767
Artesia, New Mexico 88211
Attn: Mr. Ron Lanning

Re: New Mexico Oil Conservation Division Case No. _____; Application of Preston Exploration, L.L.C. for Compulsory Pooling, Eddy County, New Mexico

Dear Mr. Lanning:

This will advise that Preston Exploration, L.L.C. has filed an application with the New Mexico Oil Conservation Division seeking the issuance of an order pooling all mineral interests in the Strawn formation, (Eagle Creek Strawn Gas Pool), Atoka and Morrow formations, (Eagle Creek East Atoka-Morrow Gas Pool) and the Pennsylvanian formation (Eagle Creek Permo-Pennsylvanian Gas Pool) underlying the N/2 of Section 29, Township 17 South, Range 26 East, NMPM, Eddy County, New Mexico, to form standard 320-acre spacing and proration units for each of the referenced formations and pools. A copy of the application is enclosed.

This application will be set for hearing before a Division Examiner on March 18, 2004, at the New Mexico Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico. You are not required to attend this hearing, but as an owner of an interest that may be affected, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later time.

Very truly yours,

MILLER STRATVERT P.A.

J. Scott Hall

J. Scott Hall

JSH/glb

Enclosure

cc: Mark Wheeler

Jesse Blue

E 922 0000 0116 888 7161

RETURN RECEIPT SERVICE	POSTAGE	\$0.60	POSTMARK OR DATE
	RESTRICTED DELIVERY FEE	\$0.00	
	CERTIFIED FEE	\$2.30	
	RETURN RECEIPT FEE	\$1.75	
SENT TO:	TOTAL POSTAGE AND FEE	\$4.65	
2/25/2004 Code: 10:19 AM File: Caza Energy L.L.C. Post Office Box 1767 Artesia, New Mexico 88211			

PS FORM 3800



RECEIPT FOR CERTIFIED MAIL
NO INSURANCE COVERAGE PROVIDED
 NOT FOR INTERNATIONAL MAIL
 (SEE OTHER SIDE)

SENDER: • Complete items 1, 2 and 3. • Indicate if restricted delivery is desired. • Print your name and address on the reverse of this form so that we can return this card to you. • Attach this form to the front of the mailpiece, or on the back if space does not permit. • Write "Return Receipt Requested" on the mailpiece below the article number. • The Return receipt Fee will provide you the signature of the person delivered to and the date of delivery.		I also wish to receive the following service (for an extra fee): <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.	
1. Article Addressed to: Caza Energy L.L.C. Post Office Box 1767 Artesia, New Mexico 88211 2/25/2004 10:19 AM		2. Article Number 7161 8883 9710 0008 2763	
Received By: (Print Name) Deana Pennington		3. Service Type <input checked="" type="checkbox"/> CERTIFIED Date of Delivery	
Signature - (Addressee or Agent) Deana Pennington		Enter delivery address if different than item 1.	

PS Form 3811
 de: File:

DOMESTIC RETURN RECEIPT

MILLER STRATVERT

PROFESSIONAL ASSOCIATION

Ranne B. Miller
Alice T. Lorenz
Stephen M. Williams
Stephan M. Vidmar
Seth V. Bingham
Timothy R. Briggs
Rudolph Lucero
Deborah A. Solove
Gary L. Gordon
Lawrence R. White
Virginia Anderman
Marte D. Lightstone
J. Scott Hall*

Thomas R. Mack
Thomas M. Domme
Ruth O. Pregonzer
Jeffrey E. Jones
James J. Widland
Bradley D. Tepper**
Robin A. Goble
James R. Wood
Dana M. Kyle
Kirk R. Allen
Ruth Fuess
H. Brook Laskey
Paula G. Maynes

Michael C. Ross
Carla Prado
Jennifer L. Stone
Gary Risley
M. Dylan O'Reilly
Jennifer D. Hall
Jennifer L. Olson
Todd A. Schwarz
Nell Graham Sale
Scott P. Hatcher
Leonard D. Sanchez
Michelle K. Ostrye
Kelsey D. Green

Marcy Baysinger
David J. Martin
Caroline Blankenship
Matthew S. Rappaport
Karen E. Wootton
Somer K. Chyz

Counsel

William K. Stratvert
James B. Collins
Sharon P. Gross
Robert D. Taichert

Reply to Santa Fe

150 Washington Ave., Suite 300
Santa Fe, NM 87501

Mailing Address:
P.O. Box 1986
Santa Fe, NM 87504-1986

Telephone: (505) 989-9614
Facsimile: (505) 989-9857

- * New Mexico Board of Specialization Recognized Specialist in Natural Resources - Oil & Gas Law
- ** New Mexico Board of Specialization Recognized Specialist in Real Estate Law

February 25, 2004

CERTIFIED MAIL/RETURN RECEIPT REQUESTED

MEC Petroleum Corporation
414 West Texas, Suite 410
Midland, Texas 79701

Re: New Mexico Oil Conservation Division Case No. _____; Application of Preston Exploration, L.L.C. for Compulsory Pooling, Eddy County, New Mexico

Dear Sir or Madam:

This will advise that Preston Exploration, L.L.C. has filed an application with the New Mexico Oil Conservation Division seeking the issuance of an order pooling all mineral interests in the Strawn formation, (Eagle Creek Strawn Gas Pool), Atoka and Morrow formations, (Eagle Creek East Atoka-Morrow Gas Pool) and the Pennsylvanian formation (Eagle Creek Permo-Pennsylvanian Gas Pool) underlying the N/2 of Section 29, Township 17 South, Range 26 East, NMPM, Eddy County, New Mexico, to form standard 320-acre spacing and proration units for each of the referenced formations and pools. A copy of the application is enclosed.

This application will be set for hearing before a Division Examiner on March 18, 2004, at the New Mexico Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico. You are not required to attend this hearing, but as an owner of an interest that may be affected, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later time.

Very truly yours,

MILLER STRATVERT P.A.


J. Scott Hall

JSH/glb

Enclosure

cc: Mark Wheeler
Jesse Blue

LMW:HTP:EEB

7161 8863 9710 0000 2270

RETURN RECEIPT SERVICE	POSTAGE	\$0.60	POSTMARK OR DATE
	RESTRICTED DELIVERY FEE	\$0.00	
	CERTIFIED FEE	\$2.30	
	RETURN RECEIPT FEE	\$1.75	
SENT TO:		TOTAL POSTAGE AND FEE	
2/25/2004 Code: 10:21 AM File:			
MEC Petroleum Corporation 414 West Texas, Suite 410 Midland, Texas 79701			

PS FORM 3800



RECEIPT FOR CERTIFIED MAIL
NO INSURANCE COVERAGE PROVIDED
 NOT FOR INTERNATIONAL MAIL
 (SEE OTHER SIDE)

SENDER: <small>• Complete items 1, 2 and 3. • Indicate if restricted delivery is desired. • Print your name and address on the reverse of this form so that we can return this card to you. • Attach this form to the front of the mailpiece, or on the back if space does not permit. • Write "Return Receipt Requested" on the mailpiece below the article number. • The Return Receipt Fee will provide you the signature of the person delivered to and the date of delivery.</small>		I also wish to receive the following service (for an extra fee): <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.	
1. Article Addressed to: MEC Petroleum Corporation 414 West Texas, Suite 410 Midland, Texas 79701 2/25/2004 10:21 AM		2. Article Number 7161 8863 9710 0000 2270	
Received By: (Print Name) <i>Manly E. P...</i>		3. Service Type <input checked="" type="checkbox"/> CERTIFIED Date of Delivery 3-1	
Signature - (Addressee or Agent) <i>CR...</i>		Enter delivery address if different than item 1.	

PS Form 3811
 de: File:

DOMESTIC RETURN RECEIPT

MILLER STRATVERT

PROFESSIONAL ASSOCIATION

Rame B. Miller
Alice T. Lorenz
Stephen M. Williams
Stephan M. Vidmar
Seth V. Bingham
Timothy R. Briggs
Rudolph Lucero
Deborah A. Solove
Gary L. Gordon
Lawrence R. White
Virginia Anderman
Marte D. Lightstone
J. Scott Hall*

Thomas R. Mack
Thomas M. Domme
Ruth O. Pregonzer
Jeffrey E. Jones
James J. Widland
Bradley D. Tepper**
Robin A. Goble
James R. Wood
Dana M. Kyle
Kirk R. Allen
Ruth Fuess
H. Brook Laskey
Paula G. Maynes

Michael C. Ross
Carla Prando
Jennifer L. Stone
Gary Risley
M. Dylan O'Reilly
Jennifer D. Hall
Jennifer L. Olson
Todd A. Schwarz
Nell Graham Sale
Scott P. Hatcher
Leonard D. Sanchez
Michelle K. Ostrye
Keisey D. Green

Marcy Baysinger
David J. Martin
Caroline Blankenship
Matthew S. Rappaport
Karen E. Wootton
Somer K. Chyz

Counsel

William K. Stratvert
James B. Collins
Sharon P. Gross
Robert D. Taichert

Reply to Santa Fe

150 Washington Ave., Suite 300
Santa Fe, NM 87501

Mailing Address:
P.O. Box 1986
Santa Fe, NM 87504-1986

Telephone: (505) 989-9614
Facsimile: (505) 989-9857

- * New Mexico Board of Specialization Recognized Specialist in Natural Resources - Oil & Gas Law
- ** New Mexico Board of Specialization Recognized Specialist in Real Estate Law

February 25, 2004

CERTIFIED MAIL/RETURN RECEIPT REQUESTED

Mr. Thomas R. Smith
1409 S. CR 1130
Midland, Texas 79706

Re: New Mexico Oil Conservation Division Case No. _____; Application of Preston Exploration, L.L.C. for Compulsory Pooling, Eddy County, New Mexico

Dear Mr. Smith:

This will advise that Preston Exploration, L.L.C. has filed an application with the New Mexico Oil Conservation Division seeking the issuance of an order pooling all mineral interests in the Strawn formation, (Eagle Creek Strawn Gas Pool), Atoka and Morrow formations, (Eagle Creek East Atoka-Morrow Gas Pool) and the Pennsylvanian formation (Eagle Creek Permo-Pennsylvanian Gas Pool) underlying the N/2 of Section 29, Township 17 South, Range 26 East, NMPM, Eddy County, New Mexico, to form standard 320-acre spacing and proration units for each of the referenced formations and pools. A copy of the application is enclosed.

This application will be set for hearing before a Division Examiner on March 18, 2004, at the New Mexico Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico. You are not required to attend this hearing, but as an owner of an interest that may be affected, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later time.

Very truly yours,

MILLER STRATVERT P.A.



J. Scott Hall

JSH/glb

Enclosure

cc: Mark Wheeler
Jesse Blue

LOW OFFICE:

ALBUQUERQUE

SAN ANTONIO

SAN CRISTOBAL

SANTA FE

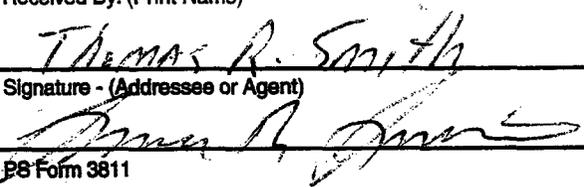
7161 8863 9710 0000 2294

RETURN RECEIPT SERVICE	POSTAGE	\$0.60	POSTMARK OR DATE
	RESTRICTED DELIVERY FEE	\$0.00	
	CERTIFIED FEE	\$2.30	
	RETURN RECEIPT FEE	\$1.75	
SENT TO:		TOTAL POSTAGE AND FEE	\$4.65
2/25/2004 Code: 10:24 AM File:			
Mr. Thomas R. Smith			
1409 S. CR 1130 Midland, Texas 79706			

PS FORM 3800



RECEIPT FOR CERTIFIED MAIL
NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL
(SEE OTHER SIDE)

SENDER: <ul style="list-style-type: none"> • Complete items 1, 2 and 3. • Indicate if restricted delivery is desired. • Print your name and address on the reverse of this form so that we can return this card to you. • Attach this form to the front of the mailpiece, or on the back if space does not permit. • Write "Return Receipt Requested" on the mailpiece below the article number. • The Return receipt Fee will provide you the signature of the person delivered to and the date of delivery. 		I also wish to receive the following service (for an extra fee): <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.	
1. Article Addressed to: Mr. Thomas R. Smith 1409 S. CR 1130 Midland, Texas 79706 2/25/2004 10:24 AM		2. Article Number 7161 8863 9710 0000 2294	
Received By: (Print Name) Thomas R. Smith		3. Service Type <input checked="" type="checkbox"/> CERTIFIED	
Signature - (Addressee or Agent) 		Date of Delivery 2-28-04	
PS Form 3811 de: File:		Enter delivery address if different than item 1.	

DOMESTIC RETURN RECEIPT

MILLER STRATVERT

PROFESSIONAL ASSOCIATION

Ranne B. Miller
Alice T. Lorenz
Stephen M. Williams
Stephan M. Vidmar
Seth V. Bingham
Timothy R. Briggs
Rudolph Lucero
Deborah A. Solove
Gary L. Gordon
Lawrence R. White
Virginia Anderman
Marte D. Lightstone
J. Scott Hall*

Thomas R. Mack
Thomas M. Domme
Ruth O. Pregonzer
Jeffrey E. Jones
James J. Widland
Bradley D. Tepper**
Robin A. Goble
James R. Wood
Dana M. Kyle
Kirk R. Allen
Ruth Fuess
H. Brook Laskey
Paula G. Maynes

Michael C. Ross
Carla Prando
Jennifer L. Stone
Gary Risley
M. Dylan O'Reilly
Jennifer D. Hall
Jennifer L. Olson
Todd A. Schwarz
Neil Graham Sale
Scott P. Hatcher
Leonard D. Sanchez
Michelle K. Ostrye
Kelsey D. Green

Marcy Baysinger
David J. Martin
Caroline Blankenship
Matthew S. Rappaport
Karen E. Wootton
Somer K. Chyz

Counsel

William K. Stratvert
James B. Collins
Sharon P. Gross
Robert D. Taichert

Reply to Santa Fe

150 Washington Ave., Suite 300
Santa Fe, NM 87501

Mailing Address:
P.O. Box 1986
Santa Fe, NM 87504-1986

Telephone: (505) 989-9614
Facsimile: (505) 989-9857

* New Mexico Board of Specialization Recognized Specialist in Natural Resources - Oil & Gas Law
** New Mexico Board of Specialization Recognized Specialist in Real Estate Law

February 25, 2004

CERTIFIED MAIL/RETURN RECEIPT REQUESTED

Murchison Oil & Gas, Inc.
1100 Mira Vista Blvd.
Plano, Texas 75093
Attn: Mr. Mike Daugherty, CPL

Re: New Mexico Oil Conservation Division Case No. _____; Application of Preston Exploration, L.L.C. for Compulsory Pooling, Eddy County, New Mexico

Dear Mr. Daugherty:

This will advise that Preston Exploration, L.L.C. has filed an application with the New Mexico Oil Conservation Division seeking the issuance of an order pooling all mineral interests in the Strawn formation, (Eagle Creek Strawn Gas Pool), Atoka and Morrow formations, (Eagle Creek East Atoka-Morrow Gas Pool) and the Pennsylvanian formation (Eagle Creek Permo-Pennsylvanian Gas Pool) underlying the N/2 of Section 29, Township 17 South, Range 26 East, NMMPM, Eddy County, New Mexico, to form standard 320-acre spacing and proration units for each of the referenced formations and pools. A copy of the application is enclosed.

This application will be set for hearing before a Division Examiner on March 18, 2004, at the New Mexico Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico. You are not required to attend this hearing, but as an owner of an interest that may be affected, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later time.

Very truly yours,

MILLER STRATVERT P.A.



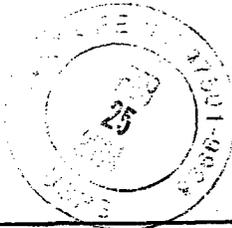
J. Scott Hall

JSH/glb

Enclosure

cc: Mark Wheeler
Jesse Blue

7161 8863 9710 0000 2287

RETURN RECEIPT SERVICE	POSTAGE	\$0.60	POSTMARK OR DATE
	RESTRICTED DELIVERY FEE	\$0.00	
	CERTIFIED FEE	\$2.30	
	RETURN RECEIPT FEE	\$1.75	
SENT TO:		TOTAL POSTAGE AND FEE	\$4.65
2/25/2004 Code: 10:23 AM File:			
Murchison Oil & Gas, Inc. 1100 Mira Vista Blvd. Plano, Texas 75093			

PS FORM 3800



RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL
(SEE OTHER SIDE)

SENDER:

- Complete items 1, 2 and 3.
- Indicate if restricted delivery is desired.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt Fee will provide you the signature of the person delivered to and the date of delivery.

I also wish to receive the following service (for an extra fee):

Restricted Delivery

Consult postmaster for fee.

1. Article Addressed to:

Murchison Oil & Gas, Inc.
1100 Mira Vista Blvd.
Plano, Texas 75093

2/25/2004 10:23 AM

Received By: (Print Name)

J. Montgomery

Signature (Addressee or Agent)

J. Montgomery

2. Article Number

7161 8863 9710 0000 2287

3. Service Type **CERTIFIED**

Date of Delivery

3-1

Enter delivery address if different than item 1.

PS Form 3811

de: File:

DOMESTIC RETURN RECEIPT

MILLER STRATVERT

PROFESSIONAL ASSOCIATION

Rame B. Miller
Alice T. Lorenz
Stephen M. Williams
Stephan M. Vidmar
Seth V. Bingham
Timothy R. Briggs
Rudolph Lucero
Deborah A. Solove
Gary L. Gordon
Lawrence R. White
Virginia Anderman
Marte D. Lightstone
J. Scott Hall*

Thomas R. Mack
Thomas M. Domme
Ruth O. Pregenzer
Jeffrey E. Jones
James J. Widland
Bradley D. Tepper**
Robin A. Goble
James R. Wood
Dana M. Kyle
Kirk R. Allen
Ruth Fuess
H. Brook Laskey
Paula G. Maynes

Michael C. Ross
Carla Prando
Jennifer L. Stone
Gary Risley
M. Dylan O'Reilly
Jennifer D. Hall
Jennifer L. Olson
Todd A. Schwarz
Nell Graham Sale
Scott P. Hatcher
Leonard D. Sanchez
Michelle K. Ostrye
Kelsey D. Green

Marcy Baysinger
David J. Martin
Caroline Blankenship
Matthew S. Rappaport
Karen E. Wootton
Somer K. Chyz

Counsel

William K. Stratvert
James B. Collins
Sharon P. Gross
Robert D. Taichert

Reply to Santa Fe

150 Washington Ave., Suite 300
Santa Fe, NM 87501

Mailing Address:
P.O. Box 1986
Santa Fe, NM 87504-1986

Telephone: (505) 989-9614
Facsimile: (505) 989-9857

- * New Mexico Board of Specialization Recognized Specialist in Natural Resources - Oil & Gas Law
- ** New Mexico Board of Specialization Recognized Specialist in Real Estate Law

February 25, 2004

CERTIFIED MAIL/RETURN RECEIPT REQUESTED

Mr. Richard Coats
Cactus Energy, Inc.
Post Office Box 2412
Midland, Texas 79702

Re: New Mexico Oil Conservation Division Case No. _____; Application of Preston Exploration, L.L.C. for Compulsory Pooling, Eddy County, New Mexico

Dear Mr. Coats:

This will advise that Preston Exploration, L.L.C. has filed an application with the New Mexico Oil Conservation Division seeking the issuance of an order pooling all mineral interests in the Strawn formation, (Eagle Creek Strawn Gas Pool), Atoka and Morrow formations, (Eagle Creek East Atoka-Morrow Gas Pool) and the Pennsylvanian formation (Eagle Creek Permo-Pennsylvanian Gas Pool) underlying the N/2 of Section 29, Township 17 South, Range 26 East, NMPM, Eddy County, New Mexico, to form standard 320-acre spacing and proration units for each of the referenced formations and pools. A copy of the application is enclosed.

This application will be set for hearing before a Division Examiner on March 18, 2004, at the New Mexico Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico. You are not required to attend this hearing, but as an owner of an interest that may be affected, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later time.

Very truly yours,

MILLER STRATVERT P.A.



J. Scott Hall

JSH/glb

Enclosure

cc: Mark Wheeler

Jesse Blue

100 COUNCIL

7161 8863 9710 0000 2256

RETURN RECEIPT SERVICE	POSTAGE	\$0.60	POSTMARK OR DATE
	RESTRICTED DELIVERY FEE	\$0.00	
	CERTIFIED FEE	\$2.30	
	RETURN RECEIPT FEE	\$1.75	
SENT TO:	TOTAL POSTAGE AND FEE	\$4.65	
2/25/2004 Code: 10:12 AM File: Mr. Richard Coats Cactus Energy, Inc. Post Office Box 2412 Midland, Texas 79702			



PS FORM 3800



RECEIPT FOR CERTIFIED MAIL
NO INSURANCE COVERAGE PROVIDED
 NOT FOR INTERNATIONAL MAIL
 (SEE OTHER SIDE)

SENDER:
 • Complete items 1, 2 and 3.
 • Indicate if restricted delivery is desired.
 • Print your name and address on the reverse of this form so that we can return this card to you.
 • Attach this form to the front of the mailpiece, or on the back if space does not permit.
 • Write "Return Receipt Requested" on the mailpiece below the article number.
 • The Return receipt Fee will provide you the signature of the person delivered to and the date of delivery.

I also wish to receive the following service (for an extra fee):

Restricted Delivery

Consult postmaster for fee.

1. Article Addressed to: Mr. Richard Coats Cactus Energy, Inc. Post Office Box 2412 Midland, Texas 79702 2/25/2004 10:12 AM	2. Article Number 7161 8863 9710 0000 2256
Received By: (Print Name) Kaci Pope Signature (Addressee or Agent)	3. Service Type <input checked="" type="checkbox"/> CERTIFIED Date of Delivery Enter delivery address if different than item 1.

PS Form 3811

DOMESTIC RETURN RECEIPT

ode:

.....

MILLER STRATVERT

PROFESSIONAL ASSOCIATION

Ranne B. Miller
Alice T. Lorenz
Stephen M. Williams
Stephan M. Vidmar
Seth V. Bingham
Timothy R. Briggs
Rudolph Lucero
Deborah A. Solove
Gary L. Gordon
Lawrence R. White
Virginia Anderman
Marte D. Lightstone
J. Scott Hall*

Thomas R. Mack
Thomas M. Domme
Ruth O. Pregenzer
Jeffrey E. Jones
James J. Widland
Bradley D. Tepper**
Robin A. Goble
James R. Wood
Dana M. Kyle
Kirk R. Allen
Ruth Fuess
H. Brook Laskey
Paula G. Maynes

Michael C. Ross
Carla Prando
Jennifer L. Stone
Gary Risley
M. Dylan O'Reilly
Jennifer D. Hall
Todd A. Schwarz
Neil Graham Sale
Scott P. Hatcher
Leonard D. Sanchez
Michelle K. Ostrye
Kelsey D. Green

Marcy Baysinger
David J. Martin
Caroline Blankenship
Matthew S. Rappaport
Karen E. Wootton
Somer K. Chyz

Counsel

William K. Stratvert
James B. Collins
Sharon P. Gross
Robert D. Taichert

Reply to Santa Fe

150 Washington Ave., Suite 300
Santa Fe, NM 87501

Mailing Address:
P.O. Box 1986
Santa Fe, NM 87504-1986

Telephone: (505) 989-9614
Facsimile: (505) 989-9857

* New Mexico Board of Specialization Recognized Specialist in Natural Resources - Oil & Gas Law
** New Mexico Board of Specialization Recognized Specialist in Real Estate Law

February 25, 2004

CERTIFIED MAIL/RETURN RECEIPT REQUESTED

E3 Energy, Ltd.

Post Office Box 205

Midland, Texas 79702

Attn: Wendell W. Iverson, Jr., General Partner

Re: New Mexico Oil Conservation Division Case No. _____; Application of Preston Exploration, L.L.C. for Compulsory Pooling, Eddy County, New Mexico

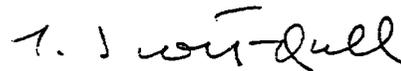
Dear Mr. Iverson:

This will advise that Preston Exploration, L.L.C. has filed an application with the New Mexico Oil Conservation Division seeking the issuance of an order pooling all mineral interests in the Strawn formation, (Eagle Creek Strawn Gas Pool), Atoka and Morrow formations, (Eagle Creek East Atoka-Morrow Gas Pool) and the Pennsylvanian formation (Eagle Creek Permo-Pennsylvanian Gas Pool) underlying the N/2 of Section 29, Township 17 South, Range 26 East, NMPM, Eddy County, New Mexico, to form standard 320-acre spacing and proration units for each of the referenced formations and pools. A copy of the application is enclosed.

This application will be set for hearing before a Division Examiner on March 18, 2004, at the New Mexico Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico. You are not required to attend this hearing, but as an owner of an interest that may be affected, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later time.

Very truly yours,

MILLER STRATVERT P.A.



J. Scott Hall

JSH/glb

Enclosure

cc: Mark Wheeler

Jesse Blue

ALBUQUERQUE

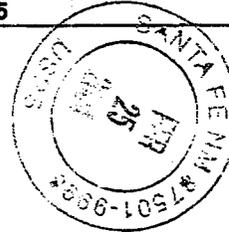
BIRMINGHAM

DENVER

SANTA FE

42E2 0000 07L6 E999 T1T4
7161 8863 9710 0000 2324

RETURN RECEIPT SERVICE	POSTAGE	\$0.60	POSTMARK OR DATE
	RESTRICTED DELIVERY FEE	\$0.00	
	CERTIFIED FEE	\$2.30	
	RETURN RECEIPT FEE	\$1.75	
SENT TO:		TOTAL POSTAGE AND FEES	\$4.65
<p>Wendell W. Iverson, Jr. General Partner E3 Energy, Ltd. Post Office Box 205 Midland, Texas 79702 2/25/2004 10:45 AM</p>			



PS FORM 3800



RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL
(SEE OTHER SIDE)

2. Article Number		7161 8863 9710 0000 2324	
1. Article Addressed to:		COMPLETE THIS SECTION ON DELIVERY	
Wendell W. Iverson, Jr. General Partner E3 Energy, Ltd. Post Office Box 205 Midland, Texas 79702 2/25/2004 10:45 AM		A. Signature	<input type="checkbox"/> Agent <input type="checkbox"/> Addressee
		B. Received by (Printed Name)	C. Date of Delivery
		D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES enter delivery address below: <input type="checkbox"/> No	
		3. Service Type	<input checked="" type="checkbox"/> Certified
		4. Restricted Delivery? (Extra Fee)	<input type="checkbox"/> Yes

PS Form 3811

Domestic Return Receipt