

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

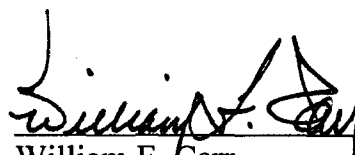
APPLICATION OF MARBOB ENERGY CORPORATION
FOR COMPULSORY POOLING, EDDY COUNTY,
NEW MEXICO.

CASE NO. 13348

AFFIDAVIT

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

William F. Carr, attorney in fact and authorized representative of Marbob Energy Corporation, the Applicant herein, being first duly sworn, upon oath, states that notice of the above-referenced Application was mailed to the interested parties shown on Exhibit "A" attached hereto in accordance with Oil Conservation Division Rules, and that true and correct copies of the notice letter and proof of notice are attached hereto.



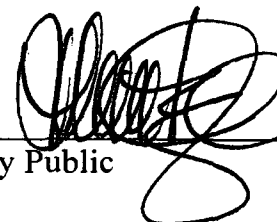
William F. Carr

SUBSCRIBED AND SWORN to before me this 30th day of September 2004 by

William F. Carr



OFFICIAL SEAL
LISAMARIE ORTIZ
NOTARY PUBLIC-STATE OF NEW MEXICO
My commission expires 01/14/07



Notary Public

My Commission Expires:

January 14, 2007

Hearing Date: November 18, 2004

EXHIBIT A
APPLICATION OF
MARBOB ENERGY CORPORATION
FOR COMPULSORY POOLING
S/2 OF SECTION 12, TOWNSHIP 17 SOUTH, RANGE 32 EAST, N.M.P.M.
EDDY COUNTY, NEW MEXICO.

Delmar's Living Trust
Diane Hanley, Trustee
6300 Ridglea Place, Suite 1005-A
Fort Worth, Texas 76116

Lindy's Living Trust
Francis H. Hudson, Trustee
6300 Ridglea Place, Suite 1005-A
Fort Worth, Texas 76116

Edward R. Hudson Trust 4
Mary Hudson Ard, Trustee
222 West 4th Street PH-5
Fort Worth, Texas 76102

S. J. Iverson Trust
H. Greg Holcomb, Trustee
Bank of America NA Acct No. 01/0258100
Post Office Box 840738
Dallas, Texas 75284-0738

Iverson III, Inc.
3454 South Zuni
Tulsa, Oklahoma 74105
Attention: Steve Iverson

The P.I.P. 1990 Trust
Wendell W. Iverson, Trustee
Post Office Box 10508
Midland, Texas 79702

S.J.I. Jr. 1990 Trust
Wendell W. Iverson, Trustee
Post Office Box 10508
Midland, Texas 79702

W.W.I. 1990 Trust
Wendell W. Iverson, Trustee
Post Office Box 10508
Midland, Texas 79702

Mary Hudson Ard
222 West 4th Street PH-5
Fort Worth, Texas 76102



September 14, 2004

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

TO AFFECTED INTEREST OWNERS:

Re: Application of Marbob Energy Corporation for compulsory pooling, Eddy County, New Mexico.

Ladies and Gentlemen:

This letter is to advise you that Marbob Energy Corporation has filed the enclosed application with the New Mexico Oil Conservation Division seeking the compulsory pooling of certain spacing and proration units in the S/2 of Section 12, Township 17 South, Range 31 East, NMPM, Eddy County, New Mexico. Said units will be dedicated to Marbob Energy Corporation's proposed Knockabout Federal Well No. 1 which it proposes to drill at a standard gas well location 1830 feet from the South line and 1980 feet from the West line in the NE/4 SW/4 of said Section 12 to test all formations from the surface to the base of the Morrow formation.

This application has been set for hearing before a Division Examiner on October 7, 2004. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Parties appearing in cases are required by Division Rule 1208.B to file a Pre-Hearing Statement with the Oil Conservation Division's Santa Fe office located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505, three days in advance of a scheduled hearing. This statement must include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

Very truly yours,

William F. Carr

cc: Raye Miller
Marbob Energy Corporation

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

SENDER: COMPLETE THIS SECTION

COMPLETE THIS SECTION ON DELIVERY

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

A. Received by (Please Print Clearly) THOMAS HUDSON B. Date of Delivery 9.20.04

C. Signature X Thomas Hudson ☐ Agent ☐ Addressee

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

1. Article Addressed to:

Mary Hudson Ard
222 West 4th Street PH-5
Fort Worth, Texas 76102

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 to)

7001 1140 0002 5602 6375

PS Form 3811

72595-99-M-1789

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

- 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.

A. Received by (Please Print Clearly) ANITA STOUT B. Date of Delivery 9-20-04

C. Signature X Anita Stout ☐ Agent ☐ Addressee

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

1. Article Addressed to:

Delmar's Living Trust
Diane Hanley, Trustee
6300 Ridglea Place, Suite 1005-A
Fort Worth, Texas 76116

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 to)

7001 1140 0002 5602 6290

PS Form 3811, July 1999

Domestic Return Receipt

102595-99-M-1789

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

- 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.

A. Received by (Please Print Clearly) THOMAS HUDSON B. Date of Delivery 9.20.04

C. Signature X Thomas Hudson ☐ Agent ☐ Addressee

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

1. Article Addressed to:

Edward R. Hudson Trust 4
Mary Hudson Ard, Trustee
222 West 4th Street PH-5
Fort Worth, Texas 76102

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 to)

7001 1140 0002 5602 6313

PS Form 3811

72595-99-M-1789

Postage \$.60
Certified Fee 2.30
Return Receipt Fee (Endorsement Required) 1.75
Restricted Delivery Fee (Endorsement Required)
Total Postage & Fees \$ 4.65

Sent To Edward R. Hudson Trust 4
Mary Hudson Ard, Trustee
222 West 4th Street PH-5
Fort Worth, Texas 76102

PS Form 3800

U.S. Postal Service
CERTIFIED MAIL RECEIPT

(Domestic Mail Only; No Insurance Coverage)

SENDER: COMPLETE THIS SECTION

COMPLETE THIS SECTION ON DELIVERY

OFFICIAL

CP Postage \$.60
Certified Fee 2.30
Return Receipt Fee (Endorsement Required) 1.75
Restricted Delivery Fee (Endorsement Required)
Total Postage & Fees \$ 4.65

Sent To Iverson III, Inc.
Attention: Steve Iverson
Street, Apt. No., or PO Box No. 3454 South Zunis
City, State, ZIP+ Tulsa, Oklahoma 74105

PS Form 3800

- 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:

Iverson III, Inc.
Attention: Steve Iverson
3454 South Zunis
Tulsa, Oklahoma 74105

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

MARY ANN IVERSON SEP 20

C. Signature X Mary Ann Iverson 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

2. Article Number (Copy) 7001 1140 0002 5602 6337

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:

S. J. Iverson Trust
H. Greg Holcomb, Trustee
Bank of America NA Acct No.
01/0258100
Post Office Box 840738
Dallas, Texas 75284-0738

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

X K. Phelps SEP 18 2004

C. Signature X K. Phelps 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

2. Article Number (Copy from) 7001 1140 0002 5602 6320

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:

Lindy's Living Trust
Francis H. Hudson, Trustee
6300 Ridglea Place, Suite 1005-A
Fort Worth, Texas 76116

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

TANYA STOUT 9-20-04

C. Signature X Tanya Stout 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

2. Article Number (Copy from) 7001 1140 0002 5602 6306

PS Form 3811, July 1999

Domestic Return Receipt

102595-99-M-1789

U.S. Postal Service
CERTIFIED MAIL RECEIPT

(Domestic Mail Only; No Insurance Coverage)

OFFICIAL

CP Postage \$.60
Certified Fee 2.30
Return Receipt Fee (Endorsement Required) 1.75
Restricted Delivery Fee (Endorsement Required)
Total Postage & Fees \$ 4.65

Sent To S. J. Iverson Trust
H. Greg Holcomb, Trustee
Bank of America NA Acct No.
01/0258100
Post Office Box 840738
Dallas, Texas 75284-0738

PS Form 3800

U.S. Postal Service
CERTIFIED MAIL RECEIPT

(Domestic Mail Only; No Insurance Coverage)

OFFICIAL

CP Postage \$.60
Certified Fee 2.30
Return Receipt Fee (Endorsement Required) 1.75
Restricted Delivery Fee (Endorsement Required)
Total Postage & Fees \$ 4.65

Sent To S. J. Iverson Trust
H. Greg Holcomb, Trustee
Bank of America NA Acct No.
01/0258100
Post Office Box 840738
Dallas, Texas 75284-0738

PS Form 3800

U.S. Postal Service
CERTIFIED MAIL RECEIPT

(Domestic Mail Only; No Insurance Coverage)

OFFICIAL

CP Postage \$.60
Certified Fee 2.30
Return Receipt Fee (Endorsement Required) 1.75
Restricted Delivery Fee (Endorsement Required)
Total Postage & Fees \$ 4.65

Sent To Lindy's Living Trust
Francis H. Hudson, Trustee
6300 Ridglea Place, Suite 1005-A
Fort Worth, Texas 76116

PS Form 3800

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

CP Postage \$ 1.60
Certified Fee 2.30
Return Receipt Fee (Endorsement Required) 1.75
Restricted Delivery Fee (Endorsement Required)
Total Postage & Fees \$ 4.65

Sent To The P.I.P. 1990 Trust
Wendell W. Iverson, Trustee
Street, Apt. No. or PO Box No. Post Office Box 10508
City, State, ZIP Midland, Texas 79702

PS Form 3800

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:

The P.I.P. 1990 Trust
Wendell W. Iverson, Trustee
Post Office Box 10508
Midland, Texas 79702

2. Article Number (C

7001 1140 0002 5602 6344

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:

S.J.I. Jr. 1990 Trust
Wendell W. Iverson, Trustee
Post Office Box 10508
Midland, Texas 79702

2. Article Number (Co

7001 1140 0002 5602 6351

PS Form 3811, July 1999

Domestic Return Receipt

102595-99-M-1789

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery
PAM BURKE 9-21-04

C. Signature
Pam Burke ☐ Agent
☐ Address

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

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

CP Postage \$ 1.60
Certified Fee 2.30
Return Receipt Fee (Endorsement Required) 1.75
Restricted Delivery Fee (Endorsement Required)
Total Postage & Fees \$ 4.65

Sent To S.J.I. Jr. 1990 Trust
Wendell W. Iverson, Trustee
Street, Apt. No. or PO Box No. Post Office Box 10508
City, State, ZIP Midland, Texas 79702

PS Form 3800

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

CP Postage \$.60
Certified Fee 2.30
Return Receipt Fee (Endorsement Required) 1.75
Restricted Delivery Fee (Endorsement Required)
Total Postage & Fees \$ 4.65

Sent To W.W.I. 1990 Trust
Wendell W. Iverson, Trustee
Street, Apt. No. or PO Box No. Post Office Box 10508
City, State, ZIP Midland, Texas 79702

PS Form 3800

Affidavit of Publication

NO. 18607

STATE OF NEW MEXICO

County of Eddy:

Gary D. Scott being duly

sworn, says: That he is the Publisher of The

Artesia Daily Press, a daily newspaper of general

circulation; published in English at Artesia, said county

and county and state, and that the here to attached

Legal Notice

was published in a regular and entire issue of the said

Artesia Daily Press, a daily newspaper duly qualified

for that purpose within the meaning of Chapter 167 of

the 1937 Session Laws of the state of New Mexico for

1 consecutive weeks/days on the same

day as follows:

First Publication September 19 2004

Second Publication _____

Third Publication _____

Fourth Publication _____

Subscribed and sworn to before me this

20th Day September 2004

Gabriel L. Brown
Notary Public, Eddy County, New Mexico

My Commission expires September : 23, 2007

LEGAL NOTICE

NOTICE OF
PUBLICATION
STATE OF NEW
MEXICO
ENERGY MINERALS
AND NATURAL RE-
SOURCES DEPART-
MENT
OIL CONSERVATION
DIVISION
SANTA FE,
NEW MEXICO

The State of New Mexico through its Oil Conservation Division hereby gives notice pursuant to law and the Rules and Regulations of the Division of the following public hearing to be held at 8:15 A.M. on October 7, 2004, in the Oil Conservation Division Hearing Room at 1220 South St. Francis, Santa Fe, New Mexico, before an examiner duly appointed for the hearing. If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing, please contact Florene Davidson at 505-476-3458 or through the New Mexico Relay Network 1-800-659-1779 by September 28, 2004. Public documents including the agenda and minutes, can be provided in various accessible forms. Please contact Florene Davidson if a summary or other type of accessible form is needed.

STATE OF NEW MEXICO TO:

All named parties and persons having any right, title, interest or claim in the following cases and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

CASE 13348:

Application of Marbob Energy Corporation for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all mineral interests from the surface to the base of the Morrow formation in the following described spacing and proration units located in the S/2 of Section 12, Township 17 South, Range 31 East, N.M.P.M., Eddy County, New Mexico, the S/2 for all formations and/or pools developed on 320-acre spacing which includes but is not limited to the Undesignated Fren-Morrow Gas Pool, the SW/4 for all formations and/or pools developed on 160-acre spacing; and the NE/4 SW/4 for all formations and/or pools developed on 40-acre spacing which includes but is not necessarily limited to the Undesignated East Grayburg-Jackson (Seven Rivers-Queen-Grayburg-San Andres) Pool and the Undesignated East Fren-Paddock Pool. Said units are to be dedicated to its Knockabout Federal Well No. 1 to be drilled at a standard gas well location 1830 feet from the South line and

LEGAL NOTICE

1880 feet from the West line (Unit K) of said Section 12. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Hudson Oil Company of Texas as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 3 miles East of Maljamar, New Mexico.

Given under the Seal of the State of New Mexico, Oil Conservation Commission at Santa Fe, New Mexico on this 16th day of September 2004.

STATE OF NEW MEXICO

OIL CONSERVATION
DIVISION

Mark E. Fesmire, P.E.,
Director

Published in the Artesia
Daily Press, Artesia,
N.M. September 19,
2004.

Legal 18607