

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

APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION, THROUGH THE ENFORCEMENT AND COMPLIANCE MANAGER, FOR A COMPLIANCE ORDER AGAINST PRONGHORN MANAGEMENT CORP., 1) FINDING THAT THE OPERATOR KNOWINGLY AND WILLFULLY VIOLATED NMSA 1978, SECTION 70-2-31(B)(2), 19.15.13.1115.A NMAC, AND 19.15.4.201 NMAC AS TO ELEVEN WELLS; 2) ASSESSING PENALTIES FOR THE VIOLATIONS; 3) REQUIRING OPERATOR TO FILE CORRECTED PRODUCTION REPORTS BY A DATE CERTAIN; 4) REQUIRING OPERATOR TO BRING THE ELEVEN WELLS INTO COMPLIANCE WITH 19.15.4.201 NMAC BY A DATE CERTAIN AND AUTHORIZING THE DIVISION TO PLUG SAID WELLS AND FORFEIT THE APPLICABLE FINANCIAL ASSURANCE IN THE EVENT OF NON-COMPLIANCE; AND REQUIRING OPERATOR TO PROVIDE CONTACT INFORMATION FOR PRIVATE LESSORS AFFECTED BY THE VIOLATIONS; LEA COUNTY, NEW MEXICO.

CASE NO. 13859

AFFIDAVIT OF SERVICE

In accordance with Division Rule 1227.D [19.15.14.1227.D NMAC] and Rule 1210 [19.15.14.1210 NMAC] I hereby certify:

1. I mailed and faxed a copy of the Motion for Order to Show Cause in the above-captioned case to Mr. Earnest A Padilla, attorney for Pronghorn Management Corp., on November 15, 2007 when the motion was filed (and before a hearing date had been set on the motion). A copy of the fax cover sheet and the cover letter are attached as Exhibit A to this affidavit.

2. After a hearing date was set, notice of the January 10, 2008 hearing on the motion to show cause in the above-captioned case was mailed to the following by certified mail, return receipt requested, at least 20 days prior to the hearing date, with a copy of the application:

Pronghorn Management Corp.
P.O. Box 1772
Hobbs, NM 88241

Mr. Earnest A. Padilla
Padilla Law Firm, P.A.
P.O. Box 2523
Santa Fe, NM 87504-2523
(Attorney for Pronghorn Management Corp.)

***Pronghorn Management Corp.
Case 13859
Case 14052
OCD Exhibit No. 2***

2. A copy of the notice of hearing with attachments is Exhibit B to this affidavit.

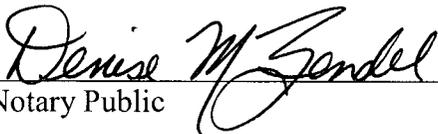
3. A copy of the certified mail return receipt card for the notice sent to Mr. Padilla is attached to this affidavit as Exhibit C.

4. To date, I have not received a certified mail return receipt card for the letter sent to Pronghorn Management Corp. The address used for Pronghorn Management Corp. is the address of record with the Oil Conservation Division and the Public Regulation Commission, and is the address successfully used to serve Pronghorn Management Corporation with notice of Cases 13858 and 13859 in 2007. Copies of the company maintenance page listing the address for Pronghorn with the Oil Conservation Division and the Corporations Information Inquiry screen for Pronghorn from the Public Regulation Commission are attached to this affidavit as Exhibits D and E.

5. Notice of the January 10, 2008 hearing in the above-captioned matter was published in The Lovington Daily Leader, a newspaper of general circulation in Lea County. The affidavit of publication from The Lovington Leader is attached as Exhibit F.


Gail MacQuesten

SUBSCRIBED AND SWORN to before me this 8th day of January 2008.


Notary Public

My Commission Expires:

1-9-08