KELLAHIN AND KELLAHIN

ATTORNEYS AT LAW

W. THOMAS KELLAHIN*

"New Mexico Board of Legal Specialization Recognized Specialist in the Area of Natural Resources-oil and gas law

JASON KELLAHIN (RETIRED 1991)

EL PATIO BUILDING 117 NORTH GUADALUPE Post Office Box 2265 SANTA FE, NEW MEXICO 87504-2265

September 9, 1998

TELEPHONE (505) 982-4886 TELEFAX (505) 982-2047

VIA FACSIMILE

Mr. Michael E. Stogner Hearing Examiner Oil Conservation Division 2040 South Pacheco Santa Fe, New Mexico 87505

Re: NMOCD Case 12048 Application of Penwell Energy, Inc for compulsory pooling, E/2 Sec 28, T19S, R33E, Lea County, New Mexico.

Dear Mr. Stogner:

On behalf of Matador Petroleum Corporation, an adversely affected interest owner, please find enclosed our Entry of Appearance in the referenced case.

W. Thomas Kellahin

cfx: William F. Carr, Esq.

Attorney for Penwell Energy, Inc.

cfx: James Bruce, Esq.

Attorney for Santa Fe Energy Resources, Inc.

cfx: Matador Petroleum Corporation Attn: Barry Osborne, Esq.

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

IN THE MATTER OF THE APPLICATION OF PENWELL ENERGY, INC. FOR COMPULSORY POOLING LEA COUNTY, NEW MEXICO

CASE 12048

ENTRY OF APPEARANCE

Comes now MATADOR PETROLEUM CORPORATION, by its attorneys, Kellahin and Kellahin, and enters its appearance in this case as an interested party in opposition to the applicant.

W. Thomas Kellahin Kellahin & Kellahin P. O. Box 2265 Santa Fe, New Mexico 87504 (505) 982-4285

CERTIFICATE OF MAILING

I certify that a copy of this pleading was transmitted by facsimile to counsel for applicant this 9th day of September, 1998.

W. Thomas Kellahin