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6-18-99

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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)

June 18, 1999

HAND DELIVERED

Mr. Mark Ashley, Hearing Examiner
Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

Re: NMOCD Case 12206
Sagebrush 24" Federal Com Well. 1
Application of Nearburg Exploration Company, L.L.C.
for Compulsory Pooling and an Unorthodox Location
Lea County, New Mexico

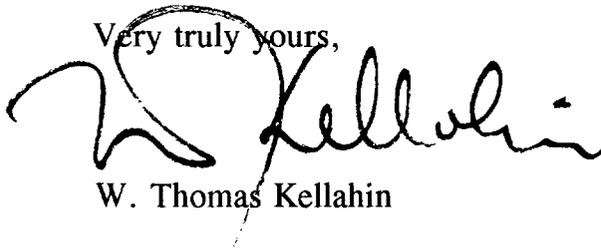
59 JUN 18 AM 8:33
OIL CONSERVATION DIV.

Dear Mr. Ashley:

On behalf of Matador Petroleum Corporation, we are requesting that the referenced case, which is currently set for hearing on June 24, 1999, be continued to the July 8, 1999 docket so that Nearburg Exploration Company, L.L.C. can produce seismic data subpoenaed for deliver to Matador on June 24, 1999.

Mr. James Bruce, on behalf of Nearburg has informed me that Nearburg opposes this request.

Very truly yours,



W. Thomas Kellahin

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

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JASON KELLAHIN (RETIRED 1991)

June 18, 1999

VIA FACSIMILE

James Bruce, Esq.
P. O. Box 1056
Santa Fe, New Mexico 87504

Re: Subpoena Duces Tecum
NMOCD Case 12206
Application of Nearburg Exploration Company, L.L.C.
(Sagebrush 24 Federal Com Well No. 1)

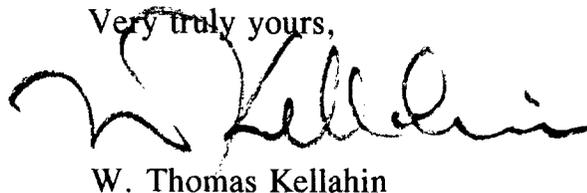
Dear Mr. Bruce:

On behalf of Matador Petroleum Corporation, I am delivering to you the original of the enclosed and referenced subpoena. I would appreciate it if you would agree to accept service. I have enclosed an acceptance for your signature.

We are seeking the data on the 2-D seismic line running northwest to southeast across the NE/4 corner of Section 24 which Nearburg utilized in preparing the Morrow structure map it submitted to the Division with its administrative application.

In addition, we are seeking production on June 24, 1999 with a continuance of the case until the July 89, 1999 hearing.

Very truly yours,



W. Thomas Kellahin

cfx: Matador Petroleum Corporation
Attn: Barry Osborne

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES
BEFORE THE OIL CONSERVATION DIVISION**

**IN THE MATTER OF THE HEARING CALLED BY
THE OIL CONSERVATION DIVISION FOR THE
PURPOSE OF CONSIDERING:**

CASE 12206

**APPLICATION OF NEARBURG EXPLORATION
COMPANY, L.L.C.FOR COMPULSORY POOLING
AND AN UNORTHODOX OIL WELL LOCATION,
LEA COUNTY, NEW MEXICO**

SUBPOENA DUCES TECUM

**TO: NEARBURG EXPLORATION COMPANY, L.L.C.
c/o James Bruce, Esq.
P. O. Box 1056
Santa Fe, New Mexico, 87504**

Pursuant to Section 70-2-8, NMSA (1978) and Rule 1211 of the New Mexico Oil Conservation Division's Rules of Procedure, you are hereby ORDERED to appear at 8:15 a.m., June 24, 1999, to the offices of the Oil Conservation Division, 2040 South Pacheco, Santa Fe, New Mexico, 87505 and to produce the documents and items specified in attached Exhibit A and to make available to Matador Petroleum Corporation and their attorney, W. Thomas Kellahin, for copying, all of said documents.

This subpoena is issued on application of Matador Petroleum Corporation through its attorneys, Kellahin & Kellahin, P. O. Box 2265, Santa Fe, New Mexico 87504.

Dated this 18th day of June, 1999.

NEW MEXICO OIL CONSERVATION DIVISION

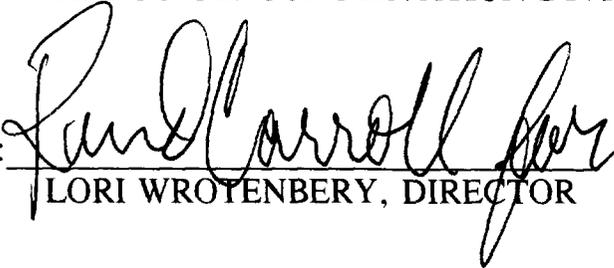
BY: 
LORI WROTENBERY, DIRECTOR

EXHIBIT "A"

TO SUBPOENA DUCES TECUM TO NEARBURG EXPLORATION COMPANY, L.L.C. IN NEW MEXICO OIL CONSERVATION DIVISION CASE 12206

PURPOSE: The purpose of this subpoena is to provide all of the information necessary for Matador Petroleum Corporation to be able prepare its opposition to Nearburg Exploration Company, L.L.C.'s application in Case 12206

THE DATA TO BE PRODUCED INVOLVES THE MORROW FORMATION

I. PRODUCE THE FOLLOWING DOCUMENTS:

Concerning Nearburg's "Top of Morrow Structure map" submitted to the Division by Nearburg as part of its administrative application for the subject well:

- (1) the 2-D seismic profile line (northwest-southeast through the NE/4 corner of Section 24, T19S, R33E and extending north through Section 12 and south through Section 31.

II PRODUCE THE FOLLOWING ADDITIONAL DATA:

- (1) any and all information concerning the acquisition, processing and interpretation of the 2-D seismic data;
- (2) copies of the geophysical interpreter's report, including all maps and input data;
- (3) identify and describe the seismic calculation (computer) program used;
- (4) list of all ties and mis-ties to well data;
- (5) any velocity maps, including isochron or velocity converted depth maps;
- (6) details on digitisation of maps, including a detailed description of the software package for reduction of the digitized data;
- (7) details, including any adjustment of parameters for map construction including depth conversion; and
- (8) copies of any and all maps including initial and final isopach contour maps of structure and any "isometric displays" or presentations.

INSTRUCTIONS

This Subpoena Duces Tecum seeks all information available to you or in your possession, custody or control from any source, wherever situated, including but not limited to information from any files, records, computers documents, employees, former employees, consultants, counsel and former counsel. It is directed to each person to whom such information is a matter of personal knowledge.

When used herein, "you" or "your" refers to the person or entity to whom this Subpoena Duces Tecum is addressed to including all of his or its attorneys, officers, agent, consultants, employees, directors, representatives, officials, departments, divisions, subdivisions, subsidiaries, or predecessors.

The term "document" as used herein means every writing and record of every type and description in the possession, custody or control of Nearburg Exploration Company, L.L.C. and/or Nearburg Producing Company, L.L.C., whether prepared by you or otherwise, which is in your possession or control or known by you to exist, including but not limited to all drafts, papers, books, writings, records, letters, photographs, computer disks, tangible things, correspondence, communications, telegrams, cables, telex messages, memoranda, notes, notations, work papers, transcripts, minutes, reports and recordings of telephone or other conversations or of interviews, conferences, or meetings. It also includes diary entries, affidavits, statements, summaries, opinions, reports, studies, analyses, evaluations, contracts, agreements, jottings, agenda, bulletins, notices, announcements, plans, specifications, sketches, instructions charts, manuals, brochures, publications, schedules, price lists, client lists, journals, statistical records, desk calendars, appointment books, lists, tabulations sound recordings, computer printouts, books of accounts, checks, accounting records, vouchers, and invoices reflecting business operations, financial statements, and any notice or drafts relating to the foregoing, without regard to whether marked confidential or proprietary,. It also includes duplicate copies if the original is unavailable or if the duplicate is different in any way, including marginal notations, from the original.

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

**IN THE MATTER OF THE HEARING CALLED BY
THE OIL CONSERVATION DIVISION FOR THE
PURPOSE OF CONSIDERING:**

**THE APPLICATION OF NEARBURG EXPLORATION
COMPANY, L.L.C. FOR COMPULSORY POOLING
AND AN UNORTHODOX WELL LOCATION
LEA COUNTY, NEW MEXICO**

CASE 12206

ACCEPTANCE OF SERVICE OF SUBPOENA DUCES TECUM

I, James Bruce, Esq, the attorney of record for Nearburg Exploration Company, L.L.C., hereby acceptance service of the original Subpoena Duces Tecum dated ___ day of June, 1999 and issued in this matter to Matador Petorleum Corporation on this 18 day of June, 1999.

James Bruce, Esq.
P. O. Box 1056
Santa Fe, New Mexico 87504