

KELLAHIN AND KELLAHIN

ATTORNEYS AT LAW

EL PATIO BUILDING

117 NORTH GUADALUPE

POST OFFICE BOX 2265

SANTA FE, NEW MEXICO 87504-2265

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)

TELEPHONE (505) 982-4285
TELEFAX (505) 982-2047

December 20, 2000

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

**TO: NOTICE OF THE HEARING OF THE FOLLOWING
NEW MEXICO OIL CONSERVATION DIVISION CASE:**

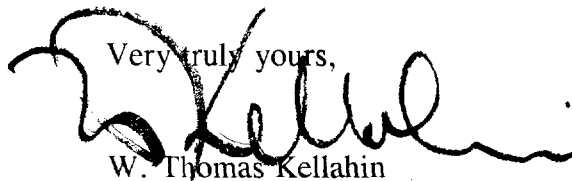
***Re: Application of Matador Petroleum
Corporation for Compulsory Pooling
Lea County, New Mexico***

On behalf of Matador Petroleum Corporation, please find enclosed our application for an compulsory pooling for the Laura State "13" Com Well No. 1 which has been set for hearing on the New Mexico Oil Conservation Division Examiner's docket now scheduled for January 11, 2001. We expect the hearing will be held at the Division hearing room located in the Pinon Building, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87502. Please phone 505-827-7132 to confirm actual location.

As an interest owner who may be affected by this application, we are notifying you of your right to appear at the hearing and participate in this case, including the right to present evidence either in support of or in opposition to the application. While you are not required to attend this hearing, failure to appear at the hearing will preclude you from any involvement in this case at a later date including the right to challenge any order issued.

Pursuant to Division Rule 1208.B, you are further notified that if you desire to appear in this case, then you are requested to file a Pre-Hearing Statement with the Division not later than 4:00 PM on Friday, January 5, 2001, with a copy delivered to the undersigned. This statement must include: the names of the parties and attorneys; a concise statement of your position in this case; the names of all witnesses you will call to testify at the hearing; the approximate time you will need to present your case; and identification of any procedural matters that are to be resolved prior to the hearing.

Very truly yours,



W. Thomas Kellahin

LAURA STATE "13" COM NO. 1
Working Interest Ownership

Matador E & P Company Attn: Mark Virant 8340 Meadow Road, Suite 158 Dallas, Texas 75231	28.125000%
Devon Energy Production Company, L.P. Attn: Ken Gray 20 N. Broadway, Suite 1500 Oklahoma City, OK 73102	25.000000%
Chevron USA Inc. Attn: Denise K. Beckham P.O. Box 1150 Midland, Texas 79702-1150	2.812500%
Southwestern Energy Attn: Sam Thompson 2350 N. Sam Houston Pkwy. E Suite 300 Houston, Texas 77032	14.375000%
Nearburg Exploration Company, L.L.C. Attn: Duke Roush 3300 North "A" Street Building 2, Suite 120 Midland, Texas 79705	22.509766%
DelMar Holdings, L.P. Attn: Pete Preston 1200 McKinney Street Suite 411-101 Houston, Texas 77010	7.177734%
Southwest Royalties, Inc. Attn: Jon Tate 407 N. Big Spring Midland, Texas 79702	<p style="text-align: center;">*</p> <hr style="width: 100%;"/> <p style="text-align: center;">100%</p>

* Southwest Royalties, Inc. claims the interest credited to DelMar Holdings, L.P.

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.

Article Addressed to:

DelMar Holdings LP
Attn: Pete Preston
1200 McKinney Street
Suite 411-101
Houston, TX 77010

COMPLETE THIS SECTION ON DELIVERY

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

C. Signature

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

1. Article Addressed to:

Southwestern Energy
Attn: Sam Thompson
2350 N Sam Houston Pkwy
Suite 300
Houston, TX 77032

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.

Article Addressed to:

Southwestern Energy
Attn: Sam Thompson
2350 N Sam Houston Pkwy
Suite 300
Houston, TX 77032

COMPLETE THIS SECTION ON DELIVERY

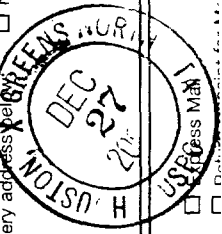
A. Received by (Please Print Clearly) B. Date of Delivery

C. Signature

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

1. Article Addressed to:

Southwestern Energy
Attn: Sam Thompson
2350 N Sam Houston Pkwy
Suite 300
Houston, TX 77032



3. Service Type
☐ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise

Matador

Lura State "13"

January 11, 2001

12/20/00

7000 0520 0022 8754 3971

Article Number (Copy from service label)

Form 3811, July 1999

Domestic Return Receipt

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.

Article Addressed to:

Matador E & P Co.
Attn: Mark Virant
8340 Meadow RD Suite 158
Dallas, TX 75231

COMPLETE THIS SECTION ON DELIVERY

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

C. Signature

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

1. Article Addressed to:

Southwest Royalties Inc.
Attn: Jon Tate
407 N. Big Spring
Midland, TX 79702

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.

Article Addressed to:

Southwest Royalties Inc.
Attn: Jon Tate
407 N. Big Spring
Midland, TX 79702

COMPLETE THIS SECTION ON DELIVERY

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

C. Signature

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

1. Article Addressed to:

Southwest Royalties Inc.
Attn: Jon Tate
407 N. Big Spring
Midland, TX 79702

3. Service Type
☐ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise

Matador

Lura State "13"

January 11, 2001

12/20/00

7000 0520 0022 8754 3971

Article Number (Copy from service label)

Form 3811, July 1999

Domestic Return Receipt

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:

Chevron USA Inc.
Attn: Denise K. Beckham
PO Box 1150
Midland, TX 79702-1150

2. Article Number (Copy from service label)

PS Form 3811, July 1999

Domestic Return Rec

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.

Article Addressed to:

Nearburg Exploration Co.
Attn: Duke Roush
3300 North A Street
Building 2 Suite 120
Midland, TX 79705

Article Number (Copy from service label)

PS Form 3811, July 1999

Domestic Return Rec

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) Laura Matador B. Date of Delivery 12/22/00

C. Signature [Signature] ☒ Agent ☐ Addressee

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

3. Service Type
☐ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise

4. R# Matador

Lura State "13"
 January 11, 2001
 12/20/00

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:

Devon Energy Prod. Co.
Attn: Ken Gray
20 N. Broadway Ste. 1500
Oklahoma, OK 73102

2. Article Number (Copy from service label)

PS Form 3811, July 1999

Domestic Return Rec

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) [Signature] B. Date of Delivery 12/27/00

C. Signature [Signature] ☒ Agent ☐ Addressee

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

3. Service Type
☐ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise

4. R# Matador

Lura State "13"
 January 11, 2001
 12/20/00

7000 0520 0022 8754 3

COMPLETE THIS SECTION ON DELIVERY

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

C. Signature [Signature] ☒ Agent ☐ Addressee

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

1. Service Type
☐ Certified Mail ☐ Express Mail

Matador

Lura State "13"

January 11, 2001

12/20/00

7000 0520 0022 8754 395

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

APPLICATION OF MATADOR PETROLEUM
CORPORATION FOR COMPULSORY POOLING
LEA COUNTY, NEW MEXICO.

CASE NO. 12573

CERTIFICATE OF MAILING
AND
COMPLIANCE WITH ORDER R-8054


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

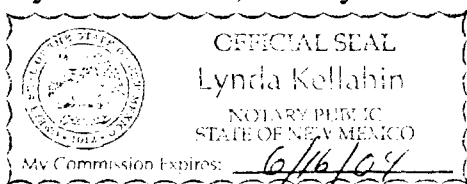
W. Thomas Kellahin, being first duly sworn, hereby certifies that he is an attorney for the Applicant and responsible for notification in this matter and that the notice provisions of Division Rule 1207 (Order R-8054) have been complied with, that Applicant has caused to be conducted a good faith diligent effort to find the correct addresses of all interested parties entitled to receive notice, that on December 20, 2000, he caused to be mailed by certified mail return-receipt requested the attached notice of this hearing and a copy of the first amended application for the above referenced case, at least twenty days prior to the hearing of this case set for January 11, 2001, to the parties shown in said application and as evidenced by the attached copies of return receipt cards and/or receipts of certified mailing, and that pursuant to Division Rule 1207, notice has been given at the correct addresses provided by such rule.



W. Thomas Kellahin

SUBSCRIBED AND SWORN to before me this 10th day of January, 2001, by W. Thomas Kellahin.


Lynda Kellahin, Notary Public



BEFORE THE
OIL CONSERVATION DIVISION
Case No. 12573 Exhibit No. 18
Submitted By:
Matador Petroleum Corp.
Hearing Date: January 11, 2001

KELLAHIN AND KELLAHIN

ATTORNEYS AT LAW

EL PATIO BUILDING

117 NORTH GUADALUPE

POST OFFICE BOX 2265

SANTA FE, NEW MEXICO 87504-2265

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)

TELEPHONE (505) 982-4285
TELEFAX (505) 982-2047

December 20, 2000

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

TO: NOTICE OF THE HEARING OF THE FOLLOWING
NEW MEXICO OIL CONSERVATION DIVISION CASE:

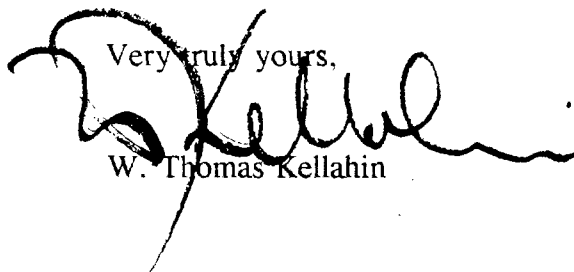
*Re: Application of Matador Petroleum
Corporation for Compulsory Pooling
Lea County, New Mexico*

On behalf of Matador Petroleum Corporation, please find enclosed our application for an compulsory pooling for the Laura State "13" Com Well No. 1 which has been set for hearing on the New Mexico Oil Conservation Division Examiner's docket now scheduled for January 11, 2001. We expect the hearing will be held at the Division hearing room located in the Pinon Building, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87502. Please phone 505-827-7132 to confirm actual location.

As an interest owner who may be affected by this application, we are notifying you of your right to appear at the hearing and participate in this case, including the right to present evidence either in support of or in opposition to the application. While you are not required to attend this hearing, failure to appear at the hearing will preclude you from any involvement in this case at a later date including the right to challenge any order issued.

Pursuant to Division Rule 1208.B, you are further notified that if you desire to appear in this case, then you are requested to file a Pre-Hearing Statement with the Division not later than 4:00 PM on Friday, January 5, 2001, with a copy delivered to the undersigned. This statement must include: the names of the parties and attorneys; a concise statement of your position in this case; the names of all witnesses you will call to testify at the hearing; the approximate time you will need to present your case; and identification of any procedural matters that are to be resolved prior to the hearing.

Very truly yours,



W. Thomas Kellahin

LAURA STATE "13" COM NO. 1
Working Interest Ownership

Matador E & P Company Attn: Mark Virant 8340 Meadow Road, Suite 158 Dallas, Texas 75231	28.125000%
Devon Energy Production Company, L.P. Attn: Ken Gray 20 N. Broadway, Suite 1500 Oklahoma City, OK 73102	25.000000%
Chevron USA Inc. Attn: Denise K. Beckham P.O. Box 1150 Midland, Texas 79702-1150	2.812500%
Southwestern Energy Attn: Sam Thompson 2350 N. Sam Houston Pkwy. E Suite 300 Houston, Texas 77032	14.375000%
Nearburg Exploration Company, L.L.C. Attn: Duke Roush 3300 North "A" Street Building 2, Suite 120 Midland, Texas 79705	22.509766%
DelMar Holdings, L.P. Attn: Pete Preston 1200 McKinney Street Suite 411-101 Houston, Texas 77010	7.177734%
Southwest Royalties, Inc. Attn: Jon Tate 407 N. Big Spring Midland, Texas 79702	* <hr/> 100%

* Southwest Royalties, Inc. claims the interest credited to DelMar Holdings, L.P.

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.

Article Addressed to:

DelMar Holdings LP
Attn: Pete Preston
1200 McKinney Street
Suite 411-101
Houston, TX 77010

Article Number (Copy from service label)

Form 3811, July 1999 Domestic Return Recd 7000 0520 0022 8754 3967

COMPLETE THIS SECTION ON DELIVERY

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

C. Signature X Agent Addressee

D. Is delivery address different from item 1? Yes No

If YES, enter delivery address below:

Article Addressed to:

Southwestern Energy
Attn: Sam Thompson
2350 N Sam Houston Pkwy
Suite 300
Houston, TX 77032

Article Number (Copy from service label)

Form 3811, July 1999 Domestic Return Recd 7000 0520 0022 8754 3967

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.

Article Addressed to:

Southwestern Energy
Attn: Sam Thompson
2350 N Sam Houston Pkwy
Suite 300
Houston, TX 77032

Article Number (Copy from service label)

Form 3811, July 1999 Domestic Return Recd 7000 0520 0022 8754 3977

COMPLETE THIS SECTION ON DELIVERY

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

C. Signature X Agent Addressee

D. Is delivery address different from item 1? Yes No

If YES, enter delivery address below:

Article Addressed to:

Southwestern Energy
Attn: Sam Thompson
2350 N Sam Houston Pkwy
Suite 300
Houston, TX 77032

Article Number (Copy from service label)

Form 3811, July 1999 Domestic Return Recd 7000 0520 0022 8754 3977

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.

Article Addressed to:

Latador E & P Co.
Attn: Mark Virant
340 Meadow RD Suite 158
Dallas, TX 75231

Article Number (Copy from service label)

Form 3811, July 1999 Domestic Return Recd 7000 0520 0022 8754 3967

COMPLETE THIS SECTION ON DELIVERY

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

C. Signature X Agent Addressee

D. Is delivery address different from item 1? Yes No

If YES, enter delivery address below:

Article Addressed to:

Latador E & P Co.
Attn: Mark Virant
340 Meadow RD Suite 158
Dallas, TX 75231

Article Number (Copy from service label)

Form 3811, July 1999 Domestic Return Recd 7000 0520 0022 8754 3967

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.

Article Addressed to:

Southwest Royalties Inc.
Attn: Jon Tate
407 N. Big Spring
Midland, TX 79702

Article Number (Copy from service label)

Form 3811, July 1999 Domestic Return Recd 7000 0520 0022 8754 3967

COMPLETE THIS SECTION ON DELIVERY

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

C. Signature X Agent Addressee

D. Is delivery address different from item 1? Yes No

If YES, enter delivery address below:

Article Addressed to:

Southwest Royalties Inc.
Attn: Jon Tate
407 N. Big Spring
Midland, TX 79702

Article Number (Copy from service label)

Form 3811, July 1999 Domestic Return Recd 7000 0520 0022 8754 3967

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:

Chevron USA Inc.
Attn: Denise K. Beckham
PO Box 1150
Midland, TX 79702-1150

2. Article Number (Copy from service label)

PS Form 3811, July 1999

Domestic Return Rec

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.

Article Addressed to:

Yearburg Exploration Co.
Attn: Duke Roush
3300 North A Street
Building 2 Suite 120
Midland, TX 79705

Article Number (Copy from service label)

PS Form 3811, July 1999

Domestic Return Rec

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) Denise K. Beckham B. Date of Delivery 12/22/00

C. Signature [Signature] ☒ Agent ☐ Addressee

D. Is delivery address different from item 1? ☐ Yes ☐ No

If YES, enter delivery address below:

3. Service Type ☐ Certified Mail ☐ Express Mail ☐ Registered ☐ Return Receipt for Merchandise

☐ Matador

4. R. Lura State "13"

January 11, 2001

12/20/00

7000 0520 0022 8754 3922

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) Denise K. Beckham B. Date of Delivery 12/22/00

C. Signature [Signature] ☒ Agent ☐ Addressee

D. Is delivery address different from item 1? ☐ Yes ☐ No

If YES, enter delivery address below:

3. Service Type ☐ Certified Mail ☐ Express Mail ☐ Registered ☐ Return Receipt for Merchandise

☐ Matador

4. R. Lura State "13"

January 11, 2001

12/20/00

7000 0520 0022 8754 3925

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:

Devon Energy Prod. Co.
Attn: Ken Gray
20 N. Broadway Ste. 1500
Oklahoma, OK 73102

2. Article Number (Copy from service label)

PS Form 3811, July 1999

Domestic Return Rec

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) Denise K. Beckham B. Date of Delivery 12/27/00

C. Signature [Signature] ☒ Agent ☐ Addressee

D. Is delivery address different from item 1? ☐ Yes ☐ No

If YES, enter delivery address below:

3. Service Type ☐ Certified Mail ☐ Express Mail ☐ Registered ☐ Return Receipt for Merchandise

☐ Matador

4. R. Lura State "13"

January 11, 2001

12/20/00

7000 0520 0022 8754 3925