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COUNSEL EMERITUS
William R. Federici

MONTGOMERY & ANDREWS

PROFESSIONAL ASSOCIATION
ATTORNEYS AND COUNSELORS AT LAW

J.O. Seth (1883-1963)
A.K. Montgomery (1903-1987)
Frank Andrews (1914-1981)
Seth D. Montgomery (1937-1998)

Victor R. Ortega
Gary Kilpatric
Thomas W. Olson
Walter J. Melendres
John B. Draper
Nancy M. King
Sarah M. Singleton
Stephen S. Hamilton
Edmund H. Kendrick
Louis W. Rose
Randy S. Bartell

Paul E. Houston
Kevin M. Sexton
Jeffery L. Martin
Alexandra Corwin Aguilar
Jeffrey J. Wechsler
Shannon A. Parden
Brian T. Judson
Susan R. Johnson
Holly Agajanian
Sharon T. Shaheen
Jaime R. Kennedy

OF COUNSEL
Joe A. Sturges
J. Scott Hall
Suzanne C. Odom
Earl Potter, P.A.

325 Paseo de Peralta
Santa Fe, New Mexico 87501

Post Office Box 2307
Santa Fe, New Mexico 87504-2307

Telephone (505) 982-3873
Fax (505) 982-4289

ALBUQUERQUE OFFICE

6301 Indian School Road, N.E.
Suite 400
Albuquerque, New Mexico 87110

Post Office Box 36210
Albuquerque, New Mexico 87176-6210

Telephone (505) 884-4200
Fax (505) 888-8929

www.montand.com

Reply to Santa Fe Office

June 3, 2008

HAND DELIVERED

Mr. David Brooks
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

Re: Case No. 14130; Application of Energen Resources Corporation for
Compulsory Pooling and Unorthodox Well Location, Rio Arriba and San Juan
Counties, New Mexico

Dear Mr. Brooks:

Enclosed is the original Affidavit of Publication from the Rio Grande Sun
newspaper.

On behalf of the Applicant, we ask that the record in the referenced matter be
supplemented to include the Affidavit.

Very truly yours,

MONTGOMERY & ANDREWS, P.A.



J. Scott Hall

Cc: Dave Poage, w/encl.

NOTICE

To: Palmetto Partners L.P., or its successors or assigns. Energen Resources Corporation has made application to the New Mexico Oil Conservation Division for relief in the following matter:

Case No. 14130: Application of Energen Resources Corporation for Compulsory Pooling and Unorthodox Well Location, Rio Arriba and San Juan Counties, New Mexico. Applicant seeks an order pooling all mineral interests in the Fruitland Coal formation, (Basin-Fruitland Coal Gas Pool) underlying the W/2 of Section 22, Township 32 North, Range 6 West, NMPM; Rio Arriba and San Juan Counties, New Mexico, forming a standard 320-acre spacing and proration unit to be dedicated to the 32-5 Unit Well No. 115. The well will be directionally drilled from an unorthodox surface location 120 feet from the South line and 50 feet from the East line of Section 22 in Rio Arriba County, penetrating the Fruitland Coal formation at an unorthodox point 50 feet from the South line and 2630 feet from the West line of Section 22, to a standard bottom hole location 660 feet from the North and West lines of Section 22 in Township 32 North, Range 6 West, NMPM in San Juan County, New Mexico.

This Application is brought pursuant to the provisions of 19.15.14.1210 A.(1)(b), NMAC. Applicant has been unable to locate the following owners of mineral rights referenced above, whose last known address is:

Palmetto Partners L.P.
535 Fifth Avenue, 25th Floor
New York, NY 10017

Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, the actual operating costs and charges for supervision, designation of applicant as operator and a charge for risk involved in drilling the well. The lands that are the subject of the application are located approximately 6 miles south of Arboles, Colorado. This application will be set for hearing before a Division Examiner at 8:15 a.m. on May 29, 2008 at the New Mexico Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico. Any owner of an interest that may be affected may appear and present testimony. Failure to appear at that time and become a party of record will preclude such party from challenging this application at a later time.

For further information, contact the applicant's attorney, J. Scott Hall, Montgomery and Andrews, P.A., P.O. Box 2307 Santa Fe, New Mexico 87504. (505) 982-3873.

(Published May 29, 2008)

Affidavit of Publication

State of New Mexico
County of Rio Arriba

I, Robert Trapp, being first duly sworn, declare and say I am the publisher of the Rio Grande SUN, a weekly newspaper published in the English language and having a general circulation in the County of Rio Arriba, State of New Mexico, and being a newspaper duly qualified to publish legal notices and advertisements under the provisions of Chapter 167 of the Session Laws of 1937. The publication, a copy of which is hereto attached, was published in said paper once each week for

1 consecutive weeks and on the same day of each week in the regular issue of the paper during the time of publication and the notice was published in the newspaper proper, and not in any supplement. The first publication being on the

29th day of May, 2008
and the last publication on the 29th day of

May, 2008 payment for said advertisement has been duly made, or assessed as court costs. The undersigned has personal knowledge of the matters and things set forth in this affidavit.

Robert Trapp Publisher

Subscribed and sworn to before me this _____ day of _____ A.D. _____

Maria V Lopez Garcia

Maria V. Lopez-Garcia/Notary Public
My commission expires 13 July 2009

Printer's Bill

Time at 42.30

_____ times at _____

Affidavit 5.00

Subtotal 47.30

Tax 5.05

Total 72.35

Printed at Rio Grande SUN

Date _____

By _____

Advertising Invoice

Rio Grande Sun
PO Box 790
Española, NM 87532
Phone: (505)753-2126
Fax: (505)753-2140

MONTGOMERY & ANDREWS, P.A.
PO BOX 2307
SANTA FE, NM 87504

Cust#: 02106350-000
Ad#: 02529155
Phone: (505)986-2624
Date: 05/30/08

Ad taker: EV **Salesperson:** **Classification:** 899

Description	Start	Stop	Ins.	Cost/Day	Surcharges	Total
01 RIO GRANDE SUN	05/29/08	05/29/08	1	62.30		62.30
AFFIDAVIT						5.00

Payment Reference:

Total: 67.30
Tax: 5.05
Net: 72.35
Prepaid: 72.35

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Total Due 0.00

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