

Exhibit H

NOTICE OF RULE MAKING

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

The State of New Mexico, through its Oil Conservation Commission, hereby gives notice that the Commission will conduct a public hearing on **September 12, 2008**, beginning at 9:00 a.m., in Porter Hall at 1220 South St. Francis Drive, Santa Fe, New Mexico, concerning the repeal, adoption and amendment of rules issued pursuant to the Oil and Gas Act, NMSA 1978, Sections 70-2-1 through 70-2-38. If additional time is needed, the hearing may continue at a later date announced by the Commission.

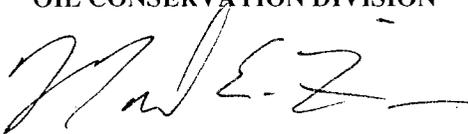
The hearing concerns the following changes to Title 19, Chapter 15 of the New Mexico Administrative Code: repeal of Parts 1-15; adoption of new Parts 2-16, 18-26, 29, 30, 34, 35, 37 and 39 to replace the repealed Parts 1-15; the amendment of Parts 17 and 36. The changes restructure the existing rules; correct cross-references to conform to the new numbering system; correct the placement of definition sections; re-write the rules in the active voice; remove outdated transition language; adopt consistent use of terms; remove outdated references to the carbon black plant monthly report and the new well tax incentive; add definitions of "tribal lands," "tribal leases," "tribal minerals" and "deliverability pressure;" and amend rules on forms to reflect actual filing practices.

Copies of the text of the proposed new rules and amendments are available from acting commission clerk Theresa Duran-Saenz at (505) 476-3483 or from the Division's web site at <http://www.emnrd.state.nm.us/ocd> under "Announcements." If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing, please contact Ms. Duran-Saenz at (505) 476-3483 or through the New Mexico Relay Network (1-800-659-1779) as soon as possible.

Written comments on the proposed amendments, pre-hearing statements and notices of recommended modifications must be received no later than 5:00 p.m. on Wednesday, September 3, 2008. Any person may present non-technical testimony or make an un-sworn statement at the hearing. Any person who intends to present technical testimony or cross-examine witnesses at the hearing shall, no later than 5:00 p.m. on Wednesday, September 3, 2008, file six sets of a pre-hearing statement with Ms. Duran-Saenz. The pre-hearing statement shall include the person's name and the name of the person's attorney; the names of all witnesses the person will call to testify at the hearing; a concise statement of each witnesses' testimony; all technical witnesses' qualifications including a description of the witnesses' education and experience; and the approximate time needed to present the testimony. The person shall attach to the pre-hearing statement any exhibits he or she plans to offer as evidence at the hearing. Any person recommending modifications to a proposed rule change shall, no later than Wednesday, September 3, 2008, file a notice of recommended modifications with Ms. Duran-Saenz including the text of the recommended modifications, an explanation of the modifications' impact, and the reasons for adopting the modifications. Written comments, pre-hearing statements and notices of recommended modifications may be hand-delivered or mailed to Ms. Duran-Saenz at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, or may be faxed to Ms. Duran-Saenz at (505) 476-3462.

Given under the Seal of the State of New Mexico Oil Conservation Commission at Santa Fe, New Mexico on this 13th day of August 2008.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**



**Mark E. Fesmire, P.E.
Director, Oil Conservation Division**

*Application for
Repeal, Replacement
And Amendment
OCD Exhibit No. H*