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October 15, 2008

Mr. David Brooks, Hearing Examiner
New Mexico Energy, Minerals and Natural Resources Dept.
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Ms. Gail MacQuesten, Assistant General Counsel
Energy, Minerals and Natural Resources Dept.
Of the State of New Mexico
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

RE: Case 14129, Application of the New Mexico Oil Conservation Division for a Compliance Order Against General Operating Company, Gene A. Snow and/or Snow Oil & Gas, Inc.

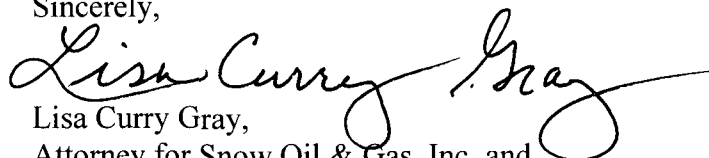
Dear Mr. Brooks and Ms. MacQuesten:

Mr. Snow has indicated that he will be unable to attend the scheduled hearing tomorrow because of emergency circumstances requiring his presence outside the state. I am submitting the enclosed exhibits which recapitulate his testimony and substantiate the Statement of the Case filed on behalf on Snow Oil & Gas and Gene A. Snow heirs on October 9th, 2008:

- A. Exhibit 1: Affidavit of Daniel Snow on behalf of Snow Oil & Gas, Inc.
- B. Exhibit 2: Petition for Formal Probate of the Will of Gene A. Snow
- C. Exhibit 3: OCD filing of release of Gene A. Snow blanket bond.

A copy of the exhibits have been mailed to General Operating Company, 8495 Jacksboro Highway, Wichita Falls, Texas 76301. Thank you for your cooperation in this matter. If you have any questions with regard to the exhibits, please contact me at 505-982-8711.

Sincerely,



Lisa Curry Gray,
Attorney for Snow Oil & Gas, Inc. and
Gene A. Snow heirs
Cc: Dan Snow

APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION, THROUGH THE ENFORCEMENT AND COMPLIANCE MANAGER, FOR A COMPLIANCE ORDER AGAINST GENERAL OPERATING CO., GENE A SNOW AND/OR SNOW OIL & GAS, INC. TO DETERMINE THE CORRECT OPERATOR(S) OF ONE WELL, FINDING THE OPERATOR(S) IN VIOLATION OF 19.15.4.201 NMAC AS TO THE WELL, REQUIRING OPERATOR(S) TO BRING THE WELL INTO COMPLIANCE WITH 19.15.4.201 NMAC BY A DATE CERTAIN, AND IN THE EVENT OF NON-COMPLIANCE DECLARING THE WELL ABANDONED AND AUTHORIZING THE DIVISION TO PLUG THE WELL AND FORFEIT THE APPLICABLE FINANCIAL ASSURANCE, EDDY COUNTY, NEW MEXICO.

AFFIDAVIT OF DANIEL W. SNOW

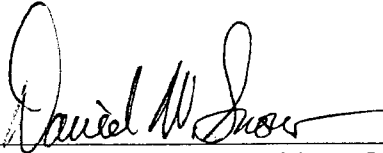
STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

1. I have been an officer of Snow Oil & Gas, Inc., a Texas corporation, ("Snow") with offices located at 303 East Broadway, Andrews, Texas, 79714, since its inception on June 30, 1981.
2. I am presently the Vice President of Operations for Snow and have held this position since July of 1995.
3. Snow was incorporated in the State of Texas on June 30, 1981, as shown on Exhibit "A", the Articles of Incorporation of Snow Oil & Gas, Inc., attached hereto.
4. Snow is an active operator in New Mexico and has posted a \$50,000.00 blanket cash plugging bond, Number OCD-224 to secure the plugging of its wells.
5. Snow has never operated the Kleeman #001, Section 27, T 18S, R 26E, 30-015-00250, Eddy County, New Mexico ("Kleeman").
6. Snow has never been duly authorized, nor is in charge of the development of the Kleeman lease, or in charge of any facility's operation or management associated with the Kleeman lease (19.15.1.7.O(5)NMAC).
7. Snow did not acquire the assets of Gene A. Snow, contract operator and sole proprietor, and is not a successor in interest to Gene A. Snow for the operations of the Kleeman.

SNOW Exhibit 1
CASE No. 14129
Page 1 of 5 Pages

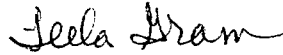
8. Until May of 2006, Nona Snow served as an officer and on the Board of Directors for Snow Oil & Gas.
9. Nona Snow is located at 606 S. 13th Street, Lovington, New Mexico, 88260, and is the registered Agent for Snow in the State of New Mexico.

THIS CONCLUDES MY AFFIDAVIT.



Daniel W. Snow, Vice-President, Operations
Snow Oil & Gas, Inc.

SUBSCRIBED AND SWORN to before me this 15th day of October, 2008.



Notary Public

My Commission Expires:

3-14-09

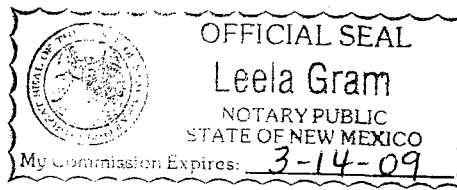


Exhibit A

Attached to Affidavit of Daniel W. Snow dated October 15, 2008

ARTICLES OF INCORPORATION
OF
SNOW OIL & GAS, INC.

FILED
In the Office of the
Secretary of State of Texas

JUL 03 1981

CLERK I C
Corporation Division

The undersigned natural person of the age of eighteen (18) years or more, acting as incorporator of a corporation under the Texas Business Corporation Act, hereby adopts the following Articles of Incorporation for the corporation:

ARTICLE I

Name

The name of the corporation is SNOW OIL & GAS, INC.

ARTICLE II

Duration

The period of its duration is perpetual.

ARTICLE III

Purpose

The purpose for which the corporation is organized is the transaction of any or all lawful business.

ARTICLE IV

Shares

The aggregate number of shares which the corporation has authority to issue is one million (1,000,000) shares of the par value of One Dollar (\$1.00) each. The shares are designated as Common Stock and have identical rights and privileges in every respect.

ARTICLE V

Commencement of Business

The corporation will not commence business until it has received for the issuance of its shares consideration of the value of One Thousand Dollars (\$1,000.00), consisting of money or property actually received.

ARTICLE VI

Registered Office and Agent

The street address of the initial registered office of the corporation is 912 Southwest 9th Street, Seminole, Texas 79360, and the name of its initial registered agent at that address is Samuel L. Snow.

ARTICLE VII

Initial Directors

The number of directors constituting the initial Board of Directors is four (4), and the names and addresses of the persons who are to serve as directors until the first annual meeting of the shareholders, or until their successors are elected and qualified are:

<u>Name</u>	<u>Address</u>
Nona L. Snow	606 S. 13th Street P. O. Box 1270 Lovington, New Mexico 88260
Samuel L. Snow	912 Southwest 9th Street Seminole, Texas 79360
John Mark Snow	606 S. 13th Street P. O. Box 1270 Lovington, New Mexico 88260
David Wayne Snow	606 S. 13th Street P. O. Box 1270 Lovington, New Mexico 88260

ARTICLE VIII

Incorporator

The name and address of the incorporator is Karl Clifford, 2112 Indiana, Lubbock, Texas 79410. He is more than eighteen years of age.

ARTICLE IX

Preemptive Rights

No shareholder or other person shall have any preemptive right whatsoever.

ARTICLE X

Number of Votes

Each share has one vote on each matter on which the share is entitled to vote.

ARTICLE XI

Majority Votes

A majority vote is sufficient for any action which requires the vote or concurrence of shareholders.

ARTICLE XII

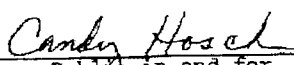
Noncumulative Voting

Directors shall be elected by majority vote. Cumulative voting shall not be permitted.

IN WITNESS WHEREOF, I have hereunto set my hand this 30th day of June, 1981.


KARL CLIFFORD

SWORN TO this 30th day of June, 1981.


Notary Public in and for
the State of Texas

MY COMMISSION EXPIRES
MARCH 16, 1985
CANDY HOSCH