

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

2008 OCT 15 AM 10 29

**IN THE MATTER OF THE APPLICATION
OF THE NEW MEXICO OIL CONSERVATION DIVISION
THROUGH THE ENFORCEMENT AND COMPLIANCE
MANAGER, FOR A COMPLIANCE ORDER IMPOSING
PENALTIES AND CANCELLING OR SUSPENDING THE
AUTHORITY OF QUANNAH, INC. TO TRANSPORT
LIQUID WASTES.**

CASE NO. 14110
De Novo

RESPONSE TO SUBPOENA DUCES TECUM

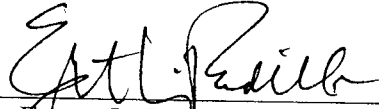
Quannah, Inc., for their response to the Subpoena Duces Tecum issued by the
New Mexico Oil Conservation Division on September 19, 2008 responds to the
Subpoena as shown on the individual response for each request attached hereto:

- No. 1 Articles of incorporation and related corporate filings in Nevada.
- No. 2 None.
- No. 3 Corporate documents identifying the corporate officers.
- No. 4 Documents identifying Quannah, Inc.'s employees.
- No. 5 Price sheet, bid sheet and customer list of Quannah, Inc.
- No. 6 Balance sheet and Inventory List of Quannah, Inc. as of September 1, 2008.
- No. 7
 - a. Bill of Sale for the sale of assets of Quannah, Inc. to G & L Trucking, Inc. (no trucks)
 - b. Form 941 – Employer's Quarterly Federal Tax Return
 - c. G & L Trucking, LLC Retained Employees Agreement.
- No. 8 Lease Agreement between Quannah, Inc. and G & L Trucking, Inc.
- No. 9 None.
- No. 10 Invoices and payment documents for R & B Roustabout Services LLC
- No. 11 E-mails by and between Louis Edgett and Bruce Martin
- No. 12 a. Quannah, Inc invoices and work orders for hauling water for the State R Well for January and February, 2008.
- No. 13 None.
- No. 14 Oil Gauge Sheet for the State R battery
- No. 15 All run tickets and invoices for Quannah's transportation of water on February 7, 2008.

No. 16 Pictures of the State R water tank and surrounding area after the tank
valve and the tank failed on or about September 5, 2008.
No. 17 Affidavit of Karen J. Dunn

PADILLA LAW FIRM P.A.

By:



Ernest L. Padilla

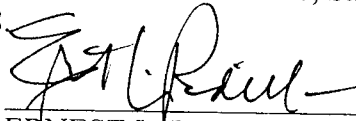
Post Office Box 2523

Santa Fe, NM 87504-2523

(505) 988-7577

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Response to
Subpoena Duces Tecum was hand-delivered to Gail MacQueston, Assistant General
Counsel, New Mexico Oil Conservation Division, 1220 S. St. Francis Drive, Santa Fe,
New Mexico 87505, this 15th day of October, 2008.



ERNEST L. PADILLA