

Summary of Communications

Devon Energy Corporation - Meg Muhlinghouse - Land Advisor
12.5% WI 405-228-4416

- 1) Proposed well 9-8-04 via certified mail with AFE attached.
- 2) Meg called 10-15-04 and said she'd have us an answer soon. Advised Meg we were filing a pooling application soon.
- 3) Sent Meg our proposed JOA 10-19-04 via overnight mail for their consideration and execution.
- 4) Meg called 11-1-04 and said the JOA and AFE were circulating for execution. Advised Meg that we'd dismiss them from pooling as soon as Devon signed the AFE and JOA.

Xeric Oil & Gas Corporation - Rob Barnett - President, Carl Brininstool - Land Manager
12.5% WI 432-683-3171

- 1) Proposed well 8-19-04 to Ronald R. Miles (Xeric's land broker) via certified mail with AFE attached.
- 2) Talked to Rob Barnett 10-7-04 via phone and advised him we haven't received a response from them yet. He said he would have Carl Brininstool call me.
- 3) Carl Brininstool called 10-7-04 and requested that I send them another AFE and JOA for execution.
- 4) Received letter dated 10-7-04 wherein Carl advised me that they were interested in participating in the proposed well. He requested AFE and JOA for execution.
- 5) Advised Carl 10-19-04 via phone that they'd be receiving a pooling application. I told him I was preparing the JOA.
- 6) Sent Carl letter 10-20-04 with JOA and AFE enclosed for their consideration and execution.

Yates Petroleum Corporation - Rob Bullock - Landman
4.51388% WI 505-748-4351

- 1) Sent well proposal letter 8-19-04 with AFE via certified mail.
- 2) Received Yates' letter dated 9-9-04 with signed AFE regarding their election to participate.
- 3) Advised Rob via phone 10-15-04 that we were filing a pooling application soon and that I would get him our JOA for execution.
- 4) Forwarded Rob our JOA 10-20-04 with cover letter requesting them to sign the JOA.

Bank of America, N.A. Trustee of the T.J. & Mary Ray Sivley Trust - Terry Young - Trust Officer
4.6875% WI 918-591-8012

- 1) Proposed well via letter dated 8-18-04 with AFE enclosed.
- 2) Follow up call 9-22-04, left message for Terry to call me.
- 3) Per phone call 10-5-04, Terry requested that I fax the AFE to their Trust Engineer (Leonard Kersch) in Dallas for consideration.
- 4) Per Terry 10-18-04 via phone, the Sivley Trust was going to participate.
- 5) On 10-20-04, sent Terry our JOA for their execution. Advised Terry that they'd be dismissed from the hearing upon our receipt of the executed JOA and AFE.

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

(432) 682-3715
FAX (432) 685-4170

October 19, 2004

Via Overnight Mail
(405) 228-4416

Devon Energy Corporation
20 N. Broadway, Suite 1500
Oklahoma City, Oklahoma 73602
Attn: Meg Muhlinghause

Re: Beretta "26" State Com. #1
E/2 Section 26, T18S, R28E
Eddy County, New Mexico

Dear Meg:

Enclosed for your further handling is our proposed Operating Agreement dated October 13, 2004 for the captioned land and well and a set of signature pages regarding same. If all is in order, please have the Operating Agreement and signature pages executed, retain the agreement for your file and return only the signature pages to me for further handling.

Once we've received the executed signature pages, Devon will be dismissed from the Pooling hearing to occur November 7, 2004. Please call me should you have any questions or concerns regarding the above.

Your cooperation is gratefully appreciated.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

DPH/gb

Devon - Meg called this date and said she'd try to get us something in writing soon - Devon is participating. Advised her I would have a JOA in her hands next week. Advised Meg we had a pooling hearing set for November 4th. Pff

Devon - Meg called this date and said they were in. The AFE and JOA is being circulated for signature. Advised Meg we would dismiss them from the pooling hearing as soon as we had everything signed. Pff
10/15/04
11-1-04

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 mail piece, or on the front if space permits.

1. Article Addressed to:

Devon Energy Corporation
20 N. Broadway, Suite 1500
Oklahoma City, OK 73102
Attn: Mr. Ken Gray

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

[Signature]

☐ Agent

☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

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

If Yes, enter delivery address below: ☐ Yes ☐ No



3. Service type

☒ Certified Mail ☐ Registered Mail

☐ Registered ☐ Return Receipt for Merchandise

☐ Insured Mail ☐ G.O.D.

4. Restricted Delivery (Excluded)

☐ Yes

2. Article Number

(Insert 10 or 12 digit barcode)

7002 2410 0000 1362 5140

Postmark: SEP 14 2001

Postage Paid

Barcode

(255-12-1-150)

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

(432) 682-3715
FAX (432) 685-4170

September 8, 2004

Via Fax (405) 552-8113

Certified Mail-Return Receipt No. 5140

Devon Energy Corporation
20 N. Broadway, Suite 1500
Oklahoma City, Oklahoma 73102
Attn: Mr. Ken Gray

Re: MOC's Beretta "26" State Com. #1 Well
660' FNL & 1650' FEL
Section 26, T18S, R28E
Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company (Mewbourne) as Operator, hereby proposes drilling the captioned well at the referenced location to a depth sufficient to evaluate the Morrow formation, estimated total depth being 11,000' beneath the surface. The E/2 of the captioned Section 26 will be dedicated to the well.

In reference to the above, enclosed is our AFE dated August 11, 2004 for your consideration. In the event your firm elects to participate in the captioned well, please sign and return the AFE to me and I will forward you our Operating Agreement for consideration and execution.

According to records available to us, Devon Energy Corporation (Devon) owns a 72/144 interest in State Lease #E-1286 covering the NE/4NE/4 and NE/4SE/4 below 500' below the top of the San Andres formation.

In the event Devon elects not to participate in the captioned proposed well Mewbourne offers to purchase a two (2) year term assignment on the basis of \$200.00 per acre wherein Mewbourne would be delivered a 75% NRI in the referenced lands.

Should you have any questions regarding the above, please call me.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

DPH/gb

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

(432) 682-3715
FAX (432) 685-4170

October 20, 2004

Xeric Oil & Gas Corporation
P.O. Box 352
Midland, Texas 79702-0352
Attn: Carl O. Brininstool

Re: Beretta "26" State Com. #1
E/2 Section 26, T18S, R28E
Eddy County, New Mexico

Dear Carl:

Enclosed for your further handling is our proposed Operating Agreement dated October 13, 2004 and our AFE dated August 11, 2004 for the captioned land and well and a set of signature pages regarding the Operating Agreement. If all is in order, please have the Operating Agreement and signature pages executed, retain the agreement for your file and return only the signature pages and AFE to me for further handling.

Once we've received the executed signature pages, Xeric will be dismissed from the Pooling hearing to occur November 7, 2004. Please call me should you have any questions or concerns regarding the above.

Your cooperation is gratefully appreciated.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

DPH/gb

● Xeric O&G - Carl Brininstool 683-3171

Advised Carl he'd be receiving a pooling application
as we don't have a JDA with the joint interest owners.
Advised him he'd receive our proposed JDA and AFE
this week. Upon their execution of same, they'll be
dismissed from the pooling hearing. JTB
10/19/04

Xeric Oil & Gas Corporation

1801 W. Texas, P.O.Box 352
Midland, Texas 79702
(432) 683-3171 Fax: (432) 683 3152

October 7, 2004

Mewbourne Oil Company
500 W. Texas, Suite 1020
Midland, Texas 79701
Attn: Mr. D. Paul Haden

RE: Beretta "26" St. Com. #1
Sec. 26, T18S, R28E
Eddy County, New Mexico

Dear Paul:

In accordance with our telephone conversation on this date, Xeric Oil & Gas Corporation ("Xeric") is interested in participating in Mewbourne Oil Company's ("Mewbourne") referenced well. As you are aware Xeric owns a 100% interest in the SW/4 NE/4 of Section 26 which would give it a 12.5% interest in the proposed well.

Please forward the undersigned an original AFE and Joint Operating Agreement for our approval and execution. These documents should be set up for execution by Rob Barnett, President, Xeric Oil & Gas Corporation, a Texas Corporation. Xeric's commitment to Mewbourne on the above referenced well is subject to Mewbourne and Xeric executing a mutually acceptable AFE and Joint Operating Agreement.

In the event you have any questions regarding the above please do not hesitate to call the undersigned at the above number.

Sincerely,



Carl O. Brininstool
Special Projects Manager

COB/cm
Mewbourneberetta182826
cc: RLC, RCB
PF, RF

VERIC O&G.

ROB BARNETT - Pres.

683-3171

Called Rob & left message
for him to call me.

8/31 @ 3:50

Pft.
10-7-04

Rob returned my call and I advised
him that we'd be filing a pooling
application for Nov. 17th hearing.
He'll get back w/ me.

Pft.
10-7-04

Cal Brannenstock w/ Kevin called
this date, said they'd create A&B and
wanted to see our J&A.

Pft.
10-7-04

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 mail piece, open the front flaps, and seal.

Article Addressed to:

Mr. Ronald R. Miles
P.O. Box 3841
Roswell, New Mexico 88202-3841

COMPLETE THIS SECTION ON DELIVERY

A. Signature *R. Miles* E. Agent ☐ Agent ☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery
07-20-97

D. If delivery address different from item 1, E, YES, enter delivery address below. ☐ YES ☒ NO

3. Service type

☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ COD ☐ Yes

4. Restricted Delivery (Excluded) ☐ Yes

2. Article Number

(Transcript from PS Bell)

7002 2410 0000 1362 5072

PS Form 3811, August 2001

Domestic Return Receipt

102535-02-115-0

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

(432) 682-3715
FAX (432) 685-4170

August 19, 2004

Certified Mail-Return Receipt No. 5072

Mr. Ronald R. Miles
P.O. Box 3841
Roswell, New Mexico 88202-3841

Re: MOC's Beretta "26" State Com. #1 Well
660' FNL & 1650' FEL
Section 26, T18S, R28E
Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company (Mewbourne) as Operator, hereby proposes drilling the captioned well at the referenced location to a depth sufficient to evaluate the Morrow formation, estimated total depth being 11,000' beneath the surface. The E/2 of the captioned Section 26 will be dedicated to the well.

In reference to the above, enclosed is our AFE dated August 11, 2004 for your consideration. In the event your firm elects to participate in the captioned well, please sign and return the AFE to me and I will forward you our Operating Agreement for consideration and execution.

According to records available to us, you own a full interest in the recent State Lease covering the SW/4NE/4 of the captioned Section 26. Please forward this well proposal to your client.

Should you have any questions regarding the above, please call me.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

DPH/gb

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

(432) 682-3715
FAX (432) 685-4170

October 20, 2004

Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210-2118
Attn: Robert H. Bullock

Re: Beretta "26" State Com. #1
E/2 Section 26, T18S, R28E
Eddy County, New Mexico

Dear Rob:

Enclosed for your further handling is our proposed Operating Agreement dated October 13, 2004 for the captioned land and well and a set of signature pages regarding same. If all is in order, please have the Operating Agreement and signature pages executed, retain the agreement for your file and return only the signature pages to me for further handling.

Once we've received the executed signature pages, Yates will be dismissed from the Pooling hearing to occur November 7, 2004. Please call me should you have any questions or concerns regarding the above.

Your cooperation is gratefully appreciated.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

DPH/gb

Yates - Rob called this date about another matter,
Advised Rob we had pooling hearing set for
Nov. 4th and that I'd get him a ETOA
to him next week.

PA.
10/15/04

MARTIN YATES, III
1912 - 1985
FRANK W. YATES
1936 - 1986



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118
TELEPHONE (505) 748-1471

S. P. YATES
CHAIRMAN OF THE BOARD
JOHN A. YATES
PRESIDENT
PEYTON YATES
EXECUTIVE VICE PRESIDENT
RANDY G. PATTERSON
SECRETARY
DENNIS G. KINSEY
TREASURER

September 9, 2004

Mewbourne Oil Company
500 W. Texas, Suite 1020
Midland, TX 79701

RE: AFE
Berretta "26" St Com #1
Sec 26, T18S-R28E
Eddy County, New Mexico

Gentlemen:

Yates Petroleum Corporation has signed your AFE for the drilling of the captioned well subject to review and acceptance of Mewbourne's Joint Operating Agreement.

Should you have any questions please call **Rob Bullock** at 505-748-4351.

Thank you.

Very truly yours,

YATES PETROLEUM CORPORATION

Barbara Nelson
Land Assistant

:bn
enclosure(s)

2004-09-09 10:00 AM FAXED TO MEWBOURNE OIL COMPANY

YATES PETROLEUM CORPORATION

Copyright © 2004 Yates Petroleum Corporation. All rights reserved. This document is the property of Yates Petroleum Corporation and is not to be distributed outside the company without the written consent of the company.

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 mail piece or on the front if space permits.

1. Article Addressed to:

Yates Petroleum Corporation
105 South 4th Street
Artesia, New Mexico 88210
Attn: Mr. Robert H. Bullock

2. Article Number

(Transfer from service label)

7002 2410 0000 1362 5065

PS Form 3811, August 2001

Domestic Return Receipt

Bullock 26 #1

1025-05-02-V1-540

COMPLETE THIS SECTION ON DELIVERY

A. Signature of Addressee *[Signature]*

B. Received by (Printed Name) *[Signature]*

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
- ☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Box Fee) ☐ Yes

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

(432) 682-3715
FAX (432) 685-4170

August 19, 2004

Certified Mail-Return Receipt No. 5065

Yates Petroleum Corporation
105 South 4th Street
Artesia, New Mexico 88210
Attn: Mr. Robert H. Bullock

Re: MOC's Beretta "26" State Com. #1 Well
660' FNL & 1650' FEL
Section 26, T18S, R28E
Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company (Mewbourne) as Operator, hereby proposes drilling the captioned well at the referenced location to a depth sufficient to evaluate the Morrow formation, estimated total depth being 11,000' beneath the surface. The E/2 of the captioned Section 26 will be dedicated to the well.

In reference to the above, enclosed is our AFE dated August 11, 2004 for your consideration. In the event your firm elects to participate in the captioned well, please sign and return the AFE to me and I will forward you our Operating Agreement for consideration and execution.

According to records available to us, Yates Petroleum Corporation (Yates) owns a 26/144 interest in State Lease #LG-0460 (NE/4NE/4) and State Lease #E-1286 (NE/4SE/4).

In the event Yates elects not to participate in the captioned proposed well Mewbourne offers to purchase a two (2) year term assignment on the basis of \$200.00 per acre wherein Mewbourne would be delivered a 75% NRI in the referenced lands.

Should you have any questions regarding the above, please call me.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

(432) 682-3715
FAX (432) 685-4170

October 20, 2004

Via Overnight Mail
(918) 591-8012

Bank of America, Trustee
of the T.J. and Mary Ray Sivley Trust
2100 S. Utica, Suite 150
Tulsa, Oklahoma 74114
Attn: Terry L. Young

Re: Beretta "26" State Com. #1
E/2 Section 26, T18S, R28E
Eddy County, New Mexico

Dear Terry:

Enclosed for your further handling is our proposed Operating Agreement dated October 13, 2004 and our AFE dated August 11, 2004 for the captioned land and well and a set of signature pages regarding the Operating Agreement. If all is in order, please have the Operating Agreement and signature pages executed, retain the agreement for your file and return only the signature pages and AFE to me for further handling.

Once we've received the executed signature pages, the Sivley Trust will be dismissed from the Pooling hearing to occur November 7, 2004. Please call me should you have any questions or concerns regarding the above.

Your cooperation is gratefully appreciated.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

DPH/gb

Bank of America -
Terry D. Young 918-591-8012

Per Terry this date, the Shirley Trust was going to participate. Advised Terry that he'd receive our JOA this week and that there was a pooling hearing set for Nov. 4th.

RJ
10-18-04

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

(432) 682-3715
FAX (432) 685-4170

FACSIMILE TRANSMITTAL COVER SHEET

DATE: 10-5-04

PAGE 1 of 2 PAGES

TO: LEONARD KERSCH COMPANY: BANK OF AMER.

FACSIMILE NO.: 214-209-3082 PHONE NO.: _____

FROM: PAUL HADEN

MESSAGE:

LEONARD - PURSUANT TO TERRY YOUNG'S
REQUEST, ATTACHED IS A COPY OF
OUR AFE FOR THE BERETTA "26"
St. Com #1 WELL.

THE SIVLEY TRUST OWNS A 4.6875% WI
IN THE PROPOSED E/2 SPACING UNIT.

PLEASE CALL ME AT 432-682-3715 SHOULD
YOU HAVE ANY QUESTIONS.

CONFIDENTIALITY NOTE: The information contained in this facsimile message is confidential and is intended only for the use of the individual or entity named above. Dissemination of this facsimile to anyone else is strictly prohibited. If you have received this facsimile in error, please notify us by telephone immediately.

Terry Young w/ Bank of America
Re: Sibley Trust
918-591-8012

Follow up call this date regarding
Sibley Trust's participation in
Beretta 26" Left message.

WOM 9-12-04

WSP 9-25-04

8:54-08:54

8:54 - 11:11 AM

may 11:11 AM

9:33 - 10:00 AM

~~11:11 AM~~

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

(432) 682-3715
FAX (432) 685-4170

August 18, 2004

Bank of America, N.A. Trustee
2100 S. Utica, Suite 150
Tulsa, Oklahoma 74114
Attn: Mr. Terry L. Young

Re: MOC's Beretta "26" State Com. #1 Well
E/2 of Section 26, T18S, R28E
Eddy County, New Mexico

Dear Terry:

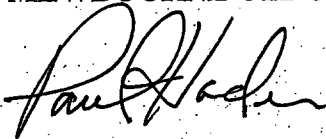
Enclosed for your information is a copy of our AFE dated August 11, 2004 regarding the captioned well which will be drilled to a depth sufficient to evaluate the Morrow formation, estimated total depth being 11,000' beneath the surface. Pending final surface considerations, the well will be located 1650' FEL & 660' FNL of the captioned Section 26 with such well being dedicated to the E/2 of the subject Section 26 for proration unit purposes.

Regarding the above, the Sivley Trust owns a 3/8 interest in the SE/4SE/4 as referenced in my previous letter dated July 23, 2004 (see copy enclosed).

In the event the Sivley Trust elects to join in the well, the Sivley Trust will have a 4.6875% unit working interest in the captioned land and well. Please call should you have any questions regarding the above.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

DPH/gb