



MEWBOURNE
OIL COMPANY

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General Counsel

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September 7, 2017

Via Certified Mail 7014 2120 0003 5188 2514

Mr. David Catanach
New Mexico Energy, Minerals and Natural
Resources Department
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

Re: New Mexico Oil Conservation Division Application of Mewbourne Oil Company for a Non-Standard Spacing and Proration Unit, Compulsory Pooling, and an Unorthodox Gas Well Location in Eddy County, New Mexico for the following wells:

Order No. R-13879-A, Case No. 15547; the Owl Draw 22 W1AP Fed. Com. No. 1H Well; E1/2 of Section 22, Township 26 South, Range 27 East, N.M.P.M., Eddy County, New Mexico;

Order No. R-13814-A, Case No. 15548; the Owl Draw 22/27 B2AP Fed. Com. No. 1H Well; E1/2E1/2 of Section 22 and the E1/2E1/2 of Section 27, Township 26 South Range 27 East, N.M.P.M., Eddy County, New Mexico

Order No. R-13749-A, Case No. 15549; the Owl Draw 23 DM Fed. Com. No. 1 Well; W1/2 of Section 23, Township 26 South, Range 27 East, N.M.P.M., Eddy County, New Mexico;

Order No. R-13751-A, Case No. 15550; the Owl Draw 23 DM Fed. Com. No. 2 Well; W1/2W1/2 of Section 23, Township 26 South, Range 27 East, N.M.P.M., Eddy County, New Mexico;

Order No. R-13959-A, Case No. 15551; the Owl Draw 22/27 B2BO Fed. Com. No. 2H Well; W1/2E1/2 of Section 22 and W1/2E1/2 of Section 27; Township 26 South, Range 27 East, N.M.P.M., Eddy County, New Mexico;

Order No. R-14018-A, Case No. 15552; the Owl Draw 27/22 B2MD Fed. Com. No. 1H Well; W1/2W1/2 of Section 27 and the W1/2W1/2 of Section 22, Township 26 South, Range 27 East, N.M.P.M., Eddy County, New Mexico; and

Order No. R-14415, Case No. 15562; the Owl Draw 27/22 W2NC Fed. Com. No. 2H Well; W1/2 of Section 22 and the W1/2 of Section 27, Township 26 South, Range 27 East, N.M.P.M., Eddy County, New Mexico.

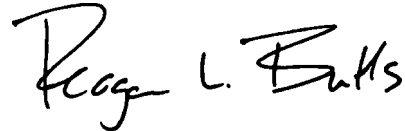
Mr. Catanach:

The above-referenced Orders request that Mewbourne Oil Company, as operator, "shall furnish the Division and to each of the additional parties who claims a working or unleased interest in the Unit ('additional owners') an itemized schedule of actual costs of drilling, completing, and equipping the well ('well costs')." In that regard, enclosed with this correspondence, please find a CD with an Excel spreadsheet labeled, "Owl Draw Wells Actual Cost through July 2017.xlsx".

Please notify Mr. Bruce if there is any trouble accessing the contents of this Excel file. Thank you for your professional courtesies in this matter.

Regards,

MEWBOURNE OIL COMPANY

A handwritten signature in black ink, appearing to read "Reagan L. Butts". The signature is written in a cursive, flowing style.

Reagan L. Butts
General Counsel

Enclosures: (Referenced)

cc:

Via Email

cmitchell@mewbourne.com
Mr. Corey Mitchell
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