Summary of Communications Compulsory Pooling Case No. 13158 La Huerta "30" #1 Well S/2 of Section 30, T21S, R27E Eddy County, New Mexico

Mr. Tony Giarratano

- 1) 11-11-02: Jack Madison sent lease for execution with lease bonus consideration.
- 2) 01-21-03: Follow up letter regarding status of lease execution.
- 3) 05-07-03: Follow up letter regarding status of lease execution.
- 4) 07-15-03: Well proposal letter with AFE sent via certified mail.

Ben C. Cavender, et ux Christine E. Cavender

- 1) 08-20-03: Well proposal letter with AFE sent via certified mail to this address. Letter was returned unclaimed.
- 2) 08-29-03: Well proposal letter with AFE sent via certified mail to this address. Letter was returned unclaimed.

J.P. Morgan Chase Bank, Trustee for Leigh Caldwell - Mr. Roy Buckley (713) 216-4484

- 1) 03-28-03: Jack Madison sent lease offer letter.
- 2) 08-20-03: Well proposal letter with AFE sent via certified mail with offer to purchase lease.
- 3) 08-25-03: Mr. Buckley advised me this date by phone that the Caldwell Trust owns no mineral interest in New Mexico according to their records.

Family Eldercare, Inc. - Guardian for Martha Leigh Caldwell - Wendy Schaeffer - Attorney for Elder care, Inc. and Martha Leigh Caldwell

- 1) 11-22-02: Jack Madison sent lease offer letter this date.
- 2) 01-21-03: Follow up letter this date regarding the lease and lease bonus check mailed to them.

- 3) 05-07-03: Follow up letter this date regarding the lease which has not been executed.
- 4) 10-01-03: Called Wendy Schaeffer this date. She says Eldercare has no authority to execute leases covering property in New Mexico. Under court order they only have authority to sign contracts for Texas property. They acknowledge receiving our lease bonus check and said they were obligated to cash it as Guardian. Wendy advised me that they elected to be force pooled as it wasn't worth the cost of a quiet title suit to obtain authority to execute New Mexico leases.

Dr. Thomas W. Pendergrass

- 1) 10-19-02: Madison sent letter this date with our lease offer.
- 2) 07-24-03: Proposed well this date via certified mail. Letter was returned unclaimed.

Burlington Northern and Santa Fe Railway Company - Mr. Greg Golladay

1) 08-20-03: Proposed well this date via certified mail with AFE enclosed. Offered to purchase their interest in the event the Railroad elected not to participate. Greg advised me that Devon Energy has the first right of refusal. Accordingly, copy of letter was sent to Devon.

R.E. Fox, et ux Annie Fox

1) 08-20-03: Sent well proposal letter this date with AFE via certified mail with offer to lease their interest. Letter was returned unclaimed.

Dennis A. Morris, et ux Verlyn Morris

1) 08-20-03: Sent well proposal this date with AFE via certified mail. Letter was returned unclaimed.

Address search via internet @White Pages.com

1) 10-29-02: Searched for Cavender, Pendergrass, Fox and Morris addresses and phone numbers this date. Found no leads as to Cavender, Pendergrass or Fox. Found several addresses and phone numbers for Dennis Morris in California. All were wrong numbers for Dennis A. Morris.

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

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

July 15, 2003

Certified Mail-Return Receipt No. 0845

Tony Giarratano P.O. Box 846 Ruidoso, N.M. 88355

Re: MOC's La Huerta "30" Fee #1 Well S/2 of Section 30, T21S, R27E Eddy County, New Mexico

Dear Mr. Giarratano:

To date you have not returned the executed Oil and Gas Lease dated November 11, 2002 which we paid you a total of \$46.13 for leasing your 1/12 mineral interest in a 3.69 acre tract of land in Block 8 of the La Huerta subdivision as more particularly described in said lease. Accordingly, we are giving you the opportunity of participating in the referenced well to the extent of your interest in lieu of being force pooled in the event you elect not to execute the enclosed Oil & Gas Lease.

Regarding the above, Mewbourne Oil Company, as Operator hereby proposes drilling the captioned well at a surface location of 2114' FSL & 2816' FWL of Section 29, T21S, R27E and drill same directionally to a vertical depth of approximately 11,725' beneath the surface to a bottom hole location of approximately 750' FSL & 700' FEL of Section 30, T21S, R27E for a true measured depth of 12,676'. The S/2 of the captioned Section 30 will be dedicated to the well for proration unit purposes.

Enclosed for your consideration and further handling regarding the above proposed well is our AFE dated June 18, 2003 which is an estimated well cost for the referenced well. In the event you elect to participate in the subject proposed well, please sign and return the attached AFE and I will forward you our Operating Agreement for your execution along with our invoice for your proportionate part of the estimated well cost.

In the event you decide not to participate in the proposed well or be force pooled at an Examiner's hearing in Santa Fe, New Mexico, please sign the enclosed Oil and Gas Lease in the presence of a Notary Public and return same to me in the enclosed postage paid envelope which we've provided for your convenience in returning same.

Sincerely yours,

MEWBOURNE OIL COMPANY

D. Paul Haden Senior Landman

PS Form 3811_August 2001 Domestic Beturn Receipt SENDER: COMPLETE THIS SECTION 2. Article Number 1. Article Addressed to: Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Southat we can return the card to you. Attach this card to the back of the mailpiece, Kudoss, A.M. 88355 P. 0. Boy 846 Print your name and address on the reverse or on the front if space permits. (Transfer from service label) ou Diarratano Eblb 0200 0200 0001 3. Service Type 4. Restricted Delivery? (Extra Fee) òo COMPLETE THIS SECTION ON DELIVERY . Signat Insured Mail If YES, enter delivery address below: ceived by (Printed Name) E O 21Augustalio à les Express Mail
 Areturn Receipt for Merchandise
 C.O.D. 0845 C. Daterof Delivery ., D No Agent 102595-02-M-1035 □ Yes Addressee

3.:

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

> (915) 682-3715 FAX (915) 685-4170

May 7, 2003

Certified Mail-Return Receipt No. 0258

Mr. Tony Giarratano P.O. Box 846 Ruidoso, New Mexico 88355

Re: MOC's La Huerta "30" #1 Well S/2 of Section 30, T21S, R27E Eddy County, New Mexico

Dear Mr. Giarratano:

To date we have not received the executed Oil and Gas Lease dated November 11, 2002 which Jack Madison had previously sent you for execution with our check #8500 for \$39.04 and check #8513 for \$7.09.

Regarding the above, please sign the duplicate enclosed lease in the presence of a Notary Public and return to me in the enclosed postage paid envelope. For your reference, I've also included a copy of the referenced checks which you have apparently cashed.

In the event we do not receive the requested executed Oil and Gas Lease, your mineral interest will be force pooled at an Examiner's hearing in Santa Fe, New Mexico at the offices of the New Mexico Oil Conservation Division. If this occurs, you will not receive any oil and gas revenues attributable to the royalty interest provided for in the reference Oil and Gas Lease.

Should you have any questions regarding the above, please call. Your cooperation in connection with the above would be appreciated.

Sincerely yours,

MEWBOURNE OIL COMPANY

D. Paul Haden Senior Landman

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

> (915) 682-3715 FAX (915) 685-4170

January 21, 2003

Mr. Tony Giarratano P.O. Box 846 Ruidoso, NM 88355

Re: MOC's La Huerta "30" #1 Well S/2 of Section 30, T21S, R27E Eddy County, New Mexico

Dear Mr. Giarratano:

To date we have not received the executed Oil and Gas Lease from you regarding your mineral interest in a 3.69 acre tract of land located in the SW/4 of the captioned Section 30. Is there a problem? If so, please call me at (915) 682-3715.

In the event you decide not to lease to Mewbourne Oil Company on the previously agreed terms, we would appreciate your returning our check #8500 and #8513 dated November 11, 2002 for a total of \$46.13 to me at your very earliest convenience along with the unexecuted Oil and Gas Lease currently in your possession.

Please call should you have any questions regarding the above.

Sincerely yours,

MEWBOURNE OIL COMPANY

D. Paul Haden Senior Landman

Jack Madison Petroleum Landman

Office: 915-756-2434 Fax: 915-756-4514 P.O. Box 746 Stanton, TX 79782

November 11, 2002

Tony Giarratano P.O. Box 846 Ruidoso, NM 88355

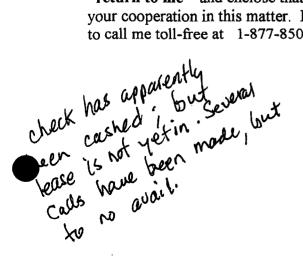
> Re: 3.69 acres out of Lot Five, Block 8, La Huerta Subdivision SW/4 Section 30 T -21-S R-27-E Eddy County, NM

Dear Mr. Giarrtano:

In accordance with out earlier telephone conversation, I am enclosing the following:

- Original Oil and Gas lease covering your 1/12 mineral interest in the captioned acreage. As we agreed, the lease provides for a three (3) year primary term, a 3/16 royalty, and a bonus consideration of \$ 150 per net mineral acre.
- 2. Our checks totaling \$46.13 as bonus consideration for the lease (\$150/acre x .3075 acres)

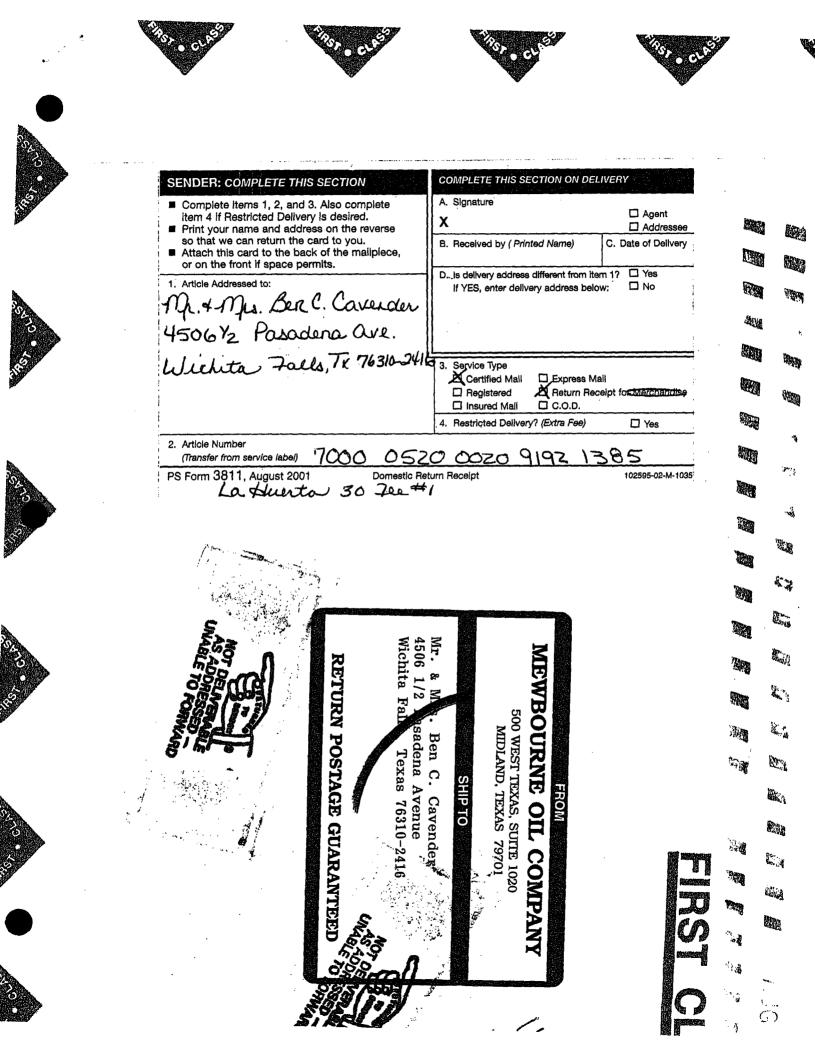
Please execute the lease in the presence of a notary public and return it to me in the stamped self-addressed envelope I have enclosed. Mewbourne will also need your SS# or Tax ID # for tax reporting purposes. Please affix the proper ID# to the sheet marked "return to me" and enclose that page along with your executed lease. We appreciate your cooperation in this matter. If you should have any questions, please do not hesitate to call me toll-free at 1-877-850-1651.



Sincerely,

Tack Modeson

Jack Madison



Mewbourne Oil Company

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

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

August 29, 2003

Certified Mail-Return Receipt No. 1385

Mr. & Mrs. Ben C. Cavender 4506 ½ Pasadena Avenue Wichita Falls, Texas 76310-2416

Re: La Huerta "30" Fee #1 Well S/2 of Section 30, T21S, R27E Eddy County, New Mexico

Dear Mr. & Mrs. Cavender:

Mewbourne Oil Company (Mewbourne) hereby offers to purchase a three (3) year paid-up Oil and Gas Lease from you on the basis of \$150.00 per net mineral acre with such lease providing a 3/16 royalty interest, subject to proportionate reduction. This is in regard to your full mineral interest owned in the Southwest corner of Lot 10, Block Eleven of the La Huerta Subdivision, an addition to the City of Carlsbad, being located in the SE/4 of the captioned Section 30, containing .2617 acres, more or less.

In reference to the above, Mewbourne as Operator hereby proposes to drill the subject well at a surface location 2114' From the South Line (FSL) and 2816' From the West Line (FWL) of the adjoining Section 29, T21S, R27E and directionally drilling same to a bottom hole location of 750' FSL & 700' FEL of the captioned Section 30. Such well will be drilled to a depth sufficient to adequately evaluate the Morrow formation, estimated total vertical depth being approximately 11,725' beneath the surface with a total measured footage of 12,676'. The captioned 320 acres will be dedicated to the well for gas proration unit purposes.

In the event you elect not to lease your mineral interest as offered, Mewbourne invites your participation as a joint working interest owner in the proposed well as to your mineral ownership in the referenced land. In this connection, enclosed for your consideration and execution is an Authorization For Expenditure (AFE) dated June 18, 2003 which is an estimated well cost for the subject well. Should you elect to participate in the proposed well, please sign the AFE and return same to me. Upon our receipt of same, I will forward you our proposed Operating Agreement for the above proposed well and our invoice for your proportionate part of the estimated well cost.

Mr. & Mrs. Ben C. Cavender La Huerta "30" Fee #1 Well August 29, 2003 Page -2-

The above lease offer is subject to your immediate acceptance and Mewbourne's approval of title.

Please call should you have any questions regarding the above.

Sincerely yours,

MEWBOURNE OIL COMPANY

D. Paul Haden Senior Landman



102595-02-M-1035

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HUELTHO 30

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PS Form 3811, August 2001

2. Article Number

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B

(Transfer from service tabe) 7000 0520. 0020





FIRST CLASS MAIL

FROM **MEWBOURNE OIL COMPANY** 500 WEST TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

SHIP TO

Mr. & Mrs. Benjamin C. Cavender Route 1, Box 224 Buchmen Ham, Lexas 78609

RETURN POSTAGE GUARANTEED

MOVED, LEFT NO ADDRESS NOT DELIVERABLE AS ADDRESSED UNABLE TO FORWARD ATTENDATION AND MADINE

UNABLE TO FORWARD ATTEMPTED - NOT KNOWN D. U.I.CLAIMED ____ REFUSED D. L. TUNH STREET - NUME C. L. TUNH STREET - NUME C. L. TUNK A TUNKENS C. K. TUNK A TUNKENS











8-23

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

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

August 20, 2003

Certified Mail-Return Receipt No. 1347

Mr. & Mrs. Benjamin C. Cavender Route 1, Box 224 Buchanan Dam, Texas 78609

Re: La Huerta "30" Fee #1 Well S/2 of Section 30, T21S, R27E Eddy County, New Mexico

Dear Mr. & Mrs. Cavender:

Mewbourne Oil Company (Mewbourne) hereby offers to purchase a three (3) year paid-up Oil and Gas Lease from you on the basis of \$150.00 per net mineral acre with such lease providing a 3/16 royalty interest, subject to proportionate reduction. This is in regard to your full mineral interest owned in the Southwest corner of Lot 10, Block Eleven of the La Huerta Subdivision, an addition to the City of Carlsbad, being located in the SE/4 of the captioned Section 30, containing .2617 acres, more or less.

In reference to the above, Mewbourne as Operator hereby proposes to drill the subject well at a surface location 2114' From the South Line (FSL) and 2816' From the West Line (FWL) of the adjoining Section 29, T21S, R27E and directionally drilling same to a bottom hole location of 750' FSL & 700' FEL of the captioned Section 30. Such well will be drilled to a depth sufficient to adequately evaluate the Morrow formation, estimated total vertical depth being approximately 11,725' beneath the surface with a total measured footage of 12,676'. The captioned 320 acres will be dedicated to the well for gas proration unit purposes.

In the event you elect not to lease your mineral interest as offered, Mewbourne invites your participation as a joint working interest owner in the proposed well as to your mineral ownership in the referenced land. In this connection, enclosed for your consideration and execution is an Authorization For Expenditure (AFE) dated June 18, 2003 which is an estimated well cost for the subject well. Should you elect to participate in the proposed well, please sign the AFE and return same to me. Upon our receipt of same, I will forward you our proposed Operating Agreement for the above proposed well and our invoice for your proportionate part of the estimated well cost.

Mr. & Mrs. Benjamin C. Cavender La Huerta "30" Fee #1 Well August 20, 2003 Page -2-

The above lease offer is subject to your immediate acceptance and Mewbourne's approval of title.

Please call should you have any questions regarding the above.

Sincerely yours,

MEWBOURNE OIL COMPANY

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D. Paul Haden Senior Landman

Mewbourne Oil Company

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

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

August 20, 2003

Certified Mail-Return Receipt No. 1323

J.P. Morgan Chase Bank, Trustee of the Leigh Cardwell Irrevocable Trust P.O. Box 2558 Houston, Texas 77252-8033 Attn: Mr. Roy Buckley

uckley (7/3)216-4484 30" Fee #1 Well

Re: La Huerta "30" Fee #1 Well S/2 of Section 30, T21S, R27E Eddy County, New Mexico

Ladies and Gentlemen:

Mewbourne Oil Company (Mewbourne) hereby offers to purchase a three (3) year paid-up Oil and Gas Lease from the Leigh Cardwell Irrevocable Trust (the Trust) on the basis of \$150.00 per net mineral acre with such lease providing a 3/16 royalty interest, subject to proportionate reduction. This is in regard to the Trust's undivided 1/3 mineral interest owned in the West 110 feet of Lot Three and all of Lot Four, Block 8 of the La Huerta Subdivision, <u>save and except</u> two tracts of land in the South 191.929 feet of the West 397 feet thereof and the East 117 feet of the West 514 feet of the North 176.929 feet of the South 191.929 feet thereof, said land containing 3.7577 acres, more or less in the SW/4 of Section 30, T21S, R27E, Eddy County, New Mexico.

In reference to the above, Mewbourne as Operator hereby proposes to drill the subject well at a surface location 2114' From the South Line (FSL) and 2816' From the West Line (FWL) of the adjoining Section 29, T21S, R27E and directionally drilling same to a bottom hole location of 750' FSL & 700' FEL of the captioned Section 30. Such well will be drilled to a depth sufficient to adequately evaluate the Morrow formation, estimated total vertical depth being approximately 11,725' beneath the surface with a total measured footage of 12,676'. The captioned 320 acres will be dedicated to the well for gas proration unit purposes.

Leigh Cardwell Irrevocable Trust La Huerta "30" Fee #1 Well August 20, 2003 Page -2-

In the event the Trust elects not to lease its mineral interest as offered, Mewbourne invites the Trust's participation as a joint working interest owner in the proposed well as to its mineral ownership in the referenced land. In this connection, enclosed for the Trust's consideration and execution is an Authorization For Expenditure (AFE) dated June 18, 2003 which is an estimated well cost for the subject well. Should the Trust elect to participate in the proposed well, please have the AFE executed on behalf of the the Trust and return same to me. Upon our receipt of same, I will forward the Trust our proposed Operating Agreement for the above proposed well and our invoice for the Trust's part of the estimated well cost.

The above lease offer is subject to the Trust's immediate acceptance and Mewbourne's approval of title.

Please call should you have any questions regarding the above.

Sincerely yours,

MEWBOURNE OIL COMPANY

D. Paul Haden Senior Landman

Ter Roy Buckley - He says the Trust owns no interest in Eddy County. He requested documentation as the title being brought into Montha Leigh Cardwell, Pit. 8/25/03

P.O. Box 2558 Cardwell Irrevocable Trust Trustee of the Leigh SENDER: COMPLETE THIS SECTION J.P. Morgan Chose Bank, PS Form 3811, August 2001 ATTO: Mr. 1. Article Addressed to: 2. Article Number touston, TX 77252-8033 Attach this card to the back of the mailpiece, Print your name and address on the reverse Complete items 1, 2, and 3. Also complete or on the front if space permits. (Transfer from service label) item 4 if Restricted Delivery is desired. Loy Buckley 7000 0520 0020 9192 1323 Lathuerta 30 Fra #1 4. Restricted Delivery? (Extra Fee) ω COMPLETE THIS SECTION ON DELIVERY D. Is delivery address different from item 1?
Ves
If YES, enter delivery address below:
No B. Received by (Printed Name) × A. Signaturp 3. Service Type Insured Mail MMM C.O.D. Express Mail AUG 25200 Addressee D Agent 102595-02-M-1035 ⊡ Y@s

Jack Madison

Petroleum Landman

Office: 915-756-2434 Fax: 915-756-4514

P.O. Box 746 Stanton, TX 79782

March 28, 2003

J.P. Morgan Chase Bank Trustee of the Leigh Cardwell Irrevocable Trust P.O. Box 2558 Houston, TX 77252-8033 Attn: Roy Buckley

> 3.7577 acres out of Lots Three & Four, Re Block 8 - La Huerta Subdivision SW/4 Sec. 30 T-21S R-27E Eddy County, NM

Dear Roy:

Mewbourne Oil Company is interested in acquiring an oil and gas lease covering the your interest in the captioned 3.7577 acres. We have already been successful in acquiring all of the larger tracts and almost all of the smaller tracts.

We are acquiring these leases on the following terms:

\$150 per net mineral acre Three (3) year primary term 3/16ths royalty

We hope to have your cooperation and will be happy to answer any questions you may have. I can be reached toll-free at 1-877-850-1651, days, evenings, or weekends. Please let me know if all is in order and I will mail you a check in the amount of \$187.90 (3.7577 ac. x 1/3 x \$150/ac) along with our lease for your execution. You can then return the fully executed and notarized lease to me at your first convenience. Thank you and I look forward to working with you.

Sincerely, Salk Madison

Jack Madison

MEWBOURNE OIL COMPANY Bank of America, N.A. 008579 TYLER. TEXAS P.O. BOX 7698 TYLER, TEXAS 75711 12/05/2002 1110 T 87 DOLLARS \$ __187.90 PAY. FAMILY ELDERCARE, INC. TO GUARDIAN FOR MARTHA LEIGH CARDWELL THE 2210 HANCOCK DRIVE MEWBOURNE OIL COMPANY ORDER OF EASEHOLD ACCOUNT AUSTIN, TX 78756 #008579# #111000025# 008394192278# **MEWBOURNE OIL COMPANY** LA HUERTA "30" PROSPECT - EDDY COUNTY, NEW MEXICO PAYMENT IN FULL FOR OIL AND GAS LEASE COVERING A 1/3 MINERAL INTEREST IN A 3.7577 ACRE TRACT OF LAND IN THE LA HUERTA SUBDIVISION OF SECTION 30, T21S, R27E \$187.90 for Wendy Schaeffer - atting: for Montha Leigh Cardwell Thin have no anthonity to sign C unless quardianship procleding in New Mexico was obstained litigation cost to altain the quardianship is not worth the -uganding the benefit obtained the process quandianship proceeding. Indy. Accordingly, Wendy has no problem I force pooling the Candwell interest.

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

> (915) 682-3715 FAX (915) 685-4170

May 7, 2003

Certified Mail-Return Receipt No. 0265

Family Eldercare, Inc. Legal Guardian for Martha Leigh Cardwell 2210 Hancock Drive Austin, Texas 78756

Re: MOC's La Huerta "30" #1 Well S/2 of Section 30, T21S, R27E Eddy County, New Mexico

Ladies and Gentlemen:

To date we have not received the executed Oil and Gas Lease dated November 25, 2002 which Jack Madison had previously sent you for execution with our check #8579 for \$187.90 for Martha Leigh Cardwell's behalf.

Regarding the above, please sign the duplicate enclosed lease in the presence of a Notary Public and return to me in the enclosed postage paid envelope. For your reference, I've also included a copy of the referenced check which you have apparently cashed.

In the event we do not receive the requested executed Oil and Gas Lease, Martha Leigh Cardwell's mineral interest will be force pooled at an Examiner's hearing in Santa Fe, New Mexico at the offices of the New Mexico Oil Conservation Division. If this occurs, Martha Leigh Cardwell will not receive any oil and gas revenues attributable to the royalty interest provided for in the reference Oil and Gas Lease. Accordingly, we are requesting that your firm conclude its fiduciary obligation as the Guardian of Martha Leigh Cardwell in this matter by properly executing and returning the enclosed referenced Oil and Gas Lease.

Should you have any questions regarding the above, please call. Your cooperation in connection with the above would be appreciated.

Sincerely yours,

MEWBOURNE OIL COMPANY

D. Paul Haden Senior Landman

PS Form 3811, August 2001 "Domestic Return Receipt 2. Article Number austri, Jr 78756 SENDER: COMPLETE THIS SECTION Family Elolecare, Drc. 2210 Darcock White 1. Article Addressed to: Attach this card to the back of the mailpiece. 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. (Transfer from service label) or on the front if space permits. MAY 1 4 2003 7000 0520 0020 ġ, D. Is delivery address different from item 1? Set Yes 4. Restricted Delivery? (Extra Fee) 3. Service Type COMPLETE THIS SECTION ON DELIVERY A. Signature Registered
 Insured Mail Received by (Printed Name) pr. 9192 0265 C.O.D. C. Date of Alivery -- Agent Addressee 102595-02-M-1035 □ Yes

3 **1**

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

> (915) 682-3715 FAX (915) 685-4170

January 21, 2003

Family Eldercare, Inc. Guardian for Martha Leigh Cardwell 2210 Hancock Drive Austin, TX 78756

Re: MOC's La Huerta "30" #1 Well S/2 of Section 30, T21S, R27E Eddy County, New Mexico

Gentlemen:

To date we have not received the executed Oil and Gas Lease from you regarding Martha Leigh Cardwell's mineral interest in a 3.7577 acre tract of land located in the SW/4 of the captioned Section 30. Is there a problem? If so, please call me at (915) 682-3715.

In the event you decide not to lease to Mewbourne Oil Company on the previously agreed terms, we would appreciate your returning our check #8579 dated December 5, 2002 for \$187.90 to me at your very earliest convenience along with the unexecuted Oil and Gas Lease currently in your possession.

Please call should you have any questions regarding the above.

Sincerely yours,

MEWBOURNE OIL COMPANY

D. Paul Haden Senior Landman

Jack Madison

Petroleum Landman

Office: 915-756-2434 Fax: 915-756-4514

November 22, 2002

P.O. Box 746 Stanton, TX 79782

Family Eldercare for the account of Martha Leigh Cardwell Austin, TX attn: Caroline Melendez

> Re: 3.7577 acres out of Lots Three and Four, Block 8, La Huerta Subdivision SW/4 Sec. 30 T-21S R-27E Eddy County, NM

Gentlemen:

I am enclosing for your review and execution an oil and gas lease covering Ms. Cardwell's 1/3 interest in the captioned 3.7577 acres. We have already been successful in acquiring all of the larger tracts and almost all of the smaller tracts.

We are acquiring these leases on the following terms:

\$150 per net mineral acre Three (3) year primary term 3/16ths royalty

We hope to have your cooperation and will be happy to answer any questions you may have. I can be reached toll-free at 1-877-850-1651, days, evenings, or weekends. Please let me know if the lease is satisfactory and I will mail you a check in the amount of \$ 187.90 (3.7577 ac. x 1/3 x \$150/ac.) You can then return the fully executed and notarized lease to me in the return envelope I have enclosed. Thank you and I look forward to working with you.

Sincerely,

Hick Mudison

Jack Madison

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

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

July 24, 2003

Certified Mail-Return Receipt No. 1033

Dr. Thomas W. Pendergrass 13410 98th Ave. NE Kirkland, WA 98034-1906

Re: La Huerta "30" Fee #1 Well S/2 of Section 30, T21S, R27E Eddy County, New Mexico

Dear Dr. Pendergrass:

Mewbourne Oil Company (Mewbourne) hereby offers to purchase a three (3) year paid-up Oil and Gas Lease from you on the basis of \$150.00 per net mineral acre with such lease providing a 3/16 royalty interest, subject to proportionate reduction. This is in regard to your mineral interest owned in Lot Ten, Block 11 of the La Huerta Subdivision, containing 5.0938 acres, more or less.

In reference to the above, Mewbourne as Operator hereby proposes to drill the subject well at a surface location 2114' From the South Line (FSL) and 2816' From the West Line (FWL) of the adjoining Section 29, T21S, R27E and directionally drilling same to a bottom hole location of 750' FSL & 700' FEL of the captioned Section 30. Such well will be drilled to a depth sufficient to adequately evaluate the Morrow formation, estimated total vertical depth being approximately 11,725' beneath the surface with a total measured footage of 12,676'. The captioned 320 acres will be dedicated to the well for gas proration unit purposes.

In the event you elect elects not to lease your mineral interest as offered, Mewbourne invites your participation as a joint working interest owner in the proposed well as to your mineral ownership in the referenced land. In this connection, enclosed for your consideration and execution is an Authorization For Expenditure (AFE) dated June 18, 2003 which is an estimated well cost for the subject well. Should you elect to participate in the proposed well, please execute the AFE and return same to me. Upon our receipt of same, I will forward you our proposed Operating Agreement for the above proposed well and our invoice for your proportionate part of the estimated well cost.

The above lease offer is subject to your immediate acceptance and Mewbourne's approval of title.

Dr. Thomas W. Pendergrass La Huerta "30" Fee #1 Well July 24, 2003 Page -2-

Please call should you have any questions regarding the above. For your information in this regard, I will be out of the office until Monday, August 4^{th} .

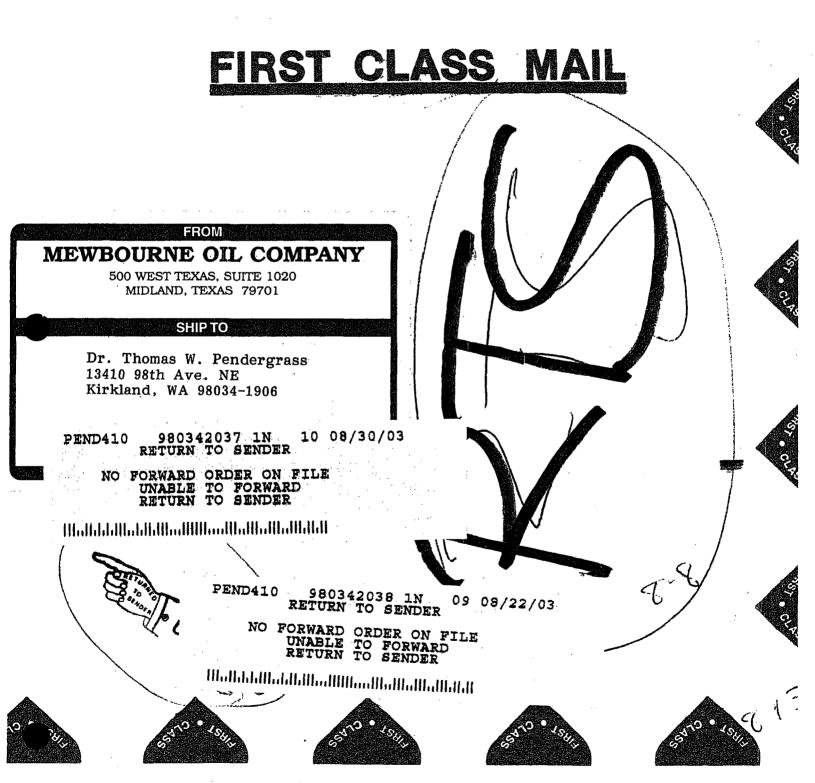
Sincerely yours,

MEWBOURNE OIL COMPANY

au ά ,Q

D. Paul Haden Senior Landman





October 19, 2002

Dr. Thomas W.. Pendergrass 13410 98th Ave. NE Kirkland, WA 98034-1906

> Re: Block 11: 5.0938 acres in Lot 10 La Huerta Subdivision Sec. 30 T-21S R-27E Eddy County, NM

Dear Dr. Pendergrass:

I am enclosing for your review and execution an oil and gas lease covering your interest in the captioned **5.0938** acres. We have already been successful in acquiring all of the larger tracts and many of the smaller tracts.

We are acquiring these leases on the following terms:

\$150 per net mineral acre Three (3) year primary term 3/16ths royalty

We hope to have your cooperation and will be happy to answer any questions you may have. I can be reached toll-free at 1-877-850-1651, days, evenings, or weekends. Please let me know if the lease is satisfactory and I will mail you a check in the amount of \$764.07. (5.0938 ac. x \$150/ac.) You can then return the fully executed and notarized lease to me in the return envelope I have enclosed. Thank you and I look forward to working with you.

Sincerely,

Jack Madison

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

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

August 20, 2003

Certified Mail-Return Receipt No. 1361

Burlington Northern and Santa Fe Railway Company 2505 Lakeview, Suite 210 Amarillo, Texas 79109 Attn: Mr. Greg Golladay

Re: MOC's LaHuerta "30" #1 Well S/2 of Section 30, T21S, R27E Eddy County, New Mexico

Dear Mr. Golladay:

Mewbourne Oil Company (Mewbourne) as Operator hereby proposes to drill the subject well at a surface location 2114' From the South Line (FSL) and 2816' From the West Line (FWL) of the adjoining Section 29, T21S, R27E and directionally drilling same to a bottom hole location of approximately 750' FSL & 700' FEL of the captioned Section 30. Such well will be drilled to a depth sufficient to adequately evaluate the Morrow formation, estimated total vertical depth being approximately 11,725' beneath the surface with a total measured footage of 12,676'. The captioned 320 acres will be dedicated to the well for gas proration unit purposes as prescribed by the NMOCD.

In reference to the above proposed well, Mewbourne offers to purchase a three (3) year paid-up Oil and Gas Lease covering the Burlington Northern and Santa Fe Railway Company's (railroad) mineral interest, if any, of the railroad's mineral interest underlying the captioned S/2 of Section 30 on the basis of a lease bonus payment of \$1,000 with such lease providing a 3/16 royalty interest.

In the event the railroad elects not to lease its mineral interest, if any, as offered, the railroad is afforded the opportunity to join in the proposed well to the extent of its mineral interest in the captioned proposed gas spacing unit. Enclosed for the railroad's consideration is our Authorization For Expenditure (AFE) which is an estimated well cost for the above proposed well. In the event the railroad elects to participate to the extent of its interest, please sign and return the AFE to me and I will forward you Mewbourne's Operating Agreement for execution. Burlington Northern and Santa Fe Railway Company MOC's La Huerta "30" #1 August 20, 2003 Page -2-

Regarding the above, I would be happy to meet with you to discuss our proposal. Please call me at your earliest convenience in this regard. For our information, Mewbourne has plans to commence drilling operations on the referenced well on or about October 25, 2003. It is my understanding that Devon Energy may have the first right of refusal regarding the proposed lease. In this regard I have sent Ken Gray of Devon Energy a copy of this letter with the AFE for his further handling.

Sincerely yours,

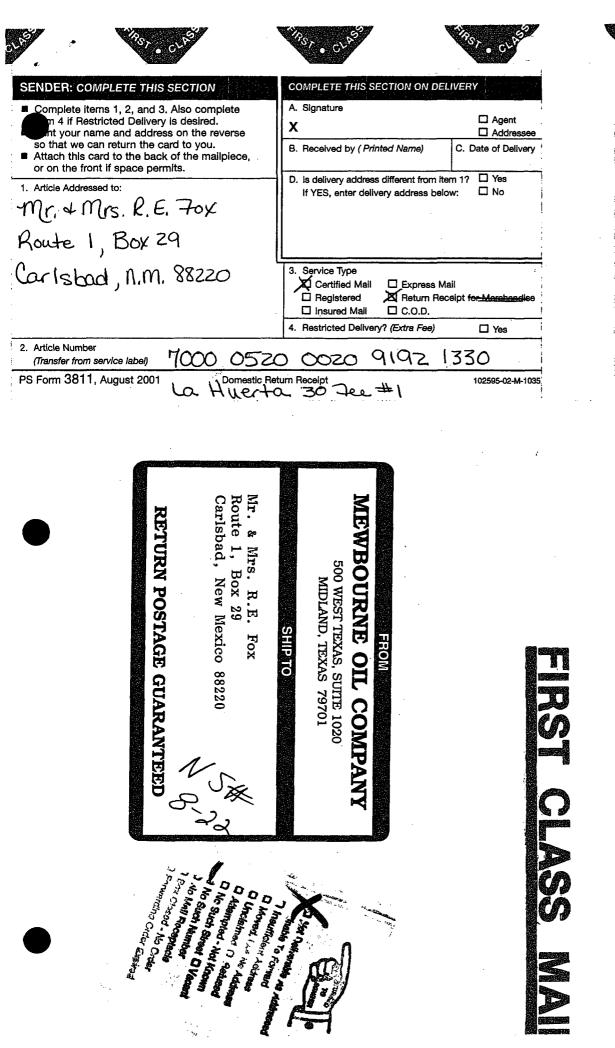
MEWBOURNE OIL COMPANY

D. Paul Haden Senior Landman

DPH/gb

xc: Devon Energy Production Company, L.P.
20 North Broadway, Suite 1500
Oklahoma City, oklahoma 73102
Attn: Mr. Ken Gray

2505 Lazzvizen), Suite 210 (Mariula, JK 19109 1. Article, Addressed to: Burlington Northern and Santa Fe Pailury Company Ithn: Mr. Greg Golladay PS Form 3811, August 2001 2. Article Number SENDER: COMPLETE THIS SECTION so that we can return the card to you. Attach this card to the back of the mailpiece, (Transfer from service label) or on the front if space permits. Print your name and address on the reverse Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. 1000 0520 0020 9193 La Huerta 30 #1 3. Service Type Certified Mail A. Signa 4. Restricted Delivery? (Extra Fee) × COMPLETE THIS SECTION ON DELIVERY <u>ک</u> 5 cr × If YES, enter delivery address below: Insured Mail Received by (Xio (Printed Name) C.O.D. a gr Express Mail 136 Agent D Addressee C. Date of Delivery 102595-02-M-1035 □ Yes





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500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

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

August 20, 2003

Certified Mail-Return Receipt No. 1330

Mr. & Mrs. R.E. Fox Route 1, Box 29 Carlsbad, New Mexico 88220

Re: La Huerta "30" Fee #1 Well S/2 of Section 30, T21S, R27E Eddy County, New Mexico

Dear Mr. & Mrs. Fox:

Mewbourne Oil Company (Mewbourne) hereby offers to purchase a three (3) year paid-up Oil and Gas Lease from you on the basis of \$150.00 per net mineral acre with such lease providing a 3/16 royalty interest, subject to proportionate reduction. This is in regard to your full mineral interest owned in the center one-third of Lots 9 and 11, Block Eleven of the La Huerta Subdivision, an addition to the City of Carlsbad, being located in the SE/4 of the captioned Section 30, containing 3.505 acres, more or less.

In reference to the above, Mewbourne as Operator hereby proposes to drill the subject well at a surface location 2114' From the South Line (FSL) and 2816' From the West Line (FWL) of the adjoining Section 29, T21S, R27E and directionally drilling same to a bottom hole location of 750' FSL & 700' FEL of the captioned Section 30. Such well will be drilled to a depth sufficient to adequately evaluate the Morrow formation, estimated total vertical depth being approximately 11,725' beneath the surface with a total measured footage of 12,676'. The captioned 320 acres will be dedicated to the well for gas proration unit purposes.

In the event you elect not to lease your mineral interest as offered, Mewbourne invites your participation as a joint working interest owner in the proposed well as to your mineral ownership in the referenced land. In this connection, enclosed for your consideration and execution is an Authorization For Expenditure (AFE) dated June 18, 2003 which is an estimated well cost for the subject well. Should you elect to participate in the proposed well, please sign the AFE and return same to me. Upon our receipt of same, I will forward you our proposed Operating Agreement for the above proposed well and our invoice for your proportionate part of the estimated well cost.

Mr. & Mrs. R.E. Fox La Huerta "30" Fee #1 Well August 20, 2003 Page -2-

The above lease offer is subject to your immediate acceptance and Mewbourne's approval of title.

Please call should you have any questions regarding the above.

Sincerely yours,

MEWBOURNE OIL COMPANY

an

D. Paul Haden Senior Landman

COMPLETE THIS SECTION ON DELIVERY NDER: COMPLETE THIS SECTION A. Signature Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. C Agent Х Print your name and address on the reverse D Addressee so that we can return the card to you. B. Received by (Printed Name) C. Date of Delivery Attach this card to the back of the mailpiece, or on the front if space permits. C Yes D. Is delivery address different from item 1? 1. Article Addressed to D No If YES, enter delivery address below: Mr. & Mrs Nennis A. Mours 7000 0520 234 E. Fern Redlards, CA 92373 Service Type 3. Certified Mail Express Mail Return Receipt for Marchasodie Insured Mail 2616 0200 Restricted Delivery? (Extra Fee) 4. 🖸 Yes 2. Article Number 1316 $\eta \gamma$ 9192 0570(Transfer from service label) La Huerta 30 PS Form 3811, August 2001 102595-02-M-1035 ا # هه 1316 234Mr. Redlands, MEWBOURNE OIL, RETURN PO Ħ 20 Mrs. Fern 500 WEST TEXAS, SUITE 1020 MIDLAND, TEXAS, 79701 1 JANCIEN Den FRO COMP CEE. Cn Cn 5301 malto mos ~ 80 to 1 Fills o FOUL

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

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

August 20, 2003

Certified Mail-Return Receipt No. 1316

Mr. & Mrs. Dennis A. Morris 234 E. Fern Redlands, CA 92373

Re: La Huerta "30" Fee #1 Well S/2 of Section 30, T21S, R27E Eddy County, New Mexico

Dear Mr. & Mrs. Morris:

Mewbourne Oil Company (Mewbourne) hereby offers to purchase a three (3) year paid-up Oil and Gas Lease from you on the basis of \$150.00 per net mineral acre with such lease providing a 3/16 royalty interest, subject to proportionate reduction. This is in regard to your full mineral interest owned in Lots 1 and 3 in the Wiley Subdivision of Lots Four, Six and Eight of Block 14, of the La Huerta Subdivision, an addition to the City of Carlsbad, being located in the SE/4 of the captioned Section 30, containing 2.5 acres, more or less.

In reference to the above, Mewbourne as Operator hereby proposes to drill the subject well at a surface location 2114' From the South Line (FSL) and 2816' From the West Line (FWL) of the adjoining Section 29, T21S, R27E and directionally drilling same to a bottom hole location of 750' FSL & 700' FEL of the captioned Section 30. Such well will be drilled to a depth sufficient to adequately evaluate the Morrow formation, estimated total vertical depth being approximately 11,725' beneath the surface with a total measured footage of 12,676'. The captioned 320 acres will be dedicated to the well for gas proration unit purposes.

In the event you elect not to lease your mineral interest as offered, Mewbourne invites your participation as a joint working interest owner in the proposed well as to your mineral ownership in the referenced land. In this connection, enclosed for your consideration and execution is an Authorization For Expenditure (AFE) dated June 18, 2003 which is an estimated well cost for the subject well. Should you elect to participate in the proposed well, please sign the AFE and return same to me. Upon our receipt of same, I will forward you our proposed Operating Agreement for the above proposed well and our invoice for your proportionate part of the estimated well cost.

Mr. & Mrs. Dennis A. Morris La Huerta "30" Fee #1 Well August 20, 2003 Page -2-

The above lease offer is subject to your immediate acceptance and Mewbourne's approval of title. Please call should you have any questions regarding the above.

Sincerely yours,

MEWBOURNE OIL COMPANY

D. Paul Haden Senior Landman