

OIL CONSERVATION DIVISION

CASE NO.
14298

EXHIBIT
3

Party: Kimberly Ann Brehm, aka Kimberly Ann Calvert

Contact: Kimberely Ann Brehm

Phone Number: (307)-237-8814

Correspondence as follows:

1. 2-9-09: Called Kimberly Brehm at approximately 10:00 A.M. to give an offer. She said she wasn't interested and hung up the phone.
2. 2-9-09: Called Kimberely Brehm back at approximately 10:10 A.M. and spoke to her husband Richard C. Brehm. Verified address and told him I would be sending a letter. (See Copy)
3. 2-13-09: Called Kimberly Brehm. Call was not answered, left message asking her to call back.
4. 3-19-09: Received call from Kimberly Brehm where she agreed to lease pursuant to terms in letter dated 2-9-09 and asked me to send her the lease.
5. 3-19-09: Sent lease and letter to Kimberly Brehm for execution. (see copy)
6. 3-24-09: Called Kimberly Brehm to see if she had received the lease, which she had not. I asked her to send it back to me as soon as she could and she said she would do so.

Oil Conservation Division
Case No. 3
Exhibit No.

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

March 19, 2009

Kimberly Ann Brehm
1360 Lemmers Rd.
Casper, WY 82601

Re: MOC's Huckleberry Draw "29" Com #1
E/2 of Section 29, Township 22-South, Range 26-East
Eddy County, New Mexico

Dear Mrs. Brehm,

Enclosed please find the Original and Copy of the Oil & Gas Lease. I have also included a W-9 Tax Form that you will need to send back with the signed lease. You need to write your [REDACTED] on the W-9 Form and sign it. Once I have received the lease back I will send a check in the amount of \$111.10. This amount represents the \$200.00 per acre bonus that you and I agreed to.

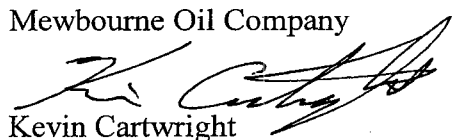
To process the document:

1. **You should execute the Original lease in the presence of a Notary Public.**
2. **Mail the executed lease and W-9 Tax Form back to me.**
3. **The copy of the oil and gas lease is for your records.**

Should you have any questions, please call me at 432-682-3715. Thank you again for your time.

Sincerely,

Mewbourne Oil Company


Kevin Cartwright
Landman

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

February 9, 2009

Certified Mail – Return Receipt No. 6432

Kimberly Ann Brehm
1360 Lemmers Rd.
Casper, WY 82601

Re: MOC's Huckleberry Draw "29" Com #1
E/2 of Section 29, Township 22-South, Range 26-East
Eddy County, New Mexico

Dear Mrs. Brehm,

Mewbourne Oil Company as operator proposes the drilling of the captioned well at the referenced location to a depth sufficient to adequately evaluate the Morrow formation, estimated total depth being 11,800 feet beneath the surface. Enclosed for your information and execution is a copy of Mewbourne's AFE dated November 1, 2008. The E/2 of the captioned Section 29 will be dedicated to the well.

Regarding the above, you own an undivided 1/72 mineral interest (0.5555 net acres) in the NE/4 NE/4 of the captioned Section 29 which appears to be unleased.

In the event you elect to participate in the captioned proposed well, please sign and return the enclosed AFE to me at your earliest convenience and I will forward you our Operating Agreement for you execution. The AFE is an estimate of your proportionate part of the well cost attributable to your mineral interest. In the event you elect not to participate in the captioned well, Mewbourne would be agreeable to acquiring an Oil and Gas Lease covering your interest for \$200.00 per net mineral acre with a 3/16 royalty interest for a 3 year term. As we are moving forward with getting the captioned well drilled in a timely manner, we will be filing an Application for Compulsory Pooling within 30 days as to all uncommitted owners.

Please feel free to call if you have any questions concerning this offer. Thank you for your time and I look forward to hearing from you.

Sincerely,

MEWBOURNE OIL COMPANY


Kevin Cartwright
Landman

Party: Bundy Family Trust

Contact: David Allen Bundy

Phone Number: (307)-234-3684

Correspondence as follows:

1. 1-5-09: Letter from D. Paul Haden to Eugene R. Bundy, Trustee (see copy).
2. 2-11-09: Sent lease and letter to Eugene R. Bundy, Trustee (see copy).
3. 2-13-09: Called David Bundy to ask if he had received letter and to see what he wanted to do. He told me that Eugene was deceased and that he and Bruce Lee Bundy were now the Co-Trustees of the Trust. He said he would think about our offer.
4. 2-16-09: Received call from David Bundy where he agreed to lease pursuant to terms in letter dated 1-5-09 and asked me to send him the lease.
5. 2-16-09: Sent lease and letter to David Bundy for execution. (see copy)
6. 3-18-09: Received call from David Bundy stating that he wanted to make revisions to offer and to lease form. He said he would mail revisions back to me.
7. 3-23-09: Received copy of lease and my letter back with the requested revisions.
8. 3-23-09: Tried to call David Bundy several times at 8:00 A.M., 9:00 A.M., 12:20 P.M., and 3:00 P.M. I was not able to leave a message because the machine was off.
9. 3-24-09: Called David Bundy and told him that we did not accept his revisions to the lease and the lease needed to be signed as is and we needed to have it by 3-31-09. He told me he would talk to his brother and get back with me.

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

February 16, 2009

Via Federal Express - Overnight

David Allen Bundy & Bruce Lee Bundy
Co-Trustees of the Bundy Family Trust
1604 Westridge Way
Casper, WY 82601

Re: MOC's Huckleberry Draw "29" Com #1 Well
990' FNL & 770' FEL
Section 29, Township 22-South, Range 26-East
Eddy County, New Mexico

Gentlemen,

Enclosed please find the Original and Copy of the Oil and Gas Lease covering the Bundy Family Trust's interest under the proposed well captioned above. I have also included a W-9 tax form that you will need to send back with the signed lease. You need to write the Trust's [REDACTED] number on the form and sign it.

Regarding the above, the trust appears to own an undivided 1/24 mineral interest (1.6666 net acres) in the NE/4 NE/4 of the captioned Section 29 which appears to be unleased.

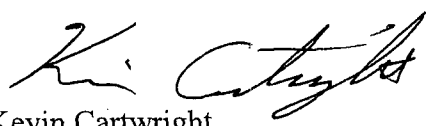
The lease provides a 1/5 Royalty for a 180 day primary term and a 180 day continuous development provision at the end of the primary term.

When you send back the executed lease please include a certified copy of your father's death certificate and a copy of the Trust Agreement.

Please feel free to call if you have any questions concerning this offer. Thank you for your time and I look forward to hearing from you.

Sincerely,

Mewbourne Oil Company


Kevin Cartwright
Landman

NEED AND the Lease Drawings
with ~~BR~~ Bruce & David Co Trustees
And what we have written down
To be in Lease

All High Grade will not be sw Act Type Lease
And what is Handwritten OIL & GAS LEASE
will be put in piece of High Grade Area

COPY

THIS AGREEMENT made this 16th day of February, 2009 between DAVID ALLEN BUNDY and BRUCE LEE BUNDY, CO-TRUSTEES OF THE BUNDY FAMILY TRUST DATED MAY 4, 1990, whose address is 1604 Westridge Way, Casper, Wyoming 82604 herein called lessor (whether one or more) and MEWBOURNE OIL COMPANY, whose address is P.O. Box 7698, Tyler, Texas 75711, lessee:

1. Lessor, in consideration of TEN AND OTHER DOLLARS in hand paid, receipt of which is here acknowledged, and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring, prospecting, drilling, and operating for and producing oil and gas, injecting gas, waters, other fluids, and air into subsurface strata laying pipelines, storing oil, building tanks, roadways, telephone lines, and other structures and things thereon to produce, save take care of, treat, process, store and transport said minerals, the following described land in Eddy County, New Mexico, to-wit:

TOWNSHIP 22 SOUTH, RANGE 26 East, N.M.P.M.
 Section 29: NE/4 NE/4

Said land ("the lease premises") is estimated to comprise 40.00 acres, whether it actually comprises more or less.

2. Subject to the other provisions herein contained, this lease shall remain in force for a term of six (6) months from this date (called Aprimary term) and as long thereafter as oil or gas is produced from said land or from land with which said land is pooled.

3. The royalties to be paid by lessee are: (a) on oil, and other liquid hydrocarbons saved at the well, one-fifth (1/5) of that produced and saved from said land, same to be delivered at the wells or to the credit of lessor in the pipeline to which the wells may be connected; (b) on gas, including casinghead gas or other gaseous substance produced from said land and used off the premises or used in the manufacture of gasoline or other products, the market value at the well of one-fifth (1/5) of the gas used, provided that on gas sold on or off the premises, the royalties shall be one-fifth (1/5) of the amount realized from such sale; (c) and at any time when this lease is not validated by other provisions hereof and there is a gas and/or condensate well on said land, or land pooled therewith, but gas or condensate is not being sold or used and such well is shut-in, either before or after production therefrom, then on or before 90 days after said well is shut in, and thereafter at annual intervals, lessee may pay or tender an advance shut-in royalty equal to \$1.00 per net acre of lessor's gas acreage then held under this lease by the party making such payment or tender, and so long as said shut-in royalty is paid or tendered, this lease shall not terminate and it shall be considered under all clauses hereof that gas is being produced from the leased premises in paying quantities. Each such payment shall be paid or tendered to the party or parties who at the time of such payment would be entitled to receive the royalties which would be paid under this lease if the well were in fact producing. The payment or tender of royalties or shut-in royalties may be made by check or draft. Any timely payment or tender of shut-in royalty which is made in a bona fide attempt to make proper payment, but which is erroneous in whole or in part as to parties or amounts, shall nevertheless be sufficient to prevent termination of this lease in the same manner as though a proper payment had been made if lessee shall correct such error within 30 days after lessee has received written notice thereof by certified mail from the party or parties entitled to receive payment together with such written instruments (or certified copies thereof) as are necessary to enable lessee to make proper payment. The amount realized from the sale of gas on or off the premises shall be the price established by the gas sales contracted entered into in good faith by lessee and gas purchaser for such term and under such conditions as are customary in the industry. A Price shall mean the net amount received by lessee after giving effect to applicable regulatory orders and after application of any applicable price adjustments specified in such contract or regulatory orders. In the event lessee compresses, treats, purifies, or dehydrates such gas (whether on or off the leased premises) or transports gas off the leased premises, lessee in computing royalty hereunder may deduct from such price a reasonable charge for each of such functions performed.

4. This is a paid-up lease and lessee shall not be obligated during the primary term hereof to commence or continue any operations of whatsoever character or to make any payments hereunder in order to maintain this lease in force during the primary term; however, this provision is not intended to relieve lessee of the obligation to pay royalties on actual production pursuant to the provisions or paragraph 3 hereof.

5. Lessee is hereby granted the right and power, from time to time, to pool or combine this lease, the land covered by it or any part or horizon thereof with any other land, leases, mineral estates or parts thereof for the production of oil or gas. Units pooled hereunder shall not exceed the standard proration unit fixed by law or by the Oil Conservation Division of the Energy and Minerals Department of the State of New Mexico or by any other lawful authority for the pool or area in which said land is situated, plus a tolerance to ten percent. Lessee shall file written unit designations in the county in which the premises are located and such units may be designated from time to time and either before or after the completion of wells. Drilling operations on or production from any part of any such unit shall be considered for all purposes, except the payment of royalty, as operations conducted upon or production from the land described in this lease. There shall be allocated to the land covered by this lease included in any such unit that portion of the total production of pooled minerals from wells in the unit, after deducting any used in lease or unit operations, which the net oil or gas acreage in the land covered by this lease included in the unit bears to the total number of surface acres in the unit. The production so allocated shall be considered for all purposes, including the payment or delivery of royalty, to be the entire production of pooled minerals from the portion of said land covered hereby and included in said unit in the same manner as though produced from said land under the terms of this lease. Any pooled unit designated by lessee, as provided herein, may be dissolved by lessee by recording an appropriate instrument in the County where the land is situated at any time after the completion of a dry hole or the cessation of production on said unit.

6. If at the expiration of the primary term there is no well upon said land capable of producing oil or gas, but lessee has commenced operations for drilling or reworking thereon, this lease shall remain in force so long as operations are prosecuted with no cessation of more than 60 consecutive days, whether such operation be on the same well or on a different or additional well or wells, and if they result in the production of oil or gas, so long thereafter as oil or gas is produced from said land. If, after the expiration of the primary term, all wells upon said land should become incapable of producing for any cause, this lease shall not terminate if lessee commences operations for additional drilling or for reworking within 60 days thereafter. If any drilling, additional drilling, or reworking operations hereunder result in production, then this lease shall remain in full force so long thereafter as oil or gas is produced hereunder.

7. Lessee shall have free use of oil, gas and water from said land, except water from lessor's wells and tanks, for all operations hereunder, and the royalty shall be computed after deducting any so used. Lessee shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed by lessee on said land, including the right to draw and remove all casing. When required by lessor, lessee will bury all pipelines on cultivated lands below ordinary plow depth, and no well shall be drilled within two hundred feet (200 ft.) of any residence or barn now on said land without lessor's consent. Lessor shall have the privilege, at his risk and expense, of using gas from any gas well on said land for stoves and inside lights in the principal dwelling thereon, out of any surplus gas not needed for operations hereunder.

8. The rights of either party hereunder may be assigned in whole or in part and the provisions hereof shall extend to their heirs, executors, administrators, successors and assigns; but no change in the ownership of the land or in the ownership of, or rights to receive, royalties or shut-in royalties, however accomplished shall operate to enlarge the obligations or diminish the rights of lessee; and no such change or division shall be binding upon lessee for any purpose until 30 days after lessee has been furnished by certified mail at lessee's principal place of business with acceptable instruments or certified copies thereof constituting the chain of title from the original lessor. If any such change in ownership occurs through the death of the owner, lessee may, at its option, pay or tender any royalties or shut-in royalties in the name of the deceased or to his estate or to his heirs, executor or administrator until such time as lessee has been furnished with evidence satisfactory to lessee as to the persons entitled to such sums. An assignment of this lease in whole or in part shall, to the extent of such assignment, relieve and discharge lessee of any obligations hereunder and, if lessee or assignee of part or parts hereof shall fail or make default in the payment of the proportionate part of royalty or shut-in royalty due from such lessee or assignee or fail to comply with any of the provisions of this lease, such default shall not affect this lease insofar as it covers a part of said lands upon which lessee or any assignee thereof shall properly comply or make such payments.

9. Should lessee be prevented from complying with any express or implied covenant of this lease, or from conducting drilling or reworking operations hereunder, or from producing oil or gas hereunder by reason of scarcity or inability to obtain or use equipment or material, or by operation of force majeure, or by any Federal or state law or any order, rule or regulation of governmental authority, then while so prevented, lessee's duty shall be suspended, and lessee shall not be liable for failure to comply therewith; and this lease shall be extended while and so long as lessee is prevented by any such cause from conducting drilling or reworking operations or from producing oil or gas hereunder; and the time while lessee is so prevented shall not be counted against lessee, anything in this lease to the contrary notwithstanding.

10. Lessor hereby warrants and agrees to defend title to said land and agrees that lessee at its option may discharge any tax, mortgage or other lien, upon said land, and in the event lessee does so it shall be subrogated to such lien with the right to enforce same and to apply royalties and shut-in royalties payable hereunder toward satisfying same. (Without impairment of lessee's rights under the warranty) if this lease covers a less interest in the oil or gas in all or any part of said land than the entire and undivided fee simple estate (whether lessor's interest is herein specified or not) then the royalties, shut-in royalty, and other payments, if any, accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease, bears to the whole and undivided fee simple estate therein. Should any one or more of the parties named above as lessors fail to execute this lease, it shall nevertheless be binding upon the party or parties executing the same.

11. Lessee, its or his successors, heirs and assigns, shall have the right at any time to surrender this lease, in whole or in part, to lessor or his heirs, successors and assigns by delivering or mailing a release thereof to the lessor, or by placing a release thereof of record in the county in which said land is situated; thereupon lessee shall be relieved from all obligations, expressed or implied, of this agreement as to acreage so surrendered, and thereafter the shut-in royalty payable hereunder shall be reduced in the proportion that the acreage covered hereby is reduced by said release or releases.

12. At the expiration of the Primary Term or at the conclusion of the continuous development program as hereinafter defined, whichever occurs later, this lease shall terminate as to (1) all of the leased premises covered hereby except as to those lands which are included within the geographical boundaries of a pooled or communitized unit and/or proration unit established in conformity with field rules or spacing laws of the applicable governmental body on which there is located a well producing or capable of producing oil and/or gas in paying quantities; and (2) all depths below 100' below the base of the deepest depth drilled in each pooled or communitized unit or proration unit. Lessee, at its option, may earn the lands outside the boundaries of a pooled or communitized unit and/or proration unit by commencing a continuous development program as defined herein. If, prior to the end of the Primary Term, Lessee has drilled and completed a well on the leased premises or lands pooled or communitized therewith either as a dry hole or as a well capable of producing oil and/or gas in paying quantities or has commenced operations for drilling or reworking on the leased premises or lands validly pooled or communitized therewith prior to the end of the Primary Term, then the commencement date of the continuous development program shall be one hundred eighty (180) days after the expiration date of the Primary Term or one hundred eighty (180) days after the completion of any well drilled across the expiration of the Primary Term of this lease, and completed as a dry hole or a productive well, whichever is the later. Once the continuous development program has been commenced, this lease shall remain in full force and effect as to the leased premises as long as Lessee, at its option, drills, or causes to be drilled, wells on the leased premises or lands pooled or communitized therewith without lapse of more than one hundred eighty (180) days between the completion or abandonment of one well (such date of completion or abandonment to be fixed by the official New Mexico Oil Conservation Commission potential date or plugging date) and the commencement of operations for the drilling of the next well. Upon the expiration of the Primary Term of this lease or conclusion of the continuous development program provided for herein, whichever is the last to occur, Lessee will execute a good and sufficient Release of Oil and Gas Lease as to any rights which may have terminated under the terms of this lease. Lessee is under no obligation to conduct any drilling operations under the continuous development program or to drill any well or wells on the leased premises.

Executed the day and year first above written.

And Furnish Lessor copy the OFA at Expiration or Termination By Lessee

Strike out
The Depth and or Horizon of Other
Units Producing Horizons

Strike out
Without impairment of
lessee's rights under the warranty
Strike out

THE BUNDY FAMILY TRUST
DATED MAY 4, 1990

COPY
By: David Allen Bundy, Co-Trustee

COPY
By: Bruce Lee Bundy, Co-Trustee

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

STATE OF WYOMING)

COUNTY OF NATRONA)

The foregoing instrument was acknowledged before me this _____ day of February, 2009, by David Allen Bundy,
Co-Trustee of the Bundy Family Trust dated May 4, 1990

My Commission Expires _____

Notary Public, State of Wyoming
Printed Name _____

INDIVIDUAL ACKNOWLEDGMENT (New Mexico Short Form)

STATE OF WYOMING)

COUNTY OF NATRONA)

The foregoing instrument was acknowledged before me this _____ day of February, 2009, by Bruce Lee Bundy,
Co-Trustee of the Bundy Family Trust dated May 4, 1990

My Commission Expires _____

Notary Public, State of _____
Printed Name _____

CORPORATION ACKNOWLEDGMENT (New Mexico Short Form)

STATE OF _____)

COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 2009, by _____
as _____ of _____
a _____ corporation on behalf of said corporation.

My Commission Expires _____

Notary Public, State of _____
Printed Name: _____

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

February 11, 2009

Via Federal Express - Overnight

Eugene R. Bundy, Trustee
1604 Westridge Way
Casper, WY 82601

Re: MOC's Huckleberry Draw "29" Com #1 Well
990' FNL & 770' FEL
Section 29, Township 22-South, Range 26-East
Eddy County, New Mexico

Dear Mr. Bundy,

Enclosed please find the Original and Copy of the Oil and Gas Lease covering the Bundy Family Trust's interest under the proposed well captioned above. I have also included a W-9 tax form that you will need to send back with the signed lease. You need to write the Trust's [REDACTED] number on the form and sign it.

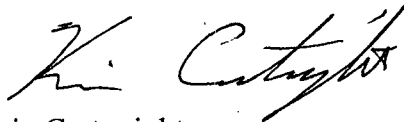
Regarding the above, the trust appears to own an undivided 1/24 mineral interest (1.6666 net acres) in the NE/4 NE/4 of the captioned Section 29 which appears to be unleased.

The lease provides a 1/5 royalty for a 180 day primary term and a 180 day continuous development provision at the end of the primary term.

Please feel free to call if you have any questions concerning this offer. Thank you for your time and I look forward to hearing from you.

Sincerely,

MEWBOURNE OIL COMPANY



Kevin Cartwright
Landman

Huckleberry Draw 29 Fed Cor #1

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 mailpiece, or on the front if space permits.

1. Article Addressed to:

Eugene R. Bundy, Trustee
1604 Westridge Way
Casper, Wyoming 82601

2. Article Number
(Transfer from service label)

7005 2570 0001 0978 5800

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

[Signature]

☒ Agent

☐ Addressee

B. Received by (Printed Name)

B. Bundy

C. Date of Delivery

1-8-09

D. Is delivery address different from item 1? ☐ Yes

If YES, enter delivery address below: ☐ No

3. Service Type

☒

Certified Mail

☐ Express Mail

☐ Registered

☐ Return Receipt for Merchandise

☐ Insured Mail

☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

January 5, 2009

Via Fax Certified Mail-Return Receipt No. 5800

Eugene R. Bundy, Trustee
1604 Westridge Way
Casper, Wyoming 82601

(507) 238-3684

Re: Huckleberry Draw "29" Federal Com #1 Well
990' FNL & 770' FEL
Section 29, T22S, R26E
Eddy County, New Mexico

Gentlemen:

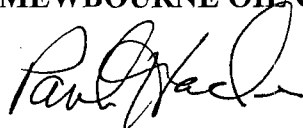
Mewbourne Oil Company as operator proposes the drilling of the captioned well at the referenced location to a depth sufficient to adequately evaluate the Morrow formation, estimated total depth being 11,800 feet beneath the surface. Enclosed for your information and execution is a copy of Mewbourne's AFE dated November 1, 2008. The E/2 of the captioned Section 29 will be dedicated to the well.

Regarding the above, the Bundy Family Trust owns an undivided 1/24 mineral interest (1.6666 net acres) in the NE/4NE/4 of the captioned Section 29 which appears to be unleased.

In the event the Bundy Family Trust elects to participate in the captioned proposed well, please sign and return the enclosed AFE to me at your earliest convenience and I will forward you our Operating Agreement for your execution. In the event the Bundy Family Trust elects not to participate in the captioned well, Mewbourne would be agreeable to acquiring an Oil and Gas Lease covering your interest with the lease providing a 1/5 royalty interest for a 180 day primary term with such lease providing for a 180 day continuous development provision at the end of the primary term.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

DPH/gb

DORCHESTER MINERALS (1.7414 UNIT INTEREST)
MONETTE HARBERT - LANDMAN
(214) 217-6222

3-24-09

ADVISED MONETTE THAT WE'D STILL BE WILLING
TO ACQUIRE AN OIL & GAS LEASE FROM THEM COVERING
THEIR 5.5725 NET ACRES (1.7414 UNIT INTEREST) AS TO
THEIR UNLEASED MINERALS IN NE¹/₄NE¹/₄ AND SW¹/₄SE¹/₄
PROVIDED THE LEASE WAS ON OUR LEASE FORM.
OFFERED \$10000/AC. LEASE BONUS FOR 6 MO. TERM PROVIDING
A ¹/₄ ROYALTY. WE'D DISMISS THEM UPON RECEIPT OF
EXECUTED LEASE.

midland/Mewbourne
03/25/2009 10:14 AM

To mharbert@dmlp.net
cc
bcc Paul Haden/Mewbourne
Subject Huckleberry Draw "29" Com #1

Monette,

Per Paul Haden's request, attached is proposed lease form for Dorchester's 74.3% of 1/16 mineral interest in the NE/4 NE/4 (1.8575 net acres) and 74.3% of 1/8 mineral interest in the SW/4 SE/4 (3.715 net acres) whereby MOC is offering \$100 per acre as lease bonus for the captioned well.



Huckleberry Draw 29 Com #1.pdf

Glenda Barnett
Land Department
MEWBOURNE OIL COMPANY
500 W. Texas Ave., Ste. 1020
Midland, TX 79701
(432)682-3715
(432)685-4170 FAX

Dorchester Minerals, L.P.
Monette Harbert
(214) 217-6222

2-19-09: Advised Monette this date we were not agreeable to paying \$250⁰⁰/ac for a 6 month lease providing a 1/4 royalty nor were we interested in their other acreage in the W1/2. Also advised her their lease form was unacceptable. I offered to send them our lease form which would provide for a 1/4 royalty, six month term and 180 day continuous development @ end of primary term with no lease bonus. She said they weren't interested. I advised her the pooling hearing was scheduled for March 19th. P.H.

DORCHESTER MINERALS, L. P.

3838 OAK LAWN AVENUE, SUITE 300

DALLAS, TEXAS 75219-4541

TELEPHONE 214-559-0300

TELECOPY 214-559-0301

February 17, 2009

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

Re: Oil and Gas Lease Request
Section 29, T22S-R26E – NE/4 NE/4 and the SW/4 SE/4
Eddy County, New Mexico
DMLP's File Nos.: 31-015-003-00 and 31-015-004-00

Dear Mr. Haden:

Pursuant to your request of January 28, 2009, Dorchester Minerals, L.P. offers to lease its interests in the referenced lands, limited in the SW/4 SE/4 below the base of the Happy Valley-Delaware formation. This offer also includes additional lands we own in Section 29, being the SW/4 SW/4 and NE/4 SW/4. The leasing of these lands is subject to the following terms and conditions:

1. One-fourth (1/4th) royalty;
2. Two hundred fifty dollars (\$250.00) per acre bonus;
3. A primary term of 180 days, with 180 days continuous development;
4. Utilization of DMLP's paid-up lease form (DMLP0109LSE);
5. Subject to prior sale or withdrawal without notice.

Should Mewbourne Oil Company find the foregoing to be acceptable, please forward a check in the amount of \$3,250.63 (13.0025 NMA x \$250.00) to Dorchester Minerals, L.P., which represent the bonus consideration. At that time, I will prepare the lease and have it executed in the presence of a notary, returning to your attention for recording in Eddy County, New Mexico. A copy of the lease form is enclosed for your review.

Mewbourne Oil Company
February 17, 2009
Page Two

Please do not hesitate to contact me at the above address or by telephone at 214/217-6222, if you should have any questions.

Very truly yours,

A handwritten signature in cursive script, reading "Monette Harbert". The signature is written in dark ink and is positioned above the printed name.

Monette Harbert

Enclosure

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 mailpiece, or on the front if space permits.

1. Article Addressed to:

Dorchester Minerals, L.P.
3838 Oaklawn Ave., Suite 300
Dallas, Texas 75219
Attn: Monet Harbert

2. Article Number

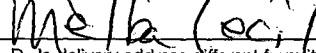
(Transfer from service label)

COMPLETE THIS SECTION ON DELIVERY

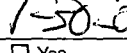
A. Signature

☐ Agent☐ Addressee

B. Received by (Printed Name)



C. Date of Delivery

D. Is delivery address different from item 1? ☐ YesIf YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail☐ Express Mail☐ Registered☐ Return Receipt for Merchandise☐ Insured Mail☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

7003 3110 0002 5115 3930

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

January 28, 2009

Via Fax (214) 559-0301 and Certified Mail-Return Receipt No. 3930

Dorchester Minerals, L.P.
3838 Oaklawn Ave., Suite 300
Dallas, Texas 75219
Attn: Monet Harbert

Re: Huckleberry Draw "29" Federal Com #1 Well
990' FNL & 770' FEL
Section 29, T22S, R26E
Eddy County, New Mexico

Ladies and Gentlemen:

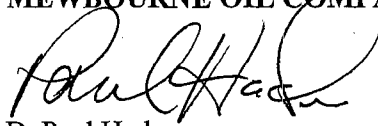
Mewbourne Oil Company as operator proposes the drilling of the captioned well at the referenced location to a depth sufficient to adequately evaluate the Morrow formation, estimated total depth being 11,800 feet beneath the surface. Enclosed for your information and execution is a copy of Mewbourne's AFE dated November 1, 2008. The E/2 of the captioned Section 29 will be dedicated to the well.

Regarding the above, public records indicate Republic Royalty Company owns an undivided 74.3% of 1/16 mineral interest (1.8575 net acres) in the NE/4NE/4 and an undivided 74.3% of 1/8 mineral interest (3.715 net acres) in the SW/4SE/4 of the captioned Section 29 which appears to be unleased. Apparently Republic Royalty Company merged with Dorchester Minerals, L.P.

In the event your firm elects to participate in the captioned proposed well, please sign and return the enclosed AFE to me at your earliest convenience and I will forward you our Operating Agreement for your execution. In the event your firm elects not to participate in the captioned well, Mewbourne would be agreeable to acquiring an Oil and Gas Lease covering your interest with the lease providing a 1/4 royalty interest for a 180 day primary term with such lease providing for a 180 day continuous development provision at the end of the primary term. For our records, please furnish me a copy of the Merger Certificate by and between Republic Royalty Company and Dorchester Minerals, L.P.

Sincerely yours,

MEWBOURNE OIL COMPANY


D. Paul Haden
Senior Landman

DPH/tgm

Huckleberry Draw 29 Fedcom #1

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 mailpiece, or on the front if space permits.

1. Article Addressed to:

Dorchester Minerals, L.P.
3838 Oaklawn Ave., Suite 300
Dallas, Texas 75219
Attn: Monet Harbert

COMPLETE THIS SECTION ON DELIVERY

A. Signature

Monet Harbert

☐ Agent

☐ Addressee

B. Received by (Printed Name)

Monet Harbert

C. Date of Delivery

1-16-09

D. Is delivery address different from item 1? ☐ Yes

If YES, enter delivery address below:

☐ No

3. Service Type

☒ Certified Mail

☐ Express Mail

☐ Registered

☐ Return Receipt for Merchandise

☐ Insured Mail

☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

2. Article Number

(Transfer from service label)

7005 2570 0001 0978 6050

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

January 14, 2009

Via Certified Mail-Return Receipt No. 6050

Dorchester Minerals, L.P.
3838 Oaklawn Ave., Suite 300
Dallas, Texas 75219
Attn: Monet Harbert

(214) 559-0300

(F) 214-559-0301

ext. 6222
Monet Harbert

Re: Huckleberry Draw "29" Federal Com #1 Well
990' FNL & 770' FEL
Section 29, T22S, R26E
Eddy County, New Mexico

Ladies and Gentlemen:

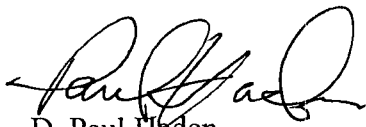
Mewbourne Oil Company as operator proposes the drilling of the captioned well at the referenced location to a depth sufficient to adequately evaluate the Morrow formation, estimated total depth being 11,800 feet beneath the surface. Enclosed for your information and execution is a copy of Mewbourne's AFE dated November 1, 2008. The E/2 of the captioned Section 29 will be dedicated to the well.

Regarding the above, public records indicate Republic Royalty Company owns an undivided 74.3% of 1/16 mineral interest (1.8575 net acres) in the NE/4NE/4 of the captioned Section 29 which appears to be unleased. Apparently Republic Royalty Company merged with Dorchester Minerals, L.P.

In the event your firm elects to participate in the captioned proposed well, please sign and return the enclosed AFE to me at your earliest convenience and I will forward you our Operating Agreement for your execution. In the event your firm elects not to participate in the captioned well, Mewbourne would be agreeable to acquiring an Oil and Gas Lease covering your interest with the lease providing a 1/4 royalty interest for a 180 day primary term with such lease providing for a 180 day continuous development provision at the end of the primary term.

Sincerely yours,

MEWBOURNE OIL COMPANY


D. Paul Haden

midland/Mewbourne
02/10/2009 02:33 PM

To spfasken@aol.com
cc
bcc Paul Haden/Mewbourne
Subject Huckleberry Draw "29"

Mr. Fasken,

Per Paul Haden's request, attached is the Oil & Gas Lease dated February 10, 2009, between Mewbourne Oil Company and The Fasken Foundation in reference to the Huckleberry Draw "29".



Fasken Foundation.pdf

Glenda Barnett
Land Department
MEWBOURNE OIL COMPANY
500 W. Texas Ave., Ste. 1020
Midland, TX 79701
(432)682-3715
(432)685-4170 FAX



Spfasken@aol.com
02/10/2009 01:05 PM

To phaden@Mewbourne.com
cc
bcc

Subject Re: Fasken Lease Form

History

 This message has been replied to

I would like to see your lease form.

Steve


A Good Credit Score is 700 or Above. See yours in just 2 easy steps!

Paul Haden/Mewbourne
02/10/2009 10:17 AM

To Spfasken@aol.com

cc

bcc

Subject Re: Fasken Lease Form 

Steve , I've reviewed your proposed lease form and it is unacceptable to Mewbourne Oil Company. There are so many onerous provisions that its not worth my time to negotiate them with you as the Fasken Foundation has only

.1250 net mineral acres in the NE/4NE/4 of Sec. 29, T22S, R26E. Accordingly , the Fasken Foundation can either

join with its unleased mineral interest or be force pooled unless the Fasken Foundation would consider the lease

form we use which form is widely accepted by industry standards with some additions as in a pugh clause and a

continuous development clause. Let me know if you want to consider the lease form we use. Thanks.

Paul Haden
Land Department
Mewbourne Oil Company
500 W. Texas Ave., Ste. 1020
Midland, Texas 79701
(432) 682-3715
(432) 685-4170 FAX

Huckleberry Draw 429 Fed Csm #1

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 mailpiece, or on the front if space permits.

1. Article Addressed to:

**Fasken Foundation
c/o Gerald Nobles, Jr.
550 W. Texas, Suite 950
Midland, Texas 79701**

COMPLETE THIS SECTION ON DELIVERY

A. Signature

[Signature]

☐ Agent

☐ Addressee

B. Received by (Printed Name)

Rebecca H

C. Date of Delivery

2/4

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? (Extra Fee)

☐ Yes

2. Article Number

(Transfer from service label)

7005 2570 0001 0978 6296

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

February 3, 2009

Via Certified Mail-Return Receipt No. 6296

Fasken Foundation
c/o Gerald Nobles, Jr.
550 W. Texas, Suite 950
Midland, Texas 79701

Re: Huckleberry Draw "29" Federal Com #1 Well
990' FNL & 770' FEL
Section 29, T22S, R26E
Eddy County, New Mexico

Gentlemen:

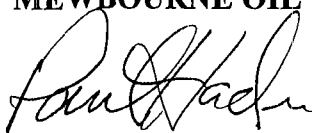
Mewbourne Oil Company as operator proposes the drilling of the captioned well at the referenced location to a depth sufficient to adequately evaluate the Morrow formation, estimated total depth being 11,800 feet beneath the surface. Enclosed for your information and execution is a copy of Mewbourne's AFE dated November 1, 2008. The E/2 of the captioned Section 29 will be dedicated to the well.

Regarding the above, public records indicates the Fasken Foundation owns an undivided 5.0% of 1/16 mineral interest (.1250 net acres) in the NE/4NE/4 of the captioned Section 29 which appears to be unleased.

In the event the Fasken Foundation elects to participate in the captioned proposed well, please sign and return the enclosed AFE to me at your earliest convenience and I will forward you our Operating Agreement for your execution. In the event the Fasken Foundation elects not to participate in the captioned well, Mewbourne would be agreeable to acquiring an Oil and Gas Lease covering the Fasken Foundation's interest with the lease providing a 1/5 royalty interest for a 180 day primary term with such lease providing for a 180 day continuous development provision at the end of the primary term.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

DPH/gb

Huckleberry Draw 79 Fed Com #1

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 mailpiece, or on the front if space permits.

1. Article Addressed to:

**Fasken Foundation
307 E. 2nd Street
Austin, Texas 78701-4011**

2. Article Number
(Transfer from service label)

7005 2570 0001 0978 6074

COMPLETE THIS SECTION ON DELIVERY

A. Signature

x 

☒ Agent
☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

1-21-05

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

January 5, 2009

Via Certified Mail-Return Receipt No. 6074

Fasken Foundation
307 E. 2nd Street
Austin, Texas 78701-4011

Re: Huckleberry Draw "29" Federal Com #1 Well
990' FNL & 770' FEL
Section 29, T22S, R26E
Eddy County, New Mexico

Ladies and Gentlemen:

Mewbourne Oil Company as operator proposes the drilling of the captioned well at the referenced location to a depth sufficient to adequately evaluate the Morrow formation, estimated total depth being 11,800 feet beneath the surface. Enclosed for your information and execution is a copy of Mewbourne's AFE dated November 1, 2008. The E/2 of the captioned Section 29 will be dedicated to the well.

Regarding the above, public records indicate you own an undivided 5.0% of 1/16 mineral interest (.1250 net acres) in the NE/4NE/4 of the captioned Section 29 which appears to be unleased.

In the event your firm elects to participate in the captioned proposed well, please sign and return the enclosed AFE to me at your earliest convenience and I will forward you our Operating Agreement for your execution. In the event your firm elects not to participate in the captioned well, Mewbourne would be agreeable to acquiring an Oil and Gas Lease covering your interest with the lease providing a 1/5 royalty interest for a 180 day primary term with such lease providing for a 180 day continuous development provision at the end of the primary term.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

DPH/gb

Huckleberry Draw 29 Fed Cor #1

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 mailpiece, or on the front if space permits.

1. Article Addressed to:

Randy and Sandra Geiselman
2700 Racquet Club Drive
Midland, Texas 79705

2. Article Number
(Transfer from service label)

7005 2570 0001 0978 5831

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature

Silvia Ulla

☒ Agent

☐ Addressee

B. Received by (Printed Name)

SILVIA ULLA

C. Date of Delivery

1-6-08

D. Is delivery address different from item 1? ☐ Yes

If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail

☐ Express Mail

☐ Registered

☐ Return Receipt for Merchandise

☐ Insured Mail

☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

January 5, 2009

Via Fax Certified Mail-Return Receipt No. 5831

Randy and Sandra Geiselman
2700 Racquet Club Drive
Midland, Texas 79705

Re: Huckleberry Draw "29" Federal Com #1 Well
990' FNL & 770' FEL
Section 29, T22S, R26E
Eddy County, New Mexico

Dear Mr. & Mrs. Geiselman:


Mewbourne Oil Company as operator proposes the drilling of the captioned well at the referenced location to a depth sufficient to adequately evaluate the Morrow formation, estimated total depth being 11,800 feet beneath the surface. Enclosed for your information and execution is a copy of Mewbourne's AFE dated November 1, 2008. The E/2 of the captioned Section 29 will be dedicated to the well.

Regarding the above, public records indicate you own an undivided 1.8% of 1/16 mineral interest (.0450 net acres) in the NE/4NE/4 of the captioned Section 29 which appears to be unleased.

In the event you elect to participate in the captioned proposed well, please sign and return the enclosed AFE to me at your earliest convenience and I will forward you our Operating Agreement for your execution. In the event you elect not to participate in the captioned well, Mewbourne would be agreeable to acquiring an Oil and Gas Lease covering your interest with the lease providing a 1/5 royalty interest for a 180 day primary term with such lease providing for a 180 day continuous development provision at the end of the primary term.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Maden
Senior Landman

DPH/gb