Summary of Communications Wyatt Draw "13" ML No.1H

Mike K. Bullock

- 1) Mailed offer letter to purchase an oil and gas lease dated 12-7-2009.
- 2) Returned unclaimed.
- 3) Mailed offer letter to purchase an oil and gas lease dated 12-15-2009.
- 4) Returned unclaimed.
- 5) Mailed offer letter to purchase an oil and gas lease dated 1-11-2010.
- 6) 1-14-2010, received email from Jill Bullock, Mike Bullock's daughter, giving me Mike's email address and letting me know he lives in Ecuador.
- 7) 1-14-2010, sent Mike an email with offer to purchase an oil and gas lease.
- 8) 1-14-2010, received email from Mike requesting an oil and gas lease to review.
- 9) 1-15-2010, emailed Mike with information on his ownership.
- 10) 1-17-2010, received email from Mike with information on his ownership.
- 11) 1-18-2010, emailed Mike with information on his ownership.
- 12) 1-19-2010, received email from Mike requesting an oil and gas lease.
- 13) 1-20-2010, emailed Mike stating we wait on the oil and gas lease since he was only willing to give us a 1 year term.
- 14) 2-26-2010, emailed Mike an oil and gas lease fro his review.
- 3-18-2010, received email from Mike accepting term/royalty & wanted more bonus money and for me to resend oil and gas lease.
- 16) 3-22-2010, emailed Mike the oil and gas lease in word format.
- 17) 3-30-2010, received email from Mike with revision to the oil and gas lease.
- 18) 4-9-2010, emailed Mike requesting he resend his revisions.
- 19) 5-28-2010, received email from Mike with his marked up oil and gas lease.
- 20) 1-3-2011, emailed Mike with the changes we would accept to the oil and gas lease.
- 21) 1-20-2011, emailed Mike with the changes we would accept to the oil and gas lease.
- 22) 1-20-2011, received email from Mike requesting his revisions.
- 23) 1-21-2011, emailed Mike with the changes we would accept to the oil and gas lease.
- 24) 1-23-2011, received email from Mike with his requested revisions.
- 25) 1-24-2011, emailed Mike with the changes we would accept to the oil and gas lease.
- 26) 1-24-2011, received email from Mike with his requested revisions.
- 27) 1-25-2011, emailed Mike with the changes we would accept to the oil and gas lease.
- 28) Mailed well proposal letter with AFE via certified mail dated 2-16-2011.
- 29) Received green card signed by ???
- 30) 2-16-2011, emailed Mike well proposal with AFE.
- 31) 2-18-2011, received email from Mike stating he received the well proposal with AFE.

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

Leward SENDIA

Mike K. Bullock 700 W. Hermosa Dr. Artesia, NM 88210

NIXIE

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

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

December 7, 2009

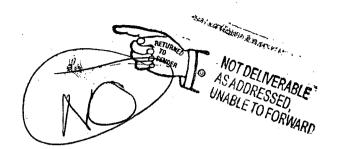
Mike K. Bullock

Mike K. Bullock 700 W. Hermosa Dr. Artesia, NM 88210
Re: MOC's Wyatt Draw "13" Prospect SW/4 of Section 13, T19S, R25E Eddy County, New Mexico
Dear Mr. Bullock:
Mewbourne Oil Company (Mewbourne) as Operator is interested in drilling one or more wells under the captioned land.
Regarding the above, Mewbourne hereby offers you \$200.00 per net acre for a three (3) year paid-up Oil and Gas Lease providing a 3/16 royalty interest covering your undivided 1/6 mineral interest (26.666667 net mineral acres) in the SW/4 of the captioned Section 13.
The above offer is subject to your immediate acceptance and Mewbourne's approval of title and lease form. Please indicate your acceptance by signing and returning this letter to me within 15 days from the date of this letter. Enclosed for your convenience in returning the same is a postage paid envelope.
Should you have any questions regarding the above, please email me at cmitchell@mewbourne.com or call me at (432) 682-3715.
Sincerely, MEWBOURNE OIL COMPANY
Coney Milchell
Corey Mitchell Landman
Agreed and Accepted this day of, 2009.
By: SS#:

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500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701







Mike K. Bullock 6860 E. Appleton Circle Englewood, CO 80112

PROPER TREATMENT

8011241159

Huldhamiladleddadhinkdalafdallalagadl

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

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

December 15, 2009

Mike K. Bullock
6860 E. Appleton Circle
Englewood, CO 80112

Re:

MOC's Wyatt Draw "13" Prospect SW/4 of Section 13, T19S, R25E Eddy County, New Mexico

Dear Mr. Bullock:

Mewbourne Oil Company (Mewbourne) as Operator is interested in drilling one or more wells under the captioned land.

Regarding the above, Mewbourne hereby offers you \$200.00 per net acre for a three (3) year paid-up Oil and Gas Lease providing a 3/16 royalty interest covering your undivided 1/6 mineral interest (26.666667 net mineral acres) in the SW/4 of the captioned Section 13.

The above offer is subject to your immediate acceptance and Mewbourne's approval of title and lease form. Please indicate your acceptance by signing and returning this letter to me within 15 days from the date of this letter. Enclosed for your convenience in returning the same is a postage paid envelope.

Should you have any questions regarding the above, please email me at cmitchell@mewbourne.com or call me at (432) 682-3715.

Sincerely,

MEWBOURNE OIL COMPANY

Conery Mitchell Corey Mitchell Landman	Ql	
Agreed and Accepted this	day of	, 2009.
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By: Mike K. Bullock	i 1 martu (h. 15 4-22) 11 martu (h. 154-22)	term op diger in da er SS#; till 1 kompanie i er Din ogsårskildiggi proper i er system på på på er till de Digerm og stag pjor bodkræge diskater er de typs sidt to

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

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

January 11, 2010

Mike K. Bullock 3945 Meade Street Denver, CO 80211

Re:

MOC's Wyatt Draw "13" Prospect SW/4 of Section 13, T19S, R25E Eddy County, New Mexico

Dear Mr. Bullock:

Mewbourne Oil Company (Mewbourne) as Operator is interested in drilling one or more wells under the captioned land.

Regarding the above, Mewbourne hereby offers you \$200.00 per net acre for a three (3) year paid-up Oil and Gas Lease providing a 3/16 royalty interest covering your undivided 1/6 mineral interest (26.666667 net mineral acres) in the SW/4 of the captioned Section 13.

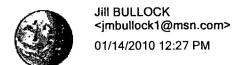
The above offer is subject to your immediate acceptance and Mewbourne's approval of title and lease form. Please indicate your acceptance by signing and returning this letter to me within 15 days from the date of this letter. Enclosed for your convenience in returning the same is a postage paid envelope.

Should you have any questions regarding the above, please email me at cmitchell@mewbourne.com or call me at (432) 682-3715.

Sincerely,

MEWBOURNE OIL COMPANY

Coney Mitchell Landman			
Agreed and Accepted this	day of	, 2010.	
Ву:		SS#:	_
Mike K. Bullock			



To <cmitchell@mewbourne.com>

cc Mike Bullock <mikekb55@yahoo.com>

bcc

Subject Mike Bullock Oil and Gas Lease

Mr. Mitchell,

I received an offer from you to lease mineral interest owned by Mike Bullock. I am his daughter and handle all correspondence as he is residing in Ecuador. I have Cc'ed Mike in this email so that you will have his information and perhaps you can send an electronic form of your letter via email.

If you have any questions, please call me at the number listed below. Thank you.

Sincerely,

Jill M. Bullock 3945 Meade Street Denver, Colorado 80211 (303)549-0901

CONFIDENTIALITY NOTICE This e-mail may contain confidential information of the sender which is intended only for the person or entity to which it is addressed. Dissemination, distribution or copying of this e-mail or the information herein by anyone other than the intended recipient, or an employee or agent responsible for delivering the message to the intended recipient, is prohibited. If you have received this e-mail in error, please advise the sender by e-mail at jmbullock1@msn.com and delete the e-mail from your server or computer. Thank you.

Corey Mitchell/Mewbourne

01/25/2011 09:14 AM

To "Mike K. Bullock" <mikekb55@yahoo.com>

СС

bcc

Subject Re: Oil and gas lease

Mike,

Attached below is the lease we are willing to accept. This will be my last attempt to come to some sort of an agreement. If we can not agree on the lease, I will have no choice but to proceed with compulsory pooling.



Bullock Lease.doc

Corey Mitchell Land Department Mewbourne Oil Company 500 West Texas, Suite 1020 Midland, TX 79701 Bus. (432) 682-3715 Fax (432) 685-4170

"Mike K. Bullock"

Corey - please see below comments in red. By t...

01/24/2011 08:59:18 PM



"Mike K. Bullock" <mikekb55@yahoo.com>

01/24/2011 09:02 PM

Please respond to "Mike K. Bullock" <mikekb55@yahoo.com> To Corey Mitchell <cmitchell@Mewbourne.com>

CC

Subject Re: Oil and gas lease

Corey - please see below comments in red. By the way, I am not trying to hold up drilling operations, but I am not willing to have my interest diminished through pooling or unitizing, in excess of state spacing regulations, without my permission. I am sure you understand my concerns.

Look forward to your comments,

Mike K. Bullock

From: Corey Mitchell <cmitchell@Mewbourne.com>

To: Mike K. Bullock <mikekb55@yahoo.com>

Cc:

Sent: Monday, January 24, 2011 10:39 AM

Subject: Re: Oil and gas lease

Please see below regarding your last comments:

- 1. We are still not acceptable to the requested requirement for forming units, as if we were to form a federal unit we would have to notify all mineral owners anyhow and you would have an opportunity to contest our unit plans. As far as a working interest unit goes, this has to do with the working interest partners only and does not affect the royalty owners, which is what you would become upon leasing to us. I was trying to give examples of my interest being reduced through pooling with other lands. I do not see where there should be a problem notifying me if you are intending to pool the acreage beyond the State spacing unit and I can determine my position at that time. If you do not intend to create a larger area than the State spacing unit, then there is no problem and notification would not be necessary.
- 2. We are not agreeable to this provision because it does not make sense. The clause reads "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 well or wells,....". You would like for us to add language that reads "in the original well spacing". According to the language, for this clause to apply there would have to be no well currently producing, so I do not understand what original well spacing you would be referring to. The lease is only going to cover 160 acres, so we would have to have a well on the 160 acres for the language to apply. We do not want to limit our capabilities of drilling a well by having language that has unclear intent to both parties. You are right this clause is ambiguous. I had problems with it and tried to make it clear as to the lands and made it worse. How does this sound? 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 continuously 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 strike this phrase) and if operations 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.

Mr. Bullock, I hope you understand our stance on this. We have all the other parties leased and ready to go and are just currently waiting on you. We have already agreed to pay you \$200 per acre for a 1 year lease with a 1/4 royalty. This is better than all the other parties, as we purchased 3

year leases for \$200 per acre and a 3/16 royalty from them. We think we have been more than fair with the lease terms and the lease provisions that we have already agreed to. Hopefully we can come to an agreement soon or we will move forward with compulsory pooling. I look forward to hearing from you. Thanks. Have a good day.

Corey Mitchell Land Department Mewbourne Oil Company 500 West Texas, Suite 1020 Midland, TX 79701 Bus. (432) 682-3715 Fax (432) 685-4170

"Mike K. Bullock" < mikekb55@yahoo.c

om>

To

Corey Mitchell

01/23/2011 07:38

<mitchell@Mewbourne.com>

PM

cc

Subject

Please respond to

Re: Oil and gas lease

"Mike K. Bullock" < mikekb55@yahoo.c

om>

Cory - please find my comments in red, below each paragraph.

Thanks,

Mike K. Bullock

From: Corey Mitchell < cmitchell@Mewbourne.com>

To: Mike K. Bullock <mikekb55@yahoo.com>

Cc:

Sent: Friday, January 21, 2011 9:20 AM

Subject: Re: Oil and gas lease

Mike,

We offered to purchase an Oil and Gas Lease covering your 1/6 mineral interest (26.666667 net acres) in the SW/4 of Section 13, T19S, R25E, Eddy County, New Mexico. We agreed to pay \$200.00 per acre for a one (1) year lease providing a 25% royalty interest. I sent you a copy of the oil and gas lease to which you sent the attached back. We are agreeable to the changes you requested except for the following:

- 1.) "Lessee is hereby granted the right an power, from time to time, with Lessors written permission, to pool or combine this lease......." We are not agreeable to not being able to pool the lands without written permission. The wells we intend to drill are horizontal wells and would require pooling. We will be in conformity with the spacing units allowed by the NMOCD. Being away from the country, you are hard to get a hold of and some of these deals are time sensitive. If we are not allowed to proceed with the drilling of a well due to our inability to get in touch with you then this could present a problem. I am willing to go along with conforming to the spacing unit allowed by the NMOCD without my written consent; however, it will be necessary to have my written permission to unitize the lands with other lands for instance into a Federal Unit or Working Interest Operating Unit.
- 2.) "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 more than 60 consecutive days, whether such operation be on the same well or on a different or additional well or wells in the original well spacing, and if they result in the production of oil or gas, so long thereafter as oil or gas is produced from said land."

 We are not agreeable to this change. Please explain your disagreement with this clause. I have used it for many years, even when I am taking the lease for my own account.

All the other changes you requested are okay. Your timeliness in getting back to me will be greatly appreciated. Let me know if we have a deal. Thanks Mike. I look forward to hearing from you.

(See attached file: Bullock Lease.doc)

Corey Mitchell Land Department Mewbourne Oil Company 500 West Texas, Suite 1020 Midland, TX 79701 Bus. (432) 682-3715 Fax (432) 685-4170

"Mike K. Bullock" < mikekb55@yahoo.c

om>

To

Corey Mitchell

01/20/2011 08:03

<<u>cmitchell@Mewbourne.com</u>>

PM

cc

Subject

Please respond to

Re: Oil and gas lease

"Mike K. Bullock" <mikekb55@yahoo.c

om>

Corey,

I have changed computers since our last correspondence and do not have the terms of our agreement. Would you please send me what we agreed to in our last conversation. I have the correspondence on my other computer, but it will take me some time to retrieve it.

I am in Ecuador and will not return to the States until September. Sounds like, from your email, that you are planning to start drilling by summer. I will try to respond as soon as I review our last terms. I am sorry for any inconvenience.

Best regards,

Mike K. Bullock

From: Corey Mitchell < cmitchell @Mewbourne.com>

To: Mike Bullock <mikekb55@yahoo.com>

Cc:

Sent: Thursday, January 20, 2011 12:20 PM.

Subject:, Re: Oil and gas lease,

Mike,

Regarding our previous conversations, if your interest is still unleased and you are still willing to lease your interest in the SW/4 of Section 13, T19S, R25E, Eddy County, New Mexico, we would like to purchase an Oil and Gas Lease from you. We are agreeable to the previous changes you requested except for the following:

- 1.) "Lessee is hereby granted the right an power, from time to time, with Lessors written permission, to pool or combine this lease......" We are not agreeable to not being able to pool the lands without written permission. The wells we intend to drill are horizontal wells and would require pooling. We will be in conformity with the spacing units allowed by the NMOCD. Being away from the country, you are hard to get a hold of and some of these deals are time sensitive. If we are not allowed to proceed with the drilling of a well due to our inability to get in touch with you then this could present a problem.
- 2.) "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 more than 60 consecutive days, whether such operation be on the same well or on a different or additional well or wells in the original well spacing, and if they result in the production of oil or gas, so long thereafter as oil or gas is produced from said land."

 We are not agreeable to this change.

All the other changes you requested are okay. We have a spot coming available in our drilling schedule soon and would like to drill a well covering this acreage. We have all the other parties signed up and are currently just waiting on you. If I do not hear back from you soon, I will have to commence compulsory pooling. We would rather purchase an Oil and Gas Lease from you than go through pooling. Your timeliness in getting back to me will be greatly appreciated. Let me know if we have a deal. Thanks Mike. I look forward to hearing from you.

Corey Mitchell

Land Department Mewbourne Oil Company 500 West Texas, Suite 1020 Midland, TX 79701 Bus. (432) 682-3715 Fax (432) 685-4170 Corey Mitchell/Mewbourne

01/03/2011 04:58 PM

To Mike Bullock <mikekb55@gmail.com>

CC

bcc

Subject Re: Oil and gas lease

Mike.

Regarding our previous conversations, if your interest is still unleased and you are still willing to lease your interest in the SW/4 of Section 13, T19S, R25E, Eddy County, New Mexico, we would like to purchase an Oil and Gas Lease from you. We are agreeable to the previous changes you requested except for the following:

- 1.) "Lessee is hereby granted the right an power, from time to time, with Lessors written permission, to pool or combine this lease......" We are not agreeable to not being able to pool the lands without written permission. The wells we intend to drill are horizontal wells and would require pooling. We will be in conformity with the spacing units allowed by the NMOCD. Being away from the country, you are hard to get a hold of and some of these deals are time sensitive. If we are not allowed to proceed with the drilling of a well due to our inability to get in touch with you then this could present a problem.
- 2.) "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 more than 60 consecutive days, whether such operation be on the same well or on a different or additional well or wells in the original well spacing, and if they result in the production of oil or gas, so long thereafter as oil or gas is produced from said land." We are not agreeable to this change.

All the other changes you requested are okay. We have a spot coming available in our drilling schedule soon and would like to drill a well covering this acreage. Your timeliness in getting back to me will be greatly appreciated. Let me know if we have a deal. Thanks Mike. I look forward to hearing from you.

Corey Mitchell Land Department Mewbourne Oil Company 500 West Texas, Suite 1020 Midland, TX 79701 Bus. (432) 682-3715 Fax (432) 685-4170



To Corey Mitchell <cmitchell@mewbourne.com>

CC

bcc

Subject Re: Oil and gas lease

History:

This message has been replied to.

Cory,

Sorry for getting back to you so late. I have been traveling with people from the States, who want to see Ecuador as a possible place to retire. If you guys are still considering leasing, I am attaching the lease in a Word 2007 format. If you have problems opening let me know.

On Fri, Apr 9, 2010 at 7:49 AM, Corey Mitchell com> wrote:

Hey Mike,

Can you resend the revised OGL in a word format? I am unable to open the below attached version you sent me on 3-30-2010. Thanks. Let me know if you have any questions.

Corey Mitchell Land Department Mewbourne Oil Company 500 West Texas, Suite 1020 Midland, TX 79701 Bus. (432) 682-3715 Fax (432) 685-4170

Mike Bullock <mikekb55@gmail.c

om>

To

Corey Mitchell

03/30/2010 08:53

<mitchell@Mewbourne.com>

AM

cc

Subject

Oil and gas lease

Corey, thank you for getting back to me with the word document. I have attached the lease with the necessary changes in red.

Thanks again,

Mike K. Bullock(See attached file: Mike Bullock O&G 2)

gta.

Mike Mike Bullock 0&G 3

Corey Mitchell/Mewbourne 03/22/2010 03:28 PM

To "Mike K. Bullock" <mikekb55@yahoo.com>

CC

bcc

Subject Re: Oil and Gas Lease Offer

Mr. Bullock,

As mentioned before, we are acceptable to purchasing a one (1) year lease at 1/4 royalty for \$150.00 per acre. We have been paying the other parties \$200.00 an acre for a three (3) year lease and feel we can only pay you the same if we were to get a longer term. If you can give us a longer term then we can pay \$200.00 per acre. Let me know what you think and/or if you have any questions.

Also, I have attached a copy of the oil and gas lease in word form.



Mike Bullock.doc

Corey Mitchell Land Department Mewbourne Oil Company 500 West Texas, Suite 1020 Midland, TX 79701 Bus. (432) 682-3715 Fax (432) 685-4170

"Mike K. Bullock"

Corey, sorry it has taken me so long to get back... 03/18/2010 11:55:42 AM



"Mike K. Bullock" <mikekb55@yahoo.com> 03/18/2010 11:55 AM

To Corey Mitchell <cmitchell@Mewbourne.com>

Subject Re: Oil and Gas Lease Offer

Corey, sorry it has taken me so long to get back to you. I have been traveling and just have not had time to address the subject. Would you please send me a copy of your oil and gas lease in a word format and I will make changes in red for your review. The term and royalty are acceptable, but I would like \$200.00/acre for the lease bonus.

Thank you for your consideration,

Mike K. Bullock

From: Corey Mitchell <cmitchell@Mewbourne.com>

To: Mike Bullock <mikekb55@yahoo.com> Sent: Fri, February 26, 2010 9:35:36 AM

Subject: Oil and Gas Lease Offer

Mr. Bullock.

Regarding our previous communications, Mewbourne Oil Company hereby offers you \$150.00 per net acre for a one (1) year paid-up Oil and Gas Lease providing a 1/4 royalty interest covering your undivided 1/6 mineral interest (26.666667 net mineral acres) in the SW/4 of Section 13, T19S, R25E, Eddy County, New Mexico.

The above offer is subject to your immediate acceptance and Mewbourne's approval of title and lease form. Please indicate your acceptance by emailing me back your response within 15 days from the date of this email.

Also, I have attached a rough draft of the Oil and Gas Lease for your review. Let me know if you have any questions. Thanks. Have a good day.

(See attached file: Mike Bullock lease.pdf)

Corey Mitchell Land Department Mewbourne Oil Company 500 West Texas, Suite 1020 Midland, TX 79701 Bus. (432) 682-3715 Fax (432) 685-4170 Corey Mitchell/Mewbourne 01/20/2010 10:39 AM

To "Mike K, Bullock" <mikekb55@yahoo.com>

CC

bcc

Subject Re: Oil and Gas Lease Offer

Mr. Bullock,

I appreciate you getting back with me. From our previous emails, you mentioned you were not willing to lease for a term longer than one year. I do not see us being able to drill this well within the year, so I will have to defer our offer until we get closer to drilling in the previously described Section 13.

Also, since you do own a big interest in the SW/4 of Section 13, I think we would feel more comfortable once you have a chance to review your files and make sure the acreage is not tied with another lease.

Thank you for all your time and help in regards to this matter and I will get in contact with you once we closer to a drilling date. Please feel free to contact me should you have any questions. Have a good day.

Corev Mitchell Land Department Mewbourne Oil Company 500 West Texas, Suite 1020 Midland, TX 79701 Bus. (432) 682-3715 Fax (432) 685-4170

"Mike K. Bullock"

Corey - thanks for the information concerning se... 01/19/2010 09:10:07 PM



"Mike K. Bullock" <mikekb55@yahoo.com> 01/19/2010 09:08 PM

To Corey Mitchell <cmitchell@Mewbourne.com>

Subject Re: Oil and Gas Lease Offer

Corey - thanks for the information concerning section 13. As I said in my first email, I am in Ecuador and do not have my files with me. If section 13 was not included in the lease containing section 21, then it could be open to leasing. Since there is production in the area, I just wanted you to be on notice as to the possibility of section 13 being HBP. Please send me a fair proposal and I will get back with you.

Mike

From: Corey Mitchell <cmitchell@Mewbourne.com>

To: Mike K. Bullock <mikekb55@yahoo.com> Sent: Mon, January 18, 2010 9:05:43 AM Subject: Re: Oil and Gas Lease Offer

Mr. Bullock.

I show the Holmquists leasing their interest in '77, '81, '87, '91 and '95. All of the mentioned leases appear to have only covered the SW/4 of Section 13, T19S, R25E, Eddy County, New Mexico. I don't ever show a Section 21 being included. Maybe it was a separate lease? Since there was never production established in the above mentioned Section 13, I would have to say all of the prior leases expired by their own terms.

Corey Mitchell Land Department Mewbourne Oil Company 500 West Texas, Suite 1020 Midland, TX 79701 Bus. (432) 682-3715 Fax (432) 685-4170

> "Mike K. Bullock" <mikekb55@yahoo.c

om>

To

Corey Mitchell 01/17/2010 04:47 < cmitch

<cmitchell@Mewbourne.com>

DM

CC

Subject Re: Oil and Gas Lease Offer

Cory:

Please check your title notes and you should encounter a lease back in 1980 from the Holmquist. A well was drilled on the lease, I believe in 1983. I purchased the mineral interest from Fern in 2001. You are right about section 13 not reflecting a well, because the well was drilled in section 21. If the lands are not leased in section 13 or if you obtain a release, please get in touch with me.

Mike K. Bullock

From: Corey Mitchell cmike K. Bullock < mikekb55@yahoo.com Sent: Fri, January 15, 2010 3:41:55 PM

Subject: Re: Oil and Gas Lease Offer

Mr. Bullock,

County records show you and Lynn M. Bullock, as Joint Tenants purchased the mineral interest in the SW/4 of Section 13, T19S, R25E, Eddy County, New Mexico from Fern S. Holmquist by Mineral Deed dated 2-1-2001. Then by Mineral Deed dated 2-1-2002, the two of you deeded the interest to yourself, individually. The county records do not show where you ever gave an Oil and Gas Lease covering this interest.

Also, I'm not sure where the "Kimberly" and "Kim" wells are located, but I know they are not in the referenced Section 13. I am curious though as to where these wells are located and if the above described mineral interest is part of an Oil and Gas lease being held by said wells that I missed while looking up the records.

If you can, I would appreciate it if you could do some research through your files and see what the wells/lease in question covers. Please, let me know if I can be of any assistance. Thank you for your time and help. Have a good weekend.

Corey Mitchell Land Department Mewbourne Oil Company 500 West Texas, Suite 1020 Midland, TX 79701 Bus. (432) 682-3715 Fax (432) 685-4170

> "Mike K. Bullock" <<u>mikekb55@yahoo.c</u>

om>

То

Corey Mitchell

01/14/2010 04:32 PM <cmitchell@Mewbourne.com>

CC

Subject Re: Oil and Gas Lease Offer

Corey - thanks for your offer to lease. I believe the lease is HBP, so you might check the producing wells in the area. I have not been paid on any production for several months, so maybe they have plugged the well(s). There were two wells I was being paid on; Kimberly and the Kim. I do not have my files with me in Ecuador, so I can't give you any specific information on the wells.

If the wells have been plugged and abandoned, I will not hold you up from

your exploration plans in the area. Please email me a lease for my review. I never lease for more than one year, if your drilling plans are outside that date we can talk later. The last time I checked, it was a 25% royalty area. I have friends that work the area and could verify it is still at that rate. If you are interested, please send me a fair lease for the area.

Sincerely,

Mike K. Bullock

From: Corey Mitchell com>

To: Mike Bullock <<u>mikekb55@yahoo.com</u>> Cc: Jill BULLOCK <<u>imbullock1@msn.com</u>> Sent: Thu, January 14, 2010 1:38:32 PM>

Subject: Oil and Gas Lease Offer:

Mr. Bullock,

I recently sent you an offer letter to purchase an Oil and Gas Lease covering you mineral interest in the SW/4 of Section 13, T19S, R25E, Eddy County, New Mexico. By email, your daughter, Jill Bullock, contacted me and informed me you now live in Ecuador.

To help with communication, I have attached the above mentioned offer letter below. Please review the Oil and Gas Lease offer and get back with me at your convenience. Thanks for your time and help. Let me know should you have any questions. Have a good day.

(See attached file: Mike Bullock.pdf)

Corey Mitchell Land Department Mewbourne Oil Company 500 West Texas, Suite 1020 Midland, TX 79701 Bus. (432) 682-3715 Fax (432) 685-4170

A Agent Addressee C. Date of Delivery □ Yes 7006 0610 0005 7342 4533 4. Restricted Delivery P (Extra Fee) B. Réceived by (Printed Name) A. Signfature, Attach this card to the back of the mailpiece, item 4 if Restricted Delivery is desired.

Print your name and address on the reverse ■ Complete items 1, 2, and 3. Also complete Jenver, CO 8021/ so that we can return the card to you. or on the front if space permits. 2945 Meade Na 大田 (Transfer from service label) 1. Article Addressed to: 2. Article Number

PS Form 3811, February 2004 Domestic Ret

Domestic Return Receipt

102595-02-M-1540

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

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

February 16, 2011

<u>Via Email mikekb55@yahoo.com</u> Certified Mail-Return Receipt No. 4533

Mike K. Bullock 3945 Meade Street Denver, CO 80211

Re:

Wyatt Draw "13" ML No. 1H

250' FNL & 350' FWL (SL) (Section 24) 2310' FSL & 350' FWL (BHL) (Section 13)

Section 13, T19S, R25E Eddy County, New Mexico

Dear Mr. Bullock:

Mewbourne Oil Company (Mewbourne) hereby proposes to drill the captioned well at the referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to a true vertical depth (TVD) of approximately 2,770 feet subsurface to evaluate the Yeso formation for oil production. The proposed well will have a horizontal measured depth (MD) of approximately 5,080 feet. The W/2SW/4 of the captioned Section 13 will be dedicated to the well as the oil proration unit.

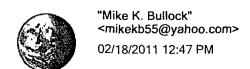
Regarding the above, enclosed for your further handling is our AFE dated December 20, 2010 for the captioned well. In the event you elect to participate in the captioned proposed well, please execute the enclosed AFE and return to me within thirty (30) days.

Should you have any questions regarding the above, please email me at cmitchell@mewbourne.com or call me at (432) 682-3715.

Sincerely,

MEWBOURNE OIL COMPANY

Corey Mitchell
Landman



To Corey Mitchell <cmitchell@Mewbourne.com>

CC

bcc

Subject Re: Wyatt Draw 13 ML No. 1H

Cory - thanks for the information.

Mike 303 586-1361

From: Corey Mitchell <cmitchell@Mewbourne.com>

To: Mike K. Bullock <mikekb55@yahoo.com> **Sent:** Wed, February 16, 2011 9:22:09 AM

Subject: Wyatt Draw 13 ML No. 1H

Mike,

Please see attached well proposal for the above captioned well. Thanks Let me know if you have any questions.

(See attached file: doc00029220110216071618.pdf)

Corey Mitchell Land Department Mewbourne Oil Company 500 West Texas, Suite 1020 Midland, TX 79701 Bus. (432) 682-3715 Fax (432) 685-4170