

WEST ARTESIA GRBG. UNIT

MACK ENER (OPER)

Examiner 11533
Case No. 1
EXHIBIT NO. 1

**BEFORE THE
OIL CONSERVATION DIVISION
Santa Fe, New Mexico**

Case No. 11533 Exhibit No. 1

Submitted by: Mewbourne Oil Company

Hearing Date: June 13, 1996

**TRACT OWNERSHIP
N/2 OF SECTION 4-18S-28E
EDDY COUNTY, NEW MEXICO**

TRACT 1
NWNW (LOT 4)

Fina Oil & Chemical	75.00000%	(30 acres)
Eugene E. Nearburg	10.28750%	(4.115 acres)
Ben A. Copass, Jr.	2.21250%	(.885 acres)
Earl R. Bruno, Jr.	6.25000%	(2.5 acres)
Robert H. Marshall	<u>6.25000%</u>	<u>(2.5 acres)</u>
	100.00000%	40.00 acres

TRACT 2
NENW (LOT 3)

Arco Permian	50.00000%	(20 acres)
Amoco Production Company	50.00000%	(20 acres)

TRACT 3
NWNE (LOT 2)

Mewbourne Oil Company	100.00000%	(40 acres)
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TRACT 4
E/2NE/4 (LOT 1 & SENE)

Oxy USA Inc.	100.00000%	(80 acres)
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TRACT 5
SWNE & SENW

Mewbourne Oil Company	100.00000%	(80 acres)
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TRACT 6
SWNW

Nearburg Producing Company	100.00000%	(40 acres)
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Examiner	<u>Stoegner</u>
Case No.	<u>11533</u>
EXHIBIT NO.	<u>2</u>

**BEFORE THE
OIL CONSERVATION DIVISION**
Santa Fe, New Mexico

Case No. 11533 Exhibit No. 2

Submitted by: Mewbourne Oil Company

Hearing Date: June 13, 1996

UNIT OWNERSHIP
N/2 of Section 4-18S-28E
Eddy County, New Mexico

<u>Company</u>	<u>Acres</u>	<u>% W.I.</u>	<u>Status</u>
Mewbourne Oil Company	120.000	37.50000	
Oxy USA Inc.	80.000	25.00000	Participating - Supports Mewbourne
Nearburg Producing Company	40.000	12.50000	✓
Fina Oil & Chemical	30.000	9.37500	Committed to Mewbourne
Arco Permian	20.000	6.25000	✓
Amoco Producing Company	20.000	6.25000	✓
Eugene E. Nearburg	4.115	1.28594	Farmed-Out to Mewbourne
Earl R. Bruno, Jr.	2.500	.78125	✓
Robert H. Marshall	2.500	.78125	✓
Bert A. Copass, Jr.	.885	.27656	Farmed-Out to Mewbourne
	320.000	100.00000	

Summary

Mewbourne Oil Company: 73.4375%

Uncommitted: 26.5625%

100.0000%

BEFORE THE
OIL CONSERVATION DIVISION
 Santa Fe, New Mexico

Case No. 11533 Exhibit No. 3

Submitted by: Mewbourne Oil Company

Hearing Date: June 13, 1996

MEWBOURNE OIL COMPANY
AUTHORIZATION FOR EXPENDITURE

Prospect: Morrow Test

Field: Scoggln Draw Morrow

Well Name and No: Scoggln Draw #4 State #1

Location: 1850' FNL & 890' FWL

Section: 4

Block:

Township: 18S

Range: 28E

County: Eddy

State: New Mexico

Proposed Depth: 10,500'

DESCRIPTION		Cost To Casing Point AFE NO.	Completion Cost AFE NO.
INTANGIBLE COST 180			
300	Permits and Surveys	500	800
301	Location, Plots and Surveys	18000	1000
302	Footage or Turnkey Drilling	189000	0
303	Day Work	14000	0
304	Fuel, Water and Other	18000	500
305	Completion/Workover Flg	0	10000
306	Mud and Chemicals	18000	0
307	Cementing	28300	35800
308	Logging and Wireline	18000	8000
309	Casing-Tubing Services	2100	7800
310	Mud Logging	4800	0
311	Testing	4300	0
312	Treating	0	50000
313	Coiling	0	0
320	Transportation	1800	8100
321	Welding and Construction Labor	2000	400
322	Contract Supervision	0	0
330	Equipment Rental	8000	5000
334	Well/Lease Legal/Tax	2800	0
335	Well/Lease Insurance	8000	0
350	Intangible Supplies	250	250
360	Pipeline FLOW and Easements	0	3000
367	Pipeline Interconnect	0	0
375	Company Supervision	20000	10000
380	Overhead Fixed Rate	5000	5000
399	Contingencies	7053	2885
Total Intangibles		\$358,703	8148,115
TANGIBLE COST 181			
	Conductor Casing	0	0
	Surface Casing 13 3/8" @ 400' +/-	6400	0
	Intermediate Casing 9 5/8" @ 2800' +/-	28000	0
	Production Casing 5 1/2" @ 10,500'	0	55000
	Production Casing	0	0
	Tubing 2 7/8" @ 10,500'	0	28900
800	Drilling Head	3700	0
805	Tubing Head	0	2500
870	Upper Section	0	4000
875	Sucker Rods	0	0
880	Packer, Pump & Other Subsurface	0	7000
885	Pumping Unit & Prime Mover + Electricity	0	0
890-1	Tanks (Steel & Fiberglass)	0	8000
894-5	Separation Equipment (fired, Non-fired)	0	8500
898	Metering Equipment	0	4200
900	Line Pipe	0	9000
905	Valves	0	2000
908	Miscellaneous Fittings & Accessories	0	8000
910	Production Equipment Installation	0	4000
920	Pipeline Construction	0	28000
Total Tangibles		\$39,100	8185,100
SUBTOTAL		\$397,803	\$311,215
TOTAL WELL COST		\$709,018	

Date Prepared: Feb. 2, 1990

Prepared By: Bill Pierce

Company Approval: *Key Pierce*

Date Approved: 2/2/90

Joint Owner Approval:

Joint Owner Interest:

Joint Owner Amount:

Examiner *Stagner*

Case No. *11533*

EXHIBIT NO. *4*

**BEFORE THE
OIL CONSERVATION DIVISION**
Santa Fe, New Mexico

Case No. 11533 Exhibit No. 4

Submitted by: Mewbourne Oil Company

Hearing Date: June 13, 1996

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

May 29, 1996

Certified Mail-Return Receipt Requested P 268 434 009

Nearburg Exploration Company
3300 North "A" Street
Building 2, Suite 120
Midland, Texas 79705

Attention: Mr. Bob Shelton

Re: East Scoggin Draw Prospect
MOC Scoggin Draw "4" State #1 Well
N/2 of Section 4-18S-28E
Eddy County, New Mexico

Dear Mr. Shelton:

Mewbourne Oil Company (Mewbourne) would like to thank Nearburg Exploration Company (Nearburg) for the opportunity to review its data associated with the captioned well on May 13, 1996.

After careful consideration, we have decided to proceed with our original location as proposed (1650' FNL and 990' FWL of Section 4-18S-28E).

As discussed, in an effort to avoid the necessity of having to pool this unit before the New Mexico Oil Conservation Division, Mewbourne respectfully requests that Nearburg either participate to the full extent of its interest in this well or commit its interest to Mewbourne under mutually agreeable terms.

Should you have any questions, please do not hesitate to call.

Sincerely,

MEWBOURNE OIL COMPANY

Steve Cobb

Steve Cobb
District Landman

SC/gb

Examiner	<u>Stogner</u>
Case No.	<u>11533</u>
EXHIBIT NO.	<u>5</u>

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

April 22, 1996

Certified Mail-Return Receipt Requested P 268 433 996

Nearburg Exploration Company
3300 North "A" Street
Building 2, Suite 120
Midland, Texas 79705

Attention: Mr. Bob Shelton

Re: East Scoggin Draw
MOC Scoggin Draw "4" State #1 Well
N/2 of Section 4-18S-28E
Eddy County, New Mexico

Gentlemen:

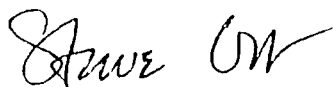
Pursuant to our telephone conversation of April 18, 1996, Mewbourne Oil Company respectfully requests a meeting with Nearburg Exploration Company the purpose of which is to discuss our proposed locations in the captioned lands.

As discussed, we will be filing Compulsory Pooling and Unorthodox Well Location applications this week covering the captioned for a hearing to be heard before the NMOCD on May 16, 1996.

Should you have any questions, please do not hesitate to call.

Sincerely,

MEWBOURNE OIL COMPANY



Steve Cobb
District Landman

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

(915) 682-3715
FAX (915) 685-4170
April 17, 1996

Certified Mail-Return Receipt Requested P 268 433 995

Nearburg Exploration Company
3300 North "A" Street
Building 2, Suite 120
Midland, Texas 79705

Attn: Bob Shelton

Re: East Scoggin Draw
Scoggin Draw "4" State #1 Well
N/2 of Section 4-18S-28E
Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company (Mewbourne) previously proposed the drilling of the captioned well on April 2, 1996 and invited you to either participate in the drilling of the well, sell or farmout your interest to Mewbourne.

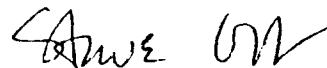
It has become evident through our communications with the interest owners in the proposed proration unit that we will be unable to reach a voluntary agreement with all of the parties involved. In order to drill the well in a timely manner and to honor various commitments we have made, please be advised we intend to file an application for pooling before the New Mexico Oil Conservation Division in approximately two weeks.

Mewbourne desires to avoid the necessity of a pooling hearing, therefore we will continue with our efforts to reach a voluntary agreement with all interest owners. We respectfully request that you reconsider your position and assist us in avoiding the pooling of this unit.

Should you have any questions concerning this matter, please do not hesitate to call. We would be happy to arrange a meeting between our companies to discuss this issue at your convenience.

Sincerely,

MEWBOURNE OIL COMPANY



Steve Cobb
District Landman

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

—
(915) 682-3715
FAX (915) 685-4170

April 2, 1996

Certified Mail-Return Receipt Requested P 268 433 982

Nearburg Exploration Company, L.L.C.
3300 North "A" Street
Building 2, Suite 120
Midland, Texas 79705

Attn: Mr. Bob Shelton

Re: East Scoggin Draw Prospect
Scoggin Draw "4" State #1 Well
Section 4-18S-28E
Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company (Mewbourne) hereby proposes the drilling of a well to a depth sufficient to adequately test the Morrow formation, anticipated total depth being 10,500'. Furthermore, Mewbourne shall evaluate to its satisfaction, all other formations encountered at lesser depths in the drilling of said well. The N/2 of the captioned Section 4 will be dedicated as the proration unit for the well.

This well will be located approximately 1650' FNL and 990' FWL of Section 4-18S-28E, Eddy County, New Mexico. Our AFE dated February 2, 1996 is enclosed for your review. Should you desire to participate to the full extent of your interest in the drilling of this proposed well, please return an executed copy of the AFE to the undersigned at your earliest convenience.

Upon receipt of your executed AFE or by prior written request we will forward our Joint Operating Agreement for your review and execution.

In the event you do not wish to participate, Mewbourne respectfully requests you elect one of the following options as to your interest.

- 1) Farmout all of your interest in Section 4 for a period of one year to Mewbourne under the following general terms:

- (a) If any well drilled, deepened, completed or recompleted under the terms of our farmout agreement results in oil and/or gas production on a proration unit that includes your acreage, Mewbourne will earn an assignment of 100% of your rights and interest, free of any liens or encumbrances, in the proration unit assigned to each well to a depth of 100' below the total depth drilled for each well.
- (b) Upon completion of the initial test well as a producer or dry hole, Mewbourne would have the recurring option, but not the obligation, to commence additional wells on New Mexico Oil Conservation approved proration units that include your acreage to establish oil and/or gas production under the captioned lands or land pooled therewith. If any such option is exercised by Mewbourne, Mewbourne agrees to allow not more than 180 days to elapse between the completion of one well and the commencement of operations for any next well.
- (c) You will retain an overriding royalty interest equal to the difference, if any, between 25% of all oil and gas produced and the total of all royalty interests, overriding royalty interests and other burdens or lawful claims upon production to which your leases may be currently subject, so that Mewbourne will be assigned a 75% net revenue interest in your leases(s). Such overriding royalty interest retained by you shall be subject to proportionate reduction.
- (d) Upon acceptance of our farmout proposal you agree to furnish at no cost to Mewbourne, title information such as copies of the leases covering the captioned lands, title opinions currently in your possession, title curative, letter agreements and any contracts currently in effect, etc.

Should the above general terms be acceptable to you our formal Farmout Agreement will be provided under separate cover.

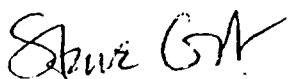
- 2) Sell all of your right, title and interest in this Section, subject to title approval, for \$200.00 per acre to Mewbourne

As we anticipate drilling the captioned well in the Second quarter of 1996, your earliest response to this proposal would be greatly appreciated.

Should you have any questions, please do not hesitate to call.

Sincerely,

MEWBOURNE OIL COMPANY



Steve Cobb
District Landman

MEWBOURNE OIL COMPANY
AUTHORIZATION FOR EXPENDITURE

Prospect: Morrow Test

Field: Scogglin Draw Morrow

Well Name and No: Scogglin Draw #4 State #1

Location: 1850' FNL & 890' FWL

Section: 4

Block:

Township: 18S

Range: 28E

County: Eddy

State: New Mexico

Proposed Depth: 10,500'

	DESCRIPTION	Cost To Casing Point AFE NO.	Completion Cost AFE NO.
	INTANGIBLE COST 180		
300	Permits and Surveys	500	800
301	Location, Floods and Surveys	18000	1000
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	Conductor Casing	0	0
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	Tubing 2 7/8" @ 10,500'	0	28800
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870	Upper Section	0	4000
875	Sucker Rods	0	0
880	Packer, Pump & Other Subsurface	0	7000
885	Pumping Unit & Prime Mover 1 Electrically	0	0
890-1	Tanks (Steel & Fiberglass)	0	8000
894-5	Separation Equipment (fired, Non-fired)	0	8500
898	Metering Equipment	0	4200
900	Line Pipe	0	9000
905	Valves	0	2000
908	Miscellaneous Fittings & Accessories	0	8000
910	Production Equipment Installation	0	4000
920	Pipeline Construction	0	28000
	Total Tangibles	\$38,100	\$185,100
	SUBTOTAL	\$397,803	\$311,215
	TOTAL WELL COST	\$700,018	

Date Prepared: Feb. 2, 1996

Prepared By: Bill Pierce

Company Approval:

Date Approved:

Joint Owner Approval:

Joint Owner Interest:

Joint Owner Amount:

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

April 17, 1996

Certified Mail-Return Receipt Requested P 268 433 992

Mr. Robert H. Marshall
P.O. Box 1422
Midland, Texas 79702

Re: East Scoggin Draw
Scoggin Draw "4" State #1 Well
N/2 of Section 4-18S-28E
Eddy County, New Mexico

Gentlemen:

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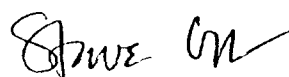
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Sincerely,

MEWBOURNE OIL COMPANY



Steve Cobb
District Landman

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

April 2, 1996

Certified Mail-Return Receipt Requested P 268 433 987

Robert H. Marshall
P.O. Box 1422
Midland, Texas 79702

Re: East Scoggin Draw Prospect
Scoggin Draw "4" State #1 Well
Section 4-18S-28E
Eddy County, New Mexico

Dear Mr. Marshall:

Mewbourne Oil Company (Mewbourne) hereby proposes the drilling of a well to a depth sufficient to adequately test the Morrow formation, anticipated total depth being 10,500'. Furthermore, Mewbourne shall evaluate to its satisfaction, all other formations encountered at lesser depths in the drilling of said well. The N/2 of the captioned Section 4 will be dedicated as the proration unit for the well.

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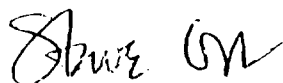
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Sincerely,

MEWBOURNE OIL COMPANY



Steve Cobb
District Landman

MEWBOURNE OIL COMPANY
AUTHORIZATION FOR EXPENDITURE

Prospect: Morrow Test

Field: Scoggin Draw Morrow

Well Name and No: Scoggin Draw #4 State #1

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State: New Mexico

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885	Pumping Unit & Prime Mover - Electricity	0	0
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905	Valves	0	2000
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	SUBTOTAL	\$397,803	\$311,215
	TOTAL WELL COST	\$700,018	

Date Prepared: Feb. 2, 1980

Prepared By: Bill Pierce

Company Approval:

Date Approved:

Joint Owner Approval:

Joint Owner Interest:

Joint Owner Amount:

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

June 15, 1993

Robert H. Marshall
P. O.Box 590
Midland, Texas 79702

Re: East Scoggins Draw Prospect
T18S, R28E
Section 4: Lot 4 (NW/4NW/4)
below 6467'
Eddy County, New Mexico

Dear Mr. Marshall:

Mewbourne Oil Company (Mewbourne) desires to consolidate its interest in those areas in which it conducts operations.

Records available to us indicate you own approximately 2.5 net acres under the captioned lands with a 76.563 % net revenue interest.

Mewbourne hereby offers you \$125.00 per acre for all of your right, title and interest in the captioned land and depths subject to the following general terms:

1. Robert H. Marshall (Marshall) agrees to deliver a 6.25% working interest and a 4.7855156% net revenue interest to Mewbourne.
2. Marshall agrees to furnish to Mewbourne free of any cost whatsoever, copies of all records and files in his possession covering the captioned lands.
3. This offer is contingent upon Mewbourne's approval of title and form of Assignment.
4. The effective date of this sale will be June 1, 1993.

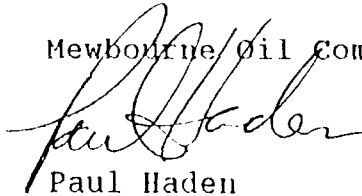
Should the above terms meet with your approval, please so signify by signing in the space provided and return an executed copy of this letter to the undersigned within thirty days from receipt.

Robert H. Marshall
June 15, 1993
Page 2

Failure to respond within thirty days shall render this offer voidable at Mewbourne's sole discretion.

Sincerely,

Mewbourne Oil Company

A handwritten signature in cursive script, appearing to read "Paul Haden", is written over the typed name.

Paul Haden
Landman

PH/kls

AGREED to and accepted this _____ day of _____, 1993.

By: _____

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

April 17, 1996

Certified Mail-Return Receipt Requested P 268 433 989

Mr. Earl R. Bruno, Jr.
P.O. Box 590
Midland, Texas 79702

Re: East Scoggin Draw
Scoggin Draw "4" State #1 Well
N/2 of Section 4-18S-28E
Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company (Mewbourne) previously proposed the drilling of the captioned well on April 2, 1996 and invited you to either participate in the drilling of the well, sell or farmout your interest to Mewbourne.

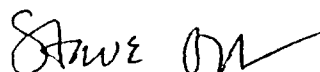
It has become evident through our communications with the interest owners in the proposed proration unit that we will be unable to reach a voluntary agreement with all of the parties involved. In order to drill the well in a timely manner and to honor various commitments we have made, please be advised we intend to file an application for pooling before the New Mexico Oil Conservation Division in approximately two weeks.

Mewbourne desires to avoid the necessity of a pooling hearing, therefore we will continue with our efforts to reach a voluntary agreement with all interest owners. We respectfully request that you reconsider your position and assist us in avoiding the pooling of this unit.

Should you have any questions concerning this matter, please do not hesitate to call. We would be happy to arrange a meeting between our companies to discuss this issue at your convenience.

Sincerely,

MEWBOURNE OIL COMPANY



Steve Cobb
District Landman

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

—
(915) 682-3715
FAX (915) 685-4170

April 2, 1996

Certified Mail-Return Receipt Requested P 268 433 986

Earl R. Bruno, Jr.
P.O. Box 590
Midland, Texas 79702

Re: East Scoggin Draw Prospect
Scoggin Draw "4" State #1 Well
Section 4-18S-28E
Eddy County, New Mexico

Dear Mr. Bruno:

Mewbourne Oil Company (Mewbourne) hereby proposes the drilling of a well to a depth sufficient to adequately test the Morrow formation, anticipated total depth being 10,500'. Furthermore, Mewbourne shall evaluate to its satisfaction, all other formations encountered at lesser depths in the drilling of said well. The N/2 of the captioned Section 4 will be dedicated as the proration unit for the well.

This well will be located approximately 1650' FNL and 990' FWL of Section 4-18S-28E, Eddy County, New Mexico. Our AFE dated February 2, 1996 is enclosed for your review. Should you desire to participate to the full extent of your interest in the drilling of this proposed well, please return an executed copy of the AFE to the undersigned at your earliest convenience.

Upon receipt of your executed AFE or by prior written request we will forward our Joint Operating Agreement for your review and execution.

In the event you do not wish to participate, Mewbourne respectfully requests you elect one of the following options as to your interest.

- 1) Farmout all of your interest in Section 4 for a period of one year to Mewbourne under the following general terms:

- (a) If any well drilled, deepened, completed or recompleted under the terms of our farmout agreement results in oil and/or gas production on a proration unit that includes your acreage, Mewbourne will earn an assignment of 100% of your rights and interest, free of any liens or encumbrances, in the proration unit assigned to each well to a depth of 100' below the total depth drilled for each well.
- (b) Upon completion of the initial test well as a producer or dry hole, Mewbourne would have the recurring option, but not the obligation, to commence additional wells on New Mexico Oil Conservation approved proration units that include your acreage to establish oil and/or gas production under the captioned lands or land pooled therewith. If any such option is exercised by Mewbourne, Mewbourne agrees to allow not more than 180 days to elapse between the completion of one well and the commencement of operations for any next well.
- (c) You will retain an overriding royalty interest equal to the difference, if any, between 25% of all oil and gas produced and the total of all royalty interests, overriding royalty interests and other burdens or lawful claims upon production to which your leases may be currently subject, so that Mewbourne will be assigned a 75% net revenue interest in your leases(s). Such overriding royalty interest retained by you shall be subject to proportionate reduction.
- (d) Upon acceptance of our farmout proposal you agree to furnish at no cost to Mewbourne, title information such as copies of the leases covering the captioned lands, title opinions currently in your possession, title curative, letter agreements and any contracts currently in effect, etc.

Should the above general terms be acceptable to you our formal Farmout Agreement will be provided under separate cover.

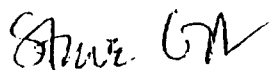
- 2) Sell all of your right, title and interest in this Section, subject to title approval, for \$200.00 per acre to Mewbourne

As we anticipate drilling the captioned well in the Second quarter of 1996, your earliest response to this proposal would be greatly appreciated.

Should you have any questions, please do not hesitate to call.

Sincerely,

MEWBOURNE OIL COMPANY



Steve Cobb
District Landman

MEWBOURNE OIL COMPANY
AUTHORIZATION FOR EXPENDITURE

Prospect: Morrow Test

Field: Scoggin Draw Morrow

Well Name and No: Scoggin Draw #4 State #1

Location: 1850' FNL & 800' FWL

Section: 4

Block:

Township: 18S

Range: 28E

County: Eddy

State: New Mexico

Proposed Depth: 10,500'

	DESCRIPTION	Cost To Casing Point AFE NO.	Completion Cost AFE NO.
	INTANGIBLE COST 180		
300	Permits and Surveys	500	800
301	Location, Bonds and Surveys	18000	1000
302	Footage or Turnkey Drilling	189000	0
303	Day Work	14000	0
304	Fuel, Water and Other	18000	500
305	Completion/Workover Pkg	0	10000
306	Mud and Chemicals	18000	0
307	Cementing	26300	36800
308	Logging and Wireline	18000	8000
309	Casing-Tubing Services	2100	7800
310	Mud Logging	4800	0
311	Testing	4300	0
312	Treating	0	50000
313	Coiling	0	0
320	Transportation	1800	6100
321	Welding and Construction Labor	2000	400
322	Contract Supervision	0	0
330	Equipment Rental	8000	6000
334	Well/Lease Legal/Tax	2800	0
335	Well/Lease Insurance	8000	0
350	Intangible Supplies	250	250
360	Pipeline ROW and Easements	0	3000
367	Pipeline Interconnect	0	0
375	Company Supervision	20000	10000
390	Overhead Fixed Rate	6000	5000
399	Contingencies	7053	2885
	Total Intangibles	\$359,703	8140,115
	TANGIBLE COST 181		
	Conductor Casing	0	0
	Surface Casing 13 3/8" @ 400' +/-	6400	0
	Intermediate Casing 9 5/8" @ 2800' +/-	28000	0
	Production Casing 5 1/2" @ 10,500'	0	55000
	Production Casing	0	0
	Tubing 2 7/8" @ 10,500'	0	28800
800	Drilling Head	3700	0
805	Tubing Head	0	2500
870	Upper Section	0	4000
875	Sticker Rods	0	0
880	Packer, Pump & Other Subsurface	0	7000
885	Pumping Unit & Prime Mover + Electricity	0	0
890-1	Tanks (Steel & Fiberglass)	0	8000
894-5	Separation Equipment (fired, Non-fired)	0	8500
898	Metering Equipment	0	4200
900	Line Pipe	0	6000
905	Valves	0	2000
908	Miscellaneous Findings & Accessories	0	8000
910	Production Equipment Installation	0	4000
920	Pipeline Construction	0	28000
	Total Tangibles	\$38,100	8185,100
	SUBTOTAL	\$397,803	\$311,215
	TOTAL WELL COST	\$700,018	

Date Prepared: Feb. 2, 1998

Prepared By: Bill Pierce

Company Approval:

Date Approved:

Joint Owner Approval:

Joint Owner Interest:

Joint Owner Amount:

Earl R. Bruno

PH

July 9, 1993

JUL 11 1993

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

Attention: Paul Haden

*Re: 2.5 NET ACRES;
6.25 % WIT;
4.7855156 % NRI.*

Re: East Scoggins Draw Prospect
T18S, R28E
Section 4: Lot 4 (NW/4 NW/4)
below 6467'
Eddy County, New Mexico

Dear Mr. Haden:

Earl R. Bruno, Jr. is in receipt of your letter dated June 15, 1993, offering to purchase his interest in the captioned property. Please be advised that Earl R. Bruno, Jr. is not interested in selling his interest at this time.

Sincerely,

EARL R. BRUNO, JR.

L. Kent Burkhardt

L. Kent Burkhardt, CPL
Consulting Landman

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

June 15, 1993

Earl R. Bruno, Jr.
P. O.Box 590
Midland, Texas 79702

Re: East Scoggins Draw Prospect
T18S, R28E
Section 4: Lot 4 (NW/4NW/4)
below 6467'
Eddy County, New Mexico

Dear Mr. Bruno:

Mewbourne Oil Company (Mewbourne) desires to consolidate its interest in those areas in which it conducts operations.

Records available to us indicate you own approximately 2.5 net acres under the captioned land with a 76.563 % net revenue interest.

Mewbourne hereby offers you \$125.00 per acre for all of your right, title and interest in the captioned land and depths subject to the following general terms:

1. Earl R. Bruno, Jr. (Bruno) agrees to deliver a 6.25% working interest and a 4.7855156% net revenue interest to Mewbourne.
2. Bruno agrees to furnish to Mewbourne free of any cost whatsoever, copies of all records and files in his possession covering the captioned lands.
3. This offer is contingent upon Mewbourne's approval of title and form of Assignment.
4. The effective date of this sale will be June 1, 1993.

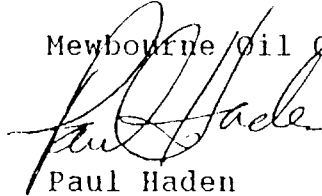
Should the above terms meet with your approval, please so signify by signing in the space provided and return an executed copy of this letter to the undersigned within thirty days from receipt.

Earl R. Bruno, Jr.
June 15, 1993
Page 2

Failure to respond within thirty days shall render this offer voidable at Mewbourne's sole discretion.

Sincerely,

Mewbourne Oil Company

A handwritten signature in cursive script, appearing to read "Paul Haden", written over the company name.

Paul Haden
Landman

PH/kls

AGREED to and accepted this _____ day of _____, 1993.

By: _____

MIEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

—
(915) 682-3715
FAX (915) 685-4170

May 31, 1996

Amoco Production Company
P.O. Box 4891
Midland, Texas 77210-4891

Attn: Mr. Jerry West

Re: East Scoggin Draw
MOC Scoggin Draw "4" State #1 Well
N/2 of Section 4-18S-28E
Eddy County, New Mexico

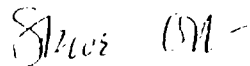
Dear Mr. West:

Enclosed for your review and execution should you desire to participate in the captioned well are two originals of our Joint Operating Agreement dated May 30, 1996 covering same. Please return one executed original to the undersigned at your earliest convenience.

Should you have any questions, please do not hesitate to call.

Sincerely,

MIEWBOURNE OIL COMPANY



Steve Cobb
District Landman

SC/gb

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

May 28, 1996

Amoco Production Company
P.O. Box 4891
Houston, Texas 77210-4891

Attn: Mr. Jerry West

Re: East Scoggin Draw Prospect
Scoggin Draw "4" State #1 Well
N/2 of Section 4-18S-28E
Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company would like to express its sincere appreciation to Amoco Production Company for the opportunity to review its data associated with the captioned well.

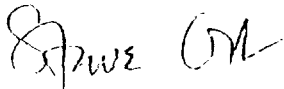
After careful consideration, we have decided to proceed with our original location as proposed (1650' FNL and 990' FWL).

As discussed, our Joint Operating Agreement will be forwarded under separate cover for your review and execution.

Should you have any questions, please do not hesitate to call.

Sincerely,

MEWBOURNE OIL COMPANY



Steve Cobb
District Landman

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

—
(915) 682-3715
FAX (915) 685-4170

May 21, 1996

Certified Mail-Return Receipt Requested P 268 434 007

Amoco Production Company
P.O. Box 4891
Houston, Texas 77210-4891

Attn: Mr. Jerry West

Re: East Scoggin Draw Prospect
Scoggin Draw "4" State #1 Well
N/2 of Section 4-18S-28E
Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company (Mewbourne) previously proposed the drilling of the captioned well on May 2, 1996 and invited you to either participate in the drilling of the well, sell or farmout your interest to Mewbourne.

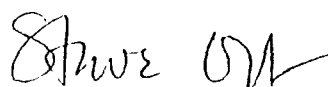
It has become evident through our communications with the interest owners in the proposed proration unit that we will be unable to reach a voluntary agreement with all of the parties involved. In order to drill the well in a timely manner and to honor various commitments we have made, please be advised we intend to file an application for pooling before the New Mexico Oil Conservation Division in approximately two weeks.

Mewbourne desires to avoid the necessity of a pooling hearing, therefore we will continue with our efforts to reach a voluntary agreement with all interest owners. We respectfully request that you reconsider your position and assist us in avoiding the pooling of this unit.

Should you have any questions concerning this matter, please do not hesitate to call. We would be happy to arrange a meeting between our companies to discuss this issue at your convenience.

Sincerely,

MEWBOURNE OIL COMPANY



Steve Cobb
District Landman

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

—
(915) 682-3715
FAX (915) 685-4170

May 7, 1996

Certified Mail-Return Receipt Requested P 268 433 000

Mr. Bill Carr
P.O. Box 2208
Santa Fe, New Mexico 87504-2208

Re: East Scoggin Draw Prospect
N/2 of Section 4-18S-28E
Eddy County, New Mexico

Dear Bill,

Please add the following parties to our list of respondents for our Pooling Application covering the captioned :

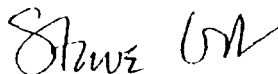
- (1) Arco Permian
P.O. Box 1610
Midland, Texas 79702
Attention: Mr. Lee Scarborough
- (2) Amoco Production Company
P.O. Box 4891
Houston, Texas 77210-4891
Attention: Mr. Jerry West

Please make sure they get notice of our hearing.

Should you have any questions, please do not hesitate to call.

Sincerely,

MEWBOURNE OIL COMPANY



Steve Cobb
District Landman

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

—
(915) 682-3715
FAX (915) 685-4170

May 2, 1996

Certified Mail-Return Receipt Requested P 268 433 998

Amoco Production Company
P.O. Box 4891
Houston, Texas 77210-4891

Attn: Mr. Jerry West
Fax #(713) 366-7590)

Re: East Scoggin Draw Prospect
Scoggin Draw "4" State #1 Well
Section 4-18S-28E
Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company (Mewbourne) hereby proposes the drilling of a well to a depth sufficient to adequately test the Morrow formation, anticipated total depth being 10,500'. Furthermore, Mewbourne shall evaluate to its satisfaction, all other formations encountered at lesser depths in the drilling of said well. The N/2 of the captioned Section 4 will be dedicated as the proration unit for the well.

This well will be located approximately 1650' FNL and 990' FWL of Section 4-18S-28E, Eddy County, New Mexico. Our AFE dated February 2, 1996 is enclosed for your review. Should you desire to participate to the full extent of your interest in the drilling of this proposed well, please return an executed copy of the AFE to the undersigned at your earliest convenience.

Upon receipt of your executed AFE or by prior written request we will forward our Joint Operating Agreement for your review and execution.

In the event you do not wish to participate, Mewbourne respectfully requests you elect one of the following options as to your interest.

- 1) Farmout all of your interest in Section 4 for a period of one year to Mewbourne under the following general terms:
 - (a) If any well drilled, deepened, completed or recompleted under the terms of our farmout agreement results in oil and/or gas production on a proration unit that includes your acreage, Mewbourne will earn an assignment of 100% of your rights and interest, free of any liens or encumbrances, in the proration unit assigned to each well to a depth of 100' below the total depth drilled for each well.

- (b) Upon completion of the initial test well as a producer or dry hole, Mewbourne would have the recurring option, but not the obligation, to commence additional wells on New Mexico Oil Conservation approved proration units that include your acreage to establish oil and/or gas production under the captioned lands or land pooled therewith. If any such option is exercised by Mewbourne, Mewbourne agrees to allow not more than 180 days to elapse between the completion of one well and the commencement of operations for any next well.
- (c) You will retain an overriding royalty interest equal to the difference, if any, between 25% of all oil and gas produced and the total of all royalty interests, overriding royalty interests and other burdens or lawful claims upon production to which your leases may be currently subject, so that Mewbourne will be assigned a 75% net revenue interest in your leases(s). Such overriding royalty interest retained by you shall be subject to proportionate reduction.
- (d) Upon acceptance of our farmout proposal you agree to furnish at no cost to Mewbourne, title information such as copies of the leases covering the captioned lands, title opinions currently in your possession, title curative, letter agreements and any contracts currently in effect, etc.

Should the above general terms be acceptable to you our formal Farmout Agreement will be provided under separate cover.

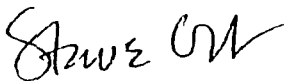
- 2) Sell all of your right, title and interest in this Section, subject to title approval, for \$200.00 per acre to Mewbourne

As we anticipate drilling the captioned well in the Second quarter of 1996, your earliest response to this proposal would be greatly appreciated.

Should you have any questions, please do not hesitate to call.

Sincerely,

MEWBOURNE OIL COMPANY



Steve Cobb
District Landman

SC/gb

**MEWBOURNE OIL COMPANY
AUTHORIZATION FOR EXPENDITURE**

Prospect: Morrow Test

Field: Scogglin Draw Morrow

Well Name and No: Scogglin Draw #4 State #1

Location: 1050' FNL & 890' FWL

Section: 4

Block:

Township: 18S

Range: 28E

County: Eddy

State: New Mexico

Proposed Depth: 10,500'

DESCRIPTION		Cost To Casing Point AFE NO.	Completion Cost AFE NO.
INTANGIBLE COST 180			
000	Permits and Surveys	500	000
001	Location, Plots and Surveys	10000	10000
002	Footage or Turnkey Drilling	100000	0
003	Day Work	14000	0
004	Fuel, Water and Other	16000	500
005	Completion/Workover Pkg	0	10000
006	Mud and Chemicals	10000	0
007	Cementing	20300	35000
008	Logging and Wireline	10000	8000
009	Casing-Tubing Services	2100	7000
010	Mud Logging	4000	0
011	Testing	4300	0
012	Treating	0	50000
013	Coiling	0	0
020	Transportation	1500	8100
021	Welding and Construction Labor	2000	400
022	Contract Supervision	0	0
030	Equipment Rental	8000	8000
034	Well/Lease Legal/Tax	2000	0
035	Well/Lease Insurance	0000	0
050	Intangible Supplies	250	250
060	Pipeline ROW and Easements	0	3000
067	Pipeline Interconnect	0	0
075	Company Supervision	20000	10000
080	Overhead Fixed Rate	5000	5000
099	Collaterals	7053	2885
Total Intangibles		\$358,703	8140,115
TANGIBLE COST 181			
	Conductor Casing	0	0
	Surface Casing 13 3/8" @ 400' +/-	8400	0
	Intermediate Casing 9 5/8" @ 2000' +/-	28000	0
	Production Casing 5 1/2" @ 10,500'	0	55000
	Production Casing	0	0
	Tubing 2 7/8" @ 10,500'	0	20000
000	Drilling Head	3700	0
005	Tubing Head	0	2500
070	Upper Section	0	4000
075	Sucker Rods	0	0
080	Packer, Pump & Other Subsurface	0	7000
085	Pumping Unit & Prime Mover 1 Electricity	0	0
090-1	Tanks (Steel & Fiberglass)	0	8000
094-5	Separation Equipment (Fixed, Non-fixed)	0	8500
095	Metering Equipment	0	4200
000	Line Pipe	0	9000
005	Valves	0	2000
008	Miscellaneous Findings & Accessories	0	8000
010	Production Equipment Installation	0	4000
020	Pipeline Construction	0	20000
Total Tangibles		\$38,100	8105,100
SUBTOTAL		\$387,803	8311,215
TOTAL WELL COST		\$700,018	

Date Prepared: Feb. 2, 1990

Prepared By: Bill Plance

Company Approval:

Date Approved:

Joint Owner Approval:

Joint Owner Interest:

Joint Owner Amount:

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

June 3, 1996

Certified Mail-Return Receipt Requested P 268 434 010

Arco Permian
P.O. Box 1610
Midland, Texas 79702

Re: East Scoggin Draw Prospect
Scoggin Draw "4" State #1 Well
N/2 of Section 4-18S-28E
Eddy County, New Mexico
SECOND REQUEST

Gentlemen:

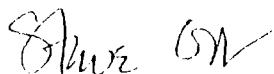
Mewbourne Oil Company (Mewbourne) previously proposed the drilling of the captioned well on May 2, 1996 and invited you to either participate in the drilling of the well, sell or farmout your interest to Mewbourne.

It has become evident through our communications with the interest owners in the proposed proration unit that we will be unable to reach a voluntary agreement with all of the parties involved. Mewbourne desires to avoid the necessity of a pooling hearing scheduled for June 13, 1996, therefore we will continue with our efforts to reach a voluntary agreement with all interest owners. We respectfully request that you reconsider your position and assist us in avoiding the pooling of this unit.

Should you have any questions concerning this matter, please do not hesitate to call. We would be happy to arrange a meeting between our companies to discuss this issue at your convenience.

Sincerely,

MEWBOURNE OIL COMPANY



Steve Cobb
District Landman

MIEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

May 31, 1996

Arco Permian
P.O. Box 1610
Midland, Texas

Attn: Mr. Lee Scarborough

Re: East Scoggin Draw
MOC Scoggin Draw "4" State #1 Well
N/2 of Section 4-18S-28E
Eddy County, New Mexico

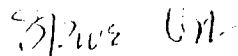
Dear Mr. Scarborough:

Enclosed for your review and execution should you desire to participate in the captioned well are two originals of our Joint Operating Agreement dated May 30, 1996 covering same. Please return one executed original to the undersigned at your earliest convenience.

Should you have any questions, please do not hesitate to call.

Sincerely,

MIEWBOURNE OIL COMPANY



Steve Cobb
District Landman

SC/gb

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

—
(915) 682-3715
FAX (915) 685-4170

May 21, 1996

Certified Mail-Return Receipt Requested P 268 434 008

Arco Permian
P.O. Box 1610
Midland, Texas 79702

Attn: Mr. Lee Scarborough

Re: East Scoggin Draw Prospect
Scoggin Draw "4" State #1 Well
N/2 of Section 4-18S-28E
Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company (Mewbourne) previously proposed the drilling of the captioned well on May 2, 1996 and invited you to either participate in the drilling of the well, sell or farmout your interest to Mewbourne.

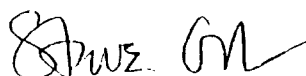
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Mewbourne desires to avoid the necessity of a pooling hearing, therefore we will continue with our efforts to reach a voluntary agreement with all interest owners. We respectfully request that you reconsider your position and assist us in avoiding the pooling of this unit.

Should you have any questions concerning this matter, please do not hesitate to call. We would be happy to arrange a meeting between our companies to discuss this issue at your convenience.

Sincerely,

MEWBOURNE OIL COMPANY



Steve Cobb
District Landman

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

May 7, 1996

Certified Mail-Return Receipt Requested P 268 433 000

Mr. Bill Carr
P.O. Box 2208
Santa Fe, New Mexico 87504-2208

Re: East Scoggin Draw Prospect
N/2 of Section 4-18S-28E
Eddy County, New Mexico

Dear Bill,

Please add the following parties to our list of respondents for our Pooling Application covering the captioned :

- (1) Arco Permian
P.O. Box 1610
Midland, Texas 79702
Attention: Mr. Lee Scarborough
- (2) Amoco Production Company
P.O. Box 4891
Houston, Texas 77210-4891
Attention: Mr. Jerry West

Please make sure they get notice of our hearing.

Should you have any questions, please do not hesitate to call.

Sincerely,

MEWBOURNE OIL COMPANY



Steve Cobb
District Landman

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

—
(915) 682-3715
FAX (915) 685-4170

May 2, 1996

Certified Mail-Return Receipt Requested P 268 433 997

Arco Permian
P.O. Box 1610
Midland, Texas 79702

Attn: Mr. Lee Scarborough

Re: East Scoggin Draw Prospect
Scoggin Draw "4" State #1 Well
Section 4-18S-28E
Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company (Mewbourne) hereby proposes the drilling of a well to a depth sufficient to adequately test the Morrow formation, anticipated total depth being 10,500'. Furthermore, Mewbourne shall evaluate to its satisfaction, all other formations encountered at lesser depths in the drilling of said well. The N/2 of the captioned Section 4 will be dedicated as the proration unit for the well.

This well will be located approximately 1650' ENL and 990' FWL of Section 4-18S-28E, Eddy County, New Mexico. Our AFE dated February 2, 1996 is enclosed for your review. Should you desire to participate to the full extent of your interest in the drilling of this proposed well, please return an executed copy of the AFE to the undersigned at your earliest convenience.

Upon receipt of your executed AFE or by prior written request we will forward our Joint Operating Agreement for your review and execution.

In the event you do not wish to participate, Mewbourne respectfully requests you elect one of the following options as to your interest.

- 1) Farmout all of your interest in Section 4 for a period of one year to Mewbourne under the following general terms:
 - (a) If any well drilled, deepened, completed or recompleted under the terms of our farmout agreement results in oil and/or gas production on a proration unit that includes your acreage, Mewbourne will earn an assignment of 100% of your rights and interest, free of any liens or encumbrances, in the proration unit assigned to each well to a depth of 100' below the total depth drilled for each well.

- (b) Upon completion of the initial test well as a producer or dry hole, Mewbourne would have the recurring option, but not the obligation, to commence additional wells on New Mexico Oil Conservation approved proration units that include your acreage to establish oil and/or gas production under the captioned lands or land pooled therewith. If any such option is exercised by Mewbourne, Mewbourne agrees to allow not more than 180 days to elapse between the completion of one well and the commencement of operations for any next well.
- (c) You will retain an overriding royalty interest equal to the difference, if any, between 25% of all oil and gas produced and the total of all royalty interests, overriding royalty interests and other burdens or lawful claims upon production to which your leases may be currently subject, so that Mewbourne will be assigned a 75% net revenue interest in your leases(s). Such overriding royalty interest retained by you shall be subject to proportionate reduction.
- (d) Upon acceptance of our farmout proposal you agree to furnish at no cost to Mewbourne, title information such as copies of the leases covering the captioned lands, title opinions currently in your possession, title curative, letter agreements and any contracts currently in effect, etc.

Should the above general terms be acceptable to you our formal Farmout Agreement will be provided under separate cover.

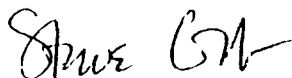
- 2) Sell all of your right, title and interest in this Section, subject to title approval, for \$200.00 per acre to Mewbourne

As we anticipate drilling the captioned well in the Second quarter of 1996, your earliest response to this proposal would be greatly appreciated.

Should you have any questions, please do not hesitate to call.

Sincerely,

MEWBOURNE OIL COMPANY



Steve Cobb
District Landman

SC/gb

MEWBOURNE OIL COMPANY
AUTHORIZATION FOR EXPENDITURE

Prospect: Morrow Test

Field: Scogglin Draw Morrow

Well Name and No: Scogglin Draw #4 State #1

Location: 1850' FNL & 890' FWL

Section: 4

Block:

Township: 18S

Range: 28E

County: Eddy

State: New Mexico

Proposed Depth: 10,500'

	DESCRIPTION	Cost To Casing Point AFE NO.	Completion Cost AFE NO.
	INTANGIBLE COST 180		
300	Permits and Surveys	500	800
301	Location, Plots and Surveys	18000	1000
302	Footage or Turnkey Drilling	180000	0
303	Day Work	14000	0
304	Fuel, Water and Other	18000	500
305	Completion/Workover Pkg	0	10000
306	Mud and Chemicals	18000	0
307	Cementing	28300	35000
308	Logging and Wireline	18000	8000
309	Casing-Tubing Services	2100	7800
310	Mud Logging	4800	0
311	Testing	4300	0
312	Treating	0	50000
313	Coiling	0	0
320	Transportation	1800	8100
321	Welding and Construction Labor	2000	400
322	Contract Supervision	0	0
330	Equipment Rental	8000	5000
334	Well/Lease Legal/Tax	2800	0
335	Well/Lease Insurance	8000	0
350	Intangible Supplies	250	250
360	Pipeline ROW and Easements	0	3000
367	Pipeline Interconnect	0	0
375	Company Supervision	20000	10000
380	Overhead Fixed Rate	5000	5000
399	Contingencies	7053	2885
	Total Intangibles	\$358,703	\$140,115
	TANGIBLE COST 181		
	Conductor Casing	0	0
	Surface Casing 13 3/8" @ 400' +/-	8400	0
	Intermediate Casing 9 5/8" @ 2000' +/-	28000	0
	Production Casing 5 1/2" @ 10,500'	0	55000
	Production Casing	0	0
	Tubing 2 7/8" @ 10,500'	0	20800
800	Drilling Head	3700	0
805	Tubing Head	0	2500
870	Upper Section	0	4000
875	Sticker Rods	0	0
880	Packer, Pump & Other Subsurface	0	7000
885	Pumping Unit & Prime Mover + Electricity	0	0
890-1	Tanks (Steel & Fiberglass)	0	8000
894-5	Separation Equipment (fired, Non-fired)	0	8500
898	Metering Equipment	0	4200
900	Line Pipe	0	6000
905	Valves	0	2000
908	Miscellaneous Fittings & Accessories	0	8000
910	Production Equipment Installation	0	4000
920	Pipeline Construction	0	28000
	Total Tangibles	\$38,100	\$185,100
	SUBTOTAL	\$397,803	\$311,215
	TOTAL WELL COST	\$700,018	

Date Prepared: Feb. 2, 1990

Prepared By: Bill Plance

Company Approval:

Date Approved:

Joint Owner Approval:

Joint Owner Interest:

Joint Owner Amount:

Memo

Per Steve Cobb -
John Lodge advised
him Arco is not interested
in selling or farming out
their interest. P.H.
7-16-93

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

July 12, 1993

ARCO Oil and Gas Company
P. O. Box 1610
Midland, Texas 79702

Attn: Mr. John Lodge

Re: East Scoggins Draw Prospect
T18S, R28E
Section 4: SE/4SE/4 below
2500' beneath the surface
Eddy County, New Mexico
State Lease 703

Gentlemen:

Mewbourne Oil Company (Mewbourne) desires to consolidate its interest in those areas in which it conducts operations.

Records available to us indicate you own 40 net acres under the captioned land with a 87.5% net revenue interest.

Mewbourne hereby offers you \$200.00 per acre for all of your right, title and interest in the captioned land and depths subject to the following general terms:

1. ARCO Oil and Gas Company (ARCO) to deliver a 100% working interest and a 87.5% net revenue interest to Mewbourne.
2. ARCO agrees to furnish to Mewbourne free of any cost whatsoever, copies of all records and files in its possession covering the captioned lands.
3. This offer is contingent upon Mewbourne's approval of title and form of Assignment.
4. The effective date of this sale will be July 1, 1993.

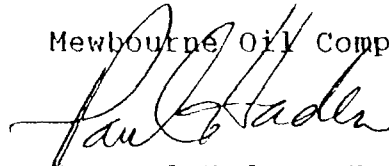
Should the above terms meet with your approval, please so signify by signing in the space provided and return an executed copy of this letter to the undersigned within thirty days from receipt.

ARCO Oil and Gas Company
July 12, 1993
Page 2

Failure to respond within thirty days shall render this offer voidable at Mewbourne's sole discretion.

Sincerely,

Mewbourne Oil Company



D. Paul Haden, CPL
Landman

PH/kls

AGREED to and accepted this _____ day of _____, 1993.

ARCO Oil and Gas Company

By: _____

**BEFORE THE
OIL CONSERVATION DIVISION**
Santa Fe, New Mexico

Case No. 11533 Exhibit No. 5

Submitted by: Mewbourne Oil Company

Hearing Date: June 13, 1996

BEFORE THE
OIL CONSERVATION DIVISION
NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

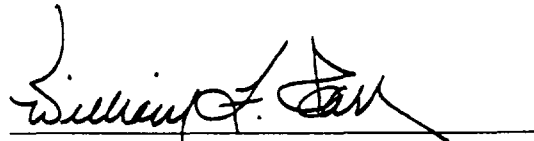
IN THE MATTER OF THE APPLICATION
OF MEWBOURNE OIL COMPANY FOR
COMPULSORY POOLING AND AN
UNORTHODOX GAS WELL LOCATION,
EDDY COUNTY, NEW MEXICO.

CASE NO. 11533

AFFIDAVIT

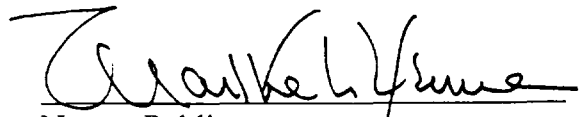
STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

William F. Carr, authorized representative of Mewbourne Oil Company, the Applicant herein, being first duly sworn, upon oath, states that in accordance with the notice provisions of Rule 1207 of the New Mexico Oil Conservation Division the Applicant has attempted to find the correct addresses of all interested persons entitled to receive notice of this application and that notice has been given at the addresses shown on Exhibit "A" attached hereto as provided in Rule 1207.



William F. Carr

SUBSCRIBED AND SWORN to before me this 11th day of June, 1996.



Notary Public

My Commission Expires: August 19, 1999

EXHIBIT A

Phillips Petroleum Company
4001 Penbrook
Odessa, TX 79762
Attn: James S. Welin

Marathon Oil Company
Post Office Box 552
Midland, TX 79702
Attn: Randal Wilson

Tom L. Ingram
Post Office Box 1757
Roswell, NM 88202-1757

Earl L. Bruno, Jr.
Post Office Box 590
Midland, TX 79702

Exxon Corporation
Post Office Box 1600
Midland, TX 79702
Attn: Doug Laufer

Fina Oil and Chemical Company
Post Office Box 2990
Midland, TX 79702
Attn: Eric Hanson

Robert H. Marshall
Post Office Box 1422
Midland, TX 79702

OXY USA, Inc.
Post Office Box 40250
Midland, TX 79702
Attn: Kent Woolley

Nearburg Exploration Company
3300 North "A" Street
Building 2, Suite 120
Midland, TX 79705
Attn: Bob Shelton

Amoco Production Company
Post Office Box 4891
Houston, TX 77210-4891
Attn: Mr. Jerry West

ARCO Permian
Post Office Box 1610
Midland, TX 79702
Attn: Mr. Lee Scarborough

**BEFORE THE
OIL CONSERVATION DIVISION**
Santa Fe, New Mexico

Case No. 11533 Exhibit No. 6

Submitted by: Mewbourne Oil Company

Hearing Date: June 13, 1996

CAMPBELL, CARR, BERGE

& SHERIDAN, P.A.

LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN

MICHAEL H. FELDEWERT
TANNIS L. FOX
TANYA M. TRUJILLO
PAUL R. OWEN

JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE (505) 988-4421
TELECOPIER (505) 983-6043

April 25, 1996

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Phillips Petroleum Company
4001 Penbrook
Odessa, TX 79762
Attn: James S. Welin

Re: Application of Mewbourne Oil Company for Compulsory Pooling and an
Unorthodox Gas Well Location, Eddy County, New Mexico

Dear Mr. Welin:

This letter is to advise you that Mewbourne Oil Company has filed the enclosed application with the New Mexico Oil Conservation Division seeking the force pooling of certain mineral interests from the surface to the base of the Morrow formation, in and under certain described spacing units in the N/2 of Section 4, Township 18 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. Mewbourne Oil Company proposes to dedicate the referenced pooled unit to a well which will be drilled at an unorthodox gas well location 1650 feet from the North line and 990 feet from the West line of Section 4, to test all formations to the base of the Morrow formation, Illinois Camp-Morrow Gas Pool.

This application has been set for hearing before a Division Examiner on May 16, 1996. You are not required to attend this hearing, but as an owner of an interest that may be subject to pooling, or otherwise affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Phillips Petroleum Company

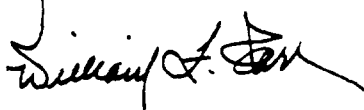
Attn: James S. Welin

April 25, 1996

Page 2

Parties appearing in cases have been requested by the Division (Memorandum 2-90) to file a Prehearing Statement substantially in the form prescribed by the Division. Prehearing statements should be filed by 4:00 o'clock p.m. on the Friday before a scheduled hearing.

Very truly yours,

A handwritten signature in black ink, appearing to read "William F. Carr", with a stylized flourish at the end.

WILLIAM F. CARR

ATTORNEY FOR MEWBOURNE OIL COMPANY

WFC:mlh

Enc.

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1. ☐ Addressee's Address
 - 2. ☐ Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

Phillips Petroleum Company
4001 Penbrook
Odessa, TX 79762
Attn: James S. Welin

4a. Article Number

P111 333 539

4b. Service Type

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

7. Date of Delivery

4-29-96

5. Received By: (Print Name)

8. Addressee's Address (Only if requested and fee is paid)

6. Signature (Addressee or Agent)

X

PS Form 3811, December 1994

Domestic Return Receipt

P 111 333 539



Receipt for Certified Mail

No Insurance Coverage Provided
Do not use for International Mail

Phillips Petroleum Company
4001 Penbrook
Odessa, TX 79762
Attn: James S. Welin

City	
Street	
Post Office	
Postage	\$
Certified Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom's Date Delivered	
Return Receipt Showing to Whom's Date and Addressee's Address	
POSTAL Postage & Fees	\$
Postmark or Date	APR 25 1996

Thank you for using Return Receipt Service.

CAMPBELL, CARR, BERGE

& SHERIDAN, P.A.

LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN

MICHAEL H. FELDEWERT
TANNIS L. FOX
TANYA M. TRUJILLO
PAUL R. OWEN

JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 100 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE (505) 988-4421
TELECOPIER (505) 983-6043

April 25, 1996

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Marathon Oil Company
Post Office Box 552
Midland, TX 79702
Attn: Randal Wilson

Re: Application of Mewbourne Oil Company for Compulsory Pooling and an
Unorthodox Gas Well Location, Eddy County, New Mexico

Dear Mr. Wilson:

This letter is to advise you that Mewbourne Oil Company has filed the enclosed application with the New Mexico Oil Conservation Division seeking the force pooling of certain mineral interests from the surface to the base of the Morrow formation, in and under certain described spacing units in the N/2 of Section 4, Township 18 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. Mewbourne Oil Company proposes to dedicate the referenced pooled unit to a well which will be drilled at an unorthodox gas well location 1650 feet from the North line and 990 feet from the West line of Section 4, to test all formations to the base of the Morrow formation, Illinois Camp-Morrow Gas Pool.

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Marathon Oil Company

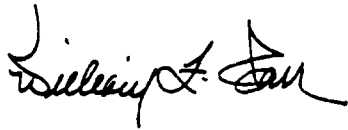
Attn: Randal Wilson

April 25, 1996

Page 2

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Very truly yours.

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WILLIAM F. CARR

ATTORNEY FOR MEWBOURNE OIL COMPANY

WFC:mlh

Enc.

Is your **RETURN ADDRESS** completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
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- 1. ☐ Addressee's Address
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3. Article Addressed to:

Marathon Oil Company
Post Office Box 552
Midland, TX 79702
Attn: Randal Wilson

4a. Article Number

P 111 333 540

4b. Service Type

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

7. Date of Delivery

APR 29 1996

5. Received By: (Print Name)

8. Addressee's Address (Only if requested and fee is paid)

6. Signature: (Addressed to Agent)

X *Randal Wilson*

PS Form 3811, December 1994

Domestic Return Receipt

P 111 333 540

Receipt for Certified Mail

No Insurance Coverage Provided

Marathon Oil Company

Post Office Box 552

Midland, TX 79702

Attn: Randal Wilson



Sent to	
Street and	
P.O. State	
Postage	\$
Insured fee	
Special Delivery fee	
Restricted Delivery fee	
Return receipt showing to whom & Date Delivered	
Return receipt showing to whom Date and Addressee's Address	
Postage & Fees	\$
Postmark or Date	APR 25 1996

Thank you for using Return Receipt Service.

CAMPBELL, CARR, BERGE

& SHERIDAN, P.A.

LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
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POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE (505) 988-4421
TELECOPIER (505) 983-6043

April 25, 1996

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Tom L. Ingram
Post Office Box 1757
Roswell, NM 88202-1757

Re: Application of Mewbourne Oil Company for Compulsory Pooling and an
Unorthodox Gas Well Location, Eddy County, New Mexico

Dear Mr. Ingram:

This letter is to advise you that Mewbourne Oil Company has filed the enclosed application with the New Mexico Oil Conservation Division seeking the force pooling of certain mineral interests from the surface to the base of the Morrow formation, in and under certain described spacing units in the N/2 of Section 4, Township 18 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. Mewbourne Oil Company proposes to dedicate the referenced pooled unit to a well which will be drilled at an unorthodox gas well location 1650 feet from the North line and 990 feet from the West line of Section 4, to test all formations to the base of the Morrow formation, Illinois Camp-Morrow Gas Pool.

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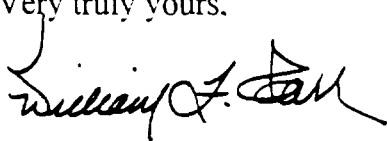
Tom L. Ingram

April 25, 1996

Page 2

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Very truly yours,

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WILLIAM F. CARR

ATTORNEY FOR MEWBOURNE OIL COMPANY

WFC:mlh

Enc.

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- Consult postmaster for fee.

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Tom L. Ingram
Post Office Box 1757
Roswell, NM 88202-1757



4a. Article Number

111 333 541

4b. Service Type

- ☐ Registered ☒ Certified
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- ☐ Return Receipt for Merchandise ☐ COD

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6. Signature of Addressee or Agent

Tom L. Ingram

PS Form 3811, December 1995

Domestic Return Receipt

Thank you for using Return Receipt Service.

P 111 333 541



Receipt for Certified Mail

No Insurance Coverage Provided
Do not use for International Mail

Sent to	Tom L. Ingram		
Street	Post Office Box 1757		
P.O. S.	Roswell, NM 88202-1757		
Postage	✓		
Certifying Fee			
Special Delivery Fee			
Restricted Delivery Fee			
Return Receipt Showing to Whom Article Delivered			
Return Receipt Showing to Whom Date of Addressee's Address			
TOTAL (Include \$ Fees)	\$		
Postmark or Date	APR 25 1996		

PS Form 3800, June 1991

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.
LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN

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TELEPHONE (505) 988-4421
TELECOPIER (505) 983-6043

April 25, 1996

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Earl L. Bruno, Jr.
Post Office Box 590
Midland, TX 79702

Re: Application of Mewbourne Oil Company for Compulsory Pooling and an
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Dear Mr. Bruno:

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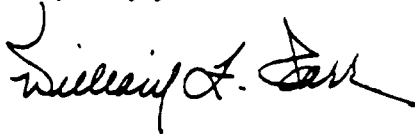
Earl L. Bruno, Jr.

April 25, 1996

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WILLIAM F. CARR

ATTORNEY FOR MEWBOURNE OIL COMPANY

WFC:mlh

Enc.

CAMPBELL, CARR, BERGE

& SHERIDAN, P.A.

LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN

MICHAEL H. FELDEWERT
TANNIS L. FOX
TANYA M. TRUJILLO
PAUL R. OWEN

JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 1100 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE (505) 988-4421
TELECOPIER (505) 983-6043

April 25, 1996

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Exxon Corporation
Post Office Box 1600
Midland, TX 79702
Attn: Doug Laufer

Re: Application of Mewbourne Oil Company for Compulsory Pooling and an
Unorthodox Gas Well Location, Eddy County, New Mexico

Dear Mr. Laufer:

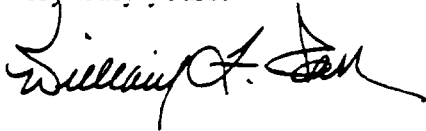
This letter is to advise you that Mewbourne Oil Company has filed the enclosed application with the New Mexico Oil Conservation Division seeking the force pooling of certain mineral interests from the surface to the base of the Morrow formation, in and under certain described spacing units in the N/2 of Section 4, Township 18 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. Mewbourne Oil Company proposes to dedicate the referenced pooled unit to a well which will be drilled at an unorthodox gas well location 1650 feet from the North line and 990 feet from the West line of Section 4, to test all formations to the base of the Morrow formation, Illinois Camp-Morrow Gas Pool.

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Exxon Corporation
Attn: Doug Laufer
April 25, 1996
Page 2

Parties appearing in cases have been requested by the Division (Memorandum 2-90) to file a Prehearing Statement substantially in the form prescribed by the Division. Prehearing statements should be filed by 4:00 o'clock p.m. on the Friday before a scheduled hearing.


Very truly yours.

A handwritten signature in black ink, appearing to read "William F. Carr", with a stylized flourish at the end.

WILLIAM F. CARR
ATTORNEY FOR MEWBOURNE OIL COMPANY
WFC:mlh
Enc.

SENDER: <input type="checkbox"/> Complete items 1 and/or 2 for additional services. <input type="checkbox"/> Complete items 3, 4a, and 4b. <input type="checkbox"/> Print your name and address on the reverse of this form so that we can return this card to you. <input type="checkbox"/> Attach this form to the front of the mailpiece, or on the back if space does not permit. <input type="checkbox"/> Write Return Receipt Requested on the mailpiece body, the article number, the Return Receipt will show to whom the article was delivered and the date delivered. 		<input type="checkbox"/> I also wish to receive the following services (for an extra fee): <input type="checkbox"/> Addressee's Address <input type="checkbox"/> Restricted Delivery <input type="checkbox"/> Consult postmaster for fee.	
3. Article Addressed to: Txxon Corporation Post Office Box 1600 Midland, TX 79702 Attn: Doug Lauter		4a. Article Number P 111 333 543	
5. Received By: (Print Name) 		4b. Service Type <input type="checkbox"/> Registered <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> COD	
6. Signature: (Addressee or Agent) X [Signature]		4c. Certified <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Insured	
7. Date of Delivery JAN 30 1996		8. Addressee's Address (Only if requested and fee is paid) 	
PS Form 3811, December 1994			

P 111 333 543



Receipt for Certified Mail

No Insurance Coverage Provided
Do not use for International Mail

To: _____	<h1 style="margin: 0;">Exxon Corporation</h1> <h2 style="margin: 0;">Post Office Box 1600</h2> <h2 style="margin: 0;">Midland, TX 79702</h2> <h2 style="margin: 0;">Attn: Doug Laufer</h2>	
Street: _____		
P.O. Box: _____		
Postage _____		
Certified Fee	\$	
Certified Mail Fee		
Registered Delivery Fee		
Return Receipt (if any)		
Return Receipt (if any) - Date Delivered		
Return Receipt (if any) - Date Received by Addressee		
Return Receipt (if any) - Date Received by Addressee's Address		
Total Postage	\$	

APR 25 1996

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.
LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN

MICHAEL H. FELDEWERT
TANNIS L. FOX
TANYA M. TRUJILLO
PAUL R. OWEN

JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 200 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE (505) 988-4421
TELECOPIER (505) 983-6043

April 25, 1996

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Fina Oil and Chemical Company
Post Office Box 2990
Midland, TX 79702
Attn: Eric Hanson

Re: Application of Mewbourne Oil Company for Compulsory Pooling and an
Unorthodox Gas Well Location, Eddy County, New Mexico

Dear Mr. Hanson:

This letter is to advise you that Mewbourne Oil Company has filed the enclosed application with the New Mexico Oil Conservation Division seeking the force pooling of certain mineral interests from the surface to the base of the Morrow formation, in and under certain described spacing units in the N/2 of Section 4, Township 18 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. Mewbourne Oil Company proposes to dedicate the referenced pooled unit to a well which will be drilled at an unorthodox gas well location 1650 feet from the North line and 990 feet from the West line of Section 4, to test all formations to the base of the Morrow formation, Illinois Camp-Morrow Gas Pool.

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Fina Oil and Chemical Company

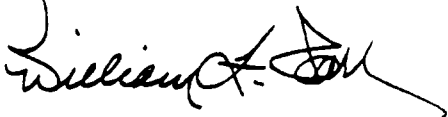
Attn: Eric Hanson

April 25, 1996

Page 2

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Very truly yours,

A handwritten signature in black ink, appearing to read "William F. Carr", with a stylized flourish extending to the right.

WILLIAM F. CARR

ATTORNEY FOR MEWBOURNE OIL COMPANY

WFC:mlh

Enc.

Is your **RETURN ADDRESS** completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1. ☐ Addressee's Address
 - 2. ☐ Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

Fina Oil and Chemical Company
Post Office Box 2990
Midland, TX 79702
Attn: Eric Hanson

4a. Article Number

P 111 333 544

4b. Service Type

- ☐ Registered
- ☐ Express Mail
- ☐ Return Receipt for Merchandise
- ☐ COD

7. Date of Delivery

4.30.96

5. Received By: (Print Name)

8. Addressee's Address (Only if requested and fee is paid)

6. Signature: (Addressee or Agent)

X *[Signature]*

PS Form 3811, December 1994

Domestic Return Receipt

P 111 333 544

Receipt for Certified Mail

No Insurance Coverage Provided
Do not use for International Mail



Fina Oil and Chemical Co.
Post Office Box 2990
Midland, TX 79702
Attn: Eric Hanson

Sent to	
Street a	
P.O. #	
Postage	
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to Whom & Date Delivered	
Return Receipt showing to Whom Date and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	APR 25 1996

Thank you for using Return Receipt Service.

CAMPBELL, CARR, BERGE

& SHERIDAN, P.A.

LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN

MICHAEL H. FELDEWERT
TANNIS L. FOX
TANYA M. TRUJILLO
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JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE (505) 988-4421
TELECOPIER (505) 983-6043

April 25, 1996

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Robert H. Marshall
Post Office Box 1422
Midland, TX 79702

Re: Application of Mewbourne Oil Company for Compulsory Pooling and an
Unorthodox Gas Well Location, Eddy County, New Mexico

Dear Mr. Marshall:

This letter is to advise you that Mewbourne Oil Company has filed the enclosed application with the New Mexico Oil Conservation Division seeking the force pooling of certain mineral interests from the surface to the base of the Morrow formation, in and under certain described spacing units in the N/2 of Section 4, Township 18 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. Mewbourne Oil Company proposes to dedicate the referenced pooled unit to a well which will be drilled at an unorthodox gas well location 1650 feet from the North line and 990 feet from the West line of Section 4, to test all formations to the base of the Morrow formation, Illinois Camp-Morrow Gas Pool.

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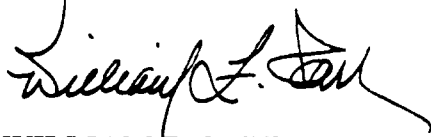
Robert H. Marshall

April 25, 1996

Page 2

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Very truly yours,

A handwritten signature in black ink, appearing to read "William F. Carr". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

WILLIAM F. CARR

ATTORNEY FOR MEWBOURNE OIL COMPANY

WFC:mlh

Enc.



Robert H. Marshall
Post Office Box 1422
Midland, TX 79702

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date APR 25 1996	

PS Form 3800, June 1991

Is your **RETURN ADDRESS** completed on the reverse side?

SENDER: ■ Complete items 1 and/or 2 for additional services. ■ Complete items 3, 4a, and 4b. ■ Print your name and address on the reverse of this form so that we can return this card to you. ■ Attach this form to the front of the mailpiece, or on the back if space does not permit. ■ Write "Return Receipt Requested" on the mailpiece below the article number. ■ The Return Receipt will show to whom the article was delivered and the date delivered.		I also wish to receive the following services (for an extra fee): 1. <input type="checkbox"/> Addressee's Address 2. <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.	
3. Article Addressed to: Robert H. Marshall Post Office Box 1422 Midland, TX 79702		4a. Article Number P 111 333 545	
5. Received By: (Print Name) X <i>Robert H. Marshall</i>		4b. Service Type <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express Mail <input type="checkbox"/> Insured <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> COD	
6. Signature: (Addressee or Agent) X <i>Robert H. Marshall</i>		7. Date of Delivery 4-30-96	
PS Form 3811, December 1994		8. Addressee's Address (Only if requested and fee is paid) Domestic Return Receipt	

Thank you for using Return Receipt Service.

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.
LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN

MICHAEL H. FEDEWERT
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JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 100 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE (505) 988-4421
TELECOPIER (505) 983-6043

April 25, 1996

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

OXY USA, Inc.
Post Office Box 40250
Midland, TX 79702
Attn: Kent Woolley

Re: Application of Mewbourne Oil Company for Compulsory Pooling and an
Unorthodox Gas Well Location, Eddy County, New Mexico

Dear Mr. Woolley:

This letter is to advise you that Mewbourne Oil Company has filed the enclosed application with the New Mexico Oil Conservation Division seeking the force pooling of certain mineral interests from the surface to the base of the Morrow formation, in and under certain described spacing units in the N/2 of Section 4, Township 18 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. Mewbourne Oil Company proposes to dedicate the referenced pooled unit to a well which will be drilled at an unorthodox gas well location 1650 feet from the North line and 990 feet from the West line of Section 4, to test all formations to the base of the Morrow formation. Illinois Camp-Morrow Gas Pool.

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OXY USA, Inc.

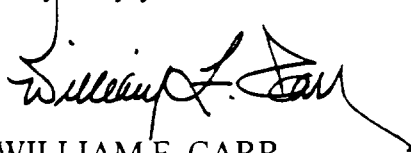
Attn: Kent Woolley

April 25, 1996

Page 2

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Very truly yours,

A handwritten signature in black ink, appearing to read "William F. Carr", with a long, sweeping horizontal stroke extending to the right.

WILLIAM F. CARR

ATTORNEY FOR MEWBOURNE OIL COMPANY

WFC:mlh

Enc.



P 111 333 546

**Receipt for
Certified Mail**

No Insurance Coverage Provided

OXY USA, Inc.
Post Office Box 40250
Midland, TX 79702
Attn: Kent Woolley

Postage	\$
Certified fee	
Special delivery fee	
Restricted delivery fee	
Return receipt showing to whom & date delivered	
Return receipt showing to whom & date and addressee's address	
Postage & fees	\$
Postmark or Date APR 25 1996	

PS Form 3800, June 1991

Is your **RETURN ADDRESS** completed on the reverse side?

SENDER: ■ Complete items 1 and/or 2 for additional services. ■ Complete items 3, 4a, and 4b. ■ Print your name and address on the reverse of this form so that we can return this card to you. ■ Attach this form to the front of the mailpiece, or on the back if space does not permit. ■ Write "Return Receipt Requested" on the mailpiece below the article number. ■ The Return Receipt will show to whom the article was delivered and the date delivered.		I also wish to receive the following services (for an extra fee): 1. <input type="checkbox"/> Addressee's Address 2. <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.	
3. Article Addressed to: OXY USA, Inc. Post Office Box 40250 Midland, TX 79702 Attn: Kent Woolley		4a. Article Number P 111 333 546	
4b. Service Type <input type="checkbox"/> Registered <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> COD		<input checked="" type="checkbox"/> Certified <input type="checkbox"/> Insured	
5. Received By: (Print Name) <i>Kent Woolley</i>		8. Addressee's Address (Only if requested and fee is paid)	
6. Signature: (Addressee or Agent) <i>Kent Woolley</i>		7. Date of Delivery	

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.
LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN

MICHAEL H. FELDEWERT
TANNIS L. FOX
TANYA M. TRUJILLO
PAUL R. OWEN

JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 100 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE (505) 988-4421
TELECOPIER (505) 983-6043

April 25, 1996

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Nearburg Exploration Company
3300 North "A" Street
Building 2, Suite 120
Midland, TX 79705
Attn: Bob Shelton

Re: Application of Mewbourne Oil Company for Compulsory Pooling and an
Unorthodox Gas Well Location, Eddy County, New Mexico

Dear Mr. Shelton:

This letter is to advise you that Mewbourne Oil Company has filed the enclosed application with the New Mexico Oil Conservation Division seeking the force pooling of certain mineral interests from the surface to the base of the Morrow formation, in and under certain described spacing units in the N/2 of Section 4, Township 18 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. Mewbourne Oil Company proposes to dedicate the referenced pooled unit to a well which will be drilled at an unorthodox gas well location 1650 feet from the North line and 990 feet from the West line of Section 4, to test all formations to the base of the Morrow formation, Illinois Camp-Morrow Gas Pool.

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Nearburg Exploration Company

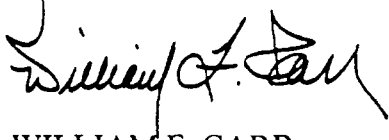
Attn: Bob Shelton

April 25, 1996

Page 2

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Very truly yours,

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WILLIAM F. CARR

ATTORNEY FOR MEWBOURNE OIL COMPANY

WFC:mlh

Enc.

Is your **RETURN ADDRESS** completed on the reverse side?

SENDER:

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I also wish to receive the following services (for an extra fee):

- 1. ☐ Addressee's Address
 - 2. ☐ Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

Nearburg Exploration Company
3300 North "A" Street
Building 2, Suite 120
Midland, TX 79705
Attn: Bob Shelton

4a. Article Number

P 111 333 547

4b. Service Type

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

7. Date of Delivery

4-25-96

8. Addressee's Address (Only if requested and fee is paid)

5. Received By: (Print Name)

Brenda Virginia

6. Signature: (Addressee or Agent)

X Brenda V

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

P 111 333 547



Receipt for Certified Mail

No Insurance Coverage Provided

Nearburg Exploration Company
3300 North "A" Street
Building 2, Suite 120
Midland, TX 79705
Attn: Bob Shelton

Postage	\$
Certified fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt fee (allowing to return to Addressee's Address)	
TOTAL POSTAGE & FEES	\$
Postmark or Date	
APR 25 1996	

PS Form 3800, June 1991

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.
LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN

MICHAEL H. FELDEWERT
TANNIS L. FOX
TANYA M. TRUJILLO
PAUL R. OWEN

JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE (505) 988-4421
TELECOPIER (505) 983-6043

May 7, 1996

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Amoco Production Company
Post Office Box 4891
Houston, TX 77210-4891
Attn: Mr. Jerry West

Re: Application of Mewbourne Oil Company for Compulsory Pooling and an
Unorthodox Gas Well Location, Eddy County, New Mexico

Dear Mr. West:

This letter is to advise you that Mewbourne Oil Company has filed the enclosed application with the New Mexico Oil Conservation Division seeking the force pooling of certain mineral interests from the surface to the base of the Morrow formation, in and under certain described spacing units in the N/2 of Section 4, Township 18 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. Mewbourne Oil Company proposes to dedicate the referenced pooled unit to a well which will be drilled at an unorthodox gas well location 1650 feet from the North line and 990 feet from the West line of Section 4, to test all formations to the base of the Morrow formation, Illinois Camp-Morrow Gas Pool.

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Amoco Production Company

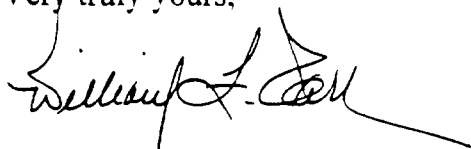
Attn: Mr. Jerry West

May 7, 1996

Page 2

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Very truly yours,

A handwritten signature in black ink, appearing to read "William F. Carr", with a long horizontal flourish extending to the right.

WILLIAM F. CARR

ATTORNEY FOR MEWBOURNE OIL COMPANY

WFC:mlh

Enc.

P 326 931 972

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided

Amoco Production Company

Post Office Box 4891

Houston, TX 77210-4891

Attn: Mr. Jerry West

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	May 7, 1996

PS Form 3811, April 1995

Is your **RETURN ADDRESS** completed on the reverse side?

<p>SENDER:</p> <ul style="list-style-type: none"> Complete items 1 and/or 2 for additional services. Complete items 3, 4a, and 4b. Print your name and address on the reverse of this form so that we can return this card to you. Attach this form to the front of the mailpiece, or on the back if space does not permit. Write "Return Receipt Requested" on the mailpiece below the article number. The Return Receipt will show to whom the article was delivered and the date delivered. 		<p>I also wish to receive the following services (for an extra fee):</p> <p>1. <input type="checkbox"/> Addressee's Address</p> <p>2. <input type="checkbox"/> Restricted Delivery</p> <p>Consult postmaster for fee.</p>	
<p>3. Article Addressed to:</p> <p>Amoco Production Company Post Office Box 4891 Houston, TX 77210-4891 Attn: Mr. Jerry West</p>		<p>4a. Article Number</p> <p>0326-931-972</p>	
<p>5. Received By: (Print Name)</p>		<p>4b. Service Type</p> <p><input type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified</p> <p><input type="checkbox"/> Express Mail <input type="checkbox"/> Insured</p> <p><input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> COD</p>	
<p>6. Signature: (Addressee or Agent)</p> <p><i>Jerry West</i></p>		<p>7. Date of Delivery</p> <p>MAY 15 1996</p>	
<p>PS Form 3811, December 1994</p>		<p>8. Addressee's Address (Only if requested and fee is paid)</p>	

Domestic Return Receipt

Thank you for using Return Receipt Service.

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.
LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN

MICHAEL H. FELDEWERT
TANNIS L. FOX
TANYA M. TRUJILLO
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JACK M. CAMPBELL
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JEFFERSON PLACE
SUITE 100 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

May 7, 1996

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

ARCO Permian
Post Office Box 1610
Midland, TX 79702
Attn: Mr. Lee Scarborough

Re: Application of Mewbourne Oil Company for Compulsory Pooling and an
Unorthodox Gas Well Location, Eddy County, New Mexico

Dear Mr. Scarborough:

This letter is to advise you that Mewbourne Oil Company has filed the enclosed application with the New Mexico Oil Conservation Division seeking the force pooling of certain mineral interests from the surface to the base of the Morrow formation, in and under certain described spacing units in the N/2 of Section 4, Township 18 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. Mewbourne Oil Company proposes to dedicate the referenced pooled unit to a well which will be drilled at an unorthodox gas well location 1650 feet from the North line and 990 feet from the West line of Section 4, to test all formations to the base of the Morrow formation, Illinois Camp-Morrow Gas Pool.

This application has been set for hearing before a Division Examiner on May 16, 1996. You are not required to attend this hearing, but as an owner of an interest that may be subject to pooling, or otherwise affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

ARCO Permian

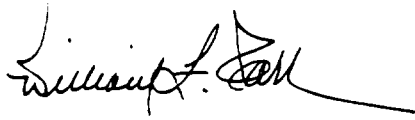
Attn: Mr. Lee Scarborough

May 7, 1996

Page 2

Parties appearing in cases have been requested by the Division (Memorandum 2-90) to file a Prehearing Statement substantially in the form prescribed by the Division. Prehearing statements should be filed by 4:00 o'clock p.m. on the Friday before a scheduled hearing.

Very truly yours,

A handwritten signature in black ink, appearing to read "William F. Carr", with a long horizontal flourish extending to the right.

WILLIAM F. CARR

ATTORNEY FOR MEWBOURNE OIL COMPANY

WFC:mlh

Enc.

Is your **RETURN ADDRESS** completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1. ☐ Addressee's Address
- 2. ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

ARCO Permian
Post Office Box 1610
Midland, TX 79702
Attn: Mr. Lee Scarborough

4a. Article Number

12326-431-942

4b. Service Type

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

7. Date of Delivery
MAY 13 1996

8. Addressee's Address (Only if requested and fee is paid)

5. Received By: (Print Name)

6. Signature: (Addressee or Agent)

X

PS Form 3811, December 1994

Domestic Return Receipt

P 326 931 942

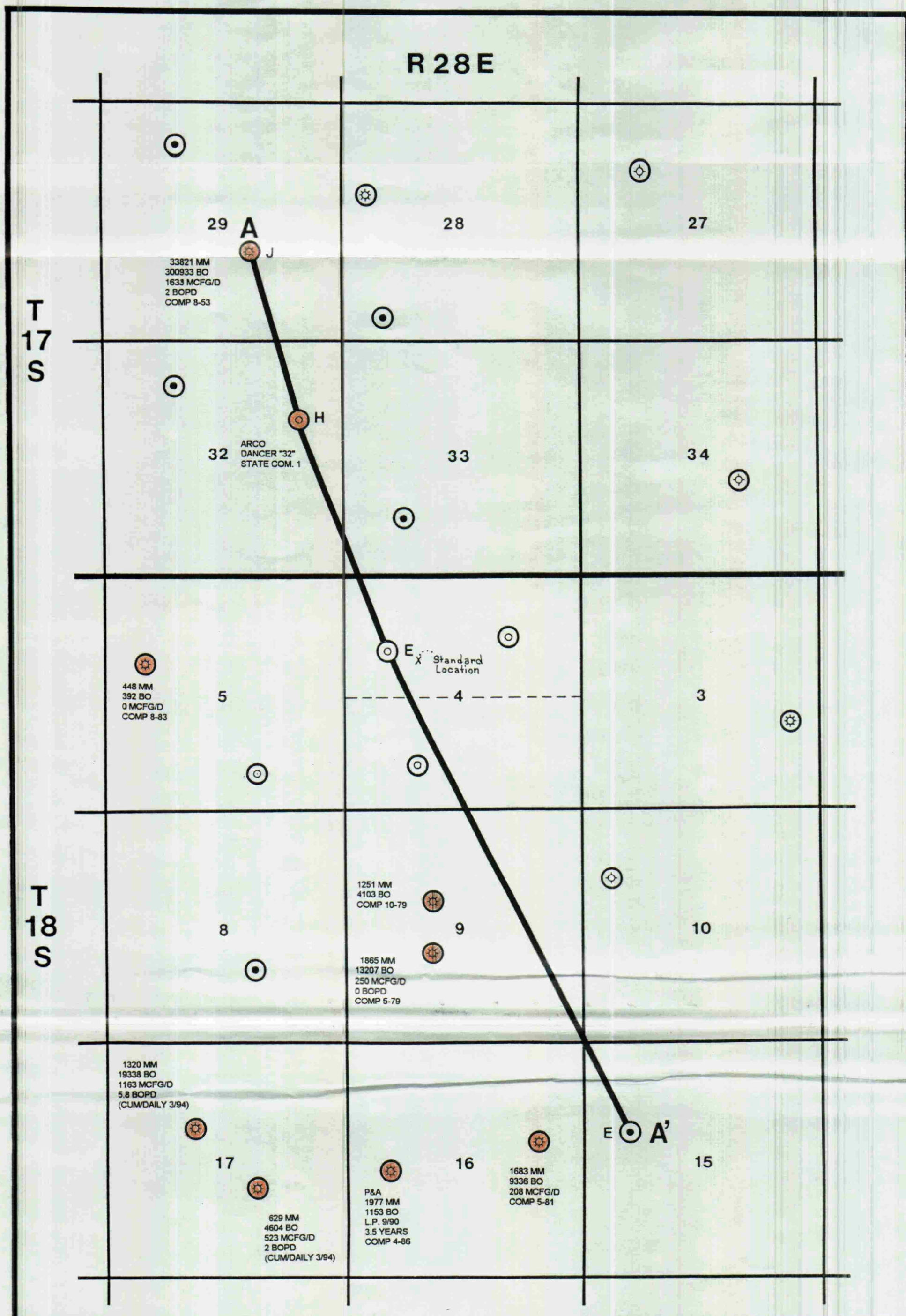
US Postal Service
Receipt for Certified Mail
No Insurance Coverage Provided

ARCO Permian
Post Office Box 1610
Midland, TX 79702
Attn: Mr. Lee Scarborough

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	May 7, 1996

PS Form 3800, April 1995

Thank you for using Return Receipt Service.



- MORROW PENETRATION
- MORROW ORANGE SAND PRODUCER
- MORROW BROWN SAND PRODUCER

BEFORE THE
OIL CONSERVATION DIVISION
Santa Fe, New Mexico

Case No. 11533 Exhibit No. 7

Submitted by: Mewbourne Oil Company

Hearing Date: June 13, 1996



MEWBOURNE OIL COMPANY
MIDLAND, TEXAS DISTRICT

EAST SCOGGIN DRAW PROSPECT
EDDY COUNTY, NEW MEXICO

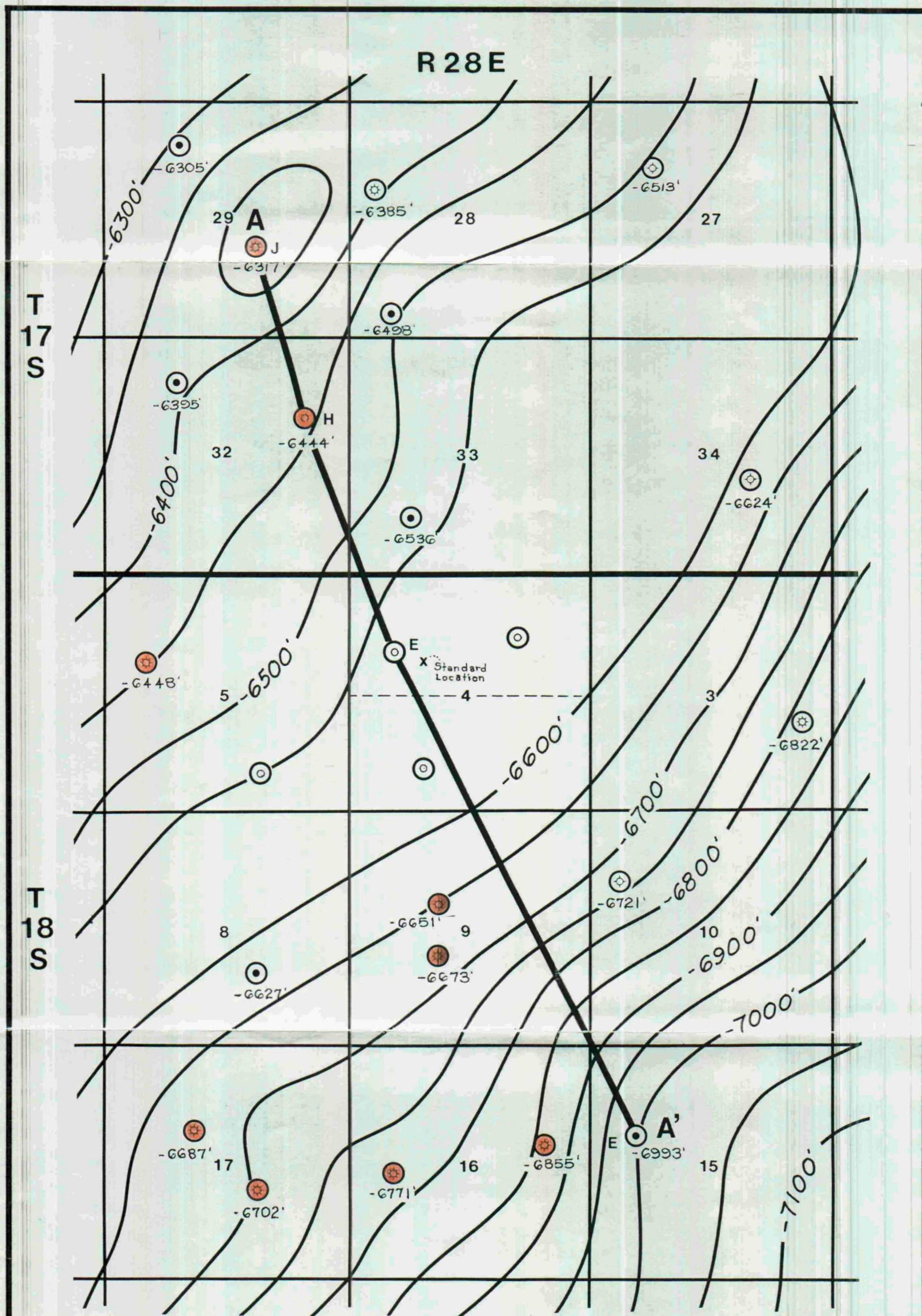
PRODUCTION STUDY

**CUMULATIVE PRODUCTION
DAILY RATE
(as of September 1995)**

JUNE 1996

SCALE 1" = 2000'

RALPH MOORE



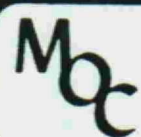
- MORROW PENETRATION
- ORANGE SAND PRODUCTION
- BROWN SAND PRODUCTION

BEFORE THE
OIL CONSERVATION DIVISION
Santa Fe, New Mexico

Case No. 11533 Exhibit No. 8

Submitted by: Mewbourne Oil Company

Hearing Date: June 13, 1996



MEWBOURNE OIL COMPANY

MIDLAND, TEXAS DISTRICT

EAST SCOGGIN DRAW PROSPECT
EDDY COUNTY, NEW MEXICO

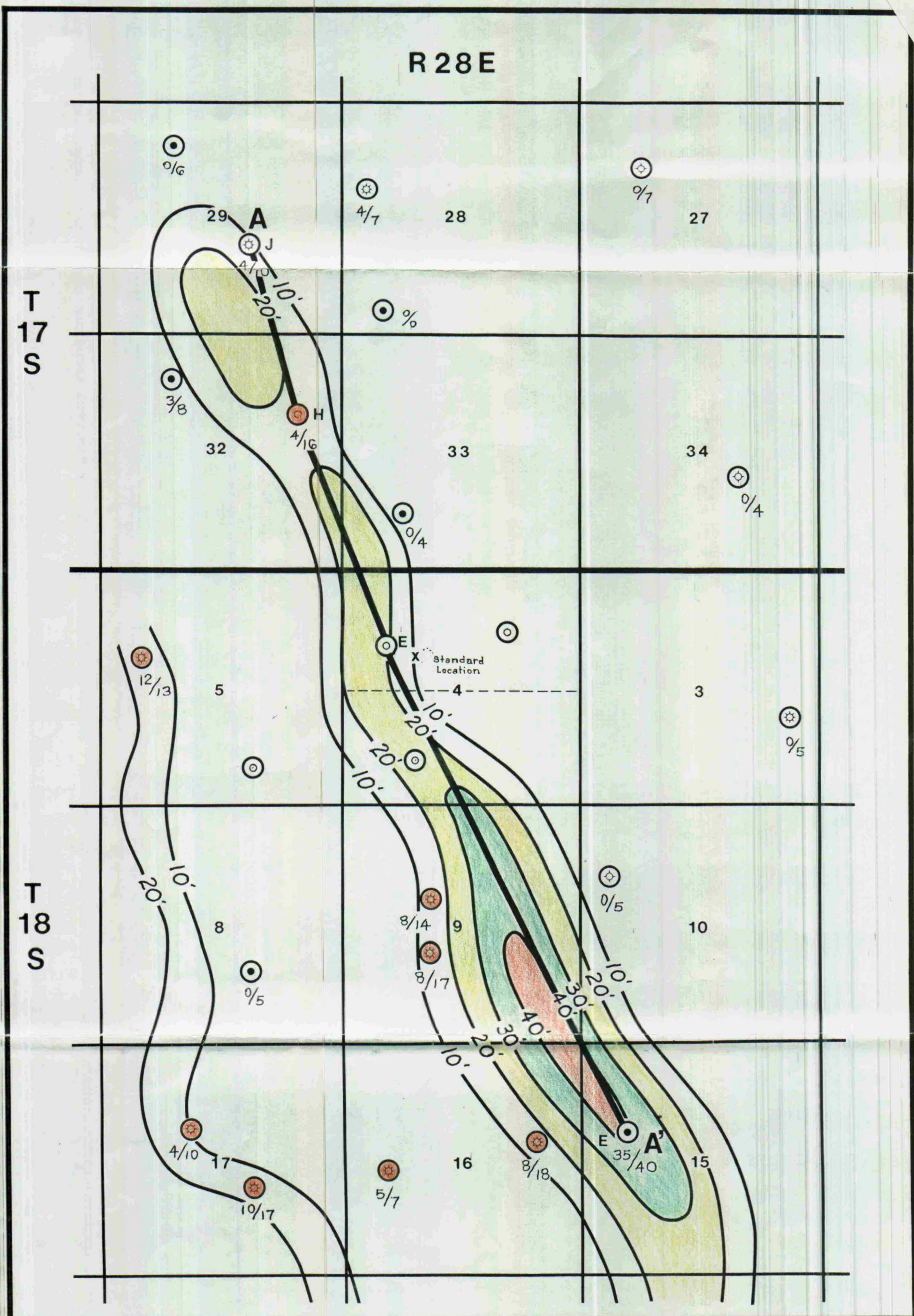
TOP/LOWER MORROW STRUCTURE

C.I. = 50'

APRIL 1996

SCALE 1" = 2000'

RALPH MOORE



- MORROW PENETRATION
- ORANGE SAND PRODUCTION

BEFORE THE
OIL CONSERVATION DIVISION
Santa Fe, New Mexico

Case No. 11533 Exhibit No. 9

Submitted by: Mewbourne Oil Company

Hearing Date: June 13, 1996



MEWBOURNE OIL COMPANY
MIDLAND, TEXAS DISTRICT

EAST SCOGGIN DRAW PROSPECT
EDDY COUNTY, NEW MEXICO

LOWER MORROW ORANGE SAND
GROSS SAND ISOPACH

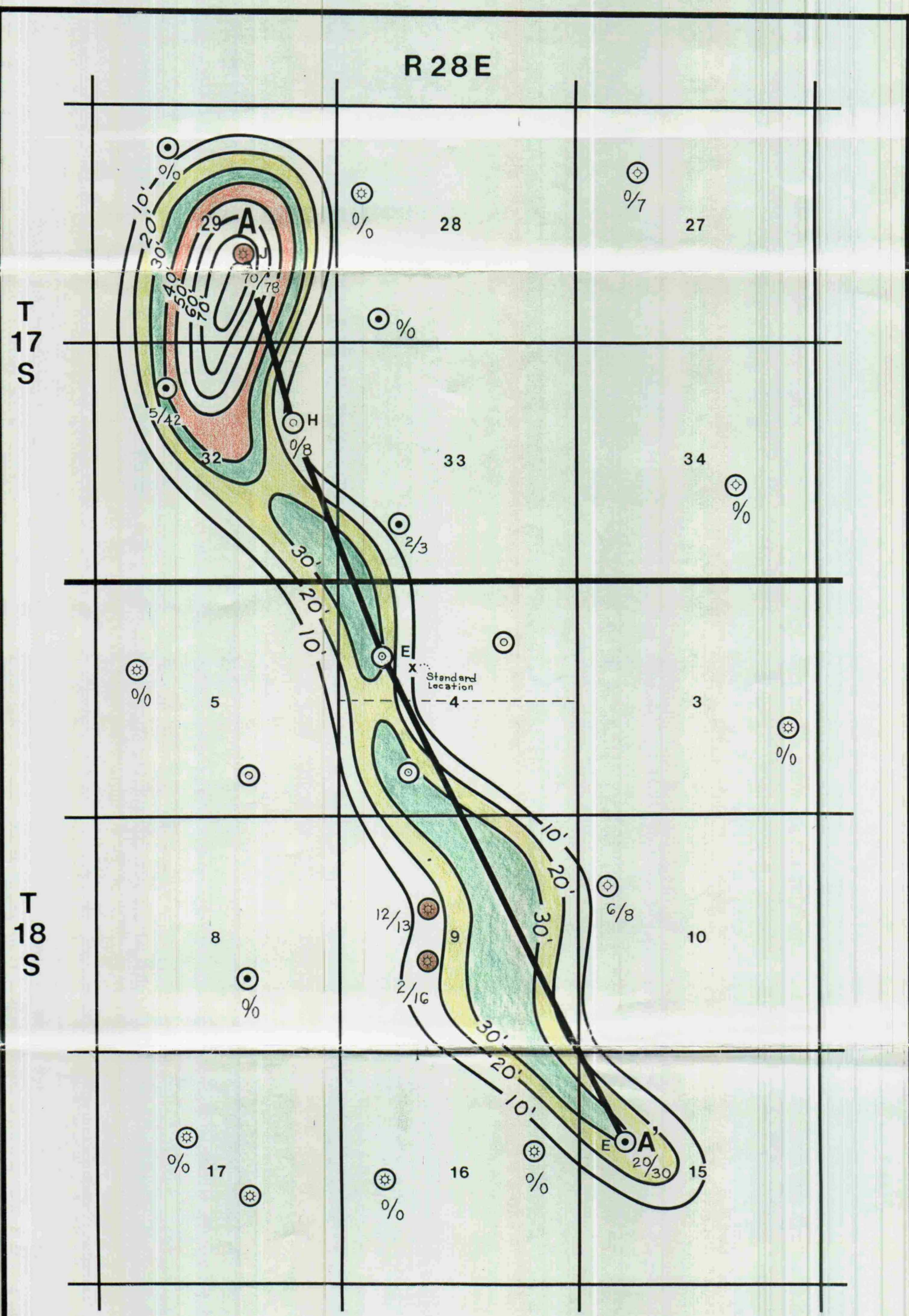
NET Ø ≥ 7%
GROSS SAND



C.I. = 10'

APRIL 1996

SCALE 1" = 2000'

RALPH MOORE



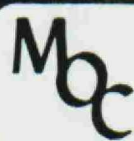
-  MORROW PENETRATION
-  BROWN SAND PRODUCTION

BEFORE THE
OIL CONSERVATION DIVISION
Santa Fe, New Mexico

Case No. 11533 Exhibit No. 10

Submitted by: Mewbourne Oil Company

Hearing Date: June 13, 1996



MEWBOURNE OIL COMPANY

MIDLAND, TEXAS DISTRICT

EAST SCOGGIN DRAW PROSPECT
EDDY COUNTY, NEW MEXICO

LOWER MORROW BROWN SAND

GROSS SAND ISOPACH

NET Ø ≥ 7%
GROSS SAND

C.I. = 10'

APRIL 1996

SCALE 1" = 2000'

RALPH MOORE

LARGE FORMAT
EXHIBIT HAS
BEEN REMOVED
AND IS LOCATED
IN THE NEXT FILE

LARGE FORMAT
EXHIBIT HAS
BEEN REMOVED
AND IS LOCATED
IN THE NEXT FILE

**BEFORE THE
OIL CONSERVATION DIVISION
Santa Fe, New Mexico**

Case No. 11533 Exhibit No. 12

Submitted by: Mewbourne Oil Company

Hearing Date: June 13, 1996