

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 Eugene E. Nearburg Ben A. Copass, Jr. Earl R. Bruno, Jr. Robert H. Marshall	75.00000% 10.28750% 2.21250% 6.25000% 6.25000% 100.00000%	(30 acres) (4.115 acres) (.885 acres) (2.5 acres) (2.5 acres) 40.00 acres
TRACT 2 NENW (LOT 3)		
Arco Permian Amoco Production Company	50.00000% 50.00000%	(20 acres) (20 acres)
TRACT 3 NWNE (LOT 2)		
Mewbourne Oil Company	100.00000%	(40 acres)
TRACT 4 E/2NE/4 (LOT 1 & SENE)		
Oxy USA Inc.	100.00000%	(80 acres)
TRACT 5 SWNE & SENW		
Mewbourne Oil Company	100.00000%	(80 acres)
TRACT 6 SWNW		
Nearburg Producing Company	100.00000%	(40 acres)

Examiner Stocker

Case No. 1533

EXHIBIT NO.

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Case No. <u>11533</u> Exhibit No. <u>2</u>

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 On Company	120.000	37.50000	
Oxy OSA Inc.	80.000	25.00000	Participating - Supports Mewbourne
Nearburg Producing Company	40.000	12.50000	
Fina Gil & Chemical	30.000	9.37500	Committed to Mewbourne
Arco Permian	20.000	6.25000	\checkmark
Amoco Producting Company	20.000	6.25000	\checkmark
Eugene E. Nearburg	4.115	1.28594	Farmed-Out to Mewbourne
Earl R. Bruno, Jr.	2.500	.78125	\checkmark ,
Robert H. Marshall	2.500	.78125	
Ben A. Copass, Jr.	.885	.27656	Farmed-Out to Mewbourne
Mary Mary Comment	320.000	100.00000	

<u>Summary</u>

 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

MEWBOUFINE OIL COMPANY AUTHORIZATION FOR EXPENDITURE

Prospect: Monow Test

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

Fleid: Scoggin Draw Morrow

Section: 4

Block:

Location: 1850' FNL & 990' FWL

County: Eddy

State: New Mexico

Township: 189 Flange: 28E Proposed Depth: 10,500'

County, Cooy	OIBIB: IABM MAXICO	Liohosea nebiii:	10,800
		Cost To	Completion
	DESCRIPTION	Casing Point	Cost
		AFE NO.	AFE NO.
	INTANGIBLE COST 180		
doo Pomils and Survey		500	800
301 Location, Honds on	d Surviva	18000	1000
302 Foolage or Tumkey		189000	
000 Day Work	County		0
Fuel, Water and Oil	1844 P	14000	0
305 Completion/Workey	101	18000	500
308 Mud and Chemical		35000	10000
307 Cementing	7	18000 26300	0
308 Logging and Wirelin	10	18000	35800
Casing-Tubing Serv	ilene	2100	8000
310 Mud Logging	1000	4800	7800
Testing		4300	0
312 Treating	· · · · · · · · · · · · · · · · · · ·	- 1	50000
313 Coiling		-)	00000
020 Transportation		1800	8100
321 Welding and Const	nicilou Labor	2000	400
Contract Supervision	11	2000	400
330 Equipment Pental	116	8000	5000
334 Woll/Loase Legal/T	8X	2800	Ü
995 Woll/Lease Insuran		9000	<u></u>
350 Intangible Supplies		250	250
360 Pipeline FlOW and			3000
387 Ppellne Interconne			0000
375 Company Supervis		20000	10000
300 Oyerhead Fixed He	10	6000	5000
399 Contingencies		7053	2865
	Total Intangibles	\$359,703	8148,115
	•	φουσ, του	0140,110
	TANGIBLE COST 181		<u>,</u>
Conductor Casing		0	
Surface Casing	13 3/8' @ 400' +/-	8400	
Intermediate Casing		28000	
Production Casing	5 1/2' @ 10,500'	<u>0</u>	55000
Production Casing Tubing	2 7/8' @ 10,500'	— l—— ö	20900
800 Dilling Head	27/8 (# 10,500	3700	20000
805 Tubing lead		0,00	2500
870 Upper Section		$ \frac{0}{0}$	4000
876 Sücker Rods		' ö	
190 Packer, Pump & Ol	har Suhsuilaca	<u> </u>	7000
885 Pumping Unit & Pri	me Mover + Electricity	<u></u>	
890-1 Tariks (Steel & Flbi		- 0	6000
894-5 Separation Equipm	ent (Ilred, Non-Ilred)	0	8500
098 Metering Equipmen	11	0	4200
1100 Line Pipe		0	9000
905 Valves		0	2000
906 Miscellaneous Fittle	nas & Accessories	o o	8000
910 Production Equipment		Ō	4000
920 Pipeline Construct		ō	20000
	Total Tangibles	\$39,100	8185,100
Dala Panarati Cab a 1000	SUBTOTAL	\$397,803	8311,219
Date Prepared: Feb. 2, 1996		\$70 \(\psi\) ,018	1 1011/210
Prepared By: Bill Plaice	TOTAL WELL COST	\$70\$.018	
, ,		3	ī
Company Approval:	Water	1 9	
Company Approval: Hey	Marts	9	
Company Approval: Hay Date Approved: 37: Julint Owner Approved:	Mats 196	9	

Joint Owner Interest: Joint Owner Amount:

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

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

District Landman Examiner____

Case No.

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

Howe OW

Steve Cobb

District Landman

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

WE ON

Steve Cobb District Landman

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

Shur GN

MEWBOURNE OIL COMPANY **AUTHORIZATION FOR EXPENDITURE**

Prospect: Morrow Test

Fleld: Scoggln Draw Monow

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

Location: 1850' FNL & 990' FWL

ge: 28E

Section: 4	Block:	Township: 189	Flange: 2
County: Eddy	State: New Mexico	Proposed Depth	•
			· * · · · · · · · · · · · · · · · · · ·
j		Coet To	Trans.

		Cost To	Completion
ł	DESCRIPTION	Casing Point	Cost
		AFE NO.	AFE NO.
************************************	INTANGIBLE COST 180		
300	Pounits and Surveys	500	800
301	Location, Honds and Surveys	18000	1000
302	Foolage or Tumkey Dilling	189000	
503	Day Work	14000	0
304	Fuel, Water and Other	~***** *******************************	0
305	Completion/Workover Filg	16000	10000 10000
308	Mud and Chemicals	18000	10000
307	Cementing	26300	35800
308	Loggling and Whelline	16000	8000
300	Casing-Tubing Services	2100	7800
310	Mud Logging	4800	
311	Testing	4300	0
312	Treating	1500	
313	Coiling		50000
320	Transportation	1800	B100
321	Welding and Construction Labor	2000	400
322	Contract Supervision	2000	400
330	Equipment Rental	8000	<u> </u>
334	Well/Loase Legal/Tex	2800	0000
335	Well/Lease Insurance	9000	5
350	Intangible Supplies	250	250
360	Pipeline Flow and Easements	0	3000
387	Pipeline interconnect	- -	3000
375	Company Supervision	2000	10000
300	Overhead Fixed Flate	5000	5000
399	Contingencies	7053	2865
033			
	Total lutangibles	\$359,703	8148,115
	TANGIBLE COST 181		!
	Conductor Casing	0	o)
[Surface Casing 13 3/8 @ 400 +/-	8400	<u> </u>
	Intermediate Casing 9 5/8 @ 2600' +/-	28000	0
·	Production Casing 5 1/2" @ 10,500'	0	55000
	Production Casing	Ü	ō
	Tubing 2 7/8' @ 10,500'		20900
800	Drilling Head	3700	()
865	Tubing Head	Ü	2500
870	Upper Section	-1	4000
878	Sucker Rods	Ö	0
080	Packer, Pump & Other Substillace	<u> </u>	7000
885	Pumping Unit & Prime Mover Electricity	<u> </u>	ō
800-1	Tanks (Steel & Floorglass)	5	8000
894-6	Separation Equipment (fired, Non-fired)	Ü	8500)
<u> 686</u>	Metering Equipment	Ö	4200
DOX)	Line Pipe	Ö	9000
905	Valves	Ō	2000
900	Miscellaneous Fittings & Accessories	0	8000
910	Production Equipment Installation	Ō	4000
920	Pipeline Construction	0	20000
I	Total Tangibles	\$38,100	8165,100
Date De		\$397,803	\$311,215
	· · · · · · · · · · · · · · · · · · ·	\$709,016	1
Liebale	d By: Bill Plaice TOTAL WELL COST	\$7.00,01 8	
	$\lambda \lambda = \lambda / (\lambda^2)$		

Company Approval: Hey Warts

Date Approved: 272/9/6

Joint Owner Approval:

Joint Owner Approval:

Joint Owner Interest: Joint Owner Amount:

500 W. TEXAS, SUTTE 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 II. 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:

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

Some M

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 II. 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:

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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

Strik M

SC/gb

MEMBOURNE OIL COMPANY AUTHORIZATION FOR EXPENDITURE

Prospect: Morrow Test

Well Name and No: Scoggin Draw 14 Stute #1

Fleld: Scogglii Draw Monow Location: 1650' FNL & 990' FWL

Soction: 4

Block

Tawnship: 188

County: Eddy

State: New Mexico

189 Flange: 28E Proposed Depth: 10,500'

000 301 302	UESCRIPTION INTANGIBLE COST 180 Ponnils and Surveys Location, Noads and Surveys		Completion Cost VE NO.
301 302	INTANGIBLE COST 180	AFE NO.	
301 302	Pounts and Surveys		VENO.
301 302	Pounts and Surveys		
301 302	Pounts and Surveys	1	
301 302		500	800
302	U OCHOOL. LIONOS DNA SULVOVA	18000	OXUI
	Foolage of Tunkey Dilling	109000	
32 7. 1	Day Work	A THE CONTRACTOR OF STREET AND ADDRESS OF THE CONTRACTOR OF THE CO	0
304	Fuel, Water and Other	14000	0
308	Completten/Workerer Flg	18000	600
JOH	Mud and Chemicals	18000	10000
307	Cementing	26300	<u>0</u>
308	Logging and Wireline	18000	8000
iiiii	Cushiy-Tubling Services	2100	7800
310	Mud Logging	4000	7600
311	Tusting	4300	- -
312	Treating		<u> </u>
513	Colleg	<u>\$</u> -	00000
050	Transportation	1800	6100
321	Welding and Constitiction Labor	2000	400
322	Contract Supervision	2000	400
330	Equipment Nental	BOUD	8000
334	Woll/Loaso Logal/Tax	- SB(X)	0000
335	Woll/Lease Insurance	0000	
350	hitinghlo Bupphos	250	260
360	Pipeline FIOW and Ensements	- <u>~~</u>	3000
307	Mpalino liitoreoimeet		()
376	Company Supervision	20000	70000
300	Ovulnend Fixed Hate	6000	5000
399	Colilingencies	7093	2005
	The second secon]	
	Total Intangibles	\$359,703	8140,115
	TANGIBLE COST 181	1	y
	Conductor Casing	0	U
	Builage Casing 13 3/8' @ 400' +/-	8400	Ö
~	Intermediate Caring 9 8/8 (2000 1/-	28000	()
	Froduction Casing 5 1/2 @ 10,500'	- O	55000
	Production Casing	Ü	Ö
	Tubling 2 7/8' @ 10,500'	Ü	20900
000	Dilling Head	3700	
805	Tubing Head	0	2500
070	Upper Section	0	4000
076	Bückor Hods	Ü	0
000	Packer, Pump & Other Subsurface		7000
006	Pumping Unit & Pilmo Mover Electricity	$\begin{bmatrix} \overline{0} \\ \overline{0} \end{bmatrix}$	0 8000
800-1 631-6	Tanks (Sibol & Fiberglass)	$-\left[-\frac{0}{0}\right]$	8500
894-8 090	Separation Equipment (flied, Non-flied) Metering Equipment	- 0	4200
()(X) osa	Clio Pipo		5 000
905	Velves		2000
<u>800</u>	Miscellaneous Fillings & Accessories		8000
800 910	Production Equipment Installation	- 0	4000
910 920	Pipeline Construction	"	20000
UZV	Total Tangloles	\$39,100	8185,100
•	By: Bill Place SUBTOTAL By: Bill Place 3	\$397,803 \$700,01 6	8311,215

Company Approval:

Date Approved:
Joint Owner Approvel:

JOINT OWNER VEDIOARI

Joint Owner Interest: Joint Owner Amount:

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,

Mewbonrue/Øil Company

Author

Paul Haden

Landman

PH/kls							
AGREED	to	and	accepted	this	 day	of	 1993.
By:							

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

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 clapse 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

Shur CM

MEWBOURINE OIL COMPANY AUTHORIZATION FOR EXPENDITURE

Prospect: Monow Test

Flold: Scoggln Draw Morrow Location: 1850' FNL & 880' FWL

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

Block:

Township: 188

Flange: 28E

County: Eddy

State: New Mexico

Proposed Depth: 10,500'

		Cost To	Completion
	DESCRIPTION	Casing Point	Cost
		AFE NO.	AFE NO.
	INTANGIBLE COST 180		
300 J	L'ornils and Surveys	500	900
30 i -	Location, Honds and Surveys	18000	1000
302	Foolage of Turnkey Dilling	000000	Ö
505 li	Day Work	14000	-
304	Fuel, Water and Other	16000	500
308 li	Completion/Workdver Mg	10000	10000
	Mud and Chemicals	18000	()
	Cementing	26300	36600
	Logging and Wireline	18000	8000
300	Casing-Tubing Services	2100	7800
	Mud Logging	4800	
311	Tosting	4300	0
	Treating	-	50000
	Colleg	-	00000
	Transportation	1800	8100
	Welding and Construction Labor	2000	400
522 l	Contract Supervision	-	40V
330 li	Equipment Rental	6000	5000
	Woll/Loase Legal/Tex	2800	0000
	Well/Lease Insurance	9000	<u> </u>
	hungible Bupplies	250	250
	Pipaline FOW and Easements		3000
307	Tipaline intercomect	<u>0</u>	3000
376	Company Supervision		70000
300	Overhead Fixed Hate		
		6000	5000
288	Colitingencies	7053	2965
1	Total Intangibl es	\$359,703	8140,115
1	TANGIBLE COST 181		!
1,	Conductor Casing	0	υ
	Surface Casing 13 3/8 @ 400' +/-	6400	ő
	Intermediate Casing 9 5/8' @ 2000' +/-	28000	<u>ö</u>
	Production Casing 5 1/2 @ 10,500	20000	55000
	Production Casing	-	00000
	Tubing 2 7/8' @ 10,500'	-1 -	20900
	Drilling Head	3700	0
	Tubling Hend	- <u>"</u>	2500
	Upper Section	<u> </u>	4000
	Sticker Rods	-	0
	Packer, Pump & Other Substillace	- - ō	7000
	Pumping Unit & Pilme Mover + Electricity	<u></u>	ō
800-1	Tanks (Steel & Fluerglass)	0	8000
894-5	Separation Equipment (ilred, Non-flied)	Ö	8500
190	Metering Equipment	Ü	4200
icki	Line Pipe	0	9000
905	Valves	0	2000
	Miscellaneous l'ittings & Accessories	Ū	9000
::::	Production Equipment Installation	Ö	1000
310 H	Pipeline Construction	- l ö	20000
		\$38,100	8185,100
	17)(11111111111111111111111111111111111	# #50(100	
920 JI	Total Tangibles	6007 000	1 6411.016
920 Dale Prepa	red: Feb. 2, 1996 SUBTOTAL	\$397,803	9311,215
920 Dale Prepa	ired: Feb. 2, 1996 SUBTOTAL by: Bill Plaice TOTAL WELL COST	\$397,803 \$700,01 8	9311.215
920 Dale Prepa Prepared 8	ired: Feb. 2, 1996 SUBTOTAL by: Bill Plaice TOTAL WELL COST		9311,215
320 Dale Prepa Prepared B Company A	ired: Feb. 2, 1996 SUBTOTAL by: Bill Plaice TOTAL WELL COST		9311,215
320 Dale Prepa	Approval: Rey Warts		9311,215

Joint Owner Interest: Joint Owner Amount:

Earl R. Bruno

PH.

JUL 1 1 1993

July 9, 1993

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

Attention: Paul Haden

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

RE! 2.5 NET ACRES; 6.25 %.WE; 4.7855156 %.NRI.

EARL R. BRUNO, JR.

500 W, TEXAS, SUFFE 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,

Mewboyfne/gil gompany

/Paul Haden Landman

p	П	1	k	1	c
r	11	1	ĸ	ı	-

AGREED	to	and	accepted	this	 day	of	 1993.
Ву:							

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,

MEWBOURNE OIL COMPANY

Steve Cobb

District Landman

Shor M-

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

Some (M-

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

Shor ON

Steve Cobb District Landman

500 W. TEXAS, SUHE 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 PermianP.O. Box 1610Midland, Texas 79702Attention: 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

Azwi GA

Steve Cobb

District Landman

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.

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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

Struz CM

SC/gb

MEMBOURNE OIL COMPANY AUTHORIZATION FOR EXPENDITURE

Prospect: Monow Test

Fleld: Scogglii Draw Morrow

Well Hame and No: Scoggli Draw *4* Shitu #1

Lucation: 1650' FNL & 990' FWL

Boction: 4

Dłock:

Township: 189

Range: 28E

	Count	γ:	Ed	dy
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State: New Mexico

Proposed Depth: 10,500'

	4 - 4 - 4 - 4 - 4 - 4 - 4 - 4 - 4 - 4 -		
		Cost To	Completion
	DESCRIPTION	Casing Point	Cost
		AFE NO.	AFE NO.
	INTANGIBLE COST 180		- W C 1101
cteres			·
000	Penalts and Surveys	500	000
301	Location, florids and Surveys	18000	1000
302	Loolage of Turnkey Dillling	100000	Ü
000	Day Work	14000	Ü
304	Fuel, Waler and Other	16000	600
306	Completton/Workever Mg	Ö	10000
300	Mud and Chemicals	18000	Ü
307	Cementing	26300	96000
308	Logging and Wirelina	18000	8000
300	Casing-Tubing Services	2100	78(X)
310	Mud Logging	4000	ō
311	Tosting	4300	6
312	Treating	Ō	50000
513	Corling	Ō	Ď
020	Transportation	1600	6100
321	Welding and Constitution Labor	2000	400
322	Welding and Constitution Labor Contract Supervision	0	Ö
330	Equipment Mental	BOTTO	8000
334	Woll/Loaso Logal/Tax	28(X)	Ü
336	Well/Lease Institution	9000	ξ
350	Intangible Supplies	250	26Q
360	Pipeline NOW and Ensaments	- l	3000
307	Pipalino interconnect	ŏ	6
376		- DIXXIS	70000
300	Company Supervision Overhead Fixed Nate	6000	5000
399 399	Collingencies	7053	2985
088	The state of the s		
	Total Intangibles	\$359,700	8148,115
	181 1800 ETHIONAL		<u>'</u>
	Conductor Casing	0	U
•	Suiface Casing 13 3/8' @ 400' +/-	8400	0
	Intermediate Casing 9 8/8" @ 2000 1/-	28000	Ü
	Production Casing 5 1/2 @ 10,500'	- l	55000
	Production Casing	0	<u>0</u>
	Tubing 2 7/8' @ 10,500'		20900
000	Littling Head	3700	()
905	Tubing Hend	Ü	2500
870	Upper Section	$ $ $ \overline{0}$	4000
876	Siicker Fkos	- l ö	δ
000	Packer, Pump & Ollier Substituce	- " "	7000
000 006	Pumping Unit & Pilmo Mover Electricity	- <u>ö</u>	<u> </u>
800-1	Tanks (Steel & Fiberglass)	-l	8000
694-6	Separation Equipment (flied, Non-flied)		8600
090	Metering Equipment	- l ö	4200
1900	Line Pipe	<u> </u>	9000
905	Valves	0	2000
	Miscellaneous Fluings & Accessories	0	8000
000	Miscenanevina i mulida or Accopacitica	$- \frac{\delta}{\delta}$	1000
910	Production Equipment Installation	- - 0	20000
820	Pipeline Construction		[
	Total Tangibles		The street of th
Dala Pra	pared: Feb. 2, 1996 SUBTOTAL	\$397,803	8311,215
•		\$700,018	
Dale Prej	Total Tangibles	\$39,100 \$397,803	8165,1

Company Approval: Key Warts
Unite Approved: 272/46
John Owner Approval:

Joint Owner Interest: John Owner Amount:

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

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,

MEWBOURNE OIL COMPANY

Drug Un

Steve Cobb District Landman

SC/gb

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:

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MEWBOURNE OIL COMPANY

Steve Cobb District Landman

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUTTE 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,

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 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.

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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 Midfand, 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

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

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

Sincerely,

MEWBOURNE OIL COMPANY

Steve Cobb

District Landman

Shur CM

SC/gb

MEWBOURNE OIL COMPANY AUTHORIZATION FOR EXPENDITURE

Prospect: Monow Test

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

Soction: 4

Block:

Fletd: Scoggin Draw Morrow Location: 1850' FNL & 990' FWL

Township: 189

County: Eddy

State: New Mexico

p: 188 Flange: 28E Proposed Depth: 10,500'

,		Cost To	Completion
	DES CRIPTION	Casing Point	Cost
		AFE NO.	AFE NO.
	INTANGIBLE COST 180		
000	Penalts and Surveys	500	800
301	Location, Honds and Surveys	18000	1000
302	Footagii or Tumkey Dilling	188000	
505	Day Work	14000	0
304	Fuel, Water and Other	18000	500
305	Completion/Workdver flig	10000	10000
300	Mud and Chamicals	18000	0000
307	Cementing	28300	35600
008	Logging and Wheline	18000	8000
309	Casing-Tubing Bervices	2100	78(N)
310	Mud Logging	4600	o l
311	Tosting	4300	6
312	Treating	ō	50000
313	Colling	Ô	Ö
320	Transportation	1800	8100
321	Welding and Construction Labor	2000	400
522 738	Contract Supervision	0	Ü
330	Equipment Nental	Bonn	8000
534 535	Well/Loase Logal/Tax	5000	0
350	Well/Lease Insurance	9000	<u>b</u>
	Intangibio Suppiles	250	250
367	Pipeline flow and Ensements		3000
367 375	Pipalina interconnact	1777777	()
360	Company Supervision Overhead Fixed Mate	(KXX)S	10000
		5000	5000
399	Cohlingencies	7053	2005
l	Total lutangibles	\$359,703	8140,115
	TANGIBLE COST 181		!
	Conductor Casing	O	O l
· 	Surface Chaling 13 3/8" @ 400" +/-	8400	Ö
	Intermediate Casing 9 5/8' @ 2000' +/-	29000	Ō
	Production Casing 6 1/2' @ 10,500'	Ü	55000
	Production Casing	Ü	Ö
	Tubing 2 7/8' @ 10,500'	Ü	20900
000	Dilling Flead	3700	0
805	Tubing Head	0	2500
870	Upper Section	0	4000
8/6	Slicker Rods	Ü	D
000	Packer, Pump & Ollier Subsuitace	Ō	7000
005	Pumping Unit & Pilmo Mover + Electricity	0	8000
000-1	Tanks (Stool & Fluorglass)		
894-B	Separation Equipment (flied, Non-flied)	0	8500 4200
080 1100	Metering Equipment	-	9000
	Line Pipe	-1	2000
905	Velves	$ \frac{v}{0}$	8000
900	Miscellaneous Flitings & Accessories		4000
910	Production Equipment Installation	<u>0</u> .	28000
920	Pipeline Construction		
	Total Tangibles	\$39,100	8185,100
15.1. 15	pared: Feb. 2, 1996 SUBTOTAL	\$ 397,80 3	8311,215
1911 BIBLI	pared: Feb. 2, 1990 SUBTOTAL	\$700,018	I

Company Approval: Ray Carta Uate Approved: 272/9 (e Johnt Owner Approval:

Joint Owner Interest: Joint Owner Amount:

Memo

John Lodge advised him wice is not interested in Allins on Jarming out their interest. 7-16-93

811 W. MISSOURI

MIDLAND, TEXAS

(915) 682-6301

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, 🖒. 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

AFFIDAVIT, Page 2

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. TRUJ:LLO

PAUL R OWEN

JACK M. CAMPBELL

OF COUNSEL

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.

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.

WILLIAM F. CARR

ATTORNEY FOR MEWBOURNE OIL COMPANY

WFC:mlh

PEE EEE 111 9

	Receipt for
>	Certified Mail
	No Insurance Coverage Provided
	Do not use for international Mail

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Phillips Petro	
4001 Penbroo	k
Odessa, TX	79762
[P] X	
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		8. Addressee's Ad and fee is paid)	7. Date of Delivery	☐ Return Re	☐ Express Mail	☐ Registered	4b. Service Type	PIII	4a. Article Number	1100 0010	number.	does not	can return this	
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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

SANTA FE, NEW MEXICO 87504-2208

**ELEPHONE (505) 988-4421

**ELECOPIER (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.

Marathon Oil Company

Attn: Randal Wilson April 25, 1996

Page 2

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Very truly yours.

WILLIAM F. CARR

ATTORNEY FOR MEWBOURNE OIL COMPANY

WFC:mlh

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une 199	in: Anomis Date Delivered Petitin Heldert Snowing to Whom Date land Andressee's Address	
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6. Signature: (Addresses of Agent) X: M. L.		Alth: Kandal Wilson		Milliand TV 70700	Post Office Box 552	Marathon Oil Company		delivered.	The Return Receipt Requested on the malipiece below the article number. The Return Receipt will show to whom the article was delivered and the date.	 Attack this form to the front of the mallpiece, or on the back if space does not negrate 	 Complete items 3, 4s, and 4b. Print your name and address on the reverse of this form so that we can return this part for our 	SENDER: Complete items 1 and/or 2 for additional services.
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CAMPBELL, CARR, BERGE

& SHERIDAN, P.A.

LAWYERS

WICHAEL 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

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.

Tom L. Ingram 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,

WILLIAM F. CARR

william of

ATTORNEY FOR MEWBOURNE OIL COMPANY

WFC:mlh

111 333 541 Receipt for **Certified Mail** No Insurance Coverage Provided Do not use for International Mail Sent to Tom L. Ingram Post Office Box 1757 Street -Roswell, NM 88202-1757 PO S Postage Certified in Restricted Delivery -ee Beturn Henelot or naing PS Form 3800, June 1991 Return Helle of Showing to And Cate in did dignesses a Address \$ Postmark .1 Jate APR 25 1996

Is your <u>RETURN ADDRESS</u> completed on the reverse side? 5. Received By: (Print Name) Roswell, NM 88202-1 Post Office Box 1757 fom L. Ingram Article Addressed to: Form **3811**, December 1994 int your name and address on the reverse of this form so that we can return this Return Receipt for Merchandise Express Mail Addressee's Address (Only if requested . Date of Delivery and fee is paid) Registered Service Type Domestic Return Receipt I also wish to receive the following services (for an extra fee): Consult postmaster for fee Restricted Delivery Addressee's Address Certified
Insured
COD 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

DEFFERSON PLACE
SUITE - 10 NORTH GUADALUPE
POST OFFICE BOX 220B
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE .505) 988-4421
TELECOP ER 1505) 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 Unorthodox Gas Well Location, Eddy County, New Mexico

Dear Mr. Bruno:

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.

Earl L. Bruno, Jr. April 25, 1996 Page 2

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Very truly yours,

WILLIAM F. CARR

ATTORNEY FOR MEWBOURNE OIL COMPANY

WFC:mlh

Receipt for Certified Mail No Insurance Coverage Provided Do not use for International Mail

•

Is your <u>RETURN ADDRESS</u> completed on the reverse side?

■ Complete items 1 and/or 2 for additional services.		I also wish to receive the
■Complete items 3, 4a, and 4b. ■Print your name and address on the reverse of this form so that we can return this	can return this	following services (for an extra fee):
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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
WILL AM F CARR
BRADFORD C BERGE
MARK F SHERIDAN
MICHAEL H FELDEWERT
TANNIS L. FOX
"ANYA M TRUJILLO
PAUL R. OWEN

JACK M. CAMPBELL
OF COUNSEL

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.

Exxon Corporation Attn: Doug Laufer April 25, 1996

Page 2

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Very truly yours.

WILLIAM F. CARR

ATTORNEY FOR MEWBOURNE OIL COMPANY

WFC:mlh

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& SHERIDAN, P.A.

LAWYERS

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BRADFORD C. BERGE
MARK F SHERIDAN
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PAUL R. OWEN

JACK M. CAMPBELL
OF COUNSEL

SANTA FE. NEW MEXICO 87504-2208

*ELEPHONE (505) 988-4421

*ELECOPIER (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.

Fina Oil and Chemical Company

Attn: Eric Hanson April 25, 1996

Page 2

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Very truly yours.

WILLIAM F. CARR

ATTORNEY FOR MEWBOURNE OIL COMPANY

WFC:mlh

	Receipt for Certified M No Insurance Co Do not use for in Fina Oil and Post Office B Midland, TX Attn: Eric Ha	verage Provided of ternational Mail Chemical Co. Box 2990
ļ	Postage Certified Fire	\$ \$
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ine 1991	Return Receipt Showing to Whom is Date Delivered. Return Receipt Showing to Whom Date, and Addresses is Address.	
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rithis vice T vi	PS Form 3811 , December 1994	6. Signature: (Addugesee or Agent) X	5. Received By: (Print Name) 8. Adv		Midland, TX 79702 \square \square	0	Fina Oil and Chemical Company 4b. s	3. Article Addressed to: 4a. A	delivered.	 Write 'Return Receipt Requested' on the mailpiece below the article number. The Return Receipt will show to whom the article was delivered and the Article 	Attach this form to the front of the mailpiece, or on the back if space does not negroit	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.	■ Complete items 1 and/or 2 for additional services.
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Thank you for using Return Receipt Service.

is your <u>RETURN ADDRESS</u> completed on the reverse side?

CAMPBELL, CARR, BERGE



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

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.

Robert H. Marshall April 25, 1996 Page 2

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Very truly yours,

WILLIAM F. CARR

ATTORNEY FOR MEWBOURNE OIL COMPANY

WFC:mlh

P 111 333 545



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

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Thank you for using Return Receipt Service.

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

LAWYERS

MICHAEL B CAMPBELL
WILLAM 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 - C 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.

OXY USA, Inc.

Attn: Kent Woolley

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,

WILLIAM F. CARR

ATTORNEY FOR MEWBOURNE OIL COMPANY

WFC:mlh

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

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

LAWYERS

MICHAEL B CAMPBEL

WILLIAM F CARR

BRADFORD C BERGE

MARK F SHERIDAN

MICHAEL H FELDEWERT

TANNIS L FOX

TANYA M TRUJILLO

PAUL R OWEN

JACK M CAMPBEL

OF COUNSEL

SANTA FE. NEW MEXICO 87504-2208
TELEPHONE 5051 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.

Nearburg Exploration Company

Attn: Bob Shelton 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,

WILLIAM F. CARR

ATTORNEY FOR MEWBOURNE OIL COMPANY

WFC:mlh

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

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

LAWYERS

MICHAEL B CAMPBEL

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

SOUTE - 10 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.

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.

Amoco Production Company

Attn: Mr. Jerry West

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,

WILLIAM F. CARR

ATTORNEY FOR MEWBOURNE OIL COMPANY

WFC:mlh

Enc.

P 326 931 972

US Postal Service

Receipt for Certified Mail

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

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April 1995	Return Receipt Showing to Whom & Date Delivered	
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Thank you for using Return Receipt Service.

CAMPBELL, CARR, BERGE 8 SHERIDAN, P.A.

LAWYERS

MICHAEL B CAMPBELL
WILLAM 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

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.

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ARCO Permian

Attn: Mr. Lee Scarborough

May 7, 1996

Page 2

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Very truly yours,

WILLIAM F. CARR

ATTORNEY FOR MEWBOURNE OIL COMPANY

WFC:mlh

Enc.

P 326 931 942

US Postal Service Receipt for Certified Mail No Insurance Coverage Provided

ARCO Permian

Post Office Box 1610

Midland, TX 79702

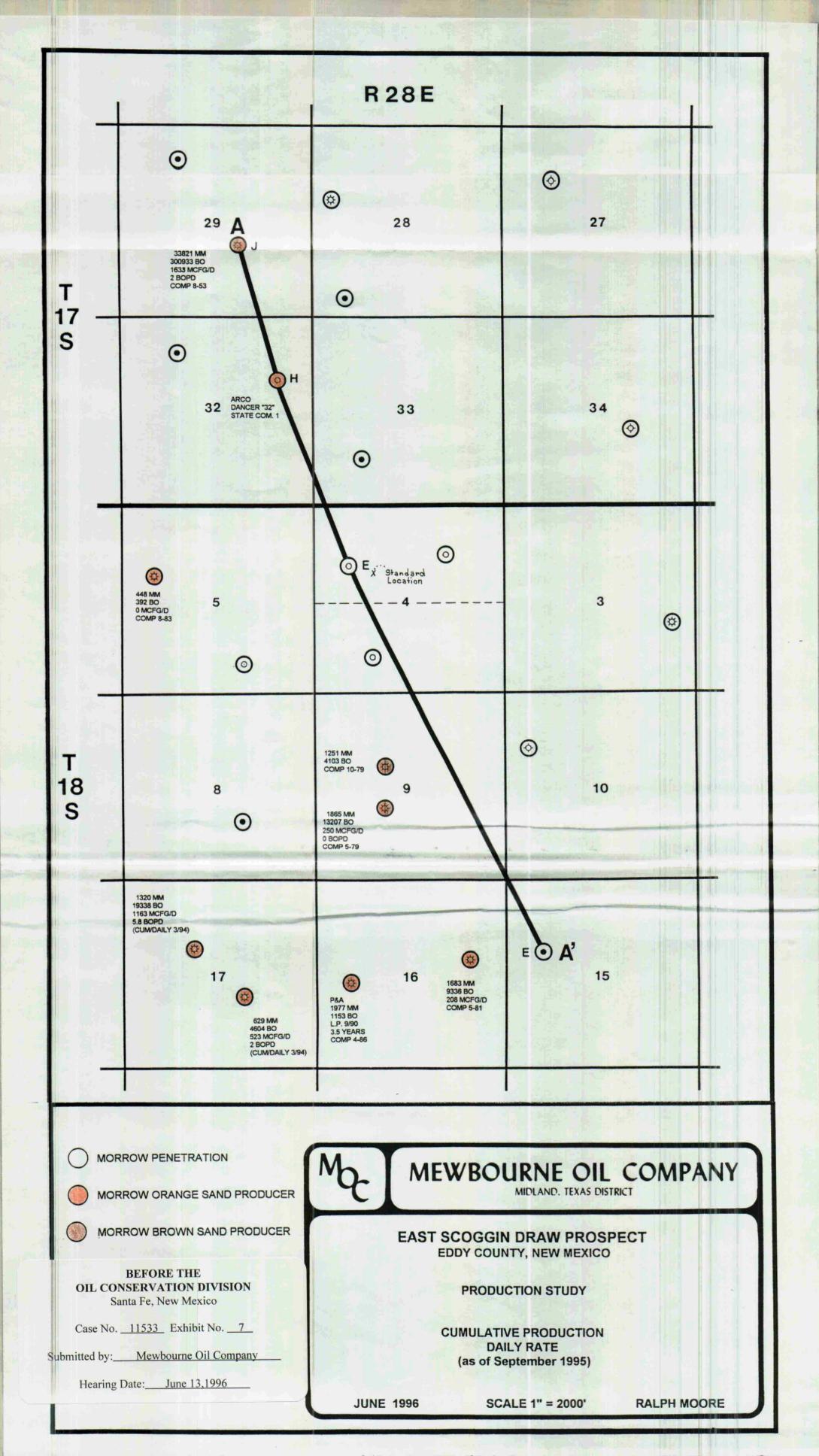
Attn: Mr. Lee Scarborough

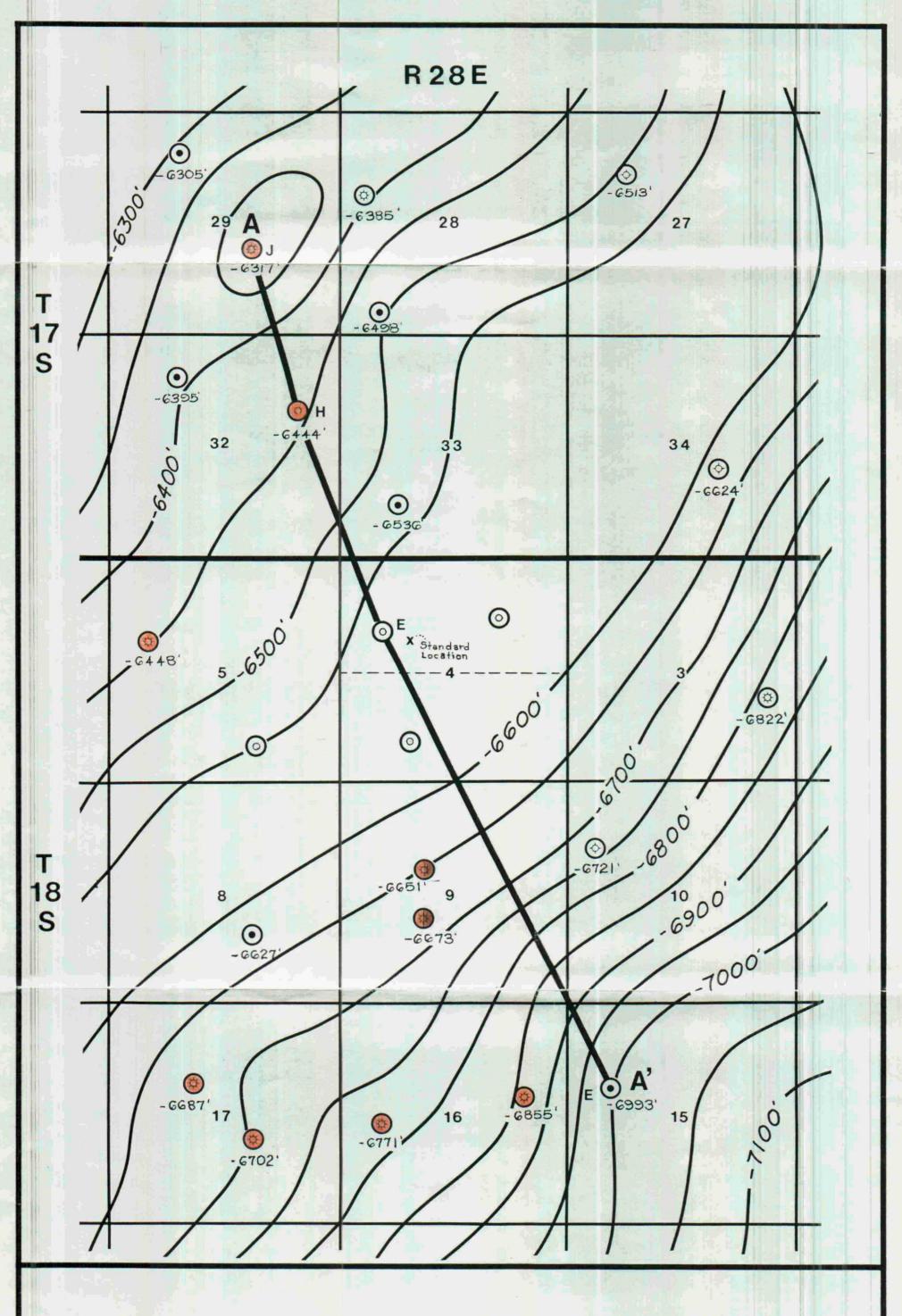
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PS Form 3800,	Postmark or Date May 7,	1996

is your <u>RETURN ADDRESS</u> completed on the reverse side?

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Thank you for using Return Receipt Service.





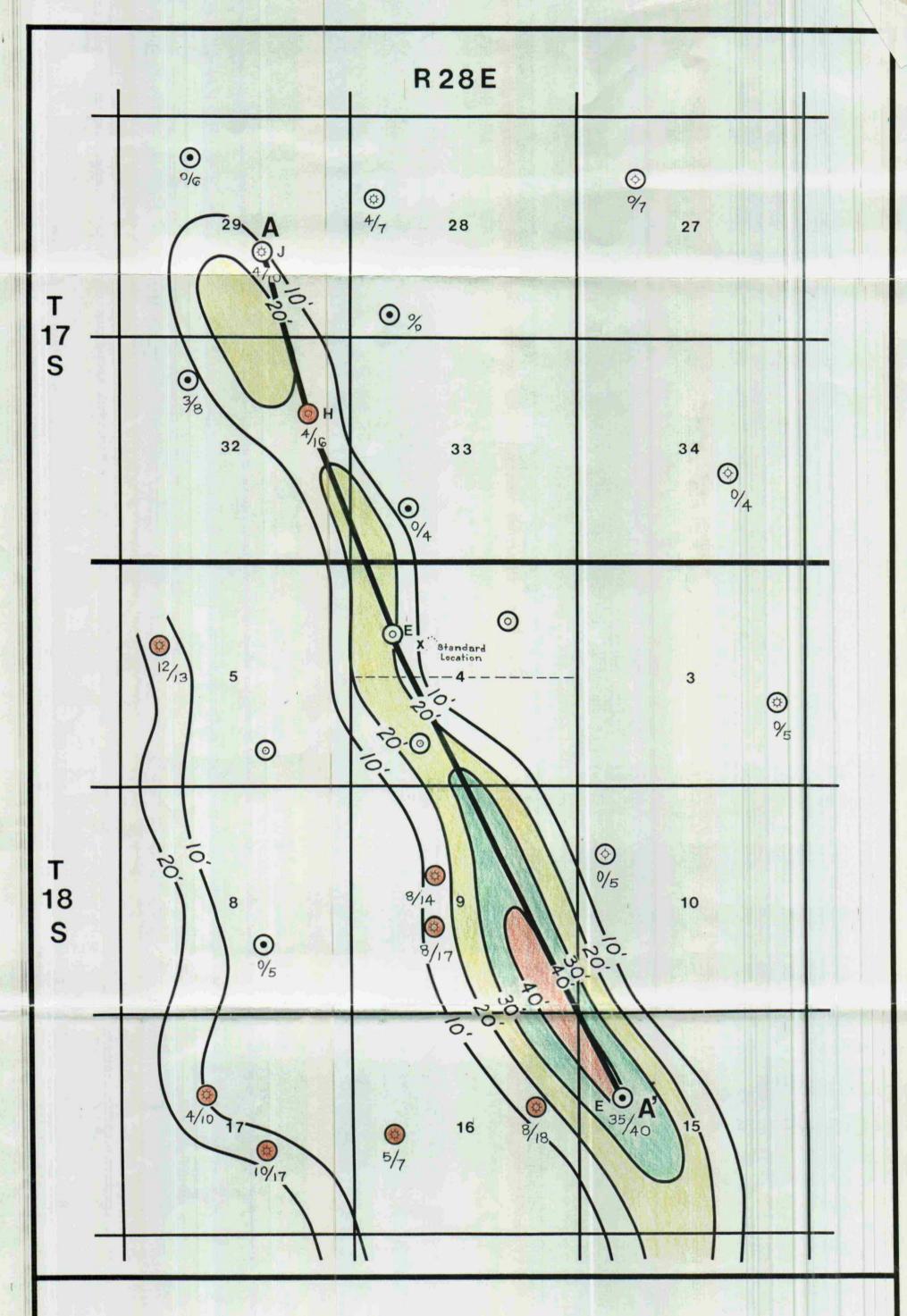


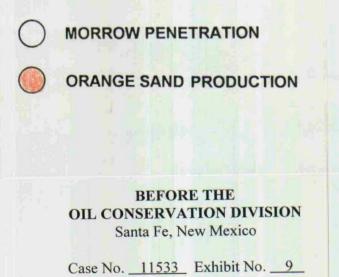
Case No. __11533 Exhibit No. __8

Submitted by: ____Mewbourne Oil Company

Hearing Date: June 13,1996

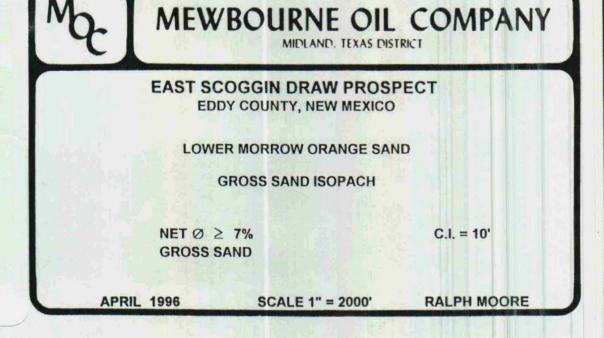


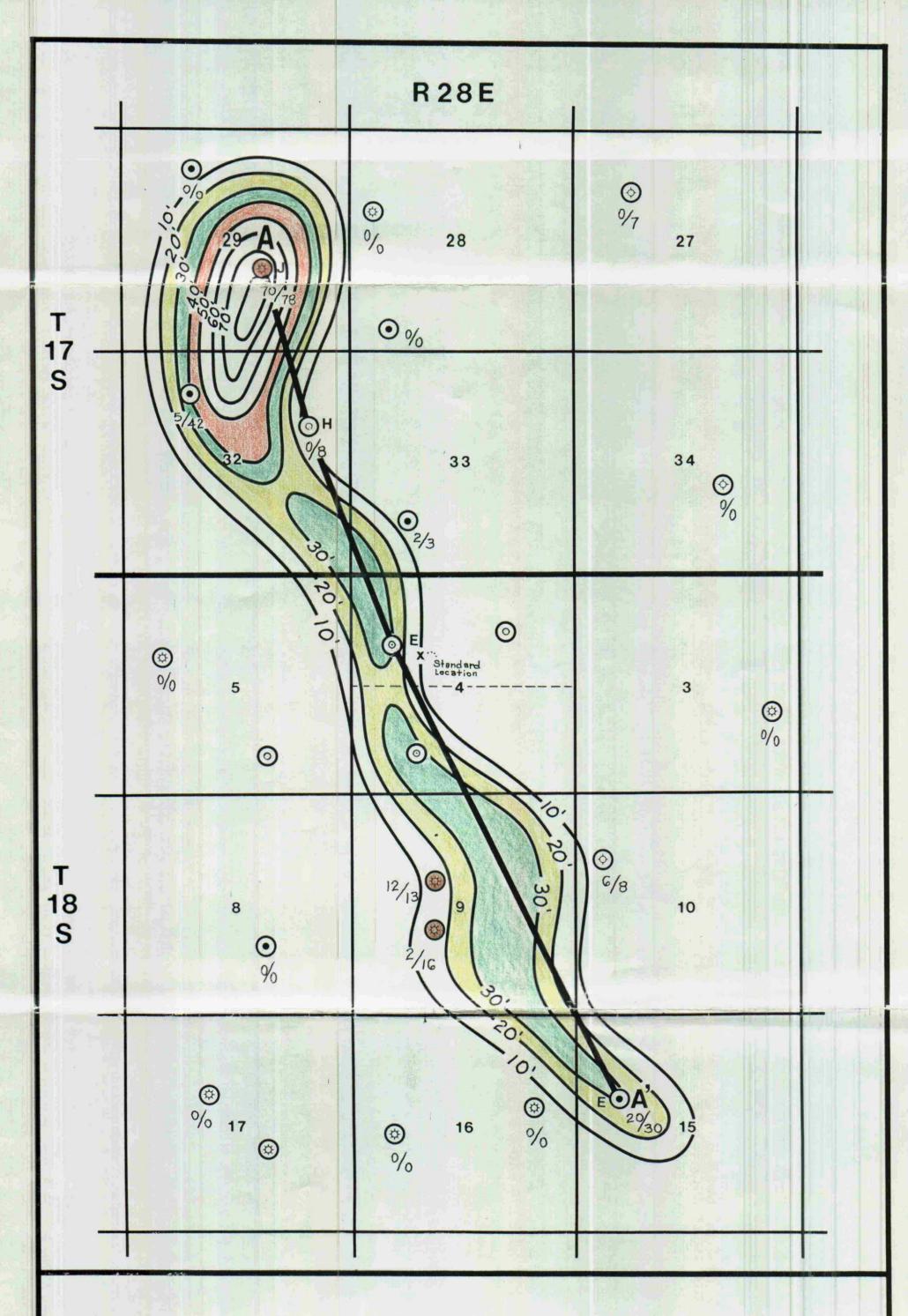


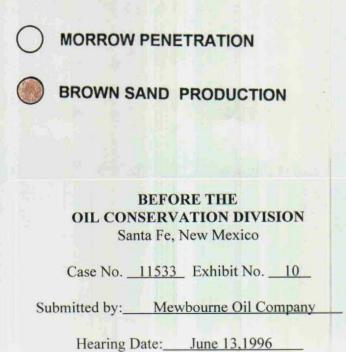


Submitted by: Mewbourne Oil Company

Hearing Date: June 13,1996









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

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Case No. <u>11533</u> Exhibit No. <u>12</u>

Submitted by: Mewbourne Oil Company

Hearing Date: June 13,1996